THOMPSON COBURN LLP

TC'S IP CORNER®

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THOMPSON COBURN LLP

TC'S IP CORNER®

Welcome to TC's IP Corner® Halloween edition. We are excited to share this quarterly newsletter with our clients, colleagues, and friends as we examine hot topics, interesting cases, and weird yet entertaining happenings in the world of intellectual property.

If you have ideas for future editions, please reach out to one of the editors listed below.

WU-TANG CLAN'S *ONCE UPON A TIME IN SHAOLIN* ALBUM MAY BE MORE GROUNDBREAKING THAN ANTICIPATED AS COURT ALLOWS TRADE SECRET CLAIMS TO PROCEED

In a first of its kind order, the Eastern District of New York denied defendant Martin Shkreli's motion to dismiss plaintiff PleasrDAO's federal and state claims of misappropriation of confidential information/trade secret as it relates to Wu-Tang Clan's unreleased album *Once Upon a Time in Shaolin*.[1]

The Wu-Tang Clan, a world-famous American hip hop collective formed in Staten Island, New York in the 1990's challenged the devaluation of music in the digital era by producing their *Once Upon a Time in Shaolin* album (the "Album') - an album with only one hard copy that has never been publicly released. Wu-Tang Clan leader Robert "RZA" Diggs and producer Tarik "Cilvaringz" Azzougarh packaged the Album in a boxed set including: (i) the only existing hard copy of the record album; (ii) a nickel and silver cased box set; (iii) a gold leafed certificate of authenticity; (iv) a pair of customized audio speakers; and (v) a 174-page leather bound manuscript volume containing lyrics, credits and anecdotes on the production and recording of each song.

In 2015, the producers sold the Album to Martin Shkreli, a former pharmaceutical executive, for $2 million dollars, making the Album one of the most expensive musical works ever sold. The sale was executed in an Original Purchase Agreement, wherein Shkreli received the physical Album in the boxed set, 50% of the copyrights and renewal copyrights in the recordings and musical compositions. In return, the purchase agreement required Shkreli to abide by several usage restrictions for a period of 88 years. The purchase agreement allowed for Shkreli to duplicate the Album for private use, but prohibited duplication, replication and exploitation of the Album for any commercial or other non-commercial purposes, not including the private or public exhibition or playing of the Album, with or without charge, in locations such as Shkreli's

[1] *PleasrDAO v Shkreli*, Case No. 1:24-cv-04126-PKC-MMH (E.D.N.Y Sept. 25, 2025)

home, museums, art galleries, restaurants, bars, exhibition spaces, or similar spaces not customarily used as venues for large musical concerts. The purchase agreement gave Shkreli the right to sell the Album to another party under the same terms and conditions as described therein.

Shkreli's ownership of the album was short-lived. In 2017, Shkreli was convicted on two counts of securities fraud and one count of conspiracy to commit securities fraud. Shkreli was sentenced to 7 years in prison and ordered to pay over $7 million in proceeds. The court entered a forfeiture order to satisfy the judgement, requiring Shkreli to turn over to the United States his interest in certain assets, including the Album. The forfeiture order also required Shkreli to refrain from taking any actions that would affect the availability, marketability or value of the Album, and ensure the Album was preserved and maintained in good and marketable condition, not damaged, diluted or diminished by himself or any of his representatives.

In 2021, PleasrDAO, a Cayman Island company that collects and publicly displays culturally significant media and materials to create 'experiences', purchased the Album for approximately $4 million. In 2022, Shkreli was release from prison and began posting on various social media platforms and participating in online live steams wherein he admitted to playing the Album for his followers, admitted to retaining copies of the Album, and offered to send copies of the Albums to various users.

In response, PleasrDAO filed suit against Shkreli for violations of the Defend Trade Secrets Act (DTSA) and misappropriation of confidential information/trade secret, among other claims.[2] The elements required to establish misappropriation of trade secrets under the DTSA and New York law are fundamentally the same. The DTSA defines 'trade secret' to include 'all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or

[2] PleasrDAO filed action against Shkreli for: (1) enforcement of the Forfeiture Order; (2) violations of the DTSA; (3) misappropriation of confidential information/trade secrets; (4) tortious interference with prospective economic advantage; (5) unjust enrichment; and (6) recovery of chattel/replevin. Along with its Complaint, PleasrDAO filed a motion for a temporary restraining order ("TRO"), which the Court granted.

codes,' so long as: (1) the owner has taken reasonable measures to keep such information secret; and (2) the information derives independent economic value from not being generally known to another person who can obtain economic value from the disclosure or use of the information.

