Patent Trial and Appeal Board (PTAB) update

Scott R. Boalick, Chief Administrative Patent Judge
Jacqueline W. Bonilla, Deputy Chief Administrative Patent Judge
Michael W. Kim, Acting Vice Chief Administrative Patent Judge
August 13, 2020
Patent Public Advisory Committee quarterly meeting
Agenda

- Ex parte appeals pendency
- Fast Track Appeals Pilot Program
- PTAB updates
Ex parte appeals pendency
Ex parte appeals pendency goals

• Allow stakeholders to make informed decision on whether to appeal, regardless of technology.

• Twelve-month average pendency for decided appeals, with maximum pendency, regardless of technology.
  – Pendency measured from received date at PTAB (appeal number assigned) to mailed decision date.
Overview of pendency management tools

- Technology rebalancing
- Quarterly Appeals Closeouts (QAC)
- Just-in-time docketing
Technology rebalancing

• Judges self-identify into technology clusters that correspond to technology centers in Patents (see SOP 1 § III.E.3):
  – Biotech (TC1600);
  – Chemical (TC1700, TC2800);
  – Electrical (TC2100, TC2400, TC2600);
  – Mechanical/Business Methods (TC3600; TC3700); and
  – Mechanical (TC3600 except class 705; TC3700).
Technology rebalancing

- **SOP1 § III.E.3.c:**
  - “Designee(s) assign each case to a panel of judges having the appropriate technology preferences, as practicable. ... [T]he designee(s) should attempt to fill a given judge’s docket with cases from his or her primary technology preference.”

- **SOP1 § III.E.3.d:**
  - “If Board needs dictate, however, a judge may be assigned to a case relating to any technology or cluster.”

- **SOP1 § III.E.3.e:**
  - “Designee(s) will attempt to assign ex parte appeals with three judges in the same technology cluster.”
Technology rebalancing
Technology rebalancing

- FY 17 Q2 average pendency by technology:
  - Electrical: 13.9 months
  - Business methods: 28.5 months
  - Mechanical: 25.8 months

- FY 17 Q2: shifted some business methods and mechanical appeals to electrical clusters.

- Provided resources and training to electrical clusters.
Technology rebalancing

• Reevaluated quarterly.

• For Q4 FY20:
  – Reducing number of business methods appeals decided by electrical clusters.
  – Maintaining having some business methods appeals decided by biotech cluster.
Quarterly Appeals Closeouts (QAC)

- Maintain or reduce maximum pendency.
- Each quarter, set maximum pendency target and decide all appeals older than target:
  - End of Q2 FY18: ~27 mos. maximum pendency.
  - End of Q3 FY20: ~22 mos. maximum pendency.
Maximum pendency shrinking

Number of Appeals Pending by Age in Months

- Data from June 2020.
Just-in-time docketing

• SOP1 § III.D.1:
  – “For judges assigned to be paneled only on ex parte appeals, designee(s) will automatically assign ex parte appeals to a judge’s docket on a regular, periodic basis, with the goal of maintaining a given judge’s docket size at a target level.”

• SOP1 § III.D.2.a:
  – “To request ex parte appeals to be added to his or her docket, a judge who is assigned to be paneled on cases in other jurisdictions of the Board should contact the designee(s) to request a certain number of additional ex parte appeals, up to a designated maximum, and also notify the judge’s supervisor.”
Just-in-time docketing

• Q2 FY20:
  – For judges automatically paneled on appeals, target reduced from 20 to 12.
  – For judges not automatically paneled on appeals, maximum set at six.
Fast Track Appeals Pilot Program
Overview

• One-year pilot starting July 2, 2020.
• $400 fee.
• Six month pendency goal.
• 125-granted-petition limit per quarter (500 total)
• Hearings permitted, with some restrictions.
What the program is not

• No impact on procedures before docketing notice is issued.
• No change in briefing before the examiner.
What appeals qualify?

• Pending appeal (docketing notice issued).
  – Not limited to “new” appeals, i.e., a petition may be submitted for any currently pending appeal.

