Inventor Info Chat
Patent Trial and Appeal Board 101

Janet Gongola, Vice Chief Judge for Strategy
Alyssa Finamore, Administrative Patent Judge
Thursday, August 15, 2019
Agenda

• Composition of PTAB
• AIA Trials
• Ex Parte Appeals
• Takeaways
• Resources
• Upcoming Events
• Q&A
Composition of PTAB
The Board

- The Board is created by statute (35 U.S.C. § 6)
  - That statute mandates the Board’s:
    - Duties
    - Composition
    - Qualifications for membership
    - Panel form of decision-making (appeals, derivation proceedings, post-grant reviews, and *inter partes* reviews)
- Original “board of disinterested persons” provided for in Patent Act of 1836
- Patent Act of 1861 formed the permanent Board of Appeals of “persons of competent legal knowledge and scientific ability”
  - President Lincoln appointed George Harding, Esq. of Philadelphia as the first “Examiner-in-Chief”
Statutory members of the Board

• 35 U.S.C. § 6(a) provides:
  – There shall be in the Office a Patent Trial and Appeal Board. The Director, the Deputy Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges shall constitute the Patent Trial and Appeal Board.
Administrative Patent Judges

- Chief Judge (1)
- Deputy Chief Judge (1)
- Vice Chief Judges (5)
- Lead Judges (31)
- Judges (235)
  - Patent attorneys, law clerks, paralegals, administrators, and support staff assist the judges with their work at the Board
Locations of PTAB Judges

*Alexandria, Va. count includes judges who participate in TEAPP.*
Types of PTAB proceedings

• Appeals in *ex parte* patent applications
• Appeals in *ex parte* and *inter partes* reexamination proceedings
• Interferences
• *Inter partes* reviews (IPR)
• Post-grant reviews (PGR)
• Covered business method reviews (CBM)
• Derivations (DER)
AIA trials
Intent behind AIA trials

• Faster and cheaper alternative to district court litigation to challenge patent validity
• Consider securing counsel because the proceedings can be complex
Parties to AIA trials

• Petitioner = third party
  – Files challenge against a patent
  – Carries legal burdens throughout proceeding

• Patent owner
  – Can choose whether to defend
Types of AIA trials

- Inter partes review (IPR)
- Post grant review (PGR)
- Covered business method review (CBM)
Availability of AIA trials

- **IPR**: from 9 months after patent grant throughout the life of the patent

- **PGR**: from patent grant through 9 months

- **CBM**: same as PGR, but must be a “covered business method” patent
  - Claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service
  - Does not include “technological inventions”
Scope of grounds in petition

- **IPR**: only on § 102 and § 103 grounds, and only on basis of prior art consisting of patents and printed publications.

- **PGR/CBM**: on any grounds for invalidity (except best mode).
AIA trial process

1. Petition Filed
2. PO Preliminary Response
3. Decision on Petition
4. PO Response & Motion to Amend Claims
5. Petitioner Reply to PO Response & Opposition to Amendment
6. PO Reply to Opposition to Amendment
7. Oral Hearing
8. Final Written Decision

- Petition Filed
- 3 months
- PO Preliminary Response
- No more than 3 months
- Decision on Petition
- 3 months
- PO Response & Motion to Amend Claims
- 3 months
- Petitioner Reply to PO Response & Opposition to Amendment
- 1 month
- Hearing Set on Request
- PO Discovery Period
- Petitioner Discovery Period
- PO Discovery Period
- Period for Observations & Motions to Exclude Evidence
- No more than 12 months
Standard for initiating review

**IPR:** “a reasonable likelihood that the petitioner would prevail” with respect to at least one challenged claim

**CBM/PGR:** “more likely than not that at least one claim is unpatentable” or the petition raises “a novel or unsettled legal question that is important to other patents or applications”
Standard of proof

• Preponderance of the evidence

• Lower than “clear and convincing evidence” required to prevail in district courts
Timing of AIA trial if instituted

- Final decision issued within 12 months of institution
- Can extend by 6 months, but only for "good cause"
- Generally, entire process (petition → termination or final decision) will take 18 months or less
Ex parte appeals
Ex parte appeal to the PTAB

• An alternative to continuing prosecution before the Examiner
• Consideration of the application as is, not a forum for making substantive amendments or submitting new evidence
• Generally results in a decision affirming or reversing the Examiner
  – The PTAB will not issue a patent. We simply review the Examiner’s decision.