In determining whether information qualifies as a trade secret, New York courts consider the following six factors:

1. The extent to which the information is known outside of the business;
2. The extent to which it is known by employees and others involved in the business;
3. The extent of measures taken by the business to guard the secrecy of the information;
4. The value of the information to the business and to its competitors;
5. The amount of effort or money expended by the business in developing the information;
6. The ease or difficulty with which the information could be properly acquired or duplicated by others

As the Court notes, this case involves an unusual application of the trade secret doctrine and statutes. PleasrDAO alleges that the trade secret at issue is the unreleased Album, however the Album does not fit within the business information or data category that is traditionally protectable as a trade secret, nor does it clearly resemble a secret recipe or formula used to make a product.

This case does not involve the first time a court has considered whether trade secret protection extends to unreleased musical works. In a 2017 case,[3] the District of Minnesota held that a plaintiff's trade secret claim related to five unreleased Prince songs was unlikely to succeed on the merits because the only economic value the recordings derive are from the right to sell the recordings, thus the plaintiff could not realize any independent economic value by keeping the recordings secret.

[3] *Paisley Park Enters., Inc. v. Boxill*, 253 F. Supp. 3d 1037, 1041 (D. Minn. 2017)

Similarly, the Central District of California[4] held that an unreleased Janet Jackson song was not a trade secret because the plaintiff failed to identify anything in or about the song that derived independent economic value by keeping the recordings secret.

Nevertheless, the Eastern District of New York was willing to apply the factors to determine if PleasrDAO sufficiently plead that the Album is a trade secret under the DTSA and New York law and ultimately held that PleasrDAO indeed adequately alleged that the Album derives independent economic value from its secrecy. The Court explained that unlike the plaintiffs in the cases mentioned above, PleasrDAO has a unique business model wherein it collects culturally significant media and materials to create 'ecosystem experiences.' The independent economic value of the Album comes from PleasrDAO's ability to exploit is exclusively to create experiences that its competitors cannot, rather than from traditional commercial distribution of music.

The Eastern District of New York's most recent order expands how courts may recognize and categorize trade secrets – possibly opening a new avenue of protection for artists and authors. While only in its early stages, this case is one to watch as it could provide guidance on how authors and artists can protect their unreleased works. If you or a client need help navigating intellectual property issues associated with copyrights and trade secrets, please reach out to a member of TC's IP group.

[4] *Anderson v. Jackson*, No. 04-CV-2649 (CAS) (JWJx), 2005 WL 8166024 (C.D. Cal. Aug. 8, 2005)

AI PROMPTS AND OUTPUTS: PRIVILEGE AND WORK PRODUCT

Should AI prompts and outputs be awarded special privilege under the law? Discussions regarding attorney-client privilege and work product concerns for AI have become part of public discourse since Sam Altman, the CEO of OpenAI, posted on X about the possibility of an "AI privilege" under which, according to Altman, "talking to an AI should be like talking to a lawyer or a doctor." [1]

But how are courts handling the concept of AI privilege? In a recent case involving OpenAI, the Southern District of New York rejected OpenAI's argument that certain summaries of prompts and outputs should be protected by the attorney-client privilege.[2] There, the class plaintiffs filed a motion to compel production of certain documents to which OpenAI claimed privilege protection. One of the documents was an excel spreadsheet with various entries written by OpenAI employees that describe and evaluate prompts to and output responses from a ChatGPT model. OpenAI asserted that the spreadsheet was created at the direction of OpenAI's in-house counsel in order to assist with copyright compliance measures for product outputs. Without making any comment about whether input of a prompt into a large language model destroys privilege, the court rejected OpenAI's privilege argument, noting that the document contained no actual legal advice sought or conveyed by an attorney.

Other courts have discussed the protected nature of prompts and outputs. For example, in *Concord Music Group, Inc. v. Anthropic PBC*, the Northern District of California concluded that prompts to and outputs from Claude that were submitted and obtained in the course of a legal investigation are protected under the attorney work product doctrine.[3]

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[1] USPTO Memorandum, Interim Processes for PTAB Workload Management (Mar. 26, 2025).

