

Rethinking Article III Standing in IPR Appeals at the Federal Circuit

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Introduction

In 2011, as part of the American Invents Act (“AIA”), Congress significantly restructured the way in which previously issued patents could be challenged. In some cases, existing post-issuance proceedings, like *ex parte* reexamination and reissue proceedings, were kept intact as such proceedings existed prior to the AIA. In other cases, existing post-issuance proceedings, like *inter partes* reexamination, were replaced with new proceedings, such as the *inter partes* review proceedings (“IPRs”). In addition, brand new proceedings were created, such as post-grant review proceedings (“PGRs”), covered business method patent review proceedings (“CBMs”), and supplemental examination proceedings. In each instance, Congress made policy choices as to who could (or could not) bring and/or participate in such proceedings, and who could (or could not) raise challenges to decisions made by the government in such proceedings. See *SAS Instit. v. Iancu*, 584 U.S. ___ (slip op. at 6) (2018) (confirming different structure of reexamination proceedings and IPRs, and recognizing Congressional “structural” choices are deserving of deference; “Congress’s choice to depart from the model of a closely related statute is a choice neither we nor the agency may disregard.”).

In a series of decisions, starting with *Consumer Watchdog v. Wisconsin, Alumni Research Foundation*, 753 F.3d 1258 (Fed. Cir. 2014), the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”) began to second guess the legislative choices made by Congress as to who could appeal from an adverse ruling from an *inter partes* reexamination proceeding at the U.S. Patent and Trademark Office (“PTO”). Although this was a pre-AIA proceeding, the Federal Circuit’s determination has foreshadowed a trend

at the Federal Circuit to overturn legislative choices with the Federal Circuit’s own judgment under the guise of Article III standing. In particular, in *Consumer Watchdog*, the panel dismissed an appeal authorized by statute by Consumer Watchdog, a public advocacy group, for lack of standing under Article III, because it purportedly lacked an “injury-in-fact.” By definition, this argument makes no sense. When Congress created the legal right for Consumer Watchdog to petition the government to revoke WARF’s patent franchise, and the government denied that requested relief, Consumer Watchdog was injured, even though the injury would not have existed without the statute. See, e.g., *Warth v. Seldin*, 422 U.S. 490, 514, 95 S. Ct. 2197, 45 L. Ed. 2d 343 (1975) (“Congress may create a statutory right or entitlement the alleged deprivation of which can confer standing to sue even where the plaintiff would have suffered no judicially cognizable injury in the absence of statute.”); *Linda R.S. v. Richard D.*, 410 U.S. 614, 617 n.3, 93 S. Ct. 1146, 35 L. Ed. 2d 536 (1973) (“Congress may enact statutes creating legal rights, the invasion of which creates standing, even though no injury would exist without the statute.”). Article III does not preclude the Court from hearing an appeal from such a deprivation of the statutory right, even though no injury would exist without the statute.

Since *Consumer Watchdog*, the Federal Circuit has continued to apply and expand its misplaced standing requirements by dismissing appeals of unsuccessful petitioners in IPR proceedings for lack of standing on the grounds that it “has not substantiated its alleged injury in fact.” See *Phigenix, Inc. v. ImmunoGen, Inc.*, 845 F.3d 1168, 1176 (Fed. Cir. 2017). See also *RPX Corp. v. Chanbond LLC*, No. 2017-2346, Order on Motion at 6 (Fed Cir. Jan. 17, 2018) (dismissing appeal and concluding “RPX lacks Article III

standing to appeal the Board’s decision affirming the patentability” of the challenged claims in an IPR).

These decisions reflect a fundamental misapplication of the jurisprudence associated with Article III standing in the context of an appeal from a decision by the government to deny an authorized petitioner requested relief. The statutorily granted right of a petitioner in an IPR to bring and participate in an IPR, and its appeal (*see* 35 U.S.C. §§ 311(a), 319) is the type of “particularized” injury which Courts have long recognized confers standing to the petitioner to challenge the denial of its requested relief. *Compare Pub. Citizen v. United States Dep’t of Justice*, 491 U.S. 440, 449, 109 S. Ct. 2558, 105 L. Ed. 2d 377 (1989) (“As when an agency denies requests for information under the Freedom of Information Act, refusal to permit appellants to scrutinize the ABA Committee’s activities to the extent FACA allows constitutes a sufficiently distinct injury to provide standing to sue. Our decisions interpreting the Freedom of Information Act have never suggested that those requesting information under it need show more than that they sought and were denied specific agency records.”), *with Lujan v. Defenders of Wildlife*, 504 U.S. 55, 573-74, 112 S. Ct. 1735, 118 L. Ed. 2d 352 (1992) (rejecting standing where plaintiff raised “only a generally available grievance about government—claiming only harm to his and every citizen’s interest in proper application of the Constitution and laws, and seeking relief that no more directly and tangibly benefits him than it does the public at large”).

We contend that when Congress grants a petitioner in an IPR proceeding the right to petition the government to seek specific relief (invalidate one or more claims on the previously issued patent franchise), and when the government (arguably improperly) denies such relief, the denial of such relief is a sufficient injury in fact to provide the Courts with constitutional authority under Article III to hear appeal from that denial by the unsuccessful petitioner. In such cases, the “imperatives of a dispute capable of judicial resolution” are “sharply presented issues in a concrete factual setting” where self-interested parties vigorously

advocate opposing positions. *United States Parole Comm’n v. Geraghty*, 445 U.S. 388, 403, 100 S. Ct. 1202, 63 L. Ed. 2d 479 (1980). As Congress recognized in Section 319 of the Patent Act, this imperative is met by “any party to the inter partes review” who is “dissatisfied with the final written decision” and who appeals such decision. 35 U.S.C. § 319; *see also Oil States Energy Servs. LLC v. Greene’s Energy Group LLC*, 584 U.S. ___ (slip op. at 4) (2018) (“A party dissatisfied with the Board’s decision can seek judicial review in the Court of Appeals for the Federal Circuit. § 319. Any party to the inter partes review can be a party in the Federal Circuit. *Ibid.*”). By limiting standing to parties of the *inter partes* review, Congress is not seeking to expand the standing requirement to every citizen seeking to require the government to be administering the law, but limits the class to those with the particularized injury defined by statute. Thus, the concerns of *Lujan* are more than adequately met by the statute as drafted by Congress, and further limitations on standing by Article III are not needed, nor appropriate.

Likewise, since an appeal must be against a Final Written Decision of the PTAB to which a party to the proceeding was “dissatisfied,” the Congressionally defined injury in combination with the specific adverse Final Written Decision, provide sufficient boundaries to make such an appeal concrete and not hypothetical.

Of course, Congress can further limit the availability of such a challenge (as it has in other instances, like *ex parte* reexamination), but once a petitioner is authorized by Congress to make such a petition for relief and participate in an appeal of the denial of such relief and has suffered the Congressionally defined injury of being “dissatisfied” with an adverse Final Written Decision, the Courts have sufficient constitutional authority to proceed with reviewing the allegedly unlawful denial by the government.

In **Part I**, we address the legislative structure set up in the AIA of various types of petitions to the government to previously issued patents and the parties authorized by Congress to participate in such proceedings.