• Appeal not already being treated as special under MPEP 708.01.
  – E.g., not already special due to age or health of inventor.
Requirements of petition to Chief APJ

• Application and appeal numbers.
• Certifications that the appeal qualifies.
  – Pending appeal, not currently treated as special.
• $400 fee under 37 C.F.R. 41.20(a).
  – Non-refundable, even if petition denied.
Petitioning Chief APJ

• Submit by EFS-Web, Patent Center, or Postal Service.
  – Electronic submission is preferred.
• Form PTO/SB/451 recommended, but not required.
• Petitioner notified of grant or denial.
• May petition again if denied, but will not get the filing date of a denied petition.
Fast-track webpage

Petition form

Form-fillable PDF also available at: www.uspto.gov/patent/forms/forms-patent-applications-filed-or-after-september-16-2012
Program limits

• 125 granted petitions per quarter and 500 total.
  – Quarter is a 3-month period and first quarter started July 2 (day the Federal Register Notice published).
  – If 125 granted petitions in a quarter, additional petitions may be held in abeyance and considered in the following quarter.
Program limits

• Limits chosen to provide robust participation while not compromising other PTAB goals, such as pendency.

• Track progress toward limits on Fast-track webpage.
Routine updates of progress toward limits

- Check website to gauge how close we are to limits.
Hearings

- Yes, heard cases can be fast-tracked.
- Hearing requests can include time and location preferences.
  - Hearings team will do best to accommodate.
  - But, may be scheduled in any available hearing room in any office location, by video, or by telephone.
Hearings

• No rescheduling of hearings and staying in the pilot program.
  – May opt out of fast track and reschedule hearing.
  – May request video/telephone if office location is inconvenient.
  – May waive hearing and continue on fast-track.

• Right now, default for all appeals hearings (including fast-track) is telephonic.
Further information

• Federal Register notice:

• Frequently asked questions:
PTAB updates
PTAB accomplishments and initiatives

- Fast-Track Appeals Pilot Program
- Legal Experience and Advancement Program (LEAP)
- Motions to Amend (MTA) Pilot Program
- Notice of Proposed Rulemaking to allocate the burden of persuasion on MTA in trial proceedings
- Notice of Proposed Rulemaking on AIA trial institution and responsive briefing
PTAB accomplishments and initiatives

• Extended deadlines under the CARES Act
• POP issued notable precedential decisions including:
• Issued important precedential and informative decisions
• Updates to Trial Practice Guide (consolidated in Nov. 2019)
  – E.g., factors considered at institution
Legal Experience and Advancement Program (LEAP)

• Announced May 15, 2020.
• Applies to both ex parte appeals and AIA trials.
• Designed to foster the development of the next generation of patent practitioners.
• Targets attorneys and agents new to the practice of law or new to practice before the PTAB.
• Provides webinar trainings for LEAP practitioners.
• Oral Argument Practicum held on August 7, 2020.
MTA Pilot Program

• Notice published in Federal Register at 84 FR 9497.
• Applies to all AIA trials instituted on or after March 15, 2019.
• First MTA requesting preliminary guidance filed June 25, 2019.
• First revised MTA filed October 30, 2019.
• Statistics (as of June 30, 2020)
  – MTAs under pilot program=77
  – Requests for preliminary guidance=67
  – Board issuance of preliminary guidance=39
  – Revised MTAs=26
Notice of Proposed Rulemaking to allocate the burden of persuasion on MTA in trial proceedings

• Published October 22, 2019.
• Comments closed December 23, 2019;
  – 18 comments received.
• Comments expressed varying viewpoints.
• The office is carefully considering all comments.
Notice of Proposed Rulemaking on AIA trial institution and responsive briefing

- Published May 27, 2020.
  - 40 comments received.
- Comments expressed varying viewpoints.
- The office is carefully considering all comments.
# POP decisions and orders

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<td>GoPro, Inc. v. 360Heros, Inc.</td>
<td>IPR2018-01754, Paper 38</td>
<td>AIA - 315(b) - Time Bar</td>
<td>Decided (POP)</td>
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<td>Hunting Titan, Inc. v. DynaEnergetics GmbH &amp; Co. KG</td>
<td>IPR2018-00600, Paper 67</td>
<td>AIA - Motion to Amend</td>
<td>Decided (POP)</td>
<td>7/6/2020</td>
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Hunting Titan, Inc. v. DynaEnergetics GmbH & Co. KG

