

Post-Grant for Practitioners: Mid-Year Review

June 30, 2021



Meet The Speakers



Lauren Degnan
Principal



John Dragseth
Senior Principal



Rob Courtney
Principal

Overview

- **Topics**
 - Important decisions
 - Developments
 - Practice tips
- **Housekeeping**
 - CLE
 - Questions
 - Materials
 - <http://fishpostgrant.com/webinars/>

Agenda

- ***Arthrex* Quickly**
- ***Minerva v. Hologic* – Assignor Estoppel**
- **Reviewability of Institution Decisions**
- **Joinder and Estoppel**
- **Miscellaneous Post-Grant Procedure**



Arthrex Quickly

Arthrex - What's Next?

- **Patent Office**

- Hirshfeld acted quickly – petition via email and sua sponte
- Will need to staff up and delegate

- **Federal Circuit**

- No real rush
- Sent mass “triage” order Wednesday – will try to speak with one voice
- Two arguments in July (Almirall July 8; Magseis July 9)
- Will likely keep its waiver rule (raise issue by the blue brief)

- **Parties**

- Chill out
- Preserve objections but adjust wording
- Patent owners in early at the Federal Circuit might press forward with motions



Arthrex – Longer Term

- **Patent Office**

- Petitions:

- PTAB petition and Director petition? Parallel or sequential?
 - Petition on all errors or a subset (forfeiture)?
 - When is IPR appealable?
 - Can petitioners petition to the Director, or just patent owners?

- Decisions:

- Rule 36, non-precedential, and precedential?
 - Effect on POP panels?
 - Are his inconsistent positions themselves an error?
 - How much can Director delegate? How much can he rubber stamp?
 - Will he “blue line” PTAB decisions that contain only small, discrete errors.

- **Federal Circuit**

- Different standard of review for Director vs. PTAB?
 - Waiver/forfeiture when rehearing is sought only on a subset of issues?
 - Double-appeals whenever a patent owner wins at the PTAB and loses on appeal?
 - Keeping judges anonymous for remanded cases.

***Arthrex* – Miscellaneous Issues**

- **Who pays for Director petitions (free for now)?**
- **Does 315(e) estoppel trigger at FWD if FWD isn't the end of the case?**
- **What happens to ordinary prosecution and TM?**
- **Will there be legislation?**
- **Is lack of APJ independence good or bad?**

