

Practices & Industries

Post Grant Proceedings

Overview

The America Invents Act (AIA) created three new administrative trial procedures for challenging the validity of patents outside of the federal courts, at the U.S. Patent and Trademark Office (USPTO). In addition to traditional ex parte reexamination, third parties may now request review of issued patents through post grant review, inter partes review and covered business method review – collectively, these procedures are referred to as "post grant proceedings."

Many patent challengers are already using these post grant proceedings, often in conjunction with district court litigation. The three new proceedings include many "litigation-like" elements, such as discovery, motion practice, cross-examination and oral argument. Accordingly, taking full advantage of these proceedings requires a combination of patent prosecution and patent litigation skills, which are hallmarks of the attorneys in Day Pitney's Intellectual Property group. The combination of our litigation and patent procurement experience makes us particularly effective in handling post grant proceedings in the USPTO.

Ex Parte Reexamination

Ex parte reexamination has been available since 1981 and remains available under the AIA. Through ex parte reexamination, the patent owner or a third party may ask the USPTO to review the validity of an issued patent based on prior patents and printed publications that the requester brings to the USPTO's attention The requester, who may remain anonymous, can file such a request at any time during the enforceability of a patent and must establish that the submitted prior art establishes a substantial new question of patentability. Upon such a showing, the USPTO will grant the reexamination request and order reexamination of the challenged patent.

As its name implies, ex parte reexamination, once commenced, involves only the patent owner and the USPTO. After a reexamination request is filed, a third-party requester is precluded from further involvement unless the patent owner files a statement attempting to rebut the requester's assertion of a substantial new question of patentability, in which case the requester may respond to that statement only. Otherwise, the reexamination proceeds as an ordinary patent prosecution, excluding the requester.

Post Grant Review

Post grant review allows third parties to challenge the validity of issued patents only during the nine-month period immediately following the granting of an original patent or a reissued patent. Any party, other than the patent owner, who has not already filed a civil action in federal court challenging the validity of the patent may file a petition requesting post grant review. Anonymity is not allowed, and the real party in interest. In contrast to ex parte reexamination, a petition for post grant review can be based on any grounds for challenging validity. This includes anticipation and obviousness, whether based on patents – printed publications or other prior art such as public use or sale – as well as indefiniteness, non-patentable subject matter and other grounds. Post grant review also provides the opportunity to take limited discovery, the ability to terminate the proceeding by settlement, and an oral hearing before a three judge panel before a decision on the merits.

Inter Partes Review

Inter partes review allows third parties to challenge the validity of issued patents but only after nine months from the granting of an original patent or a reissued patent or after completion of any instituted post grant review proceeding on the patent. A

petition for Inter Partes Review limits validity challenges to patents and printed publications. Inter partes review, similar to post grant review, provides the opportunity for limited discovery, the ability to terminate the proceeding by settlement, and an oral hearing before a decision on the merits.

Covered Business Method Review

Covered business method review is an inter partes procedure similar to post grant review and generally employs the same standards and procedures. However, unlike post grant review, there is no nine-month time limit for filing a petition for review of a covered business method patent. A petitioner may only request review of a covered business method patent review if the petitioner has been either sued for infringement of the challenged patent or at least been charged with infringement of that patent. Although post grant review of covered business methods is available for patents subject to both the first-to-invent and first-to-file patent systems, the prior art available to challenge a first-to-invent patent is limited to patents and printed publications, whereas a petition for review of a first-to-file patent can be based on any grounds for challenging validity, including anticipation and obviousness. Covered business method review, similar to post grant review and inter partes review, provides for limited discovery, termination by settlement and an oral hearing.

Strategic Use of Post Grant Proceedings as a Litigation Tool

The Day Pitney Post Grant Proceedings team is skilled at addressing the challenges faced in reexamination and review cases that often arise concurrently with litigation. When working with petitioners, our practitioners develop strategies to stay litigation pending resolution of reexamination or review, decrease damages exposure, improve claim construction and non-infringement postures, and improve the overall settlement and dispute resolution prospects.

Post grant proceedings provide third parties a timely, cost-effective alternative to district court litigation to challenge the validity of an issued patent. Day Pitney attorneys are well-prepared to handle each of these new proceedings as demonstrated by our extensive and successful record before the USPTO, as well as in US district courts and before the International Trade Comission.