Source: 35 U.S.C. § 134(a); 37 C.F.R. §§ 41.31(a)(1), 41.33, 41.50.
Ex parte appeal to the PTAB

• Review by a “fresh pair of eyes,” namely a panel of at least three administrative patent judges, who
  – Have technical backgrounds
  – Are lawyers
  – Have been appointed by the Secretary of Commerce

• A more formal, legal environment within the Office
  – Legal briefing
  – Optional oral argument before panel of judges

Source: 35 U.S.C. §§ 6, 134(a); 37 C.F.R. §§ 41.31(a)(1), 41.37, 41.41, 41.47.
Legal Environment

• No requirement to have a lawyer, but often a good idea

• The Office cannot provide counsel on your behalf.

• The Office provides resources for *ex parte* appeals.

• The PTAB treats every appellant equally. To assure an appellant gets a fair shake:
  – Judges may provide more explanation if appellant needs it.
  – Judges focus on the facts and evidence, and can be more lenient on procedural formalities.
  – Publically available resources on the PTAB’s website
Ex Parte Appeal Process

- 3 mos. (extendable up to 6 mos.)
  - adverse decision of Examiner, e.g., final Office action

- 2 mos. (extendable up to 7 mos.)
  - Notice of Appeal (form)
  - Appeal Brief (legal brief)

- 2 mos. (NOT extendable)
  - Examiner's Answer
  - appeal forwarding fee
  - optional Reply Brief (legal brief) and
  - optional oral hearing request (form) with fee

- 2 mos. (NOT extendable)
  - oral hearing (if requested)
  - Board decision
  - optional request for rehearing (legal brief) and
  - decision on rehearing (if requested)

Source: 37 C.F.R. §§ 41.31-54; MPEP §§ 1204-1214.
Ex Parte Appeal Process: 9 steps

• **Step 1**: Adverse Decision of the Examiner
• **Step 2**: Notice of Appeal
• **Step 3**: Appeal Brief
• **Step 4**: Examiner’s Answer
• **Step 5**: Appeal Forwarding Fee + Reply Brief (*optional*) + Request for Oral Hearing (*optional*)
• **Step 6**: Oral Hearing (*if requested*)
• **Step 7**: Board decision
• **Step 8**: Request for rehearing (*optional*)
• **Step 9**: Decision on rehearing (*if requested*)

Source: 37 C.F.R. §§ 41.31-54; MPEP §§ 1204-1214.
Step 1: Adverse Decision of the Examiner

• This is generally an Office action including a rejection of one or more claims.

• Appeal is taken from the Office action, so the Office action defines the Examiner’s position on appeal.

• You cannot appeal from every Office action.
  – Application must be twice rejected.
  – The Office action does not have to be final.

Source: 35 U.S.C. § 134; 37 C.F.R. § § 41.31; MPEP § 1204.
Step 2: Notice of Appeal

• You must give notice that you intend to appeal from the Examiner’s decision and pay an appeal fee.

• The notice and payment of the fee are due 3 months after the mailing date of the Examiner’s decision from which appeal is being taken, e.g., final Office action. This time period is extendable for 3 additional months, so you can file a Notice of Appeal with payment of the appeal fee as late as 6 months after the Examiner’s decision.

• Office provides a form: https://www.uspto.gov/sites/default/files/documents/aia0031.pdf

Source: 35 U.S.C. § 41(a)(6)(A); 37 C.F.R. § 41.31(a); MPEP § 1204.
Notice of Appeal Form

- Patent application information
- Fee payment
- Extension of time (if applicable)
- Signature information
Step 3: Appeal Brief

• No fee due with Appeal Brief

• The Appeal Brief is due 2 months after you file the Notice of Appeal. This time period is extendable for 5 additional months.

