PROGRAM MATERIALS
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Key 2025 Developments in Patent Law

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Key 2025 Developments in Patent Law

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Disclaimer

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Supreme Court Orders

2025 SHADOW DOCKET ORDERS

- *Trump v. Wilcox*, 24A966, 145 S. Ct. 1415 (May 22, 2025)
- *Trump v. Slaughter*, 25A264, 25-332 (Sept. 22, 2025)
- *Trump v. Am. Fed. Gov't Employees*, 24A1174, 145 S. Ct. 2635 (Jul. 8, 2025)
- *McMahon v. New York*, 24A1203, 145 S. Ct. 2643 (Jul. 14, 2025)
- *Dep't of Educ. v. California*, 24A910, 604 U.S.650 (Apr. 4, 2025)
- *NIH v. Am. Public Health Ass'n*, 25A103, 145 S. Ct. 2658 (Aug. 21, 2025)

Trump v. Wilcox
Removing agency heads without cause

Order staying D.C. District Court injunction preventing POTUS's removal, **without cause**, of heads of the National Labor Relations Board and Merit Systems Protection Board.

- "Because the Constitution vests the executive power in the President, see Art. II, §1, cl. 1, he may remove without cause executive officers who exercise that power on his behalf, subject to narrow exceptions recognized by our precedents."
- Accord, *Trump v. Boyle*, 25A11, 145 S. Ct. 2653 (Jul. 23, 2025); *Trump v. Slaughter*, 25A264, 2025 U.S. LEXIS 2794 (Sept. 22, 2025)
- "[T]he **Federal Reserve** is a uniquely structured, quasi-private entity that follows in the distinct historical tradition of the First and Second Banks of the United States."

Dissent (Kagan, Sotomayor, Jackson): The majority's emergency order seeks to overrule without explanation *Humphrey's Executor v. United States*, 295 U.S. 602 (1935), which has long held that Congress has authority to forbid removal of agency members "except for cause."

Trump v. Slaughter

Removing agency members without cause

Order staying D.C. District Court injunction preventing POTUS's removal, **without cause**, of an FTC Commissioner.

Dissent (Kagan): SCOTUS in *Humphrey's Executor* unanimously held that Congress may Constitutionally restrict POTUS from removing members of FTC and other agencies that perform "quasi-legislative" and "quasi-judicial" functions.

- SCOTUS deemed *Trump v. Slaughter* a *certiorari* petition on the question of whether *Humphrey's Executor* should be overruled and asked for full briefing on that issue.
- SCOTUS heard oral argument on Dec. 8, 2025.
- Chief Justice Roberts: "*Humphrey's Executor* **is just a dried husk** of whatever people used to think it was because, in the opinion itself, it described the powers of the agency it was talking about, and they're vanishingly insignificant, have nothing to do with what the FTC looks like today."

Trump v. Am. Fed. Gov't Employees

Reducing and reorganizing government workforce

Order staying N.D. Cal. and Ninth Circuit injunctions preventing POTUS from reducing and reorganizing wholesale the Federal Government's workforce "[b]y eliminating waste, bloat and insularity" under the direction of the Department of Governmental Efficiency (DOGE).

Concurrence (Sotomayor): Because the Government's actual reorganization plans were not before SCOTUS, the district court is free to consider the lawfulness of those plans in the first instance.

Dissent (Jackson): "Historical practice thus confirms that, while Presidents possess some discretion to reduce federal employment, they may not fundamentally restructure the Federal Government all on their own."

McMahon v. New York

Eliminating entire agencies by Executive Order

Order staying D. Mass. and First Circuit injunctions preventing POTUS from eliminating by Executive Order an entire Cabinet-level agency: the Department of Education.

- That Executive Order resulted in mass terminations at DOE and delays in federal student aid and educational grants.

Dissent (Sotomayor, Kagan, Jackson): "Congress created the Department and only Congress can abolish it."

- POTUS's unilateral action violates (i) separation of powers, (ii) Take Care clause (Executive must "take Care that the Laws be faithfully executed"), and (iii) Administrative Procedures Act in failing to provide a reasoned explanation for its actions.

Dep't of Educ. v. California

Limiting APA suits challenging grant terminations

Order staying D. Mass. District Court TRO enjoining Government from terminating educational grants under APA.

- According to the majority, the Government is likely to succeed in showing that the District Court lacked jurisdiction; APA's waiver of Government sovereign immunity does not extend to orders "to enforce a contractual obligation to pay money." *Great-West Life & Annuity Ins. Co. v. Knudson*, 534 U.S. 204 (2002).

Dissent (Kagan): The majority is "very possibly wrong": *Great-West* was not brought under the APA, and APA suits go to District Courts even where a remedial order may result in disbursement of federal funds. *Bowen v. Massachusetts,* 487 U.S. 879 (1988).

Dissent (Jackson, Sotomayor): "It is beyond puzzling that a majority of Justices conceive of the Government's application as an emergency. It is likewise baffling that anyone is persuaded that the equities favor the Government."

