

In the Right Place at the Wrong Time

PTAB stands firm on § 315(b) one-year bar even when pleading is deficient

By: Barry Irwin & Peggy Herrmann | September 6, 2019

Recently, the Precedential Opinion Panel (“POP”) of the Patent Trial and Appeal Board (“PTAB”) overturned a previous PTAB panel’s decision to institute *inter partes* review (“IPR”) and held that “service of a pleading asserting a claim alleging infringement triggers the one-year time period for a petitioner to file a petition [for IPR] under 35 U.S.C. § 315(b), *even where the serving party lacks standing to sue or where the pleading is otherwise deficient.*”¹

Practitioners should pay close attention to decisions issued by the POP, a panel which considers issues “of exceptional importance involving policy or procedure” and sets forth binding agency authority.² Understanding the policy and procedural requirements is crucial to success at the PTAB before even addressing the substantive issues, as demonstrated by the instant case.

As seen in the timeline below, Petitioner, GoPro, Inc. (“GoPro”), filed a declaratory judgment (“DJ”) action for non-infringement in California on U.S. Patent No. 9,152,019 (the “’019 patent”).³ In response, 360Heros, Inc. (“360Heros”), filed a compulsory counterclaim for infringement in California but also filed an infringement complaint in Delaware. The Northern District of California ultimately found that 360Heros did not have standing because it did not own the ‘019 patent at the time of filing its counterclaim.

04/13/16	08/22/16	10/26/16	09/13/17	09/18/17	11/14/17	09/17/18
GoPro files complaint in N.D. Cal requesting declaratory judgment of non-infringement of ‘019 patent.	360Heros files <u>and serves</u> compulsory counterclaim alleging infringement of ‘019 patent.	Inventor assigns ‘019 patent to 360Heros.	360Heros files infringement complaint in D. Del.	360Heros <u>serves</u> D. Del. complaint on GoPro.	GoPro’s motion for summary judgment for lack of standing is granted in N.D Cal. case.	GoPro files Petition for IPR on ‘019 patent.

GoPro filed its Petition for IPR on the ‘019 patent within one year of service of the Delaware complaint but not within one year of the service of the California counterclaim. The POP found that GoPro’s failure to timely file the IPR petition, as required by § 315(b), was fatal and denied institution of IPR. Specifically, the Board, citing the Federal Circuit’s *Click-To-Call Techs., LP v. Ingenio, Inc.*,⁴ held that the language of § 315(b) is plain and unambiguous, so the Board rejected GoPro’s arguments to: 1) look to other language in the statute and to legislative history, or 2) impose additional conditions not present in the statute. The Board further emphasized that § 315(b)’s bright-line rule of a one-year time bar from date of service of the pleading promotes efficiency for the administration of IPRs, but the Board also noted the possibility that equitable tolling of the time bar may be revisited if a party serves a complaint in bad faith.

¹ *GoPro, Inc. v. 360Heros, Inc.*, IPR2018-01754, Paper No. 38, at *6 (P.T.A.B Aug. 23, 2019) (emphasis added).

² PTAB Standard Operating Procedure 2 (Revision 10), at *1, available at <https://www.uspto.gov/sites/default/files/documents/SOP2%20R10%20FINAL.pdf>.

³ It is worth noting that GoPro’s DJ action asserted only non-infringement, not invalidity. Had GoPro included a DJ count of invalidity, GoPro would have been barred from seeking an IPR under § 315(a).

⁴ 899 F.3d 1321 (Fed. Cir. 2018) (en banc in part).