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# Fundamentals of Patent Litigation 2021

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Recent Developments in Post-Grant  
Proceedings (November 23, 2020)

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The current post-grant challenge process in the Patent Trial and Appeal Board (“PTAB”) has existed since 2012. In that time, the law has quickly developed around various important issues involving *inter partes* review (“IPR”), post-grant review (“PGR”), and the covered business method (“CBM”) proceedings. This article addresses a few of the more recent developments in PTAB practice, and is intended to supplement the oral presentation.

## **APPOINTMENT OF PTAB ADMINISTRATIVE PATENT JUDGES**

The United States Supreme Court has agreed to review a decision of the Federal Circuit regarding whether the appointment process for PTAB Administrative Patent Judges violates the Appointments Clause in Article II, Section 2 of the Constitution. The case is styled *Smith & Nephew, Inc. v. Arthrex, Inc.*, No. 19-1452, *cert. granted*, \_\_\_ U.S. \_\_ (Supreme Court Oct. 13, 2020)

In *Arthrex, Inc. v. Smith & Nephew, Inc.*, No. 18-2140 (Fed. Cir. Oct. 31, 2019), a panel of the Court of Appeals for the Federal Circuit (CAFC) held that the statutory scheme for appointing Administrative Patent Judges (APJs) to the Patent Trial and Appeal Board (PTAB) at the time violated the Appointments Clause of the U.S. Constitution. The court concluded that APJs were “principal officers,” within the meaning of Article II of the Constitution. APJs are presently appointed by the Secretary of Commerce, but principal officers must be appointed by the President and confirmed by the Senate. U.S. Constitution, Article II, § 2, cl. 2.

To remedy the violation, the court stated it followed the approach set forth by the Supreme Court in *Free Enterprise Fund v. Public Company Accounting Oversight Board*, 561 U.S. 477 (2010), and severed and struck the portion of the Patent Act restricting removal of the APJs. The Court found that this remedy was sufficient to render the APJs inferior officers and hence removed the constitutional appointment problem. Nonetheless, because the decision on appeal in that particular case issued while there was an Appointments Clause violation, the court vacated and the PTAB judgment and remanded the matter to the PTAB with directions to appoint a new panel of APJs to consider the case on remand.

The Appointments Clause provides:

[The President] . . . shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law: but the Congress may by Law vest the Appointment of such

inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments.

U.S. Const. art. II, § 2, cl. 2. APJs are appointed by the Secretary of Commerce, in consultation with the Director of the USPTO. 35 U.S.C. § 6(a). The issue, therefore, was whether APJs are “Officers of the United States,” and whether they are inferior officers or principal officers, requiring appointment by the President as opposed to the Secretary of Commerce.

An “Officer of the United States,” is someone who “exercis[es] significant authority pursuant to the laws of the United States.” *Buckley v. Valeo*, 424 U.S. 1, 125–26 (1976). *Arthrex* argued that the APJs exercise the type of significant authority that renders them Officers of the United States. Neither Smith & Nephew nor the government disputed that APJs are officers as opposed to mere employees. The CAFC agreed that APJs are Officers of the United States.

The other question was whether the APJs are principal or inferior officers. “Whether one is an ‘inferior’ officer depends on whether he has a superior,” and “‘inferior officers’ are officers whose work is directed and supervised at some level by others who were appointed by Presidential nomination with the advice and consent of the Senate.” *Edmond v. United States*, 520 U.S. 651, 662–63 (1997). There is no “exclusive criterion for distinguishing between principal and inferior officers for Appointments Clause purposes.” *Id.* at 661. However, the Court in *Edmond* emphasized three factors: (1) whether an appointed official has the power to review and reverse the officers’ decision; (2) the level of supervision and oversight an appointed official has over the officers; and (3) the appointed official’s power to remove the officers. *See id.* at 664–65; *see also Intercollegiate Broadcasting v. Copyright Royalty*, 684 F.3d 1332, 1338 (D.C. Cir. 2012).

Analyzing the various *Edmond* factors, the CAFC concluded that APJs are superior officers in the sense of Article II of the Constitution. A key factor in this analysis was whether the Director of the PTO had the authority to remove APJs. The Supreme Court viewed removal power over an officer as “a powerful tool for control” when it was unlimited. *Edmond*, 520 U.S. at 664. The CAFC concluded, however, that under the Title 35 framework at the time, both the Secretary of Commerce and the Director lacked unfettered authority to remove an APJ from the APJ corps.

