



November 18, 2011

Hon. David J. Kappos  
Under Secretary of Commerce for Intellectual Property  
And Director of the U.S. Patent and Trademark Office  
600 Dulany Street  
P.O. Box 1450  
Alexandria, VA 22313

Submitted via: [aia\\_implementation@uspto.gov](mailto:aia_implementation@uspto.gov)

**Re: Group 2 Rulemakings**  
Section 6 – Post Grant Review  
Section 6 – *Inter Partes* Review  
Section 18 – Transitional Program for Covered Business Method Patents

Dear Under Secretary Kappos:

Intellectual Property Owners Association (IPO) appreciates the opportunity to provide preliminary comments to the U.S. Patent and Trademark Office (USPTO) concerning the rules packages that are under development in connection with provisions of the America Invents Act (AIA). These preliminary comments do not necessarily represent the final views of IPO. Time did not permit review by the full Board of Directors. IPO will be submitting further comments when the USPTO publishes Notices of Proposed Rulemaking. Those comments will supplement or modify our preliminary comments as appropriate.

IPO is a trade association representing companies and individuals in all industries and fields of technology who own or are interested in intellectual property rights. IPO's membership includes more than 200 companies and more than 12,000 individuals who are involved in the association either through their companies or as inventor, author, law firm, or attorney members.

IPO's comments in the present letter and its two enclosures are directed to:

Section 6 – Post Grant Review  
Section 6 – *Inter Partes* Review  
Section 18 – Transitional Program for Covered Business Method Patents

The two enclosures were drafted by a committee appointed jointly by IPO, the Intellectual Property Section of the American Bar Association, and the American Intellectual Property Law Association. IPO representatives on the committee were Phillip S. Johnson and Kevin H. Rhodes. The IPO Executive Committee has voted unanimously to adopt the two enclosures as representing IPO's preliminary recommendations in principle. We are submitting a separate letter with preliminary comments on selected other AIA sections.

The principal goal of the suggested regulations is to faithfully implement the legislated objectives of providing accessible, efficient, speedy and meaningful alternatives to litigation to test patent validity in a proceeding in the USPTO. The joint committee sought to: minimize the need for involvement by the Patent Trial and Appeal Board prior to the final oral hearing; avoid the added complexity, burdens and potential delays of extensive motion practice; and protect smaller patent

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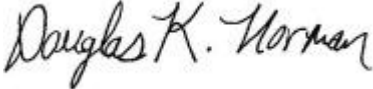
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owners or petitioners from being overwhelmed by the need to take and defend discovery at the same time by staging their respective discovery periods in sequence. The enclosed paper that accompanies the suggested regulations explains these and other objectives in some detail.

IPO again thanks the USPTO for consideration of these preliminary comments and would welcome any further dialogue or opportunity to support the USPTO in implementing the AIA.

Sincerely,

A handwritten signature in black ink that reads "Douglas K. Norman". The signature is written in a cursive, slightly slanted style.

Douglas K. Norman  
President

Enclosures (2)

**Before the  
United States Patent and Trademark Office  
Alexandria, VA 22313**

In the Matter Of                    )  
  )  
Implementation Of                 )  
the Leahy---Smith                )  
America Invents Act               )  
Public Law 112---29               )

**Comments and Proposed Regulations of the Committee Appointed  
by the ABA IPL, AIPLA and IPO Relating to Post-Grant Review,  
Inter Partes Review and Transitional Program for Covered Business  
Method Patents Under the Leahy-Smith America Invents Act**

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## **Comments of the Committee Appointed by the ABA IPL, AIPLA and IPO Relating to Post-Grant Review, Inter Partes Review and Transitional Program for Covered Business Method Patents Under the Leahy-Smith America Invents Act**

### ***Executive Summary:***

A committee of six experts appointed by the American Bar Association – IP Law Section, American Intellectual Property Law Association and Intellectual Property Owners Association (the “Committee”), with advice and input from the executive directors of each organization, has developed a set of proposed regulations implementing the new post-grant review (“PGR”), inter partes review (“IPR”) and transitional program for covered business method patents of the Leahy-Smith America Invents Act, Public Law No. 112-29 (“AIA”).<sup>1</sup> Each of the six Committee members is an experienced attorney registered to practice before the Office<sup>2</sup>; and collectively they bring a wide range of backgrounds, experiences and perspectives to the question of how best to implement the intent of Congress in enacting the new procedures. The Committee is equally balanced with three members currently practicing in-house and three in private practice, and includes specialists in prosecution, interference practice and litigation. This paper explains the Committee’s rationale for the structure and timing proposed for the new proceedings, as well as a provision-by-provision overview of the proposed regulations. The approach outlined in this paper is supported in principle by the ABA-IPL Section, AIPLA and IPO.<sup>3</sup>

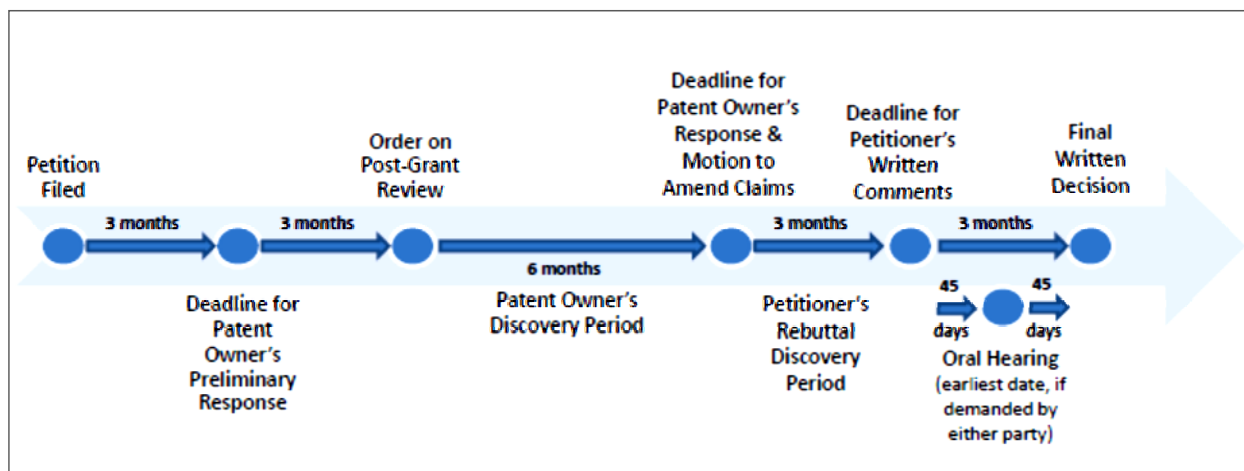
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<sup>1</sup> The Committee notes that the Transitional Program for Covered Business Method Patents expressly defines these proceedings as PGR: “The transitional proceeding implemented pursuant to this subsection shall be regarded as, and shall employ the standards and procedures of, a post-grant review under chapter 32 of title 35, United States Code [subject to certain exceptions].” AIA § 18(a)(1). Thus, the Committee’s proposed rules on PGR are defined to apply to proceedings under the Transitional Program for Covered Business Method Patents, and those transitional proceedings are not discussed separately. The Committee does not make a recommendation on the definition of “Patents for Technological Inventions” as used in Section 18 of PL 112—29, as that definition is understood to be the subject of separate rule making procedures, and thus beyond the Committee’s charter.

<sup>2</sup> The Committee members are Gordon Arnold and Willard Jones (appointed by the American Bar Association-IP Law Section), Ken Nigon and Herb Hart (appointed by the American Intellectual Property Law Association) and Kevin Rhodes and Phil Johnson (appointed by the Intellectual Property Owners Association).

<sup>3</sup> Due to the limited time available for approval and the sponsoring organizations’ differing structures, the natures of these endorsements differ. In the case of AIPLA, its support was agreed to by a vote of its full board. Under ABA’s internal procedures, the endorsement of the ABA-IPL Section requires a further level of approval before the position can be referenced publicly. Lacking a scheduled Board meeting in the required time frame, IPO’s approval was by a vote of its Executive Committee. Each of these organizations, and their Boards, reserve the right to modify and supplement their views and/or to present further comments as the rulemaking process progresses. In addition, while this draft reflects a majority view of the Committee, it is not intended to suggest that there was unanimity on the Committee on every point, as some of the Committee members held different views on certain issues.

The proposed regulations lay out a workable framework for conducting PGR, Transitional & IPR proceedings within the 12 month time period from institution that is required by the AIA. The overall 12 month schedule<sup>4</sup> for these proceedings is illustrated below:



The proposed procedures start with the filing of a petition that lays out the petitioner's grounds and supporting evidence, on a challenged patent-claim-by-patent-claim basis, for instituting the requested proceeding. To be considered, the petition must also meet the filing requirements established by the AIA, and provide an initial disclosure of information that will be useful to the Director of the United States Patent & Trademark Office (the "Office") in evaluating the request, and in the proceeding itself, should the Director decide it should be instituted. Within 3 months from the receipt of the petition, the patent owner may, but is not obligated to, file a preliminary response to the petition, which may also include supporting evidence. If the patent owner elects not to file a substantive response, the patent owner may accelerate consideration of the petition by filing an election not to file a substantive preliminary response, which will be treated as a preliminary response for the purpose of triggering the three-month period for the Director to decide whether to institute the requested proceeding.

Within three months from the filing of the preliminary response (or an election not to file a substantive preliminary response), the Director will consider the submissions and decide whether to institute the requested proceeding. In so doing, the Director will evaluate whether the petition is complete, whether the patent eligibility requirements are met; and, whether, and for what claims, the threshold requirements for that proceeding are met. In his decision, the Director will specify which

<sup>4</sup> As discussed further below, the Committee has proposed a one or two month automatic extension of the proceedings under certain circumstances, and any party may file a motion to extend on any grounds alleged to constitute good cause.

of petitioner's grounds satisfy the required threshold showing, and the ensuing proceeding will be limited to assessing whether the challenged claims are patentable despite those grounds.

Once instituted, a six month discovery and preparation period begins. During this period, the patent owner may seek limited documentary discovery, and take time-limited depositions of petitioner's declarants and, in a post-grant review, up to three additional witnesses believed to have evidence directly related to the factual issues remaining in dispute. The patent owner's final response, and any motion to amend the patent to cancel claims or add a reasonable number of substitute claims, are due at the end of this period. Once the patent owner's response has been filed, the petitioner's three month discovery period begins, during which the petitioner has the right to depose those witnesses who submitted declarations or affidavits on behalf of the patent owner. At the end of this period, the petitioner's written comments are due, after which the final hearing before the Patent Trial and Appeal Board (the "Board") will be conducted. Absent special circumstances, the Board's final decision will issue within 12 months of institution.

***Preliminary Considerations:***

The principal goal of the Committee was to faithfully implement the legislated objectives of providing accessible, efficient, speedy and meaningful alternatives to litigation to test patent validity in a contested proceeding. As such, the aim of the Committee was to ensure that these proceedings are fair to all parties involved, while meeting the legislative mandate that they ordinarily be completed within one year of institution, extendible to eighteen months for good cause. In the Committee's view, the best way to achieve that goal is to establish rules that narrow the scope of review as much as possible at the time of institution, and thereafter stage discovery and subsequent submissions according to a standing schedule that establishes an orderly sequence. The Committee sought to: minimize the need for Board involvement prior to the final oral hearing; avoid the added complexity, burdens and potential delays of extensive motion practice; and protect smaller patent owners or petitioners from being overwhelmed by the need to take and defend discovery at the same time by staging their respective discovery periods in sequence.

As provided in the AIA, all three of these new proceedings augment other alternatives already available to persons wishing to challenge the validity of a patent. As such, potential petitioners can weigh these alternatives and their respective perceived strengths and weaknesses before choosing which to invoke. The owner of the patent, by contrast, has no ability to choose where and when it would prefer to defend its rights, and may be forced to defend against multiple challengers in more than one of the new procedures. Moreover, any petitioner will have had, at a minimum, nine months to prepare its challenges to the patent, whereas the patent owner may be taken by complete surprise by the petition. With respect to PGR, the petition may come immediately after the patent owner has spent considerable time and resources to secure grant of the patent. For these reasons, the Committee's view is that the implementing regulations must be carefully crafted to take into account these realities and to ensure fairness to the patent owner. On the other hand, the Committee recognizes that procedures perceived to be too favorable to the patent owner run the risk of frustrating the congressional intent that the new proceedings serve as a

viable alternative to expensive and protracted patent litigation. The Committee has worked carefully to balance these concerns, recognizing that remaining doubts as to how to structure or time the proceedings typically should be resolved in favor of the patent owner, which is only fair given that the petitioner will have made the choice to invoke the proceeding with full knowledge of whatever procedures and timing that choice entails.

Another paramount consideration that guided the Committee's overall approach to the proposed rules is that a successful petitioner in any of the new proceedings will deprive the patent owner of a granted or issued patent – a vested property right.<sup>5</sup> Because a civil action in district court under 35 U.S.C. § 145 or 146 will not be available to a patent owner dissatisfied with the decision of the Board, the implementing regulations must ensure that due process is afforded the patent owner in the proceedings before the Board. As was the case with the regulations promulgated to implement patent reexaminations, these implementing regulations are likely to receive judicial scrutiny for compliance with due process to the patent owner.<sup>6</sup> Due process considerations influenced the Committee on a number of issues, such as ensuring that the contents of the petition and supporting papers provide the patent owner with adequate notice of the grounds for all challenges to the patent, affording the patent owner sufficient opportunity to challenge the petition in a preliminary response, and providing the patent owner with adequate time and procedures to conduct meaningful discovery before submitting its final response.

Most important, the Committee recognized that the statutory language itself in large part dictates the structure, timing and procedures of the new proceedings. Read as a whole, Section 6 of the AIA makes abundantly clear that Congress intended to establish in the new proceedings a new and different set of patent review proceedings before a new administrative adjudicatory board, and did not intend that the implementing regulations simply repurpose existing proceedings before the Board of Patent Appeals and Interferences (the "BPAI"). Although the Committee found the existing regulations of 37 C.F.R. Part 41, "Practice Before the Board of Patent Appeals and Interferences" and the Board's Standing Order to be extremely helpful, and applicable to numerous aspects of the new proceedings, the Committee rejected suggestions that the new proceedings may for the most part simply utilize the existing rules for interferences and other contested agency proceedings before the BPAI.

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<sup>5</sup> The Supreme Court has recognized that patents confer a property right; and as such, patent owners are entitled to due process protection:

"Patents . . . have long been considered a species of property. See *Brown v. Duchesne*, 19 How. 183, 197, 15 L.Ed. 595 (1856) ("For, by the laws of the United States, the rights of a party under a patent are his private property"); cf., *Consolidated Fruit-Jar Co. v. Wright*, 94 U.S. 92, 96, 24 L.Ed. 68 (1876) ("A patent for an invention is as much property as a patent for land"). As such, they are surely included within the 'property' of which no person may be deprived by a State without due process of law."

*Florida Prepaid Postsecondary Educ. Expense Bd. v. College Savings Bank*, 527 U.S. 627, 642 (1999).

<sup>6</sup> See *Patlex Corp. v. Mossinghoff*, 758 F.2d 594, *aff'd-in-part, rev'd-in-part on reh'g*, 771 F.2d 480 (Fed. Cir. 1985).

The Committee's proposed regulations start from existing 37 C.F.R. Part 41. In Subparts A ("General Provisions"), C ("Inter Partes Appeals"), and D ("Contested Cases"), the Committee made those changes necessary to include references to the new proceedings and otherwise to ensure that the existing regulations are consistent with the new procedures.<sup>7</sup> The Committee added two new subparts to Part 41: F ("Post-Grant Review and Transitional Proceedings for Covered Business Method Patents"); and G ("Inter Partes Review"). Each of these new subparts cross-references existing Part 41 regulations where possible, and expressly incorporates Subpart D ("Contested Cases") by reference. As an Appendix to the proposed rules, the Committee also drafted the terms of a model protective order governing the exchange and filing of confidential information in the proceedings. The Committee's proposed rules envision that this protective order would be entered as a Standing Order by the Board that parties could invoke whenever they wish to produce or submit confidential information in one of the new proceedings.

### ***General Overview of the Proceedings:***

The basic structures for each of the new proceedings are provided in the AIA itself. The proceedings each start with the filing of a petition setting forth the grounds alleged to support invalidation, along with supporting papers and evidence. In the Committee's view, this initial submission should state all grounds and disclose all supporting evidence upon which the petitioner intends to rely.<sup>8</sup> As indicated by the statutory language, the petition must frame the potential scope of review.<sup>9</sup> It certainly would not comport with fairness to the patent owner, nor would it be feasible to complete the proceedings within the statutory time mandates, if the petitioner were allowed to add new allegations of invalidity or new evidence after filing the petition.

The AIA then grants the patent owner the right to file a "preliminary response" to the petition, along with appropriate supporting materials, stating why the petition has failed to meet the required threshold, and/or setting forth other reasons why the requested proceeding should not be instituted.<sup>10</sup> The petition and patent owner's preliminary response, if any, must then be considered by the Director within three months to decide whether to institute the requested proceeding.

To expedite this pre-institution process, the Committee has proposed two options for the patent owner. *First*, if the patent owner elects not to file a substantive preliminary response and instead wishes to expedite the Director's decision on the petition, the patent owner may file an "Election to Expedite The Decision on the Petition for Post-Grant Review," which, when received,

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<sup>7</sup> No changes were made to Subpart B ("Ex Parte Appeals") or E ("Interferences").

<sup>8</sup> The Committee's approach is consistent with Senator Kyl's floor comments, at 157 Cong. Rec. S1368, S1376 (daily ed. March 8, 2011): "Among the reforms that are expected to expedite these proceedings are the shift from an examinational to an adjudicative model, and the elevated threshold for instituting proceedings. The elevated threshold will require challengers to front load their case. Also, by requiring petitioners to tie their challenges to particular validity arguments against particular claims, the new threshold will prevent challenges from 'mushrooming' after the review is instituted into additional arguments employing other prior art or attacking other claims."

<sup>9</sup> See AIA §§ 312(a)(3); 322(a)(3).

<sup>10</sup> See AIA §§ 313; 323.



shall be deemed to be the patent owner's preliminary response for purposes of starting the time period within which the Director shall decide the petition. *Second*, the patent owner may elect not to defend one or more claims from the patent and instead disclaim the subject matter of those claims. Such a "Disclaimer" may not propose the addition of amended or substitute claims. In the event of such disclaimer, those claims are removed from the patent and dedicated to the public, and may no longer serve as a basis for granting the petition.

According to the AIA, the Director "may not authorize" the institution of a PGR or IPR proceeding unless the required evidentiary threshold is met after considering the petition and any preliminary response.<sup>11</sup> While the evidentiary showing is a necessary condition to the institution of the proceeding, it may not be sufficient, as the AIA sets forth various other "considerations" that may lead to a denial of the petitioner's request.<sup>12</sup> To implement this language, the Committee's proposal also allows the Director to deny a petition if he or she determines that in view of the nature of the petition's allegations and the reasonable accessibility of rebuttal evidence to the patent owner, a fair resolution of the issues within the statutory limits on the timing and scope of the proceeding is not feasible.

In the Committee's view, it is essential to define the scope of review as precisely as possible at the institution stage. Accordingly, in the Director's decision on the petition, the Director will indicate whether the requested proceeding will be instituted; and if so, on a claim-by-claim basis, which of petitioner's grounds is deemed to satisfy the required threshold for instituting the proceeding. Thereafter, the review will be limited to those claims and those grounds, excluding any other claims and grounds set forth in the petition that did not meet the threshold. Where the required threshold was not met for a challenged claim, the Director will confirm patentability in the Director's decision.

Once the proceeding is instituted, the Committee's approach is premised on four underlying principles. *First*, discovery and submissions are focused on what the patent owner reasonably needs to respond to the grounds set forth in the decision instituting review, and then the petitioner's discovery and written comments are limited to rebuttal of the patent owner's response. In this way, the scope of the proceedings continually narrows, as it should given the aggressive schedule following institution. To foster this approach, the petition must be accompanied by a set of initial disclosures that will help jump start the patent owner's discovery

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<sup>11</sup> Although the threshold language differs slightly for PGR and IPR, the Committee does not believe the difference is substantive. *Compare* AIA § 324(a) (For PGR, "[t]he Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.") *with* AIA § 314(a) (For IPR, "[t]he 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.").

<sup>12</sup> *See* AIA, §§ 316(b); 326(b) (listing "considerations the Director may take into account in promulgating regulations governing PGR and IPR).

*Second*, motions for discovery, other motion practice, and other procedural complexities requiring Board involvement should be minimized to the extent possible. Thus, the rules set out the automatic discovery each party is entitled to take without seeking leave of the Board, limits on the type and extent of that discovery, restrictions on discovery of electronically stored information, and a Standing Protective Order that will be entered if confidential information is involved. Although the parties may file a motion seeking additional discovery, raising discovery disputes, or on other miscellaneous matters, the Committee's rules seek to minimize these collateral disputes by making clear the scope of discovery each party may take as of right at the outset. In each type of review, this standard discovery includes at least depositions to be taken of those witnesses who submit an affidavit or declaration, or expert opinion or testimony, in support of a party. As the AIA requires, the discovery permitted in a PGR is somewhat broader than in an IPR.<sup>13</sup>

*Third*, the Committee is acutely concerned that simultaneous discovery might place undue burdens on smaller patent owners or petitioners. Hence, discovery periods are staged, with the patent owner going first to take discovery to support its response to the petition, and the petitioner then having a shorter discovery period limited to discovery to rebut the patent owner's response. During each discovery period, the other party is not permitted to notice or take discovery, thus avoiding a discovery "free-for-all" or strategic use of simultaneous discovery to overwhelm a smaller party.

*Fourth*, the Committee recognized that certain types of challenges to validity may give rise to more extensive and challenging discovery issues. In particular, allegations of prior non-published public disclosures (*e.g.*, public use or sale) may be factually specific and complex, and allegations of obviousness may open discovery into objective evidence of nonobviousness. The proposed rules address these concerns by requiring more detailed initial disclosures by the petitioner when such allegations are presented in the petition, and more detailed evidence to be provided by the patent owner if its response includes such issues. Moreover, as discussed further below, if such issues form a basis for the Director's decision to institute the review, this triggers an automatic extension by two months of the patent owner's discovery period to accommodate the extra discovery likely to be required.

Following its discovery period, the patent owner is then permitted to file a response to the petition setting forth the reasons and evidence (including affidavits or declarations of witnesses and experts) relied upon to rebut the petitioner's allegations of invalidity that were cited in the Director's decision ordering the review. At that time, the patent owner also may file a motion to amend the patent by cancelling challenged claims or by proposing a "reasonable number of substitute claims," as the AIA requires.<sup>14</sup> The Committee's proposed rules do not seek to define what is a "reasonable" number of substitute claims, leaving that decision to the Board's discretion, but the proposed rules

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<sup>13</sup> Compare AIA § 316(a)(5) (allowing the Director to prescribe regulations for IPR limiting discovery to "(A) the deposition of witnesses submitting affidavits or declarations; and (B) what is otherwise necessary in the interest of justice") with AIA § 326(a)(5) (allowing the Director to prescribe regulations for PGR limiting discovery "to evidence directly related to factual assertions advanced by either party in the proceeding").

<sup>14</sup> AIA §§ 316(a)(9); 326(a)(9).

do provide for an automatic extension of subsequent deadlines if the patent owner proposes new claim elements not present in an original claim or more than 10 substitute claims. To eliminate delay engendered by the motion to amend the patent, a ruling on the motion is deferred until the Board's final decision.<sup>15</sup>

Following the patent owner's response, the petitioner is authorized to take limited rebuttal discovery consisting of depositions of those persons who submitted affidavits, declarations or expert testimony on behalf of the patent owner. In addition, in certain circumstances, additional patents and publications may be cited by the petitioner, provided the petitioner identifies them to the patent owner 14 days in advance of the deposition of patent owner's expert(s). As the AIA requires, the petitioner then is given the opportunity to file "written comments" in rebuttal to the patent owner's response.<sup>16</sup>

Any party may demand an oral hearing before the three-member panel of the Board to which the review was assigned – a right guaranteed in the AIA.<sup>17</sup> As is the case with the BPAI's current contested proceedings rules, no live witness testimony or new evidence is permitted to be presented at the oral hearing. Further, in the interests of reducing motion practice and procedural complexity, evidentiary objections raised in the briefs are preserved without filing a motion to exclude, a motion in limine or restating such objections at the oral hearing. If necessary, the Board may address the admissibility of evidence material to its judgment in its Final Written Decision.

Finally, the proposed rules set forth certain requirements for the Board's Final Written Decision designed to ensure that the parties are provided full notice of the grounds for the decision. Motions for reconsideration and exhaustion of administrative remedies prior to appeal are treated similarly to existing BPAI rules.

