

# Tips For A Successful Inter Partes Review Petition

February 6, 2017

Written by **John C. Alemanni, Wab Kadaba and Andrew W. Rinehart**

---

According to the latest statistics released by the Patent Trial and Appeal Board, a total of 3,410 petitions for inter partes review have been filed since the proceeding was introduced by the America Invents Act. In 70 percent of the final written IPR decisions issued by the board, all challenged claims were found unpatentable. While the odds favor petitioners, the board's application of the statutory and regulatory requirements to petitions for IPR and the resulting estoppel effects impose a critical burden on petitioners to succeed in the initial validity challenge at the risk of being precluded from further attempts. This article will explore various strategies for petitioners that can be employed to favorably influence the ultimate outcome of IPR proceedings.

## Strategies for the Petition

A petitioner has several early strategic considerations to address when preparing the petition. Which prior art references should be used? How many grounds of invalidity should be asserted in the petition? As obvious as it sounds, a petitioner should generally select the best available prior art for use in the petition. Some petitioners may question whether it would be wise to hold a select few top references "in reserve" for the underlying patent litigation in the event the petition is ultimately unsuccessful. However, given the advantages and extremely high success rates of IPR proceedings, the best way to invalidate the challenged patent is to use the best prior art in the petition. Keep in mind that estoppel does not apply to prior art presented in the petition but held redundant by the board in the institution decision.<sup>[1]</sup>

Determining which references are the "best" ultimately depends on how closely those references read on the challenged claims, but there are some important points to consider. First, is the reference going to be used as an anticipatory ground of invalidity, or for an obviousness challenge? Even if a reference arguably anticipates the claims, obviousness provides for greater flexibility in presenting the invalidity challenge — i.e., the petitioner can argue, to the extent Reference A does not expressly disclose Element B, that the element would have been obvious to a person of ordinary skill. However, presenting a ground of invalidity based on obviousness will provide the patent owner with an opportunity to argue secondary considerations of nonobviousness, and in a close case objective evidence can potentially tip the scales in favor of validity.

Potential references should also be carefully scrutinized for red flags, such as priority date issues and "teaching away" disclosures. References dated less than one year prior to the priority date of the challenged patent are susceptible to a swear-behind argument by the patent owner which, if successful, can be dispositive of the petition at the institution stage. If an asserted ground based on obviousness is premised on the combination of

multiple references, any disclosure potentially teaching away from the combination should be directly addressed in the petition. For example, the board has denied institution in some instances where a petitioner's proposed rationale for combining multiple references ignored the fact that one of the references, on its own, purported to solve the problem that the petitioner identified as the reason to combine it with the others.<sup>[2]</sup>

In addition to identifying the best prior art to use, a petitioner must consider how many grounds of invalidity to assert in the petition. Given the 14,000-word limit, there is a practical ceiling to the total number of potential grounds. However, a petitioner should generally not include as many grounds of invalidity as possible into the petition, particularly where those grounds vary in terms of strength. The board in its discretion can, when presented with multiple grounds, institute trial as to fewer than all those asserted. A petitioner should therefore select only the best grounds to include in the petition, lest the board decide to institute a proceeding only on what the petitioner had regarded as a mere "back up" argument.

Finally, a petitioner should consider whether the selected references and grounds allow the petitioner's expert to "tell a story" to the board with the prior art in a credible manner. For instance, consider the following excerpt from an expert declaration used in a recent proceeding:

Accordingly, a person of ordinary skill in the art would have been motivated to the apply the teachings of the '928 Application and/or the '568 patent, the '328 Application, and/or the '349 patent to the devices shown in the Video, the Slides, the MTOS chapter, and/or Suk, and combinations made from these references are merely simple combinations of known elements to achieve predictable results.<sup>[3]</sup>

Notwithstanding the boilerplate nature of this testimony, the conclusory manner in which this expert presents 40,320 potential combinations of prior art is hardly credible as evidence. The board ultimately gave little weight to this expert's testimony in its finding that the challenged claims in that proceeding were nonobvious and therefore patentable.

