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App. 1a
Federal Circuit Entry of Judgment with Opinion (2/13/20)

United States Court of Appeals for the Federal Circuit

LAKSHMI ARUNACHALAM,
Plaintiff-Appellant

v.

PRESIDIO BANK,
Defendant-Appellee

2019-1223

Appeal from the United States District Court for the
Northern District of California in No. 3:12-cv-04962-TSH,
United States Magistrate Judge Thomas S. Hixson.

JUDGMENT

THIS CAUSE having been considered, it is

ORDERED AND ADJUDGED:

AFFIRMED

ENTERED BY ORDER OF THE COURT

February 13, 2020

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

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NOTE: This disposition is nonprecedential.

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

LAKSHMI ARUNACHALAM,
Plaintiff-Appellant

v.

PRESIDIO BANK,
Defendant-Appellee

2019-1223

Appeal from the United States District Court for the
Northern District of California in No. 3:12-cv-04962-TSH,
Magistrate Judge Thomas S. Hixson.

SAP AMERICA, INC.,
Plaintiff-Appellee

v.

LAKSHMI ARUNACHALAM,
Defendant-Appellant

2019-1794

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Appeal from the United States District Court for the Northern District of California in No. 4:13-cv-01248-PJH, Judge Phyllis J. Hamilton.

Decided: February 13, 2020

LAKSHMI ARUNACHALAM, Menlo Park, CA, pro se.

CANDICE C. DECAIRE, Kilpatrick Townsend & Stockton LLP, Seattle, WA, for defendant-appellee in 2019-1223. Also represented by ANDREW JAMES ISBESTER, San Francisco, CA.

THARAN GREGORY LANIER, Jones Day, Palo Alto, CA, for plaintiff-appellee in 2019-1794. Also represented by JOSEPH BEAUCHAMP, Houston, TX.

Before LOURIE, MOORE, and CHEN, *Circuit Judges*.

PER CURIAM.

Dr. Lakshmi Arunachalam, proceeding pro se, appeals two decisions from the U.S. District Court for the Northern District of California. The first relates to a patent infringement suit filed by Dr. Arunachalam against Presidio Bank. The second relates to a declaratory judgment action filed by SAP America, Inc. Both decisions concluded that Dr. Arunachalam was collaterally estopped from asserting the patents in question because many of the patent claims already had been invalidated in prior cases, and the remaining claims all suffered from the same defect that led to the invalidity of the previously litigated claims. See *Pi-Net Int'l Inc. v. JPMorgan Chase & Co.*, 42 F. Supp. 3d 579 (D. Del. 2014); *SAP Am. Inc. v. Arunachalam*, No. IPR2013-00194 (PTAB Sept. 18, 2014); *SAP Am. Inc. v. Arunachalam*, IPR2013-00195 (PTAB Sept. 18, 2014); *SAP Am. Inc.*

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v. Arunachalam, No. CBM2013-00013 (PTAB Sept. 18, 2014); and *SAP Am. Inc. v. Arunachalam*, No. CBM2014-00018 (PTAB Mar. 6, 2015). Because the decisions apply collateral estoppel for the same reasons, we address both cases together. For the reasons explained below, we *affirm*.

I. PROCEDURAL HISTORY

Dr. Arunachalam's case against Presidio Bank asserted patent infringement of numerous claims of U.S. Patent Nos. 5,987,500 (the '500 patent) and 8,108,492 (the '492 patent). SAP's case requested declaratory judgment of non-infringement of all claims for the '500 patent, the '492 patent, and U.S. Patent No. 8,037,158 (the '158 patent).