### ***Overview of the Recommended Timing:***

In deciding how the time available for a review proceeding should be allocated among the parties, and how to accomplish fair resolutions within the 12 to 18 months allotted by the AIA, the Committee gave weight to the fact that the petitioner will have had substantial opportunity to

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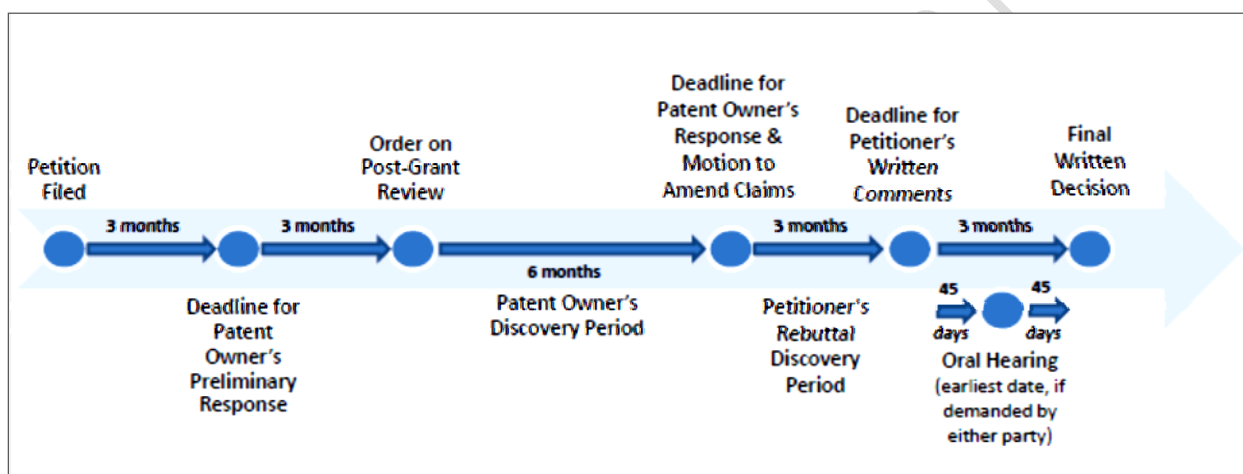
<sup>15</sup> This automatic extension of the petitioner's time to prepare its written comments by one month, and the extension of the subsequent deadlines, will result in a 13 month period to the final determination. The AIA authorizes such extensions if the Director finds that good cause has been shown. AIA §§ 316(a)(11); 326(a)(11). The Committee also has proposed automatic two month extensions if certain fact-intensive challenges to the patent form a ground for the review, as such grounds will rarely, if ever, make it practical or fair to remain on the 12 month schedule. In the Committee's view, such automatic extensions are authorized by the AIA, as they represent the Director's finding that certain circumstances by definition constitute good cause shown for a one or two month extension, sparing the parties from fighting over a motion to extend the deadlines that is virtually certain to be granted. The automatic extensions also eliminate the uncertainty and variability that comes with Board rulings on individual motions to extend based on these circumstances. Of course, nothing in the proposed rules prevents a party from filing a miscellaneous motion with the Board seeking an extension of the deadlines at any time and for any reason.

<sup>16</sup> AIA §§ 316(a)(13); 326(a)(12).

<sup>17</sup> See AIA §§ 316(a)(10); 326(a)(10).

prepare his or her showing before the petition is filed. In the case of a PGR petition, the petitioner typically will have had the opportunity to monitor the progress of the prosecution of the patent application at issue throughout much of its pendency, and generally will have been able to learn the exact language of the allowed claims several months prior to the patent's issuance. Thereafter, the petitioner will have had an additional 9 months to prepare its petition and supporting materials. With respect to IPR, the petitioner will have had much longer, sometimes years, to prepare the petition.<sup>18</sup> Moreover, it is the patent owner's potential loss of granted patent rights that gives rise to due process concerns. Accordingly, the Committee concluded that the patent owner should receive more time for its discovery and for the preparation of its response than the petitioner receives for its rebuttal discovery and submission of its written comments.

The Committee's proposed timeline for ordinary (*i.e.*, 12 month) PGR and IPR proceedings is illustrated below.



The patent owner is afforded three months to file its preliminary response to the petition, which seems appropriate given that the petition may come as a surprise to the patent owner and may rely upon evidence the patent owner is seeing for the first time. As discussed above, however, the patent owner may elect to expedite or narrow the pre-institution phase of the proceeding by notifying the Director that it will not file a substantive preliminary response and/or by dedicating one or more of the challenged claims to the public. The AIA provides that the Director then has

<sup>18</sup> As explained in the preceding section, to allow for a fair resolution of the proceedings within the limited time allowed by the AIA, the petitioner is required to disclose with the petition the entirety of any invalidity allegations it presents in the petition, including all supporting evidence, the identities and contact information of persons known to petitioner to have relevant information relating to petitioner's allegations, and all documents within petitioner's custody or control that support or refute the petitioner's factual allegations. As mentioned above, when the petitioner's allegations are based upon an alleged prior non-published public disclosure, or alleged obviousness of the challenged claims, additional initial disclosures are required of facts pertaining to those issues.

three months following the filing of the preliminary response, or expiration of the time to file the preliminary response if none is filed, in which to issue the order on whether to institute a review.<sup>19</sup>

Once the Director decides to initiate the proceeding, only twelve months is allotted for the patent owner's discovery and final response, the petitioner's rebuttal discovery and written comments, a final hearing before the Board, and the final written decision. Due to these restrictions, the proposed regulations are structured to ensure that the proceeding can progress without waiting motion practice or rulings from the Board. As mentioned above, in the proposed regulations this is accomplished by: establishing clear parameters governing document production; a Standing Protective Order for the protection of confidential information; specification of the nature, number, length and timing of depositions allowed as a matter of right; and the delay of rulings on motions to amend the patent and evidentiary objections until the final decision. The assigned Board panel, through its Presiding Judge, will nonetheless be required to handle miscellaneous motions, and to consider whether to permit additional discovery a party requests beyond the minimums authorized by the rules. Due to its added complexity and burden, and the risk of delay, motion practice is not encouraged, and it will be within the discretion of the Board to order sanctions, including fee shifting, to curb motion practice abuse.

Critical to the fair resolution of these expedited proceedings is the completeness of the petition, its related disclosures, and the prompt presentation for deposition of all witnesses under the petitioner's control. Under the proposed regulations, the first six months following institution is allocated to the patent owner for the taking of discovery. The patent owner, as of right, may take the depositions of the petitioner's affiants, declarants, and experts; and in the case of PGR, up to three additional witnesses believed to have evidence directly related to the subject matter of the proceeding, as well as documents and things from the petitioner. If the proceeding involves an assertion of prior non-published public disclosure (*e.g.*, public use or sale), or obviousness, an additional two months will be added to this period. During the patent owner's discovery period, the petitioner is not permitted to notice or take discovery. At the end of this period, the patent owner's final response is due, along with all supporting affidavits and declarations. At the same time, the patent owner must file any motion to amend the patent by cancelling claims or proposing a reasonable number of substitute claims.

The next three months of the proceeding are allotted to the petitioner to take depositions of the patent owner's affiants, declarants and experts. If the patent owner's response includes secondary indicia of nonobviousness or the patent owner seeks to amend the patent by adding claim elements not previously contained in the claims that are the subject of the review, or by adding more than 10 substitute claims, the petitioner's rebuttal discovery period will be extended by an additional month. At the conclusion of that period, the petitioner may file its written comments and an opposition to the patent owner's motion to substitute new claims, if any. Unless the patent owner has introduced new limitations in the claims that did not previously appear in any of them, the petitioner may not introduce new evidence in these comments. The petitioner may nonetheless rely

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<sup>19</sup> AIA §§ 314(b); 324(c).

on any admissible evidence adduced by either party throughout the proceeding, including the testimony taken by the petitioner of the patent owner's fact witnesses and experts.

The Board's decision must be issued within three months from the filing of the petitioner's written comments, regardless of whether there is an oral hearing. If demanded by any party at any time until a deadline of 15 days following the filing, or date for filing, of the petitioner's written comments, the Board will schedule an oral hearing. To afford the parties sufficient notice and preparation time, and to ensure the Board has adequate time to review the record in advance, the oral hearing may not be taken place sooner than 45 days following the submission of the petitioner's written comments.

In total, for an ordinary PGR or IPR, the proceedings will be concluded within exactly one year of institution. In more complex cases raising certain issues, an automatic extension of up to a maximum of fifteen months will be provided. Thus, the Board will have at least an additional three months in any review in case good cause exists to extend any deadlines to accommodate unexpected or unusual circumstances.

***Provision-by-Provision Short Summary of  
Proposed New 37 C.F.R. Subparts F (PGR) and G (IPR):***

What follows is a section-by-section summary of the Committee's proposed PGR and IPR rules. The corresponding sections for each of the two proceedings are discussed together, with any significant differences noted.

**Definitions.**<sup>20</sup>

These sections augment the definitions already contained elsewhere in 37 C.F.R. Part 41 to add definitions of terms unique to the new PGR and IPR proceedings. Note that the definitions for PGR include "Covered Business Method Patent," "Patents for Technological Invention" (placeholder only) and "Transitional Program," which pertain to the Transitional Program for Covered Business Method Patents, expressly defined in the AIA as a type of PGR.

**Procedure; Pendency; Timing And Eligibility.**<sup>21</sup>

These sections expressly apply the BPAI's existing rules for contested cases to PGR and IPR, "except as modified, amended or otherwise provided in this subpart." A number of the basic statutory requirements for PGR and IPR are set forth in this section, including the timing of petitions, assigning to the petitioner "the burden of proving a proposition of unpatentability by a preponderance of the evidence," eligibility requirements for patents sought to be reviewed, and the required 12 month pendency. As is the case currently in BPAI proceedings, in the new proceedings the standard for claim construction shall be the "broadest reasonable construction."

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<sup>20</sup> § 41.300 (PGR); § 41.400 (IPR).

<sup>21</sup> § 41.301 (PGR); § 41.401 (IPR).

In addition, these sections discuss the treatment of confidential information. The AIA requires that the regulations provide for protective orders “governing the exchange and submission of confidential information.”<sup>22</sup> The section includes two provisions to ensure that protective order disputes do not lead to delays in the proceedings. *First*, submissions to the Board or disclosures to other parties cannot be delayed based on claims of confidentiality. *Second*, the section provides that any party may file a motion automatically invoking the protection of a Standing Protective Order, which will go into effect immediately. The Committee believes that such a Standing Protective Order will suffice in the vast majority of PGR and IPR proceedings, but a party may move the Board for additional protections. In any event, entry of the Standing Protective Order will permit the handling of confidential information without introducing delay into the proceedings.

### **Petitions.**<sup>23</sup>

These sections govern the submission of PGR and IPR petitions. They set forth the statutory requirements of an effective petition, including payment of the required fee, identification of the real parties in interest, and the submission of a “Certification of Eligibility for Post-Grant Review” containing representations by the petitioner needed to ensure that the patent is eligible for the requested review.

These sections also specify the supporting papers and disclosures required with the petition. The petitioner must submit an opening brief setting forth all challenges to the validity of the patent-at-issue, along with supporting documents and evidence, expert disclosures and a certification that each person signing an affidavit or declaration on the petitioner’s behalf will “**appear for deposition in the United States, within fourteen days of being noticed of such deposition, during the patent owner’s period for discovery . . . .**”

These sections also specify the additional initial disclosures required if the petition seeks cancellation of one or more claims in whole or in part on grounds of an alleged prior non-published public disclosure or obviousness. The additional initial disclosures require information such as the names and contact information for all persons other than those offering affidavits or declarations who are reasonably likely to know of the factual allegations of the prior public disclosure, or of secondary indicia of nonobviousness, and the identification of documents and things relating to such allegations.

These sections also address the particular difficulties in handling confidential information submitted in or with the petition. At the time the petition is filed, no protective order has been entered and the patent owner has not agreed to any restrictions on the use or disclosure of information the petitioner deems confidential. The Committee explored a number of approaches to this issue, including serving the patent owner with confidential information in a sealed envelope

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<sup>22</sup> AIA, §§ 316(a)(7); 326(a)(7).

<sup>23</sup> § 41.302 (PGR); § 41.402 (IPR).

bearing the statement that opening of the envelope constitutes acquiescence to the Board's restrictions on the disclosure and use of confidential information contained therein. This approach, however, was thought to be too cumbersome, potentially ineffective and, for all practical purposes, unenforceable. The Committee also considered whether the Director might refuse to institute the requested review if the patent owner would not agree to be bound by appropriate confidentiality restrictions, but feared that such a rule might be used strategically by patent owners seeking to avoid PGR or IPR.

In the end, the Committee decided to address these difficulties as follows. If the petition contains information believed by the petitioner to be confidential, the petitioner must file with the petition a "Motion Invoking the Standing Protective Order." The petitioner must serve a non-confidential version of the petition on the patent owner, along with a copy of the Standing Protective Order signed by the petitioner, with a request that the patent owner sign the Protective Order, file it with the Board and serve it upon the petitioner. Within three days of receipt of the Protective Order signed by the patent owner, the petitioner must serve the patent owner with the confidential version of the petition containing the information redacted from the non-confidential version. If the patent owner has not filed the signed Protective Order with the Board within two weeks of the filing of the petition, the Board will provide notice to the patent owner requesting that the patent owner sign and file the Protective Order with the Board, and warning the patent owner that unless and until such a filing has been made, the Board may consider in the post-grant review information submitted by the petitioner that has been designated as confidential, without the patent owner having access to such information.

Although not perfect, this proposed solution seeks to balance the statutory mandate that protective orders be provided to protect confidential information against the patent owner's right to access to evidence and information being used to challenge the patent. The Committee does not anticipate that many patent owners would refuse to engage in this process, especially given that the Standing Protective Order has been drafted with the twin goals of neutrality and simplicity.

#### **Patent Owner's Preliminary Response**<sup>24</sup>

These sections implement the patent owner's right to file a "preliminary response" to the petition, along with appropriate supporting materials, stating why the petition has failed to meet the required threshold, and/or setting forth other reasons why the requested review proceeding should not be instituted.<sup>25</sup> The petition and patent owner's preliminary response, if any, must then be considered by the Director in deciding whether to institute the requested proceedings.

As explained above, the Committee has proposed two options for the patent owner to expedite the review determination process. The patent owner may elect not to file a substantive preliminary response and instead elect to expedite the time period for the Director to decide the

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<sup>24</sup> § 41.303 (PGR); § 41.403 (IPR).

<sup>25</sup> See AIA §§ 313; 323.



petition. In addition, the patent owner may elect not to defend one or more claims from the patent and dedicate the subject matter of those claims to the public.

If the patent owner does file a preliminary response, these sections specify its contents. The preliminary response may include a brief, supporting evidence, and fact and expert testimony supporting the patent owner's arguments as to why review should not be instituted. The patent owner's supporting evidence and testimony must be accompanied by initial disclosures that in part mirror those required by the petitioner, although in somewhat less detail, given that this is merely the patent owner's preliminary response.

### **Institution.**<sup>26</sup>

These sections implement the required threshold and timing of the Director's decision whether to institute the requested review. The Director may reject the petition if it fails to meet the necessary evidentiary threshold. The Director also is permitted to deny review if the petition triggers certain "considerations" the AIA authorizes the Director to take into account in prescribing PGR and IPR regulations, such as "the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter."<sup>27</sup>

These sections also aim to define the scope of review if it is instituted. If the Director decides to institute a review, the Director's order must state the following:

- (1) Which of petitioner's positions were deemed to have satisfied the threshold requirement . . . as to which of the claims of the patent at issue;
- (2) For each claim, which item or combination of items of prior art was deemed to have satisfied the threshold; and
- (3) For each claim, each position advanced by the petitioner that otherwise satisfied the threshold.

The subsequent review proceeds only as to those claims for which the threshold was met, and is restricted in scope to subject matter directly relevant to those positions of the petitioner that were found to have satisfied that threshold, along with reasonable rebuttal and impeachment evidence.

### **Joinder And Relationship Of Multiple Proceedings.**<sup>28</sup>

These sections implement the Director's discretion to consolidate, join, stay, transfer or terminate matters or proceedings in the Office that overlap with the PGR or IPR. In addition, the

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<sup>26</sup> § 41.304 (PGR); § 41.404 (IPR).

<sup>27</sup> AIA, §§ 316(b); 326(b).

<sup>28</sup> § 41.305 (PGR); § 41.405 (IPR).

Director may reject a petition for PGR or IPR if “the same or substantially the same prior art or arguments previously were presented to the Office.”<sup>29</sup>

### **Conduct.**<sup>30</sup>

These sections set forth the timing and sequence of discovery, submissions, the oral hearing (if demanded), and the final decision. These matters have been discussed in detail in the preceding sections of this paper.

### **Discovery Scope and Limits.**<sup>31</sup>

These sections define the discovery to which each party is entitled without seeking permission from the Board, the sequencing of that discovery, and general limits placed on certain types of discovery, such as electronically stored information. These matters have been discussed in detail in the preceding sections of this paper.

In addition, these sections set forth rules for depositions. The time limit for examination by the party noticing deposition is seven hours. The party noticing the deposition questions the witness first, and opposing parties may then question the witness, limited to the subjects of the noticing party’s questioning, for a period lasting no longer than one half of the period of the noticing party’s initial questioning. The party noticing the deposition may then pose further questions to the witness, limited to the subjects opposing party’s questioning, for a period lasting no longer than the shorter of: (i) one half of period of the opposing party’s questioning; or (ii) the remainder of the seven hours of total questioning allowed the noticing party. Witnesses who have submitted an affidavit, declaration or expert testimony on behalf of a party must make themselves available for deposition in the United States within fourteen days of being noticed.

Finally, these sections address the issue of third-party witnesses, not within the control of any party, who may have evidence bearing directly on the issues raised in a PGR petition or response. The rule allows for the issuance of a subpoena to compel the attendance of the witness and the production of documents believed to be within that witness’s possession, custody or control that are believed to bear directly upon the issues raised in the review proceeding, in accordance with the Office’s authority pursuant to 35 U.S.C. § 24.<sup>32</sup>

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<sup>29</sup> See AIA, § 325(d) (“In determining whether to institute or order a proceeding under this chapter [32], 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.”).

<sup>30</sup> § 41.306 (PGR); § 41.406 (IPR).

<sup>31</sup> § 41.307 (PGR); § 41.407 (IPR).

<sup>32</sup> 35 USC § 24 states, in pertinent part: “The clerk of any United States court for the district wherein testimony is to be taken for use in any contested case in the Patent and Trademark Office, shall, upon the application of any party thereto, issue a subpoena for any witness residing or being within such district, commanding him to appear and testify before an officer in such district authorized to take depositions and affidavits, at the time and place stated in the subpoena. The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent and Trademark Office.”

### **Miscellaneous Motions and Sanctions.**<sup>33</sup>

As drafted, the Committee's proposed rules contemplate that PGR and IPR proceedings will progress without requiring continuous Board oversight or involvement. However, the Committee recognizes that the parties may need to file motions to resolve disputes regarding discovery and other interlocutory matters. These sections set forth the procedures for such miscellaneous motions, based largely on existing BPAI rules for such motions.

The proposed rules allow for the Board to designate a Presiding Judge to decide miscellaneous motions from the three-judge panel to which the review is assigned. Prior to filing a miscellaneous motion, a party must obtain authorization, ordinarily through an initial telephone conference including the Presiding Judge and every other party. The Presiding Judge may decide the motion during the initial telephone conference, may decide to rule on the motion after submission of briefs but without a hearing, or may set a hearing date for the motion.

To prevent motion practice from causing delays in the proceedings, the proposed rule provides that the filing of a miscellaneous motion shall not toll any of the times for taking any action or relieve a party of any discovery or other obligations in the review proceeding. Moreover, sanctions, including fee shifting, will be available to curb motion practice abuse.

### **Patent Owner's Response.**<sup>34</sup>

The proposed rules do not require the patent owner to file any response – preliminary or final – to the petition. If the patent owner chooses to file a response following institution of the review proceeding, these sections describe the required contents. In large measure the content matches that which may be filed with a patent owner's preliminary response. The patent owner's submissions may include a brief identifying those claims for which post-grant review has been instituted that the patent owner contends are patentable, and including all arguments and evidence supporting such contentions. The supporting papers must include all evidence that the patent owner seeks to add to the record for Board review, including all documents the patent owner relies upon in support of the response and the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure accompanying any expert opinion or testimony. Like the petitioner, the patent owner must certify that each person signing an affidavit or declaration on the patent owner's behalf will appear for deposition in the United States within fourteen days of being noticed.

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<sup>33</sup> § 41.308 (PGR); § 41.408 (IPR).

<sup>34</sup> § 41.309 (PGR); § 41.409 (IPR).

### **Patent Owner's Motion To Amend The Patent.**<sup>35</sup>

With its response, the patent owner may file the one motion to amend the patent to which it is entitled under the AIA. The motion may cancel challenged claims or propose “a reasonable number of substitute claims,” but no amendments may enlarge the scope of the claims or introduce new matter.<sup>36</sup> The Committee’s proposed rules do not seek to define what is a “reasonable” number of substitute claims, leaving that decision to the Board’s discretion, but the proposed rules do provide for an automatic one-month extension of subsequent deadlines if the patent owner proposes a new claim element not present in an original claim or more than 10 substitute claims. To avoid delay in the proceedings, the Board’s ruling on a motion to amend the patent is reserved until the Board’s final written decision.

### **Petitioner's Written Comments.**<sup>37</sup>

These sections specify the contents of the petitioner’s written comments, if any, following the petitioner’s rebuttal discovery period. Any written comments are limited to rebuttal of the patent owner’s response, and an opposition to the patent owner’s motion to amend, if any. Supporting evidence is limited to evidence previously submitted to the Board by any party, and factual rebuttal and impeachment evidence adduced from the patent owner or the patent owner’s witnesses during the petitioner’s rebuttal discovery period. No new arguments of unpatentability or additional expert testimony or opinions may be introduced.

Together with the written comments, the petitioner is entitled to file a brief in opposition to the patent owner’s motion to amend the patent, provided that the patent owner filed such a motion. Where the patent owner seeks to introduce new limitations that did not previously appear in any of the patent’s claims, and where the petitioner has given the patent owner sufficient notice of new prior art patents and publications upon which the petitioner will rely in opposing the addition of those new claims, such new prior art patents and publications may be considered in connection with those new claims. In any event, the opposition may only address any proposed substitute claims. A ruling on the motion is reserved until the Board issues its final written decision.

### **Settlement.**<sup>38</sup>

These sections implement the AIA’s settlement provisions for PGR and IPR proceedings.<sup>39</sup> Those provisions allow the parties to file a joint request for termination of the review, and specify that the request will be granted unless the Director has decided the merits of the proceeding before the request for termination is filed. Likewise, if no petitioner remains in the post-grant review, the Office shall terminate the post-grant review unless good cause exists to proceed to a final written decision. If the review is terminated with respect to a petitioner, no estoppels within the Office shall

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<sup>35</sup> § 41.310 (PGR); § 41.410 (IPR).

<sup>36</sup> AIA §§ 316(d)(3); 326(d)(3).

<sup>37</sup> § 41.311 (PGR); § 41.411 (IPR).

<sup>38</sup> § 41.312 (PGR); § 41.412 (IPR).

<sup>39</sup> See AIA, §§ 317; 327.

attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner's institution of that PGR or IPR.

As required by the AIA, the rules provide that any agreement or understanding between the patent owner and a petitioner, including any collateral agreements referred to in such agreement or understanding, made in connection with, or in contemplation of, the termination of a post-grant review shall be in writing, and a true copy of such agreement or understanding shall be filed in the Office before the termination of the post-grant review as between those parties. At the request of a party to the proceeding, the agreement or understanding shall be treated as confidential information, shall be kept separate from the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause, after reasonable notice and opportunity to object have been provided to the parties to the agreement or understanding.

**Demand For Oral Hearing.**<sup>40</sup>

As discussed above, the AIA grants any party to a PGR or IPR the right to demand an oral hearing. Under the proposed rule, if demanded by any party at any time until 15 days following the filing, or deadline for filing, of the petitioner's written comments, the Board will schedule an oral hearing. To afford the parties sufficient notice and preparation time, and to ensure the Board has adequate time to review the record in advance, the oral hearing may not take place sooner than 45 days following the submission of, or deadline for submission of, the petitioner's written comments. If no party has requested an oral hearing within the prescribed time, the Board shall enter judgment in the post-grant review based on the entire written record of briefs, other papers and admissible evidence submitted by the parties.

**Conduct of the Oral Hearing.**<sup>41</sup>

The rules for the oral hearing are largely the same as the rules for existing BPAI hearings. As is the current practice, the three-member panel of the Board to which the post-grant review was assigned hears the matter. Each side has a total of 30 minutes to present its position, with the petitioner going first, followed by the patent owner. The petitioner may reserve up to 10 minutes of rebuttal time immediately following the patent owner's argument. When proceedings have been consolidated or joined, or when more than one petitioner is presenting oral argument, the Board determines the order of presentation. No live witness testimony or new evidence is permitted at the hearing.

To lessen the time spent on collateral issues, all objections to the admissibility of evidence raised in the briefs are preserved without filing a motion to exclude, a motion in limine or restating such objections at the oral hearing. The Board need not rule on evidentiary objections during the

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<sup>40</sup> § 41.313 (PGR); § 41.413 (IPR).

<sup>41</sup> § 41.314 (PGR); § 41.414 (IPR).

oral hearing, but may address the admissibility of evidence material to its judgment in its Final Written Decision.

**Decision of the Board.**<sup>42</sup>

The AIA requires that the Board issue a Final Written Decision if a PGR or IPR is instituted and not dismissed.<sup>43</sup> The timing for the decision under the Committee's proposed rules is as explained above – ordinarily 12 months after the review was instituted, extendible by two months if an alleged prior non-published public disclosure, or obviousness, is raised; and extendible by a month if new claim elements or more than 10 substitute claims are proposed. Thus, absent a motion to extend being granted by the Board, the Committee's proposed rules would enable the completion of all reviews within 15 months.

The proposed rules seek to ensure that the Board's decision provides a clear and meaningful explanation of the basis for the decision. Accordingly, the Final Written Decision includes:

(1) The Board's judgment, reasoning and supporting grounds and evidence with respect to the patentability of each patent claim under review, including each original claim of the patent that has not been canceled or withdrawn, and each substitute claim proposed in any pending Motion to Amend the Patent; and

(2) Any collateral decisions that are material to the Board's judgment with respect to any claim, such as the Board's claim construction, ruling on the admissibility of material evidence, determination regarding the credibility of witnesses or weight afforded to material evidence, determination of the qualifications of any experts and admissibility of any expert opinion or testimony, and findings or conclusions with respect to any other factual or legal question material to the judgment.