NIH v. Am. Pub. Health Ass'n

Confirming precedential effect of shadow docket order

Order staying D. Mass. District Court's judgments vacating Government's termination of research grants to National Institutes of Health (NIH).

Concurrence-in-part (Gorsuch, Kavanaugh): A lower court may not defy SCOTUS's order in *Dep't of Educ. v. California,* wherein SCOTUS found the Government likely to succeed in showing that a district court lacked jurisdiction to order the government to pay grants.

Concurrence (Barrett): "The District Court likely lacked jurisdiction to hear challenges to the grant terminations, which belong in the Court of Federal Claims. *See Dep't of Educ. v. California.*" But the Government is not entitled to a stay of the District Court's judgment vacating NIH internal guidance eliminating, *inter alia*, DEI objectives and the practice of awarding grants to researchers based on race.

Dissent (Roberts, Sotomayor, Kagan, Jackson): "[T]he District Court's vacatur of the challenged [NIH guidance] distinguishes this case from *Dep't of Educ. v. California*."

Implications for USPTO and Patent Law

- SCOTUS has opened the door to hearing Executive challenges to lower court judgments granting **interim relief** (*e.g.* TROs and preliminary injunctions)
- SCOTUS majority is likely in *Slaughter* to overrule *Humphrey's Executor*, thus permitting POTUS to **fire many federal agency members without cause**
- SCOTUS majority may grant POTUS wide-ranging powers to **reduce or reorganize the federal workforce**
- SCOTUS majority may grant POTUS wide-ranging powers to **eliminate entire federal agencies**
- SCOTUS majority may uphold Government immunity from district court APA suits seeking to enforce payment of **grant money**

Federal Circuit Cases

- Relaxed "domestic industry" standard for Section 337 ITC investigations (*Lashify*)
- *En banc* review of expert opinion on patent damages (*EcoFactor*)
- Jury form deficiencies (*Optis*, *Magema*)
- Prosecution history estoppel (*Colibri*, *Azurity*, *Top Brand*)
- Written description for subgenuses (*Duke*, *Seagen*)
- IPR developments
- Miscellaneous

Lashify v. ITC
130 F.4th 948 (Fed. Cir. Mar. 5, 2025)

- 19 U.S.C. § 1337(a)(2) ("Section 337") allows the International Trade Commission (ITC) to hear actions blocking the importation of foreign products that infringe a U.S. patent, provided that the patented articles are the subject of **domestic industry.**
- 19 U.S.C. § 1337(a)(3) defines domestic industry as requiring:

  (A) significant investment in plant and equipment;

  (B) significant employment of labor or capital; or

  (C) substantial investment in its exploitation, including engineering, research and development, or licensing.

Lashify v. ITC (cont'd)
130 F.4th 948 (Fed. Cir. Mar. 5, 2025)

- The ITC held that **manufacturing activity** was required to satisfy the domestic industry requirement; "sales and marketing activities alone" do not suffice.
- On appeal, the Federal Circuit reversed.
  - "Section 337(a)(3)(B) allows a complainant to satisfy the economic prong of the domestic-industry requirement by showing employment of a large enough stock of accumulated goods **or of a significant amount of human activity** for producing goods or providing the services in demand in an economy."
  - "Ensuring that products, specifically products of desired quality, are provided to customers (*i.e.*, **warehousing, quality control, and distribution**) is an aspect of, at least, 'providing the services in demand.' Efforts to **sell and market** products to customers also are natural aspects of 'providing the services in demand.'"

EcoFactor v. Google
137 F.4th 1333 (Fed. Cir. May 21, 2025) (*en banc*)

- In a W.D. Tex. suit over a smart thermostat patent, EcoFactor's damages expert opined that Google owed a $X per-unit royalty based upon lump-sum amounts recited in three prior settlement agreements.
- The *en banc* Federal Circuit held that the expert's $X per-unit royalty was inadmissible under F.R.E. 702, *i.e.*, not based on sufficient facts and data because the language in the settlements contradicted the expert.
  - All three settlements included a unilateral "WHEREAS" recital indicating that the lump sums were "based on what **Ecofactor believes** is a reasonable royalty calculation of $[X] per-unit."
  - Two of the three settlements also stated that "[s]uch [a lump-sum] amount is not based upon sales and **does not reflect or constitute a royalty**."

EcoFactor v. Google (cont'd)
137 F.4th 1333 (Fed. Cir. May 21, 2025) (*en banc*)

- **Dissent (Reyna):** Rule 702 does not require that a damages expert's opinion be based on **undisputed** facts or data. According to Reyna:
  - The settlements, testimony of EcoFactor's CEO, and undisputed market data provided sufficient Rule 702 support for the expert's $X per-unit royalty.
  - The majority *sua sponte* transformed the *en banc* proceedings from an analysis of whether the district court abused its discretion in applying Rule 702 to a case about contract interpretation.
- **Dissent (Stark):** "I read the Majority's holding as so narrow as to have almost no applicability beyond this case…. I fear, too, that the Majority may be misunderstood as inviting district judges, and future panels of this court, to resolve fact disputes under the guise of evaluating whether experts may testify at trial."