In **Part II**, we address the Constitutional limitations and Supreme Court precedent governing a petitioner’s right to appeal an adverse decision by the government, as well as the requirements of Article III standing.

In **Part III**, we address the Federal Circuit’s use of Article III standing to second guess the legislative policy decisions made as part of the AIA on who can appeal and participate in an appeal from an adverse decision of the government in a patent office proceeding.

In **Part IV**, we address what should be the correct application of Article III standing in an appeal from an adverse decision in an IPR proceeding.

Part I: Post Issuance Proceedings under the AIA

Under the statutory scheme that was in effect after the AIA, Congress set up a wide variety of alternative procedures by which an issued U.S. Patent could be challenged and/or modified. In each instance, Congress made choices about who could initiate each proceeding, who could participate in the proceeding once initiated, and who could appeal an adverse result from such proceeding based on what congressionally defined injury. *See SAS Instit.*, slip op. at 6 (confirming different structure of reexamination proceedings and IPRs, and recognizing Congressional “structural” choices are deserving of deference).

In this **Part I**, we discuss the various legislative choices as has been in effect since the AIA.

A. Ex Parte Reexamination

The AIA left the prior existing form of *ex parte* reexamination largely unchanged. It permits “[a]ny person at any time,” including a patent owner or a third party, to file “a request for reexamination by the Office” of any claim of an issued patent based on other patents and printed publications. 35 U.S.C. § 302. Such a request can be filed at any time during the enforceability of a

patent, and the requester must establish that the submitted prior art establishes “a substantial new question of patentability.” 35 U.S.C. § 303(a).

If a substantial new question of patentability is raised, and the request for an *ex parte* reexamination is granted, the patent owner may file a statement on the question for consideration in the reexamination. 35 U.S.C. § 304. In which case, the third party request may file a response. *Id.* Otherwise (*id.*), and thereafter, however, the proceeding excludes the third-party challenger. 35 U.S.C. § 305.

Only a “patent owner,” not a third party, may appeal an adverse “final rejection” to the PTAB. 35 U.S.C. §134(b). From there, again only a “patent owner,” not a third party, who is “dissatisfied” with the “final decision in an appeal” to the PTAB may further appeal the “Board’s decision” to the Federal Circuit. *See* 35 U.S.C. §§ 141(b), 306.

B. Reissue

Reissue proceedings permit patent holders to correct errors in their patents. A reissue application is filed when an issued patent, through error, is considered to be “wholly or partly inoperative or invalid.” 35 U.S.C. § 251(a). Only the owner of the issued patent may elect to file a reissue application. *See* 35 U.S.C. § 251(c) (“The provisions of this title relating to applications for patent shall be applicable to applications for reissue of a patent”); *see also* 35 U.S.C. § 111(a), 118.

C. Inter Partes Review

IPRs are post issuance proceedings before the PTAB, which replaced *inter partes* reexamination after the enactment of the AIA. Subject to certain conditions, any person other than the patent owner may file a petition to institute an IPR with the PTAB. 35 U.S.C. § 311(a).

If instituted, the petitioner is entitled to participate in the proceeding with “at least 1 opportunity to file written comments,” usually in

the form of a Reply Brief. *See* 35 U.S.C. § 316(a)(13) (“providing the petitioner with at least 1 opportunity to file written comments within a time period established by the Director”); *see also* 37 C.F.R. § 42.23.

The petitioner also has a right to participate in an oral hearing. 35 U.S.C. §316(a)(10); *see also* 37 C.F.R. § 42.70.

“If an inter partes review is instituted and not dismissed,” at the end of the trial the Board “shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” *SAS*, slip op. at 3 (quoting 35 U.S.C. §318(a)).

If the IPR proceeds to a final written decision, the petitioner is estopped from requesting or maintaining a proceeding (e.g., another IPR) before the Patent Office or asserting invalidity in a federal district court action or an ITC proceeding based on any grounds that were, or reasonably could have been raised during the first review. 35 U.S.C. § 315(e).

Any party “dissatisfied” with the final written decision may appeal the decision to the Federal Circuit, and “[a]ny party to the inter partes review shall have the right to be a party to the appeal.” 35 U.S.C. § 319.

D. Post Grant Review

A PGR may be brought by any person, other than the patent owner, to challenge an issued patent, subject to certain conditions. 35 U.S.C. § 321(a). In contrast to the limited scope of *ex parte* reexamination and *inter partes* review, post grant review may be based on any ground that could be asserted to render a patent invalid or unenforceable in litigation. *Id.*

If instituted, the petitioner is entitled to participate in the proceeding with “at least 1 opportunity to file written comments.” 35 U.S.C. § 326(a)(12). The petitioner also has the right to participate in an oral hearing. 35 U.S.C. § 326(a)(10).

If a post-grant review is instituted and not dismissed, the PTAB “shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” 35 U.S.C. § 328(a).

The petitioner is estopped from requesting or maintaining a proceeding (e.g., another PGR) before the Patent Office or asserting invalidity in a federal district court action or an ITC proceeding based on any grounds that were raised, or could have reasonably been raised, during the PGR. 35 U.S.C. § 325(e).

In addition, any party “dissatisfied” with the final written decision may appeal the decision pursuant to sections 141 through 144, and “[a]ny party to the post-grant review shall have the right to be a party to the appeal.” 35 U.S.C. § 329.

E. Covered Business Method Patent Review

Section 18 of the AIA created a special temporary proceeding for certain kinds of patents, called a “Covered Business Method” (“CBM”) review. Unlike IPRs and PGRs, where any person other than the patent owner may file a petition, only a party charged with infringement of a CBM patent can initiate a CBM challenge and can only file a CBM review when post-grant review is unavailable. *See Leahy-Smith America Invents Act*, Pub. L. No. 112-29, § 18(a)(1)(B); *see also* 37 C.F.R. §§ 42.300, 42.303.

Unless otherwise specified, a CBM review is subject to post-grant review procedures. *See AIA* § 18(a)(1); *see also* 37 C.F.R. § 42.300(a).

If a CBM review is instituted, the petitioner is entitled to participate in the proceeding with “at least 1 opportunity to file written comments.” 35 U.S.C. § 326(a)(12). Similarly, the petitioner also has the right to participate in an oral hearing. 35 U.S.C. § 326(a)(10). In addition, the PTAB “shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” 35 U.S.C. § 328(a).

Estoppel under CBM review extends only to grounds actually asserted during the proceeding,

not to grounds that reasonably could have been asserted. *See* AIA § 18(a)(1)(D); *see also* 37 C.F.R. § 42.302(b).

In addition, like other PGRs, any party “dissatisfied” with the final written decision may appeal the decision pursuant to sections 141 through 144, and a party to the proceeding shall have a right to be a party to the appeal. 35 U.S.C. § 329.

F. Supplemental Proceedings

The AIA created a new post-issuance procedure to provide patent owners an opportunity to cure a risk of inequitable conduct based on the failure to disclose prior art. This new procedure, called “supplemental examination” allows only a patent owner to ask the USPTO to consider, reconsider, or correct any information the patent owner deems relevant to the patent. If the PTO concludes that the information presents “a substantial new question of patentability,” the PTO shall order reexamination of the patent. 35 U.S.C. § 257.

