

August 10, 2016

# Post-Grant for Practitioners

## Post-Grant Review (PGR) Proceedings are Gaining Momentum (?)



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# Agenda

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- I. Overview of Webinar Series
- II. Statistics
- III. Post-Grant Review Overview
- IV. Recent PGR Filings and First Decisions
- V. Strategic Filing Considerations
- VI. Upcoming Post-Grant Webinar
- VII. Post Grant Resources



# Overview of Webinar Series

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

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for Practitioners**

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### Post-Grant Review (PGR) Proceedings are Gaining Momentum


Recent statistics from the USPTO show that still more post-grant review (PGR) proceedings have been filed. As more patents issue under the America Invents Act (AIA), are PGR proceedings a favorable option as a counterpart to *inter partes* review?

Post-grant review is available immediately after patent issuance and it is designed to allow proceedings to conclude quickly. Join Fish & Richardson attorneys [Joshua Griswold](#) and [Dan Smith](#) as they discuss the requirements for PGR and estoppel, and take a closer look at how practitioners are using PGR proceedings as part of their patent strategy. They will also take a closer look at recent PGR filings and the first PGR decisions from the Patent Trial and Appeal Board, providing best practices and strategic considerations.


[Register](#) now for this Post-Grant for Practitioners Webinar.

**Wednesday, August 10, 2016**  
1:00 PM - 2:00 PM EDT  
Via the web

**Speakers:**



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Principal  
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[Dan Smith](#)  
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**REGISTER**

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


If you have questions, please contact Lauren McGovern at [mcgovern@fr.com](mailto:mcgovern@fr.com)




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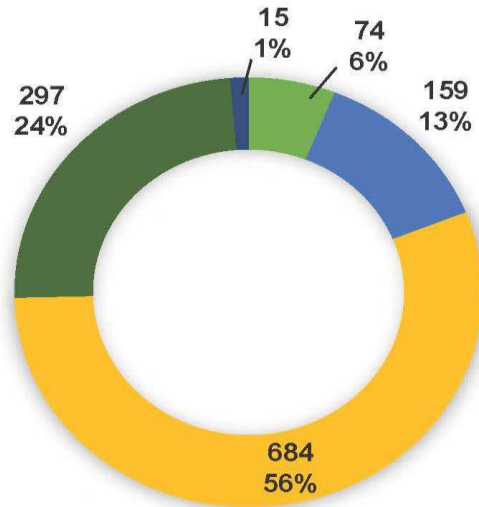
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# PTAB Statistics and Trends

**1229 Total AIA Petitions in FY 16\***  
(Technology Breakdown)

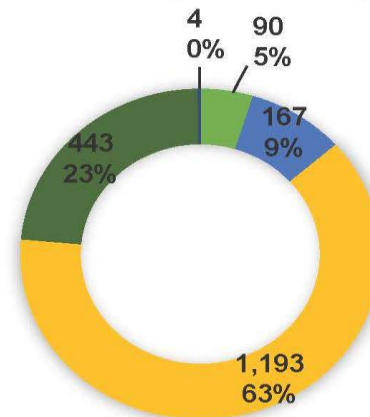


- Electrical/Computer - TCs 2100, 2400, 2600, 2800
- Mechanical/Business Method - TCs 3600, 3700
- Chemical - TC 1700
- Bio/Pharma - TC 1600
- Design - TC 2900

\*Data current as of 6/30/2016

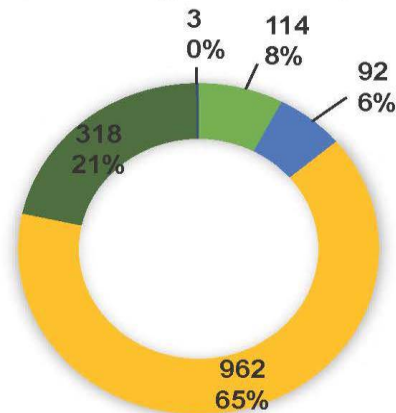
Source: USPTO Patent Trial and Appeal Board Statistics, 6/30/2016

**1897 Total AIA Petitions in FY 15\***  
(Technology Breakdown)



**Narrative:** The pie chart shows the total number of AIA petitions filed in the current fiscal year to date as well as the number and percentage of these petitions broken down by technology.