Motions for reconsideration are permitted but not encouraged. A motion for reconsideration may be based only on an allegation that the Board made a manifest error of fact or law, must be filed within 10 business days from issuance of the Final Written Decision and must specifically identify all such alleged errors, with a citation to the page and line of the party's submissions where that question of fact or law was addressed prior to the Board's decision. The Board may deny the request for reconsideration without requiring a response from the prevailing party, but may grant a request for reconsideration only after the prevailing party has been afforded an opportunity to respond.

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<sup>42</sup> § 41.315 (PGR); § 41.415 (IPR).

<sup>43</sup> AIA, §§ 318(a); 328(a).

**Appeal.**<sup>44</sup>

As provided by the AIA, any party dissatisfied with the Board's decision may appeal to the United States Court of Appeals for the Federal Circuit.<sup>45</sup> As is the case with existing BPAI practice, a party may not file a notice of appeal until all parties' rights to request reconsideration have been exhausted.

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<sup>44</sup> § 41.316 (PGR); § 41.416 (IPR).

<sup>45</sup> AIA, §§ 319; 329.

# **Proposed Regulations of the Committee Appointed by the ABA-IPL, AIPLA and IPO Relating to Post-Grant Review, Inter Partes Review and the Transitional Program for Covered Business Method Patents Under the Leahy-Smith America Invents Act<sup>1</sup>**

## **PART 41—PRACTICE BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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### **Section Contents**

#### **Subpart A—General Provisions**

- § 41.1 Policy.
- § 41.2 Definitions.
- § 41.3 Petitions other than for post-grant and inter partes review.
- § 41.4 Timeliness.
- § 41.5 Counsel.
- § 41.6 Public availability of Board records.
- § 41.7 Management of the record.
- § 41.8 Mandatory notices.
- § 41.9 Action by owner.
- § 41.10 Correspondence addresses.
- § 41.11 Ex Parte communications in inter partes proceedings.
- § 41.12 Citation of authority.
- § 41.20 Fees.

#### **Subpart B—Ex Parte Appeals**

- § 41.30 Definitions.
- § 41.31 Appeal to Board.

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<sup>1</sup> These proposed regulations are supported in principle by the ABA-IPL, AIPLA and IPO. Due to the limited time available for approval and the sponsoring organizations' differing structures, the natures of these endorsements differ. In the case of AIPLA, its support was agreed to by a vote of its full Board. Under ABA's internal procedures, the endorsement of the ABA-IPL Section requires a further level of approval before the position can be referenced publicly. Lacking a scheduled Board meeting in the required time frame, IPO's approval was by a vote of its Executive Committee. Each of these organizations, and their Boards, reserve the right to modify and supplement their views and/or to present further comments as the rulemaking process progresses. In addition, while this draft reflects a majority view of the Committee, it is not intended to suggest that there was unanimity on the Committee on every point, as some of the Committee members held different views on certain issues.



- § 41.33 Amendments and affidavits or other evidence after appeal.
- § 41.35 Jurisdiction over appeal.
- § 41.37 Appeal brief.
- § 41.39 Examiner's answer.
- § 41.41 Reply brief.
- § 41.43 Examiner's response to reply brief.
- § 41.47 Oral hearing.
- § 41.50 Decisions and other actions by the Board.
- § 41.52 Rehearing.
- § 41.54 Action following decision.

### **Subpart C—Inter Partes Appeals**

- § 41.60 Definitions.
- § 41.61 Notice of appeal and cross appeal to Board.
- § 41.63 Amendments and affidavits or other evidence after appeal.
- § 41.64 Jurisdiction over appeal in inter partes review.
- § 41.66 Time for filing briefs.
- § 41.67 Appellant's brief.
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- § 41.200 Procedure; pendency.
- § 41.201 Definitions.
- § 41.202 Suggesting an interference.
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- § 41.309 Patent owner's response on post-grant review.
- § 41.310 Patent owner's motion to amend the patent.
- § 41.311 Petitioner's written comments in support of post-grant review.
- § 41.312 Settlement.
- § 41.313 Demand for oral hearing.
- § 41.314 Conduct of the oral hearing.
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#### **Subpart G—Inter Partes Review**

- § 41.400 Definitions.
- § 41.401 Procedure; pendency; timing and eligibility.
- § 41.402 Petitions for inter partes review.
- § 41.403 Patent owner's preliminary response to the petition for inter partes review.
- § 41.404 Institution of inter partes review.
- § 41.405 Joinder and relationship of multiple proceedings.
- § 41.406 Conduct of inter partes review.
- § 41.407 Discovery scope and limits.
- § 41.408 Miscellaneous motions and sanctions.
- § 41.409 Patent owner's response on inter partes review.
- § 41.410 Patent owner's motion to amend the patent.
- § 41.411 Petitioner's written comments in support of inter partes review.
- § 41.412 Settlement.
- § 41.413 Demand for oral hearing.
- § 41.414 Conduct of the oral hearing.
- § 41.415 Decision of the Board.
- § 41.416 Appeal.

#### **Appendix: Standing Protective Order**

**Authority:** 35 U.S.C. 2(b)(2), 3(a)(2)(A), 21, 23, 32, 41, 134, 135, [To be added].

**Source:** 69 FR 50003, Aug. 12, 2004, unless otherwise noted.

## **Subpart A—General Provisions**

### **§ 41.1 Policy.**

(a) *Scope.* Part 41 governs proceedings before the Patent Trial and Appeal Board. Sections 1.1 to 1.36 and 1.181 to 1.183 of this title also apply to practice before the Board, as do other sections of part 1 of this title that are incorporated by reference into part 41.

(b) *Construction.* The provisions of Part 41 shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding before the Board.

(c) *Decorum.* Each party must act with courtesy and decorum in all proceedings before the Board, including interactions with other parties.

### **§ 41.2 Definitions.**

Unless otherwise clear from the context, the following definitions apply to proceedings under this part:

*Affidavit* means affidavit, declaration under §1.68 of this title, or statutory declaration under 28 U.S.C. 1746. A transcript of an *ex parte* deposition may be used as an affidavit in a contested case.

*Board* means the Patent Trial and Appeal Board and includes:

(1) For a final Board action:

(i) In an appeal or contested case, a panel of the Board.

(ii) In a proceeding under §41.3, the Chief Administrative Patent Judge or another official acting under an express delegation from the Chief Administrative Patent Judge.

(iii) For the decision as to whether to institute an inter partes review, derivation proceeding or post-grant review, the Director of the United States Patent and Trademark Office or another official acting under express delegation from the Director of the United States Patent and Trademark Office.

(2) For non-final actions, a Board member or employee acting with the authority of the Board.

*Board member* means the Director of the United States Patent and Trademark Office, the Deputy Director of the United States Patent and Trademark Office, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges.

*Contested case* means a Board proceeding other than an appeal under 35 U.S.C. 134 or a petition under §41.3. Inter partes reviews, derivation proceedings and post-grant reviews are contested cases.

*Final* means, with regard to a Board action, final for the purposes of judicial review, or in the case of a requested inter partes review or post-grant review, the decision not to institute such a proceeding. Otherwise, a decision is final only if:

(1) *In a panel proceeding*. The decision is rendered by a panel, disposes of all issues with regard to the party seeking judicial review, and does not indicate that further action is required; and

(2) *In other proceedings*. The decision disposes of all issues or the decision states it is final.

*Hearing* means consideration of the issues of record. *Rehearing* means reconsideration.

*Office* means United States Patent and Trademark Office.

*Panel* means at least three Board members acting in a panel proceeding.

*Panel proceeding* means a proceeding in which final action is reserved by statute to at least three Board members, but includes a non-final portion of such a proceeding whether administered by a panel or not.

*Party*, in this part, means any entity participating in a Board proceeding, other than officers and employees of the Office, including:

(1) An appellant;

(2) A participant in a contested case;

(3) A petitioner; and

(4) Counsel for any of the above, where context permits.

### **§ 41.3 Petitions Other Than for Post-Grant and Inter Partes Review.**

(a) *Deciding official.* Petitions must be addressed to the Chief Administrative Patent Judge. A panel or an administrative patent judge may certify a question of policy to the Chief Administrative Patent Judge for decision. The Chief Administrative Patent Judge may delegate authority to decide petitions.

(b) *Scope.* This section covers petitions on matters pending before the Board (§§41.35, 41.64, 41.103, and 41.205); otherwise, see §§1.181 to 1.183 of this title. The following matters are not subject to petition:

(1) Issues committed by statute to a panel, and

(2) In pending contested cases, procedural issues. See §41.121(a)(3) and §41.125(c).

(c) *Petition fee.* The fee set in §41.20(a) must accompany any petition under this section except no fee is required for a petition under this section seeking supervisory review.

(d) *Effect on proceeding.* The filing of a petition does not stay the time for any other action in a Board proceeding.

(e) *Time for action.* (1) Except as otherwise provided in this part or as the Board may authorize in writing, a party may:

(i) File the petition within 14 days from the date of the action from which the party is requesting relief, and

(ii) File any request for reconsideration of a petition decision within 14 days of the decision on petition or such other time as the Board may set.

(2) A party may not file an opposition or a reply to a petition without Board authorization.

[69 FR 50003, Aug. 12, 2004, as amended at 69 FR 58260, Sept. 30, 2004]

### **§ 41.4 Timeliness.**

(a) *Extensions of time.* Extensions of time will be granted only on a showing of good cause except as otherwise provided by rule.

(b) *Late filings.* (1) A late filing that results in either an application becoming abandoned or a reexamination proceeding becoming terminated under §§1.550(d) or 1.957(b) or (c) of this title may be revived as set forth in §1.137 of this title.(2) A late filing that does not result in either an application becoming abandoned or a reexamination proceeding becoming terminated under §§1.550(d) or 1.957(b) or (c) of this title will be excused upon a showing of excusable neglect or a Board determination that consideration on the merits would be in the interest of justice.

(c) *Scope.* This section governs all proceedings before the Board, but does not apply to filings related to Board proceedings before or after the Board has jurisdiction, such as:

(1) Extensions during prosecution (see §1.136 of this title),

(2) Filing of a brief or request for oral hearing (see §§41.37, 41.41, 41.47, 41.67, 41.68, 41.71 and 41.73), or

(3) Seeking judicial review (see §§1.301 to 1.304 of this title).

#### **§ 41.5 Counsel.**

(a) *Appearance pro hac vice.* Contested cases, including post-grant and inter partes reviews, can be technically, legally, and procedurally complex. Consequently, a motion to appear pro hac vice by counsel who is not a registered practitioner will rarely be granted unless the counsel is an experienced litigation attorney and has an established familiarity with the subject matter at issue in the contested case. Although the Board may authorize a person other than a registered practitioner who possesses such qualifications to appear as counsel in a contested proceeding, lead counsel or representative in such proceedings must be a registered practitioner.

(b) *Disqualification.*

(1) The Board may disqualify counsel in a proceeding after notice and an opportunity to be heard.

(2) A decision to disqualify counsel is not final for the purposes of judicial review until certified by the Chief Administrative Patent Judge.

(c) *Withdrawal.* Counsel may not withdraw from a proceeding before the Board unless the Board authorizes such withdrawal. See §10.40 of this title regarding conditions for withdrawal.

(d) *Procedure.* The Board may institute a proceeding under this section on its own or a party in a contested case may request relief under this section.

(e) *Referral to the Director of Enrollment and Discipline.* Possible violations of the disciplinary rules in part 10 of this title may be referred to the Office of Enrollment and Discipline for investigation. See §10.131 of this title.

#### **§ 41.6 Public availability of Board records.**

(a) *Publication.*

- (1) *Generally.* Any Board action is available for public inspection without a party's permission if rendered in a file open to the public pursuant to §1.11 of this title or in an application that has been published in accordance with §§1.211 to 1.221 of this title. The Office may independently publish any Board action that is available for public inspection.
- (2) *Determination of special circumstances.* Any Board action not publishable under paragraph (a)(1) of this section may be published or made available for public inspection if the Director believes that special circumstances warrant publication and a party does not, within two months after being notified of the intention to make the action public, object in writing on the ground that the action discloses the objecting party's trade secret or other confidential information and states with specificity that such information is not otherwise publicly available. If the action discloses such information, the party shall identify the deletions in the text of the action considered necessary to protect the information. If the affected party considers that the entire action must be withheld from the public to protect such information, the party must explain why. The party will be given time, not less than twenty days, to request reconsideration and seek court review before any contested portion of the action is made public over its objection.

(b) *Record of proceeding.* (1) The record of a Board proceeding is available to the public unless a patent application not otherwise available to the public is involved.

(2) Notwithstanding paragraph (b)(1) of this section, after a final Board action in or judgment in a Board proceeding, the record of the Board proceeding will be made available to the public if any involved file is or becomes open to the public under §1.11 of this title or an involved application is or becomes published under §§1.211 to 1.221 of this title.

#### **§ 41.7 Management of the record.**

(a) The Board may expunge any paper directed to a Board proceeding, or filed while an application or patent is under the jurisdiction of the Board, that is not authorized under this part or in a Board order, or that is filed contrary to a Board order.



(b) A party may not file a paper previously filed in the same Board proceeding, not even as an exhibit or appendix, without Board authorization or as required by rule.

#### **§ 41.8 Mandatory notices.**

(a) In an appeal brief (§§41.37, 41.67, or 41.68) or at the initiation of a contested case (§41.101), and within 20 days of any change during the proceeding, a party must identify:

(1) Its real party-in-interest, and

(2) Each judicial or administrative proceeding that could affect, or be affected by, the Board proceeding.

(b) For contested cases, a party seeking judicial review of a Board proceeding must file a notice with the Board of the judicial review within 20 days of the filing of the complaint or the notice of appeal. The notice to the Board must include a copy of the complaint or notice of appeal. See also §§1.301 to 1.304 of this title.

#### **§ 41.9 Action by owner.**

(a) *Entire interest.* An owner of the entire interest in an application or patent involved in a Board proceeding may act in the proceeding to the exclusion of the inventor (see §3.73(b) of this title).

(b) *Part interest.* An owner of a part interest in an application or patent involved in a Board proceeding may petition to act in the proceeding to the exclusion of an inventor or a co-owner. The petition must show the inability or refusal of an inventor or co-owner to prosecute the proceeding or other cause why it is in the interest of justice to permit the owner of a part interest to act in the proceeding. An order granting the petition may set conditions on the actions of the parties during the proceeding.

#### **§ 41.10 Correspondence addresses.**

Except as the Board may otherwise direct,

(a) *Appeals.* Correspondence in an application or a patent involved in an appeal (subparts B and C of this part) during the period beginning when an appeal docketing notice is issued and ending when a decision has been rendered by the Board, as well as any request for rehearing of a decision by the Board, shall be mailed to: Patent Trial and Appeal Board, United States Patent and Trademark Office, PO Box 1450, Alexandria, Virginia 22313–1450. Notices of appeal, appeal briefs, reply briefs, requests for oral hearing, as well as all other correspondence in an application or a patent involved in an appeal to the Board for which an address is not otherwise specified, should be addressed as set out in §1.1(a)(1)(i) of this title.

(b) *Contested cases.* Mailed correspondence in interference cases (subpart E of this part) shall be sent to Mail Stop INTERFERENCE, Patent Trial and Appeal Board, United States Patent and Trademark Office, PO Box 1450, Alexandria, Virginia 22313–1450. Mailed correspondence in post-grant review cases (subpart F of this part) shall be sent to Mail Stop POST-GRANT REVIEW, Patent Trial and Appeal Board, United States Patent and Trademark Office, PO Box 1450, Alexandria, Virginia 22313–1450 except that correspondence related to post-grant reviews of Covered Business Methods Patents shall be sent to Mail Stop BUSINESS METHODS PATENT TRANSITIONAL PROCEEDINGS, Patent Trial and Appeal Board, United States Patent and Trademark Office, PO Box 1450, Alexandria, Virginia 22313–1450. Mailed correspondence in inter partes review cases (subpart G of this part) shall be sent to Mail Stop INTER PARTES REVIEW, Patent Trial and Appeal Board, United States Patent and Trademark Office, PO Box 1450, Alexandria, Virginia 22313–1450.

**§ 41.11 Ex Parte communications in inter partes proceedings.**

An *ex parte* communication about an *inter partes* review (subpart C of this part) or about a contested case (subparts D, E, F and G of this part) with a Board member, or with a Board employee assigned to the proceeding, is not permitted.

**§ 41.12 Citation of authority.**

(a) Citations to authority must include:

- (1) *For any United States Supreme Court decision*, a United States Reports citation.
- (2) *For any decision other than a United States Supreme Court decision*, parallel citation to both the West Reporter System and to the United States Patents Quarterly whenever the case is published in both. Other parallel citations are discouraged.
- (3) *Pinpoint citations* whenever a specific holding or portion of an authority is invoked.

(b) Non-binding authority should be used sparingly. If the authority is not an authority of the Office and is not reproduced in one of the reporters listed in paragraph (a) of this section, a copy of the authority should be filed with the first paper in which it is cited.

**§ 41.20 Fees.**

(a) *Petition fee.* The fee for filing a petition under this part is \$400.00, except that the fee for filing a petition for post-grant review is \$\_\_\_\_.00 for other than a small or a micro entity, is \$\_\_\_\_.00 for a small entity, and is \$\_\_\_\_.00 for a micro entity.

(b) *Appeal fees.* (1) For filing a notice of appeal from the examiner to the Board:

By a small entity (§1.27(a) of this title)—\$250.00.

By other than a small entity—\$500.00.

(2) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity (§1.27(a) of this title)—\$250.00.

By a micro entity (CITE) -- \$\_\_\_\_.00.

By other than a small or micro entity—\$500.00.

(3) For filing a request for an oral hearing before the Board in an appeal under 35 U.S.C. 134:

By a small entity (§1.27(a) of this title)—\$500.00.

By a micro entity (CITE) - \$\_\_\_\_.00.

By other than a small entity or micro entity—\$1,000.00.

[69 FR 50003, Aug. 12, 2004, as amended at 69 FR 52606, Aug. 27, 2004; 69 FR 55506, Sept. 15, 2004; 69 FR 56546, Sept. 21, 2004; 70 FR 3892, Jan. 27, 2005]

**[No changes to Subparts B & C]**

#### **Subpart D—Contested Cases**

##### **§ 41.100 Definitions.**

In addition to the definitions in §41.2, the following definitions apply to proceedings under this subpart:

*Business day* means a day other than a Saturday, Sunday, or Federal holiday within the District of Columbia.

*Involved* means the Board has declared the patent application, patent, or claim so described to be a subject of the contested case.

##### **§ 41.101 Notice of proceeding.**

(a) Notice of a contested case will be sent to every party to the proceeding. The entry of the notice initiates the proceeding.

(b) When the Board is unable to provide actual notice of a contested case on a party through the correspondence address of record for the party, the Board may authorize other modes of notice, including:

(1) Sending notice to another address associated with the party, or

(2) Publishing the notice in the *Official Gazette of the United States Patent and Trademark Office*.

#### **§ 41.102 Completion of examination.**

Before a contested case is initiated, except as the Board may otherwise authorize, for each involved application and patent:

(a) Examination or reexamination must be completed, and

(b) There must be at least one claim that:

(1) Is patentable but for a judgment in the contested case, and

(2) Would be involved in the contested case.

#### **§ 41.103 Jurisdiction over involved files.**

The Board acquires jurisdiction over any involved file when the Board initiates a contested case. Other proceedings for the involved file within the Office are suspended except as the Board may order.

#### **§ 41.104 Conduct of contested case.**

(a) The Board may determine a proper course of conduct in a proceeding for any situation not specifically covered by this part and may enter non-final orders to administer the proceeding.

(b) An administrative patent judge may waive or suspend in a proceeding the application of any rule in this subpart, subject to such conditions as the administrative patent judge may impose.

(c) Times set in this subpart are defaults. In the event of a conflict between a time set by rule and a time set by order, the time set by order is controlling. Action due on a day other than a business day may be completed on the next business day unless the Board expressly states otherwise.

**§ 41.106 Filing and service.**

(a) *General format requirements.* (1) The paper used for filings must be durable and white. A party must choose to file on either A4-sized paper or 8 1/2 inch × 11 inch paper except in the case of exhibits that require a larger size in order to preserve details of the original. A party may not switch between paper sizes in a single proceeding. Only one side of the paper may be used.

(2) In papers, including affidavits, created for the proceeding:

(i) Markings must be in black ink or must otherwise provide an equivalently permanent, dark, high-contrast image on the paper. The quality of printing must be equivalent to the quality produced by a laser printer. Either a proportional or monospaced font may be used, but the proportional font must be 12-point or larger and a monospaced font must not contain more than 4 characters per centimeter (10 characters per inch). Case names must be underlined or italicized.

(ii) Double spacing must be used except in headings, tables of contents, tables of authorities, indices, signature blocks, and certificates of service. Block quotations may be single-spaced and must be indented. Margins must be at least 2.5 centimeters (1 inch) on all sides.

(b) *Papers other than exhibits*—(1) *Cover sheet.* (i) The cover sheet must include the caption the Board specifies for the proceeding, a header indicating the party and contact information for the party, and a title indicating the sequence and subject of the paper. For example, “JONES MOTION 2, For benefit of an earlier application”.

(ii) If the Board specifies a color other than white for the cover sheet, the cover sheet must be that color.

(2) Papers must have two 0.5 cm (1/4 inch) holes with centers 1 cm (1/2 inch) from the top of the page and 7 cm (2 3/4 inch) apart, centered horizontally on the page.

(3) *Incorporation by reference; combined papers.* Arguments must not be incorporated by reference from one paper into another paper. Combined motions, oppositions, replies, or other combined papers are not permitted.

(4) *Exhibits.* Additional requirements for exhibits appear in §41.154(c).

(c) *Working copy.* Every paper filed must be accompanied by a working copy marked “APJ Copy”.

(d) *Specific filing forms*—(1) *Filing by mail*. A paper filed using the EXPRESS MAIL<sup>®</sup> service of the United States Postal Service will be deemed to be filed as of “date-in” on the EXPRESS MAIL<sup>®</sup> mailing label; otherwise, mail will be deemed to be filed as of the stamped date of receipt at the Board.

(2) *Other modes of filing*. The Board may authorize other modes of filing, including electronic filing and hand filing, and may set conditions for the use of such other modes.

(e) *Service*. (1) Papers filed with the Board, if not previously served, must be served simultaneously on every opposing party except as the Board expressly directs.

(2) If a party is represented by counsel, service must be on counsel.

(3) Service must be by EXPRESS MAIL<sup>®</sup> or by means at least as fast and reliable as EXPRESS MAIL<sup>®</sup>. Electronic service is not permitted without Board authorization.

(4) The date of service does not count in computing the time for responding.

(f) *Certificate of service*. (1) Papers other than exhibits must include a certificate of service as a separate page at the end of each paper that must be served on an opposing party.

(2) Exhibits must be accompanied by a certificate of service, but a single certificate may accompany any group of exhibits submitted together.

(3) A certificate of service must state:

(i) The date and manner of service,

(ii) The name and address of every person served, and

(iii) For exhibits filed as a group, the name and number of each exhibit served.

(4) A certificate made by a person other than a registered patent practitioner must be in the form of an affidavit.

#### **§ 41.108 Lead counsel.**

(a) A party may be represented by counsel. The Board may require a party to appoint a lead counsel. If counsel is not of record in a party's involved application or patent, then a power of attorney for that counsel for the party's involved application or patent must be filed with the notice required in paragraph (b) of this section.

(b) Within 14 days of the initiation of each contested case, each party must file a separate notice identifying its counsel, if any, and providing contact information for each counsel identified or, if the party has no counsel, then for the party. Contact information must, at a minimum, include:

- (1) A mailing address;
- (2) An address for courier delivery when the mailing address is not available for such delivery (for example, when the mailing address is a Post Office box);
- (3) A telephone number;
- (4) A facsimile number; and
- (5) An electronic mail address.

(c) A party must promptly notify the Board of any change in the contact information required in paragraph (b) of this section.

**§ 41.109 Access to and copies of Office records.**

(a) *Request for access or copies.* Any request from a party for access to or copies of Office records directly related to a contested case must be filed with the Board. The request must precisely identify the records and in the case of copies include the appropriate fee set under §1.19(b) of this title.

(b) *Authorization of access and copies.* Access and copies will ordinarily only be authorized for the following records:

- (1) The application file for an involved patent;
- (2) An involved application; and
- (3) An application for which a party has been accorded benefit under subpart E of this part.

(c) *Missing or incomplete copies.* If a party does not receive a complete copy of a record within 21 days of the authorization, the party must promptly notify the Board.

**§ 41.110 Filing claim information.**

(a) *Clean copy of claims.* Within 14 days of the initiation of contested proceedings other than post-grant review and *inter partes* reviews, each party must file a clean copy of its involved claims and, if a biotechnology material sequence is a limitation, a clean copy of the sequence.

(b) *Annotated copy of claims.* Within 28 days of the initiation of contested proceedings other than post-grant review and *inter partes* reexaminations, each party must:

(1) For each involved claim having a limitation that is illustrated in a drawing or biotechnology material sequence, file an annotated copy of the claim indicating in bold face between braces ( { } ) where each limitation is shown in the drawing or sequence.

(2) For each involved claim that contains a means-plus-function or step-plus-function limitation in the form permitted under 35 U.S.C. 112(6), file an annotated copy of the claim indicating in bold face between braces ( { } ) the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.

(c) Any motion to add or amend a claim must include:

(1) A clean copy of the claim,

(2) A claim chart showing where the disclosure of the patent or application provides written description of the subject matter of the claim, and

(3) Where applicable, a copy of the claims annotated according to paragraph (b) of this section.

**§ 41.120 Notice of basis for relief.**

(a) The Board may require a party to provide a notice stating the relief it requests and the basis for its entitlement to relief. The Board may provide for the notice to be maintained in confidence for a limited time.

