

# CLIENT ALERT

## Patents Under The AIA: Basics, Trends & Strategies (VIDEO)

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**Terry Rea**, Crowell & Moring partner, C&M International director, and former acting and deputy director at the USPTO, discusses patents under the America Invents Act (AIA) in a three-part video series.

Scroll below to view these two-minute videos on Crowell.com in which Terry outlines the basics of Post Grant Proceedings under the AIA, including where they fit in the current patent challenge landscape, what patent challenges can hope to get from a proceeding, and what patent owners should do if their patent is challenged.

Terry also discusses handling simultaneous Post Grant Proceedings and district court litigation, including considerations if a patent is involved in both and what owners can do to defend their patent, as well as recent trends and strategies under the AIA.

### Part 1: Basics of Post Grant Proceedings Under the America Invents Act

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### Part 2: Handling Simultaneous Post Grant Proceedings & District Court Litigation

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### Part 3: Trends & Strategies in Post Grant Proceedings Under AIA

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### Transcript

#### Where does the AIA Post Grant Proceeding fit into the current patent challenge landscape?

Patent litigation today is very expensive and requires a great deal of time. But fortunately, there's a new set of procedures that were enacted by Congress through the America Invents Act that actually were implemented in September of 2012 that allow third parties to present a patent application, return it to the U.S. Patent and Trademark office, and have it reconsidered in view of new information. So, litigation in District Court is no longer the only game in town.

#### What can a patent challenger hope to get from a Post Grant Proceeding under the AIA?

The U.S. Patent and Trademark Office through the Patent Trial and Appeal Board will reconsider that patent in light of new information and the patent may survive intact, the claims may potentially be amended, or the patent will not survive scrutiny.

### **What should a patent owner do if its patent is challenged in a Post Grant Proceeding?**

The patent owner should first of all identify an expert on their side that they could use. Almost all of the testimony provided to the USPTO is done through experts. So your expert is critical.

Second of all, you should look at any documents and discovery issues that there may be. Now there is very, very limited discovery in these proceedings but it's important to know if perhaps the third party that filed one of these post grant proceedings has some information that you would like that would benefit you.

And then thirdly, identify counsel and the counsel will work with your litigation counsel to make sure that the information presented will be consistent with whatever your case will be in the District Court.

### **What considerations exist if a patent is involved in both AIA Post Grant Proceedings and District Court Litigation?**

We call those parallel proceedings, and there's a number of factors to make sure that those two events are done in the most efficient manner possible. First of all, if you are involved in one of these AIA post grant proceedings at the USPTO, you may want to stay the District Court litigation. You can file a Motion to stay. Sometimes both parties would like a stay. Other times, perhaps only one party would like a stay. The discovery at the USPTO is very very different. Very limited compared to the discovery in District Court litigation. There is also a difference in claim construction. The U.S. Patent and Trademark Office views a patent in terms of its broadest reasonable construction in view of the specification, but in District Courts it's more of a Markman style, a narrower view of the terms used in the claims. There are also some estoppel issues that are not yet well defined that must be considered and the burden of proof actually is very different with these post grant proceedings in District Court. With the post grant proceedings the standard is preponderance of the evidence, and in District Court, they look at clear and convincing evidence. So it's actually much easier for a third party challenger to actually meet the hurdle at the USPTO and to potentially invalidate a patent or part of a patent.

### **What can a patent owner do to best defend its patent in a Post Grant Proceeding?**

I cannot overemphasize the importance of preparation in getting on and reviewing the issues as early as possible. So if you are the patent owner, it's extremely important to identify your experts early, to review your file history, and to essentially get all your ducks lined up in a row. If you are already aware of the fact that you would be involved in a District Court litigation, some of those same issues would benefit you in the U.S. Patent and Trademark Office, but it's an entirely different venue with a different set of rules and it's important to get counsel that are very, very familiar with them.

### **What trends do you see with Post Grant Proceedings under the AIA?**

Statistics are really starting to roll out and get developed. There have been more final written opinions for members of the patent community to dissect and review. Right now they have exceeded Congress's expectations as well as the U.S. Patent and Trademark's expectations in terms of number of filings. I personally think the numbers have stabilized. I do not think they will decrease. I don't think they will necessarily increase. But, nevertheless, the number of filings are very robust.

**What strategy is important when using Post Grant Proceedings to challenge a patent?**

I see clients do it strategically in a number of ways. Some file it before there's even a District Court proceeding. Some file it within one year of the District Court proceeding and others, if possible, can join somebody else's post grant proceeding if it is already not timely for them to do so. So you have an opportunity to file before, during, and even to some extent, after, depending on the dates in your situation. So you can't say it's never too late; it occasionally is late, but I think that you will find them used in a variety of ways and the user community is just adjusting to this new proceeding at the present time. We're gaining a lot of data and it's extremely important to consider if you are considering patent litigation.

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