Redundant Grounds: A Growing Hazard In Post-Grant Practice

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Given the expense of post-grant proceedings at the Patent Trial and Appeal Board and the risk of estoppel, petitioners are understandably tempted to pursue more than one ground of unpatentability: If one ground does not succeed, they hope another will. Before the first petition was filed, however, the PTAB set tools in place to limit the number of grounds to minimize the risk of abuse. As PTAB post-grant dockets have swollen, the PTAB has expanded its use of one tool in particular — redundant grounds — as a docket-management device. Because a decision on whether to institute is essentially unreviewable on appeal, and the consequences of a ground denied on the basis of redundancy might not be apparent until late in the proceeding, redundancy poses a significant hazard for petitioners.

The Statutory and Regulatory Framework

Neither Chapter 31 (inter partes review) nor Chapter 32 (post-grant review) of 35 U.S.C. mention redundant grounds in the same proceeding. Section 325(d) addresses redundancy between multiple proceedings by permitting the director to “take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.” The PTAB addresses same-proceeding redundant grounds, however, in 37 C.F.R. §42.108(a), which provides that in an inter partes review the PTAB “may authorize the review to proceed ... on all or some of the grounds of unpatentability asserted for each claim.”[1] The statutory authority for these rules is simply the general rulemaking authority.[2]

Liberty Mutual Establishes a Practice

When it promulgated rules for same-proceeding redundancy, the PTAB did not explain the basis for these rules, but an early expanded-panel decision set out a rationale. In Liberty Mutual Ins. Co. v. Progressive Cas. Ins. Co., the petitioner had asserted 422 grounds against 20 claims.[3] Judge Jameson Lee explained that asserting numerous grounds places an undue burden on the patent owner and the PTAB, and thus would likely cause delays.[4] The opinion noted two types of redundancy: applying many different prior art references independently to a claim (“horizontal redundancy”) and applying combinations of both some and all of the references to a claim (“vertical redundancy”).[5] For both kinds of redundancy, the PTAB held that the petitioner failed to explain the relative strengths and
weaknesses of the grounds. The PTAB required the petitioner to pick a ground for each group it analyzed, or else the PTAB would proceed on the basis of the grounds it tentatively picked. The PTAB ultimately instituted review on 21 grounds.

The practice adopted in Liberty Mutual bears a resemblance to the district court practice endorsed in In re Katz Interactive Call Processing Patent Litig., 639 F.3d 1303 (Fed. Cir. 2011). The district court, facing an enormous number of seemingly duplicate claims, had required the plaintiff to select a much smaller number (64) of representative claims. The Federal Circuit affirmed, noting that the district court had authorized the plaintiff to justify adding more claims for consideration. As in Liberty Mutual, the opposing party and tribunal faced an enormous number of issues, and the plaintiff was required to reduce the number of issues to a representative subset that was still quite large, but was given the opportunity to justify a different subset.

Subsequent Developments

Since Liberty Mutual, however, PTAB redundant-ground practice has become much more restrictive and much less interactive. For example, in Shaw Indus. Group Inc. v. Automated Creel Sys. Inc., IPR2013-00132 (PTAB), now on appeal at the Federal Circuit, the PTAB faced 15 grounds of unpatentability. The PTAB selected eight grounds and denied the others as “redundant.” The petitioner was not authorized to select a different ground or to explain why the grounds were not redundant. Ultimately, the PTAB entered a judgment of unpatentability against some, but not all, of the instituted claims because it held that the grounds it had selected did not teach all limitations in one subset of claims. The petitioner, however, had argued that the same claims were independently anticipated in a ground that the PTAB designated as redundant. Hence, in the end, at least one of the other grounds was not actually redundant.

In another example, the PTAB in Harmonic Inc. v. Avid Tech. Inc., IPR2013-00252, without consultation with the parties, paired five presented “horizontal” grounds down to only one ground selected for institution. Similar to in Shaw, the PTAB entered a judgment of unpatentability against some, but not all, of the instituted claims — but never revisited the “redundant” grounds, some of which cited admitted prior art directed to the limitation the PTAB found missing from the instituted ground.