(b) *Effect.* If a notice under paragraph (a) of this section is required, a party will be limited to filing substantive motions consistent with the notice. Ambiguities in the notice will be construed against the party. A notice is not evidence except as an admission by a party-opponent.

(c) *Correction.* A party may move to correct its notice. The motion should be filed promptly after the party becomes aware of the basis for the correction. A correction filed after the time set for filing notices will only be entered if entry would serve the interests of justice.



**§ 41.121 Motions.**

(a) *Types of motions*—(1) *Substantive motions*. Consistent with the notice of requested relief, if any, and to the extent the Board authorizes, a party may file a motion:

- (i) To redefine the scope of the contested case,
- (ii) To change benefit accorded for the contested subject matter, or
- (iii) For judgment in the contested case.

(2) *Responsive motions*. The Board may authorize a party to file a motion to amend or add a claim, to change inventorship, or otherwise to cure a defect raised in a notice of requested relief or in a substantive motion.

(3) *Miscellaneous motions*. Any request for relief other than a substantive or responsive motion must be filed as a miscellaneous motion.

(b) *Burden of proof*. The party filing the motion has the burden of proof to establish that it is entitled to the requested relief.

(c) *Content of motions; oppositions and replies*. (1) Each motion must be filed as a separate paper and must include:

- (i) A statement of the precise relief requested,
- (ii) A statement of material facts (see paragraph (d) of this section), and
- (iii) A full statement of the reasons for the relief requested, including a detailed explanation of the significance of the evidence and the governing law, rules, and precedent.

(2) *Compliance with rules*. Where a rule in part 1 of this title ordinarily governs the relief sought, the motion must make any showings required under that rule in addition to any showings required in this part.

(3) The Board may order additional showings or explanations as a condition for filing a motion.

(d) *Statement of material facts*. (1) Each material fact shall be set forth as a separate numbered sentence with specific citations to the portions of the record that support the fact.

(2) The Board may require that the statement of material facts be submitted as a separate paper.

(e) *Claim charts*. Claim charts must be used in support of any paper requiring the comparison of a claim to something else, such as another claim, prior art, or a specification. Claim charts must accompany the paper as an appendix. Claim charts are not a substitute for appropriate argument and explanation in the paper.

(f) The Board may order briefing on any issue that could be raised by motion.

**§ 41.122 Oppositions and replies.**

(a) Oppositions and replies must comply with the content requirements for motions and must include a statement identifying material facts in dispute. Any material fact not specifically denied shall be considered admitted.

(b) All arguments for the relief requested in a motion must be made in the motion. A reply may only respond to arguments raised in the corresponding opposition.

**§ 41.123 Default filing times.**

(a) A *motion*, other than a miscellaneous motion, may only be filed according to a schedule the Board sets. The default times for acting are:

(1) An *opposition* is due 30 days after service of the motion.

(2) A *reply* is due 30 days after service of the opposition.

(3) A *responsive motion* is due 30 days after the service of the motion.

(b) *Miscellaneous motions*. (1) If no time for filing a specific miscellaneous motion is provided in this part or in a Board order:

(i) The opposing party must be consulted prior to filing the miscellaneous motion, and

(ii) If an opposing party plans to oppose the miscellaneous motion, the movant may not file the motion without Board authorization. Such authorization should ordinarily be obtained through a telephone conference including the Board and every other party to the proceeding. Delay in seeking relief may justify a denial of the motion.

(2) An opposition may not be filed without authorization. The default times for acting are:

(i) An *opposition* to a miscellaneous motion is due five business days after service of the motion.

(ii) A *reply* to a miscellaneous motion opposition is due three business days after service of the opposition.

(c) *Exhibits*. Each exhibit must be filed and served with the first paper in which it is cited except as the Board may otherwise order.

#### **§ 41.124 Oral argument.**

(a) *Request for oral argument*. A party may request an oral argument on an issue raised in a paper within five business days of the filing of the paper. The request must be filed as a separate paper and must specify the issues to be considered.

(b) *Copies for panel*. If an oral argument is set for a panel, the movant on any issue to be argued must provide three working copies of the motion, the opposition, and the reply. Each party is responsible for providing three working copies of its exhibits relating to the motion.

(c) *Length of argument*. If a request for oral argument is granted, each party will have a total of 20 minutes to present its arguments, including any time for rebuttal.

(d) *Demonstrative exhibits* must be served at least five business days before the oral argument and filed no later than the time of the oral argument.

(e) *Transcription*. The Board encourages the use of a transcription service at oral arguments but, if such a service is to be used, the Board must be notified in advance to ensure adequate facilities are available and a transcript must be filed with the Board promptly after the oral argument.

#### **§ 41.125 Decision on motions.**

(a) *Order of consideration*. The Board may take up motions for decisions in any order, may grant, deny, or dismiss any motion, and may take such other action appropriate to secure the just, speedy, and inexpensive determination of the proceeding. A decision on a motion may include deferral of action on an issue until a later point in the proceeding.

(b) *Interlocutory decisions*. A decision on motions without a judgment is not final for the purposes of judicial review. A panel decision on an issue will govern further proceedings in the contested case.

(c) *Rehearing*—(1) *Time for request*. A request for rehearing of a decision on a motion must be filed within fourteen days of the decision.

(2) *No tolling*. The filing of a request for rehearing does not toll times for taking action.

(3) *Burden on rehearing*. The burden of showing a decision should be modified lies with the party attacking the decision. The request must specifically identify:

(i) All matters the party believes to have been misapprehended or overlooked, and

(ii) The place where the matter was previously addressed in a motion, opposition, or reply.

(4) *Opposition; reply*. Neither an opposition nor a reply to a request for rehearing may be filed without Board authorization.

(5) *Panel rehearing*. If a decision is not a panel decision, the party requesting rehearing may request that a panel rehear the decision. A panel rehearing a procedural decision will review the decision for an abuse of discretion.

#### **§ 41.126 Arbitration.**

(a) Parties to a contested case may resort to binding arbitration to determine any issue in a contested case. The Office is not a party to the arbitration. The Board is not bound and may independently determine questions of patentability, jurisdiction, and Office practice.

(b) The Board will not authorize arbitration unless:

(1) It is to be conducted according to Title 9 of the United States Code.

(2) The parties notify the Board in writing of their intention to arbitrate.

(3) The agreement to arbitrate:

(i) Is in writing,

(ii) Specifies the issues to be arbitrated,

(iii) Names the arbitrator, or provides a date not more than 30 days after the execution of the agreement for the selection of the arbitrator, and

(iv) Provides that the arbitrator's award shall be binding on the parties and that judgment thereon can be entered by the Board.

(4) A copy of the agreement is filed within 20 days after its execution.

(5) The arbitration is completed within the time the Board sets.

(c) The parties are solely responsible for the selection of the arbitrator and the conduct of proceedings before the arbitrator.

(d) Issues not disposed of by the arbitration will be resolved in accordance with the procedures established in this subpart.

(e) The Board will not consider the arbitration award unless it:

(1) Is binding on the parties,

(2) Is in writing,

(3) States in a clear and definite manner each issue arbitrated and the disposition of each issue, and

(4) Is filed within 20 days of the date of the award.

(f) Once the award is filed, the parties to the award may not take actions inconsistent with the award. If the award is dispositive of the contested subject matter for a party, the Board may enter judgment as to that party.

#### **§ 41.127 Judgment.**

(a) *Effect within Office*—(1) *Estoppel*. A judgment disposes of all issues that were, or by motion could have properly been, raised and decided. A losing party who could have properly moved for relief on an issue, but did not so move, may not take action in the Office after the judgment that is inconsistent with that party's failure to move, except that a losing party shall not be estopped with respect to any contested subject matter for which that party was awarded a favorable judgment.

(2) *Final disposal of claim*. Adverse judgment against a claim is a final action of the Office requiring no further action by the Office to dispose of the claim permanently.

(b) *Request for adverse judgment*. A party may at any time in the proceeding request judgment against itself. Actions construed to be a request for adverse judgment include:

- (1) Abandonment of an involved application such that the party no longer has an application or patent involved in the proceeding,
- (2) Cancellation or disclaiming of a claim such that the party no longer has a claim involved in the proceeding,
- (3) Concession of priority or unpatentability of the contested subject matter, and
- (4) Abandonment of the contest.

(c) *Recommendation.* The judgment may include a recommendation for further action by the examiner or by the Director. If the Board recommends rejection of a claim of an involved application, the examiner must enter and maintain the recommended rejection unless an amendment or showing of facts not previously of record is filed which, in the opinion of the examiner, overcomes the recommended rejection.

(d) *Rehearing.* A party dissatisfied with the judgment may file a request for rehearing within 30 days of the entry of the judgment. The request must specifically identify all matters the party believes to have been misapprehended or overlooked, and the place where the matter was previously addressed in a motion, opposition, or reply.

[69 FR 50003, Aug. 12, 2004, as amended at 69 FR 58260, Sept. 30, 2004]

#### **§ 41.128 Sanctions.**

- (a) The Board may impose a sanction against a party for misconduct, including:
- (1) Failure to comply with an applicable rule or order in the proceeding;
  - (2) Advancing a misleading or frivolous request for relief or argument; or
  - (3) Engaging in dilatory tactics.
- (b) Sanctions include entry of:
- (1) An order holding certain facts to have been established in the proceeding;
  - (2) An order expunging, or precluding a party from filing, a paper;
  - (3) An order precluding a party from presenting or contesting a particular issue;
  - (4) An order precluding a party from requesting, obtaining, or opposing discovery;

- (5) An order excluding evidence;
- (6) An order awarding compensatory expenses, including attorney fees;
- (7) An order requiring terminal disclaimer of patent term; or
- (8) Judgment in the contested case.

**§ 41.150 Discovery.**

(a) *Limited discovery.* A party is not entitled to discovery except as authorized in this subpart, or as authorized in subparts F as to post-grant reviews or G as to *inter partes* reviews. The parties may agree to discovery among themselves at any time.

(b) *Automatic discovery.* (1) Within 21 days of a request by an opposing party in an interference, a party must:

(i) Serve a legible copy of every requested patent, patent application, literature reference, and test standard mentioned in the specification of the party's involved patent or application, or application upon which the party will rely for benefit, and, if the requested material is in a language other than English, a translation, if available, and

(ii) File with the Board a notice (without copies of the requested materials) of service of the requested materials.

(2) Unless previously served, or the Board orders otherwise, any exhibit cited in a motion or in testimony must be served with the citing motion or testimony.

(c) *Additional discovery.* (1) A party may request additional discovery. The requesting party must show that such additional discovery is in the interests of justice. The Board may specify conditions for such additional discovery.

(2) When appropriate, a party may obtain production of documents and things during cross examination of an opponent's witness or during testimony authorized under §41.156.

**§ 41.151 Admissibility.**

Evidence that is not taken, sought, or filed in accordance with this subpart shall not be admissible.

**§ 41.152 Applicability of the Federal Rules of Evidence.**

(a) *Generally.* Except as otherwise provided in this subpart, the Federal Rules of Evidence shall apply to contested cases.

(b) *Exclusions.* Those portions of the Federal Rules of Evidence relating to criminal proceedings, juries, and other matters not relevant to proceedings under this subpart shall not apply.

(c) *Modifications in terminology.* Unless otherwise clear from context, the following terms of the Federal Rules of Evidence shall be construed as indicated:

*Appellate court* means United States Court of Appeals for the Federal Circuit or a United States district court when judicial review is under 35 U.S.C. 146.

*Civil action, civil proceeding, action, and trial* mean contested case.

*Courts of the United States, U.S. Magistrate, court, trial court, and trier of fact* mean Board.

*Hearing* means:

(i) In Federal Rule of Evidence 703, the time when the expert testifies.

(ii) In Federal Rule of Evidence 804(a)(5), the time for taking testimony.

*Judge* means the Board.

*Judicial notice* means official notice.

*Trial or hearing* means, in Federal Rule of Evidence 807, the time for taking testimony.

(d) The Board, in determining foreign law, may consider any relevant material or source, including testimony, whether or not submitted by a party or admissible under the Federal Rules of Evidence.

**§ 41.153 Records of the Office.**

Certification is not necessary as a condition to admissibility when the evidence to be submitted is a record of the Office to which all parties have access.



**§ 41.154 Form of evidence.**

(a) Evidence consists of affidavits, transcripts of depositions, documents, and things. All evidence must be submitted in the form of an exhibit.

(b) *Translation required.* When a party relies on a document or is required to produce a document in a language other than English, a translation of the document into English and an affidavit attesting to the accuracy of the translation must be filed with the document.

(c) An exhibit must conform with the requirements for papers in §41.106 of this subpart and the requirements of this paragraph.

(1) Each exhibit must have an exhibit label with a unique number in a range assigned by the Board, the names of the parties, and the proceeding number in the following format:

JONES EXHIBIT 2001

Jones v. Smith

Contested Case 104,999

(2) When the exhibit is a paper:

(i) Each page must be uniquely numbered in sequence, and

(ii) The exhibit label must be affixed to the lower right corner of the first page of the exhibit without obscuring information on the first page or, if obscuring is unavoidable, affixed to a duplicate first page.

(d) *Exhibit list.* Each party must maintain an exhibit list with the exhibit number and a brief description of each exhibit. If the exhibit is not filed, the exhibit list should note that fact. The Board may require the filing of a current exhibit list prior to acting on a motion.

[69 FR 50003, Aug. 12, 2004, as amended at 69 FR 58260, Sept. 30, 2004]

**§ 41.155 Objection; motion to exclude; motion in limine.**

(a) *Deposition.* Objections to deposition evidence must be made during the deposition. Evidence to cure the objection must be provided during the deposition unless the parties to the deposition stipulate otherwise on the deposition record.

(b) *Other than deposition.* For evidence other than deposition evidence:

(1) *Objection.* Any objection must be served within five business days of service of evidence, other than deposition evidence, to which the objection is directed.

(2) *Supplemental evidence.* The party relying on evidence for which an objection is timely served may respond to the objection by serving supplemental evidence within ten business days of service of the objection.

(c) *Motion to exclude.* A miscellaneous motion to exclude evidence must be filed to preserve any objection. The motion must identify the objections in the record in order and must explain the objections.

(d) *Motion in limine.* A party may file a miscellaneous motion in limine for a ruling on the admissibility of evidence.

[69 FR 50003, Aug. 12, 2004, as amended at 69 FR 58260, Sept. 30, 2004]

#### **§ 41.156 Compelling testimony and production.**

(a) *Authorization required.* Except as allowed in subparts F and G, a party seeking to compel testimony or production of documents or things must file a miscellaneous motion for authorization. The miscellaneous motion must describe the general relevance of the testimony, document, or thing and must:

(1) In the case of testimony, identify the witness by name or title, and

(2) In the case of a document or thing, the general nature of the document or thing.

(b) *Outside the United States.* For testimony or production sought outside the United States, the motion must also:

(1) *In the case of testimony.* (i) Identify the foreign country and explain why the party believes the witness can be compelled to testify in the foreign country, including a description of the procedures that will be used to compel the testimony in the foreign country and an estimate of the time it is expected to take to obtain the testimony; and

(ii) Demonstrate that the party has made reasonable efforts to secure the agreement of the witness to testify in the United States but has been unsuccessful in obtaining the agreement, even though the party has offered to pay the expenses of the witness to travel to and testify in the United States.

(2) *In the case of production of a document or thing.* (i) Identify the foreign country and explain why the party believes production of the document or thing can be compelled in

the foreign country, including a description of the procedures that will be used to compel production of the document or thing in the foreign country and an estimate of the time it is expected to take to obtain production of the document or thing; and

(ii) Demonstrate that the party has made reasonable efforts to obtain the agreement of the individual or entity having possession, custody, or control of the document to produce the document or thing in the United States but has been unsuccessful in obtaining that agreement, even though the party has offered to pay the expenses of producing the document or thing in the United States.

**§ 41.157 Taking testimony.**

(a) *Form.* Direct testimony must be submitted in the form of an affidavit except when the testimony is compelled under 35 U.S.C. 24, in which case it may be in the form of a deposition transcript.

(b) *Time and location.* (1) *Uncompelled direct testimony* may be taken at any time; otherwise, testimony may only be taken during such time period as the Board may authorize.

(2) *Other testimony.* (i) Except as the Board otherwise orders, authorized testimony may be taken at any reasonable time and location within the United States before any disinterested official authorized to administer oaths at that location.

(ii) Testimony outside the United States may only be taken as the Board specifically directs.

(c) *Notice of deposition.* (1) Prior to the taking of testimony, all parties to the proceeding must agree on the time and place for taking testimony. If the parties cannot agree, the party seeking the testimony must initiate a conference with the Board to set a time and place.

(2) Cross-examination should ordinarily take place after any supplemental evidence relating to the direct testimony has been filed and more than a week before the filing date for any paper in which the cross-examination testimony is expected to be used. A party requesting cross-examination testimony of more than one witness may choose the order in which the witnesses are to be cross-examined.

(3) In the case of direct testimony, at least three business days prior to the conference in paragraph (c)(1) of this section, the party seeking the direct testimony must serve:

(i) A list and copy of each document under the party's control and on which the party intends to rely, and

(ii) A list of, and proffer of reasonable access to, any thing other than a document under the party's control and on which the party intends to rely.

(4) Notice of the deposition must be filed at least two business days before a deposition. The notice limits the scope of the testimony and must list:

(i) The time and place of the deposition,

(ii) The name and address of the witness,

(iii) A list of the exhibits to be relied upon during the deposition, and

(iv) A general description of the scope and nature of the testimony to be elicited.

(5) *Motion to quash*. Objection to a defect in the notice is waived unless a miscellaneous motion to quash is promptly filed.

(d) *Deposition in a foreign language*. If an interpreter will be used during the deposition, the party calling the witness must initiate a conference with the Board at least five business days before the deposition.

(e) *Manner of taking testimony*. (1) Each witness before giving a deposition shall be duly sworn according to law by the officer before whom the deposition is to be taken. The officer must be authorized to take testimony under 35 U.S.C. 23.

(2) The testimony shall be taken in answer to interrogatories with any questions and answers recorded in their regular order by the officer, or by some other disinterested person in the presence of the officer, unless the presence of the officer is waived on the record by agreement of all parties.

(3) Any exhibits relied upon must be numbered according to the numbering scheme assigned for the contested case and must, if not previously served, be served at the deposition.

(4) All objections made at the time of the deposition to the qualifications of the officer taking the deposition, the manner of taking it, the evidence presented, the conduct of any party, and any other objection to the proceeding shall be noted on the record by the officer. Evidence objected to shall be taken subject to a ruling on the objection.

(5) When the testimony has been transcribed, the witness shall read and sign (in the form of an affidavit) a transcript of the deposition unless:

(i) The parties otherwise agree in writing, (ii) The parties waive reading and signature by the witness on the record at the deposition, or

(iii) The witness refuses to read or sign the transcript of the deposition.

(6) The officer shall prepare a certified transcript by attaching to the transcript of the deposition a certificate in the form of an affidavit signed and sealed by the officer. Unless the parties waive any of the following requirements, in which case the certificate shall so state, the certificate must state:

(i) The witness was duly sworn by the officer before commencement of testimony by the witness;

(ii) The transcript is a true record of the testimony given by the witness;

(iii) The name of the person who recorded the testimony and, if the officer did not record it, whether the testimony was recorded in the presence of the officer;

(iv) The presence or absence of any opponent;

(v) The place where the deposition was taken and the day and hour when the deposition began and ended;

(vi) The officer has no disqualifying interest, personal or financial, in a party; and

(vii) If a witness refuses to read or sign the transcript, the circumstances under which the witness refused.

(7) The officer must promptly provide a copy of the transcript to all parties. The proponent of the testimony must file the original as an exhibit.

(8) Any objection to the content, form, or manner of taking the deposition, including the qualifications of the officer, is waived unless made on the record during the deposition and preserved in a timely filed miscellaneous motion to exclude.

(f) *Costs.* Except as the Board may order or the parties may agree in writing, the proponent of the testimony shall bear all costs associated with the testimony, including the reasonable costs associated with making the witness available for the cross-examination.

**§ 41.158 Expert testimony; tests and data.**

(a) Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight. Testimony on United States patent law will not be admitted.

(b) If a party relies on a technical test or data from such a test, the party must provide an affidavit explaining:

- (1) Why the test or data is being used,
- (2) How the test was performed and the data was generated, in sufficient detail to fully enable one to repeat the test,
- (3) How the data is used to determine a value,
- (4) How the test is regarded in the relevant art, and
- (5) Any other information necessary for the Board to evaluate the test and data.

*[Subpart E – Patent Interferences - No changes suggested]*

**Subpart F—Post-Grant Review and Transitional Program for Covered Business Method Patents**

**§ 41.300 Definitions.**

In addition to the definitions in §§ 41.2 and 41.100, the following definitions shall apply to proceedings under this subpart:

*AIA* means the Leahy-Smith America Invents Act, Public Law No: 112-29, codified in title 35, United States Code.

*Covered Business Method Patent* means 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 that is not otherwise eligible for post-grant

review during the period in which a petition for post-grant review of that patent would satisfy the requirements of section 321(c) of title 35, United States Code, and further except that the term Covered Business Method Patent does not include Patents for Technological Inventions, as further defined herein. [AIA § 18((d)(1) & (2)]

*Grounds* means any ground that could be raised under paragraphs (2) and (3) of section 282(b) of title 35, United States Code, including the invalidity of the patent or any claim in suit on any ground specified in part II of 35 United States Code as a condition for patentability, and the invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title. [AIA, § 321(b)] *Grounds* shall include non-statutory subject matter, lack of novelty, obviousness, Prior Non-Published Public Disclosures, indefiniteness, lack of enablement or improper enlargement of a reissue patent. [35 USC 282(b)] *Grounds* also shall include *Special Grounds*. *Grounds* do not include noninfringement, absence of liability for infringement, unenforceability or any other fact or act made a defense to infringement of a patent by title 35, United States Code. [AIA, §324(B)]

*Patents for Technological Inventions* shall mean any patent that **[Definition to be inserted here.]** [AIA, § 18((d)(1) & (2)] [Note: The Committee viewed the substantive definition of “patents for technological inventions” as outside the scope of its charter, as the Committee understands that the definition will be the subject of separate PTO rulemaking.]

*Petitioner* as used in this subpart means the person seeking the post-grant review who is not the owner of the patent that is sought to be the subject of the post-grant proceeding and the real parties in interest.

*Prior Non-Published Public Disclosures* as used in this subpart mean any disclosure that qualifies as prior art under 35 U.S.C. § 102(a)(1) as of the effective date set forth in section 3(n) of the AIA and that is not in the form of a patent or a printed publication. With respect to Transitional Proceedings, Prior Non-Published Public Disclosures also shall mean any disclosure that qualifies as prior art under AIA § 18(a)(1)(C) and that is not in the form of a patent or a printed publication.

*Privy* means a person who has a direct relationship to the petitioner with respect to the challenged patent or product or process accused of infringement of the challenged patent. Privies shall include all persons having a direct contractual, commercial or financial interest in the outcome of the post-grant review, including suppliers of components for the accused product or process, customers of petitioner who have been provided notice of the accused infringement, other persons receiving notice against whom the patent may be asserted jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process as the petitioner, and

participants in a joint defense agreement or other group with the petitioner based on a community of legal interests. [See 157 Cong. Rec. §5432 (daily ed. September 8, 2011); see also 157 Cong. Rec. §1368, §1376 (daily ed. March 8, 2011)]

*Real Parties in Interest* means the petitioner and all affiliates of the petitioner, including anyone who owns or is owned by the petitioner in whole or in part, or who controls, is controlled by, or is under common control with the petitioner. [AIA, § 322(a)(2)]

*Secondary Indicia of Nonobviousness* means facts relating to whether (a) there was a long felt need for a solution to the problem addressed by the invention of the patent; (b) whether others including the petitioner have copied the claimed invention, or any part thereof, or have otherwise tried or are trying to develop a product or process that is similar to or would compete with the claimed invention; (c) whether others including the petitioner have failed to achieve the results achieved by the claimed invention; (d) whether others including the petitioner have lauded or otherwise paid tribute to the claimed invention; and, (e) whether and to what degree any embodiment of the claimed invention has achieved commercial success.

