

David McCombs, Eugene Goryunov, Jonathan Bowser and Matthew Beck in IPWatchdog: ‘Forum Selection Clauses May Bar an IPR’

March 10, 2022 David McCombs, Jonathan Bowser

PRACTICES Intellectual Property, Patents, Patent Prosecution and Counseling, Patent Litigation, Patent Office Trials, Intellectual Property Litigation

In light of recent Federal Circuit case law, parties involved in licensing, settlement, or confidential business discussions involving patents should carefully consider the impact a forum selection clause may have on the ability to seek an IPR.

Almost anyone can, by statute, request an *inter partes* review (IPR) of an issued patent, but may limit their right to do so contractually, such as through licensing agreements or non-disclosure agreements (NDAs). These agreements may contain clauses that limit the forum in which any dispute between the parties can be litigated. The Patent Trial and Appeal Board (PTAB) itself has consistently declined to enforce such forum selection clauses, finding that it lacks authority to enforce contracts between the parties, and, in any case, its jurisdiction is statutory and not limited by private agreements between the parties. *See, e.g., Rohm Semiconductor USA, LLC v. Maxpower Semiconductor*, IPR2020-01676, Paper 15 at 6-7 (PTAB Apr. 15, 2021); *Samsung Elecs. Am., Inc. v. Kannuu Pty Ltd.*, IPR2020-00738, Paper 22 at 8 (PTAB Sept. 23, 2020); *Ford Motor Co. v. Paice LLC*, IPR2014-00579, Paper 12 at 6 (Sept. 30, 2014).

However, in [Nippon Shinyaku Co. v. Sarepta Therapeutics, Inc.](#), the U.S. Court of Appeals for the Federal Circuit recently held that a petitioner was barred from bringing an IPR as a result of a contractual agreement with the patent owner. Appeal No. 21-2369, 2022 WL 363858 (Fed. Cir. Feb. 8, 2022).

Federal Circuit Decisions Pre-2022: Mixed Results

The Federal Circuit has addressed the intersection of forum selection clauses and IPRs over the past few years. In [Dodocase VR, Inc. v. MerchSource, LLC](#), the Federal Circuit held in a non-precedential decision that a district court did not abuse its discretion in granting an injunction compelling a petitioner to withdraw its IPR petitions based on a forum selection clause contained in a licensing agreement between the petitioner and the patent owner. 767 F. App'x. 930 (Fed. Cir. 2019). The forum selection clause, which applied to all challenges arising out of the agreement, was found to encompass PTAB proceedings and thus precluded the petitioner from filing IPR petitions. *Id.* at 932, 935.

Excerpted from *IPWatchdog*. Read more [here](#).