

# Patent Public Advisory Committee Quarterly Meeting

## Patent Trial and Appeal Board Update



Linda Horner  
Acting Vice Chief Judge

Scott Boalick  
Acting Vice Chief Judge

February 12, 2014



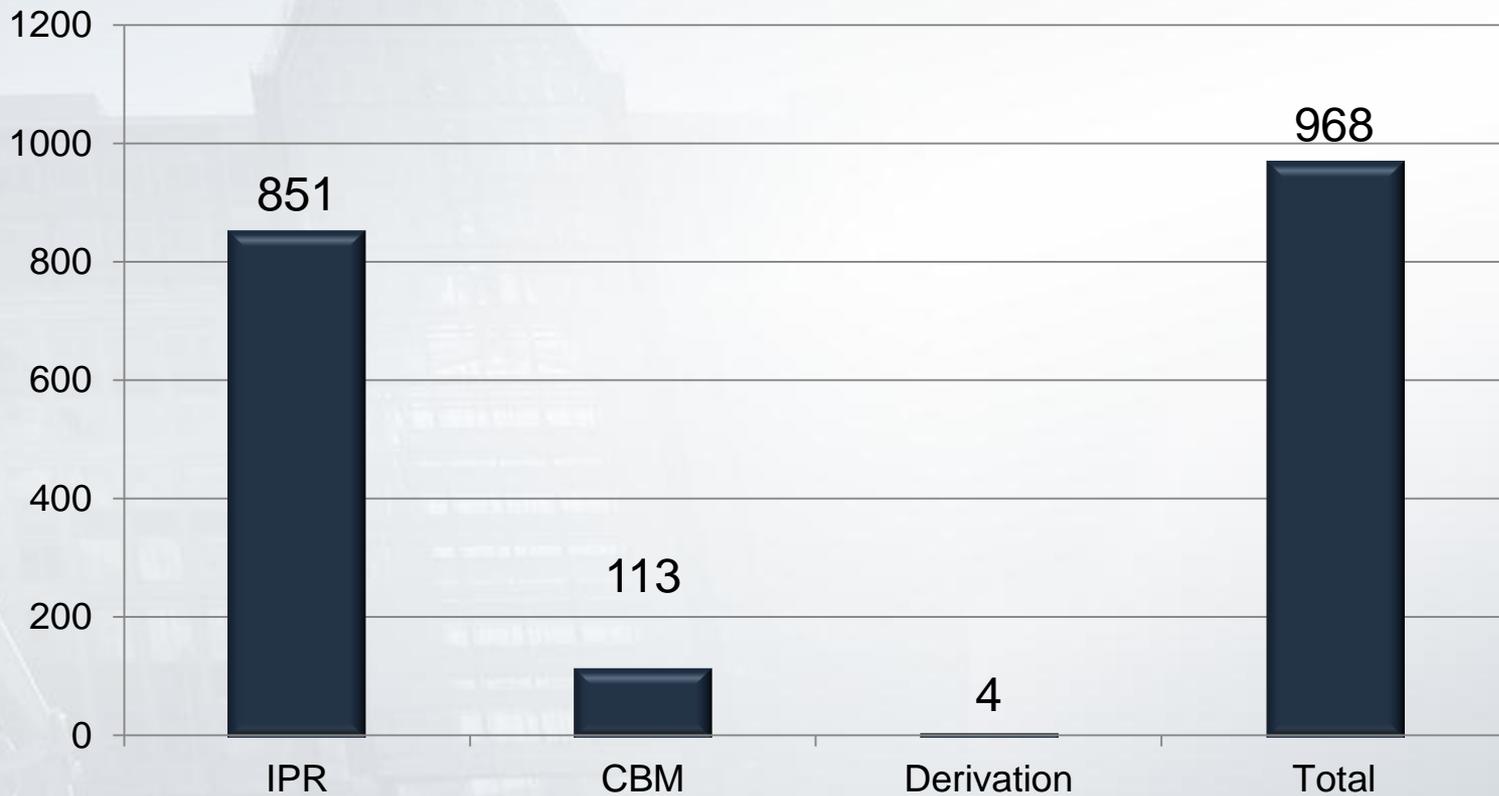
# AIA

## Statistics and Progress



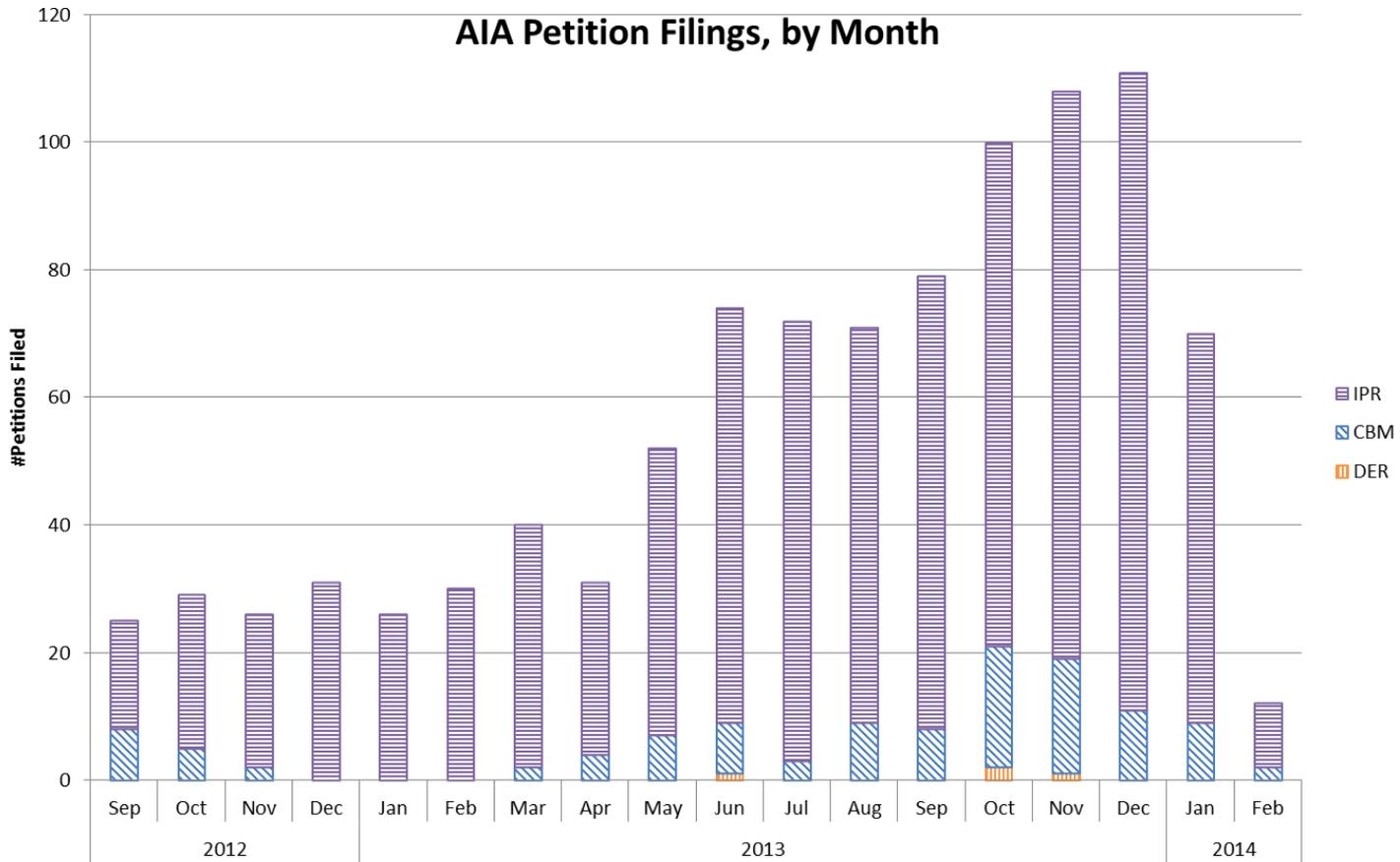
# AIA Progress (as of January 30, 2014)

