



Patent Office Issues New Guidance for PTAB Proceedings

MARCH 27, 2025

The U.S. Patent and Trademark Office (USPTO) has not been slow in pushing out new Patent Trial and Appeal Board (PTAB) guidance following the change in administration. Updates are listed below; please contact us with any questions.

PTAB DISCRETIONARY DENIALS:

1. On February 28, 2025, the PTAB rescinded its June 21, 2022, memorandum titled “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation.” The 2022 memorandum was viewed as reducing the number of times the PTAB exercised its discretion to deny IPR challenges; particularly when IPR petitioners offered a *Sotera* stipulation (an agreement that if the PTAB institutes trial, the petitioner will not raise in parallel litigation any invalidity grounds that the petitioner raised, or reasonably could have raised, in the IPR petition); when a request for denial under *Fintiv* was based on a parallel ITC proceeding; or when an IPR petition presented a compelling showing on the merits.
2. On March 24, 2025, Chief Administrative Patent Judge Boalick issued a memorandum ([here](#)) titled: “Guidance on USPTO’s Recission of ‘Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation.’” The memorandum provided further guidance on the rescinding action while clarifying that the prior memorandum issued while the USPTO explored potential rulemaking, but no such rulemaking occurred. The new memorandum provides the following guidance: (1) the rescinding action applies only on a forward-looking basis for cases pre-institution, or post-institution if a request for Director Review is pending, and timely requests for additional briefing on the application of the recission will be considered; (2) in applying the *Fintiv* discretionary denial factors, the Board “is more likely to deny institution where the ITC’s projected final determination date” (i.e., not the ALJ’s initial determination date) “is earlier than the Board’s deadline to issue a final written decision, and the Board is less likely to deny institution under *Fintiv* where the ITC projected final determination date is after the Board’s deadline to issue a final written decision”; (3) a timely filed *Sotera* stipulation is highly relevant to the discretionary denial analysis, but is no longer dispositive; (4) the *Fintiv* analysis will consider any evidence regarding when a parallel district court/ITC action is anticipated to resolve, including median time-to-trial statistics; and (5) the Board will continue to evaluate the strength of an IPR challenge’s merits for the *Fintiv* analysis, but that factor alone is not dispositive.

These points were previewed at the recent 2025 PTAB Bar Association Annual Conference, as were potential changes to the Director Review process allowing for parties to file a response to Director Review requests and encouraging parties to raise factual as well as legal and policy-based issues in Director Review requests.

3. On March 26, 2025, Acting USPTO Director Coke Stewart issued a memorandum ([here](#)) providing further guidance. The memorandum states that IPR/PGR institution decisions will be bifurcated between discretionary and merit considerations with the Director and at least three PTAB judges determining whether a discretionary denial is appropriate. The USPTO will permit parties to file separate briefing on discretionary denial requests as follows:

- within two months of the date on which the PTAB enters a Notice of Filing Date Accorded to a petition, a patent owner may file a brief explaining any applicable bases for discretionary denial of institution;
- a petitioner may file an opposition brief no later than one month after the patent owner files its brief;
- leave to file further briefing may be permitted for good cause;
- consistent with 37 C.F.R. § 42.24, discretionary denial briefing will be limited to 14,000 words;
- a reply brief, if any, will be limited to 5,600 words; and
- the merits briefing schedule and the schedule for requesting rehearing or Director Review as to a decision on institution remain unchanged.

The memorandum further states that parties are permitted to address all relevant considerations, which may include:

- whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- the strength of the unpatentability challenge;
- the extent of the petition's reliance on expert testimony;
- settled expectations of the parties, such as the length of time the claims have been in force;
- compelling economic, public health, or national security interests; and
- any other considerations bearing on the Director's discretion (including a consideration of the PTAB's ability to comply with pendency goals for *ex parte* appeals, statutory deadlines for AIA proceedings, and other workload needs).

The memorandum states that the processes described therein apply to IPR and PGR proceedings that are prior to the deadline for the patent owner to file a preliminary response, but the patent owner may otherwise submit discretionary denial briefing within one month of the memorandum if the timeline for filing discretionary denial briefing has already elapsed. The memorandum concludes by noting that the guidance is “temporary in nature due, in part, to the current workload needs of the PTAB.”

Takeaway: IPR discretionary denials are anticipated to increase given the new guidance, causing many companies to take a closer look at alternatives such as *ex parte* reexaminations in the absence of additional information.

DIFFERENT CLAIM CONSTRUCTIONS IN PTAB AND PARALLEL LITIGATION:

On March 20, 2025, the Patent Office notified practitioners ([here](#)) that the PTAB designated *Cambridge Mobile Telematics, Inc. v. Sfarra, Inc.*, IPR2024-00952, Paper 12 (PTAB Dec. 13, 2024) as informative as to the majority opinion. In *Cambridge*, the PTAB exercised its discretion to deny an IPR petition because the petitioner argued for plain and ordinary meaning in the IPR petition but had argued in a parallel litigation for a 35 U.S.C. § 112(f) means-plus-function construction finding the claim indefinite for lack of sufficiently disclosed structure in the specification. The *Cambridge* majority reiterated that PTAB rules “do not necessarily prohibit petitioners from taking inconsistent claim construction positions before the Board and a district court.” (citing *10x Genomics, Inc. v. Bio-Rad*

Lab'ys, Inc., IPR2020-00086, Paper 8 at 18 (PTAB Apr. 27, 2020)). Nevertheless, the *Cambridge* majority admonished the petition for failing to explain why the plain and ordinary meaning of the relevant term “should apply in this proceeding (why the inconsistent positions are warranted) or set forth an alternative means-plus-function claim construction.” The *Cambridge* majority concluded by focusing on the specific facts of the litigation: “here, where Petitioner has emphasized in district court that whether the [relevant] terms are means-plus-function limitations not only ‘will be most significant’ but, ‘will be case . . . dispositive’ and both parties previously provided the district court with competing means-plus-function claim constructions, we determine the Petition to be deficient under our rules.”

Takeaway: The PTAB is statutorily limited from resolving indefiniteness challenges and may deny institution if the Board is unable to ascertain a definite scope for the challenged claim language. This practice sometimes leads to companies proposing plain and ordinary meaning constructions in an IPR petition, while arguing the claims are indefinite in a parallel litigation. *Cambridge* potentially makes this practice more difficult but does not rule it out.

RETURN TO IN-PERSON WORK:

On March 7, 2025, the Patent Office issued a notification ([here](#)) that effective March 14, 2025, PTAB judges conducting virtual hearings appear from a hearing room at a USPTO office absent special circumstances. The notification follows the new administration’s return to in-person work policy. The policy encourages parties and the public to attend in person, but remote public access for virtual hearings remains available upon request.

Takeaway: The new policy encourages parties to participate in person, which may stymie the recent trend favoring virtual hearings.

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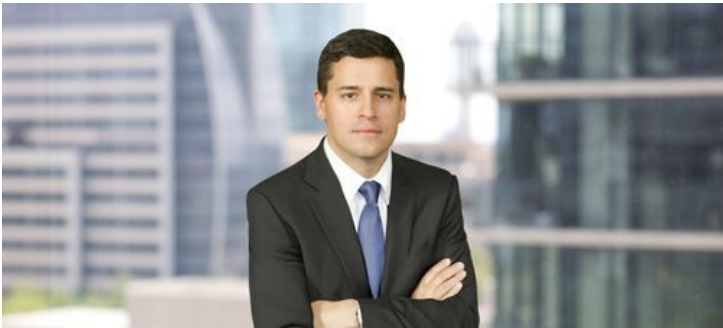
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