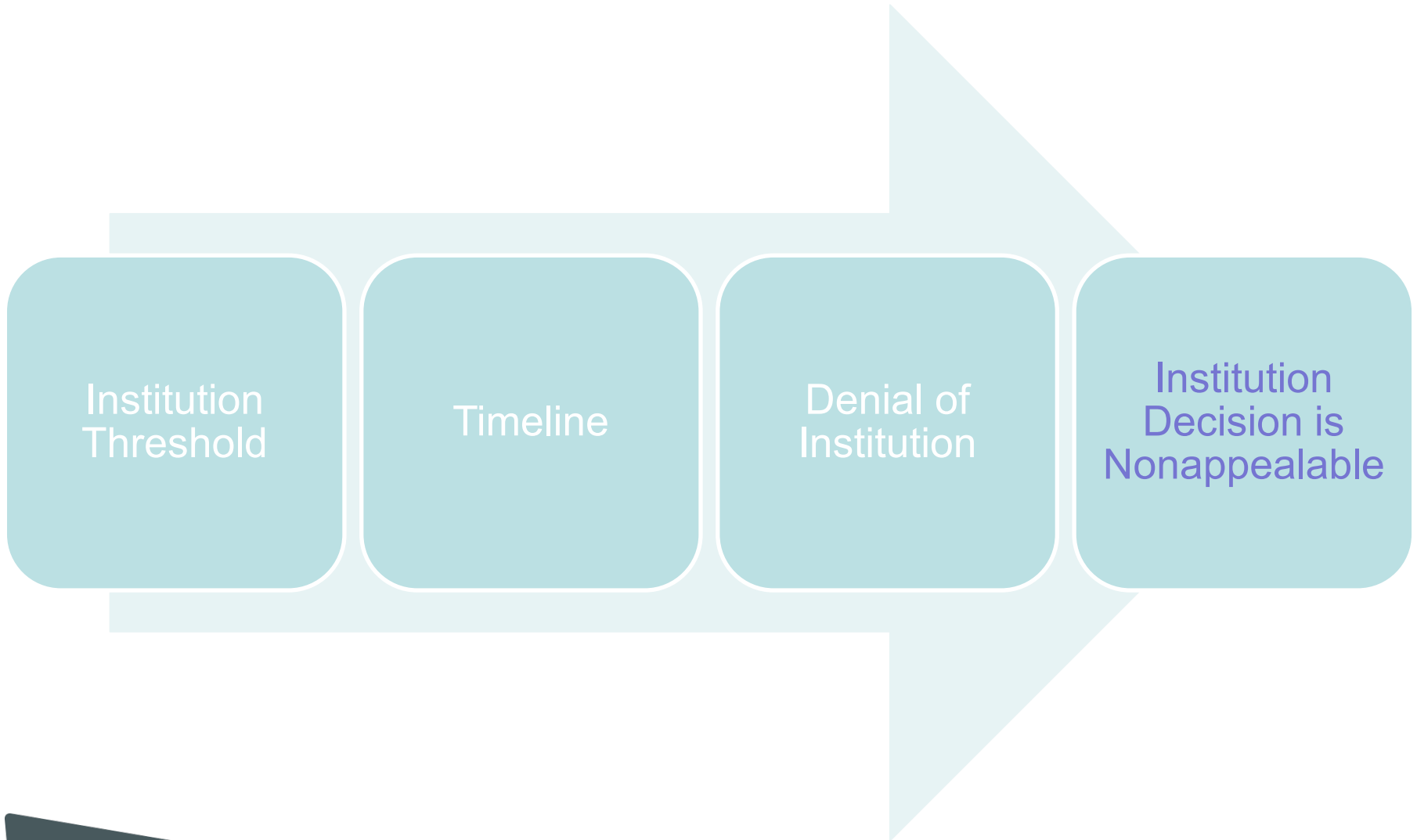

Institution of *inter partes* review

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Institution of *inter partes* review



Institution of *inter partes* review

Institution Threshold

Institution Threshold

- 35 U.S. Code § 314 – Institution of *inter partes* review
 - (a) Threshold.— The Director *may not* authorize an inter partes review to be instituted *unless* the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is *a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.*

Lower threshold for institution than what is needed to prevail (preponderance of the evidence).

