

Maintaining Post-Grant Review Estoppel in the America Invents Act: A Call for Legislative Restraint¹

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Abstract

The Leahy-Smith America Invents Act (“AIA”) created a new “post-grant review” procedure within the U.S. Patent & Trademark Office (“USPTO”) allowing a petitioner to challenge the validity of one or more claims of an issued U.S. patent in an adversarial review proceeding before the expert agency, as an efficient, low-cost alternative to district court litigation. To ensure that the petitioner does not abuse this procedure by withholding evidence from the USPTO to raise in a later litigation, the AIA contains an important “estoppel” provision that precludes the petitioner, its real party in interest, or privy from later challenging the same patent claim, either in the USPTO or in civil litigation, on any ground that the petitioner raised or “reasonably could have raised” during the post-grant review. Critics of this provision seek to strike reasonably-could-have-raised estoppel as applied to subsequent civil litigation. This position is mistaken, because limiting the estoppel only to issues actually raised in the post-grant review would encourage petitioner gamesmanship to the detriment of (i) the courts, whose busy dockets will be burdened with more complex and time-consuming validity questions that the petitioner reasonably could and should have raised in the post-grant review, (ii) the USPTO, whose post-grant review decisions will lose their finality with respect to the same petitioner *vis-à-vis* a later court challenge, and (iii) the patent owner, who will be forced to defend the validity of the same patent claim against the same petitioner in piecemeal proceedings rather than in a single forum. Post-grant review estoppel, as originally enacted, should be maintained for these and other reasons discussed in this Article.

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I. Background on Post-Grant Review and Section 325(e) Estoppel

A. *Post-Grant Review in General*

The AIA creates a new administrative trial proceeding within the USPTO, termed “post-grant review.”³ Intended by Congress to be a “quick and cost effective alternative[] to litigation,”⁴ post-grant review allows a third-party petitioner to challenge the validity of one or more claims in an issued U.S. patent on any ground under 35 U.S.C. § 282(b)(2) or (3) (*i.e.*, novelty, obviousness, written description, enablement, indefiniteness, claim broadening).⁵ These are the same invalidity grounds that an accused infringer can assert as a defense in litigation.⁶ A post-grant review must be brought within nine months of the grant of the patent or issuance of a reissue patent.⁷ Once instituted, the post-grant review is conducted before a panel of three administrative patent judges of the USPTO’s Patent Trial and Appeal Board (“Board”). The Board must issue a final written decision with respect to the patentability of any claim challenged by the petitioner within one year of the institution of the post-grant review, which period can be extended by six months for good cause.⁸ Nevertheless, parties may agree to settle the post-grant review before the merits of the proceeding have been decided, in which case the USPTO must terminate the proceeding as to that petitioner.⁹ Post-grant review is only available against patents with an effective filing date on or after March 16, 2013, which are generally those that will be subject to first-inventor-to-file provisions of the AIA.¹⁰

The AIA also phases out *inter partes* reexamination, a USPTO patent revocation

³ Leahy-Smith America Invents Act, Pub. L. No. 112-29, sec. 6(d) (2011).

⁴ H.R. REP. NO. 112-98, pt. 1, at 48 (2011).

⁵ Leahy-Smith America Invents Act, sec. 6(d), § 321(b) (permitting “any ground that could be raised under paragraph (2) or (3) of section 282(b)” of U.S. Code).

⁶ *See* 35 U.S.C. § 282(b) (providing that invalidity under paragraphs (2) and (3) “shall be defenses in any action involving the validity or infringement of a patent”).

⁷ Leahy-Smith America Invents Act, sec. 6(d), § 321(c).

⁸ *Id.*, sec. 6(d), § 326(a)(11).

⁹ *Id.*, sec. 6(d), § 327. Moreover, “[i]f no petitioner remains in the post-grant review, the Office may terminate the post-grant review or proceed to a final written decision under section 328(a).” *Id.* In addition, because estoppel, discuss *infra* notes 20-21, applies only to a final written decision of the Board, a termination pursuant to a settlement would not trigger an estoppel. *See id.* (“If the post-grant review is terminated with respect to a petitioner under this section [§ 327], no estoppel under section 325(e) shall attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner’s institution of that post-grant review.”).

¹⁰ *Id.*, sec. 6(f) (applying “only to patents described in section 3(n)(1)”; *id.* sec. 3(n)(1) (taking effect 18 months after enactment of the AIA).

procedure that has existed since 1999,¹¹ and replaces it with a proceeding similar to post-grant review called “*inter partes* review.”¹² A third-party petitioner may request *inter partes* review of one or more claims in an issued U.S. patent, beginning nine months after the patent issues or reissues, or after the conclusion of any post-grant review, whichever occurs later.¹³ In contrast to post-grant review, however, the grounds for bringing an *inter partes* review are limited to novelty and obviousness under 35 U.S.C. §§ 102 or 103, and only on the basis of prior art consisting of patents or printed publications.¹⁴ As in post-grant review, the Board must complete each *inter partes* review within one year (extendable for good cause by six months).¹⁵ *Inter partes* review becomes available on September 16, 2012, and may be brought against any patent regardless of its filing date.¹⁶

In keeping with Congress’ goal of making both post-grant review and *inter partes* review true “alternatives to litigation” for resolving patent validity disputes,¹⁷ the AIA effectively requires a challenger to elect a single forum to present its invalidity challenge: either the USPTO or civil litigation (i.e., district court and International Trade Commission (“ITC”). Thus, a petitioner is precluded from seeking a post-grant review or *inter partes* review against a patent if the petitioner or its real party in interest previously filed a civil action challenging the validity of a claim of the patent.¹⁸ Likewise, any such civil action filed by the petitioner or real party in interest will automatically be stayed if filed on or after the date the petitioner sought a post-grant review or *inter partes* review.¹⁹ Finally, if the petitioner files and maintains a post-grant review or *inter partes* review that is not ultimately terminated by a settlement agreement, then the Board’s entry of a final written decision in the review will preclude the petitioner, its real party in interest, and privies from later challenging the validity of the same patent claims—either in the USPTO or in civil litigation—on any ground that the petitioner “raised or reasonably could have raised” during the post-grant review or *inter partes* review.²⁰

The latter provision, precluding re-litigation after a final Board decision, is commonly known as “estoppel” and is codified at 35 U.S.C. § 315(e) for *inter partes* review, and § 325(e) for post-grant review. Estoppel for both of these proceedings is

¹¹ American Inventors Protection Act of 1999 (“AIPA”), P.L. 106-113, sec. 4601-4608 (1999).

¹² Leahy-Smith America Invents Act, sec. 6(a).

¹³ *Id.*, sec. 6(a), § 311(c).

¹⁴ *Id.*, sec. 6(a), § 311(b).

¹⁵ *Id.*, sec. 6(a), § 316(a)(11).

¹⁶ *Id.*, sec. 6(c)(2)(A).

¹⁷ H.R. REP. NO. 112-98, pt. 1, at 48 (2011).

¹⁸ Leahy-Smith America Invents Act, sec. 6(a), § 315(a)(1); *id.* sec. 6(d), § 325(a)(1).

¹⁹ *Id.*, sec. 6(a), § 315(a)(2); *id.*, sec. 6(d), § 325(a)(2).

²⁰ *Id.*, sec. 6(a), § 315(e); *id.*, sec. 6(d), § 325(e).

identical, applying to any ground the petitioner “raised or reasonably could have raised.” For example, estoppel for post-grant review in 35 U.S.C. § 325(e) reads:

(e) ESTOPPEL.—

(1) PROCEEDINGS BEFORE THE OFFICE.— 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) CIVIL ACTIONS AND OTHER PROCEEDINGS.— 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.²¹

Thus, if a petitioner elects to challenge a patent claim in a USPTO post-grant review, the petitioner must put forward all of its invalidity contentions in that proceeding, because the final decision in the post-grant review will be dispositive as to all invalidity grounds that were raised or that *reasonably could have been raised* in the post-grant review. This effectively means that when a petitioner elects post-grant review and a final decision is issued with respect to a patent claim, all invalidity challenges to that claim will be resolved with finality as to that petitioner, precluding raising some invalidity grounds in the post-grant review while saving other grounds for use in a civil proceeding.

B. *Pre-AIA Legislative Debate Over Estoppel*

A debate over the appropriate scope of estoppel resulting from USPTO proceedings has been waged since at least 1999, when Congress created *inter partes* reexamination and gave the proceeding an estoppel effect. As the USPTO observed, “Patentees insisted upon, and Congress legislated via the 1999 statute, that a challenger in an *inter partes* proceeding would be bound by its result by way of estoppel, including in subsequent litigation.”²² Congress recognized, therefore, that

²¹ *Id.*, sec. sec. 6(d), § 325(e) (emphases added).