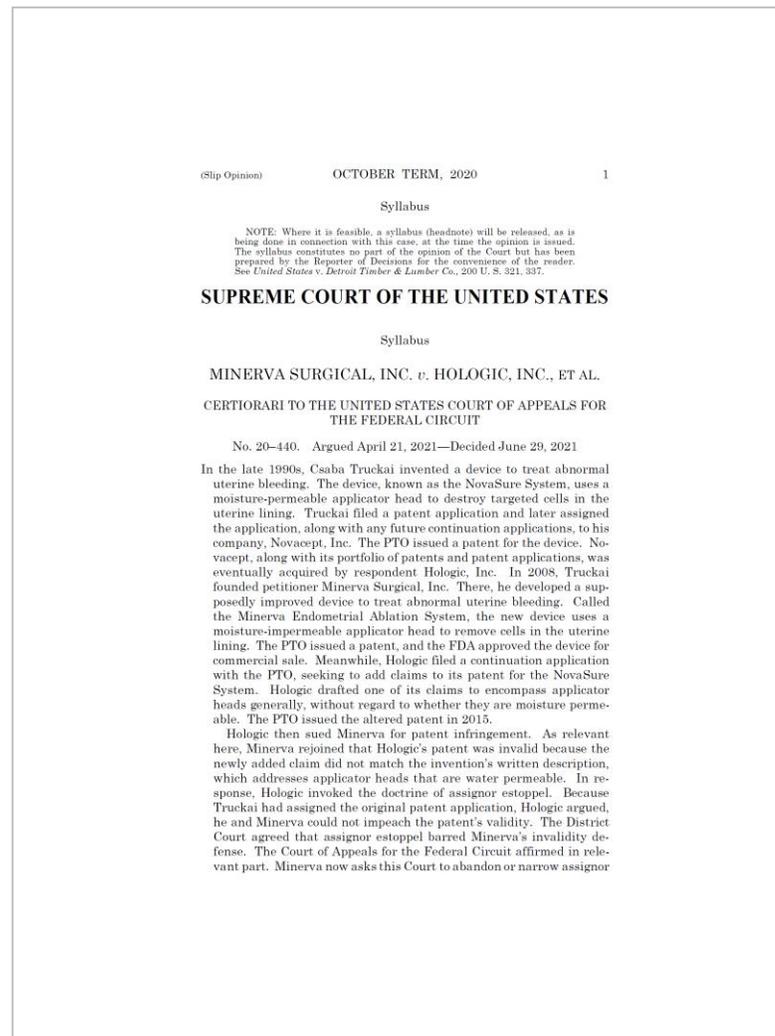


Assignor Estoppel

Minerva v. Hologic: Assignor Estoppel Lives On

Minerva Surgical, Inc. v. Hologic, Inc., [No. 20-440, 2021 U.S. LEXIS 3563](#) (Jun. 29, 2021) (opinion by Kagan, J.)

- “The question presented here is whether to discard this century-old form of estoppel” recognized in *Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.*, 266 U.S. 342, 349 (1924):
 - No
 - The doctrine is “rooted in an idea of fair dealing” and “well grounded in centuries-old fairness principles”
- “[I]n upholding the assignor estoppel, we clarify that it reaches only so far as the equitable principle long understood to lie at its core.”
- “The doctrine applies when, but only when, the assignor’s claim of invalidity contradicts explicit or implicit representations he made in assigning the patent.”
- 5-4 Decision



***Minerva v. Hologic*: Limits On Assignor Estoppel**

- **Applies only when the assignor’s claim of invalidity contradicts explicit or implicit representations he made in assigning the patent:**
 - “When a person sells his patent rights, he makes an (at least) implicit representation to the buyer that the patent at issue is valid – that it will actually give the buyer his sought-for monopoly.”
 - Inventor “effectively incorporates th[e] assurance” he gives to the PTO, “his good faith belief that his claims are patentable.”
- **Examples of non-contraction:**
 - “[T]he assignment occurs before an inventor can possibly make a warranty of validity as to specific patent claims” – e.g., assigning all rights in any future invention to an employer, who decides for what inventions to seek patent protection.
 - A later legal development that “renders irrelevant the warranty given at the time of assignment.”
 - A “change in patent claims” after the assignment – e.g., when a patent application, not an issued patent, is assigned.
- **Remanded to CAFC to address whether the new claim is materially broader than the ones the inventor assigned.**

was right to uphold it. But the court failed to recognize the doctrine’s proper limits. The equitable basis of assignor estoppel defines its scope: The doctrine applies only when an inventor says one thing (explicitly or implicitly) in assigning a patent and the opposite in litigating against the patent’s owner.

assignor estoppel—point all in one direction. Assuming that the new claims are materially broader than the old claims, the assignor did not warrant to the new claims’ validity. And if he made no such representation, then he can challenge the new claims in litigation: Because there is no inconsistency in his positions, there is no estoppel. The limits of the assignor’s estoppel go only so far as, and not beyond, what he represented in assigning the patent application.

Minerva v. Hologic: Dissents

- **J. Barrett, joined by JJ. Thomas & Gorsuch**
 - Would have abolished the doctrine as extra-statutory
 - The 1952 Act did not “ratify” the doctrine
 - The doctrine was not part of the “well-settled” common-law backdrop against which Congress legislated in 1952 and, therefore, could not be considered incorporated into the statute
- **J. Alito**
 - Takes both the majority and the principal dissent to task for not deciding whether to overrule *Westinghouse*
 - “Not one word in the patent statute supports assignor estoppel, and the majority does not claim otherwise” and “foreswears reliance on precedent,” which is “more than a little surprising.”
 - The majority “adopts a text-blind method of statutory interpretation”
 - Disagrees with the principal dissent that the 1952 act abrogated *Westinghouse*

Respondents insist that assignor estoppel promotes fair dealing, while petitioner protests that the supposedly equitable doctrine is actually inequitable in practice. If we had authority to develop federal common law on the subject, we could take sides in that debate. But no one contends that we do. This case turns on whether the Patent Act of 1952 incorporates the doctrine, and because it does not, I respectfully dissent.

