

NOTE: This order is nonprecedential.

**United States Court of Appeals
for the Federal Circuit**

ULTHERA, INC.,
Appellant

v.

DERMAFOCUS LLC,
Appellee

2018-1542

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2016-
01459.

ON MOTION

Before MOORE, WALLACH, and TARANTO, *Circuit Judges*.
MOORE, *Circuit Judge*.

O R D E R

In light of the Supreme Court's recent decision in *SAS Institute Inc. v. Iancu*, 138 S. Ct. 1348 (2018), Ulthera, Inc. moves to remand this case to the Patent Trial and Appeal Board for additional proceedings. DermaFocus LLC opposes the motion. We *remand*.

DermaFocus is the owner of U.S. Patent No. 6,113,559 (the '559 patent), which relates to the therapeutic use of ultrasound for treatment of the skin. In July 2015, DermaFocus sued Ulthera for infringement of the '559 patent in the United States District Court for the District of Delaware. *DermaFocus LLC v. Ulthera, Inc.*, 1:15-cv-00654-JFB-SRF (D. Del. Jul. 29, 2015), ECF No. 1. On July 19, 2016, Ulthera filed a petition at the Patent Office requesting *inter partes* review of claims 1–18 of the '559 patent, arguing that the claims were invalid under 35 U.S.C. § 103. On November 14, 2016, the district court granted the parties' joint request to stay proceedings in the civil action "pending resolution by the [Board] of the patentability of all challenged claims in the pending IPR, either via denial of Institution, or via a Final Written Decision." On January 23, 2017, the Board decided to institute review but only on claims 1–4, 6–9, and 11–18. On January 19, 2018, the Board issued its final written decision, concluding that Ulthera had failed to demonstrate that the instituted claims were unpatentable on the grounds as asserted and instituted. Ulthera then filed a notice of appeal seeking this court's review.

Before the filing of its opening brief, the petitioner Ulthera moves to remand. Ulthera's motion argues that remand is necessary under *SAS* for the Board to issue a final written decision with respect to the patentability of claims 5 and 10 of the '559 patent. Ulthera argues that under *SAS*, the Board must issue a final written decision addressing the patentability of every claim challenged by the petitioner. Ulthera further argues that remanding the case now will conserve judicial and party resources because this appeal is in its early stages, as briefing has not yet commenced. DermaFocus' opposition to the motion argues that a remand here is unnecessary and will only result in delay. DermaFocus argues that a remand at this juncture will not result in a changed outcome or any new fact finding because claims 5 and 10 are depend-

ent claims and were challenged under the same prior art references as dependent claim 1. DermaFocus also argues that it will be prejudiced if the case is remanded given the current stay of proceedings in its civil action against Ulthera.

We agree with Ulthera. Section 318(a) of title 35 provides that “[i]f an inter partes review is instituted and not dismissed under this chapter, the [Board] shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner.” In *SAS*, the Supreme Court held that under the plain language of § 318(a), “the Board *must* address *every* claim the petitioner has challenged, 138 S. Ct. at 1354, and that it is “the petitioner, not the Director, who gets to define the contours of the proceeding,” *id.* at 1355. Under the circumstances of this case, where it is the petitioner who is making the request to remand and no merits briefing has yet occurred, we find that it is the most efficient course of action to remand for the Board to promptly issue a final written decision as to the challenged, but not instituted, claims. Importantly, doing so will ensure later on that there is no dispute or concern in the parallel district court proceedings regarding the scope of estoppel under 35 U.S.C. § 315(e)(2). Finally, as to DermaFocus’ concern that a remand will unnecessarily delay its civil action, we note that DermaFocus has filed a motion at the district court to lift the stay of proceedings in light of the changed circumstances that occurred as a result of the Board’s final written decision. We, of course, leave it to the sound discretion of the district court on how to handle its case and as to whether that motion should be granted.

Accordingly,

IT IS ORDERED THAT:

(1) The motion to remand is granted. The Board is directed to promptly issue a final written decision as to all claims challenged by Ulthera in its petition.

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(2) Each side shall bear its own costs.

FOR THE COURT

/s/ Peter R. Marksteiner

Peter R. Marksteiner
Clerk of Court

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ISSUED AS MANDATE: May 25, 2018