

1 (B) in section 316(a)—

2 (i) in paragraph (11), by striking
3 “section 315(c)” and inserting “section
4 315(d)”; and

5 (ii) in paragraph (12), by striking
6 “section 315(c)” and inserting “section
7 315(d)”; and

8 (C) in section 317(a), by striking “section
9 315(e)” and inserting “section 315(f)”.

10 (i) AMENDMENT OF CLAIMS.—

11 (1) INTER PARTES REVIEW AMENDMENT PRAC-
12 TICE.—Chapter 31 of title 35, United States Code,
13 is amended by inserting after section 316 the fol-
14 lowing:

15 **“§ 316A. Inter partes review amendment practice**

16 “(a) ACTIONS PERMITTED.—During an inter partes
17 review instituted under this chapter, the patent owner may
18 move to take 1 or more of the following actions with re-
19 spect to any challenged patent claim being reviewed:

20 “(1) Cancel the claim.

21 “(2) Propose a reasonable number of substitute
22 claims whose patentability will be adjudicated by the
23 Patent Trial and Appeal Board in accordance with
24 subsection (c).

1 “(3) Propose a reasonable number of substitute
2 claims to be examined in an expedited IPR reexam-
3 ination in accordance with subsection (d).

4 “(b) SCOPE OF CLAIMS.—An amendment to a patent
5 under this section may not enlarge the scope of the claims
6 of the patent or introduce new matter.

7 “(c) AMENDMENT PRACTICE BEFORE THE PATENT
8 TRIAL AND APPEAL BOARD.—

9 “(1) PATENT OWNER’S INITIAL MOTION.—For
10 each challenged claim for which the patent owner
11 seeks to propose a reasonable number of substitute
12 claims, the patent owner shall be required to make
13 a prima facie showing that each substitute claim—

14 “(A) responds to each ground of
15 unpatentability on which the inter partes review
16 was instituted;

17 “(B) meets the written description require-
18 ment under section 112(a); and

19 “(C) meets the requirement under sub-
20 section (b) of this section.

21 “(2) NEW EVIDENCE.—

22 “(A) PETITIONER.—The petitioner may re-
23 spond to the patent owner’s initial motion
24 under paragraph (1) by presenting new evi-
25 dence.

1 “(B) PATENT OWNER.—The patent owner
2 shall have not less than 1 opportunity to re-
3 spond to any new evidence presented under sub-
4 paragraph (A).

5 “(3) EXPEDITED PATENTABILITY REPORT.—

6 “(A) IN GENERAL.—Upon the filing of a
7 motion under paragraph (1), the Patent Trial
8 and Appeal Board, in its discretion, may order
9 an expedited patentability report from a patent
10 examiner on a substitute claim.

11 “(B) CONTENTS OF REPORT.—In ordering
12 an expedited patentability report, the Patent
13 Trial and Appeal Board may—

14 “(i) order examination of any ground
15 of patentability that is assessed by a pat-
16 ent examiner under chapter 12; and

17 “(ii) request a non-binding rec-
18 ommendation as to the patentability of a
19 substitute claim.

20 “(C) RIGHT OF REPLY.—Any party to the
21 inter partes review may file supplemental brief-
22 ing, including new evidence, addressing the ex-
23 pedited patentability report.

24 “(D) TIMING.—The production of the ex-
25 pedited patentability report shall be expedited.

1 “(E) GOOD CAUSE.—The ordering of a
2 patentability report shall constitute good cause,
3 for purposes of section 316(a)(11), to extend
4 the 1-year period for the inter partes review.

5 “(4) ADJUDICATION OF PATENTABILITY.—

6 “(A) NO REBUTTAL.—A patent owner
7 shall be entitled to a substitute claim if the
8 prima facie showing required under paragraph
9 (1) is not rebutted.

10 “(B) ADDITIONAL EVIDENCE.—If addi-
11 tional evidence of record is presented, the pat-
12 ent owner shall be entitled to a substitute claim
13 unless a preponderance of that evidence proves
14 that the patent owner is not so entitled.

15 “(5) PATENT TRIAL AND APPEAL BOARD’S DIS-
16 CRETION TO ORDER EXPEDITED IPR REEXAMINA-
17 TION.—Upon issuing a final written decision with
18 respect to each challenged claim, the Patent Trial
19 and Appeal Board may order an expedited IPR reex-
20 amination to be conducted under section (d)(2) to
21 consider a substitute claim in lieu of issuing a final
22 written decision on that claim.

