

# ACPC 2022 Winter Meeting

January 23 – 26, 2022



## IPRs Today

Wednesday, January 26

# The Panel

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## Russ Slifer

- Schwegman Lundberg & Woessner

## Greg Gardella

- Gardella Grace Law Firm

## Charles Sanders

- Latham & Watkins

## Gauri Dhavan (moderator)

- ZOLL Medical Corp.

# USPTO Leadership Timeline

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## June 2005 First bill introduced by Lamar Smith

- August 2009 David Kappos confirmed as Director
- May 2011 James Smith appointed Chief Judge of the BPAI

## Sept. 2011 AIA Signed by President Obama

- January 2013 Kappos resigns
- January 2015 Michelle Lee confirmed as Director (March 2015 Slifer)
- July 2015 Nate Kelly appointed as acting Chief Judge of the PTAB
- May 2016 David Ruschke appointed Chief Judge of the PTAB
- February 2018 Andrei Iancu confirmed as Director
- March 2019 Scott Boalick appointed Chief Judge of the PTAB

# Looking Forward

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## New USPTO Director Vidal

- How will the institution discretion be changed?
- Director conflicts of interest in view of Arthrex. Can the review be delegated?
- Future of the POP?
- Small Inventor/entity IPR help
- PTAB mercenaries & profiteers

## Leahy bills

- Restoring the America Invents Act - Leahy (D-Vt.) Cornyn (R-Texas)
- Unleashing American Innovators Act - Leahy and Tillis (R-NC)

# A lot of Unanswered Questions

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- 2016 *Cuozzo* - claim construction standard
- 2018 *Oil States* – patents are public rights, IPR does not violate the Seventh Amendment
- 2018 *SAS Institute* – PTAB must institute IPR on either all claims raised in a petition or none of them
- 2019 *Helsinn v. Teva* - Congress did not alter the meaning of “on sale”
- 2019 *Return Mail, Inc. v. United States Postal Service* - agencies of the federal government cannot use AIA trials
- 2020 *Thryv v. Click-to-Call Technologies* that USPTO has unreviewable authority to decide institution
- 2021 *Arthrex* – decisions by APJs must be subject to review by the Director

# PTAB Practice: The Early Days

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## Choose your metaphor:

- The Wild West
- “Building the plane while you are flying it” – CHS

## Substantial uncertainty on both sides of the v.

- Pre-institution
- Post-institution
- Precedential and Informative Opinions?

# PTAB Practice: Current

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## Approaching Straight and Level Flight

Most of the day-to-day issues have been sorted

- Precedential and informative opinions
- Reaching consensus over time

## Areas of unpredictability remain

- Discretionary denials
- Objective evidence
- PTAB bench continues to grow

# Is the Sky Falling?

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Or Are We Joining the International Community?

## **EPO Opposition**

- 1/3 all claims revoked
- 1/3 some claims modified
- 1/3 all claims confirmed

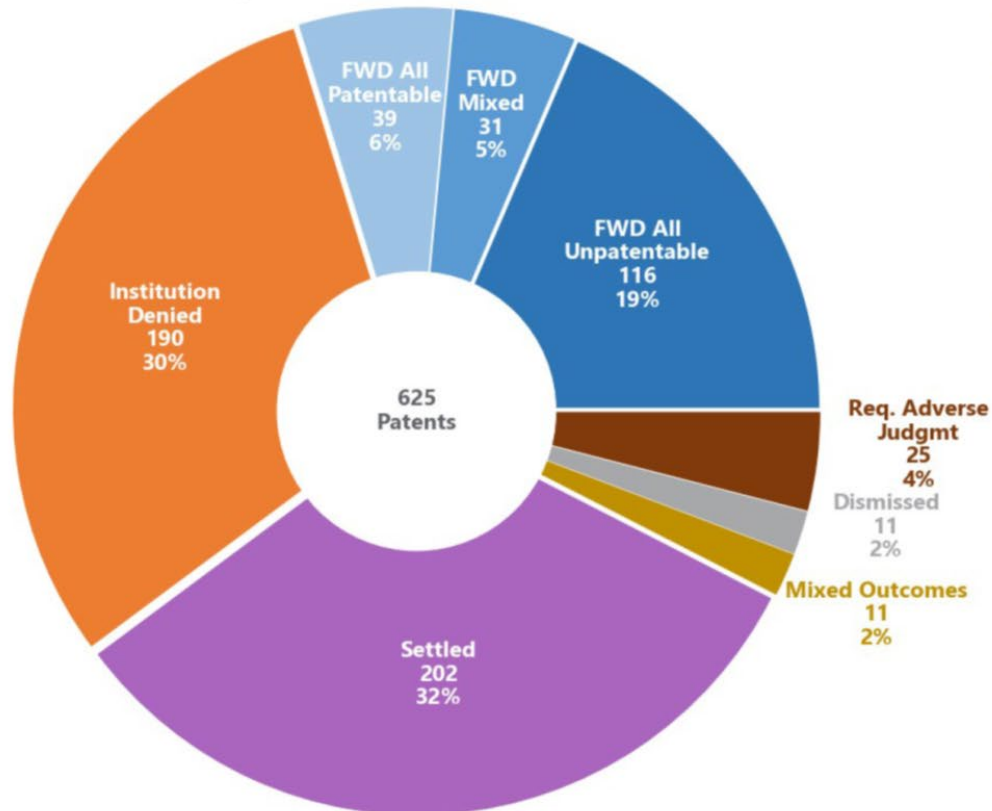
## **IPR**

- 23% all claims revoked
- 40% some claims modified
- 36% all claims confirmed



# The Mandatory Statistics Slide

**Outcomes by patent**  
(FY21 through Q2: Oct. 1, 2020 to Mar. 31, 2021)



FWD patentability or unpatentability reported with respect to the claims at issue in the FWD.

“Mixed Outcome” is shown for patents receiving more than one type of outcome from the list of: denied, settled, dismissed, and/or req. adverse judgement only.

A patent is listed in a FWD category if it ever received a FWD, regardless of other outcomes.



# IPR Interplay With Litigation

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## Stays

- Effect of SAS
- Effect of change to Philips standard in IPRs

## Discretionary denials — Fintiv

- Stipulations as solution (Sand Revolution & Sotera)

## Estoppel

- Meaning of “reasonably could have raised”
- Product vs. printed prior art

# Deciding Whether To file An IPR Petition

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## Risk of denial at institution

- No appellate review
- No estoppel, but evidentiary value?

## What are the other defenses?

## Claim amendments

- Pilot program

## One-year bar and privity

# Influence of IPRs Today

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## Forum selection

- Speed
- Stays

## IPR-resistant complaints

## Settlement dynamics

- Validity often determined first
- Asymmetric risk

# IPRs Today: Discussion

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- Do they work for your industry? In a lawsuit, are you more likely to be the patent owner or accused infringer? Are IPRs helpful or a threat?
- How much new authority/influence does the USPTO Director have after *Arthrex*?
- How do IPRs figure into your overall IP strategy? As an offensive/defensive tool? Globally?
- Where do you want to have the validity fight: At the USPTO during patent examination? At the PTAB in IPR?
- As a patent owner, does the threat of IPRs influence your decision of when, whether or where to file a lawsuit?

# Thank You!

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**ACPC**

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