

**UNITED STATES  
PATENT AND TRADEMARK OFFICE**



# Patent Trial and Appeal Board Parallel Litigation Study

June 2022

(Data from Jan. 1, 2019 through Dec. 31, 2021)

UNITED STATES  
PATENT AND TRADEMARK OFFICE



# Parallel litigation: overview

- **Parallel litigation:** a scenario in which petitioner, patent owner, and the patent at issue are simultaneously engaged in a PTAB proceeding and litigation in another venue.
- The vast majority of petitioners (about 80% or higher) have been sued by patent owners in another venue prior to filing their petitions.

# Parallel litigation: key cases



# Parallel litigation: key cases

*NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, Case IPR2018-00752, Paper 8 (Sept. 12, 2018) (designated precedential May 7, 2019)

- Denying institution because (1) the prior art was previously considered and (2) co-pending district court proceeding was nearing completion
- First decision on institution to explicitly cite a parallel litigation's advanced state as a reason for denying the petition
- Same invalidity challenges were involved in the PTAB and district court proceedings

# Parallel litigation: key cases

*Apple Inc. v. Fintiv, Inc.*, Case IPR2020-00019, Paper 11 (March 20, 2020) (designated precedential May 5, 2020)

- Provided a non-exclusive list of factors that the PTAB considers in exercising discretion on instituting *inter partes* review because of parallel district court litigation

Note: Because of the prominence of *NHK* and *Fintiv* within the topic of discretionary denials based on parallel litigation, the topic is often synonymously referred to as "*NHK/Fintiv*" or "*Fintiv*," even regarding cases decided in FY19 and the beginning of FY20, before the *Fintiv* decision issued.



# Parallel litigation: key cases

Denial of institution based on *NHK/Fintiv* often can be avoided by stipulating that the petitioner will not pursue similar arguments in the parallel litigation.

- *Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, Case IPR2019-01393, Paper 24 (June 16, 2020) (designated informative July 13, 2020) (decision on rehearing of denial, instituting review when the *Fintiv* factors weighed against exercising discretion to deny institution because petitioner filed a stipulation to not assert the “same grounds” in district court).
- *Sotera Wireless, Inc. v. Masimo Corporation* (§ II.A), IPR2020-01019, Paper 12 (Dec. 1, 2020) (designated precedential Dec. 17, 2020) (instituting review when petitioner filed a broad stipulation to not assert in district court grounds “raised or that could have been reasonably raised in an IPR”).

# Parallel litigation: summary

- After *Fintiv* was designated precedential, discretionary denial based on parallel litigation has been raised in about half of all cases in which petitioner was sued by patent owners in another venue
- The number of cases denying institution dropped significantly after peaking during the first half of fiscal year 2021
- Stipulation filings increased after *Sotera* was designated precedential, and Decisions on Institution (DIs) noting stipulations frequently avoid denials based on *NHK/Fintiv*
- The majority of cases involving an *NHK/Fintiv* issue involved co-pending litigation in one of the Western District of Texas, the Eastern District of Texas, and the District of Delaware
  - The Western District of Texas was the venue most frequently discussed in DIs analyzing *NHK/Fintiv*, and, during the study period, no corresponding petitions were denied based on *NHK/Fintiv* since August 2021



# Parallel litigation: methodology

- All DIs and patent owner preliminary responses (POPRs) in each *inter partes* review (IPR), covered business method review (CBM), and post grant review (PGR) in the indicated time periods during Fiscal Years 2019 through 2022 (FY19–22) were reviewed to capture information regarding the *NHK/Fintiv* issue.
- The appendix (a separate document posted with this presentation) includes definitions and further methodology details.

***NHK/Fintiv* issue frequency**

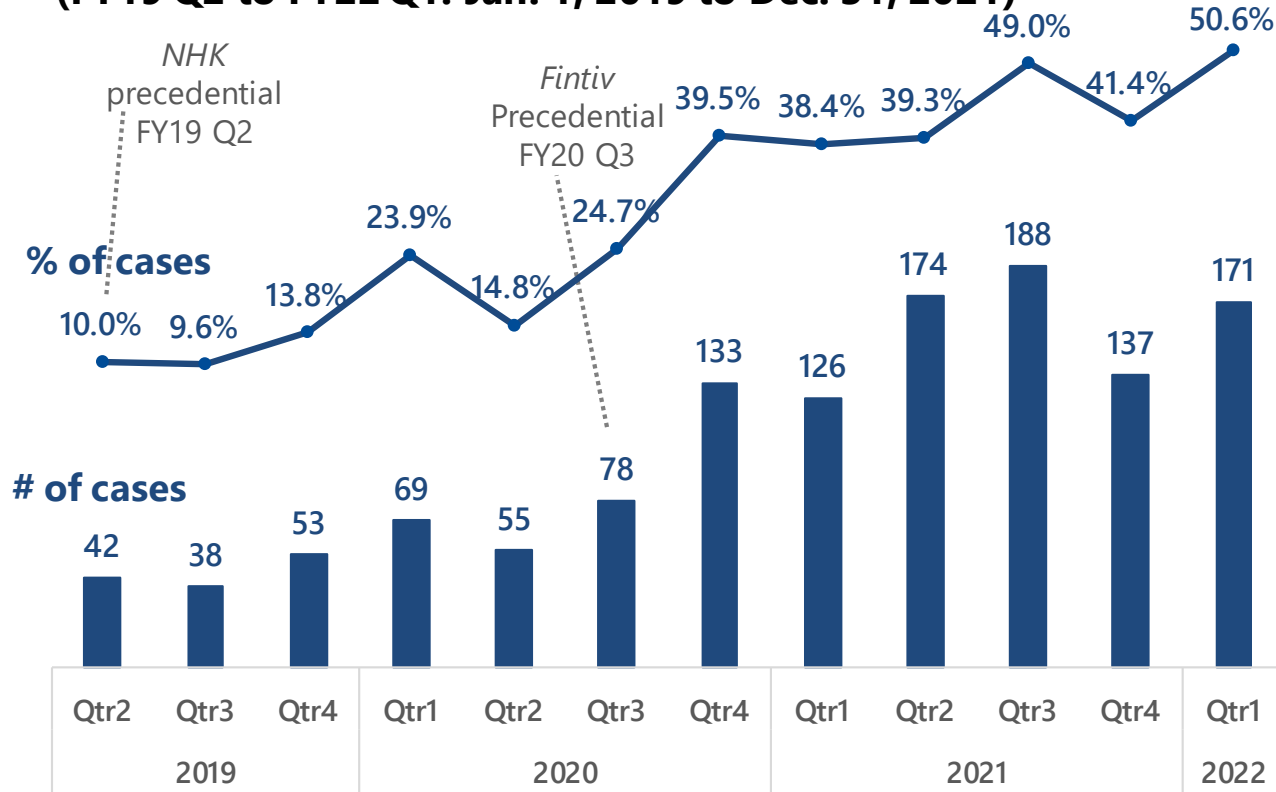
# NHK/*Fintiv* issue frequency: definitions

The next graphic (slide 12) represents the cases in which *NHK/Fintiv* was raised as (1) a number (**blue bars**) and (2) a percentage of all cases (**blue line**).

