

HARNESSING PATENT OFFICE LITIGATION



VOLUME II

A Look at the First Nine
Months of *Inter Partes*
Review Proceedings Before
the United States Patent
and Trademark Office



9|16|2012 to 6|16|2013

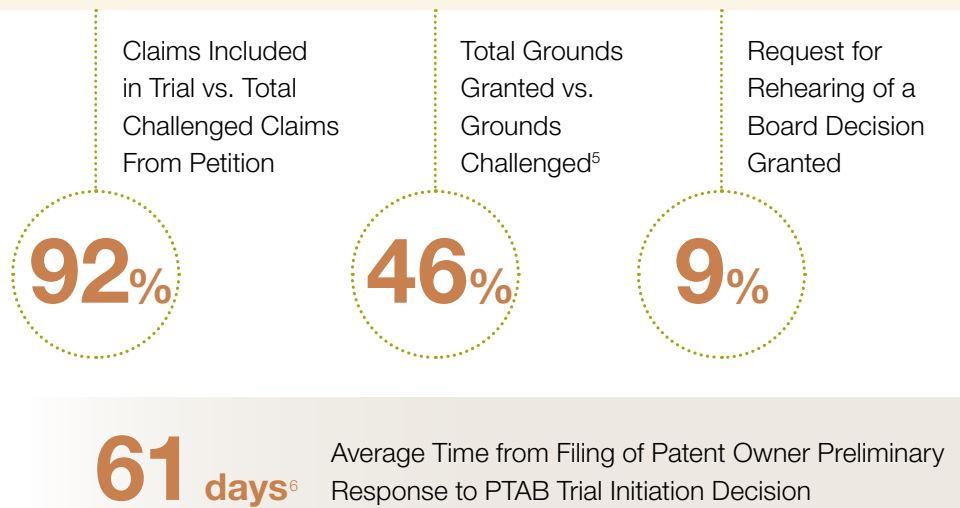
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Welcome to **Harness Dickey's** Report on Litigation Practice Before the United States Patent Office. Created by the America Invents Act, *Inter Partes* Review and Post Grant Review proceedings have the potential to change the face of patent litigation. Lower cost, lower burden of proof to invalidate, broader claim scope, among other advantages to patent challengers, means that there may be no greater opportunity and true reform to come from the America Invents Act than these post-grant proceedings. Our periodic Report will provide insight based on the over 100 characteristics of these proceedings that we are tracking. Our analysis can also be followed at IPR-PGR.com.

PRELIMINARY STAGE Preliminary Stage of the Proceedings



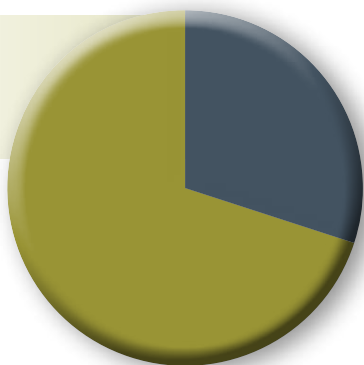
TRIAL STAGE Trial Stage of the Proceedings (PTAB Trial Initiation



¹ To try and limit the ability of patent owners to amend their challenged claims, per the new limits on claim amendments that can be offered, patent challengers are limiting the number of claims they include in their petitions seeking *Inter Partes* Review.
² Patent challengers are not giving up on old art that was considered in view of the challenged patent – only 1/3 of petitions rely solely on new prior art.

(Petition Filing Through PTAB Trial Initiation Decision)

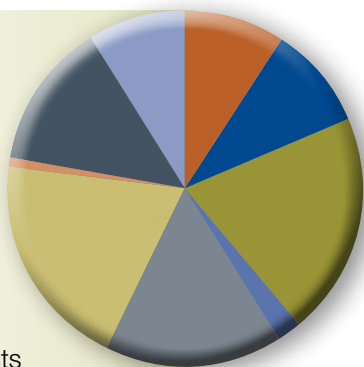
30% §102
70% §103



13% Waiver of Patent Owner Preliminary Response⁴

35% Petitions Citing Only New Prior Art²

- 27 Biotech and Organic Chem
- 28 Chemical and Materials Eng'g
- 60 Computer Architecture, Software, and IS
- 6 Computer Networks
- 48 Communications
- 58 Semiconductors, Electrical and Optical Systems
- 2 Designs
- 39 Transportation, Construction
- 26 Mechanical Eng'g, Mfg, Products



92%

PTAB DECISIONS TO INSTITUTE IPR TRIAL

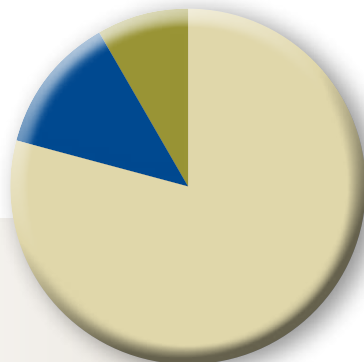
In the first nine months of the new *Inter Partes* Review procedure, there have been a total of 96 decisions rendered by the Patent Trial and Appeal Board relating to the decision to initiate an IPR trial. In 88 of those 96 decisions, the Board has instituted a trial. It was often stated that a high number of *inter partes* reexamination petitions were granted by the Office, a number that usually hovered in the low 90% range. Despite the ostensibly higher standard to initiate an *Inter Partes* Review, however, the same percentage of IPR petitions have been granted to date.

