

No. 18-916

In the Supreme Court of the United States

DEX MEDIA, INC., PETITIONER

v.

CLICK-TO-CALL TECHNOLOGIES, LP, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF FOR THE FEDERAL RESPONDENT IN OPPOSITION

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QUESTIONS PRESENTED

1. Whether, in an appeal from the final written decision of the Patent Trial and Appeal Board in an inter partes review, the appellant can argue that the review was improperly instituted because the petition was time-barred by 35 U.S.C. 315(b).

2. Whether 35 U.S.C. 315(b) bars institution of an inter partes review when the corporate predecessor of the party requesting the review had been served with a patent-infringement complaint more than one year before the inter partes review petition was filed, but that complaint had been voluntarily dismissed without prejudice.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 33a-106a) is reported at 899 F.3d 1321. An order of the court of appeals (Pet. App. 29a-32a) is unreported. An earlier opinion of the court of appeals (Pet. App. 6a-28a) is not published in the Federal Reporter but is available at 2016 WL 6803054. Another earlier opinion of the court of appeals (Pet. App. 1a-5a) is not published in the Federal Reporter but is reprinted at 622 Fed. Appx. 907. The final written decision of the Patent Trial and Appeal Board (Pet. App. 107a-138a) is not published but is available at 2014 WL 5490583. The Board's decision to institute inter partes review (Pet. App. 144a-176a) is not published but is available at 2013 WL 11311788.

JURISDICTION

The judgment of the court of appeals was entered on August 16, 2018. On November 7, 2018, the Chief Justice extended the time within which to file a petition for a writ of certiorari to and including December 14, 2018. On November 20, 2018, the Chief Justice further extended the time to and including January 11, 2019, and the petition was filed on that date. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. a. The Patent Act of 1952 (Patent Act), 35 U.S.C. 1 *et seq.*, charges the U.S. Patent and Trademark Office (USPTO) with examining applications for patents, and it directs the USPTO to issue a patent if the statutory criteria are satisfied. 35 U.S.C. 131. Federal law has long permitted the USPTO to reconsider the patentability of the inventions claimed in issued patents. In the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284, Congress substantially expanded those procedures. See *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 138 S. Ct. 1365, 1370 (2018); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2137-2138 (2016). In response to “a growing sense that questionable patents are too easily obtained and are too difficult to challenge,” Congress enacted the AIA to “establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.” H.R. Rep. No. 98, 112th Cong., 1st Sess. Pt. 1, at 39-40 (2011).

The AIA adopted new procedures for third parties to challenge the patentability of claims in issued patents. Such challenges are heard and decided by a newly created Patent Trial and Appeal Board (Board). For challenges to patentability brought within nine months after

the disputed patent was issued, the AIA established a procedure known as post-grant review, which allows challenges to patentability on any ground that could be asserted as a defense to a claim of infringement. 35 U.S.C. 321(b)-(c); see 35 U.S.C. 321-329. For challenges brought after that nine-month period, the AIA established inter partes review, which is limited to challenges based on obviousness or lack of novelty. 35 U.S.C. 311(b)-(c); see 35 U.S.C. 311-319. Any “person who is not the owner of a patent” may petition for either post-grant review or inter partes review. 35 U.S.C. 311(a), 321(a). This case concerns inter partes review.¹

b. Inter partes review proceeds in two phases. When a petition for inter partes review is filed, the USPTO first must determine whether to institute inter partes review. 35 U.S.C. 314(a). The institution decision is made on the basis of the petition and any response that is filed by the patent owner, and it must be made within three months after the USPTO receives the patent owner’s response or, if no response is filed, “the last date on which such response may be filed.” 35 U.S.C. 314(b). The Director has delegated this responsibility to the Board. 37 C.F.R. 42.4(a).

