WINSTON & STRAWN LLP

CLIENT ALERT

The PTAB's Retroactive Application of IPR Proceedings to Pre-AIA Patents Is Not an Unconstitutional Taking Under the Fifth Amendment

JULY 31, 2019

Celgene Corporation v. Peter, Nos. 2018-1167, 2018-1168, and 2018-1169 (Fed. Cir. Jul. 30, 2019)
The Patent Trial and Appeal Board (PTAB) invalidated numerous claims of two pharmaceutical patents as obvious over certain prior art. The patentee appealed, arguing that the PTAB erred in finding the claims obvious, and also that retroactive application of *inter partes* reviews (IPRs) to patents filed before September 16, 2012 (i.e., before the relevant provisions of the America Invents Act went into effect) constitutes an unconstitutional taking.

The Federal Circuit held that the retroactive application of IPR proceedings to pre-AIA patents is not an unconstitutional taking under the Fifth Amendment. The Federal Circuit reasoned that IPRs do not differ substantively or procedurally enough from pre-AIA review mechanisms to effectuate a taking. The Federal Circuit likened IPRs to a "legislative modification to the PTO's longstanding reconsideration procedures."
IPRs *review* patents on the same substantive grounds (anticipation and obviousness) based on the same categories of prior art as ex parte and *inter partes* reexaminations, with the same preponderance of the evidence standard of proof. Similarly, the same "broadest reasonable interpretation" standard for claim construction has been used, though that standard has since aligned with the district court standard, which is more favorable to patent owners. Therefore, the Federal Circuit held that any minor procedural differences with pre-AIA review mechanisms "do not disrupt the expectation that patent owners have had for nearly four decades—that patents are open to PTO reconsideration and possible cancelation if it is determined, on the grounds specified in § 311(b), that the patents should not have issued in the first place."
A copy of the opinion can be found here

1 Min Read

Author

Joseph C. Masullo

Related Locations

Charlotte | Chicago | Los Angeles | Silicon Valley | Washington, DC

Related Topics

Patent Trial and Appeal Board (PTAB) | Inter Partes Review (IPR)

Related Capabilities

Intellectual Property | Patent Litigation | Medical Devices

Related Regions

North America

Related Professionals

David Enzminger

Ivan Poullaos

Joseph C. Masullo

Mike Rueckheim

Danielle Williams