



USPTO Announces Amended Rules to Improve Proceedings

In accordance with the 2011 Leahy-Smith America Invents Act (AIA), the U.S. Patent Office created new post-issuance proceedings to make available more streamlined and cost-effective methods to challenge patent validity.

On April 1, 2016, the U.S. Patent Office issued amended rules to improve certain aspects of the three new post-issuance proceedings: post-grant review, *inter partes* review, and the transitional program for covered business method patents.

The amended rules take effect on May 2, 2016 and apply to all petitions filed on or after the effective date and to any ongoing preliminary proceeding before the Patent Trial and Appeal Board (the Board). This update provides a summary of the rule amendments to the AIA post-issuance proceedings.

Claim Construction for AIA Post-Issuance Proceedings

Claims of an application under examination in the U.S. Patent Office (the Office) are given the broadest reasonable interpretation consistent with the specifications. However, patent claims litigated in the district courts are interpreted according to the narrower standard described in the decision in *Phillips v. AWH Corp.*, which takes into account other information, including the specification, prosecution history, and expert testimony.

Although the Board will continue to default to the broadest reasonable interpretation standard for claim construction, under the amended rules, either party may now request a district court-type claim construction approach be applied instead of the broadest reasonable interpretation, if the party certifies that the involved patent will expire within 18 months from the entry of the Notice of Filing Date Accorded to Petition. The request must be made in the form of a motion within 30 days from filing the petition.

New Testimonial Evidence Allowed with Patent Owner's Preliminary Response to Petition Seeking to Institute *Inter Partes* Review or Post-Grant Review

The Office has amended the rules regarding the information the patent owner can include as supporting evidence in the preliminary response to the petition seeking to institute a proceeding. Specifically, the Office will permit the introduction of new testimonial evidence in the preliminary response. The patent owner may now file a preliminary response to the petition limited to setting forth the reasons why no *inter partes* review should be instituted under 35 U.S.C. 314 and can further include supporting evidence. This change addresses the concern that patent owners have no avenue to refute testimonial evidence provided by a petitioner prior to the institution of a trial.

The Office also amended the rules governing the Board in deciding whether to institute a proceeding. As the patent owner may now introduce new testimonial evidence, in the instance where there is conflicting evidence between the patent owner and petitioner, the Board will view the disputed material facts in the light most favorable to the petitioner solely for purpose of deciding whether to institute the proceeding. Additionally, if the patent owner does submit supporting evidence with the preliminary response, the petitioner may seek leave to file a reply to the preliminary response, but any such request must make a showing of good cause.

Changes to Filing Length Limits for Key Papers

The Office amended the rules regarding length limits of petitions, preliminary responses, patent owner response, and petitioner’s reply brief from page limits to word counts. Either party may submit a motion for exceptions to the word count or page limit. For more information about length limits, please [click here](#).

Duty of Candor and Good Faith

The rules prior to the amendment recite that the parties and individuals involved have a duty of candor and good faith to the Office during the course of the proceedings. This duty is clarified in the amended rules, and is expressly extended to every paper filed in the proceedings. The amended rules also provide for the possibility of sanctions for failure to comply with the duty.

In addition to the duty of candor and good faith required from all parties and individuals in a proceeding, the amended rules impose further obligations. Every petition, response, written motion, and other paper filed in a proceeding must comply with the signature requirements set forth in 37 C.F.R. § 11.18(a). The Board may expunge any unsigned submission unless the omission is promptly corrected after being called to the counsel’s or party’s attention. For more information about the duty of candor and good faith, please [click here](#).

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These amended rules reflect the latest of the Office’s efforts in trying to balance fairness to the patent owner and the petitioner while preventing the proceedings from exceeding the mandated time limit to reach a final decision.

For questions about the AIA rule changes or information contained in this update, please contact your COJK attorney.

This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to your COJK attorney.