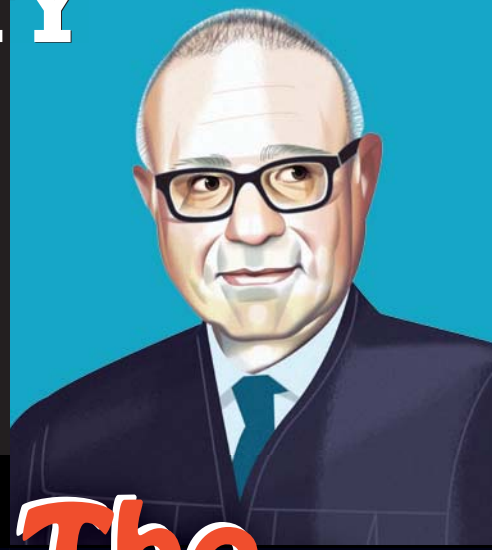


Intellectual PROPERTY

An ALM Supplement • Fall 2015



The Brainy Bunch

Meet the men and women
shaking up patent law as
judges on the Patent Trial
and Appeal Board.



DOCKET
ALARM

Find authenticated court documents without watermarks at docketalarm.com.

The Brainy Bunch

Litigating before the Patent Trial and Appeal Board means moving quickly. The 2011 America Invents Act did more than create a faster, cheaper alternative to district court litigation, it gave birth to a new court that's becoming more important than legislators ever imagined.

BY SCOTT GRAHAM AND LISA SHUCHMAN

When Scott Kamholz joined the Patent Trial and Appeal Board in 2012, he expected to ease into the new job by spending a couple of years handling relatively simple ex parte appeals.

“But no, that didn’t happen,” Kamholz says with a chuckle. With petitions for inter partes review flooding the board (PTAB), Kamholz transferred to the Trials Division two months after joining. A few months later he was made a manager, and by the time he returned to private practice this spring he’d touched 120 America Invents Act proceedings. “They needed people to step up,” he says.

Kamholz was on the front lines as the America Invents Act (AIA) remade the PTAB and created new proceedings that revolutionized patent litigation. About 60 new administrative judges, many

with prestigious resumes in private practice and government service, have joined about 25 veterans of the PTAB’s predecessor, the Board of Patent Appeals and Interferences, to take on most of the inter partes reviews (IPRs) and covered business method reviews to date.

Though the tribunal has become a critical venue for patent litigation in all industries, its new members and untested authority has also made it a blank slate for clients and practitioners. Now, after roughly three years of PTAB proceedings, lawyers are developing a sense of the judges’ personalities and track records. ALM spoke with more than a dozen PTAB experts and compiled data from the analytics website Docket Alarm to glean an insider’s view of the new forum.

Practitioners describe an engaged bench populated by lawyer-scientists

eager to drill down into the nitty-gritty of inventions and the art that preceded it. “You can’t wave your hand, gloss over weaknesses in a case and assume they won’t catch them. They will,” says Erika Arner, a partner at Finnegan, Henderson, Farabow, Garrett & Dunner who filed the first ever PTAB petition in 2012 and has been involved in dozens since.

“They’re going to ask the kinds of questions that make you feel like the witness that’s being deposed,” says Robert Steinberg, chairman of Latham & Watkins’ PTAB practice.

It can be unpredictable, too, as might be expected of a board developing rules and precedents almost from scratch. Oblon partner Scott McKeown was awestruck when two PTAB judges with electrical engineering degrees began examining an inventor about his computer code. “In district court, you never would

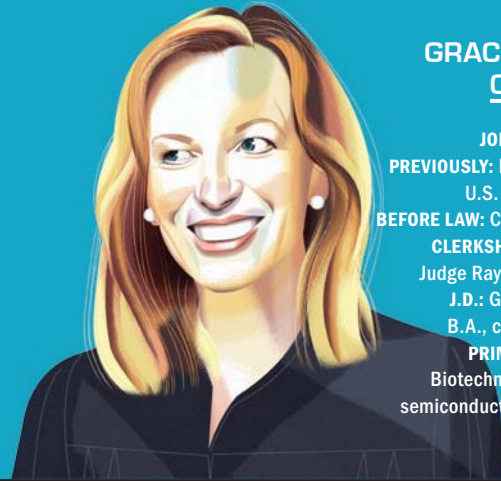
PETER CHEN

JOINED BOARD: 2013
PREVIOUSLY: Latham & Watkins;
McDermott Will & Emery;
Cadence Design Systems
J.D.: UC-Davis; M.A., biology
(Stanford)
PRIMARY TECH AREAS:
Semiconductors, electrical
and optical systems; computer
architecture software and
information security