- (1) **The blue bars** represent the number of cases through institution where *NHK/Fintiv* was raised because either:
  - a. the DI analyzed *NHK/Fintiv*; or
  - b. patent owner argued for denying institution based on *NHK/Fintiv* in its POPR and *NHK/Fintiv* was not addressed in the corresponding DI because, for example, the DI denied institution on the merits or the case terminated prior to PTAB issuing a DI.
    - *NHK/Fintiv* was not considered raised if the Petition raised *NHK/Fintiv* preemptively, but the POPR did not raise *NHK/Fintiv* and the DI did not analyze *NHK/Fintiv*.
- (2) **The blue line** represents the percentage of all cases through institution where *NHK/Fintiv* was raised, regardless of whether ultimately there was an institution.

# NHK/Fintiv issue frequency

(FY19 Q2 to FY22 Q1: Jan. 1, 2019 to Dec. 31, 2021)



After *Fintiv* was designated precedential, parallel litigation was raised in about **40%** of all cases, regardless of whether ultimately there was an institution.

In this graphic, the bars show the number of cases where *NHK/Fintiv* was raised, and the line shows the percent of all cases in which *NHK/Fintiv* was raised.



# ***NHK/Fintiv* issue frequency: summary**

- After *NHK* was designated precedential (FY19 Q2):
  - *NHK* was raised in about 10-15% of cases.
- After *Fintiv* was designated precedential (FY20 Q3):
  - *NHK/Fintiv* was raised in about 40% of cases.

***NHK/Fintiv* outcomes**

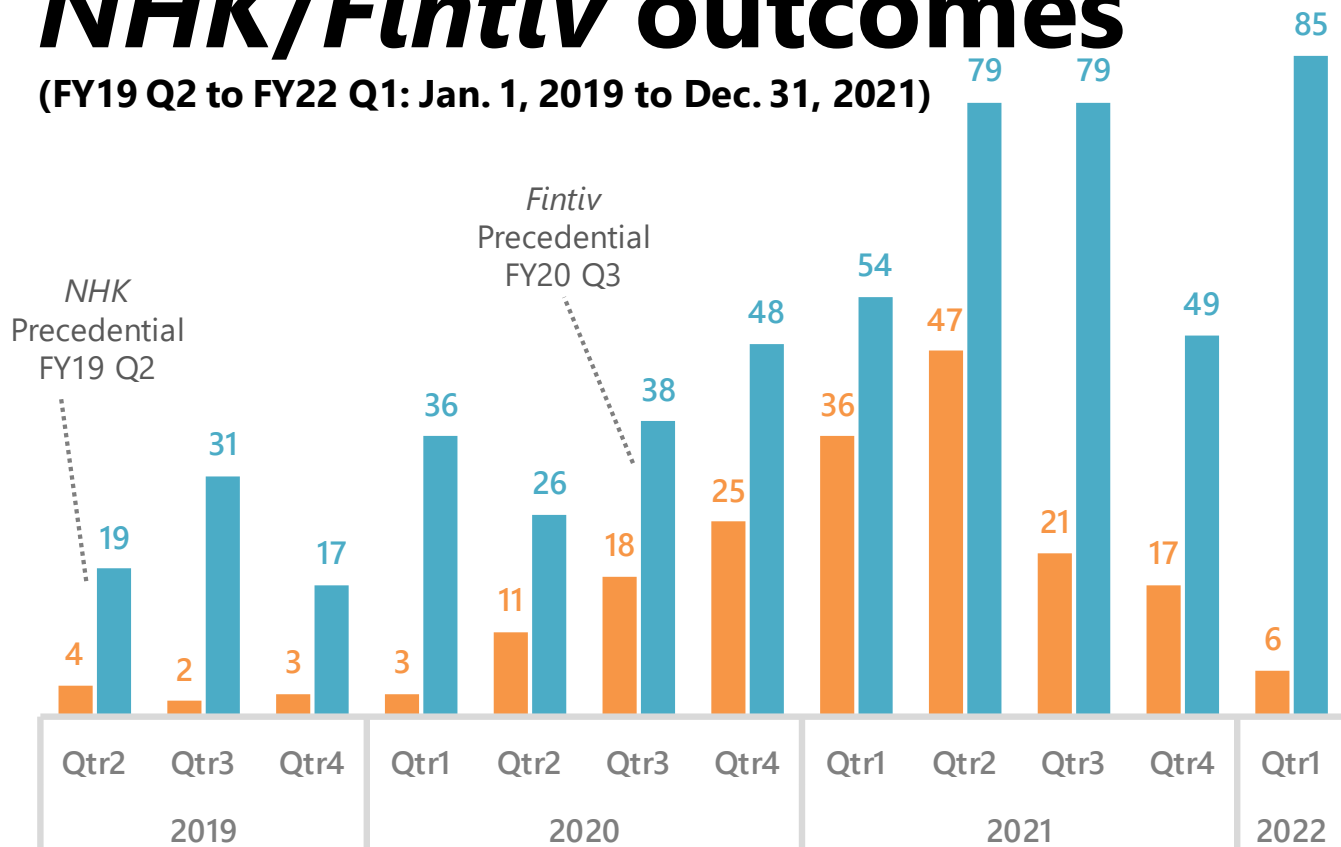
# *NHK/Fintiv* outcomes: definitions

(1) The next graphic (slide 16) depicts the number of DIs analyzing *NHK/Fintiv* and (2) the following graphic (slide 17) depicts DIs that analyzed *NHK/Fintiv* as a percentage of all cases.

- **The orange bars** represent DIs denying institution in which *NHK/Fintiv* was at least one reason for denial.
- **The light blue bars** represent DIs instituting trial that analyzed *NHK/Fintiv*.
- **The gray bars** (slide 16 graphic only) represent all other cases through institution (i.e., cases in which DIs did not analyze *NHK/Fintiv* and POPR did not raise *NHK/Fintiv* plus cases resulting in pre-DI terminations).
  - If the DI noted, but did not substantively address, an *NHK/Fintiv* issue (e.g., in a denial on the merits), the DI did not analyze *NHK/Fintiv*.

