

IP & Technology Litigation Update

October 2025

New Proposed Regulations Would Limit Availability of *Inter Partes* Review

Key Notes:

- On October 17 the USPTO proposed changes to the rules of practice for *inter partes* review (IPR) before the PTAB. The proposed changes are designed to substantially reduce serial and parallel challenges to patentability, which the PTO concludes “have undermined the reliability of patent rights and deterred investment in new technologies.” If adopted, the new rules have the potential to substantially change defense strategies in patent litigation.
- With recent changes at the PTAB, including the USPTO’s October 17 proposed rulemaking, patent challengers must carefully weigh the PTAB as a true alternative venue for prior art-based invalidity disputes. A well-constructed IPR strategy will be critical. Defendants will need to evaluate the nature (and full scope) of invalidity arguments and their relative strength before choosing where to advance those arguments. As currently written, the proposed rules—most significantly, the requirement that challengers agree not to advance §§ 102 or 103 arguments in other venues—would require surrendering a broad set of invalidity arguments, including certain prior art-based invalidity arguments that cannot be brought in an IPR petition.
- Patent monitoring and coordination between defendants in parallel proceedings will be important. The proposed rules expanding the impact of previous validity challenges will incentivize potential challengers to closely monitor patents held by competitors, including those that might be the subject of future enforcement efforts. Parties accused of infringement will also be incentivized to coordinate their validity-based defenses.
- The venue for parallel litigation will play a pivotal role. It will be crucial for litigants to understand and consider time-to-trial statistics in potential venues and how (and when) potential venues typically set trial dates. For

patent owners, venues that set trial dates early in litigation and otherwise proceed more quickly to trial will likely have even more appeal.

- The USPTO will be [accepting public comments](#) on the proposed changes until November 17, 2025.

Overview

On October 17 the United States Patent and Trademark Office (USPTO) proposed new subsections 37 C.F.R. § 42.108(d)-(f) addressing circumstances in which the Patent Trial and Appeal Board (PTAB) will not institute or maintain *inter partes* review (IPR) of a patent. These proposed changes seek to codify some of the changes announced earlier this year by then Acting Director, now Deputy Director Coke Morgan Stewart in her “Interim Processes for PTAB Workload Management” Memorandum to all PTAB judges.

Background on IPR

IPR is a mechanism created by Congress as part of the Leahy-Smith America Invents Act of 2011 to challenge the validity of issued patents. Challengers, called petitioners, may request to cancel one or more claims of a patent as unpatentable under 35 U.S.C. §§ 102 and 103. These petitions may include only arguments based on prior art consisting of patents or printed publications. IPR procedure is codified at 35 U.S.C. §§ 311-319.

Since IPRs began in 2013, they have become a frequent strategic tool for challenging the validity of asserted claims in patent litigation. According to the USPTO, more than 80% of IPRs have co-pending district court litigation in which the petitioner is also challenging patent validity.

Recent Changes at the Patent Office

In recent months, the USPTO has significantly changed how it handles IPR petitions. In March 2025, then Acting Director Stewart issued a memorandum to all PTAB judges outlining “Interim Processes for PTAB Workload Management.”

Under these interim procedures, the PTAB has engaged in a bifurcated review of IPR petitions, wherein petitions are first evaluated based on “discretionary considerations” and then on the merits. Discretionary considerations are evaluated by Deputy Director Stewart in consultation with a panel of PTAB judges. These considerations include (1) whether the PTAB or another forum has already adjudicated the validity of the challenged patent claims, and (2) whether there have been changes in the law or new precedent issued since the issuance of the claims that may affect patentability.

Since implementing these interim processes, the rate of institution for IPR petitions has dropped significantly. Nearly all director decisions on discretionary denial consider whether the PTAB is likely to issue a Final Written Decision (FWD) before a trial begins in district court. FWDs are due roughly 18 months after a petition is filed. If the district court has a trial date scheduled before the due date for FWD, or if the median time-to-trial statistics suggest that a trial will occur before the FWD is issued, the director is likely to deny the IPR petition challenging the patent. The PTAB has stated that these processes aim to improve PTAB efficiency and maintain PTAB capacity to conduct other proceedings prescribed under the America Invents Act.

