

No. 20-74

IN THE
Supreme Court of the United States

UNITED STATES OF AMERICA,
Petitioner,

v.

IMAGE PROCESSING TECHNOLOGIES LLC, ET AL.
Respondents,

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF FOR RESPONDENTS
RPM INTERNATIONAL INC., RUST-OLEUM CORPORATION

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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 U.S. 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 Appointments Clause challenges brought by litigants that had not presented such a challenge to the agency.

RULE 29.6 STATEMENT

Pursuant to this Court's Rule 29.6, respondents RPM International Inc. and Rust-Oleum Corporation state that RPM International Inc. is the ultimate parent corporation of Rust-Oleum Corporation and no other publically held corporation owns 10% or more of the stock of either respondent.

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BRIEF FOR RESPONDENTS

Respondents RPM International Inc. and Rust-Oleum Corporation (collectively, “Respondents”) prevailed in one of the many *inter partes* reviews proceedings now caught in the wake of uncertainty based on *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019).

In particular, this case arises from the judgement of the Patent Trial and Appeal Board (Board) that Respondents Alan Stuart and CDS Development LLC’s (Stuart) U.S. Patent No. 6,669,991 (the ’991 patent) is unpatentable. *Rust-Oleum Corporation et al v. Alan K. Stuart, et al.*, IPR2017-02158 (PTAB Apr. 8, 2019).

Stuart had sued Respondents for infringement of the ’991 Patent and the district court stayed that litigation pending a decision by the Board. *Alan K. Stuart et al. v. Rust-Oleum Corporation et al.*, 16-cv-622-EAS-CMV (S.D. Ohio). The Board’s judgment of unpatentability is a complete defense to Stuart’s lawsuit against Respondents.

The court of appeals, however, never reached the merits of the Board’s judgment. Instead, the court of appeals granted Stuart’s pre-briefing motion to vacate and remand the Board’s judgment based on *Arthrex. Stuart v. RPM Int’l, Inc.*, Nos. 2019-1994 and 2019-2238 (Fed. Cir. Jan. 21, 2020) (Pet. App. 7a-8a). The court of appeals also denied Respondents’ request for rehearing on those decisions. *Arthrex. Stuart v. RPM Int’l, Inc.*, Nos. 2019-1994 and 2019-2238 (Fed. Cir. Apr. 8, 2020) (Pet. App. 95a-96a). Stuart never raised its Appointments Clause challenge before its underlying motion in those matters.

The government's petition challenges the court of appeals' erroneous ruling regarding forfeiture of an Appointments Clause challenge and the court of appeals' erroneous ruling that the administrative patent judges (APJs) of the Patent Trial and Appeal Board were principal officers.

Respondents agree that these important questions warrant this Court's review. With respect to its case, Respondents submit that Stuart forfeited its Appointment Clause challenge by failing to raise it with the Board and that the APJs that decided its case were inferior officers.¹

Further, Respondents agree with the government that this Court's disposition of the three petitions for a writ of certiorari in *Arthrex* (Nos. 19-1434, 19-1452, 19-1458) may affect the proper disposition of Respondents' case and others.

Accordingly, for at least the reasons stated in the government's petition, Respondents submit that the government's petition and all matters involving Respondents cited therein should be held pending this Court's disposition of the petitions for writs of certiorari in *Arthrex* and any further proceedings in this Court, and then disposed of as appropriate in light of the Court's decision in *Arthrex*.

CONCLUSION

The government's petition should be held pending this Court's disposition of the petitions for writs of certiorari in *Arthrex* (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.

¹ Respondents intend to file a petition for a writ of *certiorari* on at least these issues.

Respectfully submitted,

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August 25, 2020