

6-25-2020

## Post-AIT Review of Real Party in Interest Decisions

Stephanie M. Brooker  
*Jones Day*, sbrooker@jonesday.com

Robert Breetz  
*Jones Day*, rbreetz@jonesday.com

Matthew Johnson  
*Jones Day*, mwjohnson@jonesday.com

Thomas Ritchie  
*Jones Day*, twritchie@jonesday.com

Follow this and additional works at: <https://scholarship.kentlaw.iit.edu/ckjip>



Part of the [Intellectual Property Law Commons](#)

---

### Recommended Citation

Stephanie M. Brooker, Robert Breetz, Matthew Johnson & Thomas Ritchie, *Post-AIT Review of Real Party in Interest Decisions*, 19 Chi. -Kent J. Intell. Prop. 513 (2020).

Available at: <https://scholarship.kentlaw.iit.edu/ckjip/vol19/iss4/3>

This Article is brought to you for free and open access by Scholarly Commons @ IIT Chicago-Kent College of Law. It has been accepted for inclusion in Chicago-Kent Journal of Intellectual Property by an authorized editor of Scholarly Commons @ IIT Chicago-Kent College of Law. For more information, please contact [dginsberg@kentlaw.iit.edu](mailto:dginsberg@kentlaw.iit.edu).

# POST-AIT REVIEW OF REAL PARTY IN INTEREST DECISIONS

STEPHANIE M. BROOKER, ROBERT BRETZ, MATTHEW JOHNSON, AND  
THOMAS RITCHIE

## I. EXECUTIVE SUMMARY

Throughout the Patent Trial and Appeal Board's ("PTAB") history, patent owners have tried to leverage a petitioner's alleged failure to name all real parties-in-interest ("RPIs") as a way to achieve denial of an *inter partes* review ("IPR") petition or trial termination. The effectiveness of those efforts has ebbed and flowed. Initially, some PTAB panels viewed naming of RPIs as a jurisdictional requirement, concluding that RPI-naming errors were not fixable after the 35 U.S.C. § 315(b) one-year bar.<sup>1</sup> Petitioners could lose their petition filing date based on RPI missteps, resulting in then untimely petitions.<sup>2</sup> Later decisions backed away from that hardline stance, finding that some RPI errors made without deceptive intent were fixable.<sup>3</sup> Regardless, petitioners are tasked with identifying RPIs to the best of their ability.

For the first six years of PTAB post-grant trial practice, the RPI analysis focused on whether an unnamed party exerted sufficient "control" over the petition, relying on factors such as having input into whether a PTAB challenge was filed, payment of PTAB-related attorney/filing fees, and selection of prior art in determining whether an unnamed party was an RPI.<sup>4</sup> In *Applications in Internet Time v. RPX Corp.* ("AIT"), the Federal Circuit faulted the PTAB for focusing too

1. Zoll Lifecor Corp. v. Philips Elecs. N. Am. Corp., No. IPR2013-00606, Paper 13 at 12 (P.T.A.B. Mar. 20, 2014).

2. *Id.*

3. Lumentum Holdings, Inc., v. Capella Photonics, Inc., No. IPR2015-00739, Paper 38 at 5 (P.T.A.B. Mar. 4, 2016).

4. RPX Corp. v. VirnetX Inc., No. IPR2014-00171, Paper 49 at 6-10 (P.T.A.B. June 5, 2014) (determining that the petitioner acted as a proxy for an unnamed party); RPX Corp. v. VirnetX Inc., No. IPR 2014-00171, Paper 57 at 6-10 (P.T.A.B. July 14, 2014).

narrowly on “control.”<sup>5</sup> The court stated that a flexible approach should be used to determine whether a non-party is an RPI.<sup>6</sup> This flexible approach requires both equitable and practical considerations in determining whether a non-party is an RPI.<sup>7</sup> This paper analyzes post-*AIT* Federal Circuit and PTAB decisions addressing RPI challenges, including the PTAB’s precedential decision in *Ventex Co., Ltd. v. Columbia Sportswear North America, Inc* (“*Ventex*”). The analysis demonstrates that in many cases, both the Federal Circuit and the PTAB continue to focus primarily on the “control” factor in analyzing RPI issues.