The AIA does not require the agency to grant inter partes review in any circumstance, but it identifies certain circumstances in which the agency *may not* institute

¹ The AIA introduced an additional mechanism for reconsidering the patentability of claims for “covered business method[s].” AIA § 18, 125 Stat. 329 (capitalization omitted). Covered-business-method (CBM) review proceedings generally “employ the standards and procedures of[] a post-grant review,” § 18(a)(1), 125 Stat. 329, but a party may file a petition for CBM review at any time during the term of the patent, see § 18(a)(1)(A), 125 Stat. 329. The CBM-review program is scheduled to expire on September 16, 2020. See § 18(a)(3)(A), 125 Stat. 330; 77 Fed. Reg. 48,680, 48,687 (Aug. 14, 2012).

such review. See *Cuozzo*, 136 S. Ct. at 2137, 2140. The USPTO may not institute review unless the agency determines that “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. 314(a). Inter partes review also “may not be instituted” if (1) “before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent,” or (2) “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.” 35 U.S.C. 315(a)-(b). The determination “whether to institute an inter partes review” is “final and nonappealable.” 35 U.S.C. 314(d).

If the USPTO elects to institute inter partes review, the Board then conducts a trial-like proceeding to determine the patentability of the claims at issue. See 35 U.S.C. 316; 37 C.F.R. Pt. 42, Subpt. A. During this second phase, both parties are entitled to take limited discovery, 35 U.S.C. 316(a)(5); to file affidavits and declarations, 35 U.S.C. 316(a)(8); to request an oral hearing, 35 U.S.C. 316(a)(10); and to file written memoranda, 35 U.S.C. 316(a)(8) and (13). At the end of the proceeding (unless the matter has been dismissed), the Board must “issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” 35 U.S.C. 318(a). A party aggrieved by the Board’s final written decision may appeal that decision to the Federal Circuit. 35 U.S.C. 141(e), 319.

2. Petitioner Dex Media, Inc. is the successor in interest to Ingenio, Inc., a company formed through a 2003 merger of InfoRocket.com, Inc. and Keen, Inc.

Pet. 5. In 2001, InfoRocket sued Keen for infringement of U.S. Patent No. 5,818,836 (the '836 patent), to which InfoRocket had been granted an exclusive license. Pet. App. 35a. On September 14, 2001, InfoRocket served the complaint on Keen. *Ibid.* After Keen acquired InfoRocket in 2003, however, the companies stipulated to a voluntary dismissal of the suit without prejudice. *Id.* at 36a. In 2011, respondent Click-to-Call Technologies, LP acquired ownership of the '836 patent. *Id.* at 37a; Pet. 5. And in May 2012, Click-to-Call sued Ingenio, among others, for infringement of the '836 patent. Pet. App. 37a. In May 2013, Ingenio petitioned the Board for inter partes review of the '836 patent. *Id.* at 37a-38a.

The Board instituted inter partes review. Pet. App. 144a-176a. Click-to-Call argued that Section 315(b) barred institution because “the petition requesting the proceeding [wa]s filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner [wa]s served with a complaint alleging infringement of the patent.” 35 U.S.C. 315(b). The Board rejected that contention. See Pet. App. 159a-162a. It concluded that the voluntary dismissal without prejudice of the 2001 suit “[le]ft the parties as though the action had never been brought,” and that the service of the 2001 complaint therefore did not trigger the one-year time bar. *Id.* at 161a-162a (citing *Graves v. Principi*, 294 F.3d 1350 (Fed. Cir. 2002), and *Bonneville Assocs., Ltd. P’ship v. Barram*, 165 F.3d 1360 (Fed. Cir.), cert. denied, 528 U.S. 809 (1999)); see *id.* at 139a-143a (denying rehearing).

One year later, after conducting the inter partes review proceedings, the Board issued a final written decision, finding unpatentable each of the claims on which it had instituted review. Pet App. 107a-138a.

3. Click-to-Call appealed the Board’s decision to the Federal Circuit. The government intervened, see 35 U.S.C. 143, arguing both that the Board’s application of Section 315(b) in the institution decision was unreviewable, and that the Board’s application of that provision was correct.

