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PATENTS

The authors describe what is necessary to successfully enter Supplemental Information in a trial before the Patent Trial and Appeal Board.

Supplementing the Record In PTAB Trials



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In patent litigation conducted in district court, both parties to the proceeding usually have many months and often years to develop their positions and to develop a record to support their positions. The “trial” (which may last a few days to several weeks) is simply the culmination of years of pleadings, motions and discovery. In contrast, “trials” before the Patent Trial and

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Appeal Board (PTAB) last 12 months and bear little resemblance to district court trials.¹

This article will discuss how a party can supplement its case during an *inter partes* review (IPR) trial, primarily by asking for permission to file “Supplemental Information.” The PTAB has exercised its considerable discretion to allow such submissions in a manner that is fair to both parties. During preparation of this article, over 25 orders from the PTAB regarding supplementing the record in PTAB trials were reviewed.²

¹ See 37 C.F.R. § 42.2.

² *Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper No. 32 (P.T.A.B. Oct. 8, 2013); *Redline Detection, LLC v. Star Envirotech, Inc.*, IPR2013-00106, Paper No. 24 (P.T.A.B. Aug. 5, 2013); *ZTE Corp. v. ContentGuard Holdings Inc.*, IPR2013-00139, Paper No. 27 (P.T.A.B. July 30, 2013); *Palo Alto Networks, Inc. v. Juniper Networks, Inc.*, IPR2013-00369, Paper No. 37 (P.T.A.B. Feb. 5, 2014); *Cyanotech Corp. v. Bd. of Trs. of the Univ. of Ill.*, IPR2013-00401, Paper No. 59 (P.T.A.B. July 21, 2014); *BioMarin Pharm. Inc., v. Genzyme Therapeutic Prods.*, IPR2013-00534, Paper No. 67 (P.T.A.B. Sept. 23, 2014); *CaptionCall, LLC v. Ultratec, Inc.*, IPR2013-00540, Paper No. 63 (P.T.A.B. Sept. 24, 2014); *Össur Hf v. Otto Bock HealthCare LP*, IPR2014-00145, Paper No. 13 (P.T.A.B. Mar. 7, 2014); *Int'l Bus. Machs. Corp. v. Intellectual Ventures II LLC*, IPR2014-00180, Paper No. 22 (P.T.A.B. July 3, 2014); *Norman Int'l, Inc. v. Andrew J. Toti Testamentary Trust*, IPR2014-00283, Paper No. 29 (P.T.A.B. Sept. 29, 2014); *Mentor Graphics Corp. v. Synopsys, Inc.*, IPR2014-00287, Paper No. 17 (P.T.A.B. Aug. 1, 2014); *Mitsubishi Plastics, Inc. v. Celgard, LLC*, IPR2014-00524, Paper No. 30 (P.T.A.B. Nov. 28, 2014); *Pac. Mkts. Int'l, LLC v. Ignite USA, LLC*, IPR2014-00561, Paper No. 23 (P.T.A.B. Dec. 2, 2014); *Edmund Optics, Inc. v. Semrock, Inc.*, IPR2014-00599, Paper No. 44 (P.T.A.B. May 5, 2015); *Shire Dev. LLC v. Lucerne Biosciences, LLC*, IPR2014-00739, Paper No. 23 (P.T.A.B. Mar. 12, 2015); *Wireless Seismic, Inc. v. Fairfield Indus., Inc.*, IPR2014-01113, Paper No. 8 (P.T.A.B. Oct. 28, 2014); *Valeo N. Am., Inc. v. Magna Elecs., Inc.*, IPR2014-01204, Paper No. 26 (P.T.A.B. Apr. 10, 2015); *Int'l Bus. Machs. Corp. v. Intellectual Ventures I LLC*, IPR2014-01385, Paper No. 19

Overview of PTAB Proceedings

A PTAB proceeding begins with the filing of a Petition. A patent challenger must set forth its basic position regarding invalidity of patent claims in the Petition. The Patent Owner has the right to file two papers to develop its position. The first paper is the optional Patent Owner Preliminary Response (POPR). In the POPR, the Patent Owner can point out deficiencies in the Petition; however, no new testimonial evidence can be submitted, except as authorized by the Board.³ The “trial” begins with a written decision notifying the petitioner and patent owner of the institution of trial, the Institution Decision (ID). The second paper is the Patent Owner’s Response (POR), which is due after the ID and the Patent Owner’s discovery period.

