

IP ADVISOR

An Informational Newsletter from Goodwin Procter's Intellectual Property Group

The Patent Trial and Appeal Board Second Anniversary: REFLECTIONS AND STRATEGIES FOR THE YEARS AHEAD

September 2014

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THE PATENT TRIAL AND APPEAL BOARD SECOND ANNIVERSARY

REFLECTIONS AND STRATEGIES FOR THE YEARS AHEAD

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What a difference two years can make.

In 2012, the **America Invents Act** (“AIA”) created new proceedings to challenge the validity of claims in issued patents. These proceedings are administered by the United States Patent & Trademark Office’s Patent Trial and Appeal Board (“PTAB” or “Board”) and are heard by a panel of administrative patent judges who make rulings regarding institution of trials, discovery matters and ultimately, the patentability of the claims.

At the outset, Congress provided that the PTAB may limit the number of petitions to 281 per year. But now, two years after the proceedings began, nearly 2,000 petitions have been filed – *about 200 petitions per month*, as of late – and there are no signs of things slowing down.

In this special issue of *IP Advisor*, Goodwin Procter reflects on the last two years at the PTAB, including how district courts are treating the proceedings, how to win at PTAB motion practice, and what to expect in the year ahead.

Inter Partes Review (“IPR”)

Inter partes review is a trial proceeding conducted at the Board to review the patentability of one or more claims in a patent only on a ground that could be raised under 35 U.S.C. §§ 102 or 103, and only on the basis of prior art comprising patents or printed publications.

The IPR process begins with the filing of a Petition challenging one or more claims of (1) a first-to-invent patent or reissue patent upon issuance, including during the first nine months after issuance, or (2) a first-to-file patent, nine months after the grant of the patent, or (3) if a post grant review is instituted, the termination of the post grant review.

The PTAB may institute review upon a showing that there is a reasonable likelihood that the Petitioner would prevail regarding at least one challenged claim. If the proceeding is instituted and not dismissed, a final determination by the Board will be issued within 1 year (extendable for good cause by 6 months).

Post Grant Review (“PGR”)

PGR, like IPR, is a trial proceeding conducted at the Board to review the patentability of one or more claims in a “first-inventor-to-file” patent within 9 months after issuance (or reissuance). The first-inventor-to-file provision of the AIA became effective on March 16, 2013 – so “first-inventor-to-file” patents have only recently issued in any substantial numbers.

But unlike in an IPR proceeding, a PGR challenger can ask the PTAB to review the patentability of a claim on any ground, including Section 101 (subject matter eligibility), Sections 102/103 (anticipation/obviousness, including unpublished

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materials), Section 112 (written description, enablement, indefiniteness), and Section 251 (claim broadening). Many have said PGR proceedings resemble an opposition proceeding in Europe.

A PGR may be instituted upon a showing that it is more likely than not that at least one challenged claim is unpatentable.

If the proceeding is instituted and not dismissed, a final determination by the Board will be issued within 1 year (extendable for good cause by 6 months).

Transitional Program for Covered Business Method Patents (“CBM”)

A CBM trial proceeding is similar to a PGR, but it only reviews the patentability of one or more claims in a “covered business method patent.”

The AIA specifies that a covered business method patent is a patent that 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, except that the term does not include patents for technological inventions. The AIA does not specify what a patent for a technological invention covers, and therefore, the Office has promulgated a rule for technological invention.

Like in PGR proceedings, a challenger may rely on a broad range of grounds, but unlike an IPR, a CBM Review cannot be instituted on the basis of unpatentability in view of 102(e) prior art. AIA § 18(a)(1)(C) requires that a challenge to a claim in a covered business method patent be supported by prior art that is (i) described by pre-AIA 35 U.S.C. § 102(a) or (ii) (I) that discloses the invention more than 1 year before the date of application for patent in the United States and (II) would be described by pre-AIA 35 U.S.C. § 102(a) had the disclosure been made by another before the invention thereof by the applicant for patent.

This loophole was uncovered in *MeridianLink, Inc. v. DH Holdings, LLC*, CBM2013-00008, where the PTAB instituted review of certain claims under § 103 in light of a particular reference, but once it realized that the reference only qualified as prior art under 102(e), issued a new order denying institution on those grounds *sua sponte*.