In sum, I do not think we can decide the question that the petition in this case presents unless we decide whether *Westinghouse* should be overruled.⁵ Because the majority and the principal dissent refuse to decide whether *Westinghouse* should be overruled, I would dismiss the writ as improvidently granted. I therefore respectfully dissent.

Assignor Estoppel District Court vs. IPR

- **Hologic, Inc. v. Minerva Surgical, Inc., 957 F.3d 1256, 1274-75 (Fed. Cir. 2020) (Stoll, J., additional views)**

STOLL, *Circuit Judge*, additional views.

I write separately to highlight and question the peculiar circumstance created in this case by this court's precedent, which the panel is bound to follow. In *Arista*, we held that the judge-made doctrine of assignor estoppel does not apply in the context of an inter partes review. In other words, an assignor who sold his patent rights may file a petition for IPR challenging the validity of that patent. *Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 803–04 (Fed. Cir. 2018). At the same time, we continue to bar assignors from challenging in district court the validity of the patents they assigned. *See, e.g., Mentor Graphics Corp. v. EVE-USA, Inc.*, 851 F.3d 1275, 1280–83 (Fed. Cir. 2017). Our precedent thus presents an odd situation where an assignor can circumvent the doctrine of assignor estoppel by attacking the validity of a patent claim in the Patent Office, but cannot do the same in district court. Do the principles underlying assignor estoppel—unfairness in allowing one

who profited from the sale of the patent to attack it—apply in district court but not in Patent Office proceedings? Should we change the application of the doctrine in district court, or should we revisit our construction of the America Invents Act and reevaluate our interpretation of the statute as prohibiting the doctrine of assignor estoppel?

Given the odd circumstance created in this case, I suggest that it is time for this court to consider en banc the doctrine of assignor estoppel as it applies both in district court and in the Patent Office. We should seek to clarify this odd and seemingly illogical regime in which an assignor cannot present any invalidity defenses in district court but can present a limited set of invalidity grounds in an IPR proceeding.¹



Reviewability of Institution Decisions

Institution Reviewability

- ***Mylan Laboratories*, 989 F.3d 1375—Mandamus jurisdiction over IPR denial of institution**
 - [Newman, MOORE, Stoll]
 - Fed Cir lacks subject-matter jurisdiction over appeal from IPR denial of institution
 - **See § 314(d) and *St. Jude Medical*, 749 F.3d 1373 (Fed. Cir. 2014)**
 - ***Cuozzo* is not contradictory**
 - But the All Writs Act permits mandamus review of decisions not to institute

MYLAN LABORATORIES
LTD., Appellant
v.
JANSSEN PHARMACEUTICA,
N.V., Appellee

Andrew Hirshfeld, Performing the
Functions and Duties of the Under
Secretary of Commerce for Intellectual
Property and Director of the United
States Patent and Trademark Office,
Intervenor

2021-1071

[3] While there is no avenue for direct appeal of decisions denying institution, we conclude that **judicial review is available in extraordinary circumstances by petition for mandamus**. Mandamus is not a remedy unique to our Court. The All Writs Act provides that “the Supreme Court and all courts established by an Act of Congress may issue all writs necessary or appropriate in aid of their respective jurisdictions” 28 U.S.C. § 1651(a). We have long

of Appeals,
suit.
021

Institution Reviewability

- ***Mylan Laboratories*, 989 F.3d 1375—Mandamus jurisdiction over IPR denial of institution**
 - Petitioner’s proof standard for a writ mandamus is very high:
 - **Clear, indisputable right to relief**
 - **No other adequate method of obtaining relief**
 - **Writ is otherwise appropriate under the circumstances**
 - Could a denial of institution ever meet this standard?
 - How receptive will the Fed Cir be to mandamus petitions?

