

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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RUIZ FOOD PRODUCTS, INC.,  
Petitioner,

v.

MACROPOINT LLC,  
Patent Owner.

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Case IPR2017-02016  
Patent 8,275,358 B1

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Before MEREDITH C. PETRAVICK, TREVOR M. JEFFERSON, and  
NATHAN A. ENGELS, *Administrative Patent Judges*.

JEFFERSON, *Administrative Patent Judge*.

ORDER  
Conduct of the Proceeding  
Conference Regarding Motion to Amend  
*37 C.F.R. § 42.121*

Patent Owner requested a conference call to satisfy the requirement of 37 C.F.R. § 42.121(a) for a conference with the Board before filing a motion to amend claims. During a conference call with the parties on June 1, 2018, the panel provided guidance consistent with this Order. *See Western Digital Corp. v. SPEX Technologies, Inc.*, IPR2018-00082 (PTAB April 25, 2018) (Paper 13).

### I. MOTION TO AMEND

Unless the parties stipulate otherwise, a motion to amend must be filed by DUE DATE 1 set forth in the Scheduling Order (Paper 8). As provided by Congress, patent owners are entitled to file a motion to amend in *inter partes* reviews. Specifically, 35 U.S.C. § 316(d) states:

(d) Amendment of the Patent. –

(1) IN GENERAL. – During an inter partes review instituted under this chapter, the patent owner may file 1 motion to amend the patent in 1 or more of the following ways:

- (A) Cancel any challenged patent claim.
- (B) For **each** challenged claim, propose a reasonable number of substitute claims.

\* \* \* \*

(3) SCOPE OF CLAIMS. – An amendment under this subsection may not enlarge the scope of the claims of the patent or introduce new matter.

(emphasis added).

Congress also authorized the Director to set forth “standards and procedures” for moving to amend to cancel a challenged claim or propose a reasonable number of substitute claims. 35 U.S.C. § 316(a)(9). A regulation

directed to filing motions to amend claims in an *inter partes* review is 37 C.F.R. § 42.121.

*A. Contingent Motion to Amend*

A motion to amend claims may cancel claims or propose substitute claims. *See* 35 U.S.C. § 316(d)(1); 37 C.F.R. § 42.121(a)(3). A request to cancel claims will not be regarded as contingent. However, we shall treat a request to substitute claims as contingent. That means a proposed substitute claim will be considered only if the original patent claim it replaces is determined unpatentable. A patent owner should adopt a claim-by-claim approach to specifying the contingency of substitution, e.g., which claim for which claim and in what circumstance.

*B. Burden of Persuasion*

In October 2017, the U.S. Court of Appeals for the Federal Circuit issued an *en banc* decision in *Aqua Products, Inc. v. Matal*, 872 F.3d 1290 (Fed. Cir. 2017) (“*Aqua Products*”), addressing the burden of persuasion that the Board applies when considering the patentability of substitute claims presented in a motion to amend. In November 2017, the Board issued a memorandum providing further guidance on motions to amend in view of that decision. *See* Memorandum “Guidance on Motions to Amend in view of *Aqua Products*” (Nov. 21, 2017) (“Board’s Memorandum”).<sup>1</sup> Subsequent to the issuance of *Aqua Products* and the Board’s Memorandum, the Federal Circuit issued a decision in *Bosch Automotive Service Solutions, LLC v. Matal*, 878 F.3d 1027 (Fed. Cir. 2017) (“*Bosch*”), as well as a follow-up

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<sup>1</sup> Memorandum, “Guidance on Motions to Amend in view of *Aqua Products*” (Nov. 21, 2017), ([https://www.uspto.gov/sites/default/files/documents/guidance\\_on\\_motions\\_to\\_amend\\_11\\_2017.pdf](https://www.uspto.gov/sites/default/files/documents/guidance_on_motions_to_amend_11_2017.pdf))

Order amending that decision on rehearing. *See Bosch Auto. Serv. Sols., LLC v. Iancu*, Order on Petition for Panel Rehearing, No. 2015-1928 (Fed. Cir. Mar. 15, 2018).

In accordance with *Aqua Products*, the Board's Memorandum, and *Bosch*, a patent owner does not bear the burden of persuasion to demonstrate the patentability of substitute claims presented in a motion to amend. Rather, as a result of the current state of the law and USPTO rules and guidance, the burden of persuasion will ordinarily lie with the petitioner to show that any proposed substitute claims are unpatentable by a preponderance of the evidence. The Board itself also may justify any finding of unpatentability by reference to evidence of record in the proceeding, as it must do when a petitioner ceases to participate, as further noted in *Aqua Products* and *Bosch*. *Bosch*, 878 F.3d at 1040 (citing *Aqua Products*, 872 F.3d at 1311 (O'Malley, J.)). Thus, the Board determines whether substitute claims are unpatentable by a preponderance of the evidence based on the entirety of the record, including any opposition made by the petitioner.

Before considering the patentability of any substitute claims, however, the Board first must determine whether the motion to amend meets the statutory and regulatory requirements set forth in 35 U.S.C. § 316(d) and 37 C.F.R. § 42.121. Those requirements and other guidance are discussed below.

### *C. Reasonable Number of Substitute Claims*

By statute, in a motion to amend, a patent owner may cancel challenged claims or propose a reasonable number of substitute claims for each challenged claim. 35 U.S.C. § 316(d)(1)(B). There is a rebuttable

presumption that a reasonable number of substitute claims per challenged claim is one (1) substitute claim. 37 C.F.R. § 42.121(a)(3). A patent owner may rebut this presumption upon demonstration of a need to present more than one substitute claim per challenged claim. *Id.* (“A motion to amend may cancel a challenged claim or propose a reasonable number of substitute claims. The presumption is that only one substitute claim would be needed to replace each challenged claim, and it may be rebutted by a demonstration of need.”). Thus, to the extent a patent owner seeks to propose more than one substitute claim for each cancelled claim, the patent owner should explain in the motion to amend the need for the additional claims and why the number of proposed substitute claims is reasonable.

The determination of whether the number of proposed substitute claims is reasonable is made on a claim-by-claim basis, consistent with the statutory language that refers to a reasonable number of substitute claims for “each” challenged claim. 35 U.S.C. § 316(d)(1)(B); 37 C.F.R. § 42.121(a)(3). To help the Board determine whether a motion to amend meets the requirement, the motion should, for each proposed substitute claim, specifically identify the challenged claim that it is intended to replace. All proposed claims should be traceable to an original challenged claim as a proposed substitute claim for that challenged claim.

*D. Responds to a Ground of Unpatentability Involved in the Trial*

37 C.F.R. § 42.121(a)(2)(i) states that “[a] motion to amend may be denied where . . . [t]he amendment does not respond to a ground of unpatentability involved in the trial.” There is no specific format for complying with this rule. Thus, in considering the motion, we will consider the entirety of the record to determine whether Patent Owner’s amendments

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