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USPTO Amends Rules of Practice for Trials Before the Patent Trial and Appeal Board

On April 1, 2016, the U.S. Patent and Trademark Office (PTO) issued a series of amendments to the rules of practice for trials at the Patent Trial and Appeal Board (PTAB). The new rules were published today, April 1, in the Federal Register and can be found [here](#). (A previous set of amendments issued on May 19, 2015, and is summarized in an earlier Alert [here](#).) The new rules go into effect May 2, 2016, and impact any petitions filed on or after that date, and any ongoing AIA preliminary proceeding or trial. Among other changes, the new rules allow for the submission of testimonial evidence in a patent owner's preliminary response and change the current page limit to word limits for major filings. Specifically, the new rules include the following:

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Claim Construction Standard – *Phillips*-type Construction Can Be Requested for Expiring Patents

Although the broadest reasonable interpretation standard will continue to apply to the majority of patents challenged in a PTAB proceeding, the new rules allow either party to request the application of a narrower *Phillips*-type claim construction standard if that party certifies that the patent will expire within 18 months from the entry of the Notice of Filing Date Accorded to Petition (37 C.F.R. §§ 42.100(b), 42.200(b), 42.300(b)). Prior to this change, the *Phillips* standard had ordinarily only been applied upon the expiration of the patent. The request to apply the *Phillips* standard for the entire PTAB proceeding must be made in the form of a motion within 30 days from the filing of the petition.

Patent Owner's Preliminary Response – Testimonial Evidence to Be Allowed

As perhaps the most significant change, patent owners will be able to file new testimonial evidence without any limit on scope in support of the preliminary response (§§ 42.107(a), 42.207(a)). Previously, patent owners were not allowed to present new testimony evidence beyond that already of record, except as authorized by the Board, until after institution. Under the new rules, because the petitioner will not have any opportunity without further authorization to cross-examine or rebut any declarants, petitioner can seek leave to file a reply to the preliminary response, and any genuine issue of material fact created by testimonial evidence must be resolved in favor of the petitioner for purposes of institution (§§ 42.108(c), 42.208(c)).

Rule 11-type Certification Required

The new rules will require a Rule 11-type certification for papers filed with the PTAB, which includes certifications that the paper is not being presented for an improper purpose and that all legal contentions, allegations, and denials are warranted and have evidentiary support (§ 42.11(b)-(c)). If, after notice and a reasonable opportunity to respond, the PTAB determines that this new rule has been violated, the PTAB may impose an "appropriate sanction" on any attorney, practitioner, or party that violated the rule. Violations can be raised by opposing parties via a motion for sanctions or on the PTAB's initiative (§ 42.11(d)).

Change from Page Count to Word Count for Major Papers

Although merely procedural, one of the changes that will have a large practical effect on day-to-day PTAB practice is the move from page limits to word counts for petitions, oppositions, and replies. Petitions for *inter partes* review will need to be 14,000 words or fewer, while petitions requesting post-grant review or covered business method review will need to be 18,700 words or fewer. However, certain portions of the petitions, including, *inter alia*,

grounds for standing under § 42.104, § 42.204, or §42.304, and mandatory notices under § 42.8, are not included in the word count. Patent owner responses will have the same limits, while petitioner replies will be limited to 5,600 words (§ 42.24(a)-(c)). All papers that are limited by word count must include a certification stating the number of words in the paper (§ 42.24(d)). All other papers will still be limited based on page numbers.

Earlier Filing of Oral Argument Demonstratives

A small amendment to the rules requires that demonstrative exhibits be served at least seven business days before the oral argument and filed no later than the time of the oral argument (§ 42.70(b)). This amendment is intended to give parties more opportunity to resolve any disputes among themselves before involving the PTAB.

Unchanged Items

Although the PTO asked for and received comments on a variety of other topics, including claim amendments, additional discovery, and real parties in interest, the PTO decided not to amend the rules governing those areas at this time. In addition, the PTO decided not to go forward with its Proposed Pilot Program that would have had institution decisions made by a single judge, with two additional judges added if trial was instituted.

A copy of the Final Rulemaking is available [here](#). For further information on the USPTO PTAB Rule Amendments, please contact your usual Ropes & Gray attorney or Steven Baughman, Megan Raymond.