Jury Verdict Form Deficiencies in Patent Cases

- In *Optis v. Apple*, 139 F.4th 1363 (Fed. Cir. Jun. 16, 2025), the E.D. Tex. District Court ignored both parties' requests for jury form questions asking whether Apple infringed Optis's patents on a patent-by-patent basis. Instead, it *sua sponte* included just one infringement question covering all five asserted patents:

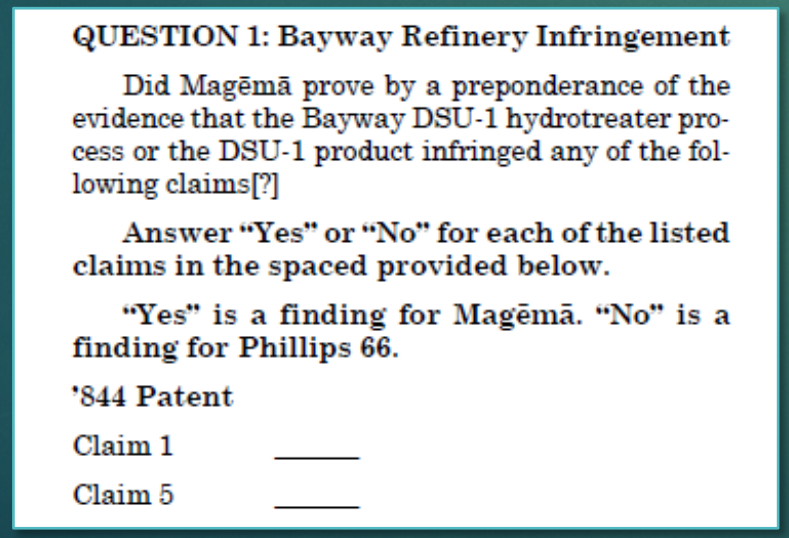
  "Did Optis prove by a preponderance of the evidence that Apple infringed **ANY** of the [a]sserted [c]laims?"

- **Held:** "The verdict form violated Apple's [Seventh Amendment] right to jury unanimity on each legal claim against it…. The infringement judgment is vacated."

  - The Federal Circuit also vacated $300M in damages because the district court improperly instructed the jury to **assume** that all patents were infringed, and to determine a single damages amount based on that assumption.

Jury Verdict Form Deficiencies in Patent Cases (cont'd)

- In *Magēmā v. Phillips 66*, 153 F.4th 1248 (Fed. Cir. Sept. 8, 2025), the district court allowed Phillips to raise a new non-infringement theory at trial. The jury returned a verdict of non-infringement. Magēmā moved for a new trial. The district court denied the motion on the ground that the new theory, though "prejudicial," was "harmless."



QUESTION 1: Bayway Refinery Infringement

Did Magēmā prove by a preponderance of the evidence that the Bayway DSU-1 hydrotreater process or the DSU-1 product infringed any of the following claims[?]

Answer "Yes" or "No" for each of the listed claims in the spaced provided below.

"Yes" is a finding for Magēmā. "No" is a finding for Phillips 66.

'844 Patent

Claim 1 _____

Claim 5 _____

Magēmā jury form infringement question

- **Held:** "Because we cannot discern the basis for the jury's noninfringement verdict and are not satisfied that the verdict was uninfected by Phillips' improper and prejudicial noninfringement theory, we reverse the District Court's order denying Magēmā a new trial and remand for a new trial."

Prosecution History Estoppel

- An accused device can infringe an asserted patent either literally or under the doctrine of equivalents (DOE).
- DOE equivalents are determined on a claim element-by-element basis and consist of subject matter equivalent to the claim element under the "function-way-result" or "insubstantial differences" tests.
- Under the doctrine of prosecution history estoppel (PHE), (i) **narrowing amendments or arguments** made by a patentee during prosecution (ii) for **reasons of patentability** (iii) create a **presumption** preventing the patentee from recapturing the surrendered subject matter as an equivalent.
  - A patentee can rebut the presumption by arguing, *e.g.*, that the asserted equivalent was unforeseeable at the time of filing or that the amendment was "tangential" to the asserted equivalent.

