PTAB update

Scott Boalick
Janet Gongola
Michelle Ankenbrand
November 14, 2019
Patent Public Advisory Committee quarterly meeting
Agenda

• Highlights of annual report: PTAB section
• PTAB accomplishments in FY19
• PTAB FY19 close-out on appeal and trial filings, pendency, and inventory
• Recent PTAB developments
Highlights of annual report
PTAB accomplishments in FY19
PTAB accomplishments in FY19

- New standard operating procedures, including new procedures to designate PTAB decisions precedential or informative
- Recent precedential and informative decisions
- Rule changing claim construction standard in AIA proceedings
- Motion to amend pilot program
- Notice regarding options for amendments through reissue or reexamination during a pending AIA trial proceeding
- Trial Practice Guide updates
- Studies
- 2019 Revised Patent Subject Matter Eligibility Guidance
- Pendency of ex parte appeal cases
Standard operating procedures

• SOP 1: Paneling judges to cases
• SOP 2: Issuing precedential and informative decisions
Standard operating procedure 2
September 2018 update

• Provides new Precedential Opinion Panel (POP) for creating binding Board precedent on rehearing
  – Provides notice to the parties when POP review takes place, as well as the identification of the POP members in a particular case
  – Explains the standards, procedures, and timing for requesting POP review in a pending case on rehearing

• Provides for designation and de-designation of precedential opinions by the director
## POP decisions and orders

<table>
<thead>
<tr>
<th>Case/Appeal Name</th>
<th>Case/Appeal Number</th>
<th>Topic</th>
<th>Status</th>
<th>Date Decided</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoPro, Inc. v. 360Heros, Inc.</td>
<td>IPR2018-01754, Paper 38</td>
<td>AIA - 315(b) - Time Bar</td>
<td>Decided (POP)</td>
<td>8/23/2019</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Case/Appeal Name</th>
<th>Case/Appeal Number</th>
<th>Topic</th>
<th>Status</th>
<th>Date Order Issued</th>
</tr>
</thead>
</table>
# Precedential and informative decisions

## Precedential decisions (16)

<table>
<thead>
<tr>
<th>Precedential decisions</th>
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<tbody>
<tr>
<td>AIA - RPI - 312(a)(2), 315(b)</td>
<td>(2)</td>
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<tr>
<td>AIA - RPI - 322(a)(2)</td>
<td>(1)</td>
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<tr>
<td>AIA - Institution - 314(a)</td>
<td>(2)</td>
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<tr>
<td>AIA - Institution - 314(a), 325(d)</td>
<td>(1)</td>
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<td>AIA - Institution - 325(d)</td>
<td>(1)</td>
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<tr>
<td>AIA - Bar - 315(a)(1)</td>
<td>(1)</td>
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<tr>
<td>AIA - Time Bar - 315(b)</td>
<td>(1)</td>
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<tr>
<td>AIA - MTA - 316(d)</td>
<td>(2)</td>
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<tr>
<td>AIA - Oral Argument</td>
<td>(2)</td>
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<tr>
<td>AIA - Pre-institutions Disclaimer</td>
<td>(1)</td>
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<tr>
<td>AIA - Request for Rehearing</td>
<td>(1)</td>
</tr>
<tr>
<td>AIA - Witness Testimony</td>
<td>(1)</td>
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## Informative decisions (10)

<table>
<thead>
<tr>
<th>Informative decisions</th>
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<tbody>
<tr>
<td>AIA - Institution - 312(a)(3)</td>
<td>(1)</td>
</tr>
<tr>
<td>AIA - Institution - 314(a)</td>
<td>(2)</td>
</tr>
<tr>
<td>101</td>
<td>(5)</td>
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<td>Design Choice - 103</td>
<td>(2)</td>
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</table>
## Recent decisions designated precedential

<table>
<thead>
<tr>
<th>Case/Appeal Name</th>
<th>Case/Appeal Number</th>
<th>Topic</th>
<th>Date Issued</th>
<th>Date Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventex Co., Ltd v. Columbia Sportswear North America, Inc.</td>
<td>IPR2017-00651, Paper 152</td>
<td>AIA - RPI - 312(a)(2), 315(b)</td>
<td>1/24/2019</td>
<td>4/16/2019</td>
</tr>
<tr>
<td>NHK Spring Co., Ltd v. Intri-Plex Techs., Inc.</td>
<td>IPR2018-00752, Paper 8</td>
<td>AIA - Institution - 314(a), 325(d)</td>
<td>9/12/2018</td>
<td>5/7/2019</td>
</tr>
<tr>
<td>Becton, Dickinson and Company v. B. Braun Melsungen AG</td>
<td>IPR2017-01586, Paper 8</td>
<td>AIA - Institution - 325(d)</td>
<td>12/15/2017</td>
<td>8/2/2019</td>
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### Recent decisions designated precedential (cont.)