# NHK/Fintiv outcomes

(FY19 Q2 to FY22 Q1: Jan. 1, 2019 to Dec. 31, 2021)



NHK/Fintiv denials peaked in FY21 Q2 and dropped significantly afterwards.

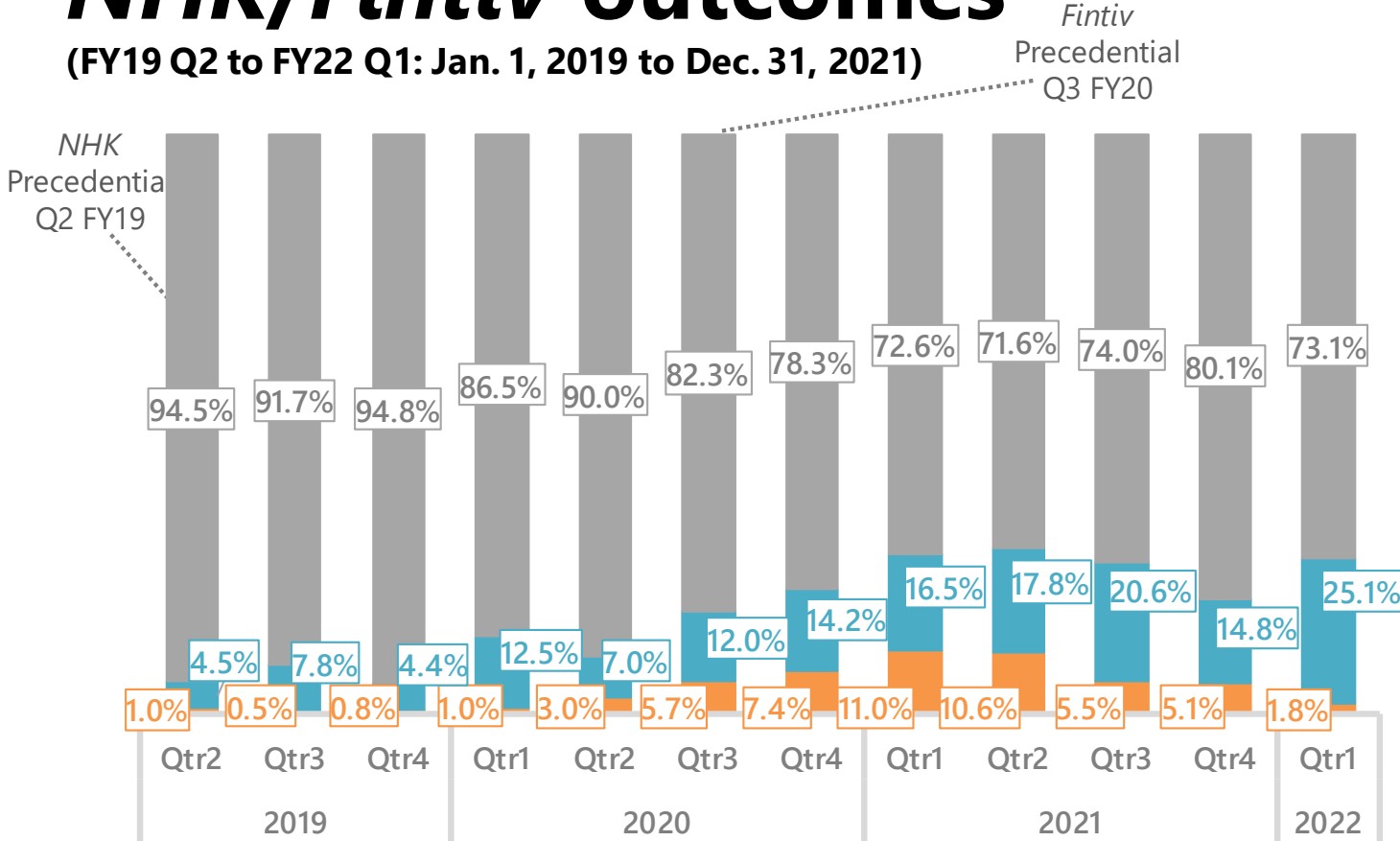
This graphic shows the outcomes of DIs that analyze *NHK/Fintiv*; specifically, the number of **NHK/Fintiv denials (orange)** versus the number of **NHK/Fintiv institutions (light blue)**.





# NHK/Fintiv outcomes

(FY19 Q2 to FY22 Q1: Jan. 1, 2019 to Dec. 31, 2021)



Most cases do not address NHK/Fintiv.

This graphic shows the percentage of cases that are **NHK/Fintiv denials (orange)** and **NHK/Fintiv institutions (light blue)** versus all other DIs and pre-DI terminations (gray).



# NHK/Fintiv outcomes: definitions

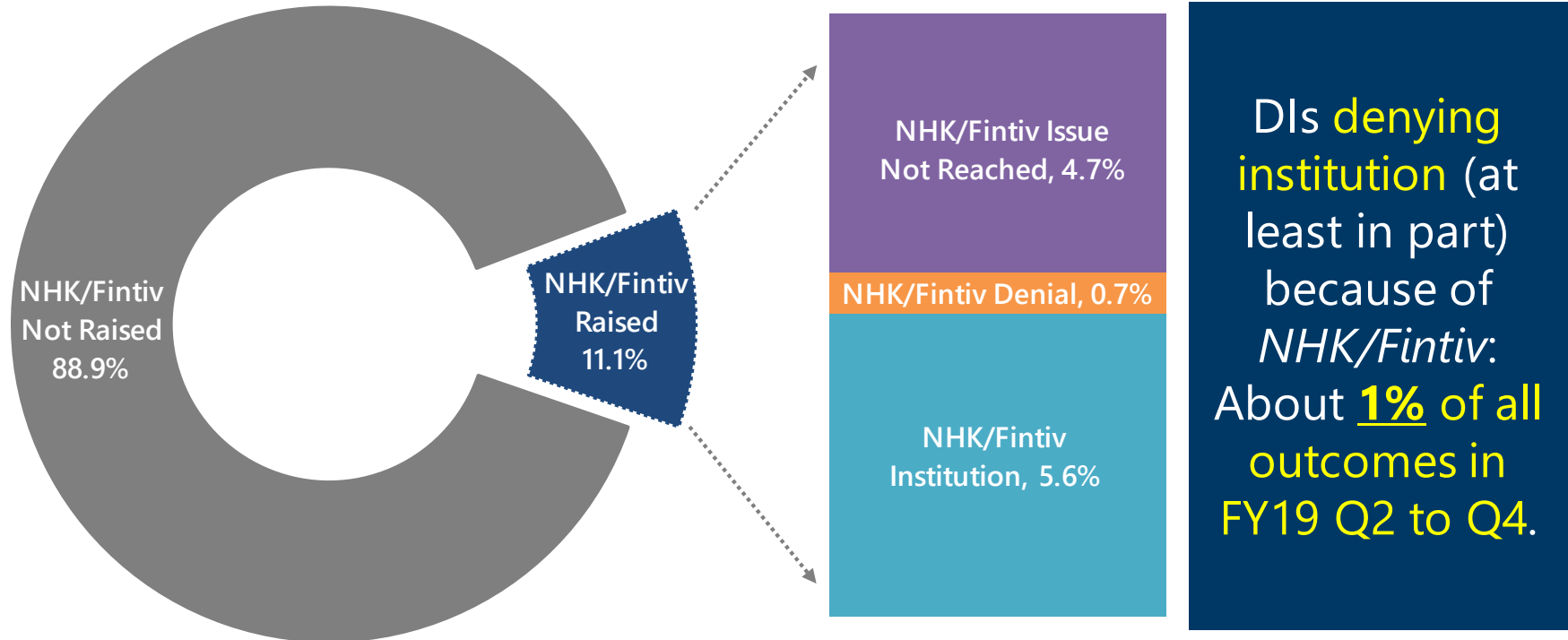
The following four graphics (slides 19–22) depict the number of cases in which *NHK/Fintiv* was raised and the outcomes of those cases in FY19, FY20, FY21, and FY22 respectively.

