

Post-Issuance Review Proceedings: *Update & Trends in IPR & PGR*

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AIPLA Post-Issuance Trial Proceedings

AIA created several new procedures for third party initiated review of patents after issuance, including:



Post-Grant Review (“PGR”)
35 U.S.C. § 321 et seq.

- Challenges on any basis

***Inter Partes Review (“IPR”)* 35 U.S.C. § 311 et seq.**

- Challenges based on patents and printed publications

AIPLA PGR – Availability & Timing

- Available for post-AIA patents ONLY (*i.e.*, filed on or after 16 March 2013)
- File within 9 months of issuance of original patent or broadened reissue patent
- Only SIX filed (as of 14 May 2015)
 - *No final written decisions yet*
- Important timing issues/strategies with respect to blocking IPRs

- For post-AIA patents
 - *File after later of expiration 9-month PGR window, or termination of PGR*
 - Important strategic consideration for Patent Owner
- For pre-AIA patents
 - *Can be filed at any time*
 - 2,894 *filed as of 14 May 2015*

Trial-like processes

- Patent Trial and Appeal Board (“PTAB”): Adjudicative, not examination, process conducted by panel of 3 Administrative Patent Judges (“APJ”)
- Oral Hearing: Either party may request an oral hearing before the PTAB
 - No claim amendments during hearing
- Appeal: Directly to the CAFC – no district court action allowed

- Breakdown of AIA petitions (through 14 May 2015):
 - 63% in *Electrical and Computer arts*
 - 24% in *Mechanical arts and Business Methods*
 - 8% in *Bio/Pharma arts*
 - 5% in *Chemical arts*

Standard for Claim Interpretation

- PTAB uses the “broadest reasonable interpretation consistent with the specification” approach to claim interpretation
 - justified by
 - *Use of this standard during initial examination*
 - *Patent Owner’s ability to amend claims*
 - In practice, the Patent Owner has little or no ability to amend claims
- Claim interpretation asserted by the Patent Owner in district court litigation is NOT used
- This approach has been criticized and may be changed by legislation

Whether to file the **OPTIONAL** Patent Owner's Preliminary Response

- Due 3 months from order granting filing date
- Explanation of why IPR should not be instituted
- Submission of documentary evidence allowed, but testimonial evidence, *i.e.*, declarations, permitted only where “interests of justice” require; few, if any, permitted, to date
 - POPR filed in:
 - FY2013 – 79% of IPR (94% of CBMR)
 - FY2014 – 80% of IPR (87% of CBMR)
 - FY2015 (a/o 14 May 2015) – 85% of IPR (92% of CBMR)

Low Threshold for Institution

- IPR Trial instituted upon demonstration of “reasonable likelihood” that Petitioner would prevail with respect to at least one challenged claim
- Unpatentability must be shown by a *preponderance of the evidence*
 - NOT an especially difficult standard to meet
- Note: institution decision is not “all or nothing”
 - Made on a claim-by-claim and a ground-by-ground basis
 - Due 6 months from petition filing date

Page Limits: Can be problematic for patents with many claims / multiple grounds

- 60 pages:
 - Petition (single-spaced claim charts are allowed, but claim charts may not include argument)
 - PO Preliminary Response
 - PO Response
- 25 pages (increased from 15 on 19 May 2015):
 - Petitioner's Reply to PO Response
 - PO Motion to Amend (claims presented in separate appendix, not in counted pages)

Page Limits:

- 15 pages:
 - All other motions, oppositions to motions
- 5 pages
 - Replies to oppositions, except 12 pages for Reply to PO Motion to Amend (as of 19 May 2015)
- ALL PTAB filings must (as of 19 May 2015) use “14-point Times New Roman proportional font with normal spacing”

