No. 20-__

In the Supreme Court of the United States

COMCAST CABLE COMMUNICATIONS, LLC,
Petitioner,

v.

ROVI GUIDES, INC.
AND UNITED STATES OF AMERICA,
Respondents.

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

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Whether, for purposes of the Appointments Clause, U.S. Const. art. II, § 2, cl. 2, administrative patent judges of the United States Patent and Trademark Office are principal officers who must be appointed by the President with the Senate's advice and consent, or "inferior Officers" whose appointment Congress has permissibly vested in a department head.

2. Whether the court of appeals erred by adjudicating the patent owner's Appointments Clause challenge, even though it did not present that challenge to the agency.

PARTIES TO THE PROCEEDING

Petitioner Comcast Cable Communications, LLC was the petitioner in proceedings before the Patent Trial and Appeal Board and the appellee in the court of appeals in Nos. 2019-1215, 2019-1216, and 2019-1218 (consolidated) and in Nos. 2019-1293, 2019-1294, and 2019-1295 (consolidated).

Respondent Rovi Guides, Inc. was the patent owner in proceedings before the Patent Trial and Appeal Board and the appellant in the court of appeals in Nos. 2019-1215, 2019-1216, and 2019-1218 (consolidated) and in Nos. 2019-1293, 2019-1294, and 2019-1295 (consolidated).

The United States of America was an intervenor in the court of appeals in Nos. 2019-1215, 2019-1216, and 2019-1218 (consolidated) and in Nos. 2019-1293, 2019-1294, and 2019-1295 (consolidated).

RULE 29.6 STATEMENT

Pursuant to this Court's Rule 29.6, petitioner states that Comcast Cable Communications, LLC is a wholly owned, indirect subsidiary of Comcast Corporation and no other publicly held corporation owns 10% or more of the stock of petitioner.

RELATED PROCEEDINGS

The following proceedings are directly related to this case within the meaning of Rule 14.1(b)(iii):

- *Rovi Guides, Inc.* v. *Comcast Cable Commc'ns, LLC*, Nos. 2019-1215, 2019-1216, and 2019-1218 (consolidated) (Fed. Cir.), judgment entered on April 22, 2020;
- *Rovi Guides, Inc.* v. *Comcast Cable Commc'ns, LLC*, Nos. 2019-1293, 2019-1294, and 2019-1295 (consolidated) (Fed. Cir.), judgment entered on April 22, 2020.

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES

Page(s)

CASES

CONSTITUTION, STATUTES, AND RULES

Petitioner Comcast Cable Communications, LLC (Comcast) respectfully petitions for a writ of certiorari to review the judgments of the United States Court of Appeals for the Federal Circuit in these cases. Pursuant to this Court's Rule 12.4, Comcast is filing a "single petition for a writ of certiorari" because the judgments "sought to be reviewed" are from "the same court and involve identical or closely related questions." Sup. Ct. R. 12.4. As explained further below, Comcast respectfully submits that this petition should be held pending the disposition of the petitions for writs of certiorari seeking review of the Federal Circuit's decision in *Arthrex, Inc.* v. *Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019). See Nos. 19-1434, 19-1452, 19-1458, 19-1459.

OPINIONS BELOW

The order of the court of appeals entering judgment in Federal Circuit Nos. 2019-1215, 2019-1216, and 2019-1218 (consolidated) and in Nos. 2019-1293, 2019-1294, and 2019-1295 (consolidated) (App. 1a) is unreported. The final written decisions of the Patent Trial and Appeal Board in those *inter partes* review cases (App. 3a, 67a, 170a, 246a, 309a, 405a) are unreported.

JURISDICTION

The judgment of the court of appeals was entered on April 22, 2020. On March 19, 2020, the Court extended the time within which to file any petition for a writ of certiorari due on or after that date to 150 days from the date of the lower-court judgment. The effect of that order was to extend the deadline for filing a petition for a writ of certiorari to and including September 21, 2020. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

CONSTITUTIONAL PROVISION INVOLVED

The Appointments Clause, U.S. Const. art. II, § 2, cl. 2, provides: "[The President] shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law: but the Congress may by Law vest the Appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments."

