

No. 18-\_\_\_\_\_

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In the  
**Supreme Court of the United States**

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ATLANTA GAS LIGHT COMPANY,

PETITIONER,

v.

BENNETT REGULATOR GUARDS, INC.,

RESPONDENT.

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On Petition for a Writ of Certiorari to the  
United States Court of Appeals for the Federal Circuit

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**PETITION FOR A WRIT OF CERTIORARI**

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HOLMES J. HAWKINS, III  
RUSSELL BLYTHE  
KING & SPALDING LLP  
1180 Peachtree St., NE  
Atlanta, GA 30309  
(404) 572-4600

JEFFREY S. BUCHOLTZ  
*Counsel of Record*  
JOSHUA N. MITCHELL  
KING & SPALDING LLP  
1700 Pennsylvania Av. NW  
Washington, DC 20006  
(202) 737-0500  
jbucholtz@kslaw.com

*Counsel for Petitioner*

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## QUESTIONS PRESENTED

The 2011 America Invents Act provides for *inter partes* review (IPR), an administrative procedure designed to streamline patentability challenges. Congress elected to make the decision whether to institute IPR unreviewable: under 35 U.S.C. § 314(d), “[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.” As part of that institution decision, the Patent Trial and Appeal Board determines whether a petition has been filed in accordance with the time bar in 35 U.S.C. § 315(b), which bars a petitioner from seeking IPR “more than 1 year after” being served with a complaint.

In this case, the Federal Circuit asserted jurisdiction to review the Board’s institution decision and then ultimately reversed that decision upon reaching a different conclusion than the Board about whether the petition was timely filed. In particular, the Federal Circuit disagreed with the Board’s interpretation of whether a complaint that was dismissed without prejudice triggered the time bar. The questions presented are:

1. Did the Federal Circuit err in concluding that it had jurisdiction to review the Board’s decision to institute *inter partes* review of Bennett’s ’029 patent over Bennett’s objection that it was time-barred?
2. Did the Federal Circuit err when it rejected the longstanding principle that a dismissal without prejudice leaves the parties as if a suit had never been brought, splitting the circuits?

**PARTIES TO THE PROCEEDING**

Petitioner Atlanta Gas Light Company was appellee/cross-appellant below.

Respondent Bennett Regulator Guards, Inc. was appellant/cross-appellee below.

**RULE 29.6 STATEMENT**

Petitioner Atlanta Gas Light Company is wholly owned by Southern Company Gas, which is not publicly traded and is wholly owned by The Southern Company, which is publicly traded. No publicly held corporation owns more than 10% of The Southern Company's stock.

Other affiliates or former affiliates of petitioner were identified as real parties in interest in the proceedings below. AGL Services Company, Virginia Natural Gas, Inc., and Northern Illinois Gas Company d/b/a Nicor Gas Company are, like petitioner, wholly owned by Southern Company Gas. Pivotal Utility Holdings, Inc. d/b/a Florida City Gas was identified as a real party in interest because it too was wholly owned by Southern Company Gas, but it was recently purchased by South Jersey Industries, which is publicly traded. Likewise, Pivotal Utility Holdings, Inc. d/b/a Elkton Gas and Elizabethtown Gas were recently purchased from Southern Company Gas by NextEra Energy, Inc., which is publicly traded.

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## PETITION FOR A WRIT OF CERTIORARI

Atlanta Gas Light Company respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit.

### OPINIONS BELOW

The Federal Circuit's September 28, 2018 opinion vacating the final written decision of the Patent Trial and Appeal Board and directing the Board to dismiss petitioner's petition for *inter partes* review is published at 905 F.3d 1311. App. 1.

The August 19, 2016 final written decision of the Patent Trial and Appeal Board finding all claims of respondent's patent unpatentable is unpublished but available at 2016 WL 8969209. App. 10. The Board's December 6, 2016 decision denying rehearing is reprinted at App. 154. The Board's September 1, 2015 decision to institute IPR is reprinted at App. 58.

With respect to petitioner's first petition for IPR, the Board's January 22, 2014 decision to institute IPR is reprinted at App. 110, the Board's January 6, 2015 decision to terminate that IPR is reprinted at App. 90, and the Board's February 23, 2015 decision denying rehearing of that termination decision is reprinted at App. 174.

The July 3, 2013 decision of the United States District Court for the Northern District of Ohio, dismissing Atlanta Gas Light for lack of personal jurisdiction, is unpublished but available at 2013 WL 3365193. App. 142.

## JURISDICTION

The judgment of the Federal Circuit was entered on September 28, 2018. App. 1. On December 18, 2018, the Chief Justice extended the time to file a petition for a writ of certiorari until January 28, 2019. Order, No. 18A637. This Court has jurisdiction under 28 U.S.C. § 1254(1).

## STATUTES INVOLVED

35 U.S.C. § 314(d) provides:

(d) No Appeal.—The determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.

35 U.S.C. § 315(b) provides:

(b) Patent Owner's Action.—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 time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

## INTRODUCTION

This case presented precisely the kind of problem Congress intended to address with the new post-grant review procedures in the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284 (2011). Bennett Regulator Guards, Inc. sued Atlanta

Gas Light Company, accusing it of infringing Bennett's U.S. Patent No. 5,810,029—a patent that never should have issued because it was anticipated by and obvious over sixty-year-old technology. Not only was Bennett seeking to enforce a questionable patent, it filed suit in Ohio, which plainly lacked personal jurisdiction over Atlanta Gas Light, a Georgia utility company. The Ohio court dismissed Bennett's suit without prejudice. Under then-prevailing Federal Circuit precedent, that dismissal left the parties as if no suit had been brought.

Fearing a repeat of Bennett's attempt to enforce the '029 patent, Atlanta Gas Light sought *inter partes* review (IPR). The Patent Trial and Appeal Board found a reasonable likelihood that the patent's claims were unpatentable and instituted IPR, but it later dismissed the IPR on the ground that Atlanta Gas Light had not identified its then-parent holding company, AGL Resources, Inc., as a real party in interest. Atlanta Gas Light promptly filed a second petition, and the Board again instituted IPR and ultimately found all claims of the '029 patent unpatentable.

Congress designed IPR to be an efficient administrative alternative to resolving patent validity through district court litigation. Creating a new administrative adjudication process but then allowing judicial review of all decisions the administrative agency makes would not improve efficiency—to the contrary, it would just add another layer of procedure. Congress thus took pains to leave many issues to the Board.

