

America Invents Act

Limitation on Joinder

On September 16, 2011, the America Invents Act (AIA) ushered in major changes to the U.S. patent system, including changes affecting assertion of patent infringement against multiple, unrelated accused infringers. Effective upon enactment, the AIA added 35 U.S.C. § 299 to limit joinder of accused infringers in district court actions.

Now, accused infringers may only be joined in one action as defendants or counterclaim defendants, or be consolidated for trial, by meeting the following statutory requirements:

- (1) that the right to relief asserted against the parties jointly, severally, or in the alternative, is with respect to or arises out of the same transaction or occurrence relating to infringement of the same accused product or process, and
- (2) that questions of fact common to all defendants or counterclaim defendants will arise.

35 U.S.C. § 299(a).

Addition of Section 299 culminated as a result of efforts to limit the ability of patent holders to join multiple, unrelated accused infringers based solely on infringement of the same patent or patents asserted against an accused infringer. As a result, joinder is now prohibited where the sole basis rests on allegations that each defendant or counterclaim defendant infringes the patent or patents in suit. 35 U.S.C. § 299(b).

Accused Infringers may waive the joinder limitation

Realizing that some defendants or counterclaim defendants, though unrelated, may want to be joined in a single, consolidated action, Section 299(c) provides for waiver of the limitation. A defendant or counterclaim defendant, however, can only waive the limitation as to itself.

The joinder limitations do not apply to Hatch-Waxman actions

Section 299(a) specifically excludes actions where infringement is asserted under 35 U.S.C. § 271(e)(2), which is the statutory mechanism Congress enacted to create the artificial act of infringement upon the filing of an Abbreviated New Drug Application (ANDA) with the Food and Drug Administration. Given the special procedures Congress created to expedite litigation associated with ANDA filings, the same concerns for joinder of multiple ANDA filers, who filed ANDAs on the same drug, do not apply.

Please contact Jeremiah Frueauf (jfrueauf@skgf.com) or Lori Gordon (lgordon@skgf.com) with any questions.