Only a patent owner may file a request for supplemental examination of a patent. 35 U.S.C. § 257(a). If a substantial new question of patentability is raised, reexamination of the patent is ordered, and the supplemental examination proceeds as an *ex parte* reexamination, with the exception that the patent owner may not file a statement pursuant to 35 U.S.C. § 304. 35 U.S.C. § 257(b).

The patent owner may appeal an adverse decision in the reexamination proceeding. 35 U.S.C. § 306.

Part II: The Governing Legal Principles for Standing to Appeal as Set Forth by the U.S. Constitution and U.S. Supreme Court Precedent

The U.S. Constitution is built upon the principle of separation of powers under which there are three branches of government, the Legislative (Art. I), the Executive (Art. II), and the Judiciary

(Art. III), and each branch has its role and limits. *See generally Lujan*, 504 U.S. at 560.

Article I vests all the Legislative Power in Congress consisting of the Senate and the House of Representatives. U.S. Const. Art. I, Sec.1. Article II vests the Executive Power in the President, and authorizes the President to appoint subordinates to carry out the Executive Power. U.S. Const, Art. II, Sec. 1 and Sec. 2, Cls. 2. Article III vests the Judicial Power in the U.S. Supreme Court and such inferior courts as Congress may ordain and establish. U.S. Const., Art. III, Sec. 1.

As part of Congress’s legislative powers, Article I provides the Legislature with authority to pass bills and define substantive legal rights. U.S. Const. Art. I, Sec. 7. Among those legal rights that Congress may define, include the right to pass patent laws. *See* U.S. Const., Art. I, Sec. 8, Cl. 8 (“[The Congress shall have power] “To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.”). Each bill passed by Congress is then presented to the President (as part of the Executive Branch created in Article II) to sign and turn into law, or return to Congress. U.S. Const., Art. I, Sec. 7, Cl. 2. The AIA is an example of such a bill that was approved by Congress, and signed by the President into Law in 2011. *See* Pub. L. 112–29, Sept. 16, 2011, 125 Stat. 306.

Once a bill is passed and becomes law, the Executive Branch is charged with responsibility to “take care that the laws are faithfully executed.” U.S. Const., Art. I, Sec. 3, Cl. 5. The PTO, as the delegated authority created by Congress and appointed by the President, carries out this responsibility. In particular, the PTAB is charged with responsibility to decide whether or not to grant a petition for IPR by a petitioner, and if granted, proceed with a trial and issue a final written decision on each of the claims challenged in such a petition. 35 U.S.C. §§ 311, 314, 318; *see also SAS Inst.*, slip op. at 2-3.

When the law is not followed, it is up to the Judiciary to resolve all Cases, in law or Equity,

under the Laws of the United States. U.S. Const., Art. III, Sec. 2, Cl. 1. A limitation placed upon the Judiciary is that it may only hear actual cases or controversies and does not have authority to hear hypothetical cases. “[T]he doctrine of standing serves to identify those disputes which are appropriately resolved through the judicial process.” *Whitmore v. Arkansas*, 495 U.S. 149, 155 (1990).

In the context of the AIA, the role of the Judiciary is delegated to the U.S. Court of Appeals for the Federal Circuit (“the Federal Circuit”) in the first instance, as the reviewing authority of the PTAB. 35 U.S.C. §319; *see also Oil States*, slip op. at 4.

In *Lujan*, the Supreme Court set out a three-part test to determine standing under Article III:

1. “The plaintiff must have suffered an ‘injury in fact’—an invasion of a legally protected interest which is (a) concrete and particularized, and (b) actual or imminent, not conjectural or hypothetical;”
2. “[T]here must be a causal connection between the injury and the conduct complained of—the injury has to be fairly. . . trace[able] to the challenged action of the defendant, and not . . . th[e] result [of] the independent action of some third party not before the court;” and
3. “[I]t must be likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision.”

Lujan, 504 U.S. at 560-61 (citation and internal quotation marks omitted). *See also Spokeo, Inc. v. Robbins*, 136 S.Ct. 1540, 1547 (2016).

The simple case in which there is “ordinarily little question” of meeting the standing requirement is where Congress creates a statutory right or entitlement, and a party seeking judicial relief was allegedly deprived such right or entitlement.

Lujan, 504 U.S. at 561-62. This is true, even if such party would have suffered no judicially cognizable injury in the absence of statute. *See, e.g., Warth*, 422 U.S. at 514 (“Congress may create a statutory right or entitlement the alleged deprivation of which can confer standing to sue even where the plaintiff would have suffered no judicially cognizable injury in the absence of statute.”); *Linda R.S.*, 410 U.S. at 617 n.3, (“Congress may enact statutes creating legal rights, the invasion of which creates standing, even though no injury would exist without the statute.”); *see also Lujan*, 504 U.S. at 561-62 (“When the suit is one challenging the legality of government action or inaction, the nature and extent of facts that must be averred (at the summary judgment stage) or proved (at the trial stage) in order to establish standing depends considerably upon ***whether the plaintiff is himself an object of the action (or forgone action) at issue***. If he is, ***there is ordinarily little question that the action or inaction has caused him injury, and that a judgment preventing or requiring the action will redress it***.” (emphasis added)); *Spokeo*, 136 S.Ct. at 1549 (“In addition, because Congress is well positioned to identify intangible harms that meet minimum Article III requirements, its judgment is also instructive and important. Thus, we said in *Lujan* that Congress may “elevat[e] to the status of legally cognizable injuries concrete, de facto injuries that were previously inadequate in law.” 504 U. S., at 578, 112 S. Ct. 2130, 119 L. Ed. 2d 351. Similarly, Justice Kennedy’s concurrence in that case explained that “Congress has the power to define injuries and articulate chains of causation that will give rise to a case or controversy where none existed before.” *Id.*, at 580, 112 S. Ct. 2130, 119 L. Ed. 2d 351 (opinion concurring in part and concurring in judgment).”).

When someone petitions the government for some action (e.g., to provide information under the Freedom of Information Act, or to terminate a previously issued government franchise) and is allegedly wrongfully denied such relief, it is an easy case to find standing for the aggrieved petitioner.

The government’s failure to provide a petitioner information under the Freedom of Information

Act, 5 U.S.C. § 552, is one example of this scenario. See, e.g., *Department of Justice v. Reporters Comm. for Freedom of Press*, 489 U.S. 749 (1989); *Department of Justice v. Julian*, 486 U.S. 1 (1988); *United States v. Weber Aircraft Corp.*, 465 U.S. 792 (1984); *FBI v. Abramson*, 456 U.S. 615 (1982); *Department of Air Force v. Rose*, 425 U.S. 352 (1976). See also *Public Citizen v. U.S. Dep't of Justice*, 491 U.S. 440, 449-450 (“Our decisions interpreting the Freedom of Information Act have never suggested that those requesting information under it need show more than that they sought and were denied specific agency records.”).

In another example, the Supreme Court has recognized similar rights under the Federal Advisory Committee Act, 5 U.S.C. Appx 1 §§ 1-16. See *Pub. Citizen v. U.S. Dep't of Justice*, 491 U.S. at 449 (“As when an agency denies requests for information under the Freedom of Information Act, refusal to permit appellants to scrutinize the ABA Committee's activities to the extent FACA allows constitutes a sufficiently distinct injury to provide standing to sue.”).