- **The dark gray arc** represents cases in which *NHK/Fintiv* was not raised (i.e., all cases in which Patent Owner did not raise *NHK/Fintiv* and PTAB did not analyze *NHK/Fintiv*).
  - If the DI noted, but did not substantively address, an *NHK/Fintiv* issue (e.g., in a denial on the merits), the DI did not analyze *NHK/Fintiv*.
- **The blue arc** represents cases in which *NHK/Fintiv* was raised.
  - **The light gray bar** (when present) represents cases in which the POPR argued *NHK/Fintiv* but the case terminated prior to PTAB issuing a DI.
  - **The purple bar** represents cases in which *NHK/Fintiv* was raised but PTAB did not address *NHK/Fintiv* in the DI because institution was denied for other reasons (e.g., a denial on the merits).
  - **The orange bar** represents DIs denying institution that identify *NHK/Fintiv* as at least one reason for denial.
  - **The light blue bar** represents DIs instituting trial that analyzed *NHK/Fintiv*.



# NHK/Fintiv outcomes for FY19

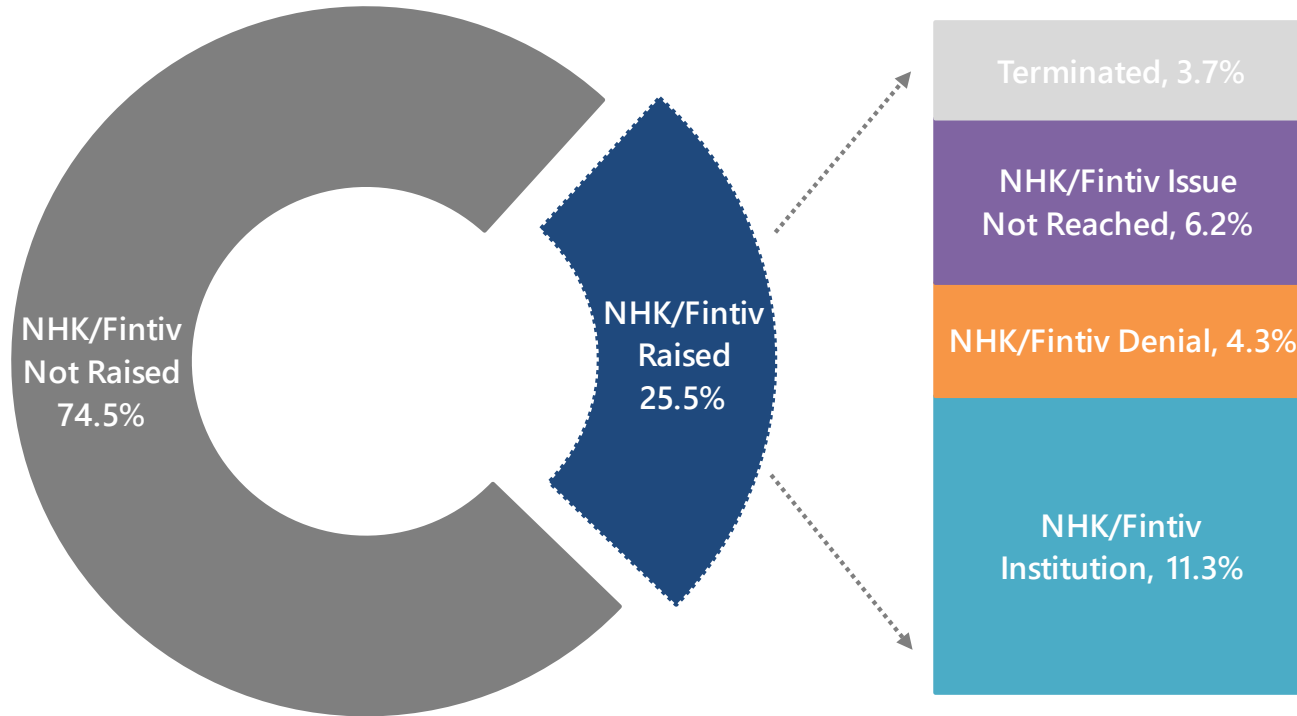
(FY19 Q2 to Q4: Jan. 1, 2019 to Sept. 30, 2019)



This graphic shows a donut chart representing all cases beside a bar chart showing the outcomes as a percentage of the cases in which *NHK/Fintiv* was raised. The data starts in Q2 FY19, the same fiscal quarter in which PTAB designated *NHK* precedential. As previously noted, this issue is generally referred to as *NHK/Fintiv* or *Fintiv*, even regarding cases decided before the *Fintiv* decision issued.