In particular, Congress expressly directed 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). Congress’s choice made eminent sense, as the Board’s determination of whether IPR should be instituted involves a host of factual and procedural issues that the Board is well placed to resolve, including whether the IPR petition is time-barred on the ground that it was “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). This Court recognized and enforced Congress’s limits on judicial review of IPR institution decisions in *Cuozzo Speed Techs. LLC v. Lee*, 136 S. Ct. 2131 (2016).

But in two en banc decisions, the Federal Circuit has treated this feature of Congress’s design as a bug. Unwilling to let the Board do the job Congress assigned it, the Federal Circuit has arrogated to itself authority to decide whether the Board properly instituted IPR—the precise authority Congress expressly withheld. The Federal Circuit thus took it upon itself to review the Board’s decision to institute IPR notwithstanding Bennett’s time-bar argument. And the court compounded that error by rejecting the Board’s sensible application of the time-bar provision to the facts of this case.

The result of the Federal Circuit’s insistence on inserting itself into decisions that Congress left to the Board is that a coherent and efficient scheme was rendered incoherent and inefficient. The Board now finds its institution decision second-guessed and its merits decision finding the ’029 patent unpatentable—the decision Congress intended to be subject to Federal Circuit review—ignored. And



Atlanta Gas Light now faces the prospect of duplicative and expensive district court litigation to re-reach the result the Board, exercising the expertise Congress intended it to exercise, already reached.

“Subject-matter limitations on federal jurisdiction .... keep the federal courts within the bounds the Constitution and Congress have prescribed.” *Ruhrgas AG v. Marathon Oil Corp.*, 526 U.S. 574, 583 (1999). The Federal Circuit’s decision to stretch beyond the jurisdiction granted to it and to decide issues that Congress made a policy choice to vest in the unreviewable discretion of the Board conflicts with *Cuozzo* and will destabilize patent law and procedure and undermine Congress’s effort to establish IPR as an efficient alternative. This Court’s intervention is needed.

## STATEMENT

*Statutory Background.* The Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29 (2011), provided a new proceeding designed to offer a “quick and cost effective alternative[] to litigation” in which the Patent Office’s Patent Trial and Appeal Board would reassess whether a previously issued patent was unpatentable. H.R. Rep. No. 98 pt. 1, 112th Cong, 1st Sess. 45, 48 (2011).

Under the AIA, any “person who is not the owner of [the] patent” may petition for IPR challenging the patent, requesting “to cancel as unpatentable 1 or more claims” of the patent on grounds of obviousness or anticipation. 35 U.S.C. § 311(a)–(b).

The first step is determining whether IPR should be instituted. The merits aspect of that determination requires the Board to determine

whether “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). Only if the petition shows this reasonable likelihood may the Board institute IPR.

But in addition to that preliminary merits decision, the Board must also make a number of subsidiary, case-by-case findings regarding the petition’s procedural compliance, including whether the petition is “accompanied by payment of the fee” for filing, *id.* § 312(a)(1); whether it “identifies all real parties in interest,” *id.* § 312(a)(2); whether the petitioner has served all the petition documents on the patent owner or its designated representative, *id.* § 312(a)(5); whether the petitioner or any real party in interest “filed a civil action challenging the validity of a claim of the patent” before the filing date, *id.* § 315(a)(1); whether the petitioner, real party in interest, or privy “is estopped from challenging the claims on the grounds identified in the petition” (not to mention what parties are “priv[ies]” of the petitioner), 37 C.F.R. § 42.101(c); whether the petition sufficiently identifies and explains its unpatentability contentions, *id.* § 42.104(b)(1)–(5) & 42.106(b); and whether the petition has been 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).

If the Board elects to institute IPR, it conducts a trial assessing whether the claims challenged in the petition are unpatentable. The Board generally must issue its final written decision on the merits of the IPR no more than one year after its decision to

institute. 35 U.S.C. § 316(a)(11). The entire IPR process is thus limited to about eighteen months from the date the petition is filed. *See id.* & *id.* § 314(b) (institution decision must be made within three months of filing of preliminary response); 37 C.F.R. § 42.107(b) (preliminary response due three months from petition).

IPR replaced a more cumbersome proceeding called *inter partes* reexamination. Reexamination proceedings commonly took three years or longer to complete. U.S. Pat. & Trademark Off., *Inter Partes Reexamination Filing Data*, available at <https://bit.ly/2grw8i8>. Those proceedings also provided a broader scope of appellate review. There, appellate courts were barred only from reviewing the Director's determination that "a substantial new question of patentability ... is raised by the request." *See* 35 U.S.C. § 312(a) & (c) (2006).

Under IPR, by contrast, though any party may appeal the "final written decision" to the Federal Circuit, 35 U.S.C. § 319, Congress made the entirety of the institution decision unreviewable, not just the merits determination: "The 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) (emphasis added); *see Cuozzo*, 136 S. Ct. at 2142.

*The Patent.* Bennett's '029 patent issued on September 22, 1998, from an application filed on June 16, 1995. The patent claims an ice-prevention device for use with an outdoor gas-pressure regulator. *See* App. 210 ('029 patent, col. 1:10–12).

*The Ohio Suit.* In 2012, Bennett filed a complaint in the Northern District of Ohio alleging that Atlanta Gas Light had infringed the '029 patent. On July 18, 2012, Bennett served Atlanta Gas Light with the complaint. Atlanta Gas Light moved to dismiss for lack of personal jurisdiction because it is a Georgia utility that does no business in Ohio. The court granted Atlanta Gas Light's motion, dismissing the case without prejudice. *See* Fed. R. Civ. P. 41(b); App. 153.

*The First IPR.* On July 18, 2013—within a year of when it was served with Bennett's dismissed complaint—Atlanta Gas Light filed a petition for IPR (the "first IPR"). On January 22, 2014, the Patent Trial and Appeal Board instituted review. App. 140. On January 6, 2015—after full briefing and an oral hearing on the merits of the IPR, and just over two weeks before the Board was due to issue a final written decision—the Board terminated the first IPR.

Relying on the Board rules then in effect, Atlanta Gas Light's petition had identified Atlanta Gas Light as the real party in interest because it was funding and controlling the petition. *See* App. 101. Bennett argued that several other parties were unnamed real parties in interest.<sup>1</sup> *See* App. 101–02.

By the time this real-party-in-interest issue came to a head, the Board had issued several decisions concluding that a party challenging the real-party-in-interest determination bore the burden of evidence. *E.g., TRW Auto. US LLC v. Magna Elecs., Inc.*, IPR2014-00293, 2014 WL 7474150, at \*7 (P.T.A.B. June 27, 2014). But reversing course in this IPR, the

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<sup>1</sup> *See* 35 U.S.C. § 312(a)(2).