While these cases were pending, the U.S. District Court for the District of Delaware in *JPMorgan* invalidated claims 1–6, 10–12, 14–16, and 35 of the '500 patent; claims 1–8 and 10–11 of the '492 patent; and claim 4 of the '158 patent. *JPMorgan*, 42 F. Supp. 3d 579. Moreover, in addition to its declaratory judgment action, SAP also filed for inter partes review (IPR) and covered business method (CBM) review of those patents. The Patent Trial and Appeals Board (the Board) in the IPRs and CBMs entered its decisions after the district court in *JPMorgan* entered its decision. The Board found claims 1–6, 10–12, 14–17, and 35 of the '500 patent; claims 1–8 and 10–12 of the '492 patent; and claims 1–6 and 9–11 of the '158 patent unpatentable. Appeal Order, *Arunachalam v. SAP Am. Inc.*, No. 2015-1424 at 4 (Fed. Cir. Sept. 23, 2016). Dr. Arunachalam appealed the Board's decisions and we dismissed the appeal because Dr. Arunachalam was collaterally estopped from challenging the Board's decision in light of *JPMorgan*. *Id.* at 7. In our decision, we held Dr. Arunachalam collaterally estopped from challenging the Board's decision to invalidate claims that were not invalidated in *JPMorgan* because those claims "suffer[ed] from at least one of the same fatal lack-of-enablement flaws" as the claims

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invalidated in *JPMorgan*. *Id.* at 5. In other words, because the additional claims suffered from the same invalidating defect as the claims invalidated in *JPMorgan*, we ruled that those additional claims likewise could not survive.

As a result, by the time the district court in the cases on appeal entered its decisions, the only claims not invalidated were claims 7–9, 13, and 18–34 of the '500 patent; claims 9 and 13 of the '492 patent; and claims 7 and 8 of the '158 patent. *See id.* at 3–4. Applying similar reasoning we used in our 2016 *Arunachalam* decision, the district court, in both decisions, held that Dr. Arunachalam was collaterally estopped from asserting all claims of the asserted patents, because the patent claims that had not been previously invalidated in earlier litigation nevertheless suffered from the same invalidating defect as the previously litigated claims.

II. DISCUSSION

When reviewing the application of collateral estoppel, we are “generally guided by regional circuit precedent, but we apply our own precedent to those aspects of such a determination that involve substantive issues of patent law.” *Ohio Willow Wood Co. v. Alps South, LLC*, 735 F.3d 1333, 1342 (Fed. Cir. 2013). In the Ninth Circuit, “[c]ollateral estoppel applies to a question, issue, or fact when four conditions are met: (1) the issue at stake was identical in both proceedings; (2) the issue was actually litigated and decided in the prior proceedings; (3) there was a full and fair opportunity to litigate the issue; and (4) the issue was necessary to decide the merits.” *Oyeniran v. Holder*, 672 F.3d 800, 806 (9th Cir. 2012). “Where a patent has been declared invalid in a proceeding in which the ‘patentee has had a full and fair chance to litigate the validity of h[er] patent,’ . . . the patentee is collaterally estopped from relitigating the validity of the patent.” *Miss. Chem. Corp. v. Swift Agric. Chems. Corp.*, 717 F.2d 1374, 1376 (Fed. Cir. 1983) (quoting *Blonder-Tongue Labs., Inc. v. Univ. of Ill.*

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Found., 402 U.S. 313, 333 (1971)). Further, “[o]ur precedent does not limit collateral estoppel to patent claims that are identical. Rather, it is the identity of the *issues* that were litigated that determines whether collateral estoppel should apply.” *Ohio Willow Wood*, 735 F.3d at 1342 (emphasis in original).

To the extent that Dr. Arunachalam challenges the decisions in cases other than the cases directly on appeal here, including *JP Morgan* and the above-referenced Board decisions, Dr. Arunachalam was required to make those challenges in direct appeals from those cases. *See Pers. Audio, LLC v. CBS Corp.*, 946 F.3d 1348 (Fed. Cir. 2020); *Arunachalam v. Int’l Bus. Machs. Corp.*, 759 F. App’x 927 (Fed. Cir. 2019). As such, we will not address those challenges here. *See Pers. Audio*, 946 F.3d 1348; *Int’l Bus. Machs. Corp.*, 759 F. App’x 927. Regarding Dr. Arunachalam’s challenges and motions under *Fletcher v. Peck*, 10 U.S. (6 Cranch) 87 (1810), and “prosecution history estoppel” under *Aqua Products, Inc. v. Matal*, 872 F.3d 1290 (Fed. Cir. 2017) (en banc), we have previously addressed these arguments, stating that “[t]he Supreme Court in *Oil States Energy Services, LLC v. Greene’s Energy Group, LLC*, — U.S.—, 138 S. Ct. 1365, 1375 & n.2, 1377–78, 200 L. Ed. 2d 671 (2018) rejected several similar constitutional challenges to the *inter partes* review process.” *Int’l Bus. Machs. Corp.*, 759 F. App’x at 933. Dr. Arunachalam has not provided any reason that the same reasoning does not apply to a district court’s authority to invalidate a patent. Accordingly, we reject Dr. Arunachalam’s constitutional challenges and deny her motions raising those same constitutional challenges.

