

Post-Grant for Practitioners

The logo consists of the letters 'FR' in a bold, white, sans-serif font, set against a teal-colored square background that is tilted slightly to the right.

Dramatic changes in district court litigation as a consequence of PTAB proceedings



Karl Renner
Dorothy Whelan
Chris Marchese

Webinar Series

April 11, 2014

Agenda

#fishwebinar

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- I. Overview of Webinar Series
- II. Statistics
- III. Stays
- IV. Judicial Responses
- V. Teams
- VI. Settlement

I. Overview

- Where? ... see invitation
- How often? ... monthly
- When? ... 2nd Wednesday
- Topics? ...
 - Important decisions
 - Developments
 - Practice tips
- Housekeeping
 - CLE
 - Questions
 - Materials
 - <http://fishpostgrant.com/webinars/>



POST-GRANT PRACTICE
WWW.FISHPOSTGRANT.COM

Post-Grant for Practitioners: CBM Eligibility and Reviewability

Wednesday, March 12, 2014
1:00 PM - 2:00 PM EST

Please join us as we continue our examination of CBM practice, including CBM eligibility and reviewability of PTAB decisions related to same. The webinar will cover the definition of covered business method patent under the AIA, as construed by the PTAB, including the exclusion of "patents for technological inventions" and the requirement that, to be eligible for CBM review, the target patent must claim activities that are "financial in nature, incidental to a financial activity or complementary to a financial activity." We will also discuss recent noteworthy developments relating to stays and final written decisions.

Speakers:
[Kari Renner](#), Principal and Post-Grant Practice Co-Chair, Washington, DC
[John Phillips](#), Principal, Southern California
[Andrew Patrick](#), Associate, Washington, DC

Fish & Richardson will apply for 1.0 hour of general CLE credit in most states. If you would like to receive CLE credit, register using your state bar information.

REGISTER

If you have questions, please contact Emma Brown at ebrown@fr.com.

About the Series

Post-Grant for Practitioners is a monthly series of complimentary webinars focusing on developments in post-grant proceedings and related practice tips.

[View Post-Grant for Practitioner Webinar Replays](#)

II. Statistics (IPR)

- IPR's Filed?
 - **988** filed through March 31, 2014
 - **76** filed in March 2014
- Application of Threshold: Reasonable Likelihood of Success
 - IPR has been instituted in almost all petitions evaluated
 - In most cases where IPR was ordered, it was on only a subset of the grounds requested

II. Statistics (CBM)

- CBM's Filed?
 - **148** filed through March 31, 2014
 - **22** filed in March 2014
- Application of Threshold: More Likely Than Not
 - CBM instituted in vast majority of CBM Petitions that were evaluated
 - In a number of cases, CBM was ordered on only a subset of petitioned grounds and/or claims

II. Statistics (Final Written Decisions)

IPR: **33** through March 31, 2014

CBM: **11** through March 31, 2014

Almost all have found all claims unpatentable!

III. Stays (Statistics)

- Frequently updated listing of district court orders related to motions to stay is provided on our post-grant website, fishpostgrant.com/stays
- Webpage contains a tally of motions for stay granted and motions for stay denied, and provides the court orders
- Last counted, 101 motions for stay were granted and 48 motions for stay were denied

III. Stays (Consequences)

When should a defendant file an IPR or CBM petition?

Chances of obtaining a stay are maximized by filing the petition early. But how early?

- Before complaint is served?
- After infringement contentions have been served?
- After parties have exchanged claim constructions?

III. Stays (Estoppel)

- In *Evolutionary Intelligence, LLC. v. Sprint Nextel Corp.*, Judge Whyte of the Northern District of California granted, on February 28, 2014, a stay to Sprint, pending the outcome of IPRs filed by other defendants.
- The stay is conditional on Sprint's agreement to be subject to limited estoppel – the grounds raised in the petitions.
- The defendants who petitioned for IPR will be estopped from bringing arguments that were “raised or reasonably could have been raised.
- Judge Whyte reasoned that the limits on Sprint are “necessary to effect the [USPTO's] interest in protecting the integrity of [USPTO] proceedings and in preventing parties from having a ‘second bite at the apple.’”

IV. Judicial Responses

- EDTx—Fast track litigation (“Track B”)
- Other fast forums?

Note that unlike IPRx, there is no statutory provision requiring termination of an IPR or CBM in the event a final decision upholding validity issues in a related district court proceeding

V. Teams

- Rules require lead counsel to be a registered PTO practitioner. Rules permit admission of others via pro hac vice motion.
- IPR's and CBM's are neither patent prosecution nor litigation.
- Team approach: seasoned PTO practitioners paired with seasoned litigators.
 - Are we seeing the development of a new breed of attorney?
- Because IPR's and CBM's typically are associated with co-pending district court litigation, it is critical that the IPR/CBM and litigation teams coordinate strategy and communicate with each other.

V. Teams

Prosecution Bars

Google Inc. v. Jongerius Panoramic Technologies, LLC, IPR2013-00191 (February 13, 2014)

- Petitioner moved to admit an attorney involved in related district court litigation *pro hac vice*. Patent Owner opposed on the ground that the protective order in the district court litigation prohibited attorneys who had received confidential information from engaging in “prosecution activities.”
- The Board granted the motion:

“We are not persuaded by Patent Owner’s arguments. The protective order at issue specifically bars litigation counsel from prosecution activities without mentioning litigation or trials before the Patent Trial and Appeal Board. An *inter partes* review is neither a patent examination nor a patent reexamination. Rather, it is a trial, adjudicatory in nature and constitutes litigation.”

VI. Settlement

- IPR's and CBM's can be settled. However, PTAB may refuse to terminate proceedings if settlement occurs at an advanced stage.
- Have these proceedings spurred settlement of related district court litigation?

- In Fish & Richardson’s initial 7-part webinar series titled “Challenging Patent Validity in the USPTO,” we explored details regarding several of the post grant tools, with 3 sessions dedicated to Inter Partes Review (IPR), and a final session walking through several hypotheticals, to help listeners understand how these apply to common situations.
- Audio and slides for these webinars are posted online at:
<http://fishpostgrant.com/webinars/>
- If you listen to these webinars, you will be well positioned to engage in a conversation over whether and when to use those tools and how to defend against them.

Resources

- F&R web sites:
 - Post-Grant for Practitioners: <http://fishpostgrant.com/webinars/>
 - General: <http://fishpostgrant.com/>
 - IPR: <http://fishpostgrant.com/inter-partes-review/>
 - PGR: <http://fishpostgrant.com/post-grant-review/>
 - Rules governing post-grant: <http://fishpostgrant.com/>
- USPTO sites:
 - AIA Main: http://www.uspto.gov/aia_implementation/index.jsp
 - Inter Partes: http://www.uspto.gov/aia_implementation/bpai.jsp

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