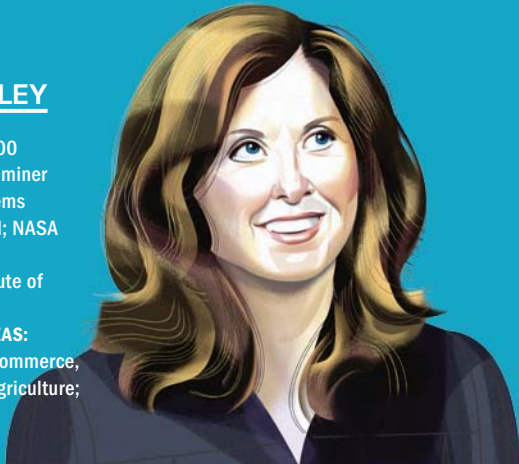
GRACE KARAFFA OBERMANN

JOINED BOARD: 2012
PREVIOUSLY: Davidson Berquist;
U.S. DOJ; Fish & Neave
BEFORE LAW: Chemist, FMC Corp.
CLERKSHIP: Federal Circuit
Judge Raymond Clevenger III
J.D.: George Washington;
B.A., chemistry (Rutgers)
PRIMARY TECH AREAS:
Biotechnology and organic;
semiconductors, electrical and
optical systems



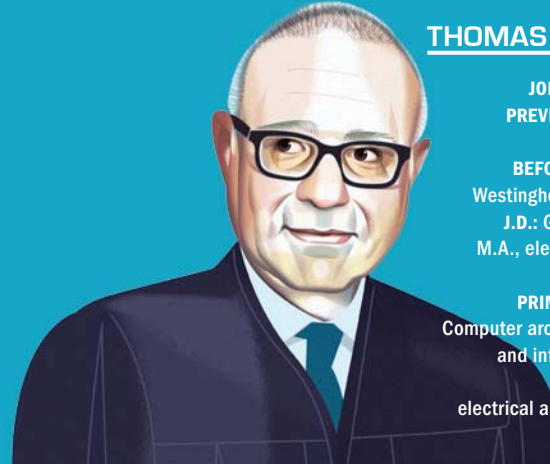
SALLY MEDLEY

JOINED BOARD: 2000
PREVIOUS: PTO examiner
BEFORE LAW: Systems
engineer, Lockheed; NASA
J.D.: George Mason
MBA: Florida Institute of
Technology
PRIMARY TECH AREAS:
Transportation, e-commerce,
construction and agriculture;
communications



THOMAS GIANNETTI

JOINED BOARD: 2012
PREVIOUSLY: Jones Day;
Fish & Neave
BEFORE LAW: Engineer,
Westinghouse Electric Corp.
J.D.: George Washington
M.A.: electrical engineering
(Carnegie Mellon)
PRIMARY TECH AREAS:
Computer architecture software
and information security;
semiconductors,
electrical and optical systems



see a judge asking to be walked through code, line by line,” says McKeown.

Kamholz strongly encourages practitioners to hold moot courts before appearing. “Sometimes we were relentless,” he says. “It’s one of the hottest benches going.”

GROWTH SPURT

The 2011 American Invents Act created a faster, cheaper alternative to district court litigation of patent validity. The mechanism has proven hugely popular with companies facing claims of patent infringement, though some patent holders say that’s because the board has been too eager to invalidate patent claims.

Randall Rader, the former chief judge of the U.S. Court of Appeals for the Federal Circuit, famously described the board as “a death squad”

for patents, though to date the Federal Circuit has shown plenty of deference to PTAB decisions.

