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PTAB HIGHLIGHTS

New developments in post-issuance proceedings

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At the PTAB, Don't Drive the Wrong Car

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July 10, 2017 — *Inter partes* reviews (IPRs) at the U.S. Patent and Trademark Office Patent Trial and Appeal Board (PTAB) are the way to go to invalidate patent claims, whether you're in litigation with a patent owner, or just want to clear out some space to compete. *See, e.g., https://www.uspto.gov/sites/default/files/documents/Trial_Statistics_2017-05-31.pdf*. But don't drive the wrong car while you're there at the PTAB. Here's what I mean.

IPRs are slow-rolling trials. Everything is routinely done on paper, except for a short final oral argument. That makes them like other administrative trials, such as patent trials from the past, *i.e.*, interference trials, and administrative trials in other spheres, such as workers' compensation trials. Like "real" trials, though, they involve the rules of evidence. *E.g.*, 77 Fed. Reg. 48,756, 48,758, 48,772 (Aug. 14, 2012) ("Admissibility of evidence is generally governed by the Federal Rules of Evidence.") ("The examination and cross-examination of a witness proceed as they would in a trial under the Federal Rules of Evidence ...") (citation hereafter "Fed. Reg." with a page citation.) Facts must be proved, and IPRs have been lost simply for lack of proof of the facts.

Objections to the evidence introduced to attempt to prove facts are somewhat hard to sustain at the PTAB. For example, an IPR participant wanting to object to evidence must "object timely to the evidence at the point that it is offered," and then must follow up "by filing a motion to exclude the evidence." Fed. Reg. 48,767. The motion must (a) identify where in the trial record (i) the objection was originally made, and (ii) the opponent relied on the evidence, and (b) explain each objection. *Id.* Early on, the PTAB indicated that the need for these requirements results from the PTAB functioning differently than U.S. courts: "[O]ur practice differs from that in a U.S. district court ... All evidence in our proceedings is filed in the form of an exhibit. ... Once filed, the exhibit is 'in evidence.' ... In our proceedings it is the opponent who bears the burden of establishing inadmissibility of an exhibit." *FLIR Systems, Inc. v. Leak Surveys, Inc.*, IPR2014-00411, slip. op. Paper 113 at 5 (PTAB September 3, 2015) (order of sentences in the quotation changed). This

PTAB practice appears in part to be a reflection that the PTAB uses the FRE, but not FRE 103, on rulings on evidence. Fed. Reg. 48,772.

On the other hand, away from handling issues of admissibility of evidence, if the point to be made is that the evidence is not sufficient to prove a fact, then that point should be made somewhere other than a motion to exclude: “A motion to exclude ... may not be used to challenge the sufficiency of evidence to prove a particular fact.” Fed. Reg. 48,767.

Trying to drive a motion to exclude to accomplish a challenge to the sufficiency of evidence is one way an IPR participant can be trying to drive a wrong car. As the PTAB is now often stating, a “motion to exclude is the wrong vehicle to challenge ... a substantive issue that goes to the sufficiency of the evidence, not to admissibility ...” *E.g., Arista Networks, Inc. v. Cisco Systems, Inc.*, IPR2016-00303, slip op., Paper 53 at 9 (PTAB May 25, 2017). So at the PTAB, you can be driving the wrong car, *i.e.*, wrong vehicle, in your challenge to evidence.

How can you know you’re careening off course? The Federal Register gives you one example, and *FLIR* another. At 48,763, the Federal Register informs you that if your effort is to cut down opposing expert opinion evidence as not properly supported by a disclosure of underlying facts or data, then your point is that the evidence does not have weight: “Opinions expressed without disclosing the underlying facts or data may be given little or no weight.” *FLIR* reinforces Fed. Reg. 48,763 by expressly stating that “a failure to reveal underlying facts and data goes to the weight to be assigned testimony.” Paper 113 at 12. *FLIR* moves on to explain that if you want to attack prior art as not proven to have been accessible to the public, that also goes to weight: “where a patent owner’s motion to exclude raises the ... issue ... authenticity based on an alleged lack of accessibility ... as an issue required to be proved by a petitioner ... there is no need [for] a motion to exclude.” Paper 113 at 9. *Arista* states the same: “A motion to exclude is the wrong vehicle to challenge public availability ...” Paper 53 at 9.

But the situations of motions to exclude versus arguments going to weight are not the only situations that may find you driving the wrong car off the road. Another situation is that of what you put in your replies, to the patent owner response to your petition, or in replies for motions. A reply is not an opportunity to raise new issues. *E.g.*, Fed. Reg. 48,767. Still another situation is that of a request for rehearing. Regarding requests for rehearing, the PTAB has stated that they, as well, are “not intended as a vehicle,” in this case, “simply to disagree with [an] outcome or to provide new arguments.” *Captioncall, Inc. v. Ultratec, Inc.*, IPR2014-00780, slip. op., Paper 40 at 2-3 (PTAB May 19, 2016). A request for rehearing, states *Captioncall*, must identify a matter the PTAB misapprehended or overlooked, and “must *cite* where the argument or evidence allegedly overlooked or misapprehended was *previously discussed* in one of the *parties’ papers*.” *Id.*

So the takeaway of all this fun with cars is this: Don’t choose the wrong vehicle at the PTAB. Study the rules of the road, and drive the right car, not the wrong car, such as an argument against evidence, not a motion to exclude, to get your vehicle to take you where you want to go.

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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,

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