

# Promising Signs For Patent Owners Amending At PTAB

By **Justin Krieger and Christopher Thomas** (March 21, 2019)

In October of 2017, the U.S. Court of Appeals for the Federal Circuit issued an en banc decision in *Aqua Products Inc. v. Matal*, holding that patent owners no longer bear the burden of proving patentability of their amended claims. Instead, the burden appears to be on the petitioner or, in some cases, is shared by the Patent Trial and Appeal Board.[1]

Before the *Aqua Products* decision, the PTAB placed the burden of demonstrating patentability of amended claims in America Invents Act trials on the patent owner, which severely limited the effectiveness of motion-to-amend practice. Many stakeholders and practitioners anticipated a substantial rise in motion-to-amend success rate in view of the shift in burden for proving unpatentability. New statistical data shows there was a noticeable uptick in motion-to-amend filings for fiscal year 2018.[2]

## Statistics

In a Law360 guest article last June, we presented preliminary statistics showing that the motion-to-amend grant rate appeared to more than double in the first few months after the *Aqua Products* decision.[3] The uptick in grant rate indicated that the post-*Aqua Products* landscape may be slightly more favorable to patent owners. But, would the trend continue?

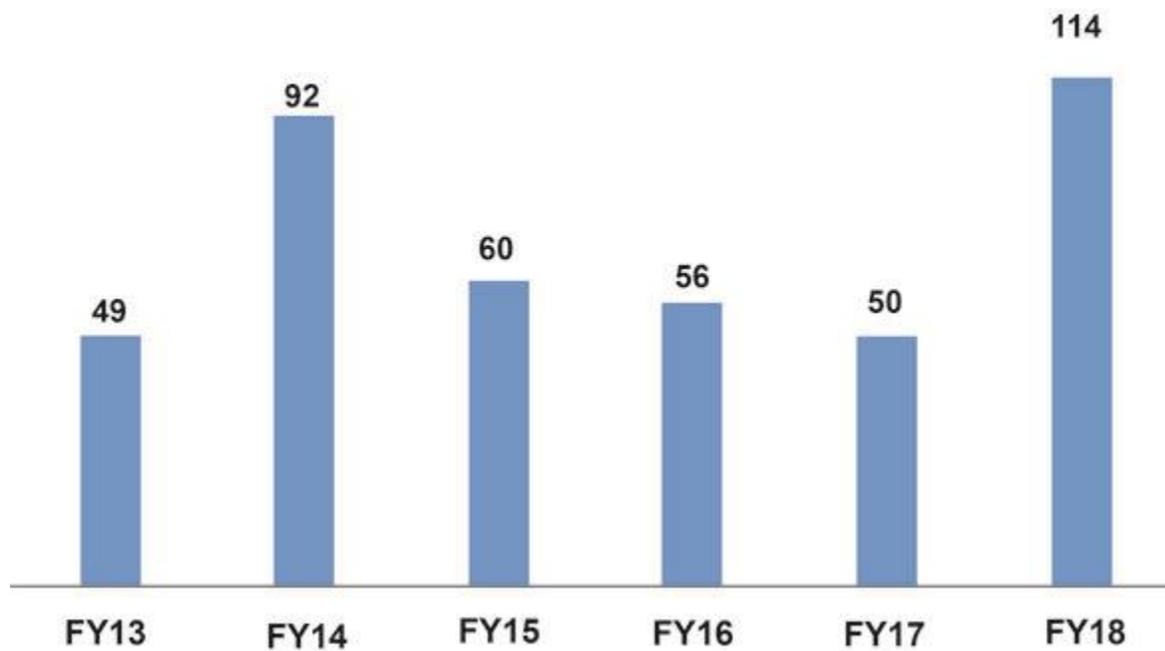


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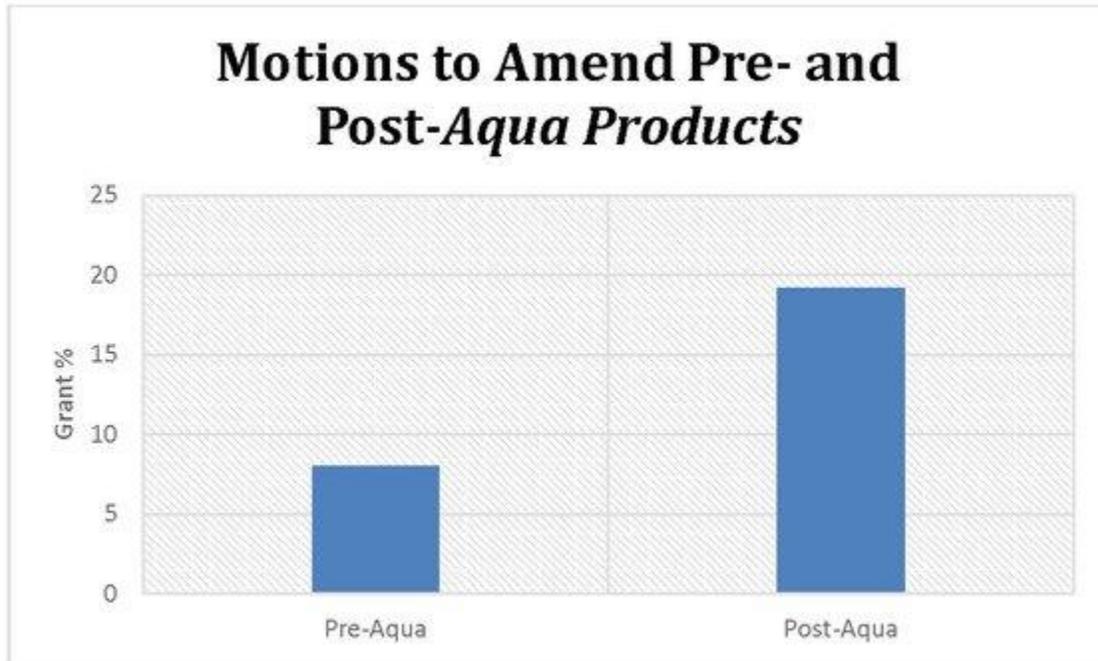
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## MTAs Filed by Fiscal Year

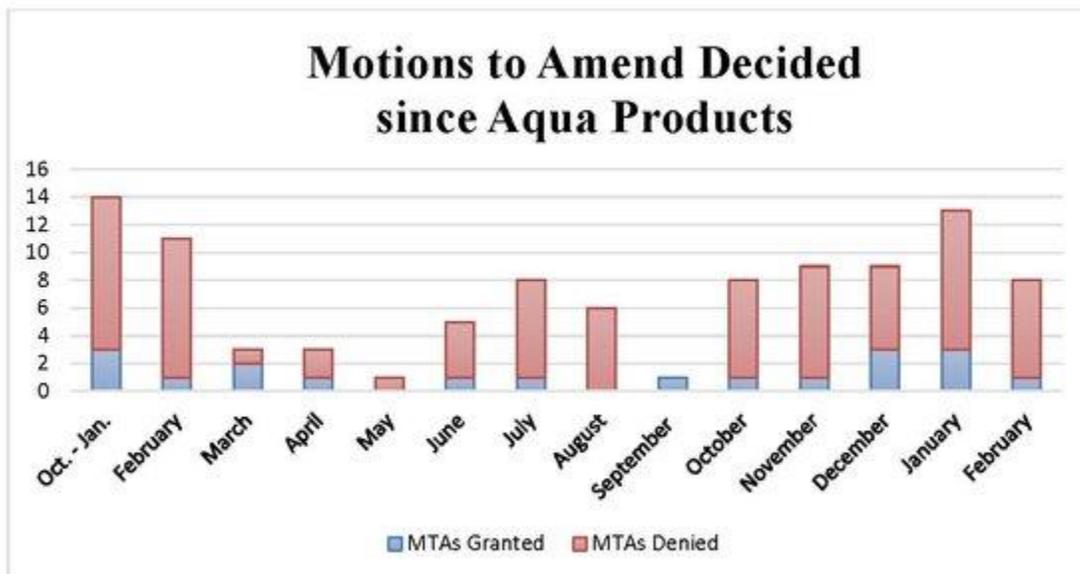


Now, more than a year after the *Aqua Products* decision, the motion-to-amend grant rate has remained significantly greater than the pre-*Aqua Products* grant rate. Since the Federal