[9, 10] When a mandamus petition challenges a decision denying institution, the mandamus standard will be especially difficult to satisfy. The scope of our review of a mandamus petition over a denial of institution is very narrow. As the Supreme

[11] While we need not explore the outer contours of possibility, it is difficult to imagine a mandamus petition that challenges a denial of institution and identifies a clear and indisputable right to relief. Certainly, this is not such a petition. Mylan

Institution Reviewability

- **ESIP Series 2, 958 F.3d 1378—No judicial review of IPR inst. denial assessing real-party-in-interest.**
 - [Lourie, REYNA, Hughes]
 - Does § 314’s bar on judicial review of institution decisions still hold where the Board *does* institute, even though patent owner challenges on real-party-in-interest?
 - **Yes. Yes, it does.**

ESIP SERIES 2, LLC, Appellant
v.
PUZHEN LIFE USA, LLC, Appellee
2019-1659
United States Court of Appeals,
Federal Circuit.
Decided: May 19, 2020

In view of *Cuozzo* and *Click-to-Call*, we find no principled reason why preclusion of judicial review under § 314(d) would not extend to a Board decision concerning the “real parties in interest” requirement of § 312(a)(2). ESIP’s contention that the Board failed to comply with § 312(a)(2) is “a contention that the agency should have refused to institute an inter partes review.” See *Click-To-Call*, 140 S. Ct. at 1373–74. Indeed, ESIP expressly argues that the agency should have refused to institute inter partes review because of Puzhen’s failure to identify all “real parties in interest.” *E.g.*, Appellant Br. at 5 (“[I]t was improper for the Board to ‘consider’ the IPR Petition and institute an IPR.”). Accordingly, we hold that ESIP’s challenge to the Board’s “real parties in interest” determination “raises ‘an ordinary dispute about the application of’ an institution-related statute,” and that § 314(d) precludes our review of that determination. *Click-To-Call*, 140 S. Ct. at 1373–74 (quoting *Cuozzo*, 136 S. Ct. at 2141–42).

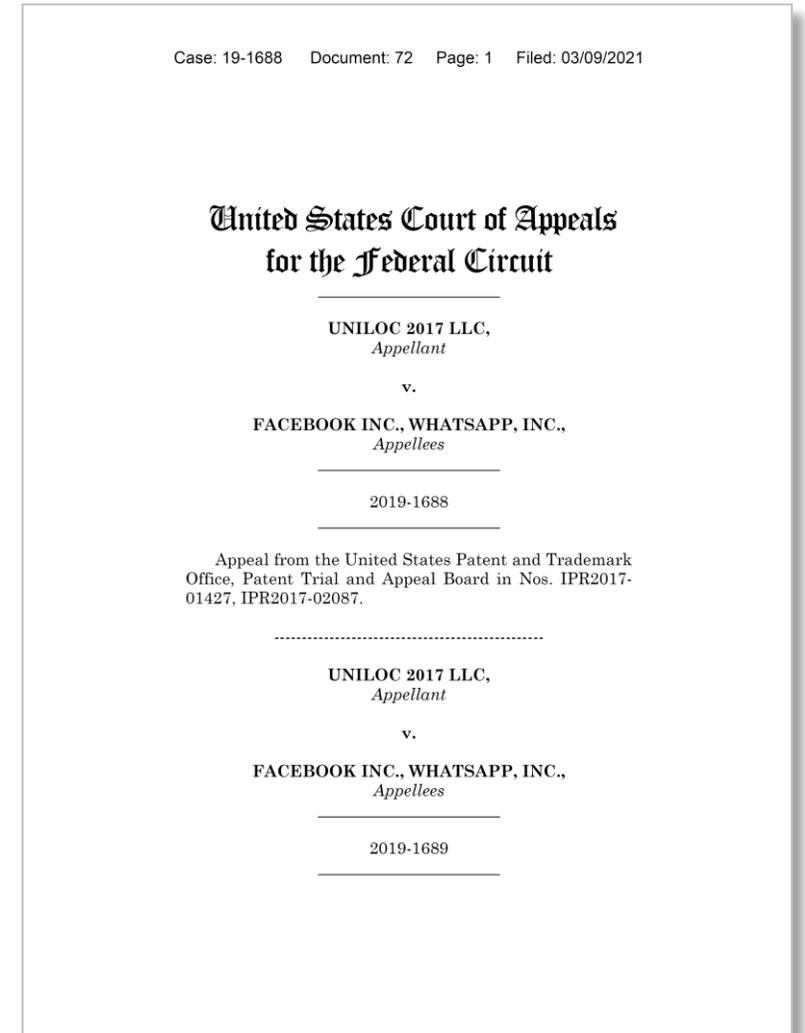


Joinder and Estoppel

Joinder & Estoppel – In The PTAB

Uniloc 2017 LLC v. Facebook Inc., [989 F.3d 1018](#) (Fed. Cir. 2021)

