

PRESENTED AT
2nd Annual Advanced Patent Expert Conference

STATE OF THE BOARD

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UNITED STATES
PATENT AND TRADEMARK OFFICE



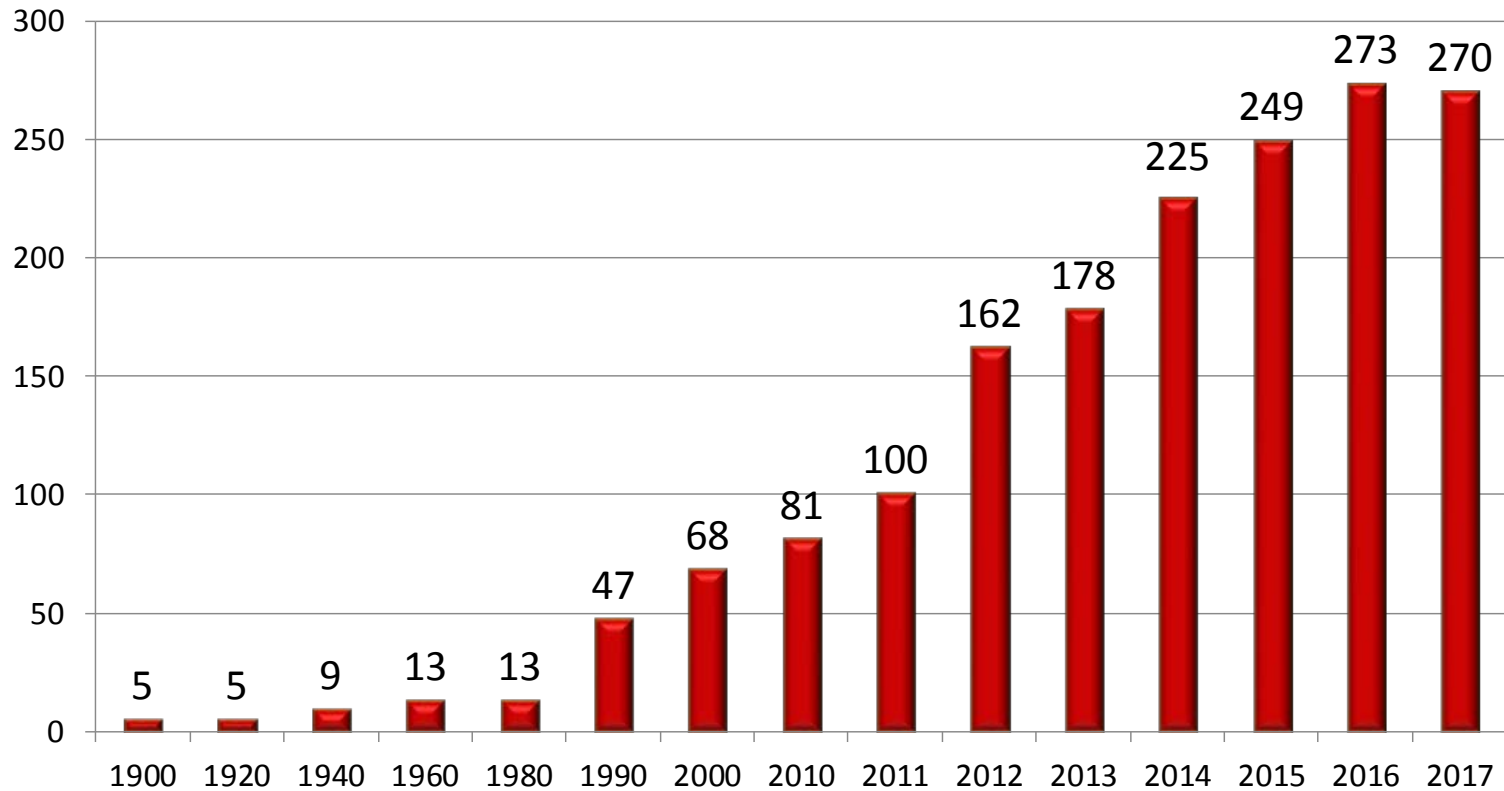
USPTO Locations



*Alexandria, Va. count includes judges who participate in TEAPP.

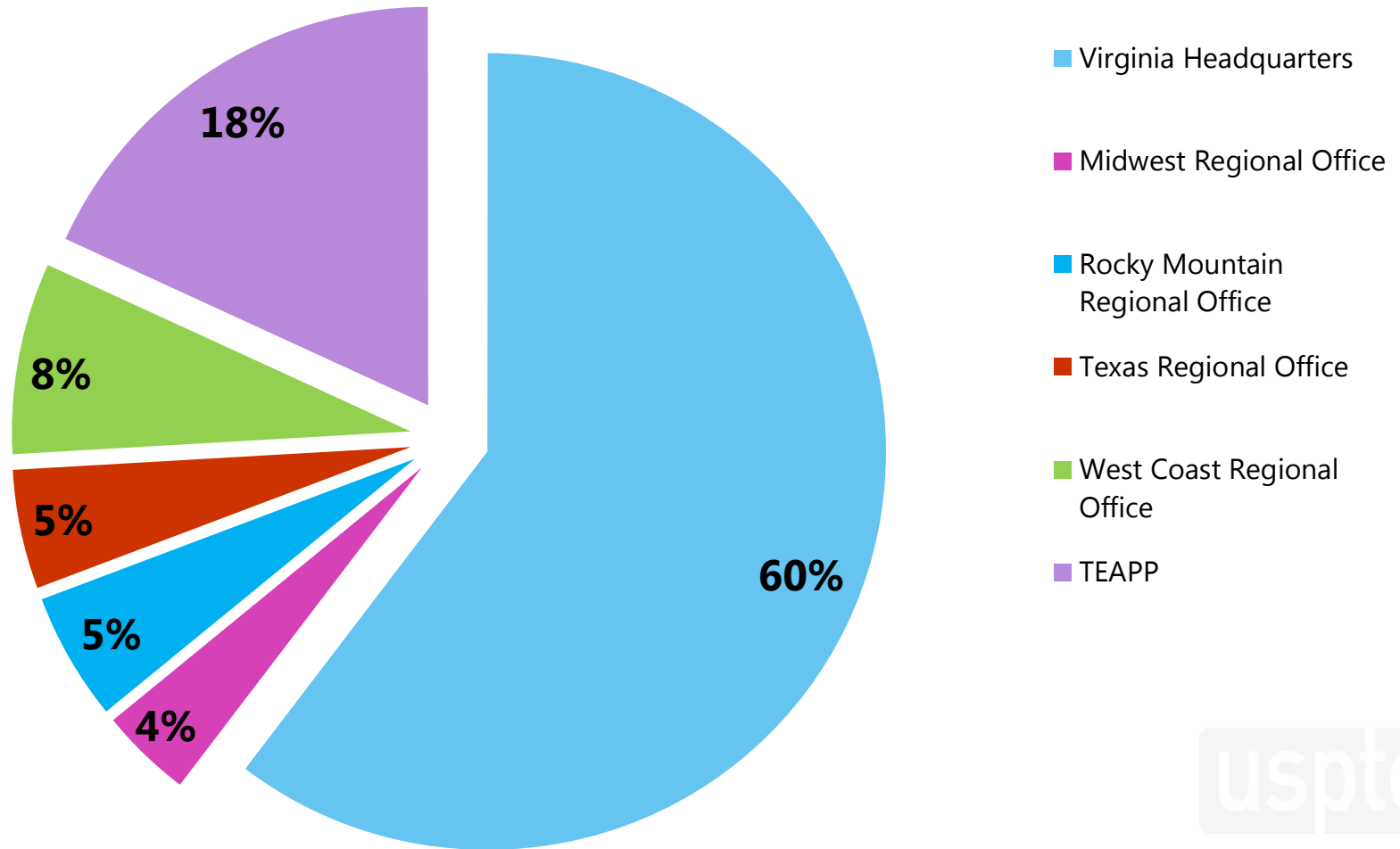
Board Size Over Time

(Calendar Year)



