

Post-Grant for Practitioners



FR

Trends, Topics, and Viewpoints from the PTAB AIA Trial Roundtable



Karl Renner
Dorothy Whelan

Webinar Series

May 14, 2014

Agenda

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- I. Overview of Webinar Series
- II. Statistics
- III. CBM Eligibility: “Technological Invention”
- IV. PTAB Roundtable Observations and Take-Aways

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/>



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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@fir.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?
 - **1139** filed through May 1, 2014
 - **143** filed in April 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?
 - **161** filed through May 1, 2014
 - **13** filed in April 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: **47** through May 1, 2014

CBM: **11** through May 1, 2014

- Almost all have found all claims unpatentable.
- No motions to amend claims granted to date
- BUT: could the tide be turning?

II. Final Written Decisions (cont'd)

Corning filed 10 IPR petitions against DSM. Although all 10 were granted, at least in part, not all of the proceedings ultimately resulted in a finding that all claims were unpatentable:

A. All Claims Patentable (5)

IPR2013-00043 (claims 1-18 patentable)

IPR2013-00044 (claims 1-22 patentable)

IPR2013-00045 (claims 1-20 patentable)

IPR2013-00047 (claims 1-14 patentable)

IPR2013-00049 (claims 53-66 patentable)

II. Final Written Decisions (cont'd)

B. All Claims Unpatentable (2)

IPR2013-00046 (claims 1-9 unpatentable)

IPR2013-00050 (claims 1-19 unpatentable)

C. Some Claims Patentable, Some Claims Unpatentable (3)

IPR2013-00048 (52 claims challenged; 8 unpatentable; 44 patentable)

Note: Same patent as IPR2013-00049 (claims 53-66 patentable)

IPR2013-00052 (34 claims challenged; 10 not instituted; 19 unpatentable; 5 patentable)

IPR2013-00053 (23 claims challenged; 8 claims unpatentable; 15 claims patentable)

Note: 00052 and 00053 involved the same patent

II. 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
- Most motions for stay continue to be granted

II. Stays (cont'd)

Versata Software Inc. et al. v. Collidus Software Inc., 1-1-cv-00931 (D. Del. 5/8/14) (Robinson, J).

- 3 patents in suit; CBM petition filed wrt only 1 patent
- Court granted motion to stay only as to patent involved in CBM proceeding
- Trial date was within months of anticipated PTAB final decision
- Court suspected gamesmanship: “[I]t is apparent that [defendant] is playing the stay card as both a sword and a shield”

III. CBM Eligibility: “Technological Invention”

Experian Marketing Solutions, Inc. v. RPOST

Communications Ltd., CBM2014-00010, Paper No. 20
(PTAB Apr. 22, 2014)

- First time PTAB held patent ineligible for CBM for failure to satisfy “technological invention” prong
- CBM eligibility: (a) claims directed to “financial products or services” and (b) claims do not recite a “technological invention”

III. CBM Eligibility: “Technological Invention”

- Claim recited 2 steps: (1) transporting a message to the recipient’s Mail Transport Agent in either an SMTP or ESMTP protocol, and (2) recording at a server some portion of the selected protocol dialogue between the server and the recipient.
- Standard: a claim is not directed to a technological invention if it merely recites known technologies applied in a well-known manner to perform a well-known task and does not solve a technical problem
- PTAB: Petitioner failed to establish that second claim step was known at the time of the invention of the challenged patent.

IV. PTAB Roundtable Observations and Take-Aways

- Roundtables held between April 15, 2014 and May 8, 2014 in 8 different cities
- Presentations by APJ's and panel discussion with APJ's and practitioners
- Materials available
http://www.uspto.gov/ip/boards/bpai/ptab_aia_trial_roundtables_2014.jsp