Institution Threshold

- Discretion to deny institution under § 314(a)
 - 314(a) is permissive. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016).
 - Multiple follow-on petitions challenging the same patent. *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, Case IPR2016-01357 et al., Paper 19 (Sept. 6, 2017) (Precedential).
 - Petitions by different petitioners challenging the same patent. *Valve Corp. v. Elec. Scripting Prods., Inc.*, Case IPR2019-00062, -00063, -00084, Paper 11 (Apr. 2, 2019) (Precedential).
 - If instituted, the Board must decide on all challenged claims. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018).

Institution may be denied under 314(a) even with a reasonable likelihood of success

- *Chevron Oronite Co. LLC v. Infineum USA L.P.*, Case IPR2018-00923, Paper 9 (Nov. 7, 2018) (Informative) – Institution denied where reasonable likelihood of success on only 2/20 challenged claims
- *Deeper, UAB v. Vexilar, Inc.*, Case IPR2018-01310, Paper 7 (Jan. 24, 2019) (Informative) – Institution denied where reasonable likelihood of success on only 2/23 challenged claims and 1/4 grounds
- *Adaptics Ltd. v. Perfect Co.*, Case IPR2018-01596, Paper 20 (March 6, 2019) (Informative) – Institution denied where grounds not identified with particularity