PTAB Office Location Demographics

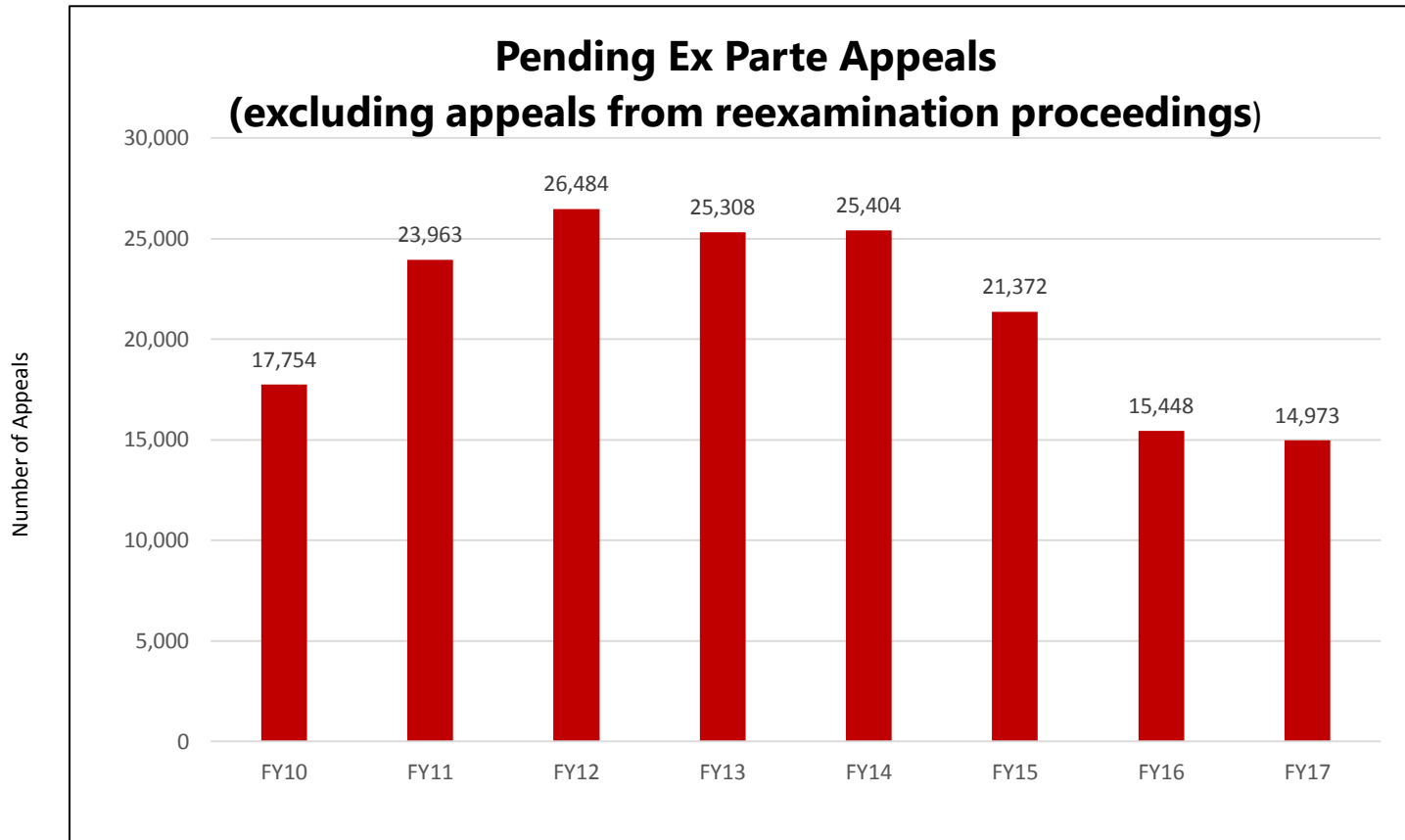
as of September 6, 2016



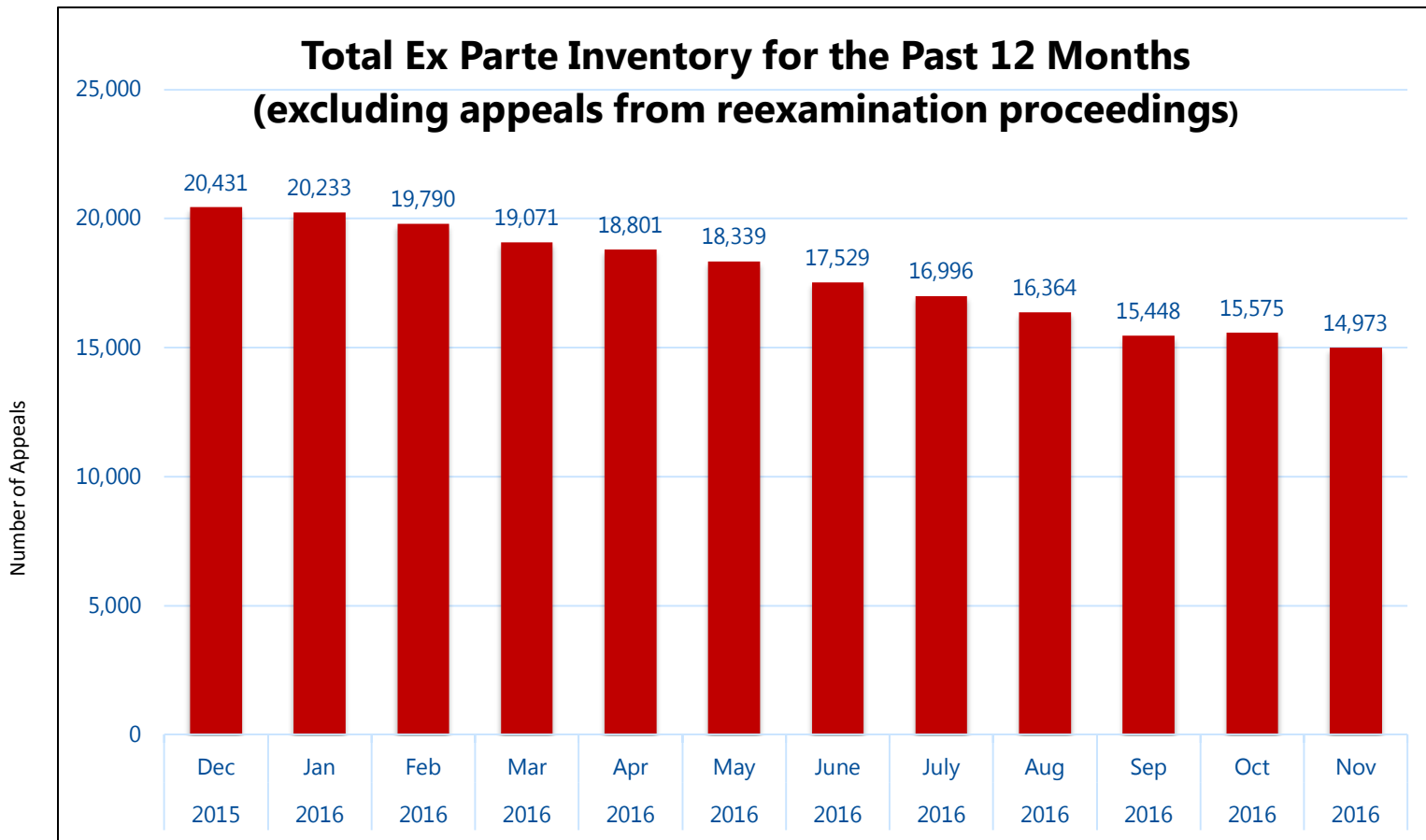
Ex Parte Appeal, Reexamination Appeal, Reissue Appeal, and Interference

APPEAL AND INTERFERENCE STATISTICS



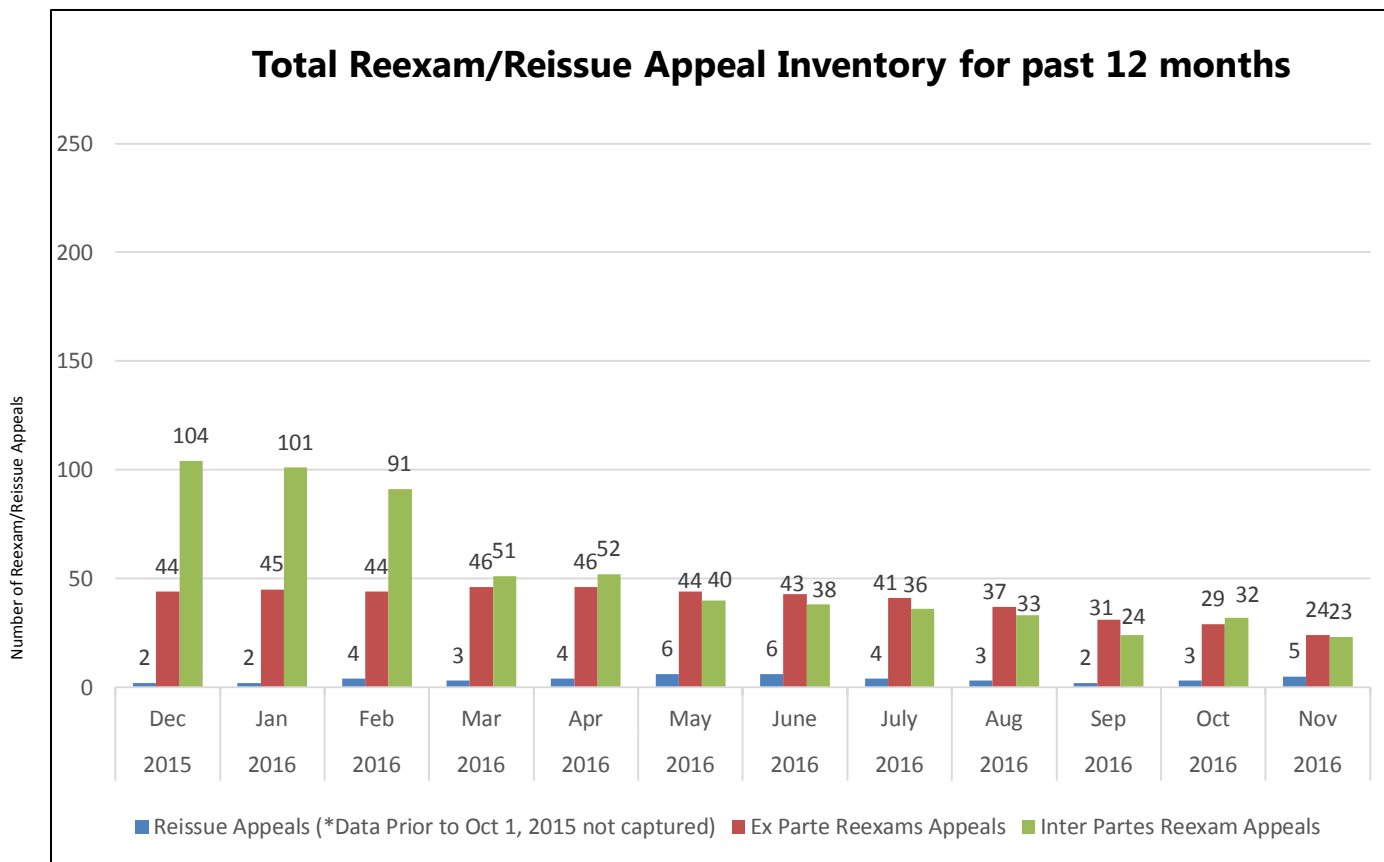


This graph shows the total number of ex parte appeals pending at the end of fiscal year 2010 through November 30, 2016, excluding reexamination, reissue and supplemental examination appeals.



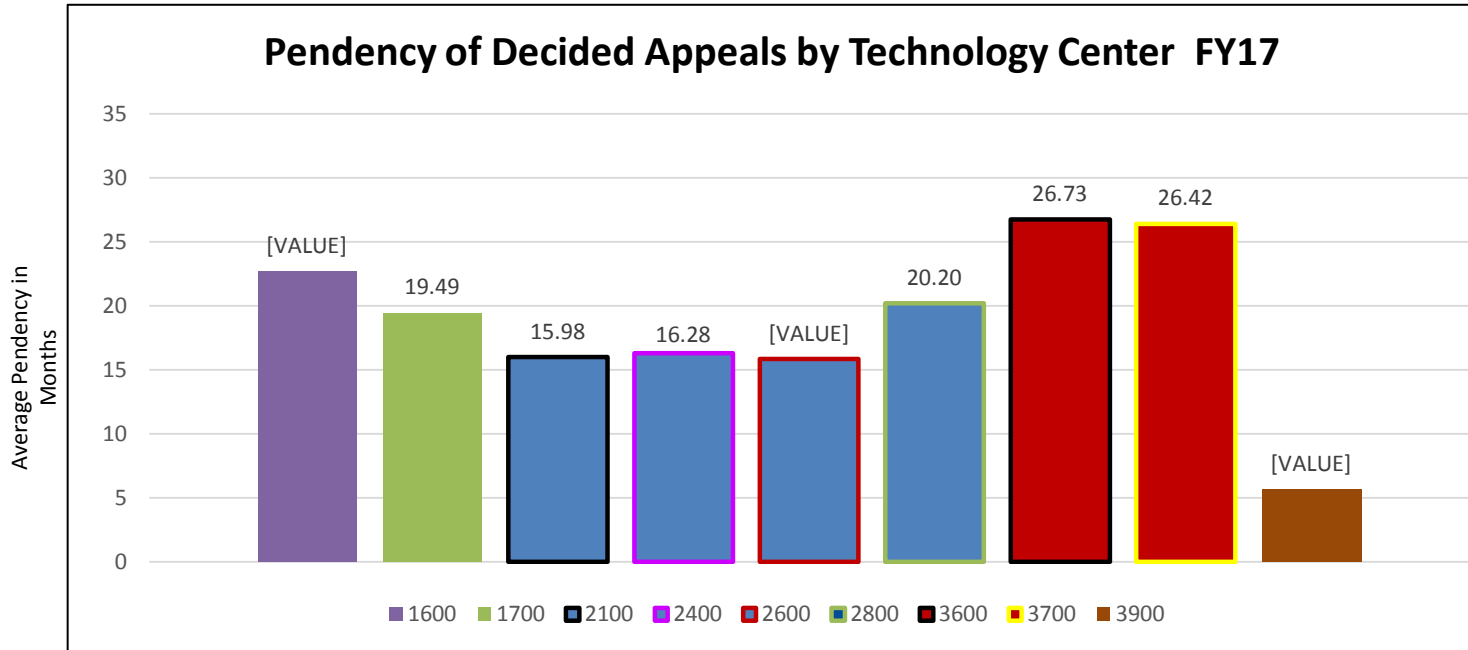
This graph shows the total number of ex parte appeals pending at the end of each month (for the past 12 months), excluding reexamination, reissue and supplemental examination appeals.

* As a result of an internal audit the number of pending appeals for 9/30/2015 has been updated from 21,293 to 21,372.

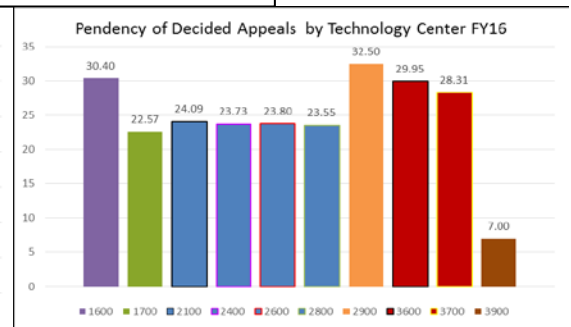
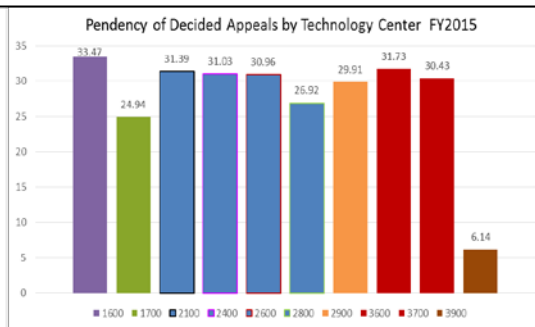
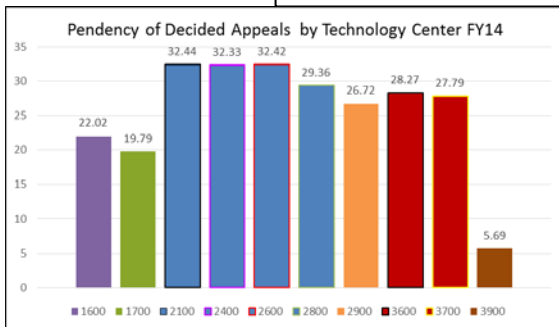
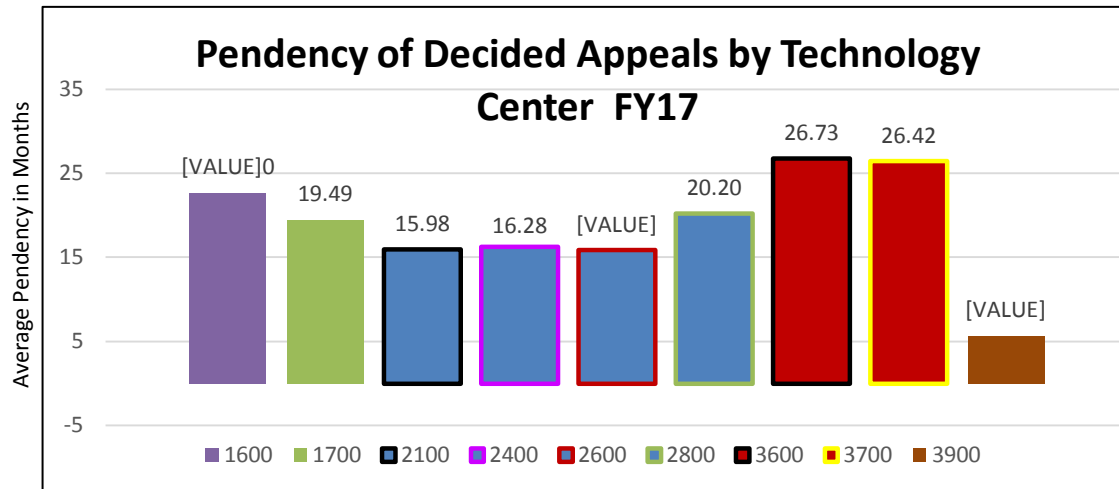


This graph shows the total number of reexam and reissue appeals pending at the end of each month (for the past 12 months). Excludes appeals originating from supplemental examinations.

