



Patent Reform 2011:

Post-Grant Review

Purpose:

- To allow third parties to attack the grant of one or more claims of an issued patent, and to do so in an expedited proceeding far less costly than patent litigation.

Scope:

- A petition for Post-grant 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.
- Unlike reexamination or the new inter partes review proceeding, all grounds of invalidity may be raised, such as prior art, lack of written description, enablement, utility, definiteness, incorrect inventorship, violation of export control laws, etc. In addition, prior art is not limited to patents and printed publications, and may include evidence of sales or public uses, etc.
- Post-grant review may also be granted if the petition raises a novel or unsettled legal question that is important to other patents/applications.

Effective Date and Timing:

- **Effective Date:** Takes effect one year from date of enactment for certain business method patents involving financial transactions; for all other technology it applies to applications having priority claims that are 18 months after date of enactment, i.e. on or after March 16, 2013.
- Must file within nine months following the date of patent issuance or the issuance of a reissue patent.

Conduct:

- The petition requesting review must identify all real parties in interest, identify with particularity the grounds on which each claim is challenged, and provide the evidence that supports the challenge to each claim, particularly copies of patents and publications or affidavits and declarations. A fee, as yet undetermined, must be paid when the petition is filed.
- The patentee may file a preliminary response stating why the petition should not be granted.
- The Board must determine within 3 months whether to grant the petition. The standard is whether the information in the petition, if not rebutted, demonstrates that it is more likely than not that at least one claim challenged in the petition is unpatentable, or raises a novel or unsettled legal question that is important to other patents or applications.
- Conducted by the Patent Trial and Appeal Board (formerly the Board of Patent Appeals and Interferences), not the Central Reexam Unit.

- Discovery may be available, limited to evidence directly related to factual assertions made by either party in the proceeding. Protective orders will be available for exchange and submission of confidential information.
- The patent owner may file a response to the petition after a post-grant review has been initiated, and the response must include any supporting affidavits, declarations or factual evidence and expert opinions.
- The patent owner has one opportunity to file a motion to amend the patent by canceling a challenged claim or proposing a reasonable number of substitute claims.
- Either party to a post-grant review can request an oral hearing before the Board.
- The petitioner has the burden to prove unpatentability by a preponderance of the evidence.
- A final written decision must be issued within one year after the proceeding is instituted, extendable for an additional six months upon a showing of good cause.

Appeal:

- Decisions under Post-grant Review are appealable only to the Federal Circuit.

Impact of Litigation:

- A petitioner is barred from seeking Post-grant Review if it already has filed a civil action challenging the validity of the patent.
- If the petitioner or real party of interest files a civil action challenging the validity of a claim of the patent on or after the date of a petition for Post-grant Review, the civil action shall be automatically stayed until (1) the patent owner moves the court to lift the stay; (2) the patent owner makes an infringement counterclaim; or (3) the petitioner or real party in interest moves the court to dismiss the civil action.

Estoppel and Intervening Rights:

- In any subsequent USPTO proceeding, district court action, or ITC proceeding, estoppel provisions bar the petitioner from raising any ground of invalidity that actually was raised or reasonably could have been raised during the post-grant review proceeding. Estoppel does not apply to entities that were not involved in the post-grant review.
- Intervening rights may apply for new and amended claims.

Practice Tips/Considerations:

- In view of the limited time for initiating a post-grant review, and the wide grounds available to challenge a patent during such review, companies that aren't already doing so may wish to more diligently monitor competitors' patent applications, or perhaps all patent applications within companies' fields of interest.
- A petition for post-grant review will need to be supported with as much evidence as possible, such as supporting publications, affidavits or declarations, preferably by experts, if they are going to carry weight before the Board.