



PROCUREMENT AND ENFORCEMENT
OF INTELLECTUAL PROPERTY

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Summary of Post-Grant Proceedings Available in the USPTO

Post grant proceedings are proceedings available in the USPTO to challenge the validity of a patent after it has issued. There are three principal types of proceedings. These are *inter partes* review (“IPR”), post grant review (“PGR”) and *ex parte* reexamination.

The above methods of challenging the validity of a patent all differ in certain respects. We will briefly discuss each proceeding and how they differ below.

IPR and PGR proceedings were authorized by the America Invents Act of 2011 (“AIA”) and collectively replaced the former *inter partes* reexamination procedure. Another procedure authorized by the AIA, covered business method review (“CBM”) expired in 2020 as a result of a “sunset” provision in the AIA.

Inter Partes Review

Inter partes review is now the principal means of challenging the validity of an issued patent before the USPTO. Any patent granted by the USPTO can be challenged via an IPR proceeding commencing 9 months after its issue date.

To initiate an IPR proceeding, a patent challenger first files a petition for review with the Patent Trial and Appeals Board (“PTAB”). The petition describes the challenged patent and describes why the claims are invalid in view of the prior art. For IPR proceedings, prior art is limited to patents and printed publications, only. Upon filing of an IPR petition, the patent owner is allowed a preliminary response after which the PTAB issues a decision on whether to institute review of the challenged claims.

A distinguishing feature of an IPR proceeding from, for example, an *ex parte* reexamination proceeding is that both the patent owner and the challenger participate directly in the IPR proceeding as adverse parties. Essentially an IPR proceeding is a trial, conducted before the PTAB, on the issue of patent validity. An IPR proceeding will include discovery, expert testimony, motion practice and oral argument before a three-judge panel.

After the oral argument, the panel issues a final written decision on the validity of all challenged claims. By statute, the panel’s decision must issue within one year of the PTAB instituting review. In IPR proceedings that result in a final written decision, about 60% of challenged claims are found unpatentable.

Standard for Instituting an IPR

For the PTAB to institute an IPR, a third party must establish a reasonable likelihood that they will prevail on (i.e. invalidate) at least one claim.

Claim Amendments

The patent owner must file motion to amend claims. The requestor can and typically will, oppose.

Estoppel Effect

Collateral estoppel prevents the petitioner from maintaining a validity challenge at the Patent Office, in a district court, or before the International Trade Commission (“ITC”) based on any ground that the petitioner “raised or reasonably could have raised” during the IPR. (35 U.S.C. § 315(e)). *California Institute of Technology v. Broadcom Limited*, Case Nos. 20-2222; 21-1527 (Fed. Cir. Feb. 4, 2022).

Timeline

The PTAB must accept or decline the IPR petition within six (6) months of filing.

Note: The specific language of the rule states that the institution decision must be made within three (3) months of the filing of the patent owner’s preliminary response, or if no response is filed, within three months of the last day the response is due. The response is due no later than three months after filing of the petition. Thus, the IPR institution decision is made no later than six months after the petition is filed.

No more than 12 months is allowed between institution and issuance of the final written decision.

Important Caveat

An IPR proceeding may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner is served with a complaint alleging infringement of the patent

Key Takeaways

PTAB decision precludes litigation in other forums on any ground raised or that “could have been” raised in the IPR proceeding. Prior art is limited to only patents and printed publications. Claims not easy to amend—motion required. Less costly than civil litigation but initial filing fees are stiff, in excess of \$30,000.

Post-Grant Review

Post-Grant Review is another PTO trial proceeding similar to *inter partes* review, but it can only be filed within nine (9) months of a patent’s issuance, whereas an IPR proceeding can only be filed after nine (9) months have passed since a patent’s issuance.

Additional prior art is allowed in a PGR Proceeding

In addition to patents and printed publications, the prior art available for post grant view includes evidence of public use or disclosure and on-sale activity. Post grant review petitions can also challenge patents on additional grounds, such as lack of support in the written description or lack of enablement, as well as subject matter eligibility (section 101 grounds), all of which are not available in an IPR petition.