As of the time *Arthrex* was decided, the only removal authority the Director or Secretary had over APJs was subject to the limitations of Title 5. Title 35 does not provide statutory authority for removal of the APJs. Title 5 creates limitations on the Secretary’s or Director’s authority to remove an APJ from his or her employment at the USPTO. Specifically, APJs may be removed “only for such cause as will promote the efficiency

of the service.” 5 U.S.C. § 7513(a). This limitation requires “a nexus between the misconduct and the work of the agency, i.e., that the employee’s misconduct is likely to have an adverse impact on the agency’s performance of its functions.” *Brown v. Department of the Navy*, 229 F.3d 1356, 1358 (Fed. Cir. 2000). Moreover, § 7513 provides procedural limitations on the Director’s removal authority over APJs. See, e.g., 5 U.S.C. § 7513. Because the APJs issue decisions that are final on behalf of the Executive Branch and were not removable without cause, the court concluded that the supervision and control over APJs by appointed Executive Branch officials was insufficient to render them inferior officers.

Thus, the lack of any presidentially appointed officer who could review, vacate, or correct decisions by the APJs combined with the limited removal power lead the court to conclude that APJs are principal officers. The court found that while the Director does exercise oversight authority that guides the APJs procedurally and substantively, that control and supervision is not sufficient to render them inferior officers even if the Director has the authority to de-designate an APJ from inter partes reviews. As the lack of control over APJ decisions does not allow the President to ensure the laws are faithfully executed, the court concluded that APJs are principal officers under Title 35 as currently constituted. As such, they must be appointed by the President and confirmed by the Senate; because they are not, the structure of the Board at the time violated the Appointments Clause.

To remedy the Appointments Clause violation, the court ruled that 35 U.S.C. § 3(c)’s provision protecting USPTO officers and employees under Title 5 must be severed and stricken with respect to its removal restrictions. The court indicated that this approach represented the narrowest viable approach to remedying the violation of the Appointments Clause.

Because the Board’s decision in the *Arthrex* case was made by a panel of APJs that the Federal Circuit found were not constitutionally appointed at the time the decision was rendered, the CAFC vacated and remanded the Board’s decision without reaching the merits. On remand, the CAFC directed that a new panel of APJ be assigned and a new hearing granted. The court indicated that the new panel proceeding could be based on the existing written record and left to the Board’s sound discretion whether it should allow additional briefing or reopen the record.

Smith and Nephew subsequently filed a petition for certiorari in the Supreme Court. In granting the certiorari petition, the Court instructed the parties to address the following questions formulated by the United States in its brief to the Court regarding the views of the United States:

1. Whether, for purposes of the Appointments Clause, U.S. Const. Art. II, § 2, Cl. 2, administrative patent judges of the U.S. Patent and Trademark Office

are principal officers who must be appointed by the President with the Senate's advice and consent, or "inferior Officers" whose appointment Congress has permissibly vested in a department head.

2. Whether, if administrative patent judges are principal officers, the court of appeals properly cured any Appointments Clause defect in the current statutory scheme prospectively by severing the application of 5 U.S.C. 7513(a) to those judges.

Oral argument has not been scheduled at this time, although the case should be decided by June 2021.

## **DECISION TO INSTITUTE IPR AS NOT TIME BARRED IS NOT REVIEWABLE ON APPEAL**

In *Thryv, Inc. v. Click-to-Call Technologies, LP*, 590 U.S. \_\_\_\_ (Supreme Court April 20, 2020) the Supreme Court ruled that the PTAB's decision to institute an IPR over a Patent Owner's time bar argument is not reviewable with respect to that time bar argument under 35 U.S.C. § 314(d). § 314(d) states that the Director's decision to institute an IPR is not reviewable on appeal.

The facts are relatively straightforward. On May 28, 2013, one day before the one-year bar of § 315(b), Ingenio, together with Oracle Corp. and YellowPages.com LLC, filed an IPR petition challenging claims of the patent in suit on anticipation and obviousness grounds. The patent owner contended that the § 315(b) bar applied because Ingenio was served with a complaint alleging infringement of the '836 patent in 2001.