*Special Grounds* are grounds not otherwise included in the general definition of Grounds that raise a novel or unsettled legal question that is important to the proper examination of other patents or patent applications. [AIA, § 324(b)]

*Transitional Proceedings* are post-grant reviews brought pursuant to Section 18 of the AIA, allowing for the challenge of Covered Business Method Patents. Transitional Proceedings implemented pursuant to this section shall be regarded as, and shall employ the standards and procedures of, post-grant review under chapter 32 of title 35, United States Code, except as otherwise prescribed in this subpart. [AIA, § 18(a)(1)]

#### **§ 41.301 Procedure; pendency; timing and eligibility.**

- (a) *Governing Provisions.* A post-grant review is a contested case subject to the procedures set forth in subpart D of this part, and subject to the general provisions set forth in subpart A of this part, except as modified, amended or otherwise provided in this subpart.
- (b) *Timing of Post-Grant Review Petitions.* A petition for a post-grant review may only be filed not later than the date that is 9 months after the date of the grant of the patent or of the issuance of a reissue patent, [AIA, § 321(c)] as the case may be, except that a petition seeking a post-grant review of a Covered Business Method Patent may be filed beginning on September 17, 2012 and extending until September 16, 2020, provided that the challenged patent is enforceable. [AIA, § 18(a)(2) & (a)(3)(A)]



- (c) *Claim Construction.* A claim subject to post-grant review shall be given its broadest reasonable construction in light of the specification and prosecution history of the patent in which it appears. [AIA §326(a)(2)]
- (d) *Burden of Proof.* In a post-grant review instituted under this subpart, the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence. [§ 326(e)]
- (e) *Eligible Patents.*
- (1) Patents eligible for post-grant review must contain, or have contained at any time, one or more claims that has an effective filing date on or after March 16, 2013, or a specific reference under section 120, 121 or 365(c) of title 35, United States Code to any patent or application that contains or contained at any time, such a claim, [§ 329(f)(2)(A)] and any patent that qualifies as a Covered Business Method Patent, with the exception that a Transitional Proceeding shall not apply to a patent during the period in which a petition for post-grant review of that patent would satisfy the requirements of section 321(c) of title 35, United States Code. [AIA §18 (a)(2)]
  - (2) Except as to a Covered Business Method Patent [AIA §18 (a)(1)(A)], a post-grant review may not be instituted under this subpart if the petition requests cancellation of a claim in a reissue patent that is identical to or narrower than a claim in the original patent from which the reissue patent was issued, and the time limitations in section 321(c) would bar filing a petition for a post-grant review for such original patent. [AIA §325 (f)]
- (f) *Pendency.* Post-grant reviews shall be administered such that pendency before the Board from the time of initiation to a final decision is normally no more than one year, and in no event more than 18 months [AIA §326(a)(11)], except that in the case of joinder, such periods shall run from the date of the institution of the latest joined petition. [AIA §325 (c) & (d)]
- (g) *Protective Order.* Upon the motion of any party to a post-grant review, the Board shall enter the Standing Protective Order to govern the exchange among the parties, and filing with the Board, of confidential documents and information. This Protective Order takes effect as of the date of filing of a Motion to Invoke the Standing Protective Order and shall remain in place until lifted or modified by the Board upon the motion of a party, and for good cause shown.
- (h) *Confidential Information.* A party may not withhold evidence or information from any other party who has executed the Standing Protective during discovery or other proceedings in a post-grant review on the basis of its alleged confidentiality. [AIA §316(a)(1), (6) & (7)]
- (i) *Publicly-Available Record.* With the exception of documents and information properly designated as confidential under the terms of a Protective Order, the record of a post-grant review proceeding shall be available to the public. [AIA §326 (A)(1)]

## § 41.302 Petitions for Post-Grant Review.

- (a) *Fee and Certifications.* A petition for post grant review will be considered only if – [AIA §322 (a)]
- (1) *Fee.* The petition is accompanied by payment of the fee established by the Director under 35 U.S.C. 321; [Reference to fee schedule needed here.] [AIA §322(a)(1)]
  - (2) *Real Parties in Interest.* The petition includes a Certification of Real Parties in Interest, identifying all real parties in interest and privies; and [AIA §322(a)(2)]
  - (3) *Power of Attorney.* If the petition is filed by an attorney or agent identifying another party on whose behalf the request is being filed, a Certification that the attorney or agent has a power of attorney from that party or is acting in a representative capacity pursuant to 37 C.F.R. § 1.34(a).
- (b) *Petitioner’s Opening Brief.* The petition includes Petitioner’s Opening Brief in Support of Post-Grant Review, identifying with particularity each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim [AIA §322(a)(3), (4) & (5); AIA §326(a)(1), (2), (3) & (4); 157 Cong. Rec. §1368, §1376 (daily ed. March 8, 2011 (“...the elevated threshold will require challengers to front load their case...[and]...tie their challenges to particular validity arguments against particular claims...[to] prevent challenges from ‘mushrooming’ after the review is instituted.”)]
- (c) *Type-Volume Limitation.* The brief shall not exceed in length the following type-volume limits:
- (1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or
  - (2) In the event that the petition challenges the validity of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.
- (d) *Eligibility of the Patent for Post-Grant Review.* The petition attaches a Certification of Eligibility for Post-Grant Review stating:
- (1) That one or more of the claims of the challenged patent have as an effective filing date on or after March 16, 2013, or a specific reference under section 120, 121 or 365(c) of title 35, United States Code to any patent or application that contains or contained at any time, such a claim [AIA §329(f)(2)(A)], or is a Covered Business Method Patent; and

- (2) That the petition does not request cancellation of a claim in a reissue patent that is identical to or narrower than a claim of the original patent from which the reissue patent was issued, or that if so, the time limitations in section 321(c) for filing a petition for a post-grant review for such original patent has not expired [AIA §325(f)], or alternatively, that the challenged patent is a Covered Business Method Patent [AIA §18(a)(2)];
  - (3) That before the filing of the petition, neither the petitioner, nor the real party in interest, nor a privy of the petitioner filed a civil action challenging the validity of a claim of the patent [AIA §325(a)(1)];
  - (4) That, except as identified, the patent or the original patent of a reissue patent sought to be made the subject of the post-grant review is not to petitioner's knowledge the subject of another proceeding or matter that was or is before the Office [AIA §325(d)]; and
  - (5) That in the case of a challenge to a Covered Business Method Patent, if the challenge is based in whole or in part on prior art under sections 102 or 103 of title 35, United States Code as in effect on the September 15, 2011, such challenge is based only on prior art that: (A) is described by section 102(a) of title 35, United States Code, as in effect on September 15, 2011; or (B)(i) discloses the invention more than 1 year before the date of the application for patent in the United States, and (ii) would be described by section 102(a) of title 35, United States Code as in effect on September 15, 2011 if the disclosure had been made by another before the invention thereof by the applicant for patent.
- (e) *Evidence in Support of the Petition.* The petition is accompanied by all evidence relied upon in support of the petition, including:
- (1) Copies of patents and printed publications that the petitioner relies upon in support of the petition, together with any necessary evidence showing the fact and date of publication;
  - (2) Copies of all other documents and an identification of all things that the petitioner relies upon in support of the petition;
  - (3) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the petition relies upon factual evidence or on expert opinions [AIA §322(a)(3), (4) & (5); AIA §326(a)(1), (2), (3) & (4)];
  - (4) If the challenged patent is a Covered Business Method Patent, a declaration attaching the complaint filed in the infringement litigation brought against the petitioner, real party in interest or privy under the challenged patent, or the written charge of infringement under the challenged patent received by the petitioner, real party in interest or privy, or, in the case of an oral charge of infringement under the challenged patent, the circumstances, witnesses to and particulars of the charge [AIA §18(B)];
  - (5) A certification from the petitioner's representative of record agreeing that each person signing an affidavit or declaration on the petitioner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the patent owner's period for discovery that follows the institution of the requested post-grant review. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take

place in Washington, D.C. The petitioner may agree to pay the reasonable travel and living expenses of deposition witnesses for the period reasonably necessary to facilitate the deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee. [AIA §322(a)(4); AIA §326(a)(1), (2), (3) & (4)]

- (6) *Expert Disclosures.* Expert testimony submitted with the petition must comply with the rules of the Federal Rules of Civil Procedure relating to expert reports, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure. [37 CFR §41.152 & §41.158; Federal Rules of Civil Procedure, Rule 26(a)(2)(B)]
- (f) *Initial Disclosure Relating to Prior Non-Published Public Disclosures.* If the petition seeks cancellation of one or more claims in whole or in part on the basis of the existence of an alleged Prior Non-Published Public Disclosure, the petition includes an Initial Disclosure Of Information Relating to Prior Public Disclosure –
- (1) Identifying, to the extent known by the petitioner, the names and information sufficient to contact all persons other than those offering affidavits or declarations who are reasonably likely to know of the alleged Prior Non-Published Public Disclosure;
  - (2) Indicating which of such persons identified in subpart (A) are within the control of petitioner or have otherwise consented to appear for deposition in connection with the post-grant review;
  - (3) Indicating which if any of such persons identified in subpart (A) are represented by petitioner's counsel;
  - (4) Attaching all documents and things within Petitioner's possession, custody or control referring or relating to the alleged Prior Non-Published Public Disclosure; and,
  - (5) Identifying all things relating to the alleged Prior Public Disclosure, including a complete description, photographs, the chemical analysis (if the chemical composition of the thing is in issue), and computer code, and their locations, and whether petitioner will produce such things for inspection, analysis, testing and sampling.
- (g) *Initial Disclosure Relating to Obviousness.* If the petition seeks cancellation of one or more claims in whole or in part on the basis of the alleged obviousness of one or more of the claims, the petition includes an Initial Disclosure of Information Relating to Obviousness:
- (1) Identifying, to the extent known by the petitioner, the names and information sufficient to contact all persons other than those offering affidavits or declarations who are reasonably likely have information relating to the secondary indicia of nonobviousness;
  - (2) Indicating which of such persons identified in subpart (A) are within the control of petitioner or have otherwise consented to appear for deposition in connection with the post-grant review;
  - (3) Indicating which if any of such persons identified in subpart (A) are represented by petitioner's counsel;
  - (4) Attaching all documents and things within Petitioner's possession, custody or control referring or relating to such secondary indicia of nonobviousness;

- (5) Identifying all things relating to the secondary indicia of nonobviousness, including a complete description, photographs, the chemical analysis (if the chemical composition of the thing is in issue), computer code, and their locations, and whether petitioner will produce such things for inspection, analysis, testing and sampling; [AIA §322(a)(3), (4) & (5); AIA §326 (a)(2), (3) & (5); 37 CFR 56] and,
- (h) *Claim Charts*. The petitioner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume limitations applicable to the petitioner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)]
- (i) *Certificate of Service*. The petition is accompanied by a Certificate of Service, signed by the petitioner's representative of record, certifying that the petitioner has served the patent owner with a copy of the petition and all supporting documentation. [AIA §326(a) (4)]
- (j) *Confidential Information*. If the petition contains information believed by the petitioner to be confidential, the petitioner may file with the petition a Motion to Invoke the Standing Protective Order, which shall be deemed to be granted as of the date of filing of the motion and shall remain in effect until lifted or modified by the Board upon the motion of a party and for good cause shown. [AIA §326(a)(1)] The petitioner shall serve a non-confidential version of the petition on the patent owner, clearly indicating the locations where confidential information has been redacted, along with a non-confidential general description of the redacted information. The petitioner also shall serve the patent owner with a copy of the Standing Protective Order signed by the petitioner, informing the patent owner that the Standing Protective Order has been entered in the post-grant review and with a request that the patent owner sign the Protective Order, file it with the Board and serve it upon the petitioner. Within three days of receipt of the Standing Protective Order signed by the patent owner, the petitioner shall serve the patent owner with the confidential version of the petition containing the information redacted from the non-confidential version. If the patent owner has not filed the signed Standing Protective Order with the Board within two weeks of the filing of the petition, the Board shall provide notice to the patent owner requesting that the patent owner sign and file the Standing Protective Order with the Board, and informing the patent owner that unless and until such a filing has been made, the Board may consider in the post-grant review information submitted by the petitioner that has been designated as confidential, without the patent owner having access to such information. [AIA §326(a)(7)]
- (k) *Disposal of Confidential Information*. If the Director decides not to initiate the requested post-grant review, all copies of the confidential information shall be returned to the petitioner or destroyed within 30 days of the Director's decision. [AIA §326(a)(7)]

### § 41.303 Patent Owner's Preliminary Response to the Petition for Post-Grant Review

- (a) *Preliminary Response.* The patent owner may file, but is not required to file, a Preliminary Response to the petition within 3 months of the patent owner's receipt of the complete petition. [AIA §323]
- (b) *Election to Expedite.* If the patent owner elects not to file a substantive preliminary response and wishes to expedite the Director's decision on the petition, the patent owner may file an Election to Expedite The Decision on the Petition for Post-Grant Review, which, when received, shall be deemed to be the patent owner's preliminary response for purposes of starting the time period within which the Director shall decide the petition. In deciding the petition, no inferences shall be drawn from the patent owner's election not to file a substantive response to the petition. [AIA §324(c)]
- (c) *Form and Content of Preliminary Response:* If a the patent owner elects to file a substantive response, the patent owner's Preliminary Response may include a brief that sets forth the reasons why no post-grant review should be instituted and the evidence, if any, relied upon in support of those reasons. [AIA §323; §326(a)(1), (2), (3), (4) & (5)]
- (d) *Type-Volume Limitation.* The brief shall not exceed in length the following type-volume limits:
  - (1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or
  - (2) In the event that the petition challenges the validity of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.
- (e) *Reasons for Rejecting Petition.* In its preliminary response the patent owner may rely on reasons including that:
  - (1) There is a failure of the petition to meet one or more of the requirements of Chapter 32 of title 35, United States Code;
  - (2) There is a failure of the petition to meet one or more of the requirements for such a petition set forth in Part 41 of Chapter 37 of the Code of Federal Regulations;
  - (3) The Director should decline to institute a post-grant review because the same or substantially the same prior art or arguments have previously been presented to the Office;
  - (4) The information presented in the petition is insufficient to demonstrate that it is more likely than not that, if not rebutted, at least 1 of the claims challenged in the petition will be found to be unpatentable;

- (5) The information presented with the preliminary response demonstrates that it is not more likely than not that, if not rebutted, at least 1 of the claims challenged in the petition will be found to be unpatentable; and,
- (6) Other reasons upon which the Director might rely in deciding whether to institute the requested post-grant review. [§326(a)(2)]
- (f) The Patent Owner's Preliminary Response shall attach all additional evidence relied upon in support of the response, including:
- (g) Copies of patents and printed publications that the patent owner relies upon in support of the preliminary response;
  - (1) Copies of all other documents and an identification of all things that the patent owner relies upon in support of the preliminary response;
  - (2) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the response relies upon factual evidence or on expert opinions;
  - (3) A certification from the patent owner's representative of record agreeing that each person signing an affidavit or declaration on the patent owner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the petitioner's period for rebuttal discovery that follows the institution of the requested post-grant review. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C. The patent owner may agree to pay the reasonable travel and living expenses of a deposition witness for the period reasonably necessary to facilitate such deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee. [AIA §323(c); §324; §325; §326(a)(3), (4) & (5); §326(b)]
- (h) *Expert Testimony.* Any expert opinions submitted with the preliminary response must comply with the rules of the Federal Rules of Civil Procedure relating to expert reports, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure. [37 CFR §41.152 & §41.158; Federal Rules of Civil Procedure, Rule 26(a)(2)(B)]
- (i) *Claim Charts.* The patent owner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume limitations applicable to the patent owner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)]
- (j) *Confidential Information.* If the preliminary response discloses confidential information, the patent owner shall file and serve confidential and non-confidential versions of its submissions in accordance with the Standing Protective Order set forth in subpart A of this chapter. [AIA §326(1) & (7)]
- (k) *Certificate of Service.* The preliminary response shall be accompanied by a Certificate of Service, signed by the patent owner or the patent owner's representative of record, certifying

that the petitioner has been served with the patent owner's preliminary response and all supporting papers. [AIA §326(4)]

- (l) *Disposal of Confidential Information.* If the Director decides not to initiate the requested post-grant review, all copies of the confidential information of the patent owner shall be returned or destroyed within 30 days of the Director's decision. [AIA §326(a)(7)]
- (m) *Disclaimer.* On or before the date of the later of the filing of the patent owner's (i) election to expedite; or (ii) preliminary response, the patent owner may submit a Disclaimer, disclaiming one or more claims from the patent that is the subject of the petition and dedicating the subject matter thereof to the public. Such Disclaimer may not propose the addition of amended or substitute claims. In the event of such Disclaimer, such claims are removed from the patent, and may no longer serve as a basis for granting the petition. [35 U.S.C. 253; 37 CFR 1.321(a) & (b)]

#### **§ 41.304 Institution of Post-Grant Review.**

- (a) *Information to Be Considered.* In deciding the petition, the Director shall consider all information submitted by the parties that complies with the requirements of chapter 32 of title 35 of the United States Code and of part 41 of this chapter. The Director may also take notice of other information that may bear on the decision to grant the review, including without limitation the nature and status of other proceedings and matters in the Office and the courts. [AIA §326(a)(2)]
- (b) *Reasons to Decline the Petition.* The Director may decline to consider the petition or decide not to institute a post-grant review [AIA §326(a)(2)] if:
  - (1) The Director concludes there is failure of the petition or its supporting materials to satisfy one or more of the requirements set forth in chapter 32 of title 35 of the United States Code or in part 41 of this chapter; [AIA §322(a) (1st clause)]
  - (2) The Director has imposed a limit on the number of post-grant reviews that may be instituted under chapter 32 of title 35 of the United States Code as the Director is authorized to do during each of the first four one year periods, and that number has already been met; [AIA §329(F)(2)(A)]
  - (3) The Director determines that there is another proceeding or matter involving the patent is before the Office and that this proceeding should be terminated; [AIA §325(d) (first sentence)]
  - (4) The Director determines that the same or substantially the same prior art or arguments were previously presented to the Office; [AIA §325(D) (second sentence)]
  - (5) The Director determines that the effect of a denial of the petition on the economy, the integrity of the patent system, the efficient administration of the Office, or the ability of the Office to timely complete proceedings instituted under this chapter, warrants such a denial [AIA §326(b)]; or



- (6) The Director determines that, in view of the temporal and procedural limitations pertaining to the review, the nature of the review sought, and the likely timeliness of the parties' access to the evidence necessary to a just determination of that review by the Office, the institution of the review would not be in the interests of justice or due process [AIA §326(a)(2); Fifth Amendment of US Constitution]; and
- (7) In the case of post-grant review requested with respect to what the petition alleges is a Covered Business Method Patent, the Director determines that the patent does not meet the eligibility requirements set forth in Section 18 of the AIA. [AIA Sec. 18(d)] [See 157 Cong. Rec. §1368, §1376-77]
- (c) *Threshold for Granting Post-Grant Review.* The Director may not authorize a post-grant review to be instituted unless the Director determines (1) that the information presented in the petition filed under section 321 of 35 United States Code, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable, [AIA §324(a)] or (2) that the petitioner has raised a novel or unsettled legal question that is important to the examination of other patents and patents applications. [AIA §324(b)]
- (d) *Time for Decision.* The Director shall decide the petition by issuance of an Order on Post-Grant Review within 3 months of the latest of (i) the patent owners filing of an Election to Expedite The Decision on the Petition for Post-Grant Review, (ii) the filing of the patent owner's preliminary response, or (iii) in the event the patent owner does not file such election or response, the latest date when the patent owner's preliminary response was due. [AIA §324(c)]
- (e) *No Opinion If Post-Grant Review Denied.* If the Director decides not to institute a post-grant review, no Opinion in support of that decision is necessary however the Director should note if the decision is based on a reason other than the failure to meet the evidentiary threshold of §324(a), and neither party may appeal from such a denial. [AIA §324(e)] Within 30 days of that decision, all confidential information submitted by the parties will be returned to them, or destroyed.
- (f) *Requirements of Opinion If Post-Grant Review Initiated.* If the Director decides to institute a post-grant review, the Order on Post-Grant Review instituting such review shall:
- (1) State with particularity which of petitioner's positions were deemed to have satisfied the threshold requirement of 35 USC 324(a) as to which of the claims of the patent at issue;
  - (2) For each claim, which item or combination of items of prior art was deemed to have satisfied the threshold; and,
  - (3) For each claim, each position advanced by the petitioner that otherwise satisfied the threshold. [AIA §324(a); §328(b)]
- (g) *Scope of Post-Grant Review Limited to Grounds Set Forth in Opinion.* The post-grant review will proceed only as to those claims as to which the threshold was met, and will be restricted in scope to subject matter directly relevant to those positions of the petitioner that

were found to have satisfied that threshold, and reasonable rebuttal and impeachment evidence relating thereto. [AIA §326(b)]

- (h) *Confirmation of Patentability of Claims Not Subject to Post-Grant Review.* The patentability of each claim as to which the threshold showing was not met shall be confirmed in the Order on Post-Grant Review. [AIA §328(b)]

#### **§ 41.305 Joinder and Relationship of Multiple Proceedings.**

- (a) *Multiple Petitions for Post-Grant Review.* If more than 1 petition for a post-grant review under Chapter 32 of 35 United States Code is filed against the same patent and the Director determines that more than 1 of these petitions warrants the institution of a post-grant review under section 35 U.S.C. 324, the Director may consolidate such reviews into a single post-grant review. [AIA §325(c)]
- (b) *Multiple Proceedings.* Notwithstanding sections 135(a), 251 and 252 and chapter 30 of 35 United States Code, during the pendency of any post-grant review, 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. [AIA §325(d) (1st sentence)]
- (c) *Overlapping Issues in Multiple Proceedings or Matters.* In determining whether to institute or order a proceeding under Chapters 30, 31 or 32, 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. [AIA §325(e) (2nd sentence)]
- (d) *Request for Joinder.* Within one month of the institution of a post-grant review, any party to that review may request the joinder of another person who has properly filed a petition for post-grant review. [AIA §325(c); AIA §326(a)(4)] The Director, in his or her discretion, may grant the request, provided that—
  - (1) *Time Period for Requesting Joinder.* A request for joinder may not be granted if it is brought more than one month following the Director’s determination to institute a post-grant review in the proceeding into which joinder of another person is requested. [AIA §325(c) & (d); AIA §326(a)(4)]
  - (2) *Petition of the Party To Be Joined Must Meet Threshold for Post-Grant Review.* The Director may order joinder of a person as a party to post-grant review only if the Director, after receiving the person’s petition for post-grant review, and after receiving the patent owner’s preliminary response, or if the patent owner does not file a preliminary response, after expiration of the time for filing such a response, determines that the petition warrants the institution of a post-grant review. [AIA §325(c) & (d); AIA §326(a)(4)]

### § 41.306 Conduct of Post-Grant Review.

- (a) *Timing, Sequence and Content of Submissions.* Discovery, submissions of briefs and evidence, and other proceedings during a post-grant review shall be sequenced as set forth herein. [AIA §326(a)(4) &(5) & (11); §326(b)]
- (b) *Patent Owner's Discovery Period.* The patent owner's discovery period [AIA §326(a)(5) & (11); §326(b)] shall commence upon the Director's decision instituting post-grant review and shall close on the earlier of: (i) six months thereafter; or (ii) submission of the Patent Owner's Response on Post-Grant Review.
- (c) *Patent Owner's Response on Post-Grant Review.* The Patent Owner's Response on Post-Grant Review [AIA §326(a)(8)] shall be filed within six months of the Director's decision instituting post-grant review and shall include such evidence and argument the patent owner chooses to submit in support of the response, which may include—
  - (1) the Patent Owner's Responding Brief on Post-Grant Review and supporting evidence; and
  - (2) the Patent Owner's Motion to Amend the Patent.
- (d) *Petitioner's Rebuttal Discovery Period.* The Petitioner's Rebuttal Discovery Period [AIA §326(a)(5) & (11); §326(b)] shall commence following the submission of the Patent Owner's Response on Post-Grant Review, provided that such a response is filed, and shall close on the earlier of: (i) three months thereafter; or (ii) submission of the Petitioner's Written Comments in Support of Post-Grant Review.
- (e) *Petitioner's Written Comments in Support of Post-Grant Review.* The petitioner shall be entitled to file Written Comments in Support of Post-Grant Review [AIA §326(a)(12)] no later than three months following the submission of the Patent Owner's Response on Post-Grant Review, provided that the patent owner files such a response. The written comments shall be limited to rebuttal of the Patent Owner's Response on Post-Grant Review and opposition to any Motion To Amend the Patent.
- (f) *Oral Hearing.* An Oral Hearing before the Patent Trial and Appeal Board [AIA §326(a)(10)], if demanded by any party to a post-grant review, shall take place no earlier than 45 days following the filing of, or expiration of the time to file, the Petitioner's Written Comments in Support of Post-Grant Review.
- (g) *Final Written Decision.* The Patent Trial and Appeal Board shall issue its Final Written Decision [AIA §328(a)] within 3 months of the filing, or expiration of the time to file, Petitioner's Written Comments in Support of Post-Grant Review, unless the date has been extended in accordance with this subpart; provided, however, that the Decision of the Board in no event issues more than 18 months from the time of initiation of the post-grant review.