<table>
<thead>
<tr>
<th>Case/Appeal Name</th>
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</tr>
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<tbody>
<tr>
<td>Amazon.com, Inc. v. Uniloc Luxembourg S.A.</td>
<td>IPR2017-00948, Paper 34</td>
<td>AIA - MTA - 316(d)</td>
<td>1/18/2019</td>
<td>3/18/2019</td>
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Recent decisions designated informative

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<thead>
<tr>
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<th>Date Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex Parte Smith</td>
<td>2018-000064</td>
<td>101</td>
<td>2/1/2019</td>
<td>3/19/2019</td>
</tr>
<tr>
<td>Ex Parte Olson</td>
<td>Appeal 2017-006489</td>
<td>101</td>
<td>3/25/2019</td>
<td>7/1/2019</td>
</tr>
<tr>
<td>Ex Parte Kimizuka</td>
<td>Appeal 2018-001081</td>
<td>101</td>
<td>5/15/2019</td>
<td>7/1/2019</td>
</tr>
<tr>
<td>Ex Parte Savescu</td>
<td>Appeal 2018-003174</td>
<td>101</td>
<td>4/1/2019</td>
<td>7/1/2019</td>
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<tr>
<td>Ex Parte Fautz</td>
<td>Appeal 2019-000106</td>
<td>101</td>
<td>5/15/2019</td>
<td>7/1/2019</td>
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<th>Date Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Ex Parte Maeda</em></td>
<td>Appeal 2010-009814</td>
<td>Design Choice - 103</td>
<td>10/23/2012</td>
<td>10/15/2019</td>
</tr>
<tr>
<td><em>Ex Parte Spangler</em></td>
<td>Appeal 2018-003800</td>
<td>Design Choice - 103</td>
<td>2/20/2019</td>
<td>10/15/2019</td>
</tr>
</tbody>
</table>
PTAB website, decisions

www.uspto.gov/patents-application-process/patenttrialandappealboard
Claim construction standard

- Board changed the claim construction standard used in AIA trials, commonly called the “broadest reasonable interpretation” standard, to match that applied by the federal district courts, commonly called the “Phillips” standard
- Permits Board to make better use of federal court claim constructions
- Increases the likelihood that claims are not argued one way before the office to maintain their patentability (or to show that the claims are unpatentable) and in a different way against an opposing party in an infringement case before the federal courts
- Effective November 13, 2018, and applies to AIA trial petitions filed on or after that date
Motion to amend pilot program

- Provides patent owners with two options not previously available:
  - **Option 1**: patent owner may choose to receive preliminary guidance from the Board on its motion to amend
  - **Option 2**: patent owner may choose to file a revised motion to amend after receiving petitioner’s opposition to the original motion to amend and/or after receiving the PTAB’s preliminary guidance (if requested)

- Option 1 is not a predicate for Option 2
- Effective on March 15, 2019
Reexam and reissue notice

- Explains alternative ways that patent owners might secure amended claims outside the trial process through the use of reissue and reexamination procedures
- Addresses factors that the PTAB considers when determining whether to stay or suspend a reissue proceeding, or stay a reexamination, that involves a patent involved in an AIA proceeding, and also when and whether to lift such a stay or suspension
- Published April 4, 2019
Provides guidance on:

1. Factors that may be considered by the Board in determining when additional discovery will be granted;
2. The submission of testimonial evidence with a patent owner preliminary response;
3. Procedures for parties to request modifications to the default protective order;
4. Factors that may be considered by the Board in determining whether to grant a motion for joinder;
5. Procedures to be followed when a case is remanded; and
6. Information to be provided by the parties if there are multiple petitions filed at or about the same time challenging the same patent.
TPG July update: multiple petitions