[2] *In re: OpenAI, Inc.*, 2025 WL 2799890 (S.D.N.Y. Oct. 1, 2025)

[3] *Concord Music Group, Inc. v. Anthropic PBC,* 2025 WL 1482734 (N.D. Cal. May 23, 2025)

There, the plaintiffs conducted a pre-suit investigation into potential infringement by Anthropic and relied upon certain prompts and outputs from their investigation in support of their allegations of infringement. The plaintiffs produced all prompts and outputs on which they relied to support their allegations. Anthropic then served broad discovery requests directed to all prompts and outputs, including those not relied upon by the plaintiffs. The Northern District of California concluded that such prompts and outputs can constitute attorney work product, citing to *Tremblay v. OpenAI, Inc.*, No. 23-cv-03223-AMO, 2024 WL 3748003, at *2-3 (N.D. Cal. Aug. 8, 2024). And the court rejected Anthropic's argument that the plaintiffs waived work product protection for unrelied-upon prompts and outputs, stating that Anthropic "calls for a sweeping subject-matter waiver for all unrelied-upon prompts and outputs and goes too far regardless of whether the prompts, settings and corresponding output are fact work product or opinion work product." Given the broad nature of Anthropic's requests requiring production of all undisclosed prompts, settings and outputs, the court denied Anthropic's motion to compel.

As issues involving AI prompts and AI outputs become more frequently litigated, privilege issues are likely to continue to arise. Companies should consider implementing AI policies and guidelines as part of a comprehensive risk management and training program and continue to use caution when involving AI in legal issues. TC's IP group regularly advises clients on these issues. Please reach out to a member of TC's IP group if you need assistance.

USPTO PUSH TO INCREASE PATENTS ON AI-RELATED INVENTIONS

Artificial intelligence has both excited and scared people since the early days of robotics.[1] The prospect of a benevolent helper robot is common in our culture as evidenced by the Jetsons' Rosey the Robot helper or R2-D2's assistance in the Star Wars saga. These kind and helpful machines starkly contrast Arnold Schwarzenegger's cyborg role in *Terminator* as self-aware robots attempt to eradicate the humans that created them. As a society we are not quite at the point where the average person has a robot to do their chores nor are we doomed by an army of machines trying to take us out (thankfully).

On August 4, 2025, the United States Patent and Trademark Office (USPTO) published a memo regarding the examination of patent applications concerning AI and machine-learning technology. This article explores that memo and the USPTO's latest guidance on how to handle AI-related inventions. For background, this article first addresses patentable subject matter under the U.S. Patent Act.

Patentable Subject Matter – Section 101 of the U.S. Patent Act

The body of patent law has its roots in the intellectual property clause of the U.S. Constitution.[2] That concept is striking when considering today's state of technology and the Framers' foresight to drive innovation while writing with quill and ink by the light of an oil lamp in the late 1700s. The statutory backdrop for the types of innovations eligible for patent protection is outlined in 35 U.S.C. § 101. The specific statutory language contemplates patent eligibility for "any new and useful process, machine, manufacture, or composition of matter, or any

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1 The term "artificial intelligence" first gained popularity during a 1956 conference shortly after Alan Turing coined the "Turing Test" for determining whether a machine can exhibit human-like behavior. https://worldhistoryjournal.com/2025/08/02/history-of-artificial-intelligence/; https://plato.stanford.edu/entries/turing-test/.

2 U.S. CONST. art I, § 8, cl. 8.

new and useful improvement thereof."[3] Section 101 is a fundamental first step in determining whether or not an innovation can even be protected by a patent.

Judicial Exceptions to Patentability Despite Section 101

The key categories of patentable subject matter are processes, machines, manufactures, and compositions of matter, but there are judicially created exceptions to patentability within these categories. The U.S. Supreme Court's *Alice and Mayo* decisions illustrate these exceptions in holding that "[l]aws of nature, natural phenomena, and abstract ideas are not patentable."[4] The exceptions to patentability are rooted in allowing all to use the building blocks of innovation while rewarding a patent to those that "integrate the building blocks into something more."[5] The inability to patent laws of nature or natural phenomena is best reasoned by the prospect that one cannot truly *invent* something that happens naturally. If a person discovers a plant previously unknown to humanity, it may have new or innovative uses, but the plant itself was not created by the "inventor." The abstract idea exception also reinforces the concept that ideas themselves are not patentable.[6] Patent Office examiners consider these exceptions when evaluating patent applications.