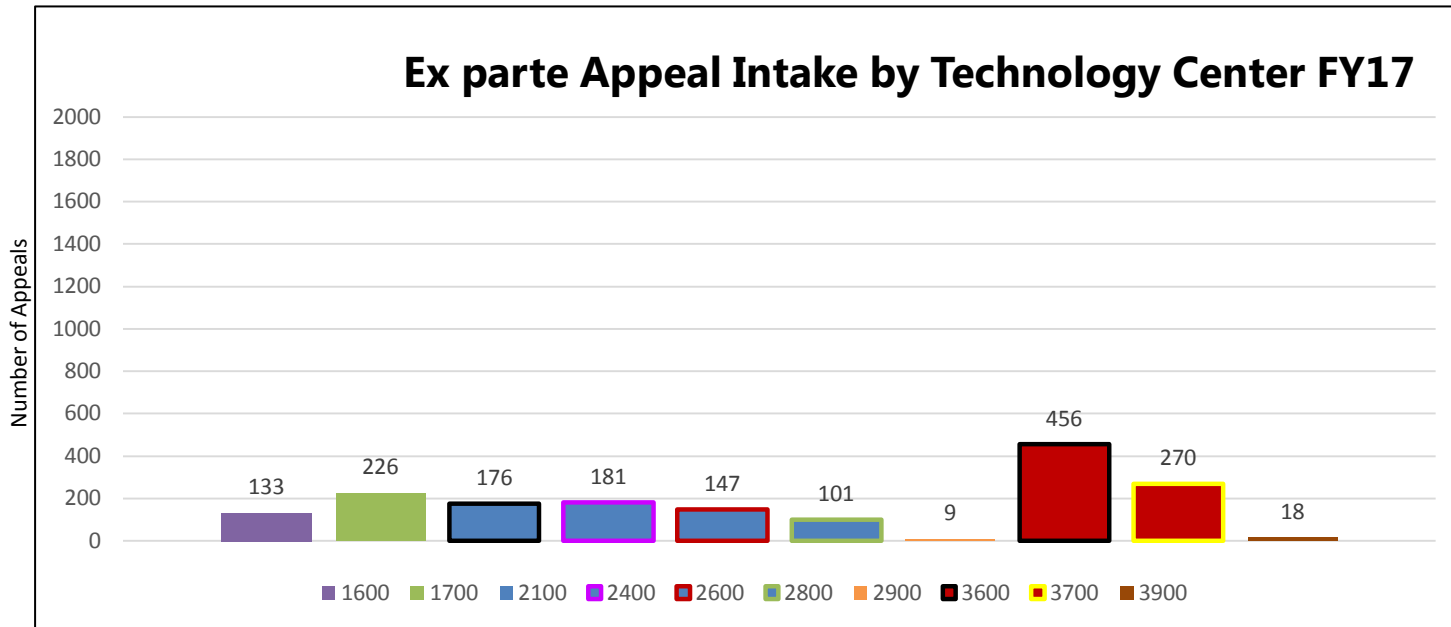
*Note – Data does not include reissue appeals docketed prior to Oct 1, 2015.



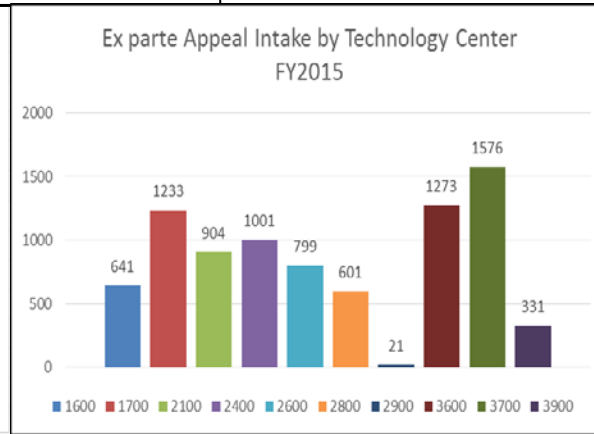
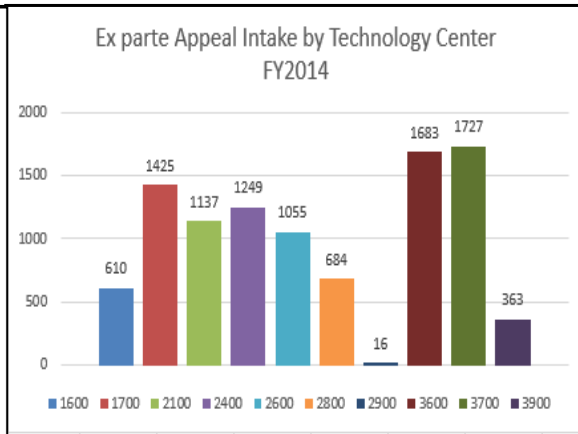
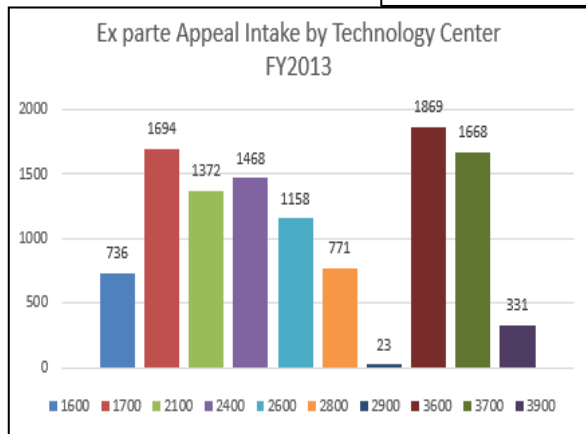
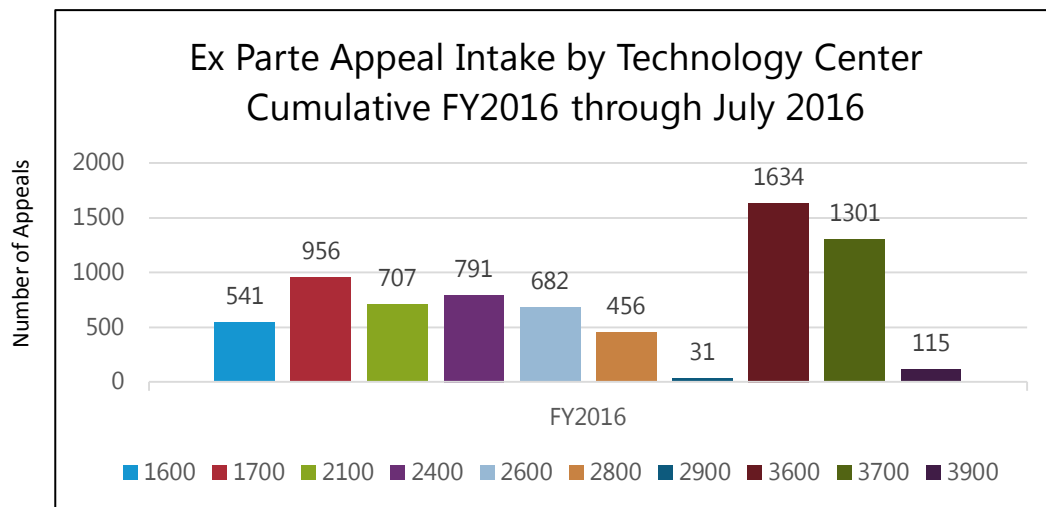
This bar chart shows Average Pendency of Decided Appeals by Technology Center for Appeals Decided in FY17 to date (Oct 1, 2016 through November 30, 2016). Pendency is measured from date of PTAB docketing (assignment of appeal number) to date of Decision.



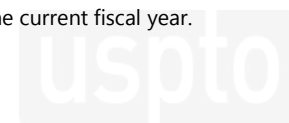
These bar charts show Average Pendency of Decided Appeals by Technology Center for Appeals Decided in the past three fiscal years (FY14, FY15, and FY16) as compared to the current fiscal year. Pendency is measured from date of PTAB docketing (assignment of appeal number) to date of Decision.



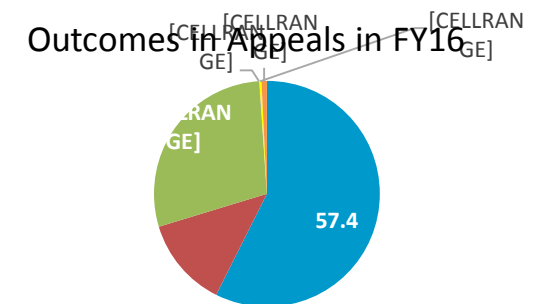
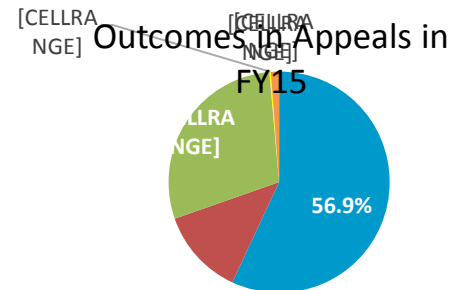
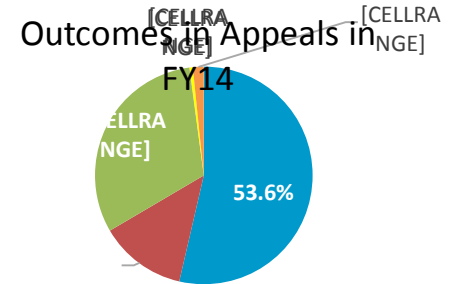
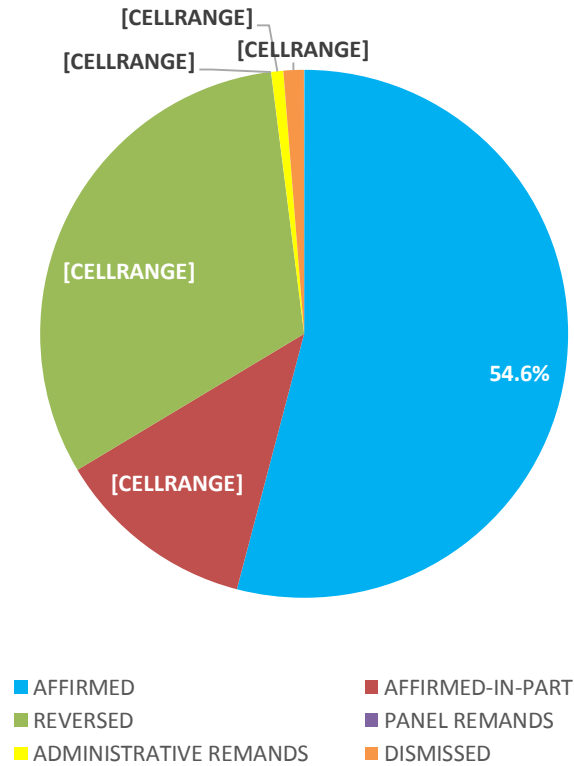
This slide shows the number of appeals the Board has received from each Tech Center for this fiscal year (through the end of November 2016).

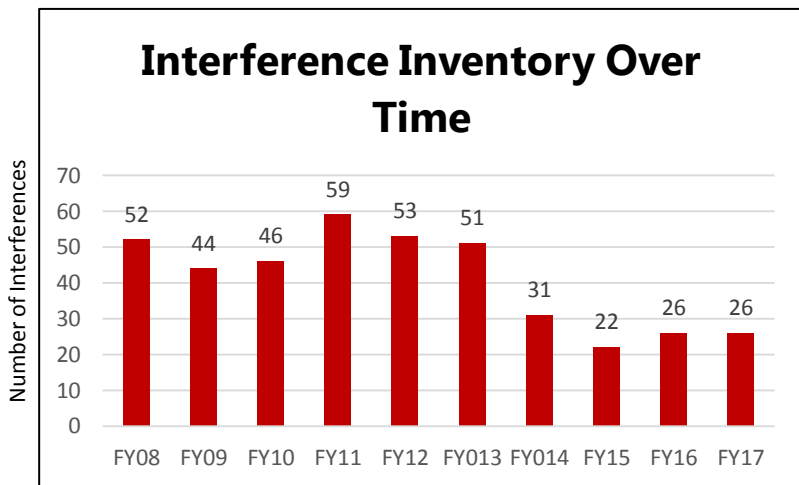


This slide shows the number of appeals the Board received from each Technology Center for the prior three fiscal years as compared to the current fiscal year.

