



(e)STOP! In Name of IPR

A look at Estoppel and IPR

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NYIPLA IPR Committee
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Panel



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IPR Estoppel



35 U.S.C. § 315(e)(2) provides:

The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, ***may not assert either in a civil action arising in whole or in part*** under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 ***that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review.***

“raised or reasonably could have raised”



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- *SAS Institute, Inc. v. Iancu*, 138 S.Ct. 1348 (2018)
 - No partial institution authority
 - IPR **petition** defines the scope of the IPR

 - • *Cal. Inst. of Tech. v. Broadcom Ltd.*, 23 F.4th 976 (Fed. Cir. 2022)
 - Overruled *Shaw Indus. Group, Inc. v. Automated Creel System, Inc.*, 817 F.3d 1293 (Fed. Cir. 2016) □ look to petition, not institution, for estoppel
 - IPR estoppel applies to claims and grounds asserted in the petition as well as all grounds not stated but reasonably could have been asserted in the petition

“ ... reasonably could have raised”



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- 1) Standard for *reasonably could have raised*:
 - Skilled searcher standard
 - What *would* search find through reasonable diligence
 - not what did actual research find
 - 2) Who has burden to establish Skilled Searcher Standard
 - Burden is on Patent Owner to establish by preponderance of the evidence

•*Ironburg Inventions Ltd. v. Valve Corp.*, 64 F.4th 1274 (Fed. Cir. 2023)

Skilled Searcher Standard



“(1) identify the search string and search source that would identify the allegedly unavailable prior art and
(2) present evidence, likely expert testimony, why such a criterion would be part of a skilled searcher’s diligent search.”

Clearlamp, LLC v. LKQ Corp., 2016 U.S. Dist. LEXIS 186028, at *25 (N.D. Ill. Mar. 18, 2016)

□ *Examples:*

- ✓ • Examiner of the at-issue patent “tried **56 search strings** and still **did not find** reference.”
SiOnyx, LLC v. Hamamatsu Photonics K.K., 330 F. Supp. 3d 574, 601-02 (D. Mass. 2018)
- ✓ • Reasonable search would not discover references because asserted patent contains **large number of claims**, uses **common terms**, and **lacks overlapping principal terms** to describe the patent and references. **A reasonable search has a stopping point** affected by hours spent and search results. *Palomar Techs., Inc. v. MRSI Sys., LLC*, 2020 U.S. Dist. LEXIS 77929, at *45-46 (D. Mass. May 4, 2020)
- X • Skilled searcher would have been able to find reference in a search, which is [i] in **same class/subclass**, [ii] reference is **#5 of 17** item search results using two key terms (20 and 80 times in patent, respectively). *TRUSTID, Inc. v. Next Caller Inc.*, 2021 U.S. Dist. LEXIS 134010, at *2-3 (D. Del. July 6, 2021)

Preclusion Overview



• Issue Preclusion:

- Issue is identical to one decided in the first action;
- Issue was actually litigated in the first action;
- Resolution of the issue was essential to final judgment; and
- Plaintiff had a full and fair opportunity to litigate the issue in the first action

• Claim Preclusion:

- The first claim involves the same parties or parties in privity;
- Same claim, incident or cause of action; and
- A final judgment on the merits was issued

Blonder Tongue:

- Collateral estoppel claim can be brought by another accused infringer based on a judgment of invalidity in a suit against a different infringer.

Is IPR estoppel a two-way street? (1)



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- In district court litigation, Intel did not challenge the validity of the '373 Patent
 - Issue not presented to the jury.
 - Final judgment = patents infringed, not proven invalid
 - After ...
 - Separate, but largely identical IPR petitions, by Patent Quality Assurance and Intel
 - Intel added to PQA's in joinder
 - VLSI moved to terminate the IPR as to Intel based on claim preclusion.

CLE Code

Is IPR estoppel a two-way street? (2)



- □ PTAB considered:
 - Whether the passing of the AIA with its statutory estoppel provisions demonstrated Congress' intent that common-law claim preclusion should not apply to IPRs?
- □ “The AIA expressly imposes claim preclusion in one direction - from an IPR to
 - other proceedings - but not in the other direction - from district court litigation to Office proceedings.”

• *Patent Quality Assurance, LLC v. VLSI Technology LLC*, IPR2021-01229, Paper No. 128 (PTAB June 3, 2023)

Physical Sample - IPR Estoppel?