Given the broad array of potential grounds to invalidate a patent – coupled with an estoppel applied to a petitioner that is significantly more limited than in IPR proceedings – CBM trials have become second nature to those in the financial services industry facing patent infringement cases.

AIA Trials: A Comparison of Filing Requirements

	IPR	PGR	CBM
Statutory & Regulatory Requirements?	<ul style="list-style-type: none"> • Identify all real parties in interest; • Identify all claims challenged & all grounds on which the challenge to each claim is based; • Provide copies of evidence relied upon; and • Payment of required fee. • Identify the grounds for standing; • Provide a claim construction for each challenged claim; • Specifically explain the grounds for unpatentability; and • Specifically explain the relevance of evidence relied upon. 		
Can a Patent Owner File a Preliminary Response to a Petition?	Yes – within three months.		
Petition Page Limit?	60 double-spaced pages, 14 point font or larger (single spacing for claim charts)	80 double-spaced pages, 14 point font or larger (single spacing for claim charts)	

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Two Years of PTAB Post Grant Proceedings: Where Are We Now?

In the first year, an average of one IPR petition was filed per day. After the PTAB's first Final Written Decision in an IPR (issued in November 2013), an average of 2 petitions were filed per day (or about 60 petitions per month). Now, almost a year later, that number has doubled to over 4 petitions filed per day on average.

More than just an interesting statistic, the incredible filing rate has had a significant impact on trial schedules. When the new proceedings began two years ago, the PTAB gave the patent owner and petitioner a full 9 to 10 months to prepare the variety of papers exchanged during the trial, and present at an oral hearing.

But lately, the PTAB is regularly "trimming" down the schedule and putting a good deal of pressure on the participants to complete the proceedings in 5-7 months. This schedule should give the PTAB more time to prepare its Final Written Decision before the 12-month statutory deadline to complete the proceedings.

The PTAB institution rate has also shifted over the course of the last two years. Early on, over 80% of IPR and CBM trials were instituted. This high "success" rate emboldened potential challengers to file petitions in ever higher numbers.

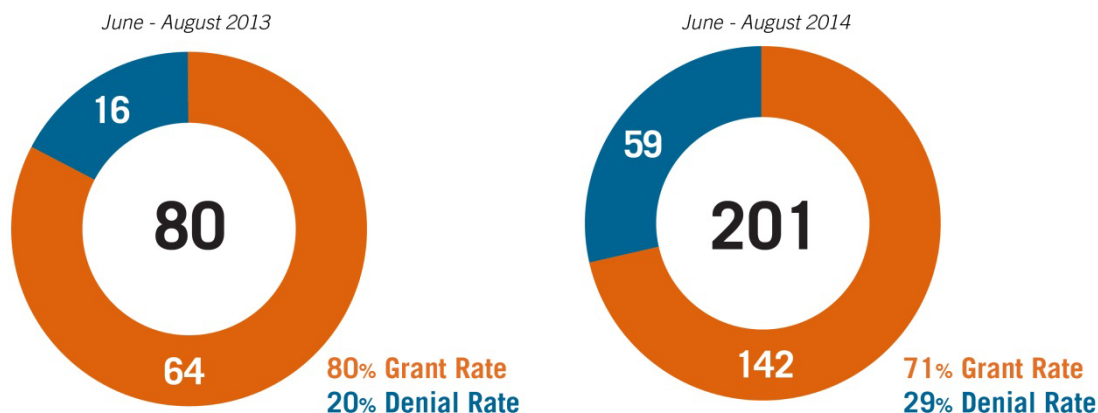
In the last six months, however, the institution rate has steadily dropped, on the order of 10 percentage points. A comparison between PTAB's decisions on institution for a selected three-month period in 2013, and for the same period in 2014, best illustrates this decline.

Petition Filings				
Year	Total	IPR	CBM	PGR
2012	25	17	8	-
2013	563	514	48	-
2014	1,406	1,240	159	2
Total	1,994	1,771	215	2

IPR Decisions on Institution					
<i>As of September 11, 2014</i>					
	Total	Instituted	Denied	Joinder	Institution Rate
FY13	203	167	26	10+	82%
FY14	691	509	167	15+	73%

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Decisions on Institution



This decline in the institution rate may be attributable to several factors, including (1) the low quality of the patents challenged early on – sometimes referred to as the “low hanging fruit” – making them easier to invalidate, (2) a decline in the experience of the petitioners (or their counsel) coupled with an ever-more stringent PTAB that will force parties to “dot every i and cross every t” when it comes to following procedures, or (3) outside scrutiny questioning the PTAB’s impartiality – from patent owners to politicians to even federal judges. Currently, the institution rate is expected to level off in this 70% range for the years ahead.

