

PTAB Strategies and Insights

June 2018



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The *PTAB Strategies and Insights* newsletter provides timely updates and insights into how best to handle post-grant proceedings at the USPTO's Patent Trial and Appeal Board. It is designed to increase return on investment for all stakeholders looking at the entire patent life cycle in a global portfolio.

This month, we cover three topics:

- Tips and strategies to make effective use of depositions in PTAB proceedings;
- Patent prosecution strategies that result in patents that are resilient and able to withstand challenges at the PTAB;

- A discussion of the Board's 'informative' ruling in *Western Digital v. SPEX Technologies* that provides guidance for those pursuing motions to amend within a PTAB proceeding (i.e., post-*Aqua* guidance).

We welcome feedback and suggestions about this newsletter to ensure we are meeting the needs and expectations of our readers. So if you have issues you wish to see explored within an issue of the newsletter, please reach out to me.

To view our past issues, as well as other firm newsletters, please click [here](#).

Thank you.

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Best regards,
Jason

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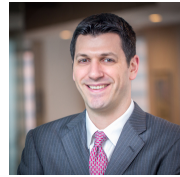


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PTAB AIA Proceeding Deposition Strategy

By: [Jason A. Fitzsimmons](#) and [Richard D. Collier III](#)

Depositions are an important, yet sometimes overlooked, part of AIA proceedings, such as *inter partes* review (“IPR”) trial proceedings. It is important to understand that IPR depositions differ in significant ways – both in procedure and utility – from district court depositions, including strict time limitations. Understanding the procedures and goals of IPR depositions is important for maximizing their effectiveness. To that end, we will describe IPR deposition goals, how those goals might be affected by SAS (SAS was fully addressed in the [May newsletter](#)), and unique procedural aspects of IPR deposition rules.

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By: [Christian A. Camarce](#) and [Jason D. Eisenberg](#)

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IPR Deposition Goals and Strategy

In district court litigation, depositions are used to gather information that will be used against an expert during cross examination in court. But in an IPR, a witness (usually an expert having provided a declaration) will almost certainly *not* testify at the oral hearing. So the deposition is likely the only opportunity to engage with the witness and discredit their testimony for the Board. But discrediting the witness must be weighed against allowing the witness to fill in gaps or fix their written declaration testimony. Given the limited amount of time for the deposition, this opportunity must be used wisely. This means having a strategic plan for covering only the portions of the witness’s declaration that are most likely to benefit your arguments.

First, it is not necessary to address every paragraph of the witness’s declaration. Unlike a deposition in district court litigation, where the goal is often to gather as much information as possible, an IPR deposition is typically much more targeted. For example, while it is important to probe the witness’s background and qualifications to some extent, this exercise is often fruitless for the merits of the case, as the vast majority of witnesses are well-qualified. Unless there is a specific reason identified in advance of the deposition to question a witness’s qualifications, and thus credibility, the limited deposition time is typically better spent on addressing the technical merits of the witness’s declaration. This is not to say that the witness’s

background and qualifications should be ignored altogether, but rather that the time for this line of questioning should be properly allocated.

Second, in questioning a witness's positions on the technical aspects of the case, it is important to identify positions, where, if the witness's opinion is shown to be flawed it may be case-dispositive. Highlighting inaccuracies on minor technical points may help impeach a witness's credibility, but are unlikely to win the case. But if it is possible to point out that a witness's interpretation of a technical feature is incorrect, it may mean, for example, that the prior art does (or does not) teach an element of the claim. Further, while most witnesses are familiar with the technical aspects of the patent and prior art, they may be less familiar or prepared regarding some of the legal concepts, such as the motivation to combine references. This may be an effective way to damage the strength of the combination, for example, if the witness offers a conclusory premise for combining the references, rather than providing a well-articulated reason or explaining how the combination would work to yield predictable results. These are the types of acknowledgements that can bolster an argument in a Patent Owner Response or Petitioner Reply, or provide a powerful aid at the oral hearing in the form of a deposition transcript excerpt on a demonstrative slide. Because IPRs sometimes become a battle of the experts, having a damaging quote from a witness to present to the Board might just tip the case in your favor.

