

In The
Supreme Court of the United States

SSL SERVICES, LLC,
Petitioner,

v.

CISCO SYSTEMS, INC.,
Respondent.

On Petition for a Writ of Certiorari to the
United States Court of Appeals
for the Federal Circuit

PETITION FOR WRIT OF CERTIORARI

ALAN M. FISCH
Counsel of Record
R. WILLIAM SIGLER
JOHN T. BATTAGLIA
FISCH SIGLER LLP
5301 Wisconsin Avenue, NW
Fourth Floor
Washington, DC 20015
Supreme.Court@FischLLP.com
202.362.3500

Counsel for Petitioner

QUESTIONS PRESENTED

In 2000, the United States Patent Office (PTO) examined and granted U.S. Patent No. 6,158,011. Over the next 16 years, the '011 Patent produced some \$22-million in infringement and licensing revenue. During that same time, the patent withstood scrutiny from nine PTO and judicial reviews challenging the patent's validity. This included three PTO reexaminations, two PTO de novo reviews of those reexaminations, a district court jury verdict and judgment, and a 2014 precedential Federal Circuit decision.

In 2015, Petitioner SSL sued Respondent Cisco for infringing the '011 Patent. Cisco responded by filing a request for inter partes review (IPR) at the PTO, using the same prior art that the patent had already repeatedly overcome in those prior reviews. Yet, instead of denying Cisco's request as duplicative and barred by the "Multiple-Proceedings" rule, 35 U.S.C. § 325(d), the PTO decided to review the patent once more—the tenth review of the '011 Patent's validity. The PTO compounded this error by thereafter incorrectly concluding what none of the other nine prior PTO or judicial reviews had: that the '011 Patent was invalid as obvious over this previously presented and rejected prior art.

In refusing to apply § 325(d), the PTO emphasized that Cisco was not the same party that had prompted the PTO's prior reviews. But this ruling contravened the statute's text and structure, as well as Congress's intent. Congress did not limit § 325(d) to blocking the same party from launching multiple

validity challenges to the same patent—rather, § 325(d) applies so long as the “same or substantially the same prior art or arguments were previously presented to the [PTO].” And other related provisions in the statute address and estop the same party from doing so. *See*, 35 U.S.C. §§ 315(e), 325(e). More broadly, in enacting provisions like § 325(d), Congress proclaimed that it did not want IPRs “to be used as tools for harassment ... through repeated litigation and administrative attacks on the validity of a patent.” H.R. Rep. No. 98 Pt. 1, 112th Cong., 1st Sess. at 48 (2011). That is this case.

Nonetheless, the Federal Circuit declined to review the PTO’s § 325(d) ruling. The court did so even though the PTO has applied this rule incorrectly and inconsistently in numerous other cases. The Federal Circuit also did so despite this Court’s recent holding that PTO institution decisions like these are judicially reviewable under 35 U.S.C. § 314(d) if the challenge thereto does not require evaluating the merits of an IPR petition’s invalidity theory. And § 325(d) requires no such merits analysis; as noted, it asks whether the “same or substantially the same prior art or arguments were previously presented to the [PTO].” Thus, the Federal Circuit not only mistakenly declined to review the PTO’s § 325(d) ruling, but also left its own standard for whether it will review such institution rulings both divided and uncertain.

The PTO’s and Federal Circuit’s failure to follow the law here undermines one of the bedrock elements of our patent system: predictability. And in turn, this unpredictability puts at risk the incentive to innovate that the system has protected and

spurred since our Nation's inception. In short, if these rulings stand, it will frustrate the constitutional goals of the patent system. *See* U.S. CONST., Art. I, § 8 (“To promote the progress of science and useful arts ...”).

The questions presented are:

1. Whether courts may review an agency's ruling on whether the § 325(d) Multiple-Proceedings rule applies and bars an IPR's institution when (1) the analysis of whether that rule applies does not require an evaluation of the IPR's invalidity merits; and (2) § 325(d) specifies criteria for the rule's application, *viz.*, that a prior PTO proceeding presented the “same or substantially the same prior art or arguments” as those in the IPR petition.
2. Whether the Board erred in instituting an IPR notwithstanding 35 U.S.C. § 325(d) when (1) the same or substantially the same prior art and arguments in the IPR were presented to the PTO in multiple prior reviews; (2) the text of § 325(d) does not require that the same party have previously filed or participated in such prior PTO reviews, contrary to the Board's standard; and (3) other AIA provisions address this “same party” or “estoppel” context.

**PARTIES TO THE PROCEEDINGS AND RULE
29.6 STATEMENT**

The parties to the proceedings include those listed on the cover. Petitioner, who is the patent owner of the '011 patent and the Appellant below, is SSL Services, LLC. SSL has no corporate parents and no publicly held company owns 10 percent or more of SSL's stock.

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PETITION FOR A WRIT OF CERTIORARI

Petitioner SSL Services, LLC respectfully submits this petition for a writ of certiorari to review the judgment of the U.S. Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The Patent Trial and Appeal Board's Decision to Institute *Inter Partes* Review (App. 3–31), and its Final Written Decision (App. 32–74), are unreported. The Federal Circuit's panel order deciding the appeal without opinion is unreported but available at 721 F. App'x 987 (Fed. Cir. 2018) and App 75–76. Its order denying a panel and en-banc rehearing (App. 1–2) is unreported. As relevant here, the PTO's prior reexamination decisions upholding the validity of the '011 patent-in-suit are unreported but available or referenced in App. 77–80 (Nov. 29, 2012 PTO decision), App. 82 (March 28, 2013 PTO decision), App. 81–103 (July 16, 2013 PTO decision), App. 105 (June 18, 2014 PTO decision), and App. 104–127 (Sept. 9, 2014 PTO decision). The district court's opinion upholding the validity of the '011 patent-in-suit and jury verdict in a prior related litigation is reported at *SSL Servs., LLC v. Citrix Sys., Inc.*, 940 F. Supp. 2d 480 (E.D. Tex. 2013). The Federal Circuit's precedential opinion affirming that judgment is reported at *SSL Servs., LLC v. Citrix Sys., Inc.*, 769 F.3d 1073 (Fed. Cir. 2014).

STATEMENT OF JURISDICTION

The court of appeals entered its order denying rehearing on July 10, 2018. This Court has jurisdiction under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

The statutory provisions at issue were enacted by the AIA, codified in Title 35 of the United States Code, and appear in the appendix to this petition. The most relevant of these are the “Multiple-Proceedings” rule that authorizes rejection of IPRs based on the same or substantially the same prior art or arguments that were previously before the PTO, 35 U.S.C. § 325(d), and the provision limiting judicial review of an IPR institution decision, 35 U.S.C. § 314(d). As this Court has stated, the principle recognizing the strong presumption of judicial review inheres from the APA and the Constitution.¹

STATEMENT OF THE CASE

A. Statutory Framework

The Leahy-Smith America Invents Act (AIA), introduced a new procedural framework for challenging the validity of issued patents, creating a new adjudicatory body within the PTO: the Patent Trial and Appeal Board (the Board). The proceedings created by the AIA seek to provide a mechanism by which the PTO can ensure high-quality patents and

¹ See, e.g., *Sackett v. EPA*, 566 U.S. 120, 128 (2002); *Zadvydas v. Davis*, 533 U.S. 678, 692 (2001).

reduce costly, frivolous litigation. As Congress cautioned, however, AIA proceedings, such as IPRs, could themselves be used to harass patent owners with unwarranted or baseless proceedings. Indeed, when enacting the AIA, Congress warned that its reforms “are not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent.” H.R. Rep. No. 98 Pt. 1, 112th Cong., 1st. Sess. at 48 (2011) (Judiciary Cmte Rpt).

