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# PTAB HIGHLIGHTS

New developments in post-issuance proceedings

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## PTAB Cracking Down on Serial IPR Petitions

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November 4, 2014 — The estoppels of 35 U.S.C. §315(e)(1) don't kick in to bar a petitioner from filing a second *inter partes* review petition against the same patent until a final written decision is rendered in the first. Hence, a practice has arisen where, in some instances, petitioners have filed a first petition and then a subsequent petition challenging the same claims on new or supplemented grounds. This typically occurs in the case of a first petition being denied, in part or in full.

35 U.S.C. §325(d) provides:

In determining whether to institute or order a proceeding under this chapter [post-grant review (PGR)], chapter 30 [*ex parte* reexamination] or chapter 31 [*inter partes* review (IPR)], the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.

Thus, it has been reasonably clear that an IPR petition had better raise substantially different prior art and arguments than any earlier petition against the same patent in order to stand a chance of being granted. Recent decisions, however, reflect the imposition of a further requirement by the Board. This additional requirement resembles the “reasonably could have raised” aspect of estoppel under 35 U.S.C. §315(e).

[IPR2014-00628 – Conopco, Inc. dba Unilever v. The Proctor & Gamble Company \(Paper 21\)](#)

In this recent decision, entered on October 20, 2014, the Board emphasized the discretionary nature of its decision to institute an IPR or not. Section 325(d) permits the Board, in the exercise

of its discretion, to take into account whether “substantially the same prior art or arguments were previously presented to the Office.” Worth noting here is that merely presenting different prior art may not be sufficient. If the new prior art is relied on in a similar manner as other prior art was before, it may be considered that the “argument” is substantially the same, and institution of an IPR may be denied upon this basis. Although the petition in *Unilever* presented new prior art, the Board determined that “the two petitions are based on ‘substantially the same’ argument; namely, that the prior art identifies, with anticipatory specificity, a cationic guar derivative having a molecular weight and charge density that meets the specified ranges,” an element of the claimed shampoo composition.<sup>1</sup>

Perhaps even more notable, however, is the Board’s reluctance to grant a subsequent petition where the petitioner has not established that the newly relied upon prior art was not “known and available” to the petitioner when it filed its first IPR Petition. The Board in *Unilever* stated:

On this record, the interests of fairness, economy, and efficiency support declining review -- a result that discourages the filing of a first petition that holds back prior art for use in successive attacks, should the first petition be denied.

Regarding unfairness to the patent owner, the Board further noted: “P&G raises a legitimate concern that Unilever will continue to mount serial attacks against the ‘155 patent claims, until a ground is advanced that results in the institution of review.” Regarding economy and efficiency, the Board noted: “On this record, we are persuaded that our resources are better spent addressing matters other than Unilever’s second attempt to raise a plurality of duplicative grounds against the same patent claims.”

Similarly, in an earlier decision involving the same parties and the same panel, but a different patent, a factor leading to the Board’s denial of a second petition was that the petition “present[ed] no argument or evidence that ... seven newly cited references were not known or available ... at the time of filing of the [earlier] Petition.” [\*Unilever, Inc. dba Unilever v. The Proctor & Gamble Company\*, IPR2014-00506](#) (paper 17, entered July 7, 2014). Significantly, the PTAB has designated this earlier decision “informational.”

The take away? IPR (and PGR/Covered Business Method (CBM) review) petitioners should not assume that a second opportunity will exist for pursuing a second review to assert additional prior art “known and available” at the time of the first petition filing. The safe assumption would be that, in general, prior art known and available at the time of a first petition, but not included in the first petition, is unlikely to form a successful basis of a second petition. In other words, petitioners who hold back prior art for use in a subsequent petition do so at significant risk. Where a subsequent petition is filed, it will be important for the petitioner to explain, to the

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<sup>1</sup> The claimed shampoo composition included derivatives of guar, which is a gum. The derivatives are used in food, drugs, and cosmetics. Some of them can be cationic, meaning they have electrical charges they can transfer.

extent it can, that the prior art was not “known and available” at the time of filing the first petition, and to make clear that new prior art *and* arguments differ significantly from the prior art and arguments of any past petitions.

*The Leahy-Smith America Invents Act established new patent post-issuance proceedings, including the inter partes review, post grant review and transitional program for covered business method patents, that offer a less costly, streamlined alternative to district court litigation. With the U.S. Patent and Trademark Office’s Patent Trial and Appeal Board conducting a large and increasing number of these proceedings, and with the law developing rapidly, Banner & Witcoff will offer weekly summaries of the board’s significant decisions and subsequent appeals at the U.S. Court of Appeals for the Federal Circuit.*



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