Application Analysis Step 2A

When evaluating a patent application, patent examiners rely on the Manual of Patent Examining Procedure (MPEP). A flowchart is incorporated into § 2106 of the MPEP that instructs examiners to engage in a multi-step analysis to determine if an application claims patent-eligible subject matter.[7] Step 2A of this analysis focuses on whether the application is directed to a law of nature, natural phenomenon, or an abstract idea. If an application is directed to one of

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3 35 U.S.C. § 101.

4 Alice Corp. Pty. v. CLS Bank Int'l, 573 U.S. 208, 216 (2014); Mayo Collaborative Servs. v. Prometheus Lab'ys, Inc., 566 U.S. 66, 70 (2012).

5 *Alice*, 573 U.S. at 217.

6 *Id*. at 218.

7 United States Patent and Trademark Office, *2106 Patent Subject Matter Eligibility*, available at https://www.uspto.gov/web/offices/pac/mpep/s2106.html.

these exceptions, examiners then evaluate if the application recites additional elements that take the judicial exceptions and integrate them into a practical application.[8] If the examiner determines that the application is directed towards a practical application, it will not be rejected on the basis it is related to a judicial exception.[9]

How does this apply to AI?

The abstract idea exception is further divided into categories of mathematical concepts, mental processes, and methods of organizing human activity. Software and AI patent applications often fall into the category of "abstract ideas" as these processes could, in theory, be performed mentally or manually and to avoid rejection must incorporate some type of limitation that prevents them from being a truly mental process.

The USPTO's Stance

Since a 2019 request for comments, the USPTO has been searching for the best way to adapt to AI applications and technology.[10] AI's ability to be used as a tool for inventors and examiners while also being the subject matter of a patent have drawn attention from the USPTO.[11] On August 4, 2025, the USPTO relayed information to examiners stressing the importance of proper application of Step 2A and the grounds for making a rejection.[12] Additionally, this memo

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8 United States Patent and Trademark Office, *Patent Public Advisory Committee Quarterly Meeting: 2019 Patent Eligibility Guidance*, 13, https://www.uspto.gov/sites/default/files/documents/20190207_PPAC_Revised_Guidance_for_Determining_Subject_Matter_Eligibility.pdf.

9 *Id*.

10 Request for Comments on Patenting Artificial Intelligence Inventions, 84 FR 44889 (August 27, 2019).

11 Inventorship Guidance for AI-Assisted Inventions, 89 FR 10043 (February 13, 2024); Inventorship Guidance for AI-Assisted Inventions, 89 FR 10043 (February 13, 2024); Request for Comments Regarding the Impact of the Proliferation of Artificial Intelligence on Prior Art, the Knowledge of a Person Having Ordinary Skill in the Art, and Determinations of Patentability Made in View of the Foregoing, 89 FR 34217 (April 30, 2024).

12 United States Patent and Trademark Office, *Reminders on evaluating subject matter eligibility of claims under 35 U.S.C. 101*, https://www.uspto.gov/sites/default/files/documents/memo-101-20250804.pdf.

featured a reminder to examiners that if an application is a close call on whether it contains subject matter eligible for a patent, an examiner should only reject a claim if it is "more likely than not" subject matter ineligible.[13] USPTO Director John Squires reiterated this framework in a recent rehearing decision in the case *Ex Parte Desjardins*.[14]

In *Ex Parte Desjardins*, the Patent Trial and Appeal Board had rejected an application for a method of training a machine learning model on the basis that it was an abstract idea that failed to integrate the idea into a practical application.[15] Director Squires, however, disagreed with the Board, citing portions of the application that would directly improve an AI system's functioning.[16] Squires went on to state the risk of "categorically excluding" AI innovations from patent protection and stating that other statutes on patentability (§§ 102, 103, and 112) are the traditional tools to limit the scope of protection of a patent – not § 101.[17]

While the USPTO's prior messaging to examiners seems to be more akin to reminders regarding how to treat AI applications, when coupled with Director Squires' opinion in *Desjardins* it seems the USPTO under Squires is softening the § 101 requirements to push more AI development and patent protection. The ability to secure a patent on subject matter that would typically be ineligible for patent protection creates new incentive for developers in the AI sector to innovate and apply for patent protection.

It's unclear yet whether this incentive will pay off, but the *Desjardins* opinion as well as examiner instruction highlight the larger push by the USPTO for US innovation to stay at the forefront of the AI boom.