To that point, the preliminary or institution phase of an AIA proceeding is intended to provide a check against such abuses, as the Board can act at that early stage to eliminate unsupported, speculative, or otherwise abusive IPR challenges: “The ‘institution’ phase of the AIA is a threshold proceeding whose primary purpose is to screen out unsupported attacks on validity ... This is a safeguard against harassment, tactical delay, and like abuses.” *Synopsys, Inc. v. Mentor Graphics Corp.*, 814 F.3d 1309, 1338 (Fed. Cir. 2016) (Newman, J., dissenting).

The provision at issue, 35 U.S.C. § 325(d), provides a critical safeguard against the type of abusive AIA filings (e.g., IPRs) that Congress sought to eradicate. The provision enables the PTO Director—or his delegate, the Board—to reject an IPR “petition or request because the same or substantially the same prior art or arguments previously were presented to the [PTO].” 35 U.S.C. § 325(d). It is therefore imperative, pursuant to Congress’s enacted intent, that (1) the Board consistently and predictably apply this § 325(d) Multiple-Proceedings rule; and (2) the Board’s determinations on § 325(d) be subject to appellate review, to ensure that the Board adequately dis-

charges its functions and to promote the clear, consistent, and predictable development of the law.

B. Factual Background

1. This petition arises from a series of challenges to the validity of U.S. Patent No. 6,158,011 ('011 patent), of precisely the sort that the Multiple-Proceedings rule seeks to mitigate. Before these particular IPR proceedings began, the '011 patent had already survived three PTO *ex parte* reexamination petitions and two additional de novo reviews thereof, each involving the same or substantially the same prior art and arguments relied on in these IPR proceedings.

a. The '011 patent relates to a system for establishing Virtual Private Networks, which allow secure communication between terminals over an open, public network such as the Internet. The application that became the '011 patent was filed with the PTO on February 26, 1999, claiming an earlier priority date of August 26, 1997, and was issued on December 5, 2000.² (*E.g.*, App. 82.) The patent has seven claims, four of which are independent (claims 1, 2, 4, 7) and three of which depend from those claims (claims 3, 5, 6). (*E.g.*, App. 28–29.)

b. The first of the above-referenced reexamination requests was filed with the PTO in October 2010. The request alleged that independent claims 2, 4, and 7 of the '011 patent were obvious and anticipated over, *inter alia*, two prior-art refer-

² The '011 patent was assigned to SSL in 2005.

ences: Alden and Takahashi. (App. 82.) The PTO instituted reexamination, finding that the theories alleged in the petition raised a “substantial new question” (SNQ) of patentability. Following a full reexamination, however, the PTO concluded in November 2012 that Alden and Takahashi (among other references) do not anticipate or render obvious the challenged claims of the ’011 patent. (App. 78–79.)

c. A second reexamination request was filed with the PTO in February 2013. (App. 82.) This PTO request contended that claims 2, 4, and 7 of the ’011 patent were invalid over the Alden-Takahashi combination. In its written decision, the PTO declined the reexamination request because the PTO had already considered the technological teachings of these Alden-Takahashi references in the first reexamination, and the request thus did not present an SNQ of patentability. (App. 117.) At the petitioner’s request, the PTO again reviewed this second reexamination request *de novo*. In a 14-page single-spaced decision, the PTO explained again that it had already considered the proposed Alden-Takahashi combination and that this requested reexamination was therefore unwarranted. (App. 92–95, 103.)

d. A third *ex parte* reexamination request was filed with the PTO in May 2014. (App. 105.) Again, the request alleged that claims 2, 4, and 7 of the ’011 patent were anticipated or obvious, this time, *inter alia*, in view of a PES article, both alone and in view of other prior-art. (App. 117.) The PTO denied the request, finding that the teachings of the PES article were identical to those of Takahashi, i.e., the same reference presented in the prior reexaminations. (App. 123.) Again, the PTO reviewed this

request de novo. And again, in another 14-page, single-spaced decision, the PTO reached that same conclusion, explaining once more that the PTO had already considered the cited prior-art or references like it—and that this request thus presented no SNQ of patentability. (App. 126.)

2. The courts also upheld the validity of the '011 patent. In an infringement suit that SSL brought against Citrix Systems, Inc. in the Eastern District of Texas, Citrix alleged the '011 patent (claims 2, 4, 7) would have been obvious over Takahashi in view of another prior-art reference, RFC 1508.³ Following a five-day trial, in June 2012, the jury rejected Citrix's obviousness arguments and found instead that Citrix was willfully infringing the '011 claims and liable for \$10-million in damages, which the district court later enhanced to \$15-million. *SSL Servs., LLC v. Citrix Sys., Inc.*, 940 F. Supp. 2d 480, 497–500 (E.D. Tex. 2013). The district court affirmed the jury's verdict over Citrix's motion for judgment as a matter of law, ruling that “substantial evidence supports the jury's conclusion that Citrix did *not* show by clear and convincing evidence that claims 2, 4 and 7 were invalid as obvious by the combination of Takahashi and RFC 1508.” *Id.* at 500 (emphasis added). The court also noted the consistency between the jury's findings and those of the PTO's first reexamination: “While the jury's verdict is independent of the analysis undertaken at the USPTO, the USPTO decision at least validates the jury's finding that claims 2, 4 and 7 of the '011 pa-

³ The RFC 1508 reference had also been presented in the first and third reexamination proceedings.

tent are not invalid under 35 U.S.C. § 102 and § 103.”⁴ *Id.*

Citrix appealed to the Federal Circuit. In its precedential opinion, the Federal Circuit also explained at length that “Citrix did not show by clear and convincing evidence that claims 2, 4, and 7 [of the ’011 patent] were invalid as obvious by Takahashi in view of RFC 1508.” *SSL*, 769 F.3d at 1090. The court also affirmed the judgment on Citrix’s infringement of these ’011 patent claims and the \$15-million that the jury and trial court had awarded as damages. *Id.* at 1088.

