



Patent Reform 2011:

Inter Partes Review

Purpose:

- “Inter partes review,” which replaces the current “inter partes reexamination” proceeding, is intended to be a relatively quick proceeding for challenging a patent’s validity in the Patent Office. Inter partes review may take place after the period for initiating Post-Grant Review proceedings has expired, or after a Post-Grant Review has concluded.

Scope:

- As with current inter partes reexamination, a person who is not the patent owner may file a petition with the Office to institute an inter partes review of a patent to cancel one or more claims only on a ground of prior art that could be raised under section 102 or 103 on the basis of patents or printed publications.
- A petition for Inter Partes Review must show by a preponderance of the evidence, i.e., “it is more likely than not,” that at least one of the claims of the challenged patent is unpatentable.

Effective Date and Timing:

- Effective Date: one year from the enactment date, for all patents issued on before or after that date.
- Immediately upon enactment, there will be a transition period during which inter partes reexamination requests will be reviewed under the new standard of a “reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged.”
- May be filed beginning when the 9-month period for Post-Grant Review has expired, or, if a post-grant review has been instituted, the date of the termination of such post-grant review. It is not clear whether an inter partes review can be initiated prior to the termination of any appeal from a Post-Grant Review.

Requirements and Threshold:

- The petition must be accompanied by a fee, identify all real parties in interest, and identify the grounds on which each claim is challenged, with supporting evidence, including any supporting affidavits or declarations. The patent owner may file a preliminary response to the petition in an effort to persuade the Director not to grant the petition for review.

- The standard for granting a petition is whether there is a “reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged” in the petition.
- In theory, the “reasonable likelihood” standard is higher than the threshold from the substantial new question of patentability (SNQ) presently required in inter partes reexaminations. In practice, there may not be a significant impact.
- The Director will determine whether to institute an inter partes review within three months after the patent owner’s preliminary response to the petition is received, or if no response is filed, the last date on which it could have been filed. The decision of the Director whether to institute an inter partes review is not appealable.

Conduct:

- Inter partes reviews will be conducted by the Patent Trial and Appeal Board (formerly the Board of Patent Appeals and Interferences), in contrast to the Central Reexam Unit (CRU) presently conducting inter partes reexaminations.
- The petitioner will have the burden of proving a proposition of unpatentability by a preponderance of the evidence.
- Patent owners will be permitted to amend claims without enlarging the scope or introducing new matter. Limited discovery will be permitted during the proceeding, envisioned as the opportunity to cross-examine any affiant or declarant relied upon by either party. Protective orders are provided to protect the exchange and submission of confidential information. Either party may request an oral hearing before the Patent Trial and Appeal Board.
- A final written determination must be issued by the Patent Trial and Appeal Board not later than 1 year from the institution of the review, extendable by an additional six months upon a showing of good cause.
- An inter partes review may be terminated upon the joint request of the petitioner and the patent owner, such as pursuant to a settlement agreement, unless the Office has decided the merits before such request, and no estoppel shall attach to the parties.

Impact On Litigation:

- An inter partes review may not be instituted if, before the date on which the petition for a review is filed, the petitioner or real party in interest filed a “civil action” challenging the validity of a claim of the patent.
- If the petitioner or real party in interest files a civil action challenging the validity of a claim of the patent on or after the date on which the petitioner files a petition for inter partes review of the patent, that civil action shall be automatically stayed.
- A counterclaim challenging the validity of a claim of a patent does not constitute a “civil action” for purposes of determining whether an accused infringer may file an inter partes review petition. However, an inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner is served with a complaint alleging infringement of the patent.

Estoppel and Intervening Rights:

- Estoppel in the Office—The petitioner in an inter partes review of a claim that results in a final written decision may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that inter partes review.
- Estoppel in Civil Actions—A petitioner in an inter partes review of a claim that results in a final written decision may not assert in a civil action that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review.
- Intervening rights can arise to the benefit of an infringer unless the product, method, etc. infringes a valid claim of the reviewed patent which was in the original patent.

Appeal:

- A party may appeal the final written decision of the Board to the Court of Appeals for the Federal Circuit.