**1489 Total AIA Petitions in FY 14\***  
(Technology Breakdown)





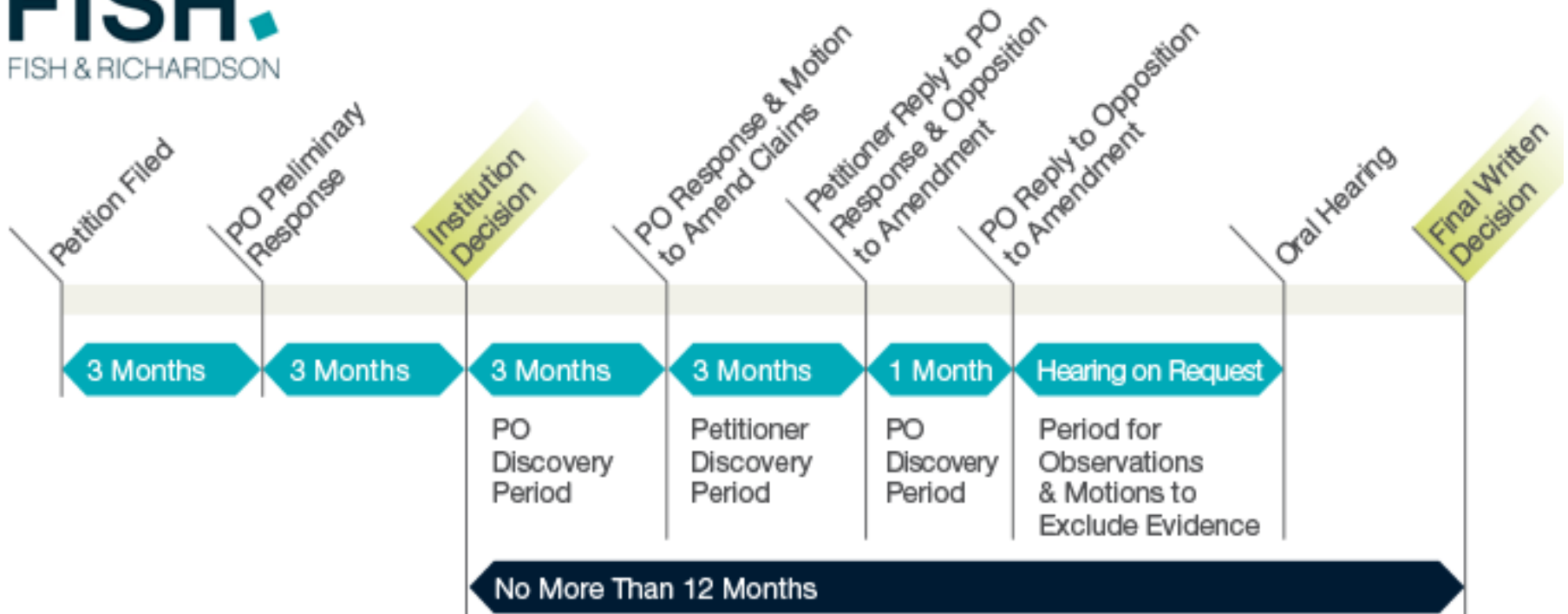
# Post-Grant Review Overview

- Similar to, but separate from IPR / CBM
- Allows patents to be challenged within 9 months of issuance
- Additional grounds not available in IPR/CBM
- Higher institution threshold
- More severe estoppel



# Proceeding Timeline

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# Comparison

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	PGR	IPR	CBM
Availability	Patents / reissues under first-to-file (priority after March 2013)	All patents / reissues	All patents / reissues
Filing Window	Within 9 months of patent issuance	After PGR window, 1 year from suit	After PGR window
Grounds	102 / 103 (“prior use” OK) double patenting 101,112	102 / 103 on printed publications	102/103 on printed publications 101, 112
Institution Threshold	More likely than not	Reasonable likelihood	Reasonable likelihood

- PGR petitioner can raise “any ground that could be raised under paragraph (2) or (3) of section 282(b) (relating to invalidity of the patent or any claim)”
- Same grounds as IPR/CBM available
  - §102 and §103 on printed publications
  - §101 and §112 excluding best mode (like CBM)
- Additional grounds §102 and §103 on printed publications (like IPR/CBM)
  - “Prior use” art OK (not available in IPR/CBM)
  - Double patenting OK (not available in IPR/CBM)
  - Inventorship