Third, understanding the types of issues upon which to question a witness also includes considering which issues *not* to explore. In some cases, it may be beneficial to avoid questioning the witness about weaknesses in their declaration because it can prevent the witness from supplementing a weak point during the deposition. And because the scope of the re-direct examination in an IPR is limited only to the scope of the cross-examination, the opposing party will not have the opportunity to further supplement the record on that potentially weak position. To that point, the party defending the witness should prepare the witness to look for opportunities to supplement potentially weak positions of their declaration testimony, if doing so would be useful. And the defending counsel must use their re-direct examination effectively, since the deposition transcript is usually the last opportunity to clear up any ambiguities or weaknesses in the witness's testimony.

Post-SAS Deposition Considerations

The third point above is particularly relevant in view of *SAS*. For example, it may be the case that a proceeding is situated such that the Board initially denied a subset of claims or grounds, but has since issued an order including all claims and all grounds. The Patent Owner likely considers themselves as having the advantage on these claims or grounds. Thus, if the Petitioner's witness has not yet been deposed, it may be wise to avoid asking any questions about the newly instituted claims or grounds to avoid providing the witness the opportunity to supplement the record with additional testimony about their merits. With this approach, it would be improper for the defending counsel to question the witness about these claims or grounds on re-direct because it would be outside of the scope of the cross-examination. On the other hand, the Petitioner should consider what testimony might be useful for the witness to provide, should they be asked about previously non-instituted claims or grounds, and prepare the witness accordingly.

From the Petitioner's perspective, if the proceeding is situated such that the Patent Owner Response includes a declaration addressing the previously non-instituted claims or grounds, the Petitioner must decide how much to focus on these claims or grounds. If there are issues that the Board overlooked upon initial institution, the deposition may provide an important opportunity to point this out. This may be particularly important where no originally instituted ground covered a particular claim. But, for example, if the Petitioner perceives that there is too much ground to be made up and all of the challenged claims are covered under an originally

instituted ground, the limited deposition time may be better spent focusing on those grounds rather than what may be a lost cause.

Deposition Procedure

Finally, we want to highlight two procedural differences between AIA and district court depositions.^[i]

Objections: An objection must be made promptly on the record, or it is waived. (37 C.F.R. § 42.53(f)(8).) The Trial Practice Guide notes that “speaking objections” and coaching the witness are strictly prohibited. (77 Fed. Reg. 48772.) Counsel may, however, instruct a witness not to answer a question if necessary to preserve a privilege. (77 Fed. Reg. 48772.)

Discussions during deposition: An important distinction from some district court jurisdictions is that witness’s counsel is prohibited from conferring with the witness about the substance of testimony given or expected to be given. (77 Fed. Reg. 48772.) This is contrary to some district court jurisdictions that allow conferring with a witness, for example, during a pre-scheduled break. Therefore, the party taking the deposition may want to inquire about discussions between counsel and the witness that occurred during a break. Notably, at least one Board panel found that the prohibition on conferring with the witness applies only during cross-examination and not to the period of time after cross-examination but before recross-examination. (See IPR2013-00290, Paper 21, p. 3 (discussing 77 Fed. Reg. 48772).) This presumably means that counsel may confer with the witness prior to re-direct examination. However, at least one Board panel suggested that coaching a witness between cross-examination and re-direct may not be permissible, but that any objection to coaching is waived if not raised during the deposition. (IPR2014-00411, Paper 45, pp. 5, 7-8.)

Conclusion

In the end, you need to prepare thoroughly to focus the deposition on what you need from the testimony to win your case, while preventing the opposing party from supplementing the record with evidence that may do the same for them.

^[i] 37 C.F.R. §§ 42.51-53 and the Board’s Trial Practice Guide (77 Fed. Reg. 48756-48773) provide a succinct overview of IPR deposition practice.

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This article addresses three tips that strengthen patents and deter post-grant challenges.

Tip #1: Draft a thorough specification with many embodiments.

