

## Legal Updates & News

### Legal Updates

#### Reexaminations Increase in Popularity

September 2007

by [Robert A. Saltzberg](#), [Mehran Arjomand](#)

#### Related Practices:

- [Intellectual Property](#)
- [Patent Prosecution & Counseling](#)

The USPTO has released its reexamination statistics through the third quarter of its fiscal year. Both *ex parte* and *inter partes* filings are on track for record totals, with a large increase seen in *inter partes* filings.

Through June 30, 2007 (the end of the third quarter), the USPTO received 477 *ex parte* reexamination filings. Only 340 requests had been filed by the same time last year. This represents a 40% increase.

The gains are even larger for *inter partes* reexamination. Through June 30, 2007, 90 *inter partes* reexamination requests were filed as compared to 40 requests by the same time last year. Indeed, the 90 requests filed through the first three quarters of fiscal year 2007 is more than the 70 requests filed for *all* of fiscal year 2006.

The increase in *inter partes* reexaminations is particularly surprising given the risk of litigation estoppel. 35 USC 315(c). The estoppel precludes the requester from later asserting in litigation the invalidity of a claim on any ground which it raised or "could have raised" during the reexamination. Concern about the estoppel has limited the use of *inter partes* reexaminations in the past.

However, the upward trend in *inter partes* filings suggests that any estoppel concern is being outweighed by the perceived benefits of *inter partes* reexamination, particularly in the current patent litigation landscape. An *inter partes* reexamination can stay litigation (and its accompanying costs), and can provide a different forum for the litigation. In fact, the statistics suggest that *inter partes* reexamination is being used more frequently in the context of litigation. Currently 50% of the pending *inter partes* reexaminations are co-pending with litigation as compared to 26% at the same time last year.

The statistics also confirm that almost all *ex parte* reexamination requests (92%) are granted by the USPTO. Once granted, the odds are the claims will be amended in some form. The claims are changed in 64% of *ex parte* reexaminations. Such amendments may give rise to "intervening rights," which would allow the third party to continue practicing technology implemented before grant of the reexamination, even though such technology may later infringe a claim amended during reexamination. All the claims are confirmed in 26% of *ex parte* reexaminations, and all claims canceled in only 10% of *ex parte* reexaminations. In other words, claims are amended or canceled in almost 75% of all *ex parte* reexaminations.

For *inter partes* reexaminations, the statistics favor the requester even more (although the statistical sample is much smaller than for *ex parte* reexaminations). Ninety-six percent of all requests are granted. Only eight *inter partes* reexaminations have been completed, but all the claims have been canceled in seven of these eight reexaminations.

In sum, the USPTO has seen a marked increase in reexamination filings, apparently due, at least in part, to the increasing confidence of third-party requesters that reexamination will result in a favorable outcome. This is borne out by recent statistics, in which, at least for *ex parte* filings, claims in almost 75% of those reexaminations were amended or canceled. We suspect the popularity of reexaminations will continue, as clients and litigators come to view the USPTO as a less expensive, more favorable forum than the courtroom in many patent disputes.