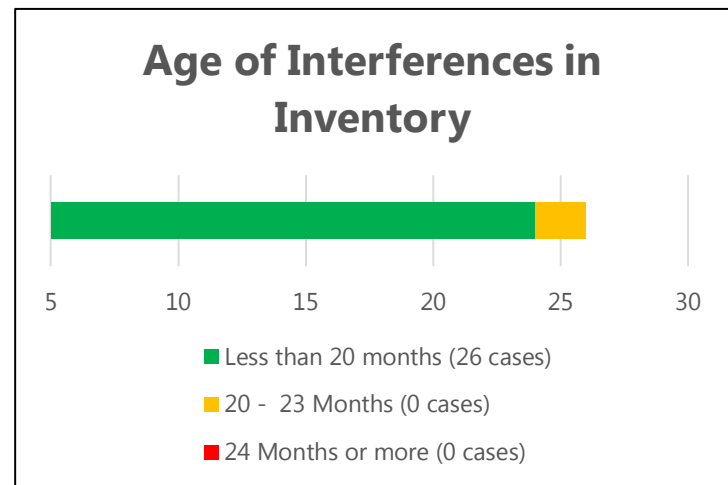


Outcomes in Appeals in FY17





This graph shows the number of Interferences pending at the end of each prior fiscal year and the current number in inventory this fiscal year.

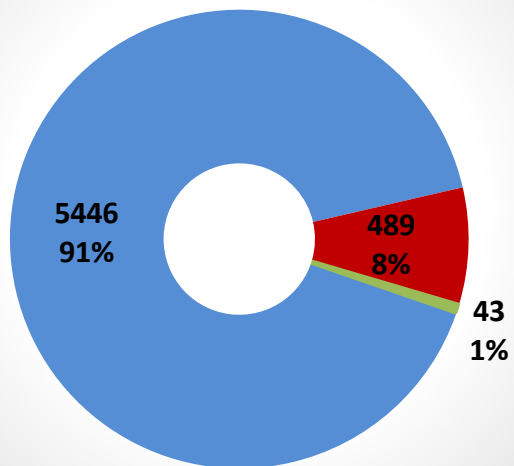


This graph shows the November 2016 dashboard information about pendency (number of cases in each status of green, yellow, or red).

Trial Statistics

5978 Total AIA Petitions*

Cumulative from 09/16/2012



■ Total IPR Petitions ■ Total CBM Petitions
■ Total PGR Petitions

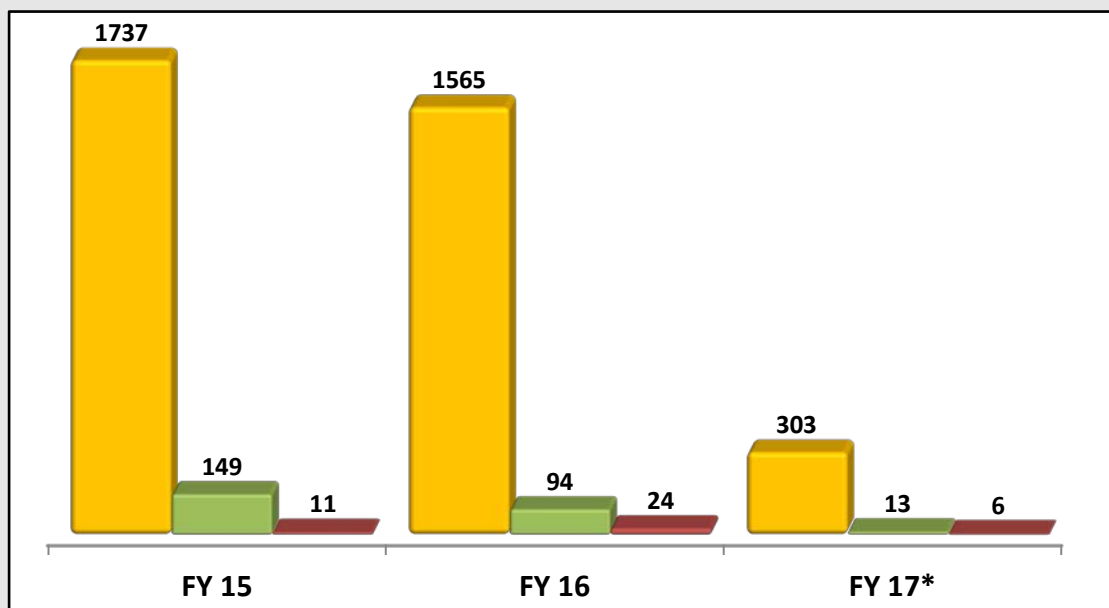
Narrative:

This pie chart shows the total number of cumulative AIA petitions filed to date broken out by trial type (i.e., IPR, CBM, and PGR).

***Data current as of: 11/30/2016**

Number of AIA Petitions Filed by Fiscal Year by Type

■ IPR ■ CBM ■ PGR

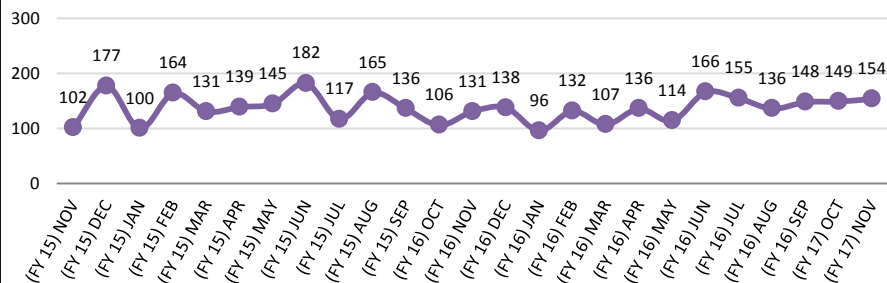


Narrative:

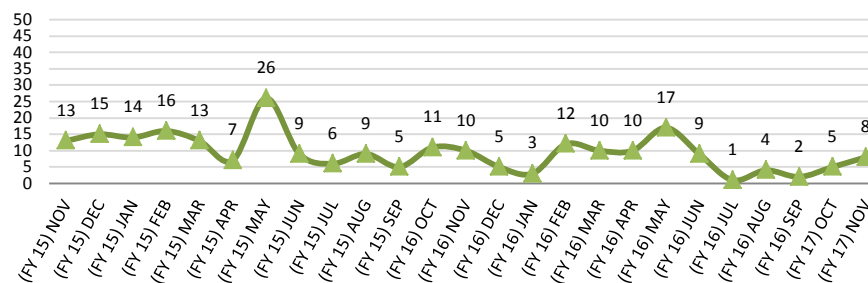
This bar graph depicts the number of AIA petitions filed each fiscal year, with each bar showing the filings for that fiscal year by trial type (i.e., IPR, CBM, and PGR).

***Data current as of: 11/30/2016**

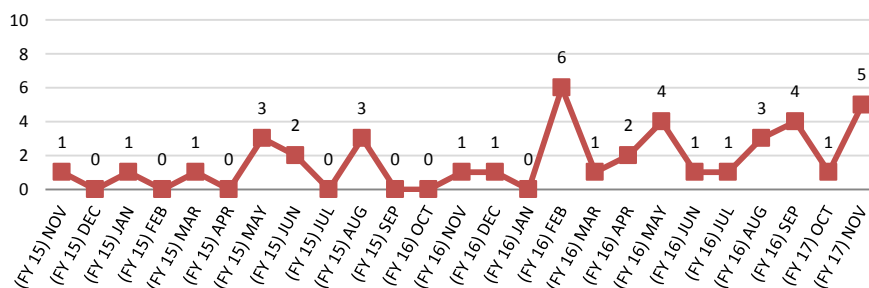
Number of IPR Petitions Filed by Month*



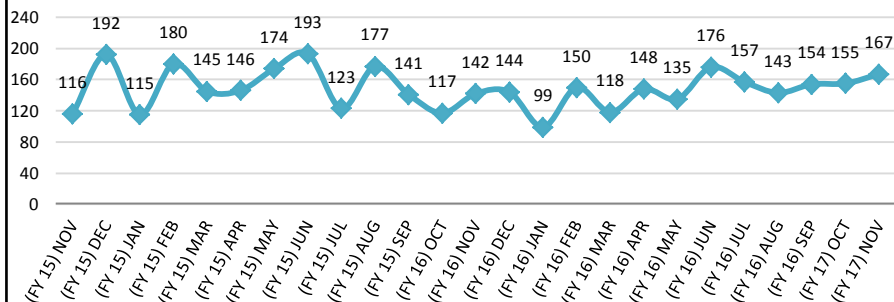
Number of CBM Petitions Filed by Month*



Number of PGR Petitions Filed by Month*



Number of TOTAL Petitions Filed by Month*



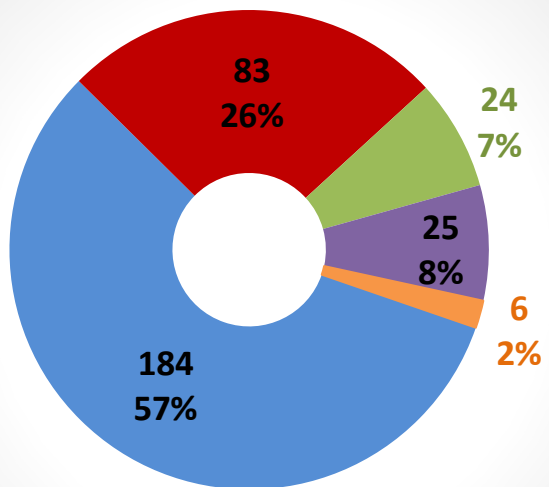
Narrative:

These line graphs display the number of IPR, CBM, and PGR petitions filed each month and the total number of all petitions filed each month from the effective date of the AIA trial provisions.

*Data current as of: 11/30/2016

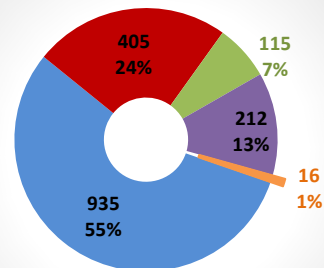


**322 Total AIA Petitions in FY 17*
(Technology Breakdown)**

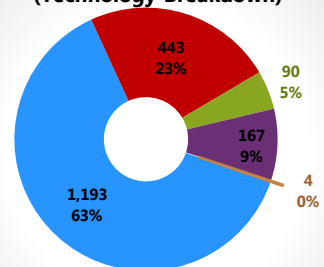


- Electrical/Computer - TCs 2100, 2400, 2600, 2800
- Mechanical/Business Method - TCs 3600, 3700
- Chemical - TC 1700
- Bio/Pharma - TC 1600
- Design - TC 2900

**1683 Total AIA Petitions in FY 16*
(Technology Breakdown)**



**1897 Total AIA Petitions in FY 15*
(Technology Breakdown)**



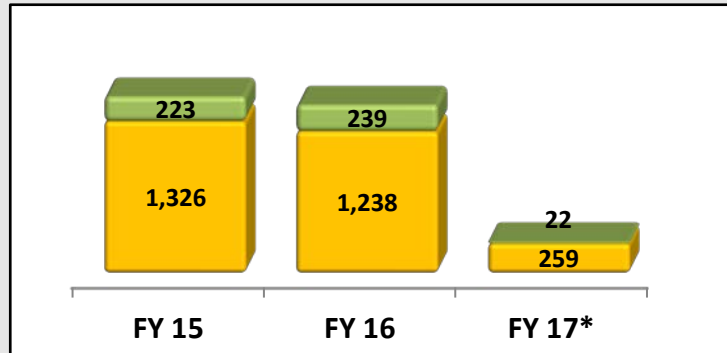
Narrative:

This pie chart shows the total number of AIA petitions filed in the current fiscal year to date as well as the number and percentage of these petitions broken down by technology.