Board concluded that *petitioner* Atlanta Gas Light instead bore the burden of proving that the entities cited by Bennett were *not* real parties in interest. App. 98. The Board found that the corporate structures of Atlanta Gas Light and its then-parent company, AGL Resources, Inc., blended together and therefore that Atlanta Gas Light had not shown that that entity was not a real party in interest. App. 102–04. On January 26, 2015, the Board terminated the first IPR. App. 109. The Board denied Atlanta Gas Light’s request for rehearing. App. 185.

*The Second IPR.* At that time, Board precedent held that the service of complaints in cases dismissed without prejudice did not trigger IPR’s statutory one-year time bar. *See Macauto U.S.A. v. BOS GmbH & KG*, IPR2012-00004, 2013 WL 5947694, at \*7 (P.T.A.B. Jan. 24, 2013) (“[T]he dismissal of the earlier action against Macauto Taiwan nullifies the effect of the alleged service of the complaint on Petitioner.”). Facing no time bar, on February 27, 2015—a mere four days after the Board denied rehearing—Atlanta Gas Light filed a second IPR petition. *See* App. 2. Atlanta Gas Light added AGL Resources, Inc. and, out of an abundance of caution, eight other affiliates as privies and real parties in interest.

Although Bennett contended in response to this second petition that the one-year time bar in 35 U.S.C. § 315(b) barred institution, the Board again instituted IPR. App. 88–89; *see also* App. 71–73. During the pendency of this second IPR, the Federal Circuit decided *Achates Reference Publishing, Inc. v. Apple Inc.*, where it held that “35 U.S.C. § 314(d) prohibits th[e] court from reviewing the Board’s

determination to initiate IPR proceedings based on its assessment of the time bar of § 315(b).” 803 F.3d 652, 658 (Fed. Cir. 2015).

On August 19, 2016, the Board issued a final written decision, ruling all claims of the '029 patent unpatentable. App. 57. It found the claims anticipated by and obvious over decades-old technology—combinations of U.S. Patents Nos. 2,620,087, 3,012,573, 3,985,157 and 4,957,660—along with prior art described in the '029 patent. App. 84–86. And the Board reiterated its rejection of Bennett’s time-bar arguments. App. 25 & 28.

*Appeal.* After unsuccessfully seeking rehearing, Bennett appealed to the Federal Circuit. Bennett contended that the Board should not have instituted the second IPR because of the one-year section 315(b) time bar. *See* App. 4. While Bennett’s appeal was pending, the Federal Circuit issued two en banc decisions that reversed its previous course on the issues here.

In *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018), the en banc Federal Circuit overruled *Achates*. Relying on a strained reading of this Court’s decision in *Cuozzo Speed Technologies LLC v. Lee*, 136 S. Ct. 2131 (2016), and downplaying the plain text of section 314(d), the court “[f]ound] no clear and convincing indication in the specific statutory language in the AIA, the specific legislative history of the AIA, or the statutory scheme as a whole that demonstrates Congress’s intent to bar judicial review of § 315(b) time bar determinations.” 878 F.3d at 1372; *but see Block v. Comm. Nutrition Inst.*, 467 U.S. 340, 350–51 (1984) (rejecting “clear and convincing evidence standard in the strict evidentiary

sense” and noting that “the presumption favoring judicial review [is] overcome whenever the congressional intent to preclude judicial review is fairly discernible in the statutory scheme”) (internal quotation marks omitted). Judge Hughes dissented, joined by Judges Lourie, Bryson, and Dyk. *Wi-Fi One*, 878 F.3d at 1377–82.

*Wi-Fi One*, though erroneous, would not by itself have resulted in reversal of the Board’s final merits decision. Before 2018, the rule in the Federal Circuit—as in the rest of the country—was that the dismissal without prejudice of an action “leaves the parties as though the action had never been brought.” *E.g., Graves v. Principi*, 294 F.3d 1350, 1356 (Fed. Cir. 2002). This resulted in the Board’s sensible rule that dismissal without prejudice meant the complaint did not start the clock on section 315(b)’s time bar. *See Macauto*, 2013 WL 5947694, at \*7. Under that precedent, because the Ohio complaint was dismissed without prejudice, it did not trigger the time bar and thus did not prevent Atlanta Gas Light from filing a second IPR petition challenging the ’029 patent.

But in August 2018 the Federal Circuit decided *Click-to-Call Technologies, L.P. v. Ingenio, Inc.*, 899 F.3d 1321 (Fed. Cir. 2018). That panel decision contained an en banc footnote holding that “§ 315(b)’s time bar applies” when “an IPR 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.” *Id.* at 1328 n.3 (en banc). Judge Dyk dissented from footnote 3, joined by Judge Lourie. *Id.* at 1350. The IPR petitioner in *Click-to-Call* recently filed a petition for

certiorari presenting the same two issues as this petition. *See Dex Media, Inc. v. Click-to-Call Techs., LP*, No. 18-916 (Jan. 11, 2019) (“*Dex Media Pet.*”).

The Director of the Patent Office intervened in both en banc cases, arguing that the court should reaffirm its panel holding in *Achates* concerning section 314(d)’s “No Appeal” provision and, barring that, should hold that cases like *Graves* had correctly stated the rule regarding the effect of a dismissal without prejudice for purposes of section 315(b)’s one-year provision.

With the en banc precedents from *Click-to-Call* and *Wi-Fi One* in hand, the court made quick work of this case, concluding that the Board “lacked authority to institute review” because “Bennett undisputedly served [Atlanta Gas Light] with a complaint asserting the ’029 patent on July 18, 2012” and Atlanta Gas Light filed its second IPR petition more than a year later. App. 6. The court vacated the Board’s final written decision and remanded for the Board to dismiss the IPR. *Id.*

### **REASONS FOR GRANTING THE PETITION**

This petition cleanly presents two important questions about the IPR regime that Congress created in the AIA. *First*, despite section 314(d)’s clear “No Appeal” admonition that “[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable,” may the Federal Circuit decide that the determination by the Director to institute IPR was erroneous under section 315(b)’s one-year time bar? *Second*, does service of a patent infringement complaint that the court dismisses without prejudice



for lack of personal jurisdiction nonetheless trigger section 315(b)'s one-year bar? Both questions arise frequently and are important to the proper functioning of the AIA, as evidenced by the Federal Circuit's decision to go en banc to resolve them. The Federal Circuit's answers to both questions will undermine the AIA. Because the Federal Circuit has already decided both questions en banc, there will be no further percolation. This Court's review is needed.

