

## What To Know Before Asking The PTAB To Exclude Evidence

By **Matthew Bultman**

*Law360 (March 14, 2018, 8:39 PM EDT)* -- Convincing the Patent Trial and Appeal Board to exclude evidence from America Invents Act reviews is a tall order, according to a new analysis, which shows the PTAB has granted just a fraction of these requests. Despite the daunting numbers, experts said there are still reasons that litigants may be inclined to ask.

The PTAB has decided almost 1,330 motions seeking to exclude evidence since AIA reviews were established in 2012, data compiled by attorneys at Sterne Kessler Goldstein & Fox PLLC shows. Just 101 of those have been granted, either in full or in part.

"It's still worth objecting and it's still worth filing motions to exclude if you have a good issue," said Trey Powers, an attorney at Sterne Kessler and one of the authors of the study. "Just don't expect to win."

Here's a look at what parties should know before filing a motion to exclude.

### Reasons for Denial

One of the most common reasons the PTAB gives for denying a motion to exclude is that the board did not rely on the contested piece of evidence in its final decision. Almost half of the motions examined in Sterne Kessler's analysis were denied as moot.

"When you look at the goal and history of the PTAB, it's not supposed to be a discovery and evidence free-for-all," Sarah Guske of Baker Botts LLP said. "The PTAB is often able to make decisions without needing to rely on 'controversial evidence.'"

Another frequent critique from PTAB judges when rejecting these motions is that, at the heart of it, the argument is about the amount of weight that will be accorded to the evidence, as opposed to whether it is admissible, attorneys said.

In district court, judges can be weary of exposing juries to confusing or misleading evidence. But there are no juries at the PTAB, and judges at the board have said that they are "well-positioned to determine ...

appropriate weight to the evidence."

"Their preference is to have it in and make of it what they will, rather than go through the formal process of deciding whether to exclude it from the record," said Scott Kamholz, an attorney at Covington & Burling LLP and a former PTAB judge.

In addition, the PTAB has in the past said there is a "strong public policy" for making all information filed in an administrative proceeding available to the public. Attorneys also said the PTAB prefers to allow for as clean a record as possible for appeals to the Federal Circuit.

Were the PTAB to exclude a piece of evidence and the appeals court was unable to evaluate important issues in the case as a result, it could result in the case being remanded back to the board for further proceedings.

"If you let it in, the appeals court can sort it out very easily," Powers said.

### **Examples of Success**

It's not uncommon for motions to exclude to revolve around challenges about whether evidence is relevant to the proceeding and the qualifications of the other side's expert. Motions can also focus on the authenticity of a printed publication that is used as evidence.

The final argument, in particular, has found some success at times.

For example, the PTAB in 2015 excluded documents that REG Synthetic Fuels LLC introduced in a challenge Neste Oil Oyj brought against a patent related to paraffin compositions. REG was attempting to corroborate the inventor's testimony, but the PTAB held the documents lacked authentication.

"Our review of successful motions to exclude ... indicates that the board is receptive to authenticity challenges in certain situations," the report stated.

Kamholz said establishing that a piece of evidence is a printed publication is something that PTAB judges are particularly sensitive about. In inter partes review, the board can only consider prior art that consists of patents or printed publications.

If a party "challenges the admissibility of a piece of evidence as to whether it was a printed publication, the board sort of stops in its tracks and deals with that," he said.

In contrast, challenges to something like the qualifications of an expert don't seem to get far in a motion to exclude. Even in an extreme situation — a serious mismatch between the expert's credentials and the definition of a person of ordinary skill, for instance — the board isn't likely to toss the testimony out.

"I think the board's approach would be to not exclude the testimony outright, but just to say that they're going to afford that testimony little or no weight," Kamholz said.

## Reasons to File

The PTAB decided fewer than 300 motions to exclude in 2017, according to the Sterne Kessler study. This is a decrease of approximately 35 percent from the year before, when the board decided roughly 450 such motions.

Powers noted that fewer cases reached a final decision in 2017, which likely played some role in the decrease. But the data indicates that fewer motions to exclude were filed in the first place, with litigants perhaps shying away in the face of the long odds of success.

"The lack of success that parties have had with motions to exclude probably factors into that," he said. "Meaning that, to some extent, people think, 'Why bother?'"

But there are reasons to file a motion to exclude, attorneys said. For starters, Guske said it is important to create a record for appeal.

"If there is a piece of evidence that a party is worried that the PTAB is going to rely on in coming to its decision, you need to have a record of challenging the reasons that the evidence shouldn't have come in in the first place to be able to present that argument on appeal," she said.

Another reason to file a motion is that, even if the evidence is allowed to remain in the proceeding, the arguments could have an impact on the judges' impression of that evidence and the weight they afford it, some said.

"A motion to exclude gives you another avenue to attack evidence by highlighting its weaknesses to the board in a separate paper," Robert Keeler of Whitmyer IP Group LLC said. "Even if the board denies the motion, your goal may still be met if the board gives the evidence little or no weight."

For those who do file motions, Kamholz said to keep the filing as short and as focused as possible; limit it to issues genuinely believed to be excludable, as opposed to a blanket request or a long-shot request. He also suggested parties focus on evidence that is dispositive in nature.

Along similar lines, Guske said the motion needs to make it clear to the PTAB judges why this piece of information is critical to the ultimate outcome.

"If you're just simply challenging it without explaining to the PTAB why they have to make the decision, you're not providing the frame of reference that they may need in order to actually rule on it," she said.

--Editing by Katherine Rautenberg and Jack Karp.