

DIRECTOR VIDAL ADDRESSES SERIAL IPR PETITIONS

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Two significant Director Review decisions in early 2024 have clarified when multiple petitioners will be considered to have a “significant relationship” justifying discretionary denial under the framework established in *General Plastic*.¹ The decisions make clear: Court-ordered pretrial coordination between parties having different accused products does not present a “significant relationship” that justifies treating their patent challenges as related serial petitions.

The General Plastic framework addresses a key concern about inter partes review proceedings: the potential for harassment of patent owners through repeated challenges to the same patent. As the PTAB explained in *General Plastic*, “[a]llowing similar, serial challenges to the same patent, by the same petitioner, risks harassment of patent owners and frustration of Congress’s intent in enacting the Leahy-Smith America Invents Act.”² The General Plastic framework sets out seven non-exclusive factors for evaluating follow-on petitions, including whether the same petitioner previously challenged the same patent, the petitioner’s knowledge of prior art, timing considerations, and the Board’s resources.

In both *Ford Motor Co. v. Neo Wireless LLC*,³ and *Videndum Product Solutions, Inc. v. Rotolight Ltd.*,⁴ Director Vidal vacated PTAB decisions that had expanded the scope of what constitutes a “significant relationship” between petitioners. In *Videndum*, the Director emphasized that “where...

the first and second petitioners are neither the same party, nor possess a significant relationship under

Valve, *General Plastic* factor one necessarily outweighs the other *General Plastic* factors.”⁵ The decision rejected the Board’s attempt to find that other factors could outweigh the absence of a significant relationship between ARRI, petitioner in a separate inter partes review challenging the same patent at issue in *Videndum*, and petitioner *Videndum*.

The *Ford* decision provided even more detailed guidance on what constitutes a “significant relationship.” The Board had found *Ford* and Volkswagen had a significant relationship based on their court-ordered coordination in a multidistrict litigation. Director Vidal disagreed, explaining that “[c]ourt-ordered pretrial coordination between parties having different accused products does not present a ‘significant relationship’ vis-à-vis the challenged patent that justifies application of a *General Plastic* analysis, unless there are other relevant or extenuating facts or circumstances.”⁶

The Director distinguished these cases from *Valve Corp. v. Electronic Scripting Products, Inc.*,⁷ where a significant relationship was found based on the petitioners being “co-defendants in the same co-pending district court litigation” and having “an on-going licensing relationship regarding technology

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accused of infringing the challenged patent.”⁸

Critically, in *Valve* both petitioners “were accused of infringing the [challenged] patent based on the same product.”⁹

These decisions establish that mere procedural coordination between parties, whether through MDL proceedings or joint invalidity

contentions, is insufficient to create a significant relationship. Rather, there must be a substantive connection between the petitioners regarding the challenged patent itself, such as a licensing arrangement or shared accused products.

These decisions align with USPTO’s broader efforts to clarify the framework for discretionary denials. On September 30, 2024, the Office issued a final rule codifying director review procedures. The rule maintains flexibility in the director review process while establishing clearer guidelines for when discretionary denial is appropriate based on serial petitions.

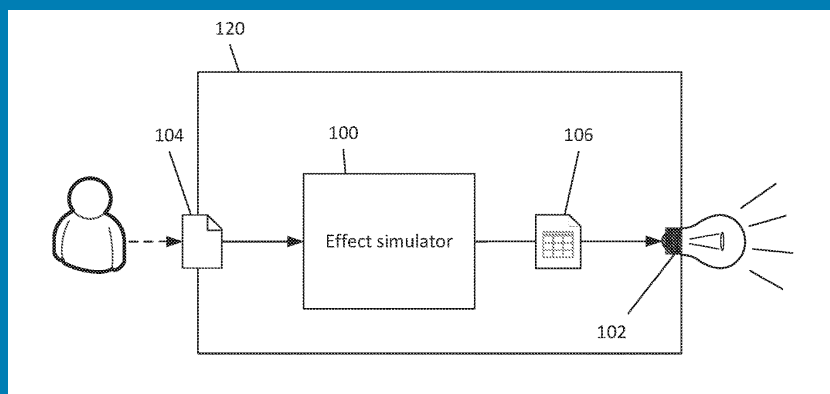
Together, these Spring 2024 decisions mark an important shift in how the PTAB evaluates relationships between petitioners. By requiring a substantive connection to the challenged patent itself - like shared accused products or licensing arrangements - rather than mere procedural coordination, Director Vidal has provided clearer

“Court-ordered pretrial coordination between parties having different accused products does not present a ‘significant relationship’ ... that justifies treating their patent challenges as related serial petitions.”

guidance for practitioners while balancing two key interests: protecting patent owners from harassment through serial petitions and ensuring independent parties can mount legitimate patent challenges through IPR proceedings.

Endnotes

- 1 *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i).
- 2 *Id.* at 17-18 n.14.
- 3 IPR2023-00763, Paper 28 (Mar. 22, 2024).
- 4 IPR2023-01218, Paper 12 (Apr. 19, 2024).
- 5 *Videndum*, Paper 12 at 6.
- 6 *Ford*, Paper 28 at 11.
- 7 IPR2019-00062 (PTAB Apr. 2, 2019).
- 8 *Ford*, Paper 28 at 7.
- 9 *Id.* (emphasis in original).



At issue in *Vivendum* was U.S. Patent No. 8,845,044, which describes methods for simulating customized lighting effects. Figure 2 shows how a user can control an “effect simulator” that modulates a light source to produce various special effects, like simulated fire, lightning, or TV screen flicker. This technology was said to represent a significant advancement in professional lighting control for videography, broadcasting, and cinematography.