a. Initially, the court of appeals dismissed Click-to-Call’s appeal for lack of jurisdiction based on 35 U.S.C. 314(d). Pet. App. 2a-5a. That provision, entitled “No Appeal,” provides that “[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.” 35 U.S.C. 314(d). Relying on its earlier decision in *Achates Reference Publishing, Inc. v. Apple Inc.*, 803 F.3d 652 (Fed. Cir. 2015), cert. dismissed, 136 S. Ct. 998 (2016), the court of appeals concluded that Section 314(d) “prohibits [the court of appeals] from reviewing the Board’s determination to initiate [inter partes review] proceedings based on its assessment of the time-bar of § 315(b).” Pet. App. 3a (quoting *Achates*, 803 F.3d at 658). It further held that the Board’s decision did not amount to ultra vires agency action that might fall into the “implicit and narrow exception” to statutory bars on judicial review. *Id.* at 3a (quoting *Achates*, 803 F.3d at 658). In 2016, this Court granted Click-to-Call’s petition for a writ of certiorari, vacated the court of appeals’ judgment, and remanded the case to the court of appeals for further consideration in light of the Court’s intervening decision in *Cuozzo*. 136 S. Ct. 2508.

b. On remand from this Court, the court of appeals again dismissed for lack of jurisdiction. Pet. App. 6a-28a. The court observed that another Federal Circuit panel had recently held that “*Cuozzo* did not overrule [the court’s] previous decision in *Achates* and that later

panels of the court remain bound by” the holding in *Achates* that Section 314(d)’s reviewability bar applies to Section 315(b) determinations. *Id.* at 9a (citing *Wi-Fi One, LLC v. Broadcom Corp.*, 837 F.3d 1329, 1333-1335 (Fed. Cir. 2016)). The court concluded that it was bound by the decision in *Wi-Fi One*, and therefore bound by the decision in *Achates*. *Id.* at 10a. Judge O’Malley and Judge Taranto each concurred separately. They agreed that *Cuozzo* had not overruled *Achates*, but they suggested that the en banc court should “consider the issue afresh in light of *Cuozzo*.” *Id.* at 18a; see *id.* at 11a-28a.

c. Shortly thereafter, the Federal Circuit agreed to rehear en banc its *Wi-Fi One* decision. *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (2018). The en banc court held that the Board’s determinations regarding the time bar in Section 315(b) are reviewable by the court of appeals notwithstanding Section 314(d). *Id.* at 1367. The majority concluded that, read in light of “the ‘strong presumption’ favoring judicial review of administrative actions,” *id.* at 1371 (citation omitted), Section 314(d) is best understood as limited to “the determination by the Director whether to institute [inter partes review] as set forth in § 314(a),” *id.* at 1372. It further held that the USPTO’s determination whether a time bar prevents institution under Section 315(b) is not “‘closely related’ to the institution decision addressed in § 314(a),” and that Section 314(d) therefore does not bar judicial review of such a determination. *Id.* at 1374 (quoting *Cuozzo*, 136 S. Ct. at 2142).

Judge O’Malley concurred, concluding that Section 314(d) bars review only of the substantive adequacy of a petition. *Wi-Fi One*, 878 F.3d at 1375-1377. She stated that judicial review of other determinations is

necessary to “prevent the agency from ‘act[ing] outside its statutory limits.’” *Id.* at 1377 (quoting *Cuozzo*, 136 S. Ct. at 2141-2142) (brackets in original).

Judge Hughes, joined by Judges Lourie, Bryson, and Dyk, dissented. *Wi-Fi One*, 878 F.3d at 1377-1382. Judge Hughes explained that, in his view, the plain text of Section 314(d) makes Congress’s intent to bar judicial review of the Board’s time-bar determinations “clear and unmistakable.” *Id.* at 1378. He found confirmation of that reading in the *Cuozzo* Court’s statement that Section 314(d) prohibits judicial review of at least those “questions that are closely tied to the application and interpretation of statutes related to the Patent Office’s decision to initiate inter partes review.” *Ibid.* (quoting *Cuozzo*, 136 S. Ct. at 2141). He concluded that the majority’s contrary interpretation ran “counter to the AIA’s purpose of ‘providing quick and cost effective alternatives to litigation.’” *Id.* at 1382 (citation omitted).

d. Following the en banc court’s decision in *Wi-Fi One*, the panel in this case granted rehearing and issued a revised opinion, holding that petitioner’s inter partes review petition was time-barred under Section 315(b). See Pet. App. 29a-32a (rehearing order); *id.* at 33a-106a (revised opinion).