As to Dr. Arunachalam’s challenges to the district court’s decisions on collateral estoppel, we agree with the district court that Dr. Arunachalam was collaterally estopped from asserting all claims under the ’500, ’492, and ’158 patents. First, we hold that Dr. Arunachalam continues to be collaterally estopped from challenging the

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invalidity of the claims held invalid in *JPMorgan* and the Board decisions. Appeal Order, *SAP Am. Inc.*, No. 2015-1424.

We next turn to the claims that were not addressed in the prior proceedings, which are claims 7–9, 13, and 18–34 of the '500 patent; claims 9 and 13 of the '492 patent; and claims 7 and 8 of the '158 patent. See Appeal Order, *SAP Am. Inc.*, No. 2015-1424, at 3–4.

As to the first condition for applying collateral estoppel (identical issue), we find that the remaining claims in the '500, '492, and '158 patents all rely on at least one of the claim terms found indefinite, not enabled, or failing written description by *JPMorgan* and that these remaining claims do not significantly alter the analysis of those terms. Claims 7–9, 13, and 18 of the '500 patent; claims 9 and 13 of the '492 patent; and claims 7 and 8 of the '158 patent are all dependent on previously invalidated independent claims and do not cure the deficiencies identified in the prior cases. See Appeal Order, *SAP Am. Inc.*, No. 2015-1424. Independent claims 19 and 27 of the '500 patent warrant closer analysis. These claims are directed to a “method of enabling object routing on a network” and “[a]n object router on a network.” In *JPMorgan*, the district court found several claims in the patents lacked enablement because “the specification does not actually define, in language that would allow a person of ordinary skill in the art to make and use the invention, what a ‘VAN switch’ is and how it accomplishes ‘object routing’ or real-time transactions.” *JPMorgan*, 42 F. Supp. at 592. The district court also found that “[t]he specification offers no explanation or information on any software programs.” *Id.* at 593. As such, the district court found that the term “object routing,” like “VAN switch,” was not enabled. *Id.* at 592–93. For claims 19 and 27, none of the claimed steps therein describe what object routing is or how it is accomplished. Thus, the limitations recited in these claims do not cure the lack of enablement identified in *JPMorgan*. Because

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claims 20–26 and 28–34 of the '500 patent are dependent on either claim 19 or 27 and do not cure the deficiencies in the enablement of “object routing,” they likewise fail for the same reason. Thus, the same issues are at stake in these litigations.

Regarding the second condition for collateral estoppel, whether the issues were previously litigated and decided, it is beyond dispute that the claim terms addressed in *JPMorgan* were previously litigated and finally decided. The third condition is whether Dr. Arunachalam was given a full and fair opportunity to litigate the issues. Dr. Arunachalam was represented by counsel in the motions for summary judgment in *JPMorgan*. We find this proceeding to be a full and fair opportunity to litigate the issues. Finally, for the fourth condition, the claim terms addressed in *JPMorgan* were determinative in the invalidity analysis. Thus, the issue of the validity of the remaining claims of the '500, '492, and '158 patents satisfies all four collateral estoppel conditions, and we find Dr. Arunachalam collaterally estopped from asserting these patents in the cases on appeal.

CONCLUSION

We have considered the rest of Dr. Arunachalam's arguments, including her requests to disqualify opposing counsel, and find them too skeletal and unpersuasive. Accordingly, we affirm the district courts' decisions that Dr. Arunachalam was collaterally estopped from asserting the '500, '492, and '158 patents. We have also considered Dr. Arunachalam's remaining motions and deny those motions.