### **I. The Federal Circuit Erred In Claiming Jurisdiction To Review The Board's Institution Decision.**

A. In the AIA, Congress replaced the time-consuming, inefficient *inter partes* reexamination proceeding with the more streamlined *inter partes* review process. See H.R. Rep. No. 98 pt. 1, 112th Cong, 1st Sess. 45, 48 (2011) (IPR designed to serve as a "quick and cost effective alternative[] to litigation"). In doing so, Congress carefully balanced the roles of the Patent Office and the courts, with the goal of reducing wasteful and duplicative patent-validity proceedings.

One efficiency gain Congress chose was to vest the decision whether to institute IPR entirely in the authority of the Board. Congress imposed various conditions relating to the Board's decision whether to institute IPR. For example, the Board may not consider a petition unless it is "accompanied by payment of the fee established by the Director," unless the petitioner has identified all "real parties in interest," and unless the petitioner has provided all relevant documentation to the patent owner or its designated representative. 35 U.S.C. § 312(a)(1), (2)

& (5). Similarly, the Board must assess whether the petition was filed after any post-grant review proceedings concluded or at least 9 months after the patent is granted, 35 U.S.C. § 311(c)(1)–(2), but before “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,” 35 U.S.C. § 315(b).

Congress trusted the Board—not the Federal Circuit—to interpret and apply those conditions to the myriad fact patterns that would arise. Judicial review would of course be available if the Board engaged in ultra vires “shenanigans,” *Cuozzo*, 136 S. Ct. at 2142, but the mine-run factual and procedural determinations relevant to whether to institute IPR were for the Board to resolve without judicial second-guessing. Section 314(d), entitled “No Appeal,” thus provides in plain English that “[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.” Congress instead limited judicial review to the Board’s final written decision. 35 U.S.C. §§ 141(c) & 319. It is thus “fairly discernible in the statutory scheme,” *see Block*, 467 U.S. at 351, that Congress intended to bar judicial review of the Board’s institution decision.

Among other things, that prohibition should have correspondingly limited the judicial resources spent on adjudicating procedural wrangles that did not go to the merits of the Board’s final written decision. The Board would be free to craft common-sense procedural rules that would advance Congress’s goals of reducing litigation expense, speeding and streamlining post-grant procedures, and “improv[ing]

patent quality and restor[ing] confidence in the presumption of validity that comes with issued patents in court.” H.R. Rep. No. 98 pt. 1, 112th Cong., 1st Sess. 45, 48 (2011).

At the time it occurred, the Board’s termination of the first IPR on real-party-in-interest grounds had minimal real-world consequences. Because the Board had already decided that complaints dismissed without prejudice did not trigger the time bar, the Board’s termination decision merely meant that Atlanta Gas Light had to shoulder the cost of filing a new petition. But now that the Federal Circuit has decided to review the Board’s institution decisions for compliance with section 315(b)’s time bar—and has upset the Board’s sensible interpretation of that time bar—skirmishes over minor procedural issues will take on far greater importance. Worse, those procedural skirmishes will be irresistible invitations to holders of invalid patents to seek Federal Circuit review of the Board’s resolution of procedural issues bound up with its determination to institute IPR.

This is already happening. Instead of adhering to the limited, merits-focused role Congress decreed, the Federal Circuit is now re-deciding nuts-and-bolts procedural issues already decided by the Board. Having taken it upon itself to review the Board’s application of the time bar in its determination to institute IPR, the Federal Circuit now finds itself deciding even finer-grained procedural issues relating to the time bar, going so far as to develop a “framework” under which the Board is now to decide which party bears the burden of showing that a petition is time-barred. *See Worlds Inc. v. Bungie Inc.*, 903 F.3d 1237, 1245–46 (Fed. Cir. 2018).

Similarly, in *Arista Networks, Inc. v. Cisco Systems, Inc.*, 908 F.3d 792 (Fed. Cir. 2018), the Federal Circuit overruled its pre-*Wi-Fi One* precedent and held that whether assignor estoppel should have prevented the Board from instituting IPR was reviewable on appeal despite section 314(d). *Id.* at 800–01.

Congress’s “No Appeal” admonition, in short, has not restrained the Federal Circuit so far, and the slope will only get slipperier.

**B.** The Federal Circuit’s holding that it can review the Board’s institution decision for compliance with the time bar conflicts with this Court’s decision in *Cuozzo*. As the Court made clear in *Cuozzo*, the section 314(d) review bar reaches beyond section 314 itself to questions “closely tied to the application and interpretation of statutes related to the Patent Office’s decision to initiate ... review.” 136 S. Ct. at 2141. The application of the section 315(b) time bar falls squarely under that umbrella. On its face, the language of section 315(b) governs when an IPR may “be instituted.” 35 U.S.C. § 315(b). As part of its determination whether to institute IPR, the Board had to consider (among many other conditions going to whether institution was proper) Bennett’s contention that Atlanta Gas Light’s petition was time-barred. And the Board did so. App. 70–76.

That is why, even while dissenting in *Cuozzo*, Justice Alito recognized that “the petition’s timeliness ... is ‘closely tied to the application and interpretation of statutes related to the Patent Office’s decision to initiate ... review.’” 136 S. Ct. at 2155 (Alito, J., joined by Sotomayor, J., dissenting). Two panels of the Federal Circuit so held. *Achates Ref. Publ’g, Inc. v. Apple Inc.*, 803 F.3d 652 (Fed. Cir.

2015), abrogated, 878 F.3d 1364 (Fed. Cir. 2018) (en banc); *see also Wi-Fi One, LLC v. Broadcom Corp.*, 837 F.3d 1329, 1333 (Fed. Cir. 2016) (concluding that *Cuozzo* had not implicitly overruled *Achates*), *rev'd*, 878 F.3d 1364 (Fed. Cir. 2018) (en banc).

Under the correct interpretation of section 314(d), the Federal Circuit lacked jurisdiction to consider whether the Board's determination to institute IPR in this case was incorrect: "[t]he statute *calls out* a specific agency determination and expressly *prohibits* courts from reviewing that decision." *Wi-Fi One*, 878 F.3d at 1378 (Hughes, J., dissenting).