²² U.S. PATENT & TRADEMARK OFFICE, REPORT TO CONGRESS ON INTER PARTES REEXAMINATION 4 (2004), available at <http://www.uspto.gov/web/offices/dcom/olia/reports/reexamreport.pdf> [hereinafter “USPTO Report”].

an estoppel was a necessary element to “prevent harassment” of patent owners by third-party requesters who might otherwise file multiple, serial challenges against the same patent.²³ Formerly codified at 35 U.S.C. § 315(c), *inter partes* reexamination estoppel provided:

CIVIL ACTION.— A third-party requester whose request for an inter partes reexamination results in an order under section 313 is estopped from asserting at a later time, in any civil action arising in whole or in part under section 1338 of title 28, the invalidity of any claim finally determined to be valid and patentable on any ground which the third-party requester raised or *could have raised* during the inter partes reexamination proceedings. This subsection does not prevent the assertion of invalidity based on newly discovered prior art unavailable to the third-party requester and the Patent and Trademark Office at the time of the inter partes reexamination proceedings.²⁴

By its express terms, the *inter partes* reexamination estoppel applied to any invalidity grounds that the requester “raised or could have raised.” (Note the absence of the word “reasonably” in Section 315(c).) In its 5-year report to Congress on the agency’s implementation of *inter partes* reexamination, the USPTO specifically commented that this estoppel provision had engendered uncertainty in that “it is not clear how extensive a prior art search must be in order to avoid the ‘could have been raised’ estoppel or to satisfy the exception that a prior art issue could not have been raised if the prior art was ‘unavailable’ to the third party.”²⁵ The USPTO noted that the statute “leaves open whether prior art that was not discovered in a search performed by the third party will be deemed prior art that was ‘unavailable’ or ‘not known,’ or if the ‘unavailable’ standard only applies to prior art that was not published at the time the inter partes reexamination request was

²³ H.R. REP. NO. 106-287, pt. 1, at 57 (1999) (“To prevent harassment, third-party requesters who participate in a reexamination proceeding are estopped from raising in a subsequent court action or reexamination any issue of patent validity that they raised or could have raised during reexamination.”). See also Wayne B. Paugh, *The Betrayal of Patent Reexamination: An Alternative to Litigation, Not a Supplement*, 19 FED. CIR. B.J. 177, 218 (2009) (tracing the 1999 statute’s could-have-raised estoppel to the 1992 report of the Advisory Commission on Patent Reform, established by Secretary of Commerce Robert Mosbacher, which sought to remedy the shortcomings of *ex parte* reexamination, including its failure “to serve as a ‘true’ alternative to litigation”) (citing THE ADVISORY COMMISSION ON PATENT LAW REFORM, A REPORT TO THE SECRETARY OF COMMERCE 117, 121-22 (1992)).

²⁴ 35 U.S.C. § 315(c). The AIPA also contains an uncodified estoppel that precludes the third-party request from later challenging in a civil action any “fact” determined in the inter partes reexamination, with an exception for any “fact determination later proved to be erroneous based on information unavailable at the time of the inter partes reexamination decision.” AIPA, sec. 4607.

²⁵ USPTO Report, *supra* note 22, at 6.

filed.”²⁶

As early as 2003, the House of Representatives held a hearing on a proposed bill that would have removed the words “or could have raised” from the *inter partes* reexamination estoppel, thereby limiting the estoppel only to grounds actually “raised.”²⁷ Patent owners generally opposed this change. As the American Intellectual Property Owners Association (“AIPLA”)’s representative testified:

The goal of the estoppel provision in section 315(c) is to prevent third-parties from having the proverbial “two bites of the apple;” being able to challenge validity during an *inter partes* reexamination and again during subsequent litigation on the same grounds. It seeks to strike an appropriate balance between the interests of the public and the interests of patentees. . . .

AIPLA believes that the balance struck in the existing section 315(c) is appropriate and opposes the proposed amendment. *We see no justification for a third party, who is aware of information, or who reasonably could have become aware of such information, not to base a reexamination request on all such information.* This balance was struck to ensure that patentees of limited means would not be subject to harassment from serial challenges of a third party requestor based on information that the requestor could have submitted initially, and we believe it is a correct balance.²⁸

The AIPLA further noted that the estoppel provision was likely not the principal reason why, in 2003, relatively few *inter partes* requests had been filed. Indeed, other reasons—such as the availability of *inter partes* reexamination only against patents issuing from applications filed after November 29, 1999, the prohibition that previously existed against third-party participation in any appeal, and the narrow grounds for *inter partes* challenges—were identified as the more likely reasons why few requests had been filed at that time.²⁹ (It should be noted, moreover, that in 2003, there were 21 requests for *inter partes* reexamination. In

²⁶ *Id.*

²⁷ *Patent Quality Improvement: Hearing Judiciary*, 108th Cong., at 7 (2003) [hereinafter “2003 House Hearing”] (prepared statement of Charles Van Horn, Partner, Finnegan, Henderson, Farrabow, Garret & Dunner, on behalf of AIPLA) (commenting on “a draft bill shared with us by the Subcommittee staff,” of which Section 4 would have amended 35 U.S.C. § 315(c) to remove the estoppel effect of an order for reexamination in any later assertion of invalidity arising under 28 U.S.C. 1338 on any grounds a third-party requester ‘could have raised’ in the *inter partes* reexamination proceeding”).

²⁸ *Id.* at 9 (emphasis added).

²⁹ *Id.* at 9-10.

2011, the number was 369.)³⁰

In 2004, the House held a hearing on whether the United States should adopt a post-grant opposition system.³¹ In that context, one witness (for Genentech) advocated for no statutory estoppel.³² Another witness (for Google) advocated for an estoppel only as to issues raised and decided.³³ A third witness (for AIPLA) proposed an estoppel as to any issue of validity “actually raised by an opposer,” with an exception for “any factual evidence that could not have been reasonably discovered or presented.”³⁴

In 2005, H.R. 2795, titled the “Patent Reform Act of 2005,” was introduced in the House. It proposed, among other things, to strike “could have raised” from the *inter partes* reexamination estoppel of 35 U.S.C. § 315(c), and to create a post-grant opposition procedure with an estoppel limited to “any issue of fact or law actually decided by the panel and necessary to the determination of that issue.”³⁵ Both of these proposals were strongly opposed by patentees, including the Wisconsin Alumni Research Foundation (“WARF”). Testifying at a 2005 House hearing on the bill, WARF’s Managing Director, Carl Gulbrandsen, stated:

As presently drafted, the post-grant opposition provision of the Patent Act of 2005, coupled with the removal of the estoppel effect afforded to reexaminations, will result in a university patent owner facing multiple third party patent challenges. *A university could be forced to address the same issues regarding patentability during reexamination, post-grant opposition, and then litigation, all at significant expense.* Such expense can be overly burdensome and force a university patent holder to abandon intellectual property rights rather than fight a protracted battle to secure protection for intellectual property developed by university investigators.³⁶

³⁰ See Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions, 77 Fed. Reg. 48612, 48652 (Aug. 14, 2012).

³¹ *Patent Quality Improvement: Post-Grant Opposition: Hearing before the Subcomm. on Courts, the Internet, and Intellectual Prop. of the H. Comm. on the Judiciary*, 108th Cong. (2004) [hereinafter “2004 House Hearing”].

³² *Id.* at 17 (statement of Jeffrey Kushan, Sidley Austin Brown & Wood, on behalf of Genentech, Inc.) (“[W]e believe Congress should not attempt to create any special statutory estoppel provisions in any new system.”).

³³ *Id.* at 38 (statement of Karl Sun, Senior Patent Counsel, Google, Inc.) (“[E]stoppel arising from patent opposition should be limited to the grounds that are raised and addressed in the opposition.”).

³⁴ *Id.* at 32 (statement of Michael Kirk, Executive Director, AIPLA).

³⁵ H.R. 2795, 109th Cong., sec. 9(d), sec. 9(f) (introduced June 8, 2005).

³⁶ *Patent Act of 2005: Hearing before the Subcomm. on Courts, the Internet, and Intellectual Prop. of the H. Comm. on the Judiciary*, 109th Cong., at 26 (2005) [hereinafter “2005 House

In contrast, Cisco's General Counsel, Mark Chandler, testified at a 2006 Senate hearing in favor of an estoppel limited to issues raised and decided in the post-grant review.³⁷

In 2007, H.R. 1908 and S.1145 were introduced in the House and Senate, respectively. Both bills would have limited the post-grant review estoppel to grounds actually "raised" during the post-grant review, with respect to *both* a later USPTO proceeding *and* a later civil action.³⁸ At a 2007 House hearing on the bills, this limited form of estoppel was opposed by Amgen, whose CEO and Chairman, Kevin Sharer, testified in favor of an expansive estoppel, one that would have precluded any and all future court challenges following a post-grant review:

Most important, the number of post-grant procedures should be limited, and challengers who pursue an opposition should be prohibited from later disputing the patent's validity in court, in order to prevent harassment of patent holders by bringing redundant claims of invalidity.³⁹

The University of California ("UC")'s technology transfer office likewise opposed the narrow estoppel in the bills, testifying:

UC is concerned about the addition of language in H.R. 1908 which appears to leave a patent holder open to repeated challenges over the validity of an issued patent over the lifetime of a patent Such open ended opposition procedures could discourage companies, especially startups from investing in university technologies because they could not rely on a strong patent to protect their position in the marketplace. . . . In order to give patent holders, such as UC, confidence in the validity of their properly-reviewed patents, *there must be some assurance that once the patent has survived a rigorous*

Hearing"] (statement of Carl Gulbrandsen, Managing Director, Wisconsin Alumni Research Foundation) (emphasis added).