## II. WHY DOES IDENTIFYING AN RPI MATTER?

Identifying RPIs in a petition for IPR serves two purposes: (1) to ensure that the petition is permissible, and (2) to make clear to whom post-PTAB-trial estoppel will apply.<sup>8</sup> An IPR petition may be barred from institution when the petitioner or RPI previously filed a civil action challenging the validity of the patent or if the petitioner or RPI waited more than one year to file after being served with a patent infringement complaint.<sup>9</sup> Estoppel provisions seek to protect patent owners from numerous patent attacks as well as prevent an unnamed RPI from having a “second bite at the apple” with a petition that would otherwise be estopped.<sup>10</sup> Although the petitioner’s initial identification of RPIs is accepted unless disputed by the patent owner, the petitioner also has the burden in demonstrating that its petition is not time-barred by 35 U.S.C. § 315(b).<sup>11</sup>

5. *Applications in Internet Time, LLC, v. RPX Corp.*, 897 F.3d 1336, 1345 (Fed. Cir. 2018).

6. *Id.* at 1351.

7. *Id.*

8. Leahy-Smith America Invents Act, 35 U.S.C. §§ 312(a)(3), 315(a)(1), (b), (e)(1) (2011); *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1240-41 (Fed. Cir. 2018).

9. Under 35 U.S.C. § 315(a)(1), “[a]n inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.” Leahy-Smith America Invents Act, 35 U.S.C. § 315(a)(1) (2011). Under 35 U.S.C. § 315(b), “if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” Leahy-Smith America Invents Act, 35 U.S.C. § 315(b) (2011).

10. Estoppel provisions seek “to protect patent owners from harassment via successive petitions by the same or related parties, to prevent parties from having a ‘second bite at the apple,’ and to protect the integrity of both the USPTO and Federal Courts by assuring that all issues are promptly raised and vetted.” United States Patent and Trademark Office, Patent Trial and Appeal Board Consolidated Trial Practice Guide, 12 (Nov. 2019).

11. The Federal Circuit has gone to great lengths to note that this acceptance is not a “rebuttable presumption” that formally shifts a burden of production to the patent owner” but

### III. AIT & VENTEX DECISIONS

The Federal Circuit stated in *AIT* that a “flexible approach,” which considers more than just “control,” is required when determining whether a non-party is an RPI.<sup>12</sup> Post-*AIT* the PTAB adopted the Federal Circuit’s flexible-standard approach by issuing its own precedential decision in *Ventex Co., Ltd., v. Columbia Sportswear North America, Inc.*<sup>13</sup>

#### *Federal Circuit Establishes Flexible Approach*

The Federal Circuit reviewed a patent owner’s unsuccessful claim that the petitioner failed to name an RPI in its July 2018 *AIT* decision.<sup>14</sup> In *AIT*, the court found that the PTAB used an “unduly restrictive test for determining whether a person or entity” was an RPI and failed to consider the entirety of the evidentiary record to make that determination.<sup>15</sup> In a series of IPR petitions, RPX was identified as the sole RPI.<sup>16</sup> RPX is a public company that facilitates challenges to patents it deems to be of dubious quality, funding those challenges by subscription fees paid by its members.<sup>17</sup> Salesforce is a member of RPX.<sup>18</sup> *AIT* argued that Salesforce should have been named an RPI to RPX’s petition.<sup>19</sup> More than one year prior to RPX filing the petitions, *AIT* initiated litigation against Salesforce for infringement.<sup>20</sup> Had Salesforce been an RPI, RPX’s petitions would have been time-barred under 35 U.S.C. § 315(b).

rather a “practical” approach to conducting post-grant trial proceedings. *Worlds Inc.*, 903 F.3d at 1242-43. The court has noted that “a patent owner must produce some evidence to support its argument that a particular third party should be named a real party in interest.” *Id.* at 1242.

12. *Applications in Internet Time*, 897 F.3d at 1351. On May 4, 2020, Appellee RPX Corp. filed a motion to recall mandate and vacate the final judgment of *Applications in Internet Time*. That motion is still pending at the time of submission of this article.

13. *Ventex Co., Ltd., v. Columbia Sportswear N. Am., Inc.*, No. IPR2017-00651, Paper 148 at 6 (P.T.A.B. Jan. 24, 2019).

14. The ability of parties to appeal PTAB RPI determinations under 35 U.S.C. § 315(b), where such an appeal produced the *AIT* opinion, is in question post the Supreme Court’s decision the *Click-to-Call* case. That case held that § 314(d) precludes judicial review of the PTAB’s application of § 315(b)’s time prescription. *Thryv, Inc. v. Click-to-Call Techs, L.P.*, No. 18-916, 2020 WL 1906544 at \*2 (Apr. 20, 2020).

