

## Eugene Goryunov, David McCombs and Jonathan Bowser in Westlaw Today on Contractual Obligations v. PTAB Trial Practice

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[David McCombs](#), [Eugene Goryunov](#) and [Jonathan Bowser](#), of Haynes Boone, discuss the issues that arise in patent disputes when contracts contain mediation or arbitration clauses and forum selection clauses.

Any person, other than a patent owner, can request an inter partes review (IPR) or post grant review (PGR) trial at the Patent Trial and Appeal Board (PTAB). There is no statutory or constitutional standing requirement, aside from various estoppel considerations based on prior actions, that a petitioner must meet. This does not mean, however, that a would-be petitioner is always free to request a PTAB trial. Here, we discuss two considerations that may limit a petitioner: mediation/arbitration clauses and forum selection clauses arising out of contracts between the petitioner and patent owner.

Parties enter into contracts to describe the metes and bounds of a business relationship all the time. These contracts often detail obligations related to patent rights, e.g., the right to make and use some claimed invention. They can also, and often do, include clauses that require that any disputes related to the contract, including the stated patent rights, must first be mediated or submitted to arbitration before other legal action is taken. The contracts can further specify a specific court that the parties agree has exclusive jurisdiction to resolve such disputes. These are often referred to as a forum selection clause.

If all goes well, the mediation/arbitration and forum selection clauses never see the light of day. Things become much more interesting when things go wrong. Take, for example, a contract between a supplier A and a distributor B. Supplier A agrees to provide some product — which is covered by various supplier A-owned patents — and distributor B agrees to use and/or sell the product to its customers. The contract is unlikely to be perpetual in duration, and it is possible that distributor B may find a different product to use and/or sell and terminates its contract with supplier A. It is then possible that supplier A can accuse distributor B and/or new supplier C of patent infringement. Distributor B and/or new supplier C may, in turn, challenge supplier A's patents in a PTAB trial.

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