³⁷ *Perspectives on Patents: Post-Grant Review Procedures and other Litigation Reforms: Hearing before the Subcomm. on Intellectual Prop. of the S. Comm. on the Judiciary*, 109th Cong. at 5 (2006) (statement of Mark Chandler, Senior Vice President and General Counsel, Cisco Systems) ("[I]f the prospective defendant chooses to initiate post-grant review, he must be estopped from relitigating any issues actually raised and decided in the proceeding.").

³⁸ H.R. 1908, 110th Cong., sec. 6(e)(1), § 334 (introduced Apr. 18, 2007); S. 1145, 110th Cong., sec. 5, § 338 (reported Jan. 24, 2008).

³⁹ *Patent Reform Act of 2007: Hearing on H.R. 1908 Before the Subcomm. on Courts, the Internet, and Intellectual Prop.*, 110th Cong. 56, at 40 (2007) [hereinafter "2007 House Hearing"] (statement of Kevin Sharer, CEO and Chairman of the Board, Amgen, Inc.) (emphasis added).

*post-grant review process, it would not be subject to repeated attacks by the same party solely for strategic purposes.*⁴⁰

On the other side of the issue at this same hearing was Dell, which supported the bills' narrow estoppel.⁴¹ Similar legislation was introduced in 2008,⁴² and again in 2009.⁴³

In 2011, for the first time, Congress proposed to add the word “reasonably” to the could-have-raised estoppel applicable to *inter partes* review.⁴⁴ Explaining this proposed change, Senator Kyl commented:

The present bill also softens the could-have-raised estoppel that is applied by *inter partes* review against subsequent civil litigation by adding the modifier “reasonably.” It is possible that courts would have read this limitation into current law’s estoppel. Current law, however, is also amenable to the interpretation that litigants are estopped from raising any issue that it would have been physically possible to raise in the *inter partes* reexamination, even if only a scorched-earth search around the world would have uncovered the prior art in question. *Adding the modifier “reasonably” ensures that could-have-raised estoppel extends only to that prior art which a skilled searcher conducting a diligent search reasonably could have been expected to discover.*⁴⁵

That bill, S. 23, passed the Senate on March 8, 2011. At that time, however, reasonably-could-have-raised estoppel for post-grant review would have applied only to subsequent USPTO proceedings in Section 325(e)(1),⁴⁶ and not to subsequent civil actions in Section 325(e)(2).⁴⁷ The estoppel attaching to civil actions following a post-grant review in Section 325(e)(2) was limited only to

⁴⁰ *Id.* at 84 (statement of William T. Tucker, Executive Director, Research and Administration and Technology Transfer, University of California–Oakland) (emphasis added).

⁴¹ *Id.* at 98 (statement of Anthony Peterman, Director, Patent Counsel, Dell Inc.).

⁴² S. 3600, 110th Cong. (introduced Sept. 25, 2008).

⁴³ H.R. 1260, 111th Cong. (introduced Mar. 3, 2009); S. 515, 111th Cong. (introduced Apr. 2, 2009).

⁴⁴ S. 23, 112th Cong., sec. 5(a), § 315(e), sec. 5(d), § 325(e) (introduced Jan. 25, 2011).

⁴⁵ 157 Cong. Rec. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (emphasis added).

⁴⁶ S. 23, 112th Cong. (as passed by Senate, Mar. 8, 2011), sec. 5(d), § 325(e)(1) (“may not request or maintain a proceeding before the Office with respect to a claim on any ground that the petitioner raised or reasonably could have raised during a post-grant review”).

⁴⁷ *Id.* sec. 5(d), § 325(e)(2) (“may not assert . . . in a civil action . . . that a claim in a patent is invalid on any ground that the petitioner raised during a post-grant review”).

grounds “raised” in the post-grant review.⁴⁸ The estoppel for *inter partes* review, by contrast, included the language “raised or reasonably could have raised” as applied to subsequent USPTO proceedings and subsequent civil actions in Sections 315(e)(1) and (e)(2), respectively.⁴⁹ That difference was reflected in the Congressional Research Service (“CRS”)’s summary of S. 23, which correctly observed that the bill that passed the Senate on March 8, 2011 “[p]rohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews (*in the case of post-grant review, prohibits only raised claims from ITC proceedings and civil actions*) that resulted in a final Board decision.”⁵⁰

C. Inclusion of Reasonably-Could-Have-Raised Estoppel in Section 325(e)(2)

When H.R. 1249 was introduced by the House shortly after the Senate’s passage of S. 23, the House bill carried over S. 23’s estoppel provisions.⁵¹ The House Judiciary Committee held a markup of the bill on April 14, 2011.

H.R. 1249 was reported out of the House Judiciary Committee on June 1, 2011. That version of the bill, for the first time, added the words “or reasonably could have raised” to Section 325(e)(2), concerning post-grant *judicial* estoppel. The effect of this addition was to harmonize Section 325(e)(2) with Section 325(e)(1) (post-grant administrative estoppel) and with the two estoppels for *inter partes* review in Section 315(e)(1) and (e)(2). Thereafter, all four of the estoppel provisions contained the language “raised or reasonably could have raised.”⁵² Thus, as the CRS’s summary of H.R. 1249 reflects, the bill that was reported out of Committee on June 1, 2011 “[p]rohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were *raised or reasonably could have been raised* in the

⁴⁸ *Id.*

⁴⁹ *Id.* sec. 5(a), § 315(e)(1) (“may not request or maintain a proceeding before the Office with respect to a claim on any ground that the petitioner raised or reasonably could have raised during an inter partes review”), § 315(e)(2) (may not assert . . . in a civil action . . . that a claim in a patent is invalid on any ground that the petitioner raised or reasonably could have raised during an inter partes review”).

⁵⁰ Library of Congress, CRS Summary of S. 23 as of March 8, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d1112:SN00023:@@D&summ2=m&>.

⁵¹ H.R. 1249, 112th Cong., sec. 5(a), § 315(e), sec. 5(d), § 325(e) (introduced Mar. 30, 2011).

⁵² H.R. 1249, 112th Cong., sec. 6(d), § 325(e)(2) (reported Jun. 1, 2011) (“may not assert . . . in a civil action . . . that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that post-grant review”).

respective reviews that result in a final Board decision.”⁵³ Recognizing the change that occurred to post-grant estoppel since S. 23 passed the Senate, the CRS’s June 2011 summary of H.R. 1249 observably omits the parenthetical carve-out for post-grant reviews (i.e., “in the case of post-grant review, prohibits only raised claims from ITC proceedings and civil actions”) that is contained in the CRS’s March 2011 summary of S. 23.⁵⁴

H.R. 1249 passed the full House on June 23, 2011, without further change to the estoppel provisions.⁵⁵ The bill was then sent to the Senate where it passed without amendment on September 8, 2011.⁵⁶ The President signed the bill into law on September 16, 2011.⁵⁷

D. Post-AIA Technical Amendment Lobbying to Amend Section 325(e)(2)

Some say that the House Judiciary Committee’s addition of the words “or reasonably could have raised” to 35 U.S.C. § 325(e)(2) was a mistake. For example, former Republican Senate staffer Joe Matal believes that “the change appears to have been made in error by staff charged with making technical corrections to the bill when it was reported by the House Judiciary Committee.”⁵⁸ Others counter that “Congress well knew what they were doing when they included ‘reasonably could have raised’

⁵³ Library of Congress, CRS Summary of H.R. 1249 as of June 1, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01249:@@D&summ2=1&> (emphasis added).

⁵⁴ See *supra* note 50.

⁵⁵ Library of Congress, CRS Summary of H.R. 1249 as of June 23, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01249:@@D&summ2=2&> (“Prohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews that result in a final Board decision.”).

⁵⁶ Library of Congress, CRS Summary of H.R. 1249 as of September 8, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01249:@@D&summ2=3&> (“Prohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews that result in a final Board decision.”).

⁵⁷ Library of Congress, CRS Summary of H.R. 1249 as of September 16, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01249:@@D&summ2=4&> (“Prohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews that result in a final Board decision.”).

⁵⁸ Joe Matal, *A Guide to the Legislative History of the America Invents Act: Part II of II*, 21 FED. CIR. B. J. 539, 618 (2012).