- Cumulative Number of AIA Petitions





# AIA Progress (as of February 7, 2014)

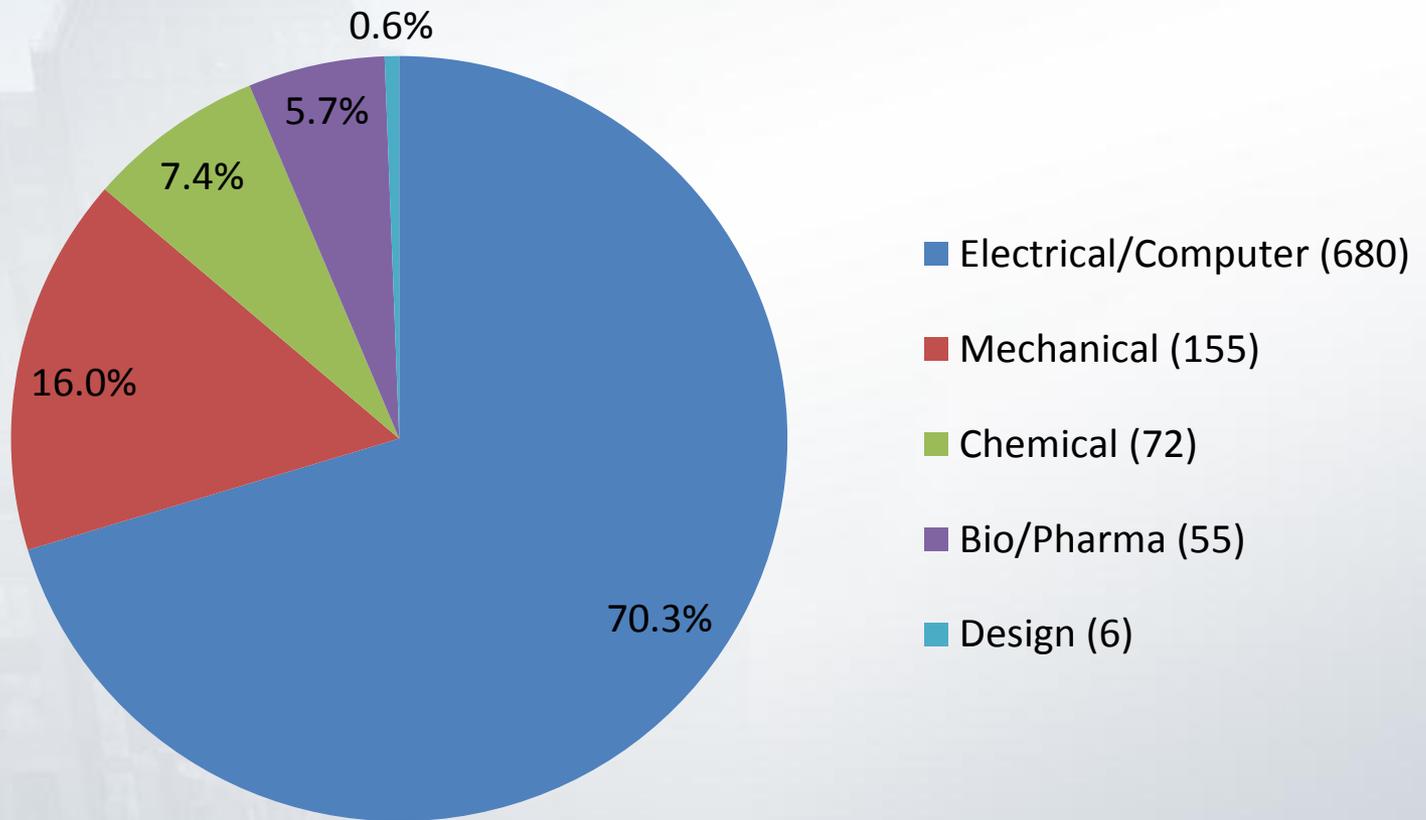


Total	988
IPR	868
CBM	115
DER	4



# AIA Progress (as of January 30, 2014)

- AIA Petition Technology Breakdown





# AIA Progress (as of January 30, 2014)

- Patent Owner Preliminary Responses

	<b>Filed</b>	<b>Waived</b>
<b>IPR</b>	423	142
<b>CBM</b>	66	3



# AIA Progress (as of January 30, 2014)

- AIA Petition Dispositions

		<b>Trials Instituted</b>	<b>Joinders</b>	<b>Percent Instituted</b>	<b>Denials</b>	<b>Total No. of Decisions on Institution</b>
<b>IPR</b>	FY13	167	10+	87%	26	203
	FY14	121	1+	77%	36	158
<b>CBM</b>	FY13	14		82%	3	17
	FY14	16		89%	2	18



