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## PATENT TRIAL AND APPEAL BOARD

### First Final Decision in Multiple CBM Proceedings Estops Petitioner from Maintaining Remaining CBM Proceedings on Same Patent Claims

On November 4, 2015 the Patent Trial and Appeal Board (PTAB) held that Apple was estopped from maintaining multiple covered business method (CBM) proceedings under 35 U.S.C. § 325(e)(1). Apple had originally filed a multiple petitions against the patents at issue, arguing that they were anticipated and/or obvious over the prior art. After the Supreme Court's decision in *Alice Corp. v. CLS Bank*, Apple filed additional petitions arguing that the patents were invalid under § 101.

On September 25, the PTAB issued final written decisions in two of the original proceedings, concluding that the patents were obvious over the prior art, and therefore invalid. The Board then requested briefing as to whether Apple was estopped from arguing the patentability of the same claims under § 101 in the later-filed proceedings.

§ 325(e)(1) states:

[t]he ***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.

Apple argued that (1) it could not “reasonably have raised” in its earlier petitions the *Alice*-based § 101 grounds presented in later petitions, because that opinion did not yet exist, and (2) that it was not “maintaining” the proceeding before the PTAB, because the evidentiary record had closed.

The Board, however, rejected both arguments. First, the Board noted that, although *Alice* had not yet been decided, the Supreme Court had already decided *Bilski and Mayo*, upon which *Alice* relied. The Board held that the estoppel statute does not make any exceptions for “intervening case law that merely clarifies jurisprudence.” Second, the Board held that “maintaining a proceeding” includes presenting argument at the hearing with respect to the claims. As a result, the PTAB dismissed Apple from the remaining proceedings.

Nevertheless, the Board did not dismiss the proceedings altogether. Instead, it held that because they were in late stages with a fully developed record, it would continue the litigation without Apple.

*Apple, Inc. v. Smartflash, LLC*, CBM2015-00015, Paper 49 (PTAB November 5, 2015)

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