INTRODUCTION

In *Arthrex, Inc.* v. *Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019), the Federal Circuit held that Patent Trial and Appeal Board (Board) judges are principal officers whose appointments by a head of department are invalid under the Appointments Clause, and that the patent owner in that case was entitled to readjudication before a reconstituted Board panel despite not having raised its Appointments Clause challenge before the Board. The United States and the other parties in *Arthrex* have filed petitions for writs of certiorari in *Arthrex*, seeking review (as relevant here) of the Federal Circuit's Appointments Clause and forfeiture rulings. No. 19-1434; see also Nos. 19-1452 (petition filed by Smith & Nephew, Inc.), 19-1458 (petition filed by Arthrex, Inc.).

Here, the Federal Circuit relied on its decision in *Arthrex* in vacating and remanding the Board's final written decisions finding that certain patents owned by respondent Rovi Guides, Inc. (Rovi) are unpatentable. Because this Court's disposition of the petitions in the *Arthrex* cases will affect the proper disposition of

this petition, Comcast respectfully submits that the instant petition should be held pending this Court's disposition of the *Arthrex* cases, and then disposed of accordingly. The United States has also filed a petition for a writ of certiorari seeking review of the Federal Circuit's summary order in these cases (and of multiple other Federal Circuit orders vacating decisions of the Board in reliance on *Arthrex*), and the government has also requested that the Court hold these cases pending the Court's disposition of *Arthrex*. See *United States* v. *Image Processing Techs. LLC*, No. 20-74 (filed July 23, 2020). This Court should hold this petition for *Arthrex* and then dispose of it as appropriate.

STATEMENT

1. Comcast is a leading cable television service provider in the United States. Comcast's video platform enables customers to watch television programs and to schedule recordings of programs, among other things. In April 2016, Rovi sued Comcast for alleged infringement of seven patents, including U.S. Patent No. 8,006,263 (the '263 patent) and U.S. Patent No. 8,578,413 (the '413 patent), which both claim a system and method of using a remote access device to remotely schedule a recording via the Internet. See App. 7a, 250a; *Rovi Guides, Inc.* v. *Comcast Corp.*, No. 16-cv-09826 (S.D.N.Y. transferred Dec. 21, 2016).

In March 2017, Comcast timely sought *inter partes* review of claims 1-19 of the '263 patent and claims 1-18 of the '413 patent. App. 3a-4a, 246a-247a. The Director of the United States Patent and Trademark Office (USPTO) instituted review of the challenged claims and designated panels of three administrative patent judges to preside over the proceedings. See *ibid.* In six final written decisions, the Board ruled in favor of Comcast, finding all challenged claims of the

'263 and '413 patents unpatentable based on multiple independently sufficient combinations of prior art. App. 65a, 168a-169a, 245a, 307a-308a, 403a, 479a. Rovi did not assert a constitutional challenge to the appointment of the designated administrative patent judges or to the Board as a whole at any time during the *inter partes* review proceedings.

2. Rovi appealed the Board's decisions regarding the '263 and '413 patents, and the Federal Circuit consolidated the three appeals related to each patent. See 19-1215 Dkt. 14 (Fed. Cir. Dec. 21, 2018); 19-1293 Dkt. 7 (Fed. Cir. Dec. 21, 2018). In its opening briefs, Rovi for the first time raised an Appointments Clause challenge. See 19-1215 Rovi C.A. Br. 36, Dkt. 21 (conceding that Rovi "raise[d] its Appointments Clause argument for the first time on appeal"); 19-1293 Rovi C.A. Br. 36, Dkt. 20 (same). Both Comcast and the United States (as intervenor) argued in their briefs that Rovi had forfeited its constitutional challenge and, in the alternative, that the challenge failed on the merits. See, *e.g.*, 19-1215 Comcast C.A. Br. 19-33, Dkt. 37; 19-1215 U.S. C.A. Br. 9-13, Dkt. 38.[1]

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[1] A statement in the United States' petition in No. 19-1434 could be read to suggest that the United States understands Rovi to have raised its Appointments Clause challenge before the Board. Pet. 27, *United States* v. *Arthrex, Inc.*, No. 19-1434 (filed June 25, 2020) ("The government is aware of only a handful of appeals like *Polaris* in which litigants' Appointments Clause challenges were properly presented to the agency. See, *e.g.*, Order at 2, *Rovi Guides, Inc.* v. *Comcast Cable Commc'ns, LLC*, No. 19-1215 (Fed. Cir. Apr. 22, 2020) (vacating Board decisions in six inter partes review proceedings and remanding)."). That suggestion is incorrect. Before the Federal Circuit, the government correctly argued that Rovi had forfeited its Appointments Clause challenge by failing to raise it before the agency. See 19-1215 U.S. C.A. Br. 9-13, Dkt. 38; 19-1293 U.S. C.A. Br. 9-13, Dkt. 37.