TC's IP group regularly advises clients on patent issues. Please reach out to a member of TC's IP team if you have a patent issue.

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13 *Id*. at 5.

14 Ex parte Desjardins, Patent Trial and Appeal Board, Appeal 2024-000567, https://www.uspto.gov/sites/default/files/documents/202400567-arp-rehearing-decision-20250926.pdf

15 I*d*. at 7

16 *Id*. at 9.

17 *Id*. at 9-10.

NIH NEW PATENT LICENSING POLICY

The National Institutes of Health recently instituted a new patent licensing policy aimed at expanding access to new drugs and medical devices. The policy applies to license applications submitted on or after October 1, 2025. Under this new policy, organizations are required to include an Access Plan outlining the steps and strategies they intend to take to support broad access to the product that will be commercialized from the license.

The NIH provided a list of approximately 40 example strategies. The list provided is non-limiting, but it seems to illustrate the ways the NIH intends to expand patient access. The list provided high level examples along with more detailed examples. Some of the high-level examples include partnering with public health, non-profit, or patient advocacy organizations, addressing accessibility as a design objective, committing to sublicense relevant intellectual property and know-how, and promoting equitable access and affordability in product deployment. Some of the more detailed examples that fell within these high-level examples include: selling products to organizations that treat underserved populations (e.g., Federally Qualified Health Centers), committing to develop products that can be best delivered in settings that expand access (e.g., developing products that can be delivered in home settings, if that is what patients need), committing to license all intellectual property and know-how needed to make a product if the licensee exits a market and/or committing to surviving rights/technology transfer in case of license termination, committing to keep prices in the U.S. equal to those in other developed countries, and not raising prices at rates outpacing inflation.

The Access Plans will be incorporated into the licenses granted by NIH. In addition to submitting the initial Access Plan, organizations are required to provide updates on progress, reassesses the approved Access Plan as product development progresses, and submit a non-confidential version of the Access Plan within 3 months of FDA approval of the licensed product.

The requirements to provide updates and reassess the Access Plan will allow the NIH to work closely with licensees to monitor progress and allow the licensees to update their Access Plans as the licensed products move closer to market.

Publication of the non-confidential versions of the Access Plans may boost public confidence in NIH's patient access efforts. Some critics raised concerns that publication of Access Plans may create undue scrutiny of plans, including the potential of companies to harass competitors by arguing their access plans are inadequate or that NIH should revoke the license due to noncompliance. However, the policy makes clear that if compliance concerns emerge, NIH will first notify the licensee and work with them to take appropriate action, likely through, but not limited to, amending Access Plans or negotiating other modifications with NIH. It is only if compliance issues remain unaddressed that NIH will consider further enforcement action such as terminating the license.

Waivers to this policy are available if the access planning requirement creates a substantial risk that product development will fail altogether, such as when the market for the product is very small (e.g., population affected by a rare disease) or where there is heightened scientific uncertainty involved with further R&D on the patented technology. Waivers may also be available if the access planning requirement will negatively impact the long-term viability of the licensed product in the market, such as when there is a risk of later drug shortages or inadequate product quality.

This new policy is a continuation of efforts to reduce healthcare costs, this time through management of NIH's patent portfolio. TC's IP group regularly advises clients on how to navigate Intellectual Property licensing issues. Please consult with a member of TC's IP group if you have any Intellectual Property licensing questions.

USPTO CONTINUES TREND OF LIMITING AVAILABILITY OF *INTER PARTES* REVIEW PROCEEDINGS

The United States Patent and Trademark Office ("USPTO") has begun implementing changes to *inter partes* review ("IPR") proceedings which would decrease both the availability of such proceedings and the likelihood that IPR proceedings will result in one or more patent claims being invalidated.

Discretionary Denial

On March 26, 2025, the Acting Director issued a memorandum addressing "Interim Processes for PTAB Workload Management" (the "Process Memo"),[1] which provided for discretionary denial of IPR petitions by the Director, as well as various factors that may be considered in determining whether discretionary denial is appropriate. The Process Memo indicates that the following factors should be considered in deciding whether to deny institution:

- Whether the Patent Trial and Appeal Board ("PTAB") or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director's discretion.[2]

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1 USPTO Memorandum, Interim Processes for PTAB Workload Management (Mar. 26, 2025).