23 “(6) AMENDMENTS TO ADVANCE SETTLE-
24 MENT.—The Patent Trial and Appeal Board may
25 consider additional motions to amend upon the joint

1 request of the petitioner and the patent owner to
2 materially advance the settlement of a proceeding
3 under section 317 if the patent owner makes the
4 prima facie showing required under paragraph (1).

5 “(d) AMENDMENT PRACTICE BEFORE A PATENT EX-
6 AMINER.—

7 “(1) MOTION TO CONVERT TO EXPEDITED IPR
8 EXAMINATION.—

9 “(A) IN GENERAL.—If the Director deter-
10 mines to institute an inter partes review on a
11 challenged claim under section 314, a patent
12 owner may, before any further substantive
13 briefing on the patentability of an instituted
14 claim, move to terminate the inter partes review
15 in favor of an expedited IPR reexamination
16 under paragraph (2) of this subsection.

17 “(B) CONTENTS OF MOTION.—A patent
18 owner shall be required to show good cause for
19 why an expedited IPR reexamination would fur-
20 ther the goals of the patent system, including
21 consideration of whether there are substantial—

22 “(i) investments in research directly
23 related to the claimed invention;

24 “(ii) secondary indicia of non-obvious-
25 ness, such as commercial success, long-felt

1 but unsolved needs, or failures of persons
2 skilled in the art to develop the claimed in-
3 vention; or

4 “(iii) changes in case law governing
5 relevant substantive patentability require-
6 ments since the patent was issued.

7 “(C) NEW EVIDENCE ALLOWED.—The
8 opening motion and opposition briefs under this
9 paragraph may include new evidence, and fur-
10 ther rebuttal evidence may be allowed at the
11 discretion of the Patent Trial and Appeal
12 Board.

13 “(2) CONDUCT OF EXPEDITED IPR EXAMINA-
14 TION.—

15 “(A) IN GENERAL.—If the Patent Trial
16 and Appeal Board grants a motion filed under
17 paragraph (1), the patent owner shall cancel
18 each instituted claim and submit a reasonable
19 number of substitute claims for consideration
20 by the patent examiner in an expedited IPR ex-
21 amination under this paragraph.

22 “(B) TIMING.—A patent examiner shall
23 complete an expedited IPR examination, exclud-
24 ing any time for appeals, within 18 months.

1 “(C) PROCEDURES.—Consideration of the
2 substitute claims in an expedited IPR examina-
3 tion shall follow the procedures established for
4 initial examination under sections 132 and 133,
5 subject to subsection (b) of this section and
6 modified as necessary to ensure that the proce-
7 dures are expedited.

8 “(D) APPEAL.—

9 “(i) PATENT EXAMINER DECISION.—

10 If the final decision of a patent examiner
11 in an expedited IPR examination is ad-
12 verse to the patentability of a substitute
13 claim, the patent owner may appeal the de-
14 cision to the Patent Trial and Appeal
15 Board under section 134(c).

16 “(ii) PATENT TRIAL AND APPEAL

17 BOARD DECISION.—If the final decision in
18 an appeal of an expedited IPR reexamina-
19 tion to the Patent Trial and Appeal Board
20 under section 134(c) is adverse to the pat-
21 entability of a substitute claim, the patent
22 owner may appeal the decision to the
23 United States Court of Appeals for the
24 Federal Circuit in accordance with sections
25 141 through 144.

1 “(E) CERTIFICATE.—If the patent exam-
2 iner determines in an expedited IPR examina-
3 tion that a substitute claim is patentable, and
4 the time for appeal has expired or any appeal
5 proceeding has terminated, the Director shall
6 issue and publish a certificate incorporating in
7 the patent the substitute claim.

8 “(F) INTERVENING RIGHTS.—Any sub-
9 stitute claim determined to be patentable and
10 incorporated into a patent following an expe-
11 dited IPR examination shall have the same ef-
12 fect as that specified in section 252 for reissued
13 patents on the right of any person who made,
14 purchased, or used within the United States, or
15 imported into the United States, anything pat-
16 ented by the substitute claim, or who made sub-
17 stantial preparation therefor, prior to issuance
18 of a certificate under subparagraph (E).”.

