

PTAB's Motion to Amend Pilot Program: Review of Initial Results

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Since the inception of inter partes reviews (IPRs) and post grant reviews (PGRs) under the America Invents Act, the option for a patent owner to file a motion to amend its claims was always present, but motions to amend were rarely successful. However, in March 2019, the PTAB enacted a pilot program for motions to amend (“MTA”) that would apply to all AIA trial proceedings instituted on or after March 15, 2019. The idea of the pilot program was to make MTAs a more viable option for patent owners by providing initial feedback from the PTAB on an MTA and a second “bite at the apple” to fix the MTA based on any negative initial guidance received. In this blog post, we analyze the initial results and conclude that, while it is still early in development and subsequent results could lead to new insights, for now at least patent owners may be better off using alternative approaches such as reissue or ex parte reexamination.¹

Briefly, the pilot program offers patent owners two previously unavailable options when filing an MTA: (1) the right to choose to receive preliminary guidance from the Board on its MTA, and (2) the right to choose to file a revised MTA after receiving the Board’s preliminary guidance. Of course, with these added options come added briefing, cost, and complexity to already expedited procedures, and the pilot program did not expand the IPR or PGR timeline of one year from institution to final written decision. Now that the pilot program has been in effect for over a year, this post takes a retrospective look at how the pilot program has been utilized and whether it has provided patent owners with the benefits it was intended to confer.

We analyzed 15 cases² in which the patent owner took advantage of the pilot program and requested guidance from the Board regarding its motion to amend. In each preliminary guidance order issued from the Board, the panel indicates whether the substitute claims in the MTA satisfy the statutory and regulatory requirements for patentability in an MTA. The regulatory requirements include (1) whether the MTA presents a reasonable number of substitute claims, (2) whether the substitute claims respond to a ground of unpatentability in the trial, (3) whether the substitute claims enlarge the scope of the original claims, and (4) whether the substitute claims add new matter. For the statutory basis, the Board provides comment on whether the petitioner showed a reasonable likelihood that the substitute claims were unpatentable under 35 U.S.C. §§ 102, 103, and/or 112.

The following tables show the results of the preliminary guidance for the first 15 cases to utilize the pilot program.

Table 1 – Regulatory Requirements

	Reasonable Number of Claims	Respond to a Ground of Unpatentability	Do Not Enlarge Scope	Do Not Add New Matter
Yes	15	15	14	13
No	0	0	1	2

Table 2 – Statutory Requirements

	Patentable	Anticipation	Obviousness	Lack of Written Description	Lack of Enablement	Indefiniteness
Yes	2*	1	14*	1	4	7
No	13	14	1	14	11	8

*In IPR2019-00511 some of the substitute claims were found to be obvious, while most were not.

Breaking down the data in the tables, it was apparent that the overwhelming majority of patent owners submit MTAs that satisfy the regulatory requirements, with enlarged scope and new matter being the only occasional stumbling blocks. When assessing the statutory requirements for patentability, it is not surprising that the Board commonly relied on obviousness as a basis for finding the claims unpatentable, but it was somewhat surprising to see that the Board found nearly half of the MTAs in the pilot program included at least one claim deemed to be indefinite.

Further, the tables show that most of the participants in the MTA pilot program received negative preliminary guidance (i.e., the Board found the substitute claims either failed to comply with the regulatory requirements, were likely unpatentable, or both). In fact, of the 15 cases that were analyzed only two (UD Electronic Corporation v. Pulse Electronics, Inc., IPR2019-00511 and Smartmatic USA Corporation et al v. Election Systems & Software, LLC, IPR2019-00527) received positive preliminary guidance indicating that at least some of the substitute claims were patentable and complied with the regulatory requirements. However, neither of these cases has yet to reach a final written decision (FWD), so it is yet to be seen whether the positive preliminary guidance will translate into an ultimate victory for the patent owner.

Several of the analyzed cases have been voluntarily dismissed by the parties and many still await a FWD, but a few have FWDs have issued and these decisions suggest that a negative preliminary guidance order is likely a harbinger of a negative FWD as well.

For example, one of the cases the received negative preliminary guidance is Mylan Pharmaceuticals Inc. et al v. Sanofi-Aventis Deutschland GmbH et al, which is a consolidation of IPR2018-01679, IPR2018-01682, and IPR2018-01680. In this case, the patent owner received preliminary guidance from the Board, which found that although the MTA presented a reasonable number of claims, responded to a ground of unpatentability at issue in the trial, and did not enlarge the scope or add new matter, the petitioner had nevertheless shown a reasonable likelihood that the substitute claims were unpatentable as obvious (petitioner also argued indefiniteness but the Board disagreed). The patent owner submitted an amended MTA in response to the guidance, but ultimately the FWD found both the original claims and the substitute claims in the MTA to be unpatentable.

Similarly, the patent owners in L&P Property Management Company et al v. Remacro Machinery & Technology (Wujiang) Co., Ltd. et al, IPR2019-00255; Apple Inc. v. Zomm, LLC, IPR2019-00275; and Becton, Dickinson and Company v. Baxter Corporation Englewood et al, IPR2019-00121 and IPR2019-00120 received negative preliminary guidance indicating that the Board found the petitioner had shown a reasonable likelihood that the substitute claims were obvious. The respective patent owners submitting a revised motions to amend, but the FWD still found all of the challenged claims unpatentable and denied the MTA.

On the other hand, in Smartmatic USA Corp. v. Election Systems & Software, LLC, IPR2019-00531, patent owner received preliminary guidance that the initial MTA sought to enlarge the scope of the claims and that the petitioner showed that there was a reasonable likelihood that the substitute claims were obvious. The patent owner responded by clarifying that the MTA was non-contingent on the patentability of the original claims and it canceled the claims found to enlarge the scope. The Board granted the motion in-part, cancelling the original claims and finding some of the substitute claims to be not unpatentable.

While there are still some FWDs pending, this analysis of the first 15 cases to take advantage of the MTA pilot program suggests that even when being afforded preliminary guidance from the Board, successfully revising an MTA to achieve the patent owner's desired objectives is still an uphill battle for patent owners. It must be recognized that the ability to amend a claim is restricted by the quality of the underlying specification (whether there is support for a given alternative claim) and the scope of the prior art (whether there is room to change a claim in a useful manner that avoids running afoul of the prior art).

¹ Reissue in particular has been successfully used as an alternative to an MTA in an IPR in situations where the original prosecution does not present obstacles, such as the recapture doctrine.

² The 15 cases analyzed include: IPR2018-01679, IPR2018-01682, and IPR2018-01680 (consolidated); IPR2019-00498; IPR2019-00531; IPR2019-00255; IPR2019-00511; IPR2019-00275; IPR2019-00121; IPR2019-00120; IPR2019-00080, IPR2019-00081, and IPR2019-00082 (consolidated); IPR2019-00500; IPR2019-00497; PGR2019-00025; IPR2019-00143; IPR2019-00201; and IPR2019-00527.

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