AFFIRMED

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App. 9a
Federal Circuit Order on Petition for *En banc* Re-Hearing (4/9/20)

NOTE: This order is nonprecedential.

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

LAKSHMI ARUNACHALAM,
Plaintiff-Appellant

v.

PRESIDIO BANK,
Defendant-Appellee

2019-1223

Appeal from the United States District Court for the
Northern District of California in No. 3:12-cv-04962-TSH,
Magistrate Judge Thomas S. Hixson.

ON PETITION FOR REHEARING EN BANC

Before PROST, *Chief Judge*, NEWMAN, LOURIE, DYK,
MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN,
and HUGHES, *Circuit Judges**.

PER CURIAM.

O R D E R

* Circuit Judge Stoll did not participate.

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Appellant Lakshmi Arunachalam filed a petition for rehearing en banc. The petition was first referred as a petition for rehearing to the panel that heard the appeal, and thereafter the petition for rehearing en banc was referred to the circuit judges who are in regular active service.

Upon consideration thereof,

IT IS ORDERED THAT:

The petition for panel rehearing is denied.

The petition for rehearing en banc is denied.

The mandate of the court will issue on April 16, 2020.

FOR THE COURT

April 9, 2020
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

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District Court Order (10/4/18)

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

LAKSHMI ARUNACHALAM,

Plaintiff,

v.

PRESIDIO BANK,

Defendant.

Case No. 12-cv-04962-TSH

**SUA SPONTE ORDER DISMISSING
COMPLAINT**

I. INTRODUCTION

This case is about alleged infringement of two patents, but because the patents have now been declared invalid, the Court filed a notice of sua sponte intention to dismiss the case with prejudice. ECF No. 125. The Court provided Plaintiff Lakshmi Arunachalam the opportunity to file a memorandum in opposition to dismissal. *Id.* Dr. Arunachalam's Response (ECF No. 129) fails to assuage the Court's concerns that the complaint does not, and cannot, state a claim for relief. Accordingly, the Court hereby sua sponte **DISMISSES** Plaintiff's complaint **WITHOUT LEAVE TO AMEND**.

II. BACKGROUND

This case was originally filed by Pi-Net International, Inc. on September 24, 2012. Compl., ECF No. 1. At the time, Pi-Net owned U.S. Patents Nos. 5,987,500 ("500 Patent") and 8,108,492 ("492 Patent"). *Id.* ¶¶ 8-9. Pi-Net claimed infringement of the '500 and '492 Patents by Defendant Presidio Bank and sought both money damages and a permanent injunction of its allegedly infringing activities. *Id.* ¶¶ 16-29.

On June 28, 2013, Defendant moved to stay the case pending outcome of inter partes review of the patents in the United States Patent and Trademark Office. ECF No. 44. The judge

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1 assigned to this case at the time, Magistrate Judge Paul Grewal, stayed the case on October 17,
2 2013. ECF No. 74. The parties then filed six joint status reports from December 12, 2013 through
3 March 19, 2015. ECF Nos. 75-80. According to the March 19 report, Dr. Arunachalam filed a
4 Notice before the Patent Trial and Appeal Board ("PTAB") indicating Pi-Net assigned the '500
5 and '492 Patents to Dr. Arunachalam. ECF No. 80. The parties also indicated the PTAB issued a
6 Final Written Decision on each patent on September 18, 2014, finding claims 1-6, 10-12, 14-17,
7 and 35 of the '500 Patent and claims 1-8 and 10-12 of the '492 Patent are unpatentable. *Id.*

8 On May 1, 2015, Pi-Net and Dr. Arunachalam moved to substitute parties under Federal
9 Rule of Civil Procedure 25(c), stating Pi-Net assigned title to the '500 and '492 patents to Dr.
10 Arunachalam as the inventor, and Dr. Arunachalam was therefore the proper party to proceed in
11 this action. ECF No. 81. On May 18, 2015, Magistrate Judge Grewal granted the motion. ECF
12 No. 84. Judge Grewal resigned from the court on June 3, 2016, after which the case was
13 reassigned to Magistrate Judge Maria-Elena James. ECF No. 86.