It is also notable that more than 1,400 – over 70% – of all petitions filed as of September 11th concern electrical or computer patent claims. Mechanical patents are next, at 15%, then chemical/bio/pharma at 13%. Design patents round out the remainder. But this distribution will undoubtedly change in the months and years to come, as PGR proceedings kick-off in earnest and the number of chemical/bio/pharma realted petitions are expected to substantially increase.

A PGR challenge is available for a wide variety of grounds (including indefiniteness). Pharmaceutical companies, and generic producers in particular, who may wish to invalidate a patent more quickly than is possible in most district courts, are likely to ramp up their filings. Second-filer generics that enjoy no Hatch-Waxman exclusivity may have nothing to lose by filing a PTAB proceeding.

Settlements are also on the rise – nearing 200 per month. About 12% of all claims under review were disclaimed by the patent owner (by filing a terminal disclaimer or request for adverse judgment).

Of course, even after two years, it remains unclear how the PTAB’s decisions will hold up on appeal to the Federal Circuit. Should the Federal Circuit reverse several decisions, we could once again see a dramatic shift in the statistics.

Will Your Case Be Stayed? How District Courts View PTAB Proceedings

Over 80% of patents challenged in PTAB trials are involved in co-pending district court litigations. Given the speed of the PTAB proceedings, it is common for a petitioner (often a defendant in the co-pending litigation) to move to stay the district court litigation until the AIA trial is completed. Petitioners request a stay nearly half the time.

But what are the odds of getting a stay? The answer varies from district-to-district, and even sometimes judge-to-judge in the same district. This article looks at how stay motions are playing out in the major patent courts.

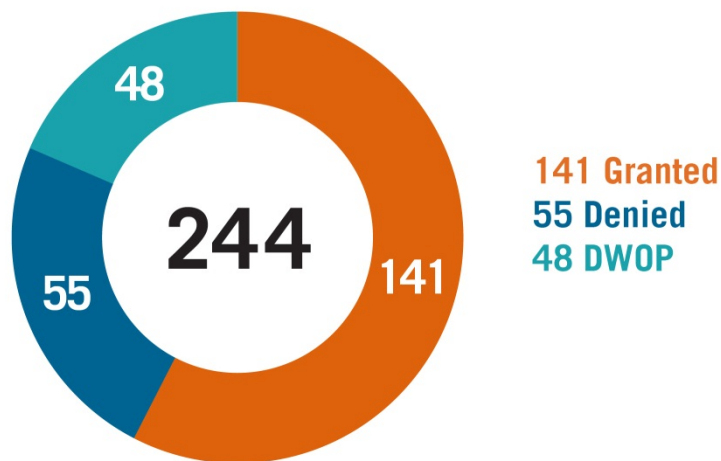
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In deciding whether to grant a stay pending an IPR, courts look at several factors, including:

1. Whether discovery is complete and whether a trial date has been set;
2. Whether a stay will simplify the issues and trial of the case; and
3. Whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party.

Total Number of Orders for Disputed Motions to Stay in View of IPR or CBM

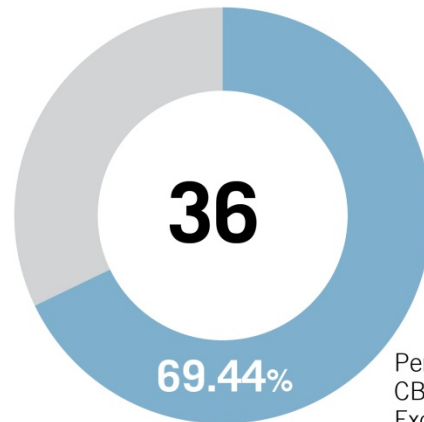
Excluding stipulated and/or agreed upon motions to stay or orders denying motions to stay as moot, but including orders denying motions without prejudice.



