Sterne Kessler
STERNE KESSLER GOLDSTEIN & FOX

November 2020

The PTAB Strategies and Insights newsletter provides timely updates and insights into how best to handle proceedings at the USPTO. It is designed to increase return on investment for all stakeholders looking at the entire patent life cycle in a global portfolio.

This month we cover:

- How the Federal Circuit held the Board's non-analogous art test was wrong and issued a redo on remand; and
- A reminder that the comment period ends tomorrow for the latest Federal Register Notice on maybe the hottest topic at the PTAB.

We welcome feedback and suggestions about this newsletter to ensure we are meeting the needs and expectations of our readers. So if you have topics you wish to see explored within an issue of the newsletter, please reach out to me.

To view our past issues, as well as other firm newsletters, please click here.

Best,
Jason D. Eisenberg

IN THIS ISSUE

DOWNLOAD

Editor & Author:

Jason D. Eisenberg
Director
jasone@sternekessler.com

Author:

Sasha S. Rao
Associate
srao@sternekessler.com

MISSING ANALYSIS OF "PROBLEM BEING SOLVED" DOOMS PTAB NON-ANALOGOUS ART FINDINGS AND COURT ORDERS A REDO ON REMAND

By: Sasha S. Rao and Jason D. Eisenberg

In its decision to remand, the Federal Circuit (1) held the Board's non-analogous art test was wrong and articulated a new test for the Board to follow on remand, and (2) left it up to the Board to make the ultimate decision of whether the reference was non analogous art, as the Board has originally held, or whether it was actually analogous under the new test.

Read More

TO DENY OR NOT TO DENY – UNDER EITHER 314(a) OR 325(d) – IT'S APPROACHING AN APEX AT THE PTAB, DISTRICT COURT, AND FEDERAL CIRCUIT

By: Jason D. Eisenberg

As a follow up to our May 2020 article, and taking no side in this article, I write to remind the bar that on November 19, 2020 the Comment period ends for the latest Federal Register Notice on maybe the hottest topic at the PTAB – what factors should the Board use to determine that a petition should be denied for either (1) having substantially the same art or arguments as a previous proceeding or (2) because a co-pending Court proceeding may decide substantially the same issues before the PTAB will render a final written decision.

Read More

Sterne Kessler
STERNE KESSLER GOLDSTEIN & FOX

November 2020

MISSING ANALYSIS OF "PROBLEM BEING SOLVED" DOOMS PTAB NON-ANALOGOUS ART FINDINGS AND COURT ORDERS A REDO ON REMAND

By: Sasha S. Rao and Jason D. Eisenberg

In its decision to remand, the Federal Circuit (1) held the Board's non-analogous art test was wrong and articulated a new test for the Board to follow on remand, and (2) left it up to the Board to make the ultimate decision of whether the reference was non analogous art, as the Board has originally held, or whether it was actually analogous under the new test.

In *Donner Technology, LLC v. Pro Stage Gear, LLC*, the Federal Circuit held that "when addressing whether a reference is analogous art with respect to a claimed invention under a reasonable-pertinence theory, the problems to which both relate must be identified and compared." *Donner Tech., LLC v. Pro Stage Gear, LLC*, 2020-1104, Slip Op. at 8 (Fed. Cir. Nov. 9, 2020). The PTAB had failed to do so.

The patent-at-issue, U.S. Patent No. 6,459,023 ("the '023 patent"), is directed to mounting guitar effects on a pedal board—specifically, "an improved pedal effects board which allows easy positioning and changing of the individual guitar effects while providing a confined and secure area for cable routing and placement." '023 Patent, 2:1–4.

Petitioner Donner filed an IPR against the '023 patent alleging obviousness under at least Mullen. Mullen related to an improved support for electrical relay structures with channels for wires that connect to them. Donner argued that Mullen is analogous art "because it is reasonably pertinent to the well-known problem of cable routing in the field of effect support boards." The PTAB rejected Donner's obviousness challenges based on its determination that Mullen is not analogous art to the '023 patent and thus falls outside the scope of the prior art.

Neither party disputed the "field of endeavor" prong, so the issue on appeal was "whether Mullen is *reasonably pertinent* to one or more of the particular problems to which the '023 patent relates." *Donner Tech.*, Slip Op. at 7 (emphasis added).

The Court held that "[a]lthough the dividing line between reasonable pertinence and less-than-reasonable pertinence is context dependent, it ultimately rests on *the extent to which the reference of interest and the claimed invention relate to a similar problem or purpose*." *Id*. (emphasis added). "[T]he relevant purposes of an invention are those relating to solving a problem." *Id*. at 9. The Court focused on the Board's failure to identify and compare the purposes or problems that Mullen and the '023 patent seek to solve.[i] *Id.* at 8. First, the Board

never articulated the problem to which Mullen relates. *Id.* at 10. Second, the Board had stated that "the purpose of the '023 patent" is "to mount guitar effects on a pedal board." The '023 patent explains that mounting guitar effects on a pedalboard was known in the art. *Id*. at 8. Thus, the Board's articulation "could not possibly be a relevant purpose of the invention" because there would be no problem to solve. *Id.* at 8–9.

