

UNITED STATES
PATENT AND TRADEMARK OFFICE



A faint, light gray technical drawing of a mechanical assembly, possibly a piston or engine component, serves as the background for the upper half of the slide. It features various numbered callouts (e.g., 22, 24, 26, 30, 32, 34, 36, 40, 50, 52, 68, 80, 82, 84, 86) pointing to different parts of the assembly.

Patent Trial and Appeal Board Parallel litigation study

Appendix

June 2022

(Data from Jan. 1, 2019 through Dec. 31, 2021)

UNITED STATES
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Appendix Contents

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Glossary / Abbreviations

- **PTAB:** Patent Trial and Appeal Board.
- **PO:** patent owner.
- **IPR:** *inter partes* review.
- **CBM:** covered business method review.
- **PGR:** post grant review.
- **DI:** a decision on institution by PTAB deciding whether to grant or deny a petitioner's request for institution of an IPR, CBM, or PGR.
- **Case:** an IPR, CBM, or PGR (pre- or post-DI).
- **Denial:** a DI in which PTAB denies petitioner's request to institute a trial.
- **Institution:** a DI in which PTAB grants petitioner's request to institute a trial.
- **Termination:** a case that is disposed of by means other than a PTAB disposition – e.g., settlement or dismissal
- **Pre-DI Termination:** a termination prior to PTAB issuing a DI
- **Trial:** a stage of a case after an institution.
- **ITC:** International Trade Commission.
- **Parallel litigation:** a scenario in which PO and the patent at issue are simultaneously engaged in a PTAB proceeding and a proceeding in another venue.

- Note: Generally parallel litigation involves the same Petitioner but, in some rare circumstances, a parallel proceeding not involving the petitioner from the PTAB Case may be identified as a parallel litigation.



Glossary / Abbreviations

- ***NHK/Fintiv, Fintiv issue, or NHK/Fintiv issue***: (1) issue as to whether PTAB should grant a petition to institute a trial notwithstanding parallel litigation, (2) argument or analysis addressing this issue, or (3) factors evaluated to address this issue.
 - *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential) (denying institution because the prior art was previously considered and co-pending district court proceeding was nearing completion)
 - *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (authorizing supplemental briefing to address the factors related to a co-pending parallel proceeding)
- ***NHK/Fintiv denial***: A denial based, at least in part, on *NHK/Fintiv*.

Glossary / Abbreviations

- ***Sand/Sotera* stipulation:** a stipulation with the goal of avoiding an *NHK/Fintiv* denial in which petitioner states that it will not raise certain issues in the parallel litigation (the stipulation may be contingent on PTAB instituting a trial on certain grounds asserted in the petition).
 - *Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 (PTAB June 16, 2020) (designated informative July 13, 2020) (institution on a rehearing of a denial – *Fintiv* factors weighed against exercising discretion to deny institution, in part, because petitioner filed a stipulation to not assert the “same grounds” in district court)
 - *Sotera Wireless, Inc. v. Masimo Corporation* (§ II.A), IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (designated precedential Dec. 17, 2020) (institution – Petitioner filed broad stipulation to exclude from district court litigation “any other ground . . . that was raised or could have been reasonably raised in an IPR”)

Methodology

In General (1 of 2)—

- All IPRs, CBMs, and PGRs from FY19 Q2 through FY22 Q1 in which either PTAB issued a DI or the case terminated prior to PTAB issuing a DI were manually reviewed by multiple USPTO personnel familiar with PTAB trial practice.
- The extent to which an *NHK/Fintiv* issue was present was noted. Every case was placed into only one of the following categories:
 - Panel analyzed *NHK/Fintiv* and denied institution based, at least in part, on *NHK/Fintiv* (i.e., *NHK/Fintiv* denial).
 - Panel analyzed *NHK/Fintiv* and instituted trial.
 - Panel acknowledged but did not analyze *NHK/Fintiv*, or PO argued *NHK/Fintiv* and panel denied institution on a different basis (e.g., discretionary denial for another reason or denial on the merits).
 - Panel did not analyze *NHK/Fintiv* and PO did not argue *NHK/Fintiv* (regardless of whether Petitioner pre-emptively raised *NHK/Fintiv*).
 - PO argued *NHK/Fintiv*; panel did not issue a DI due to Pre-DI termination.
 - PO did not argue *NHK/Fintiv*; panel did not issue a DI due to Pre-DI termination.



Methodology

In General (2 of 2)—

- If a panel analyzed the *NHK/Fintiv* issue, the parallel litigation venue on which the DI focused and whether the panel considered a *Sand/Sotera* stipulation were noted. If the panel considered more than one parallel litigation venue, the venue that appeared most influential to the panel's *NHK/Fintiv* analysis was selected.
- Substantial efforts to identify errors, validate data, and standardize categorization methods were made. Nevertheless, because a large amount of data was manually collected and reviewed, and some subjective analysis was applied, some entries may be incorrect. Accordingly, the data presented in future publications may vary slightly from current data as the data set and methodology are improved and refined.