[in Section 325(e)(2)].”⁵⁹

On the side calling it a mistake, Robert Armitage, Senior Vice President and General Counsel of Eli Lilly, testified before the House Judiciary Committee’s May 16, 2012 AIA oversight hearing, stating that the inclusion of reasonably-could-have-raised estoppel in Section 325(e)(2) was a “technical mistake in the transit of H.R. 1249 through Congress” which should be struck via a “technical” corrections bill, even “if nothing else is accomplished through a technical amendments process.”⁶⁰

Mr. Armitage’s position, that a technical corrections bill is an appropriate vehicle to amend post-grant estoppel, has generated considerable opposition on Capitol Hill. At the very same House Judiciary Committee hearing in which Mr. Armitage testified in support of the technical amendment, Congressman Sensenbrenner expressed the strong opinion that a change to post-grant estoppel is “very substantive” and should only be addressed, if at all, “separately and not in something that is supposed be to be non-controversial.”⁶¹

The Senate Judiciary Committee held an AIA implementation hearing on June 20, 2012. At the hearing, both Senator Grassley and Senator Coburn expressed the view that any technical amendments to the AIA should be debated in an open and transparent manner and should be strictly limited to purely technical issues. Senator Grassley stated that “hopefully nobody will try to use a technical or clarifying language to get something done that they couldn’t get done during the six years that this process was being negotiated.”⁶² Senator Coburn likewise commented that “things greater than technical corrections deserve a full and comprehensive hearing where all stakeholders have an opportunity to have input.”⁶³ Senator Coburn then asked the Committee’s witness, USPTO Director David J. Kappos, “Could you discuss with us the areas other than true technicalities that you

⁵⁹ Gene Quinn, *Beware the NOT So Technical AIA Technical Amendments!*, IPWatchdog (Feb. 20, 2012, 3:41 PM EST), <http://www.ipwatchdog.com/2012/02/20/beware-the-not-so-technical-aia-technical-amendments>.

⁶⁰ Implementation of the Leahy-Smith America Invents Act, Hearing Before the House Judiciary Committee, May 16, 2012 (testimony of Robert A. Armitage, Senior Vice President and General Counsel of Eli Lilly and Company), at 24 <http://judiciary.house.gov/hearings/Hearings%202012/Armitage%2005162012.pdf>.

⁶¹ Implementation of the Leahy-Smith America Invents Act, Hearing Before the House Judiciary Committee, May 16, 2012 <http://judiciary.edgeboss.net/wmedia/judiciary/full/fullcomm05162012.wvx> (statement of Congressman Sensenbrenner) (webcast at 56:50-57:15).

⁶² Oversight of the United States Patent and Trademark Office: Implementation of the Leahy-Smith America Invents Act and International Harmonization Efforts: Hearing Before the Senate Judiciary Committee, June 20, 2012 <http://www.judiciary.senate.gov/hearings/hearing.cfm?id=d1d944e8c0b3e2a582633afaeb6ba43a> (statement of Sen. Grassley) (webcast at 28:50-29:07).

⁶³ *Id.* (statement of Sen. Coburn) (webcast at 77:19-77:33).

are working on with Members of Congress?”⁶⁴ Director Kappos responded by stating that, in addition to discussions about legislation to implement the Patent Law Treaty and Hague Treaty, “there are also discussions that have gone on about *one of the estoppel provisions*,” which Director Kappos characterized as one of “a number of things that I [Kappos] would *readily agree are beyond technicals*.”⁶⁵ Responding to Director Kappos’ answer, Senator Coburn focused specifically on the estoppel, stating that “anything that significantly changes the estoppel provisions in the bill we passed needs to have the full consideration of all the stakeholders and all the Members of this Committee.”⁶⁶

It remains to be seen whether an amendment to Section 325(e)(2) will be introduced by way of technical amendment legislation, or if it will be introduced separately and debated on its own merits. Regardless of the procedure used to attempt to change the estoppel, however, the remainder of this Article argues that Section 325(e)(2), as enacted by Congress after more than six years of patent reform debate, should be left alone.

II. Arguments Supporting Section 325(e)(2) Reasonably-Could-Have-Raised Estoppel

A. Section 325(e)(2) Avoids Judicial Waste

Section 325(e)(2)’s reasonably-could-have-raised estoppel as applied to subsequent civil actions after a post-grant review places the courts on equal footing with the USPTO, which enjoys a similarly broad estoppel in Section 325(e)(1) (precluding subsequent USPTO challenges against the same patent claims based on grounds that the petitioner “raised or reasonably could have raised” in the post-grant review). Narrowing the civil-litigation estoppel to issues actually raised would defeat the parity that the AIA established between the Executive and Judicial branches with respect to duplicative challenges brought by the same or related petitioners.

Striking could-have-raised estoppel from Section 325(e)(2) would allow a post-grant petitioner to elect to raise some invalidity grounds in a USPTO post-grant review while saving other invalidity grounds as a hedge defense to assert later against the same patent in a district court litigation. This change would result in more lengthy and costly patent disputes, foment additional civil litigation, and place an additional burden on the courts. Rather than having all known and reasonably knowable invalidity contentions decided by the expert agency, the change would encumber district judges with technically difficult questions of patent validity which, in fairness to the court and patent owner, the petitioner reasonably could and should have

⁶⁴ *Id.* (statement of Sen. Coburn) (webcast at 77:34-77:43).

⁶⁵ *Id.* (statement of David J. Kappos, Under Secretary of Commerce for Intellectual Property and Director of the U.S. Patent & Trademark Office) (webcast at 77:44-78:32) (emphases added).

⁶⁶ *Id.* (statement of Senator Coburn) (webcast at 78:33-78:50).

raised in the post-grant review.

B. Section 325(e)(2) Protects Patent Owners from Harassment by the Same Party

Section 325(e)(2), as enacted, is essential to preserving the balance that the AIA strikes between the post-grant petitioner and the patent owner. The petitioner has an interest in being able to challenge the patentability of overly-broad patents in a quick, cost-effective proceeding before the expert agency as an alternative to district court litigation.⁶⁷ The patent owner, for its part, has an interest in not being subjected to harassment through serial challenges to the same patent claim on the basis of information which was known or reasonably available to the petitioner at the time that that the post-grant review was filed.⁶⁸ Section 325(e)(2) protects both of these interests by permitting, on the one hand, subsequent challenges to the same patent in court based on grounds that the petitioner could not have reasonably raised in the post-grant review, while on the other hand, prohibiting subsequent challenges that the same petitioner raised or reasonably could have raised in the post-grant review.

Limiting the protection for patent owners disrupts this balance. It would allow a post-grant petitioner to withhold known invalidity arguments from the USPTO during the post-grant review in order to assert those arguments in court against the same patent claims in the event that the post-grant challenge is unsuccessful, if for no other reason than to prolong the patent owner's infringement suit. As the AIPLA testified in connection with the 2003 debates regarding *inter partes* reexamination:

We see no justification for a third party, who is aware of information, or who reasonably could have become aware of such information, not to base a reexamination request on all such information. This balance was struck to ensure that patentees of limited means would not be subject to harassment from serial challenges of a third party requestor based on information that the requestor could have submitted initially. . . .⁶⁹

This concern is especially acute for university inventors. Both WARF and UC specifically opposed earlier patent reform bills that would have limited post-grant estoppel only to grounds "raised." Without a broader estoppel, WARF argued, "A university could be forced to address the same issues regarding patentability during reexamination, post-grant opposition, and then litigation, all at significant

⁶⁷ Cf. 2003 House Hearing, at 9 (statement of Van Horn on behalf of AIPLA) (making a similar argument about *inter partes* reexamination).

⁶⁸ Cf. *id.*

⁶⁹ *Id.*

expense.”⁷⁰ Similarly, as UC argued, “In order to give patent holders, such as UC, confidence in the validity of their properly-reviewed patents, there must be some assurance that once the patent has survived a rigorous post-grant review process, it would not be subject to repeated attacks by the same party solely for strategic purposes.”⁷¹

The addition of the word “reasonably” in Section 325(e) calibrates the petitioner/patent-owner balance by staking out a compromise position between those favoring no estoppel beyond grounds actually raised⁷² and, on the other hand, an absolute estoppel as to all possible grounds.⁷³ The modifier “reasonably” provides significantly more flexibility than the 1999 *inter partes* reexamination estoppel—“raised or *could have raised*”—which Senator Kyl recognized was “amenable to the interpretation that litigants are estopped from raising any issue that it would have been physically possible to raise in the *inter partes* reexamination, even if only a scorched-earth search around the world would have uncovered the prior art in question.”⁷⁴ With the addition of the word “reasonably” in Section 325(e)(2), both sides obtained a benefit from the legislative bargain: the petitioner’s ability to bring subsequent judicial challenges based on reasonably undiscovered evidence, and the patent owner’s certainty in knowing that any other types of challenges by this same petitioner are significantly limited after the post-grant review.

C. *Section 325(e)(2) Comports with Traditional Res Judicata Principles*

Given that the Supreme Court has cautioned against fashioning rules “unique to patent disputes” when “traditional equitable principles” are available,⁷⁵ policymakers would do well to align post-grant review estoppel with its common

⁷⁰ 2005 House Hearing, at 26 (statement of Carl Gulbrandsen, Managing Director, Wisconsin Alumni Research Foundation) (opposing “the post-grant opposition provision of the Patent Act of 2005”).