Furthermore, the Federal Circuit found that "the Board's articulation of the purpose of or problem to be solved by the '023 patent is so intertwined with the patent's field of endeavor that it would effectively exclude consideration of any references outside that field." *Id.* The Court explained that "the reasonable-pertinence analysis must be carried out through the lens of a PHOSITA who is considering turning to art outside her field of endeavor," and "[s]uch a PHOSITA—resigned to considering art outside her field of endeavor—would thus not identify the problems so narrowly so as to rule out all such art."[ii] *Id*. at 9-10.

The Board had also alluded to another purpose of the '023 patent: "a problem with cable routing and placement for effects pedal boards in 1999 or 2000." *Id.* at 10. The Court noted that the Board failed to accompany this articulation with any "meaningful[] engage[ment]." *Id.* The Board had not "compared this problem with any problems addressed by Mullen;" "assessed whether Mullen was reasonably pertinent to this problem;" or determined that this problem is one to which references outside the '023 patent's field of endeavor might reasonably pertain. *Id.*

As the Board "failed to identify and compare the problems to which the '023 patent and Mullen relate[d]," the Federal Circuit concluded that "the Board applied the wrong standard when assessing whether Mullen was analogous art." *Id.* at 10, 12.

Takeaways:

1. When addressing whether a reference is analogous art with respect to a claimed invention under a reasonable-pertinence theory, the problems to which both relate must be identified and compared.
2. The articulated problem that the claimed invention attempts to solve should not be so intertwined with its field-of-endeavor such that it would preclude consideration of any references outside that field.
3. A reference can be analogous art with respect to a patent even if there are significant differences between the two.
4. A PHOSITA need not understand the entirety of a reference for that reference to qualify as analogous art as long as the PHOSITA understands the relevant teachings of that reference sufficiently well to solve her problem.
5. A significant difference in the age of a reference and the claimed invention may be impactful only if it relates to the problem being solved or why a PHOSITA would not turn to the reference's teachings.

---

[i] The Court initially noted that the Board had overlooked the petitioner's argument and evidence explaining that Mullen is analogous art. *Id.* at 8.
[ii] The Court identified that a potential exception to this rule is "where the problem a reference solves is so specific to its particular field of endeavor that a PHOSITA could not possibly describe the problem the reference solves other than in a manner that rules out all art outside that field." *Id.* at 9 n.1.

Sterne Kessler
STERNE KESSLER GOLDSTEIN & FOX

November 2020

TO DENY OR NOT TO DENY – UNDER EITHER 314(a) OR 325(d) – IT'S APPROACHING AN APEX AT THE PTAB, DISTRICT COURT, AND FEDERAL CIRCUIT

By: Jason D. Eisenberg

As a follow up to our May 2020 article, and taking no side in this article, I write to remind the bar that on November 19, 2020 the Comment period ends for the latest Federal Register Notice on maybe the hottest topic at the PTAB – what factors should the Board use to determine that a petition should be denied for either (1) having substantially the same art or arguments as a previous proceeding or (2) because a co-pending Court proceeding may decide substantially the same issues before the PTAB will render a final written decision.

On October 20, 2020, the Office issued a request for comments allowing about 30 days for response. The request posed these questions:

Serial Petitions

> 1. Should the Office promulgate a rule with a case-specific analysis, such as generally outlined in *General Plastic*, *Valve I*, *Valve II*, and their progeny, for deciding whether to institute a petition on claims that have previously been challenged in another petition?
>
> 2. Alternatively, in deciding whether to institute a petition, should the Office (a) altogether disregard whether the claims have previously been challenged in another petition, or (b) altogether decline to institute if the claims have previously been challenged in another petition?

Parallel Petitions

> 3. Should the Office promulgate a rule with a case-specific analysis, such as generally outlined in the Consolidated Trial Practice Guide, for deciding whether to institute more than one petition filed at or about the same time on the same patent?
>
> 4. Alternatively, in deciding whether to institute more than one petition filed at or about the same time on the same patent, should the Office (a) altogether disregard the number of petitions filed, or (b) altogether decline to institute on more than one petition?

Proceedings in Other Tribunals

5. Should the Office promulgate a rule with a case-specific analysis, such as generally outlined in *Fintiv* and its progeny, for deciding whether to institute a petition on a patent that is or has been subject to other proceedings in a U.S. district court or the ITC?

6. Alternatively, in deciding whether to institute a petition on a patent that is or has been subject to other proceedings in district court or the ITC, should the Office (a) altogether disregard such other proceedings, or (b) altogether decline to institute if the patent that is or has been subject to such other proceedings, unless the district court or the ITC has indicated that it will stay the action?

Other Considerations

7. Whether or not the Office promulgates rules on these issues, are there any other modifications the Office should make in its approach to serial and parallel AIA petitions, proceedings in other tribunals, or other use of discretion in deciding whether to institute an AIA trial?

We also see the NHK-Fintiv issues playing out in District Court and in mandamus actions at the Federal Circuit.

Wherever you and your clients come out on these issues, if this come to fruition as a new set of proposed rules, the PTAB practice may change substantially over the next year. Even if the rules get caught up in district court or appellate litigation for a long time after they issue.