After briefing on Rovi's appeals was complete but before oral argument had been scheduled, the Federal Circuit issued its decision in *Arthrex*, holding that the Board's administrative patent judges are principal officers and, therefore, their appointment by the Secretary of Commerce violates the Appointments Clause. 941 F.3d at 1335. Like Rovi here, the patent owner in that case had not raised its constitutional challenge before the Board. The panel in *Arthrex* nevertheless elected to excuse this forfeiture and, as a remedy, vacate the Board's final written decision and remand for a new hearing before a newly designated panel of administrative patent judges. *Id.* at 1335, 1338-1340. The panel "limited" its forfeiture holding to cases "where litigants present an Appointments Clause challenge on appeal." *Id.* at 1340. The court of appeals subsequently made clear that it would excuse forfeiture by patentees so long as they raised such constitutional challenges in their opening briefs on appeal. See *Customedia Techs., LLC* v. *Dish Network Corp.*, 941 F.3d 1174, 1175 (Fed. Cir. 2019).

3. In April 2020, the Federal Circuit summarily vacated the Board's decisions in these cases and remanded for re-adjudication in accordance with *Arthrex*. App. 2a. The court did so over Comcast's assertion that Rovi's forfeiture should not be excused because case-specific equities distinguish these cases from *Arthrex*. See 19-1215 Dkt. 64 (Fed. Cir. Nov. 12, 2019); 19-1293 Dkt. 61 (Fed. Cir. Nov. 12, 2019).

4. All parties in *Arthrex*—the United States; Smith & Nephew, Inc. and Arthrocare Inc.; and Arthrex, Inc.—have filed petitions for writs of certiorari seeking this Court's review of the Federal Circuit's decision. The United States and Smith & Nephew have sought review of the Appointments Clause and forfeiture rulings. See No. 19-1434 (filed June 25, 2020) (United

States); No. 19-1452 (filed June 29, 2020) (Smith & Nephew). Arthrex has sought review of the Federal Circuit's remedial holding. No. 19-1458 (filed June 30, 2020).

In addition, the United States has filed a petition for a writ of certiorari seeking review of the Federal Circuit's vacatur order in the instant cases (as well as multiple other similar vacatur orders in other cases). See No. 20-74. The United States has requested that this Court hold its petition pending the disposition of *Arthrex*.

REASONS FOR GRANTING THE PETITION

The Federal Circuit vacated the Board's final written decisions in these cases based solely on its conclusions in *Arthrex* that (1) the Board's judges are principal officers who were invalidly appointed and (2) patent owners should be entitled to a remedy despite their failure to raise any Appointments Clause challenge before the Board. App. 2a. This petition therefore presents the same questions as the petitions for writs of certiorari filed in connection with the Federal Circuit's decision in *Arthrex*. See Nos. 19-1434, 19-1452, and 19-1458. The United States agrees, as it has already filed a petition requesting that these cases be held pending the Court's decision in *Arthrex*. See No. 20-74. Accordingly, this petition should be held pending final disposition of *Arthrex*, then disposed of as appropriate in light of those decisions.

1. If the Court grants any of the petitions in *Arthrex* (or in any other case presenting the Appointments Clause and forfeiture questions), the Court's decision in that case will determine the proper disposition of these cases.

If the Court were to hold that administrative patent judges are inferior officers, the Federal Circuit's judgments in these cases would have to be vacated and the cases remanded so that Rovi's appeal of the Board's final written decisions in these cases could proceed before the Federal Circuit. Even if the Court affirmed the Federal Circuit's Appointments Clause holding, the Court's decision on the forfeiture issue could alter the remedial aspects of the decision below, for instance, by establishing that the Federal Circuit erred in categorically excusing forfeiture by patentees who sought to raise the Appointments Clause issue for the first time on appeal. Such a ruling would require that the judgments in these cases be vacated and the cases remanded to the Federal Circuit.

2. The Federal Circuit's vacatur and remand order in these cases reflects the same two errors that the court of appeals made in *Arthrex*.