14 On June 15, 2018, Defendant filed a Status Report Letter, indicating the PTAB found in
15 Final Written Decisions that the challenged patent claims were unpatentable. ECF No. 98.
16 Defendant also indicated Dr. Arunachalam's appeals of those decisions to the Federal Circuit had
17 been dismissed. *Id.* Based on Defendant's filing, Magistrate Judge James ordered the parties to
18 file a joint status report indicating how they intended to proceed with the case. ECF No. 99. The
19 parties filed a Joint Status Report on July 9, 2018. ECF No. 100. In her portion, Dr. Arunachalam
20 states: "Plaintiff has an additional virgin patent, U.S. Patent No. 7,930,340 that may be relevant to
21 the instant litigation, and appears unaffected by the PTAB's Final Written Decision." *Id.* at 2.
22 Defendant's portion states: "Plaintiff's purported 'additional virgin patent' is entirely irrelevant to
23 this case," and notes that it asked Plaintiff to consider stipulating to dismissal of this case, but
24 "Plaintiff's counsel has indicated that Plaintiff is adamantly opposed to dismissal." *Id.* at 2-3.

25 Up until that point, Dr. Arunachalam had been represented by André E. Jardini and K.L.
26 Myles of Knapp, Petersen & Clarke, and Joseph Farzam of the Joseph Farzam Law Firm.
27 However, Dr. Arunachalam then began filing her own statements as a "*Pro Se* Plaintiff." *See* ECF
28 Nos. 102-03, 120. For example, in a July 9, 2018 Status Report (separate from the above Joint

1 Status Report filed by her counsel that same day), Dr. Arunachalam indicated the presiding judge
2 in another case she filed “WILLFULLY AND FRAUDULENTLY FAILED TO UPHOLD
3 PATENT PROSECUTION HISTORY ESTOPPEL DISPARATELY ONLY IN PLAINTIFF’S
4 CASES” and participated in a conspiracy “denying access to justice.” ECF No. 102 at 2.

5 On August 1, 2018, Jardini and Myles filed a motion to withdraw as counsel. ECF No.
6 113. Farzam filed his own motion to withdraw on August 3, 2018. ECF No. 116. Defendant filed
7 an Opposition to both motions. ECF No. 119. Apparently in response to Defendant’s opposition,
8 Dr. Arunachalam filed a document titled “PLAINTIFF’S (*OPPRESSED*) RESPONSE/ PRAYER
9 FOR FEDERAL CIRCUIT ACCESS TO ‘TIMELY RESPOND’ FOR FEDERAL CIRCUIT TO
10 ADJUDICATE THE COURT’S SUBSTANTIVELY (*UNFAIR*) TECHNICAL
11 ADMINISTRATIVE DISTINCTION ‘EXTENDING HEARING DATE’ (*PREJUDICIALLY*) BY
12 ‘UNCONSCIONABLE GAGGING ESTOPPEL’ RESTRAINING ANY PAPER FILINGS BY
13 PLAINTIFF’ WHILE, ALLOWING DEFENDANT TO FILE PAPERS (*UNFAIRLY*); HERE,
14 DEFENDANT’S (*INTERMEDDLING*) ‘OPPOSITION TO MOTIONS TO WITHDRAW’
15 IMPEDING PROCEDURAL, ‘TIMELY INTEREST’ JUSTICE OBSTRUCTED FROM; THIS,
16 FRUSTRATING PREJUDICIAL EXTENSION/ SUSPENSION OF THE HEARING/CASE
17 (*OPPORTUNITY*) PARALELLING THIS [RETIRING.] COURT (*PREVIOUSLY RECUSING*)
18 ON THE SAME ISSUES.” ECF No. 120 (brackets and all emphases in original).

19 While the motions to withdraw remained pending, Magistrate Judge James notified the
20 parties of her retirement as of August 31, 2018, ECF No. 121, after which the case was reassigned
21 to the undersigned, ECF No. 122.