(h) *Automatic Extensions of Deadlines---*

- (1) If the Grounds set forth in the Director's Opinion include obviousness, Prior Public Disclosure, or Special Grounds, the patent owner's discovery period shall close eight months after the date of the Director's decision instituting post-grant review, and the remaining times shall be adjusted accordingly. [AIA §326(a)(11)]
  - (2) If the Patent Owner's Response on Post-Grant Review includes assertions of fact relating to Secondary Indicia of Nonobviousness; or if the Patent Owner's Motion to Amend the Patent seeks to amend the patent by adding claim elements not previously contained in the claims that are the subject of the post-grant review, or by adding more than 10 substitute claims, then the petitioner's discovery period shall close four months after the submission of the Patent Owner's Response On Post-Grant Review and the remaining times shall be adjusted accordingly. [AIA §326(a)(10)]
- (i) *Extensions of Deadlines for Good Cause.* The Board may, for good cause shown, extend the time periods set forth in this section, provided the time within the Board issues its Final Written Decision does not exceed 18 months from the date of the institution of the post-grant review. [AIA §326(a)(10)]

**§ 41.307 Discovery Scope and Limits.**

- (a) *Limitation of Scope of Discovery.* Discovery may be taken as to any evidence directly related to the factual assertions advanced by any party in the post-grant review to support or rebut any Grounds set forth in the Order for Post-Grant Review. Evidence directly related to such assertions includes evidence pertaining to authenticity, credibility, and the qualifications of experts.[§326(a)(5)]
- (b) *Admissibility of Evidence.* Any evidence obtained from discovery that was not sought, taken or filed in accordance with this subpart and title 37, part 41 shall be inadmissible in the post-grant review and shall not be made part of the record or considered by the Board.
- (c) *Discovery Sequencing.* During the patent owner's discovery period, the petitioner shall not be entitled to notice, serve or to take discovery, except that petitioner may question the witnesses being deposed by the patent owner on the subject matters of the testimony elicited by the patent owner during those depositions and on matters relating to authenticity of the evidence, or the witness's credibility or qualifications. During the petitioner's discovery period, the patent owner shall not be entitled to notice, serve or take discovery, except that patent owner may question the witnesses being deposed by the patent owner on the subject matters of the testimony elicited by the petitioner during those depositions and on matters relating to authenticity, or the witness's credibility or qualifications. [AIA §326(a)(5) & (11); §326(b)]

- (d) *Discovery of Electronically Stored Information.* Requests for the production of documents and things shall not be construed to include email or other forms of electronic correspondence (collectively “email”). To obtain discovery of email, a party must seek leave of the Board by filing a miscellaneous motion setting forth the specific email production requests the party wishes to propound. [AIA §326(a)(5) & (11); §326(b)]
- (e) *Patent Owner’s Discovery As Of Right.* The patent owner shall be entitled to take the following discovery without leave from the Board—
- (1) A deposition upon oral examination of each person submitting a declaration or affidavit in support of the petition, and of each person otherwise identified by the Petitioner in petitioner’s Initial Disclosures;
  - (2) No more than three depositions of other witnesses believed to have information directly related to the petitioner’s factual assertions and positions that support or otherwise form a basis for any Grounds set forth in the Order for Post-Grant Review;
  - (3) A deposition upon oral examination of any witness offering expert opinion or testimony on behalf of the petitioner; and
  - (4) 20 requests for the production of documents and things, including subparts. [AIA §326(a)(5) & (11); §326(b)]
- (f) *Petitioner’s Rebuttal Discovery As Of Right.* The petitioner shall be entitled to take the following discovery solely to rebut evidence and arguments set forth in Patent Owner’s Response on Post-Grant Review without leave from the Board –
- (1) A deposition upon oral examination of each person submitting a declaration or affidavit in support of Patent Owner’s Response on Post-Grant Review;
  - (2) A deposition upon oral examination of any witness offering expert opinion or testimony on behalf of the patent owner;
  - (3) If the patent owner has filed a motion to add substitute claims containing claim limitations that differ substantially in substance from any of the claim limitations previously appearing in the patent, and petitioner wishes to rely on prior art patents or publications not previously relied upon by the petitioner to rebut the patentability of such new claims, petitioner may include in the questioning of an expert being deposed pursuant to subparagraph (2) above, questions directed to the subject matters of those new claim limitations in view of the disclosures of such prior art patents and publications, provided petitioner serves a copy of each such patent and publication on the patent owner at least 14 days in advance of the deposition, and
  - (4) 10 requests for the production of documents and things, including subparts.
- (g) *Testimony from Additional Witnesses.* If the petitioner seeks to include with its written comments the testimony of persons in addition to those who persons submitted testimony on behalf of the patent owner, the petitioner must file a motion with the Board seeking leave to introduce such testimony. Any such testimony may be offered solely to rebut evidence and arguments set forth in Patent Owner’s Response on Post-Grant Review.

The Board may grant such motion for good cause shown, conditioned on the patent owner being afforded the right to cross-examine such persons by oral deposition and to submit such cross-examination testimony to the Board. [AIA §326(a)(5) & (11); §326(b)

(h) *Depositions.*

- (1) *Time Limits for Depositions.* The party noticing deposition may pose questions to each witness for no more than seven hours. The deposition shall begin with the party noticing the deposition questioning the witness on direct or cross examination, as the case may be. The opposing party may then question the witness (on cross or re-direct, as the case may be) limited to the subjects of the noticing party's questioning, for a period lasting no longer than one half of the period of the of the noticing party's initial questioning. The party noticing the deposition may then pose further questions to the witness limited to the subjects opposing party's questioning, for a period lasting no longer than the shorter of: (i) one half of period of the opposing party's questioning; or (ii) the remainder of the seven hours of total questioning allowed the noticing party. Attorney colloquy and the statement of objections shall not be counted in determining these times. [AIA §326(a)(5) & (11); §326(b)]
  - (2) *Location and Scheduling of Depositions.* Any person providing an affidavit, declaration or expert opinion in support of any party in the post-grant review, and any other person identified in a party's Initial Disclosures as within the control of a party or who otherwise has consented to appear for deposition in connection with the post-grant review, shall make themselves available for deposition in the United States within fourteen days of being served with a notice of deposition. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C.
  - (3) *Objections.* Objections shall be limited to those relating to the form of the question. All other objections are reserved and may be addressed by a party in its written submissions. In making a form objection, the party making the objection may succinctly state the type of objection, but may not make speaking objections.
- (i) *Subpoenas.* A party seeking a deposition of a witness not available under the preceding subsection may cause a subpoena to issue pursuant to 35 U.S.C. § 24 [AIA §326(a)(5) & (11); §326(b);35 USC § 24] to compel the attendance of the witness and the production of documents believed to be within that witness's possession, custody or control that are believed to bear directly upon the issues raised in the post-grant review. Such a subpoena shall be served in accordance with Rule 45 of the Federal Rules of Civil Procedure and shall be subject to the requirements and protections of witnesses set forth therein. [AIA §326(a)(4)& (5)]
  - (j) *Additional Discovery.* Upon motion by any party and for good cause shown, the Board may order discovery in excess of these limitations. [AIA §326(a)(5) & (11); §326(b)]

**§ 41.308 Miscellaneous Motions and Sanctions** [AIA §326(a)(4), (5); 326(b)]

- (a) *Presiding Judge.* The Patent Trial and Appeal Board three-judge panel to which the post-grant review has been assigned may designate a Presiding Judge to decide miscellaneous motions.
- (b) *Duty to Meet and Confer.* A miscellaneous motion shall be filed only after the parties have met and conferred in an effort to resolve their dispute without Board involvement. Each such motion shall be accompanied with a certification by representative of record for the moving party that the parties have met and conferred in an attempt to resolve the matters set forth in the motion. If the nonmoving party has refused to meet and confer, the moving party shall so state in its certification and shall describe the good-faith attempts it made to meet and confer prior to filing the motion.
- (c) *Initial Telephone Conference with Presiding Judge.* Prior to filing a miscellaneous motion, the parties shall obtain authorization from the Board. Ordinarily such authorization should be obtained through an initial telephone conference including the Presiding Judge and every other party to the post-grant review. The Presiding Judge may decide the motion during the initial telephone conference, may decide to rule on the motion after submission of briefs but without a hearing, or may set a hearing date for the motion.
- (d) *Filing and Service; Length of Papers.*
  - (1) *Motions To Be Decided on the Papers.* Any miscellaneous motion that the Board has ordered to be decided without a hearing shall be filed and served on all other parties within five business days after the Initial Telephone Conference with Presiding Judge. Any party opposing the motion shall be entitled to file a brief in opposition to the motion. Any such opposition brief shall be filed with the Board and served on all other parties no later than three business days after the moving party has filed the motion with the Board.
  - (2) *Motions To Be Decided with a Hearing.* Any miscellaneous motion for which the Board has ordered a hearing shall be filed and served on all other parties at least seven business days before the hearing on the motion. Any party opposing the motion shall be entitled to file a brief in opposition to the motion. Any such opposition brief shall be filed with the Board and served on all other parties no later than three business days before the hearing on the motion.
  - (3) *Page Limits.* Any miscellaneous motion and any opposition to the motion shall not exceed 10 pages in length.
- (e) *Hearings.*
  - (1) A party seeking a hearing on a miscellaneous motion shall request the hearing during the Initial Telephone Conference with Presiding Judge.

- (2) Hearings ordinarily will be conducted through a telephone conference including the Presiding Judge and every other party to the post-grant review.
- (3) If a request for an oral hearing is granted, each party will have a total of 10 minutes to present its arguments, including any time the moving party reserves for rebuttal.
- (f) *No Tolling*. The filing of a miscellaneous motion shall not toll any of the times for taking any action or relieve a party of any discovery or other obligations in the post-grant review.
- (g) *Sanctions*. The Board may impose sanctions against a party, counsel for a party, or other representatives of a party for misconduct, including abuse of discovery, abuse of process, or any other improper use of the proceeding, such as to harass or to cause unnecessary delay or an unnecessary increase in the cost of the proceeding. Such sanctions may include those set forth in part 41.309, as well as—
  - (1) Dismissal of the Petition for Post-Grant Review in whole or in part; and
  - (2) Cancellation of any or all claims subject to post-grant review. [AIA §326(a)(6)]

#### **§ 41.309 Patent Owner's Response on Post-Grant Review.**

- (a) *Contents*. The Patent Owner's Response on Post-Grant Review shall include any affidavits or declarations, or additional factual evidence and expert opinions, on which the patent owner relies in support of the response. [AIA §326(a)(3), (4) & (8); §326(b)]
- (b) *Patent Owner's Responding Brief on Post-Grant Review*. The patent owner's response may include a brief, identifying those claims for which post-grant review has been instituted that the patent owner contends are patentable, and including all arguments and evidence supporting such contentions. [AIA §326(a)(3), (4) & (8); §326(b)]
- (c) *Type-Volume Limitation*. The brief shall not exceed in length the following type-volume limits:
  - (1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or
  - (2) In the event that the Director has ordered review of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.
- (d) *Supporting Papers*. The Patent Owner's Response on Post-Grant Review shall include all evidence relied upon in support of the response, including:
  - (1) Copies of patents and printed publications that the patent owner relies upon in support of the response;



- (2) Copies of all other documents and an identification of all things that the *patent owner relies upon* in support of the response;
  - (3) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the response relies upon factual evidence or on expert opinions;
  - (4) A certification from the patent owner's representative of record agreeing that each person signing an affidavit or declaration on the patent owner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the petitioner's period for rebuttal discovery. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C. The patent owner may agree to pay the reasonable travel and living expenses of a deposition witness for the period reasonably necessary to facilitate such deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee. [AIA §326(a)(3), (4), (5) & (8); §326(b)]
- (e) *Expert Testimony.* Any expert opinions submitted with the patent owner's response must comply with the rules of the Federal Rules of Civil Procedure relating to expert reports, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure. [37 CFR §41.152 & §41.158; Federal Rules of Civil Procedure, Rule 26(a)(2)(B)]
- (f) *Claim Charts.* The patent owner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume limitations applicable to the patent owner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)]
- (g) *Certificate of Service.* The response shall be accompanied by a Certificate of Service, signed by the patent owner or the patent owner's representative of record, certifying that the petitioner has been served with the patent owner's response and all supporting papers. [AIA §326(a)(4)]

#### **§ 41.310 Patent Owner's Motion to Amend the Patent.**

- (a) *Time for Filing.* At the time of the filing of the Patent Owner's Response on Post-Grant Review, the patent owner may file a Motion to Amend the Patent. [AIA §326(a)(9) & (d)(1)]
- (b) *Contents.*
  - (1) In the Motion to Amend the Patent, the patent owner may amend the patent in one or more of the following ways:
    - (A) Cancel any claim under challenge in the post-grant review;

- (B) Rewrite any claim depending from a cancelled claim into independent form; and/or
  - (C) For each canceled claim, propose a reasonable number of substitute claims. [AIA §326(a)(9) & (d)(1)]
- (2) In a separate Appendix that shall not count toward the page limitation, the Motion To Amend the Patent shall identify with specificity each claim the patent owner cancels, each claim for which the patent owner proposes substitute claims, and the entire claim for each proposed substitute claim, in the following manner:
- (A) A complete listing of the original, canceled and proposed substitute claims. In the claim listing, the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original); (Canceled); (Replaced by Proposed Substitute) or (Proposed Substitute for Original Claim X).
  - (B) Each proposed substitute claim shall be presented in the claim listing following the original claim for which the patent owner proposes to substitute the new claim, and must be submitted with markings to indicate the changes that have been made relative to the original claim for which it would be a substitute. The text of any added subject matter must be shown by underlining the added text. The text of any deleted matter must be shown by strike-through, except that double brackets placed before and after the deleted characters may be used to show deletion of five or fewer consecutive characters. The text of any deleted subject matter must be shown by being placed within double brackets if strike-through cannot be easily perceived. [AIA §326(a)(3), (4) & (9); §326(b) & (d)(1)]
- (3) The patent owner may submit a Brief in Support of the Motion To Amend the Patent, which shall not exceed 15 pages in length and shall be made available to the public as part of the prosecution history of the patent. [AIA §326(a)(3), (4) & (9); §326(b) & (d)(1)]
- (A) *Immediate Effect of Claim Cancellation.* Any claims canceled in the Motion To Amend the Patent are removed from the patent, and no longer shall be subject to any further actions in the post-grant review. [AIA §326(a)(3) & (4); §326(b)]
  - (B) *Entry of Substitute Claims and Effective Date.* If the patent owner proposes substitute claims, those original claims for which substitutes have been proposed shall be deemed cancelled and replaced by the proposed substitute claims. The claims so cancelled shall not be enforceable thereafter and no longer shall be subject to any further actions in the post-grant review. Decisions on whether each proposed substitute claim shall be entered will be made as part of the Board's Final Written Decision. Until such time,

proposed substitute claims shall not be entered or enforceable. [AIA §326(a)(3), (4) & (9); §326(b) & (d)(1)]

(C) *Additional Motions To Amend.* Additional motions to amend the claims may only be permitted—

(i) Upon the joint request of the petitioner and the patent owner to materially advance the settlement of the post-grant review proceeding; or

(ii) Upon the request of the patent owner for good cause shown. [AIA §326 (b); §326(d)(2)]

(4) *Scope of Claims.* No amendment may enlarge the scope of the claims of the patent or introduce new matter. [AIA §326 (b); §326(d)(3)]

### **§ 41.311 Petitioner’s Written Comments In Support of Post-Grant Review.**

(a) *Scope and Contents.*

(1) *Brief and Supporting Evidence.* The petitioner’s Written Comments in Support of Post-Grant Review shall be limited to rebuttal of the Patent Owner’s Response on Post-Grant Review. The petitioner may file a brief, supported by citation to evidence previously submitted to the Board by any party, and factual rebuttal and impeachment evidence adduced from the patent owner or the patent owner’s witnesses during the Petitioner’s Rebuttal Discovery Period. No new arguments of unpatentability or additional expert testimony or opinions may be introduced with the written comments.

(2) *Type-Volume Limitation.* The brief shall not exceed 20 pages in length, unless it contains no more than 9,500 words, or it uses a monospaced face and contains no more than 850 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 20 pages or fewer in length, in which case no certificate is required.

(b) *Opposition To Any Motion To Amend the Patent.* Together with the written comments, the petitioner is entitled to file a Brief in Opposition to the Motion to Amend the Patent, provided that the patent owner filed such a motion. The opposition shall be limited in length to 15 pages and shall address only the proposed substitute claims, except that if the patent owner’s motion seeks to substitute claims containing claim limitations that differ substantially in substance from any of the claim limitations previously appearing in the patent, and petitioner has complied with § 41.307(f)(3), then petitioner may include an additional section in its brief, not exceeding 5 pages, directed solely to issues of the patentability of such claims, including the contentions concerning the impact of petitioner’s newly-cited patents and publications on those claims. [AIA §326(a)(3), (4) & (9); §326(b)]

- (c) *Certificate of Service.* The written comments and any opposition to a Motion to Amend the Patent shall be accompanied by a Certificate of Service, signed by the petitioner or the petitioner's representative of record, certifying that the patent owner has been served with the written comments, any opposition to the Motion to Amend the Patent, and all supporting papers. [AIA §326(a)(4)]

#### **§ 41.312 Settlement.**

- (a) *Joint Request for Termination.* A joint request for termination of a post-grant review shall be signed by the petitioner and the patent owner, shall be filed with the Board and shall be served upon all other parties to the post-grant review. [AIA §327(a) (1st sentence)]
- (b) *Timing.* A post-grant review shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Director has decided the merits of the proceeding before the request for termination is filed. [AIA §327(a)(1st sentence)]
- (c) *Estoppel Within the Office.* If the post-grant review is terminated with respect to a petitioner, no estoppels within the Office shall attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner's institution of that post-grant review. [AIA §327(a)(2nd sentence)]
- (d) *No Remaining Petitioners.* If no petitioner remains in the post-grant review, the Office shall terminate the post-grant review unless good cause exists to proceed to a final written decision. [AIA §327(a)(3rd sentence)]
- (e) *Settlement Agreements.*
- (1) *All Agreements in Writing.* Any agreement or understanding between the patent owner and a petitioner, including any collateral agreements referred to in such agreement or understanding, made in connection with, or in contemplation of, the termination of a post-grant review shall be in writing, and a true copy of such agreement or understanding shall be filed in the Office before the termination of the post-grant review as between those parties. [AIA §327(b)(1st sentence)]
  - (2) *Confidentiality.* At the request of a party to the proceeding, the agreement or understanding shall be treated as confidential information, shall be kept separate from the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause, after reasonable notice and opportunity to object has been provided to the parties to the agreement or understanding. [AIA §327(a)(2nd sentence)]

### **§ 41.313 Demand for Oral Hearing.**

- (a) *Right To Oral Hearing.* Any party to a post-grant review may exercise its right to an Oral Hearing before the Patent Trial and Appeal Board by filing a written Demand for Oral Hearing. [AIA §326(a)(10)] Such a demand must be filed no later than 15 days following the filing, or deadline for filing, of petitioner's Written Comments in Support of Post-Grant Review.
- (b) *Certificate of Service.* The Demand for Oral Hearing shall be accompanied by a Certificate of Service, signed by the filing party or that party's representative of record, certifying that all other parties have been served with the demand.
- (c) *Notice and Timing of Hearing.* The Board shall set a hearing date and time, and shall provide notice to all parties at least 15 days in advance of the hearing date. [AIA §326(a)(2, (4) & (b))]
- (d) *Decision in Absence of Oral Hearing.* If no party has requested an oral hearing within the prescribed time, the Board shall enter judgment in the post-grant review based on the entire written record of briefs, other papers and admissible evidence submitted by the parties. [AIA §326(a)(2, (4) & (b); §328(a)]

### **§ 41.314 Conduct of the Oral Hearing.**

- (a) *Date, Time and Location.* The Oral Hearing shall be held as provided in the notice.
- (b) *Board Panel.* The Oral Hearing shall be held before the three-member panel of the Board to which the post-grant review was assigned.
- (c) *Oral Argument Length.* Each party shall be given at least 30 minutes to present its arguments, including any rebuttal time reserved by the petitioner.
- (d) *Arguments and Evidence of Record.* No live witness testimony or new evidence shall be submitted at the Oral Hearing. Each party may only rely on evidence that has been previously submitted in the proceeding and may only present arguments relied upon in the briefs previously submitted in the proceeding.
- (e) *Order of Presentations.* The petitioner shall present its argument first, followed by the patent owner. The petitioner may reserve up to 10 minutes of rebuttal time immediately following the patent owner's argument. When proceedings have been consolidated or joined, or when more than one petitioner is presenting oral argument, the Board shall determine the order of presentation.
- (f) *Admissibility of Evidence.* All objections to the admissibility of evidence raised in the briefs shall be preserved without filing a motion to exclude, a motion in limine or restating such objections at the Oral Hearing. The Board shall not rule on evidentiary objections during the oral hearing, but may address the admissibility of evidence material to its judgment in its Final Written Decision.

### § 41.315 Decision of the Board.

- (a) *Issuance.* If a post-grant review is instituted and not terminated in accordance with this subpart, the Board shall issue a Final Written Decision with respect to the patentability of each patent claim under review, including each original claim of the patent that has not been canceled or disclaimed, and each substitute claim proposed in any pending Motion to Amend the Patent. [AIA §328(a)]
- (b) *Time for Decision.* The Board shall issue its Decision not more than one year from the time of initiation of the post-grant review, except in the following circumstances the final decision may be extended beyond one year by the Board; provided, however, that the Decision of the Board within up to 18 months from the time of initiation of the post-grant review if:
- (1) The Grounds set forth in the Director's Opinion include obviousness, Prior Public Disclosure, or Special Grounds;
  - (2) The Patent Owner's Response on Post-Grant Review raises issues of fact relating to Secondary Indicia of Nonobviousness;
  - (3) The Patent Owner's Motion to Amend the Patent seeks to amend the patent by adding claim elements not previously contained in any of the claims of the patent that are the subject of the post-grant review, or by adding more than 10 substitute claims; or
  - (4) The Board, for good cause shown, extends the time period for issuance of the Final Written Decision. [AIA §326(a)(11)]
- (c) *Termination Due To Unavailability of Evidence:* If at any time prior to the final decision of the Board, the Director determines that evidence that is needed to fairly decide one or more issues is or will be unavailable to the Board within the required time frame to complete the proceeding, through no fault of either party, the proceeding or any part thereof may be terminated without prejudice.
- (d) *Time for Decision After Joinder.* In the case of joinder of post-grant review proceedings, the time period for all actions in the post-grant review, including issuance of the Final Written Decision, shall run from the date of the institution of the latest joined petition. [AIA §325(c) & (d)]
- (e) *Contents.* The Final Written Decision shall include—
- (1) The Board's judgment, reasoning and supporting grounds and evidence, with respect to the patentability of each patent claim under review, including each original claim of the patent that has not been canceled or disclaimed, and each substitute claim proposed in any pending Motion to Amend the Patent; and,
  - (2) Any collateral decisions that are material to the Board's judgment with respect to any claim, such as the Board's claim construction, ruling on the admissibility of material evidence, determination regarding the credibility of witnesses or weight afforded to material evidence, determination of the qualifications of any experts

and admissibility of any expert opinion or testimony, and findings or conclusions with respect to any other factual or legal question material to the judgment.

- (f) *Reconsideration.* A party dissatisfied with the Decision may only file a motion for reconsideration based on an allegation that the Board made a manifest error of fact or law. A request for reconsideration must be filed within 10 business days from issuance of the Final Written Decision and must specifically identify all such alleged manifest errors, with a citation to the page and line of the party's submissions where that question of fact or law was addressed prior to the Board's decision. The Board may deny the request for reconsideration without requiring a response from the prevailing party, but may grant a request for reconsideration only after the prevailing party has been afforded an opportunity to respond. [§326(a)(4); 326(b)]
- (g) *Certificate.* If the Board issues its Final Written Decision and the time for appeal has expired or any appeal has terminated, the Director shall issue and publish a certificate canceling any claim of the patent that was canceled or disclaimed by the patent owner, canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and incorporating in the patent by operation of the certificate any new or amended claim determined to be patentable. [AIA §328(b)]

#### **§ 41.316 Appeal.**

- (a) *Right To Appeal.* A party dissatisfied with the Final Written Decision of the Board may appeal the decision to the United States Court of Appeals for the Federal Circuit pursuant to sections 141 through 144 of title 35, United States Code. Any party to the post-grant review shall have the right to be a party to the appeal. [AIA §329]
- (b) *Exhaustion of Office Review.* The parties to a post-grant review may not file a notice of appeal until all parties' rights to request reconsideration have been exhausted, at which time the Final Written Decision of the Board becomes final and appealable by any party in the post-grant review. [§326(a)(4); 326(b)]

## **Subpart G—Inter partes review**

### **§ 41.400 Definitions.**

In addition to the definitions in §§41.2 and 41.100, the following definitions shall apply to proceedings under this subpart:

*AIA* means the Leahy-Smith America Invents Act, Public Law No: 112-29, codified in title 35, United States Code.

*Petitioner* as used in this subpart means the person seeking the inter partes review who is not the owner of the patent that is sought to be the subject of the inter partes proceeding and the real parties in interest.

*Privy* means a person who has a direct relationship to the petitioner with respect to the challenged patent or product or process accused of infringement of the challenged patent. Privies shall include all persons having a direct contractual, commercial or financial interest in the outcome of the inter partes review, including suppliers of components for the accused product or process, customers of petitioner who have been provided notice of the accused infringement, other persons receiving notice against whom the patent may be asserted jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process as the petitioner, and participants in a joint defense agreement or other group with the petitioner based on a community of legal interests.[See 157 Cong. Rec. §5432 (daily ed. September 8, 2011); see also 157 Cong. Rec. §1368, §1376 (daily ed. March 8, 2011)]

*Real Parties in Interest* means the petitioner and all affiliates of the petitioner, including anyone who owns or is owned by the petitioner in whole or in part, or who controls, is controlled by, or is under common control with the petitioner. [AIA, § 322(a)(2)]

*Grounds* means a ground that could be raised under section 102 or 103 of title 35, United States Code, on the basis of prior art consisting of patents or printed publications. [AIA §311(b)] *Grounds* shall include lack of novelty and obviousness. *Grounds* do not include noninfringement, absence of liability for infringement, non-statutory subject matter, prior public disclosures other than in the form of patents or printed publications, indefiniteness, lack of enablement, improper enlargement of a reissue patent, unenforceability or any other fact or act made a defense to infringement of a patent by title 35, United States Code. [AIA §326(a)(2), (4); 326(b)]



*Secondary Indicia of Nonobviousness* means facts relating to whether (a) there was a long felt need for a solution to the problem addressed by the invention of the patent; (b) whether others including the petitioner have copied the claimed invention, or any part thereof, or have otherwise tried or are trying to develop a product or process that is similar to or would compete with the claimed invention; (c) whether others including the petitioner have failed to achieve the results achieved by the claimed invention; (d) whether others including the petitioner have lauded or otherwise paid tribute to the claimed invention; and, (e) whether and to what degree any embodiment of the claimed invention has achieved commercial success.