Likewise, other courts have recognized similar rights under the government in the Sunshine Act, 5 U.S.C. § 552b, see *Rushforth v. Council of Econ. Advisers*, 762 F.2d 1038, 1039 n.3 (D.C. Cir. 1985), and under § 214(d) of the Foreign Relations Authorization Act, Fiscal Year 2003, Pub. L. No. 107-228, 116 Stat. 1350, 1365-66 (2002) to allow a petitioner to have a specific country designated on his passport as his place of birth, see *Zivotofsky v. Secretary of State*, 444 F.3d 614, 617-619 (D.C. Cir. 2006).

More recently in *Spokeo, Inc. v. Robins*, the Supreme Court once again confirmed that “[t]o establish injury in fact, a plaintiff must show that he or she suffered an invasion of a legally protected interest that is concrete and particularized and actual or imminent, not conjectural or hypothetical.” 136 S. Ct. at 1548 (citing *Lujan*, 504 U.S. at 560 (internal quotation marks omitted)). The *Spokeo* Court focused its analysis on the particularization and concreteness requirements.

For an injury to be “particularized,” it must affect the plaintiff in a personal and individual way. *Id.* at 1548.

In addition, even in the context of a statutory violation, the injury must also be “concrete” in that it must be real, not hypothetical. *Id.* at 1548-49. *Spokeo* recognizes that concrete injuries do not have to be “tangible,” but can include “intangible” injuries. *Id.* In this regard, Congress can define by statute an “intangible” injury sufficient to provide standing. *Id.* A petitioner that suffers from such an injury would thus meet the “concrete” prong of standing tests.

In his concurrence, Justice Thomas further explained that Congress can create new private rights and authorize private plaintiffs to sue based simply on the violation of those private rights. *Id.* at 1553 (Thomas J., concurring). Therefore, a plaintiff seeking to defend a statutorily created private right “need not allege actual harm beyond the invasion of that private right.” *Id.* (citing *Havens Realty Corp. v. Coleman*, 455 U.S. 363, 373-374, 102 S. Ct. 1114, 71 L. Ed. 2d 214 (1982) (recognizing standing for a violation of the Fair Housing Act); *Tennessee Elec. Power Co. v. TVA*, 306 U.S. 118, 137-138, 59 S. Ct. 366, 83 L. Ed. 543 (1939) (recognizing that standing can exist where “the right invaded is a legal right, — one of property, one arising out of contract, one protected against tortious invasion, or one founded on a statute which confers a privilege”)).

As the Supreme Court explained in *Lujan*, the harder case to determine standing is “[w]hen, however, as [was that] case, a plaintiff's asserted injury arises from the government's allegedly unlawful regulation (or lack of regulation) of *someone else*.” In such case, “much more is needed.” *Lujan*, 504 U.S. at 561-62 (emphasis in original).

That harder case is not present when a “dissatisfied” petitioner in an IPR appeals an adverse final written decision (see 35 U.S.C. § 319), even if such a petitioner did not have a judicially cognizable injury absent the AIA providing the petitioner the right to file an IPR. Such a petitioner, as the object of the statute, is seeking relief personal to the petition (i.e., the

denial of its petition), and suffers the harm defined by Congress (i.e., being dissatisfied). Because there must be a “final written decision” to define the issues, the concreteness requirements are also met.

The Supreme Court in *Lujan* determined that respondents, Defenders of Wildlife and other organizations dedicated to wildlife conservation, lacked standing to challenge geographic scope of an amendment to a regulation. 504 U.S. 555 (1992). The decision was based on the fact that the respondents did not demonstrate that they, themselves, would be directly impacted by the rule. *See id.* at 562-67. The Court explained that standing is more difficult to show when third parties, rather than the respondents, are the object of the government action or inaction to which respondents object. *Id.* at 562. Unlike a petitioner in an IPR, Defenders of Wildlife did not have statutorily defined right and harm to petition the government and challenge a denial of such petition.

Another example of a harder case is *Sierra Club v. Morton*, where the Supreme Court rejected a lawsuit by the Sierra Club seeking to block the development of a ski resort at Mineral King Valley because the club had not alleged any injury. 405 U.S. 727, 92 S. Ct. 1361, 31 L. Ed. 2d 636 (1972). The Sierra Club brought suit seeking a declaratory judgment that the development contravened federal laws for the preservation of national forests, and relied upon the judicial-review provisions of the Administrative Procedure Act, 5 U.S.C. § 701, for standing. However, the Sierra Club failed to allege that the development would affect it, or its members, activities or pastimes, nor did the Club state that its members use Mineral King for any purpose. *Id.* at 735. Thus, the Court ruled that, because injury in fact requires more than an injury to a cognizable interest and requires the party seeking review be himself among the injured, the Sierra Club lacked standing. *Id.* at 734-35. Again, unlike a petitioner in an IPR, Sierra Club did not have statutorily defined right and harm to petition the government and challenge a denial of such petition.

Thus, in stark contrast to IPRs, where the petitioner and the patent owner are the objects of the government action or inaction, neither the Defenders of the Wildlife (in *Lujan*) nor the Sierra Club (in *Morton*) were the objects of the government action or inaction. However, the Supreme Court recognized that even in these harder cases, when the plaintiff is not itself the object of the government action or inaction it challenges, standing is not precluded, but it is “substantially more difficult” to establish. *Lujan*, 504 U.S. at 562. Distinguishing from *Sierra Club* and *Lujan* above, a dissatisfied petitioner in an IPR that is denied its right to appeal is the object of the government inaction. Thus, there should be “little question that the action or inaction has caused him injury,” and Article III standing should be established. *See id.* at 561.

Part III: Federal Circuit’s Developing Law on Standing to Appeal Adverse PTO and PTAB Decisions

The issue of standing to appeal from a post-issuance PTO proceeding has been addressed by the Federal Circuit in a number of cases starting with *Consumer Watchdog v. Wisconsin Alumni Research Foundation*, 753 F.3d 1258 (Fed. Cir. 2014). In these cases, the Federal Circuit has narrowed the scope of who has standing to appeal to the Federal Circuit from the PTO decisions.

In *Consumer Watchdog*, the Federal Circuit dismissed Consumer Watchdog’s appeal of the PTAB’s decision in affirming the patentability of claims of a patent it had challenged in an *inter partes* reexamination, holding that Consumer Watchdog failed to establish an injury in fact necessary for Article III standing. *Id.* at 1263. Specifically, the Court concluded that the only injury alleged by Consumer Watchdog was “the Board denying [it] the particular outcome it desired in the reexamination,” which was insufficient to confer standing. *Id.* at 1261.

Acknowledging Congress’s ability to create legal rights through statute, the Court nevertheless concluded that “the Board’s disagreement with Consumer Watchdog did not invade any legal right to conferred by the *inter partes*

reexamination statute.” *Id.* at 1262. Rather, the Court explained, the statute allowed a third party to request reexamination, and where the request was granted, provided a right to participate, but it did not guarantee a favorable outcome for the requester. *Id.* This analysis misses the point. Once Congress granted the statutory right to petition for a relief from the government, the denial of that relief gives right to challenge the propriety of such denial. This is particularly the case since Congress explicitly granted a third party petitioner more than the right to participate at the patent office, but also the right “to appeal ... with respect to any final decision favorable to patentability of any original or proposed amended or new claims of the patent.” 35 U.S.C. §315(b)(1).

