

Overview of the Statutory and Regulatory Structure Implementing PTAB's AIA Proceedings

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This article identifies the new sources of authority and structure of law and rule governing the new PTAB proceedings created by the AIA.²

The AIA created the Patent Trial and Appeals Board (PTAB, which is a successor to the prior Board of Patent Appeals and Interferences, or BPAI)³ and gave the PTAB the responsibility *inter alia* to conduct Derivation proceedings (DERs); Inter Partes Reviews (IPRs); Post Grant Reviews (PGRs); and Covered Business Methods (CBMs) reviews.⁴

IPRs and CBMS became available 9/16/2012. IPRs are available, pursuant to AIA section 6(c)(2), for "any patent issued before, on, or after" 9/16/2012. CBMs are available, pursuant to AIA section 18(a)(2), for "any patent issued before, on, or after" 9/16/2012 with the following exception: "except that the regulations shall not apply to a patent described in section 6(f)(2)(A) of this Act during the period in which a petition for post grant review of that patent would satisfy the requirements of section 321(c) of title 35, United States Code."⁵ What this means is that a petition for a CBM generally cannot be granted for a first inventor to file patent during the first nine months after such a patent issues. In addition, the right to petition for any CBM sunsets 8 years after 9/16/2012, such that no petition filed after that date can be granted. AIA section 18(a)(3)(A) and (B).

PGRs and DERs generally and nominally become available 3/16/2013. PGRs generally only apply to first inventor to file patents. AIA section 6(f)(2)(A). DERs apply to first inventor to file applications. AIA section 3(n)(1). First inventor to file applications will not exist until 3/16/2013, and first inventor to file patents will not exist until first inventor to file applications issue.

Section 3 of the AIA is titled "First inventor to file" and contains the statutory provisions for DERs (35 USC 135); civil actions contesting a final decision in a DER (35 USC 146); and derived patents civil actions (35 USC 291).

Section 6 of the AIA is titled "Post-grant Review Proceedings" and contains the statutory provisions for IPRs (by amending Chapter 31 to include amended code sections 35 USC 311-319) and for PGRs (by adding new Chapter 32 including new code sections 35 USC 321-329). Moreover, the IPR sections 311-319 and PGR sections 321-329 track one another with only minor differences.

Section 7 of the AIA is titled "Patent Trial and Appeal Board" and contains the right to appeal to the CAFC from USPTO decisions in PGRS and IPRs (35 USC 141(c), as amended) and the right to appeal to the CAFC from USPTO decisions in DERs along with the corresponding right of dismissal in favor of a 146 action (35 USC 141(d), as amended).

Section 18 of the AIA titled "Transitional Program for Covered Business Method Patents" provides for CBMs in uncodified sections. However, AIA section 18(a)(1) specifies that CBMs "shall be regarded as, and shall employ the standards and procedures of, a post grant review under chapter 32 of title 35," except that certain limitations on PGRs do not apply to CBMs. One of the PGR limitations inapplicable to CBMs is the limited 9 month period after grant of a patent during which a PGR petition may be filed.

The AIA enacted some identical or analogous provisions for IPRs, PGRs, CBMs, and DERs, and some provisions that were distinct to some subset of the IPRs, PGRs, CBMs, and DERs. For example, each one of the IPRs, PGRs, CBMs, and DERs is initiated by the filing of a petition. However, certain petition showings, standing requirements, burdens of proof, and estoppels, vary.

In response to the AIA, the USPTO promulgated Part 42 of 37 CFR titled "Trial Practice Before the Patent Trial and Appeal Board."⁶ Part 42 includes one set of rules governing trial procedures before the PTAB that are common and applicable to all four types of proceedings: IPRs, PGRs, CBMs, and DERs. In addition, the USPTO promulgated four additional sets of rules: one set of additional rules specific to each one of IPRs; PGRs; CBMs, and DERs. These five sets of rules appear in Part 42, Subparts A-E, with the rule numbers noted below. Part 42, Subpart A; rules 42.1 to 42.80. These rules are generic to all four types of proceedings. Part 42, Subpart B; rules 42.100 to 42.123. These rules are specific to IPRs. Part 42, Subpart C; rules 42.200 to 42.224. These rules are specific to PGRs. Part 42, Subpart D; rules 42.300 to 42.304. These rules are specific to CBMs. Part 42, Subpart E; rules 42.400 to 42.412. These rules are specific to DERs.

In addition, the USPTO published a "Trial Practice Guide" in order "to advise the public on the general framework of the regulations, including the structure and times for taking action in each of the new proceedings."⁷

Paralleling the statutory provision's generally subjecting CBMs to PGR law, Part Subpart D, rule 300(a) generally subjects CBMs to the PGR regulations in Part 42, Subpart B.

In summary, there are four different groups of statutory provisions under which the new PTAB proceedings arise; five new sets of rules in Part 42 of 37 CFR implementing those statutory provisions; and an official practice guide to advise the public how to use the new proceedings.

1. I can be reached via telephone at 1-703-415-0012 and via our firm's web site: Neifeld.com.
2. Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284 (2011).
3. AIA Section 7, amending 35 USC 6.
4. 35 USC 6(b)(3) and (4), as amended.
5. AIA section 6(f)(2)(A) is the applicability provision for PGRs. AIA 6(f)(2)(A) states that:

(A) IN GENERAL.—The amendments made by subsection (d) shall take effect upon the expiration of the 1-year period beginning on the date of the enactment of this Act and, except as provided in section 18 and in paragraph (3), shall apply only to patents described in section 3(n)(1).

AIA section 18 refers to the "Transitional Program for Covered Business Method Patents".

AIA section 6(3) refers to "Pending Interferences" and specifies interferences pending on 9/16/2012 and authorizes the Director to dismiss an interference proceeding and institute a PGR in its stead.

AIA section 3(n)(1) is the provision specifying patents to which the first inventor to file provisions of the AIA apply.

6. The Subparts of Part 42 rules and the Trial Practice Guide were published in the following Federal Register notices.

"Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions; Final Rule", 77 FR 48612 (8/14/2012).

"Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents; Final Rule", 77 FR 48680 (8/14/2012).

"Changes to Implement Derivation Proceedings; Final Rule", 77 FR 56068 (9/11/2012).

"Transitional Program for Covered Business Method Patents - Definitions of Covered Business Method Patent and Technological Invention; Final Rule", 77 FR 48734 (8/14/2012).

"Office Patent Trial Practice Guide; Rule", 77 FR 48756 (8/14/2012).

7. 77 FR 48756.