



ARE Patent Law Alert: USPTO Issues a Final Rule to Amend the Rules of Practice for Trials Before the Patent Trial and Appeal Board

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On April 1, 2016, the U.S. Patent and Trademark Office (“USPTO”) [published a final rule in the Federal Register](#) to amend the existing rules of trial practice before the Patent Trial and Appeal Board (PTAB).

The final rule will take effect on Monday, May 2, 2016, and it will apply to all petitions for post-grant proceedings (e.g., *inter partes* review (IPR), post-grant review (PGR), transitional program for covered business method patents (CBM)) filed on or after May 2, 2016 and to any ongoing preliminary proceeding or trial before the PTAB.

The final rule includes the following notable revisions to the PTAB trial practice:

New Testimonial Evidence with Patent Owner’s Preliminary Response:

- The patent owner can submit new testimonial evidence (such as expert declarations) along with its preliminary response to a petition. (37 C.F.R. §§ 42.107, 42.207)
- The new rules appear to be applicable to patent owner’s preliminary responses due on or after May 2, 2016, even if the corresponding petitions were filed before the new rules were in effect.
- Under the new rules, the PTAB’s decision whether to institute a post-grant proceeding will take into account any testimonial evidence provided by the patent owner along with its preliminary response. However, if a genuine issue of material fact is created by such testimonial evidence, the issue will be resolved in favor of petitioner solely for institution purposes so that petitioner will have an opportunity to cross-examine the declarant during the trial. (37 C.F.R. §§ 42.108, 42.208)
- According to the USPTO, no negative inference will be drawn if a patent owner decides not to present new testimonial evidence with a preliminary response.
- The new rules also provide that a petitioner may seek leave to file a reply to the preliminary response, but any such request must make a showing of good cause. (37 C.F.R. §§ 42.108, 42.208)

District Court-Type Claim Construction Standard Applied to Patent Expiring Before a Final Written Decision:

- A party may request application of a *Phillips*-type approach to claim construction (i.e., a claim construction consistent with district court practice after *Phillips v. AWH Corp.*)



was decided in 2005) by filing a motion within 30 days from the filing of the petition, with a certification that the challenged patent will expire within 18 months from the entry of the Notice of Filing Date Accorded to Petition. (37 C.F.R. §§ 42.100, 42.200, 42.300)

Word Count Limits for Major Briefings:

- Word count limit for IPR petition: 14,000 words (instead of 60 pages) (37 C.F.R. § 42.24(a)(1)(i))
- Word count limit for PGR/CBM petition: 18,700 words (instead of 80 pages) (37 C.F.R. §§ 42.24(a)(1)(ii)-(iii))
- The word count limit for IPR, PGR, and CBM petitions does not include the following: table of contents, table of authorities, grounds for standing under 37 C.F.R. §§ 42.104, 42.204, 42.304, mandatory notices under 37 C.F.R. § 42.8, certificate of service or word count, appendix of exhibits, or claim listing. (37 C.F.R. § 42.24(a)(1))
- Petitions will no longer be reviewed to determine if any claim charts contain arguments.
- Word count limit for Patent Owner Preliminary Response/Patent Owner Response: Same as the word count limit for the petition (37 C.F.R. §§ 42.24(b)(1)-(2))
- Word count limit for Petitioner Reply: 5,600 words (instead of 25 pages) (37 C.F.R. § 42.24(c)(1))
- Any paper subject to word count limit must include a certification stating the number of words in the paper. (37 C.F.R. § 42.24(d))

Rule 11-Type Certification:

- Any paper filed in a proceeding must comply with the signature requirements set forth in 37 C.F.R. § 11.18(a). (37 C.F.R. § 42.11(b))
- By presenting a paper to the PTAB, an attorney, registered practitioner, or unrepresented party attests to compliance with the certification requirements under 37 C.F.R. § 11.18(b)(2). (37 C.F.R. § 42.11(c))
- If the PTAB finds a violation of the above rule, it may impose, after notice and a reasonable opportunity to respond, an appropriate sanction on any attorney, registered practitioner, or party that violated the rule or is responsible for the violation. (37 C.F.R. § 42.11(d)(1))
- After the PTAB's authorization, a motion for sanctions may be filed based on a violation of the above rule. At least 21 days prior to seeking authorization to file a motion for sanctions, the moving party must serve the other party with the proposed motion. A motion for sanctions must not be filed if the alleged violation is cured within 21 days after service of such motion. (37 C.F.R. § 42.11(d)(2))

Service of Demonstrative Exhibits:

- Under the new rules, demonstrative exhibits must be served at least 7 business days before the oral argument (instead of 5 business days). (37 C.F.R. § 42.70(b))



Please feel free to contact us if you would like further information regarding the upcoming changes in the PTAB trial practice rules.

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