

UNITED STATES  
PATENT AND TRADEMARK OFFICE



# Patent Trial and Appeal Board Boardside Chat: Advanced AIA Trial Practice

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January 18, 2024



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# Question/comment submission

- To send in questions or comments during the webinar, please email:
  - [PTABBoardsideChat@uspto.gov](mailto:PTABBoardsideChat@uspto.gov)

# About Today's Program

- Today's program is based on the existing rules and procedures that apply to AIA proceedings.
- The information that we share in our programming is intended to be of general applicability. It is not intended to be legal advice.
- The practitioners on our panel today are providing their own opinions and are not speaking on behalf of the Board.



# Program Format

- Hypothetical
- Client question
- Discussion of relevant law
- Decision

# **Hypothetical I – Patent Owner Preliminary Response (“POPR”)**

# Hypothetical I

- Your Client Patent Owner sued Petitioner for infringement in district court.
- Petitioner filed an *inter partes* review challenging the asserted patent.
- Preliminary infringement and invalidity contentions have been served in the district court litigation.



# Hypothetical I

- Your team has been diligently preparing Patent Owner's Preliminary Response, and has raised a number of issues:
  - The IPR challenges all of the claims based upon three prior art references not at issue in the district court.
    - One reference was cited on an IDS to the examiner and the other two are arguably cumulative of a reference that was overcome during prosecution.
  - District court has set a trial date that will be a month after the deadline for the final written decision, consistent with the district's median time to trial.
  - Many of Petitioner's contentions are based on expert testimony that appears to be conclusory and unsupported by factual evidence.



# Client Question #1 – To file a POPR or not

Client Patent Owner wants to know whether to file a preliminary response or waive it and save the merits arguments for trial.

- **What advice do you give?**
  1. File POPR and raise both discretionary denial and merits arguments
  2. File a POPR and present only discretionary denial arguments  
(1) under § 314(a); (2) under § 325(d); (3) both
  3. File POPR and raise only merits arguments
  4. Waive the patent owner preliminary response
  5. Other options?



# Rules and Guidance on POPRs

- **37 C.F.R. § 42.107:** patent owner may file a preliminary response to the petition . . . . preliminary response must be filed no later than 3 months after the Notice of Filing Date (NFDA) . . . . patent owner may file an election to waive the patent owner preliminary response.
- **37 C.F.R. § 42.108(c):** petitioner may seek leave to file a reply to the POPR; such request must show good cause.
- **Consolidated Trial Practice Guide (Nov. 2019) § II.D.2 (pgs. 49-52) (hereinafter CTPG)**
  - Supporting Evidence: may include testimonial evidence.
  - Patent owner may file a statutory disclaimer of one or more challenged claims to streamline the proceedings.



# Case Law and Guidance on Discretionary Denials

- **Discretion under § 314(a)**

- *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential)
- *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential)
- Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022)

- **Discretion under § 325(d)**

- *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential)
- *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17-18 (PTAB Dec. 15, 2017) (precedential)



# Client Question #1 - Decision

You advise Client Patent Owner to file a preliminary response and raise certain merits arguments and also request discretionary denial under § 325(d).

# Client Question #2

Client Patent Owner is concerned that given the short timeframe and the limited word count, an effective POPR may not be possible.

- **Client Patent Owner wants to know what are some possible issues?**

Issues to Raise	Issues to Hold
Procedural issues (e.g., § 315 time bar, standing, RPI)	POSA definition
Threshold merits issues (e.g., priority date)	Objective indicia of nonobviousness
Conclusory expert testimony from Petitioner	Conflicting expert testimony
Gaps in Petitioner's contentions as to independent claim limitations	Arguments directed to dependent claims
Certain claim construction arguments (e.g., means-plus-function, inconsistent positions)	Claim construction issues where the record is not fully developed

# Rules and Case Law on Expert Testimony

- **37 C.F.R. § 42.65(a):** Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight.
- ***Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 (PTAB Aug. 24, 2022) (precedential)** (an expert declaration is entitled to little weight when it is conclusory without any additional supporting evidence or reasoning).

# Rules on Claim Construction

- **37 CFR § 42.104(b):**
  - The petition must specify where each element of the claim is found in the prior art patents or printed publications relied upon.
  - Where the claim to be construed contains a means-plus-function or step-plus-function limitation as permitted under 35 U.S.C. § 112(f), the construction of the claim must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.

# Client Question #2 - Decision

You advise Client Patent Owner to strategically raise only certain non-discretionary arguments that might be dispositive.



# Client Question #3

Client Patent Owner is concerned about costs of retaining an expert prior to institution.

- **Client Patent Owner wants to know what considerations bear upon hiring an expert?**
  1. An expert declaration would be helpful to support the limited merits arguments you intend to raise.
  2. It is important to hire an expert who is at least a POSA or who has specialized knowledge on the gaps at issue.
  3. Others?



# Rules and Guidance on Expert Testimony

- **37 C.F.R. § 42.108(c):** The Board's decision will take into account a patent owner preliminary response where such a response is filed, including any testimonial evidence.
  - a genuine issue of material fact created by expert testimonial evidence is no longer viewed in the light most favorable to the petitioner.
- **CTPG § II.C. (p. 50) :** No negative inference will be drawn if a patent owner decides not to present testimonial evidence with a preliminary response.

# Client Question #3 – Decision

Client Patent Owner decides to hire an expert who is a POSA.

# **Hypothetical II – Patent Owner Response and Motion to Amend**

# Hypothetical II

- You filed the preliminary response for your Client Patent Owner.
- The Board denied your request for discretionary denial and found the merits arguments better suited for trial.

