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Preissuance Prior Art Submissions at the USPTO

Best Practices for Third-Party Challenges to Patent Applications and Monitoring Competition

TUESDAY, DECEMBER 11, 2012

1pm Eastern | 12pm Central | 11am Mountain | 10am Pacific

Today's faculty features:

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THOMPSON HINE

Preissuance Submissions Under the America Invents Act

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N.B.: The views expressed in this presentation are attributable to the authors only and do not reflect the views of Baxter Healthcare Corporation, Thompson Hine LLP, or its clients.

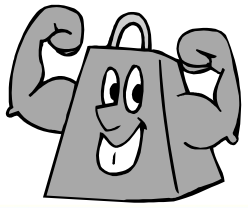
Preissuance Submissions Under the America Invents Act

- AIA became law Sept. 16, 2011, being phased in
- Primary intended effects:
  - Increase the integrity of U.S. patents
  - Decrease the costs of resolving patent disputes
  - Provide greater harmonization between U.S. and foreign laws

- Preissuance Submissions (Sept. 16, 2012)
  - Intended role is to *increase integrity* and *avoid litigation costs*
  - Can nip or trim bad patents in the bud

Preissuance Submissions Prior to the AIA

- Before Sept. 16, 2012, third parties had limited ability to stop bad patents from issuing by submitting prior art to USPTO.
- If they learned that unwarranted patent claims had been published, they had two months to submit copies of prior art, but were *prohibited from explaining the prior art relevance*.
- *Result?* A patent examiner might not make the connection, but the record would nevertheless show that the examiner had considered the prior art. This in turn could often result in a *stronger patent*.



Preissuance Submissions – 35 U.S.C. 122(e)

(1) In general.—Any third party may submit for consideration and inclusion in the record of a patent application, any patent, published patent application, or other printed publication of potential relevance to the examination of the application, if such submission is made in writing before the earlier of—

(A) the date a notice of allowance under section 151 is given or mailed in the application for patent; or

(B) the later of—

(i) 6 months after the date on which the application for patent is first published under section 122 by the Office, or

(ii) the date of the first rejection under section 132 of any claim by the examiner during the examination of the application for patent.

(2) Other requirements.—Any submission under paragraph (1) shall—

(A) set forth a concise description of the asserted relevance of each submitted document;

(B) be accompanied by such fee as the Director may prescribe; and

(C) include a statement by the person making such submission affirming that the submission was made in compliance with this section.

Section 122(e) Is Not Limited to 102 or 103

- Nowhere does Section 122(e) require that submissions relate only to prior art rejections under 102/103, or require that prior art be dated prior to the pertinent invention or filing date
- Printed publications be submitted when relevant to:
  - Patent eligibility under Section 101
  - Anticipation under Section 102
  - Obviousness under Section 103
  - Indefiniteness under Section 112
  - Other issues "relevant to examination"

"Printed Publication" Construed Broadly

- *Can include, e.g.:*
  - patents, published applications, journal articles
  - webpages to show submitter used similar process
  - emails, blog-posts seen by sufficient number of people
  - litigation papers and court documents
  - publications dated *after* the inventor's filing date
- Items submitted *can be duplicative* of items already of record.
  - submitter can point out something the examiner missed
- Also: OK to submit documents or declarations needed as *evidence of the date of a publication* described above.

"Concise Description" Construed Broadly

- PTO encourages "best format" for explaining relevance to Examiner
- Narrative descriptions and claim charts acceptable
- Explanations should *not*, however:
  - Propose rejections, e.g., "103 based on combination of …"
  - Address positions taken in an Office action, address arguments made by applicant in response to Office action, or otherwise argue against patentability

See USPTO'S Pre-Issuance Final Rules (July 2012), and USPTO's related responses to comments on the rules

Timing of Preissuance Submissions

Submission must be made "before the earlier of—

"(A) the date a notice of allowance under section 151 is given or mailed in the application for patent; or

"(B) the later of—

"(i) 6 months after the date on which the application for patent is first published under section 122 by the Office, or

"(ii) the date of the first rejection under section 132 of any claim by the examiner during the examination of the application for patent."

Preissuance Submission Pros and Cons

Advantages:

- Submission is not limited to prior art or 102/103
- “Concise description” with claim charts is allowed
- “Printed publication” includes wide array of materials, and can include prior art examiner already considered
- Anonymous – no estoppel v. making same arguments in court
- PTO standard for rejecting claims is lower than courts’ invalidity standard
- Can derail or trim patent protection with little or no government fee

Disadvantages:

- Risk of strengthened patent if examiner issues patent despite submission
- Possible flag to applicant that prospective patent is important
- Diligence required since timing regimen does not guarantee that submission can be made

Should you implement a PS Strategy?