⁷¹ 2007 House Hearing, at 84 (statement of William T. Tucker, Executive Director, Research and Administration and Technology Transfer, University of California–Oakland) (opposing H.R. 1908).

⁷² *E.g.*, 2006 Senate Hearing, at 5 (statement of Mark Chandler, Senior Vice President and General Counsel, Cisco Systems) (“[I]f the prospective defendant chooses to initiate post-grant review, he must be estopped from relitigating any issues actually raised and decided in the proceeding.” (emphasis added)).

⁷³ 2007 House Hearing, at 6 (statement of Kevin Sharer, CEO and Chairman of the Board, Amgen, Inc.) (“Most important, . . . challengers who pursue an opposition should be prohibited from later disputing the patent’s validity in court, in order to prevent harassment of patent holders by bringing redundant claims of invalidity.” (emphasis added)).

⁷⁴ 157 CONG. REC. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (emphasis added).

⁷⁵ *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 393 (2006) (holding that permanent injunctions in patent cases governed by the traditional four-factor test for injunctive relief).

law analog, *res judicata*. As explained below, reasonably-could-have-raised estoppel in Section 325(e)(2) is analogous to the common law doctrine of *res judicata* applicable in other legal contexts⁷⁶—including those concerning patent law.⁷⁷ The “policies underlying *res judicata*,” according to the Supreme Court, are based on both “the defendant’s interest in avoiding the burdens of twice defending a suit” and the court’s interest in “the avoidance of unnecessary judicial waste.”⁷⁸ These two policies are precisely those embodied in Section 325(e)(2), as explained *supra*.⁷⁹

“[T]he judicially enforced notion of litigation repose, called broadly *res judicata*, has two distinct branches, one referred to as issue preclusion (once known as collateral estoppel), and the other as claim preclusion.”⁸⁰ The legislative history leading up to the AIA reflects Congress’ understanding that could-have-raised estoppel has a “claim-preclusive effect” on subsequent invalidity challenges.⁸¹ As explained below, the addition of the word “reasonably” in post-grant estoppel may have tempered the estoppel’s claim-preclusive effect, but Section 325(e)(2) is still generally consistent with traditional *res judicata* principles that give finality to certain administrative decisions.

⁷⁶ *Nevada v. United States*, 463 U.S. 110, 129-30 (1983) (“Simply put, the doctrine of *res judicata* provides that when a final judgment has been entered on the merits of a case, ‘it is a finality as to the claim or demand in controversy, concluding parties and those in privity with them, not only as to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose.’” (quoting *Cromwell v. County of Sac*, 94 U.S. 351, 352 (1877))).

⁷⁷ *Hallco Mfg. Co. v. Foster*, 256 F.3d 1290, 1298 (Fed. Cir. 2001) (“We will not give parties the power to agree to waste the resources of the courts in revisiting [patent] infringement determinations that have already been made.”).

⁷⁸ *United States v. Sioux Nation of Indians*, 448 U.S. 371, 432 (1980).

⁷⁹ *Supra* Parts II.A and II.B.

⁸⁰ *Hallco*, 256 F.3d at 1294. *See id.* (“The general concept of claim preclusion is that when a final judgment is rendered on the merits, another action may not be maintained between the parties on the same ‘claim,’ and defenses that were raised or could have been raised in that action are extinguished.” (citing RESTATEMENT (SECOND) OF JUDGMENTS, §§ 18-19)); *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 327 (1979) (“Under the doctrine of collateral estoppel” (or issue preclusion), “the second action is upon a different cause of action and the judgment in the prior suit precludes relitigation of issues actually litigated and necessary to the outcome of the first action.” (citing 1B J. MOORE, FEDERAL PRACTICE para. 0.405 [1], pp. 622-624 (2d ed. 1974))).

⁸¹ S. REPT. NO. 111-18, at 17 (2009) (referring to could-have-raised estoppel in 35 U.S.C. § 317(b) as applied to subsequent inter partes reexamination requests) (emphasis added). The reported bill, however, would have removed could-have-raised estoppel in 35 U.S.C. § 315 as applied to subsequent civil actions. S. 515, 111th Cong. (Apr. 2, 2009). The 2009 Committee Report therefore accurately states that the could-have-raised estoppel in 35 U.S.C. § 317(b) will “have claim-preclusive effect against *subsequent requests*.” S. REPT. NO. 111-18, at 17 (2009) (emphasis added).

1. *Post-Grant Review Bears All the Essential Elements of Adjudication Necessary To Trigger Res Judicata*

Although *res judicata* is of judicial origin and commonly entails a prior court judgment, the doctrine has been applied where an earlier action was decided by an administrative agency acting in a judicial capacity. According to the Supreme Court, “When an administrative agency is acting in a judicial capacity and resolves disputed issues of fact properly before it which the parties have had an adequate opportunity to litigate, the courts have not hesitated to apply *res judicata* to enforce repose.”⁸²

In the case of post-grant review, and unlike in reexamination, the adversarial post-grant proceeding will be adjudicated by Board judges in accordance with procedures set forth in the AIA and USPTO’s regulations. Those procedures, as discussed below, bear all the “essential elements of adjudication” necessary to give an administrative determination “the same effects under the rules of *res judicata* . . . as a judgment of a court.”⁸³ The “essential elements of adjudication,” according to the *Restatement*, include:

(a) “Adequate notice to persons who are to be bound by the adjudication.”⁸⁴ In a post-grant review, the petitioner is required to serve the patent owner with a copy of the petition.⁸⁵ The USPTO is required to notify the petitioner and patent owner, in writing, of its decision to institute a post-grant review.⁸⁶

⁸² *United States v. Utah Constr. & Mining Co.*, 384 U.S. 394, 421-422 (1966). It should be noted that ITC’s decisions regarding patent validity do not have preclusive effect, because “the legislative history of the Trade Reform Act of 1974” reveals Congress’ intent and understanding that the ITC “is not, of course, empowered under existing law to set aside a patent as being invalid or to render it unenforceable” and the ITC’s “findings neither purport to be, nor can they be, regarded as binding interpretations of the U.S. patent laws in particular factual contexts.” *Corning Glass Works v. U.S. Int’l Trade Comm’n*, 799 F.2d 1559, 1570 n.12 (Fed. Cir. 1986) (quoting S. REP. NO. 1298, 93d Cong., 2d Sess. 196, at 7329 (1974)). Contrast this with the USPTO’s statutory mandate to “issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable” in a post-grant review. Leahy-Smith America Invents Act, sec. 6(d), § 328(b). *See also* S. REPT. NO. 111-18, at 17 (2009) (stating that could-have-raised estoppel has a “claim-preclusive effect” on subsequent invalidity challenges).

⁸³ RESTATEMENT (SECOND) OF JUDGMENTS § 83 [hereinafter “*Restatement*”]; *see also id.*, § 83 cmt a (“An administrative adjudication becomes preclusive when it has become final in accordance with the rules stated in §§ 13 and 14. It is not necessary that the administrative adjudication have been reviewed and affirmed by a court.”). In this regard, estoppel under Section 325(e) is consistent with traditional *res judicata* principles, insofar as it is triggered by an appealable “final written decision” of the Board, prior to the Federal Circuit’s review and affirmance of that decision.

⁸⁴ *Id.* § 83(2)(a).

⁸⁵ Leahy-Smith America Invents Act, sec. 6(d), § 322(a)(5).

⁸⁶ *Id.*, sec. 6(d), § 324(d).

(b) *“The right on behalf of a party to present evidence and legal argument in support of the party’s contentions and fair opportunity to rebut evidence and argument by opposing parties.”*⁸⁷ In a post-grant review, the patent owner has a right to file a preliminary response to the petition setting forth reasons why no review should be instituted.⁸⁸ The patent owner also has a right to file a response to the petition after a post-grant review has been instituted, together with affidavits or declarations and any expert opinions on which the parties rely.⁸⁹ The petitioner has an opportunity to file supplemental information after filing its petition.⁹⁰ The parties have the ability to obtain discovery of relevant evidence related to factual assertions advanced by either party.⁹¹

(c) *“A formulation of issues of law and fact in terms of the application of rules with respect to specified parties concerning a specific transaction, situation, or status, or a specific series thereof.”*⁹² The AIA specifies what showing the post-grant petitioner must make in order to prevail in each stage of the post-grant review. At the petition stage, the petitioner must present information which, if not rebutted, would demonstrate that it is “more likely than not that at least 1 of the claims challenged in the petition is unpatentable.”⁹³ At the trial stage, the “petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.”⁹⁴

(d) *“A rule of finality, specifying a point in the proceeding when presentations are*

⁸⁷ Restatement § 83(2)(b).

⁸⁸ Leahy-Smith America Invents Act, sec. 6(d), § 323.

⁸⁹ *Id.*, sec. 6(d), § 326(a)(8).

⁹⁰ *Id.*, sec. 6(d), § 326(a)(3).

⁹¹ *Id.*, sec. 6(d), § 326(a)(5).

⁹² Restatement § 83(2)(c).

⁹³ Leahy-Smith America Invents Act, sec. 6(d), § 324.