# AIA Progress

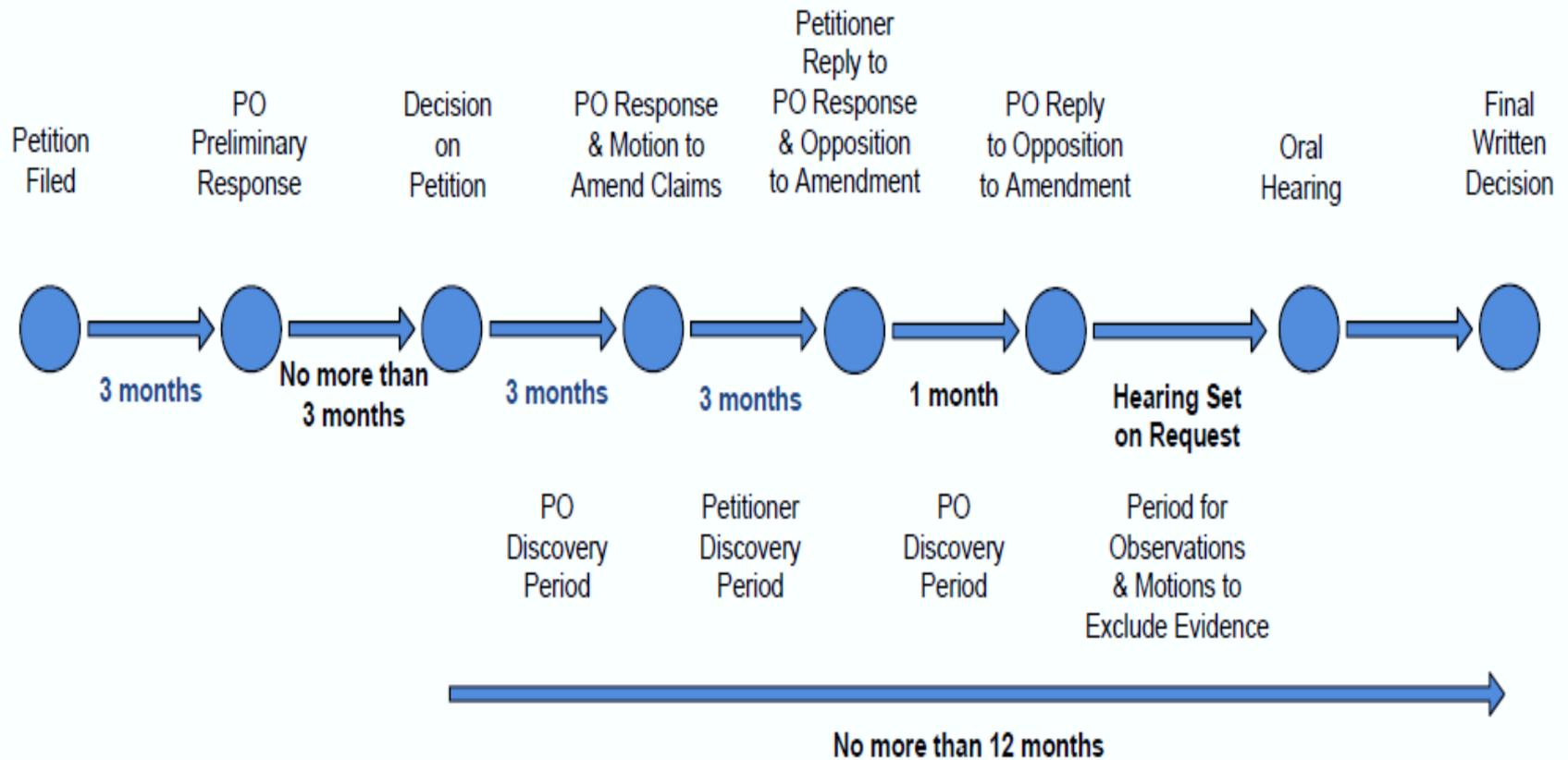
(as of January 30 , 2014)

- AIA Final Dispositions

		Settlements	Adverse Judgments	Final Written Decisions
IPR	FY13	38	2	0
	FY14	43	11	2
CBM	FY13	3	0	1
	FY14	5	0	4



# Trial Proceedings





# Comparison of AIA Proceedings with *Inter Partes* Reexamination and District Court Litigation



# AIA vs. *Inter Partes* Reexam and District Court Litigation

	<b>AIA</b>	<b><i>Inter Partes</i> Reexam</b>	<b>District Court Litigation</b>
Standards for Institution	Reasonable Likelihood/More Likely Than Not	Reasonable Likelihood of prevailing with respect to at least one claim being challenged	Notice Pleading; legal contentions warranted by nonfrivolous argument, factual contentions have/will have evidentiary support
Amendments	Right to move to amend; Limited ability to amend	Amendment before final entered as a matter of right, Amendment after final must comply with 37 C.F.R. § 1.116	No amendment
Discovery	Routine Discovery; Initial Disclosures; Additional Discovery by agreement or motion	None	Reasonably calculated to lead to admissible evidence
Time to Completion	1 year from institution	75% completed within 18 months; average time to completion 21 months from filing	Median time-to-trial approximately 2.5 years