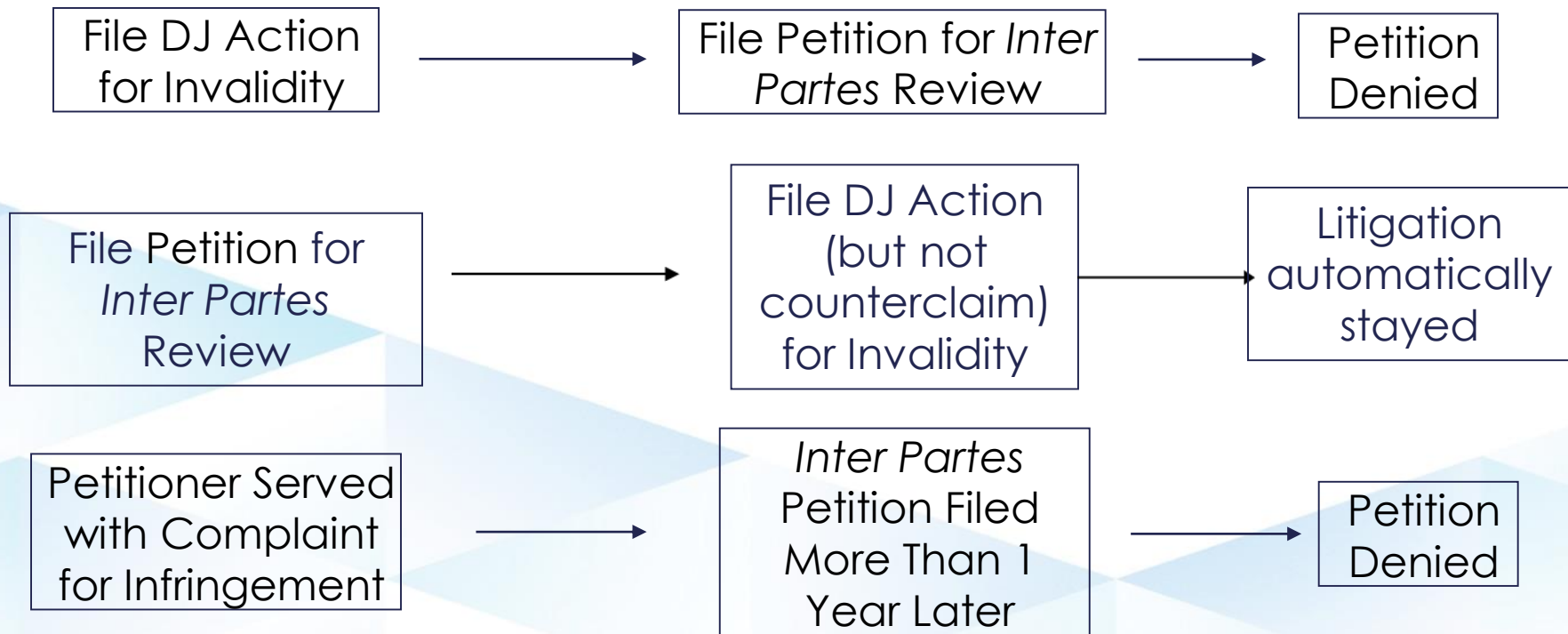
- \$23,000 (\$9K for “request” + refundable \$14K for “review”) plus ...
- \$200 “request fee” for each additional challenged claim > 20, plus ...
- Refundable \$400 “review fee” for each additional challenged claim > 15

Follow-on Petitions

- In most cases, IPR trial is instituted on some, but not all, challenged claims
 - Motions for reconsideration have been unsuccessful
 - Parties frequently file a second, slightly different petition to attack the non-instituted claims
 - No clear/consistent standard for how these are treated
 - Discretionary with PTAB
 - *In one recent decision, PTAB held that institution in follow-on petition is not required even where conditions are otherwise met (i.e., not based on the same or substantially the same prior art or arguments)*

Petitioner's risk in relying on non-patent prior art

- Unforeseen area of conflict and expense
- Little uniformity in PTAB's acceptance of the prior art status of non-patent prior art
 - Even based on actual dates of publication thereon
 - Even as to standard industry journal articles
- Evidentiary and substantive objections have become a common tactic
 - Followed by hotly contested motions to exclude prior art
 - Publications dates must generally be corroborated with sworn declaration evidence
 - *Declarant must be made available in the US for a live deposition*
 - *Very difficult burden on petitioner*
- Consumes disproportionate share of time and expense of IPR proceeding



- Clear trends -- most courts will deny or hold in abeyance motions to stay before institution decision rendered by PTAB, will stay infringement actions if IPR trial is instituted early in the litigation

- Petitioner estoppel: immediately upon issuance of final written decision, unsuccessful challenger is estopped as to any ground of invalidity raised **or that reasonably could have been raised – but ONLY AS TO CLAIMS INSTITUTED AND ADJUDICATED**
- No statutory estoppel as to claims for which IPR trial was NOT instituted

