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PTAB Dismisses Argument That Priority Date is a § 112 Issue Not Reviewable in an IPR

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September 3, 2014 — In a decision instituting *inter partes* review, the PTAB rejected a patent owner's argument that the priority date of the patent is not reviewable in an IPR because it's an issue under 35 U.S.C. § 112.

IPR2014-00414 – SAP America, Inc. v. Pi-Net International, Inc. (Paper 11, August 18, 2014)

An IPR petition was filed to challenge a patent that is a divisional of and claims priority to an earlier filed parent application. The petition challenged the priority date of the patent, and asserted unpatentability based in part on a published U.S. patent application that was filed after the claimed priority date. The petitioner argued that certain negative limitations in the claims of the patent were not supported by the parent application. In its preliminary response, the Patent Owner did not address whether the claims were supported. Instead, the Patent Owner simply argued that the priority issue is a question of compliance with the written description requirement of 35 U.S.C. § 112 and cannot be considered in an *inter partes* review in which patentability challenges are limited to challenges under 35 U.S.C. §§ 102 and 103. *See* 37 C.F.R. § 42.104(b)(2).

The Board disagreed, noting “the difference between compliance with the requirements of 35 U.S.C. § 112 and assessing the earliest priority date for a claim.” The Board pointed out that the Petitioner is not impermissibly challenging the patentability of the patent under 35 U.S.C. § 112, but rather is simply challenging the priority date. The Board was persuaded that the claimed features were not entitled to the priority date. The Board went on to consider the challenge under 35 U.S.C. § 103 relying on the intervening reference, and ultimately decided to institute the *inter partes* review.

The Leahy-Smith America Invents Act established new patent post-issuance proceedings, including the inter partes review, post grant review and transitional program for covered business method patents, that offer a less costly, streamlined alternative to district court litigation. With the U.S. Patent and Trademark Office's Patent Trial and Appeal Board conducting a large and increasing number of these proceedings, and with the law developing rapidly, Banner & Witcoff will offer weekly summaries of the board's significant decisions and subsequent appeals at the U.S. Court of Appeals for the Federal Circuit.



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