

Supreme Court Expands Scope of Patent Office Decisions that are Unappealable

In *Thryv, Inc. v. Click-to-Call Technologies*, the Supreme Court held that the Patent Office's decision on the timeliness of a petition to challenge a patent is not appealable. This opinion is one of several recent decisions by the Supreme Court on the interpretation of the America Invents Act, and demonstrates a clear difference in opinion on the proper role of the judiciary in reviewing Patent Office decisions.

The America Invents Act created a new mechanism for challenging patents in the Patent Office called inter partes review (IPR). A person challenging a patent using the IPR procedure is required to file a petition with the Patent Office within one year of the service of a complaint for patent infringement upon that person. The Patent Office then decides whether to accept the petition, including whether the petition was timely filed. The Supreme Court's decision in *Thryv* held that a party could not appeal the Patent Office's decision on whether the IPR petition was filed after the one-year time limit.

Patent owner Click-to-Call Technologies (CTC) filed a patent infringement suit against *Thryv* related to technology for anonymous telephone calls. *Thryv* challenged the validity of the patent in the Patent Office by filing a petition for IPR. Despite a prior litigation between the parties in 2001, the Patent Office decided to institute the IPR over a decade later and found that thirteen of the patent's claims were invalid. In doing so, the Patent Office concluded that the one-year limitation on filing a petition was not triggered because the complaint in the prior 2001 litigation was dismissed without prejudice.

CTC appealed the Patent Office's decision to the Court of Appeals for the Federal Circuit, which held that judicial review of the Patent Office's holding was not available because Section 314 of the America Invents Act states that the decision to institute is "final and nonappealable." However, in subsequent cases, the Federal Circuit held that the one-year limitation of Section 315(b) was appealable irrespective of Section 314's restriction on appeals. Inconsistencies between these decisions, and conflicting interpretations of the America Invents Act, prompted Supreme Court review.

The Supreme Court held that Section 314 of the America Invents Act prevents an appeal of the Patent Office's decision on whether a petition was timely filed. In the majority opinion, Justice Ginsburg explained that earlier Supreme Court precedent in *Cuozzo Speed Technologies, LLC v. Lee* held that questions regarding the Patent Office's decision to institute an IPR is "final and nonappealable," including decisions that "are closely tied to the application and interpretation of statutes related to the Patent Office's decision to initiate inter parties review." Finding that the America Invent Act's time limitation in Section 315(b) is "integral to, indeed a condition on, institution," the majority held that the Patent Office's decision on whether a petition was timely filed is not appealable.

The Supreme Court examined Congress' statutory intent in providing for IPRs, and noted that deference to institution decisions, including limiting appeals, promotes the Patent Office's focus on substantive review of questionable patents, rather than procedural questions. Because the Patent Office's decision is unappealable, the Supreme Court did not address whether the Patent Office correctly decided to institute an IPR in this case, leaving unresolved whether a complaint dismissed without prejudice triggers the one-year limitation for filing an IPR petition.

In a fiery dissent, Justice Gorsuch offered a different

interpretation of the America Invents Act and prior precedent, concluding that they do not prevent appeals of a Patent Office decision on whether a petition for IPR is timely. According to Justice Gorsuch, the plain text of Section 314 does not limit judicial review of the Patent Office's decision on the timeliness of petitions. The Supreme Court, in his view, should allow patent owners to have their day in court, and should not leave "the disposition of private rights and liberties to bureaucratic mercy."

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