Prosecution History Estoppel (cont'd)

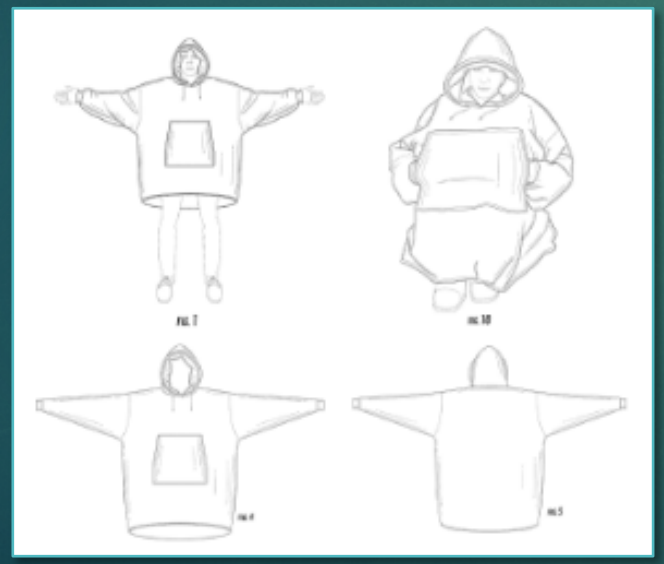
- In *Colibri v. Medtronic*, 143 F.4th 1367 (Fed. Cir. Jul. 18, 2025), the Federal Circuit held that voluntary cancellation of one claim during prosecution triggered PHE and narrowed the equivalents available under a **different** claim.
- Colibri's patent, as filed, had two independent claims to methods of implanting an artificial heart valve: one reciting "pushing" the valve out of the delivery device and a second reciting "retracting" the delivery device sheath. The Examiner during prosecution rejected the "retracting" claim for lack of written description, and Colibri canceled it.
- **Held:** PHE is not limited "to situations in which the issued, asserted claim itself was amended." "Cancelling a **closely related claim** involving such **intertwined terminology**… necessarily communicated that the scope of the other claim had narrowed."

Prosecution History Estoppel (cont'd)

- In *Azurity* v. *Alkem*, 133 F.4th 1359 (Fed. Cir. Apr. 8, 2025), the Federal Circuit held that PHE raised in one application could not be negated by later, contrary statements in a related application that try to walk back PHE.
- Azurity prosecuted a '400 and a '421 application, both claiming priority to a '059 application. During prosecution of '059, Azurity repeatedly argued that the claims excluded propylene glycol. '059 and '400 eventually matured into the patent-in-suit. Later, during prosecution of '421, Azurity stated "for the record" that it "did not disclaim propylene glycol when submitting the ['059] arguments" and reserved the right to claim propylene glycol in related applications.
- **Held:** "Azurity made its 'for the record' statement **after** the Examiner had allowed the claims of the '400 application. Judging these circumstances through the lens of public notice, Azurity's **unilateral and belated statement** carries no weight."

Prosecution History Estoppel (cont'd)

- In *Top Brand v. Cozy Comfort*, 143 F.4th 1349 (Fed. Cir. Jul. 17, 2025), Cozy Comfort's design patent claimed a design for an oversized wearable blanket. During prosecution, the Examiner rejected the claims as anticipated by White's design. Cozy Comfort argued that its design differed from White's based on the shape and placement of the pocket and the shape of the bottom hem line.



Cozy Comfort's patented design

- **Held:** The Federal Circuit previously held that amendment-based PHE applied to design patents in *Pacific Coast v. Malibu Boats*, 739 F.3d 694 (Fed. Cir. 2014). "We see no reason to distinguish between disclaimer by amendment and disclaimer by argument and conclude that a patentee may surrender claim scope of a design patent by its representations to the Patent Office during prosecution."

Written Description of Subgenuses

	In re Ruschig, 379 F.2d 990 (CCPA 1967)	*In re Driscoll*, 562 F.2d 1245 (CCPA 1977)	*Duke v. Sandoz*, 160 F.4th 1305 (Fed. Cir. Nov. 18, 2025)	*Seagen v. Daiichi*, 160 F.4th 1322 (Fed. Cir. Dec. 2, 2025)
Size of disclosed genus	~500,000 compounds	14 moieties	Billions of compounds	>47 million linkers
Size of claimed subgenus	1 compound	1 moiety	**1620-4230** compounds	**81** linkers
Claimed subgenus disclosed?	n/a	**Yes**	**No**	**No**
Representative species disclosed?	n/a	n/a	**No**	**No**
Blazemarks to subgenus disclosed?	No – specification disclosed "myriads of possibilities" with no guidance leading to claimed compound	No – but blazemarks were unnecessary because claimed subgenus was "clearly discernible"	**No** – alleged blazemarks still encompassed vast options, and preferred options led away from claimed subgenus	**No** – patentee's expert admitted POSA would need to make a "leap" from disclosed species to claimed subgenus

IPR Grounds

- IPR estoppel under 35 U.S.C. § 315(e)(2) does not bar a litigant from asserting **prior use or on-sale bar** because those are not permissible grounds for an IPR.

Ingenico v. IOEngine, 136 F.4th 1354 (Fed. Cir. May 7, 2025)

- An IPR petitioner cannot use applicant-admitted prior art (AAPA) set forth in the specification of the patent-at-issue **as "a basis"** for an IPR ground

Qualcomm v. Apple, 134 F.4th 1355 (Fed. Cir. Apr. 23, 2025)

- But an IPR petitioner can use AAPA to supply "general background knowledge," including **a claim limitation that is missing from the prior art**.