The court of appeals held that Section 315(b) “unambiguously precludes the Director [of the USPTO] from instituting an IPR if the petition seeking institution is filed more than one year after the petitioner * * * ‘is served with a complaint’ alleging * * * infringement” of the patent at issue, “irrespective of subsequent events.” Pet. App. 47a (quoting 35 U.S.C. 315(b)). The court observed that the ordinary meaning of the relevant statutory language (“is served with a complaint”) includes only the formal delivery of the initial pleading

in a civil suit, and that the statute does not contain “any exceptions or exemptions for complaints served in civil actions that are subsequently dismissed.” *Ibid.* The court rejected the Board’s conclusion that, under its prior decisions in *Graves, supra*, and *Bonneville, supra*, a voluntary dismissal leaves the parties “as though the action had never been brought.” *Id.* at 52a (citation omitted); see *id.* at 52a-60a. Those decisions, the court explained, suggest that voluntary dismissals without prejudice “render the [dismissed] proceedings a nullity” for certain purposes, but they do not undo the service of the complaint. *Id.* at 57a (citation omitted); see *id.* at 57a-59a. The court vacated the Board’s final written decision and remanded for the agency to dismiss the petition for inter partes review. *Id.* at 73a.

In a footnote in the panel’s opinion, the court of appeals noted that the en banc court had *sua sponte* considered whether Section 315(b)’s time bar “applies to bar institution when an [inter partes review] petitioner was served with a complaint for patent infringement more than one year before filing its petition, but the district court action in which the petitioner was so served was voluntarily dismissed without prejudice.” Pet. App. 43a n.3. It explained that “[t]he *en banc* court holds that § 315(b)’s time bar applies in such a scenario.” *Ibid.*

Judge Taranto issued a separate opinion, concurring in the panel’s opinion and in footnote 3, and “add[ing] a few thoughts on why [he was] unpersuaded by the key rationales set forth in the dissent from the court’s *en banc* holding.” Pet. App. 74a; see *id.* at 74a-92a. Judge Dyk, joined by Judge Lourie, dissented from footnote 3. Those judges would have held that the statutory phrase “served with a complaint” is ambiguous as to whether it includes a complaint later dismissed without prejudice;

that background principles concerning the effect of voluntary dismissals without prejudice supported the Board's reading of the statute; and that Section 315(b)'s text and history provided no clear indication of a legislative intent to depart from those background principles. *Id.* at 93a-106a.

ARGUMENT

Petitioner contends (Pet. 12-28) that the court of appeals erred in vacating the Board's final written decision because (1) Section 314(d) precludes judicial review of the agency's time-bar determinations under Section 315(b), and (2) Section 315(b)'s time bar is not triggered by the service of a complaint alleging infringement of the patent if the civil action is later voluntarily dismissed without prejudice. Although the government agrees that the court of appeals lacked jurisdiction to consider Click-to-Call's challenge to the institution determination in this case, the court's contrary jurisdictional holding does not warrant further review. Since the court of appeals issued its decision, the USPTO Director has concluded that the court's resolution of the underlying merits issue—*i.e.*, the second question presented in the petition—is correct. Because the Board's institution decision in this case no longer reflects the agency's considered judgment as to the proper understanding of Section 315(b), the second question in the certiorari petition does not warrant this Court's review.

Although the court of appeals' interpretation of Section 315(b) is correct, the jurisdictional ruling that the court adopted in *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018), and applied in this case reflects an unduly narrow view of Section 314(d)'s appeal bar. Because Section 315(b) speaks directly and exclusively to the circumstances under which the

USPTO may institute inter partes review, Section 314(d) renders the agency's application of that provision to particular circumstances "final and nonappealable." 35 U.S.C. 314(d). This case would be a poor vehicle for review of that jurisdictional question, however, because the agency now agrees with the Federal Circuit's ultimate conclusion that inter partes review should not have been instituted here. Vacating the judgment below on jurisdictional grounds therefore would have the practical effect of reinstating a Board decision that the USPTO now believes should not have been issued. And, going forward, the agency would not exercise its discretion to institute inter partes review in similar circumstances, even if this Court granted certiorari and held that the USPTO's application of Section 315(b) was unreviewable. The petition for a writ of certiorari should be denied.