- PO estoppel: if a claim is cancelled, refused or otherwise deemed unpatentable by adverse judgment, then no subsequent action is allowed (e.g., reissue, adding claim to pending application) that would result in obtaining a claim “patentably indistinct” from any claim finally refused or cancelled

TOP TEN REASONS

- | | |
|-----------------------------|---------------------------|
| 1. EASY INITIATION | 6. EASY BOARD ACCESS |
| 2. PREPONDERANCE TEST | 7. SETTLEMENT POSSIBLE |
| 3. BRI CLAIM INTERPRETATION | 8. RELATIVELY SPEEDY |
| 4. AMENDMENT DIFFICULT | 9. LITIGATION STAY LIKELY |
| 5. LITTLE DISCOVERY | 10. COST |

Thank You!

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ART. 123(2) EPC AND US WRITTEN DESCRIPTION

*A comparative analysis with a
harmonizing perspective*

Enrica Bruno - Steinfl & Bruno LLP

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US written description and Art. 123(2) EPC – at a glance

- **US written description** The specification shall contain a “**written description** of the **invention**” 35 USC 112 1st paragraph pre-AIA 35 USC 112 (a) (Post AIA) and
 - “The **written description requirement** and its **corollary**, the **new matter** prohibition of 35 U.S.C. § 132, both serve to ensure that the patent applicant was in **full possession** of the claimed subject matter on the application filing date” *TurboCare. v. General Electric Co.*, 264 F.3d 1111, 1118 (Fed. Cir. 2001)
- **Art. 123(2) EPC**: “The European patent application or European patent may not be amended in such a way that it contains **subject-matter** which **extends beyond** the content of the **application as filed.**” (Art. 123(2) EPC)

US written description - Standard/criteria overview

- **Standard**: whether the specification **conveys** with reasonable clarity... applicant was in **possession of the invention** as now **claimed** (*Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563-64 Fed. Cir. 1991) MPEP 2163.02
- **Criteria**: possession of the invention may be shown by
 - reduction to **practice** (MPEP 2163.I MPEP 2163.02)
 - **identifying characteristics** i.e., complete or partial **structure**, other physical and/or chemical properties, **functional** characteristics when coupled with a known or disclosed **correlation** between **function** and **structure**, or some combination of such characteristics (MPEP 2163.I MPEP 2163.02)
 - representative number of **species** (for genus claims) (MPEP 2163.I MPEP 2163.02)

US written description - methodology overview

- **Methodology** : 1) Determine what **claim as a whole** covers 2) Review the **entire application** to understand support including **each element and/or step** 3) Determine whether there is sufficient **written description** to Inform a Skilled Artisan that Applicant was in Possession of the Claimed **Invention as a Whole** at the Time the Application Was Filed (MPEP 2163.II)
- **General Note**: **multiple** criteria making reference to **elements of disclosure**; common **knowledge important factor**; **claim construction central** to the determination; **structured** methodology

Art. 123(2) EPC – standard/criteria overview

- **Standard:** “if the **overall** change in ...content...results in .. **information** which is not **directly and unambiguously derivable** from ...the application, even when account is taken of matter which is **implicit** to a person skilled in the art” (H-IV.2.2)
- **Criteria:** in determining information directly and unambiguously derivable
 - “**implicit** disclosure” means no more than the **clear and unambiguous consequence** of what is **explicitly** mentioned in the application as filed (H-IV.2.3)
 - **test for novelty** at least in amendment by way of addition which **excludes** well **known equivalents** (H-IV.2.2., G-VI.2)
 - additional guidance and **examples** relating to typical **situations** (H-V) including
 - **Replacement/removal** of a feature (H-V.3.1), **additional** features (H-V.3.2), **Intermediate generalisations** (H-V.3.2.1), **deletion** of part of the claimed subject-matter (H-V.3.3), Disclosed Disclaimer (H-V.3.5)
 - **case law** on **specific fact patterns** (Case law II.E.1)