⁹⁴ *Id.*, sec. 6(d), § 326(e). This burden is lower than the “clear and convincing” standard that the petitioner would need to meet in a subsequent civil action in order to invalidate the same patent claim. *Microsoft Corp. v. i4i Ltd.*, 131 S. Ct. 2238, 2242 (2011). Because it is easier for a petitioner to satisfy its burden in a post-grant review than in a subsequent civil action, the exception to the general rule of issue preclusion, based on a higher burden of persuasion in the initial action, does not apply. Restatement § 28(4) (noting an exception where “[t]he party against whom preclusion is sought had a significantly heavier burden of persuasion with respect to the issue in the initial action than in the subsequent action”). By contrast, where a civil action precedes a reexamination, the Federal Circuit has held that the USPTO is not precluded from reexamining claims that an earlier district court had upheld. See *In re Baxter Int’l, Inc.*, 678 F.3d 1357, 1364-65 (Fed. Cir. 2012) (explaining that a district court and USPTO “could quite correctly come to different conclusions” regarding patent validity, given the “substantially lower” burden in the subsequent reexamination (citing *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1428 (Fed. Cir. 1988))).

*terminated and a final decision is rendered.*⁹⁵ The post-grant review before the Board is completed with the issuance of a “final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added.”⁹⁶ The final written decision must be rendered “not later than 1 year after the date on which the Director notices the institution of a proceeding under this chapter, except that the Director may, for good cause shown, extend the 1-year period by not more than 6 months.”⁹⁷

*(e) “Such other procedural elements as may be necessary to constitute the proceeding a sufficient means of conclusively determining the matter in question, having regard for the magnitude and complexity of the matter in question, the urgency with which the matter must be resolved, and the opportunity of the parties to obtain evidence and formulate legal contentions.”*⁹⁸ In post-grant review, both parties have a right to an oral hearing.⁹⁹ As previously mentioned, the one-year period for post-grant review may be extended by six months for good cause.¹⁰⁰ “A party dissatisfied with the final written decision of the . . . Board . . . may appeal the decision” to the Federal Circuit,¹⁰¹ which thus gives parties in post-grant review the same appeal rights available to litigants in district court proceedings.¹⁰²

2. *Section 325(e)(2) Has a Preclusive Effect On Later Invalidity Challenges By the Same Party, With Certain Exceptions*

The “issue preclusion” aspect of *res judicata* prevents a patent owner whose patent claims were held invalid in a first action from maintaining that these claims are valid against a different party in a second action.¹⁰³ Conversely, if an accused infringer in a first suit fails to raise or prevail on an invalidity defense, then *res judicata*’s doctrine of “claim preclusion” prevents this same accused infringer or its privies, in a second suit involving the same cause of action, from asserting that the patent claims are invalid on any grounds that were raised or could have been raised in the

⁹⁵ *Restatement* § 83(2)(d).

⁹⁶ Leahy-Smith America Invents Act, sec. 6(d), § 328(a).

⁹⁷ *Id.*, sec. 6(d), § 326(a)(11).

⁹⁸ *Restatement* § 83(2)(e).

⁹⁹ Leahy-Smith America Invents Act, sec. 6(d), § 326(a)(10).

¹⁰⁰ *Id.*, sec. 6(d), § 326(a)(11).

¹⁰¹ *Id.*, sec. 6(d), § 329.

¹⁰² 28 U.S.C. § 1295(a)(1) (authorizing exclusive Federal Circuit jurisdiction over district court cases relating to patents).

¹⁰³ *Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313, 332-34 (1971) (applying issue preclusion against a patentee whose claims were held invalid in an earlier action).

first suit.¹⁰⁴

Section 325(e)(2) estoppel is something of a hybrid of claim preclusion and issue preclusion. On the one hand, Section 325(e)(2) is similar to claim preclusion in that it applies to invalidity defenses that the challenger could have but did not actually raise in the first suit.¹⁰⁵ On the other hand, Section 325(e)(2) is similar to issue preclusion in that it applies to a second proceeding involving a potentially different cause of action (infringement) than the first proceeding (patentability).¹⁰⁶ In any event, as the Supreme Court has made clear, the ultimate policy goal of both claim and issue preclusion is the same: “protecting litigants from the burden of relitigating an identical issue with the same party or his privy and of promoting judicial economy by preventing needless litigation.”¹⁰⁷

The word “reasonably” in Section 325(e)(2) provides a further parallel to *res judicata*, because both claim and issue preclusion require that the party against whom the preclusion is to apply have had a “full and fair opportunity to litigate.”¹⁰⁸ Thus, issue preclusion will not apply, for example, if the party “without fault of his own . . . was deprived of crucial evidence or witnesses in the first litigation.”¹⁰⁹ The word “reasonably” in Section 325(e)(2) operates in an analogous manner by shielding petitioners against the estoppel effect as to any grounds they could not reasonably have raised in the post-grant review, including cases where evidence was not reasonably discoverable.

D. Section 325(e)(2) Promotes Settlement Discussions

Estoppel attaches only if the parties fail to settle their dispute in the post-grant review by mutual agreement and the Board then enters a final written decision in

¹⁰⁴ *Roche Palo Alto LLC v. Apotex, Inc.*, 531 F.3d 1372, 1379-81 (Fed. Cir. 2008) (applying claim preclusion against an accused infringer who failed to prove the claims were invalid in an earlier action).

¹⁰⁵ See *Hallco*, 256 F.3d at 1294 (“The general concept of claim preclusion is that when a final judgment is rendered on the merits, . . . defenses that were raised or could have been raised in that action are extinguished.” (emphasis added)).

¹⁰⁶ See *Young Eng’rs, Inc. v. U.S. Int’l Trade Comm’n*, 721 F.2d 1305, 1316 (Fed. Cir. 1983) (“With respect to patent litigation, we are unpersuaded that an ‘infringement claim,’ for purposes of claim preclusion, embraces more than the specific devices before the court in the first suit.”).

¹⁰⁷ *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326 (1979) (discussing the policies of “[c]ollateral estoppel, like the related doctrine of *res judicata*,” i.e., claim preclusion).

¹⁰⁸ *Kremer v. Chem. Constr. Corp.*, 456 U.S. 461, 481 n.22 (1982) (“While our previous expressions of the requirement of a full and fair opportunity to litigate have been in the context of collateral estoppel or issue preclusion, it is clear from what follows that invocation of *res judicata* or claim preclusion is subject to the same limitation.”).

¹⁰⁹ *Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313, 333 (1971).

the review.¹¹⁰ Both the petitioner and patent owner will be more likely to engage in good faith settlement negotiations, knowing that the twin estoppels of Section 325(e)(1) and (e)(2) operate to place all known and reasonably knowable invalidity contentions on the table in the post-grant review. The petitioner will have more incentive to negotiate a voluntary settlement, if faced with the possibility that a Board decision will trigger a reasonably-could-have-raised estoppel that operates automatically and whose preclusive effect is anything but voluntary. Likewise, the patent owner will have more incentive to negotiate and settle, if all known and reasonably knowable invalidity contentions are on the table, because doing so will clear the patent of a greater number of invalidity contentions at one time with this petitioner.

Limiting the estoppel to issues “raised,” by contrast, will have the opposite effect. A petitioner that can strategically assert fewer than all known grounds in the post-grant review will have less incentive to settle the post-grant review, knowing that unasserted grounds can be raised in a later litigation against the same patent claims. Indeed, under a raised-only estoppel, the petitioner may perceive a strategic advantage in testing the strength of the asserted grounds with a full proceeding and a final Board decision, while holding back other grounds as a litigation hedge in case the review is unsuccessful. Moreover, under a raised-only estoppel, the patent owner has no reason to believe that all of the petitioner’s invalidity grounds are on the table in the post-grant review. Without knowing what additional grounds this petitioner may be hoarding for a subsequent challenge against the very same claims, the patent owner will be less likely to negotiate a settlement of only the post-grant review, if doing so simply paves the way for another invalidity challenge in court based on other grounds.

III. Response to Arguments Against Section 325(e)(2) Reasonably-Could-Have-Raised Estoppel

Critics of reasonably-could-have-raised estoppel in Section 325(e)(2) advance two arguments for its repeal. First, they claim that the addition of this language in H.R. 1249 (as reported on June 1, 2011) was an obvious clerical error that can appropriately be fixed via “technical” legislation, because the earlier version of the estoppel allegedly enjoyed widespread support.¹¹¹ Second, they argue that reasonably-could-have-raised estoppel in Section 325(e)(2) will deter petitioners from using post-grant review because, unlike *inter partes* review, a post-grant

¹¹⁰ Leahy-Smith America Invents Act, sec. 6(d), § 327. *See also* H.R. REP. NO. 112-98, at 77 (2011) (“Parties may agree to settle review proceedings, in which case estoppel shall not apply and a copy of the settlement agreement shall be filed in the Office.”).