- **Several IPR filed in series**
 - Apple filed an IPR.
 - Facebook then filed two IPRs that challenged the same claims and one extra claim.
 - Facebook filed a third IPR that copied Apple’s initial IPR and joined the Apple IPR.
 - LG then filed IPRs that copied and joined Facebook’s original two IPRs.
- **The Federal Circuit agreed with the Board:**
 - Facebook ***would be estopped*** under 35 U.S.C. § 315(e)(1) on all claims common to the Apple petition and Facebook’s petition once the final written decision issued in the Apple IPR.
 - Facebook ***would not be estopped*** for the one uncommon claim because that was not a claim it could have brought in the Apple IPR.
 - LG ***was not estopped at all*** and could carry forward the Facebook IPRs in full.
 - Joined parties are not “privy to a petitioner.”



Joinder & Estoppel – In District Court

Network-1 Techs. v. Hewlett-Packard Co., [981 F.3d 1015](#)

(Fed. Cir. 2020)

- **Defendant HP joined pending IPR**
 - Avaya had filed an IPR
 - Per § 315(c), HP joined Avaya’s IPR “as a party,” though otherwise time-barred, but was not permitted to bring new grounds
- **The Federal Circuit held Defendant was not estopped from raising invalidity grounds in district court that are different from those in the IPR the defendant had joined**
 - The defendant could not have raised grounds in IPR other than those raised by the original petitioner, and so it was estopped in litigation for only such grounds
 - Vacated E.D. Tex. decision that HP was estopped for non-instituted grounds

raised” during the IPR. Because a joining party cannot bring with it grounds other than those already instituted, that party is not statutorily estopped from raising other invalidity grounds.

Case: 18-2338 Document: 73 Page: 1 Filed: 09/24/2020

United States Court of Appeals for the Federal Circuit

NETWORK-1 TECHNOLOGIES, INC.,
Plaintiff-Appellant

v.

HEWLETT-PACKARD COMPANY, HEWLETT
PACKARD ENTERPRISE COMPANY,
Defendants-Cross-Appellants

2018-2338, 2018-2339, 2018-2395, 2018-2396

Appeals from the United States District Court for the
Eastern District of Texas in Nos. 6:11-cv-00492-RWS, 6:13-
cv-00072-RWS, Judge Robert Schroeder, III.

Decided: September 24, 2020

GREGORY S. DOVEL, Dovel & Luner, LLP, Santa Monica, CA, argued for plaintiff-appellant. Also represented by SEAN LUNER, RICHARD ELGAR LYON, III; JEFFREY A. LAMKEN, MoloLamken LLP, Washington, DC.

MARK ANDREW PERRY, Gibson, Dunn & Crutcher LLP, Washington, DC, argued for defendants-cross-appellants. Also represented by OMAR FAROOQ AMIN; HERSH H. MEHTA, Morgan, Lewis & Bockius LLP, Chicago, IL; NATALIE A. BENNETT, Washington, DC.



IPR Procedure

Power To Sanction

Apple Inc. v. Voip-Pal, [976 F.3d 1316](#) (Fed. Cir. 2020)

- **The patentee’s former CEO “sent six letters to various parties, copying members of Congress, the President, and [APJs] at the Board”**
 - The CEO did not copy or send the letters to the petitioner
- **The FWD was issued by the Interim Panel**
 - Determined the claims were not shown to be unpatentable
- **Apple moved for sanctions**
 - Adverse judgment against Voip-Pal or a vacate FWD and assign a new panel to preside over new proceedings
- **The Final Panel considered the sanctions motion**
 - Fashioned own sanction: the Final Panel would hear Apple’s motion for reconsideration
 - The Final Panel denied the motion for reconsideration
- **The Federal Circuit affirmed the Board’s ability to impose sanctions under 37 C.F.R. § 42.12(b) for these ex parte communications**
 - Sanction selected was within the Board’s discretion even though it was not specifically listed in the rule and ultimately caused no harm to the patentee

Case: 18-1456 Document: 90 Page: 1 Filed: 09/25/2020

**United States Court of Appeals
for the Federal Circuit**

APPLE INC.,
Appellant

v.

