

HARNESSING PATENT OFFICE LITIGATION



VOLUME VII

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



9|16|2012 to 9|16|2014

HARNESS
DICKEY

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.

72.8%

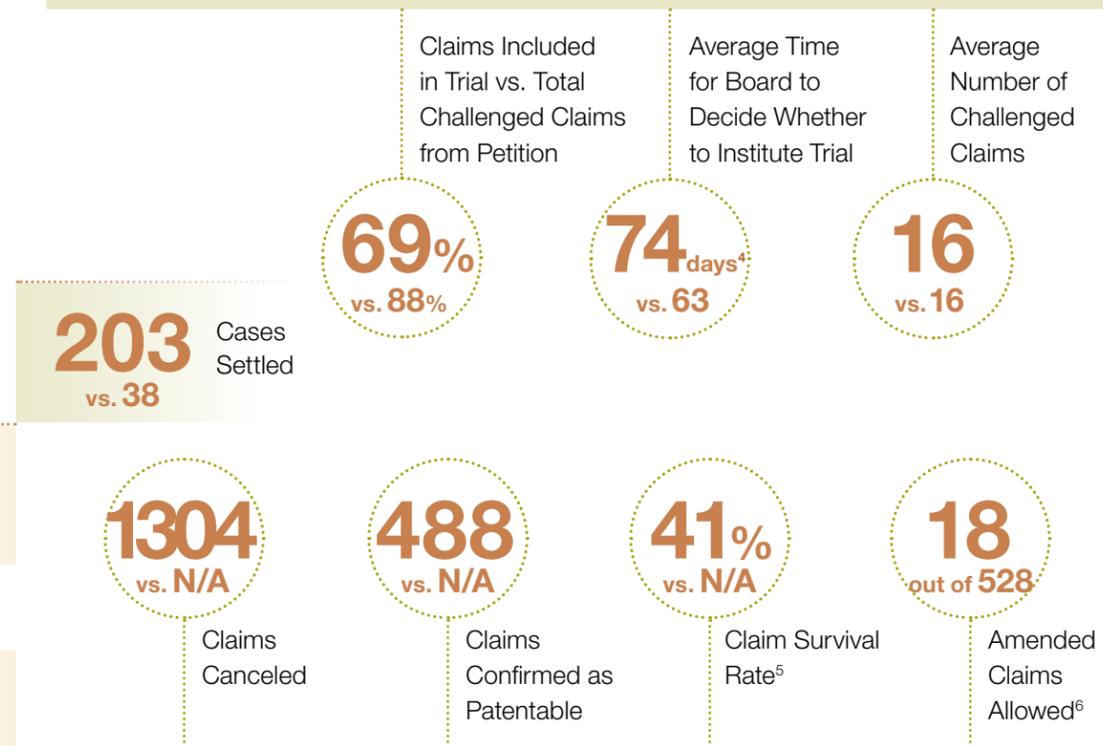
**CLAIMS
CANCELED IN
FINAL WRITTEN
DECISION**

While the initial Final Written Decisions were decidedly in favor of Petitioners (a 96.4% cancellation rate as of March 16, 2014), more recent decisions have increasingly sided with Patent Owners, bringing down the total number of canceled claims to 72.8%. Critics of IPR proceedings try to argue the various ways in which the proceedings are skewed toward Petitioners. It is becoming increasingly clear, however, that the Inter Partes Review process has added an efficient and cost-effective avenue to test the patentability of patent claims outside expensive, District Court litigation.

PRELIMINARY STAGE Preliminary Stage of the Proceedings (Petition Filing through PTAB Trial Initiation Decision)

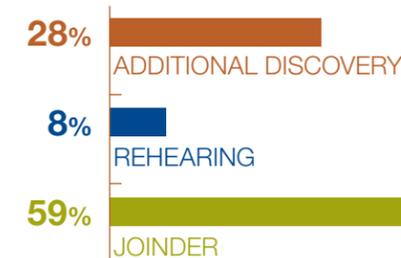


TRIAL STAGE Trial Stage of the Proceedings (PTAB Trial Initiation Decision through Final Written Decision)



The Results are in from the First Set of Final Written Decisions

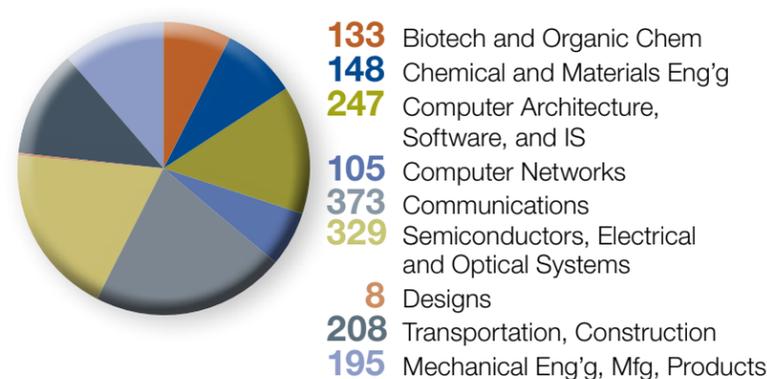
SUCCESS RATE OF VARIOUS IPR MOTIONS⁷



PETITIONS FILED PER WEEK



TECHNOLOGY OF CHALLENGED PATENT CHART



** The statistics in this Report are provided along with a reference to the statistics through one year of IPR practice. In this way, trends can be identified regarding practice through the first two years of IPR practice.

¹ Space considerations, cost considerations, and limiting the ability of Patent Owners to present alternative claims, have all combined to cause Petitioners to challenge only about 1/2 of the claims of any challenged patent.

² Over time, Petitioners have come to recognize that their Petitions must be supported by hard evidence in the form of expert testimony.