Standard for Instituting a PGR

The standard for granting a PGR requires a third party to establish by a standard of *more likely than not* that a challenged claim is unpatentable.

What’s the difference between the IPR and PGR standards? The PTAB has stated the “reasonable likelihood” standard required to institute an IPR proceeding is lower than the “more likely than not” standard for a PGR proceeding. Per the PTAB, the “reasonable likelihood” standard allows for the exercise of discretion but encompasses a 50/50 chance whereas the “more likely than not” standard requires greater than a 50% chance of prevailing.

Claim Amendments

Must file a motion to amend claims. Requestor can oppose.

Estoppel Effect

Same as for an IPR. Collateral estoppel prevents the petitioner from challenging the validity of a patent before the PTO, a district court, or the ITC based on any ground that the petitioner “raised or reasonably could have raised” during the IPR. *California Institute of Technology v. Broadcom Limited*, Case Nos. 20-2222; 21-1527 (Fed. Cir. Feb. 4, 2022).

Timeline

Same as for an IPR proceeding. The PTAB must accept or decline the PGR petition within six (6) months of filing. (See note in IPR section re language of actual rule.) No more than 12 months are allowed between institution and a final written decision.

Important Caveat

A PGR petition must be filed before the third party requestor files any declaratory judgment action alleging invalidity of the challenged claims.

Key Takeaways

PTAB decision precludes litigation in other forums on any ground raised or that “could have been” raised in the PGR proceeding. Wide variety of prior art can be asserted and invalidity can be based on lack of support and Section 101 grounds. None of which are available in an IPR proceeding. Claims not easy to amend—motion required. Must be filed within nine months a patent’s issuance. Less costly than civil litigation but, like an IPR proceeding, initial filing fees are stiff, in excess of \$30,000.

Ex Parte Reexamination

Ex parte reexamination is essentially a patent prosecution proceeding that takes place when a third party requester identifies prior art that (allegedly) raises a substantial new question of patentability regarding one or more claims of an issued patent. *Ex parte* reexamination is limited to prior art consisting of patents and printed publications. Once initiated, *ex parte* reexamination essentially reopens prosecution of the challenged patent based upon the prior art located by the third party requester. After commencement of the proceeding, the third party requestor plays no further role in the proceeding, which thereafter takes place solely between the patent owner and the examiner. A request for *ex parte* reexamination may be filed at anytime after issuance of a patent

Standard for Instituting *Ex Parte* Reexamination

The PTO will grant a request for *ex parte* reexamination upon the third party requester's demonstrating that a substantial new question of patentability exists with regard to at least one claim in view of the prior art cited by the requester.

The PTAB has stated that a "substantial new question of patentability" is a lower, i.e. easier to meet, standard than those applicable to IPR or PGR proceedings.

Claim Amendments

Same as for standard patent prosecution, the patent owner can repeatedly amend claims in response to any rejection. No motion or special permission is required.

Estoppel Effect

No estoppel is created as the standard for claim construction applied by the PTO in *ex parte* reexamination, i.e. "broadest reasonable interpretation" is different from the "Phillips" standard applied by federal courts. One caveat, in *ex parte* reexamination of an expired patent, the PTO applies the Phillips standard—thus estoppel may apply in this instance.

Timeline

The PTO must decide whether to grant a request for *ex parte* reexamination within three months of the filing of the petition. There is no statutory time limit as to when *ex parte* reexamination must conclude however the statute does say that it should be conducted with "special dispatch."

Key Takeaways

Relatively easy to institute—but no estoppel against same claims in other forums. Prior art limited to only patents and printed publications. Claims can be freely amended—no motion required—but, more likely patent will emerge with at least some enforceable claims. Request can be filed at any time. No opportunity for requestor to participate once request filed. Initial filing fees only about \$6,000.

Covered Business Method Review

This procedure expired in 2020. Was limited only to patents that claimed a method of doing business.

***Inter Partes* Reexamination**

This procedure was replaced in 2011 by *inter partes* review and post grant review. *Inter partes* reexamination is no longer available.