3. SSL later sued Cisco in March 2015 in the Eastern District of Texas, asserting that Cisco was infringing the ’011 patent. In response, Cisco petitioned the PTO’s Board in August 2015 for an IPR of claims 1–7. (App. 4.) Cisco’s IPR relied on the same references as those previously considered by the PTO and the courts: Alden and Takahashi. (*E.g.*, App. 9.) Citing the PTO reexaminations described above, SSL requested that the Board deny institution given the Multiple-Proceedings rule. Nevertheless, in February 2016, the Board instituted IPR on all of the requested claims (1–7), despite § 325(d).

a. In deciding to institute IPR despite § 325(d), the Board’s three-paragraph analysis repeatedly reasoned that Cisco did not appear to have been a party to the prior PTO reexamination challenges. (App. 10–12.) The Board further noted that each of the PTO’s prior reexaminations only concerned the

⁴ The second and third reexamination proceedings had not yet concluded.

validity of independent claims 2, 4, and 7 of the '011 patent (as opposed to claims 1–7). (*Id.*) And it noted that while the PTO's prior reexaminations had considered Alden and Takahashi and their teachings, only the second reexamination had specifically addressed the combination of those references. (*Id.*)

b. On February 22, 2017, the Board issued its final decision, cancelling all claims of the '011 patent. In now finding the '011 patent claims invalid as obvious, the Board relied on Alden and Takahashi, i.e., the same two references the PTO had previously considered in multiple proceedings. (App. 61–62.) In the Board's view, a person of ordinary skill in the art (POSITA) would have been motivated to modify Alden's virtual-private network in view of the Takahashi article—and in the way required by the '011 patent—because a POSITA would have viewed Alden's routine updating of its IP address data as a “significant burden” and a “software modification” that a POSITA would have wanted to avoid. (App. 63–67.) Apart from conclusory expert testimony, no evidence showed that such a routine updating of IP data (something that virtually every computer does) would have been considered a “significant burden,” let alone a “software modification.” (*See, e.g., id.*)

c. SSL appealed to the Federal Circuit, explaining the Board had erred in finding a motivation to combine Alden and Takahashi in the way required by the '011 patent. Cisco did not defend the Board's decision based on its stated “burden” rationale, arguing that this “burden” point was merely an alternative ground on which the Federal Circuit could affirm the agency's (Board's) opinion. Never-

theless, and despite its 2014 precedential opinion upholding the '011 patent's validity, the Federal Circuit summarily affirmed the Board's decision invalidating the '011 patent.⁵ (App. 76.)

d. SSL petitioned the panel and the full Federal Circuit for rehearing, explaining that the court's recent en-banc decision in *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018), which issued after the appellate briefing in this case, now authorized the Federal Circuit to review the Board's § 325(d) finding. Yet, notwithstanding its precedential opinion in *SSL v. Citrix, supra*, its en-banc decision in *Wi-Fi One, supra*, and the PTO's multiple prior reviews of the '011 patent over the same prior-art and arguments, the Federal Circuit denied this rehearing petition too, without explanation. (App. 2.)

REASONS FOR GRANTING THE PETITION

This petition invites the Court to correct the agency's and the Federal Circuit's treatment of two critical sections of the AIA—§ 314(d) and § 325(d)—and to thereby clarify the proper role of AIA proceedings within the wider scheme of the patent system and patent holders' property rights. The Multiple-Proceedings rule, § 325(d), instructs the Board to “take into account whether ... the same or substantially the same prior art or arguments previously

⁵ As this Court has recognized, an appellate court's summary affirmance or other decision without opinion is no reason to deny certiorari. *See, e.g., Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 138 S. Ct. 1365, 1372 (2018) (granting certiorari in patent case when the Federal Circuit had summarily affirmed a PTO Board decision without opinion).

were presented to the Office” when deciding whether to institute an IPR. As described herein, the Board has inconsistently and unpredictably treated § 325(d). For instance, the Board barred an IPR in another case when a particular prior-art reference had not been previously raised against the patent and the PTO had only conducted its original examination, but opened this IPR when the PTO had previously considered and rejected the same or similar references on several occasions. The Federal Circuit, for its part, has injected significant uncertainty into whether it will review Board rulings on § 325(d), despite Congress’s stated intent that parties not file repetitive IPRs. Indeed, until recently, the Federal Circuit had indicated that § 314(d) bars review of all PTO institution decisions. Thus shielded from the scrutiny of judicial review, the Multiple-Proceedings rule has become a font of uncertainty that has allowed IPRs, like this one, to proceed despite numerous prior rulings upholding a patent’s validity in the face of the same invalidity attacks.

I. The Board Has Not Consistently—or Correctly—Treated the Multiple-Proceedings Rule.

As this Court has explained, clear and predictable rules are critical, especially when they involve matters of contract and property—like patent rights. *See, e.g., Payne v. Tennessee*, 501 U.S. 808, 828 (1991) (recognizing that considerations favoring the predictability of *stare decisis* “are at their acme in cases involving property and contract rights, where reliance interests are involved”). Here, however, without the guidance of judicial review, the PTO has applied disparate approaches to the AIA’s

Multiple-Proceedings rule, producing irreconcilable outcomes; undermining the clarity favored in matters of property; and fundamentally devaluing the reliance-backed interests in patent rights. Indeed, the rules or “factors” that the PTO has used in its § 325(d) rulings are materially at odds with the statute’s text and structure. *See, e.g., Chevron, U.S.A., Inc. v. Nat. Res. Def. Council, Inc.*, 467 U.S. 837, 842–43 (1984) (“If the intent of Congress is clear, that is the end of the matter; for the court, as well as the agency, must give effect to the unambiguously expressed intent of Congress.”).

A. The Board’s Denial of § 325(d) Here Is Legally Incorrect and Highlights the Board’s Inconsistent Application of the Multiple-Proceedings Rule.

The Board’s decision denying § 325(d)’s application in this case underscores the need for this Court to correct a wholly inconsistent and legally flawed agency standard. As noted, the Multiple-Proceedings rule authorizes the PTO to reject an IPR petition when, as here, the “same or substantially the same prior art or arguments previously were presented to the [PTO].” 35 U.S.C. § 325(d). Although § 325(d) affords the Board some discretion whether to institute IPR, it provides plain guidance as to the factors the Board should consider in making its institution decision. The Board is to consider whether the “same or substantially the same prior art or arguments” had previously been presented to the PTO. 35 U.S.C. § 325(d). Disregarding these criteria, re-writing them, or otherwise basing a § 325(d) decision on factors that are contrary to or absent from the statutory text

is *ultra vires* and may constitute a significant error. And this Court has recently emphasized that such acts may be reviewed and annulled by the courts: “If a party believes the [PTO] has engaged in ‘shenanigans’ by exceeding its statutory bounds, judicial review remains available.” *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359 (2018). Notably, the text of § 325(d) does not require that the same party have previously presented that same prior art or argument. § 325(d). Nor does it require that the arguments in the prior proceeding were directed to all the same claims that the IPR petition now challenges. *Id.*

The Board’s decision here ignored these textual restraints. Foremost, the Board disregarded the straightforward application of the rule in this case, which epitomizes the need for having a “Multiple-Proceedings” rule in the first place. After all, as set forth above, the PTO in this case considered the same prior art, and other references like it (i.e., “substantially the same” references), not once, not twice, but in five PTO reexamination requests and de novo reviews, in decisions and analyses that spanned dozens of pages. (*See, e.g.*, App. 77–80; App. 81–103; and App. 104–127.) Further, the Board did so on reasoning that is decidedly at odds with the text of § 325(d) and the structure of the AIA. For instance, the Board repeatedly emphasized that Cisco had not previously filed or participated in those prior PTO proceedings (App. 11–12)—when § 325(d) requires no such “same party” participation. Indeed, that same AIA section has *another* sub-section that specifically addresses such “estoppel” circumstances, 35 U.S.C. § 325(e), as do other AIA provisions, such as 35 U.S.C. § 315(e). Accordingly, the Board’s

standard here not only makes the AIA’s Multiple-Proceedings and estoppel provisions duplicative of one another, but also renders them altogether superfluous, contrary to core interpretive canons. See *Moskal v. U.S.*, 498 U.S. 103, 109 (1990) (rejecting interpretation that would make terms of statute redundant and would thus “violate[] the established principle that a court should give effect, if possible, to every clause and word of a statute”); *Kungvs v. U.S.*, 485 U.S. 759, 778 (1988) (courts must heed “the cardinal rule of statutory interpretation that no provision should be construed to be entirely redundant”).

