PTAB Highlights | Takeaways From Recent Decisions in Post-Issuance Proceedings

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COVID-19 as a reasonable explanation for withdrawal, denying deposition testimony, and uncorroborated inventor testimony are a few of the topics covered in Banner Witcoff's latest installment of PTAB Highlights.

COVID-19 Related Budget Pressures Is Reasonable Explanation to Withdraw Petition. Petitioner filed a motion, jointly with the Patent Owner, to dismiss and terminate IPR proceeding. Petitioner's assertion that it "seeks to allocate its budget and resources, including in light of COVID-19 related budget pressures," was found by the Board as a reasonable explanation for the change in circumstances. The Board accordingly granted the motion as other criteria were satisfied in addition to the reasonable explanation criteria. Unified Patents, LLC. v. Quartz Auto Technologies, LLC, IPR2020-01118, Paper 13 (Dec. 3, 2020) (Quinn, joined by Barrett and Browne).

Denying Deposition of a Witness Whose Same Declaration Was Prepared for Another Proceeding. Denying a deposition of Patent Owner's witness because her same declaration was prepared for district court litigation and her cross-examination in the IPR proceeding is not routine discovery. The Board also denied Petitioner's alternative additional discovery request, holding that it does not meet the "'necessary in the interest of justice'" standard under Garmin. Medtronic, Inc. et al. v. Teleflex Medical Devices SARL f/k/a Teleflex Innovations SARL et al., IPR2020-00126, Paper 77 at 4-5 (Dec. 8, 2020) (Snedden, joined by Tornquist and Paulraj).

Copying May Not Be Compelling Evidence of Nonobviousness Without Showing Petitioner's Failed Attempt at Independent Development. Denying Patent Owner's argument that Petitioner's copying is compelling evidence of nonobviousness because evidence that Petitioner had access to

Patent Owner's non-public information regarding the method of the patent at issue and that Petitioner began marketing and selling its own products practicing the claimed method at some point following receipt of that information is not enough without showing evidence of Petitioner's failed attempts at independent development. L'Oréal USA, Inc. v. Liqwd, Inc. et al., PGR 2017-00012, Paper 120 at 9-10 (Dec. 9, 2020) (Kaiser, joined by Ankenbrand and Cotta).

Denying Motion to Exclude the Declaration of Patent Owner's Expert. Denying Petitioner's motion to exclude the declaration of Patent Owner's expert because Petitioner's arguments raised in the motion relate to the sufficiency, rather than admissibility, of evidence and a motion to exclude may not be used to challenge the sufficiency of the evidence. Illumina, Inc. v. Natera, Inc. f/k/a Gene Security Network, IPR2019-01201, Paper 54 at 55-56 (Dec. 11, 2020) (Hardman, joined by Obermann and Mitchell).

Identification of Numerous Real-Parties-in-Interest and Potential-Real-Parties-in-Interest Does Not Preclude Institution. Petitioner listed dozens of real-parties-in-interest. Petitioner also listed dozens of potential real-parties-in-interest "out of an abundance of caution" because "they [were] vendors and suppliers" in a related litigation but had not "agreed to be listed as a real-party-in-interest." Patent Owner contended that none of the "potential" parties could be real-parties-in-interest as they could not control the IPR proceeding. Patent Owner also contended that the Petitioner created an ambiguity when some parties were identified as both real-parties-in-interest and potential real-parties-in-interest. The Board held that there was no rule, statute, or case law that prohibits Petitioner from identifying multiple real-parties-in-interest and multiple potential real-parties-in-interest. Although these listings were unusual, the Board did not find them problematic or overly burdensome to preclude an institution. The listing of potential real-parties-in-interest provided notice that other potential entities may be involved. To the extent a party was listed as both a real-party in-interest and a potential-party-in-interest, there was no ambiguity because the Board interpreted the party to be a real-party-in-interest. NRG Energy, Inc. and Talen Energy Corporation v. Midwest Energy Emissions Corp., IPR2020-00926, Paper 19 (Dec.2, 2020) (Ross, joined by Yang and Kaiser).

Inventor Testimony without Corroborating Evidence Is Insufficient to Show Diligence in Reducing to Practice. Patent Owner proffered only inventor testimony to prove a reasonably continuous diligence for antedating a reference. The inventor stated that she sent the Priority Application to the USPTO a day or two prior to the filing date of the reference. However, the Patent Owner did not provide any corroborating evidence from a courier service, such as an invoice, shipping or tracking documentation, or corroborating evidence from a credit card or debit card, such as a monthly statement showing a shipping charge. The Board held that the absence of corroborating evidence doomed the Patent Owner's attempt to antedate the reference by proving reasonable diligence in reducing to practice. Chegg, Inc., Match Group, LLC, and Rpx Corporation

v. Netsoc, LLC, IPR2019-01171, Paper 39 (Dec. 2, 2020) (Amundson, joined by Deshpande and McShane).

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Posted: December 17, 2020