# Motions to Amend

- *Idle Free v. Bergstrom*, IPR2012-00027 (Paper 26)
- Board conference required 37 C.F.R. § 42.121(a)
- Normally one-for-one claim substitution
- Must narrow scope
- Need to show patentable distinction
- Clearly state the contingency of substitution



# Motions to Amend

- Unlike examination proceedings before the USPTO, the PTAB does not “examine” amended claims during an AIA proceeding.
  - No search is conducted by the PTAB.
  - No rejection of the claims is made by the PTAB.
- The burden is on the movant (i.e., the patent owner) to show the patentable distinction of the proposed amended claim over all prior art.



# Discovery: Umbrella Rules

- AIA authorizes the Office to set standards and procedures for the taking of discovery
- Discovery rules allow parties to agree to discovery between themselves
- Final rules provide for:
  - Mandatory initial disclosures;
  - Routine discovery; and
  - Additional discovery



# Additional Discovery in IPR

- Requests for specific documents with a sufficient showing of relevance are more likely to be granted whereas requests for general classes of documents are typically denied.
  - Mere possibility exists that discovery request will lead to something useful is insufficient to meet necessary interests of justice standard. 35 USC 316(a)(5).
  - Requests must not be overly burdensome given expedited nature of trials.
  - Board will take into account whether party seeking information can reasonably obtain the information sought without need for discovery.



# Additional Discovery in IPR

- Five factor test to consider in evaluating requests for additional discovery under interests of justice standard (IPR2012-00001, *Garmin v. Cuozzo*, Paper 26):
  - More than a possibility and mere allegation that something useful might be found
  - Is the request merely seeking early identification of opponent's litigation position
  - Can party requesting discovery generate the information
  - Interrogatory questions must be clear
  - Are requests overly burdensome to answer