Circuit's decision in Aqua Products on Oct. 4, 2017, the PTAB has decided 99 motions to amend and has granted or granted-in-part 19 of these motions. The resulting 19.1 percent grant rate is more than two times greater than the pre-Aqua Products grant rate.[4]



Preliminary statistics showed an interesting trend for motion-to-amend success rate in the early months following Aqua Products. The total number of motions to amend granted in March and April of 2018 was almost equal to the number granted in the immediately preceding five months combined. March and April appear to have been outliers, however, with the grant rate dropping to less than one per month from May through November 2018. From December 2018 through February 2019, however, the grant rate rose sharply to about 23 percent.



(\*granted or granted-in-part as of Oct. 30, 2018)

To be clear, although the month-to-month statistics may vary significantly, on the whole, motions to amend are being granted post-Aqua Products at more than twice the rate as before that decision. Although it now may be easier to amend challenged claims during AIA trials, contrary to some expectations, the grant rate still remains quite low (less than 20 percent).

### **Post-Aqua Practice**

On March 15, the U.S. Patent and Trademark Office announced a new motion-to-amend pilot program.[5] The notice introduces sweeping new changes to motion-to-amend practice, and post-grant procedures generally. The notice adds two new options for motion-to-amend practice:

- A patent owner may request that the board issue preliminary guidance on its motion to amend; and/or
- A patent owner may choose to file a revised motion to amend after receiving petitioner's opposition to the original motion to amend or after receiving the board's preliminary guidance (if requested).

These changes to motion-to-amend practice stem from USPTO Director Andrei Iancu's initiative to give patent owners a meaningful opportunity to amend claims in post-grant proceedings. The director has been vocal about his desire to modify motion-to-amend practice, and the new notice takes active steps to provide patent owners feedback on proposed claim amendments.[6] The notice also provides patent owners with the opportunity to modify their amendment strategy in response to this feedback, if requested, and/or the petitioner's arguments.

Although motions to amends are being granted more liberally post-Aqua Products, the new motion-to-amend pilot program may signal an appreciable increase in grant rate that could dwarf the impact of Aqua Products.

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[1] See *Lectrosonics, Inc. v. Zaxcom, Inc.*, IPR2018-01129, -01130, Paper 15, p. 4 (PTAB Feb. 24, 2019) (precedential) (indicating burden "ordinarily" lies with petitioner but that "the Board itself also may justify any finding of unpatentability by reference to the evidence of record....").

[2] Motion to Amend Study, Installment 5 through FY2018 (USPTO).

[3] Krieger, Justin et al., "An Uptick In PTAB's Motion to Amend Grant Rate," Law 360, June

8, 2018. <https://www.law360.com/articles/1052150/an-uptick-in-ptab-s-motion-to-amend-grant-rate>

[4] Statistics were taken between October 4, 2017 and February 25, 2019. Seven of these motions to amend were granted-in-part.

[5] Notice Regarding a New Pilot Program Concerning Motion to Amend Practice, 84 Fed. Reg. 9497 (Mar. 15, 2019).

[6] Hyndman, Kelly G., "USPTO Director Iancu Announces New Day," AIPPA, E-News Articles (November 16, 2018) (stating "[i]t is not in the interest of the patent system as a whole to invalidate a patent entirely if it actually describes patentable subject matter, and appropriately-scoped claims can be drafted.")