In determining whether the non-moving party will be “unduly prejudiced,” courts will consider: (i) whether the petitioner waited too long after the complaint was filed to file the petition; (ii) whether the petitioner waited too long after the petition was filed to request the stay; (iii) the status of the PTAB proceedings (e.g., has trial been instituted yet?); and (iv) the relationship of the parties (e.g., direct competitors in a limited market).

In a CBM, the AIA instructs a district court to consider four factors when deciding whether to grant a stay. The first three factors are the same as in IPRs, but the fourth factor – whether a stay, or the denial thereof, will reduce the burden of litigation on the parties and on the court –should place “a very heavy thumb on the scale in favor of a stay,” making it “nearly impossible to imagine a scenario in which a district court would not issue a stay.” Senator Charles Schumer (D-NY), 157 Cong. Rec. S1363-65 (daily ed. Mar. 8, 2011).

CBM Stay Orders Excluding Denials Without Prejudice (DWOP)

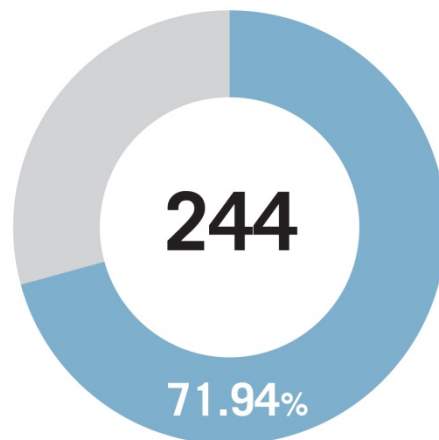


Percentage of Granted CBM Motions to Stay Excluding DWOP.

To help predict whether a stay will be granted, one typically looks at a judge's history with stay motions. (Of course, even if a judge *typically* grants a stay in view of an AIA proceeding, the facts of any case might cause an outlying decision). So, when a patent challenger is considering filing an AIA trial petition, it should also consider whether the court is more or less likely to stay the case (lest the challenger be forced to pay for fighting on two fronts).

Percentage of Granted IPR or CBM Motions to Stay

Excluding orders denying motions without prejudice.



The procedural posture is also very important. If there has been no claim construction and minimal discovery, the chance of a stay is higher. Regarding the factor concerning impact on the non-moving party, the patent owner – if a competitor asking for an injunction – should focus on explaining why a delay will affect the patent owner's business. If the parties are not competitors, this factor will lean in favor of the movant, everything else being equal. Here, we have analyzed the number of total stay-related opinions and provide the "top 8" judges (and their percent grant rate) below:

Percentage of Granted Motions to Stay

District	Judge	Total Opinions	% Granted
D. Delaware	Gregory M. Sleet	9	89%
D. Delaware	Richard G. Andrews	5	60%
E.D. Texas	John D. Love	5	60%
C.D. California	S. James Otero	4	50%
N.D. California	Jon S. Tigar	4	50%
D. Delaware	Leonard P. Stark	12	42%
E.D. Texas	Roy S. Payne	5	20%
E.D. Texas	K. Nicole Mitchell *	11	0%

* 10 of the 11 motions before J. Mitchell were in one consolidated case.

Interestingly, it was expected that stays of district court litigation pending AIA trials would become *de rigueur* – but not every court agreed.

One case involving VirtualAgility Inc. and Salesforce.com grabbed national attention this year as the first time a party availed itself of a new interlocutory appeal to the Federal Circuit following the denial of a motion to stay in view of a CBM review at the PTAB.

In November 2013, the PTAB instituted CBM review of all claims of VirtualAgility's asserted patent. Regardless, the **Eastern District of Texas** denied a motion to stay the case pending the outcome of the review.

Leaning heavily on the first factor, the district court analyzed the long prosecution history of the patent-in-suit, noting that it spanned over twelve years, during which the PTO considered over sixty patent and non-patent prior art references before eventually granting the patent. The court further undertook a detailed review of the PTAB's decision to institute and said it was not convinced that the PTAB would cancel the claims at the end of the review. The district court concluded this factor did not favor staying the case.

The district court also found that VirtualAgility and Salesforce were direct competitors, and a stay would likely prejudice VirtualAgility. Finally, the district court reviewed the fourth statutory factor, stating that “[h]ad Congress deemed [the burden of litigation factor] so overwhelming as to justify a stay in and of itself, the statute would have been written differently. Absent such a different statutory provision, relief from a burden inherent to all CBM reviews cannot reasonably serve as the sole basis for tipping the fourth factor in favor of granting a stay.”