Consumer Watchdog’s argument analogizing the *inter partes* reexamination statute to the Freedom of Information Act (“FOIA”) and the Federal Election Campaign Act (“FECA”) was rejected by the Federal Circuit. *Id.* According to the Federal Circuit, both FOIA and FECA created substantive legal rights to access to certain government records that, if denied, would lead to a concrete and particularized injury-in-fact. *Id.* Here, the Court explained, Consumer Watchdog was not denied anything to which it was entitled since it was permitted to request reexamination and to participate once the PTO granted its request. *Id.* ***This distinction simply makes no sense. A petition to cancel a public franchise is no less a substantive legal right than a petition to get information. The denial of each of these petitions have been defined by Congress to be an injury-in-fact and should give rise to standing under the statute and Article III in view of statute.***

The Federal Circuit also held that the procedural right under (pre-AIA) 35 U.S.C. § 315(b)(1), which allowed a third-party requester to appeal a Board’s decision favorable to patentability, purportedly did not eliminate the requirement of Article III of the U.S. Constitution that Consumer Watchdog have a particularized, concrete stake in the outcome of the reexamination. This analysis fails to realize that, notwithstanding Article III of the U.S. Constitution, “Congress may create a statutory right or entitlement the alleged

deprivation of which can confer standing to sue even where the plaintiff would have suffered no judicially cognizable injury in the absence of statute.” *Warth*, 422 U.S. at 514; *see also, e.g., Linda R.S.*, 410 U.S. at 617 n.3; *Lujan*, 504 U.S. at 561-62; *Spokeo*, 136 S. Ct. at 1549, 1553. The legislative choice to allow for appeals when a requester was denied relief in the form of the patent office issuing a “final decision favorable to patentability of any original or proposed amended or new claim of the patent,” was enough under Supreme Court precedent to meet the Article III floor for injury in fact.

In *Phigenix, Inc. v. ImmunoGen, Inc.*, the Federal Circuit expanded its holding in *Consumer Watchdog* to apply not only to the previous pre-AIA *inter partes* reexamination proceedings, but also to *inter partes* review under AIA too. 845 F.3d 1168 (Fed. Cir. 2017). In particular, the Court in *Phigenix* dismissed *Phigenix*’s appeal of the PTAB’s final written decision for lack of standing, finding that it failed to establish it had suffered an injury-in-fact. *Id.* at 1170. *Phigenix* did not contend that it faced the risk of infringing the challenged patent. *Id.* at 1174. Instead, *Phigenix*’s principal argument for standing was that it had suffered “actual economic injury” because the mere existence of the challenged patent increased competition and hindered their efforts to license its own patent directed to a similar technology. *Id.* However, the Court found that *Phigenix*’s declaration submitted in favor of its alleged economic injury only provided conclusory statements and, therefore, was insufficient to demonstrate injury in fact. *Id.*

Phigenix also argued that it suffered an injury in fact because 35 U.S.C. § 141(c) “provides a statutory basis for appeal.” *Id.* at 1175. However, the Court concluded that *Phigenix* cannot base its injury in fact upon a violation of § 141(c), because it had been permitted to file its appeal, and the exercise of its right to appeal did not establish that it possessed Article III standing. *Id.* at 1175. This analysis is incorrect as it does not recognize the Supreme Court precedent that the denial of statutorily created legal rights creates standing, even though no injury would exist without the statute. *See Linda R.S.*, 410 U.S. at

617 n.3; *see also, e.g., Warth v. Seldin*, 422 U.S. at 514; *Lujan*, 504 U.S. at 561-62.

Moreover, since 141(a) and 319, include a congressional defined injury of the petitioner being “dissatisfied,” this additional element to the statute would further support a “dissatisfied” petitioner’s right to appeal an adverse final written decision with respect to its own petition to the PTAB. This harm is further amplified since Congress included estoppel provisions which would impact the petitioner, as well as any real party in interest, down the road if ever accused of infringement. *See* 35 U.S.C. § 315(e).

More recently, in *RPX v. Chanbond*, the Federal Circuit summarized its analysis in a nonprecedential decision as follows:

As to a right to compel cancellation of claims on un-patentable inventions, this issue was settled in *Consumer Watchdog v. Wisconsin Alumni Research Foundation*, 753 F.3d 1258 (Fed. Cir. 2014). While that case dealt with the statutes governing inter partes reexamination proceedings, the reasoning applies equally to the relevant statutes governing IPR proceedings. *See also Phigenix*, 845 F.3d at 1175–76 (applying the reasoning of *Consumer Watchdog* in concluding that the IPR estoppel provision does not constitute an injury in fact). “The statute at issue here allowed any third party to request [review], and, where granted, allowed the third party to participate.” *Consumer Watchdog*, 753 F.3d at 1262. “The statute did not guarantee a particular outcome favorable to the requestor.” *Id.* RPX “was permitted to request [review] and participate once the PTO granted its request. ***That is all the statute requires.***” *Id.*

No. 2017-2346, Order on Motion at 4 (Fed. Cir. Jan. 17, 2018) (nonprecedential) (emphasis added).

However, as the Supreme Court recognized in *Oil States*, Congress gave RPX as a petitioner and a

party to the IPR proceeding more than merely the right “to request [review] and participate once the PTO granted its request.” Rather, “[a] party dissatisfied with the Board’s decision [RPX in this instance as Petitioner] can seek judicial review in the Court of Appeals for the Federal Circuit. §319. Any party to the inter partes review can be a party in the Federal Circuit. *Ibid.*” *Oil States*, slip op. at 4.

Thus, the entire analysis by the Federal Circuit is based on an improper reading of the Patent Act, and the rights granted by Congress to RPX as a petitioner in an IPR proceeding under the AIA.

The Federal Circuit has softened the edges of its standing jurisprudence in other cases where the petitioner did not argue its basis for standing was the government’s denial of its right to seek specific relief.

For example, in *Personal Audio, LLC v. Electronic Frontier Foundation*, the Federal Circuit addressed the question of whether the original IPR requester, Electronic Frontier Foundation (“EFF”), had standing to participate as a party on Personal Audio’s appeal of the PTAB’s decision to invalidate its patents. 867 F.3d 1246 (Fed. Cir. 2017). The problem was that EFF was not threatened by the challenged patent and instead filed the IPR petition on behalf of the public interest. Thus, EFF did not appear to meet the “case or controversy” standard required by Article III under the Federal Circuit’s holding in *Consumer Watchdog*.