The PTAB’s redundant-grounds practice can be onerous for petitioners. If a petitioner advances more than one ground of unpatentability for a claim, the petitioner may be expected to compare the relative merits of the grounds. The number of grounds the PTAB considers burdensome has fallen from hundreds into single digits, making redundancy a risk for many more petitions. Moreover, the PTAB now rarely provides an analysis for the redundancy; rather, more than one ground for a single claim is often treated as redundant per se. The redundancy determination also occurs in the institution decision, which the PTAB presumes is rarely if ever reviewable. Finally, “redundant ground” is a misnomer because there is rarely a check at institution or later to see if the grounds are legally or factually redundant. The PTAB has apparently come to appreciate the last point because more recent decisions are less likely to invoke redundancy; instead, they rely on administrative efficiency, citing its rule requiring a just, speedy, and inexpensive resolution of every review.

The PTAB has a crowded docket. Trimming away alternative grounds undoubtedly reduces the time and expense of resolving a review, but whether it is just depends on the facts of the case. A petitioner who takes a shotgun approach to proving unpatentability might find that none of the grounds are sufficiently developed to warrant institution. On the other hand, automatic denial of institution on a ground that has been developed adequately without an analysis or a reasonable opportunity to respond is
difficult to reconcile with ordinary notions of justice. For example, denying review without deciding the merits leaves the petitioner in an ambiguous status for subsequent estoppel purposes.[18]

Administrative efficiency is a particularly weak rationale because Congress gave the PTAB two docket-management tools: an interim authority to cap the number of inter partes reviews instituted[19] and the ability to take an additional six months to decide cases when necessary.[20] The second option would permit the PTAB to set aside redundant grounds until the instituted grounds have been decided and only revisit the set-aside grounds if they are not moot. The PTAB could also use its sanction power to address abuses directly. In sum, the PTAB should rarely need same-review redundant grounds as a case-management tool.

**Options for Petitioners**

Redundant-ground practice is perilous for a petitioner because, even when the petitioner presents overlapping grounds in good faith, the PTAB might select the weakest proffered ground for unexplained reasons. Indeed, a patent owner could strategically structure its preliminary response to encourage this result. A petitioner should limit the proposed grounds to a small number of solid grounds and put its efforts into making the support for those grounds as strong as possible. The petitioner should also consider providing a preemptive explanation of why multiple grounds are not redundant. If the institution decision nevertheless denies some grounds as redundant, the petitioner should consider requesting rehearing to explore alternatives such as selecting a different ground or holding the unselected grounds in abeyance pending a final decision on the merits of the instituted grounds. A petitioner could file another petition for the unselected grounds and seek joinder.[21] An added benefit of this approach is that the one-year deadline does not apply to joined cases.[22] Finally, a perfunctory decision on rehearing might aid the petitioner in seeking a writ of mandamus.

The PTAB needs tools to manage its docket. Even without statutory authority, the PTAB should have some capacity to curb abuses. The redundant-ground practice has evolved, however, to cover situations that are far from abusive. Moreover, given the available alternatives, using redundant grounds as a basis for denial without an explanation or any meaningful review is a practice that in itself may appear to be somewhat abusive.

—By Richard Torczon, Wilson Sonsini Goodrich & Rosati PC

*Richard Torczon is of counsel in Wilson Sonsini’s Washington, D.C., office.*

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[1] See also 37 C.F.R. §42.208(a) (same for post-grant review).


[4] Id. at 1-2.
[5] Id. at 2.

[6] Id. at, e.g., 6 & 13.

[7] Id. at, e.g., 6-7 & 14.


[9] Id. at 1311-12.


[12] Id. at 38.


[14] See In re Cuozzo Speed Techs. LLC, App. No. 2014-1301, slip op. at 11 (Fed. Cir. 2015) (holding that the institution decision was not reviewable, but suggesting in dicta that mandamus review might be available in rare instances).


[18] See United States Postal Servs., CBM2014-00116, Paper 24 at 6 (noting, but declining to resolve, the estoppel question).