• Legal brief (not a form) that includes your arguments and defines the appeal
  – The Appeal Brief identifies the issues the judges will consider on appeal.
  – The judges generally will not go looking for issues, even issues that would resolve the appeal in your favor.
  – If an argument is not raised in the Appeal Brief, it may be waived.

Source: 37 C.F.R. § 41.37; MPEP § 1205.
Step 3: Appeal Brief

- No new evidence or substantive amendment

- Must include certain sections:
  - Real party in interest
  - Related matters, e.g., appeals, AIA proceedings, district court cases
  - Summary of the claimed subject matter
  - Argument
  - Claims appendix

- A pro se appellant needs to only “substantially comply” with certain requirements shown in bold.

Source: 37 C.F.R. §§ 41.33, 41.37(c); MPEP §§ 1205, 1206.
37 C.F.R. § 41.37(c)(iv)

*Argument*. The arguments of appellant with respect to each ground of rejection, and the basis therefor, with citations of the statutes, regulations, authorities, and parts of the Record relied on. The arguments shall explain why the examiner erred as to each ground of rejection contested by appellant. Except as provided for in §§ 41.41, 41.47 and 41.52, any arguments or authorities not included in the appeal brief will be refused consideration by the Board for purposes of the present appeal. Each ground of rejection contested by appellant must be argued under a separate heading, and each heading shall reasonably identify the ground of rejection being contested (e.g., by claim number, statutory basis, and applied reference, if any).
Step 4: Examiner’s Answer

• The Examiner’s response to the Appeal Brief
  – The Examiner will respond to all of the arguments in the Appeal Brief.
  – The Examiner will consider whether to maintain or modify each rejection.

• Includes certain sections
  – Ground(s) of Rejection to Be Reviewed on Appeal
    o Withdrawn Rejection(s)
    o New Ground(s) of Rejection
  – Response to Arguments

Source: 37 C.F.R. § 41.39; MPEP § 1207.
Step 5: Appeal Forwarding Fee

• Due 2 months after Examiner’s Answer – NOT EXTENDABLE

• Easy to forget

• Office provides a form for submitting payment of the fee: https://www.uspto.gov/sites/default/files/forms/aia0034.pdf

• May be filed with Reply Brief (optional) and/or request for oral hearing (optional)
  – No fee for Reply Brief
  – Request for oral hearing requires payment of a fee

Source: 37 C.F.R. § 41.45; MPEP §§ 1208, 1208.01.
**Certification and Transmittal of Appeal Forwarding Fee**

- **37 CFR 41.45** specifies that, in order to avoid dismissal of the appeal, appellant must pay the fee set in 37 CFR 41.20(b)(4) within two months of the later of the date of either the examiner’s answer, or a decision refusing to grant a petition under 37 CFR 1.181 to designate a new ground of rejection in an examiner’s answer.

The undersigned certifies that the appropriate fee accompanies this transmittal:

- **The fee for forwarding this appeal is (37 CFR 41.20(b)(4))**: 
  - **Appellant asserts small entity status. See 37 CFR 1.27. Therefore, the fee shown above is reduced by 50%, and the resulting fee:** $________
  - **Appellant certifies micro entity status. See 37 CFR 1.29. Therefore, the fee shown above is reduced by 75%, and the resulting fee:** $________

- A check in the amount of the fee is enclosed.
- Payment by credit card, Form PTO-2098 is attached.
- The title of this form is hereby authorized to charge any fees which may be required, or credit any overpayment to Deposit Account No. __________.
- Payment made via EFS-Web.

Extensions of time under 37 CFR 1.136(a) for patent applications are not applicable to the time period set forth in 37 CFR 41.45. See 37 CFR 1.136(b) for extensions of time to reply for patent applications and 37 CFR 1.500(c) for extensions of time to reply for ex parte reexamination proceedings.

**WARNING:** Information on this form may become public. Credit card information should not be included on this form. Provide credit card information and authorization on PTO-2098.

**NOTE:** This form must be signed in accordance with 37 CFR 1.33. See 37 CFR 1.4 for signature requirements and certifications. Submit multiple forms if more than one signature is required, see below.