Shockwave Med. v. Cardiovascular Sys., 142 F.4th 1371 (Fed. Cir. Jul. 14, 2025)

IPR Procedural Developments

- In IPRs, a published patent application becomes "printed publication" prior art under 35 U.S.C. § 311(b) as of its **filing date**, not its publication date.

Lynk v. Samsung, 125 F.4th 1120 (Fed. Cir. Jan. 14, 2025)

- PTAB retains jurisdiction over IPRs challenging **expired patents** because limited patent rights, *e.g.*, the right to sue for past damages, continued to exist post-expiration.

Apple v. Gesture Tech., 127 F.4th 364 (Fed. Cir. Jan. 27, 2025)

- An obligation to **indemnify infringing customers** sufficed to establish an IPR petitioner's standing to appeal an IPR final written decision to the Federal Circuit.

CQV. Co. Ltd. v. Merck, 130 F.4th 1344 (Mar. 10, 2025)

IPR Procedural Developments (cont'd)

- An IPR FWD invalidating certain claims does not collaterally estop a patentee from asserting even "immaterially different" claims in litigation due to differing standards of proof for invalidity, *i.e.*, a preponderance of evidence in IPRs versus clear and convincing proof in litigation.

Kroy v. Groupon, 127 F.4th 1376 (Fed. Cir. Feb.10, 2025)
Inland Diamond v. Cherry Optical, 155 F.4th 1365 (Fed. Cir. Oct. 15, 2025)

- An IPR FWD did not estop a later ex *parte* reexamination for the same patent under 35 U.S.C. 315(e)(1) because an ex *parte* reexamination is not a proceeding that is "maintained" by the IPR petitioner, as required by the statutory language.

In re Gesture Tech., 160 F.4th 1317(Fed. Cir. Dec. 1, 2025)

Miscellaneous

- **Derivation proceedings:** In its first review of an AIA 35 U.S.C. 135(b) derivation proceeding, the Federal Circuit held that a first-filer can prevail if it **independently** conceived the invention; there is no need to show that the first filer was first to conceive the invention.

Global Health v. Selner, 148 F.4th 1363 (Fed. Cir. Aug. 26, 2025)

- **AI inventions:** Claims that simply apply "generic machine learning technology" to a task, *i.e.*, optimizing TV broadcast schedules, are patent-ineligible; a claim must describe a non-generic improvement to the machine learning technology itself to be patent-eligible.

Recentive v. Fox Corp., 134 F.4th 1205 (Fed. Cir. Apr. 18, 2025)

USPTO Developments

- New IPR/PGR institution standards
- October 17, 2025 proposed new IPR rules (37 C.F.R. 42.108(d)-(g))
- New §101 patent eligibility guidance
- 2026 Patent Examiner Performance Appraisal Plan (PAP)

New IPR/PGR Institution Standards

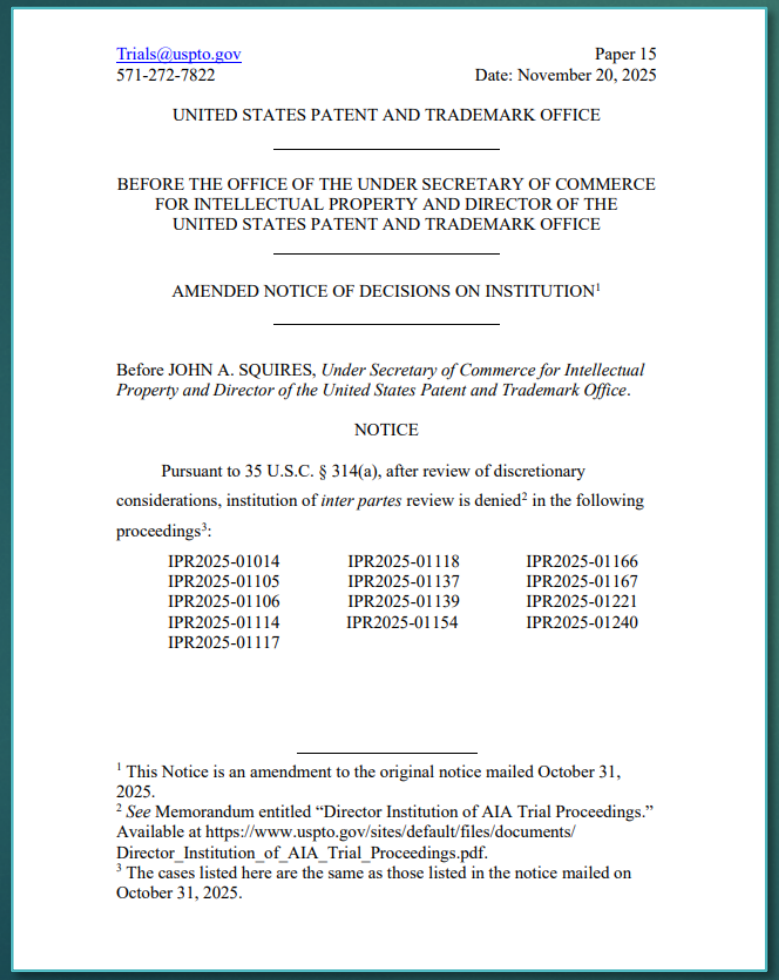
Director Vidal (Apr. 2022 - Dec. 2024)	Acting Director Stewart (Jan. 2025 – Sept. 2025)	Director Squires (Sept. 2025 –)
• Delegated institution decisions to 3-judge PTAB panels • Issued guidance limiting discretionary denials under *Fintiv* factors • Created "compelling merits" exception allowing institution of IPRs despite parallel litigation • *Sotera* stipulations typically were sufficient to avoid discretionary denials	• Implemented two-step institution process: (1) Director unilaterally determines whether to issue discretionary denial; (2) if not, petition proceeds to PTAB panel for merits review • Rescinded Vidal guidance limiting discretionary denials: eliminated "compelling merits" exception and gave *Sotera* stipulations less weight • Created "settled expectations" standard (*iRhythm v. Welch Allyn*, IPR2025-00363) favoring discretionary denial of IPRs challenging older patents	• Ended two-step institution process: Director **alone** now has authority to institute based on both discretion and merits (albeit in consultation with at least three 3 PTAB judges) • Director need provide only a summary grant/denial notice without any detailed opinion • Proposed new rules that would (i) restrict institution of IPRs for patents whose validity was already challenged or adjudicated in another forum; (ii) bar all §§102/103 arguments in other fora