# NHK/Fintiv outcomes for FY20

(FY20: Oct. 1, 2019 to Sept. 30, 2020)



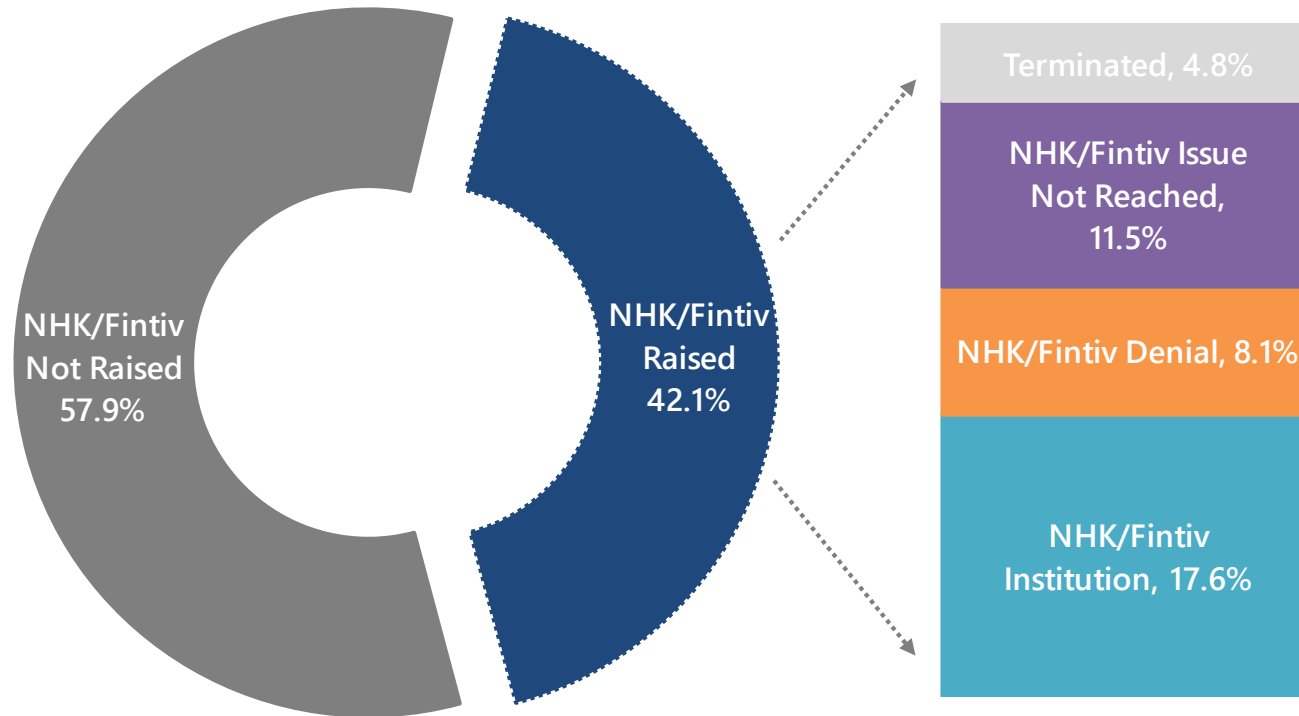
DIs denying institution (at least in part) because of *NHK/Fintiv*: About **4%** of all outcomes in FY20.

This graphic shows a donut chart representing all cases beside a bar chart showing the outcomes as a percentage of the cases in which *NHK/Fintiv* was raised in FY20.



# NHK/Fintiv outcomes for FY21

(FY21: Oct. 1, 2020 to Sept. 30, 2021)



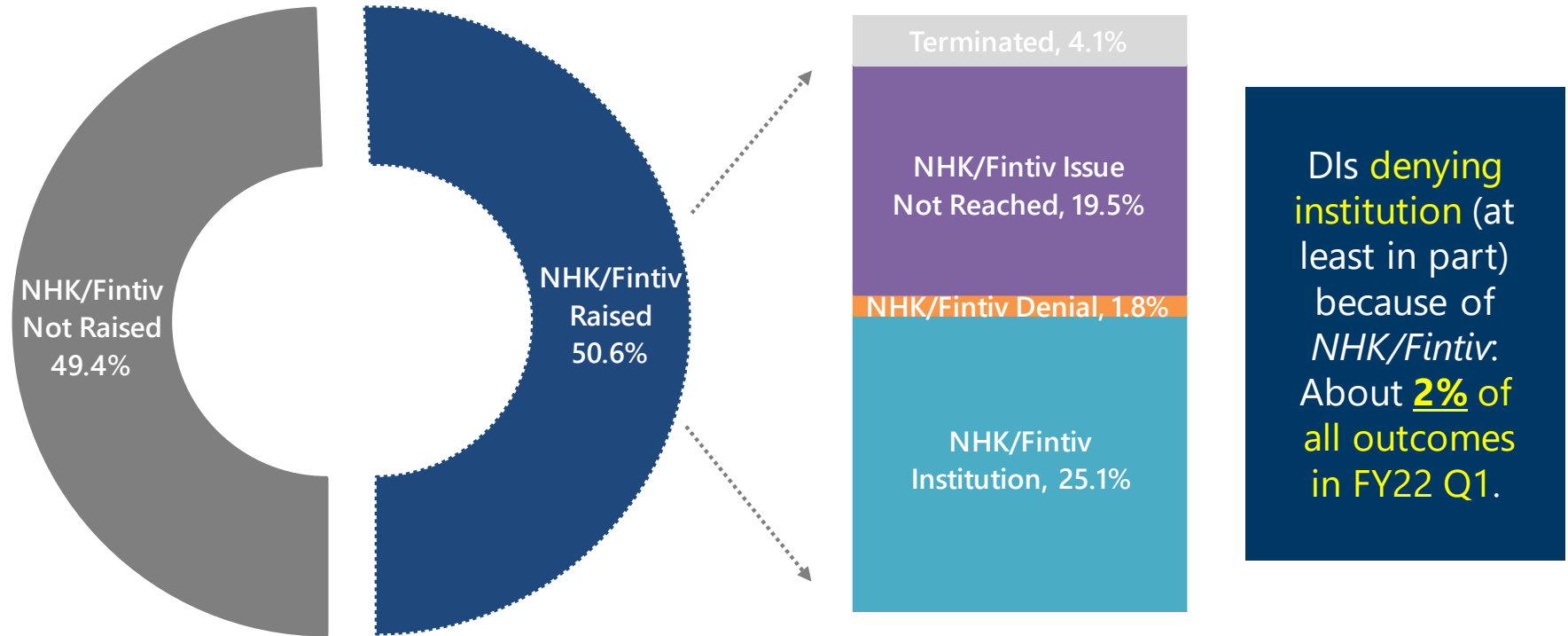
DIs denying institution (at least in part) because of *NHK/Fintiv*. Peaked at about **11%** of all outcomes in FY21 Q1 and Q2 and fell to about **5%** of all outcomes in FY21 Q4 for an FY21 average of about **8%**.

This graphic shows a donut chart representing all cases beside a bar chart showing the outcomes as a percentage of the cases in which *NHK/Fintiv* was raised in FY20.



# NHK/Fintiv outcomes for FY22 Q1

(FY22 Q1: Oct. 1, 2021 to Dec. 31, 2021)



This graphic shows a donut chart representing all cases beside a bar chart showing the outcomes as a percentage of the cases in which *NHK/Fintiv* was raised in Q1 of FY22.

