

Eugene Goryunov, David McCombs, and Jonathan Bowser in Reuters: 'IPR Tricks of the Trade: Federal Circuit Clarifies Scope of IPR Estoppel'

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PRACTICES Intellectual Property Litigation, Patent Office Trials, Intellectual Property

Patent Trial and Appeal Board post-grant validity challenges — for example, *inter partes* reviews (IPR) — are frequent components of a patent litigation strategy. However, filing an IPR petition does not come without risk.

If the petitioner is unsuccessful in showing that the challenged claims of a patent are unpatentable, the petitioner may be estopped from challenging the validity of the challenged claims again, at least based on grounds that the petitioner raised or reasonably could have raised. In *California Institute of Technology v. Broadcom Ltd.*, the U.S. Court of Appeals for the Federal Circuit recently clarified that scope of estoppel is broad, overruling its prior precedent. (25 F.4th 976 (Fed. Cir. 2022) ("Caltech")).

This IPR estoppel applies on a claim-by-claim basis and only after the PTAB issues a final written decision addressing the challenge. Estoppel prevents the petitioner from maintaining a validity challenge at the Patent Office, in district court, or before the International Trade Commission based on a ground that the petitioner "raised or reasonably could have raised" during the IPR. (35 U.S.C. § 315(e)).

Over the last few years, there has been uncertainty over the scope of IPR estoppel. In *Shaw Industries Group, Inc. v. Automated Creel Systems, Inc.*, the Federal Circuit limited the scope of estoppel to those claims and grounds for which the PTAB instituted review. (817 F.3d 1293, 1300 (Fed. Cir. 2016)). This interpretation of the estoppel provisions was based on the PTAB's former practice of "partial institution," where the PTAB would exercise its discretion to institute review of some, but not all, claims or grounds raised in an IPR petition.

In *Shaw*, the Federal Circuit reasoned that the IPR petitioner was not estopped from raising non-instituted grounds because the petitioner could have not raised those grounds "during the IPR," as the PTAB denied review of those grounds while instituting other grounds. (Id.)

After *Shaw*, a split developed in district courts over the scope of IPR estoppel. Some courts held that estoppel was limited to only those grounds for which the PTAB instituted review, analogous to

Shaw. (See, e.g., *Koninklijke Philips N.V. v. Wangs All Corp.*, 2018 WL 283893, at *4 (D. Mass. Jan. 2, 2018)). Other courts held that estoppel was not so limited, applying estoppel to grounds that a petitioner "reasonably could have raised" in an IPR, but did not do so. (See, e.g., *Cobalt Boats, LLC v. Sea Ray Boats, Inc.*, 2017 WL 2605977, at *3 (E.D. Va. June 5, 2017)).

Then in *SAS Institute v. Iancu*, the Supreme Court held that the PTAB lacked authority to continue its "partial institution" practice. (138 S.Ct. 1348, 1350 (2018)). In *SAS*, the Court held that the PTAB must institute review for all claims challenged by the petitioner, or none at all. Thus, while not directly addressing estoppel, the Court eliminated the premise behind Shaw's limitation on the scope of estoppel.

Excerpted from *Reuters*. To read the full article, click [here](#).