First, the Federal Circuit in these cases followed *Arthrex*'s erroneous holding that administrative patent judges are principal officers. The Appointments Clause requires that principal officers be appointed by the President and confirmed by the Senate, but permits "inferior Officers" to be appointed by "the Heads of Departments." U.S. Const. art. II, § 2, cl. 2; *Edmond* v. *United States*, 520 U.S. 651, 659 (1997). In *Edmond*, the Court explained that "[w]hether one is an 'inferior' officer depends on whether he has a superior." 520 U.S. at 662. An officer has a "superior" if the officer's "work is directed and supervised at some level by others who were appointed by" advice and consent. *Id*. at 663.

In *Arthrex*, the Federal Circuit took a rigid view of *Edmond* as requiring that to be an inferior officer, an official must be removable at will by another official,

or her decisions must be subject to direct review by principal officers. In fact, as subsequent decisions confirm, the inferior-officer inquiry is a pragmatic one that asks whether, in light of the statutory and regulatory scheme as a whole, the officer's work is subject to meaningful supervision by principal officers. The fundamental inquiry is thus whether the subordinate officer remains subject to the policy direction of principal officers. *Edmond*, 520 U.S. at 663 (inferior officer analysis is designed to "preserve political accountability relative to important Government assignments"); *Free Enter. Fund* v. *Pub. Co. Accounting Oversight Bd.*, 561 U.S. 477, 510 (2010) (members of the Public Company Accounting Oversight Board were inferior officers because they could be removed at will and the SEC had "other oversight authority").

Administrative patent judges are inferior officers because they are "directed and supervised" by the USPTO Director, a principal officer who is removable at will by the President and who has substantial means of ensuring that administrative patent judges follow his policy direction. See No. 19-1434 U.S. Pet. 16-26; No. 19-1452 Smith & Nephew Pet. 14-27. And because administrative patent judges are inferior officers, their appointment by the Secretary of Commerce (a head of department) complies with the Appointments Clause.

Second, the Federal Circuit relied on and applied *Arthrex* to grant Rovi new *inter partes* review hearings before a reconstituted Board panel even though Rovi had not presented its constitutional challenge to the Board. The court of appeals erred in *Arthrex* by excusing the patent owner's administrative forfeiture on the sole ground that its Appointments Clause challenge implicated separation-of-powers concerns. See No. 19-1434 U.S. Pet. 26-33. That reasoning is contrary to

this Court's precedents allowing courts to overlook administrative forfeitures only in "rare cases," even when the forfeited challenge concerns constitutional separation-of-powers questions. *Freytag* v. *Comm'r*, 501 U.S. 868, 879 (1991); *id.* at 894 (Scalia, J., concurring in part and concurring in the judgment) ("appellate courts may, in truly exceptional circumstances, exercise discretion to hear forfeited claims").

The Federal Circuit compounded that error in these cases by applying a categorical rule that any patent owner that raised an Appointments Clause challenge for the first time on appeal was entitled to vacatur and remand regardless of the circumstances of the case. *Customedia Techs.*, 941 F.3d at 1175. The Federal Circuit did so over Comcast's objection that even if exceptional circumstances warranted excusing forfeiture in *Arthrex* itself, no such circumstances were present in Rovi's case. See p. 5, *supra*. Categorically excusing patent owners' forfeiture in dozens of cases, as the Federal Circuit has, will have severe consequences for litigants and the patent system. Comcast Amicus Br. 8-13, *Smith & Nephew, Inc.* v. *Arthrex, Inc.*, No. 19-1452 (filed Aug. 3, 2020); No. 19-1434 U.S. Pet. 28-33. The Federal Circuit's refusal to conduct a case-by-case forfeiture inquiry therefore itself warrants review and reversal.

Because *Arthrex* was wrongly decided, the panel in these cases erred in vacating the Board's decisions and remanding to the Board based on *Arthrex*. Because this Court's disposition of the petitions in *Arthrex* may affect the proper disposition of these cases, this Court should hold this petition pending the disposition of *Arthrex* (or another case addressing the same questions), and then dispose of this petition as appropriate in light of the Court's decision in that case.

CONCLUSION

The petition for a writ of certiorari should be held pending disposition of the *Arthrex* petitions (Nos. 19-1434, 19-1452, and 19-1458), and any further proceedings in this Court, and then disposed of as appropriate in light of the Court's decision in that case. In the alternative, this petition should be granted.

Respectfully submitted,

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