15. *Applications in Internet Time*, 897 F.3d at 1339.

16. *Id.*

17. *Id.* at 1339-40.

18. *Id.* at 1340-43.

19. *Id.* at 1340-43.

20. *Id.* at 1339.

In reviewing both the statutory language and legislative history, the *AIT* court determined that the definition of an RPI under 35 U.S.C. § 315(b) has an “expansive common-law meaning.”<sup>21</sup> Specifically, the court stated that “[d]etermining whether a non-party is a ‘real party in interest’ demands a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner.”<sup>22</sup> The court found the Board’s consideration of the evidence was insufficient because it failed to consider the relationship between RPX and Salesforce and the nature of RPX as an entity.<sup>23</sup> The court did not provide a specific list of relevant factors to consider, but did reference the PTAB’s Trial Practice Guide (“TPG”), which sets forth relevant factors for an RPI analysis.<sup>24</sup>

### *PTAB Reinforces AIT’s Flexible Approach*

After *AIT*, the PTAB applied its understanding of the “flexible approach” and terminated an instituted IPR proceeding in *Ventex*, in part, based on an unnamed RPI.<sup>25</sup> In that case, the record demonstrated that the patent owner, Columbia, served Seirus with a complaint alleging patent infringement in 2014.<sup>26</sup> In 2017, *Ventex* filed its IPR petition challenging the patent Columbia asserted against Seirus.<sup>27</sup> Because there was no dispute that Seirus had been served with a complaint more than a year earlier, the issue before the Board was whether Seirus was an RPI or privy of the petitioner.<sup>28</sup> The Board found that Seirus was both.<sup>29</sup> In doing so, the Board looked to *AIT* to guide its analysis, which included commentary on the legislative

21. *Id.* at 1351.

22. *Id.*

23. *Id.*

24. *Id.* (these factors are discussed in depth *infra* Part V).

25. *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, No. IPR 2017-00651, Paper 148 at 16 (P.T.A.B. Jan. 24, 2019) (in *Ventex*, the PTAB acknowledged that, as the Petitioner, *Ventex* had the burden of demonstrating that Seirus, its customer, was not an RPI).

26. *Id.* (Seirus’ products incorporated an allegedly infringing “Heatwave” fabric material manufactured by *Ventex*).

27. *Id.* at 2. (*Ventex* petitioned for *inter parties review* of claims 1-2, 8, 15-16, and 20 of U.S. Patent No. 8,414,199 B2).

28. *Id.* at 5.

29. *Id.* at 2 (Although the Board found that Seirus was a privy, for the purposes of this paper, only the RPI analysis is discussed).

history of 35 U.S.C. § 315.<sup>30</sup> The *Ventex* decision cites the TPG, stating that identifying a non-party as an RPI is a “highly fact-dependent question.”<sup>31</sup> That same TPG lists several factors relevant in determining whether a nonparty is an RPI: (1) whether the nonparty could have or did exercise control over petitioner in filing the petition and/or the proceedings, (2) the extent a nonparty funds a petition or proceeding, (3) the nonparty’s relationship to the petitioner, (4) the nonparty’s relationship to the petition itself “including the nature and/or degree of involvement in the filing,” and (5) “the nature of the entity filing the petition.”<sup>32</sup> The Board examined whether Seirus “is a clear beneficiary that has a preexisting, established relationship with the petitioner,” as well as evaluated the TPG factors.<sup>33</sup>

According to the Board, the evidence showed that *Ventex* and *Seirus* had a preexisting, established relationship as they had conducted business together since 2013.<sup>34</sup> *Ventex* was also obligated to indemnify and defend *Seirus* under the terms of their Supplier Agreement.<sup>35</sup> In 2016, *Ventex* contracted to “only manufacture Heatwave Material for *Seirus*” in return for an “exclusivity fee.”<sup>36</sup> Based on their relationship, the Board concluded that the parties had a mutual interest in their continuing success and that *Seirus* was a clear beneficiary of *Ventex*’s IPR, thus deeming *Seirus* an RPI and dismissing the IPR petition as time-barred.

#### IV. FEDERAL CIRCUIT DECISIONS POST-AIT/VENTEX

Even after its own decision in *AIT*, the Federal Circuit has focused almost entirely on “control” as the determinative factor in an RPI analysis.