The Board also reasoned that the PTO’s prior reviews had only addressed independent claims 2, 4, and 6 of the ’011 patent—not claims 1–7 of the patent, as this IPR did. (App. 11–12.) But again, by its terms, § 325(d) does not restrict the Multiple-Proceedings rule on the basis that only a sub-set of claims were previously considered. Nor would that assertion, without analysis, make sense or otherwise constitute a reasoned basis on which to deny § 325(d). This case illustrates why. As noted, the PTO had already extensively considered the validity of the ’011 patent’s *independent* claims (claims 2, 4, 7) over this same prior art, upholding those claims in every proceeding and review. Thus, of the four additional patent claims that the PTO Board was relying on as justification to deny § 325(d) and institute this IPR, three of those claims (claims 3, 5-6) were *dependent* claims—i.e., claims that merely *added* requirements to independent claims 2, 4, and 7. See, e.g., 35 U.S.C. § 112(d) (“A claim in dependent form shall be construed to incorporate by reference all the

limitations of the claim to which it refers” plus “a further limitation” that the claim specifies). Accordingly, as claims 2, 4, and 7—the broader, independent claims—were already repeatedly adjudged by the PTO as valid over the same and similar prior art, there existed even *less* reason to question the validity of these dependent claims (claims 3, 5-6). That is so because, by definition, these dependent claims require more features than the already-affirmed independent claims, *see* 35 U.S.C. § 112(d)—meaning the dependent claims have more features or elements that further distinguish them from the cited prior-art references. *E.g.*, *Comaper Corp. v. Antec, Inc.*, 596 F.3d 1343, 1349-50 (Fed. Cir. 2010) (recognizing principle that dependent claim cannot be anticipated or obvious over prior art if its independent claim is not). And all the claims of the ’011 patent, including claim 1 and claim 7, are similar or nearly identical, as any claims in a patent must be. *See, e.g.*, 35 U.S.C. § 121 (requiring that patent be restricted to disclosure and claiming of single invention, rather than two or more distinct inventions). The Board itself attested to this fact when describing the “essentially the same” or “similar” features between claims 1-7. (App. 29–30.)

B. The Board’s *General Plastic* Factors Likewise Are Not Consistent With § 325(d)’s Statutory Text or Structure.

Even beyond this case, the Board’s multi-factor standard for § 325(d) is incorrect. Most notably, in a *General Plastic* decision deemed “precedential” by the PTO, the Board identified seven factors to consider in assessing whether the Multiple-Proceedings rule should foreclose institution: (1) the Board’s fi-

nite resources; (2) the requirement to issue a final determination within a year of the IPR's institution; (3) whether the same petitioner previously filed a petition directed to the same claims of the patent; (4) whether at the time of filing of the first petition the petitioner knew (or should have known) of the prior art later asserted; (5) whether at the time of the filing of the second petition, the petitioner had already received the patent owner's preliminary response or the Board's decision in the first IPR; (6) the time that elapsed between when the petitioner learned of the new prior art and the filing of the second petition; and (7) whether the petitioner provided an adequate explanation for the delay. *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, 2017 WL 3917706, at *4 (Sept. 6, 2017).

As with its rationale in this case, the Board's *General Plastic* factors do not accord with the statutory text or structure. For example, these factors also consider whether the Multiple-Proceedings rule should apply based on whether the same IPR petitioner had previously filed a PTO challenge to the patent-in-suit—as if § 325(d) requires elements akin to collateral estoppel. It does not. As noted above, *other* AIA provisions (entitled “estoppel”) address that context. *See* 35 U.S.C. § 325(e); 35 U.S.C. § 315(e). So too does the *General Plastics* standard examine whether the PTO's prior consideration addressed the same patent claims (factor 3)—another factor that § 325(d) neither requires nor that makes any sense in a vacuum, as explained above with respect to (for example) independent and dependent claims. And indeed, it bears noting that collateral estoppel and *res judicata* are themselves not so con-

fining as the factors that the Board has erected for § 325(d). Indeed, courts have long applied those stricter preclusion doctrines to bar lawsuits even when those suits asserted new claims. *E.g.*, *Soverain Software LLC v. Victoria's Secret Direct Brand Mgmt., LLC*, 778 F.3d 1311, 1319–20 (Fed. Cir. 2015) (“Complete identity of claims is not required to satisfy the identity-of-issues requirement for claim preclusion.”); *Ohio Willow Wood Co. v. Alps South, LLC*, 735 F.3d 1333, 1342–43 (Fed. Cir. 2013) (collateral estoppel not limited to patent claims that are identical if the differences between the claims do not materially alter the question of invalidity).

Still another *General Plastic* factor considers whether the IPR petitioner had already received the patentee’s response in the first IPR or the Board’s decision (factor 5). This factor thus addresses what the Board itself underlined as its “concern[] here [with] the *shifts in the prior art* asserted and the related arguments in follow-on petitions.” 2017 WL 3917706, at *7 (emphasis added). The Board invoked this particular factor to deny the IPR in *General Plastic*, where the petitioner had relied on new prior art. *Id.* But the Board’s standard must comport with the text of § 325(d). And that text shows that the rule is focused not on whether the same petitioner will assail the patent with “new” arguments or prior art, but instead whether the petition (regardless of who files it) is raising “the *same or substantially the same prior art or arguments.*” Accordingly, the agency’s *General Plastic* formulation fails to give effect to Congress’s intent, as expressed in § 325(d).