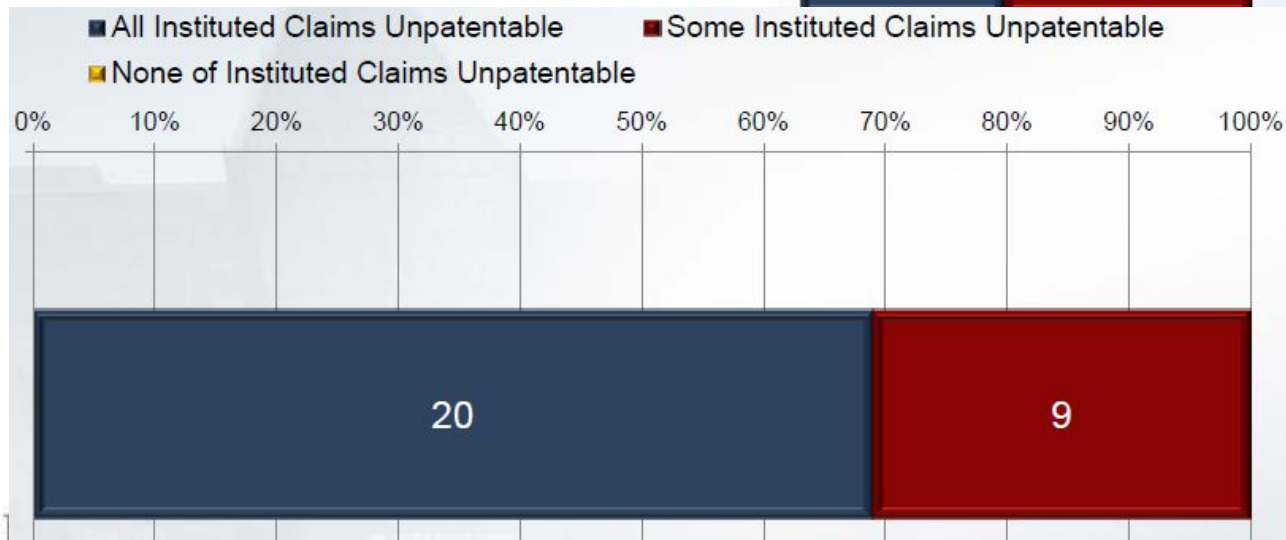
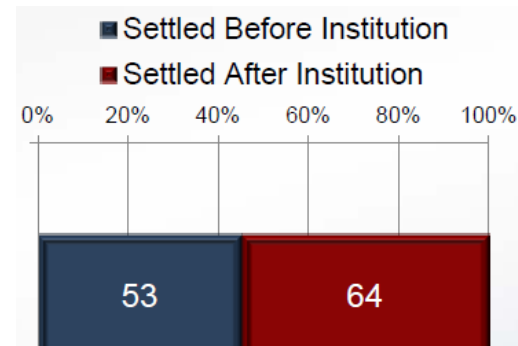
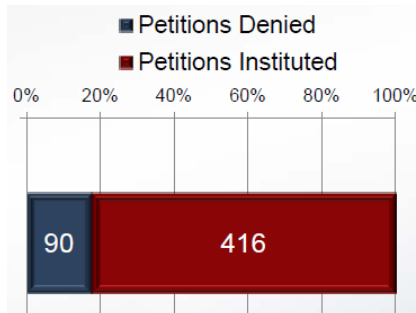
IV. PTAB Roundtable Observations and Takeaways

- Big increase in filings. April was a record month. Actively trying to hire more judges.
- In 2013, the PTAB was the 3rd most active forum for US patent validity challenges
 - Behind only Eastern District of Texas and Delaware
- In 2014, the PTAB is trending 2nd

Most active courts by number of cases in 2013 	Past 30 days	2014 (YTD)	2013	2012
Texas Eastern District (TXED)	165	469	1512	1259
Delaware District (DED)	74	299	1337	1001
Patent Trial and Appeal Board (PTAB)	149	331	792	111
California Central District (CACD)	33	116	408	506
California Northern District (CAND)	33	76	247	258

IV. PTAB Roundtable Observations and Takeaways

- Statistically, petitioners have done very well (AIA Roundtable – 4/2/14):



IV. PTAB Roundtable Observations and Takeaways

- Sensitivity to being referred to as “Patent Death Squads.”
- Emphasized that decision to grant is preliminary. Nothing set in stone.
- Tip for patent owners: a weakness in many petitions relates to proof of motivation to combine.
- Motions to amend: judges vs. patent examiners

IV. PTAB Roundtable Observations and Takeaways

- Concerns re parties seeking to include new evidence late in proceedings
 - Think of trial as an inverted funnel
 - Motions to exclude

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- 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/>
 - Post-Grant App: <http://fishpostgrant.com/app/> *New!*
- 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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