The PTAB instituted the IPR. With respect to § 315(b), the Board acknowledged that Ingenio was served with a complaint alleging infringement of the '836 patent on June 8, 2001. However, the Board found the § 315(b) bar did not apply because that infringement suit was "dismissed voluntarily without prejudice on March 21, 2003, pursuant to a joint stipulation. The Board wrote that "[t]he Federal Circuit consistently has interpreted the effect of such dismissals as leaving the parties as though the action had never been brought," citing *Graves v. Principi*, 294 F.3d 1350 (Fed. Cir. 2002). Ultimately, the Board issued a final written decision finding many claims in the patent in suit anticipated or rendered obvious in light of the prior art.

The CAFC dismissed the appeal for lack of jurisdiction under § 314(b). The CAFC subsequently ruled in a second case that time bar decisions are reviewable on appeal. *Wi-Fi One, LLC v. Broadcom Corp. Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018) (en banc). The majority opinion relied on "the 'strong presumption' favoring judicial review of administrative actions, including the Director's IPR institution decisions."

*Id.* at 1371. In light of the *Wi-Fi One* decision, the CAFC panel reheard the *Click-to-Call* decision dismissing the appeal. Treating the issue as reviewable, the panel ruled that the petition for IPR was untimely. The petition for certiorari was granted and the Supreme Court then resolved the reviewability decision.

In an opinion by Justice Ginsburg, the Court concluded that the decision to institute is not reviewable. Therefore, the Supreme Court vacated the CAFC judgment and remanded with instructions to dismiss the appeal.

The Court first noted that § 314(d)'s text renders "final and nonappealable" the "determination by the Director whether to institute an inter partes review under this section." § 314(d). The Court said that the language of the statute indicates that a party generally cannot contend on appeal that the agency should have refused "to institute an inter partes review."

The Court indicated the result in this case followed from the Court's prior decision in *Cuozzo Speed Technologies, LLC v. Lee*, 579 U. S. (2016). In that case, a party contended on appeal that the agency should have refused to institute inter partes review because the petition failed § 312 (a)(3)'s requirement that the grounds for challenging patent claims must be identified "with particularity." The Supreme Court disagreed and found the decision to institute was not renewable. The Court in *Cuozzo* ruled that the decision "applies where the grounds for attacking the decision to institute inter partes review consist of questions that are closely tied to the application and interpretation of statutes related to the Patent Office's decision to initiate inter partes review." Slip Op. at 11.

In *Click-to-Call*, the Court ruled that the time bar provisions are likewise integral to and a condition for institution of the IPR. As § 315(b) creates a provision that controls the institution decision, the Supreme Court found that the agency determination was not reviewable under § 314(b). The Court also found that certain policy grounds also supported the decision that time bar determinations were not reviewable.

Justices Gorsuch and Sotomayer dissented. Justices Thomas and Alito joined in the majority decision except as to the discussion of the policy grounds for the decision.

## **DISCRETIONARY DENIALS OF INSTITUTION UNDER SECTION 314(a)**

The PTAB's IPR institution rate has dropped every year since the launch of IPRs. The institution rate thus far in FY2020 is about 56%, which is down from 87% in the first year of post-grant trials and 75% in the second year. According to one commentator, through July 2020, approximately



30% of institution denials in FY2020 resulted from the Board’s decision to exercise its discretion not to institute. See <https://www.unifiedpatents.com/insights/2020/5/13/ptab-procedural-denial-and-the-rise-of-314/>) “§ 314(a) now accounts for the majority of procedural denials (including denials under § 325 and those related to joinder).” <https://www.unifiedpatents.com/insights/2020/7/27/ptab-discretionary-denials-in-the-first-half-of-2020-denials-already-exceed-all-of-2019>.

With respect to discretionary denial issues more generally, it is worth noting that on October 20, 2020, the PTO published a notice in the Federal Register seeking public comments on a possible rule to codify the PTAB’s discretionary denial practice. The comment period was originally set to end on Nov. 20, 2020, but was extended until December 3, 2020. The information accompanying the request for comments notes that the Director has discretion regarding whether to institute an IPR by the plain language of § 314(a). The notice then describes the various approaches the PTAB has taken to discretionary denials, such as the treatment of follow-on petitions, *see, e.g., General Plastic Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, 2017 WL 3917706, at \*7 (PTAB Sept. 6, 2017) (precedential); the factors considered under the *Fintiv* factors as well as the analysis under *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, 2018 WL 4373643 (PTAB Sept. 12, 2018) (precedential) due to an earlier trial date); and the PTAB’s approach in considering discretionary denials of parallel petitions filed by multiple petitioners on the same patent. The PTO is expected to take the public comments into its analysis of whether to codify the PTAB’s discretionary denial practice into formal rules.