C. Other Board Decisions Applying § 325(d) Cannot Be Reconciled With the Outcome in this Case.

The Board's multi-factor standard for applying § 325(d) has resulted in no workable standard at all, thus producing inconsistent outcomes. As this case illustrates, the Board has denied §325(d)'s application when, as here, the PTO has considered the same prior art and arguments in several prior proceedings—precisely corresponding to the statutory text—but otherwise has invoked it in far less meritorious circumstances. In one case, the Board denied IPR where the prior art in question had not even been considered in the PTO's original examination of the challenged patent, but instead had only been cited in the PTO's examination of a related patent. *Microsoft Corp. v. Koninklijke Philips N.V.*, IPR2018-00279, 2018 WL 2943417 (June 8, 2018). In other cases, unlike the six PTO reviews here, the Board applied § 325(d) to deny IPRs based on similar arguments or prior art cited only during the original examination of the patent. See *Arctic Cat, Inc. v. Polaris Indus. Inc.*, IPR2017-00199, 2017 WL 1394062 (Apr. 17, 2017); *Yotrio Corp. v. Lakesouth Holdings, LLC*, IPR2017-00299, 2017 WL 2117435 (May 15, 2017); *Juniper Networks, Inc., v. Mobile Telecomm. Tech., LLC*, IPR2017-00642, 2017 WL 3209154 (July 27, 2017); *R.J. Reynolds Vapor Co. v. Fontem Holdings 1 B.V.*, IPR2017-01642, 2018 WL 444012 (Jan. 16, 2018); *Siemens Healthcare Diagnostics Inc. v. Radiometer Medical APS*, IPR2018-00311, 2018 WL 3155823 (June 25, 2018). These Board outcomes cannot be reconciled with its decision here.

D. The Board's Decision Also Violated the Agency's Own Standards on SNQs and Whether to Institute an IPR.

The Board's decision to institute IPR in this case is grossly at odds not just with §325(d) and its other institution decisions, but with the PTO's own standards on whether to grant a reexamination or IPR petition. As noted, the PTO had previously refused multiple *ex parte* reexamination requests over prior art and arguments that were effectively identical to those raised in Cisco's IPR petition. (*See, e.g.*, App. 77, 100–103, 120, 124.) The PTO concluded that each of these reexamination requests failed to raise the requisite “substantial new question of patentability (SNQ).” (App. 77, 103, 126.) But as the agency has recognized, the standard for institution of an IPR is higher than for reexamination. *Ziegmann v. Stephens*, IPR2015-01860, 2017 WL 3923543, at *2 (Sept. 6, 2017) (“The ‘reasonable likelihood’ standard [for an IPR] is a higher threshold than [SNQ].”); *see also* 157 Cong. Rec. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (“Among the most important protections for patent owners added by the present bill are its elevated thresholds for instituting inter partes and post-grant reviews.”). Thus, since the prior reexamination requests for the '011 patent could not meet the agency's *lower* SNQ standard, *ipso facto*, it could not have been open for the Board to institute review under the higher IPR threshold. *See, e.g., id.* Accordingly, the PTO's decision to institute IPR of the '011 patent also cannot be harmonized with its own standards for post-grant reviews. Judicial review is necessary to compel the agency to abide by its own stated standards.

II. The Scope of Judicial Review Under § 314(d) Is an Area of Exceptional Importance—and Substantial Unpredictability.

This case highlights another broader reason to grant review in this case: The absence to date of any ruling that the Federal Circuit (or any other court, for that matter) can review the agency’s rulings on the Multiple-Proceedings rule. Without the confining effect of judicial review—a review strongly presumed at law and properly permitted by the AIA—the Board’s § 325(d) decisions have proven unpredictable, and will surely continue that way.

* * *

The AIA’s bar on judicial review states that “[t]he determination by the [PTO] Director whether to institute an inter partes review under this section shall be final and nonappealable.” 35 U.S.C. § 314(d). Since the AIA’s enactment, courts have repeatedly considered the applicability of § 314(d), but have failed to craft a predictable rule defining its scope. To be sure, the en-banc Federal Circuit recently overturned certain precedents interpreting the § 314(d) bar on the judicial review of certain Board institution decisions. *See Wi-Fi One*, 878 F.3d at 1364. Yet, having changed its precedent on the issue, the Federal Circuit has declined to clarify and apply it, denying SSL’s panel and en-banc petitions without comment. The Federal Circuit’s ongoing reticence and ambiguity on the Multiple-Proceedings rule has allowed the PTO’s multitudinous interpretations of the rule to flourish. Indeed, as shown by the summary of Federal Circuit precedent below, the

existing jurisprudence on § 314(d) remains tentative and unclear.

A. The Federal Circuit’s Pre-*Cuozzo* Cases Treated § 314(d) as a Categorical Bar on Judicial Review of Institution.

The Federal Circuit first applied § 314(d) in a trio of decisions that issued in 2014 (on the same day): *St. Jude Med., Cardiology Div., Inc. v. Volcano Corp.*, 749 F.3d 1373 (Fed. Cir. 2014); *In re Procter & Gamble Co.*, 749 F.3d 1376 (Fed. Cir. 2014); *In re Dominion Dealer Sols., LLC.*, 749 F.3d 1379 (Fed. Cir. 2014). These cases suggested that the judicial bar in § 314(d) is absolute and that no aspect of an institution decision could be reviewed on appeal.

In *St. Jude*, the Federal Circuit ruled that § 314(d) prevented it from reviewing a Board institution decision that found another bar on IPRs, 35 U.S.C. § 315(b), was inapplicable and thus did not foreclose institution in that particular case. 749 F.3d at 1375–76. Specifically, the AIA provision at issue there barred IPR institution for a patent if the IPR petitioner had been served with a complaint alleging infringement of that patent more than one year before the petition’s filing. *Id.* The Board reasoned that this bar was inapplicable when that infringement complaint had been dismissed without prejudice, and the Federal Circuit declined to address this rationale on the merits, citing the § 314(d) bar on judicial review. *Id.* In *Procter & Gamble*, the Federal Circuit reaffirmed its broad view of § 314(d), holding that it also forbade review of a Board decision addressing § 315(a), which bars institution when “the [IPR] petitioner or real party in interest filed a civil action

challenging the validity of a claim of the patent.” 749 F.3d at 1378. And in *Dominion*, the Federal Circuit invoked § 314(d) in declining to review the Board’s institution decision that found “a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged” in an IPR. 749 F.3d at 1381.

The Federal Circuit’s unqualified view that § 314(d) barred any review of Board institution decisions continued after this trio of rulings. For example, in *Achates Reference Publ’g, Inc. v. Apple Inc.*, 803 F.3d 652 (Fed. Cir. 2015), Achates sued QuickOffice for infringing two patents, and later joined Apple to the suit in June 2011. *Id.* at 653. About 19 months later, Apple petitioned for IPR of the patents and the Board instituted the IPR. *Id.* Following the Board’s final decision that invalidated the patents, Achates appealed to the Federal Circuit, explaining that the IPR’s institution violated § 315(b)’s one-year bar. *Id.* at 653–54. Achates urged that because QuickOffice and Apple had an indemnification agreement, Apple was a real party in interest in the original suit or QuickOffice was otherwise Apple’s privy. *Id.* The Federal Circuit declined to consider these explanations, however, holding once more that § 314(d) precluded judicial review and confirming that it barred such review regardless of whether such institution decisions were appealed immediately (e.g., via mandamus petitions) or following the Board’s final decision. *Id.* at 658. As further explained below, the Federal Circuit continued to adhere to this view of § 314(d), even after this Court’s 2016 decision in *Cuozzo*.

