

PTAB Requires IPR Petitioners To Identify Examiner Error When Relying On Art Submitted During Prosecution

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On May 19, 2025, the Acting Director of the USPTO issued a precedential decision¹ clarifying the two-part framework in cases involving prior art that an examiner cited in an Information Disclosure Statement (IDS) during prosecution but did not substantively apply. The decision resolves a split among previous PTAB panels: petitioners must show examiner error even if the prior art asserted in the petition was submitted to the USPTO during prosecution of the patent but not otherwise addressed.

Background. 35 U.S.C. § 325(d) permits the Patent Trial and Appeal Board (“PTAB” or “Board”) to deny institution where “the same or substantially the same prior art or arguments previously were presented to the Office.” Under the two-part framework from *Advanced Bionics*¹, the PTAB must first determine whether the art or arguments were previously presented (step one), and, if so, whether the Office materially erred in allowing the claims (step two). The step two inquiry is guided by the non-exclusive factors articulated in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (“Becton Dickinson”), which address how the examiner evaluated the art, how the petitioner’s arguments differ from those made during prosecution, and whether other facts warrant reconsideration.

If you have any questions concerning this memorandum, please reach out to your regular firm contact or to the Cleary authors below.

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¹ *Ecto World, LLC & Sv3, LLC v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 (Stewart May 19, 2025) (precedential).



The decision reinforces the importance of the prosecution record. It also reflects the USPTO's recently increasing emphasis on discretionary denials.

I. *Ecto World, LLC and Sv3, LLC v. Rai Strategic Holdings, Inc.* In this precedential decision, the Acting Director granted a petitioner's request for Director review of a discretionary denial of an IPR petition under § 325(d). The underlying petition relied on prior art that the applicant had disclosed during prosecution of the original application in an IDS, along with over one thousand other references.² Although the Examiner had initialed this IDS as "considered," she had also asked the applicant to identify particular references for focused attention. The applicant did not respond.³ The patent issued without any prior art-based rejections.

The IPR petition pointed out these facts to argue against a discretionary denial, but did not articulate how the Examiner materially erred in overlooking the asserted references.⁴ The PTAB denied institution under § 325(d), finding that the art cited in the petition had been "previously presented" during prosecution (satisfying step 1 of *Advanced Bionics*) and concluding that Petitioner had not shown that "the Office materially erred in its decision to allow the application" as required under step 2.⁵ Petitioner sought Director review, arguing that the Board misapplied the *Advanced Bionics* framework by requiring explicit discussion of examiner error and not looking to the grounds themselves as evidence of error.⁶

The Acting Director agreed with the Board's approach.⁷ The decision clarified that where a ground of a petition asserts prior art submitted in an IDS but not substantively discussed during prosecution, under step two of *Advanced Bionics*, petitioners must articulate how the examiner "materially erred" in overlooking those references. Arguing the strength of

the merits alone is insufficient. The Acting Director also confirmed existing precedent that an examiner's mere initialization of an IDS is enough to satisfy step one of *Advanced Bionics* (i.e., the art was "previously presented").

The Acting Director further clarified that "the Board should consider a petitioner's argument based on the volume of the references submitted to the Office during examination and any applicant information or assistance regarding the relevance of references."⁸ In instances where an applicant submits a particularly voluminous IDS but does not respond to an examiner's requests for direction regarding the relevance of the references, a petitioner might persuasively argue that the art was not meaningfully reviewed, thus constituting a "material error" in prosecution.

II. Key Implications. *Ecto World* signals a potential shift in how discretionary denials may be applied going forward and imposes additional procedural obligations on petitioners. In the past, PTAB judges have sometimes found examiner error when citing to a petition's merits where the petitioner did not explicitly identify any error. That may no longer be the case because petitioners now must articulate how the examiner "materially erred."

Open questions remain. For example, how high of a bar will the Acting Director (and, once confirmed, the next Director) set for showing examiner error? Until that question is answered, petitioners should be cautious about relying on art cited on the face of a patent. When using such art, petitioners should expressly address step two of *Advanced Bionics* in their discretionary denial briefing, articulating how the examiner materially erred. General assertions or arguments that the underlying merits of the petition are strong will be insufficient. Where the prosecution history includes voluminous IDS submissions, petitioners may also be able to use that context to

² *Ecto World*, IPR2024-01280, Paper 13 at 2-4.

³ *Id.* at 2-3, 7.

⁴ *Ecto World*, IPR2024-01280, Paper 1 at 110-111.

⁵ *Ecto World*, IPR2024-01280, Paper 13 at 3.

⁶ *Id.* at 2.

⁷ *Id.* at 5.

⁸ *Id.* at 6-7.

argue the examiner could not have “meaningfully considered” each reference.

For patent owners, the decision counsels searching for and submitting the best prior art references during prosecution. Casting too wide of a net, however, may undercut the benefit, as petitioners may point to these aspects of the original file history to argue that the examiner did not address, or overlooked, key teachings from the art.

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