Methodology

***“NHK/Fintiv issue frequency”* graphic—**

- The graphic depicts the number (blue bars) of cases and percentage (blue line) of all cases in which *NHK/Fintiv* was raised.
 - The blue bars represent the number of cases where *NHK/Fintiv* was **raised**, which means the panel analyzed *NHK/Fintiv* or PO argued *NHK/Fintiv* (a panel may not have analyzed *NHK/Fintiv* even if PO argued *NHK/Fintiv* because, for example, the panel denied institution on the merits or the case terminated prior to institution).
 - The blue line represents the percentage of all cases through institution in which *NHK/Fintiv* was raised, regardless of disposition (i.e., all DIs and pre-DI terminations are included).

Methodology

***“NHK/Fintiv issue frequency”* graphic—**

- Case papers were analyzed by USPTO personnel familiar with PTAB trial practice to ascertain whether *NHK/Fintiv* was raised.
- *NHK/Fintiv* was not identified as being raised in cases in which:
 - Petitioner alone (i.e., preemptively) raised *NHK/Fintiv*.
 - PO cited the *NHK* decision or the *Fintiv* decision but did not substantively argue the *NHK/Fintiv* issue (and the panel did not substantively analyze *NHK/Fintiv*).
 - The panel cited the *NHK* decision or the *Fintiv* decision but did not substantively analyze the *NHK/Fintiv* issue (and PO did not substantively argue *NHK/Fintiv*).



Methodology

***“NHK/Fintiv outcomes”* graphics (2) with light blue bars, orange bars, and (second graphic only) gray bars—**

- The two graphics depict, respectively, (1) the number of DIs including *NHK/Fintiv* analysis and (2) DIs including *NHK/Fintiv* analysis as a percentage of all cases.
 - The orange bars represent denials based, at least in part, on *NHK/Fintiv*.
 - The light blue bars represent institutions in which the panel analyzed *NHK/Fintiv*.
 - The gray bars (second graphic only) represent all other cases through institution (i.e., those cases in which the panel did not analyze *NHK/Fintiv*).

NOTE: These graphics show outcomes of DIs including *NHK/Fintiv* analysis. The number of DIs including *NHK/Fintiv* analysis is *not* the same as the number of cases in which *NHK/Fintiv* was raised because the latter includes denials for other reasons and pre-DI terminations for proceedings in which PO argued *NHK/Fintiv*.



Methodology

“*NHK/Fintiv* outcomes” graphics (4) with pie chart and bar chart—

- The four graphics depict the number of cases in which *NHK/Fintiv* was raised and the outcomes of those cases in FY19 (Q2-Q4), FY20, FY21, and FY22 (Q1) respectively.
 - The dark gray arcs represent cases in which *NHK/Fintiv* was not raised.
 - The blue arcs represent cases in which *NHK/Fintiv* was raised. Of these cases:
 - The light gray bars represent cases in which PO argued *NHK/Fintiv* but the case terminated prior to a DI.
 - The purple bars represent cases in which *NHK/Fintiv* was raised but the panel denied institution for other reasons (e.g., denial on the merits) and did not address *NHK/Fintiv*.
 - The orange bars represent denials in which the panel identified *NHK/Fintiv* as at least one reason for denial.
 - The light blue bars represent institutions including an *NHK/Fintiv* analysis.



Methodology

***“Fintiv outcomes”* graphic with pie chart for drug patents—**

- The graphic depicts the number of cases involving biologic drug patent challenges and the outcomes of those cases.
 - The light blue slice represents cases in which trial was instituted.
 - The orange slice represents cases in which institution was denied based on the merits of the patentability challenges.
 - The gray slice represents cases in which institution was denied because the same art or arguments were previously before the office.
 - The yellow slice represents cases in which institution was denied based on *NHK/Fintiv*.
 - *Note:* 3 petitions were denied based on *NHK/Fintiv* during the study period but, on rehearing after the end of the study period, trial has since been instituted on 2 of those petitions.
 - The dark blue slice represents cases in which institution was denied because there were insufficient meritorious challenges to warrant instituting trial on all grounds in the petition.



Methodology

***“NHK/Fintiv: stipulations”* graphics—**

- These graphics depict institutions and denials in cases in which the panel considered a stipulation as part of its *NHK/Fintiv* analysis. The first graphic shows the percentage of these cases that are institutions and denials, and the second graphic shows the number of these cases that are institutions and denials.
- Because only cases in which the panel analyzed a stipulation as part of its *NHK/Fintiv* analysis were included, the graphics do not capture cases in which there was no DI (e.g., pre-DI termination) or in which a petitioner filed a stipulation but the panel did not consider the stipulation as part of an *NHK/Fintiv* analysis.
- All stipulations considered by the panel related to a petitioner’s statement that it would not raise certain arguments in a parallel litigation, but the scope of the stipulation was not characterized. Although most stipulations were similar to those discussed in *Sand* or *Sotera*, other stipulations, with different nuances, also were counted.