# Appeals Statistics and Progress



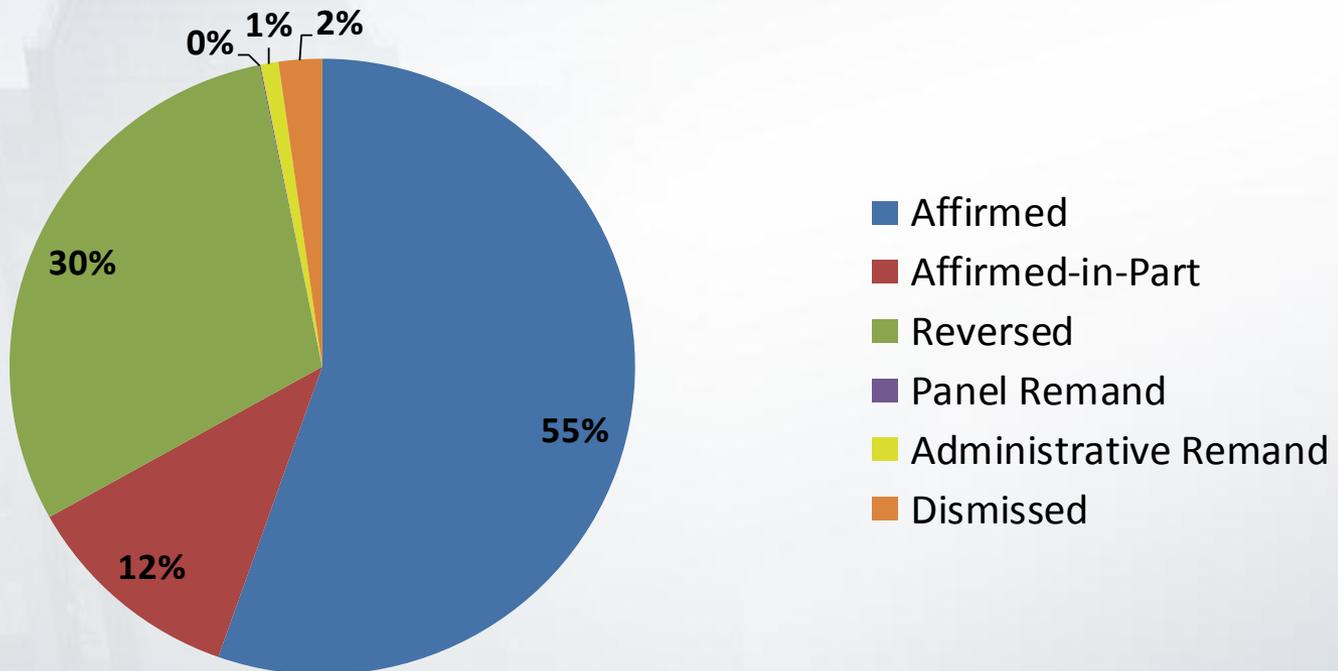
# Appeals in PTAB Inventory

- Current PTAB Inventory of Ex Parte Appeals = 26,139 (as of February 4, 2014)



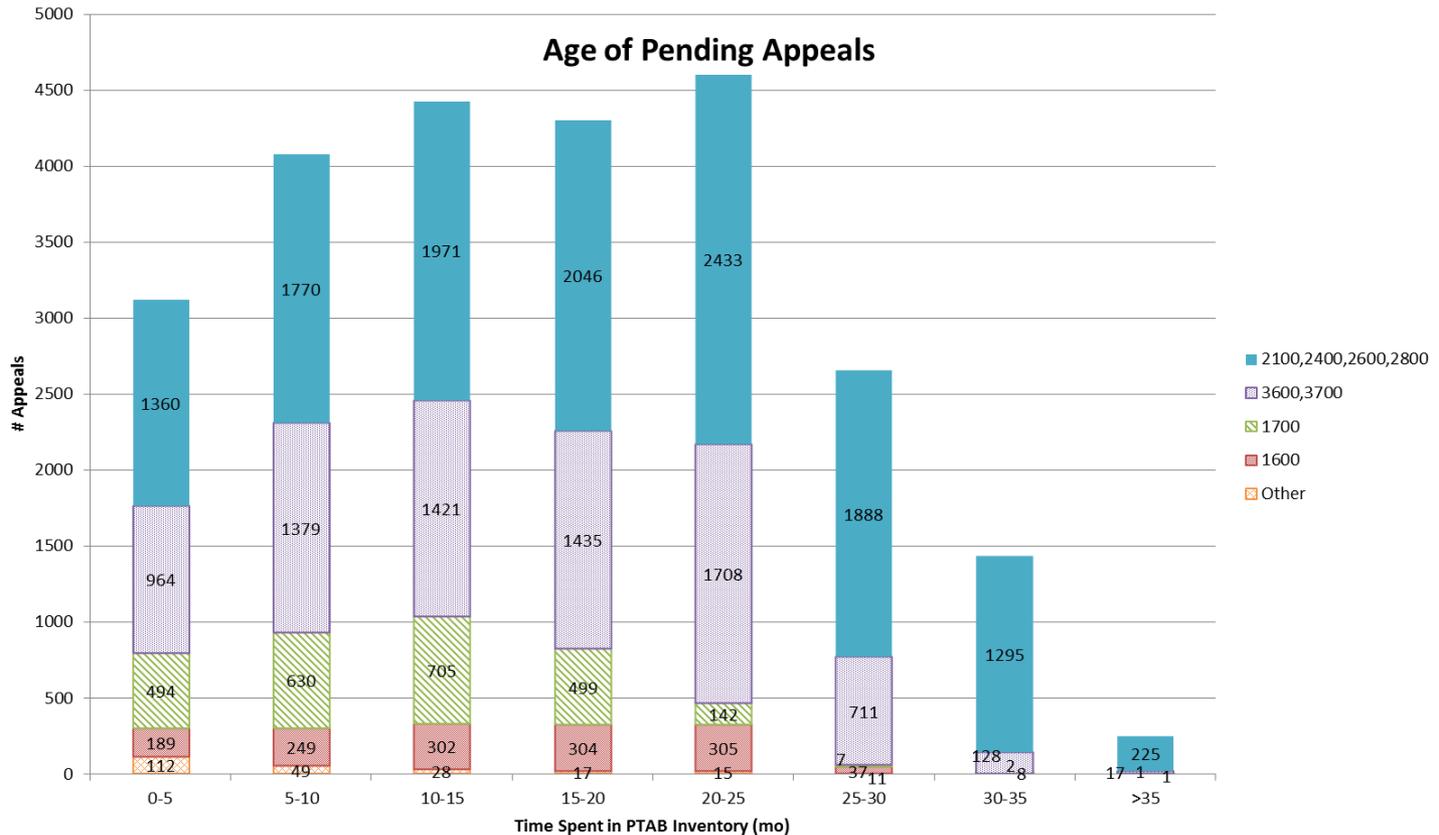
# Decisions by Type: FY2013

Decisions





# Pending Ex Parte Appeal Age and Technology Center Origin



Elec-Comp	12,988
Mech-Biz	7,763
Chem	2,477
Bio	1,389
Other	241
<b>Grand Total</b>	<b>24,858</b>



