

The Service Date of a Patent Infringement Complaint Begins the One-Year Clock for Filing an Inter Partes Review Petition



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In [Click-to-Call Technologies, LP v. Oracle Corporation](#), No. 2015-1242 (en banc), the Federal Circuit has overturned the Patent Trial and Appeal Board's longstanding interpretation of 35 U.S.C. §315(b)'s time bar for *inter partes* review ("IPR") petitions, finding that the service of any civil complaint for patent infringement— even if later dismissed—starts the clock on the statute's one-year window for filing an IPR.

By way of background, On June 8, 2001, Inforocket.Com, Inc., a predecessor to Ingenio, LLC ("Ingenio"), filed suit against Keen, Inc. ("Keen") in the U.S. District Court for the Southern District of New York for infringement of certain claims of US Patent No. 5,818,836 ("the '836 patent"). Ingenio served its Complaint on Keen on September 14, 2001. Keen subsequently acquired Ingenio in 2003 and the parties stipulated to a voluntary dismissal of this suit "without prejudice" on March 21, 2003. Ingenio requested an *ex parte* reexamination of claims 1-23 of the '836 patent on April 20, 2004, which was subsequently granted by the US Patent and Trademark Office. The Director of the USPTO issued an *ex parte* reexamination certificate on December 30, 2008, in which several claims were canceled, others

were determined to be patentable as amended, and several new claims were added. Through subsequent transactions, Click-to-Call Technologies, LP (“CTC”) acquired the ‘836 patent, and on May 29, 2012, asserted the claims of the ‘836 patent against multiple defendants, including Ingenio.

Ingenio and two other defendants then filed a single IPR petition challenging the claims of the ‘836 patent on anticipation and obviousness grounds. CTC filed its Preliminary Response on August 30, 2013, contending *inter alia* that §315(b) statutorily barred institution of IPR proceedings, and that Ingenio lacked standing under 37 C.F.R. §42.101(b). CTC presented evidence in its Preliminary Response that Ingenio was “served” a complaint alleging infringement of the ‘836 patent in 2001. The Board issued its Institution Decision on October 30, 2013. In its Decision, the Board concluded that CTC had “not established that service of the complaint in the [2001 Action] bars Ingenio, LLC from pursuing an *inter partes* review for the ‘836 patent” because the 2001 infringement suit was “dismissed voluntarily without prejudice on March 21, 2003, pursuant to a joint stipulation under Fed. R. Civ. P. 41(a).” The Board relied *inter alia* on the Federal Circuit’s decisions in *Graves v. Principi*, 294 F.3d 1350 (Fed. Cir. 2002), and *Bonneville Associates, Ltd. Partnership v. Barram*, 165 F.3d 1360 (Fed. Cir. 1999) to support its position that “[t]he Federal Circuit consistently has interpreted the effect of such dismissals as leaving the parties as though the action had never been brought.” CTC subsequently requested rehearing of this § 315(b) determination, but the Board denied its request. CTC files its Patent Owner Response on January 16, 2014, in which they again requested dismissal of the petition because the Board lacked statutory authority to review the ‘836 patent under § 315(b), and because Petitioners lacked standing under 37 C.F.R. § 42.101(b). The Board issued its Final Written Decision on October 28, 2014 ([Oracle Corp. v. Click-to-Call Technologies LP, No. IPR2013- 00312 \(Paper No. 52\)](#)), reaffirming its conclusion in the Institution Decision that Petitioners were not barred from filing an IPR petition based on the above reasons.

CTC filed its Notice of Appeal on November 25, 2014. On October 12, 2015, counsel for Appellees submitted a Rule 28(j) letter informing the Federal Circuit of its decision in *Achates Reference Publishing, Inc. v. Apple Inc.*, 803 F.3d 652 (Fed. Cir. 2015), arguing that *Achates* decision mandated dismissal of the appeal for lack of appellate jurisdiction. On November 12, 2015, the Federal Circuit issued an order dismissing CTC’s appeal for lack of jurisdiction. CTC petitioned for writ of *certiorari*, and, on June 27, 2016, the Supreme Court granted the petition, vacated the Federal Circuit’s judgment and remanded the case to the Federal Circuit for further consideration. On September 21, 2016, counsel for Appellees filed a second Rule 28(j) letter regarding supplemental authority, this time informing the Federal Circuit of its decision in *Wi-Fi One, LLC v. Broadcom Corp.*, 837 F.3d 1329 (Fed. Cir. 2016). The Federal Circuit agreed with counsel for Appellees and dismissed CTC’s appeal for a second time on November 17, 2016. On December 5, 2016, CTC filed a petition for an *en banc* rehearing, principally arguing that *Achates* and *Wi-Fi One* should be overruled. On January 8, 2018, the Federal Circuit issued its *en banc* decision in *Wi-Fi One*, expressly overruling *Achates* and holding that time-bar determinations under § 315(b) were appealable. The Federal Circuit subsequently granted CTC’s petition for rehearing *en banc*.

On appeal, the Federal Circuit noted that the plain and unambiguous language of the

§ 315(b) does not “contain any exceptions or exemptions for complaints served in civil actions that are subsequently dismissed, with or without prejudice.” This provision also does not “contain any indication that the application of § 315(b) is subject to any subsequent act or ruling.” Instead, § 315(b)

“unambiguously precludes the Director from instituting an IPR if the petition seeking institution is filed more than one year after the petitioner, real party in interest, or privy of the petitioner ‘is served with a complaint’ alleging patent infringement.”

The Federal Circuit further noted that its interpretation of this provision was consistent with the definitions of “served” and “complaint” from Black’s Law Dictionary. The Court also noted that its interpretation was also consistent with its prior decision in *Wi-Fi One*.

The Federal Circuit noted that “Congress specifically addressed the effect of a dismissal of an IPR petitioner’s district court action in § 315(a)(2), but did not include any similar language in § 315(b).” Although “Congress also demonstrated that it knew how to provide an exception to the time bar by including a second sentence in the provision: ‘The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c),’” it had not done so, here. The Federal Circuit further noted that the legislative history of § 315(b) supported its interpretation that the time bar in this provision concerns only the date on which a complaint was formally served.

Finally, the Federal Circuit held that the

“[Board] misunderstood that the text of § 315(b) is agnostic as to the ‘effect’ of the service—i.e., what events transpired after the defendant was served. The provision only probes whether the petitioner, real party in interest, or privy of the petitioner was served with a complaint alleging patent infringement more than one year before the IPR petition was filed.”

The Federal Circuit also noted that the *Bonneville* and *Graves* cases that the Board cited in its Final Written Decision concern the dismissal of an appeal in a first proceeding and the extent to which that dismissal impacts the appellant’s ability to initiate a later proceeding. Thus, these two decisions were not applicable to the time bar in § 315(b).

Takeaway: The *en banc* Federal Circuit’s interpretation of § 315(b)’s decision is a significant development for both IPR and district court patent litigation practice. At the very least, the bright line set in this case, by which serving a civil complaint starts the one year window to file an IPR whether or not the complaint is later dismissed, is certain to affect litigation and settlement strategies in many patent infringement cases.

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