



Amending Patent Claims in *Inter Partes* Review Proceedings

The *inter partes* review (“IPR”) statute authorizes a patent owner (“PO”) to “file, after an IPR has been instituted, one motion to amend the patent to: (i) cancel any challenged patent claim,” and “(ii) for each challenged claim, propose a reasonable number of substitute claims.” 35 U.S.C. § 316(d) (1). Although this statutory authority theoretically presents POs with an opportunity to overcome damaging prior art cited in an IPR petition, in practice POs have had difficulty getting proposed amendments allowed in IPR proceedings. Notably, the Patent Trial and Appeal Board (“PTAB,” “the Board”) has granted motions to substitute claims in only four cases to date. In the vast majority of cases, the Board has found a multitude of reasons to deny motions to amend the claims, including failure to satisfy the matters of form set forth in 37 C.F.R. § 42.121 or to meet the “burden of proof to establish that it is entitled to the requested relief” under 37 C.F.R. § 42.20(c).

A common theme of the denials, and one that is entirely avoidable, is the PO’s treatment of the IPR proceeding as though it were a traditional *ex parte* patent examination or reexamination proceeding, in which the burden is on the patent examiner to establish a *prima facie* case that the claims are unpatentable, and which the PO need merely rebut. But an

IPR proceeding is not a traditional examination proceeding, and the burden is placed firmly on the PO to establish that it has met the requirements of 37 C.F.R. § 42.121 by demonstrating, by a preponderance of the evidence, the patentability of the proposed substitute claims. See *Idle Free Systems, Inc. v. Bergstrom, Inc.*, IPR2012-00027, Paper 26, slip op. at 7–8 (June 11, 2013) (“*Idle Free*”) (informative); *Masterimage 3D Inc. v. RealD Inc.*, IPR2015-00040, Paper 42, slip op. at 2 (July 15, 2015) (“*Masterimage*”) (informative); *Toyota Motor Corp. v. American Vehicular Sciences LLC*, IPR2013-00419, Paper 32, slip op. at 4–5 (Mar. 7, 2014) (“*Toyota*”).

Although the vast majority of motions to amend (in particular to substitute claims) in IPR proceedings have been denied, the Board’s recent decisions in *Reg Synthetic Fuels LLC v. Neste Oil Oyj*, IPR2014-00192, Paper 48 (June 5, 2015) (“*Reg Synthetic*”); *Riverbed Tech., Inc. v. Silver Peak Sys., Inc.* IPR2013-00402, Paper 35 and -00403, Paper 33 (Dec. 30, 2014) (“*Riverbed*”); and *Int’l Flavors & Fragrances Inc. v. USA*, IPR2013-00124, Paper 12 (May 20, 2014), demonstrate that it is in fact possible to successfully amend patent claims, and they are instructive regarding what the PTAB requires for a PO to successfully amend its claims in IPR proceedings.

The following sections set forth the form and substantive requirements that the PO must meet when moving to amend patent claims in an IPR proceeding.

Motion Timing and Conference Requirement

A PO's motion to amend "must be filed no later than the filing of a patent owner response" to the IPR petition, unless a specific due date is provided in a PTAB order. If a PTAB order does not provide a specific due date for filing a patent owner response, the default date is "three months from the date the *inter partes* review was instituted." 37 C.F.R. § 42.120(b). Additionally, a PO is permitted to file a motion to amend "only after conferring with the Board." 37 C.F.R. § 42.121(a). To this end, a PO should schedule a conference call with the Board to specifically discuss any planned motion to amend.

Format of Proposed Claim Amendments

A motion to amend "must include a claim listing [and] show the changes clearly." 37 C.F.R. § 42.121(b). The motion should include the following: a claim listing, which can be placed in an appendix to the motion, having only original, canceled, or substitute claims along with new claim numbers; an indication of any claims being substituted; a clear showing of any claim changes; and a discussion of the changes in the body of the motion, discussed in more detail below. Motions to amend are capped at 25 pages in length, exclusive of any claims appendix, and must be double-spaced, 14-point Times New Roman font.

Number of Substitute Claims

Another formal requirement that has tripped up some POs is the number of substitute claims presented. 37 C.F.R. § 42.121(a) (3) provides that a "motion to amend may cancel a challenged claim or propose a reasonable number of substitute claims," and "[t]he presumption is that only one substitute claim would be needed to replace each challenged claim." Compliance is determined on a claim-by-claim basis rather than on the number of claims, and "[i]f the patent owner needs more than one substitute claim for a particular patent claim, the motion should articulate a special circumstance to justify the request." But a mere "desire to obtain a new set of claims having a hierarchy of different scope" would not be

justifiable under typical circumstances. The safest course for a PO remains to propose one substitute claim per original patent claim, on a claim-by-claim basis.