1. The second question presented in this case is whether Section 315(b)'s one-year deadline for requesting inter partes review is triggered by service of a patent-infringement complaint that is voluntarily dismissed without prejudice. Concluding that Section 315(b) is not implicated in that circumstance, the Board instituted inter partes review in this case even though the corporate predecessor of the petitioner for inter partes review had been served with such a complaint more than one year before the petition was filed. Pet. App. 159a-162a. The court of appeals held that inter partes review may not be instituted in such circumstances, *id.* at 47a, and it vacated the Board's final written decision, *id.* at 73a.

Since the court of appeals' decision in this case, the Director of the USPTO has reconsidered the agency's interpretation of Section 315(b) in light of that decision,

and has determined that the court of appeals' reading reflects the better view of Section 315(b). Accordingly, the agency now agrees that the proper course would have been to decline to institute inter partes review in this case—in which event the Board's now-vacated final written decision would not have been issued.

In the Director's view, the court of appeals' interpretation represents the better reading of the statutory text, under which the applicability of Section 315(b)'s time bar turns on whether specified parties were “served with a complaint,” and which does not establish any exception for complaints that are voluntarily dismissed thereafter. 35 U.S.C. 315(b); see Pet. App. 47a. Because such service places the accused infringer on notice of potential infringement regardless of what follows, the court of appeals' interpretation effectively addresses the “notice concerns” underlying Section 315(b), while adopting an administrable “bright-line rule.” Pet. App. 88a (Taranto, J., concurring); see *id.* at 87a-88a. Abiding by that rule will not present any significant practical problems or inappropriately limit parties' ability to seek invalidation of a patent. Although the rule adopted by the court of appeals will prohibit institution of inter partes review in some circumstances when it was previously available, parties can still timely seek inter partes review; invalidity defenses will remain available in litigation, 35 U.S.C. 282(b)(2); declaratory-judgment actions are available in appropriate circumstances; ex parte reexamination of a patent may be requested by any person or commenced on the Director's own initiative, 35 U.S.C. 302-303; and parties may request to participate in inter partes reviews instituted at the behest of others, see 35 U.S.C. 315(b) (“The time

limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).”).

The interpretation of Section 315(b) that is reflected in the Board’s institution decision in this case thus does not reflect the agency’s current reading of that provision. The second question presented in the certiorari petition therefore does not warrant this Court’s review.

2. Although the court of appeals’ decision on the merits of the Section 315(b) question was correct, the court erred in exercising jurisdiction to resolve that issue. Properly understood, Section 314(d) bars judicial review of challenges to institution decisions based on an alleged error in the Board’s application of Section 315(b). But because the USPTO has since concluded that the court of appeals’ reading of Section 315(b) is correct, the agency would not institute future inter partes reviews in circumstances like these even if this Court vacated the Federal Circuit’s judgment for lack of jurisdiction. Such a jurisdictional ruling thus would not alter the USPTO’s institution practices in applying Section 315(b) to previously dismissed complaints, and it would have the practical effect of reinstating a final Board decision that the Director now believes should not have been issued. Further review is not warranted.

a. Section 314(d) states that the “determination by the [USPTO] whether to institute an inter partes review under this section shall be final and nonappealable.” 35 U.S.C. 314(d). As a general matter, a “contention that the [USPTO] unlawfully initiated its agency review is not appealable,” because “that is what § 314(d) says.” *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2139 (2016). This bar applies both when a party seeks immediate judicial review of the USPTO’s institution decision

and (as here) when a party challenges the institution decision in a later appeal from the Board's final written decision on the merits. See *id.* at 2140.

Section 314(d)'s purpose and history confirm the natural import of its text. See *Cuozzo*, 136 S. Ct. at 2139-2140. Allowing review of the USPTO's decisions whether to institute inter partes review "would undercut one important congressional objective, namely, giving the [agency] significant power to revisit and revise earlier patent grants." *Ibid.* The *Cuozzo* Court

doubt[ed] that Congress would have granted the [USPTO] this authority, including, for example, the ability to continue proceedings even after the original petitioner settles and drops out, [35 U.S.C.] 317(a), if it had thought that the agency's final decision could be unwound under some minor statutory technicality related to its preliminary decision to institute inter partes review.

Id. at 2140. The fact that prior statutes establishing other mechanisms for administrative review of existing patent claims have similarly foreclosed review of institution decisions "reinforces [this] conclusion." *Ibid.*; see 35 U.S.C. 303(c) (1994) (ex parte reexamination); 35 U.S.C. 312(c) (2000) (inter partes reexamination); cf. 35 U.S.C. 324(e) (post-grant review).