VOIP-PAL.COM, INC.,
Appellee

ANDREI IANCU, UNDER SECRETARY OF
COMMERCE FOR INTELLECTUAL PROPERTY
AND DIRECTOR OF THE UNITED STATES
PATENT AND TRADEMARK OFFICE,
Intervenor

2018-1456, 2018-1457

Appeals from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in Nos. IPR2016-
01198, IPR2016-01201.

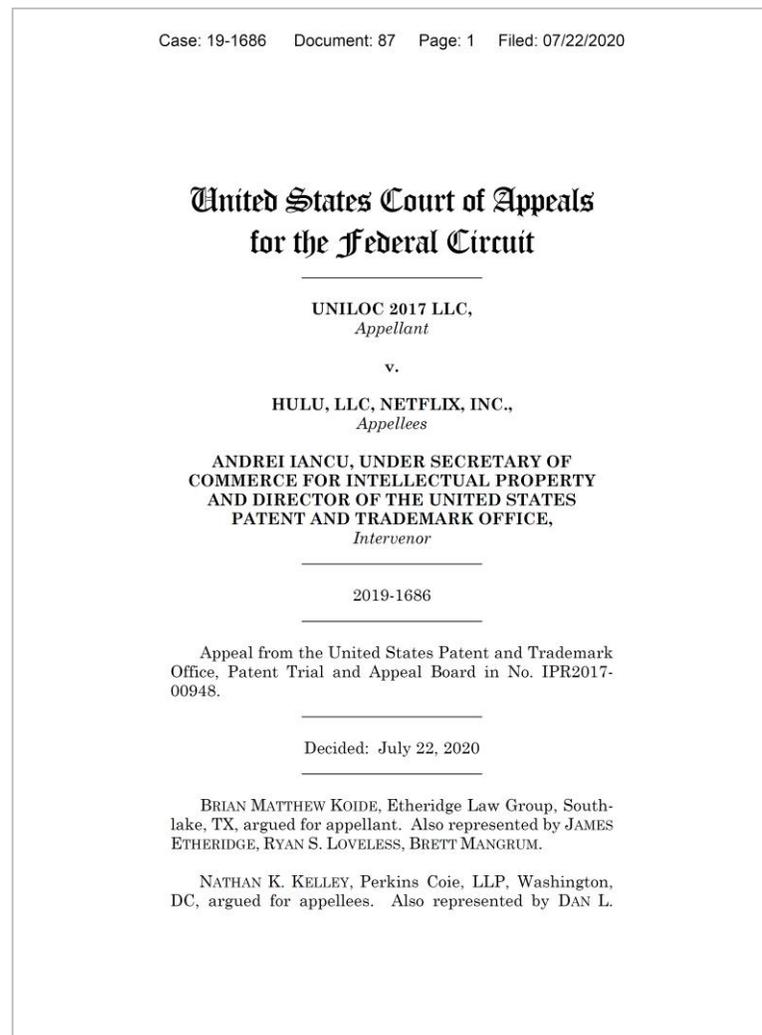
Decided: September 25, 2020

MARK ANDREW PERRY, Gibson, Dunn & Crutcher LLP,
Washington, DC, argued for appellant. Also represented
by BRIAN BUKER, ANDREW WILHELM; RYAN IWASHI,
Palo Alto, CA; PAUL R. HART, Erise IP, P.A., Greenwood
Village, CO; ERIC ALLAN BURESH, ADAM PRESCOTT SEITZ,
Overland Park, KS.

Power To Address Section 101 In IPR

Uniloc 2017 LLC v. Hulu, LLC, [966 F.3d 1295](#) (Fed. Cir. 2020)

- **Patentee submitted substitute claims in an IPR proceeding**
 - The Board denied the motion to amend because the claims were directed to ineligible subject matter
 - The Board rejected all other grounds for finding the substitute claims unpatentable
- **The Federal Circuit affirmed the Board’s decision holding that the PTAB can consider patent eligibility of substitute claims**
 - “The text, structure, and history of the IPR Statutes . . . indicate Congress’s unambiguous intent to permit the PTAB to review proposed substitute claims more broadly than those bases provides in § 311(b).”
 - Congressional Intent: The PTAB should review proposed substitute claims for overall “patentability” including under § 101, not merely § 102 and § 103.



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