A patent specification with a thorough explanation of multiple embodiments has advantages. For example, a patent specification with a thorough explanation of multiple embodiments provides patent owners with more options when arguing claim construction positions in a post-grant proceeding. Also, a thorough patent specification provides patent owners with more distinguishable subject matter to pursue in claim amendments made during the post-grant proceeding, a reissue application, or a continuation application.

Tip #2: Vary claim scope and make dependent claims meaningful for layers of validity.

Patent owners should file larger claims sets with varying claim scope for three reasons.

First, large claim sets are more difficult to comprehensively challenge in a single AIA petition, especially given petition word limits.^[ii] And since a petitioner oftentimes files the petition before the patent owner designates asserted claims in parallel district court litigation, the petitioner oftentimes files against all of the claims. So more claims forces multiple petitions,

increasing time and cost for the petitioner.

Second, varying claim scope—including the scope of the dependent claims—usually requires more complex prior art searching and multiple AIA petitions. Dependent claims with meaningful limitations that are varied between different claim types—e.g., different dependent claim limitations for apparatus claims versus method claims—can be more difficult to challenge in a single petition because arguments cannot be “re-used.”

Finally, in addition to increasing the difficulty of a post-grant challenge, dependent claims with meaningful (and more focused) limitations may increase the likelihood of validity under non prior art based attacks of the patent in litigation, such as §§ 112 and 101 attacks.

Tip #3: Perform a search and submit prior art during examination.

A benefit of conducting a prior art search prior to drafting a patent application is the ability to draft the specification and claims with an emphasis over the closest known prior art. And identifying the best prior art to the examiner should remove or damage that prior art from being assertable in an AIA petition under 35 U.S.C. § 325(d).

The above practice tips are among a variety of techniques that practitioners can use to strengthen their patents and to make them more difficult to challenge in post-grant proceedings. Though these practice tips may incur additional time and cost for the practitioner, some patent applications may warrant this additional expense, especially patent applications that are likely to be licensed or enforced.

In a future issue, we will provide three prosecution tips to mitigate invalidity attacks at the PTAB or in district court.

^[i] https://www.uspto.gov/sites/default/files/documents/trial_statistics_20180228.pdf

^[ii] 37 C.F.R. § 42.24(a)

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- The Board will ordinarily treat a request to substitute claims as contingent - a proposed substitute claim will be considered only if a preponderance of the evidence establishes that the original patent claim it replaces is unpatentable.
- The burden of persuasion will ordinarily lie with the petitioner to show that any proposed substitute claims are unpatentable by a preponderance of the evidence. The Board determines whether substitute claims are unpatentable by a preponderance of the evidence based on the entirety of the record including a petitioner opposition.
- A rebuttable presumption is established under 37 C.F.R. § 42.121(a)(3) that a reasonable number of substitute claims per challenged claim is one substitute claim. To the extent a patent owner seeks to propose more than one substitute claim for each cancelled claim, the patent owner should explain in the motion to amend the need for the additional claims and why the number of proposed substitute claims is reasonable.
- Once a proposed claim includes amendments to address a prior art ground in the trial, a patent owner can include additional limitations to address potential § 101 or § 112 issues.
- A motion to amend may not present substitute claims that enlarge the scope of the claims of the challenged patent or introduce new subject matter. The motion must set forth written description support for each proposed substitute claim as a whole, and not just the features

added by the amendment. This applies equally to independent claims and dependent claims, even if the only amendment to the dependent claims is in the identification of the claim from which it depends.

- Even though a claim listing reproducing each proposed substitute claim is required by 37 C.F.R. § 42.121(b), the claim listing can be an appendix to the motion to amend and won't count toward the page limit for the motion.
- A motion to amend and any opposition to the motion are limited to twenty-five pages, but additional pages can be requested.
- Both parties owe a duty of candor to the Board in connection with motions to amend. That includes a patent owner's duty to disclose to the Board information of which the patent owner is aware that is material to the patentability of substitute claims, if such information is not already of record in the case. And a petitioner has a duty of candor in relation to relevant information that is inconsistent with a position advanced by the petitioner.

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