Decision through Final Written Decision)

Motions for Additional Discovery Granted

0

- 76 All Claims
- 12 Some Claims
- 8 No Claims



³ While these new litigation-esque proceedings are best presented with hard evidence, and not just attorney argument, over 1/3 of petitions seeking *Inter Partes* Review did not use expert testimony in support of their arguments.

⁴ Most patent owners are taking advantage of the ability to attack the petition by filing a Patent Owner Preliminary Response.

⁵ Of the total grounds for challenge included in a petition, almost 1/2 are included in the *Inter Partes* Review trial.

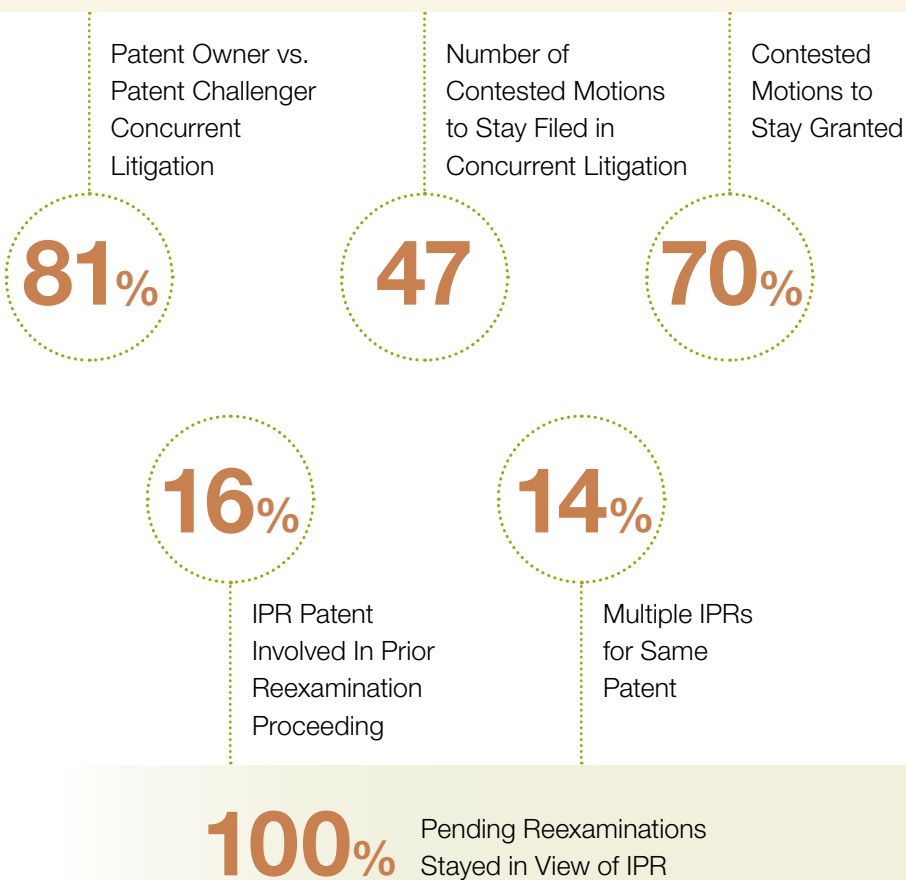
⁶ The PTAB is statutorily provided with 3 months within which it must decide whether to initiate an *Inter Partes* Review trial. To date, the Board has been taking 2 months, on average, to come to a decision.

ABOUT HARNESS DICKEY'S PATENT OFFICE LITIGATION SERVICES

Inter Partes Review and Post Grant Review proceedings were instituted as part of the America Invents Act. Since that time, Harness Dickey has developed the expertise to handle these specialized proceedings – a perfect match given our standing as one of the most prominent patent firms in the country and our strong litigation experience. In addition to handling currently-pending *Inter Partes* Review proceedings, Harness Dickey has also committed to maintaining the most complete database of information relating to these proceedings, both by tracking over 100 categories of information to provide intelligence and strategy to our clients, and also through brute force – reviewing and reporting on each order and significant filing in every *Inter Partes* Review proceeding. You can follow our updates at IPR-PGR.com. In short, we are among the preeminent experts on litigation practice at the US Patent Office. Please contact us at ipr-pgr@hdp.com with any questions or comments about the above information, or to discuss our *Inter Partes* Review and/or Post Grant Review services.

CONCURRENT PROCEEDINGS

Litigation and Other Administrative Proceedings Involving the Patent-At-Issue



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