Art. 123(2) EPC – methodology overview

- **Methodology** : focus ... on what is **really disclosed** ...by the documents as filed as directed to a **technical audience**. ... **avoid** disproportionally focusing on the **structure of the claims** as filed to the detriment of the subject-matter that the skilled person would **directly and unambiguously derive** from the **application as a whole**. (H-IV.2.3)
- **General Note**: multiple criteria with direct **reference** to **elements** in the **disclosure only** in **specific** fact **patterns**; **limited** role of common **knowledge**; **no emphasis** on **claim interpretation**; unstructured **methodology** open to **subjective interpretation** (unambiguously derivable vs “unambiguously disclosed”) therefore often resulting in a **literal interpretation**

Art. 123(2) EPC/US Written Description – differences

- **Standard:** US “convey possession” “**open ended**” standard **vs.** EPO “directly and unambiguously derivable” “**inward looking**” standard, centered on the application
 - -> different **relevance of knowledge** of skilled person
- **Criteria :** US **general criteria** have **direct reference** to **features** of the invention to be found in **the description** (identifying characteristics, representative examples, etc.) **vs.** EPO **general** reference to “**information**” presented in the **application** with **specific features** addressed only in **examples and specific case law**
 - -> different **reference** to the **features** of the invention

Art. 123(2) EPC/US Written Description – differences

- **Methodology** US requires **claims construction**, consideration of claims and application in their entirety to support evaluation including **each element and/or step** vs. **EPO general invitation** to focus on what is **really disclosed** by the documents as filed as directed to a **technical audience**
 - -> different **structure**
- **Other differences**: i) what is **application**, ii) **criteria** for **amendments** of **specification** and **claims** (different under US practice, same in EP practice) iii) modification of **background** section after filing

Art. 123(2) EPC/US Written Description – practical problems

From US to EP

- Information “**lost in translation**” in particular information
 - part of **common knowledge**
 - **non-technical** in nature
- Subject matter “**conveyed**” by the description for a US reader will **not** be “**unambiguously derivable**” for an EP reader (typically connection between elements and variants) because of **stricter EP standard** for **implicit** information
- **Features** of the invention **described** by US drafter in a way that **does not match** the **specific fact patterns** of the **EPO** Case law and Examples (e.g. intermediate generalization)

Art. 123(2) EPC/US Written Description – practical problems

From EP to US (generally easier)

- Description can be **focused** on the **description** the **technical problem** and the related **solution** rather than **on** the **means** to solve the problem
- **Insufficient** description of **identifying characteristics**, (e.g. see use claims to be converted in method claims)
- **Insufficient** description of **multiple embodiments** of **generic** claims
- **Non technical** information might be **missing**

Art. 123(2) EPC/US Written Description – common elements

Reliance on structure and function e.g.

- **US** “If the application ...does not disclose the complete structure (or acts of a process) of the claimed **invention as a whole**, determine ... other relevant **identifying characteristics** For example, if ... strong **correlation** between **structure** and **function**, one skilled in the art would be able to **predict .. the structure of the claimed invention** from a recitation of its **function**” MPEP 2163
- **EPO** “Extracting a specific feature may be allowed only if there is **no structural and functional relationship between the features.**” (H-V.3.2.1) (see also G2/10 confirming applicability of test for intermediate generalization)
“(ii) the **feature** is not, as such, **indispensable** for the **function** of the **invention** in the light of the technical problem the invention serves to solve” (H-V.3.1 re replacement /removal of a feature) (see also G2/10 confirming applicability of test for positively recited feature)

Art. 123(2) EPC/US Written Description – common elements

Reliance on common knowledge e.g.

- **US**: “Such a review [of the description] ..should include a determination of the field of the invention and the level of skill and **knowledge** in the art. Generally, there is an **inverse correlation** between the **level of skill and knowledge** in the art and the **specificity of disclosure necessary** to satisfy the written description requirement. **Information** which is **well known** in the art **need not** be described in **detail** in the specification” (MPEP 2163).
- **EPO**: “subject-matter derivable directly and unambiguously from that document including any **features implicit** to a person skilled in the art in what is **expressly mentioned** in the document” G-VI.2 referred by H-IV.2.2 (see also G2/10 referring to test for positively defined features).

Art. 123(2) EPC/US Written Description–harmonizing criteria

- Subject matter **disclosed/derivable** from the application as filed to be determined **based on**
 - Description of **features** (structure or act of a process) and **related function(s)**
 - Description of **structural/functional relationship** between features
- taking into account **knowledge** of the skilled person (extent to be fine-tuned based on jurisdiction and eventually harmonized)

THANK YOU – QUESTIONS?