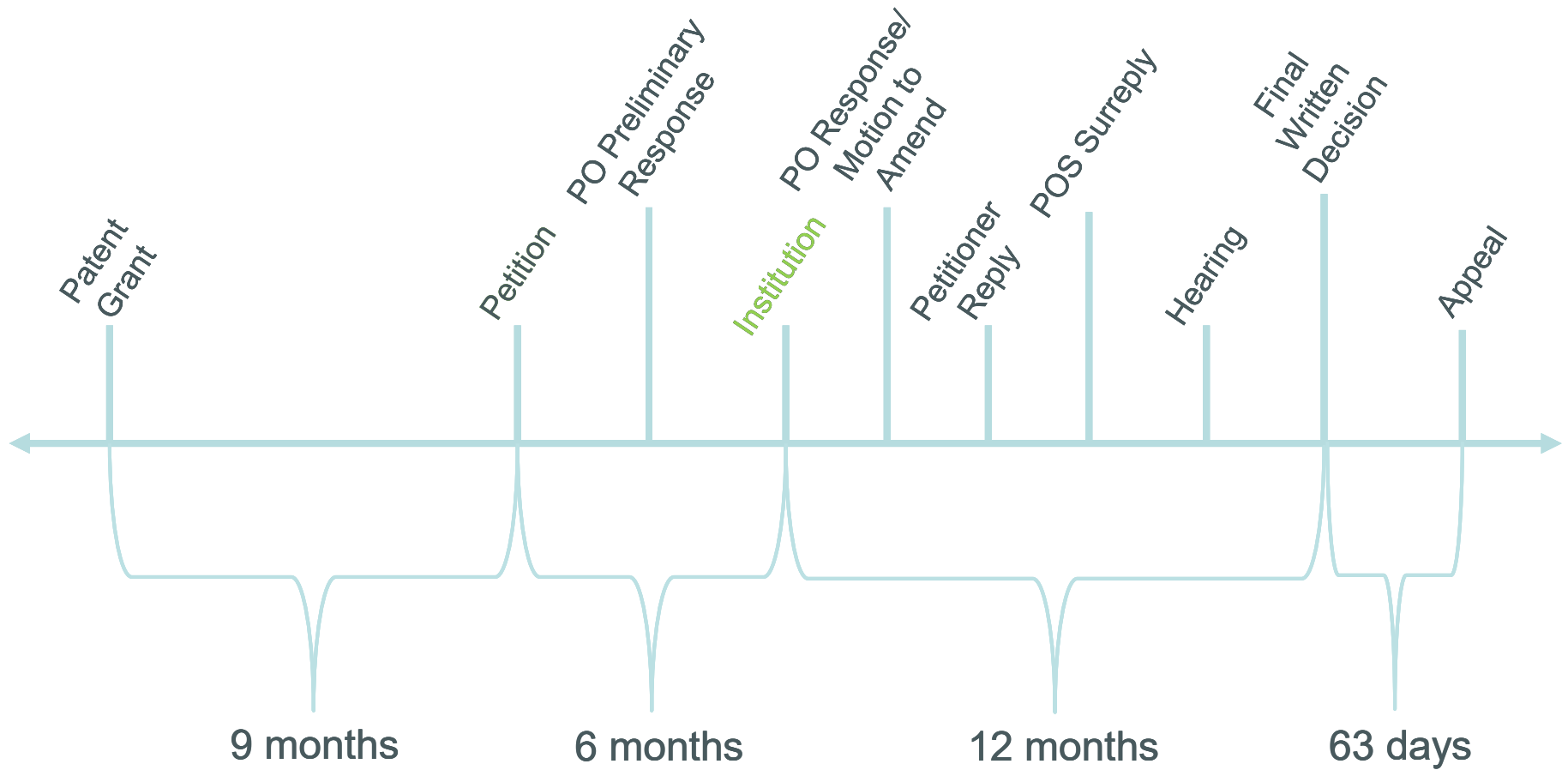
Institution of *inter partes* review

Timeline

- 35 U.S. Code § 314 – Institution of *inter partes* review
 - (b) Timing.—The Director shall determine whether to institute an inter partes review under this chapter pursuant to a petition filed under section 311 within 3 months after—
 - (1) receiving a preliminary response to the petition under section 313; or
 - (2) if no such preliminary response is filed, the last date on which such response may be filed.

- Stay of proceedings
 - District courts can stay parallel proceedings at their discretion, such as based on a request for institution or an institution decision. See *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1426–27 (Fed. Cir. 1988).
 - General considerations:
 - (1) Stage of litigation
 - (2) Simplification of the issues for trial
 - (3) Undue prejudice or tactical disadvantage. *Murata Machinery USA v. Daifuku Co., Ltd.*, 830 F.3d 1357, 1361 (Fed. Cir. 2016).

Timeline



Institution of *inter partes* review

Denial of Institution

Denial of Institution

§ 314(a) – *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (March 20, 2020) (Precedential)

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

- Discretionary Denial Under § 325(d)
 - (d) ... during the pendency of any post-grant review under this chapter, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the post-grant review or other proceeding or matter may proceed, including providing for the stay, transfer, consolidation, or termination of any such matter or proceeding. In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, ***the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.***

Precedential decisions regarding discretionary denial under § 325(d)

- *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, Case IPR2019-01469, Paper 6 (February 13, 2020)
- *Oticon Medical AB v. Cochlear Limited* (§ II.B and II.C), Case IPR2019-00975, Paper 15 (October 16, 2019)
- *Becton, Dickinson & Co. v. B. Braun Melsungen AG* (§ III.C.5, first paragraph), Case IPR2017-01586, Paper 8 (December 15, 2017)

Advanced Bionics Two-Part Framework

(1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; *and*

(2) if either condition of the first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Denial of Institution

- Part 1 of the *Advanced Bionics* Framework—Whether the Same or Substantially the Same Art or Arguments was Previously Presented
 - (a) the similarities and material differences between the asserted art and the prior art involved during examination
 - (b) the cumulative nature of the asserted art and the prior art evaluated during examination
 - (d) the extent of the overlap between the arguments made during examination and the manner in which a Petitioner relies on the prior art or a Patent Owner distinguishes the prior art

Denial of Institution

- Part 2 of the *Advanced Bionics* Framework—Whether the Office Erred in a Manner Material to the Patentability of Challenged Claims
 - (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection
 - (e) whether a Petitioner has pointed out sufficiently how the Examiner erred in their evaluation of the asserted prior art
 - (f) the extent to which additional evidence and facts presented in the Petitioner warrant reconsideration of the prior art or arguments

Institution of *inter partes* review

Institution Decision is Nonappealable

- 35 U.S. Code § 314 – Institution of *inter partes* review
 - (d) No Appeal.— The determination by the Director whether to institute an *inter partes* review under this section shall be final and nonappealable.

- Appeal bar extensions

- No judicial review of matters closely related to institution decision, e.g., timeliness under § 315(b); § 314(d) appeal bar extends to “challenges grounded in ‘statutes related to’ the institution decision.” *Thryv, Inc v. Click-To-Call Techs.*, 140 S. Ct. 1367, 1375 (2020) (quoting *Cuozzo Speed Techs.*, 136 S. Ct. at 2141)).
- No judicial review of non-substantive issues: “[C]hallenges, both procedural and substantive, rank as questions closely tied to the application and interpretation of statutes relating to the Patent Office's decision whether to initiate review, and hence are outside of [the Federal Circuit's] jurisdiction.” *In re Cisco Sys. Inc.*, 834 F. App'x 571, 572 (Fed. Cir. 2020).

Institution of *inter partes* review