# Additional Discovery Possible

- IPR/CBM: “interest of justice”
  - Additional discovery rarely allowed
- PGR: “good cause”
  - Lower bar
- *Garmin* factors applied in both cases
- *American Simmental* panel granted additional discovery into issues of
  - Secondary considerations of obviousness (e.g., evidence of copying by Petitioner)
  - Real party in interest
- Board denied other requests as “overly burdensome”

# Additional Discovery Possible(?)

- *Global Tel\*Link* cases
  - one CBM, seven IPRs, and two PGRs
- Same discovery request denied in all cases
- Board's reasoning in denying the requests was identical in the PGRs as the IPRs and CBMs
  - Even though “good cause” standard is different than “interest of justice”
- Takeaway: outcomes may be panel dependent

# Additional Discovery Possible(?)

- **Bottom line:** Additional discovery far from guaranteed
- Don't count on it
- If discovery needed to develop ground, may be better to raise in litigation
- Estoppel still applies if PGR ground fails for lack of evidence
  - **Alternative:** file an IPR with printed publication challenges, raise prior use in litigation

- IPR/CBM: “reasonable likelihood”
  - Can be < 50% likelihood petitioner will prevail on one claim
- PGR: “more likely than not”
  - Must be > 50% likelihood
- Questionable whether this makes any difference in practice
- PGR sample size not large enough for accurate institution rate comparison with IPR/CBM

- **“...on any ground...petitioner raised or reasonably could have raised”**
  - More grounds available in PGR vs. IPR / CBM
    - Prior use, double patenting, etc.
  - More grounds petitioner “could have raised”
  - Estoppel thus extends further than IPR / CBM
  - Not applicable to grounds raised but not instituted by PTAB
    - But “practical estoppel”
  - Bottom line:
    - PGR may be only shot at invalidity
    - If you file, make it count

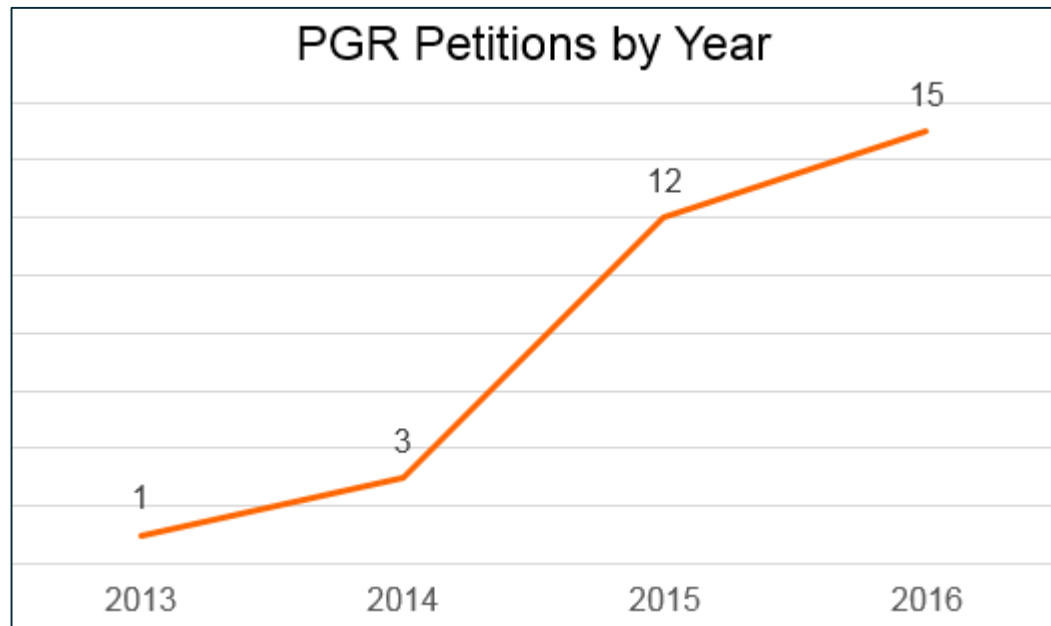




# Recent PGR Filings and First Decisions

# Gaining Momentum?

- PGR filings are increasing
- 2016 filings to date have already exceeded 2015
- Still very rare vs. IPR / CBM (only 31 petitions to date)
- Increase in filings could be due to more patents issuing under first-to-file