B. The Federal Circuit Did Not Initially Adopt *Cuozzo*'s Suggestion That Institution Rulings May Be Reviewed.

In *Cuozzo*, this Court upheld the § 314(d) bar on judicial review, but also suggested qualifications thereto. 136 S. Ct. at 2142 (2016). There, IPR petitioner Garmin had challenged 20 claims in a patent owned by *Cuozzo*, and specifically alleged that claim 17 would have been obvious over three prior-art references. *Id.* at 2138. The Board instituted IPR not only for claim 17, but also for claims 10 and 14, and concluded later in its final decision that these three claims were obvious. *Id.* On appeal, the Federal Circuit held that § 314(d) precluded its review of *Cuozzo*'s argument that the Board had improperly instituted the IPR for claims 10 and 14, on the grounds that the petition did not meet the statutory requirement for identifying the invalidity bases for those claims “with particularity.” *Id.* at 2139.

A majority of this Court agreed that § 314(d) barred appellate review of *Cuozzo*'s argument. *Id.* at 2142. *Cuozzo*, however, suggested that § 314(d) may not apply to all the rulings in a Board's institution decision. *Id.* at 2141–42. Specifically, a party may not appeal an institution decision when the appeal “merely challenges the [determination] that ... there is a reasonable likelihood of success” on at least one of claims challenged in the IPR. *Id.* at 2142. But as this Court indicated, this bar does not extend to “appeals ... that depend on other less closely related statutes, or that present other questions of interpretation.” *Id.* at 2141.

While recognizing *Cuozzo*, the Federal Circuit thereafter continued to invoke § 314(d) as a bar to reviewing any institution decision. For example, in *Husky Injection Molding Sys. Ltd. v. Athena Automation Ltd.*, the patentee urged that the Board should have never instituted the IPR, reasoning that the IPR petition violated the doctrine of assignor estoppel. 838 F.3d 1236 (Fed. Cir. 2016). The Federal Circuit crafted a two-part test from *Cuozzo* and its own precedents to determine whether an institution decision is judicially reviewable: first, the court should assess whether the institution “implicates constitutional questions, depends on other less closely related statutes, or presents other questions of interpretation that reach, in terms of scope and impact, well beyond the statute”; second, it should then consider whether the arguments opposing institution are “directed to the Board’s ultimate invalidation authority with respect to a specific patent.” *Id.* at 1245 (quotations and alterations omitted). Since the Federal Circuit answered both of these inquiries in the negative, it concluded that it also could not review the assignor-estoppel issue. *Id.* at 1247.

The Federal Circuit reached the same conclusion in *Medtronic, Inc. v. Robert Bosch Healthcare Sys., Inc.*, where the Board had declined to terminate an IPR on the ground that the IPR petition had failed to disclose the requisite real party in interest. 839 F.3d 1382, 1383–84 (Fed. Cir. 2016). On appeal, the court again held that institution decisions were broadly unreviewable: “We conclude that under *Cuozzo* a decision whether to institute inter partes review proceedings pursuant to § 314(a) (the issue in *Cuozzo*) and a reconsideration of that decision (the

situation here) are both barred from review by § 314(d).” *Id.* at 1384.

Click-to-Call Techs., LP v. Oracle Corp. reiterated the Federal Circuit’s expansive approach to the § 314(d) bar on judicial review. 2016 WL 6803054 (Fed. Cir. 2016). Before this Court’s *Cuozzo* ruling, the Federal Circuit had already dismissed Click-to-Call’s appeal, which urged that the Board’s institution decision violated § 315(b) (i.e., the same time-bar provision at issue in *St. Jude* and *Achates, supra*). 622 Fed. App’x 907 (Fed. Cir. 2015). This Court, however, granted certiorari, vacated the judgment, and ordered the Federal Circuit to reconsider the *Click-to-Call* case in view of *Cuozzo*. Nevertheless, the Federal Circuit upheld its earlier § 314(d) ruling in *Click-to-Call*, basing its decision on another recent Federal Circuit panel decision—*Wi-Fi One*—that had reaffirmed *Achates* and other pre-*Cuozzo* cases as both good law and dispositive. 2016 WL 6803054, at *2.

C. The En-Banc *Wi-Fi One* Decision Confirmed that § 314(d) Does Not Foreclose All Appeals of Institution Decisions—But Without Clarifying Which Decisions Are Reviewable.

In January 2018, however, the Federal Circuit reversed itself. Specifically, in *Wi-Fi One*, the Federal Circuit again considered whether § 314(d) precluded its review of a Board institution decision despite the AIA’s one-year-bar on such IPR institutions. 837 F.3d 1329. As noted, the *Wi-Fi One* panel had adhered to the court’s above-cited precedents and applied the § 314(d) judicial-review bar. Indeed,

even following this Court’s decision in *Cuozzo*, the Federal Circuit’s *Wi-Fi One* panel held that § 314(d) also precluded it from reviewing any IPR time bar: “The Supreme Court extended the preclusion of judicial review to statutes related to the decision to institute; it did not limit the rule of preclusion to substantive patentability determinations made at the institution stage[.]” *Id.* at 1334.

The en-banc Federal Circuit reversed the panel in a 9-4 decision and overturned *Achates* in light of *Cuozzo*. It explained: “[T]he statutory scheme as a whole demonstrates that § 315 [the one-year time bar] is not ‘closely related’ to the institution decision addressed in § 314(a), and it therefore is not subject to § 314(d)’s bar on judicial review.” 878 F.3d at 1374. The *en-banc* majority distinguished between institution rulings “aimed just at what is reasonably likely to be decided when patentability is fully addressed, should an IPR be instituted” (unreviewable), and institution rulings that “[do] not go to the merits of the petition” (reviewable). *Id.* at 1372–73. The majority also noted that, “like § 315 as a whole, [§ 315(d)] governs the relation of IPRs to other proceedings or actions, including actions taken in district court.” *Id.* at 1374.

While *Wi-Fi One* overruled *St. Jude*, *Achates*, and *Click-to-Call*, its broader significance remains unclear. The decision, for example, does not expressly adopt or criticize the two-step framework used in *Husky*, nor even refer to that ruling. Further, the *en-banc* decision revealed deep fissures in the Federal Circuit’s approach to § 314(d), with four of the court’s judges dissenting and another writing a concurrence to suggest a different methodology.

And as noted, the Federal Circuit failed to apply *Wi-Fi One*'s rationale to SSL's rehearing petition in this case. This itself is a significant error that warrants this Court's review and correction. After all, the § 325(d) Multiple-Proceedings rule does *not* involve a probable-cause type determination as to the merits of obviousness or anticipation (i.e., the two grounds of invalidity that the Board may adjudicate—and that are not reviewable at the institution stage). It merely involves a determination of whether the PTO has previously been presented with the “same or substantially the same prior art or arguments” that the IPR petition now cites. *See* 35 U.S.C. § 325(d). The Federal Circuit's refusal to address the Multiple-Proceedings rule further highlights the lack of clarity with whether one particular ruling or another of an agency's institution decision can be judicially reviewed at all.