- *DMF, Inc. v. Amp Plus, Inc.*

- Prior Art References:
 - IPR: **Catalogue** alone & in combination with other references
 - District Court: **Physical product** etc.
 - Argument: Catalogue = physical product
?
 - District Court rejected:
 - Physical product *germanely different* from the catalogue reference
 - Amp could *not* have used the physical product as a prior art reference in the IPR because of § 311(b).

Is Issue Preclusion broader than IPR?



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-
- DMF argued that Amp Plus estopped:
 - Estoppel broader than §§ 102/103
 - Includes all invalidity arguments (§§ 101, 112).
 - 35 U.S.C. § 315(e)(2) is a specific framework
 - Embodies an evident statutory purpose
 - Applies instead of common law issue preclusion.
 - Invalidity challenges based on *other* grounds not barred by IPR estoppel.
 - 35 U.S.C. § 311(b) limits the scope to §§ 102/103 “and only on the basis of prior art consisting of patents or printed publications.”

• *DMF, Inc. v. Amp Plus, Inc.*, 2023 U.S. Dist. LEXIS 110754 (C.D. Cal. 2023)

Issue Preclusion on Limitations



- Defendant Alvogen: issue preclusion; **Indivior cannot “re”-litigate Claim 6’s validity**
 - Claim 6 not challenged during IPR; in suit in district court
 - IPR: Claim 1’s “*polymer limitation*” lacked §112 written description support
 - *Therefore*, because Claim 6 depends from Claim 1, it too is invalid for
 - no written description
- D. Ct.: No issue preclusion
 - Claim 6 “adds to but does not explicitly modify the ... *polymer limitation* ...”
 - Written description applies to patent claims **as a whole**, not specific limitations
 - Issue preclusion *only* extends to unadjudicated claims *when no* material difference for invalidity. [*Ohio Willow Wood v. Alps South*, 735 F.3d 133 (Fed. Cir. 2013)]
 - Issue preclusion is not applicable where burdens of proof are different
 - PTAB decisions only preclusive once affirmed by Fed. Cir.
 - [*XY, LLC v. Trans Ova Genetics*, 890 F.3d 1282 (Fed. Cir. 2018)]

• Priority Date Analysis

• “... the burden in the first proceeding was lower”

.....

Spex: Indefinite Claims / IPR Estoppel (1)



- 2016 – Dist. Ct. case
- 2017 – IPR Petition
- IPR:
 - Reached merits as to some challenged claims.
 - Other claims indefinite – so did not reach §§ 102/103
 - “ ... we are unable to construe this limitation. Because we cannot determine the scope of claims ... without speculation, we cannot compare those claims to the asserted prior art without speculation. ... Accordingly, we are not persuaded by Petitioner that [these] claims ... are unpatentable under the asserted grounds.”
 - SPEX (Patent Owner) did not appeal Final Written Decision
- Dist. Ct.: summary judgment of indefiniteness
 - Fed. Cir. reversed on indefiniteness

Spex: Indefinite Claims / IPR Estoppel (2)



- SPEX Argument on remand:
 - Final Written Decision
 - Claims NOT *held* invalid under §§ 102/103
 - No exceptions

} IPR estoppel applies

- Western Digital:
 - Judicially-created exception **does** apply No IPR estoppel
 - *Samsung Electronics America, Inc. v. Prisia Engineering Corp.*,
•948 F.3d 1342, 1353 n.3 (Fed. Cir. 2020).

•“... in cases in which the Board cannot reach a final decision as to the patentability of certain claims because it cannot ascertain the scope of those claims with reasonable certainty, the petitioner would not be estopped by 35 U.S.C. § 315(e) from challenging those claims under sections 102 or 103 in other proceedings.”

•*SPEX Technologies, Inc. v. Western Digital Corp.*, No. SACV 16-01799 JVS (C.D. Cal. Sep. 27, 2023)

Cert Petition



- *Ingenio v. Click-to-Call*

- Whether 35 U.S.C. § 315(e) IPR estoppel provision applies only to claims addressed in the final written decision, even if other claims were or could have been raised in the petition?

- Whether the Federal Circuit erroneously extended IPR estoppel to all grounds that reasonably could have been raised in the petition filed before an IPR is instituted, even though the text of the statute applies estoppel onto grounds that “Reasonably could have [been] raised during that inter partes review”

- Distributed for Conference of 9/26/2023

Denied

Oct. 2, 2023

● *Ingenio Inc. v. Click-to-Call Technologies*, No. 22-873



QUESTIONS?