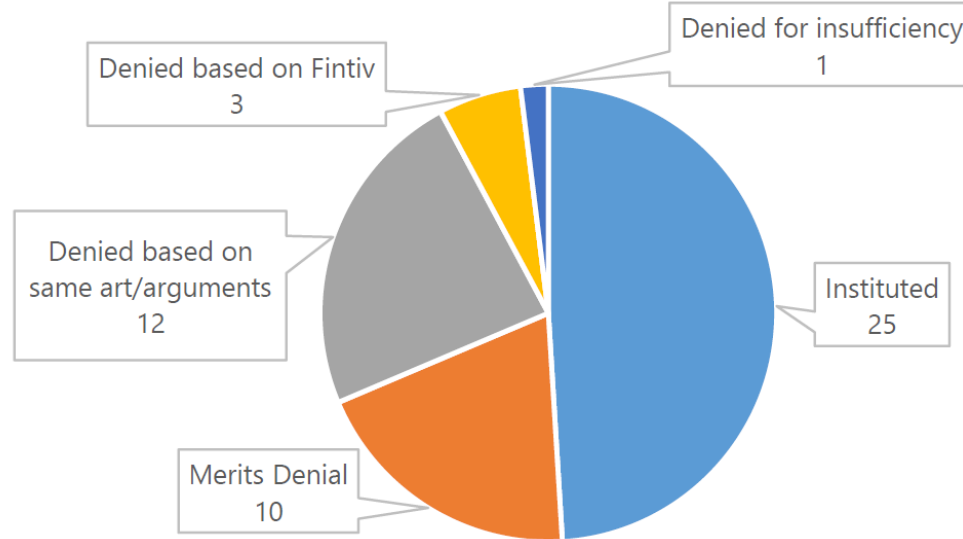
# ***NHK/Fintiv* outcomes: summary**

DIs denying institution (at least in part) because of *NHK/Fintiv*:

- Were about **1%** of all outcomes in FY19 Q2 to Q4.
- Were about **4%** of all outcomes in FY20.
- Peaked at about **11%** of all outcomes in a quarter in FY21 Q1 and Q2.
- Fell to about **2%** of all outcomes in a quarter by FY22 Q1.

# *Fintiv* outcomes in Orange Book-listed and biologic drug patent challenges

Decisions on Institution for petitions challenging drug patents  
(May 5, 2020 - March 31, 2022)



PTAB has denied only **three total** AIA petitions, challenging **two drug patents** under *Fintiv*.

**3 drug-patent petitions** (1 petition challenging an Orange Book-listed patent and 2 petitions challenging a single biologic patent) **were denied based on *Fintiv***. This includes two biologic drug patent petitions initially denied based on *Fintiv* but later instituted on rehearing.



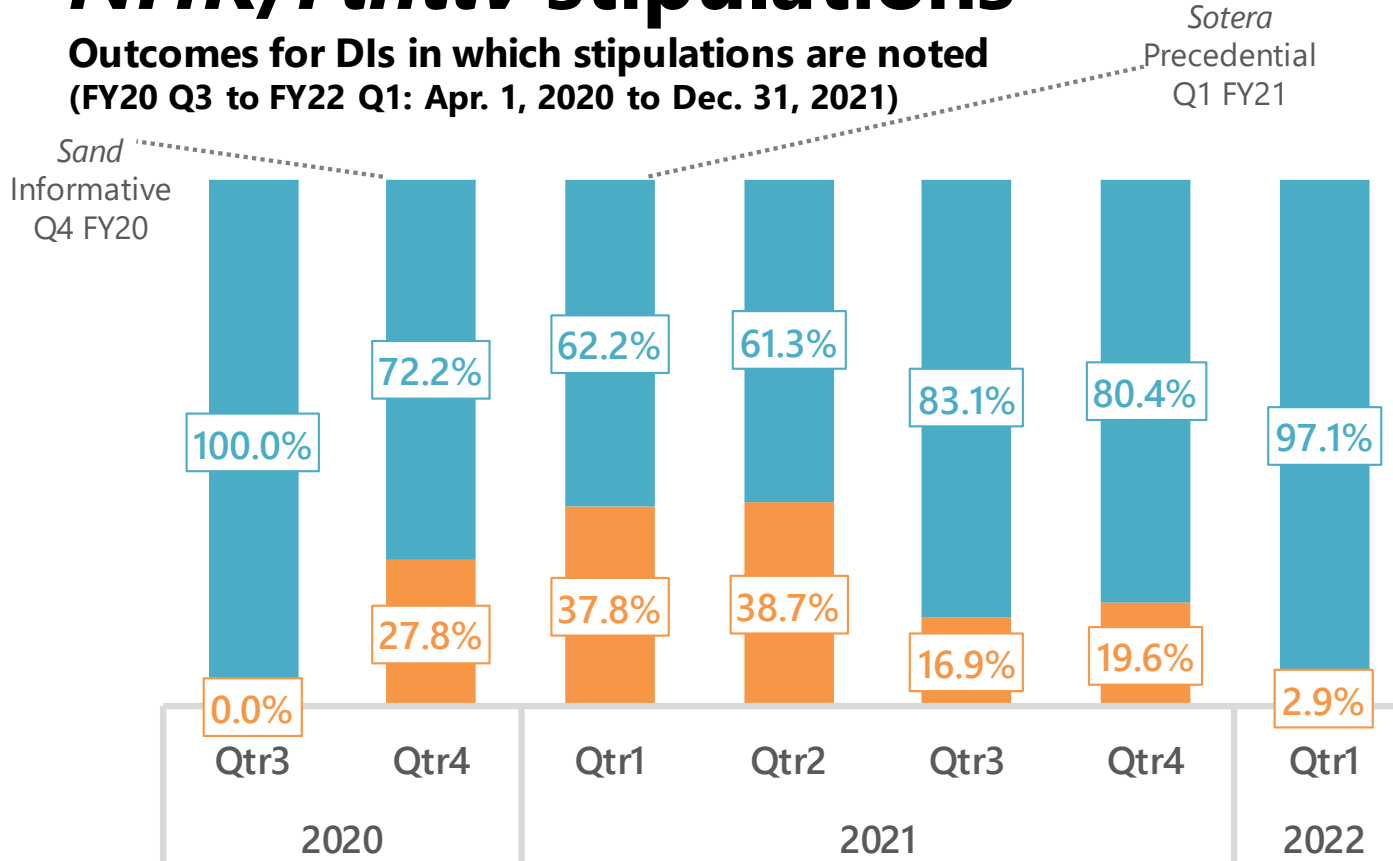
# Stipulations in an *NHK/Fintiv* analysis

# ***NHK/Fintiv* stipulations**

- The following two graphics were created by reviewing each indicated FY19 through FY22 DI that analyzed *NHK/Fintiv* and determining whether that analysis noted that petitioner filed a stipulation.
- The first graphic (slide 27) depicts the percentage of DIs resulting in institutions and denials of all DIs analyzing *NHK/Fintiv* and noting a stipulation.
- The second graphic (slide 28) depicts the total number of institutions and denials in DIs analyzing *NHK/Fintiv* and noting a stipulation.