¹¹¹ Armitage, *supra* note 60, at 24 (stating that “a technical error during the legislative process . . . inadvertently raised the estoppel” and that the narrower estoppel was “specifically supported . . . by the major proponents of comprehensive patent reform”); Matal, *supra* note 58, at 617-18 (stating that the “error” was caused “by staff charged with making technical corrections to the bill” and claiming that “almost all” “[b]usinesses and patent-law professional associations” supported the narrower estoppel).

review must be brought within nine months of the patent's issuance and is not limited to novelty and obviousness challenges based on patents and printed publications.¹¹² These arguments are addressed in turn.

A. *Mistake or Not, the Change is Substantive, Controversial and Not Merely Technical*

To an outside observer, the public record as to whether the change was a clerical mistake appears equivocal. On one hand, Section 325(e)(2) in its earlier versions in S. 23 did not include the words “or reasonably could have raised.” Indeed, when it first passed the Senate on March 8, 2011,¹¹³ and then when it was introduced as H.R. 1249 on March 30, 2011,¹¹⁴ this particular estoppel provision was limited to issues “raised” in the post-grant review. As explained *supra*, the words “or reasonably could have raised” first appear in Section 325(e)(2) when H.R. 1249 was reported by the House Judiciary Committee on June 1, 2011.¹¹⁵ Nonetheless, the Committee Report that accompanied the bill passed by the Judiciary Committee, in two instances where it explains the bill's text, continued to describe Section 325(e)(2) as being limited to issues “raised.”¹¹⁶

On the other hand, that same Committee Report—in each of the two sections titled “The Amendment” and “Changes in Existing Law Made by the Bill, as Reported”—contained the actual full-length text of Section 325(e)(2), which included the “or reasonably could have raised” language that was present in the reported bill.¹¹⁷ Thus, for every instance where the Committee Report describes post-grant judicial estoppel as being limited to “raised” in the explanatory background text,¹¹⁸ there is a full-length version of Section 325(e)(2) in the same Report which reproduces the

¹¹² Armitage, *supra* note 60, at 24 (“[W]hile inter partes review is limited to issues of novelty and non-obviousness based upon published materials only . . . , the PGR proceeding cover [sic] any and every possible defense that could later be raised against a patent in the courts.”); Matal, *supra* note 58, at 617 (referencing the “relatively short, nine-month period for initiating an opposition and the limited discovery available to the parties” (quoting testimony of Kirk, *supra* note 34)).

¹¹³ S. 23, 112th Cong., sec. 5(d), § 325(e)(2) (as passed by Senate, Mar. 8, 2011).

¹¹⁴ H.R. 1249, 112th Cong., sec. 5(d), § 325(e)(2) (as introduced by House, Mar. 30, 2011).

¹¹⁵ H.R. 1249, 112th Cong., sec. 6(d), § 325(e)(2) (as reported by House, Jun. 1, 2011).

¹¹⁶ See H.R. REP. NO. 112-98, at 48 (2011) (“[A] final decision in a post-grant review process will prevent the petitioner, a real party in interest, or its privy from challenging any patent claim on a ground that was raised in the post-grant review process.”); *id.* at 76 (“Post-grant petitioners are only estopped from raising in civil litigation or ITC proceedings those issues that they actually raised in the post-grant review.”).

¹¹⁷ *Id.* at 17 (“may not assert . . . in a civil action . . . that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that post-grant review”); *id.* at 148.

¹¹⁸ *Supra* note 116.

actual bill's "or reasonably could have raised" language.¹¹⁹ When one further considers that this 2011 Report carried over large portions of explanatory text from previous committee reports of earlier bills (including the "raised" language),¹²⁰ an outside observer could reasonably conclude that the 2011 Report's carried-over background text was the real mistake, rather than the statutory text being the mistake. Moreover, every version of the bill after June 1, 2011—including the versions that later passed both the full House and full Senate,¹²¹ and of course that signed into law by the President¹²²—contained the "or reasonably could have raised" language in Section 325(e)(2).

The CRS, apparently noticing the change in the reported bill, described the reasonably-could-have-raised estoppel as applying to both post-grant and *inter partes* review, in each of its three contemporaneous summaries of H.R. 1249 as the bill moved from the House Judiciary Committee on June 1, 2011 to the full Senate on September 8, 2011.¹²³ Unlike the CRS's March 2011 summary of S. 23, which in the sentence describing the estoppels contains the parenthetical "(in the case of post-grant review, [the bill] prohibits *only raised claims* from ITC proceedings and civil actions),"¹²⁴ this same sentence lacks this parenthetical language in the June 2011 and September 2011 summaries of H.R. 1249.¹²⁵ That the CRS accurately summarized what H.R. 1249 actually said during this important legislative period is a testament to the attentiveness and professionalism of the nonpartisan service.¹²⁶

¹¹⁹ *Supra* note 117.

¹²⁰ *See, e.g.*, S. REP. NO. 111-18 (2009), at 17-18 ("[A] final decision in a post-grant review process will prevent the petitioner, a real party in interest and their privies from challenging any patent claim on a ground that was raised in the post-grant review process.").

¹²¹ *Supra* notes 55-56.

¹²² *Supra* note 57.

¹²³ *Supra* notes 53, 55-56.

¹²⁴ Library of Congress, CRS Summary of S. 23 as of March 8, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:SN00023:@@D&summ2=m&> ("Prohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews (in the case of post-grant review, prohibits *only raised claims* from ITC proceedings and civil actions) that resulted in a final Board decision." (emphasis added)).

¹²⁵ *E.g.*, Library of Congress, CRS Summary of H.R. 1249 as of June 1, 2011, *available at* <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01249:@@D&summ2=1&> ("Prohibits the petitioner from asserting claims in certain proceedings before the USPTO and International Trade Commission (ITC) and in specified civil actions if such claims were raised or reasonably could have been raised in the respective reviews that result in a final Board decision.").

¹²⁶ CRS summaries of bills are usually posted on thomas.loc.gov within a week of when the bills are published. Telephone Interview with Andrew Weber, Legislative Information Systems Manager, Library of Congress (May 8, 2012). The Library of Congress has confirmed

To be clear, this Article takes no position on whether the pre-enactment change to Section 325(e)(2) was or was not a mistake. Nonetheless, however the language got into the bill, amending the AIA after its enactment to remove reasonably-could-have-raised estoppel is substantive, controversial, and thus not amenable to “technical” legislation. Technical correction legislation is designed, as the term implies, for minor curative changes that do not substantively alter the law. An example of an appropriate technical corrections bill in the context of patent law is the Intellectual Property and High Technology Technical Amendments Act of 2002,¹²⁷ which made minor changes to the then-recently enacted American Inventors Protection Act of 1999.¹²⁸ As the Congressional Record shows, the technical corrections made by the 2002 law were widely regarded by both parties and both chambers as “noncontroversial” and “non-substantive.”¹²⁹

In the case of post-grant estoppel, however, a Congressman, a Senator, and the USPTO Director are all on record as saying that an amendment to Section 325(e)(2) estoppel is beyond technical.¹³⁰ The change is substantive because it would enlarge the rights of petitioners to bring serial challenges against the same patent claim, and it would eliminate the right afforded to patent owners to be free from duplicative challenges by the same petitioner. Adding to the controversy, and thus inappropriateness, of a technical amendment, the university community and other patent owners have specifically opposed the narrower post-grant estoppel in earlier bills, warning against “multiple third party patent challenges” and “repeated attacks by the same party solely for strategic purposes.”¹³¹

B. *There Is No Evidence That Section 325(e)(2) Will Deter Post-Grant Reviews*

Post-grant review proceedings will only be available against patents issuing from applications with an effective filing date on or after March 16, 2013.¹³² Considering

that the estoppel sentence in the CRS summary of the reported version of H.R. 1249 is the same today as it was when the summary was initially posted in June 2011. Telephone Interview with Andrew Weber, Legislative Information Systems Manager, Library of Congress (Sept. 18, 2012).

¹²⁷ P.L. 107-273 (2002).

¹²⁸ P.L. 106-113 (1999).

¹²⁹ 147 CONG. REC. H901 (Mar. 14, 2001) (Congressmen Sensenbrenner stating that the bill “consists of noncontroversial, technical amendments”); *id.* (Congressman Conyers stating, “This is noncontroversial.”); 147 Cong. Rec. S1377 (Feb. 14, 2001) (Senator Hatch stating that “there is no controversy about the provisions of this bill”); *id.* at S1378 (Senator Leahy calling the changes “non-substantive”).

¹³⁰ *See supra* notes 61, 65-66.

¹³¹ *See supra* notes 36, 39-40.

¹³² *See supra* note 10. However, a special type of post-grant review, called “transitional program for covered business method patents,” will be available starting September 16,

that the average total pendency in the USPTO currently stands at over 33 months,¹³³ there will not be any meaningful data on post-grant review filings until at least 2016. And, because very few non-“covered business method” post-grant reviews will be filed until 2016, there is no rush at this moment to “fix” any AIA provision that only affects post-grant review, without careful study.