By supplying "clear and convincing indications * * * that Congress intended to bar review" of the USPTO's institution decisions, the statutory text and context "overcome" a background "presumption in favor of judicial review." *Cuozzo*, 136 S. Ct. at 2140 (citations and internal quotation marks omitted). Thus, when the patent owner argued in *Cuozzo* that the Board had erred by instituting review because the party seeking review

had not articulated its challenges with sufficient particularity, as required by Section 312(a)(3), this Court held that Section 314(d) barred review of that “ordinary dispute about the application of certain relevant patent statutes.” 136 S. Ct. at 2139. The Court explained that “the ‘No Appeal’ provision’s language must, at the least, forbid an appeal that attacks a ‘determination . . . whether to institute’ review by raising this kind of legal question and little more.” *Ibid.* (quoting 35 U.S.C. 314(d)). In the same way, Click-to-Call’s challenge to the USPTO’s determination whether to institute inter partes review in this case, based on the Board’s application of the Section 315(b) time bar, falls squarely within Section 314(d)’s preclusion of appellate review.

b. In *Wi-Fi One*, the court of appeals held that Section 314(d) does not bar judicial review of the Board’s time-bar determinations under Section 315(b), on the theory that Section 315(b) “is not ‘closely related’ to the institution decision addressed in § 314(a).” 878 F.3d at 1374 (quoting *Cuozzo*, 136 S. Ct. at 2142). In *Cuozzo*, the Court left open “the precise effect of § 314(d) on appeals” that depend on provisions that are not “closely tied to the application and interpretation of statutes related to the [USPTO’s] decision to initiate inter partes review.” 136 S. Ct. at 2141; see *id.* at 2142 (“[W]here a patent holder grounds its claim in a statute closely related to th[e] decision to institute inter partes review, § 314(d) bars judicial review.”). The *Wi-Fi One* majority concluded that Section 315(b) fits that description. 878 F.3d at 1374.

Contrary to the *Wi-Fi One* court’s conclusion, Section 315(b) is “closely related”—indeed, *exclusively* directed—to the agency’s institution decision. The pro-

vision's sole purpose and effect is to define circumstances in which "inter partes review may not be instituted." 35 U.S.C. 315(b). Section 315(b) has no bearing on any substantive issue of patentability; it does not affect any other aspect of the inter partes review proceeding after institution occurs; and it does not address the appropriate content of the Board's final written decision. See *Wi-Fi One*, 878 F.3d at 1378 (Hughes, J., dissenting). The court of appeals therefore erred in distinguishing *Cuozzo* on that basis. See *Cuozzo*, 136 S. Ct. at 2154 (Alito, J., concurring in part and dissenting in part) (stating, without contradiction, that the majority's decision would foreclose review of the USPTO's application of Section 315(b)).

In her *Wi-Fi One* concurrence, Judge O'Malley suggested an additional reason for exercising judicial review in circumstances like these. In her view, notwithstanding Section 314(d), judicial review of the Board's Section 315(b) time-bar determinations is necessary to "prevent the agency from 'act[ing] outside its statutory limits,' one of the categories of 'shenanigans' envisioned by the majority in *Cuozzo*." 878 F.3d at 1377 (quoting *Cuozzo*, 136 S. Ct. at 2141-2142) (brackets in original). In the passage from *Cuozzo* on which Judge O'Malley relied, this Court explained that its interpretation of Section 314(d) would not "enable the agency to act outside its statutory limits by, for example, canceling a patent claim for 'indefiniteness under § 112' in inter partes review." 136 S. Ct. at 2141-2142 (citation omitted); see 35 U.S.C. 311(b) (limiting inter partes review to cancellation of claims "only on a ground that could be raised under section 102 or 103"). "Such 'shenanigans,'" the Court explained, "may be properly review[ed]" on appeal from the Board's final written decision. *Cuozzo*, 136 S. Ct. at 2142.