Although a Petitioner has the right to file a limited Reply to the POR, supporting evidence should only be submitted if that evidence is relevant to issues raised in the POR.⁴

Supplementing the Record Before the PTAB

The primary vehicle for supplementing the record is by filing Supplemental Information. The PTAB allows parties to file Supplemental Information if it is in the interest of justice. A party’s ability to supplement the record in a PTAB proceeding depends greatly on when the party seeks to supplement, the nature of the information to be added to the record, and the diligence of the party offering the Supplemental Information.

Supplemental Evidence versus Supplemental Information

In order to understand the PTAB rules, it is important to note the difference between Supplemental Evidence and Supplemental Information:

- Supplemental Evidence is evidence that is *served* in response to an evidentiary objection and is *filed* in response to a motion to exclude; it is offered solely to support admissibility of the originally filed evidence, to defeat a motion to exclude the original evidence, but not to support any argument on the merits (i.e., regarding the patentability or unpatentability of a claim).⁵

(P.T.A.B. May 4, 2015); *Nat’l Envtl. Prods. Ltd. v. Dri-Steem Corp.*, IPR2014-01503, Paper No. 11 (P.T.A.B. Nov. 4, 2014); *Intelligent Bio-Systems, Inc. v. Illumina Cambridge Ltd.*, IPR2013-00128, Paper No. 60 (P.T.A.B. Feb. 19, 2014); *Valeo N. Am., Inc. v. Magna Elecs., Inc.*, IPR2014-01208, Paper No. 15 (P.T.A.B. Jan. 29, 2015); *Ericsson Inc. v. Intellectual Ventures I LLC*, IPR2014-01149, Paper No. 19 (P.T.A.B. Mar. 30, 2015); *B/E Aerospace, Inc. v. MAG Aerospace Indus., LLC*, IPR2014-01510, Paper No. 37 (P.T.A.B. May 26, 2015); *Callidus Software Inc. v. Versata Software, Inc.*, CBM2013-00052, Paper No. 26 (P.T.A.B. Mar. 28, 2014); *Abb, Inc. v. ROY-G-BIV Corp.*, IPR2013-00062, Paper No. 79 (P.T.A.B. Mar. 24, 2014); *Carl Zeiss SMT GmbH v. Nikon Corp.*, IPR2013-00363, Paper No. 20 (Mar. 5, 2014); *GoerTek, Inc. v. Knowles Elecs., LLC*, IPR2013-00614, Paper No. 25 (P.T.A.B. Apr. 8, 2014).

³ 37 C.F.R. § 42.107(b).

⁴ 37 C.F.R. § 42.23(b); see also Trial Practice Guide, 77 Fed. Reg. 48756, 48767 (Aug. 14, 2012).

⁵ *Handi Quilter, Inc. v. Bernina Int’l AG*, IPR2013-00364, Paper 30 at 23 (PTAB June 12, 2014); see generally *Wilming-ton v. J.I. Case Co.*, 793 F.2d 909, 920 (8th Cir. 1986) (distinguishing weight and admissibility).

- Supplemental Information, on the other hand, is evidence a party intends to rely on to support an argument on the merits.⁶ For example, evidence that is offered in support of the merits of an argument that a particular reference is prior art, such as evidence that supports whether a reference is a printed publication under 35 U.S.C. § 102, is considered Supplemental Information by the PTAB and a party can seek to file such evidence as Supplemental Information.⁷

A given piece of evidence may qualify as both Supplemental Evidence and Supplemental Information, depending upon how and when it is presented to the PTAB. At the time it is *served*, Supplemental Evidence does not become part of the record.⁸ The Supplemental Evidence is *filed* only if it is relied on in another authorized paper, such as the Patent Owner’s Response, the Petitioner’s Reply or an Opposition to a Motion to Exclude, or if the PTAB grants permission to file that same evidence as Supplemental Information.⁹

Substantive Requirements for Filing Supplemental Information

Under 37 C.F.R. § 42.123, after the ID, a party can request authorization to file a motion to submit Supplemental Information. There is no rule that gives a party the right to file Supplemental Information or a Motion to File Supplemental Information.¹⁰ However, the stage of the proceedings at which the request to file Supplemental Information is made has an effect on the likelihood that the request is granted.

