



IP: 5 considerations when served with a post-grant review petition

POST-GRANT REVIEW UNDER THE AMERICA INVENTS ACT—A NEW PATENT BATTLEFRONT

This is the fourth in a [series](#) of articles on the America Invents Act.

The America Invents Act (AIA) creates an administrative post-grant review procedure to determine the validity of claims of recently-issued patents. When served with a third party's petition for post-grant review, here are five procedural steps the patent owner may want to consider:

1. **Hold everything.** The first thing to consider is to circulate instructions akin to a litigation hold memorandum to all individuals and entities that may have discoverable information in the company's possession, custody or control relating to the application that resulted in the patent. Post-grant review under the AIA permits discovery of relevant evidence. While limited to evidence directly related to factual assertions advanced by either party during the proceeding, abuse of discovery will be subject to sanctions.

2. **Consider whether, and when, to respond.** A patentee will have the option to file, within a time period to be set by the director of the U.S. Patent and Trademark Office (USPTO), a preliminary response to a petition to initiate a post-grant review. The preliminary response is a mechanism for challenging the procedural sufficiency of the petition. There will be opportunities later to reply to the substance of the petition.

Patentees might consider how much time has elapsed since the issuance of the patent before filing a preliminary response. Post-grant review petitions must be filed within nine months of either the issuance of a patent or the reissuance of a patent with broadened claims. The director of the USPTO must decide whether to institute a post-grant review within three months of receiving a preliminary response or, if no preliminary response is filed, within three months of the end of the period

for filing a preliminary response.

If a third party files a petition for post-grant review earlier than nine months from the patent's issue date, then the patentee might consider waiting until after the nine-month window closes, or not filing a preliminary response at all. Otherwise, if the petition is dismissed earlier, the third party might still have time to correct the procedural deficiencies and re-file the petition.

♦ **Know your enemy.** Post-grant review provides at least one opportunity for the patentee to cancel a challenged claim or propose a reasonable number of substitute claims. This is similar to auxiliary requests in European patent oppositions. The patent owner may want to investigate any competitive products the challenger recently introduced to the market and draft proposed substitute claims that overcome any statutory problems identified in the

petition for post-grant review (if possible), but still read on those products.

However, the AIA does provide that any amended or new claims added during a post-grant review are subject to intervening rights, just like claims of reissue patents. As an alternative, if the patentee still has a continuing application pending before the USPTO, that application may be a vehicle for obtaining issued claims that read more closely on the competitor's product without being subject to intervening rights.

- ◆ **Be aware that discovery is a two-way street.** Since discovery is available as to factual assertions advanced by either party, depending on how many fronts your company is or may be litigating against the challenging entity, post-grant review may provide an opportunity to learn otherwise private information about the adversary that will be beneficial in other forums.
- ◆ **Offer an olive branch.** Once a post-grant review is declared, it can be settled by mutual request of the parties any time prior to the USPTO's Patent Trial and Appeal Board reaching a decision on the merits. As a potential settlement incentive to the challenging party, if a post-grant review is settled prior to a decision, no estoppel attaches to the petitioner. This means the challenger would still be able to assert grounds for invalidity that the petitioner raised or could have raised

during the post-grant review in subsequent court or International Trade Commission proceedings. If the post-grant review goes the distance, the challenger would be estopped from asserting such grounds in other proceedings.

Post-grant review is not quite around the corner. The AIA indicates post-grant review takes effect Sept. 16, and rules for its implementation have yet to be finalized. Post-grant review will only be available for patents issued (or re-issued) on applications having an effective filing date on or after March 16, 2013.

Consequently, the first U.S. post-grant review petitions likely will not be filed until late 2014. Despite this delay, companies might consider gearing up for post-grant review by developing strategies early. The Patent Trial and Appeal Board will be an attractive forum for competitors and potential licensees to chip away at issued patent claims and reduce their exposure to potential liability for infringement.

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