# NHK/Fintiv stipulations

Outcomes for DIs in which stipulations are noted  
(FY20 Q3 to FY22 Q1: Apr. 1, 2020 to Dec. 31, 2021)



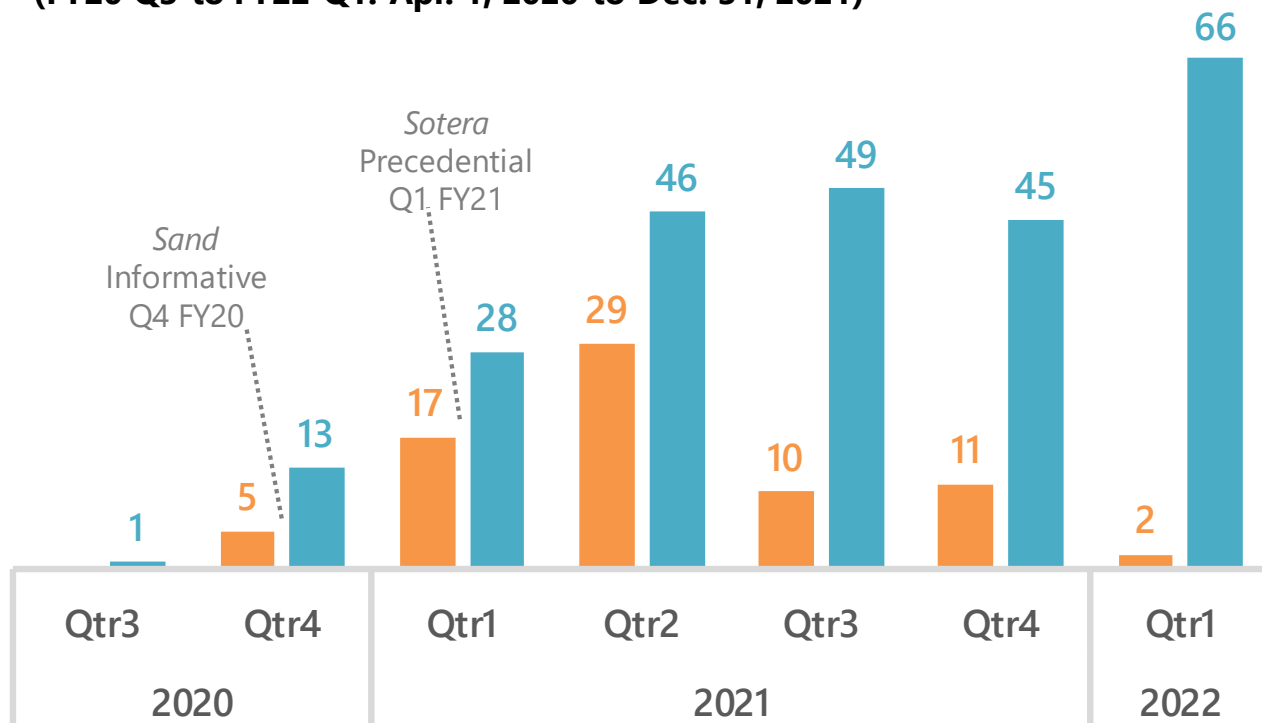
Most DIs noting a stipulation **do not deny** based on *NHK/Fintiv*.

This graphic depicts the percentage of DIs analyzing *NHK/Fintiv* and noting a stipulation in which trial was **instituted (light blue)** or **denied (orange)**.



# NHK/Fintiv stipulations:

Outcomes for DIs in which stipulations are noted  
(FY20 Q3 to FY22 Q1: Apr. 1, 2020 to Dec. 31, 2021)



After *Sotera*, stipulation filings increased; by Q3 of FY21, DIs noting a stipulation did not frequently deny institution based on *NHK/Fintiv*.

This graphic depicts the number of DIs analyzing *NHK/Fintiv* and noting a stipulation in which trial was **instituted (light blue)** or **denied (orange)**.



# ***NHK/Fintiv* stipulations: summary**

- After *Sand* was designated informative in FY20 Q4:
  - The number of stipulations filed increased.
- After *Sotera* was designated precedential in FY21 Q1:
  - The number of stipulations filed increased further.
  - DIs analyzing *NHK/Fintiv* and noting a stipulation frequently resulted in avoiding an *NHK/Fintiv* denial.

***NHK/Fintiv* parallel litigation  
venues**

# ***NHK/Fintiv*** parallel litigation venues

The following graphics (slides 32 and 33) were created by reviewing each indicated FY19 through FY22 DI that analyzed *NHK/Fintiv* and identifying a parallel litigation venue in the *NHK/Fintiv* analysis. The graphics show the number of all DIs analyzing *NHK/Fintiv* per fiscal year in which each of the following venues were identified:

