



ARE Patent Law Alert: USPTO Publishes Rules Affecting Patent Amendments in Post-Grant Proceedings

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On December 18, 2020, the United States Patent and Trademark Office (the “USPTO”) published a final rule addressing the allocation of the burdens of persuasion in relation to motions to amend in post-grant proceedings. The revision will affect the rules of practice in inter partes review (“IPR”), post-grant review (“PGR”) and the transitional program for covered business method patents (“CBM”) proceedings before the Patent Trial and Appeal Board (“PTAB”).

Previously, the Board interpreted the requirement of 37 CFR § 42.20(c) that the movant bear the burden of proof with respect to motions before the PTAB to apply to motions to amend. Accordingly, the Board placed the burden of showing the patentability of proposed substitute claims on the patent owner moving to amend a patent in a trial proceeding.

However, the en banc Federal Circuit held in *Aqua Products, Inc. v. Matal* (872 F.3d 1290 (Fed. Cir. 2017)) that, in the absence of rulemaking, the PTAB could not place the burden of proving the unpatentability of substitute claims proposed in a motion to amend on the patent owner.

Following the Federal Circuit’s decision in *Aqua Products*, the USPTO issued formal guidance explaining that “the Board will not place the persuasion on a patent owner with respect to the patentability of substitute claims presented in a motion to amend.” [Guidance on Motions to Amend in view of Aqua Products.](#)

The USPTO had also de-designated informative decisions holding that the burden to show unpatentability is on the patent owner (see e.g., *Idle Free Sys., Inc. v. Bergstrom, Inc.*, IPR2012-00027 (PTAB June 11, 2013) (Paper 26) (“The burden is not on the petitioner to show unpatentability, but on the patent owner.”), and designated decisions holding that the burden is on the petitioner as precedential. See, e.g., *Lectrosonics, Inc. v. Zaxcom, Inc.*, IPR2018-01129 (PTAB Feb. 25, 2019) (Paper 15) (“the burden of persuasion ordinarily will lie with the petitioner to show that any proposed substitute claims are unpatentable by a preponderance of the evidence”).

In view of Federal Circuit case law and to bring clarity and predictability to the amendment



process in post-grant trial proceedings before the PTAB, the USPTO has revised the rules of practice governing motions to amend by expressly assigning the petitioner the burden of showing the unpatentability of substitute claims proposed in a motion to amend. However, the patent owner still bears the burden of showing that a motion to amend complies with certain statutory and regulatory requirements for such a motion.

Further, in view of the standard articulated by the Precedential Opinion Panel in *Hunting Titan, Inc. v. DynaEnergetics Europe GmbH*, IPR2018-00600 (PTAB July 6, 2020) (Paper 67), the final rule permits the PTAB, in the interests of justice, to exercise its discretion to grant or deny a motion to amend only for reasons supported by readily identifiable and persuasive evidence of record in the proceeding. In such circumstances where the Board exercises its discretion, the parties will have an opportunity to respond.

The final rule takes effect on January 20, 2021 and applies to all motions to amend filed in an IPR, PGR or CBM proceeding on or after January 20, 2021.

We will continue to monitor and report on developments. For more information, please contact us.

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