The Federal Circuit distinguished this case from *Consumer Watchdog*, where the court held that a non-profit organization representing the public interest did not have standing to appeal to the Federal Circuit from the PTAB decision that sustained the validity of the patent *Consumer Watchdog* had challenged. *Id.* at 1249. Here, the party invoking judicial review was Personal Audio, not EFF. *Id.* Personal Audio clearly had standing based on the cancellation of its patent claims by the PTAB. *Id.* Therefore, the Federal Circuit held that “with Article III satisfied as to the appellant, EFF is not constitutionally excluded from appearing in court to defend the PTAB decision in its favor.” *Id.*

Most recently, in *Altaire Pharmaceuticals, Inc. v. Paragon Biotech, Inc.*, the Federal Circuit found that the petitioner had Article III standing to appeal the PTAB's decision because litigation was inevitable. No. 2017-1487, 2018 U.S. App. LEXIS 12358 (Fed. Cir. May 2, 2018). Altaire appealed the PTAB's decision following post-grant review finding that Altaire failed to prove the unpatentability of the asserted claims as obvious. *Id.* at *1-2.

On appeal, the Federal Circuit first addressed Altaire's standing to appeal the PTAB's decision. Paragon argued that Altaire lacked standing because Altaire was not currently engaging in infringing activities and the fear of future harm was based on harm that was speculative and contingent. *Id.* at * 9-10. However, the Court held that Altaire had demonstrated injury in fact. Altaire had sufficiently established imminent harm. *Id.* at *12. Because Altaire intends to file an ANDA for the product once the parties' agreement terminates, and because Paragon is actively seeking a declaratory judgment that it can terminate the agreement early, injury to Altaire is inevitable. *Id.* at *13-14. Although in the future, the threat of an infringement lawsuit is an injury that is "real and imminent." *Id.* at *14.

Altaire had also sufficiently shown a concrete, particularized injury by demonstrating that the existence of the patent is an obstacle to Altaire's plans to file and receive an ANDA for its products. *Id.* at *15. Further, the estoppel that would attach from Altaire's participation in the post-grant review process further demonstrated concrete, particularized injury. *Id.*

The Federal Circuit argued that *Altaire* significantly differed from *Consumer Watchdog* and *Phigenix* in that Altaire's injury was imminent. The appellant in *Consumer Watchdog* "only alleged a general grievance concerning" the challenged patent, and the appellant in *Phigenix* only alleged its aspirations of licensing its patent portfolio and had no plans to take any action that would infringe the challenged patent. *Id.* at *16.

The distinctions drawn in these cases further emphasize the illogical basis upon which the

Federal Circuit improperly asserts that an unsuccessful petitioner to the PTAB could somehow lack standing in an appeal from an IPR. Consistent with the Congressional mandate, any party to an IPR proceeding that is "dissatisfied" with a final written decision should be able to appeal and participate in such appeal.

Despite these other decisions softening the edges, the fact that the Federal Circuit has started to issue nonprecedential decisions like *RPX* perpetuating its improper analysis reflects the fact that further debate at the Federal Circuit has ceased, and it is time for the Supreme Court to address the issue, as was the case in *Oil States*.

Part IV: The Correct Analysis

At its roots, the Federal Circuit's analysis fails to recognize that this is the easy case which should "ordinarily [raise] little question" to establish constitutional standing.

Congress created a statutory right for any person other than the patent owner to petition the government (via the PTAB) to institute an inter partes review and seek a specific relief in the form of invalidation and cancellation of the claims challenged in the petition. 35 U.S.C. §311(a) ("Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute an inter partes review of the patent."). See also *Oil States*, slip op. at 4 ("Any person other than the patent owner can file a petition for inter partes review.").

If instituted, the petitioner is entitled to participate in the proceeding with "at least 1 opportunity to file written comments," usually in the form of a Reply Brief. See 35 U.S.C. § 316(a)(13) ("providing the petitioner with at least 1 opportunity to file written comments within a time period established by the Director"); see also 37 C.F.R. § 42.23.

The petitioner also has a right to participate in an oral hearing. 35 U.S.C. § 316(a)(10) ("providing either party with the right to an oral hearing as part of the proceeding"); see also 37 C.F.R. § 42.70.

As the Supreme Court explained in *SAS*, “[i]f an inter partes review is instituted and not dismissed,” at the end of the trial the Board “shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” *SAS*, slip op. at 3 (quoting 35 U.S.C. § 318(a)).

The personal nature of the requested relief was emphasized by the Supreme Court in *SAS*:

So when §318(a) says the Board’s final written decision “shall” resolve the patentability of “any patent claim challenged by the petitioner,” it means the Board must address every claim ***the petitioner has challenged***.

In all these ways, the statute tells us that ***the petitioner’s contentions***, not the Director’s discretion, define the scope of the litigation all the way from institution through to conclusion.

SAS, slip op. at 5, 9 (emphasis added).

Thus, the Petitioner defines the scope of the proceeding, and identifies the contentions which must be addressed by the PTAB in its final written decision, if a proceeding is instituted and not settled.

Any person not a patent owner can be a petitioner, and as the Supreme Court recognized in *Cuozzo*, “[p]arties that initiate the proceeding need not have a concrete stake in the outcome; indeed, they may lack constitutional standing. *See* § 311(a); *cf. Consumer Watchdog v. Wisconsin, Alumni Research Foundation*, 753 F.3d 1258, 1261-1262 (C.A.Fed.2014).” *Cuozzo*, 136 S. Ct. at 2143-44. Of course, however, for purposes of determining standing under Article III, the Congressional grant of the substantive right to petition for a relief under the AIA is enough to confer standing to appeal an adverse decision denying such a relief, even if the petitioner “would have suffered no judicially cognizable injury in absence of the statute.” *Warth*, 422 U.S. at 514; *see also Linda R.S.*, 410 U.S. at 617 n.3.

The AIA goes one step further in that Congress explicitly provided that any party which suffers the injury of being “dissatisfied” with the Board’s decision, may appeal to the Federal Circuit, and further provides that any party at the PTAB can participate on appeal. 35 U.S.C. § 319. The Supreme Court recognized this broad Congressional grant in *Oil States*:

A party dissatisfied with the Board’s decision can seek judicial review in the Court of Appeals for the Federal Circuit. §319. Any party to the inter partes review can be a party in the Federal Circuit. *Ibid*.

Oil States, slip op. at 4.

The AIA further provides as an additional injury to an unsuccessful petitioner, that an estoppel will attach with the adverse final written decision. 35 U.S.C. § 315(e). If an appeal is not timely made under the statute, this estoppel may not be reversed down the road if such a petitioner is ever accused of infringement during the twenty-year life of a patent. *See* 35 U.S.C. § 142; 37 C.F.R. § 90.3(a)(1) and (b)(1).

Justice Gorsuch’s comparison of the IPR statute with the *ex parte* reexamination statute in *SAS* is illuminating. Congress provided in the *ex parte* reexamination statute that only the patent owner involved in a reexamination proceeding can seek judicial review by the Federal Circuit. *See* 35 U.S.C. § 306. If Congress had wanted to confer standing to only limited types of parties to IPR proceedings, “it knew exactly how to do so--it could have simply borrowed from the statute next door.” *SAS*, 138 S. Ct. at 1355. The fact is that it did not and instead explicitly provided in the IPR statute that “[a]ny party to the inter partes review shall have the right to be a party to the appeal [in the Federal Circuit],” 35 U.S.C. § 319. As Justice Gorsuch cautioned in *SAS*, “Congress’s choice to depart from the model of a closely related statute is a choice neither [the Court] nor the agency may disregard.” *SAS*, 138 S. Ct. at 1355.