Finally, it bears emphasis that, post-*Wi-Fi One*, this Court also briefly revisited the application of § 314(d) in *SAS Inst., Inc. v. Iancu*, 138 S. Ct. at 1359. In doing so, this Court held that § 314(d) did not bar review of whether the Board's decision to institute IPR for only some of the claims challenged in an IPR was permissible. *Id.* *SAS* explained that § 314(d) only restricts judicial review of Board determinations arising from § 314(a): “§ 314(d) precludes judicial review only of the [PTO] Director's initial determination under § 314(a) that there is a reasonable likelihood that the claims are unpatentable on the grounds asserted.” *Id.* (*quoting Cuozzo*, 136 S.Ct. at 2140) (internal marks omitted). The Federal Circuit of course decides the overwhelming majority of patent appeals, including appeals of Board decisions

generally and whether it may review Board institution decisions specifically. But this Court's recent *SAS* decision further points up the Federal Circuit's lack of consistency on the § 314(d)'s bar—and that its refusal to review § 325(d) is erroneous. Accordingly, given the Federal Court's failure to establish a workable rule in the wake of *Cuozzo*, this petition respectfully asks the Court to clarify the scope of § 314(d).

III. The § 325(d) Multiple-Proceedings Rule Is a Critical AIA Provision That Congress Intended to Prevent Misuse of IPRs.

The Multiple-Proceedings rule is no remote outpost of the AIA. Rather, it provides a significant safeguard for patent rights and the proper functioning of the patent system, further necessitating this Court's review. As noted, Congress expressed concern that, without appropriate safeguards in place, IPRs and other AIA trials could become a tool of harassment and a burden on the PTO—and on patent owners. *See, e.g.*, H.R. Rep. No. 98 Pt. 1, 112th Cong., 1st. Sess. at 48 (2011). Congress thus included AIA provisions like the Multiple-Proceedings rule to prevent such abuses and thereby ensure some protection and predictability for patent owners who might otherwise be left guessing whether their patents remain valid and valuable (no matter how often they may have been examined by the PTO). But without judicial review to ensure the consistent and correct application of this rule, Congress's stated and enacted intent here has become meaningless.

A. Industries that Rely on Patents—and Congress Members—Have Criticized the Board’s and the Courts’ Failure to Enforce the Multiple-Proceedings Rule.

Both patent stakeholders and legislators have criticized the Board’s and the courts’ failure to enforce the Multiple-Proceedings rule—a failure that inhibits investment and innovation and undercuts the key objectives of the patent system by subjecting patents to ongoing and repetitive invalidity attacks. For example, the Pharmaceutical Research and Manufacturers of America, an organization that represents the country’s leading biopharmaceutical research companies, published a March 2018 article lamenting that “Congress intended the IPR process as a cheaper, more efficient alternative to federal court, but for biopharmaceutical patents, they are almost inevitably a second bite at the same apple.”⁶

Likewise, ten Members of Congress recently penned a letter to the Director of the PTO expressing bipartisan “concern with the continued abuse of the IPR system.”⁷ The Congressional letter singled out as “particularly troubling ... repeated instances of filing petitions challenging the same patent claims on grounds substantially identical to those previous-

⁶ Longo, “What is inter partes review and why does it matter” in *The Catalyst* (Mar. 16, 2018) (*available at*, <https://catalyst.phrma.org/what-is-inter-partes-review-and-why-does-it-matter>).

⁷ Letter from Members of Congress to Director Michelle K. Lee, dated Dec. 5, 2016 (*available at* <http://sls.gmu.edu/cpip/wp-content/uploads/sites/31/2016/12/Letter-to-Director-Lee-Regarding-IPR-Petitions.pdf>).

ly denied institution in prior-filed petitions,” which affords challengers “multiple bites at the apple.” *Id.* The letter further notes “it is ironic that a system designed to address legitimate concerns about ‘patent trolls’ who abuse their patent rights is now being used to attack patent owners for similarly illegitimate reasons—a form of reverse patent trolling.” *Id.*

B. The Failure to Predictably Enforce § 325(d) Ensures an Overburdened PTO, Further Diminution of Patent Rights, and a Decline in Technological Investment.

The much-criticized “multiple bites at the apple” and the lack of predictable rules guiding IPR institution are responsible for several wide-ranging and harmful effects. The PTO’s own statistics show a rising number of IPR petitions.⁸ Unless the Multiple-Proceedings rule functions as an important safety valve, limiting trial volume, an overburdened PTO will be forced to sacrifice fairness for efficiency, underscoring the need for consistency and judicial oversight.

Equally important, this Court and Congress have long recognized that patents “have the attributes of personal property.” 35 U.S.C. § 261; *United States v. Am. Bell Tel. Co.*, 128 U.S. 315, 370 (1888); *McCormick Harvesting Machine Co. v. Aultman*, 169 U.S. 606, 608–09 (1898); *Oil States*, 138 S. Ct. at

⁸ See, e.g., Trial Statistics: IPR, PGR, CBM (Feb. 2018) (*available at* https://www.uspto.gov/sites/default/files/documents/trial_statistics_20180228.pdf).

1369. One such attribute is the owner’s right to enjoy quiet title, as Congress acknowledged in enacting the AIA. *See* H.R. Rep. No. 98 Pt. 1, 112th Cong., 1st. Sess. at 48 (2011) (“The Committee recognizes the importance of quiet title to patent owners to ensure continued investment resources.”). Although this right is not unqualified—it is subject to the conditions of patent validity—the lack of clear rules governing IPR institution unduly curtails it, further diminishing patentees’ already-diminished rights. *See generally Oil States*, 138 S. Ct. at 1380 (Gorsuch, J., dissenting).

This unpredictability threatens another critical objective of the patent system: “To promote the progress of science and useful arts” U.S. CONST., Art. I, § 8. Secure and stable patent rights are necessary to promote investment in research and other innovative activity. Conversely, allowing repetitive or speculative challenges to patents to proceed unchecked will discourage investment, research, and ultimately innovation itself. *See generally Sanofi–Synthelabo v. Apotex, Inc.*, 470 F.3d 1368, 1383 (Fed. Cir. 2006). Indeed, why invest in innovation if the patents that protect such investments and innovations are worthless—i.e., if those patents can withstand six (or more) prior invalidity challenges, like the ’011 patent here, but still be invalidated years later on (for example) the seventh or even tenth review of the patent’s validity, over the same previously-considered prior art? Such an unstable and uncertain patent system discourages innovation—the exact opposite of what a patent system seeks to achieve.

IV. The “Strong Presumption” of Judicial Review Is Necessary to Promote Consistency in the Board’s Enforcement of Laws That Are Critical to the Proper Institution of IPRs—Such as § 325(d).

This Court has long recognized a “strong presumption” favoring judicial review of administrative actions. *E.g.*, *Cuozzo*, 136 S.Ct. at 2140; *Mach Mining, LLC v. E.E.O.C.*, 135 S. Ct. 1645, 1651 (2015). Indeed, such review has been described as a “basic right” that confers legitimacy on administrative power. L. Jaffe, *The Right to Judicial Review*, 71 Harv. L. Rev. 401, 432 (1958). And as this Court has also held, the law strongly recoils against the inability to review actions taken by an unaccountable agency: “[T]he Administrative Procedure Act [] embodies the basic presumption of judicial review to one ‘suffering legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute[.]’” *Abbott Labs. v. Gardner*, 387 U.S. 136, 140 (1967).