Prior to the PTO’s request for comments, the PTAB designated as informative a case that identifies six factors the Board will consider in determining whether it should exercise its discretion to deny institution when there is ongoing district court litigation involving the same patent. That case is *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Pap. 15, 12 (May 13, 2020) (“*Fintiv IP*”) (designated informative 7/13/20). We review each of these six so-called *Fintiv* Factors below.

**a) *Fintiv* Factor 1: Whether a stay exists or is likely to be granted if trial instituted**

This factor is focused on whether the parallel district court litigation is stayed or will be stayed. In *Medtronic, Inc. v. Teleflex Innovations SARL*, IPR2020-00126, Pap. 22, 28 (June 8, 2020) (emphasis added) the PTAB found that Factor 1 favored institution given stay was “*granted in related litigation and district court’s prior history of granting stays pending resolution of related IPRs.*” See also *Supercell Oy v.*

*Gree, Inc.*, IPR2020-00215, Pap. 10, 9 (June 10, 2020) (recognizing “a court’s *general practices on request for stays may be relevant* in some circumstances”) (emphasis added).

However, in other cases the PTAB has declined to guess how a district court might rule if faced with a motion to stay. *See Apple v. Fintiv, supra* (Factor 1 deemed *neutral*: “We decline to infer, based on actions taken in different cases with different facts, how the District Court would rule.”) (emphasis added); *see also Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Pap. 24, 7 (June 16, 2020) (designated informative 7/13/20) (granting rehearing and instituting review) (Factor 1 neutral: “In the absence of specific evidence, we will not attempt to predict how the district court ... will proceed...”).

#### **b) *Fintiv* Factor 2: Proximity of court trial date to projected statutory IPR deadline**

This factor entails a consideration of when the invalidity issue will be decided in the parallel court proceeding compared to when the IPR will be resolved. Some of the considerations may involve determining how “fixed” the trial date is in the court, how likely is the court trial date to change, and what is the track record of the court or judge in adhering to deadlines set in the court case. Some recent examples of Factor 2 analysis include:

- *Fintiv II*, Pap. 15, at 13 (emphasis added) (Dist. Ct: W.D. Texas): Exercising discretion and denying institution under § 314(a), stating “we generally take courts’ trial schedules at face value absent some strong evidence to the contrary. We have *no reason to believe* that the jointly agreed-upon trial date, which already has been postponed by several months due to complications stemming from the COVID-19 pandemic, *will be postponed again*.”
- *Sand*, Pap. 24, at 9-10 (emphasis added) (Dist. Ct.: W.D. Tex.): The litigation schedule was pushed out and trial date set for “November 9, 2020 (*or as available*).” The PTAB found it was unclear whether the district court would adhere to its schedule, while the PTAB had been fully operational and keeping to its own schedule. The PTAB thus found Factor 2 favored institution:
  - “[P]articularly because of the *number of times the parties have jointly moved for and the district court agreed to extend the scheduling order dates, the inclusion of the qualifier ‘or*

*as available*’ for each calendared trial date, that the *currently scheduled trial date is in relatively close proximity to the expected final decision* in this matter, and the *uncertainty that continues to surround the scheduled trial date*, we find this factor weighs marginally in favor of not exercising discretion to deny institution.”

- *Apple Inc. v. Seven Networks, LLC*, IPR2020-00156, Pap. 10, at 8-9 (June 15, 2020) (emphasis added) (Dist. Ct.: E.D. Tex.): Explicitly deciding to consider each Fintiv factor on a sliding scale (rather than as “binary”), the PTAB found the facts here “moderately” favored denial on Factor 2:
  - Trial was set for over nine months before a final written decision, though a short extension of the trial date was discussed. Even if the Petition had been filed on the day of service of complaint, the final written decision would have been after the trial date.
  - The PTAB noted that the question of venue was not one for it to consider: “Petitioner’s concern about fairness based on forum shopping turns on venue, an issue decided by the District Court.” But “Congress gave the Director the discretion to deny institution *without necessarily factoring in the speed of the chosen parallel forum.*”
- *Medtronic*, Pap. 22, at 28 (emphasis added) (Dist. Ct.: D. Minn.): Factor 2 favored institution where the “ready for trial” date was “a few weeks after” the final written decision deadline, and where, in a related case, actual trial occurred more than ten months after “ready for trial” date set by the court.
- *Apple Inc. v. Maxell Ltd.*, IPR2020-00199, Pap. 11, at 17 (June 19, 2020) (Dist. Ct. E.D. Tex.) (“*Maxell*”): Factor 2 favored discretionary denial where trial was set to occur months before any final written decision deadline, and even though delays from pandemic were a “real possibility,” even a delayed trial “might precede” a final written decision.