30. [T]he terms “real party in interest” and “privy” were included in § 315 to serve two related purposes: (1) to ensure that third parties who have sufficiently close relationships with IPR petitioners would be bound by the outcome of instituted IPRs under § 315(e), the related IPR estoppel provision; and (2) to safeguard patent owners from having to defend their patents against belated administrative attacks by related parties via § 315(b). *Id.* at 6 (quoting *Applications in Internet Time*, 897 F.3d at 1351).

31. *Id.*

32. United States Patent and Trademark Office, Patent Trial and Appeal Board Consolidated Trial Practice Guide, 17-18 (Nov. 2019) (the TPG also states that “because rarely will one fact, standing alone, be determinative of the inquiry, the Office cannot prejudge the impact of a particular fact on whether a party is a ‘real party-in-interest’ or ‘privy’ of the petitioner.”).

33. *Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, No. IPR2017-00651, Paper 148 at 6 (P.T.A.B. Jan. 24, 2019) (quoting *Applications in Internet Time*, 897 F.3d at 1351).

34. *Id.*

35. *Id.* at 7.

36. *Id.*

*Federal Circuit Reliance Upon “Control” Factor*

In *VirnetX v. Mangrove Partners*, the Federal Circuit used “control” to confirm a PTAB finding that a nonparty was not an unnamed RPI.<sup>37</sup> The patent owner in *VirnetX* appealed a finding that a nonparty hedge fund, Mangrove Partners Hedge Fund (“the hedge fund”), was not an RPI.<sup>38</sup> The hedge fund had discretion over managing assets for the petitioner, Mangrove Partners Master Fund, Ltd. (“Mangrove”).<sup>39</sup> In its decision, the Federal Circuit acknowledged *AIT*’s flexible approach.<sup>40</sup> The court quoted from *AIT* to define an RPI as one “who, from a practical and equitable standpoint, will benefit from the redress that the chosen tribunal might provide.”<sup>41</sup> But after this brief acknowledgment, the court pointed to the “[o]ne factor relevant” to the RPI analysis that the PTAB wholly focused on—control.<sup>42</sup> In reviewing the Board’s decision, the Federal Circuit focused primarily on an agreement between Mangrove and the hedge fund and found that the transfer of funds for the petition was not evidence that the hedge fund exercised any control over the IPR.<sup>43</sup> The court noted that control is the “[o]ne factor relevant” in the analysis, and then discussed the funding and nonparty/petitioner relationship factors to justify its finding that the hedge fund did not exercise control. The court stated that “[t]he fact that [nonparty] transmitted some of [petitioner’s] money that it was managing to pay for these petitions is not evidence that [nonparty] exercised any control over the proceedings.”<sup>44</sup> In its RPI analysis, the court did not mention any other TPG factors.

Similarly, in *Global Equity v. eBay*, the court again acknowledged the flexible approach, but focused its analysis on whether the nonparty controlled or funded the IPR. The court found that the patent owner, Global Equity Management (“SA”) Pty, Ltd. (“GEMSA”), waived its

37. *VirnetX v. Mangrove Partners*, 778 F. App’x 897 (Fed. Cir. 2019).

38. *Id.* at 903.

39. *Id.* at 902.

40. *Id.*

41. *Id.* (quoting *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d at 1349).

42. *Id.* (“One factor relevant to whether a third party is a real party in interest, which the Board focused on here, is whether it ‘exercised or could have exercised control over a party’s participation in a proceeding.’” (quoting Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012))).

43. *Id.* An agreement existed between the hedge fund and Mangrove providing that the hedge fund had authority to act on behalf of Mangrove in certain situations such as investing or re-investing all of Mangrove’s assets. *Id.* at 903. The agreement expressly restricted the authority of the hedge fund in situations other than those provided in the agreement. *Id.*

44. *Id.*

argument that the IPR should have been terminated due to an unnamed RPI.<sup>45</sup> Despite this finding, the court stated that the nonparty, Amazon, was not an RPI because there were no facts in the record that the nonparty “actually wrote the IPR” petitions or “controlled the IPR” proceedings.<sup>46</sup> The court briefly considered the relationship between the petitioner and Amazon, stating it was too attenuated for Amazon to be considered an RPI.<sup>47</sup> The court also found that the indemnification agreement between the parties stated Amazon would defend the petitioner in ongoing district court litigation, but that Amazon did not “control, fund, or direct any activities” of the petitioner with regard to the IPR petitions.<sup>48</sup> Accordingly, the court held that Amazon did not control or otherwise participate in the IPR proceedings, and thus was not an RPI.<sup>49</sup>

#### V. PTAB DECISIONS POST-AIT/VENTEX

After *AIT* and *Ventex*, the PTAB continues to evaluate RPI challenges. In some instances, the Board has discussed the “clear beneficiary factor” or other TPG factors. But in other cases, the PTAB focuses almost entirely on the “control” factor.