New IPR/PGR Institution Standards (cont'd)

As of now:

- Director alone issues both discretionary denials and institution on the merits albeit in consultation with a panel of three APJs
- Institution decisions take the form of summary notices
- *Fintiv* factors again govern discretionary denials, with quick time-to-trial in parallel litigation (including ITC cases) serving as a key factor favoring denial
- *Sotera* stipulations by themselves are no longer sufficient to avoid discretionary denial of IPRs
- "Compelling merits" by themselves are no longer sufficient to warrant institution of IPRs

New IPR/PGR Institution Standards (cont'd)



Trials@uspto.gov
571-272-7822

Paper 15
Date: November 20, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

AMENDED NOTICE OF DECISIONS ON INSTITUTION[1]

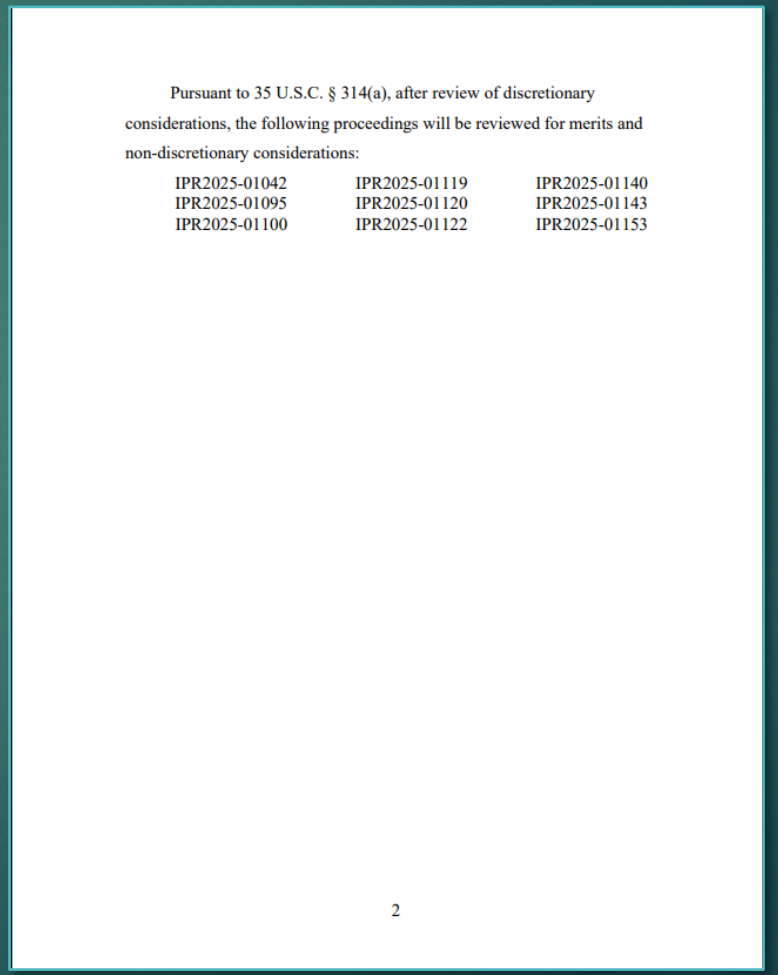
Before JOHN A. SQUIRES, *Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office*.

