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POP Designates Two PTAB Decisions as Precedential, one Informative, Addressing Prior Art and Arguments Previously Considered During Prosecution

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Yesterday, the Precedential Opinion Panel (POP) designated two PTAB decisions as precedential and one as informative. The decisions relate to the Board's discretion in instituting trial under 35 U.S.C. § 314 or § 325(d) where the petitioner raises prior art or arguments that are the same or substantially the same as those previously considered by the examiner during prosecution.

In the first precedential decision, *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (Feb. 13, 2020), petitioner raised prior art that had not been considered during prosecution of the challenged patent. The Board applied the so-called *Becton, Dickinson* factors in determining whether the same or substantially the same prior art had been raised and whether the petitioner had identified "material error by the Office." *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (Dec. 15, 2017) (precedential as to § III.C.5, first paragraph). After analyzing the prior art, the Board concluded that the new prior art cited by petitioner had been relied upon in a manner substantially the same as prior art references that had been considered by the examiner during prosecution. Noting that petitioner did not cite the new prior art in a way that cured the deficiencies of the prior art previously before the examiner, the Board also concluded that petitioner had failed to present any material error by the office. In denying institution, the Board further highlighted that petitioner had failed to demonstrate that the examiner erred in evaluating the prior art, for example, "by showing that the Examiner misapprehended or overlooked specific teachings in the relevant prior art such that the error by the Office was material to patentability of the challenged claims."

In contrast to *Advanced Bionics*, in the second precedential decision, *Oticon Medical AB v. Cochlear Ltd.*, IPR2019-00975, Paper 15 (Oct. 16, 2019), the Board decided to institute trial, declining to exercise its discretion under 35 U.S.C. § 325(d). In that case, petitioner relied on previously considered references in combination with one new prior art reference. In again applying the *Becton, Dickinson* factors, the Board reached the opposite conclusion noting that the new prior art reference was being cited for different structural and functional features than the prior art considered during examination. Additionally, petitioner was relying on a new motivation based on the advantages described in the new prior art reference. Concluding that the new reference was therefore not cumulative to references previously considered during prosecution, the Board determined that there was error in prosecution in that the new prior art had not been considered.

In a second portion of the *Oticon Medical* decision, which was also designated as precedential, the Board addressed whether it should exercise its discretion and deny institution under 35 U.S.C. § 314(a) where petitioner waited nearly a year after service of a complaint for patent infringement to file its petition. In waiting to file its petition to the end of the one year period, patent owner argued that petitioner improperly used patent owner's litigation responses as a roadmap for its petition. The Board noted that the concerns with follow-on petitions discussed in the precedential *General Plastics* decision were not directly raised when a petition is filed during a co-pending litigation. *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-00791, Paper 15 at 31 (PTAB Sept. 11, 2019). Deciding to grant institution, the Board concluded that although petitioner may have benefited from seeing patent owners litigation responses, the Board proceeding would not be directly duplicative of the district court considerations on validity.

In the informative decision, *Puma North America Inc. v. Nike, Inc*., IPR2019-01042, Paper 10 (Oct. 31, 2019), like *Advanced Bionics*, the Board exercised its discretion, applied the *Becton, Dickinson* factors, and denied institution where petitioner cited the exact same prior art that had been considered during prosecution. The Board indicated that mere disagreement with the examiner's conclusion does not amount to material error. Responding to petitioner's argument that the examiner misapprehended a motivation to combine references, the Board indicated that simply demonstrating that reference are in analogous fields does not establish a motivation to combine. Because petitioner failed to offer any affirmative reason why a skilled artisan would have made the claimed subject matter, the Board concluded that petitioner had failed to identify any material error.

Practice Tips:
Petitioners raising prior art that was already considered during prosecution or that is being applied in a manner similar to art previously considered during prosecution, should clearly identify a factual issue that was misapprehended or overlooked by the examiner during prosecution. In addition, if at all possible, petitioners should highlight any new motivation or rationale for combining references that had not previously been considered by the examiner.

Patent owners should carefully review any petition filed against them to see if the art being cited is the same or substantially the same as art previously considered during prosecution. Even if the petitioner cites new prior art, patent owners should carefully analyze how that art is being applied. If the art is being applied in a manner similar to art previously considered by the examiner, patent owner should apply the *Becton, Dickinson* factors in its preliminary response and argue that the Board should exercise its discretion under 35 U.S.C. § 314/324 and deny institution.