*Data current as of: 11/30/2016

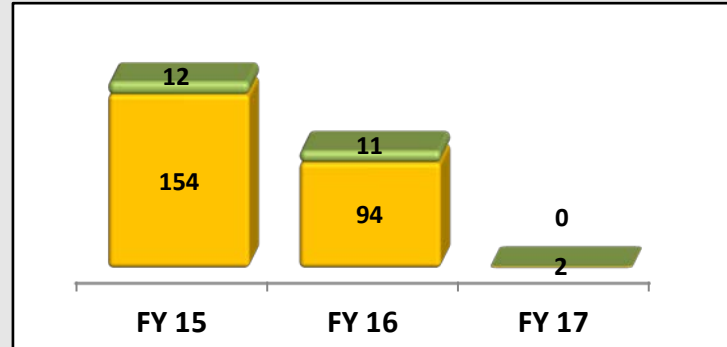


IPR - Number of Patent Owner Preliminary Responses by Fiscal Year



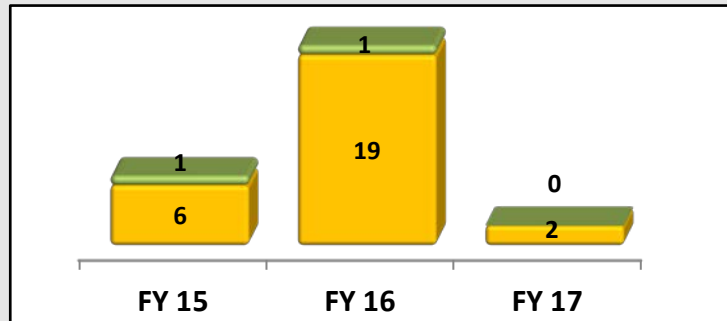
■ Filed ■ Waived/Not Filed

CBM - Number of Patent Owner Preliminary Responses by Fiscal Year



■ Filed ■ Waived/Not Filed

PGR - Number of Patent Owner Preliminary Responses by Fiscal Year



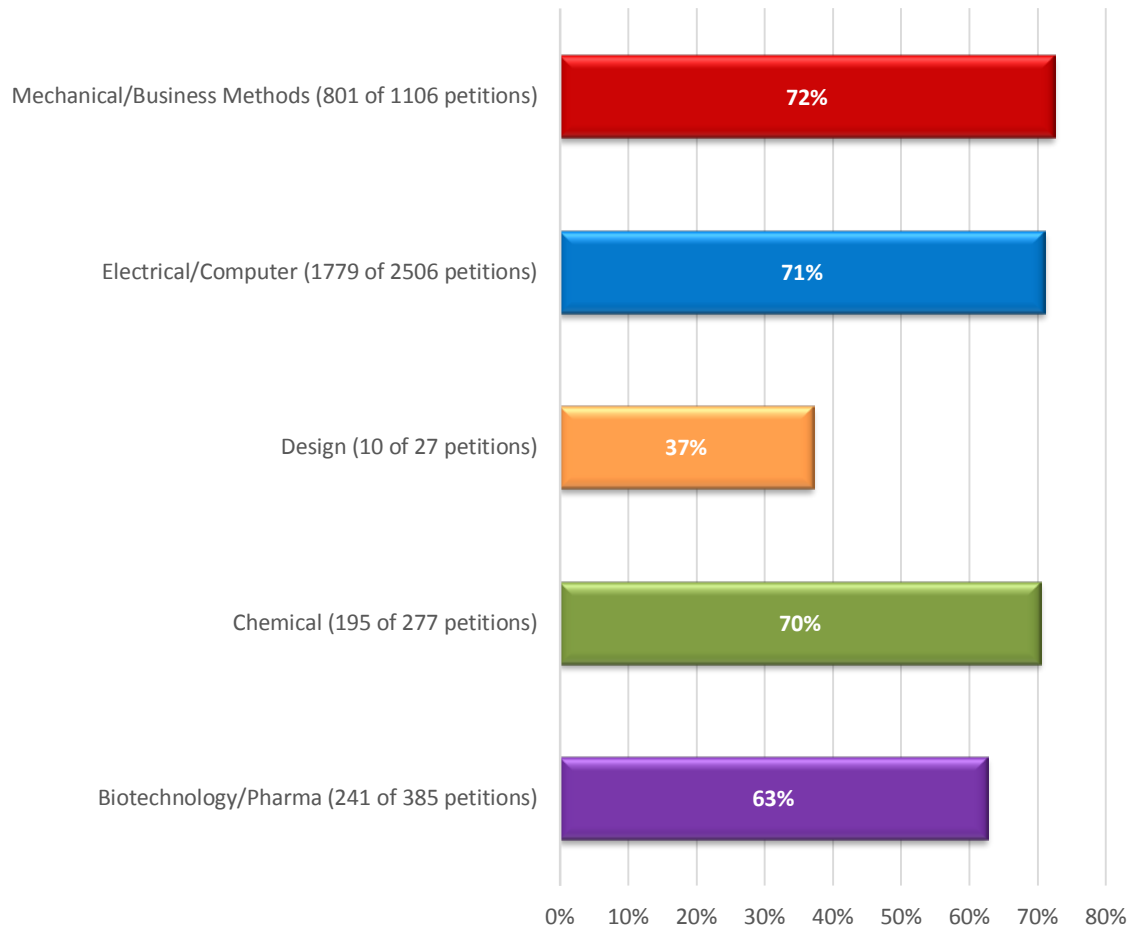
■ Filed ■ Waived/Not Filed

Narrative:

These three sets of bar graphs show the number of patent owner preliminary responses filed and waived/not filed each fiscal year in IPR, CBM, and PGR proceedings.

***Data current as of: 11/30/2016**

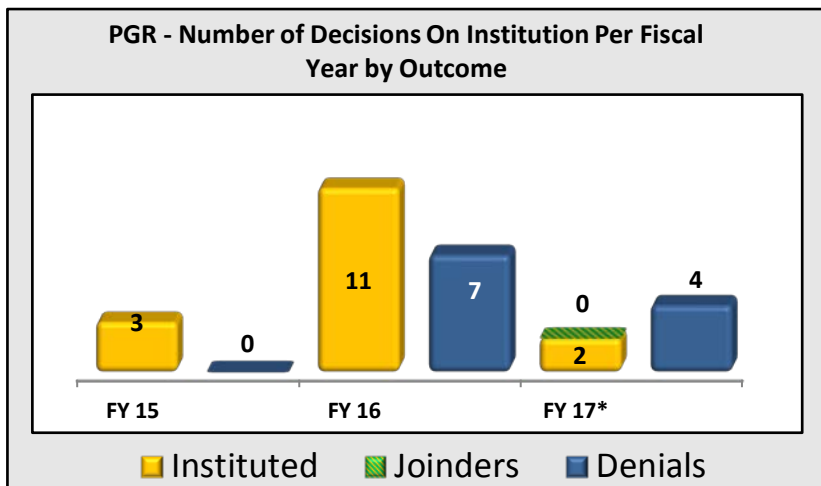
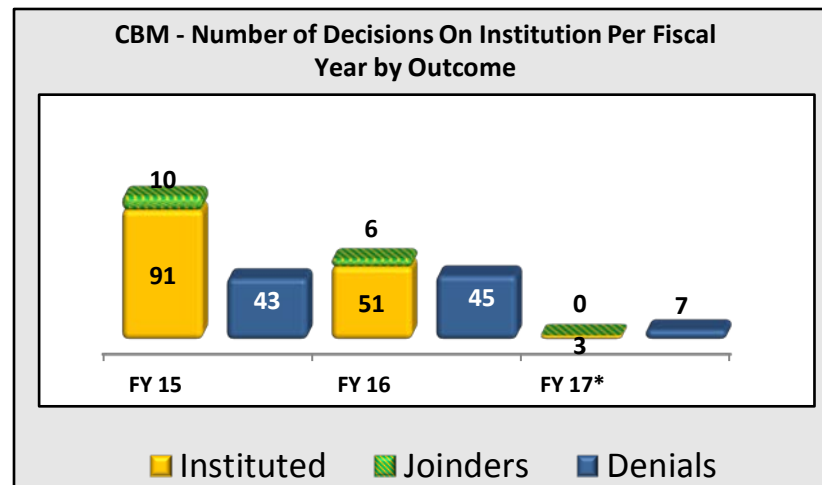
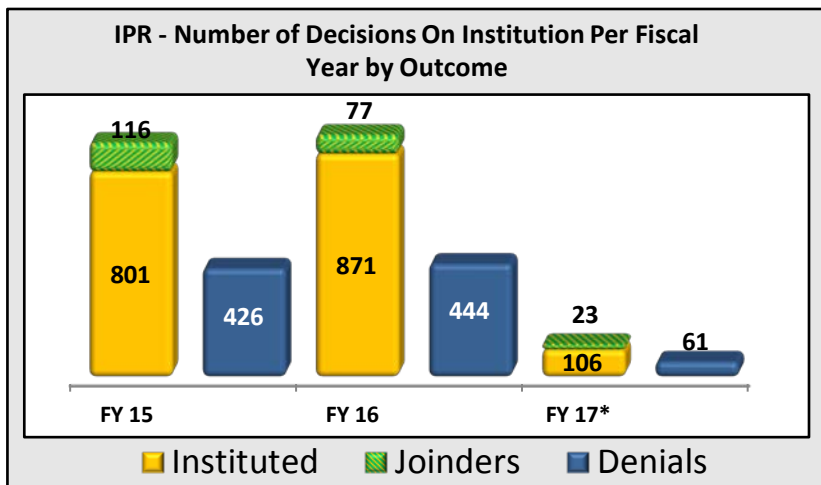
Percent of Petitions Instituted, by Technology



Narrative:

This chart shows the percentage of petitions instituted of all decisions on petition, by technology area.

***Data current as of: 11/30/2016**

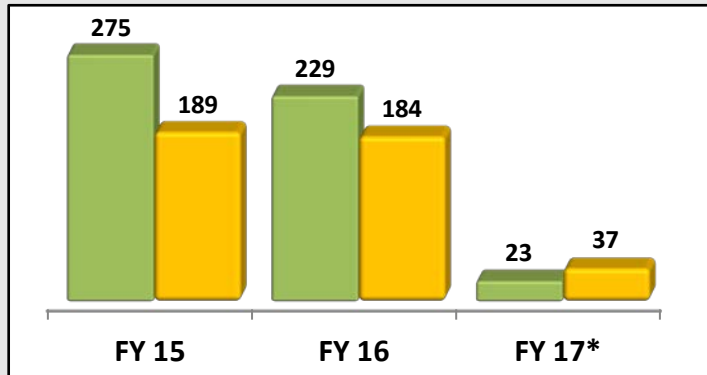


Narrative:

These three sets of bar graphs show the number of decisions on institution by fiscal year broken out by trials instituted (including joinders) and trials denied in IPR, CBM, and PGR proceedings. A trial that is instituted in part is counted as an institution in these bar graphs.

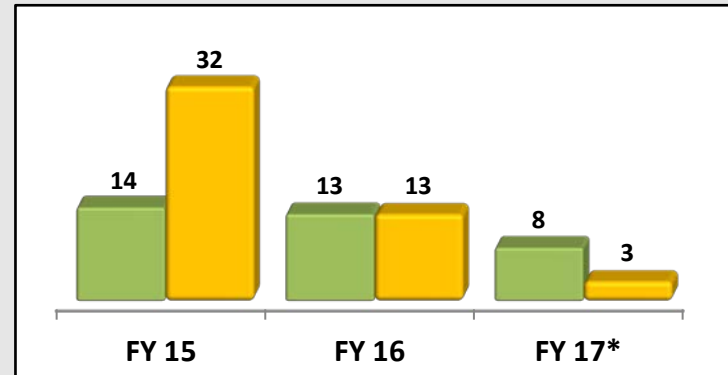
***Data current as of: 11/30/2016**

IPR - Settlements



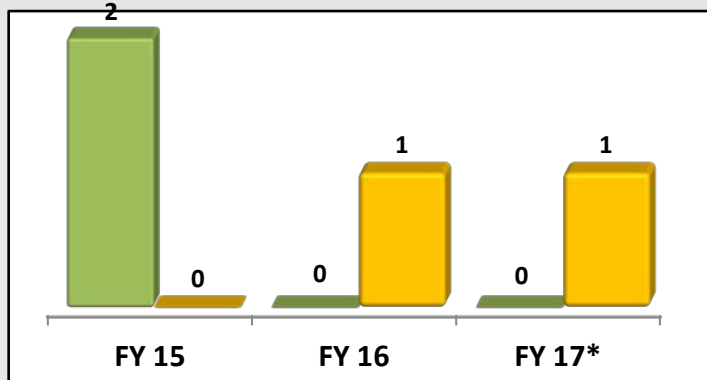
■ Settled Before Institution ■ Settled After Institution

CBM - Settlements



■ Settled Before Institution ■ Settled After Institution

PGR - Settlements



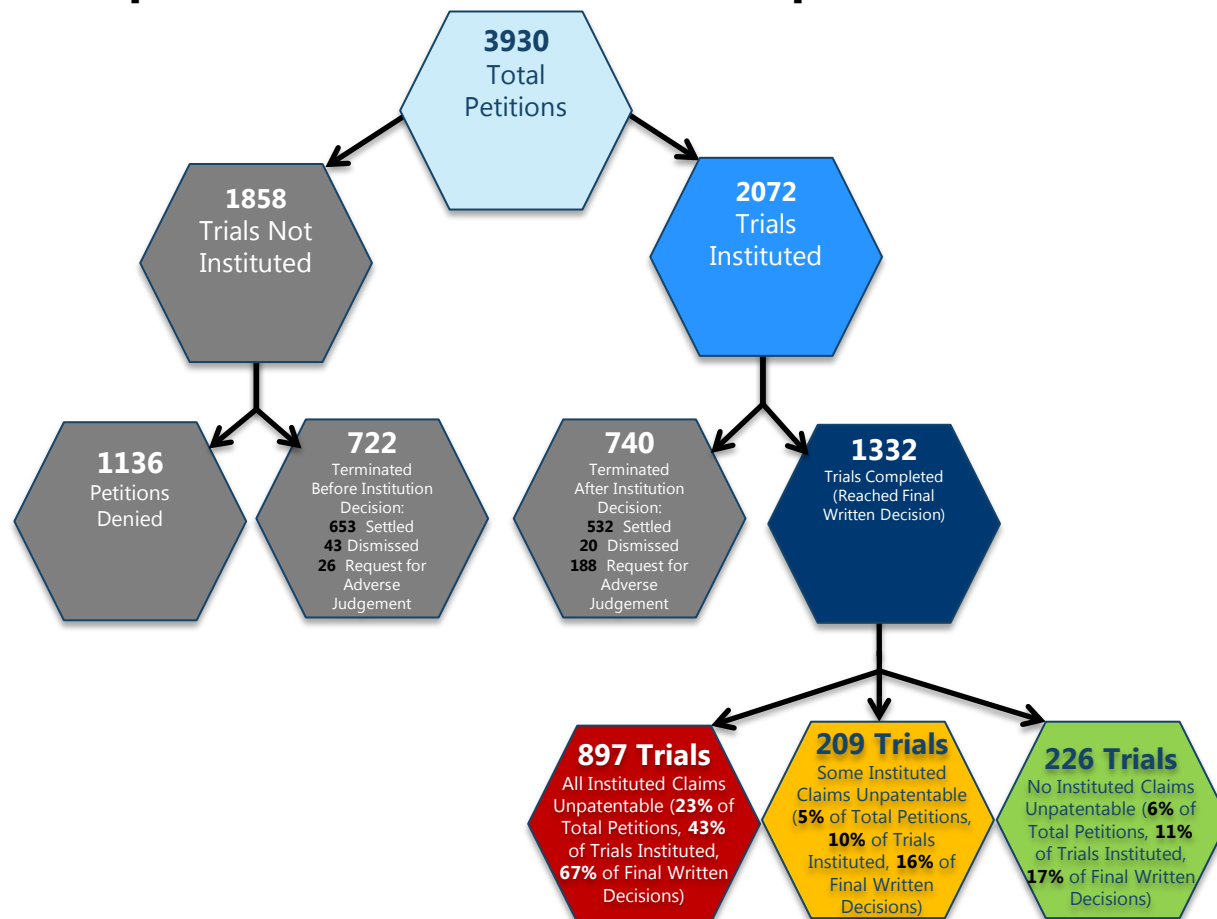
■ Settled Before Institution ■ Settled After Institution

Narrative:

These three sets of bar graphs show settlements in AIA trials broken down by settlements that occurred prior to institution and settlements that occurred after institution in IPR, CBM, and PGR proceedings.