**§ 41.401 Procedure; pendency; timing and eligibility.**

- (a) *Governing Provisions.* An inter partes review is a contested case subject to the procedures set forth in subpart D of this part, and subject to the general provisions set forth in subpart A of this part, except as modified, amended or otherwise provided in this subpart.
- (b) *Timing of Petition for Inter Partes Review.* A petition for inter partes review may only be filed after the later of (i) September 16, 2012, (ii) the date that is 9 months after the grant of a patent or issuance of a reissue of a patent; or (iii) if a post-grant review is instituted under chapter 32 of 35 United States Code, the date of the termination of such post-grant review, including any appeals. [AIA §311(c)] Thereafter, a petition for inter partes review may be filed at any time during the period of enforceability of a patent.
- (c) *Claim Construction.* A claim subject to inter partes review shall be given its broadest reasonable construction in light of the specification and prosecution history of the patent in which it appears. [AIA §326(a)(2), (4); 326(b)]
- (d) *Burden of Proof.* In an inter partes review instituted under this subpart, the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence. [AIA §316(e)]
- (e) *Pendency.* Inter partes reviews shall be administered such that pendency before the Board from the time of initiation to a final decision is normally no more than one year, and in no event more than 18 months, except that in the case of joinder, such periods shall run from the date of the institution of the latest joined petition. [AIA §316(a)(11) & (12); AIA §315(c) & (d)]
- (f) *Protective Order.* Upon the motion of any party to an inter partes review, the Board shall enter the Standing Protective Order to govern the exchange among the parties, and filing with the Board, of confidential documents and information. [AIA §316(a)(7)] This Protective Order takes effect as of the date of filing of a Motion to Invoke the Standing Protective Order and shall remain in place until lifted or modified by the Board upon the motion of a party, and for good cause shown.
- (g) *Confidential Information.* A party may not withhold evidence or information from any other party who has executed the Standing Protective Order during discovery or other proceedings

in an inter partes review on the basis of its alleged confidentiality. [AIA §316(a)(1), (6) & (7)]

- (h) *Publicly-Available Record.* With the exception of documents and information properly designated as confidential under the terms of this subpart, the record of an inter partes review proceeding shall be available to the public. [AIA §316(a)(1)]

#### § 41.402 Petitions for Inter Partes Review.

(a) *Fee and Certifications.* A petition for inter partes review will be considered only if –

(1) *Fee.* The petition is accompanied by payment of the fee established by the Director under 35 U.S.C. 311; [Reference to fee schedule needed here.] [AIA §311(a); AIA §312(a(1))]

(2) *Real Parties In Interest.* The petition includes a Certification of Real Parties in Interest, identifying all real parties in interest [AIA §312(a)(2)] and privies; and

(3) *Power of Attorney.* If the petition is filed by an attorney or agent identifying another party on whose behalf the request is being filed, a Certification that the attorney or agent has a power of attorney from that party or is acting in a representative capacity pursuant to 37 C.F.R. § 1.34(a).

(b) *Petitioner's Opening Brief.* The petition includes Petitioner's Opening Brief in Support of Inter Partes Review, identifying with particularity each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim [AIA §312(a)(3); 157 Cong. Rec. §1368, §1376 (daily ed. March 8, 2011 (“...the elevated threshold will require challengers to front load their case...[and]...tie their challenges to particular validity arguments against particular claims...[to] prevent challenges from ‘mushrooming’ after the review is instituted.”)]

(c) *Type-Volume Limitation.* The brief shall not exceed in length the following type-volume limits:

(1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or

(2) In the event that the petition challenges the validity of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.

(d) *Eligibility of the Patent for Inter Partes review.* The petition attaches a Certification of Eligibility for Inter Partes Review, stating:

- (1) That the patent sought to be reviewed issued more than 9 months prior to the date of filing of the petition and is not the subject of a post-grant review that has not yet been terminated [AIA §311(c)(1)];
  - (2) That before the filing of the petition, neither petitioner, nor the real party in interest, nor a privy to the petitioner filed a civil action challenging the validity of a claim of the patent [AIA §315(a)(1)];
  - (3) That neither the petitioner, the real party in interest nor a privy of the petitioner was served more than one year before with a complaint alleging infringement of the patent sought to be the subject of the inter partes review [AIA §315(b)]; and
  - (4) That, except as identified, the patent sought to be made the subject of the inter partes review is not to petitioner's knowledge the subject of another proceeding or matter pending before the Office. [AIA §315(d)]
- (e) *Evidence in Support of the Petition.* The petition is accompanied by all evidence relied upon in support of the petition, including:
- (1) Copies of patents and printed publications that the petitioner relies upon in support of the petition, together with any necessary evidence showing the fact and date of publication;
  - (2) Copies of all other documents and an identification of all things that the petitioner relies upon in support of the petition;
  - (3) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the petition relies upon factual evidence or on expert opinions;
  - (4) A certification from the petitioner's representative of record agreeing that each person signing an affidavit or declaration on the petitioner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the patent owner's period for discovery that follows the institution of the requested post-grant review. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C. The petitioner owner may agree to pay the reasonable travel and living expenses of a deposition witness for the period reasonably necessary to facilitate such deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee. [AIA §312(a)(3) & (4); AIA §316(a)(3)]
- (f) Expert testimony submitted with the petition must comply with the rules of the Federal Rules of Civil Procedure relating to expert reports, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure. [37 CFR §41.152 & §41.158; Federal Rules of Civil Procedure, Rule 26(a)(2)(B)]
- (g) *Initial Disclosure Relating to Obviousness.* If the petition seeks cancellation of one or more claims in whole or in part on the basis of the alleged obviousness of one or more of

the claims, the petition includes an Initial Disclosure of Information Relating to Obviousness:

- (1) Identifying, to the extent known by the petitioner, the names, residences, employers, and email addresses of all persons other than those offering affidavits or declarations who are reasonably likely have information relating to the secondary indicia of nonobviousness;
  - (2) Indicating which of such persons identified in subpart (A) are within the control of petitioner or have otherwise consented to appear for deposition in connection with the inter partes review;
  - (3) Indicating which if any of such persons identified in subpart (A) are represented by petitioner's counsel;
  - (4) Attaching all documents and things within Petitioner's possession, custody or control referring or relating to such secondary indicia of nonobviousness;
  - (5) Identifying all things relating to the secondary indicia of nonobviousness, including a complete description, photographs, the chemical analysis (if the chemical composition of the thing is in issue), and their locations, and whether petitioner will produce such things for inspection, analysis, testing and sampling. [AIA §312(a)((3) &(4): AIA §316(a)(2),(4) & (5)(b); 37 CFR 56]
- (h) *Claim Charts*. The petitioner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume limitations applicable to the petitioner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)]
- (i) *Certificate of Service*. The petition is accompanied by a Certificate of Service, signed by the petitioner's representative of record, certifying that the petitioner has served the patent owner with a copy of the petition and all supporting documentation.
- (j) *Confidential Information*. If the petition contains information believed by the petitioner to be confidential, the petitioner may file with the petition a Motion to Invoke the Standing Protective Order, which shall be deemed to be granted as of the date of filing of the motion and shall remain in effect until lifted or modified by the Board upon the motion of a party and for good cause shown. [AIA §326(a)(1)] The petitioner shall serve a non-confidential version of the petition on the patent owner, clearly indicating the locations where confidential information has been redacted, along with a non-confidential general description of the redacted information. The petitioner also shall serve the patent owner with a copy of the Standing Protective Order signed by the petitioner, informing the patent owner that the Standing Protective Order has been entered in the inter partes review and with a request that the patent owner sign the Protective Order, file it with the Board and serve it upon the petitioner. Within three days of receipt of the Standing Protective Order signed by the patent owner, the petitioner shall serve the patent owner with the confidential version of the petition containing the information redacted from the

non-confidential version. If the patent owner has not filed the signed Standing Protective Order with the Board within two weeks of the filing of the petition, the Board shall provide notice to the patent owner requesting that the patent owner sign and file the Standing Protective Order with the Board, and informing the patent owner that unless and until such a filing has been made, the Board may consider in the inter partes review information submitted by the petitioner that has been designated as confidential, without the patent owner having access to such information. [AIA §326(a)(7)]

(k) *Disposal of Confidential Information.* If the Director decides not to initiate the requested inter partes review, all copies of the confidential information shall be returned to the petitioner or destroyed within 30 days of the Director's decision. [AIA §316(a)(7)]

#### **§ 41.403 Patent Owner's Preliminary Response to the Petition for Inter Partes Review.**

- (a) *Preliminary Response.* The patent owner may file, but is not required to file, a Preliminary Response to the petition [AIA §313] within 3 months of the patent owner's receipt of the complete petition.
- (b) *Election to Expedite.* If the patent owner elects not to file a preliminary response and wishes to expedite the Director's decision on the petition, the patent owner may file an Election to Expedite The Decision on the Petition for Inter Partes Review, which, when received, shall be deemed to be the patent owner's preliminary response for purposes of starting the time period within which the Director shall decide the petition. In deciding the petition, no inferences shall be drawn from the patent owner's election not to file a substantive response to the petition. [AIA §313; AIA §314(b)]
- (c) *Form and Content of Preliminary Response:* If a the patent owner elects to file a substantive response, the patent owner's Preliminary Response may include a brief that sets forth the reasons why no inter partes review should be instituted and the evidence, if any, relied upon in support of those reasons [AIA §313; AIA §314(a); AIA §316(a)(3) & (4)]
- (d) *Type-Volume Limitation.* The brief shall not exceed in length the following type-volume limits:
- (1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or
  - (2) In the event that the petition challenges the validity of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.

- (e) *Reasons for Rejecting Petition.* In its preliminary response the patent owner may rely on reasons including that:
- (1) There is a failure of the petition to meet one or more of the requirements of Chapter 31 of 35 United States Code; [AIA §312(a); AIA §315(e);]
  - (2) There is a failure of the petition to meet one or more of the requirements for such a petition set forth in Part 41 of Chapter 37 of the Code of Federal Regulations;
  - (3) The Director should decline to institute an inter partes review because the same or substantially the same prior art or arguments have previously been presented to the Office [AIA §315(c) & (d); AIA §316(a)(4); AIA §315(e);];
  - (4) The information presented in the petition is insufficient to demonstrate that there is a reasonable likelihood that the petitioner would prevail with respect to at least one of the claims challenged in the petition [AIA §314(a);]; and
  - (5) Other reasons upon which the Director might rely in deciding whether to institute the requested inter partes review. [AIA §314(a);]
- (f) *Supporting Evidence.* The Patent Owner's Preliminary Response shall attach all additional evidence relied upon in support of the response, including:
- (1) Copies of patents and printed publications that the patent owner relies upon in support of the preliminary response;
  - (2) Copies of all other documents and an identification of all things that the patent owner relies upon in support of the preliminary response;
  - (3) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the response relies upon factual evidence or on expert opinions;
  - (4) A certification from the patent owner's representative of record agreeing that each person signing an affidavit or declaration on the patent owner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the petitioner's period for rebuttal discovery that follows the institution of the requested post-grant review. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C. The patent owner may agree to pay the reasonable travel and living expenses of a deposition witness for the period reasonably necessary to facilitate such deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee. [AIA §314(a); AIA §316(a)(3), (4) & (5)]
- (g) *Expert Testimony.* Any expert opinions submitted with the preliminary response must comply with the rules of the Federal Rules of Civil Procedure relating to *expert reports*, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure. [37 CFR §41.152 & §41.158; Federal Rules of Civil Procedure, Rule 26(a)(2)(B)]
- (h) *Claim Charts.* The patent owner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume

limitations applicable to the patent owner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)]

- (i) *Confidential Information.* If the preliminary response discloses confidential information, the patent owner shall file and serve confidential and non-confidential versions of its submissions in accordance with the Standing Protective Order set forth in subpart A of this chapter.
- (j) *Certificate of Service.* The preliminary response shall be accompanied by a Certificate of Service, signed by the patent owner or the patent owner's representative of record, certifying that the petitioner has been served with the patent owner's preliminary response and all supporting papers.
- (k) *Disposal of Confidential Information.* If the Director decides not to initiate the requested inter partes review, all copies of the confidential information of the patent owner shall be returned or destroyed within 30 days of the Director's decision.
- (l) *Right to Disclaim Patent Claims.* On or before the date of the later of the filing of the patent owner's (i) election to expedite; or (ii) preliminary response, the patent owner may submit a Notice of Disclaimer, disclaiming one or more claims from the patent that is the subject of the petition and dedicating the subject matter thereof to the public. Such Notice of Disclaimer may not propose the addition of amended or substitute claims. In the event of such disclaimer, such claims are removed from the patent, and may no longer serve as a basis for granting the petition.

#### **§ 41.404 Institution of Inter Partes Review.**

- (a) *Information to Be Considered.* In deciding the petition, the Director shall consider all information submitted by the parties that complies with the requirements of chapter 31 of title 35 of the United States Code and of part 41 of this chapter. The Director may also take notice of other information that may bear on the decision to grant the review, including without limitation the nature and status of other proceedings and matters in the Office and the courts.
- (b) *Reasons to Decline the Petition.* The Director may decline to consider the petition or decide not to institute an inter partes review if:
  - (1) The Director concludes there is failure of the petition or its supporting materials to satisfy one or more of the requirements set forth in chapter 31 of title 35 of the United States Code or in part 41 of this chapter;
  - (2) The Director has imposed a limit on the number of inter partes reviews that may be instituted under chapter 31 of title 35 of the United States Code as the Director is authorized to do during each of the first four one year periods, and that number has already been met;
  - (3) The Director determines that there is another proceeding or matter involving the patent is before the Office and that this proceeding should be terminated;

- (4) The Director determines that the same or substantially the same prior art or arguments were previously presented to the Office;
  - (5) The Director determines that the effect of a denial of the petition on the economy, the integrity of the patent system, the efficient administration of the Office, or the ability of the Office to timely complete proceedings instituted under this chapter, warrants such a denial; or
  - (6) The Director determines that, in view of the temporal and procedural limitations pertaining to the review, the nature of the review sought, and the likely timeliness of the parties' access to the evidence necessary to a just determination of that review by the Office, the institution of the review would not be in the interests of justice or due process. [See 157 Cong. Rec. §1368, §1376-77]
- (c) *Threshold for Granting Inter Partes Review.* The Director may not authorize an inter partes review to be instituted unless the Director determines that there is a reasonable likelihood that the petitioner would prevail with respect to at least one of the claims challenged in the petition.
- (d) *Time for Decision.* The Director shall decide the petition by issuance of an Order on Inter Partes Review within 3 months of the latest of (i) the patent owners filing of an Election to Expedite The Decision on the Petition for Inter Partes Review, (ii) the filing of the patent owner's preliminary response, or (iii) in the event the patent owner does not file such election or response, the latest date when the patent owner's preliminary response was due.
- (e) *No Opinion If Inter Partes Review Denied.* If the Director decides not to institute an inter partes review, no Opinion in support of that decision is necessary however the Director should note if the decision is based on a reason other than the failure to meet the evidentiary threshold of §314(a), and neither party may appeal from such a denial. Within 30 days of that decision, all confidential information submitted by the parties will be returned to them, or destroyed.
- (f) *Requirements of Opinion If Inter Partes Review Initiated.* If the Director decides to institute an inter partes review, the Order on Inter partes review instituting such review shall:
- (1) State with particularity which of petitioner's positions were deemed to have satisfied the threshold requirement of 35 USC 314(a) as to which of the claims of the patent at issue;
  - (2) For each claim, which item or combination of items of prior art was deemed to have satisfied the threshold; and,
  - (3) For each claim, each position advanced by the petitioner that otherwise satisfied the threshold.
- (g) *Scope of Inter Partes Review Limited to Grounds Set Forth in Opinion.* The inter partes review will proceed only as to those claims as to which the threshold was met, and will be restricted in scope to subject matter directly relevant to those positions of the petition



that were found to have satisfied that threshold, and reasonable rebuttal and impeachment evidence relating thereto. [AIA §314(a); AIA §318(a) & (b)]

- (h) *Confirmation of Patentability of Claims Not Subject to Inter Partes Review.* The patentability of each claim as to which the threshold showing was not met shall be confirmed in the Order on Inter Partes Review. [AIA §316(a)(2); 316(b)]

#### **§ 41.405 Joinder and Relationship of Multiple Proceedings.**

- (a) *Multiple Petitions for Inter Partes Review.* If more than 1 petition for an inter partes review under Chapter 31 of title 35, United States Code is filed against the same patent and the Director determines that more than 1 of these petitions warrants the institution of an inter partes review under section 314 of title 35, United States Code, the Director, in his or her discretion, may consolidate such reviews into a single inter partes review. [AIA §315(c)]
- (b) *Multiple Proceedings.* Notwithstanding sections 135(a), 251 and 252 and chapter 30 of 35 United States Code, during the pendency of any inter partes review, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the inter partes review or other proceeding or matter may proceed, including providing for the stay, transfer, consolidation, or termination of any such matter or proceeding. [AIA §315(d)]
- (c) *Overlapping Issues in Multiple Proceedings or Matters.* In determining whether to institute or order a proceeding under Chapters 30, 31 or 32 of title 35, United States Code, 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. [AIA §315(d); AIA §316(a)(4);]
- (d) *Request for Joinder.* Any person may request the joinder, as a party to the inter partes review, of any person who properly files a petition for inter partes review. [AIA §315(c); AIA §316(a)(4)] The Director, in his or her discretion, may grant the request, provided that—
- (1) *Time Period for Requesting Joinder.* A request for joinder may not be granted if it is brought more than one month following the Director's determination to institute inter partes review in the proceeding into which joinder of another person is requested. [AIA §315(c) & (d); AIA §316(a)(4)]
  - (2) *Petition of the Party To Be Joined Must Meet Threshold for Inter Partes Review.* The Director may order joinder of a person as a party to an inter partes review only if the Director, after receiving the person's petition for inter partes review, and after receiving the patent owner's preliminary response, or if the patent owner does not file a preliminary response, after expiration of the time for filing such a

response, determines that the petition warrants the institution of an inter partes review. [AIA §315(c) & (d); AIA §316(a)(4)]

**§ 41.406 Conduct of Inter Partes Review.**

- (a) *Timing, Sequence and Content of Submissions.* Discovery, submissions of briefs and evidence, and other proceedings during an inter partes review shall be sequenced as set forth herein.
- (b) *Patent Owner's Discovery Period.* The patent owner's discovery period shall commence upon the Director's decision instituting inter partes review and shall close on the earlier of:
  - (i) six months thereafter; or
  - (ii) submission of the Patent Owner's Response on Inter Partes Review.
- (c) *Patent Owner's Response on Inter Partes Review.* The Patent Owner's Response on Inter partes review shall be filed within six months of the Director's decision instituting inter partes review and shall include such evidence and argument the patent owner chooses to submit in support of the response, which may include—
  - (1) the Patent Owner's Responding Brief on Inter Partes Review and supporting evidence; and
  - (2) the Patent Owner's Motion to Amend the Patent.
- (d) *Petitioner's Rebuttal Discovery Period.* The Petitioner's Rebuttal Discovery Period shall commence following the submission of the Patent Owner's Response on Inter partes review, provided that such a response is filed, and shall close on the earlier of: (i) three months thereafter; or (ii) submission of the Petitioner's Written Comments in Support of Inter partes review.
- (e) *Petitioner's Written Comments in Support of Inter Partes Review.* The petitioner shall be entitled to file Written Comments in Support of Inter partes review no later than three months following the submission of the Patent Owner's Response on Inter partes review, provided that the patent owner files such a response. The written comments shall be limited to rebuttal of the Patent Owner's Response on Inter partes review and opposition to any Motion To Amend the Patent.
- (f) *Oral Hearing.* An Oral Hearing before the Patent Trial and Appeal Board, if demanded by any party to an inter partes review, shall take place no earlier than 45 days following the filing of, or expiration of the time to file, the Petitioner's Written Comments in Support of Inter Partes Review.
- (g) *Final Written Decision.* The Patent Trial and Appeal Board shall issue its Final Written Decision within 3 months of the filing, or expiration of the time to file, Petitioner's Written Comments in Support of Inter Partes Review, unless the date has been extended in accordance with this subpart; provided, however, that the Decision of the Board in no event issues more than 18 months from the time of initiation of the inter partes review.

(h) *Automatic Extensions of Deadlines---*

- (1) If the Grounds set forth in the Director's Opinion include obviousness, the patent owner's discovery period shall close eight months after the date of the Director's decision instituting inter partes review, and the remaining times shall be adjusted accordingly.
  - (2) If the Patent Owner's Response on Inter Partes Review includes Secondary Indicia of Nonobviousness, or if the Patent Owner's Motion to Amend the Patent seeks to amend the patent by adding claim elements not previously contained in any of the claims of the patent that are the subject of the inter partes review, or by adding more than 10 substitute claims, then the petitioner's discovery period shall close four months after the submission of the Patent Owner's Response On Inter Partes Review and the remaining times shall be adjusted accordingly.
- (i) *Extensions of Deadlines for Good Cause.* The Board may, for good cause shown, extend the time periods set forth in this section, provided the time within the Board issues its Final Written Decision does not exceed 18 months from the date of the institution of the inter partes review.

**§ 41.407 Discovery Scope and Limits.**

- (a) *Limitation of Scope of Discovery.* The parties may agree to discovery among themselves at any time. Otherwise, discovery may be taken as authorized in this subpart. Such discovery shall be limited to—
- (1) The depositions of witnesses submitting affidavits or declarations in the proceeding; and
  - (2) What is otherwise necessary in the interest of justice. [AIA §316(a)(5)]
- (b) *Admissibility of Evidence.* Any evidence obtained from discovery that was not sought, taken or filed in accordance with this subpart and title 37, part 41 shall be inadmissible in the inter partes review and shall not be made part of the record or considered by the Board.
- (c) *Discovery Sequencing.* During the patent owner's discovery period, the petitioner shall not be entitled to notice, serve or to take discovery. During the petitioner's discovery period, the patent owner shall not be entitled to notice, serve or take discovery. [§316(a)(5); 316(b)]
- (d) *Patent Owner's Discovery As Of Right.* The patent owner shall be entitled to take the following discovery without leave from the Board—
- (1) A deposition upon oral examination of each person submitting a declaration or affidavit in support of the petition; [AIA §316(a)(5)(A)]
  - (2) A deposition upon oral examination of any witness offering expert opinion or testimony on behalf of the petitioner; and
  - (3) the production of any documents and things referenced in the Petition for Inter Partes Review or in its supporting papers, and all documents and things reviewed by the

witnesses in preparation for their depositions or otherwise relied upon by the persons being deposed. [AIA §316(a)(5)(B); 316(b)]

(e) *Petitioner's Rebuttal Discovery As Of Right.* The petitioner shall be entitled to take the following discovery solely to rebut evidence and arguments set forth in Patent Owner's Response on Inter Partes Review without leave from the Board –

- (1) A deposition upon oral examination of each person submitting a declaration or affidavit in support of Patent Owner's Response on Inter Partes Review; [AIA §316(a)(5)(A)]
- (2) A deposition upon oral examination of any witness offering expert opinion or testimony on behalf of the patent owner;
- (3) If the patent owner has filed a motion to add substitute claims containing claim limitations that differ substantially in substance from any of the claim limitations previously appearing in the patent, and petitioner wishes to rely on prior art patents or publications not previously relied upon by the petitioner to rebut the patentability of such new claims, petitioner may include in the questioning of an expert being deposed pursuant to subparagraph (2) above, questions directed to the subject matters of those new claim limitations in view of the disclosures of such prior art patents and publications, provided petitioner serves a copy of each such patent and publication on the patent owner at least 14 days in advance of the deposition, and
- (4) the production of any documents and things referenced in the Patent Owner's Response on Inter Partes Review and supporting papers, and all documents and things reviewed by the witnesses in preparation for their depositions or otherwise relied upon by the persons being deposed. [AIA §316(a)(5)(B); 316(b)]

(f) *Depositions*

- (1) *Time Limits for Depositions.* The party noticing deposition may pose questions to each witness for no more than seven hours. The deposition shall begin with the party noticing the deposition questioning the witness on direct or cross examination, as the case may be. The opposing party may then question the witness (on cross or re-direct, as the case may be) limited to the subjects of the noticing party's questioning, for a period lasting no longer than one half of the period of the of the noticing party's initial questioning. The party noticing the deposition may then pose further questions to the witness limited to the subjects opposing party's questioning, for a period lasting no longer than the shorter of:  
(i) one half of period of the opposing party's questioning; or (ii) the remainder of the seven hours of total questioning allowed the noticing party. Attorney colloquy and the statement of objections shall not be counted in determining these times.
- (2) *Location and Scheduling of Depositions.* Any person providing an affidavit, declaration or expert opinion in support of any party in the inter partes review,

and any other person identified in a party's Initial Disclosures as within the control of a party or who otherwise has consented to appear for deposition in connection with the post-grant review, shall make themselves available for deposition in the United States within fourteen days of being served with a notice of deposition. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C.

- (3) *Objections.* Objections shall be limited to those relating to the form of the question. All other objections are reserved and may be addressed by a party in its written submissions. In making a form objection, the party making the objection may succinctly state the type of objection, but may not make speaking objections.
- (g) *Additional Discovery.* A party may file a motion requesting additional discovery. The requesting party must show that such additional discovery is necessary in the interest of justice. The Board in its discretion may grant such a request for additional discovery in whole or in part, and may specify conditions for such additional discovery. [AIA § 316(a)(5)]

#### **§ 41.408 Miscellaneous Motions and Sanctions**

- (a) *Presiding Judge.* The Patent Trial and Appeal Board three-judge panel to which the inter partes review has been assigned may designate a Presiding Judge to decide miscellaneous motions.
- (b) *Duty to Meet and Confer.* A miscellaneous motion shall be filed only after the parties have met and conferred in an effort to resolve their dispute without Board involvement. Each such motion shall be accompanied with a certification by representative of record for the moving party that the parties have met and conferred in an attempt to resolve the matters set forth in the motion. If the nonmoving party has refused to meet and confer, the moving party shall so state in its certification and shall describe the good-faith attempts it made to meet and confer prior to filing the motion.
- (c) *Initial Telephone Conference with Presiding Judge.* Prior to filing a miscellaneous motion, the parties shall obtain authorization from the Board. Ordinarily such authorization should be obtained through an initial telephone conference including the Presiding Judge and every other party to the inter partes review. The Presiding Judge may decide the motion during the initial telephone conference, may decide to rule on the motion after submission of briefs but without a hearing, or may set a hearing date for the motion.
- (d) *Filing and Service; Length of Papers.*
- (1) *Motions To Be Decided on the Papers.* Any miscellaneous motion that the Board has ordered to be decided without a hearing shall be filed and served on all other

parties within five business days after the Initial Telephone Conference with Presiding Judge. Any party opposing the motion shall be entitled to file a brief in opposition to the motion. Any such opposition brief shall be filed with the Board and served on all other parties no later than three business days after the moving party has filed the motion with the Board.