Eastern District of Texas

Judge	Total Opinions	Granted	% Granted
John D. Love	5	3	60%
Roy S. Payne	5	1	20%
K. Nicole Mitchell	11	0	0%
J. Rodney Gilstrap	2	0	0%
Leonard Davis	1	0	0%
Michael H. Schneider	1	0	0%
William C. Bryson	1	0	0%

Following the denial of the motion to stay, Salesforce took advantage of the new AIA immediate interlocutory appeal to the Federal Circuit, and in February 2014, the Federal Circuit stayed the district court litigation pending its disposition of Salesforce’s motion to stay pending appeal.

The Federal Circuit decided the appeal on the merits on July 10th.

In its decision, the Federal Circuit (Newman, Moore,* Chen) held that the district court had “clearly erred” in finding that the first factor was neutral or slightly against a stay, and in finding that the fourth factor weighed only slightly in favor of a stay. It held those two factors strongly favored a stay and that the district court improperly “reviewed” the PTAB’s determination that the claims of the asserted patent were more likely invalid, finding that such a review was an improper collateral attack on the PTAB’s institution decision. Removing that improper review, the Federal Circuit found that the remaining evidence weighed heavily in favor of a stay. Specifically, that the PTAB granted CBM review on all asserted claims on two separate alternative grounds was significant because the review could dispose of the entire litigation.

District of Delaware

Judge	Total Opinions	Granted	% Granted
Gregory M. Sleet	9	8	89%
Richard G. Andrews	5	3	60%
Christopher J. Burke	2	1	50%
Sue L. Robinson	4	2	50%
Leonard P. Stark	12	5	42%

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The Federal Circuit stated:

Under the statutory scheme, district courts have no role in reviewing the PTAB's determinations regarding the patentability of claims that are subject to CBM proceedings. Indeed, a challenge to the PTAB's "more likely than not" determination at this stage amounts to an improper collateral attack on the PTAB's decision to institute CBM review, and allowing it would create serious practical problems. As a preliminary matter, Congress made post-grant review more difficult to obtain than reexamination by raising the standard from "a substantial new question of patentability" to "more likely than not . . . unpatentable. Congress clearly did not intend district courts to hold mini-trials reviewing the PTAB's decision on the merits of the CBM review. To do so would overwhelm and dramatically expand the nature of the stay determination. If the district court were required to "review" the merits of the PTAB's decision to institute a CBM proceeding as part of its stay determination, it would undermine the purpose of the stay... This is clearly not how or when Congress intended review of the PTAB's CBM determinations to take place. The stay determination is not the time or the place to review the PTAB's decisions to institute a CBM proceeding. . . .

The Federal Circuit also found that the district court had erred in weighing the second factor, finding it strongly favored a stay. It held that the status when the motion to stay is filed was the time to measure the stage of litigation. The litigation was in its infancy when the motion to stay was filed, and even considering the status when the petition was instituted, the case was still in its early stages.

Finally, the Federal Circuit found that the district court had erred in weighing the third factor, finding that although VirtualAgility and Salesforce were in the same business space, evidence of competition was weak and a stay would only delay, not diminish, monetary damages that VirtualAgility could recover. Finally, it noted that the fact that VirtualAgility did not move for a preliminary injunction contradicted its argument it needed permanent injunctive relief soon. On the issue of simplification, the Federal Circuit noted that "[t]his CBM review could dispose of the entire litigation: *the ultimate simplification of issues*. This weighs heavily in favor of granting the stay...[W]here CBM review has been granted on all claims of the only patent at issue, the simplification factor weighs heavily in favor of the stay. If Salesforce is successful, and the PTAB has concluded that it "more likely than not" will be, then there would be no need for the district court to consider the other two prior art references. This would not just reduce the burden of litigation on the parties and the court—it would entirely eliminate it."

Central District of California

Judge	Total Opinions	Granted	% Granted
Beverly R. O'Connell	1	1	100%
Jesus G. Bernal	1	1	100%
John A. Kronstadt	1	1	100%
Josephine L. Staton	2	2	100%
Philip S. Gutierrez	1	1	100%
Andrew J. Guilford	2	1	50%
Cormac J. Carney	2	1	50%
S. James Otero	4	2	50%

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The *VirtualAgility* litigation remains stayed pending the conclusion of the CBM review. In August, VirtualAgility asked the full Federal Circuit to review that decision *en banc*, but it has not yet made a decision.