NOTICE

Pursuant to 35 U.S.C. § 314(a), after review of discretionary considerations, institution of *inter partes* review is denied[2] in the following proceedings[3]:

IPR2025-01014	IPR2025-01118	IPR2025-01166
IPR2025-01105	IPR2025-01137	IPR2025-01167
IPR2025-01106	IPR2025-01139	IPR2025-01221
IPR2025-01114	IPR2025-01154	IPR2025-01240
IPR2025-01117		

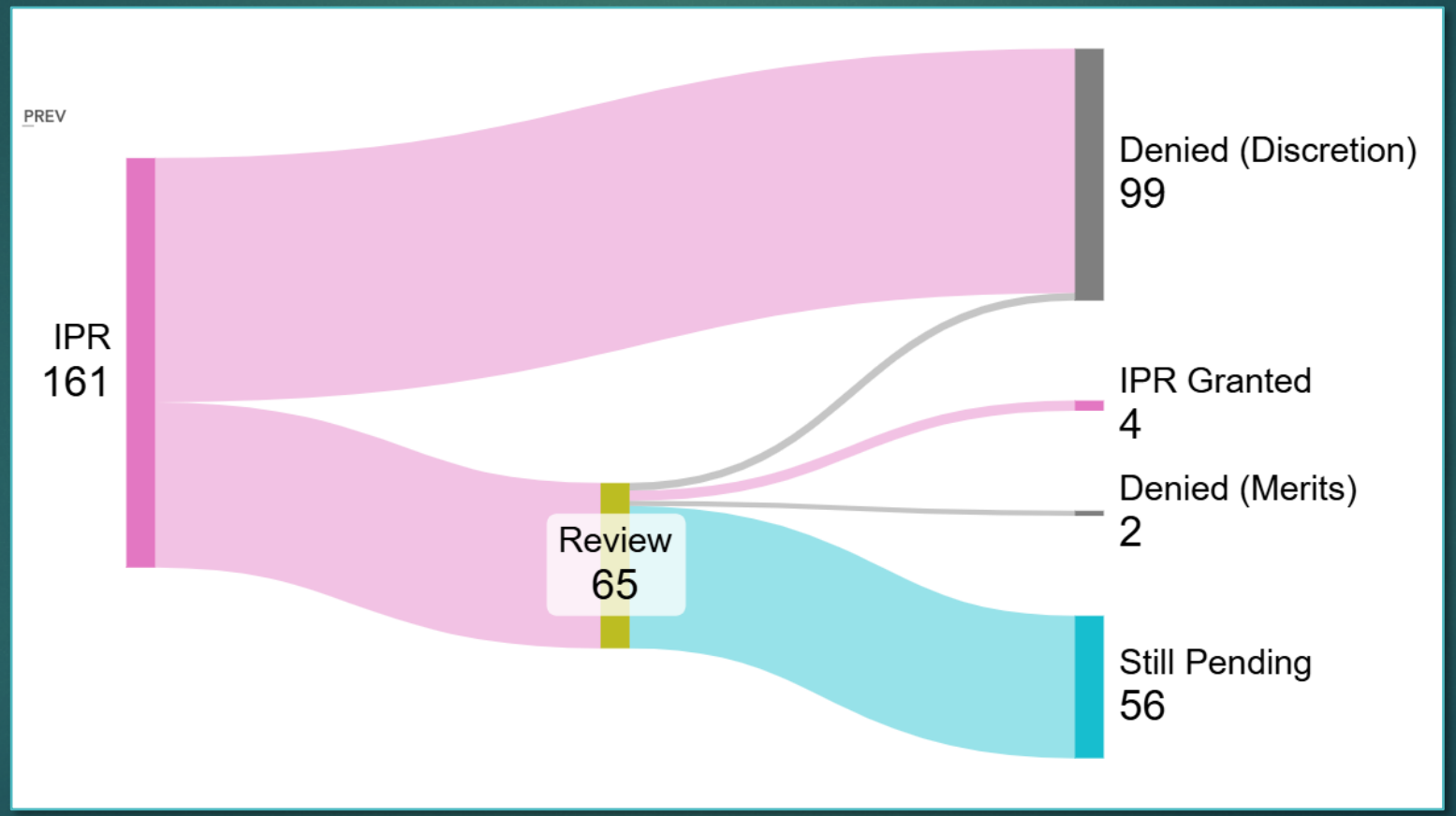
[1] This Notice is an amendment to the original notice mailed October 31, 2025.
[2] *See* Memorandum entitled "Director Institution of AIA Trial Proceedings." Available at https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf.
[3] The cases listed here are the same as those listed in the notice mailed on October 31, 2025.