Prior to the ID, it is almost impossible for a Petitioner to supplement the record, even if the Patent Owner files a POPR.¹¹ While the PTAB has not unequivocally stated that Supplemental Information cannot be filed after the Petition is filed and before the ID, there is no decision or example where it has allowed Supplemental Information to be filed during that time period.¹²

After the ID, a request for authorization to file a Motion to File Supplemental Information must be made regardless of how much time has passed after the ID.¹³ There are two different standards that are used when evaluating a Motion to File Supplemental Information; the applicable standard depends on how many days after the ID is issued that the request for authorization to file the Motion is made.

If requested within one month of the ID, the board will grant the motion so long as the Supplemental Information is relevant to a claim for which the trial has been instituted, the party presenting the Supplemental Information was diligent, and the Supplemental Information could not have been filed earlier.¹⁴ Several decisions

⁶ *Handi Quilter*, IPR2013-00364, Paper 30 at 2-3.

⁷ See, e.g., *Palo Alto Networks*, IPR2013-00369, Paper 37.

⁸ *Id.*; see also *Handi Quilter*, IPR2013-00364, Paper 30 at 23.

⁹ See *Handi Quilter*, IPR2013-00364, Paper 30 at 2-3.

¹⁰ *Id.*; see also *Pac. Mkts.*, IPR2014-00561, Paper 23.

¹¹ See *Nat’l. Envtl. Prods.*, IPR2014-01503, Paper 11 at 3 (amendments to a Petition are usually limited to typos and clerical errors, but the PTAB did not rule out all amendments or supplemental information completely); 37 C.F.R. § 42.107(a),(c) and § 42.207(a),(c) (POPR is limited to reasons why no review should be instituted and no new testimony is allowed); see also *Wireless Seismic*, IPR2014-01113, Paper 8.

¹² *Nat’l Envtl. Prods.*, IPR2014-01503, Paper 11 at 3.

¹³ 37 C.F.R. § 42.123.

¹⁴ 37 C.F.R. § 42.123(a).

clearly state that the PTAB does not automatically grant a Motion to File Supplemental Information simply because it is requested within one month of the ID.¹⁵ In the *Redline* decision, the PTAB specifically noted that the Petitioner did not provide any reasoning to justify the submission, the additional references sought to be filed were known to the Petitioner when it filed the Petition, the Petitioner was seeking to submit an expert declaration for the first time and it had not submitted a declaration with the Petition, and the expert declaration included arguments responsive to the ID.¹⁶ Further, in *Int'l Bus. Machs.*,¹⁷ the PTAB relied on a lack of argument or specific examples as to why the Supplemental Information was relevant and added to the proceedings when it denied Petitioner's request for an authorization to file a Motion to File Supplemental Information.

However, the PTAB has granted motions to file Supplemental Information when a request for authorization was requested within one month of the ID and the specific relevance of the Supplemental Information was addressed.¹⁸

If a party seeks to file Supplemental Information more than one month after the date of the ID, the party must request authorization to file a motion, and in the motion, the party must prove why the information could not have been obtained earlier and that consideration of the information is in the interests-of-justice.¹⁹ In determining whether the interests-of-justice standard is met, the PTAB may consider several different factors, including the following:

- 1) that the Supplemental Information did not change the authorized grounds or add additional grounds of unpatentability;
- 2) that the Supplemental Information merely constituted additional evidence related to admissibility (i.e., public accessibility) of a relevant exhibit;
- 3) that the Supplemental Information was not withheld intentionally;
- 4) that Petitioner appears to have made "continuous attempts" to obtain the Supplemental Information; and
- 5) that the submission of the Supplemental Information at the current time would not appear to limit the PTAB's ability to complete the proceedings in a timely manner.²⁰

¹⁵ See, e.g., *Redline*, IPR2013-00106, Paper 24 at 4 ("[n]othing in the rule suggests, however, that such a motion would be granted no matter the circumstance."); *ZTE*, IPR2013-00139, Paper 27 at 2-3.