##### *Examples In Which The Board Provided Substantial Analysis Of The “Clear Beneficiary” Factor*

In *Agilent Tech.*, the Board focused on whether a nonparty was a clear beneficiary of petitioner’s IPR.<sup>50</sup> The Board found that that ProZyme, a wholly owned subsidiary of Agilent, was an RPI.<sup>51</sup> ProZyme already challenged the claims addressed in the petition in two separate district court litigations.<sup>52</sup> The *Agilent* court determined that due to equitable and practical considerations, ProZyme was an RPI.<sup>53</sup> Such considerations included: (i) Agilent being able to control ProZyme as a wholly owned subsidiary, (ii) Agilent and ProZyme’s

45. *Glob. Equity Mgmt. (SA) Pty. Ltd. v. eBay Inc.*, 798 F. App’x 616, 620 (Fed. Cir. Jan. 14, 2020).

46. *Id.*

47. *Id.*

48. *Id.*

49. *Id.*

50. *Agilent Tech., Inc. v. Waters Tech. Corp.*, No. IPR2019-01131, Paper 12 at 6 (P.T.A.B. Dec. 3, 2019).

51. *Id.*

52. *Id.* at 6-7.

53. *Id.* at 7-9.



mutual interest in each other's success, and (iii) Agilent's use of ProZyme to shield Agilent of liability in a co-pending litigation.<sup>54</sup>

Again, in *Polycom Inc. v. Waters Tech. Corp.*, the Board focused on whether the nonparty was a "clear beneficiary" of petitioner's IPR. The Board acknowledged a supplier relationship between the parties and a district court certification stating that the nonparty had a financial interest in the litigation.<sup>55</sup> But the Board determined that was not enough for the nonparty to be an RPI because there was no evidence of the nonparty exerting control over the petition, and because the relationship between the petitioner and the nonparty was too attenuated for the nonparty to be an RPI.<sup>56</sup>

#### *Board Relies Primarily Upon "Control" Factor*

In *Choirock Contents*, the Board focused only on the control and direction of the petition for its RPI analysis.<sup>57</sup> The patent owner, Spin Master, argued that Mattel, who previously filed a substantially similar petition against the same patent in a different IPR proceeding, was an omitted RPI and thus institution should be denied under 35 U.S.C. § 315(a).<sup>58</sup> Spin Master contended that the petitioner and Mattel had a preexisting, established business relationship and that Mattel benefitted if the challenged claims of the instant petition were invalidated.<sup>59</sup> The Board found that Mattel, as an indemnitee, could not exercise direction or control over Choirock's petition, and thus was not an RPI.<sup>60</sup>

In *Unified Patents v. Uniloc*, the Board relied solely upon the "control" factor in finding that Apple was not an RPI.<sup>61</sup> Unified Patents, Inc. (Unified) filed a petition for an IPR naming only itself as an RPI.<sup>62</sup>

54. *Id.* at 9-11.

55. *Id.* at 18-19.

56. *Polycom, Inc. v. Directpacket Research, Inc.*, No. IPR2019-01233, Paper 21 at 16-18 (P.T.A.B. Jan. 13, 2020).

57. *Choirock Contents Factory Co., Ltd. v. Spin Master Ltd.*, No. IPR2019-00897, Paper 17 at 7-8 (P.T.A.B. Sept. 17, 2019).

58. *Id.*

59. *Id.*

60. *Id.* at 17.

61. *Unified Patents Inc., v. Uniloc USA, Inc. et al.*, No. IPR2018-00199, Paper 33 at 9 (P.T.A.B. May 31, 2019); *Unified Patents Inc., v. Uniloc USA, Inc. et al.*, No. IPR2018-00199, Paper 41 at 9 (P.T.A.B. Aug. 8, 2019).

62. *Unified Patents Inc., v. Uniloc USA, Inc. et al.*, No. IPR2018-00199, Paper 41 at 9 (P.T.A.B. Aug. 8, 2019).