Pursuant to 35 U.S.C. § 314(a), after review of discretionary considerations, the following proceedings will be reviewed for merits and non-discretionary considerations:

IPR2025-01042	IPR2025-01119	IPR2025-01140
IPR2025-01095	IPR2025-01120	IPR2025-01143
IPR2025-01100	IPR2025-01122	IPR2025-01153

New IPR/PGR Institution Standards (cont'd)



Patently-O, "So You're Telling Me There's a Chance: IPR Institution Rate Rises to 4%," December 1, 2025

Proposed New IPR Rules

- **37 C.F.R. 42.108(d) – Mandatory stipulation foregoing other §§102/103 challenges:** IPR shall not be "instituted or maintained" unless a petitioner stipulates that, if an IPR is instituted, the petitioner and any RPI or privy of petitioner will not raise **any** §§102 or 103 challenges in **any** other proceeding.
- **37 C.F.R. 42.108(e) – Bar on IPRs against claims previously found valid:** An IPR shall not be "instituted or maintained" if a challenged claim or claim from which a challenged claim depends was (i) found not invalid under §§102 **or** 103 by a district court or ITC determination that has not been vacated or reversed in part; (ii) found not unpatentable in an IPR/PGR final written decision that has not been vacated or reversed in part; (iii) found patentable in an *ex parte* reexam office action or decision that has not been vacated or reversed in part; or (iv) determined valid by the Federal Circuit.

Proposed New IPR Rules (cont'd)

- **37 C.F.R. 42.108(f) – Bar on IPRs based on "likely" earlier proceedings:** An IPR shall not be "instituted or maintained" if it is "more likely than not" that before the due date of the final written decision (i) a district court trial occurs in which a party challenges the patent under §§102 or 103; (ii) the ITC issues an initial or final determination with respect to §§102 or 103; or (iii) PTAB issues an IPR/PGR final written decision.

- **37 C.F.R. 42.109(g) – Institution in "extraordinary circumstances":** If a PTAB panel determines that "extraordinary circumstances"—including **bad faith**, or a **substantial change in statute or SCOTUS precedent**—warrant institution, the panel shall refer to matter to the Director who may personally institute IPR. But "extraordinary circumstances" do not include new prior art, new expert testimony, or new non-SCOTUS case law.

Proposed New IPR Rules (cont'd)

- USPTO received **over 10,000 comments** on the proposed new IPR rules. All recognized that the new rules imposed significant limitations on access to IPRs.
- Fourteen former members of Congress (including Sen. Leahy, co-sponsor of the AIA) sent a Dec. 1, 2025 letter to USPTO asserting that the new rules ran afoul of the AIA by (i) requiring petitioners to waive §§102/103 litigation defenses they could not nave raised in an IPR and (ii) depriving them of such defenses due to events in prior or parallel litigation they were not involved in.
- Former Sen. Smith (Sen. Leahy's AIA co-sponsor) and four current members of Congress separately filed comments supporting the new rules, asserting that the AIA was not intended to allow multiple challenges to patents that were previously upheld as valid, thereby raising costs for patent owners.

New § 101 Guidance

A **November 28, 2025 guidance document** from Director Squires establishes that:

- AIs are not persons and cannot be joint inventors.
- There is no separate standard for determining inventorship for AI-assisted inventions.
- AI systems "are analogous to laboratory equipment, computer software, research databases, or any other tool that assists in the inventive process…. they may provide services and generate ideas, but they remain tools used by the human inventor who conceived the claimed invention."
- "[A] priority claim to a foreign application that names an AI tool as the sole inventor will not be accepted."

New § 101 Guidance (cont'd)

A **December 4, 2025 memo** from Director Squires explains that:

- "Claims for improving the functioning of a learning model itself" may satisfy step 2 of the *Alice* § 101 patent-eligibility test.
- Applicants may "supply their own evidentiary submission [*i.e.*, a Subject Matter Eligibility Declaration] to attempt to overcome Section 101 rejections…. For those choosing to file, we urge them to file a SMED separate from any other declarations."
- "[A] SMED may provide facts that describe the state of the art at the time of filing, provide objective evidence as to how the invention improved upon the state of the art, or provide a factual basis for determining that one of ordinary skill in the art would have concluded that the invention improved the underlying technology."

2026 Patent Examiner Performance Appraisal Plan

In October 2025, USPTO announced the following changes to the Patent Examiner Performance Appraisal Plan (PAP) for 2026:

- **Increased production targets:** Examiners must meet 100% of their production target (rather than 95%) to be rated "fully successful" and receive maximum compensation
  - Patent Prosecution Highway (PPH) cases, which generally are faster and cheaper than non-PPH cases, now qualify for less credit
- **One-hour interview time cap:** Examiners receive credit for just one hour of applicant interview from initial filing to a request for continued examination
- **Mandatory SPE review:** Supervisory patent examiners must review every first office action on the merits and every allowance by primary examiners

2025 Key Takeaways

- **SCOTUS** issued orders affecting personnel, organization and funding of several federal agencies, with potential knock-on effects for the USPTO
- **Federal Circuit** issued several significant new cases concerning the availability of 337 investigations; patent damage expert opinions; jury verdicts; prosecution history estoppel; written description; and IPR procedure
- **USPTO** issued new guidance and proposed new rules significantly limiting IPR institution

Questions?

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