# APJ Staffing



# Board Expansion

- Since October 2011
  - Reviewed nearly 2,100 applicant records
  - Interviewed more than 370 candidates
  - Selected 128 highly qualified candidates to become new Judges
  - We stand at 179 Judges as of January 27, 2014.
- Opportunities at Detroit/Denver/Dallas/Silicon Valley Satellite Offices (for now)
  - Selecting candidates from postings now
- Goal for FY2014 - add more judges

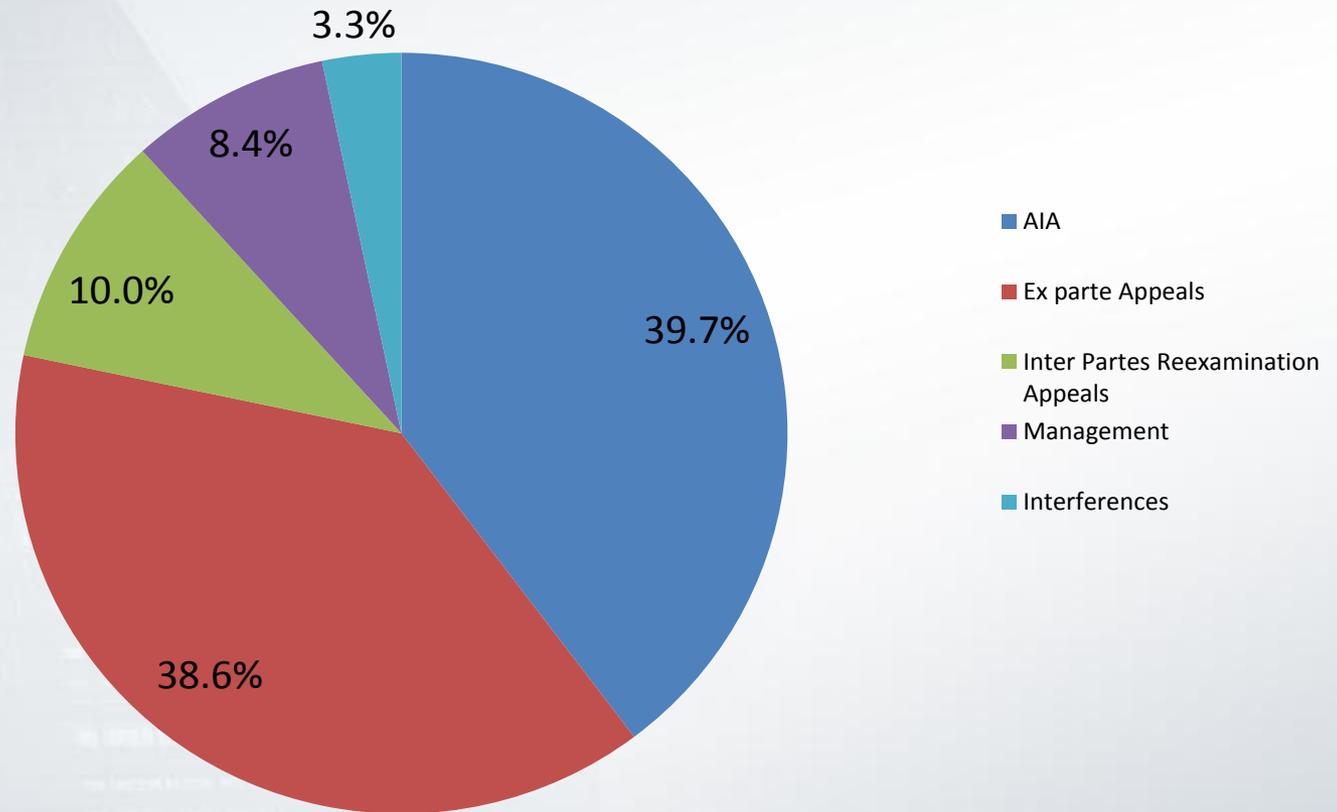


# Board Expansion

- Selectees have come from the following:
  - USPTO Patent Examining Corps, Office of the General Counsel, and the PTAB
  - International Trade Commission and Department of Justice
  - Private Practice (solo to very large)
  - All types of industries