22 On September 19, 2018, the Court granted counsels’ motions to withdraw based on Dr.
23 Arunachalam’s desire to represent herself and counsels’ representation that they disagreed with
24 Dr. Arunachalam as to how this case should proceed, and that differences of opinion and a lack of
25 cooperative relationship had led to a breakdown in the attorney-client relationship. ECF No. 124.
26 That same day, the Court filed a notice of sua sponte intention to dismiss Dr. Arunachalam’s
27 complaint with prejudice given that the complaint asserted infringement of patents that had been
28 found invalid. ECF No. 125. The Court granted Plaintiff until October 3, 2018 to file a written

1 memorandum in opposition to dismissal. *Id.* at 2.

2 On October 3, 2018, Dr. Arunachalam filed her Opposition to Sua Sponte Dismissal,
 3 arguing, among other things, that: the patent prosecution history “established my patent claims
 4 valid”; “the (corrupting-revolving door) USPTO/PTAB; its (collusively closed door) Certified
 5 Patent Attorney Members, Federal Judges and PTAB Administrative Judges (with or without
 6 financial interest in Corporate Defendants’ stock.)” formed a “Corrupt Public Enterprise” to
 7 “successfully pull[] off a Decades-Long Unlawful Public Anti-Trust Conspiracy to Rescind
 8 Government Issued Contract Grants”; and the Court “must adjudicate that: AIA reexaminations
 9 and Oil States are unconstitutional.” ECF No. 129 at 2, 3, 15 (emphasis in original).

10 III. LEGAL STANDARD

11 “‘A trial court may dismiss a claim sua sponte under Fed. R. Civ. P. 12(b)(6).’” *Seismic*
 12 *Reservoir 2020, Inc. v. Paulsson*, 785 F.3d 330, 335 (9th Cir. 2015) (quoting *Omar v. Sea-Land*
 13 *Serv., Inc.*, 813 F.2d 986, 991 (9th Cir. 1987)). The district court “must give notice of its sua
 14 sponte intention to dismiss and provide the plaintiff with ‘an opportunity to at least submit a
 15 written memorandum in opposition to such motion.’” *Id.* (quoting *Wong v. Bell*, 642 F.2d 359,
 16 362 (9th Cir. 1981)). However, a court may properly dismiss an action sua sponte without giving
 17 a plaintiff notice of its intention to dismiss and an opportunity to respond if a plaintiff “cannot
 18 possibly win relief.” *Sparling v. Hoffman Construction Co.*, 864 F.2d 635, 638 (9th Cir. 1988);
 19 *Omar*, 813 F.2d at 991; *Wong*, 642 F.2d at 362.

20 The Court may also dismiss a complaint sua sponte for failure to comply with Federal Rule
 21 of Civil Procedure 8, which mandates that a complaint include a “short and plain statement of the
 22 claim,” and that “each allegation must be simple, concise, and direct.” Fed. R. Civ. P. 8(a)(2),
 23 (d)(1). In other words, a complaint that is so confusing that its “‘true substance, if any, is well
 24 disguised’” may be dismissed sua sponte for failure to satisfy Rule 8. *Hearns v. San Bernardino*
 25 *Police Dep’t*, 530 F.3d 1124, 1131 (9th Cir. 2008) (quoting *Gillibeau v. City of Richmond*, 417
 26 F.2d 426, 431 (9th Cir.1969)); *McHenry v. Renne*, 84 F.3d 1172, 1180 (9th Cir. 1996) (
 27 “Something labeled a complaint but written . . . prolix in evidentiary detail, yet without simplicity,
 28 conciseness and clarity as to whom plaintiffs are suing for what wrongs, fails to perform the

essential functions of a complaint.”). Moreover, while pro se pleadings are interpreted liberally, they still must meet a minimum threshold that provides defendants sufficient notice of the allegations against them. *Brazil v. U.S. Dep’t of the Navy*, 66 F.3d 193, 199 (9th Cir. 1995).

IV. DISCUSSION

Having reviewed Dr. Arunachalam’s opposition to dismissal, the Court finds that none of her arguments address the fact that her complaint seeks damages for Defendant’s alleged infringement of the ’500 and ’492 Patents, yet those patents have already been declared invalid.