# Client Question #4

Client Patent Owner was disappointed that trial was instituted.

- **Client Patent Owner wants to know what would be some possible issues to raise in the POR?**
  1. Challenge prior art status of asserted references
  2. Raise dispositive claim construction arguments
  3. Focus on lack or insufficiency of evidence in supporting Petitioner's case (e.g., rationale to combine)
  4. Raise objective indicia of nonobviousness, if any
  5. Others?

# Case Law

- ***Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375 (Fed. Cir. 2015)**  
(Petitioner bears the burden of proving unpatentability of the challenged claims, and the burden of persuasion never shifts to Patent Owner)
- ***Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (*en banc*)** (claim terms “are generally given their ordinary and customary meaning” as would have been understood by a person of ordinary skill in the art at the time of the invention)
- ***DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005 (Fed. Cir. 2006)**  
 (“In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution history, if in evidence.”)
- ***Arctic Cat Inc. v. Bombardier Recreational Prods. Inc.*, 876 F.3d 1350 (Fed. Cir. 2017)** (showing of a motivation to combine references must include evidence that a skilled artisan would have reasonable expectation of success in doing so)

# Rules on Patent Owner Response

- **37 C.F.R. § 42.120: Waived Arguments**
  - Arguments not in the Response are waived, even if raised in POPR
  - *In re NuVasive*, 842 F.3d 1376, 1380-81 (Fed. Cir. 2016) (finding patent owner waived arguments made in its preliminary response, but omitted in its POR)
- **37 C.F.R. § 42.24: Word Limits**
  - *Inter partes* review: 14,000 words
  - Post-grant review: 18,700 words



# Client Question #4 - Decision

You advise Client Patent Owner to not raise priority date or objective indicia arguments because they are weak arguments here and would take up a good portion of the Patent Owner Response.

Instead, you advise Client Patent Owner to raise claim construction and motivation to combine arguments.

# Client Question #5

Client Patent Owner is not confident about the chances of success at trial and asks you about a motion to amend.

- **How do you advise your client?**
  1. Consider options for amendments based on support in the specification
  2. Consider the impact of a motion to amend on parallel litigation and enforcement (e.g., intervening rights, damages, accused product modification)
  3. Consider the costs/timeline for motion to amend and settlement possibility
  4. Consider whether the motion to amend should be contingent
  5. Consider whether preliminary guidance would be helpful and whether to ask for it

# Rules on Motions to Amend

- **37 C.F.R. § 42.121**
  - Confer with the Board about the Motion to Amend
  - Patent owner bears the burden to show that the proposed substitute claims comply with the statutory and regulatory requirements for filing a motion to amend, whereas the petitioner bears the burden to show by a preponderance of the evidence that any proposed substitute claims are unpatentable.

# Case Law on Motion to Amend

- ***Lectrosonics, Inc. v. Zaxcom, Inc.***, IPR2018-01129, -01130 (PTAB Feb. 25, 2019) (Paper 15) (precedential) (provides additional information and guidance regarding motions to amend, such as statutory and regulatory requirements as set forth in 35 U.S.C. § 316(d) and 37 C.F.R. §§ 42.121 and 42.221)
- ***Aqua Products, Inc. v. Matal***, 872 F.3d 1290 (Fed. Cir. 2017) (patent owner does not bear the burden of persuasion to demonstrate the patentability of substitute claims presented in a motion to amend. Rather, the burden of persuasion ordinarily will lie with the petitioner to show that any proposed substitute claims are unpatentable by a preponderance of the evidence)

# Client Question #5 - Decision

You advise Client Patent Owner not to file a motion to amend.

# **Hypothetical III – New Evidence and Motions to Strike**

# Hypothetical III

In the Petitioner Reply, Petitioner makes a new argument based upon a different embodiment disclosed in the prior art and supports the new argument with a new expert declaration.

# Client Question #6 – New Arguments

Client Patent Owner is worried about the new argument.

## **Do you advise filing a motion to strike?**

1. No. Reliance on the different embodiment and new testimony is not improper because it is the same reference.
2. Yes. Reliance on the different embodiment and new testimony is improper and a winning argument for a motion to strike.
3. Maybe. Reliance on the different embodiment and new testimony is a close call, a motion to strike may not be successful, and consequently it may be best to respond on the merits.





# Rules and Guidance on Motions to Strike

- **37 C.F.R. § 42.20:** Must confer before filing a motion and seek a conference call with panel for permission to file
- **CTPG § II.K. (p. 80)**
  - *“In most cases, the Board is capable of identifying new issues or belatedly presented evidence .... As such, striking the entirety or a portion of a party’s brief is an exceptional remedy that the Board expects will be granted rarely.”*

# Case Law on Motions to Strike

- ***Samsung Elecs. Ltd. v. Kannuu Pty.*, IPR2020-00738, Paper 100 at 9-17 (PTAB Sept. 21, 2021)** (striking exhibit and argument concerning an untranslated exhibit first presented a day before a corporate representative deposition and nearly a year after knowing the subject of the document was relevant to secondary considerations)
- ***Shenzhen Chic Elecs. Co. v. Pilot*, IPR2021-01232, Paper 20 (PTAB Sept. 22, 2022)** (striking unauthorized declaration filed with sur-reply)

# Client Question #6 - Decision

You advise Client Patent Owner to not file a motion to strike.

# Question/comment submission

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# Next Boardside Chat



- Thursday, March 21, 2024, at 12-1 pm ET
- Topic: PTAB Hearings
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<https://www.uspto.gov/patents/ptab/ptab-boardside-chats>