19 (2) TECHNICAL AND CONFORMING AMEND-
20 MENTS.—

21 (A) EXPEDITED IPR EXAMINATION AP-
22 PEALS.—

23 (i) APPEALS TO PATENT TRIAL AND
24 APPEAL BOARD.—Section 134 of title 35,

1 United States Code, is amended by adding
2 at the end the following:

3 “(c) PATENT OWNER IN EXPEDITED EXAMINA-
4 TION.—A patent owner may appeal from the final rejec-
5 tion of any substitute claim by the primary examiner in
6 an expedited IPR examination under section 316A(d) to
7 the Patent Trial and Appeal Board, having once paid the
8 fee for such appeal.”.

9 (ii) APPEALS TO FEDERAL CIRCUIT.—
10 Section 141 of title 35, United States
11 Code, is amended—

12 (I) by redesignating subsections
13 (c) and (d) as subsection (d) and (e);
14 and

15 (II) by inserting after subsection
16 (b) the following:

17 “(c) EXPEDITED EXAMINATIONS.—A patent owner
18 who is dissatisfied with the final decision in an appeal to
19 the Patent Trial and Appeal Board under section 134(c)
20 of an expedited IPR examination may appeal the Board’s
21 decision to the United States Court of Appeals for the
22 Federal Circuit.”.

23 (B) CONDUCT OF INTER PARTES RE-
24 VIEW.—Section 316 of title 35, United States
25 Code, is amended—

1 (i) in subsection (a)(9), by striking
2 “subsection (d)” each place that term ap-
3 pears and inserting “section 316A”;

4 (ii) by striking subsection (d); and

5 (iii) by redesignating subsection (e) as
6 subsection (d).

7 (C) DECISION OF THE BOARD.—Section
8 318(a) of title 35, United States Code, is
9 amended—

10 (i) by striking “If” and inserting “Ex-
11 cept as provided in section 316A(c)(5), if”;
12 and

13 (ii) by striking “section 316(d)” and
14 inserting “section 316A”.

15 (D) TABLE OF SECTIONS.—The table of
16 sections for chapter 31 of title 35, United
17 States Code, is amended by inserting after the
18 item relating to section 316 the following:

“316A. Inter partes review amendment practice.”.

19 **SEC. 103. POST-GRANT REVIEW.**

20 (a) CLAIM CONSTRUCTION.—Section 326(a) of title
21 35, United States Code, is amended—

22 (1) in paragraph (9), by inserting after “sub-
23 stitute claims,” the following: “including the stand-
24 ard for how substitute claims should be construed,”;

1 (2) in paragraph (11), by striking “; and” and
2 inserting a semicolon;

3 (3) in paragraph (12), by striking the period at
4 the end and inserting “; and”; and

5 (4) by adding at the end the following:

6 “(13) providing that for all purposes under this
7 chapter—

8 “(A) each challenged claim of a patent
9 shall be construed as the claim would be con-
10 strued under section 282(b) in an action to in-
11 validate a patent, including by construing each
12 challenged claim of the patent in accordance
13 with—

14 “(i) the ordinary and customary
15 meaning of the claim as understood by a
16 person having ordinary skill in the art to
17 which the claimed invention pertains; and

18 “(ii) the prosecution history per-
19 taining to the patent; and

20 “(B) if a court has previously construed a
21 challenged claim of a patent or a challenged
22 claim term in a civil action to which the patent
23 owner was a party, the Office shall consider
24 that claim construction.”.

1 (b) BURDEN OF PROOF.—Section 326(e) of title 35,
2 United States Code, is amended to read as follows:

3 “(e) EVIDENTIARY STANDARDS.—

4 “(1) PRESUMPTION OF VALIDITY.—The pre-
5 sumption of validity under section 282(a) shall apply
6 to a previously issued claim that is challenged dur-
7 ing a proceeding under this chapter.

8 “(2) BURDEN OF PROOF.—In a post-grant re-
9 view instituted under this chapter, the petitioner
10 shall have the burden of proving a proposition of
11 unpatentability of a previously issue claim by clear
12 and convincing evidence.”.

