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Efficiency at What Cost? The USPTO's New PTAB Proposal Would Unfairly Strip Defendants of Legitimate Defenses

by Justin L. Krieger

The U.S. Patent and Trademark Office's newly released **Notice of Proposed Rulemaking (NPRM)** on PTAB practice proposes a significant modification to inter partes review (IPR) practice. The proposal would bar institution of an IPR unless the petitioner files a **stipulation agreeing not to raise any invalidity grounds under 35 U.S.C. §§ 102 or 103** in any other forum—including district court or the International Trade Commission.

According to the USPTO, this broad stipulation requirement would promote "fairness and efficiency" by channeling overlapping validity disputes into a single forum and ensuring that IPRs "serve as a complete substitute for at least some phase of the litigation." While that goal would be beneficial, the proposed rule goes beyond preventing duplicative challenges. It would, in effect, **require petitioners to waive entire categories of statutory defenses** unrelated to those permitted in IPR filings, including those that Congress intentionally preserved for district court litigation.

By law, IPRs are limited to prior art consisting of patents and printed publications. Petitioners cannot raise invalidity defenses based on on-sale activity, public use, or other forms of non-publication prior art in IPR proceedings. Yet under the USPTO's proposal, a petitioner who files an IPR would have to surrender those distinct defenses in court—even if they are completely unrelated to the prior art asserted in the IPR. It also would unfairly preclude defendants from raising later-discovered prior art, such as art uncovered through discovery. This result would unfairly penalize defendants for pursuing PTAB review, creating a procedural trap inconsistent with the America Invents Act's (AIA) carefully balanced framework.

The AIA's estoppel provision, 35 U.S.C. § 315(e), and *Sotera* stipulations already provide robust protection against redundant validity challenges by barring petitioners from asserting in court any grounds that "were raised or reasonably could have been raised" in an IPR. A more balanced approach would be to **limit the stipulation to prior art that was raised or reasonably could have been raised in the IPR and "related" system prior art**—that is, physical systems or embodiments corresponding to patents or printed publications

asserted in an IPR petition. Such a focused stipulation would prevent duplicative challenges while still allowing defendants to raise independent invalidity defenses, including on-sale bar and public-use prior art uncovered through discovery. This narrower rule would achieve the USPTO's efficiency objectives without undermining the fairness and flexibility essential to modern patent litigation.

Takeaway: The current form of the USPTO's notice of proposed rulemaking tips the scales against accused infringers/petitioners. As stakeholders prepare comments on the proposed rule, they should consider whether to urge the Office to narrow the scope of its proposal to preserve the PTAB's role as an efficient alternative to litigation rather than a mechanism that forces parties to choose between forums at the expense of fundamental invalidity defenses. Comments are due by **November 17, 2025,** and must be submitted at https://www.regulations.gov (docket number PTO-P-2025-0025).

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