

Supreme Court Provides Patent Office Greater Freedom in Its Inter Partes Review Decisions

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The Supreme Court recently held that a Patent Trial and Appeal Board (PTAB) determination on whether a petition for an *inter partes* review (IPR) was filed on time is not appealable. The relevant provision of patent law precludes institution of IPRs when the petition for that review is filed “more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” 35 U.S.C. § 315(b). A petition that is filed after one year is said to be “time barred.” In *Thryv, Inc. v. Click-to-Call Technologies, LP*, the Court held that the PTAB’s time-bar determinations are not appealable.

Years before the petition for the IPR at issue was filed, the predecessor and privy of petitioner Thryv had been served with a patent infringement complaint. That complaint was later voluntarily dismissed without prejudice. Various panels of the Federal Circuit had reached differing decisions on whether service of complaints that were later dismissed without prejudice should trigger the time bar and on whether the PTAB’s time-bar determinations were appealable. The Federal Circuit had resolved those issues in its *en banc* decision in *Wi-Fi One, LLC v. Broadcom Corp.* (Fed. Cir. 2018), holding that (1) the PTAB’s time-bar determinations are appealable and (2) dismissal without prejudice cannot undo the service of a complaint that triggers the time bar. The Supreme Court’s *Thryv* decision overturns *Wi-Fi One*.

Although the Supreme Court resolved the question of whether time-bar decisions can be appealed, it left unanswered the question of whether dismissal without prejudice can reset the statutory time bar.

Instead, in *Thryv*, the Supreme Court focused on the purpose of IPRs—namely, “to weed out bad patent claims efficiently.” It decried the possibility of “wasting the resources spent resolving patentability and leaving bad patents enforceable.” It explained that “because a patent owner would need to appeal on § 315(b) untimeliness grounds only if she could not prevail on patentability, § 315(b) appeals would operate to save bad patent claims.” Accordingly, in *Thryv*, the Supreme Court seems to put merits above process.

Moreover, the Supreme Court also left to another day the scope of PTAB determinations that are immune from appeal because the

Court did not catalog which determinations are “closely tied to . . . the institution decision” and thus not appealable by statute. It did, however, observe that “a party generally cannot contend on appeal that the agency should have refused ‘to institute an inter partes review’” and that “every decision to institute . . . must take account of specifications in other provisions—such as the §312(a)(3) particularity requirement at issue in *Cuozzo* and the §315(b) timeliness requirement at issue here.”

In view of *Thryv*, petitioners and patent owners should be aware that options for appeal are more limited. Parties to an IPR who believe that judicial review is appropriate may also need to consider other avenues to gain review.

McCarter & English has a team of lawyers with experience in IPRs and related procedures. You may want to consult with the McCarter team for further details.