The PTAB had received 3,500 petitions in AIA proceedings through June, and 150 to 170 continue to be filed each month. The board has held 466 trials, with 318 (68 percent) ending in the cancellation of all instituted claims. By statute, it operates on a swift time frame: The AIA mandated that the board must make a decision on whether to institute review within six months of receiving a petition and issue final decisions within one year after the decision to review.

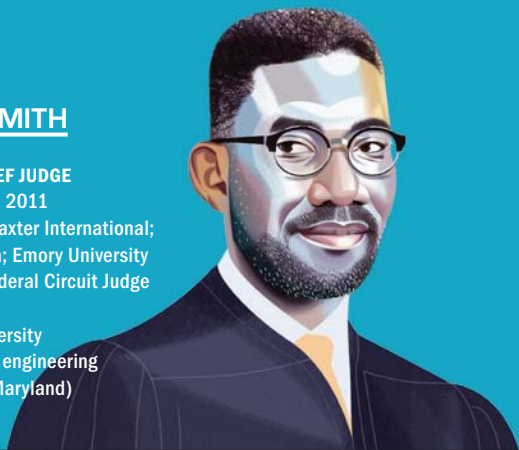
Following passage of the AIA, the board grew from fewer than 100 judges to about 230 today. The work includes traditional ex parte appeals, AIA proceedings and management/administration, with many judges doing some of each. The PTO does not release informa-

tion about its judges, But data compiled from Docket Alarm, a legal research and analytics website developed by IP litigator Michael Sander, indicates that about 80 judges have done the heavy lifting so far on AIA post-grant proceedings.

Several veterans of the PTAB’s predecessor, including Judges Jameson Lee, Joni Chang, Sally Medley and Michael Tierney, appear to have taken leadership roles on the new board, while ranking among the top producers so far. Cases aren’t assigned randomly at the PTAB—board management tries to staff each case with at least one veteran PTAB judge, one who’s more junior and at least one with expertise in the technology area. Lee, Medley and Tierney have appeared on many groundbreaking PTAB cases to date, and Chang is said to have a voice in case assignments, along with the panel’s outgoing chief judge, James Smith.

JAMES SMITH

OUTGOING CHIEF JUDGE
JOINED BOARD: 2011
PREVIOUSLY: Baxter International;
Lexmark; Nokia; Emory University
CLERKSHIP: Federal Circuit Judge
Paul Michel
J.D.: Duke University
B.A., electrical engineering
(University of Maryland)



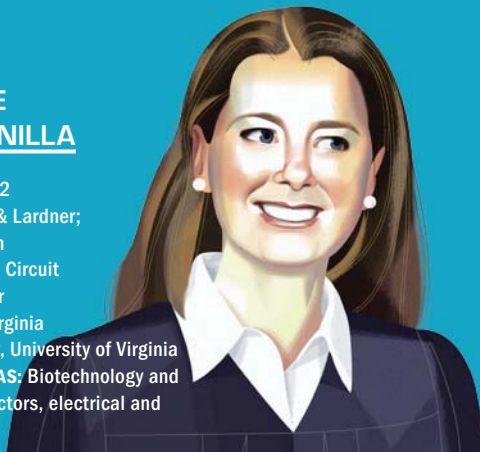
MICHAEL TIERNEY

JOINED BOARD: 2000
PREVIOUSLY: Morgan Lewis;
PTO examiner
J.D.: University of Washington
B.A., chemical engineering
(University of Washington)
PRIMARY TECH AREAS: Computer
architecture software and information
security; chemical and materials
engineering



JACQUELINE WRIGHT BONILLA

JOINED BOARD: 2012
PREVIOUSLY: Foley & Lardner;
Finnegan Henderson
CLERKSHIP: Federal Circuit
Judge Randall Rader
J.D.: University of Virginia
Ph.D.: Pharmacology, University of Virginia
PRIMARY TECH AREAS: Biotechnology and
organic; semiconductors, electrical and
optical systems



NATHAN KELLEY

DEPUTY CHIEF JUDGE
JOINED BOARD: 2015
PREVIOUSLY: PTO Solicitor's
Office; Sterne Kessler
CLERKSHIP: Federal Circuit
Judge Randall Rader
J.D.: George Mason University
B.A., electrical engineering
(George Mason University)



Lee and Tierney sat on the very first IPR, *Garmin v. Cuozzo Speed Technologies*, with Lee authoring a decision that set forth board discovery rules along the way. “The fact that he was on that panel was not an accident,” says Matthew Cutler, a Harness Dickey & Pierce partner who writes a blog on patent office litigation. The Federal Circuit affirmed Lee’s decision 2-1.