Even if the formatting requirements are met, a motion to amend may still be denied where the PO fails to demonstrate: (i) no broadening of claim scope; (ii) written description support; (iii) claim interpretation of new claim terms; or (iv) where the PO fails to distinguish the amended claims over the prior art not only of record, but also that known to the PO. As discussed in more detail below, in *Riverbed*, which is perhaps the most instructive decision in which a motion to amend patent claims has been successful, the PTAB panel found that for two of the six proposed amended claims, the PO had adequately demonstrated these requirements.

No Broadening of Claim Scope

A motion to amend may be denied where the proposed amendment seeks to enlarge the scope of the claims of the patent or introduce new subject matter. 37 C.F.R. § 42.121(a) (2). A PO can only narrow the scope of the claims and must show support for amendments on a claim-by-claim basis. But "[i]f there is a special circumstance to justify deviation from that general rule, the motion should provide adequate and persuasive explanation." It remains to be seen what a justifiable "special circumstance" may entail.

In *Riverbed*, the Board noted that the PO's substitute claims contained all of the limitations of the original claims for which it was a substitute and added additional limitations. Thus, the scope of the claims was effectively narrowed. The Petitioner did not dispute the PO's assertion that the proposed substitute claims do not enlarge the scope of the claims.

Written Description Support

A proposed claim amendment must not introduce new matter. 37 C.F.R. § 42.121(a) (2) (ii). Additionally, § 42.121(b) requires that a motion to amend must identify: (i) the support in the original disclosure of the patent for each claim that is added or amended; and (ii) the support in an earlier-filed disclosure for each claim for which benefit of the filing date of the earlier filed disclosure is sought. PTAB panels have imposed strict requirements with regard to written description support. For

example, merely indicating where each claim limitation is individually described in the original disclosure may be insufficient to demonstrate support for the claimed subject matter as a whole. *Nichia Corp. v. Emcore Corp.*, IPR2012-00005, Paper No. 27 at 4 (June 3, 2013). And, should the claim language not appear verbatim in the original disclosure, a mere citation to the original disclosure without any explanation as to why a person of ordinary skill in the art would have recognized that the inventor possessed the claimed subject matter as a whole may be similarly inadequate. *Id.* In *Riverbed*, the PO identified support for each added limitation of the substitute claims in the specification of the original application (not the issued patent) and Petitioner did not dispute that the limitations had written description support.

Claim Interpretation of New Claim Terms

In a motion to amend, the PO bears the burden to show a patentable distinction of each proposed substitute claim over the prior art. See 37 C.F.R. § 42.20(c). To that end, a “patent owner should identify specifically the feature or features added to each substitute claim, as compared to the challenged claim it replaces, and come forward with technical facts and reasoning about those feature(s).” *Idle Free* at 7. This includes “construction of new claim terms, sufficient to persuade the Board that the proposed substitute claim is patentable over the prior art of record, and over prior art not of record but known to the patent owner.” *Id.*; *Toyota* at 5.

In *Riverbed*, the PO included a table showing the three new claim terms and proposed constructions for each new term based on the patent specification. Petitioner did not argue that the proposed constructions were incorrect, and the Board agreed that the PO’s proposed constructions represent the broadest reasonable interpretation of the claims.

Demonstration of Patentability

In addition to demonstrating that the substitute claims do not enlarge the scope of the claims and have sufficient written description support, and providing an interpretation of the language of the claims, the PO also bears the burden of proving, by a preponderance of the evidence, that the proposed substitute claims are generally patentable.

To demonstrate patentability, the PO should explain in its motion why the proposed substitute claims are patentable over not just the prior art of record—which includes material art in the prosecution history, the current proceeding in connection with any ground asserted, and any other proceeding before the Office involving the patent (*Masterimage* at 2)—but also prior art not of record but known to the patent owner.” *Riverbed* at 16. “This does not mean that the patent owner is assumed to be aware of every item of prior art known to a person of ordinary skill in the art” (*Id.*), however, the PO’s “duty of candor to the Office requires that it discuss any relevant prior art not of record but known to it.” *Reg Synthetic Fuels* at 19; See 37 C.F.R. § 42.11; *Idle Free* at 7.