- **Total of** forms are submitted.
Step 5: Reply Brief

• Optional

• Due 2 months after Examiner’s Answer – NOT EXTENDABLE

• Should be submitted at the same time as payment of the appeal forwarding fee

• No additional fee for the Reply Brief

• Only one Reply Brief permitted

Source: 37 C.F.R. § 41.41; MPEP §§ 1208, 1208.01.
Step 5: Reply Brief

- Legal brief (not a form)
- No new evidence or amendment
- No new arguments that were not raised in the Appeal Brief, unless
  - Responsive to an argument in the Examiner’s Answer
  - Addressing new ground of rejection in the Examiner’s Answer

Source: 37 C.F.R. § 41.41(b); MPEP § 1208.
Step 5: Oral Hearing Request

- Optional

- Due 2 months after Examiner’s Answer or on the date of filing a reply brief, whichever is earlier – NOT EXTENDABLE

- Must include payment of a fee

- Office provides a form: [https://www.uspto.gov/sites/default/files/documents/aia0032.pdf](https://www.uspto.gov/sites/default/files/documents/aia0032.pdf)

# Oral Hearing Request

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Applicant hereby requests an oral hearing before the Patent Trial and Appeal Board in the appeal of the above-identified application.

The fee for this Request for Oral Hearing is (37 CFR 41.20(b)(3)): $

- Applicant asserts small entity status. See 37 CFR 1.27. Therefore, the fee shown above is reduced by 50%, and the resulting fee is: $
- Applicant certifies micro entity status. See 37 CFR 1.29. Therefore, the fee shown above is reduced by 75%, and the resulting fee is: $ 
- A check in the amount of the fee is enclosed.
- Payment by credit card. Form PTO-2038 is attached.
- The Director has already been authorized to charge fees in this application to a Deposit Account.
- The Director is hereby authorized to charge any fees which may be required, or credit any overpayment to Deposit Account No. 
- Payment made via EFS-Web.
- A petition for an extension of time under 37 CFR 1.136(b) (PTO/AIA/23 or equivalent) is enclosed.

For extensions of time in reexamination proceedings, see 37 CFR 1.150.

**WARNING:** Information on this form may become public. Credit card information should not be included on this form. Provide credit card information and authorization on PTO-2038.

I am the applicant or attorney or agent of record. Signature: __________________________

**NOTE:** This form must be signed in accordance with 37 CFR 1.33. See 37 CFR 1.4 for signature requirements and certifications. Submit multiple forms if more than one signature is required, see below.

- Total of _______ forms are submitted.

This collection of information is required by 37 CFR 41.20(b)(3). The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.111, 1.14 and 41.2. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.
Step 6: Oral Hearing
Step 6: Oral Hearing

• If requested, the Office will notify you of the hearing date. You must reply to the hearing notice and confirm that you will attend the hearing.

• Attendance may be in person, telephonically, or via a video connection.

• Although rare, the Examiner may appear at the hearing.

• Decorum required at all times.

Source: 37 C.F.R. § 41.47; MPEP § 1209.
Step 6: Oral Hearing

- You will have 20 minutes to present your case to three judges, who may be in the hearing room or attending remotely.

- Judges will have already read the record on appeal, namely the Office action, Appeal Brief, Examiner’s Answer, and Reply Brief (if filed), and may or may not ask questions.

- No new arguments or evidence, absent a showing of good case based on a recent, relevant decision of the PTAB or a Federal Court.

Source: 37 C.F.R. § 41.47; MPEP § 1209.
Step 7: Board Decision

- Three judges will consider all of the arguments and evidence on appeal, confer, decide whether the Examiner erred in rejecting each claim on appeal, and issue a written decision.

- If the judges decide the Examiner did not err in rejecting a claim, they will sustain the rejection of the claim.

- The outcome of the decision depends on whether the judges decide to sustain all, some, or none of the rejections.

Source: 37 C.F.R. § 41.50; MPEP § 1213.
Step 7: Board Decision

• The outcome may be an affirmance, an affirmance-in-part, a reversal, or new ground(s) of rejection.