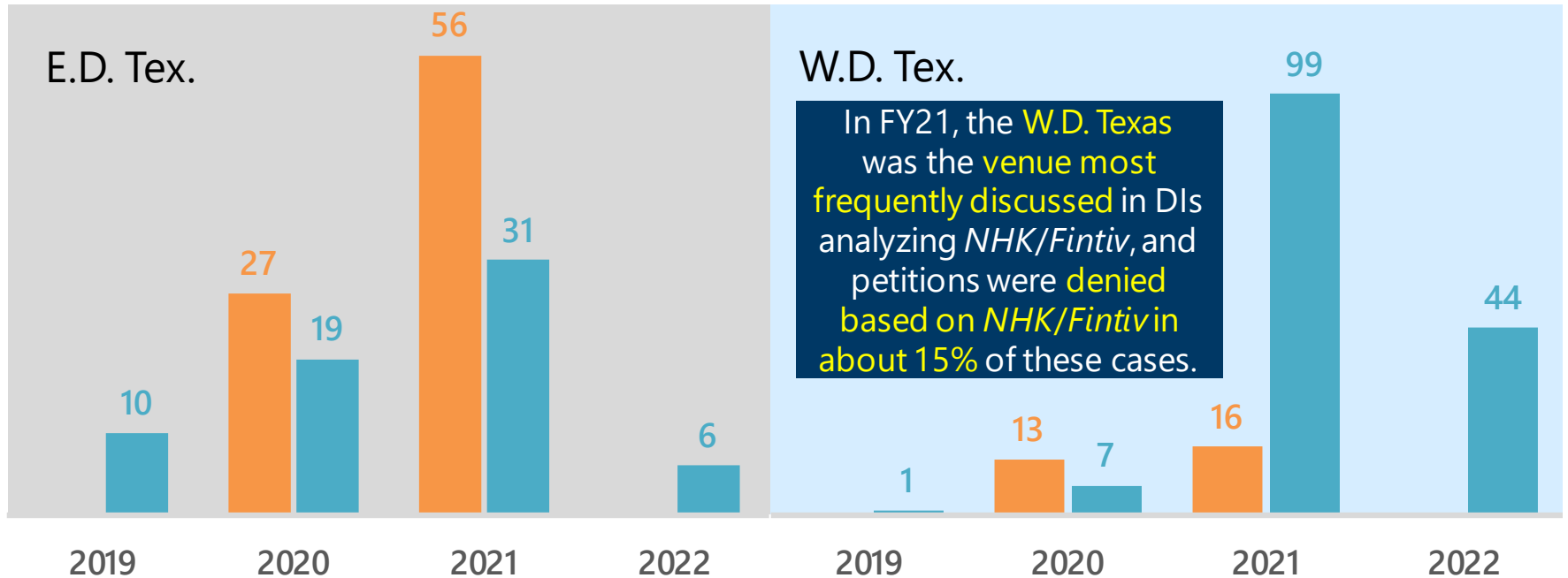
- United States District Court for the **Western District of Texas**:  
**26.0%** of DIs analyzing *NHK/Fintiv*
- United States District Court for the **Eastern District of Texas**:  
**21.6%** of DIs analyzing *NHK/Fintiv*
- United States District Court for the **District of Delaware**:  
**16.8%** of DIs analyzing *NHK/Fintiv*
- **All Other Venues**: includes remaining district courts and the International Trade Commission (ITC). No one “other venue” accounted for more than 7.7% of DIs analyzing *NHK/Fintiv*.  
**35.6%** of DIs analyzing *NHK/Fintiv*

Note: If a DI analyzed parallel litigations in more than one venue, the venue most central to the analysis in the DI was chosen.



# NHK/Fintiv parallel litigation venues

(FY19 Q2 to FY22 Q1: Jan. 1, 2019 to Dec. 31, 2021)



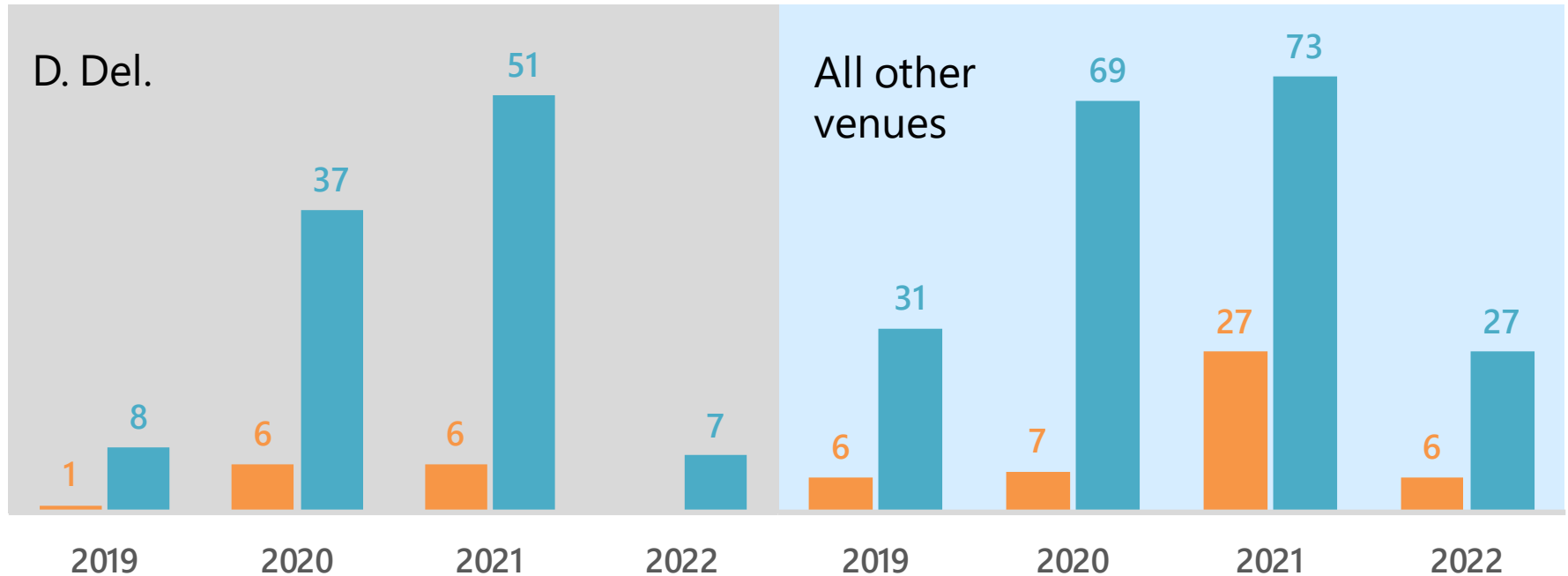
This graphic depicts the number of DIs analyzing *NHK/Fintiv* involving the **Eastern District of Texas (left)** and the **Western District of Texas (right)**, in which trial was **instituted (light blue)** or **denied (orange)**.





# NHK/Fintiv parallel litigation venues

(FY19 Q2 to FY22 Q1: Jan. 1, 2019 to Dec. 31, 2021)



This graphic depicts the number of DIs analyzing *NHK/Fintiv* involving the **District of Delaware (left)** and **all other venues (right)**, in which trial was **instituted (light blue)** or **denied (orange)**.



# ***NHK/Fintiv* parallel litigation venues: summary**

- In about 60% of *NHK/Fintiv* analyses in the studied quarters for FY19 to FY22, in which a parallel litigation venue was identified, the identified district court was one of the Western District of Texas, the Eastern District of Texas, and the District of Delaware.
- In FY21, the Western District of Texas was the venue identified as the most frequently discussed in DIs analyzing *NHK/Fintiv*.
- The Eastern District of Texas is the venue with the most *NHK/Fintiv* denials.

# Questions / comments?

Questions and comments may be submitted to  
[PTABStatisticsQuestions@uspto.gov](mailto:PTABStatisticsQuestions@uspto.gov)

A separate appendix is posted with this presentation and contains information on methodology.

Find this presentation and more PTAB statistics at:  
[www.uspto.gov/patents/ptab/statistics](http://www.uspto.gov/patents/ptab/statistics)



