

SUPREME COURT RULES THE CURRENT PATENT AND TRADEMARK BOARD PROCEDURE UNCONSTITUTIONAL

LEGAL ALERT

Supreme Court Rules the Current Patent and Trademark Board Procedure Unconstitutional

BY ALFREDO A. BISMONTE & RONALD C. FINLEY | JUNE 21, 2021

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Concerned about the adverse impact of questionable patents, in 2011 Congress passed the America Invents Act instituting a streamlined procedure to challenge the validity of patents. To do so, the Patent and Trademark Board (PTAB) mainly staffed by Administrative Patent Judges (APJs), was created within the Patent and Trademark Office (PTO) to adjudicate patent invalidity. The PTAB was granted the final word within the Executive Branch on the validity of a challenged patent, albeit subject to appeal before the Federal Circuit.

In a June 21, 2021 decision, the US Supreme Court in **US v. Arthrex, Inc.** ruled in a 5-4 majority opinion that the PTAB administrative judges lack the power under the US Constitution to make such binding Executive Branch rulings. Chief Justice Roberts explained that only an officer properly appointed to a principal office may issue a final decision binding the Executive Branch, and APJs do

not fit that description.

The Court went on to provide a solution: that decisions by APJs must be subject to review by the Director of the PTO because Congress gave him the powers and duties of the PTO and the PTAB is part of the PTO. The Court's ruling did not include invalidating PTAB decisions in previous matters and while it is too early to know the full impact, this changes the landscape of current administrative invalidity procedures.

This decision is part of the continuing balancing of law and policy between protecting the rights of inventors, and their companies, to enforce patents versus the rights of others, including the general public, to freely exploit innovation.

Our intellectual property litigation attorneys vigorously protect our clients' established intellectual property rights including inventions, brands, proprietary work, and trade secrets. We similarly act decisively to defend our clients against allegations of such infringement. We also counsel our clients on patent-related issues to achieve their business goals. Should a conflict arise, we help clients reach a resolution swiftly and efficiently, if possible, including summary judgment or favorable claim construction. But if necessary, our lawyers can and have successfully handled cases through trial court and then appeal in a cost-effective manner.

Our Intellectual Property Litigation Team



Alfredo A. Bismonte is an accomplished litigator with over 20 years of experience specializing in patent litigation, licensing disputes, commercial litigation, insurance coverage, and real estate disputes. Alfredo represents clients in various industries including medical devices, sport product patents, computer input devices, wafer bumping, trade secret, and super I/O devices.



Ronald C. Finley has successfully practiced law for more than 20 years, specializing in complex commercial civil litigation, including patent, trade secret, trademark, licensing, unfair competition, antitrust, employment law, and class action matters. Ron is a skilled litigator who has represented corporations, partnerships, and individuals in both state, federal, and appellate courts, including many federal district courts around the US.



Remington Lenton-Young focuses on complex commercial civil litigation, including patent, trademark, trade secrets, licensing, class action, antitrust, and unfair competition. Remington has successfully represented international and U.S. clients in both state, federal, and appellate courts.

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- Alfredo A. Bismonte
- Ron C. Finley
- Remington A. Lenton-Young