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The Federal Circuit Opens a Narrow Door for Mandamus Review of PTAB Denials to Institute IPR

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In the proceedings below, the accused infringer ("Mylan") appealed a Patent Trial and Appeal Board (PTAB) decision that denied institution of *inter partes* review (IPR) for U.S. Patent No. 9,439,906, and also sought mandamus relief for same. The patentee ("Janssen") moved to dismiss the appeal for lack of jurisdiction. The U.S. Court of Appeals for the Federal Circuit (CAFC) swiftly granted the motion to dismiss, confirming that it "lack[s] jurisdiction over appeals from decisions denying [IPR] institution" under 35 U.S.C. § 314(d), The *Mylan* opinion is nevertheless notable because it goes on to discuss—and leaves open the door—for future litigants to seek mandamus relief as a means for elevating a PTAB decision denying institution to the CAFC.

In denying institution, the PTAB relied on the fact that the co-pending district court litigation involved substantial overlapping issues which were to be tried long before any final written decision. Thus, in the Director's opinion, IPR institution would be an inefficient use of resources.

Under the hood, the CAFC's analysis in *Mylan* relies on its reading of the All Writs Act (28 U.S.C. § 1651(a)) as permitting a federal court to issue a writ of mandamus "necessary to protect its *prospective* jurisdiction." (emphasis added). Although decisions denying IPR-institution are not themselves directly appealable, the CAFC nevertheless has 'prospective jurisdiction' over such decisions because the CAFC would eventually have jurisdiction over the final written decision. In the CAFC's own words, "[t]o protect our future jurisdiction, we have jurisdiction to review any petition for a writ of mandamus denying institution of an IPR."

After *Mylan*, mandamus relief is still limited to "extraordinary circumstances" and specifically—"[w]hen a mandamus petition challenges a decision denying institution, the mandamus standard will be especially difficult to satisfy." Since a decision to institute is an administrative one, and since the Director is "permitted, but never compelled to" institute an IPR, mandamus review in this context is particularly narrow. So narrow in fact that "there is no reviewability of the Director's exercise of his discretion to deny institution except for colorable constitutional claims."

In its opinion, the CAFC was unwilling to offer an example of a mandamus-worthy denial of institution, but practitioners contemplating such a petition should think along the lines of alleging procedural due process violations. We will continue to follow this line of cases as future parties attempt to navigate the narrow opening carved out in this opinion.

The Intellectual Property, Technology and Data Service Line at Shumaker continues to advise companies on all areas of IP, including opportunities for post-grant challenge of competitor patents through IPR, ex parte reexamination, and related topics. If you would like to discuss any of these issues, please give us a call.

The full text of the opinion is available for download here: http://www.cafc.uscourts.gov/sites/default/files/opinions-orders/21-1071.ORDER.3-12-2021_1746953.pdf

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