

HARNESSING PATENT OFFICE LITIGATION



VOLUME IV

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

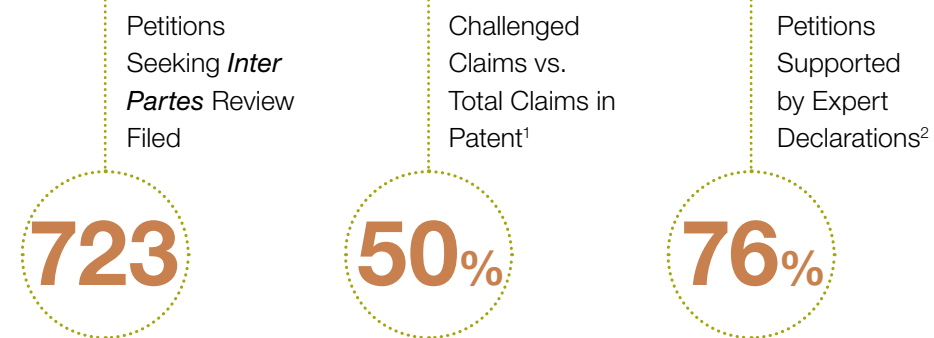


9|16|2012 to 12|16|2013

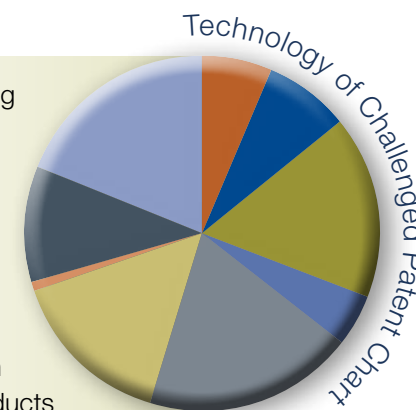
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Welcome to Harness Dickey's Report on Litigation Practice before the United States Patent Office. Created by the America Invents Act, *Inter Partes* Review proceedings have already changed the face of patent litigation. Lower cost, lower burden of 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 (Petition Filing Through PTAB Trial Initiation Decision)

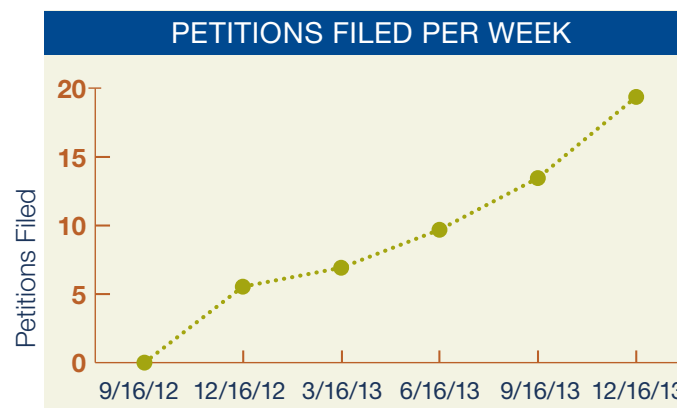
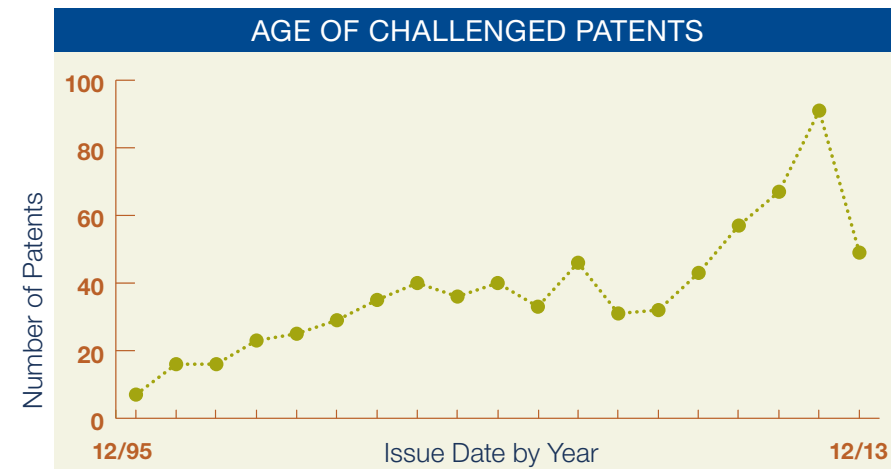


- 49 Biotech and Organic Chem
- 57 Chemical and Materials Eng'g
- 124 Computer Architecture, Software, and IS
- 36 Computer Networks
- 142 Communications
- 112 Semiconductors, Electrical and Optical Systems
- 5 Designs
- 79 Transportation, Construction
- 139 Mechanical Eng'g, Mfg, Products