2 *Id. at 2-3.*

Most notably, with respect to the settled expectations of the parties, the Acting Director clarified through various discretionary denial decisions that patents in force for more than six years "creat[e] strong settled expectations for [a patentee]."[3] This change has had a drastic affect on IPR institution rates. While institution rates for FY 2024 were 74%,[4] the most recently available statistics from the PTO shows that the rate has fallen to approximately 40%.[5] This trend seems unlikely to change in the short term, as the appointment of USPTO Director John Squires merely resulted in Squires' authority being delegated back to the Acting Director who initially created the discretionary denial process.[6]

Other Proposed Changes

On October 17, 2025, Director Squires issued a memorandum stating that "effective October 20, 2025, the Director will determine whether to institute trial" for IPR and post-grant review ("PGR") proceedings.[7] Previous USPTO directors had delegated their statutory authority to determine whether to institute AIA trials to the PTAB judges who would preside over the case once instituted. While it remains to be seen whether this will result in a change in institution rates, the USPTO's present approach toward IPRs indicate that institution rates are likely to decrease further.[8]

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3 *HS Hyosung Advanced Materials Corp. v. Kolon Industries, Inc.*, IPR2025-00662, -00663, -00664, Paper 12 at 2 (Director August 14, 2025) (citing *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025- 00408, Paper 21 at 2–3 (Director June 18, 2025)).

4 PTAB Trial Statistics October 2024 IPR, PGR, USPTO, at 7, https://www.uspto.gov/sites/default/files/documents/ptab_aia__20241031.pdf (accessed Oct. 19, 2025).

5 *See, e.g., PTAB Trial Statistics July 2025*, USPTO, at 6, https://www.uspto.gov/sites/default/files/documents/Trial_Statsistics_July_2025.pdf (accessed Oct. 15, 2025).

6 Robert Hails Jr. and Jason Hoffman, *USPTO Director Squires' First Move: Delegating Discretionary Denial Review Authority to Deputy Director Stewart*, JDSupra (September 30, 2025), https://www.jdsupra.com/legalnews/uspto-director-squires-first-move-5783397/.

7 John Squires, Memorandum: Director Institution of AIA Trial Proceedings, USPTO (Oct. 17, 2025), https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf; *see also* Ryan Davis, *USPTO Head To Take Over Patent Review Institution Decisions*, Law360 (Oct. 17, 2025), https://www.law360.com/ip/articles/2401076?nl_pk=fcf245e6-2b05-4aa0-8a62-f2996cf16cb1&utm_source=newsletter&utm_medium=email&utm_campaign=ip&utm_content=2401076&read_main=1&nlsidx=0&nlaidx=0.

8 *See* Dennis Crouch, *Unexplained and Unreviewable: The New Normal for IPR Institution*, PatentlyO (Oct. 17, 2025) ("I believe we will see a major downturn in IPR petitions in the coming months.").

On the same day, the USPTO also issued proposed rulemaking which would bar IPR proceedings: (1) unless the petitioner agrees to not make any invalidity arguments based on anticipation or obviousness in other proceedings, (2) where the challenged claims were previously upheld in a prior case (including in court, USPTO proceedings, and ITC proceedings), or (3) it is more likely than not that a validity decision would be issued in another forum prior to the PTAB's IPR decision deadline.[9] If the proposed rules are adopted, in whole or in part, IPR filings and institution rates are likely to further decline.

Conclusion

In sum, the USPTO has taken actions which would significantly limit IPR proceedings, thereby changing the calculus regarding patent assertions for both plaintiffs and defendants. It remains to be seen how this will ultimately play out. TC's IP group regularly advises clients on patent issues. Please reach out to a member of TC's IP team if you have a patent issue.

[9] *Revision to Rules of Practice Before the Patent Trial and Appeal Board,* 90 Fed. Reg. 48335 (Oct. 17, 2025) (amending 37 C.F.R. Part 42); *see also* Ryan Davis, *Proposed New Rules Would Cut Off Many PTAB Challenges*, Law360 (October 16, 2025), https://www.law360.com/ip/articles/2400377?nl_pk=fcf245e6-2b05-4aa0-8a62-f2996cf16cb1&utm_source=newsletter&utm_medium=email&utm_campaign=ip&utm_content=2025-10-17&read_main=1&nlsidx=0&nlaidx=0.