- IPR2018-00600 (PTAB July 6, 2020) (Paper 67) (Precedential)
- Precedential Opinion Panel (POP) ordered review to address the following issues:
  - Under what circumstances and at what time during an inter partes review proceeding may the Board raise a ground of unpatentability that a petitioner did not advance or insufficiently developed against substitute claims proposed in a motion to amend?
  - If the Board raises such a ground of unpatentability, whether the Board must provide the parties notice and an opportunity to respond to the ground of unpatentability before the Board makes a final determination.
- The POP accepted additional briefing from the parties and amici until and held an oral hearing on February 18, 2020. The POP issued a precedential decision on July 6, 2020.
Hunting Titan, Inc. v. DynaEnergetics GmbH & Co. KG

- IPR2018-00600 (PTAB July 6, 2020) (Paper 67) (Precedential)
- The POP concluded:
  - The Federal Circuit’s opinion in Nike, Inc. v. Adidas AG, 955 F.3d 45 (Fed. Cir. 2020) resolves that the Board may, in certain rare circumstances, raise a ground of unpatentability that a petitioner did not advance, or insufficiently developed, against substitute claims proposed in opposing a motion to amend.
    - Circumstances are limited to situations in which the adversarial process fails to provide the Board with potential arguments of patentability with respect to the proposed substitute claims.
    - Examples of such rare circumstances include:
      - Where the petitioner has ceased to participate in the proceeding; or
      - Where certain evidence of unpatentability has not been raised by petitioner, but is readily identifiable and so persuasive that the Board should take it up in the interest of supporting the integrity of the patent system, notwithstanding the adversarial nature of the proceedings.
Hunting Titan, Inc. v. DynaEnergetics GmbH & Co. KG

- IPR2018-00600 (PTAB July 6, 2020) (Paper 67) (Precedential)
- The POP further concluded:
  - Due process requires that
    - Patent owner receive notice of how the prior art allegedly discloses the newly-added limitations of each proposed substitute claim, as well as a theory of unpatentability asserted against those claims; and
    - Patent owner has the opportunity to respond.
  - Nike gave two examples of procedures sufficient to provide notice and opportunity to respond:
    - The Board could request “supplemental briefing from the parties regarding its proposed ground for unpatentability;” or
    - The Board could “request that the parties be prepared to discuss” the prior art in connection with the substitute claim at an oral hearing.
# Decisions designated precedential FY2020

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<td>Ex parte Grillo-López</td>
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## Decisions designated informative FY2020

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<td>Seabery North America Inc. v. Lincoln Global, Inc.</td>
<td>IPR2016-00840, Paper 11</td>
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<td>Sandoz Inc. v. AbbVie Biotechnology Ltd.</td>
<td>IPR2018-00156, Paper 11</td>
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<td>In-Depth Geophysical, Inc. v. ConocoPhillips Company</td>
<td>IPR2019-00849, Paper 14</td>
<td>AIA - Printed Publication - 311(b)</td>
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<td>Apple Inc. v. Fintiv, Inc.</td>
<td>IPR2020-00019, Paper 15</td>
<td>AIA - Institution - 314(a)</td>
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<td>Ex Parte Maeda</td>
<td>Appeal 2010-009814</td>
<td>Design Choice - 103</td>
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<td>Ex Parte Spangler</td>
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<td>Ex parte Whirlpool Corporation</td>
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<td>Secondary Considerations - 103</td>
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<td>Ex parte Thompson</td>
<td>Appeal 2011-011620</td>
<td>Secondary Considerations - 103</td>
<td>3/21/2014</td>
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Consolidated Trial Practice Guide

• Published November 20, 2019.
• Incorporates the Practice Guide updates released in August 2018 and July 2019 into the original August 2012 Practice Guide.
• Includes additional revisions for greater consistency across all sections of the newly consolidated guide.