

BANNER&WITCOFF

# PTAB HIGHLIGHTS

New developments in post-issuance proceedings

[bannerwitcoff.com](http://bannerwitcoff.com)

## Your Patent Portfolio and *Inter Partes* Review — Are You Watching Your USPTO Correspondence Addresses? You Should

By Charles W. Shifley

February 28, 2017 — In past years, two things have happened at the same time. First, many corporations have merged. Larger corporations have bought out smaller corporations. Conglomerates have piled up purchases of diverse smaller corporations. Corporations have purchased patent portfolios, sold patent portfolios, taken outside patent prosecution in-house when patents issue, or in general, changed law firms for patent prosecution, sometimes several times in series. They have done all the things corporations do, such as splitting apart, going into bankruptcy reorganizations and doing hostile takeovers. And second, *inter partes* reviews (IPRs) have become a preferred way to cancel patents. For the unaware and not careful, the two can come into conflict and cost patent owners valuable rights. They shouldn't, but in our experience they do. A simple watchfulness and set of ministerial actions would overcome the problem, but sometimes hasn't. You should do better.

When a patent challenger files its petition for IPR, it does so typically in a situation of dispute and litigation. That is, the challenger files the petition because the challenger has been sued by the patent owner. That happens in 80 percent of IPRs. Who, do you think, gets served by the challenger to give notice to the patent owner that an IPR petition on a patent in litigation has been filed? The opposing lawyers in the litigation? In-house counsel? Someone else?

We here at Banner & Witcoff know from our many filed IPR petitions that service is directed by a section of the Code of Federal Regulations — 37 C.F.R. § 42.105. And this “rule” states that when an IPR petition is filed, it is to be served in at least one mandatory way, and perhaps in an additional, discretionary way. In the mandatory way, the “petition and supporting evidence must be served on the patent owner at the correspondence address of record for the subject patent.” In

the possible additional discretionary way, with mandatory service accomplished, the petitioner may “*additionally* serve the petition and supporting evidence on the patent owner at any other address known to the petitioner as likely to effect service.” (emphasis added).

Is the petitioner already sued by the patent owner likely to do the patent owner any favors or provide any courtesies? Not likely. So the petitioner must and most likely will serve the patent owner one way, and one way only — “at the correspondence address of record for the subject patent.”

Think about that in the context of the numerous changes that may have occurred in the legal representation of corporations as to their patents. Think also how law firms are corporations, and they themselves have undergone mergers, acquisitions, dissolutions, bankruptcies, and the like. Many patents, even those in lawsuits, may have, and likely will have, long since separated from their original legal representatives and their “correspondence address of record.” The original representatives and address will have been left behind. The original representatives and address will then have no connection or ties to the patents or their current patent owners, and the representatives may in fact have conflicts with the patents and owners — potentially even representing corporations adverse to the current owners and the patents they may be enforcing. In these situations, is service on the correspondence address of record, unless it has kept up with corporate and representative changes, likely to provide any real world notice to the current patent owner? Not likely. In these situations, as well — and we know people do what is in their financial interest, “follow the money”— are these legal representatives likely to do the patent owners any favors or provide any courtesies? Not likely, again.

Yet, once patent challengers file petitions for IPR and serve the petitions, the patent owners have a non-extendable three months to file their preliminary responses to the petitions. Assuming the usual petitions with strong challenges and expert declarations in support, and assuming the usual PTAB decisions to institute trials with their usual claim interpretations that are the interpretations that are continued through the trials without change, patent owners have much to do to prepare and file their best preliminary responses in their non-extendable three-month periods. They must (possibly learn what IPRs are, possibly take bids for counsel and): hire counsel; get counsel moving; possibly locate former employee inventors and interview inventors; locate experts and engage them; educate the experts in the nature of patents, patent validity law, the specific patents in the IPRs, their prosecution histories, and the like; analyze the patents under attack, the prior art being used, the challengers’ expert declarations, and the claim constructions; investigate the backgrounds of the challengers’ experts for positions contradictory to their declarations; formulate positions; gather supporting documents including prior art patents, publications, marketing documents, and the like, in addition to the prior art of the challengers; write up drafts of the positions in declarations and preliminary responses; refine the positions and drafts; coordinate across all members of the teams involved; and — as you can see, do quite a lot in their non-extendable three months, a time period that may involve several patents, if the challenger filed all challenges of all patents involved on the same day.

No question about it, in these situations every day counts. Yet, service of IPR petitions will be at the “correspondence address of record.” Could it happen that the address of record is a Post

Office box? Yes. Could it happen that the owners of the box do not check the box often in these days of e-mail, electronic service, etc.? Yes. Could it happen that the original counsel or worse, a company engaged to receive maintenance fee notices and pay such fees, gets the service of the petition, in the form of a box of papers with no cover letter or notice explaining what the box is? Yes. Could it happen that whomever gets the service has no financial interest in responding to the service by getting into immediate contact with the patent owner and getting them their first, immediate notice of the IPR petition? Yes. Could it happen, then, that the non-extendable three-month period for preliminary response has a significant portion frittered away in simply getting notice of the IPR petition to the right person to begin to engage and get the preliminary response underway? Assuredly.

The answer to this problem? Easy. A simple watchfulness and set of ministerial actions overcome the problem. *Check the correspondence addresses of record of all the patents of value to the company, and especially those patents going into litigation. Update the correspondence addresses!* If not, you could lose precious time in responding to any IPRs filed against your patents. And you shouldn't. You should do better.

For more Banner & Witcoff *PTAB Highlights*, please click [here](#).

*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 frequent summaries of the board's significant decisions and subsequent appeals at the U.S. Court of Appeals for the Federal Circuit.*



[www.bannerwitcoff.com](http://www.bannerwitcoff.com)

© Copyright 2017 Banner & Witcoff, Ltd. All Rights Reserved. The opinions expressed in this publication are for the purpose of fostering productive discussions of legal issues and do not constitute the rendering of legal counseling or other professional services. No attorney-client relationship is created, nor is there any offer to provide legal services, by the publication and distribution of this edition of PTAB Highlights.