***Data current as of:** 11/30/2016

Disposition of IPR Petitions Completed to Date*

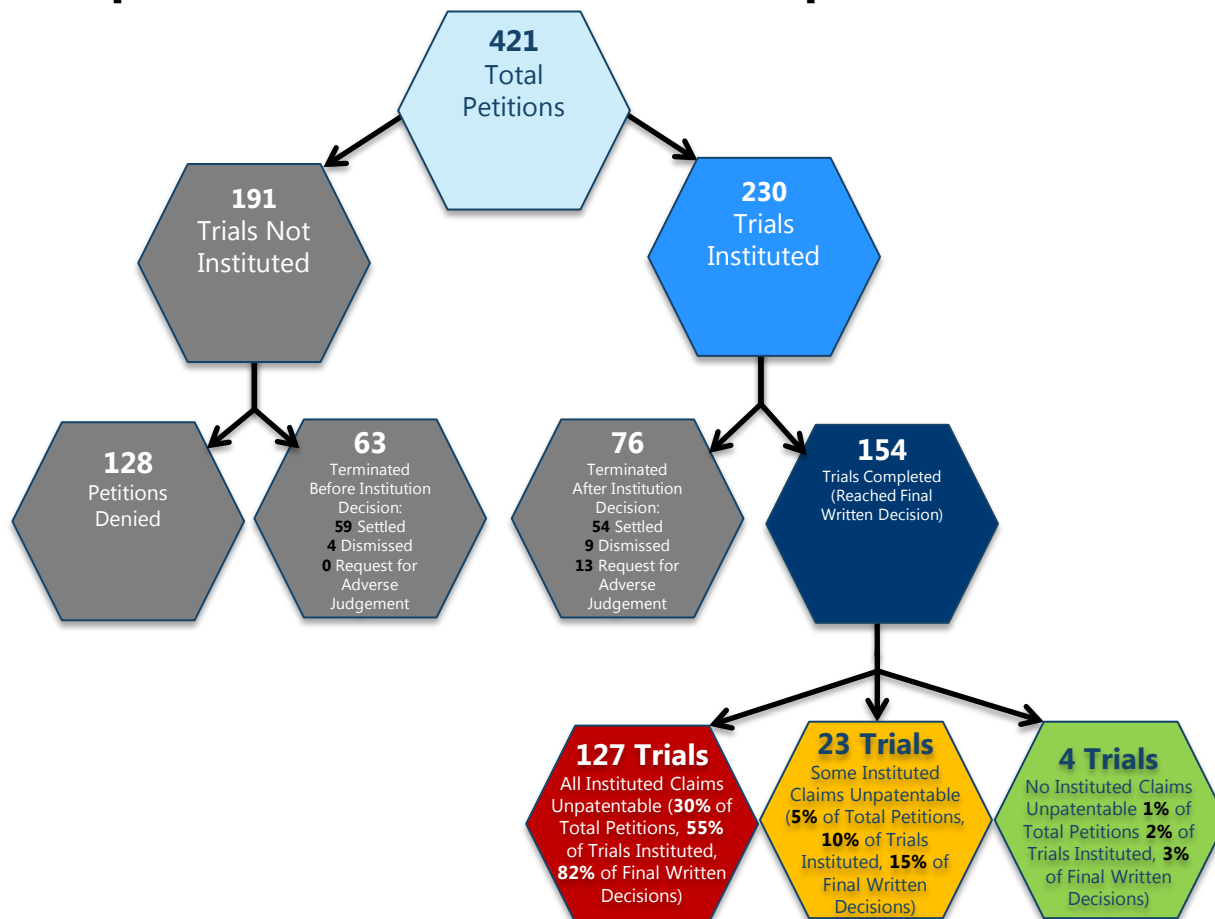


Narrative:

This graph shows a stepping stone visual depicting the outcomes for all IPR petitions filed to-date that have reached a final disposition.

*Data current as of: 11/30/2016

Disposition of CBM Petitions Completed to Date*

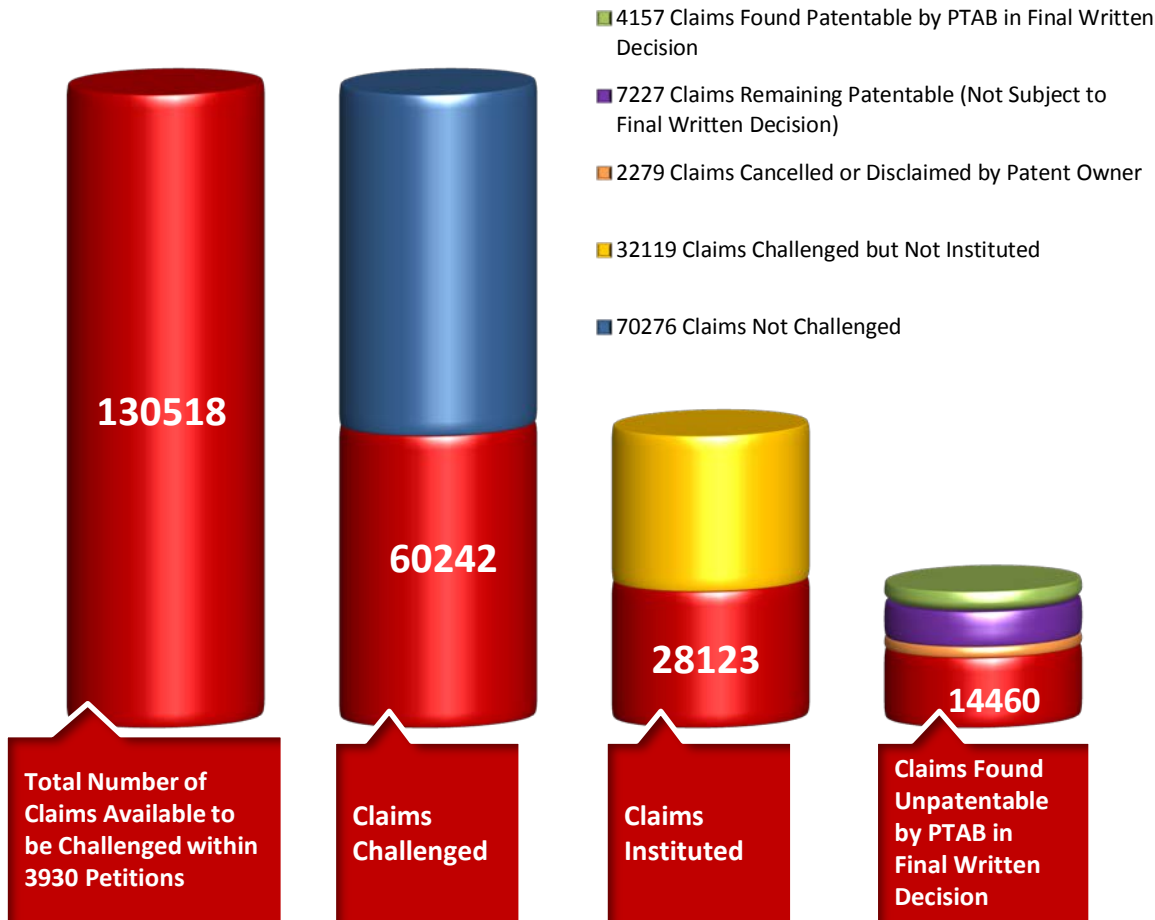


Narrative:

This graph shows a stepping stone visual depicting the outcomes for all CBM petitions filed to-date that have reached a final disposition.

*Data current as of: 11/30/2016

IPR Petitions Terminated to Date*



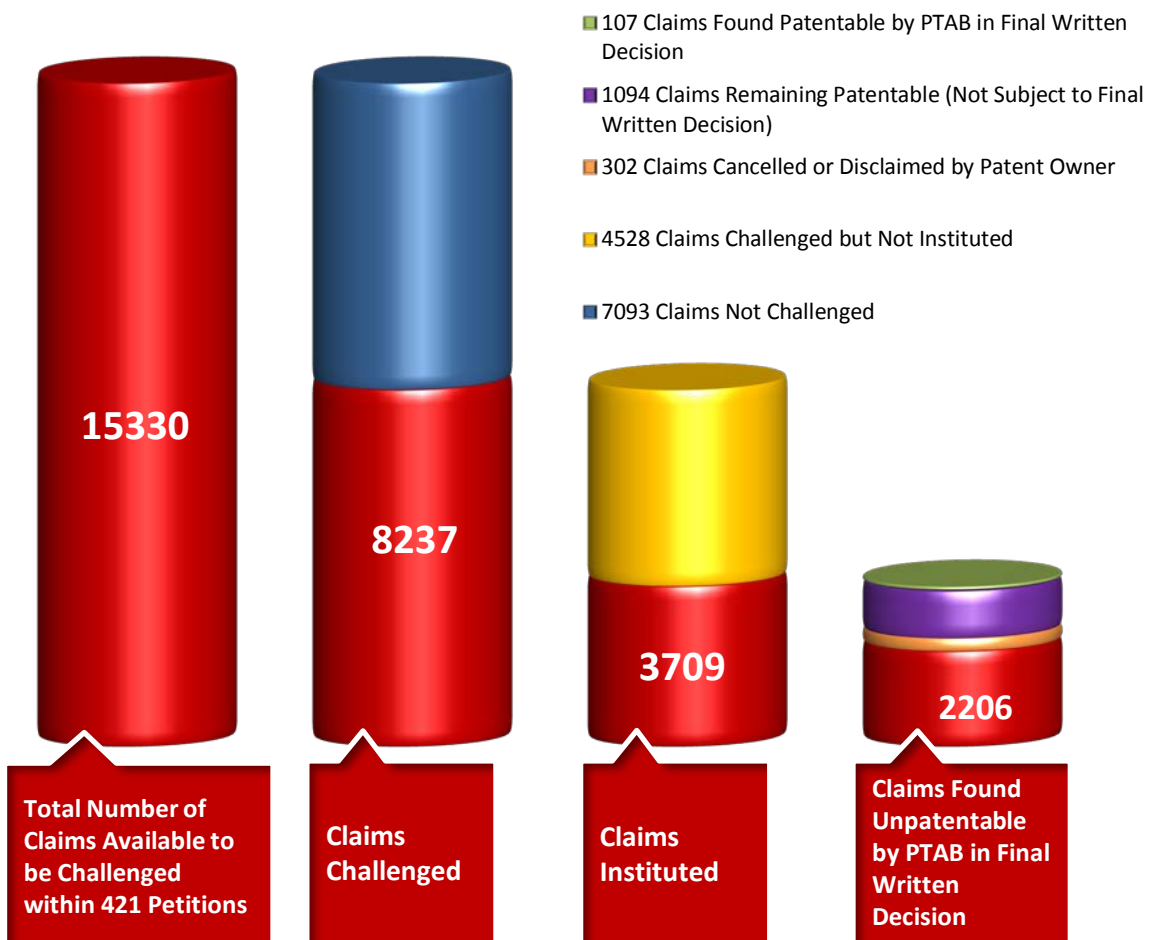
Narrative:

This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the IPR petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner after institution, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