³ As Patent Owners have come to realize that substantive attacks on a Petition are less successful without expert testimony, they have waived the Preliminary Patent Owner Response in increasing numbers.

⁴ As the PTAB's workload has steadily increased, the time to a Decision to Initiate has gradually climbed, as well. While the Board has statutorily been provided with 3 months to make that decision, it is taking about three weeks less than the full statutory allotment to come to a Decision to Initiate.

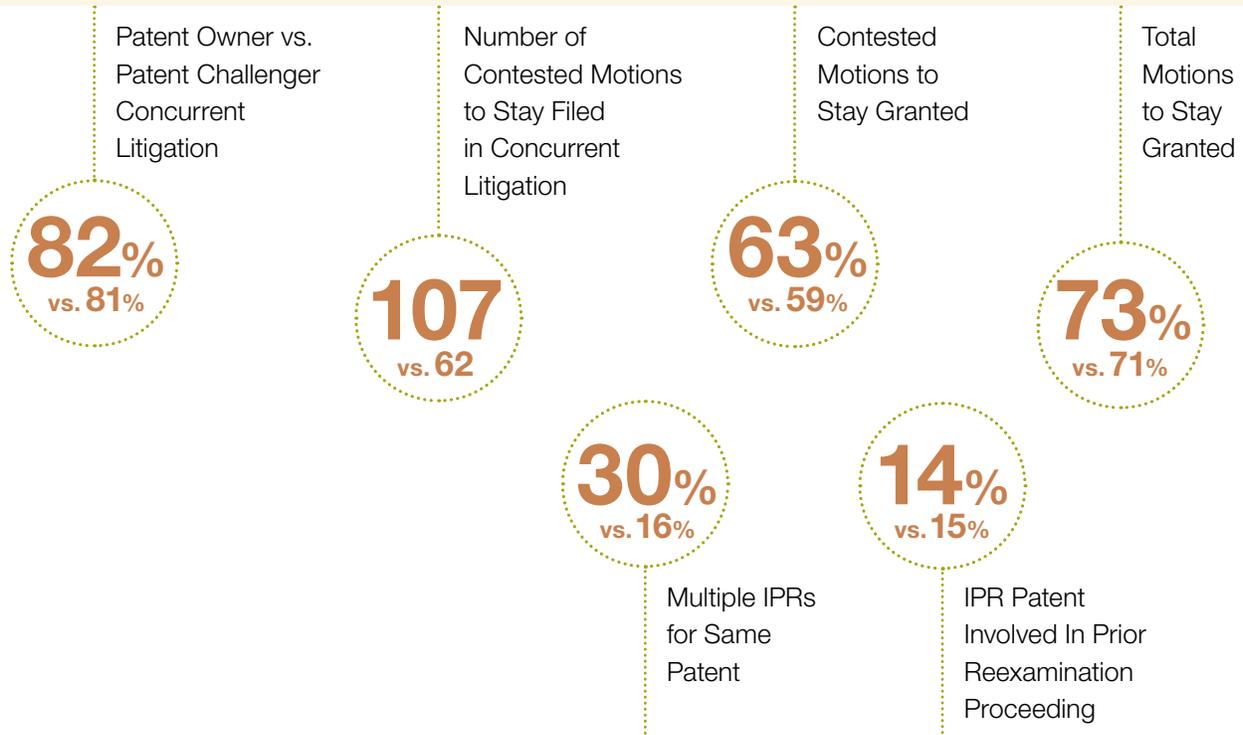
⁵ Percent of claims that were confirmed in a Decision to Institute or Final Written Decision.

⁶ A total of 1 motion to amend has been granted.

⁷ 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.

CONCURRENT PROCEEDINGS

Litigation and other Administrative Proceedings Involving the Patent-At-Issue



Increasingly, and to get around the PTAB's onerous Motion to Amend requirements, Patent Owners are filing concurrent reissue or reexamination proceedings to offer a more robust substitute claim set.

HARNESS DICKEY HAS DEMONSTRATED EXPERTISE IN PATENT OFFICE LITIGATION

Harness Dickey has developed the expertise to handle the specialized *Inter Partes* Review (and Post Grant Review) proceedings. That expertise shows in the results we are achieving for our clients. Please contact us at ipr-pgr@hdp.com with any questions or to discuss our expertise, including a more complete array of statistics than presented here.

Microsoft Corp. v. Proxyconn, Inc. (IPR2012-00026; IPR2013-00109); *LKQ Corp. v. Clearlamp, LLC* (IPR2013-00020); *Athena Automation Ltd. v. Husky Injection Molding Sys., Ltd.* (IPR2013-00167; IPR2013-00169, IPR2013-00290); *Bomtech Elect. Co., Ltd. v. MT. Derm GmbH* (IPR2014-00137; IPR2014-00138); *Heartland Tanning, Inc. v. Sunless, Inc.* (IPR2014-00018); *Laird Tech., Inc. v. GrafTech Int'l Holdings, Inc.* (IPR2014-00023; IPR2014-00024; IPR2014-00025); *Histologics, LLC v. CDx Diag., Inc.* (IPR2014-00779); *Webasto Roof Sys., Inc. v. UUSI, LLC* (IPR2014-00648; IPR2014-00649; IPR2014-00650); *Brose North Am. V. UUSI, LLC* (IPR2014-00416; IPR2014-00417); *Positec USA, Inc. v. Black & Decker, Inc.* (IPR2013-00502); *Plant Science, Inc. v. The Andersons Agriservices, Inc.* (IPR2014-00939; IPR2014-00940; IPR2014-00941); *HTC Corp. v. FlashPoint Tech., Inc.* (IPR2014-00902; IPR2014-00903; IPR2014-00934; IPR2014-01249; IPR2014-01460)



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.