Consider …

- Can be easily integrated into existing Watch or Landscape
- Level of Watch and PS activity will depend on balance between risk and resources
  - How important is the specific product / research program to the company?
  - How much do you have to spend on maintaining Watch?
    - Cost can be decreased by increasing internal resources, but employee time is not free
- How active are filings in the specific product / research program area?
  - More narrowly defined product / research program areas can help to limit number of hits for evaluation
- How litigious is the product / research program area?

Benefits of Implementing a PS Strategy

- Opportunity to put relevant art before the examiner prior to formation of initial opinion on patentability
  - Even if citing art of record (e.g., ISR or IDS), pointing out relevance can be valuable
- Relatively low cost for PS filing: $180 for 10 references, first 3 free
  - PS is minimal additional cost to Watches already in place
- Unlike Inter-Partes Review and Post Grant Review, no estoppel for later actions
- PS filing can be made anonymously

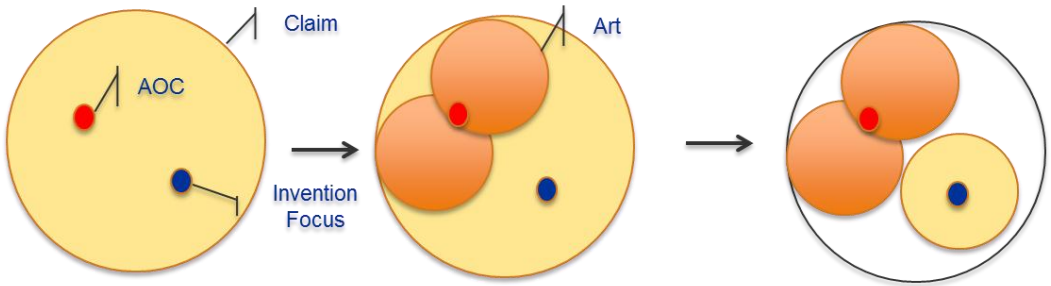
Benefits of Implementing a PS Strategy (cont'd)

- For small companies, or smaller projects / research programs in large companies, may be a better alternative than doing nothing
  - Much less expensive than IPR, PGR, or litigation; somewhat less expensive than Ex-Parte Re-examination
- Potential to influence other family members
  - Each Divisional or Continuation is its own application and publication
  - Statements/actions in child application could have effect on parent
    - Particularly helpful where claim language is copied from parent to child
    - Can compel patentee to clarify/alter common claim language to overcome rejections
    - If clearly invalidating for central subject of claims, patentee may abandon family line

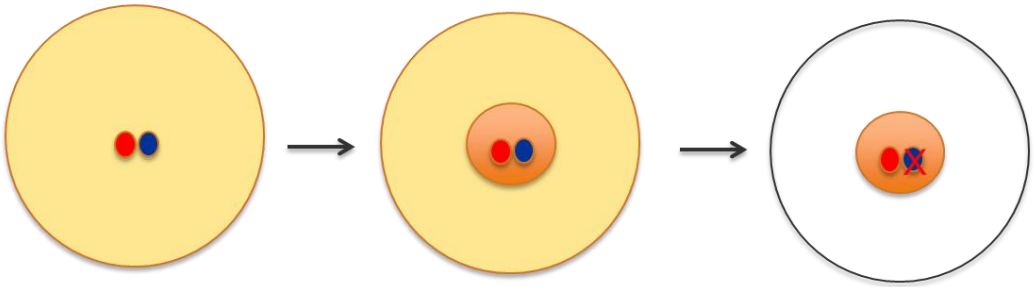
Benefits of Implementing a PS Strategy (cont'd)

- Requires close monitoring of family to determine when divisional / continuation filed, and swift action
  - Probability of FOA in child application quickly after publication, if not before
- Potential to influence prosecution in other jurisdictions
  - If patentee is prompted to narrow claims to overcome clear prior art in US, possibly will also narrow claims in other pending jurisdictions

Narrowing claims away from area of concern:



Taking out area of application focus



. . . . However, much more difficult as applicant is highly motivated to fight

Disadvantages of PS Filing

- A one-shot attack
  - No opportunity to respond to Applicant's arguments (especially pertinent to 103-type PS filings)
  - Similar to risk of Ex-Parte Re-examination, but an earlier preview for applicant
- PS can end up strengthening the patent
  - Examiner may not take up the art into a rejection, but still of record
    - Or, even if taken up by Examiner, Applicant may convince the Examiner of patentability with obfuscating arguments

Disadvantages of PS Filing (cont'd)

- If Applicant is highly motivated to overcome art, they will fight vigorously to overcome the reference
  - Knowing that an area of claim scope was of concern to a competitor may cause Applicant to fight harder
- PS of your "killer" art could end up making it more difficult to use that art in a later Litigation, IPR or PGR

Practical Considerations for a PS Strategy
… What to Search?

