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Supreme Court to Decide Whether the Federal Circuit Can Review PTAB Determinations About Timeliness of *Inter Partes* Review Petitions

On June 24, 2019, the Supreme Court granted the petition for writ of certiorari in *Dex Media, Inc. v. Click-to-Call Techs.*, No. 18-916, to determine whether the Patent Trial and Appeal Board's (PTAB) decision to institute an *inter partes* review upon finding that the one-year time bar under 35 U.S.C. § 315(b) did not apply is appealable. However, the Supreme Court declined to decide whether the one-year time bar is triggered by a complaint voluntarily dismissed without prejudice.

Summary

When Congress enacted the America Invents Act (AIA), it provided a new vehicle for third parties to challenge the validity of issued patents – *inter partes* reviews (IPR). But this ability was not unfettered. For example, in 35 U.S.C. § 315(b), Congress set a time limit for when a petition for IPR can be filed. Specifically, Section 315(b) provides: "An *inter partes* review ***may not be instituted*** if the petition requesting the proceeding 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***."

The *Dex Media* case arose out of a petition for IPR filed over one year after a complaint for patent infringement was voluntarily dismissed without prejudice. While the IPR petition was filed over one year after petitioner was served with a complaint for patent infringement, the PTAB held that the IPR petition was timely filed because the "patent infringement suit was dismissed without prejudice, [and] Federal Circuit precedent interprets such a dismissal as leaving the parties in the same legal position as if the underlying complaint had never been served." Final Written Decision, IPR2013-00312. The Federal Circuit reversed the PTAB, holding that the one-year time bar in Section 315(b) is triggered upon service of a complaint for patent infringement, regardless of whether the complaint is voluntarily dismissed without prejudice. *Click-To-Call v. Ingenio*, 899 F.3d 1321, 1354 n.3 (Fed. Cir. 2018) (en banc).

On Jan. 11, 2019, Dex Media, Inc. filed a petition for writ of certiorari, arguing the Federal Circuit did not have jurisdiction over Click-to-Call's appeal of the PTAB decision, because (1) 35 U.S.C. § 314(d) bars appeals of a "determination . . . whether to institute an inter partes review"; and (2) Section 315(b) is directly tied to when a petition for IPR may be instituted. Petition for Writ of Certiorari, *Dex Media, Inc. v. Click-to-Call Techs.*, No. 18-916. Dex Media additionally argued the majority opinion "dismissed the Federal Circuit's precedent treating complaints dismissed without prejudice as though they had never been brought," which, Dex Media contended, could lead to unnecessary litigation and IPR proceedings, as parties would no longer have the ability to dismiss pleadings without triggering the one-year deadline for filing an IPR.

Both Click-to-Call (the patent owner) and the U.S. government responded to the petition. As to the jurisdictional issue, Click-to-Call argued Section 314(d) only precludes review of the PTAB's initial determination under Section 314(a) – i.e., whether there is a reasonable likelihood the claims are unpatentable – and does not preclude review of Section 315(b) decisions. Brief of Respondent Click-to-Call, *Dex Media*, No. 18-916. The government agreed with Dex Media with respect to the jurisdictional issue, but nevertheless argued the petition should be denied because the Federal Circuit's interpretation of Section 315(b) imposes a bright-line rule that is clear and easy to administer. Brief of the Federal Respondent, *Dex Media*, No. 18-916. The government took this position despite the PTAB's earlier decision that the IPR petition in this case was timely filed. Neither Click-to-Call nor the government takes issue with the uncertainty of whether a complaint dismissed without prejudice will ever be refiled, arguing that, should a claim for patent infringement be refiled after the one-year time bar is invoked, defendants are not without recourse – they can assert affirmative defenses and/or counterclaims of invalidity.

The Supreme Court found Dex Media's petition compelling, but only as to the issue of whether the Federal Circuit has jurisdiction to hear appeals of Section 315(b) decisions by the PTAB. It remains uncertain how the PTAB will treat the one-year time bar of Section 315(b). As a result, parties accused of patent infringement must consider whether they are willing to agree to a dismissal of a complaint without prejudice. Doing so may still trigger their one-year deadline to file an IPR.

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