**c) *Fintiv* Factor 3: Investment in the parallel proceeding by the court and the parties**

Some of the factors that the PTAB considers in connection with this factor are how much work has been done in parallel district court

proceeding, particularly with respect to invalidity and was Petitioner diligent in filing the Petition. Some recent examples of analysis of this factor include:

- *Mylan Pharms. Inc. v. Merck Sharp & Dohme Corp.*, IPR2020-00040, Pap. 21, at 33 (May 12, 2020) (emphasis added): Factor 3 “focuses on investment ‘exis[ing] at the time of the Institution Decision.’” See *Fintiv*, Pap. 11, 9-10.
- *Fintiv II*, Pap. 15, at 13-14: This factor weighed “somewhat in favor” of denial because:
  - A 34-page claim construction order had issued.
  - Initial & final infringement and invalidity contentions had been exchanged.
  - Fact discovery in litigation was in its early stages, with document production ongoing and depositions just getting underway, expert reports not yet due, and substantive motion practice yet to come.
- *Sand*, Pap. 24, at 10-11: Factor 3 weighed “only marginally, if at all, in favor of exercising discretion to deny institution...” where:
  - The Parties had exchanged infringement and invalidity contentions.
  - Fact discovery was ongoing, expert reports were not yet due, and substantive motion practice had not occurred.
  - The District Court had conducted a *Markman* hearing and entered a two-page *Markman* order.
  - The PTAB noted that “aside from the district court’s *Markman* Order, much of the district court’s investment relates to ancillary matters untethered to the validity issue itself. And the District Court’s *Markman* Order in this case does not demonstrate the same high level of investment of time and resources as the detailed *Markman* Order in *Fintiv*.”
- *Seven*, Pap. 10, at 11-12: Factor 3 weighed “slightly in favor of” institution:
  - Petitioner “diligently filed” its petition four months before the one-year bar date.
  - “[E]ven through the parties invested time and effort in the District Court Action, Petitioner acted diligently and without

much delay, mitigating against the investment (which a... stay otherwise could have prevented).”

- *Medtronic*, Pap. 22, at 29: The PTAB was “not persuaded” that Factor 3 favored denial where there were two co-pending litigations and PTAB concluded its resolution of common issues might benefit them:
  - In one litigation, parties exchanged infringement contentions, conducted extensive fact discovery, and addressed issues in PI motion, but no claim construction order had issued
  - In the other, no substantive order had issued and the Court indicated a preference to wait for the PTAB’s institution decision.
- *Supercell*, Pap. 10, at 9: Factor 3 weighed in favor of denial because substantial resources had been invested in the litigation:
  - A “detailed” claim construction opinion had issued.
  - Discovery was nearly complete.
  - Expert discovery had closed.
- *Maxell*, Pap. 11, at 17-18: Factor 3 “moderately” favored exercise of discretionary denial because “[a]t least some of the work underway or already completed in the underlying litigation may have relevance to issues in the Petition, including claim construction and expert discovery.”
  - However, the potential relevance of the work was “diminished by the fact that Petitioner’s unpatentability challenges [in the IPR] do not overlap significantly with Petitioner’s invalidity contentions...”
  - In litigation, the court had issued its claim construction order, fact discovery had closed, and expert discovery was underway and was to close less than a week after the institution decision.

**d) *Fintiv* Factor 4: Overlap between issues raised in petition and parallel proceeding**

A key question in connection with this factor seems to be if the same prior art is being relied on in the court case as in the IPR petition. Some recent examples of analysis of this factor are:

- *Fintiv II*, Pap. 15, at 14 (emphasis added): “Because the identical claims are challenged based on the same prior art in both the Petition and in the District Court, this factor weighs in favor of discretionary denial in this case.”
  - “Petitioner’s *assertion of additional invalidity contentions in the District Court is not relevant* to the question of the degree of *overlap* for this factor.”
- *Sand*, Pap. 24, at 11-12: Factor 4 “weighs marginally in favor” of institution:
  - Petitioner *stipulated* that if the IPR were instituted, Petitioner would not pursue the same grounds in the district court litigation. The PTAB found this “mitigates to some degree the concerns of duplicative efforts between the district court and the Board...”
- *Seven*, Pap. 10, at 12-20: Factor 4 “weighs strongly in favor of” institution where:
  - Many pieces of prior art and prior art grounds in the IPR were not asserted in the District Court.
  - Across the two parallel petitions, 80% of the claims were unchallenged in district court.
  - For overlapping grounds, the PTAB could not determine if they contained the same obviousness theory.
  - The PTAB concluded at least four of the six grounds were non-overlapping and said the IPR “does not involve an appreciable duplication of efforts.”
  - The additional claims in the IPR also favored Petitioner.
- *Maxell*, Pap. 11, at 17-18: Factor 4 “strongly weigh[ed] against exercising discretion” where primary reference was not asserted in litigation, the art in the district court “play[ed] minor roles” in the IPR, and many claims challenged in the IPR were not asserted in litigation.

**e) *Fintiv* Factor 5: Whether the petitioner and defendant in the parallel proceeding are the same party**

If the parties are the same, this factor weighs in favor of discretionary denial.

**f) *Fintiv* Factor 6: Other circumstances that impact the PTAB’s exercise of discretion, including the merits**

This is a catch-all factor under which the PTAB considers any other relevant issues that might appear in an individual petition. Some recent examples are:

- *Fintiv*, Pap. 15, at 16-17: “A full merits analysis is not necessary as part of deciding whether to exercise discretion... but rather the parties may point out, as part of the factor-based analysis, particular ‘strength or weaknesses...’”
  - “It is sufficient that Patent Owner has pointed out that Petitioner’s case, at least as to two of three independent claims, is a close call.” .
- *Sand*, Pap. 24, at 13-14: The institution decision included only a brief discussion of this factor, but found “Petitioner has made a sufficiently persuasive showing” in favor of institution and concluded the factor weighed in favor of petitioner.
- *Seven*, Pap. 10, at 20-21:
  - Found a “[s]trong showing on the merits” noting Petitioner provided “good reasons for combining” teachings.
  - Also considered that district court “set a schedule ordering the parties to reduce issues, including the number of claims asserted and the number of prior art challenges,” which “tilts in favor of institution.”
  - And noted district court case was complex because 10 patents asserted, whereas “trial here avoids potentially complicated and overlapping jury issues of 10 patents, while allowing the panel to focus on multiple issues in depth that involve only the ‘534 patent.’”
- *Oticon Medical AB v. Cochlear Limited*, IPR2019-00975, Pap. 15, at 23 (Oct. 16, 2019) (precedential), declining to exercise discretion to deny under 314(a):
  - This case was decided before *Fintiv* but acknowledged petitioners may gain an advantage by receiving patent owner’s validity contentions in a parallel action prior to filing the petition.

- *Maxell*, Pap. 11, at 20-23: Factor 6 weighed against discretionary denial.
  - The primary reference alone appeared to teach most, if not all, limitations of the challenged independent claims.
  - The PTAB indicated that filing the IPR petition nine months after suit filed and six months after patent owner served initial infringement contention was not unreasonable, given underlying litigation involved 10 patents and possibly 132 claims. Further, the preliminary election of asserted claims in litigation occurred only a month before IPR was filed.
  - Rejected policy arguments based on precedential status of *Fintiv* and *NHK* decisions.
- *Apple Inc. v. Seven Networks, LLC*, IPR2020-00707, Pap. 11, at 17-19 (PTAB Oct. 22, 2020): Factor 6 favored institution.
  - This decision grants institution despite the fact that the trial date was set to be much earlier than a final written decision, and is particularly interesting for that reason.
  - The PTAB considered the fact that it had already instituted proceedings challenging other patents in the co-pending parallel litigation, and that it would be “inefficient to discretionarily deny institution of this petition.”
  - The PTAB found a “strong showing” that the challenged patent was not entitled to its priority date, and noted that Patent Owner “does not address the merits of Petitioner’s obviousness assertions” over certain prior art.

## CONCLUSION

Because the law surrounding issues impacting post-grant PTAB proceedings is rapidly changing in ways that may be significant, it is important for practitioners to carefully craft their PTAB strategy, taking into consideration both recent changes and potential future changes in law impacting practice before the PTAB.



## NOTES