In the meantime, on September 16th, the PTAB issued its Final Written Decision in the CBM proceeding, holding that the challenged claims 1–21 of the VirtualAgility patent are unpatentable under 35 U.S.C. §§ 101 and 102. The PTAB also denied Patent Owner’s contingent motion to amend the claims. (CBM2013–00024.)

Northern District of California

Judge	Total Opinions	Granted	% Granted
Donna M. Ryu	1	1	100%
Edward J. Davila	4	4	100%
Jeffrey S. White	2	2	100%
Joseph C. Spero	1	1	100%
Maxine M. Chesney	2	2	100%
Paul S. Grewal	1	1	100%
Phyllis J. Hamilton	1	1	100%
Ronald M. Whyte	3	3	100%
William H. Alsup	1	1	100%
William H. Orrick	2	2	100%
Yvonne Gonzalez Roger	1	1	100%
Jon S. Tigar	4	2	50%
Susan Illston	3	1	33%

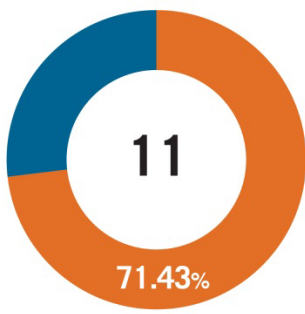
The Federal Circuit’s decision did not immediately cause an increase in grants of stays pending AIA trials. In fact, certain courts even refused to stay CBM proceedings following the VirtualAgility decision – despite the Federal Circuit’s clear instruction to “weigh heavily” the special CBM-specific fourth factor. It is possible, though, that stays may be easier to come by in the year ahead as more litigants rely heavily on the Federal Circuit’s language in their motion papers.

So what have we learned from reviewing the statistics? The **Northern District of California** is the most “stay-friendly” court, while the **Eastern District of Texas** is the least. Other courts like the **District of Delaware** and **Central District of California** come out somewhere in the middle – but individual judges may tend to lean heavily one way or the other.

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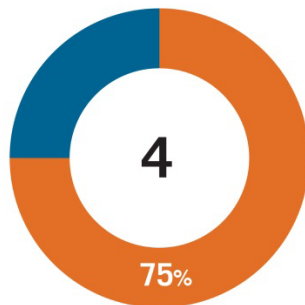
Central District of California

