

Forum-Selection Clause Precluded Filing of IPR Petitions

MARCH 7, 2022

Nippon Shinyaku Co., Ltd. v. Sarepta Therapeutics, Inc., No. 2021-2369 (Fed. Cir. Feb. 8, 2022)

This case involves the application of a forum-selection clause to administrative proceedings. The parties agreed in an NDA not to sue each other for a certain period of time, and that any “potential action” filed in the two years afterward must be brought in the District of Delaware. When the covenant not to sue expired, the alleged infringer filed seven IPR petitions and the patentee responded by suing for infringement and breach of contract. The patentee then moved to enjoin the IPRs for violating the forum-selection clause, which the district court denied.

The Federal Circuit reversed and remanded for entry of a preliminary injunction. It rejected the district court’s determination that the clause only applied to district court proceedings. The forum-selection clause required that all “potential actions” during the two-year window be brought in the District of Delaware. “Potential actions” was defined to include administrative proceedings, so it precluded the IPRs. This did not create a tension between the forum-selection clause and the separate covenant not to sue because they covered separate time periods. The inclusion of provisions that were inapplicable to IPRs similarly did not limit the forum-selection clause, as those provisions would merely take effect after a district court action was filed. Lastly, the practical result that the IPRs would be time-barred under 35 U.S.C. 315(b) was immaterial, since parties can bargain away IPR rights. The time-bar under Section 315(b) also depended on a later event—the patentee’s infringement suit—and was therefore irrelevant to the parties’ intent when the contract was entered.

1 Min Read

Related Locations

Charlotte

Chicago

Houston

Los Angeles

Silicon Valley

Washington, DC

Related Topics

Inter Partes Review (IPR)

Patent

Injunction

Related Capabilities

Patent Litigation

Intellectual Property

Related Professionals



David Enzminger



Kelly C. Hunsaker



Brian E. Ferguson



Ivan Poullaos



Mike Rueckheim



Danielle Williams