Issue preclusion, also known as collateral estoppel, “bars ‘successive litigation of an issue of fact or law actually litigated and resolved in a valid court determination essential to the prior judgment,’ even if the issue recurs in the context of a different claim.” *Taylor v. Sturgell*, 553 U.S. 880, 892 (2008) (quoting *New Hampshire v. Maine*, 532 U.S. 742, 748 (2001)). In patent cases, the law of the circuit in which the district court sits is controlling with regard to general principles of issue preclusion, although Federal Circuit law governs those “aspects of the collateral estoppel analysis that are particular to patent law.” *Phil-Insul Corp. v. Airlite Plastics Co.*, 854 F.3d 1344, 1353 (Fed. Cir. 2017). Issue preclusion bars relitigation of issues adjudicated in an earlier proceeding if three requirements are met: (1) the issue necessarily decided at the previous proceeding is identical to the one which is sought to be relitigated; (2) the first proceeding ended with a final judgment on the merits; and (3) the party against whom collateral estoppel is asserted was a party or in privity with a party at the first proceeding. *Reyn’s Pasta Bella, LLC v. Visa USA, Inc.*, 442 F.3d 741, 746 (9th Cir. 2006)).

All three requirements are met in this case. As mentioned above, this case was stayed pending final resolution of inter partes review proceedings evaluating patentability of the ’492 and ’500 Patents. ECF No. 74. The PTAB issued Final Written Decisions on September 18, 2014, finding all the challenged claims of the patents to be unpatentable. *See Sap Am., Inc., Petitioner*, IPR2013-00194, 2014 WL 4716234 (Sept. 18, 2014) (’492 patent); *Sap Am., Inc., Petitioner*, IPR2013-00195, 2014 WL 4716235 (Sept. 18, 2014) (’500 patent). Four months earlier, on May 14, 2014, Judge Sue L. Robinson of the United States District Court for the District of Delaware also declared the asserted claims invalid in a case brought by Pi-Net in that court. *See Pi-Net Int’l*

1 *Inc. v. JPMorgan Chase & Co.*, 42 F. Supp. 3d 579, 588-94 (D. Del. 2014) (deeming claims
2 invalid as indefinite, for lack of enablement, and for lack of written description). The Federal
3 Circuit subsequently dismissed Dr. Arunachalam's appeals on October 3, 2017, finding she was
4 collaterally estopped from challenging the PTAB's determination of invalidity because the patents
5 already had been found invalid in District Court. *See In re Arunachalam*, 709 F. App'x 699, 701-
6 02 (Fed. Cir. 2017). Accordingly, the doctrine of issue preclusion prevents Dr. Arunachalam from
7 pursuing patent infringement claims for these two patents that have been declared invalid.

8 As to Dr. Arunachalam's argument that "the (corrupting-revolving door) USPTO/PTAB;
9 its (collusively closed door) Certified Patent Attorney Members, Federal Judges and PTAB
10 Administrative Judges (with or without financial interest in Corporate Defendants' stock.)"
11 formed a "Corrupt Public Enterprise" to "successfully pull[] off a Decades-Long Unlawful Public
12 Anti-Trust Conspiracy to Rescind Government Issued Contract Grants," the Court construes this
13 as a challenge to the constitutionality of inter partes review. However, the Court rejects this
14 argument in view of the Supreme Court's decision in *Oil States Energy Services, LLC v. Greene's*
15 *Energy Group, LLC*, ___ U.S. ___, 138 S. Ct. 1365, 1373-74 (2018) (holding that inter partes review
16 proceedings do not violate a patent owner's constitutional rights because patents are the grant of a
17 public franchise). Accordingly, this argument is without merit and dismissal is appropriate.

18 V. CONCLUSION

19 For the reasons stated above, the Court sua sponte **DISMISSES** the Complaint **WITH**
20 **PREJUDICE**. The Court shall enter a separate judgment and the Clerk shall terminate this case.

21 **IT IS SO ORDERED.**

22
23 Dated: October 4, 2018

24
25 
26 THOMAS S. HIXSON
27 United States Magistrate Judge
28