IPWATCHDOG turns to Partner, Charles R. Macedo, for comments on Cuozzo Oral Arguments

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On Monday, April 25, 2016, the United States Supreme Court heard oral arguments in *Cuozzo Speed Technologies v. Lee*, the first case in which the Supreme Court will decide issues relating to inter partes review (IPR) proceedings conducted by the Patent Trial and Appeal Board (PTAB) of the United States Patent and Trademark Office (USPTO).

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The most disturbing aspect of the fact pattern in *Cuozzo Speed Technologies v. Lee* is the apparent lack of due process and fundamental fairness. The concept that an administrative agency, in this case the Patent Trial and Appeals Board, could perform an ultra vires act (i.e., instituting and then invalidating a patent beyond its statutory authority) and yet not be subject to appellate review is so contrary to notions of due process and fundamental fairness, that it is not surprising that the Supreme Court granted certiorari to hear this case.

NYIPLA advocated that, consistent with the statutory structure of the American Invents Act and notions of due process and fundamental fairness, the Supreme Court should confirm that, the appellate courts may still review after the final written decision whether the PTAB's decision to invalidate (or not invalidate) a particular challenged claim was consistent with the statute even if an interlocutory appeal of a decision to institute or not to institute is not available. This procedure matches the manner in which an interlocutory decision to deny a motion for summary judgment in litigation would be handled. Although this issue was not discussed much during oral argument, I believe the Supreme Court will recognize that any interpretation of the AIA that falls short of this result violates due process and notions of fairness.

With respect to the claim construction issue, I anticipate that the Supreme Court will treat this like any other APA-type issue. It should examine whether the PTAB acted within its statutory authority by adopting a standard typically used in the context of a proceeding where the patent owner is allowed to freely adopt and modify the claims in ongoing proceedings for a proceeding that is substantially more rigid in nature. At oral arguments, the Justices appear to be split on whether the PTAB is more like any other Patent Office proceeding, litigation, or something else. It would not be surprising if the Supreme Court were to find that the adoption of a BRI standard in this context is an abuse of the PTAB's discretionary authority.

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Mr. Macedo is one of the counsel for the New York Intellectual Property Law Association (NYIPLA). The opinions offered here are his personal opinions and not of the Association, the firm, or its clients. For more on the NYIPLA amicus brief in Cuozzo please see Will SCOTUS Provide Guidance?

Read the full article here.