Tierney and Medley presided over the first covered business method review, *SAP America v. Versata*, where Tierney held that CBMs can include review for Section 101 patent eligibility. The Federal Circuit again affirmed in a split decision.

THE NEWCOMERS

Joining the PTO veterans are a raft of new members Chief Judge Smith recruited over the last few years from global powerhouses such as Latham & Watkins, Morrison & Foerster and Jones

Day; big firms with strong IP brands such as Foley & Lardner, Ropes & Gray and Fish & Richardson; and IP boutiques including Sterne, Kessler, Goldstein & Fox and Harness Dickey. Smith, who in May announced plans to step down later this year, also brought in intellectual property attorneys from the U.S. Justice Department’s Civil Division and the International Trade Commission.

At least 23 of the AIA judges hold advanced degrees in engineering, chemistry or other sciences to go along with their J.D.s. A few, like Kamholz, are M.D.s. “It is the biggest concentration of patent talent I’ve ever experienced,” Kamholz says.

Two of the newbies—Thomas Giannetti and Grace Karaffa Obermann—have already been designated lead judges and section supervisors. Giannetti previously spent 25 years as a partner at Jones Day and Fish & Neave, and once worked as an engineer at Westinghouse Electric Corp. Obermann was a chemist at FMC

Corp. before a 12-year stint with the Justice Department, where she handled IP disputes over everything from bombs and satellites to postage stamp art, according to her LinkedIn biography. She was a Federal Circuit clerk for Judge Raymond Clevenger III and practiced at IP boutique Davidson, Berquist, Jackson & Gowdey.

Kamholz, who has returned to Foley Hoag, worked under Giannetti and describes him as “very sensible and practical” but with an ability to see the big picture. That was especially important because “every decision that we were making then, early on, potentially had a big impact” on other cases down the road.

Obermann, meanwhile, is one of the judges who will decide probably the most politically charged issue now facing the PTAB: whether a hedge fund that has brought IPRs against pharmaceutical companies for the apparent purpose of driving down their stock prices is abusing



the IPR process. Obermann and several colleagues are weighing a motion by Celgene Corp. to dismiss four IPRs brought by the Hayman Capital-backed Coalition for Affordable Drugs.

Another newbie, Jacqueline Wright Bonilla, actually has a double dose of those cases. A pharmacology Ph.D. who practiced at Foley & Lardner for 10 years and clerked for Rader at the Federal Circuit, Bonilla is presiding over additional Hayman IPRs against Biogen, Shire Plc. and Cosmo Pharmaceuticals SA.

JUST A PHONE CALL AWAY

Dorsey & Whitney partner Adam Floyd was a PTAB judge from 2012 to 2014. He has a simple suggestion for lawyers new to practicing before the board: Use claim charts. “We see a lot of people file these petitions without claim charts, which I think is odd,” he says. Claim charts help narrow the issues, he says.

Harness Dickey’s Cutler recommends investing time in reading the PTAB’s informative decisions. (The board has issued only one precedential decision, but informative decisions are the next closest thing.) With a one-year deadline for final decisions, don’t expect wide-ranging, district court-style discovery, he says. “Rule No. 1 of IPRs is speedy, just and efficient. You’ll see that thread through a lot of their decisions,” he adds.

When procedural disputes do arise, the judges often work them out with the parties over the phone, without briefing. Baker Botts partner Eliot Williams recalls a quick teleconference when an objection was raised to the scope of a reply brief. “They then caucused while we were on hold. They came back on the line a few minutes later with a ruling,” Williams says. “They have to move fast and that’s how they do it.”

The board welcomes such calls, Kamholz says, provided the parties have first

“There’s very little margin for error in these proceedings. Better to ask questions and solve the problem.”

—Scott Kamholz

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.