Despite the unavailability of post-grant review in the next few years, the critics of reasonably-could-have-raised estoppel argue that Congress must act immediately, because Section 325(e)(2), as enacted, is allegedly “so draconian” that it “threatens to turn PGR into a dead letter.”¹³⁴ They speculate that the limited discovery available to parties in post-grant review, coupled with the broad array of unpatentability arguments and short nine-month window for filing a petition, will deter would-be petitioners from utilizing post-grant review if they know that they will be estopped in future civil proceedings from raising invalidity grounds that they did not raise.¹³⁵ In particular, Mr. Armitage’s written testimony before the House Judiciary Committee’s May 16, 2012 hearing argues:

The provision now in § 325(e)(2) threatens to turn PGR into a dead letter, with an estoppel so draconian in character that it would be highly problematic for a patent challenger to use. The reason is quite simple – while inter partes review is limited to issues of novelty and non-obviousness based upon published materials only – creating a narrow (albeit desirable) reach for an “or reasonably could have been raised” estoppel, the PGR proceeding cover [sic] any and every possible defense that could later be raised against a patent in the courts.¹³⁶

There are several responses to these arguments.

First, before addressing the merits, it must be pointed out that the critics’ policy-laden arguments themselves belie the notion that the change they seek is merely technical. Their arguments refer to the scope of post-grant invalidity challenges,

2012, but only applies to patents that meet the statutory definition of a “covered business method patent.” Leahy-Smith America Invents Act, sec. 18.

¹³³ U.S. PATENT & TRADEMARK OFFICE, PERFORMANCE AND ACCOUNTABILITY REPORT FISCAL YEAR 2011 14, available at <http://www.uspto.gov/about/stratplan/ar/2011/USPTOFY2011PAR.pdf>.

¹³⁴ Armitage, *supra* note 60, at 24.

¹³⁵ *Id.* (“[W]hile inter partes review is limited to issues of novelty and non-obviousness based upon published materials only . . . , the PGR proceeding cover [sic] any and every possible defense that could later be raised against a patent in the courts.”); Matal, *supra* note 58, at 617 (referencing the “relatively short, nine-month period for initiating an opposition and the limited discovery available to the parties” (quoting testimony of Kirk, *supra* note 34)).

¹³⁶ Armitage, *supra* note 60, at 24.

discovery, and filing windows relative to *inter partes* review.¹³⁷ These are complex issues that demonstrate the myriad considerations that go into striking the right balance between the rights of a patent owner versus the rights of a petitioner. Technical amendment legislation is not the place for complex policy deliberation.

Second, by asserting that post-grant estoppel may attach to “any and every possible defense that *could* later be raised against a patent in the courts,”¹³⁸ the critics seem to ignore the word “reasonably” in Section 325(e)(2). The estoppel is not an absolute bar against any possible grounds not raised in the post-grant review. Rather, as its plain meaning implies, an estoppel modified by the word “reasonably” is one that is “in accordance with reason,” “not extreme or excessive,” and “fair, proper, or moderate under the circumstances.”¹³⁹ Consistent with this plain meaning, the legislative history shows that “reasonably” was added so that the estoppel “extends only to that prior art which a skilled searcher conducting a diligent search reasonably could have been expected to discover.”¹⁴⁰ Thus, Section 325(e)(2) allows a petitioner to raise new invalidity challenges in court or the ITC (against the very same claims) based on evidence or argument that it reasonably could not have raised under the circumstances of the earlier post-grant review. Those circumstances include the fact that the AIA gives petitioners a relatively short, nine-month period for bringing the review, and the fact that discovery is more limited in post-grant review than in litigation. Indeed, the USPTO’s pronouncement on this very issue is instructive. When asked during rulemaking for “guidance in the rules as to how [the statutory estoppel] provisions would apply where a party was unable to discover evidence or bring a claim because discovery was limited by the Board or the applicable rules,” the USPTO responded by assuring the public that “[w]here an issue reasonably could not have been raised during a proceeding, *no estoppel would occur*.”¹⁴¹

Third, the additional grounds of unpatentability that a petitioner can assert in post-grant review, but not in *inter partes* review, are § 101 (subject matter eligibility), §§ 102/103 (anticipation/obviousness based on unpublished materials), § 112 (written description, enablement, indefiniteness), and § 251 (claim broadening). With the exception of unpublished materials under §§ 102/103, unpatentability under the other statutory sections should, in most cases, be evident from the four corners of the challenged patent itself, without the need for any evidence that the petitioner itself cannot produce using its own hired experts. Generally speaking, it is

¹³⁷ See *supra* notes 134-136.

¹³⁸ Armitage, *supra* note 60, at 24 (emphasis added).

¹³⁹ MERRIAM-WEBSTER DICTIONARY (on-line version); BLACK’S LAW DICTIONARY (7th ed. 1999).

¹⁴⁰ 157 CONG. REC. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (discussing “reasonably” in the context of *inter partes* review estoppel).

¹⁴¹ Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions, 77 Fed. Reg. 48612, 48638 (Aug. 14, 2012) (emphasis added).

only unpublished materials under §§ 102/103 that may be difficult for a post-grant petitioner to discover in time for a post-grant review.¹⁴² But here again, *reasonably-could-have-raised* estoppel will excuse a petitioner's failure to produce any evidence after conducting a diligent search.

Fourth, regarding discovery, it must be noted that 35 U.S.C. § 24 allows parties in a "contested case" before the USPTO to ask the "clerk of any United States district court for the district wherein testimony is to be taken for use in any contested case in the Patent and Trademark Office," to "issue a subpoena for any witness residing or being within such district, commanding him to appear and testify before an officer in such district authorized to take depositions and affidavits." Section 24 further provides that "[t]he provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent and Trademark Office."¹⁴³ The USPTO has interpreted "contested case" to include the trial phase of a post-grant review.¹⁴⁴ The USPTO has further explained that Section 24 authorizes the compelled discovery of witnesses who are not associated with any party to the proceeding. In other words, Section 24 applies to parties as well as "non-parties."¹⁴⁵ Thus, post-grant review petitioners may obtain compelled discovery of third-party witnesses, documents, and things—a discovery tool not available in *inter partes* reexamination.¹⁴⁶ And again, any evidence that the petitioner reasonably could not have obtained using the discovery tool of Section 24 may be excused by the word "reasonably" in Section 325(e)(2).

Fifth, before anyone can guess whether a would-be petitioner will elect not to use post-grant review and instead opt for litigation, one must weigh the risk of an estoppel attaching against the substantial benefits of post-grant review. The lower burden of proof¹⁴⁷ and broader claim scope¹⁴⁸ in post-grant review make it easier for a petitioner to prevail at the USPTO than in litigation. In addition, post-grant

¹⁴² Certain types of experimental test data, moreover, may be difficult to produce within nine months, depending on the length and complexity of the experimental protocol.

¹⁴³ 35 U.S.C. § 24.

¹⁴⁴ 77 Fed. Reg. at 48670, 37 C.F.R. § 42.2 (defining "trial" to mean "contested case"); *id.* at 48616 ("The existence of a contested case is a predicate for authorizing a subpoena under 35 U.S.C. 24.").

¹⁴⁵ *Id.* at 48642 ("The procedures of § 42.52 apply to non-parties. *See* 35 U.S.C. 23-24 (authorizing compelled testimony in contested cases in the USPTO).").

¹⁴⁶ *Id.* at 48616 ("[I]nter partes reexaminations under 35 U.S.C. 134(c) are not considered contested cases . . .").

¹⁴⁷ Leahy-Smith America Invents Act, sec. 6(d), § 326(e) ("preponderance of the evidence").

¹⁴⁸ Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents, 77 Fed. Reg. 48680, at 48729, 37 C.F.R. § 42.200(b) (Aug. 14, 2012) ("broadest reasonable construction").

reviews will be decided by technically-trained patent judges, rather than by generalist judges and lay juries who decide patent validity issues in litigation. The cost and duration of post-grant reviews are also expected to be significantly lower and shorter than litigation. All of these factors tend to weigh in favor of bringing a post-grant review in the USPTO rather than challenging the patent in district court. When comparing these benefits of post-grant review against the cost and uncertainty of litigation, it is unlikely that the estoppel provision alone, rather than the strength of the petitioner's fact-specific case, will be the deciding factor when determining whether to bring a post-grant review. At the very least, it is too early to tell.

IV. Conclusion

Reasonably-could-have-raised estoppel, as enacted in the AIA, represents a compromise position between two competing proposals: an expansive estoppel applying to all issues that a petitioner could *possibly* have raised, and a narrow estoppel applying only to issues *actually* raised. As enacted, Section 325(e)(2) permits subsequent judicial challenges based on reasonably undiscovered information, but it prevents gamesmanship by petitioners who would withhold information from the USPTO in order to assert later in a district court litigation against the same patent claims. Moreover, the reasonably-could-have-raised standard in Section 325(e)(2) is the identical standard that applies to estoppel against subsequent USPTO proceedings under Section 325(e)(1), ensuring parity between the Executive and Judicial branches with respect to re-litigation by the same or related parties after a post-grant review. In this way, the estoppels in the AIA as enacted help to promote Congress' goal of making post-grant review and *inter partes* review true "alternatives to litigation" for resolving patent validity disputes.