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Opposition Proceedings before the EPO

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How many Oppositions are filed?

In 2014:

- 65,000 European Patents Granted
- 3,000 Oppositions filed (4.5%-5%)
- 2,150 Opposition Decisions

30% opposition rejected

40% patent maintained in amended form

30% patent revoked



An Example Opposition

- **July 2010 - Patent granted**
- **April 2011 – Patent opposed**
 - 9 months after grant
 - novelty, inventive step, sufficiency and added matter (in this case, not excluded subject matter)
 - Official fee €775
- **December 2011 – response to Opposition**
 - amendments to claims and Auxiliary Requests



An Example Opposition - continued

- **February and August 2012 – further submissions from Opponent**
- **December 2013 – EPO gives preliminary opinion**
- **April/June 2014 – responses from Opponent and Patentee**
 - further claim amendments
- **October 2014 – further submission from Opponent**
- **November 2014 – Summons to Oral Proceedings**



An Example Opposition - continued

- **April 2015 – written submissions from Patentee and Opponent**
 - changed Auxiliary Request
- **May 2015 – further submissions from Opponent**
- **May 2015 – Oral Proceedings and Decision to Maintain**

....about 5 years so far



Appeals following Opposition

In 2014, around 1350 appeals from decision of the Opposition Division were filed – about 60%.

About 40% of decisions on appeal from Opposition are allowed

Under 30% are dismissed

Over 30% are “otherwise settled”



Thank you

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“Structure & Function”

Article 123(2) EPC – A Modest Proposal

Presented by

Chris Tunstall

Partner

June 8th, 2015



CARPMAELS & RANSFORD

“Mr. Logic”



Generalization

- Guideline F-IV, 6.2
 - **Extent of generalisation**
 - Most claims are generalisations from one or more particular examples. ... The applicant should be allowed to cover all obvious modifications of, equivalents to and uses of that which he has described. In particular, if it is *reasonable to predict that all the variants covered by the claims have the properties or uses* the applicant ascribes to them in the description, he should be allowed to draw his claims accordingly.

Generalization

- Guideline F-IV, 6.2
 - **Extent of generalisation**
 - ... After the date of filing, however, he should be allowed to do so only if this does not contravene Art. 123(2).

“Fish Plate”



Descriptive *versus* Definitive

- Description

- Statements are descriptive. E.g. “The rails are bolted together” – a true statement

- Claims

- Statements are *definitive*. E.g. “The rails are bolted together” – *implies*:
 - fish plates may be absent
 - E.g. “The rails are spanned by a common fish plate to which they are bolted” – *implies*:
 - the rails may not be aligned by the fish plates

Intermediate Generalization

- Decision T284/94
 - An amendment of a claim by the introduction of a technical feature taken in isolation from the description of a specific embodiment is not allowable under Article 123(2) EPC if it is *not clear beyond any doubt* for a skilled reader from the application documents as filed that the subject-matter of the claim thus amended provides a complete solution to *a technical problem unambiguously recognisable* from the application.

Intermediate Generalization

- Decision T1067/97
 - If a claim was to be restricted to a preferred embodiment, it was normally not admissible under Art. 123(2) EPC to extract isolated features from a set of features which had originally been disclosed in combination for that embodiment. An amendment of this nature would *only be justified in the absence of any* clearly recognisable functional or structural relationship among said features.

Generalization

- Guideline F-IV, 6.2
 - **Extent of generalisation**
 - In particular, if it is *reasonable to predict that all the variants covered by the claims have the properties or uses* the applicant ascribes to them in the description, he should be allowed to draw his claims accordingly.

Generalization

- A modest proposal
 - **Extent of generalisation after filing**
 - In particular, if *the skilled reader recognises from the application as filed that all the variants covered by the claims have the properties or uses* the applicant ascribes to them in the description, he should be allowed to draw his claims accordingly.

Generalization

- A modest proposal
 - **Extent of generalisation after filing**
 - Or ... a feature or combination of features having a *function that is recognisable* to the skilled reader from the application as originally filed and in the light of common general knowledge, may be introduced into a claim without contravening Article 123(2) EPC, provided that *this function is also achieved* in the subject-matter of the claim as amended.

Questions?



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