YES... THIS REALLY HAPPENED

Trick or Treating Edition

Whether you are a child, have a child, or are still young at heart, one of the joys of the fall season is going trick or treating on Halloween. Going door to door and accumulating an unhealthy amount of candy is always lots of fun! The problem is that the more successful you are, the heavier your bag gets. And as the container becomes more and more full, some candy may begin to fall out of the container if you aren't careful. Luckily, the invention described and patented in U.S. Patent No. 7,594,669 B2 exists to address these issues:

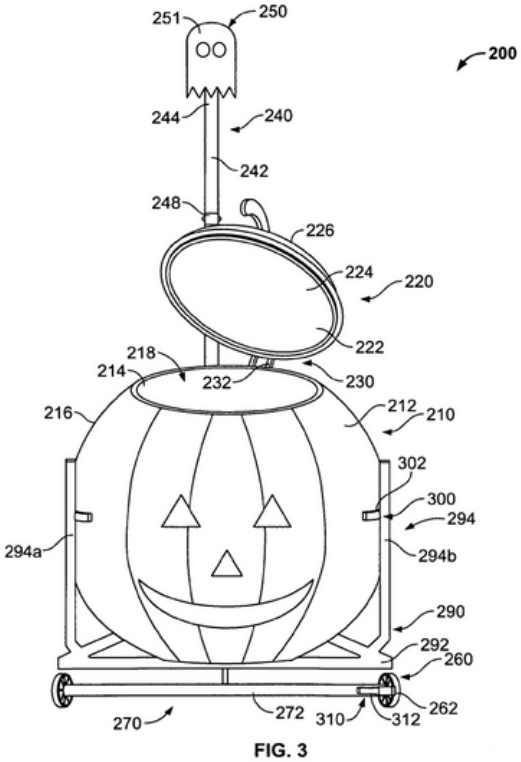

FIG. 3

The '669 patent describes a device that starts with a container element in the form of a Halloween object, such as a pumpkin, witch, ghost, goblin, monster, vampire, or werewolf.

In the example embodiment, a picture of which is included above, the container is in the shape of a pumpkin. The next piece is a removable cover, or lid, hinged to the container. The cover is ideally shaped to complement the container. For example, if the container is a pumpkin, the cover can be the pumpkin stem. The container sits on a support/frame that sits on top of a set of wheels to make it easier to move the container as the container becomes heavier. The frame ideally includes a portion that removably secures the container. This allows removal of the container such that the container can be used as a decoration. Lastly, the device includes an arm or rod that assists in pushing or pulling the device. In the example embodiment, the rod is a telescoping rod for easy storage. The telescoping rod includes a locking element to secure the rod in the deployed state during use. The rod can additionally include a gripping element also in the shape of a Halloween object. In the example embodiment pictured below, the gripping element is shaped in the form of a ghost.

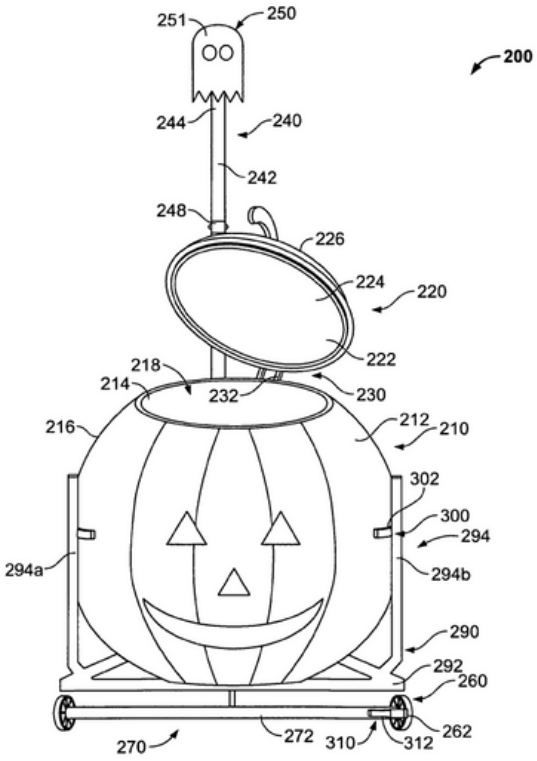

FIG. 3

Hopefully everyone obtains enough candy that they at least wish they had this device to help carry it at all!

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Contributors to this edition of IP Corner include Brendan Bement, Cody Deterding Steven Heinrich, Sylvia Turner, and Alex Weidner. Editors are Justin Mulligan, Sartouk Moussavi, Shoko Naruo, Michael Parks, and Tom Polcyn.

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