  – Affirmance: Each and every claim subject to a sustained rejection – no non-rejected claim
  – Affirmance-in-Part: At least one claim, but not all, subject to a sustained rejection
  – Reversed: No claim subject to a rejection – no sustained rejections
  – New Ground(s) of Rejection: The Judges issue a new rejection of one or more claims.

Source: 37 C.F.R. § 41.50; MPEP § 1213.
Step 7: Board Decision

- The outcome dictates who is responsible for taking the next step.
  - If the outcome is an affirmance or new ground(s) of rejection, you \textit{must} take the next step.
  - If the outcome is an affirmance-in-part, you \textit{may} take the next step.
  - If the outcome is a reversal, the Examiner will take the next step.
Takeaways
Takeaways: composition of Board

• PTAB consists of legal and technically trained judges

• Judges sit in panels of three to adjudicate all cases
Takeaways: AIA Trials

• Alternative to district court litigation for third party to challenge validity of patent
• 3 types
• 2 phases:
  o (1) institution; and
  o (2) trial
• To trigger institution: reasonable likelihood (IPR) or more likely than not (PGR/CBM) standards apply
• For petition to prevail: preponderance of the evidence (collected through discovery, deposition, experts)
Takeaways: *ex parte* appeals

- An *ex parte* appeal to the PTAB provides:
  - a review by three judges
  - a more judicial forum
  - a determination as to whether the Examiner erred or not

- An *ex parte* appeal does *not*:
  - issue a patent
  - make a final determination as to patentability
  - prevent the application from returning to the Examiner
Takeaways: *ex parte* appeals

- Make sure an *ex parte* appeal is right for you.

- Consider the alternatives.
  - Response to the Office action
  - Amendment to the claims or new evidence
  - Request for Continued Examination (RCE)
  - Continuing application
Takeaways: strategy

• Evaluate whether you need patent protection.
  – Value is not necessarily the same as patentability.
  – A patent conveys the right to exclude others from using the invention, not the right to use the invention.
  – A patent is not required to commercialize the invention.
  – Have you changed the invention?
Takeaways: counsel

• You do not need a lawyer to appeal to the PTAB, but often having a lawyer is a good idea.

• The PTAB treats every appellant equally, and has publically available resources to assure each appellant gets a fair shake, with or without a lawyer.
Resources
Resources: PTAB Website, Appeals

https://www.uspto.gov/patents-application-process/patenttrialandappealboard
Resources: PTAB Website, Hearings

https://www.uspto.gov/patents-application-process/patenttrialandappealboard
Resources: PTAB Website, Decisions

https://www.uspto.gov/patents-application-process/patenttrialandappealboard
Resources: PTAB Website, Events

https://www.uspto.gov/patents-application-process/patenttrialandappealboard
Resources: Oral Hearing


• Hearings page on the PTAB website: https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/hearings
Additional Resources

• Inventor Assistance Center: https://www.uspto.gov/learning-and-resources/support-centers/inventors-assistance-center-iac

• MPEP 1200: https://www.uspto.gov/web/offices/pac/mpep/index.html


• Appeal forms: https://www.uspto.gov/patent/forms/forms-patent-applications-filed-or-after-september-16-2012
Resources: Subscription Center

Subscribe to our email newsletters or update your subscriptions

Provide your email address to get started with any of our newsletters or email alerts:

- USPTO Press Releases
- USPTO Director's Forum Blog
- USPTO Monthly Review
- FYI at the USPTO
- Inventors Eye
- Patents Alerts
- Trademarks Alerts
- Copyright Alerts
- Patent Trials and Appeal Board
- Intellectual Property for K-12 Educators

Email address (required)

SUBMIT  CANCEL

https://public.govdelivery.com/accounts/USPTO/subscriber/new
Upcoming Events
Mark Your Calendar

- **September 12-15, 2019: Invention Con at USPTO**
  - Deep dive into AIA trials

- **October 3 and 17, 2019: PTAB Boardside Chat Webinar, New to AIA**
  - 2 sessions:
    - Appeals
    - AIA Trials
Questions?
Thank You