

The Bitter and the Sweet: Potential Split on Constitutionality of Inter Partes Patent Review

November 29, 2017

PRACTICES Intellectual Property Litigation, Patent Office Trials, Intellectual Property

Is a defeated patentee at *Inter Partes* Review an embittered citizen whose private rights were taken without due process by a government agency lacking requisite Article III guarantees of impartiality? Or is the public getting a sweet deal when the Patent Trials and Appeals Board (PTAB) eliminates or revokes a public right that was wrongfully granted in the first place? The Supreme Court wrestled with the constitutionality of *Inter Partes* Review during oral argument on Monday morning, and the Justices' questions from the bench suggested rather strong differences of opinion but provided no clear insights on how the Court would rule.

Since September 16, 2012, the Patent Trials and Appeals Board (PTAB) has wielded the power of *Inter Partes* Review ("IPR") thanks to the passage of the Leahy–Smith America Invents Act. The PTAB is a part of the Patent and Trademark Office ("PTO"), an administrative agency in the executive branch of government. IPR, a trial-like proceeding that reviews patentability under Sections 102 (anticipation) and 103 (obviousness) of the U.S. Patent Act based on prior patents or printed publications, opened a floodgate of challenges to issued patents. A substantial percentage of the challenges that have gone to final written decision have been successful in whole or in part. As a result, the economics of patent ownership and enforcement have changed in the past five years. The United States Supreme Court granted a petition for a writ of certiorari on the issue of the constitutionality of the IPR process in *Oil States Energy Services LLC v. Greene's Energy Group, LLC*, 639 Fed. App'x 639 (Fed. Cir 2016), *cert. granted*, 198 L. Ed. 2d 677 (U.S. Jun. 12, 2017) (No. 16-712). On November 27, 2017, the Supreme Court heard the oral argument.

To read the full alert, click on the PDF linked below.

[Potential-Split-on-Constitutionality-of-Inter-Partes-Patent-Review.pdf](#)

If you have any questions about this alert, please contact one of the lawyers listed below.