- Regular searches are usually done around important products / research programs
  - Better as subject matter specific searches
    - Competitor filings also useful as a cross-search
  - Search strings from Freedom to Operate searches can be recycled and updated
  - USPTO publication occasionally longer than 18 months

Practical Considerations for a PS Strategy
… Where and when to Search?

- WIPO databases should be reviewed as well
  - If not filed in US until national stage, provides additional prep time
- But USPTO publications should be reviewed for continuation/divisional claim sets

- When frequency is monthly, PS utilization is practicable
  - If more than bi-monthly, PS utilization is probably less practical, as art selection and preparation time will eat into 6 mo. period

Practical Considerations for a PS Strategy
… Who to Perform the Search?

- Search Firm, Law Firm, or In-house: Who to utilize?
  - Search firms are useful for collecting hits and presenting them in an easily reviewable format (tables, web-pages, etc. as preferred)
    - But often lack of full knowledge base for product / research program
    - Monthly refresh rates can be negotiated to reasonable levels

Practical Considerations for a PS Strategy
… Who to Perform the Search (cont'd)

- Law firms are useful for identifying applications of interest
  - Well –educated outside counsel (e.g., associates who draft applications in same area) can be very efficient
- In-house resources can be used for many functions
  - Entire program or final selection, although training and prioritization is needed for non-legal personnel
  - In-house experts are often the best source for art to feed into PS submissions

Practical Considerations for a PS Strategy
… Being PS Prepared

- A reference library should be organized to draw from for PS submissions
  - IDS filings for own cases
    - Don’t forget to cross-site relevant art from additional searching into your own filings
  - Prior FTO analysis results

Practical Considerations for a PS Strategy
… Being PS Prepared (cont'd)

- Organize in-house experts to assist with searching / gathering art
- Retain anonymous filing counsel

- Be swift, but not sloppy
  - FOA can issue at any time
  - Even if examiner has not issued FOA, examiner could be annoyed if they have already done their analysis and started drafting
  - Clear, coherent explanation of relevance of specific passages of art to specific claim elements is needed to assure PS is considered

What Can You Submit With a PS?

- Rule 290 does not limit the type of printed publications that can be filed as part of a compliant submission
- Documents that may be outside the scope of the PTO's databases, such as abstracts or posters from scientific meetings, marketing brochures, product specifications, or litigation documents, may be particularly useful to an examiner
- Evidence may be necessary to establish that the submitted documents are publications
- Documents may not be produced for the sole purpose of submission [Controversy!!]

What Can You Submit With a PS?

- Submitted documents do not need to be prior art and may be already of record in the target application.
- Can submit post-filing publications, such as scientific journal articles or court records, that provide insight as to whether the claims in the target application were patentable (e.g., enabled and non-obvious) at the time that the application was filed.
- Can submit a document that is already of record and present additional information regarding the document and/or an explanation of the document's relevance

What Should You Submit with a PS?

- Anticipatory publications that may not otherwise be available to the examiner (e.g., marketing brochures, product specifications, or other internally-generated publications).
- Publications that push potential claim scope away from embodiments practiced by the submitting third party
- Publications of record in related cases that were misconstrued
- Publications that clarify the scope of the potential claims

PS v. PGR/IPR: Differences

- PS is much less expensive
- PS allows for anonymity, PGR/IPR does not
- PS creates no estoppel, PGR/IPR does
- PS proceeding allows challenger less involvement than challenger in PGR/IPR
- PS proceeding involves no discovery or hearing, PGR does, as does IPR to lesser extent
- PS is quicker and less expensive, with initial answer issued within a few months rather than 12 to 18 months

PS v. PGR/IPR: Similarities

- PS and PGR are limited to patentability challenges - no possibility for infringement or unenforceability
- PS and PGR are not limited to unpatentability based on prior art, but include unpatentability under 101 and 112
- PS and PGR involve similar burden of proof of unpatentability - no clear and convincing evidence req'd
- PS and PGR are decided by tech-savvy decision makers

PS v. Civil Action

- Differences are the same as in case of PS v. PGR/IPR
- Similarities are the same as in case of PS v. PGR/IPR, except …
  - Challenger in civil action can raise issues of infringement, damages, unenforceability, willfulness, and attorneys' fees, not so in PS, PGR, or IPR
  - Burden of proving invalidity in civil action is higher: clear and convincing evidence
  - Decision-maker at civil action is not tech-savvy

PS v. Reexamination

- Differences are the same as in case of PS v. PGR/IPR, except …
  - Both PS and PGR allow for anonymity
  - The challenger's involvement in both PS and reexamination is very limited
- Similarities are the same as in case of PS v. PGR/IPR, except …
  - Reexamination is limited to patentability challenges based on prior art, PS patentability challenges are not limited

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