The en banc majority reached the opposite conclusion by misreading *Cuozzo* and failing to heed the statutory text and history. In the majority's view, *Cuozzo* limited section 314(d)'s reach to the Director's determination that there was a "reasonable likelihood that the claims are unpatentable." *See* 878 F.3d at 1369 (quotation marks omitted). But that rewrites this Court's opinion. *Cuozzo* holds that section 314(d) "bars judicial review" if the patent owner challenges the Director's "reasonable likelihood" finding "*or ... grounds its claim in a statute closely related to that [reasonable likelihood] decision.*" 136 S. Ct. at 2142 (emphasis added) (addressing contention that petition had not been pleaded with particularity under § 312).

The Court's refusal to limit section 314(d) to the "reasonable likelihood" determination was no accident. After all, the plain statutory text bars review not of the "reasonable likelihood" determination, but rather of "[t]he determination by the Director whether to institute an inter parties

review under this section.” Whether the Director finds a “reasonable likelihood that the claims are unpatentable” is one of many factual and procedural determinations bound up in “[t]he determination by the Director whether to institute” IPR; it is necessary but not sufficient for an institution decision.

Statutory history and context reinforces that Congress intentionally swept more broadly in section 314(d) and meant what it said when it barred review, not merely of the subsidiary “reasonable likelihood” determination, but of the overall institution decision. As Judge Hughes pointed out, 878 F.3d at 1380–81, when Congress enacted the AIA and created IPR, it repealed the narrower *inter partes* reexamination review bar, which had barred review only of the Director’s determination whether “a substantial new question of patentability ... is raised by the request.” See 35 U.S.C. § 312(a) & (c) (2006). Congress replaced that narrow provision with the current, broad, “markedly different” language of section 314(d), barring review of the Director’s decision “whether to institute” IPR. 878 F.3d at 1381 (Hughes, J., dissenting).

Remarkably, the *Wi-Fi One* majority ignored this statutory history, seemingly because it saw no “specific legislative history” on point. See *id.* at 1372. But no committee report is needed to know that Congress replaced a narrow bar with a broader bar. Whatever interpretive challenges section 314(d) may pose, it cannot possibly mean the same thing as its repealed predecessor. *Brewster v. Gage*, 280 U.S. 327, 337 (1930) (“The deliberate selection of language so differing from that used in the earlier act[] indicates that a change of law was intended.”).

The situation here is like the one this Court addressed in *Briscoe v. Bell*, 432 U.S. 404 (1977). There, the D.C. Circuit had considered the effect of a nonreviewability provision in the Voting Rights Act, which provided that “[a] determination or certification of the Attorney General or of the Director of the Census under this section ... shall not be reviewable in any court.” See *Briscoe v. Levi*, 535 F.2d 1259, 1263 (D.C. Cir. 1976). The circuit court reasoned that “even where the intent of Congress was to preclude judicial review, a limited jurisdiction exists in the court to review actions which on their face are plainly in excess of statutory authority.” *Id.* at 1265. That is, in effect, the same argument that swayed the Federal Circuit in *Wi-Fi One*, where it reasoned that section 315(b) findings “limit the agency’s authority to act under the IPR scheme.” 878 F.3d at 1374; see also *id.* at 1380 (Hughes, J., dissenting). But this Court rejected that argument in *Briscoe*, reasoning that “[t]he language [of section 4(b)] is absolute on its face and would appear to admit of no exceptions.” 432 U.S. at 410.

The plain language of section 314(d) is similarly absolute: it provides that the Director’s determination to institute is “final and nonappealable.” As this Court made clear in *Cuozzo*, that means the determination to institute, necessarily incorporating all statutory decisions “closely related” to that decision, is beyond the courts’ jurisdiction to review. 136 S. Ct. at 2142.

C. The statutory text confirms that the Board’s ruling on the time bar is not remotely the kind of ultra vires “shenanigans” this Court found subject to review under the Administrative Procedure Act. See

*SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359 (2018). Instead, like other factual and procedural issues surrounding the determination whether to institute IPR, how to interpret and apply section 315(b) was vested in the discretion of the Director. It is not in the nature of a jurisdictional limitation on the Director or the Board. *See, e.g., Scarborough v. Principi*, 541 U.S. 401, 413–14 (2004) (“time prescriptions, even rigid ones,” are “not properly typed ‘jurisdictional’”).

To the contrary, as *Achates* recognized, “§ 315(b) does not impact the Board’s authority to invalidate a patent claim—it only bars *particular petitioners* from challenging the claim.” 803 F.3d at 657 (emphasis added). Not only that, it bars those “particular petitioners” only from being *the first* to challenge the claim: the statute explicitly contemplates the participation of an accused infringer in an IPR even if that accused infringer was served with an infringement complaint more than one year before the petition was filed. The Director may institute IPR on a petition brought by someone other than such an accused infringer and may join the otherwise-barred accused infringer in that IPR. 35 U.S.C. § 315(b)–(c).

The section 315(b) time bar is, in short, “merely a rule that seeks to promote the orderly progress of litigation by requiring that the parties take certain procedural steps at certain specified times.” *Achates*, 803 F.3d at 658 (alterations and quotation omitted). By making the institution decision “final and nonappealable,” Congress vested this procedural determination entirely in the authority of the Patent Office. 35 U.S.C. §§ 314(d) & 315(b).

Moreover, it made perfect sense for Congress to entrust this determination to the Director as part of



Congress's effort to create a more efficient alternative to district court litigation (and to *inter partes* reexamination). Whether section 315(b) bars institution in response to a given petition will turn on the particular facts and circumstances of that petition. In this case, the particular wrinkle was the fact that Bennett's Ohio suit was dismissed without prejudice for lack of personal jurisdiction. In other cases, because section 315(b)'s one-year period runs from service of a qualifying complaint not only on the IPR petitioner, but also on a "real party in interest," the Board will have to decide whether a particular party counts as a "real party in interest"—a question that is often close, inherently fact-bound, and case-specific.

The one-year period also runs from service on a "privy of the petitioner," and even more than "real party in interest," that undefined term's scope is uncertain and fact-bound. *E.g.*, *Int'l Nutrition Co. v. Horphag Research, Ltd.*, 220 F.3d 1325, 1329 (Fed. Cir. 2000) ("A variety of relationships between two parties can give rise to the conclusion that a nonparty to an action is 'in privity' with a party to the action ..."); *see also Dex Media Pet.* at 19–20 & n.4. So the Board will have to make fact-bound, and ultimately discretionary, calls about where to draw the "privy" line—and review of those discretionary calls will be a further waste of judicial resources. For example, on remand to the panel in *Wi-Fi One*, the court reviewed the Board's "flexible analysis ... seek[ing] to determine whether the relationship between the purported 'privy' and the relevant other party is sufficiently close such that both should be bound by the trial outcome and related estoppels." *Wi-Fi One, LLC v. Broadcom*, 887 F.3d 1329, 1336 (Fed. Cir.