- One petition should be sufficient
- Two or more petitions should be “rare”
- Unlikely that three or more petitions will be appropriate
- Justification for more than one petition may include, e.g.,
  - When the patent owner has asserted a large number of claims in litigation (id.)
  - When there is a dispute about priority date (id.) (or other need to compartmentalize art that may turn on a dispositive issue)
Studies

• Orange Book and Purple Book study of AIA trials involving pharmaceutical patents
• Orange Book and Purple Book study of district court litigation for pharmaceutical patents
• Parallel proceedings at the USPTO (e.g., AIA proceedings, reexamination, and reissue) involving issued patents
2019 Revised Patent Subject Matter Eligibility Guidance

- Conducted extensive training for judges on new 101 guidance
- Designated five decisions as informative to showcase how to apply the guidance in 101 determinations
Close-out on appeal and trial filings, pendency, and inventory

PTAB FY19
Appeal statistics

• Inventory
• Average pendency
Pending appeals FY10 to FY19
(Sept. 30, 2010 – Sept. 30, 2019)
Pendency of decided appeals in FY18 and FY19 (Jul. – Sept. FY18 compared to Jul. – Sept. FY19)

Pendency is calculated as average months from Board receipt date to final decision.

Pendency is calculated for a three month period compared to the same period the previous year.

*CRU (Central Reexamination Unit) decisions include ex parte reexam, inter partes reexam, supplemental examination review, and reissues from all technologies.
AIA trial statistics

- Number of petitions
- Institution rate
- FWD outcomes
Petitions by trial type
(all time: Sept. 16, 2012 to Sept. 30, 2019)

Trial types include Inter Partes Review (IPR), Post Grant Review (PGR), and Covered Business Method (CBM).
Institution rate for each fiscal year is calculated by dividing petitions instituted by decisions on institution (i.e., petitions instituted plus petitions denied). The outcomes of decisions on institution responsive to requests for rehearing are excluded.
These figures reflect the latest status of each petition. The outcomes of decisions on institution responsive to requests for rehearing are incorporated. Once joined to a base case, a petition remains in the Joined category regardless of subsequent outcomes.
Recent PTAB developments
Notice of proposed rulemaking on allocation of burdens for motion to amend

• Published October 22, 2019

• Proposes
  – petitioner bears the burden to show the unpatentability of substitute claims proposed in a motion to amend;
  – patent owner bears the burden to show that a motion to amend complies with certain statutory and regulatory requirements; and
  – the Board may, in the interests of justice, make a determination regarding the patentability of substitute claims based on the record in the proceeding regardless of the burdens assigned to any party.

• Comments due December 23, 2019
Subscription center
www.uspto.gov/subscribe

• Sign up to receive the latest news and updates from the USPTO conveniently via e-mail
Questions and comments

• Scott R. Boalick
  – Chief administrative patent judge
  – (571) 272-9797
  – scott.boalick@uspto.gov
Appendix of reference materials
Federal register notices


Federal register notices (cont.)


Other documents and sources

Patent Trial and Appeal Board
September 30, 2019

Appeal and interference statistics
Pending appeals FY10 to FY19
(Sept. 30, 2010 – Sept. 30, 2019)
Pendency of decided appeals in FY18 and FY19
(Jul. – Sept. FY18 compared to Jul. – Sept. FY19)

Pendency is calculated as average months from Board receipt date to final decision.

Pendency is calculated for a three month period compared to the same period the previous year.

*CRU (Central Reexamination Unit) decisions include ex parte reexam, inter partes reexam, supplemental examination review, and reissues from all technologies.
## Appeal intake in FY19
*(Oct. 1, 2018 – Sept. 30, 2019)*

### Business Method/Mechanical

<table>
<thead>
<tr>
<th>Technology</th>
<th>FY19 Intake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bio/Pharma 1600</td>
<td>551</td>
</tr>
<tr>
<td>Chemical 1700</td>
<td>1,061</td>
</tr>
<tr>
<td>Electrical/Computer 2100</td>
<td>855</td>
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<tr>
<td>Electrical/Computer 2400</td>
<td>887</td>
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<td>Electrical/Computer 2600</td>
<td>642</td>
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<td>Electrical/Computer 2800</td>
<td>538</td>
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<tr>
<td>Design 2900</td>
<td>57</td>
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<tr>
<td>Business Method/Mechanical 3600</td>
<td>1,367</td>
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<tr>
<td>Business Method/Mechanical 3700</td>
<td>1,007</td>
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</tbody>
</table>