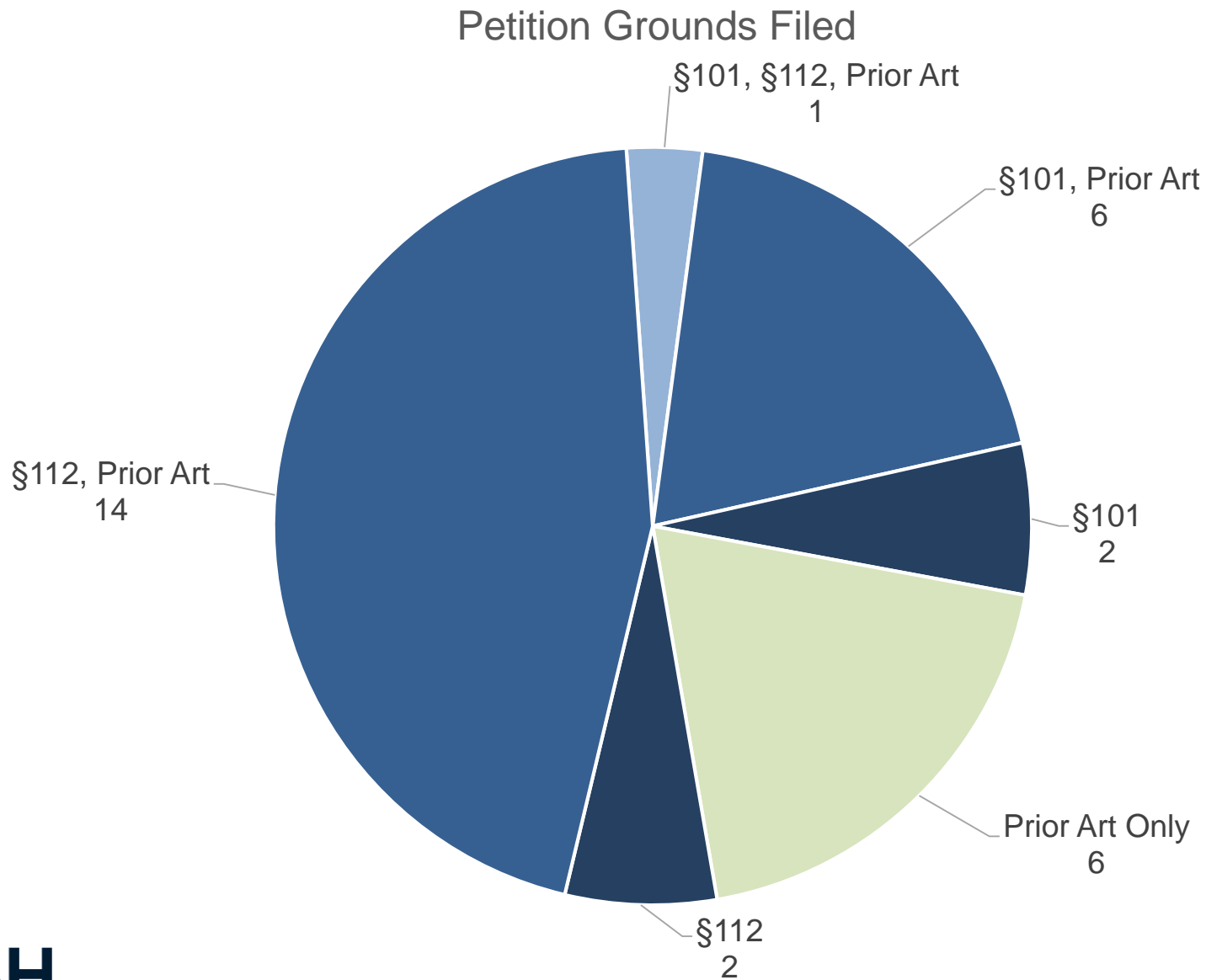
# PGRs Are Still Rare

- Only 3 final written decisions to date
- All in the last 2 months
- **June 13:** *American Simmental Association v. Leachman Cattle of Colorado*
  - Cases PGR2015-0003 and PGR2015-0005
  - Summary: <http://fishpostgrant.com/alert/first-ever-post-grant-review-decisions-invalidate-patents/> **Link to FR post grant blog**
- **August 2:** *Netsirv v. Boxbee*
  - Case PGR2015-00009
  - Summary: <http://fishpostgrant.com/alert/ptab-issues-only-its-third-post-grant-review-decision-to-date-invalidates-storage-container-tracking-claims-directed-to-ineligible-subject-matter/>