### **Strategies for Responding to Arguments Raised by Patent Owner**

Challenges based on obviousness are much more common than those based on anticipation.<sup>[4]</sup> A patent owner therefore has an opportunity to present evidence of secondary considerations of nonobviousness, which the board is required to weigh in assessing the obviousness of the challenged claims. However, the manner in which patent owner presents this evidence can provide a petitioner with several opportunities to attack the weight of the evidence or its connection to the challenged claims.

Objective evidence must have a "nexus" to the challenged claims — in other words, the objective evidence must result from the novel features recited by the claims in order to be given significant weight.<sup>[5]</sup> The burden of proof is on the patent owner to establish a nexus<sup>[6]</sup> and can be satisfied by, for example, providing expert testimony sufficient to show that patent owner's commercial product (from which the object evidence arose) embodies and is coextensive with the claim features — if this is proven, a nexus is presumed and the presumption can only

be rebutted by evidence, not mere attorney argument.<sup>[7]</sup>

Attacking the nexus between the objective evidence and the challenged claims is thus the most effective way for a petitioner to give the board a reason to ignore substantially all of patent owner's arguments regarding secondary considerations. One way for a petitioner to do so is to attack the manner in which the patent owner proved nexus. For instance, did the patent owner's expert review a commercial embodiment of the patented product, or just a technical specification? Did the patent owner use a marketing expert to review pertinent sales data, or did they rely on a single technical expert for the entire proceeding?

The quality and nature of a patent owner's evidence can also be attacked by a petitioner in the petitioner's reply. Evidence of commercial success is given little weight unless accompanied by evidence of market share — in other words, a patent owner must prove how commercially successful the product was relative to the market for that product as a whole.<sup>[8]</sup> Evidence of a long-felt but unresolved need must establish the need was acknowledged by persons of ordinary skill in the art, not just the average consumer.<sup>[9]</sup> Industry praise must be tied directly to the invention recited in the challenged claims; general praise of a company or its product that fails to identify with particularity the praised claim features carries little weight.<sup>[10]</sup> If any of these shortcomings exist in the evidence proffered by a patent owner, the petitioner should highlight the issues before the board as they tend to make the evidence less probative.

### **Conclusion**

Petitioners must do more than put a claim chart in front of the board to prevail in IPR proceedings. The strategies described in this article have proven effective in favorably influencing the outcomes of past IPRs and can be employed by petitioners in future proceedings before the board.

[1] See *Shaw Indus. Grp., Inc. v. Automated Creel Sys., Inc.*, 817 F.3d 1293, 1299-1300 (Fed. Cir. 2016).

[2] See *Runway Safe LLC v. Engineered Arresting Sys.*, IPR2015-001921, Paper 9, at 10 (P.T.A.B. Feb. 29, 2016).

[3] *Medtronic, Inc. v. Mark A. Barry*, IPR2015-00780, Exhibit 1001 84 (P.T.A.B. Feb. 20, 2015).

[4] Docket Navigator, PTAB Institutions (through Oct. 1, 2016).

[5] *In re Kao*, 639 F.3d 1057, 1068 (Fed. Cir. 2011).

[6] *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988).

[7] See *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1328 (Fed. Cir. 2008).

[8] *In re Huang*, 100 F.3d 135, 140 (Fed. Cir. 1996).

[9] See *In re Gershon*, 372 F.2d 535, 533-39 (C.C.P.A. 1967).

[10] See *Geo. M. Martin Co. v. Alliance Mach. Sys. Int'l LLC*, 618 F.3d 1294, 1305 (Fed. Cir. 2010).

## Related People

---



**John C. Alemanni**

Partner  
Raleigh, NC  
t 919.420.1724  
jalemanni@kilpatricktownsend.com



**Wab Kadaba**

Partner  
Atlanta, GA  
t 404.532.6959  
wkadaba@kilpatricktownsend.com



**Andrew W. Rinehart**

Senior Associate  
Winston-Salem, NC  
t 336.607.7312  
arinehart@kilpatricktownsend.com