

Insights: Alert

New Pilot Program: Motion-to-Amend Practice in PTAB Proceedings Gives Patent Owners New Options

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The US Patent and Trademark Office (USPTO) implemented a new pilot program on March 15, 2019 concerning motion-to-amend practice in America Invents Act (AIA) trials, including post-grant review (PGR), *inter partes* review (IPR), and covered business method review (CBM) proceedings before the Patent Trial and Appeal Board (the Board).

Traditionally, a Patent Owner has been permitted to file a motion to amend (MTA) within 3 months of the institution decision in addition to responding to Petitioner's Petition arguments in a Patent Owner Response. In the MTA, the Patent Owner offers to replace one or more claims from the patent with substitute claims. The Petitioner may then file its opposition to the MTA within 3 months, presenting arguments that the substitute amendments are unpatentable. The Patent Owner may then file a reply to the opposition within 1 month. Petitioner may seek leave from the Board to file sur-reply, which is typically due 1 month after the reply. Because the MTA practice proceeds in parallel with the substantive case, a decision on the MTA will typically be contingent on a denial of the Petitioner's main assertions of unpatentability.

The new pilot program gives Patent Owners two additional options: (1) request preliminary guidance from the Board on the MTA, and/or (2) file a revised MTA after receiving the Petitioner's opposition and/or after receiving the Board's preliminary guidance, if requested. If a Patent Owner selects neither option, the procedure regarding the MTA remains largely unchanged, except that deadlines are extended slightly and the Petitioner may file a sur-reply as of right.

Request for Preliminary Guidance

When the Patent Owner specifically includes a request for preliminary guidance in its MTA, the Petitioner will file its opposition, and within four weeks the Board will provide a non-binding opinion on whether there is a reasonable likelihood that the MTA satisfies the statutory and regulatory requirements, including a preliminary view on the patentability of the proposed substitute claims.

The preliminary guidance may give the parties an additional opportunity to resolve their differences and reach settlement.

Revised Motion to Amend

Regardless of whether that preliminary guidance has been requested, however, the Patent Owner has two possible responses to the Petitioner's opposition: (a) file a reply (which will be followed by a sur-reply), or (b) file a revised MTA. In the revised MTA, the Patent Owner may present a new set of claims, which must be responsive to Petitioner's arguments and/or the Board's preliminary guidance, if requested. A revised motion to amend then triggers a new extended scheduling order and a rapid string of briefing: the Petitioner's new opposition is due in 6 weeks, the Patent Owner's reply is due 3 weeks thereafter, and the Petitioner's sur-reply is due in 3 weeks after the reply (i.e., 1 week before oral hearing). A comparison of these new options with existing MTA practice is illustrated in the following [figure](#).

The motion-to-amend pilot program went into effect on March 15, 2019 and applies to all AIA trials instituted on or after that date. Although no formal end date has been announced, the USPTO anticipates the program will last for approximately one year, at which time the USPTO will reassess its effectiveness. This means that the pilot program is now in effect for the more than 850 cases currently awaiting an institution decision and will be applied to any petition filed before the program ends.

Although the effects of the new pilot program remain to be seen, the motion-to-amend pilot program is welcome relief for patent owners, whose MTAs had a mere 19.1% grant rate last year. Indeed, the expectation is that the MTA grant rate will increase, at least somewhat, now that Patent Owners will have some preliminary insight into the Board's thinking as well as an opportunity to tweak their substitute claim set before the Final Written Decision. The new options also give rise to a number of other issues latent to MTAs generally, such as the scope of intervening rights for Petitioners. How the new motion-to-amend pilot program affects these issues will be something to watch in the coming months.

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