*Central Reexamination Unit 3900

**60**

*The Central Reexamination Unit includes ex parte reexams, inter partes reexams, supplemental examination reviews and reissues from all technologies.*
Appeal outcomes in FY19
(Oct. 1, 2018 - Sept. 30, 2019)

- Affirmed: 58.4%
- Reversed: 30.8%
- Affirmed-in-Part: 9.0%
- Dismissed: 1.2%
- Administrative and Panel Remands: 0.6%
Interference inventory
(Sept. 30, 2008 – Sept. 30, 2019)

FY08: 52
FY09: 44
FY10: 46
FY11: 59
FY12: 53
FY13: 51
FY14: 31
FY15: 22
FY16: 26
FY17: 22
FY18: 16
FY19: 15
Patent Trial and Appeal Board
September 2019

Trial statistics
IPR, PGR, CBM
Petitions by trial type
(all time: Sept. 16, 2012 to Sept. 30, 2019)

Trial types include Inter Partes Review (IPR), Post Grant Review (PGR), and Covered Business Method (CBM).

- Mechanical & Business Method: 343 (23%)
- Chemical: 53 (4%)
- Bio/Pharma: 132 (9%)
- Design: 3 (0%)

Total: 1,464

Electrical/Computer: 933 (64%)
Petitions filed by month

(1,394 IPRs in FY19)

Sep-18
212

PGR
7
(48 PGRs in FY19)

Sep-18
0
2
5
3

Sep-19

IPR

Sep-18
109
119
97

Sep-19
(22 CBMs in FY19)

Sep-18
0
0
0

Sep-19
Institution rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Instituted</th>
<th>Denied</th>
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<tbody>
<tr>
<td>FY13</td>
<td>191</td>
<td>29</td>
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<tr>
<td>FY14</td>
<td>664</td>
<td>223</td>
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<tr>
<td>FY15</td>
<td>469</td>
<td>1,012</td>
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<tr>
<td>FY16</td>
<td>496</td>
<td>1,011</td>
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<td>FY17</td>
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<td>954</td>
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<td>FY18</td>
<td>577</td>
<td>859</td>
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<tr>
<td>FY19</td>
<td>510</td>
<td>859</td>
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</tbody>
</table>

Institution rate for each fiscal year is calculated by dividing petitions instituted by decisions on institution (i.e., petitions instituted plus petitions denied). The outcomes of decisions on institution responsive to requests for rehearing are excluded.
Institution rates by technology
(All Time: Sept. 16, 2012 to Sept. 30, 2019)

<table>
<thead>
<tr>
<th>Technology</th>
<th>Rate</th>
<th>(Petitions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bio/Pharma</td>
<td>59%</td>
<td>508 of 856</td>
</tr>
<tr>
<td>Chemical</td>
<td>61%</td>
<td>320 of 522</td>
</tr>
<tr>
<td>Design</td>
<td>41%</td>
<td>19 of 46</td>
</tr>
<tr>
<td>Electrical/Computer</td>
<td>67%</td>
<td>3,276 of 4,900</td>
</tr>
<tr>
<td>Mechanical &amp; Business Method</td>
<td>68%</td>
<td>1,427 of 2,088</td>
</tr>
</tbody>
</table>

Institution rate for each technology is calculated by dividing petitions instituted by decisions on institution (i.e., petitions instituted plus petitions denied). The outcomes of decisions on institution responsive to requests for rehearing are excluded.
Pre-institution settlements

Settlement rate for each year is calculated by dividing pre-institution settlements by the sum of proceedings instituted, denied institution, dismissed, terminated with a request for adverse judgment, and settled before decision on institution.
Post-institution settlements

Settlement rate for each year is calculated by dividing post-institution settlements by proceedings terminated post-institution (i.e., settled, dismissed, terminated with a request for adverse judgment, and final written decision), excluding joined cases.
Status of petitions
(All Time: Sept. 16, 2012 to Sept. 30, 2019)

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These figures reflect the latest status of each petition. The outcomes of decisions on institution responsive to requests for rehearing are incorporated. Once joined to a base case, a petition remains in the Joined category regardless of subsequent outcomes.
Questions and comments

- Scott R. Boalick
  Chief administrative patent judge
  (571) 272-9797
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- Janet Gongola
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