# What Is Being Challenged?

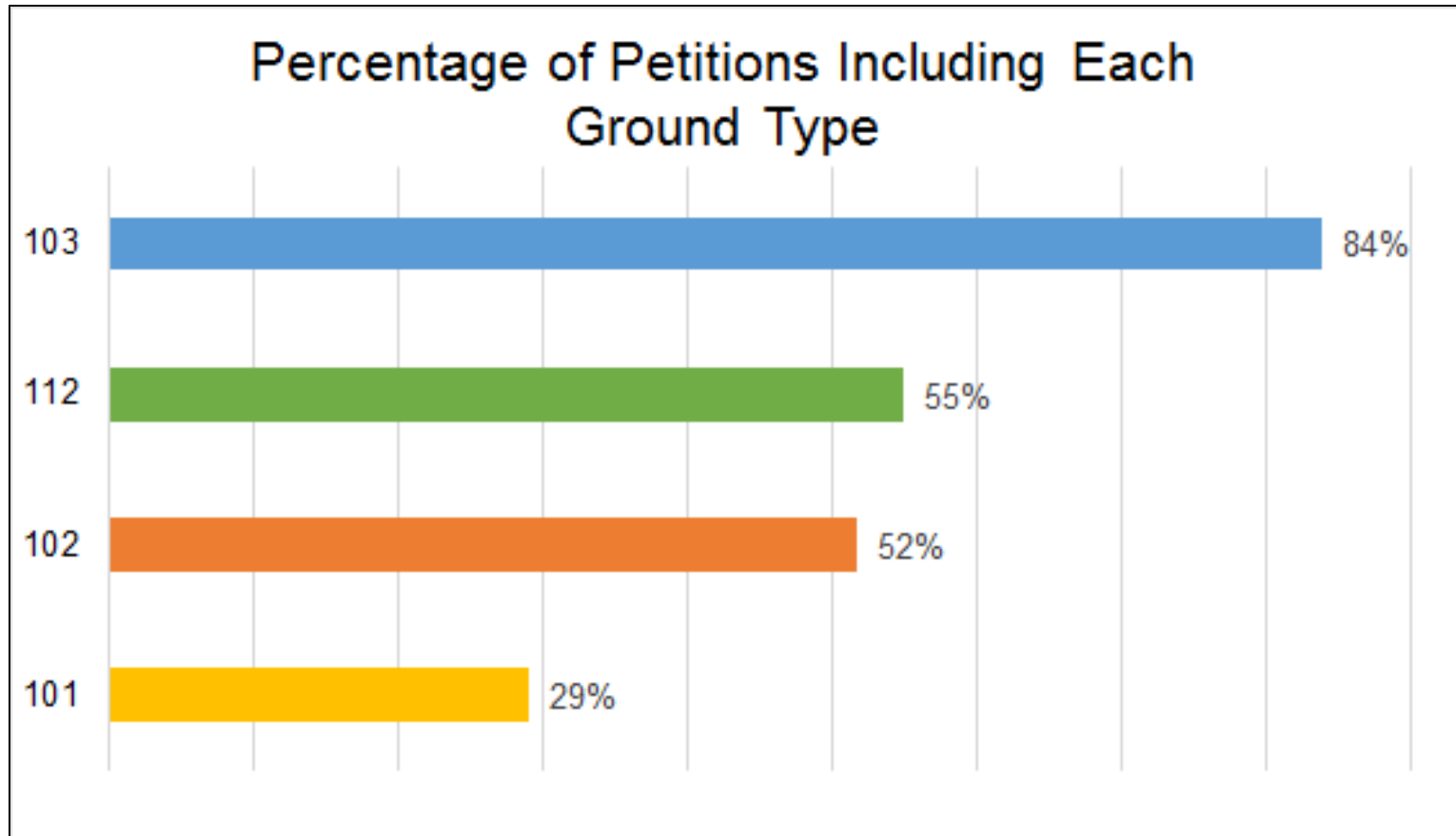
- Mostly biotech, pharmaceutical, chemical – nearly half
- Mechanical patents, far second
- Also communications
- Only one computer architecture / software patent
  - Most likely because CBM allows 101 / 112 challenges with less restrictive estoppel
- Contrast to IPR/CBM, where > 50% of patents are computer architecture / software