*Data current as of: 11/30/2016

CBM Petitions Terminated to Date*



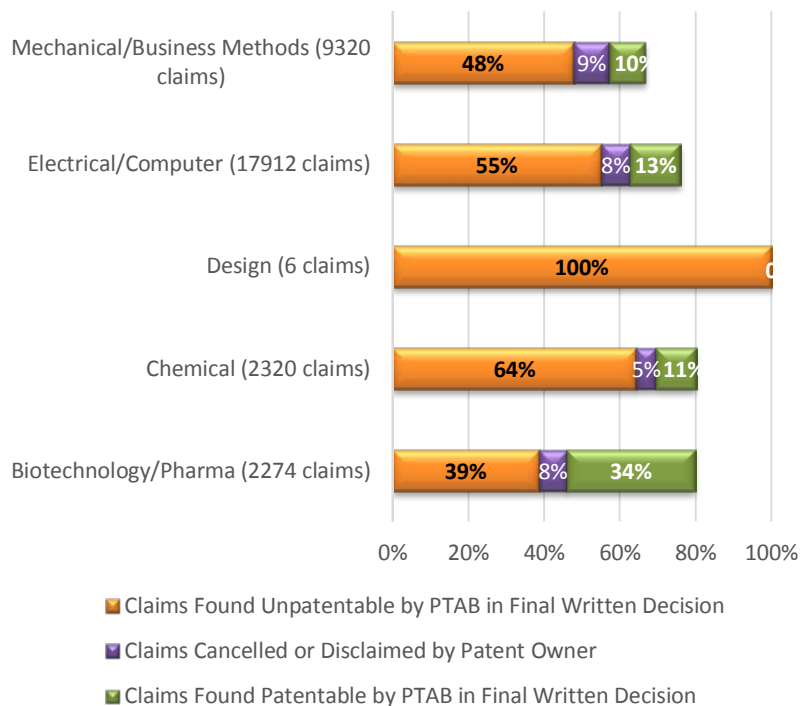
Narrative:

This visual contains four cylinders. The first cylinder shows the total number of claims available to be challenged in the CBM petitions filed. The second cylinder shows the number of claims actually challenged and not challenged. The third cylinder shows the number of claims on which trial was instituted and not instituted. The fourth cylinder shows the total number claims found unpatentable in a final written decision, the number of claims canceled or disclaimed by patent owner after institution, the number of claims remaining patentable (not subject to a final written decision), and the number of claims found patentable by the PTAB.

Note: "Completed" petitions include terminations (before or after a decision on institution) due to settlement, request for adverse judgment, or dismissal; final written decisions; and decisions denying institution.

***Data current as of: 11/30/2016**

Trial Outcomes for Instituted Claims, by Technology



* Includes IPR and CBM trial outcomes

Narrative:

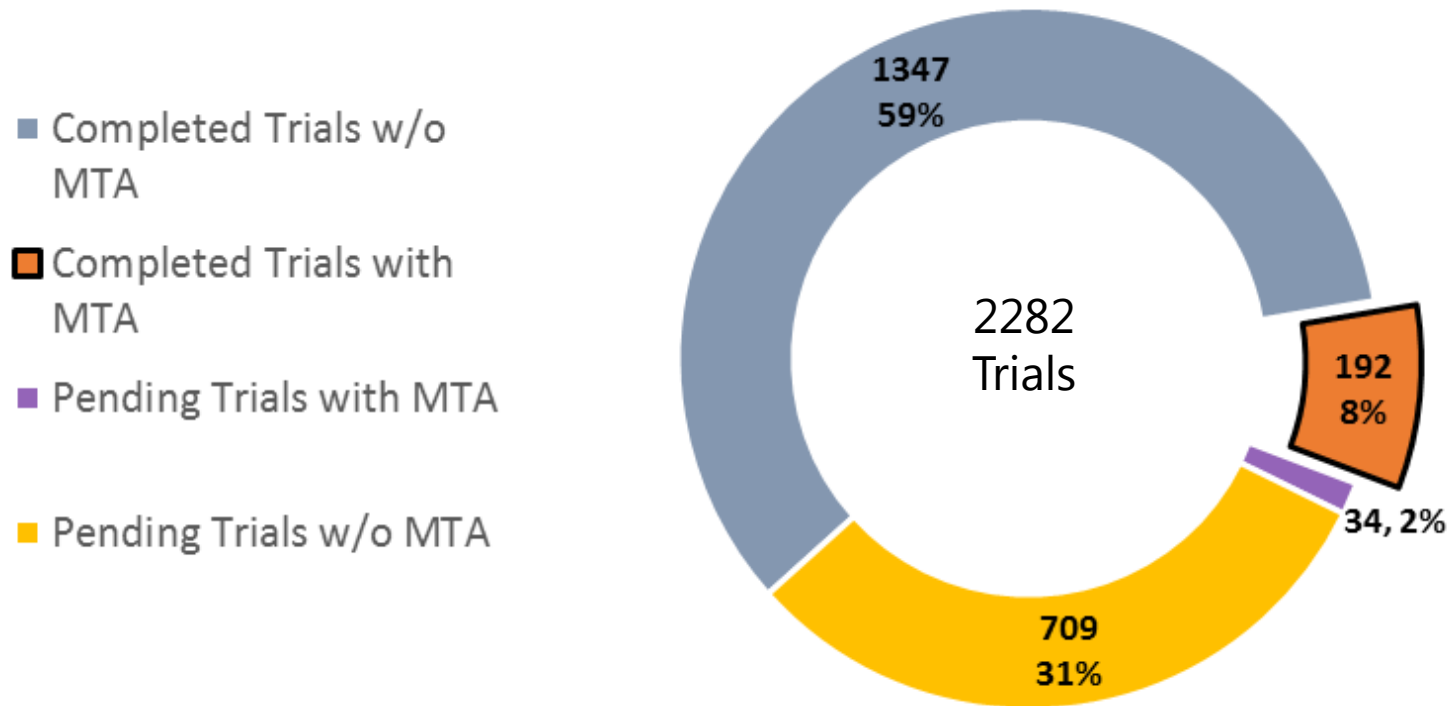
This chart shows claim outcomes for instituted trials, by technology area.

Note: Claims involved in instituted trials that settle or are dismissed are not depicted. Accordingly, a bar may not add up to 100%.

***Data current as of: 11/30/2016**

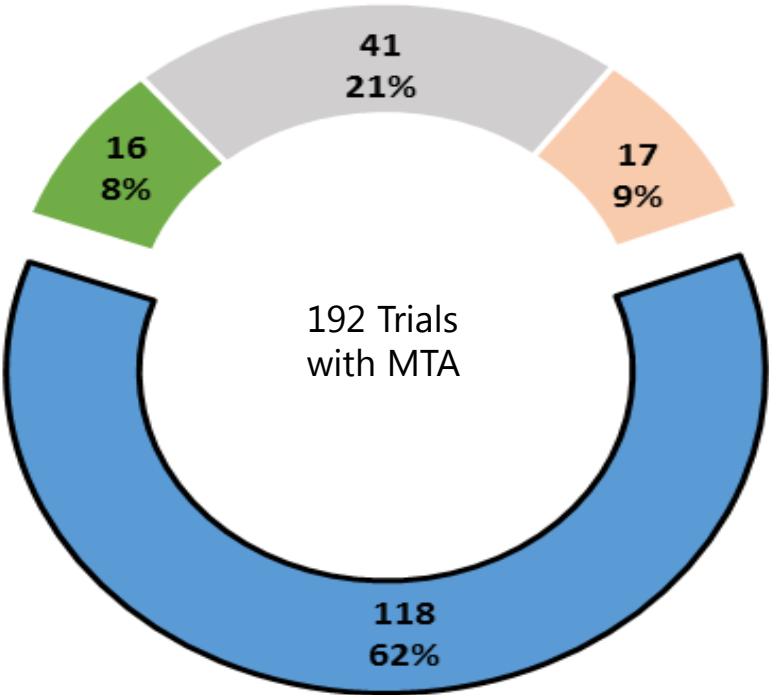
MOTIONS TO AMEND STUDY

Number of Motions to Amend Filed



Data current as of: 4/30/2016

Subsequent Developments of Motions to Amend

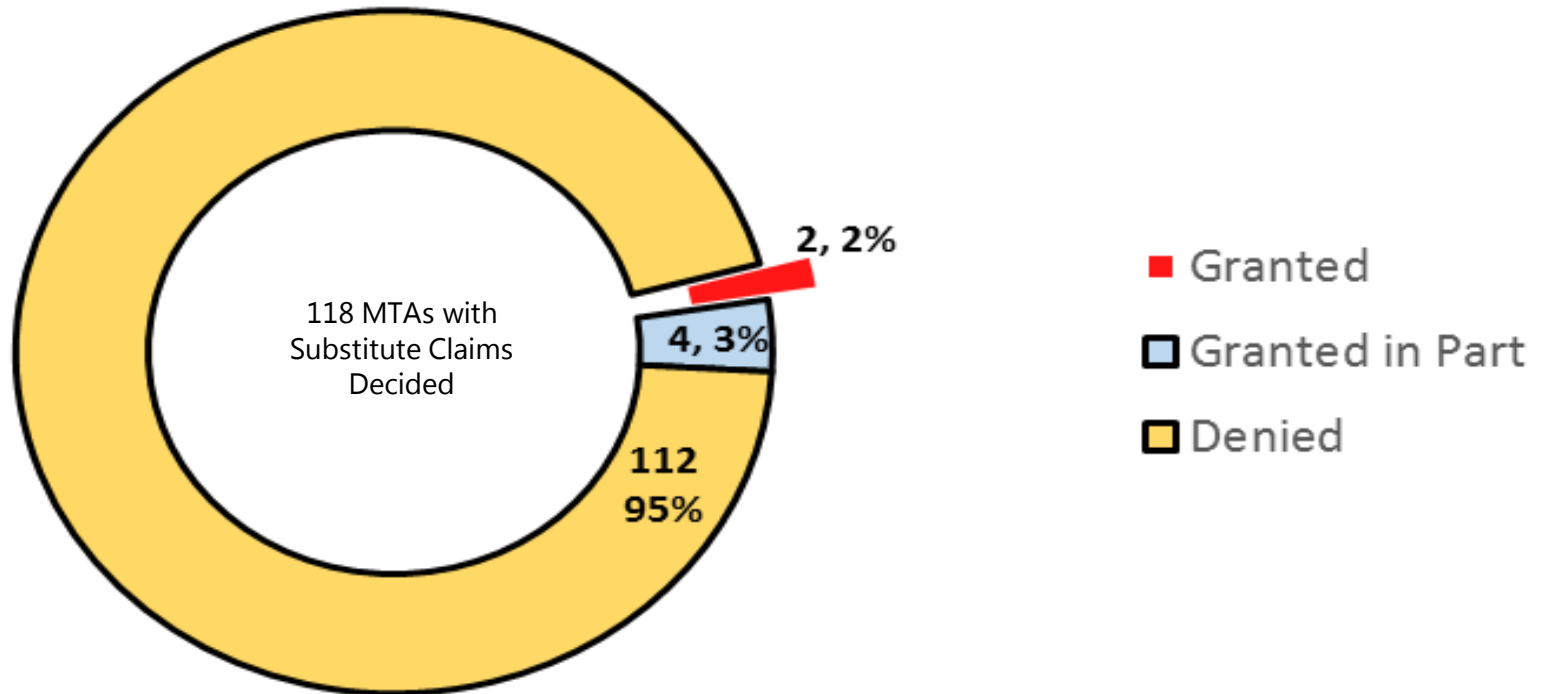


- Moot b/c Claims Patentable
- MTA Withdrawn or Case Settled, Req. Adv. J, or Dismissed
- MTA Solely to Cancel Claims
- MTA Substitute Claims Decided

Data current as of: 4/30/2016



Outcomes of Motions to Amend Decided on the Merits



Data current as of: 4/30/2016

Reasons Provided for Denying Entry of Substitute Claims*

<i>Reason Given</i>	<i># of Cases</i>	<i>Pct</i>
<i>Reasons Based on 35 U.S.C.:</i>		
101 Non-Statutory Subject Matter	7	6%
112(a) Written Description	9	8%
112(b) Definiteness	1	1%
102/103 Anticipated / Obvious Over Art of Record	41	35%
316(d)(3) Claims Enlarge Scope of Patent	6	5%
316(d)(1)(B) Unreasonable # Substitute Claims	3	3%
Multiple Statutory Reasons Given**	27	23%
<i>Reasons Based on Procedure:</i>		
Cases Where Only Procedural Reasons Given	22	19%
<i>Totals:</i>	<i>116</i>	<i>100%</i>