USPTO Proposes Rules Limiting the Number of Validity Challenges

The USPTO’s October 17 notice proposes new rules of practice before the PTAB to focus IPR proceedings on patent claims that have not previously been challenged in litigation or that were the subject of litigation resolved at an early stage. These changes would appear in new regulatory sections 37 C.F.R. § 42.108(d)-(f).

Proposed Section 42.108(d) provides that the PTAB will not institute IPR of a patent unless the petitioner files a stipulation with the Board stating that, if the Board institutes IPR, neither the petitioner nor any other real

party in interest or privy of the petitioner will challenge the validity of the patent under §§ 102 or 103 in any other proceeding. In addition, the petitioner must file the same stipulation with any other tribunal where the petitioner is litigating or later litigates concerning the same patent.

Proposed Section 42.108(e) bars IPR if a challenged patent claim was previously adjudicated and found not invalid. This includes (1) decisions from *district courts* (either via summary judgment, a bench trial, or a jury trial), (2) determinations of the *International Trade Commission* (ITC), (3) earlier FWDs or decisions of the *PTAB* following a request for *ex parte* reexamination, and (4) decisions from the *Court of Appeals for the Federal Circuit* reversing a lower tribunal’s finding of invalidity under §§ 102 or 103.

Proposed Section 42.108(f) states that IPR will not be instituted or maintained if a challenged patent claim will be adjudicated on §§ 102 or 103 grounds in another forum before an FWD in the IPR is due. If adjudication in another forum is “more likely than not,” IPR will not be instituted or maintained. Circumstances in other fora include (1) district court trial dates, (2) initial or final determinations of the ITC, and/or (3) FWDs by the PTAB in another related proceeding.

Proposed Section 42.108(g) allows the director some flexibility to institute IPRs despite such parallel or prior challenges in “extraordinary circumstances.” Under such “extraordinary circumstances,” a panel of PTAB judges may refer the matter to the director, who may personally institute IPR. This subsection explains that “extraordinary circumstances” do not include new prior art, expert testimony, or legal argument, or a prior challenger’s failure to appeal, and that they are instead reserved for, e.g., “a substantial change in a statute or precedent of the Supreme Court of the United States” such that “the prior challenge is rendered irrelevant,” or a determination that a prior challenge was initiated in bad faith. This subsection would also impose sanctions, including attorneys’ fees, on parties who file frivolous or abusive petitions under these new subsections.

The USPTO has stated that these proposed rule changes focus IPR proceedings on “the most appropriate disputes.” It maintains that the proposed changes are intended to

enhance fairness, efficiency, and predictability in patent disputes.

Future Implications

The USPTO's proposed rule changes reaffirm the PTAB's commitment to changes to IPR procedure. The proposed rule changes also represent an attempt to codify some of the discretionary denial factors consistently considered by the deputy director under the new bifurcated review of IPR petitions. If adopted, parties may be denied institution of IPR either due to their own prior acts in other jurisdictions or the acts of third parties who previously challenged the patent. And as written, the exceptions laid out in proposed subsection (g) provide limited circumstances in which the director may institute IPR notwithstanding proposed subsections (d)-(f). As a result, parties should expect to see very few exemptions from the rules set forth in those three subsections.

It will be critical that parties anticipating either offensive or defensive patent litigation consider the viability of invalidity challenges in multiple fora. They must also consider the time-to-trial statistics and procedures for setting trial dates in potential or anticipated litigation venues. Overall, if adopted, the USPTO's proposed rules would impose rigorous hurdles for potential IPR petitioners to clear. Therefore, litigation defendants should diligently investigate whether the patents asserted against them have been litigated before and should be prepared to choose between the district court and the PTAB in arguing patent invalidity under §§ 102 or 103.

FOR MORE INFORMATION

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