

MORE ON **COMMERCIAL/FINANCIAL** **PATENTS**

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Lessons on PTAB-Proofing Patent Portfolios

IMPLICATIONS OF NEW POST-GRANT REVIEW proceedings extend beyond just patent litigation to how companies create and maintain patent portfolios. Patent owners have long faced two conflicting demands when creating and enforcing their patent portfolios. The first stems from proving infringement, the second comes from withstanding a validity defense. To prevail on infringement, patent owners aim for broader claims and avoid limiting statements in their patent specifications and record before the USPTO. But a patent asset used in licensing or litigation can now expect to face an inter partes or post grant review before the Patent Trial and Appeal Board (PTAB), where patentability is tested. A PTAB trial on patentability can even occur first while a concurrent litigation is stayed.

In response, patent owners are re-framing their patent strategies from top-to-bottom to survive PTAB scrutiny. This requires a re-calibration of the entire patent pipeline including three key areas of invention harvesting, patent application drafting, and prosecuting patents before the USPTO—what we call “PTAB-proofing” patent portfolios.

Let’s look at what is driving

this shift and lessons that can be learned from the Board’s three year track record.

a. Invention Harvesting

Creating a patent portfolio that can withstand multiple inter partes or post-grant review proceedings starts with the initial invention harvesting. Harvesting is the process where a company reviews its innovation to find candidate

inventions for patenting. This can be a review committee, patent counsel or others who work with inventors to flag invention disclosures for patenting. Often this can be a bottom-up process initiated by engineers or product development teams. More rarely this is the result of forward-looking innovation workshops or strategic efforts to innovate beyond immediate product development aims. In the traditional patent funnel approach, new ideas are screened based on subjective knowledge of prior art by those involved, importance to a product, shelf-life of idea, detectability, or other factors.

In this new world of post-grant review, harvesting should be tighter. Claim cancellation rates have exceeded 60 percent for instituted PTAB trials. From the Board’s decisions patents having over broad claims compared to prior art or directed to incremental improvements that may be obvious are vulnerable. One way to improve survival chances is more robust patentability searching when screening an invention for patentability.

This ensures a more objective assessment of patentability at the outset. Likewise, shifting a mix of inventions to include more forward-looking ones relative to incremental improvements may increase chances of success. Scoring and valuing each invention at the outset and thinking on portfolio scales, as many companies now do, may lead to better claim yields that survive PTAB scrutiny.

b. Application Drafting

Patent drafting is perhaps the most impacted area and one where a patent owner can make the most difference. In PTAB decisions where patents have withstood challenges, the Board emphasizes the role of the specification and claims themselves. The Board often points to the description of invention itself, any solutions provided or problems overcome, claim construction, and technical differences with the prior art. As part of PTAB-proofing, patent applicants should consider providing more explicit description of the invention and problems and solutions.

Different embodiments should be clearly delineated. Claim meanings should be clear from a plain reading or from examples in the specification. Well-thought glossaries—typically found in life sciences applications more than in electronics applications—may be an effective tool. The Board has relied on them in post-grant proceedings to find patentable

differences without requiring further amendments to be made. Avoiding unnecessary financial references reduces chances of a covered business method review.

c. Prosecution

Actions before the Examiner help a patent withstand PTAB scrutiny. One tactic that can help is to increase the number of claims and their diversity. Remarks that explain differences over the prior art can thwart a later attack based on the same or similar arguments. Maintaining a continuing application or even filing a reissue application can make a patent portfolio more resilient and provide options to adjust to new prior art presented by petitioners. Strategic use of fast track options allows a company to better assess patentable outcomes for newly filed inventions. Fast track continuing applications can bolster a concurrent litigation position. Global counterpart applications in countries (outside PTAB review) can help too. Including declarations as to secondary considerations of non-obviousness during prosecution provides additional pre-existing evidence for a patent owner to defend against institution; a patent owner currently cannot submit new declarations prior to a PTAB institution decision.

The USPTO often calls the new post-grant proceedings a second check on patent quality. Companies do well to heed this new reality and to PTAB-proof their patent portfolios. ●

*This article reflects the current views of its authors and not the authors' law firm or any of its clients.

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