Congressional grant of the right not only to petition the government for a relief, irrespective

of whether there is a judicially cognizable injury in the absence of the statute, but also to bring an appeal when that party suffers the intangible harm of being “dissatisfied” with the government’s decision is an example of the simple case that *Lujan* recognized should “ordinarily” present “little question” that a petitioner who did not receive requested relief has been injured. 504 U.S. at 561-62. The fact that an estoppel further is attached (35 U.S.C. § 315(e)) which cannot be later challenged only emphasizes that a real injury in fact has occurred.

A petitioner in an IPR is an “object of the action or inaction at issue” in an appeal from the PTAB’s denial of the relief requested by a petitioner in its IPR petition. By definition, since it is the petitioner’s petition to invalidate one or more claims of a patent franchise that has been denied in a final written decision by the PTAB, concerns about “particularization” are easily met.

Further, a petitioner, which is the object of the action or inaction, has suffered not only a particularized injury (for having its requested relief denied), but also a concrete one as defined by the Congressionally mandated harm of the PTAB issuing a purportedly improper Final Written Decision to which the petitioner was “dissatisfied.” 35 U.S.C § 319; *see Spokeo*, 136 S. Ct. at 1549, 1553.

Thus, as the Supreme Court recognized was within its authority, Congress has created a statutory right to petition the government to take a second look at previously issued patent franchise in an IPR proceeding, the alleged deprivation of which confers standing upon the petitioner to appeal the government’s decision to the Federal Circuit, “even where the [petitioner] would have suffered no judicially cognizable injury in the absence of the statute.” *See, e.g., Warth*, 422 U.S. at 514 (“Congress may create a statutory right or entitlement the alleged deprivation of which can confer standing to sue even where the plaintiff would have suffered no judicially cognizable injury in the absence of statute.”); *Linda R.S.*, 410 U.S. at 617 n.3 (“Congress may enact statutes creating legal rights, the invasion of which creates standing,

even though no injury would exist without the statute.”).

Further, since Congress defined a legislative injury of “dissatisfaction” from an adverse “final written decision,” concerns about “concreteness” are also easily met. Since the appeal must address a final written decision, there is nothing hypothetical about these cases.

Moreover, upon issuance of the PTAB’s adverse final written decision, a petitioner also suffers an actual or imminent, not conjectural or hypothetical, invasion of its legally protected interest because it would be estopped from requesting or maintaining a proceeding (e.g., seeking another IPR or an reexamination) before the Patent Office or asserting invalidity in a federal district court action or an ITC proceeding based on any grounds that were, or reasonably could have been raised during the IPR. *See* 35 U.S.C. § 315(e); *Lujan*, 504 U.S. at 560. If not allowed an opportunity to timely appeal this adverse final written decision as Congress authorized, such a petitioner will be estopped down the road during the 20-year life the patent (and potentially related patents) from undoing the wrong that was alleged to have occurred without any judicial oversight.

Likewise, an appeal from a final written decision denying the petitioner relief requested in its petition will no doubt, if successful, result in “a judgment preventing or requiring action that will redress it.” *Cf. Lujan*, 504 U.S. at 561-62 (“When the suit is one challenging the legality of government action or inaction, the nature and extent of facts that must be averred (at the summary judgment stage) or proved (at the trial stage) in order to establish standing depends considerably upon *whether the plaintiff is himself an object of the action (or forgone action) at issue*. If he is, *there is ordinarily little question that the action or inaction has caused him injury, and that a judgment preventing or requiring the action will redress it.*” (emphasis added)).

The harder issues that *Lujan* and *Spokeo* addressed are simply not present in an appeal by a losing petitioner from an adverse final written

decision, irrespective of whether that petitioner is currently the subject of a risk of patent infringement.

Like a FOIA petitioner who is entitled to challenge in Court whether the government gave it the information requested, a petitioner in an IPR is entitled to challenge on appeal to the Federal Circuit whether the PTAB gave it the relief it requested. *Cf., e.g., Department of Justice v. Reporters Comm. for Freedom of Press*, 489 U.S. 749 (1989); *Department of Justice v. Julian*, 486 U.S. 1 (1988); *United States v. Weber Aircraft Corp.*, 465 U.S. 792 (1984); *FBI v. Abramson*, 456 U.S. 615 (1982); *Department of Air Force v. Rose*, 425 U.S. 352 (1976). *See also Public Citizen v. U.S. Dep't of Just.*, 491 U.S. 440, 449-450 (“Our decisions interpreting the Freedom of Information Act have never suggested that those requesting information under it need show more than that they sought and were denied specific agency records.”).

The Federal Circuit’s rulings in *Consumer Watchdog*, *Phigenix*, and *RPX* that the petitioners lacked standing to appeal an adverse final written decision in an IPR are incorrect. The Court rejected the arguments that petitioners met the Article III requirement of injury in fact based on the denial of their statutory right to appeal a final written decision favorable to patentability. *See Consumer Watchdog*, 753 F.3d 1258; *Phigenix, Inc.*, 845 F.3d 1168; *RPX v. Chanbond*, No. 2017-2346, Order on Motion at 4 (Fed. Cir. Jan. 17, 2018).

In contrast, the Supreme Court held in *Linda R.S. v. Richard D.* that Congress may enact statutes creating legal rights, the invasion of which creates standing, even though no injury would exist without the statute. 410 U.S. 614 (1973). In addition, the Court similarly held in *Warth v. Seldin* that Congress may create a statutory right, which if denied, can confer Article III standing to sue, even where the plaintiff would have suffered no judicially cognizable injury in the absence of the statute. 422 U.S. 490 (1975). In accordance with these Supreme Court precedents, the D.C. Circuit ruled in *Zivotofsky v. Secretary of State* that when Congress creates a statutory right, the deprivation of this right is enough to satisfy

Article III standing. 444 F.3d 614 (D.C. Cir. 2006) (Appellant had standing under Article III because the individual right to have “Israel” listed as his place of birth on his passport, conferred to him by Congress, was violated). Thus, the Federal Circuit decisions are not only contrary to Supreme Court precedent, but create a Circuit split over the meaning of such precedent.

The more recent Supreme Court precedent, including *Lujan* and *Spokeo*, continue to endorse the continuing vitality of *Warth* on this point of law. *See Spokeo*, 135 S. Ct. 1540; *Lujan*, 504 U.S. at 561-62.

The Federal Circuit failed to recognize *Consumer Watchdog*, *Phigenix*, and *RPX* as easy cases to determine constitutional standing, and was wrong in dismissing appeals, authorized by statute, of an unsuccessful and dissatisfied petitioner for lack of standing on the grounds that it had not sufficiently alleged an injury-in-fact. The unsuccessful petitioner in an IPR proceeding, as the object of the statute, has suffered a particularized and concrete injury in fact. The harm is particularized because the petitioner is the one whose petition was denied. It is also concrete in that the petitioner suffered in the intangible harm of being “dissatisfied” as defined by Congress in Section 319. The unsuccessful petitioner has also suffered an actual or imminent, not conjectural or hypothetical, harm based on estoppel triggered upon issuance of the adverse final written decision. Thus, an unsuccessful petitioner meets the requirements of Article III standing, even if the petitioner would not have suffered an injury in the absence of the statute.

