ARE PTAB Alert:
FEDERAL CIRCUIT HOLDS TIME-BAR DETERMINATIONS UNDER 35 U.S.C. Â§ 315(b) ARE SUBJECT TO JUDICIAL REVIEW

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The Leahy-Smith America Invents Act ("AIA"), which created *inter partes* review ("IPR") proceedings, prohibits institution of an IPR "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." 35 U.S.C. § 315(b). The AIA also provides that the determination "whether to institute an *inter partes* review under this section shall be final and nonappealable." 35 U.S.C. § 314(d).

On January 8, 2018, in *Wi-Fi One, LLC* v. *Broadcom Corp.,* the full court of the Federal Circuit sitting *en banc* issued plural opinions addressing the question of "whether the bar on judicial review of institution decisions in § 314(d) applies to time-bar determinations made under § 315(b)." No. 2015-1944, slip op. at 6 (Fed. Cir. Jan. 8, 2018). The majority opinion of the court answered in negative and held that, with respect to appeals from IPR proceedings before the Patent Trial and Appeal Board ("PTAB"), "time-bar determinations under § 315(b) are not exempt from judicial review . . . ." *Id*. at 21. This decision overturns the court's previous holding in *Achates Reference Publishing, Inc.* v. *Apple Inc.* 8703 F.3d 652 (Fed. Cir. 2015), where a panel of the court found such determinations not subject to appellate review.

Wi-Fi One is the most recent determination by the Federal Circuit sitting en banc to draw the lines between what is and is not subject to appellate review from IPR proceedings. The question of appellate review in such proceedings differs from most district court litigation or administrative proceedings because the statute in 35 U.S.C. § 314(d), explicitly bars judicial review of "determination[s] by the Director [of the U.S. Patent & Trademark Office ("PTO") regarding] whether to institute an *inter partes* review under this section."

The majority opinion in *Wi-Fi One*, authored by Judge Reyna, looked to the Supreme Court's recent decision in *Cuozzo Speed Technologies LLC v. Lee*, 136 S. Ct. 2131 (2016), to guide its determination. In *Cuozzo,* the Supreme Courtruled that 35 U.S.C. § 314(d) bars the judicial review of decisions that fall into one of two categories: (1) a determination addressed in 35 U.S.C. § 314(a); or (2) a decision "closely related" to the determination addressed in 35 U.S.C. § 314(a). *Id*. at 2142. 35 U.S.C. § 314(a) provides

that "[t]he Director [of the PTO] may not authorize an *inter partes* review to be instituted unless the Director determines that the information presented in the petition . . . shows that there is ***a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition***." (emphasis added).

The majority in *Wi-Fi One*, applied this test to determine whether the decision at issue is, or is closely related to, the reasonable likelihood of unpatentability of at least one claim. In particular, *Wi-Fi One* found that the time-bar provision of § 315(b) "has nothing to do with the patentability merits or discretion not to institute." Slip op. at 19. And, because the time-bar is not "closely tied to the Director's determination of a 'reasonable likelihood' of unpatentability of at least one claim," determinations regarding § 315(b) are not barred from judicial review. *Id*.

In a concurring opinion, Judge O'Malley wrote that although she agreed with the conclusion of the court's majority, she observed that § 315(b) outlines the authority of the PTO, and the Federal Circuit in this regard has the authority to oversee whether the PTO has exceeded its statutory authority.

In a dissent authored by Judge Hughes and joined by Judges Lourie, Bryson and Dyk, the dissenters argued that time-bar determinations under § 315(b) should be exempt from judicial review. The dissent reasoned that the timeliness of a petition for *inter partes* review is a preliminary decision that is "closely related" to the reasonable likelihood of unpatentability of at least one claim.

While *Wi-Fi One* will provide some certainty with respect to the role the Federal Circuit will take in these types of appeal, until the Supreme Court weighs in on this question, it is unclear whether this decision may be subject to further refinement.

We will continue to monitor this case and will report on further developments as they occur.

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