Total IPR Stay Orders



8 Granted
3 Denied
0 DWOP

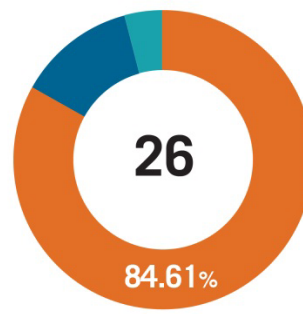
Total CBM Stay Orders



3 Granted
1 Denied
0 DWOP

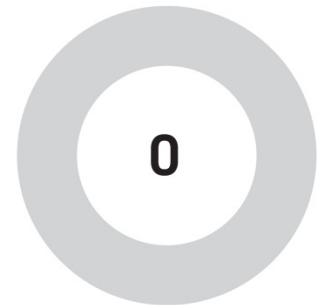
Northern District of California

Total IPR Stay Orders



22 Granted
3 Denied
1 DWOP

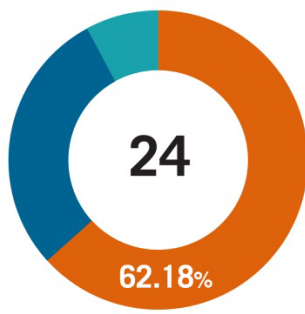
Total CBM Stay Orders



0 Granted
0 Denied
0 DWOP

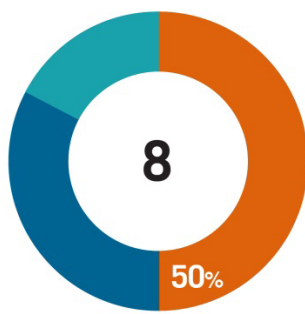
District of Delaware

Total IPR Stay Orders *



15 Granted
7 Denied
2 DWOP

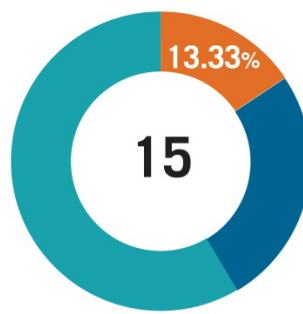
Total CBM Stay Orders



4 Granted
3 Denied
1 DWOP

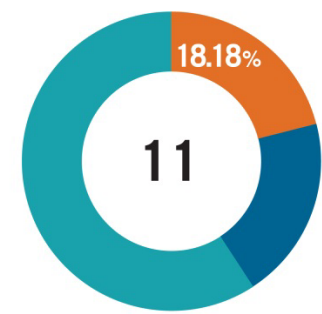
Eastern District of Texas

Total IPR Stay Orders



2 Granted
4 Denied
9 DWOP

Total CBM Stay Orders



2 Granted
2 Denied
7 DWOP

**In Versata Software Inc., et. al. v. Callidus Software Inc., Judge Sue Robinson granted a stay for one patent and denied the stay for two patents. This was counted as a single denial. The denials were based on the trial date being set after the CBM should be completed.*

PTAB Motion Practice: When to File and When to Save Your Money

Motion practice before the PTAB is a unique experience. One of the most common mistakes parties make is failing to seek *authorization* from the Board before even filing the motion itself. But obtaining the Board's permission to file a motion doesn't mean you are automatically entitled to the relief requested; it simply means that the Board will consider your motion – which the Board may ultimately deny on the merits. Luckily, PTAB authorization is not required for the following motions:

- Motions to seal
- Motion to waive page limit
- Motions to exclude evidence
- Requests for rehearing
- Additional discovery, if agreed to between the parties

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- Taking (but not submitting) video-recorded testimony, if agreed to between the parties
- Taking un compelled deposition testimony outside the United States, if agreed to between the parties

But not all motions are viewed equally by the Board – indeed, some types of motions are filed over and over, but have yet to be granted in any case.

The most important of the rarely-granted motions is the **patent owner's motion to amend**. A patent owner may file one motion to amend the patent by proposing substitute claims. *See Idle Free Systems, Inc. v. Bergstrom, Inc.*, IPR2014-00027, Paper No. 26. Thus far, the PTAB has granted one (unopposed) motion to amend the claims in an IPR proceeding, in favor of the Government. *See International Flavors v. The United States*, IPR2013-00124, Paper No. 12 (PTAB, May 20, 2014).

In *International Flavors*, the patentee demonstrated by a preponderance of the evidence that (1) the amended claims were not broader as they added limitations to the existing claims; (2) there was written description for the added limitations; and (3) the amended claims were patentable over the prior art cited in the IPR petition, and the closest prior art known to the patent owner. The patentee satisfied the patentability prong by submitting several publications and an expert declaration to demonstrate that the substitute claims would not have been obvious to a person of ordinary skill in the art. Of course, the fact that the motion was unopposed certainly helped.

While the PTAB's record of denying such motions reflects the heavy burden that patent owners must carry to amend the claims, this is still an important tool that should be considered by patent owners in PTAB proceedings.

Percentage of Granted Motions at PTAB

Stipulated/Agreed Motion to Amend Claims	100%
Stipulated/Agreed Motion to Preserve Record	100%
Stipulated/Agreed Motion to Exceed Page Limits	100%
Stipulated/Agreed for Observation on Cross-Examination	100%
Stipulated/Agreed Motion to Expunge Evidence	97%
Stipulated/Agreed Motion to Appear	96%
Stipulated/Agreed Motion to Terminate IPR on Joint Request of Petitioner & Patent Owner	95%
Stipulated/Agreed Motions to Seal (and for Protective Orders)	93%
Stipulated/Agreed Motions for Extensions of Time	90%
Motion for Leave to File Motion to Amend Claims	88%
Motion to Appear	67%
Motion to Expunge Evidence	58%
Motion to Compel Discovery	55%
Motion for Observations on Cross-Examination	50%
Motion to Seal (and for Protective Orders)	39%
Motion for Joinder (Consolidation)	34%
Motion for Extensions of Time	29%
Motion to Strike	21%
Motion for Additional Briefing	16%
Motion to Exceed Page Limits (for the petition, or for various replies and motions)	13%
Motion for Reconsideration or Rehearing of Institution of IPR or CBM	12%
Motion to Amend Claims	11%
Motions for Additional Discovery	10%
Motion for Leave to File Motion to Disqualify Counsel	0%
Motion to Disqualify Counsel	0%
Motion to Stay IPR/CBM Petition	0%
Stipulated/Agreed Motion to Stay IPR/CBM Petition	0%
Motion to Limit Discovery	0%
Motion to Exclude Evidence	0%