13 (c) STANDING.—Section 321 of title 35, United
14 States Code, is amended by adding at the end the fol-
15 lowing:

16 “(d) PERSONS THAT MAY PETITION.—

17 “(1) DEFINITION.—In this subsection, the term
18 ‘charged with infringement’ means a real and sub-
19 stantial controversy regarding infringement of a pat-
20 ent exists such that the petitioner would have stand-
21 ing to bring a declaratory judgment action in Fed-
22 eral court.

23 “(2) NECESSARY CONDITIONS.—A person may
24 not file with the Office a petition to institute a post-
25 grant review of the patent unless the person, or a

1 real party in interest or privy of the person, dem-
2 onstrates—

3 “(A) a reasonable possibility of being—

4 “(i) sued for infringement of the pat-
5 ent; or

6 “(ii) charged with infringement under
7 the patent; or

8 “(B) a competitive harm related to the va-
9 lidity of the patent.”.

10 (d) LIMITATION ON REVIEWS.—Section 324(a) of
11 title 35, United States Code, is amended to read as fol-
12 lows:

13 “(a) THRESHOLD.—

14 “(1) LIKELIHOOD OF PREVAILING.—Subject to
15 paragraph (2), the Director may not authorize a
16 post-grant review to be instituted unless the Director
17 determines that the information presented in the pe-
18 tition filed under section 321, if such information is
19 not rebutted, would demonstrate that it is more like-
20 ly than not that at least 1 of the claims challenged
21 in the petition is unpatentable.

22 “(2) PREVIOUS INSTITUTION.—The Director
23 may not authorize a post-grant review to be insti-
24 tuted on a claim challenged in a petition if the Di-

1 rector has previously instituted an inter partes or
2 post-grant review with respect to that claim.”.

3 (e) APPEALS FROM INSTITUTION DECISIONS.—Sec-
4 tion 324 of title 35, United States Code, is amended by
5 striking subsection (e) and inserting the following:

6 “(e) NO APPEAL.—A determination by the Director
7 not to institute a post-grant review under this section shall
8 be final and nonappealable.

9 “(f) INTERLOCUTORY APPEAL.—

10 “(1) RIGHT OF APPEAL.—A determination by
11 the Director to institute a post-grant review under
12 this section may be appealed to the United States
13 Court of Appeals for the Federal Circuit.

14 “(2) TIMING.—A party shall file a notice of in-
15 terlocutory appeal under paragraph (1) not later
16 than 7 days after the date on which the Director en-
17 ters the institution decision.

18 “(3) LIMITATION.—An interlocutory appeal
19 filed under paragraph (1) may challenge the institu-
20 tion decision on any basis except for the determina-
21 tion made under section 324(a)(1).

22 “(4) EFFECT ON PROCEEDINGS.—An interlocu-
23 tory appeal filed under paragraph (1) shall not stay
24 proceedings in the post-grant review unless the Di-

1 rector or the United States Court of Appeals for the
2 Federal Circuit so orders.

3 “(5) DECISION.—An interlocutory appeal filed
4 under paragraph (1) may be granted at the discre-
5 tion of the United States Court of Appeals for the
6 Federal Circuit, which may include consideration of
7 whether—

8 “(A) the institution decision appears to be
9 in error and mere institution presents a risk of
10 immediate, irreparable injury to the patent
11 owner;

12 “(B) the institution decision presents an
13 unsettled and fundamental issue of law, impor-
14 tant both to the specific proceeding and gen-
15 erally, that is likely to evade end-of-the-pro-
16 ceeding review; or

17 “(C) the institution decision is manifestly
18 erroneous.”.

19 (f) ELIMINATING REPETITIVE PROCEEDINGS.—Sec-
20 tion 325(e)(1) of title 35, United States Code, is amended
21 to read as follows:

22 “(1) PROCEEDINGS BEFORE THE OFFICE.—A
23 person petitioning for a post-grant review of a claim
24 in a patent under this chapter, or the real party in
25 interest or privy of the petitioner, may not petition

1 for a subsequent post-grant review before the Office
2 with respect to that patent on any ground that the
3 petitioner raised or reasonably could have raised in
4 the initial petition, unless, after the filing of the ini-
5 tial petition, the petitioner, or the real party in in-
6 terest or privy of the petitioner, is charged with in-
7 fringement of additional claims of the patent.”.