Similarly in *SAS Institute Inc. v. Iancu*, 138 S. Ct. 1348 (2018), this Court held on the merits that Section 318(a), which states that the Board “*shall issue* a final written decision with respect to the patentability of *any patent claim challenged by the petitioner*,” precludes the Board from instituting inter partes review on fewer than all of the claims that the petitioner has challenged. *Id.* at 1354 (quoting 35 U.S.C. 318(a)); see *id.* at 1354-1358. The Court further held that Section 314(d) does not preclude judicial review of that sort of partial-institution decision. *Id.* at 1358-1360. As in *Cuozzo*, the Court reasoned that applying Section 314(d) to foreclose an appeal in those circumstances would “enable the agency to act outside its statutory limits,” thereby depriving the inter partes review petitioner of its statutory entitlement to “a final written decision addressing all of the claims it has challenged.” *Id.* at 1359 (citation omitted).

Unlike the hypothetical shenanigans described in *Cuozzo*, or the partial-institution practice at issue in *SAS Institute*, applying Section 314(d) to the Board’s application of Section 315(b) would not permit the Board to expand the substantive scope of inter partes review or to evade any statutory requirements concerning the content of its final written decision. Rather, because Section 315(b) is exclusively directed to the agency’s institution decision, treating the agency’s application of the provision as unreviewable would simply respect Congress’s determination that the agency’s institution decision is “final and nonappealable.” 35 U.S.C. 314(d).

c. For the reasons explained above, however, this case would be a poor vehicle for considering the question whether Section 314(d) precludes review of the USPTO’s application of Section 315(b). Although the Director believes that the court of appeals lacked jurisdiction over

Click-to-Call’s appeal, he agrees with the court’s merits holding that the inter partes review here should not have been instituted. Going forward, the agency therefore does not intend to institute inter partes review in circumstances like these, even if the Court grants the petition for certiorari and concludes that Section 314(d) barred the court of appeals from reviewing the Board’s decision. See, e.g., *Baker Hughes Oilfield Operations, Inc. v. Smith Int’l, Inc.*, No. IPR2016-01440, 2018 WL 5262654, at *2 (P.T.A.B. Oct. 4, 2018). And the only case-specific practical effect of such a jurisdictional ruling would be to reinstate a final Board decision that the Director now agrees should not have been issued.

Other disputes about the proper application of Section 315(b) have arisen in prior cases and can be expected to recur. For example, Section 315(b) applies only if the prior complaint was served on “the petitioner, real party in interest, or privy of the petitioner.” 35 U.S.C. 315(b). As reflected in this case’s history, technology companies often have many contractual relationships and complicated ownership structures, and issues concerning privity and real parties in interest for purposes of Section 315(b) frequently arise.² The court

² See, e.g., *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1240 (Fed. Cir. 2018); *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1358 (Fed. Cir. 2018), cert. denied, No. 18-1075 (Mar. 18, 2019); *WesternGeco LLC v. Ion Geophysical Corp.*, 889 F.3d 1308, 1316 (Fed. Cir. 2018), cert. denied, No. 18-861 (Feb. 19, 2019); *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1335 (Fed. Cir. 2018), cert. denied, 139 S. Ct. 826 (2019); *Synopsys, Inc. v. Mentor Graphics Corp.*, 814 F.3d 1309, 1323 (Fed. Cir. 2016); *Achates Reference Publ’g, Inc. v. Apple Inc.*, 803 F.3d 652, 653-654 (Fed. Cir. 2015), cert. dismissed, 136 S. Ct. 998 (2016); *In re Telefonaktiebolaget LM Ericsson*, 564 Fed. Appx. 585, 586 (Fed. Cir. 2014); *In re MCM Portfolio, LLC*, 554 Fed. Appx. 944, 945 (Fed. Cir. 2014).

of appeals has relied on its decision in *Wi-Fi One* to exercise review of such determinations in the Board's institution decisions. See, e.g., *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1344 (Fed. Cir. 2018), cert. denied, No. 18-1075 (Mar. 18, 2019); *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1335 (Fed. Cir. 2018), cert. denied, 139 S. Ct. 826 (2019).

If the Federal Circuit in a future case sets aside a final written decision of the Board, based on the court's conclusion that the institution decision was improper because the Board erred in its assessment of privity or real-party-in-interest status, the Court can consider at that time whether the court of appeals' narrow reading of Section 314(d) warrants further review. For the reasons stated above, however, this case would be an unsuitable vehicle for the Court's resolution of that question.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

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MAY 2019