

Intellectual Property Alert:

Full Panel of Fed. Cir. Clarifies that Even Voluntarily Dismissed Cases Start the Year Time-Bar Clock for *Inter Partes* Review

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August 27, 2018 — In an *en banc* ruling, the Court of Appeals for the Federal Circuit found that even patent suits that are voluntarily dismissed begin the one-year time period for filing a petition for *inter partes* review (IPR) reversing the Patent Trial and Appeal Board's (PTAB's) reading of the America Invents Act (AIA) in *Click-to-Call Techs.*, *LP v. Ingenio, Inc.*, No. 2015-1242 (Fed. Cir. 2018).

The PTAB reviewed and invalidated a Click-to-Call Technologies LP patent entitled, "Method and Apparatus for Anonymous Voice Communication Using an Online Data Service," stemming from a petition filed by Ingenio, together with Oracle Corp., Oracle OTC Subsidiary LLC, and YellowPages.com LLC. But, the Federal Circuit ruled that the PTAB did not have jurisdiction and should have never even instituted the trial because it was time barred by a complaint filed against Keen, Ingenio's predecessor, 12 years prior to the petition being filed.¹

The PTAB took the position that the 2001 filed suit did not start the AIA time clock because the petition was voluntarily dismissed without prejudice, reasoning that "[t]he Federal Circuit consistently has interpreted the effect of such dismissals as leaving the parties as though the action had never been brought." The PTAB cited two Federal Circuit decisions, *Graves v. Principi*, 294 F.3d 1350 (Fed. Cir. 2002), and *Bonneville Associates*, *Ltd. Partnership v. Barram*, 165 F.3d 1360 (Fed. Cir. 1999).

But, the Federal Circuit gave a stricter reading of the AIA and indicated that these decisions are not applicable to the AIA time bar. Section 315(b) of the AIA states that IPR "may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging

¹ In 2001, InfoRocket.com Inc., sued Keen Inc. over the Click-to-Call patent. Subsequently Keen acquired InfoRocket and the suit was voluntarily dismissed. Keen, which was renamed Ingenio, Inc., became part of YellowPages. And, Click-to-Call obtained the patent and filed suit, alleging infringement of the patent against several companies in 2012, including YellowPages' then-parent AT&T Inc. This has been stayed in the U.S. District Court for the Western District of Texas on the basis of the IPR at issue.

infringement of the patent." The Federal Circuit said that this language "clearly and unmistakably considers only the date on which the petitioner, its privy, or a real party in interest was properly served with a complaint." And, the *en banc* panel concluded that "a defendant served with a complaint as part of a civil action that is voluntarily dismissed without prejudice remains 'served' with the 'complaint,'" regardless of whether the "action becomes a 'nullity' for other purposes and even if such service becomes legally irrelevant in a subsequent court action." On this basis, the Federal Circuit vacated the invalidity ruling of the PTAB and instructed the PTAB to dismiss on the grounds that the PTAB lacks jurisdiction to review the patent at issue.

Also noteworthy is that the Federal Circuit addressed the issue of the "non-barred" petitioners, YellowPages.com, Oracle Corporation, and Oracle OTC Subsidiary, not being a part of the voluntarily dismissed action and not being served with the earlier compliant. But, the Federal Circuit rejected efforts to separate the petitioners to save the petition because "the statute and the regulation ask only two questions: (1) when was the petition filed; and (2) when was the petitioner, the petitioner's real party in interest, or a privy of the petitioner served with a complaint?" (internal quotes omitted). And, the Federal Circuit held, the statute and regulation "do not differentiate between multiple petitioners."

Judge Richard Taranto submitted a concurring opinion. Judge Timothy Dyk, joined by Judge Alan Lourie, submitted a dissent. In Judge Dyk's dissent, he indicated that "[c]ourts have typically treated voluntary dismissals without prejudice as restoring the parties to the situation that existed before the case had ever been brought." And, Judge Dyk, drawing an inference in the AIA not explicitly mentioning voluntary dismissals, opined "that Congress intended to follow the usual rule, that such dismissals render the complaint a nullity."

Click here to download the decision in *Click-to-Call Technologies*, LP v. Ingenio, Inc.

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