Uniloc argued that Apple was an unnamed RPI.<sup>63</sup> In determining control, the Board considered Apple's involvement in the filing of Unified's petition, finding that there was no evidence of communications between Apple and Unified prior to filing.<sup>64</sup> Even considering Apple's involvement, the Board concluded that Uniloc "offer[ed] undisputed evidence that Unified alone directed, controlled, and funded, this IPR, and that Unified did not communicate or coordinate with Apple."<sup>65</sup> In support of its finding, the Board also pointed to the fact that Apple had its own pending "similar" proceedings against Unified which gave "Apple control over its own proceeding."<sup>66</sup> In other words, the Board found that Apple did not control the petitioner's filing and could control its own proceeding.

Similar to the Federal Circuit's decision in *VirnetX*, the Board in *Unified Patents Inc., v. MV3 Partners LLC* used evidence of a nonparty's lack of involvement with the petition to justify that it did not control the petitioner and was not an RPI.<sup>67</sup> To support its findings, the Board stated that there was "no evidence of client-specific or pre-filing communications" between Unified and the nonparty.<sup>68</sup> It further stated that there was no evidence to show that the IPR was filed at the nonparty's "behest."<sup>69</sup> While the Board did not explicitly find that the nonparty did not "control" Unified, the Board's analysis supported Unified's argument relating to control. As such, the Board used the lack of evidence relating to the nonparty's involvement with the petition to support Unified's position that the nonparty did not control the filing.

The Board similarly relied upon control in finding five different nonparties were not RPIs in *Adobe Inc. v RAD Color Technologies, LLC*.<sup>70</sup> In that case, the patent owner argued that because the petitioner and two of the nonparties were represented by the same lawyers at the same law firm, those nonparties had been "coordinating every aspect

63. *Id.* at 7.

64. *Id.*

65. *Id.*

66. *Id.*

67. *Unified Patents Inc., v. MV3 Partners LLC*, No. IPR2019-00474, Paper 9 at 42 (P.T.A.B. Jul. 16, 2019).

68. *Id.*

69. *Id.*

70. *Adobe Inc. v. RAH Color Techs., LLC*, No. IPR2019-00646, Paper 34 at 8 (P.T.A.B. Sept. 4, 2019); *Adobe Inc. v. RAH Color Techs., LLC*, No. IPR2019-00646, Paper 75 (P.T.A.B. Feb 27, 2020).

of the defense of the action among the companies.”<sup>71</sup> The Board was not persuaded by this argument and found that no specific evidence existed that the nonparties “funded, directed, or controlled” the IPR “directly or indirectly through its attorneys.”<sup>72</sup> In supporting this finding, the Board also noted that there was “no evidence of communications” between two nonparties and the petitioner prior the petition filing.<sup>73</sup> For the other nonparties, the patent owner argued that there were either express or implied agreements “between outside counsel to form a joint defense group due to the parties’ common interest in defending against” the infringement allegations.<sup>74</sup> The Board was again unpersuaded that any evidence supported the patent owner’s assertion.<sup>75</sup> Instead, in finding that these other nonparties were also not RPIs, the Board relied upon the petitioner’s affirmative representation that the nonparties did not “fund[], direct[], control[], or review[] any part of the IPRs prior to [petitioner] filing them.”<sup>76</sup>

## VI. CONCLUSION

Failing to properly name RPIs in IPR petitions can doom a PTAB patent challenge. In *AIT*, the Federal Circuit acknowledged that the RPI analysis warrants a flexible approach and pointed to the PTAB’s Trial Practice Guide factors. The PTAB acknowledged this decision in its own precedential decision in *Ventex*. Despite these two rulings, in many instances both the Federal Circuit and the PTAB have continued to lean heavily on the “control” factor without significant discussion of weighing of other “flexible approach” factors.

Petitioners should continue to be diligent in their investigation, analysis, and naming of RPIs in the petition. This may include proactively explaining RPI-naming decisions to the Board in the petition where appropriate. Patent owners should scrutinize who the petition includes as RPIs to determine whether there are any unnamed RPIs who might be “clear beneficiaries” to fuel an RPI attack. But patent owners should understand that it may be difficult to gain

71. *Adobe Inc. v. RAH Color Techs., LLC*, No. IPR2019-00646, Paper 75 at 8 (P.T.A.B. Sept. 4, 2019).

72. *Id.* at 10.

73. *Id.* at 11.

74. *Id.* at 13.

75. *Id.*

76. *Id.*

traction with the PTAB on such attacks if there is no evidence of “control” of the petition to buttress the RPI gambit.