2018). The court thus found itself drawn into a thicket of privity questions, *see id.* at 1336–37, and issued an opinion affirming the Board that drew a dissent, *id.* at 1346 (Reyna, J., dissenting). Judge Reyna would have “vacate[d] the Board’s final written decision with instruction that the Board permit limited, focused discovery on the § 315(b) privity issue and thereafter determine anew whether Broadcom’s petition is time barred in accordance with the correct standard.” *Id.* at 1347.

In other cases, the Board may have to resolve factual disputes over when service occurred on a given party, whether the complaint sufficiently “alleged infringement,” and whether the complaint’s allegations concerned “the patent” at issue in the IPR petition. *See* 35 U.S.C. § 315(b). Other, similarly unsettled questions will no doubt arise in the future as the Federal Circuit wades farther into the procedural weeds of the Board’s jurisdiction. The more these procedural questions become dominant in IPR proceedings and fruitful avenues of appeal, the more time and money litigants will spend wrestling over these issues, and the more illusory will be the judicial-efficiency gains Congress hoped to accomplish with the AIA.

And all that is just about section 315(b). It does not begin to account for all the other factual and procedural determinations the Board has to make in determining whether to institute IPR. The Board must determine, among other things, whether filing fees were paid on time, whether the petition and its attendant papers were timely presented to the patent owner or its agent, and whether the petition was correctly formatted and contained all information

required by statute and regulation. *See* 35 U.S.C. § 312(a).

Congress, in its pursuit of efficiency, surely did not want the Federal Circuit to second-guess all of these case-specific factual and procedural determinations by the Board. Yet that will be the outcome of the en banc majority's holding, as all of these issues can be distinguished from whether there is a "reasonable likelihood" that the patent's claims are unpatentable and go to whether it is proper to institute IPR in response to a given petition. In fact, experience since *Wi-Fi One* already shows the Federal Circuit's erroneous logic at work, as the court has gotten deeper into the weeds of the time bar, *see Worlds*, 903 F.3d at 1245–46, and has inserted itself in other institution issues such as assignor estoppel (*i.e.*, whether a named investor on a given patent who no longer has an interest in the patent is estopped from petitioning for IPR), *see Arista*, 908 F.3d at 803. Given the panoply of issues bound up with the institution decision, the Federal Circuit's unauthorized journey will not end there.

Decisions of the type at issue here—that turn on how to apply statutory provisions to the specific facts of individual cases—differ in kind from the situation this Court addressed in *SAS*. There, the Court rejected a Board regulation codifying its decision to permit "review to proceed on all or some of the challenged claims and on all or some of the grounds of unpatentability asserted for each claim." 37 C.F.R. § 42.108(a). That regulation contradicted the statute because the statute required IPR to proceed on all claims challenged by the petition. *SAS*, 138 S. Ct. at 1359–60.

This case could not be more different. As explained in the next section, the Board’s interpretation of the one-year time bar as applied to the facts of this case was correct. But at the very least, the Board’s decision was a good-faith attempt to apply that provision to the facts here; it was in no way an ultra vires “shenanigan.” Equally important for present purposes, here the Board did nothing more than attempt to apply that provision to a unique set of facts raised by a particular petition. *SAS*, in contrast, involved a Board *regulation* applicable on an across-the-board basis to all petitions. It would be anomalous for such a generally applicable regulation to be immune from judicial review, *see SAS*, 138 S. Ct. at 1355, but there is nothing anomalous or problematic about respecting Congress’s delegation of authority to the Board to make “final and nonappealable” determinations about whether to institute IPR on a case-by-case basis.

## **II. Even If Review Of The Board’s Institution Decision Had Been Proper, The Federal Circuit Misconstrued The Effect Of Dismissal Without Prejudice, Splitting The Circuits.**

**A.** After usurping the Board’s authority by asserting jurisdiction to review the Board’s “final and nonappealable” determination to institute IPR, the Federal Circuit committed a second error: It abandoned the longstanding, widely recognized principle that dismissal of a complaint without prejudice leaves the parties as though no action had been filed. This error, moreover, split the circuits.

Before the Federal Circuit’s decision in *Click-to-Call*, the Board operated on the sensible rule that the dismissal of a complaint without prejudice—whether voluntary or involuntary—meant the complaint did not start the time bar under section 315(b). See *Macauto*, 2013 WL 5947694, at \*7. That rule accords with the reasoning of courts around the country, which have held that a dismissal without prejudice “results in a *tabula rasa*.” *Nat’l R.R. Passenger Corp. v. Int’l Ass’n of Machinists*, 915 F.2d 43, 48 (1st Cir. 1990). The courts assessing the issue have emphasized that dismissals without prejudice “leave *the parties*”—not just the courts—“as if no action had been brought at all.” *Gerhardson v. Gopher News Co.*, 698 F.3d 1052, 1056 (8th Cir. 2012); see also *Jorge v. Rumsfeld*, 404 F.3d 556, 563 (1st Cir. 2005) (dismissal without prejudice “leaves the parties in the same position as if the action had never been prosecuted”); 9 Wright & Miller, *Fed. Prac. & Proc.* § 2367 (3d ed. 2018). That same reasoning underpinned the Federal Circuit’s own precedent before *Click-to-Call*. *Graves*, 294 F.3d at 1356 (“The dismissal of an action without prejudice leaves *the parties* as though the action had never been brought.”) (emphasis added); cf. *Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1364 (Fed. Cir. 2000).

In light of this broadly recognized background principle, the Board’s rule was an eminently reasonable reading of section 315(b). Congress is presumed to legislate “against the background of th[is] kind of longstanding, consistent existing law.” See *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1277 (Fed. Cir. 2015), *aff’d*, 136 S. Ct. 2131; *Cannon v. U. of Chicago*, 441 U.S. 677, 699 (1979) (Congress is presumed to be aware of “precedents from this and

other federal courts and ... expect[s] its enactment[s] to be interpreted in conformity with them”).