Moreover, judicial review encourages agency compliance with Congressional directives and reinforces the balance of power between the branches of Federal government. *See Congressional Preclusion of Judicial Review of Federal Benefit Disbursement: Reasserting Separation of Powers*, 97 Harv. L. Rev. 778, 785 (1984); S. Breyer & R. Stewart, *Administrative Law and Regulatory Policy* 916–19 (1979) (“[t]he Anglo-American separation of powers principle . . . reserves a special role for an independent judiciary,’ a role consisting of the exercise of ‘a reviewing function to ensure executive compliance with the applicable public law, [by] policing executive officers’

obedience to legislative commands.”). It also ensures that agencies are “brought into harmony with the totality of the law ... as it is found in the statute at hand, the statute book at large, the principles and conceptions of the ‘common law,’ and the ultimate guarantees associated with the Constitution.” L. Jaffe, *Judicial Review: Question of Law*, 69 Harv. L. Rev. 239, 275 (1955).

V. Under this Court’s Jurisprudence, Board Decisions on § 325(d) Are Reviewable, Whether Under the AIA or the APA Here.

Given the strong presumption of judicial review, this Court has found it rebutted in only two relevant circumstances: (1) “upon a showing of ‘clear and convincing evidence’ of a contrary legislative intent” to restrict judicial review of such agency action, *Lindahl v. OPM*, 470 U.S. 768, 778 (1985) (citation omitted), or (2) pursuant to the “very narrow exception” in which Congress “committed [a particular ruling] to agency discretion,” *Citizens to Pres. Overton Park, Inc. v. Volpe*, 401 U.S. 402, 410 (1971). Neither exception applies here.

First, and pursuant to this Court’s recent precedents, the AIA provides no clear-and-convincing indication that Congress intended to exempt the Multiple-Proceedings rule from the strong presumption of judicial review. Indeed, in interpreting *Cuozzo*, the *en-banc* Federal Circuit itself held in *Wi-Fi One* that Congress only provided a clear-and-convincing indication to bar review of Board decisions that are “closely related” to its determination under § 314(a)—i.e., to bar review of Board institution decisions on whether the petitioner showed it is rea-

sonably likely to prevail on the patentability merits of an IPR. 878 F.3d at 1373 (citation omitted). This Court in *SAS*, also recently confirmed that Board institution decisions that do not involve challenges to the merits of an IPR's invalidity theories are indeed reviewable on appeal. 138 S. Ct. at 1359.

Accordingly, the Federal Circuit's decision declining review of the Board's § 325(d) ruling here warrants review and correction by this Court. After all, as with the non-merits issues suggested in *Cuozzo*, *supra*, and addressed in *SAS* and the Federal Circuit's *Wi-Fi One* decision, *supra*, the proper application of the Multiple-Proceedings rule has nothing to do with the Board's "reasonable likelihood" decision on the patentability merits of an IPR petition. And like the time-bar provision in *Wi-Fi One*, the Multiple-Proceedings rule "governs the relation of IPRs to other proceedings or actions, including actions taken in district court." 878 F.3d at 1374. Further, as with a time-bar decision, the Board can fully and finally make its decision on § 325(d) at the institution stage, just as the Board did in this case. Indeed, determinations not "closely related" to the merits—such as the time-bar or the Board's decision on the preclusive effect of prior PTO proceedings under § 325(d)—will *not* form part of the Board's final written decision. Thus, the only realistic mechanism by which the judicial branch may ensure that the agency has properly exercised its statutory powers is to permit review of the Board's § 325(d) decisions. Otherwise, as explained above, the PTO and the courts will have slowly but surely rendered patents worthless and thereby frustrated the purpose for having a patent system at all.

Second, and consistent with the strong presumption of judicial review, the Board’s decisions on the Multiple-Proceedings rule are indeed subject to review under the APA. See, e.g., *SAS*, 138 S.Ct. at 1359 (holding the APA confers judicial review of a Board institution ruling when a “party believes the Patent Office has engaged in in ‘shenanigans’ by exceeding its statutory bounds”); *see also* 5 U.S.C. § 706(2)(A), (C) (directing courts to set aside agency action “not in accordance with law” or “in excess of statutory jurisdiction, authority, or limitations”). As explained above, the PTO Board here duly acted beyond the “law” and its statutory authority, imposing requirements on the Multiple-Proceedings rule that appear nowhere in that provision and that otherwise render other AIA “estoppel” provisions redundant and superfluous. *See, e.g., id.* Further, as in *SAS*, Petitioner SSL does not seek to challenge the Board’s “reasonable likelihood” conclusion as sufficient to warrant an IPR institution. *Compare* 138 S.Ct. at 1359. Instead, it has explained that § 325(d) should have precluded the Board’s institution—an analysis that does not challenge the PTO’s determination on the “reasonable likelihood” merits. It requires instead consideration of § 325(d)’s express criteria on whether the “same or substantially the same prior art or arguments had previously been presented to the [PTO].” *See, e.g.,* 35 U.S.C. § 325(d).

This same statutory criteria also bars any argument that judicial review here is barred on the grounds that § 325(d) decisions are “committed to agency discretion.” *See* 5 U.S.C. § 701(a)(2). This Court has long recognized that this “agency discretion” “exception” to judicial review is “very narrow.”

Citizens to Preserve Overton Park, Inc. v. Volpe, 401 U.S. at 410 (1971). Indeed, this exception can bar judicial review only in “those rare instances where statutes are drawn in such broad terms that in a given case there is no law to apply.” *Overton Park*, 401 U.S. at 410 (internal quotes omitted); *see also Heckler v. Chaney*, 470 U.S. 821, 830 (1985) (precluding review of decisions committed to agency’s prosecutorial discretion when “no judicially manageable standards are available” to judge such decisions). In *Overton Park*, this Court held that a statute did provide sufficient “law to apply” and standards even though it merely stated that the agency should consider “feasible and prudent” plans for highway-construction funding. *See* 401 U.S. at 410-11. Accordingly, this very narrow exception was not even applicable there.

Nor does it apply here. The Multiple-Proceedings provision provides sufficiently precise and manageable criteria for a reviewing court to assess whether the Board should have withheld institution. Simply, § 325(d) expressly directs the Board to consider whether “the same or substantially the same prior art or arguments” were previously presented to PTO. If the petitioner merely repeats in substantial part the prior art or arguments raised in earlier PTO proceedings, the Board may decline to institute the IPR. These criteria are manifestly “judicially manageable” and the Board’s determination under § 325(d) is therefore amenable to judicial review. SSL respectfully requests that this Court grant certiorari here and hold accordingly.

CONCLUSION

This petition illustrates how the predictable and consistent application of the Multiple-Proceedings rule—ensured through judicial review—is necessary to “promote the progress of science and useful arts.” The petition for a writ of certiorari should be granted.

Respectfully submitted.

ALAN M. FISCH
Counsel of Record
R. WILLIAM SIGLER
JOHN T. BATTAGLIA
FISCH SIGLER LLP
5301 Wisconsin Avenue, NW
Fourth Floor
Washington, DC 20015
Supreme.Court@FischLLP.com
202.362.3500