- (2) *Motions To Be Decided with a Hearing.* Any miscellaneous motion for which the Board has ordered a hearing shall be filed and served on all other parties at least seven business days before the hearing on the motion. Any party opposing the motion shall be entitled to file a brief in opposition to the motion. Any such opposition brief shall be filed with the Board and served on all other parties no later than three business days before the hearing on the motion.
  - (3) *Page Limits.* Any miscellaneous motion and any opposition to the motion shall not exceed 10 pages in length.
- (e) *Hearings.*
- (1) A party seeking a hearing on a miscellaneous motion shall request the hearing during the Initial Telephone Conference with Presiding Judge.
  - (2) Hearings ordinarily will be conducted through a telephone conference including the Presiding Judge and every other party to the inter partes review.
  - (3) If a request for an oral hearing is granted, each party will have a total of 10 minutes to present its arguments, including any time the moving party reserves for rebuttal.
- (f) *No Tolling.* The filing of a miscellaneous motion shall not toll any of the times for taking any action or relieve a party of any discovery or other obligations in the inter partes review. [§ 316(a)(4); 316(b)]
- (g) *Sanctions.* The Board may impose sanctions against a party, counsel for a party, or other representatives of a party for misconduct, including abuse of discovery, abuse of process, or any other improper use of the proceeding, such as to harass or to cause unnecessary delay or an unnecessary increase in the cost of the proceeding. Such sanctions may include those set forth in subpart D of part 41 this part, as well as—
- (1) Dismissal of the Petition for Inter Partes Review in whole or in part; and
  - (2) Cancellation of any or all claims subject to inter partes review. [AIA §316(a)(6); 316(b)]

#### **§ 41.409 Patent Owner’s Response on Inter Partes Review.**

- (a) *Contents.* The Patent Owner’s Response on Inter Partes Review shall include the Patent Owner’s Responding Brief on Inter Partes Review, and any affidavits or declarations, or additional factual evidence and expert opinions, on which the patent owner relies in support of the response.

- (b) *Patent Owner's Responding Brief on Inter Partes Review.* The Patent Owner's Responding Brief on Inter Partes Review shall identify those claims for which inter partes review has been instituted that the patent owner contends are patentable, and include all arguments and identify all evidence supporting such contentions.
- (c) *Type-Volume Limitation.* The brief shall not exceed in length the following type-volume limits:
- (1) 25 pages in length, unless it contains no more than 12,000 words, or it uses a monospaced face and contains no more than 1,050 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 25 pages or fewer in length, in which case no certificate is required; or
  - (2) In the event that the Director has ordered the review of more than 20 patent claims, the brief shall not exceed 40 pages in length, unless it contains no more than 19,000 words, or it uses a monospaced face and contains no more than 1,700 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 40 pages or fewer in length, in which case no certificate is required.
- (d) *Supporting Papers.* The Patent Owner's Response on Inter Partes Review shall include all evidence relied upon in support of the response, including:
- (1) Copies of patents and printed publications that the patent owner relies upon in support of the response;
  - (2) Copies of all other documents and an identification of all things that the patent owner relies upon in support of the response;
  - (3) Affidavits or declarations of authentication, other supporting evidence and expert opinions, if the response relies upon factual evidence or on expert opinions;
  - (4) A certification from the patent owner's representative of record agreeing that each person signing an affidavit or declaration on the patent owner's behalf will appear for deposition in the United States within fourteen days of being noticed of such deposition during the petitioner's period for rebuttal discovery. The parties shall meet and confer in an effort to agree on the date and location of the deposition. If the parties cannot agree on a location for the deposition, it shall take place in Washington, D.C. The patent owner may agree to pay the reasonable travel and living expenses of a deposition witness for the period reasonably necessary to facilitate such deposition, and may compensate the witness for lost wages or, in the case of an expert, the expert's ordinary and customary fee.
- (e) *Expert Testimony.* Any expert opinions submitted with the patent owner's response must comply with the rules of the Federal Rules of Civil Procedure relating to expert reports, including the required disclosures of Rule 26(a)(2)(B) of the Federal Rules of Civil Procedure.
- (f) *Claim Charts.* The patent owner may file claim charts comparing each claim challenged on the basis of prior art to such art. Claim charts shall not count toward the type-volume

limitations applicable to the patent owner's brief. Claim charts are not, however, a substitute for appropriate argument and explanation in the brief. [AIA §322(a)(4); 37 CFR §41.121(e)] [AIA §316(a)(4), (8); 316(b)]

- (g) *Certificate of Service*. The response shall be accompanied by a Certificate of Service, signed by the patent owner or the patent owner's representative of record, certifying that the petitioner has been served with the patent owner's response and all supporting papers. [AIA §316(a)(4)]

#### **§ 41.410 Patent Owner's Motion to Amend the Patent.**

(a) *Time for Filing*. At the time of the filing of the Patent Owner's Response on Inter partes review, the patent owner may file a Motion to Amend the Patent.

(b) *Contents*.

(1) In the Motion to Amend the Patent, the patent owner may amend the patent in one or more of the following ways:

(A) Cancel any claim under challenge in the inter partes review;

(B) Rewrite any claim depending from a cancelled claim into independent form; and/or

(C) for each canceled claim, propose a reasonable number of substitute claims.

(2) In a separate Appendix that shall not count toward the page limitation, the Motion To Amend the Patent shall identify with specificity each claim the patent owner cancels, each claim for which the patent owner proposes substitute claims, and the entire claim for each proposed substitute claim, in the following manner:

(A) A complete listing of the original, canceled and proposed substitute claims. In the claim listing, the status of every claim must be indicated after its claim number by using one of the following identifiers in a parenthetical expression: (Original); (Canceled); (Replaced by Proposed Substitute) or (Proposed Substitute for Original Claim X).

(B) Each proposed substitute claim shall be presented in the claim listing following the original claim for which the patent owner proposes to substitute the new claim, and must be submitted with markings to indicate the changes that have been made relative to the original claim for which it would be a substitute. The text of any added subject matter must be shown by underlining the added text. The text of any deleted matter must be shown by strike-through, except that double brackets placed before and after the deleted characters may be used to show deletion of five or fewer consecutive characters. The text of any deleted subject matter must be shown by being placed within double brackets if strike-through cannot be easily perceived.



- (3) The patent owner may submit a Brief in Support of the Motion To Amend the Patent, which shall not exceed 15 pages in length and shall be made available to the public as part of the prosecution history of the patent.
- (c) *Immediate Effect of Claim Cancellation.* Any claims canceled in the Motion To Amend the Patent are removed from the patent and no longer shall be subject to any further actions in the inter partes review.
- (d) *Entry of Substitute Claims and Effective Date.* If the patent owner proposes substitute claims, those original claims for which substitutes have been proposed shall be deemed cancelled and replaced by the proposed substitute claims. The cancelled claims shall not be enforceable thereafter and no longer shall be subject to any further actions in the inter partes review. Decisions on whether each proposed substitute claim shall be entered will be made as part of the Board's Final Written Decision. Until such time, proposed substitute claims shall not be entered or enforceable. [§316(a)(9); 316(d)]
- (e) *Additional Motions To Amend.* Additional motions to amend the claims may only be permitted—
- (1) Upon the joint request of the petitioner and the patent owner to materially advance the settlement of the inter partes review proceeding; or
  - (2) Upon the request of the patent owner for good cause shown. [AIA §316(d)(2)]
- (f) *Scope of Claims.* No amendment may enlarge the scope of the claims of the patent or introduce new matter. [AIA §316(d)(3)]

#### **§ 41.411 Petitioner's Written Comments In Support of Inter Partes Review.**

(a) *Scope and Contents.*

- (1) *Brief and Supporting Evidence.* The petitioner's Written Comments in Support of Inter Partes Review shall be limited to rebuttal of the Patent Owner's Response on Inter Partes Review. The petitioner may file a brief, supported by citation to evidence previously submitted to the Board by any party, and factual rebuttal and impeachment evidence adduced from the patent owner or the patent owner's witnesses during the Petitioner's Rebuttal Discovery Period. No new arguments of unpatentability or additional expert testimony or opinions may be introduced with the written comments.
- (2) *Type-Volume Limitation.* The brief shall not exceed 20 pages in length, unless it contains no more than 9,500 words, or it uses a monospaced face and contains no more than 850 lines of text. The brief shall contain a certification of compliance with this type-volume limitation, unless it is 20 pages or fewer in length, in which case no certificate is required.
- (3) *Opposition To Any Motion To Amend the Patent.* Together with the written comments, the petitioner shall be entitled to file an opposition to a Motion to

Amend the Patent, provided that the patent owner filed such a motion. The opposition shall be limited to 15 pages and shall address only the proposed substitute claims, except that if the patent owner's motion seeks to substitute claims containing claim limitations that differ substantially in substance from any of the claim limitations previously appearing in the patent, and petitioner has complied with § 41.407(e)(3), then petitioner may include an additional section in its brief not exceeding 5 pages directed solely to issues of the patentability of such claims, including the contentions concerning the impact of petitioner's newly-cited patents and publications on those claims. [AIA §316(a)(13)]

- (b) *Certificate of Service.* The written comments and any opposition to a Motion to Amend the Patent shall be accompanied by a Certificate of Service, signed by the petitioner or the petitioner's representative of record, certifying that the patent owner has been served with the written comments, any opposition to the Motion to Amend the Patent, and all supporting papers. [AIA § 316(a)(4)]

#### **§ 41.412 Settlement.**

- (a) *Joint Request for Termination.* A joint request for termination of an inter partes review shall be signed by the petitioner and the patent owner, shall be filed with the Board and shall be served upon all other parties to the inter partes review.
- (b) *Timing.* An inter partes review shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Director has decided the merits of the proceeding before the request for termination is filed.
- (c) *Estoppel Within the Office.* If the inter partes review is terminated with respect to a petitioner, no estoppels within the Office shall attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner's institution of that inter partes review.
- (d) *No Remaining Petitioners.* If no petitioner remains in the inter partes review, the Office shall terminate the inter partes review unless good cause exists to proceed to a final written decision. [AIA §317(a)]
- (e) *Settlement Agreements.*
- (1) *All Agreements in Writing.* Any agreement or understanding between the patent owner and a petitioner, including any collateral agreements referred to in such agreement or understanding, made in connection with, or in contemplation of, the termination of an inter partes review shall be in writing, and a true copy of such agreement or understanding shall be filed in the Office before the termination of the inter partes review as between those parties.
  - (2) *Confidentiality.* At the request of a party to the proceeding, the agreement or understanding shall be treated as confidential information, shall be kept separate from

the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause, after reasonable notice and opportunity to object has been provided to the parties to the agreement or understanding. [AIA §317(b)]

#### **§ 41.413 Demand for Oral Hearing.**

- (a) *Right To Oral Hearing.* Any party to an inter partes review may exercise its right to an Oral Hearing before the Patent Trial and Appeal Board by filing a written Demand for Oral Hearing. Such a demand must be filed no later than 15 days following the filing, or deadline for filing, of petitioner's Written Comments in Support of Inter partes review.
- (b) *Certificate of Service.* The Demand for Oral Hearing shall be accompanied by a Certificate of Service, signed by the filing party or that party's representative of record, certifying that all other parties have been served with the demand.
- (c) *Notice and Timing of Hearing.* The Board shall set a hearing date and time, and shall provide notice to all parties at least 15 days in advance of the hearing date.
- (d) *Decision in Absence of Oral Hearing.* If no party has requested an oral hearing within the prescribed time, the Board shall enter judgment in the inter partes review based on the entire written record of briefs, other papers and admissible evidence submitted by the parties. [AIA §316(a)(4), (10) ; 316(b)]

#### **§ 41.414 Conduct of the Oral Hearing.**

- (a) *Date, Time and Location.* The Oral Hearing shall be held as provided in the notice.
- (b) *Board Panel.* The Oral Hearing shall be held before the three-member panel of the Board to which the inter partes review was assigned.
- (c) *Oral Argument Length.* Each party shall be given at least 30 minutes to present its arguments, including any rebuttal time reserved by the petitioner.
- (d) *Arguments and Evidence of Record.* No live witness testimony or new evidence shall be submitted at the Oral Hearing. Each party may only rely on evidence that has been previously submitted in the proceeding and may only present arguments relied upon in the briefs previously submitted in the proceeding.
- (e) *Order of Presentations.* The petitioner shall present its argument first, followed by the patent owner. The petitioner may reserve up to 10 minutes of rebuttal time immediately following the patent owner's argument. When proceedings have been consolidated or joined, or when more than one petitioner is presenting oral argument, the Board shall determine the order of presentation.

- (f) *Admissibility of Evidence.* All objections to the admissibility of evidence raised in the briefs shall be preserved without filing a motion to exclude, a motion in limine or restating such objections at the Oral Hearing. The Board shall not rule on evidentiary objections during the oral hearing, but may address the admissibility of evidence material to its judgment in its Final Written Decision. [AIA §316(a)(4), (10); 316(b)]

#### **§ 41.415 Decision of the Board.**

- (a) *Issuance.* If an inter partes review is instituted and not terminated in accordance with this subpart, the Board shall issue a Final Written Decision with respect to the patentability of each patent claim under review, including each original claim of the patent that has not been canceled or disclaimed, and each substitute claim proposed in any pending Motion to Amend the Patent.
- (b) *Time for Decision.* The Board shall issue its Decision not more than one year from the time of initiation of the inter partes review, except in the following circumstances the final decision may be extended beyond one year by the Board; provided, however, that the Decision of the Board in no event issues more than 18 months from the time of initiation of the inter partes review:
- (1) The Grounds set forth in the Director's Opinion include obviousness;
  - (2) The Patent Owner's Response on Inter Partes Review raises facts relating to Secondary Indicia of Nonobviousness;
  - (3) The Patent Owner's Motion to Amend the Patent seeks to amend the patent by adding claim elements not previously contained in the claims that are the subject of the inter partes review, or by adding more than 10 substitute claims; or
  - (4) The Board, for good cause shown, extends the time period for issuance of the Final Written Decision.
- (c) *Termination Due To Unavailability of Evidence:* If at any time prior to the final decision of the Board, the Director determines that evidence that is needed to fairly decide one or more issues is or will be unavailable to the Board within the required time frame to complete the proceeding, through no fault of either party, the proceeding or any part thereof may be terminated without prejudice.
- (d) *Time for Decision After Joinder.* In the case of joinder of inter partes review proceedings, the time period for all actions in the inter partes review, including issuance of the Final Written Decision, shall run from the date of the institution of the latest joined petition. [AIA §316(a)(11)]
- (e) *Contents.* The Final Written Decision shall include—
- (1) The Board's judgment, and supporting grounds and evidence, with respect to the patentability of each patent claim under review, including each original claim of

the patent that has not been canceled or disclaimed, and each substitute claim proposed in any pending Motion to Amend the Patent;

- (2) Any collateral decisions that are material to the Board's judgment with respect to any claim, such as the Board's claim construction, ruling on the admissibility of material evidence, determination regarding the credibility of witnesses or weight afforded to material evidence, determination of the qualifications of any experts and admissibility of any expert opinion or testimony, and findings or conclusions with respect to any other factual or legal question material to the judgment. [AIA 318(a)]
- (f) *Reconsideration.* A party dissatisfied with the Decision may only file a motion for reconsideration based on an allegation that the Board made a manifest error of fact or law. A request for reconsideration must be filed within 10 business days from issuance of the Final Written Decision and must specifically identify all such alleged manifest errors, with a citation to the page and line of the party's submissions where that question of fact or law was addressed prior to the Board's decision. The Board may deny the request for reconsideration without requiring a response from the prevailing party, but may grant a request for reconsideration only after the prevailing party has been afforded an opportunity to respond. [AIA §316(a)(4); 316(b)]
- (g) *Certificate.* If the Board issues its Final Written Decision and the time for appeal has expired or any appeal has terminated, the Director shall issue and publish a certificate canceling any claim of the patent that was canceled or disclaimed by the patent owner, canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and incorporating in the patent by operation of the certificate any new or amended claim determined to be patentable. [AIA §318(b)]

#### **§ 41.416 Appeal.**

- (a) *Right To Appeal.* A party dissatisfied with the Final Written Decision of the Board may appeal the decision to the United States Court of Appeals for the Federal Circuit pursuant to sections 141 to 44 of title 35, United States Code. Any party to the inter partes review shall have the right to be a party to the appeal. [AIA §319]
- (b) *Exhaustion of Office Review.* The parties to an inter partes review may not file a notice of appeal until all parties' rights to request reconsideration have been exhausted, at which time the Final Written Decision of the Board becomes final and appealable by any party in the inter partes review. [AIA §316(a)(4); 316(b)]

## Appendix

### Standing Protective Order

- (a) *Purpose.* In any post-grant or inter partes review proceeding before the Board, upon the request of any party, the following terms of the Board's Standing Protective Order shall be entered as the Protective Order to govern the protection of confidential information contained in documents, discovery or testimony adduced, exchanged or filed with the Board.
- (b) *Timing; Lifting or Modification of the Standing Protective Order.* The terms of the Standing Protective Order shall take effect as the Protective Order entered by the Board in any post-grant or inter partes review as of the date of filing of a Motion to Invoke the Standing Protective Order by a party, and shall remain in place until lifted or modified by the Board upon the motion of a party, and for good cause shown.
- (c) *Standing Protective Order to Govern Treatment of Confidential Information.* If the terms of the Standing Protective Order have been invoked by a party in a post-grant or inter partes review proceeding, its terms shall govern the treatment of the confidential portions of documents, testimony and other information designated as confidential, as well as the filing of confidential documents or references to confidential information in any papers filed with the Board. The Board shall have the authority to enforce the terms of the Protective Order, to provide remedies for its breach, and to impose sanctions on a party and a party's representatives for any violations of its terms.
- (d) *Contents.* The Standing Protective Order shall include the following terms:
- (1) *Designation of Confidential Information.* The producing party shall have the obligation to clearly mark as "CONFIDENTIAL" any documents or information considered to be confidential under the Protective Order.
  - (2) *Persons Entitled to Access to Confidential Information.* A party receiving confidential information shall strictly restrict access to that information to the following individuals who first have signed an Acknowledgement as provided herein:
    - (A) *Parties.* Persons who are owners of a patent involved in the proceeding and other persons who are named parties to the proceeding.
    - (B) *Party Representatives.* Representatives of record for a party in the proceeding.
    - (C) *Experts.* Retained experts of a party in the proceeding who further certify in the Acknowledgement that they are not a competitor to any party, or a consultant for, or employed by, such a competitor with respect to the subject matter of the proceeding.
    - (D) *In-house counsel.* In-house counsel of a party.
    - (E) *Other Employees of a Party.* Employees, consultants or other persons performing work for a party, other than in-house counsel and in-house counsel's support staff, who sign the Acknowledgement shall be extended

access to confidential information only upon agreement of the parties or by order of the Board upon a motion brought by the party seeking to disclose confidential information to that person. The party opposing disclosure to that person shall have the burden of proving that such person should be restricted from access to confidential information.

- (F) *The Office.* Employees and representatives of the Office who have a need for access to the confidential information shall have such access without the requirement to sign an Acknowledgement. Such employees and representatives shall include the Director, members of the Board and their clerical staff, other support personnel, court reporters, and other persons acting on behalf of the Office.
  - (G) *Support Personnel.* Administrative assistants, clerical staff, court reporters and other support personnel of the foregoing persons who are reasonably necessary to assist those persons in the proceeding. Such support personnel shall not be required to sign an Acknowledgement, but shall be informed of the terms and requirements of the Protective Order by the person they are supporting who receives confidential information.
- (3) *Protection of Confidential Information.* Persons receiving confidential information shall take reasonable care to maintain the confidentiality of that information, including:
- (A) Maintaining such information in a secure location to which persons not authorized to receive the information shall not have access;
  - (B) Otherwise using reasonable efforts to maintain the confidentiality of the information, which efforts shall be no less rigorous than those the recipient uses to maintain the confidentiality of information not received from the disclosing party;
  - (C) Ensuring that support personnel of the recipient who have access to the confidential information understand and abides by the obligation to maintain the confidentiality of information received that is designated as confidential; and
  - (D) Limiting the copying of confidential information to a reasonable number of copies needed for conduct of the proceeding and maintaining a record of the locations of such copies.
- (4) *Treatment of Confidential Information.* Persons receiving confidential information shall use the following procedures to maintain confidentiality of documents and other information—
- (A) *Documents and Information Filed With the Board.*
    - (i) A party may file documents or information with the Board under seal, together with a non-confidential description of the nature of the confidential information that is under seal and the reasons why the

information is confidential and should not be made available to the public. The submission shall be treated as confidential and remain under seal, unless, upon motion of a party or sua sponte, and after a hearing on the issue, the Board determines that the documents or information does not to qualify for confidential treatment.

- (ii) Where confidentiality is alleged as to some but not all of the information submitted to the Board, the submitting party shall file confidential and non-confidential versions of its submission, together with a motion to seal the confidential version setting forth the reasons why the information redacted from the non-confidential version is confidential and should not be made available to the public. The non-confidential version of the submission shall clearly indicate the locations of information that has been redacted. The confidential version of the submission shall be filed under seal, in a sealed inner envelope, clearly and conspicuously labeled as containing confidential information. The redacted information shall remain under seal unless, upon motion of a party or sua sponte, and after a hearing on the issue, the Board determines that the some or all of the redacted information does not qualify for confidential treatment.

(B) *Documents and Information Exchanged Among the Parties.* Information designated as confidential that is disclosed to another party during discovery or other proceedings before the Board shall be clearly marked as “CONFIDENTIAL” and shall be produced in a manner that maintains its confidentiality.

(C) *Confidential Testimony.* Any person subject to deposition in a post-grant review or inter partes review may, on the record at the deposition, preliminarily designate the entirety of his or her testimony and all transcriptions thereof as Confidential, pending further review. Within 10 days of the receipt of the transcript of the deposition, that person or his or her representative, shall advise the opposing party of those portions of the testimony to which a claim of confidentiality is to be maintained, and the reasons in support of that claim. Such portions shall be treated as confidential and maintained under seal in any filings to the Board unless, upon motion of a party or sua sponte, and after a hearing on the issue, the Board determines that the some or all of the redacted information does not qualify for confidential treatment.

(5) *Other Restrictions Imposed By the Board.* In addition to the foregoing terms of the Standing Protective Order, the Board may, in its discretion, include other terms and conditions in a Protective Order it enters in any proceeding.



- (6) *Requirement of Acknowledgement.* Any person receiving confidential information during a proceeding before the Board shall first sign, prior to receipt of any confidential information, an Acknowledgement, under penalty of perjury, stating the following:
- (A) He or she has read the Protective Order and understands its terms.
  - (B) He or she agrees to be bound by the Protective Order and will abide by its terms.
  - (C) He or she will use the confidential information only in connection with that proceeding and for no other purpose.
  - (D) He or she shall only extend access to the confidential information to support personnel, such as administrative assistants, clerical staff, paralegals and the like, who are reasonably necessary to assist him or her in the proceeding. He or she shall inform such support personnel of the terms and requirements of the Protective Order prior to disclosure of any confidential information to such support personnel and shall be personally responsible for their compliance with the terms of the Protective Order.
  - (E) He or she agrees to submit to the jurisdiction of the Office and the United States District Court for the Eastern District of Virginia for purposes of enforcing the terms of the Protective Order and providing remedies for its breach.
- (e) *Filing of Executed Protective Order.* The party filing a Motion to Invoke the Standing Protective Order shall include with its supporting papers a copy of the Standing Protective Order, signed by the party or its representative of record, certifying that the party accepts and agrees to the terms of the Standing Protective Order. Prior to the receipt of confidential information, any other party to the post-grant or inter partes review also shall file a copy of the Standing Protective Order with the Board, signed by the party or its representative of record, certifying that the party accepts and agrees to the terms of the Standing Protective.
- (f) *Duty To Retain Acknowledgements.* Each party to the proceeding shall maintain a signed Acknowledgement from each person acting on its behalf who obtains access to confidential information after signing an Acknowledgement, as set forth herein, and shall produce such Acknowledgements to the Office upon request.
- (g) *Motion for Protective Order.* A party may oppose the disclosure of its confidential information or may request that additional terms be added to the Standing Protective Order by bringing a motion before the Board. Such a motion shall be treated as a Miscellaneous Motion under this chapter. Any such motion shall state with particularity the grounds for including additional terms or opposing disclosure to each person for whom disclosure is opposed. The party seeking additional terms or opposing disclosure to that person shall have the burden of proving that such additions are necessary or that such person should be restricted from access to confidential information. While the motion is

pending, no disclosure of the confidential information shall be made to the persons for whom disclosure is opposed, but the filing of the motion shall not preclude disclosure of the confidential information to persons for whom disclosure is not opposed and shall not toll the time for taking any action in the proceeding.

- (h) *Other Proceedings.* Counsel for a party who receives confidential information in a post-grant review or inter partes review proceeding may not be restricted by the Board from representing that party in any other proceeding or matter before the Office.
- (i) *Disposal of Confidential Information.* Within one month after final termination of a proceeding, including any appeals, or within one month after the time for appeal has expired, each party shall assemble all copies of all confidential information it has received, including confidential information provided to its representatives and experts, and shall destroy the confidential information and provide a certification of destruction to the party who produced the confidential information.

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