Conclusion

In the AIA, Congress gave any person other than the patent owner the substantive right to petition the government to take a second look at a previously issued patent franchise in an IPR proceeding. 35 U.S.C. § 311(a); *see also Oil States*, slip op. at 2. Congress further expressly provided that a party dissatisfied with the Board's decision in such a proceeding can seek judicial review by the Federal Circuit and be a party in such an appeal. 35 U.S.C. § 319; *see also Oil States*, slip op. at 4.

Thus, Congress created a statutory right (the right to file a petition and if instituted obtain a proper final written decision), which if deprived confers standing on the petitioner, even if the petitioner "would have suffered no judicially cognizable injury in absence of the statute." *Warth*, 422 U.S. at 514; *see also Linda R.S.*, 410 U.S. at 617 n.3. The Federal Circuit's holdings in *Consumer Watchdog*, *Phegnix* and *RPX* to the contrary are wrong and should be reversed.

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 **Patent Quality Initiative**

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James Howard is Associate General Counsel of Askeladden L.L.C., where he supports all of Askeladden's Patent Quality Initiative efforts, and Vice President

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Relevant Statutes

Appeals Generally from PTO to Federal Circuit

35 U.S.C. 134

(a) **Patent Applicant.**—An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

(b) **Patent Owner.**—A patent owner in a reexamination may appeal from the final rejection of any claim by the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

35 U.S.C. § 141

(a) **Examinations.**—An applicant who is dissatisfied with the final decision in an appeal to the Patent Trial and Appeal Board under section 134(a) may appeal the Board's decision to the United States Court of Appeals for the Federal Circuit. By filing such an appeal, the applicant waives his or her right to proceed under section 145.

(b) **Reexaminations.**— A patent owner who is dissatisfied with the final decision in an appeal of a reexamination to the Patent Trial and Appeal Board under section 134(b) may appeal the Board's decision only to the United States Court of Appeals for the Federal Circuit.

(c) **Post-Grant and Inter Partes Reviews.**—A party to an inter partes review or a post-grant review who is dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) or 328(a) (as the case may be) may appeal

the Board's decision only to the United States Court of Appeals for the Federal Circuit.

(d) **Derivation Proceedings.**—A party to a derivation proceeding who is dissatisfied with the final decision of the Patent Trial and Appeal Board in the proceeding may appeal the decision to the United States Court of Appeals for the Federal Circuit, but such appeal shall be dismissed if any adverse party to such derivation proceeding, within 20 days after the appellant has filed notice of appeal in accordance with section 142, files notice with the Director that the party elects to have all further proceedings conducted as provided in section 146. If the appellant does not, within 30 days after the filing of such notice by the adverse party, file a civil action under section 146, the Board's decision shall govern the further proceedings in the case.

Ex parte reexamination

35 U.S.C. § 134(b)

A patent owner in a reexamination may appeal from the final rejection of any claim by the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

35 U.S.C. § 302

Any person at any time may file a request for reexamination by the Office of any claim of a patent on the basis of any prior art cited under the provisions of section 301.

35 U.S.C. § 306

The patent owner involved in a reexamination proceeding under this chapter may appeal under the provisions of section 134, and may seek court review under the

provisions of sections 141 to 144, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent.

Reissue

35 U.S.C. § 251(a)

Whenever any patent is, through error, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Director shall, on the surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent. No new matter shall be introduced into the application for reissue.

35 U.S.C. §251(c)

The provisions of this title relating to applications for patent shall be applicable to applications for reissue of a patent, except that application for reissue may be made and sworn to by the assignee of the entire interest if the application does not seek to enlarge the scope of the claims of the original patent or the application for the original patent was filed by the assignee of the entire interest.

Inter partes review

35 U.S.C. § 311(a)

Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute an inter partes review of the patent.

The Director shall establish, by regulation, fees to be paid by the person requesting the review, in such amounts as

the Director determines to be reasonable, considering the aggregate costs of the review.

35 U.S.C. § 315(e)

(1) The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

(2) The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

35 U.S.C. § 319

A party dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) may appeal the decision pursuant to sections 141 through 144. Any party to the inter partes review shall have the right to be a party to the appeal.

Post grant review

35 U.S.C. § 321(a)

Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute a post-grant review of the patent.

The Director shall establish, by regulation, fees to be paid by the person requesting the

review, in such amounts as the Director determines to be reasonable, considering the aggregate costs of the post-grant review.

35 U.S.C. § 325(e)

(1) The petitioner in a post-grant review of a claim in a patent under this chapter that results in a final written decision under section 328(a), or the real party in interest or privy of the petitioner, may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that post-grant review.

(2) The petitioner in a post-grant review of a claim in a patent under this chapter that results in a final written decision under section 328(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that post-grant review.

35 U.S.C. § 329

A party dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 328(a) may appeal the decision pursuant to sections 141 through 144. Any party to the post-grant review shall have the right to be a party to the appeal.

Covered Business Method review

AIA § 18(a)(1)

Not later than the date that is 1 year after the date of the enactment of this Act, the Director shall issue regulations establishing and implementing a transitional post-grant review proceeding for review of the validity of covered business method patents. The

transitional proceeding implemented pursuant to this subsection shall be regarded as, and shall employ the standards and procedures of, a post-grant review under chapter 32 of title 35, United States Code, subject to the following:

(B) A person may not file a petition for a transitional proceeding with respect to a covered business method patent unless the person or the person's real party in interest or privy has been sued for infringement of the patent or has been charged with infringement under that patent.

(D) The petitioner in a transitional proceeding that results in a final written decision under Section 328(a) of title 35, United States Code, with respect to a claim in a covered business method patent, or the petitioner's real party in interest, may not assert, either in a civil action arising in whole or in part under section 1338 of title 28, United States Code, or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 (19 U.S.C. 1337), that the claim is invalid on any ground that the petitioner raised during that transitional proceeding.

35 U.S.C. § 329

A party dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 328(a) may appeal the decision pursuant to sections 141 through 144. Any party to the post-grant review shall have the right to be a party to the appeal.

Supplemental examination

35 U.S.C. § 257(a)

A patent owner may request supplemental examination of a patent in the Office to consider, reconsider, or correct information believed to be relevant to the patent, in accordance with such requirements as the Director may establish. Within 3 months after the date a request for supplemental

examination meeting the requirements of this section is received, the Director shall conduct the supplemental examination and shall conclude such examination by issuing a certificate indicating whether the information presented in the request raises a substantial new question of patentability.

35 U.S.C. § 257(b)

If the certificate issued under subsection (a) indicates that a substantial new question of patentability is raised by 1 or more items of information in the request, the Director shall order reexamination of the patent. The reexamination shall be conducted according to procedures established by chapter 30, except that the patent owner shall not have the right to file a statement pursuant to section 304. During the reexamination, the Director shall address each substantial new question of patentability identified during the supplemental examination, notwithstanding the limitations in chapter 30 relating to patents and printed publication or any other provision of such chapter.

35 U.S.C. § 306

The patent owner involved in a reexamination proceeding under this chapter may appeal under the provisions of section 134, and may seek court review under the provisions of sections 141 to 144, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent.