



Time bar re-visited: Joinder in inter partes review

Michael K. O'Neill, Fitzpatrick, Cella, Harper & Scinto reviews a Patent Trial and Appeal Board ruling on *inter partes* review which considered the interplay between joinder and time limits.

In a pair of decisions certain to surprise many patent practitioners, the Patent Trial and Appeal Board (PTAB) ruled that a request for joinder does not necessarily circumvent the one year time bar for petitioning for *inter partes* review. See *Target Corp. v Destination Maternity Corp.*¹

Background

By way of background, subsection (b) of 35 U.S.C. § 315 prohibits institution of *inter partes* review (IPR) if a petition is filed more than one year after the petitioner (or its privies) is served with a complaint alleging infringement of the patent. Subsection (c) allows a petitioner to request joinder of their own petition with another IPR proceeding, already instituted pursuant to an earlier petition. As for the one-year limit, the last sentence of subsection (b) provides an exclusion: requests for joinder under subsection (c) are excluded from the one-year time limit.

Patent practitioners – and indeed, the PTAB itself – have interpreted this exclusion as a circumvention of the one-year time limit. If a petitioner filed an IPR petition together with a request for joinder under subsection (c),

PTAB in its discretion might allow joinder even though the petitioner was served with a complaint more than one year before its petition.

These were precisely the facts in the *Target* cases. In 2013, within one year of being served with a complaint by Destination Maternity, Target filed a first pair of petitions seeking IPR review of certain claims in the patent. More than one year after the complaint, Target filed a second pair of petitions, claiming that it had just come across new prior art long known to Destination Maternity. As part of these latter pair of petitions, Target also filed a request for joinder with the previously-instituted proceedings.

“Earlier decisions under similar circumstances usually resulted in a grant of the request for joinder, even though the later petition was filed beyond the one-year time limit.”

Previous rulings

Earlier decisions under similar circumstances usually resulted in a grant of the request for joinder, even though the later petition was filed beyond the one-year time limit. One example is *Microsoft Co. v Proxyconn, Inc.*² In this case, Microsoft filed a second petition for IPR more than one year after being served with a complaint by Proxyconn, stating that Proxyconn had recently amended its complaint in the District Court action, adding additional claims of infringement. PTAB granted Microsoft's request for joinder, and instituted on the new grounds asserted



by Microsoft, stating that the one-year time bar under subsection (b) does not apply to a request for joinder under subsection (c). In granting joinder, and in instituting on the new grounds, PTAB specifically noted that “absent joinder of this proceeding with the [already-instituted IPR proceedings], the second petition would be barred.”³

The decision

Refusing to hew to prior cases like *Microsoft*, the *Target* board explicitly rejected the notion that the subsection (b) exclusion excuses late-filed petitions, even if such petitions are accompanied by a request for joinder under subsection (c). According to the *Target* decision, “under our interpretation, once a petitioner is time barred under § 315(b), it is always time barred. A time-barred petitioner cannot successfully petition for an *inter partes* review, regardless of whether it requests joinder under subsection (c).”⁴

Explaining its decision, the *Target* board very clearly distinguished between joinder of a “party” as opposed to joinder of “petitions or issues” raised in later-filed petitions. According to the *Target* board, the joinder provisions of subsection (c) only permit joinder of parties to an already-instituted petition, and do not also permit joinder of new issues or new petitions into the already-instituted petition.

Dissenting views

The *Target* decision was not unanimous. Five administrative patent judges were on the panel, and a dissent was filed by two. According to the dissent, the majority had arrived at an improper statutory construction of subsection (c), particularly because the statutory joinder provisions of subsection (c) explicitly require the party seeking joinder to “properly file[] a petition.” How, asks the dissent rhetorically, could such a requirement be sensible if, as the majority had ruled, only parties could be joined, and not petitions and the issues raised by the “properly file[d] petition”?

“The *Target* decision was not unanimous. Five administrative patent judges were on the panel, and a dissent was filed by two.”

PTAB has not yet designated its *Target* decision as precedential, and it will therefore be interesting to see how joinder practice develops. It is worthwhile noting that PTAB decisions not to institute, as in the *Target* case, are not appealable (per § 314(d)). As such, if Target is unsuccessful in a request for rehearing, and decides to challenge the Board, it might be necessary to do so via a writ of mandamus, although in view of the Federal Circuit's opinion earlier this year in *Dominion Dealer Solutions*, such a writ is unlikely to find a ready ear at the Federal Circuit level.

¹ IPR 2014-00508 and -00509 (September 25, 2014, paper 18 in the -00508 case).

² IPR 2013-00109 (February 25, 2013, paper 15).

³ *Id.*

⁴ *Target* at 10.



PATENTSERVIS Praha a.s.
Patent & Trade Mark Agency

Na Podkovce 281/10
147 00 Praha 4
Czech Republic

Patents, Trade Marks, Utility Models, Industrial Designs, Copyright, Licencing and Technology Transfers, Mediation, Litigation, Arbitration

Tel. +420 2 61 09 00 11

Fax. +420 2 61 21 49 21

E-mail: patmag@patentservis.cz

Internet: www.patentservis.cz

Representation also provided for the Slovak Republic

Résumé

Michael K. O'Neill, Partner, Fitzpatrick, Cella, Harper & Scinto

Michael is managing partner of the Orange County, California office of the firm. He has extensive experience in preparation and prosecution of patent applications, complex prosecution, licensing transactions and portfolio management, and client counseling particularly in the implementation of corporate systems for invention management and strategic innovation. His technological areas focus on internet, computer and software related inventions, networks and business methods, and also optics, semiconductors and electronic devices for clients such as Canon and Bausch & Lomb.

Prior to joining the firm, Michael was Engineering Manager at a defense industry contractor where his duties included research and development of inertial guidance and weapon delivery systems.