8 (g) REAL PARTY IN INTEREST.—

9 (1) CLARIFICATION OF DEFINITION.—Section
10 325 of title 35, United States Code, is amended by
11 adding at the end the following:

12 “(g) REAL PARTY IN INTEREST.—For purposes of
13 this chapter, a person that directly or through an affiliate,
14 subsidiary, or proxy, makes a financial contribution to the
15 preparation for, or conduct during, a post-grant review on
16 behalf of the petitioner shall be considered a real party
17 in interest of the petitioner.”.

18 (2) DISCOVERY OF REAL PARTY IN INTER-
19 EST.—Section 326(a)(5) of title 35, United States
20 Code, is amended to read as follows:

21 “(5) setting forth standards and procedures for
22 discovery of relevant evidence, including that such
23 discovery shall be limited to—

24 “(A) the deposition of witnesses submitting
25 affidavits or declarations;

1 “(B) evidence identifying the petitioner’s
2 real parties in interest; and

3 “(C) what is otherwise necessary in the in-
4 terest of justice;”.

5 (h) PRIORITY OF FEDERAL COURT VALIDITY DE-
6 TERMINATIONS.—

7 (1) IN GENERAL.—Section 325 of title 35,
8 United States Code, as amended by subsection (h),
9 is amended—

10 (A) by redesignating subsections (c)
11 through (g) as subsections (d) through (h), re-
12 spectively; and

13 (B) by inserting after subsection (b) the
14 following:

15 “(c) FEDERAL COURT VALIDITY DETERMINA-
16 TIONS.—

17 “(1) INSTITUTION BARRED.—A post-grant re-
18 view of a patent claim may not be instituted if, in
19 a civil action arising in whole or in part under sec-
20 tion 1338 of title 28 or in a proceeding before the
21 International Trade Commission under section 337
22 of the Tariff Act of 1930 (19 U.S.C. 1337), a court
23 has entered a final judgment—

24 “(A) that decides the validity of the patent
25 claim with respect to section 102 or 103; and

1 “(B) from which an appeal under section
2 1295 of title 28 may be taken, or from which
3 an appeal under section 1295 of title 28 was
4 previously available but is no longer available.

5 “(2) STAY OF PROCEEDINGS.—

6 “(A) IN GENERAL.—If, in a civil action
7 arising in whole or in part under section 1338
8 of title 28 or in a proceeding before the Inter-
9 national Trade Commission under section 337
10 of the Tariff Act of 1930 (19 U.S.C. 1337), a
11 court has entered a final judgment that decides
12 the validity of a patent claim with respect to
13 section 102 or 103 and from which an appeal
14 under section 1295 of title 28 may be taken,
15 the Patent Trial and Appeal Board shall stay
16 any ongoing post-grant review of that patent
17 claim pending a final decision of the court or
18 Commission, as applicable.

19 “(B) TERMINATION.—If the validity of a
20 patent claim described in subparagraph (A) is
21 finally upheld by a court or the International
22 Trade Commission, as applicable, the Patent
23 Trial and Appeal Board shall terminate the
24 post-grant review.”.

32

1 (2) TECHNICAL AND CONFORMING AMEND-
2 MENTS.—Chapter 32 of title 35, United States
3 Code, is amended—

4 (A) in section 326(a)(11), by striking “sec-
5 tion 325(c)” and inserting “section 325(d)”;
6 and

7 (B) in section 327(a), by striking “section
8 325(e)” and inserting “section 325(f)”.

9 (i) AMENDMENT OF CLAIMS.—

10 (1) POST-GRANT REVIEW AMENDMENT PRAC-
11 TICE.—Chapter 32 of title 35, United States Code,
12 is amended by inserting after section 326 the fol-
13 lowing:

14 **“§ 326A. Post-grant review amendment practice**

15 “(a) ACTIONS PERMITTED.—During a post-grant re-
16 view instituted under this chapter, the patent owner may
17 move to take 1 or more of the following actions with re-
18 spect to any challenged patent claim being reviewed:

19 “(1) Cancel the claim.

20 “(2) Propose a reasonable number of substitute
21 claims whose patentability will be adjudicated by the
22 Patent Trial and Appeal Board in accordance with
23 subsection (c).