In *Masterimage*, the PTAB clarified that “prior art known to the patent owner’...should be understood as no more than the material prior art that Patent Owner makes of record in the current proceeding pursuant to its duty of candor and good faith to the Office ... in light of a Motion to Amend.” (*Masterimage* at 3). When considering its duty of candor, because “Patent Owner’s addition of a limitation to render the claim as a whole patentable places the focus, initially, on the added limitation itself,” it follows that the “Patent Owner should place initial emphasis on each added limitation,” including the “closest secondary references” “which sufficiently complement” the primary references. *Masterimage* at 3. Thus, the PO need not address every piece of prior art known to it, particularly if the art does not disclose the newly added limitation. See *Reg Synthetic* at 19-20. To illustrate, in *Reg Synthetic*, Petitioner urged the panel to deny the motion to amend, arguing that the PO had failed to address all relevant prior art known to it, citing *ScentAir Tech. Inc. v. Prolitec Inc.*, a June 2014 PTAB ruling. *Reg Synthetic* at 19. However, the PTAB found that unlike the *ScentAir* case, the prior art cited by Petitioner did not disclose the newly added limitation in the PO’s proposed substitute claims. *Id.* at 20. Accordingly, the PTAB concluded that the PO had met its burden of demonstrating that the substitute claims were patentable over the prior art of record.

Furthermore, the PO is not required to conduct a prior art search. But a search report in conjunction with an expert declarant who can testify to the contents of that report may go far in demonstrating the patentability of the substitute claims. See PTAB AIA Trial Roundtable, Part I (Apr. 15, 2014) (“If

[the patent owners seeking amendment] want to do a prior art search, that's their option, but, I don't think I want to set down a bright-line rule that they have to, but . . . we want a good-faith effort by the patent owner to tell us what you know, especially about that added feature.”) (Comments of Lead Judge Grace Obermann).

Importantly, in order to demonstrate a patentable distinction over the prior art, “[s]ome representation should be made about the specific technical disclosure of the *closest prior art* known to the patent owner, and not just a conclusory remark that no prior art known to the patent owner renders obvious the proposed substitute claims.” *Riverbed* at 17 (quoting *Idle Free* at 7). The PTAB demands specifics and will not credit a PO's vague or generalized statements about the state of the art. Moreover, the explanation must address “the basic knowledge and skill set possessed by a person of ordinary skill in the art even without reliance on any particular item of prior art.” *Id.* The PTAB expects the PO to explain “whether the feature was previously known anywhere, in whatever setting, and whether or not the feature was known in combination with any of the other elements in the claim.” *Toyota* at 4. If any such combination was known, the motion should explain the surrounding facts, and why it would not have been obvious for one with ordinary skill in the art to adapt that knowledge for use with the rest of the claim elements. *Id.* “[O]nce Patent Owner has set forth a *prima facie* case of patentability of narrower substitute claims over the prior art of record, the burden of production shifts to Petitioner.” *Masterimage* at 4. The Petitioner, in its opposition, has the opportunity to argue deficiencies in the PO's motion and “come forward with specific evidence and reasoning, including citation and submission of any applicable prior art,” to rebut the patent owner's position on patentability. *Idle Free* at 8. PO has the opportunity to respond in its Reply.

In *Riverbed*, the PO described in detail prior art processes similar to the proposed substitute claimed process, citing to Petitioner's own papers and the art of record in support of its description. The PO then persuasively distinguished the substitute claims over that art. The PO also accounted for the knowledge of a person of ordinary skill in the art. In particular,

the PO was able to convince the Board that the specific method recited in the proposed substitute claims was not taught or suggested in the prior art alone or in combination and thus was not within the knowledge of the person of ordinary skill in the art at the time of invention. Furthermore, the PO explained how its substitute claimed process represents a practical solution to a problem that was not solved by any of the prior art of record. The Board noted that Petitioner did not argue that any of the references teaches or suggests one of the limitations and failed to propose any specific combination of references that would have rendered obvious the proposed substitute claims as a whole.

With regard to two of the substitute claims that the Board rejected (which were dependent on the two granted substitute claims), the PO did not show a patentable distinction between those claims and their parent substitute claims, *which are assumed to be prior art.* *Riverbed* at 29. Thus, the Board determined that “the added limitation is not responsive to a ground of unpatentability involved in the trial.” *Riverbed* at 31. Furthermore, the PO failed to demonstrate a sufficient need for exceeding the presumption that only one substitute claim is needed to replace a challenged claim. See 37 C.F.R. § 42.121(a) (3).

The Board further rejected the other two proposed claims because the PO failed to provide a proposed claim interpretation for the new means-plus-function elements. “By not specifying the function and corresponding structure for each means-plus-function limitation in [the] proposed substitute claims...Patent Owner has not met its burden to demonstrate patentability.” *Riverbed* at 34. The PO also failed to provide a sufficient analysis of the prior art in view of the proposed substitute claims as interpreted. *Riverbed* at 36-37.

Conclusion

To be sure, patent owners have faced great difficulty in successfully amending their claims during an *inter partes* review proceeding. But it is not impossible to do so, and this *Commentary* sets forth the framework by which patent owners can succeed in amending their claims before the PTAB.

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