

**Standing in Limbo: What *Platinum Optics v. Viavi* Tells Us About IPR Appeals**  
***Platinum Optics Tech. Inc. v. Viavi Solutions Inc.*, 2024 WL 3836107 (Fed. Cir. 2024)**

By: Ifti Zaim & Emad Mahou | September 6, 2024

On August 24, 2024, the United States Court of Appeals for the Federal Circuit (CAFC) dismissed an appeal for lack of standing after a failed *inter partes* review (IPR) challenge by petitioner Platinum Optics Technology Inc. (Platinum Optics). The decision underscores the fact that even if a party has the right to challenge a patent before the PTAB, it might still lack standing to challenge the results of that action, risking an unappealable loss and, potentially, estoppel.

The dispute began when Viavi Solutions Inc. (Viavi) sued Platinum Optics for infringement of U.S. Patent No. 9,354,369 (the '369 Patent), asserting claims related to optical filters. Platinum Optics filed an IPR before the Patent Trial and Appeal Board (PTAB) challenging the validity of the '369 Patent. While the IPR was pending, the district court dismissed Viavi's patent infringement lawsuit with prejudice. The IPR proceeded, however, and the PTAB subsequently upheld the patent's validity. Platinum Optics appealed the decision to the CAFC. However, the CAFC found that, because Viavi's patent infringement claims against Platinum Optics had already been dismissed with prejudice, Platinum Optics lacked standing to appeal because it could no longer demonstrate an "injury in fact."



The incongruence of a party being able to pursue an IPR, but then being unable to appeal the result of that IPR is a result of the differing sources of authority under which IPRs and appeals arise. The PTAB is an executive agency, and proceedings before it, including IPRs, arise under Article I of the Constitution. If a party satisfies the statutory requirements, in this case 35 U.S.C. §§ 311 and 315, that party may challenge a patent via IPR. However, IPR appeals must be heard by the CAFC, which is an Article III court. Regardless of where the underlying case originated, an Article III court cannot adjudicate a case unless it satisfies the constitutional minimum of standing, which includes demonstrating an "injury in fact."<sup>1</sup>

The CAFC has long held that an adverse IPR decision alone does not satisfy the requirement of an injury in fact.<sup>2</sup> Platinum Optics argued that Viavi was likely to reassert the '369 Patent because of Platinum Optics' continued distribution of bandpass filters practicing the patent's claims. The CAFC rejected this argument as too speculative to constitute an "injury in fact" (and it is not clear how this could be a real risk since Viavi's claims that those products infringed were dismissed with prejudice). Platinum Optics' assertions about future development plans were also deemed too vague and speculative.

The inability to appeal an IPR decision could place a challenger at a significant disadvantage if they are later sued for infringement, such as for a new product. The existence of an unfavorable PTAB determination would cast a shadow over any subsequent validity challenges. Worse, however, is the potential for estoppel. Under 35 U.S.C. § 315(e), a party that loses an IPR is estopped from raising in future litigation any grounds of invalidity that they "raised or could have raised" during the IPR. If estoppel applies, the challenger may be barred from further contesting the patent's validity despite having had no opportunity to appeal the PTAB's findings. From a literal reading of the statute, estoppel may attach even if the petitioner's appeal was denied for lack of standing. *See* 35 U.S.C. §§ 315(e), 318. However, the only CAFC case addressing the issue cast doubt on attaching estoppel where the party could not appeal.<sup>3</sup> Petitioners would be well-advised to look before they leap and consider whether they would have standing to appeal before pursuing an IPR.

<sup>1</sup> *See* Cong. Rsch. Serv., *Overview of Standing*, CONSTITUTION ANNOTATED, [https://constitution.congress.gov/browse/essay/artIII-S2-C1-6-1/ALDE\\_00012992/](https://constitution.congress.gov/browse/essay/artIII-S2-C1-6-1/ALDE_00012992/) (last visited September 3, 2024).

<sup>2</sup> *AVX Corp. v. Presidio Components, Inc.*, 923 F.3d 1357, 1362–63 (Fed. Cir. 2019)

<sup>3</sup> *Id.*