Nevertheless, the *en banc* Federal Circuit cast aside this principle in *Click-to-Call*, swerving away from its own precedent and deciding that the *tabula* was not in fact *rasa*—at least for the accused infringer petitioning for IPR. That holding split the circuits. In the Eighth Circuit’s formulation, for example, dismissal without prejudice “carries down with it ... all pleadings, both of plaintiff and defendant.” *In re Piper Aircraft Distrib. Sys. Antitrust Litig.*, 551 F.2d 213, 219 (8th Cir. 1977). Moreover, the circuits uniformly apply this understanding for the similar purpose of triggering *tolling* of the statute of limitations: “Following ... dismissal [without prejudice] the statute of limitations is deemed not to have been suspended during the period in which the suit was pending.” *Gerhardson*, 698 F.3d at 1056 (quotation omitted); *see Jorge*, 404 F.3d at 563; *Robinson v. Willow Glen Acad.*, 895 F.2d 1168, 1169 (7th Cir. 1990); *Davis v. Smith’s Transfer, Inc.*, 841 F.2d 139, 140 (6th Cir. 1988) (per curiam); *Dupree v. Jefferson*, 666 F.2d 606, 611 (D.C. Cir. 1981). There is no principled basis to hold that a dismissed complaint triggers a time bar when it is insufficient to toll it.

Moreover, if dismissal without prejudice “carries down with it ... all pleadings ... of the plaintiff,” leaving “the parties as if no action had been brought at all,” it cannot be that *service* of the complaint remains effective. *See Fed. R. Civ. P. 3* (“A civil action is commenced *by filing a complaint with the court.*”) (emphasis added); *Fed. R. Civ. P. 4(b) & (c)(1)* (issuance of summons and service of complaint may

occur only “[o]n or after filing the complaint”). The complaint certainly is not effective as a legal document in other respects—with the case dismissed, it imposes no obligation of response or any other action. The Federal Circuit should have restrained itself from revising this well-settled rule.

**B.** The Federal Circuit was mistaken in believing that section 315(b) unambiguously required its result. Fidelity to statutory text does not mean reading the text in a vacuum. *Cf. Kasten v. St.-Gobain Performance Plastics Corp.*, 563 U.S. 1, 7–8 (2011) (discussing ways in which “filed any complaint” can encompass different meanings based on context). Courts should instead presume that a background principle of long standing shaped what Congress meant when it passed the AIA in 2011. *See Cuozzo*, 793 F.3d at 1277. The Ohio district court held that Bennett’s complaint was defective because the court lacked personal jurisdiction over Atlanta Gas Light. Elsewhere, that defective pleading would have ceased to have legal effect—as it should have, given that a dismissal for lack of personal jurisdiction means that the court cannot constitutionally exercise “coercive power” over the defendant. *Bristol-Myers Squibb Co. v. Superior Court of Cal.*, 137 S. Ct. 1773, 1779 (2017). It is unfair and anomalous for a complaint asserting a patent that never should have issued, filed in a court that had no jurisdiction, to deprive the defendant of the right to file a petition for IPR. The Federal Circuit should have credited Congress with the assumption that it enacted section 315(b) against the backdrop of this established rule.

Instead, the court applied that provision woodenly, without regard to its context. The *Click-to-*

*Call* majority reasoned that section 315(b) was unambiguous on its face and “does not contain any exceptions or exemptions for complaints ... that are subsequently dismissed, with or without prejudice.” 899 F.3d at 1330. As a result, the court concluded, “§ 315(b)’s time bar is implicated once a party receives notice through official delivery of a complaint in a civil action, irrespective of subsequent events.” *Id.*

But Congress could not reasonably have intended the time bar to run from bare notice of a dispute. Instead, the point of the one-year time bar was to prevent the filing of an IPR petition *late* in a district court case, when it would be more disruptive of the court’s calendar and potentially wasteful of the court’s earlier efforts, while still giving the defendant sufficient time to learn “which claims will be relevant and how those claims are alleged to read on the defendant’s products.” 157 Cong. Rec. S5429 (daily ed. 2011) (statement of Sen. Kyl).

The Federal Circuit’s reasoning leads to even more bizarre results. If the Federal Circuit is correct that “served with a complaint” is so unambiguous that it is impervious to background rules and common sense, then *any* fatally defective “complaint” would trigger the time bar. For example, a patent owner might improperly sue an accused infringer in state court. *See* 28 U.S.C. § 1338(a) (district courts have exclusive jurisdiction over patent infringement claims). A state court patent-infringement complaint is a legal nullity, but it is still a “complaint.” So, for that matter, is a “complaint” alleging patent infringement that is “served” but not filed. Such an unfiled complaint is not connected to any cognizable case, *see* Fed. R. Civ. P. 3 & 4, but if one insisted on



being as hyperliteral as the court below, one would say that the not-quite-defendant was nonetheless “served with a complaint alleging infringement of the patent,” 35 U.S.C. § 315(b), albeit one that—like Bennett’s dismissed Ohio complaint—had no legal effect.

As another example, on the Federal Circuit’s reasoning, the one-year bar would also be triggered by service of “a complaint alleging infringement of [a] patent” that the plaintiff does not own, even though such a plaintiff would lack standing to sue. The court below emphasized that section 315(b) “does not contain any exceptions or exemptions for complaints served in civil actions that are subsequently dismissed, with or without prejudice.” *Click-to-Call*, 899 F.3d at 1330. But section 315(b) equally does not contain an “exception[] or exemption[]” for service of complaints that the plaintiff lacked standing to serve. Nor does the statute explicitly address service of a “complaint” that is so “insubstantial or frivolous” as to fail even to invoke federal jurisdiction. *See Bell v. Hood*, 327 U.S. 678, 683–84 (1946).

Congress is entitled to presume that its enactments will be interpreted against a backdrop of established legal rules so that they make sense—not that courts will parse their words hypertechnically as if the only question were what the words mean in isolation. *E.g.*, *Cannon*, 441 U.S. at 699. Just as Congress did not need to include an explicit exception for complaints alleging infringement of patents that the plaintiff does not own, Congress did not need to specify that complaints that never should have been served because the court lacks “coercive power” over the defendant likewise do not count.

### III. The Questions Presented Are Exceptionally Important.

This case squarely presents both issues on a fully developed record. Both issues, moreover, are exceptionally important. Although the Patent Office did not intervene in this case, it did so in both *Wi-Fi One* and *Click-to-Call*. At a minimum, the Court should call for the views of the Solicitor General.

*First*, federal courts have only the jurisdiction Congress confers on them. “Subject-matter limitations on federal jurisdiction .... keep the federal courts within the bounds the Constitution and Congress have prescribed.” *Ruhrgas*, 526 U.S. at 583. When a court seizes jurisdiction that Congress has denied it, this Court has a duty to police the boundaries Congress has erected and rein in lower courts’ excesses. *See Bender v. Williamsport Area Sch. Dist.*, 475 U.S. 534, 541 (1986). This Court has been forced to do so more than once when courts of appeals have exceeded their authority. *E.g., id.*; *Donovan v. Richland County Ass’n for Retarded Citizens*, 454 U.S. 389, 389–90 (1982). It should do so again here.

