

No. 18-916

IN THE
Supreme Court of the United States

THRYV, INC., FORMERLY KNOWN AS DEX MEDIA, INC.,
Petitioner,

v.

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

Respondents.

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

**BRIEF FOR THE AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIATION AS *AMICUS
CURIAE* IN SUPPORT OF NEITHER PARTY**

SHELDON H. KLEIN
President
AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIA-
TION
1400 CRYSTAL DRIVE
SUITE 600
ARLINGTON, VA 22202
(703) 415-0780

ERICK J. PALMER
Counsel of Record
MAYER BROWN LLP
71 SOUTH WACKER DRIVE
CHICAGO, IL 60606
(312) 701-8352
ejpalmer@mayerbrown.com

September 10, 2019

Attorneys for Amicus Curiae

TABLE OF CONTENTS

	Page
STATEMENT OF INTEREST.....	1
SUMMARY OF ARGUMENT.....	2
ARGUMENT	5
I. The Board’s Initial Determination That the Section 315(b) Time Bar Does Not Preclude Inter Partes Review Should Be Reviewable as Part of the Final Written Decision.....	6
A. Section 314(d) should not shield Board action that contravenes its statutory authority	8
B. Judicial review is warranted to cor- rect Board errors	11
C. Congress did not intend to insulate the Board’s determination of its own statutory authority from judicial re- view.....	12
II. Permitting Appeal of Section 315(b) De- terminations Would Not Undermine Any Policy Underlying the AIA	16
CONCLUSION.....	18

TABLE OF AUTHORITIES

	Page(s)
Cases	
<i>Achates Reference Publ., Inc. v. Apple, Inc.</i> , 803 F.3d 652 (Fed. Cir. 2015).....	9
<i>Block v. Community Nutrition Inst.</i> , 467 U.S. 340 (1984).....	5
<i>Bowen v. Mich. Acad. of Family Physicians</i> , 476 U.S. 667 (1986).....	12-13
<i>City of Arlington v. FCC</i> , 569 U.S. 290 (2013).....	10-11
<i>Cuozzo Speed Techs., LLC v. Lee</i> , 136 S. Ct. 2131 (2016).....	<i>passim</i>
<i>Gill v. Whitford</i> , 138 S. Ct. 1916 (2018).....	17
<i>Kontrick v. Ryan</i> , 540 U.S. 443 (2004).....	16-17
<i>Kucana v. Holder</i> , 558 U.S. 233 (2010).....	5
<i>Lindahl v. Office of Pers. Mgmt.</i> , 470 U.S. 768 (1985).....	5
<i>Mach Mining, LLC v. EEOC</i> , 135 S. Ct. 1645 (2015).....	5
<i>Mississippi Power & Light Co. v. Mississippi ex rel. Moore</i> , 487 U.S. 354 (1988).....	11

Oracle Corp. v. Click-to-Call Techs. LP,
 Case IPR2013-00312, Paper 26
 (P.T.A.B. Oct. 30, 2013)11

SAS Inst., Inc. v. Iancu,
 138 S. Ct. 1348 (2018).....*passim*

United States v. Nourse,
 9 Pet. 8 (1835) 14-15

Wi-Fi One, LLC v. Broadcom Corp.,
 878 F.3d 1364 (Fed. Cir. 2018)..... 9-10

Statutes

5 U.S.C. § 7045, 13, 16

5 U.S.C. § 706(2)(c)..... 5-6

5 U.S.C. § 8128(b)..... 15-16

35 U.S.C. § 30218

35 U.S.C. § 303(a)18

35 U.S.C. § 3112, 18

35 U.S.C. § 311(a).....6

35 U.S.C. § 311(b).....6

35 U.S.C. § 312.....2

35 U.S.C. § 312(a).....6

35 U.S.C. § 3132, 6

35 U.S.C. § 314.....2, 3

35 U.S.C. § 314(a).....3, 4, 7, 10, 13

35 U.S.C. § 314(d).....*passim*

35 U.S.C. § 3152

35 U.S.C. § 315(a)(1)	7
35 U.S.C. § 315(b).....	<i>passim</i>
35 U.S.C. § 316	2
35 U.S.C. § 316(e).....	13
35 U.S.C. § 317	2
35 U.S.C. § 318	2
35 U.S.C. § 318(a).....	9
35 U.S.C. § 319	<i>passim</i>
38 U.S.C. § 211(a).....	16

Other Authorities

37 C.F.R. § 42.4(a).....	6
37 C.F.R. §§ 42.15(a)	17
37 C.F.R. §§ 42.51(b)(1)(ii)	14
37 C.F.R. § 42.108(a).....	9
37 C.F.R. § 42.120	14
H.R. Rep. No. 112-98, pt. 1 (2011).....	6
J. Madison, The Federalist No. 10 (C. Rossiter ed. 1961).....	12
Settling and Adjusting Patent Fees During Fiscal Year 2017 82 Fed. Reg. 52780 (Nov. 14, 2017).....	17
Settling and Adjusting Patent Fees During Fiscal Year 2020 84 Fed. Reg. 37398 (July 31, 2019)	17

STATEMENT OF INTEREST

The American Intellectual Property Law Association (AIPLA)¹ is a national bar association of approximately 12,000 members engaged in private and corporate practice, government service, and academia. AIPLA's members represent a diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. AIPLA's mission includes providing courts with objective analyses to promote an intellectual property system that stimulates and rewards invention, creativity, and investment while accommodating the public's interest in healthy competition, reasonable costs, and basic fairness. AIPLA has no

¹ In accordance with Supreme Court Rule 37.6, AIPLA states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than AIPLA and its counsel. Specifically, after reasonable investigation, AIPLA believes that: (i) no member of its Board or Amicus Committee who voted to file this brief, or any attorney in the law firm or corporation of such a member, represents a party to the litigation in this matter; (ii) no representative of any party to this litigation participated in the authorship of this brief; and (iii) no one other than AIPLA, or its members who authored this brief and their law firms or employers, made a monetary contribution to the preparation or submission of this brief.

Pursuant to Supreme Court Rule 37.3(a), AIPLA has obtained by letter the Federal Respondent's consent to file this amicus brief. Petitioner and Respondent Click-to-Call Technologies, LP filed consents to the filing of amicus briefs on July 29, 2019, and August 13, 2019, respectively.

stake in any of the parties to this litigation or in the result of this case. AIPLA's only interest is in seeking correct and consistent interpretation of the law as it relates to intellectual property issues.

SUMMARY OF ARGUMENT

The Court should affirm the Federal Circuit's *en banc* holding that 35 U.S.C. § 314(d) does not preclude judicial review of the Patent Trial and Appeal Board's (Board's) final determination of whether a petition for inter partes review is time-barred under 35 U.S.C. § 315(b).

The Leahy-Smith America Invents Act (AIA) created an administrative inter partes review proceeding in which any person can challenge the patentability of an issued patent by filing with the Director of the United States Patent and Trademark Office (Patent Office) a petition requesting cancellation of one or more claims of a patent.² 35 U.S.C. §§ 311-319. The AIA places certain statutory limitations on the Board's authority to institute inter partes review. One of these limits, Section 315(b), prohibits institution of inter partes review if the petition is filed more than one 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. Akin to a standing or jurisdictional determination, the Board's determination in an institution decision that it complied with the Section 315(b) time bar should be appealable under Section 319 as part of the

² The AIA has been codified in Title 35 of the United States Code.

Board’s final written decision, consistent with the Administrative Procedure Act (APA).

The “no appeal” rule of Section 314(d) does not preclude review. By its very terms, the “no appeal” rule is limited to the Board’s determination “under this section”—that is Section 314. 35 U.S.C. § 314(d). In *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2141 (2016), this Court held that Section 314(d) “applies where the grounds for attacking the decision to institute inter partes review consist of questions that are closely related to the Patent Office’s decision to initiate inter partes review.” The Court reserved judgment in *Cuozzo* on how Section 314(d) impacts appeals “that implicate constitutional questions, that depend on other less closely related statutes, or that present other questions of interpretation that reach . . . well beyond” the Board’s decision to institute under Section 314. *Id.* at 2141-42. The Court did note, however, that judicial review is permitted to prevent “shenanigans” where the Board exceeds the statutory limits the AIA imposes. *Id.* at 2141-42.

The Court revisited Section 314(d) in *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018). In *SAS*, the Court rejected the Board’s practice of instituting inter partes review proceedings on some but not all claims challenged in a petition, dismissing the Director’s contention that judicial review was precluded under Section 314(d). *Id.* at 1359-60. According to the Court, “*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’ and review is therefore justified.” *Id.* at 1360 (emphasis added). The Court concluded that “nothing in

§ 314(d) or *Cuozzo* withdraws [judicial] power to ensure that an inter partes review proceeds in accordance with the law’s demands.” *Id.* The Court thus left the door open for review of certain determinations as part of the Board’s final written decision, even though those determinations may have been made at the institution stage.

Consistent with *Cuozzo* and *SAS*, Section 314(d) should not prohibit review of the Board’s determination that it has complied with the limits placed on it under Section 315(b). This determination is not “closely related” to the Board’s determination under Section 314(a) that there is a reasonable likelihood the claims are unpatentable on the grounds asserted in the petition. Nor is compliance with Section 315(b) “an ordinary dispute” or “some minor statutory technicality[.]” *Cuozzo*, 136 S. Ct. at 2139-40. It goes to the heart of the Board’s authority to institute an inter partes review in the first place.

This case illustrates why it is appropriate to review a disputed Section 315(b) determination that a time bar does not apply. Importantly, the policies of the Patent Office have changed since the Board’s final written decision in this case. The agency now agrees that the proper course of action in this case would have been to decline to institute inter partes review. Judicial review would limit the Board’s ability to expand the scope of its authority beyond statutory limits and foster consistency in Board decisions in the future. Having placed limits on the Board’s ability to institute inter partes review proceedings under Section 315(b), Congress did not intend to remove appellate review of such time-bar determinations.

The Court should therefore affirm the Federal Circuit’s holding that the Board’s determination of disputed Section 315(b) time bar issues is reviewable on appeal.

ARGUMENT

Because “Congress rarely intends to prevent courts from enforcing its directives to federal agencies[,]” there is a “strong presumption” in favor of judicial review when courts interpret statutes, including statutes that may limit or preclude review. *Mach Mining, LLC v. EEOC*, 135 S. Ct. 1645, 1651 (2015). This presumption may be overcome only by “clear and convincing” intentions to the contrary. *Block v. Community Nutrition Inst.*, 467 U.S. 340, 349-50 (1984). Even if a statute “plausibly can be read as imposing an absolute bar to judicial review[,]” the presumption is not overcome where there is another reading of that statute that would permit review. *Lindahl v. Office of Pers. Mgmt.*, 470 U.S. 768, 779 (1985). Thus, if the statute is “reasonably susceptible” to an interpretation that preserves judicial review, judicial review should be preserved. *Kucana v. Holder*, 558 U.S. 233, 251 (2010).

Section 704 of the APA empowers courts to review “[a]gency action made reviewable by statute and final agency action for which there is no other adequate remedy. . . .” 5 U.S.C. § 704. The AIA makes reviewable the Board’s findings set forth in its final written decisions. 35 U.S.C. § 319. Nothing in the AIA precludes judicial review of a Section 315(b) determination as part of the appeal of the final written decision. Moreover, courts must “hold unlawful and set aside

agency action” that is “in excess of statutory jurisdiction, authority, or limitations[.]” 5 U.S.C. § 706(2)(c).

I. The Board’s Initial Determination That the Section 315(b) Time Bar Does Not Preclude Inter Partes Review Should Be Reviewable as Part of the Final Written Decision.

In the AIA, Congress carefully crafted inter partes review, intending it to be a streamlined means for challenging patent validity. *See* H.R. Rep. No. 112-98, pt. 1, at 40 (2011) (noting that AIA was “designed to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs”). Any person may file a petition with the Patent Office seeking cancellation of a patent for lack of novelty and/or obviousness based on prior art consisting of patents and printed publications. 35 U.S.C. §§ 311(a)-(b). Among other things, the petition must identify all real parties in interest and provide the grounds and evidentiary basis for the alleged invalidity. *Id.* at § 312(a). The patent owner is permitted to file a preliminary response explaining why the petition fails to meet the necessary requirements for instituting inter partes review. *Id.* at § 313.

The Board then decides whether to institute inter partes review.³ The Board may not institute inter partes review unless it finds that, based on the petition and preliminary response, there is a “reasonable

³ The AIA grants the authority to institute inter partes review to the Director. The Director has delegated that authority to the Board. 37 C.F.R. § 42.4(a).

likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” *Id.* at § 314(a). Thus, the merits of the substantive patent arguments set forth in the petition serve as a “threshold” against which institution is determined. *Id.*

Meeting this “threshold” does not guarantee institution. Congress intended to make inter partes review an efficient and less expensive alternative to challenging patents in district court litigation. It thus limited the Board’s authority to institute inter partes review in certain circumstances where the parties are litigating the challenged patent. For example, the Director lacks authority to institute review if the petitioner or real party in interest filed a declaratory judgment action challenging the validity of the patent in district court prior to filing the petition. 35 U.S.C. § 315(a)(1). Additionally, at issue here, the Director lacks authority to institute review if the petitioner, its privy, or real party in interest was served with a complaint alleging infringement of the challenged patent more than one year prior to filing the petition. *Id.* at § 315(b).

Consequently, in its institution decision, the Board frequently decides not only whether the unpatentability grounds set forth in the petition meet the “reasonable likelihood” threshold but also whether it has statutory authority to institute review in the first place. The former is not reviewable under Section 314(d); the latter should be reviewable under Section 319 as part of the final written decision. Nothing in the AIA suggests otherwise.

A. Section 314(d) should not shield Board action that contravenes its statutory authority.

Section 314(d) provides that “[t]he determination by the Director whether to institute an inter partes review *under this section* shall be final and nonappealable.” (emphasis added). This Court first interpreted the scope of Section 314(d) in *Cuozzo*. The Court recognized the “strong presumption” in favor of judicial review that applies when courts interpret statutes, including those that may limit or preclude review. *Id.* at 2140. The Court ultimately found that Section 314(d) generally precludes review of the Patent Office’s institution decision. *Id.* at 2141. Focusing on the provision’s “under this section” language, however, the Court noted that the “no appeal” rule applies “where the grounds for attacking the decision to institute inter partes review consist of questions that are closely tied to the application and interpretation of statutes related to the Patent Office’s decision to initiate inter partes review” under Section 314. *Id.* at 2141. The Court did not determine the “precise effect of § 314(d) on appeals that implicate constitutional questions, that depend on other less closely related statutes, or that present other questions of interpretation that reach, in terms of scope and impact, well beyond” Section 314. *Id.* Importantly, the Court also noted that its decision did not enable “the agency to act outside its statutory limits” and that “[s]uch shenanigans may be properly reviewable” on appeal in full view of Section 314(d). *Id.* at 2141-42.

This Court recently revisited Section 314(d) in *SAS*, 138 S. Ct. at 1360. *SAS* involved the Patent Office’s practice of partially instituting inter partes review, where the Board reviews the patentability of some, but not all, claims challenged in the petition. See 37 C.F.R. § 42.108(a). The Court rejected this practice, finding that partial institution is not authorized because Section 318(a) of the AIA requires the Board to address the patentability of all claims challenged in the petition. *SAS*, 138 S. Ct. at 1360. The Court also rejected the notion that Section 314(d) insulated the Board’s partial institution decision from judicial review. “If a party believes the Patent Office has engaged in ‘shenanigans’ by exceeding its statutory bounds, judicial review remains available consistent with the Administrative Procedure Act, which directs courts to set aside agency action ‘not in accordance with law’ or ‘in excess of statutory jurisdiction, authority, or limitations.’” *Id.* Thus, the Court concluded that “nothing in Section 314(d) or *Cuozzo* withdraws [judicial power] to ensure that an inter partes review proceeds in accordance with the law’s demands.” *Id.*

Prior to the Court’s guidance in *Cuozzo*, a three-judge panel of the Federal Circuit held that Section 314(d) prohibited it from reviewing the Board’s determination to initiate inter partes review proceedings based on its assessment of the Section 315(b) timebar, “even if such assessment is reconsidered during the merits phase of proceedings and restated as part of the Board’s final written decision.” *Achates Reference Publ., Inc. v. Apple, Inc.*, 803 F.3d 652, 659-60 (Fed. Cir. 2015). After *Cuozzo*, however, the *en banc* Federal Circuit overruled the panel’s decision and

held the Board’s Section 315(b) determinations are reviewable on appeal. *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018). The *Wi-Fi One* majority found that Section 315 is not “closely related” to the “reasonable likelihood” threshold set forth in Section 314(a) and therefore is not subject to Section 314(d)’s bar on judicial review under *Cuozzo*. *Id.* at 1374. The concurrence reached the same conclusion but noted that judicial review is warranted to ensure that the Board does not act outside the statutory limit set in Section 315(b). *Id.* at 1376-77.

The Federal Circuit’s holding in *Wi-Fi One* is consistent with *Cuozzo* and *SAS*. Although the Board preliminarily determines whether a petition complies with Section 315(b) at the institution stage, that determination does not relate in any way to the substantive merits of the invalidity grounds presented in the petition and is therefore unrelated to the Board’s “threshold” determination under Section 314(a). Thus, it is unlike an “ordinary dispute” under Section 312 relating to the sufficiency of the patentability grounds set forth in the petition, which was determined to be non-appealable under Section 314(d) in *Cuozzo*. 136 S. Ct. at 2139. Similar to the Section 318 issue in *SAS*, Section 315(b) sets a statutory limit on the Board’s ability to institute inter partes review when the petitioner has been served with a complaint alleging infringement of the challenged patent. Compliance with this provision is not “some minor statutory technicality[.]” *Cuozzo*, 136 S. Ct. at 2140. No matter how it is characterized, the Board’s application of Section 315(b) in this case implicates its jurisdiction to institute inter partes review in the first place. *See City of Arlington v. FCC*, 569 U.S. 290, 297

(2013) (“[T]here is no difference, insofar as the validity of agency action is concerned, between an agency’s exceeding the scope of its authority (its ‘jurisdiction’) and its exceeding authorized application of authority that it unquestionably has.”); *Mississippi Power & Light Co. v. Mississippi ex rel. Moore*, 487 U.S. 354, 381 (1988) (Scalia, J., concurring) (“To exceed authorized application is to exceed authority.”). Judicial review should therefore be allowed “to ensure that an inter partes review proceeds in accordance with the law’s demands.” *See SAS*, 138 S. Ct. at 1360.

B. Judicial review is warranted to correct Board errors.

This case highlights the propriety of judicial review of the Board’s Section 315(b) determinations. Compliance with Section 315(b)’s time bar in this case requires a comparison of two dates—the date petitioner was served with a patent infringement complaint and the date the petition was filed. If that time period is longer than one year, the plain language of the AIA limits the Board’s ability to institute inter partes review.

In this case, the Board held otherwise. It rationalized that because the patent infringement complaint was dismissed without prejudice, “service” effectively never occurred and the clock on the Section 315(b) time bar did not start running—a decision that was eventually designated as precedential by the previous Director of the Patent Office.⁴ The agency, however,

⁴ *Oracle Corp. v. Click-to-Call Techs. LP*, Case IPR2013-00312, Paper 26 (P.T.A.B. Oct. 30, 2013).

“now agrees” that decision was in error and inter partes review should never have been instituted in this case. U.S. BIO 11; *see also* U.S. BSR 36 (“The Director has come to the view that the proceedings in this case should not have been instituted under the best interpretation of Section 315(b).”). Permitting judicial review of Section 315(b) issues made at the institution stage will properly empower courts to set aside the Board’s improper expansion of its own authority beyond statutory limits. Just as “[n]o man is allowed to be a judge in his own cause, because his interest would certainly bias his judgment, and, not improbably, corrupt his integrity[,]” J. Madison, *The Federalist* No. 10, p. 79 (C. Rossiter ed. 1961), an agency should not be the final arbiter of its statutory authority. Nor should the determination of the Board’s statutory authority depend on who the Director is. Judicial review thus would foster consistency in Board decisions going forward. Consequently, sound policy rationales support subjecting the Board’s determination of its authority under Section 315(b) to appellate review.

C. Congress did not intend to insulate the Board’s determination of its own statutory authority from judicial review.

It would be unusual for Congress to set up the time-bar restriction in Section 315(b) and simultaneously deprive courts of the ability to review the Board’s compliance with it. Congress does not operate this way:

Very rarely do statutes withhold judicial review. It has never been the policy of Congress to prevent the administration of its own statutes from being judicially confined to the scope of authority granted or to the objectives specified. Its policy could not be otherwise, for in such a case statutes would in effect be blank checks drawn to the credit of some administrative officer or board.

Bowen v. Mich. Acad. Of Family Physicians, 476 U.S. 667, 671 (1986) (quoting S. Rep. No. 752, 79th Cong., 1st Sess., 26 (1945)). Nothing supports concluding that this is one of those rare instances.

Congress expressly limited the “no appeal” rule set forth in Section 314(d) to the Board’s determinations under Section 314, which the Court expanded in *Cuozzo* to include other statutory provisions closely related to its determination under Section 314. This restriction is logical in view of the statutory and regulatory scheme.

By default, preliminary agency action not directly reviewable “is subject to review on the review of the final agency action.” 5 U.S.C. § 704. But the Board’s preliminary determination that the petitioner has shown a “reasonable likelihood” of success on at least one challenged claim is substantially different from the Board’s final determination that the petitioner has proven unpatentability by a preponderance of the evidence. *Compare* 35 U.S.C. § 314(a) *with* 35 U.S.C. § 316(e). While the Board’s institution decision is generally based on the materials presented in the petition and the patent owner’s preliminary response, its final

written decision is based on the complete evidentiary record. For example, after institution, the patent owner may depose the petitioner's expert and present its own evidence on the issue of patentability, including its own expert testimony. 37 C.F.R. §§ 42.51(b)(1)(ii), 42.120. Thus, the Board's findings regarding patentability in the final written decision on the complete evidentiary record subsume those preliminarily determined on the incomplete record in its institution decision.

Under these circumstances, permitting review of the Board's initial determination that inter partes review was warranted would serve no purpose given the Board's final determination on the ultimate question of patentability. *See* 35 U.S.C. § 319 (permitting appeal of the Board's final written decisions). Congress therefore precluded judicial review of the Board's "threshold" determination that inter partes review should be instituted. Congress did not intend to give the Board carte blanche to decide the contours of its own statutory authority to institute inter partes review. To hold otherwise would set bad policy, leaving the Board's interpretation of its own authority unchecked and creating separation of powers issues. As Chief Justice Marshall stated long ago:

It would excite some surprise if, in a government of laws and of principle, furnished with a department whose appropriate duty it is to decide questions of right, not only between individuals, but between the government and individuals; a ministerial officer might, at his discretion, issue this powerful process . . . leaving to [the claimant] no

remedy, no appeal to the laws of his country, if he should believe the claim to be unjust.

United States v. Nourse, 9 Pet. 8, 28-29 (1835).

There is no evidence that Congress intended such a surprise here. *See Cuozzo*, 136 S. Ct. at 2154 (Alito, J., dissenting) (noting that “Congress understandably thought that the Patent Office’s power should not be wielded in this way” in relation to the nonreviewability of Section 315(b) determinations). By granting the right to appeal the Board’s final written decision, 35 U.S.C. § 319, Congress maintained the ability of courts to review “unjust” Board determinations regarding the scope of its authority to act in the way it did. This makes sense in the context of a time-bar tied to the service of a complaint. As part of an administrative agency, the Board does not have particular expertise relating to the service of complaints; its core function is to determine patentability challenges. Complaints are filed in judicial courts, which routinely address issues relating to proper service and timeliness issues relating to the service of a complaint through, for example, consideration of statutes of limitations. Making the Board’s Section 315(b) determination subject to judicial review comports with the relative expertise courts have over the Board in deciding similar time-bar issues.

Moreover, when Congress intends to bar judicial review, it does so in clear and unambiguous terms. For example, in proceedings involving compensation for work injuries, Congress made the Secretary of Labor’s allowance or denial of a payment “final and conclusive for all purposes and with respect to all questions of

law and fact . . . [and] not subject to review by another official of the United States or a court by mandamus or otherwise.” 5 U.S.C. § 8128(b). Similar statutory language has been used to bar judicial review of proceedings involving veteran benefits. 38 U.S.C. § 211(a). The AIA contains no such clear and unambiguous language in Section 314(d) or otherwise.

In sum, there is nothing to suggest that Congress intended to preclude judicial review of the statutory constraints it placed on the Board’s authority to institute inter partes review, when that determination is preserved in a final written decision. The Board’s initial Section 315(b) determination should be reviewable as part of the final written decision under Section 319. *See* 5 U.S.C. § 704 (“A preliminary, procedural, or intermediate agency action or ruling not directly reviewable is subject to review of the final agency action.”).

II. Permitting Appeal of Section 315(b) Determinations Would Not Undermine Any Policy Underlying the AIA.

AIPLA recognizes that reviewing time-bar issues at the conclusion of an inter partes review raises potential concerns.

First, appellate review of Section 315(b) determinations may ultimately result in dismissal of some inter partes review proceedings even though the parties expended considerable efforts and resources. But because Section 315(b) time-bar issues are akin to jurisdictional questions, such an outcome is entirely consistent with bedrock legal principles. *See, e.g., Kontrick v. Ryan*, 540 U.S. 443, 454 (2004) (noting that

lack of subject matter jurisdiction can be raised at any time); *Gill v. Whitford*, 138 S. Ct. 1916 (2018) (vacating district court judgment where plaintiffs lacked standing). A petitioner that fails to comply with Section 315(b) runs this risk. Practically, however, the number of cases in which the Board erroneously oversteps its statutory authority should be reduced as the appeals court defines the scope of that authority through its precedential decisions. Accordingly, this concern does not outweigh the benefits that would stem from judicial review of the Board's Section 315(b) time bar findings after final agency action.

Second, although reversing the Board's Section 315(b) determination on appeal may be viewed as a drag on agency and judicial resources, this is not a legitimate concern. Unlike typical civil actions, inter partes review proceedings require significant upfront filing and institution fees. For example, the Board currently charges petitioners a minimum filing fee of \$15,500 to request inter partes review and an additional minimum fee of \$15,000 if review is instituted. 37 C.F.R. § 42.15(a). These fees are designed to recoup the "costs to the Office for performing" the review.⁵ Setting and Adjusting Patent Fees During Fiscal Year 2017, 82 Fed. Reg. 52780, 52790 (Nov. 14, 2017). The Board thus would have already collected its cost-associated fees irrespective of the outcome of an appeal.

⁵ The Patent Office recently proposed to increase the minimum filing and institution fees to \$19,500 and \$18,750, respectively, to accommodate its increased costs to comply with the Court's *SAS* decision. Setting and Adjusting Patent Fees During Fiscal Year 2020, 84 Fed. Reg. 37398, 37411-12 (July 31, 2019).

Moreover, judicial review of Section 315(b) determinations in the final written decision should not open any appellate floodgates. The “no appeal” rule generally precludes interlocutory review. Most Section 315(b) time bar disputes therefore would be reviewed in the regular course with other disputed issues ripe for appeal.

Finally, although permitting review of the timeliness of a petition after a final written decision may extend the life of an improvidently granted patent, this potential concern should not override the statutory limits Congress placed on the Board’s ability to conduct inter partes review under the circumstances of this case. A time-barred petitioner may still challenge the validity of the patent in underlying district court litigation. In addition, the Director could reexamine the patent “[o]n his own initiative[.]” *See* 35 U.S.C. § 303(a). Another petitioner who is not time-barred could also challenge the patent through an ex parte reexamination or inter partes review proceeding. 35 U.S.C. §§ 302, 311.

In sum, any policy concerns arising from judicial review of time-bar issues after the conclusion of an inter partes review proceeding are significantly outweighed by the need to ensure that the statutory limits Congress placed on the conduct of inter partes review proceedings are enforced.

CONCLUSION

Section 315(b) of the AIA places a statutory limit on the Board’s authority to institute inter partes review. The Court should affirm the appellate court’s

holding that the Board's compliance with this provision of the AIA is subject to judicial review.

Respectfully submitted.

SHELDON H. KLEIN
President
AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIA-
TION
1400 CRYSTAL DRIVE
SUITE 600
ARLINGTON, VA 22202
(703) 415-0780

ERICK J. PALMER
Counsel of Record
MAYER BROWN LLP
71 SOUTH WACKER DRIVE
CHICAGO, IL 60606
(312) 701-8352
ejpalmer@mayerbrown.com

Attorneys for Amicus Curiae

September 10, 2019