# How PGR Is Being Used



# How PGR Is Being Used

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- The §101 and §112 challenges were to CBM ineligible patents
  - Largely bio/chem/pharma, with mechanical/electrical a far second
- Prior-art-only challenges were all §103, and typically had a back story
  - Half were 2<sup>nd</sup> petitions related to petitions with §101 and/or §112 challenges
  - One was among a family of IPR and IPRx filings on parents and siblings
  - One was very complex chemical, but why PGR?
- One design patent
  - Challenged on §101, lacking ornamentally
  - Challenged on inventorship



# Strategic Filing Considerations



# When Might PGR Make Sense Over IPR/CBM?

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“You only get one shot, do not miss your chance to blow.” – Eminem, *Lose Yourself* (chorus)

Because of the broad estoppel, PGR must be used judiciously.

# When Might PGR Make Sense Over IPR/CBM?

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- When immediacy is paramount
  - To obtain/maintain stay
    - e.g., sued on new patent and 9 month wait for IPR/CBM availability is too long
    - e.g., when newly issued continuation is added to a suit
  - To win the race to finality
    - e.g., sued on new patent in “rocket docket”
    - 12-18 mo to trial vs. 18 mo from filing to FWD, file now or 9mo wait?
  - To combat a preliminary injunction
    - PGR may be argued as bad fact for injunction

# When Might PGR Makes Sense Over IPR/CBM?

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- For §101 or §112 when CBM ineligible
  - Weigh chances in court vs. PTAB
    - Lower burden of proof in PTAB, preponderance vs. clear and convincing
    - No presumption of validity in PTAB
    - PTAB likely has more experience with §101 or §112 issues
    - Technical judges less influenced by (typically conflicting) expert testimony
  - Consider, though, §101 should be less of a problem for newly issued patents
    - Mayo & Myriad 2012
    - Alice 2014
- When the best or critical prior art is not a printed publication and PTAB review desired
  - Weighing above applies

# Plan Ahead If PGR Is A Possibility

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- 9 month from issuance deadline can be tight if not ready
  - Weigh pros/cons of monitoring competitors' publications/grants
    - Focused monitoring relevant to key product lines is more common than across the board monitoring
    - Halo v. Pulse (eliminating “objective recklessness” prong, lowered burden of proof to preponderance, changed standard of review to abuse of discretion)
  - If a problematic patent is discovered and dealt with, continue monitoring for continuations
- Continually compile prior art relevant to commercial products
  - Prior art searching can eat into 9 month window
  - Non-printed publication prior art must be documented enough to meet “more likely than not” institution burden

# If PGR, Make Your One Shot Count

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- Weigh a focused petition vs. treating all possible basis for invalidity
  - Estoppel only attaches to instituted grounds, leaving non-instituted grounds unencumbered
    - But, PTAB has recently been treating all grounds substantively (instead of invoking judicial efficiency), fewer grounds escape without practical estoppel
- Include diverse diversity of grounds
  - This is your one shot, don't rely only on §101 or §112
- Take special care to fully develop grounds
  - Strongly consider 2<sup>nd</sup> petition if tight on space
- Put thought into your expert report to thoroughly treat the included grounds



# Post-Grant for Practitioners Webinar Series

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## Mark your Calendar!

Our next Post-Grant for Practitioners webinar will be on

**September 14, 2016 (1:00PM – 2:00PM ET)**

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# Post-Grant Resources

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- Fish 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/>
  - Post-Grant Radio: <http://fishpostgrant.com/podcasts/>
- USPTO sites:
  - AIA Main: <http://www.uspto.gov/patent/laws-and-regulations/leahy-smith-america-invents-act-implementation>
  - Inter Partes: <http://www.uspto.gov/patent/laws-and-regulations/america-invents-act-aia/inter-partes-disputes>

# Thank You!

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