¹⁶ *Redline*, IPR2013-00106, Paper 24 at 4-5.

¹⁷ IPR2014-00180, Paper 22 at 3.

¹⁸ See *Palo Alto Networks*, IPR2013-00369, Paper 37; *Norman Int'l*, IPR2014-00283, Paper 29 (granting in part); *Valeo N. Am.*, IPR2014-01204, Paper 26; *Valeo N. Am.*, IPR2014-01208, Paper 23 (granting in part).

¹⁹ 37 C.F.R. § 42.123(b).

²⁰ See *BioMarin Pharm.*, IPR2013-00534, Paper 80; *Kyocera*, IPR2103-00004, Paper 32 at 4; *Cyanotech*, IPR2013-00401, Paper 41; *CaptionCall*, IPR2014-00540, Paper 63; *Pac. Mkts.*, IPR2014-00561, Paper 23; *Edmund Optics*, IPR2014-00599, Paper 44; *Shire Dev.*, IPR2014-00739, Paper 23

As with the Petitioner's requests, a Patent Owner should also request authorization to file a Motion to File Supplemental Information as soon as the information is discovered.²¹ In one proceeding, a Patent Owner's motion to submit an expert declaration as Supplemental Information after Petitioner's Reply and prior to Motions to Exclude Evidence was granted based partly on the PTAB's search for truth and the importance of a reference that allegedly contained a scientific discrepancy.²² The PTAB also granted part of a Patent Owner's Motion to File Supplemental Information where the information consisted of a recently released Food and Drug Administration press release, which was available only after the POR was filed.²³ Thus, regardless of a party's status as Petitioner or Patent Owner, it is possible to supplement the record if the PTAB determines it is in the interests of justice.

Another factor that the PTAB evaluates when determining whether to allow Supplemental Information to be filed is whether the information was previously served on or known to the adverse party. Sometimes this requirement is met because the Supplemental Information was previously served as Supplemental Evidence in response to an objection.²⁴ In another case, where the Supplemental Information included Petitioner's emails and attachments, the PTAB found that the interests of justice were served because the documents were Petitioner's own statements and any prejudice to Petitioner was deemed negligible.²⁵

If the parties are able to agree that Supplemental Information can be filed, this agreement, or lack of opposition, will be noted by the PTAB and may increase the likelihood that a Motion to File Supplemental Information will be granted.²⁶

Conclusion

Overall, of the decisions reviewed where a Motion to File Supplemental Information was authorized to be filed and later decided, 10 motions were granted, five motions were granted in part and five were denied. If new evidence is discovered or if previously known evidence takes on increased importance because of arguments or objections filed by a party, a party seeking to rely on that evidence should quickly pursue all available procedures to introduce that evidence into the record.

If a party follows the rules and supports its request and subsequent motion with the factors discussed above, there is a good chance the party will be successful in its bid to file Supplemental Information.

(granting-in-part, denying-in-part); *Int'l Bus. Machs.*, IPR2014-01385, Paper 19.

²¹ See, e.g., *Cyanotech*, IPR2013-00401, Paper 41 (PTAB deemed there was no harm to Petitioner).

²² *Edmund Optics*, IPR2014-00599, Paper 44 at 4 (citing *Nix v. Whiteside*, 475 U.S. 157, 166 (1986); *TechSearch LLC v. Intel Corp.*, 286 F.3d 1360, 1378 (Fed. Cir. 2002)).

²³ *Shire Dev.*, IPR2014-00739, Paper 23 (granting-in-part, denying-in-part).

²⁴ See, e.g., *Palo Alto Networks*, IPR2013-00369, Paper 37.

²⁵ *Cyanotech*, IPR2013-00401, Paper 41.

²⁶ See, e.g., *Intelligent Bio-Systems*, IPR2013-00128, Paper 60; see also *Ossur Hf*, IPR2014-00145, Paper 13.