



THINK FORWARD

How Many Bites at the Apple?

Three. At least this was the case in *Xactware Solutions, Inc. v. Eagle View Technologies, Inc.* (IPR2017-00021; hereinafter the “third petition”) where the Board denied institution of Petitioner’s third attempt to invalidate US Patent No. 8,078,436 (hereinafter the “436 patent”), exercising the Board’s discretion under 35 U.S.C. § 314(a) and 37 C.F.R. § 42.108.

In February of 2016, the Petitioner filed its first petition for *inter partes* review of the 436 patent, asserting a single ground of unpatentability in view of a combination of non-patent literature references, referred to as Hsieh and Applicad. (IPR2016-00582; hereinafter the “first petition”). The first petition was filed following a complaint in district court by the Patent Owner against the Petitioner for infringement of the 436 patent, amongst other patents, in September of 2015. (The first petition was served in October 2015). The Patent Owner filed a preliminary response in May of 2016, outlining the reasons why the Petitioner failed to demonstrate that Hsieh and Applicad were printed publications. In August of 2016, the Board denied institution of the first petition because the Petitioner had failed to establish Hsieh as a printed publication.

Shortly after denial of the first petition, in September of 2016 the Petitioner filed its second petition for *inter partes* review of the 436 patent, asserting the same ground as in the first petition, while also attempting to cure the deficiencies of the first petition by including more specific evidence regarding public accessibility of the Hsieh reference. (IPR2016-01775; hereinafter the “second petition”). In its preliminary response, the Patent Owner argued the second petition should be denied under § 325(d) because the Petitioner’s second petition was substantially identical to the first petition, which would essentially be an attempt at a do-over. The Board agreed with the Patent Owner, and exercised its discretion under § 325(d) to deny institution of the second petition.

In October of 2016, the Petitioner filed the third petition for *inter partes* review of the 436 patent (IPR2017-00021), asserting two new grounds including new combinations of references. The first new ground asserted a combination of Applicad with a third reference (Avrahami), and the second new ground asserted a combination of Applicad with a fourth reference (McKeown). Even so, the Board denied institution of the third petition by exercising its discretion under § 314(d). In doing so, the Board considered the following factors:

1. whether the same Petitioner previously filed a petition directed to the same claims of the same patent,
2. whether the Petitioner knew or should have known of the prior art asserted in the later petition when it filed its earlier petition,
3. whether at the time of filing of the later petition, the Petitioner already received the Patent Owner’s preliminary response to the first petition or received the Board’s decision on whether to institute review in the earlier petition,
4. the length of time that elapsed between when the Petitioner had the Patent Owner’s or Board’s analysis on the earlier petition and when Petitioner filed the later petition, and
5. whether the Petitioner provided adequate explanation why the Board should permit another

attack on the same claims of the same patent.

For all five of the above factors, the Board found the circumstances supported denial of the third petition. With respect to factor (b), the Board found that the Petitioner knew about the “new” prior art references Avrahami and McKeown, as they were included in the Petitioner’s invalidity contentions filed in the district court case one day after the first petition. The Board specifically called out, as unfair to the Patent Owner, the Petitioner’s strategy of withholding additional challenges until receiving the Board’s feedback in the Institution Decision and the Patent Owner’s preliminary response.

The petition-filing strategy here can be instructive for future petitioners. First, petitioners should take seriously their burden to support any non-patent literature relied upon in their petition to be a printed publication. Second, petitioners should think twice about whether to include additional grounds of rejection with prior art that was known to them at the time of filing their initial petitions. Although petitioners may have time to file subsequent petitions to attempt to cure their initial deficiencies, the Board will use its discretion to factor any potential unfairness and prejudice to patent owners that may arise from multiple petitions to deny subsequent petitions.

Contact Us

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