18% Waiver of Patent Owner Preliminary Response³

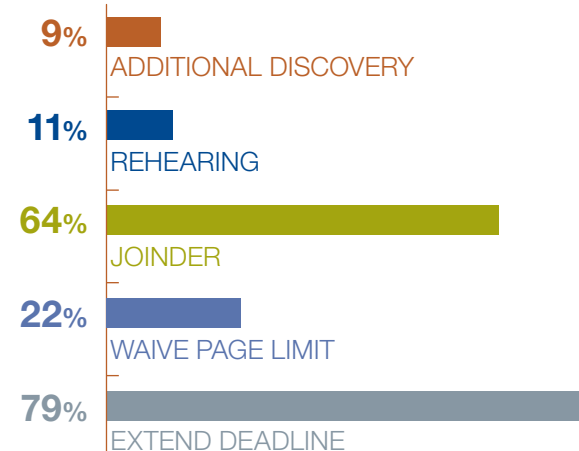
28% Petitions Citing Only New Prior Art⁴



TRIAL STAGE Trial Stage of the Proceedings (PTAB Trial Initiation Decision through Final Written Decision)



SUCCESS RATE OF VARIOUS IPR MOTIONS⁶



90% PTAB DECISIONS TO INSTITUTE IPR TRIAL

In the first year of the new *Inter Partes* Review procedure, there have been a total of 246 decisions rendered by the Patent Trial and Appeal Board relating to the decision to initiate an IPR trial. In 221 of those 246 decisions, the Board has instituted a trial. That percentage has been gradually decreasing. At the six month anniversary of IPR practice, 96% of petitions were granted. That percentage has dropped 6% over the subsequent nine months. Most likely, this is attributable to the popularity of the proceedings, which has resulted in more (and presumably some weaker) petitions.

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 While these new litigation-esque proceedings are best presented with hard evidence, and not just attorney argument, about 1/4 of petitions seeking *Inter Partes* Review did not use expert testimony in support of their arguments.

³ Most patent owners are taking advantage of the ability to attack the petition by filing a Patent Owner Preliminary Response.

⁴ Patent challengers are not giving up on old art that was considered in view of the challenged patent – about 1/3 of petitions rely solely on new prior art.

⁵ 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 just over 2 months, on average, to come to a decision.

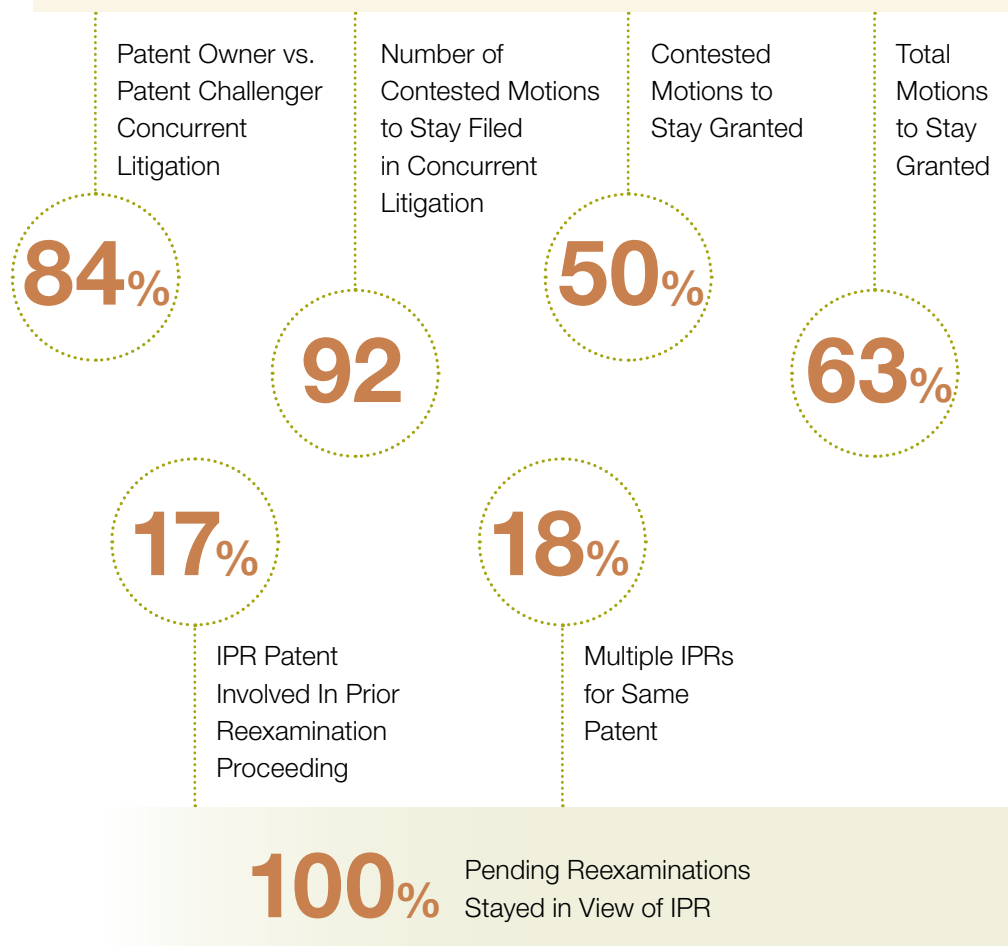
⁶ Where the parties to a particular motion are involved in multiple IPR proceedings, and the motion was decided in each of those proceedings, the motion was only counted once for the purpose of determining the success rate.

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



We have traveled the world to provide seminars regarding *Inter Partes* review proceedings to companies, law firms, and other organizations. Interested in having us visit for a presentation? Please email us at ipr-pgr@hdp.com.

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