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5 Tips For Saving Patents From The PTAB's Ax

By **Ryan Davis**

Law360, New York (August 15, 2014, 8:33 PM ET) -- Most of the patents reviewed by the Patent Trial and Appeal Board to date have been invalidated, but a handful have survived what has become a harrowing process for patent owners.

Here, attorneys who have successfully defended patents before the board share their strategies for keeping patents alive:

Put Your Best Foot Forward in the Preliminary Response

Once an accused infringer or other challenger files a petition seeking to invalidate a patent, the patent owner has the option of filing a preliminary response before the board decides whether to institute a review. In just about every case, the patent owner should take advantage of the opportunity to make the case early for the patent's validity.

In the best-case scenario, the preliminary response can persuade the board not to review the patent at all, said Jon Wright of Sterne Kessler Goldstein & Fox PLLC.

"If you've got a knockout punch because of glaring weakness in the petitioner's case, and you can convince the board not to initiate a trial, that's a huge win," he said.

If a review is instituted, the patent owner's preliminary response can convince the board to only consider some of the arguments raised by the petition, said Christopher McKee of Banner & Witcoff Ltd. That can make it easier to defend the patent and plays into the board's desire to focus on key issues so that the review can be completed within the one-year time limit mandated by Congress.

"If you don't avoid it entirely, you might be able to narrow the trial," he said. "The board has said that they find the preliminary response very useful, and they have every interest in narrowing the scope of the proceeding to keep it streamlined."

The preliminary response lets the patent owner see the board's reaction to its arguments, and if a trial is instituted, "you have an opportunity to put together a full response to address any points where the board didn't go your way and maybe turn the board around," said McKee, who represented Mentor Graphics Corp. in a case where the board affirmed the validity of most challenged claims of the company's patent.

Hold the Petitioner's Feet to the Fire

Both in the preliminary response and after the board has decided to review a patent, the patent owner's goal should be to zero in on the weaknesses in the petitioner's case and aim to convince the board that the high burden of proving the patent invalid has not been met.

That requires a different mindset for attorneys who are used to representing patent applicants during examinations, where they must argue against the examiner's own opinion about why the application should be rejected, said Scott Smiley of the Concept Law Group PA.

According to Smiley, who represented Automated Creel Systems Inc. in a review where the board invalidated some claims of the company's patent but affirmed the patentability of others, the attorney's job is somewhat easier during inter partes review proceedings.

"There, you are arguing to the board why the petitioner's opinion is incorrect," he said. "The petitioner must prove their case by a preponderance of the evidence, and patent owners should constantly hold them to it."

Wright, who represented in ContentGuard Holdings in a review where the board issued a final decision affirming the validity of all the challenged claims of the company's patent, said that the patent owner's goal should be to latch on to any area where the petitioners' invalidity arguments fail to meet the legal burden.

"You're always looking for places where the petitioner has dropped the ball," he said.

For instance, he said that if the petitioner is arguing the patent is obvious, the patent owner should look carefully at the factors for proving obviousness articulated by the U.S. Supreme Court and point out ways the petitioner failed to meet them.

Expert Testimony Is Critical

The PTAB has put strict page limits on filings in inter partes reviews, with the petition, patent owner's preliminary response and the patent owner's response after a trial has been instituted capped at 60 pages.

One way patent owners can get all their strongest arguments before the board is to enlist an expert witness who can submit a declaration with no page limits that expounds on the positions taken in the actual filings, said Charles Wieland of Buchanan Ingersoll & Rooney PC.

"The arguments have to appear in 60 pages, so you want to back them up with an extensive, authoritative expert declaration," said Wieland, who represented Network-1 Security Solutions Inc. in a case where the board affirmed the validity of all of the challenged claims of the company's patent.

Expert declarations are not allowed in the patent owner's preliminary response, only in filings after the trial has been instituted, but attorneys said patent owners should consult with experts early in the case and work closely with them to ensure they are on board with every position the patent owner is taking.

Since the expert will be deposed by the petitioner's counsel, it's not enough for the attorneys to come up with an argument and rely on the expert to expound upon it, said Edward Schlatter of Knobbe Martens Olson & Bear LLP. Instead, the expert must be deeply involved in crafting the positions being taken.

"The expert's position is going to be aggressively attacked, and you need to be confident that they are ready to weather the storm," said Schlatter, who represented Star Envirotech Inc. in a case where the board affirmed the validity of the company's patent. "That is most effective when the expert has a role in developing the case in the first instance."

Call In Reinforcements

If the patent at issue in an America Invents Act review has previously survived invalidity challenges in litigation, the attorneys who worked on the earlier cases can be a valuable resource, Wieland said.

The litigation counsel have lived with the patent for years and fended off invalidity arguments by smart lawyers, so they have a good sense of what the patent does and does not cover, he said. To the extent possible, counsel for the patent owner in an AIA review should enlist their help in defending the patent.

"Bringing in litigation counsel on battle-tested patents is essential to success," Wieland said.

Get Ready to Get Technical

The judges on the PTAB are experts in patent law and technology, so persuading them to uphold a patent's validity necessarily requires the patent owner to make arguments steeped in technical details.

It is often easy to come up with ways in which the invention claimed in a patent is different from the prior art references the petitioner says renders the patent invalid, but those differences will do nothing at all to save the patent if they are not rooted in the language of the patent's claims, Wright said.

"You can find all the differences you want, but if there is not a claimed feature in the patent that cuts to that difference, it's a meaningless distinction, and the patent judges are going to be hyper-focused on that," he said.

While talking in general terms about how the patent differs from the prior art without getting into the specifics of the claim language "might be persuasive in front of a jury or an unsophisticated judge, it's not going to work with the board," he said.

The patent owner should focus closely on the technology involved and lay out a story about, for instance, why it would not be obvious to combine the two prior art references cited by the petitioner, Schlatter said.

"It can't be a surface-level discussion of the references. You need to get into the nuts and bolts," he said.

--Editing by Jeremy Barker and Christine Chun.

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