

# Publications

March 27, 2025 • Updates

## PTAB Unveils Updated Practices for Proceedings

The USPTO's Patent Trial and Appeal Board (PTAB) policy shifts demand and heightens strategic awareness. Clients are reminded that they must continue to align their PTAB and litigation efforts, leveraging timing, venue insights and tailored arguments to maximize their chances of success in this evolved landscape. These recent policy changes by the U.S. Patent and Trademark Office (USPTO) have significantly impacted discretionary denials and briefing procedures in PTAB cases.

### Rescission of Prior Guidance on Discretionary Denials

On February 28, 2025, the USPTO rescinded the June 21, 2022, memorandum titled "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation." This action restores the PTAB's reliance on precedential decisions such as *Apple Inc. v. Fintiv, Inc.* and *Sotera Wireless, Inc. v. Masimo Corp.* for guidance on discretionary denials.

### Updated Guidance from Chief Administrative Patent Judge Boalick

Following the rescission, on March 24, 2025, Chief Administrative Patent Judge Scott R. Boalick issued a memorandum providing further direction:

- **Application Scope:** The rescission applies to cases where the PTAB has not issued an institution decision or where a request for rehearing or Director Review is pending. The PTAB will consider timely requests for additional briefing on the rescission's application on a case-by-case basis.
- **Fintiv Analysis Adjustments:** The PTAB will continue applying the Fintiv factors, with notable clarifications.
- **ITC Proceedings:** The Board is more likely to deny institution if the International Trade Commission's (ITC) projected final determination date precedes the PTAB's deadline for a final written decision. Conversely, if the ITC's determination date is after the PTAB's deadline, discretionary denial is less likely.
- **Sotera Stipulations:** A timely filed Sotera stipulation remains highly relevant but is not dispositive in the discretionary denial analysis.
- **Merits of the Petition:** The strength of the inter partes review (IPR) challenge's merits will be evaluated within the Fintiv analysis but will not be solely determinative.

### Related People

- Suni Sukduang
- James P. Murphy

### Related Capabilities

- Intellectual Property
- Intellectual Property Litigation
- Post-Grant Proceedings

## PTAB's New Interim Workload Management Processes and Potential Budget Implications

On March 26, 2025, the USPTO introduces short-term strategies for the PTAB to manage backlogs and optimize judicial resources so that the PTAB can continue its work of adjudicated *ex parte* patent appeals and inter partes review proceedings. These measures that take effect on April 1, are described as “temporary in nature” and will remain in place until at least October 1, 2025. Although the memo does not explicitly mention budget cuts, its emphasis on shifting certain pre-institution tasks to non-Administrative Patent Judge (APJ) staff and prioritizing cases may be reflectively of broader federal efficiency efforts. These changes could be the result of budget reductions for the USPTO resulting from efforts by the Department of Government Efficiency (DOGE), which has discussed trying to achieve a 10–15% cut to the workforce across all federal agencies.

### Key Points:

- Resource Reallocation: Pre-institution tasks (like petition reviews) will be handled more often by non APJ staff, reducing APJ involvement at early stages.
- Potential Backlog Effects: With roughly 1,500+ annual inter partes and post-grant proceedings, fewer APJs or hiring freezes could exacerbate existing backlogs.
- Limits inter partes review: Adds additional non-merits briefing to the inter partes review process that could limit the total number of inter partes review proceeding instituted.
- Timeline: This six-month window aligns with the federal fiscal year reset on October 1, hinting that the USPTO might anticipate further changes (either potential relief or deeper cuts) at that time.

## New Briefing Procedures for Discretionary Denials

To enhance efficiency and consistency, the USPTO has implemented interim processes for discretionary denial briefing:

- Separate Briefing Schedule: Patent owners may file a brief outlining bases for discretionary denial within two months of the PTAB's Notice of Filing Date Accorded to a petition. Petitioners can file an opposition brief within one month of the patent owner's brief. Leave to file further briefing may be permitted for good cause.
- Word Limits: Consistent with 37 C.F.R. § 42.24, discretionary denial briefs are limited to 14,000 words and reply briefs to 5,600 words.

## Recent Guidance on PTAB Hearings

Effective March 14, 2025, PTAB judges conducting virtual hearings will appear from a PTAB hearing room at a USPTO office, absent special circumstances. Parties are encouraged to participate in person when possible but those who have scheduled virtual hearings may continue to appear virtually. The public is also encouraged to observe hearings in person but remote public access for virtual hearings remains available upon request.

## Implications for Practice

- Parallel Proceedings: Assess the timelines and statuses of parallel district court or ITC proceedings, as these factors significantly influence the PTAB's discretionary decisions.
- Sotera Stipulations: While still influential, Sotera stipulations should be part of a comprehensive strategy rather than a standalone solution to avoid discretionary

denial.

- Evidence Submission: Provide detailed evidence regarding the expected resolution timelines of parallel proceedings to strengthen arguments against discretionary denial.

Polsinelli will continue monitoring these developments and inform you of any significant changes. Please contact us with questions about how these interim measures may affect your PTAB proceedings.

### **Sources:**

- USPTO Rescinds Memorandum Addressing Discretionary Denial Procedures: [https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures?utm\\_source=chatgpt.com](https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures?utm_source=chatgpt.com)
- Guidance on USPTO's Recission of "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation": [https://www.uspto.gov/sites/default/files/documents/guidance\\_memo\\_on\\_interim\\_procedure\\_recission\\_20250324.pdf?utm\\_source=chatgpt.com](https://www.uspto.gov/sites/default/files/documents/guidance_memo_on_interim_procedure_recission_20250324.pdf?utm_source=chatgpt.com)
- Interim Processes for PTAB Workload Management (March 26, 2025): [https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf?utm\\_campaign=subscriptioncenter&utm\\_content=&utm\\_medium=email&utm\\_name=&utm\\_source=govdelivery&utm\\_term=](https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf?utm_campaign=subscriptioncenter&utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=)