Methodology

“Parallel litigation venues” graphics—

- The graphics collectively depict the number of DIs that include an *NHK/Fintiv* analysis and identify a parallel litigation venue in the *NHK/Fintiv* analysis. The graphics are broken down by parallel litigation venues.
- Parallel litigation venues were identified by reviewing each DI (DIs typically identify related cases) and, when necessary, mandatory disclosures. If a case had corresponding parallel litigation in multiple venues, a single parallel litigation venue based on the panel’s *NHK/Fintiv* analysis generally was identified. Thus, in a small subset of cases, identifying a parallel litigation venue required a subjective determination of the venue on which the DI focused its analysis.
- A DI was counted only if the panel considered a parallel litigation venue in its *NHK/Fintiv* analysis. Thus, the graphics do not capture proceedings in which there was no DI (e.g., pre-DI termination) or in which the panel did not consider a parallel litigation venue as part of an *NHK/Fintiv* analysis.
- Parallel litigation venues in which the petitioner was not a party were identified if the panel considered such a venue in the *NHK/Fintiv* analysis (e.g., venues alleged by PO as relevant to an *NHK/Fintiv* analysis) to be the most relevant venue.



Data in tabular form*

Table 1:
"NHK/Fintiv issue frequency"
 (graphic on slide 12)

FY	Qtr	NHK/Fintiv raised	Percent of DIs With NHK/Fintiv raised
2019	Qtr2	42	10.0%
2019	Qtr3	38	9.6%
2019	Qtr4	53	13.8%
2020	Qtr1	69	23.9%
2020	Qtr2	55	14.8%
2020	Qtr3	78	24.7%
2020	Qtr4	133	39.5%
2021	Qtr1	126	38.4%
2021	Qtr2	174	39.3%
2021	Qtr3	188	49.0%
2021	Qtr4	137	41.4%
2022	Qtr1	171	50.6%

Table 2:
"NHK/Fintiv outcomes"
 (graphics on slides 16 and 17)

FY	Qtr	NHK/Fintiv Denials	NHK/Fintiv Denials as % of all cases	NHK/Fintiv Institutions	NHK/Fintiv Institutions as % of all cases
2019	Qtr2	4	1.0%	19	4.5%
2019	Qtr3	2	0.5%	31	7.8%
2019	Qtr4	3	0.8%	17	4.4%
2020	Qtr1	3	1.0%	36	12.5%
2020	Qtr2	11	3.0%	26	7.0%
2020	Qtr3	18	5.7%	38	12.0%
2020	Qtr4	25	7.4%	48	14.2%
2021	Qtr1	36	11.0%	54	16.5%
2021	Qtr2	47	10.6%	79	17.8%
2021	Qtr3	21	5.5%	79	20.6%
2021	Qtr4	17	5.1%	49	14.8%
2022	Qtr1	6	1.8%	85	25.1%

Data in tabular form

Table 3:
"NHK/Fintiv outcomes"
 (graphics on slides 19–22)*

FY	NHK/Fintiv Not raised	NHK/Fintiv raised			
		Terminated	NHK/Fintiv Not Reached	NHK/Fintiv Denial	NHK/Fintiv Institution
2019	89%	0%	5%	1%	6%
2020	75%	4%	6%	4%	11%
2021	58%	5%	12%	8%	18%
2022	49%	4%	20%	2%	25%

* Due to rounding, some percentages may not add up to 100%

Table 5:
"Parallel litigation venues"
 (graphics on slides 32–33)

FY	TXED- Denied	TXED- Instituted	TXWD- Denied	TXWD- Instituted	DEL- Denied	DEL- Instituted	Other- Denied	Other- Instituted
2019	0	10	0	1	1	8	6	31
2020	27	19	13	7	6	37	7	69
2021	56	31	16	99	6	51	27	73
2022	0	6	0	44	0	7	6	27

Table 4:
"NHK/Fintiv stipulations"
 (graphics on slides 27–28)

FY	Qtr	Denied (%age)	Instituted (%age)
2020	Qtr3	0 (0%)	1 (100%)
2020	Qtr4	5 (27.8%)	13 (72.2%)
2021	Qtr1	17 (37.8%)	28 (62.2%)
2021	Qtr2	29 (38.7%)	46 (61.3%)
2021	Qtr3	10 (16.9%)	49 (83.1%)
2021	Qtr4	11 (19.6%)	45 (80.4%)
2022	Qtr1	2 (2.9%)	66 (97.1%)

Table 6:
"Fintiv outcomes" for drug patents
 (graphic on slide 24)

Outcome	Number
Instituted	25
Merits Denial	10
Same art or arguments	12
Fintiv Denial	3
Denied for insufficiency	1



Questions / comments?

Questions and comments may be submitted to
PTABStatisticsQuestions@uspto.gov

This is an appendix to the main presentation. This appendix, the main presentation, and more can be found on the PTAB statistics website:
www.uspto.gov/patents/ptab/statistics