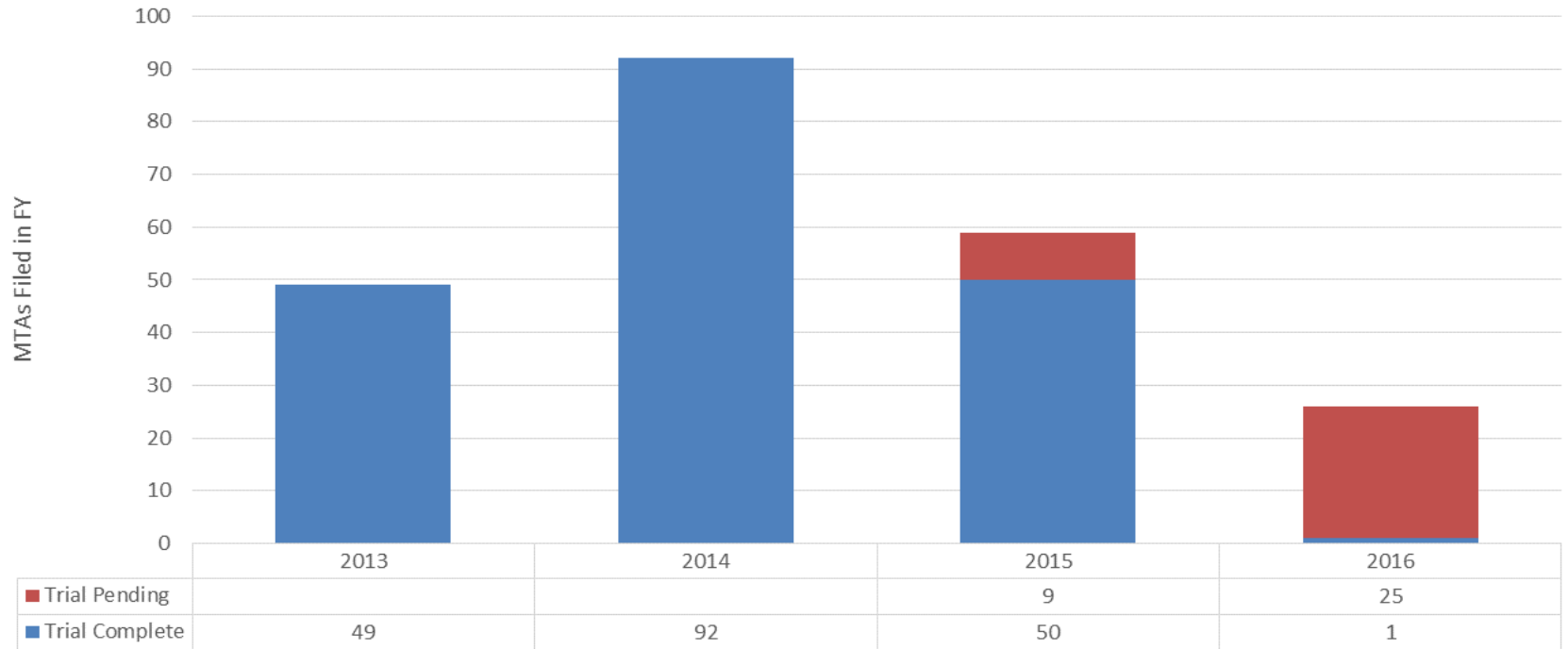
* 116 MTAs requesting entry of substitute claims have been denied in whole or in part.

** Of the "Multiple Statutory Reasons Given" trials, 24 of the 27 trials included "Anticipated/Obvious" as a reason.

Data current as of: 4/30/2016



Number of Motions to Amend Filed by FY



Data for FY2016 are from October 1, 2015 – April 30, 2016.

PTAB Precedential Decisions

PTAB Designations for Decisions

PTAB Opinion Designation	Description of Designation
Precedential	A nominated decision may be considered for designation as precedential for any reason, but particular emphasis will be placed on opinions resolving conflicts or addressing novel questions. A precedential opinion is binding authority in subsequent matters involving similar facts or issues.
Informative	The Chief Judge may designate any nominated opinion as informative for any reason (unless it is designated as precedential). Opinions designated as informative provide the Board's general consensus on recurring issues and guidance to examiners, appellants, patent owners, or petitioners in areas where parties routinely misapply the law. An informative opinion is not binding authority .
Representative	The Chief Judge may designate any nominated opinion as representative (unless it is designated as precedential). Representative opinions typically provide a representative sample of outcomes on a matter and the designation is used to bring the opinions to the attention of the public. A representative opinion is not binding authority .
Routine	Every Board opinion is, by default, a routine opinion until it is designated as precedential or informative. A routine opinion is not binding authority .

PTAB Precedential Decisions Designation Process

- Board member or public may nominate any opinion for consideration.
- Chief Judge considers nominated opinions and may circulate opinion to full Board for vote.
- Director must concur with favorable vote.
- Opinion is designated as precedential and is binding on future panels.

Recent PTAB Precedential Decisions

- In May 2016, the Board designated the following five decisions as precedential:
 - ***Garmin Int’l v. Cuozzo Speed Techs LLC***, IPR2012-00001, Paper 26 (Mar. 5, 2013) - This order discusses the factors considered in evaluating motions for additional discovery in IPR proceedings.
 - ***Bloomberg, Inc. v. Markets-Alert Pty, Ltd.***, CBM2013-00005, Paper 32 (May 29, 2013) – This order discusses the factors considered in evaluating motions for additional discovery in CBM proceedings.
 - ***Oracle Corp. v. Click-to-Call Techs, LP***, IPR2013-00312, Paper 26 (October 30, 2013) (precedential only as to Section III.A.) - This decision pertains to interpretation of “served with a complaint” for purposes of triggering the one-year time bar set forth in 35 U.S.C. § 315(b).
 - ***MasterImage 3D, Inc. v. RealD Inc.***, IPR2015-00040, Paper 42 (July 15, 2015) – This order provides guidance on patent owner’s burden to show entitlement to substitute claims.
 - ***Lumentum Holdings, Inc. v. Capella Photonics, Inc.***, IPR2015-00739 (Paper 38) (March 4, 2016) – This decision interprets 35 U.S.C. § 312(a)(2).
- Copies of these precedential decisions can be found on the [USPTO's website](#).

Thank You

uspto

Questions and Comments

Scott Boalick

Deputy Chief Administrative Patent Judge

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Reference Materials

Major Differences between IPR, PGR, and CBM

Inter Partes Review (IPR)	Petitioner	Estoppel	Standard	Basis
Post Grant Review (PGR)	<ul style="list-style-type: none"> Person who is not the patent owner and has not previously filed a civil action challenging the validity of a claim of the patent Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	More likely than not OR Novel or unsettled legal question important to other patents/applications	101, 102, 103, 112, double patenting but not best mode
Inter Partes Review (IPR)	<ul style="list-style-type: none"> Person who is not the patent owner, has not previously filed a civil action challenging the validity of a claim of the patent, and has not been served with a complaint alleging infringement of the patent more than 1 year prior (exception for joinder) Must identify all real parties in interest 	<ul style="list-style-type: none"> Raised or reasonably could have raised Applied to subsequent USPTO/district court/ITC action 	Reasonable likelihood	102 and 103 based on patents and printed publications
Covered Business Method (CBM)	<ul style="list-style-type: none"> Must be sued or charged with infringement Financial product or service Excludes technological inventions Must identify all real parties in interest 	<ul style="list-style-type: none"> Office—raised or reasonably could have raised Court-raised 	Same as PGR	Same as PGR (some 102 differences)

Major Differences between IPR, PGR, and CBM

Proceeding	Available	Applicable	Timing
Post Grant Review (PGR)	From patent grant to 9 months after patent grant or reissue	Patent issued under first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Inter Partes Review (IPR)	For first-inventor-to-file, from the later of: (i) 9 months after patent grant or reissue; or (ii) the date of termination of any post grant review of the patent. For first-to-invent, available after grant or reissue (technical amendment)	Patent issued under first-to-invent or first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible
Covered Business Method (CBM)	Available 9/16/12 (for first-inventor-to-file only after PGR not available or completed)	Patents issued under first-to-invent and first-inventor-to-file	Must be completed within 12 months from institution, with 6 months good cause exception possible

PTAB Resources

Information concerning the **Board** can be found at:

<http://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board-0>

Information concerning **Appeals** can be found at:

<http://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/appeals>

Information concerning **Trials** can be found at:

<http://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trials>

Information concerning **PTAB Statistics** can be found at:

<http://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/statistics>

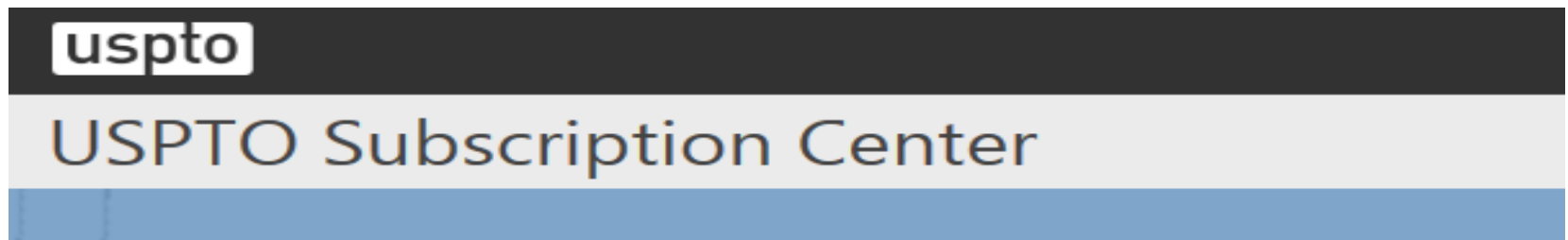
Information concerning **Board Decisions** can be found at:

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AIA Rulemaking

AIA Rulemaking

In response to stakeholder requests, the Office moved forward with two rule packages:

1. A first final rule package that encompassed less difficult “quick-fixes” based upon both stakeholder comments and internal PTAB suggestions, including more pages for briefing for motions to amend and for petitioner’s reply brief; and
 2. A second proposed rule package published August 20, 2015, and the final rules published April 1, 2016 (<https://www.federalregister.gov/articles/2016/04/01/2016-07381/rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board>).
- A correction published April 27, 2016, to clarify word count limitation – removes “grounds for standing under §§ 42.104, 42.204, or 42.304” (<https://www.federalregister.gov/articles/2016/04/27/2016-09814/amendments-to-the-rules-of-practice-for-trials-before-the-patent-trial-and-appeal-board-correction>).

New Rules - Summary

- Claim Construction for Expiring Patents
- Patent Owner Preliminary Response
- Oral Hearings
- Word Count
- Rule 11-Type Certification

New Rules – Claim Construction

- A party may request district court-type (Phillips) construction
- Must certify patent will expire within 18 mos. from entry of Notice of Filing Date
- Motion and certification must be filed within 30 days from filing of Petition

New Rules – Preliminary Response

- Eliminates prohibition of new testimonial evidence
- Petitioner may seek leave to file a reply
 - Requires showing of “good cause”

New Rules – Preliminary Response

“The Board’s decision will take into account a patent owner preliminary response where such a response is filed, *including any testimonial evidence*, but a genuine issue of material fact created by such testimonial evidence *will be viewed in the light most favorable to the petitioner* solely for purposes of deciding whether to institute an inter partes [post-grant] review.”

New Rules – Oral Hearing

Demonstrative exhibits must be served at least seven business days before the oral argument and filed no later than the time of the oral argument.

New Rules – Word Count

- Petitions for IPRs: 14,000 words.
- Petitions for PGR/CBM: 18,700 words.
- Petitions requesting DER: 14,000 words.
- Preliminary Response and Response: same as Petition.
- Reply to Patent Owner Responses: 5,600 words

New Rules – Word Count

- New Exclusions in Petitions:
 - Mandatory notices
 - Certificate of word count
- Other Exclusions:
 - Table of contents
 - Table of authorities
 - Certificate of service
 - Appendix of exhibits or claim listings

New Rules – Rule 11-Type Certification

- Signature Requirements
 - Incorporate 37 C.F.R. 11.18(a)
 - Board may expunge unsigned submissions
- Representations
 - Incorporate 37 C.F.R. 11.18(b)(2)
- Sanctions
 - 21-day cure provision

New Rules – Signature Requirement

“Every petition, response, written motion, and other paper filed in a proceeding must comply with the signature requirements set forth in § 11.18(a) of this chapter.”

New Rules – Signature Requirement

“For all documents filed in the Office in patent, trademark, and other non-patent matters, and all documents filed with a hearing officer in a disciplinary proceeding, except for correspondence that is required to be signed by the applicant or party, each piece of correspondence filed by a practitioner in the Office *must bear a signature*, personally signed or inserted by such practitioner”

37 C.F.R. 11.18(a)

New Rules - Representations

“By presenting to the Board a petition, response, written motion, or other paper—whether by signing, filing, submitting, or later advocating it—an attorney, registered practitioner, or unrepresented party attests to compliance with the certification requirements under § 11.18(b)(2) of this chapter.”

New Rules – Representations

“(2) To the best of the party's knowledge, information and belief, formed after an inquiry reasonable under the circumstances,

(i) The paper is not being presented for any *improper purpose*, such as to harass someone or to cause unnecessary delay or needless increase in the cost of any proceeding before the Office;

(ii) The other *legal contentions therein are warranted* by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;

(iii) The *allegations and other factual contentions have evidentiary support* or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and

(iv) The *denials of factual contentions are warranted* on the evidence, or if specifically so identified, are reasonably based on a lack of information or belief. ”

37 C.F.R. 11.18(b)(2)(emphasis added)



New Rules – Sanctions Motions

- Requires a separate motion
- Motion must describe specific conduct
- Board must authorize filing
- Moving party must serve motion 21 days before seeking authorization
- No motion if opposing party “cures”

New Rules – Sanctions

- Board *sua sponte* may order attorney or party to show cause
- Sanctions must be consistent with § 42.12
- Sanctions order must describe conduct and explain basis