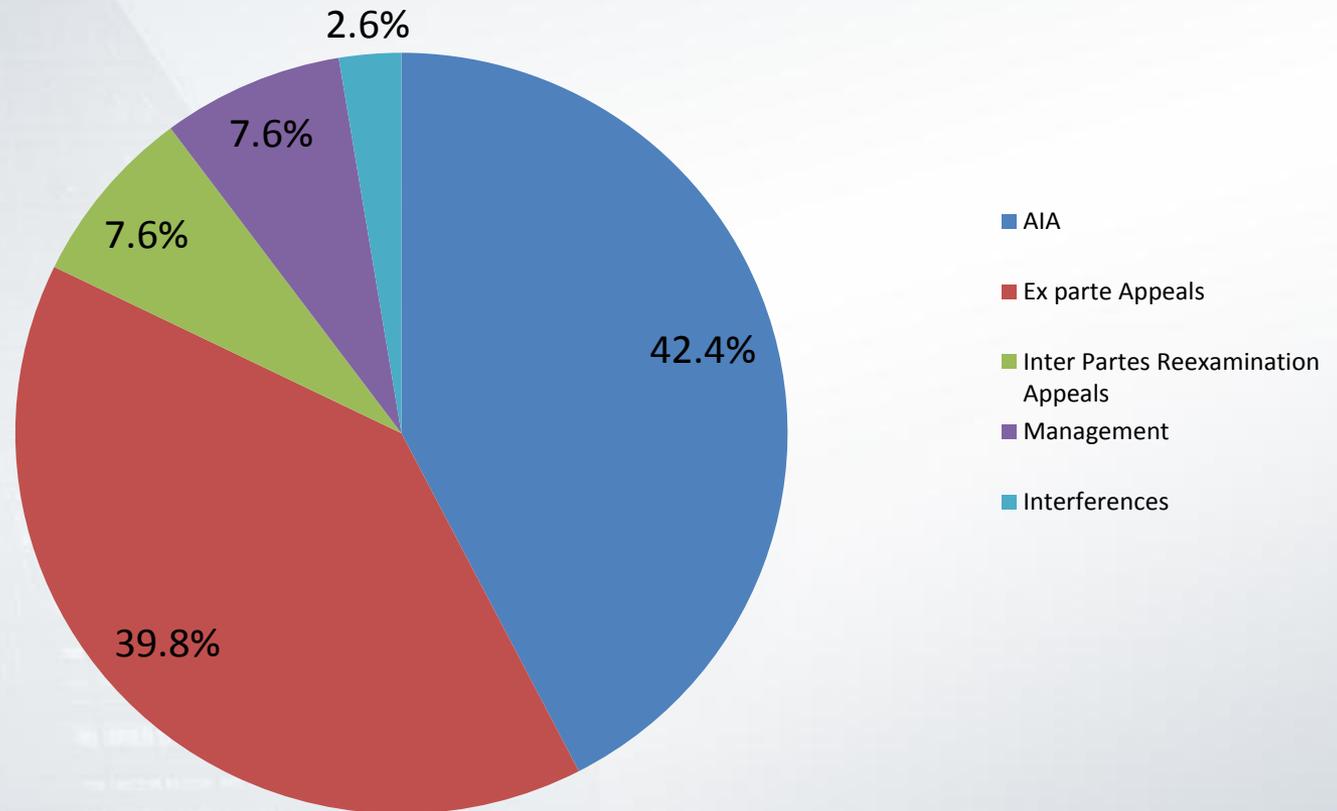
# Current Judge Staffing



\* As of February 1, 2014 (179 judges)



# Expected Judge Staffing (October 1, 2014)



\* Hiring 57 additional judges in FY 2014, for a total of 236 judges



**Coming Soon**



# Coming Soon

- Roundtables on AIA Proceedings
- On PTAB Web page:
  - New statistics on AIA Proceedings
  - New Representative AIA decisions
  - Link to APJ Vacancy Announcement on USAJobs
  - AIA Suggestion Box

(<http://www.uspto.gov/ip/boards/bpai/index.jsp>)
- New blogs for AIA microsite  
([http://www.uspto.gov/aia\\_implementation/index.jsp](http://www.uspto.gov/aia_implementation/index.jsp))



# Questions and Comments?

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