*Second*, allowing the Federal Circuit’s incorrect interpretations to stand would reward gamesmanship while wasting resources. A patent owner could serve a complaint on an accused infringer to start the clock running. As this case demonstrates, the patent owner could even purport to hale the accused infringer into a court that lacks jurisdiction over it. If the patent owner then dismisses the complaint voluntarily, or if the complaint is involuntarily dismissed without prejudice, the Federal Circuit’s interpretation of the AIA fixes the accused infringer on the horns of a

dilemma. The accused infringer can file a costly IPR petition in hope of resolving a dispute that is no longer live and that might not recur. Or the accused infringer can give up forever its right to petition for IPR and let the patent owner force it into district court litigation anytime over the next five years *even if* the accused infringer immediately ceases the allegedly infringing activity. *See* 35 U.S.C. § 286 (six-year statute of limitations for infringement).

Although IPR is designed to be less expensive than litigation, it is still expensive. The fees alone run to tens of thousands of dollars. *See* 37 C.F.R. § 42.15(a) (IPR request fee of \$15,500 and post-institution fee of \$15,000, plus \$600–\$900 per claim). Preparing the petition—which involves locating prior art and drafting painstaking claim comparisons—can require input from subject-matter experts, especially when the patent being challenged is technically complex. Not only that, the petition requires careful drafting and scrutiny by attorneys: any patentability argument under 35 U.S.C. §§ 102 or 103 not raised in the petition is forever waived. *Id.* § 315(e)(2) (“The petitioner in an inter partes review ... that results in a final written decision ... may not assert ... in a civil action ... that the claim is invalid on any ground that the petitioner ... reasonably could have raised during that inter partes review.”).

This necessary care requires significant time and expense. Allowing district court litigation to proceed to the point where, as Congress wanted, the defendant is on notice of the key claims and infringement contentions, and then preparing an IPR petition with a reasonable chance of success can take most or all of the year allotted by section 315(b). The

median all-in cost for filing an IPR petition is approximately \$100,000, and the median cost of litigating the IPR to a final written decision is approximately \$250,000, though it may range as high as \$700,000. RPX, “IPRs: Balancing Effectiveness vs. Cost,” *available at* <https://bit.ly/2zvGKmw>. That is a high price to ask an accused infringer to pay for the sole purpose of preserving its rights in a dispute that is no longer live. More to the point, it runs contrary to Congress’s streamlining-and-cost-reducing purpose in creating IPR in the first place.

But if the accused infringer elects not to take on that expense, the patent owner need only wait a year before refiling its district court suit. Thanks to the Federal Circuit’s *Wi-Fi One* and *Click-to-Call* decisions, this time the accused infringer would have no choice but to defend in court, facing both the additional expense of that litigation *and* a presumption that the patent is valid. That result strips the accused infringer of the important rights Congress granted it in the AIA and defeats the judicial-efficiency gains Congress intended the IPR regime to provide. *See* H.R. Rep. No. 112-98, pt. 1, at 48 (2011). “Congress could not have intended to provide a mechanism for such manipulation.” *Click-to-Call*, 899 F.3d at 1355 (Dyk, J., dissenting).

*Third*, this case provides this Court with an opportunity to clarify the relationship between its *Cuozzo* and *SAS* decisions. As explained above, *see supra* at 16, *Cuozzo* holds that section 314(d) bars review not only of the Director’s “reasonable likelihood” determination, but more broadly of issues “closely tied to the application and interpretation of statutes related to the Patent Office’s decision to

initiate ... review.” *Cuozzo*, 136 S. Ct. at 2141; *accord id.* at 2142 (stating that the review bar applies “where a patent holder merely challenges the Patent Office’s determination that the information presented in the petition shows that there is a reasonable likelihood of success . . . *or* where a patent holder grounds its claim in a statute closely related to that decision to institute inter partes review”) (emphasis added; quotation marks and alterations omitted).

But the Court in *Cuozzo* did not specify what it meant by this “closely tied” or “closely related” formulation. The Federal Circuit has struggled to identify which issues qualify, and certain language in *SAS* muddied the waters further by seemingly reinterpreting *Cuozzo* as limiting the review bar to the “reasonable likelihood” determination alone. *See* 138 S. Ct. at 1359 (stating that *Cuozzo* “concluded that § 314(d) precludes judicial review *only* of the Director’s initial determination under § 314(a) that there is a reasonable likelihood that the claims are unpatentable on the grounds asserted”) (emphasis added). For the reasons explained above, such a narrow interpretation of section 314(d) cannot be squared either with its text or with the fact that section 314(d) replaced a narrower appeal bar that *did* refer only to the preliminary merits determination. *See supra* at 18. Only this Court can reconcile these seemingly conflicting statements in its opinions. *Cf. The Home Depot Co. v. Jackson*, 139 S. Ct. 51 (2018) (certiorari granted to clarify the application of a decision of this Court, without a split in the lower courts).

*Finally*, the public will lose if the Federal Circuit’s decision stands. The public must foot the bill

for the adjudication of further litigation. More bad patents will live longer, increasing the costs of the goods and services those patents purport to cover. This is the opposite of what Congress intended when it created a less expensive, more streamlined post-grant review process. The history of this case makes a mockery of that congressional purpose, as Atlanta Gas Light—and the Board—devoted substantial time and resources to determining that Bennett’s patent never should have been issued. And yet Atlanta Gas Light now faces the prospect of district court litigation over the same issue: the validity of Bennett’s patent.

This situation is likely to recur, as the Federal Circuit’s assertion of jurisdiction will hamstring the Board’s ability to implement sensible procedural rules. Indeed, another successful IPR petitioner that now finds itself in the same situation as Atlanta Gas Light has filed a petition for certiorari presenting the same questions as this petition, underscoring the broad importance of these issues. *See Dex Media Pet.*

**CONCLUSION**

The petition for a writ of certiorari should be granted.

Respectfully submitted,

HOLMES J. HAWKINS, III  
RUSSELL BLYTHE  
KING & SPALDING LLP  
1180 Peachtree St., NE  
Atlanta, GA 30309  
(404) 572-4600

JEFFREY S. BUCHOLTZ  
*Counsel of Record*  
JOSHUA N. MITCHELL  
KING & SPALDING LLP  
1700 Pennsylvania Ave., NW  
Washington, DC 20006  
(202) 737-0500  
jbucholtz@kslaw.com

*Counsel for Petitioner*

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