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Another important patent owner motion that may be viewed with some skepticism by the Board is a **motion for additional discovery of evidence concerning secondary considerations of non-obviousness**. So far, the PTAB has placed significant restrictions on such discovery. The PTAB considers five factors:

1. More than a possibility and mere allegation
2. Litigation position and underlying basis
3. Ability to generate equivalent information by other means
4. Easily understandable instructions
5. Requests not overly burdensome to answer

Generally, parties have the most trouble with Factors 1, 3, and 5 in the teleconference. In fact, unless a co-pending litigation is fairly far along, the requesting party almost always has trouble showing beyond mere possibility that responsive information exists. With respect to Factor 3, the PTAB denies discovery when a patent owner fails to demonstrate why the requested information could not be figured out or assembled from internal or publicly available sources. To satisfy Factor 5 – which looks to the breadth of the specific requests themselves – a patent owner must show that its requests are very narrowly tailored and will not impose a burden on the producing party.

We have examined some of the other common motions filed in PTAB proceedings, and ranked them from the most-to-least likely to be granted.

As shown in the table on the next page, the next time you are considering a motion to stay your AIA proceeding or disqualify your opposing counsel – save your money. The PTAB will not rule in your favor. And unless you can point to a very specific aspect of the record that the Board misapprehended or overlooked – don't spend your time on a Request for Rehearing of a trial institution decision either. On the other hand, if you need a few extra pages or want to expunge evidence – it may be worth a shot. And if you can convince your opponent to agree, the Board will grant almost any agreed or stipulated request.

Goodwin Procter News & Notes

This summer we secured a number of important wins on behalf of our clients, including:

- *Obtained First Precedential Decision from Patent Trial and Appeal Board* – July 2014: Represented CardinalCommerce in connection with three Covered Business Method (CBM) petitions filed by competitor SecureBuy on patents directed to payment authentication for online transactions. The PTAB denied SecureBuy's petitions in the first ever precedential decision issued by the PTAB in the new AIA post-grant proceedings.
- *Federal Circuit Victory for Cisco* – August 2014: Defended Cisco Systems against the claim that its low-latency Nexus Ethernet switches infringed a Thinking Machines patent on a routing network for a massively parallel processor array. We argued successfully at a Markman hearing, and then prevailed on summary judgment of non-infringement before in the district court. TM Patents appealed and just four days after our argument, the Federal Circuit ruled in Cisco's favor.
- *Jury Trial Wins for Veracode* – August 2014: Won two jury trials in the District of Massachusetts for client Veracode. A jury found that the defendant willfully infringed a key Veracode patent. The jury also confirmed that the patent was not invalid. A damages trial followed and the jury awarded Veracode damages equal to 100% of the revenue on sales of the infringing product.

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- *Summary Judgment Secured for Textron Subsidiary* – September 2014: Obtained a summary judgment of noninfringement for our client Bell Helicopter, a Textron subsidiary, in the District of Columbia.
- *Attorney's Fees Secured for Alcatel-Lucent* – September 2014: Secured an award of attorneys' fees on behalf of our client Alcatel-Lucent against Chalumeau Power Systems. Chalumeau, a subsidiary of Acacia Research Corporation, sued Alcatel-Lucent alleging that Alcatel-Lucent's switches that complied with the IEEE "Power-over-Ethernet" standard infringed one of its patents. Goodwin secured a dismissal of claims of indirect and willful infringement, a dismissal of Alcatel-Lucent's parent company, and a claim construction ruling highly favorable to Alcatel-Lucent.

This fall, look for Goodwin at the Supreme Court arguing two important IP cases. The first case, to be heard in October, will involve the issue of whether the Federal Circuit should provide deference to district court claim construction rulings. The second, to be heard in December, involves the issue of whether the Trademark Trial and Appeal Board's rulings on "likelihood of confusion" preclude a federal court from weighing the issue.

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