No.	

In the Supreme Court of the United States

ZAHNER DESIGN GROUP LTD., Applicant

v.

KATHI VIDAL, DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE, Respondent

APPLICATION FOR EXTENSION OF TIME TO FILE A PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

To the Honorable John G. Roberts, Jr., Chief Justice and Circuit Justice for the Federal Circuit:

Applicant Zahner Design Group, Ltd. respectfully requests that the time to file a petition for writ of certiorari be extended for 30 days, to and including November 18, 2022, for good cause as set forth below.

JURISDICTION

The jurisdiction of this Court will be invoked under 28 U.S.C. §1254(1).

The U.S. Court of Appeals for the Federal Circuit issued a judgment on July 7, 2022 (*see, In Re: Zahner Design Group, Ltd.*, CAFC Docket No. 2022-1026, Dkt. 31), and denied Petitioner's petition for panel rehearing on July 21, 2022 (*id.*, Dkt. 33). Accordingly, the time to file a petition for a writ of certiorari will expire without an extension on October 19, 2021. S. Ct. R. 13.2.

This application is timely because it has been filed more than 10 days prior to the date on which the time for filing the petition for certiorari is to expire.

REASONS JUSTIFYING AN EXTENSION OF TIME

It is submitted that the time to file a petition for a writ of certiorari should be extended for 30 days for the following reasons:

1. Since the Federal Circuit's judgment below was issued, Applicant has been consulting with a third party who is directly implicated by the Federal Circuit's judgment, and who must be involved in the decision whether to file a petition. In particular, the judgment concerns a patent that Applicant licenses. Applicant's licensee's input has been needed to determine whether to petition for certiorari since the licensee is commercially affected by the invalidation of Applicant's patent, and since the cost for proceedings before this Court falls on the licensee pursuant to the parties' licensee agreement.

Applicant's licensee, however, has been in merger discussions during the past several months, such that it could not render a decision pending the outcome of those discussions. The merger has just closed two days ago on September 20, 2022. Accordingly, Applicant is now consulting with the new owner of the licensee to determine whether a petition for certiorari is to be filed. Further time is needed to familiarize the new owner with the facts, issues, and surrounding circumstances, so that the new owner can provide its input on the decision whether or not to petition for certiorari, and so that time is available to prepare the petition should the new owner wish to proceed.

2. Now that the merger has been concluded, Applicant's counsel has also reached out to experienced Supreme Court counsel to potentially serve as co-counsel or lead counsel in this matter. It is expected that the involvement of such counsel would lead to a better petition for certiorari. Likewise, it is submitted that both Applicant and this Court would benefit from the participation of a member of this Court's bar who has repeatedly appeared before this Court, and

who can provide valuable guidance to Applicant based on long-standing experience. In view of the very recent conclusion of the acquisition, Applicant needs additional time: for potential retention of such counsel; for counsel to study the record below and the legal issues in the case; and for counsel to participate in the preparation of a petition.

- 3. The design-patent-in-suit is at issue in a pending litigation involving the patent-in-suit and three related utility patents. The proceedings regarding the patent-in-suit were stayed pending the outcome of the proceedings at the Patent Trial and Appeal Board (PTAB) of the Patent Office, which were appealed to the Federal Circuit, and which may now be appealed to this Court. In the meantime, the utility patents have been found infringed, and related issues (including issues of damages and willfulness, and trademark claims) were recently the subject of a bench trial which concluded on July 28, 2022. *Focus Products Group International, LLC et al. v. Kartri Sales Company, Inc. et al.*, S.D.N.Y. Civil Action No. 1:15-cv-10154-PAE. In view of the timing, it is possible that a written decision may be issued in the near future, which could affect the decision as to whether a petition for certiorari is to be filed.
- 4. No prejudice would arise from the requested extension. The underlying *ex parte* reexamination proceeding was filed by a company accused of infringing Applicant's patent. In the event that this Court denies the petition for certiorari, the company will not be harmed if the review of the rulings below are delayed by 30 days. If this Court grants the petition for certiorari, the company will not be harmed if the petition is filed a month later. The company has already been found by a federal court to infringe three of Applicant's related utility patents.

On the other hand, the Applicant may be harmed if it is not able to seek final review by this Court of invalidation of a valuable patent, due to circumstances beyond its control (including the timing of the acquisition of its licensee).

5. There is a reasonable prospect that this Court may grant the petition. The original examiner of the patent held Applicant's invention patentable, and issued the patent. The PTAB then invalidated the patent in reexamination based on the very same priority issues already ruled on by the original patent examiner, and the Federal Circuit upheld that PTAB ruling in a Rule 36 affirmance without written opinion.

If a petition for certiorari is filed, Applicant intends to show that, under the statutory framework established by Congress, the Patent Office has no subject matter jurisdiction to conduct reexamination proceedings over such priority issues, much less invalidate a patent. An Applicant who has been extremely successful in his industry has been divested here of valuable property rights contrary to the Congressional and Constitutional framework designed to protect inventors and due process. This issue, of whether the patent statutes allow for a challenge to priority claims in reexamination, affects a considerable number of other patent applicants.

Also, the Federal Circuit's regular practice of upholding PTAB decisions using Rule 36 invalidates valuable property rights without a reasoned written opinion by a federal court. That contravenes the statutory requirement that the "court shall issue ... its ... opinion," implicates constitutional issues, and affects many patent applicants. This case, where invalidation was upheld even without subject matter jurisdiction, is a very suitable vehicle to review those issues.

As a result, it is certainly possible that the Court will grant the petition if one is filed. At the very least, Applicant seeks sufficient time under the circumstances to review the issues with its license and potentially prepare a brief presenting the issues for the Court's consideration.

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¹ See, 35 U.S.C. §144 (The United States Court of Appeals for the Federal Circuit shall review the decision from which an appeal is taken on the record before the Patent and Trademark Office. ... the court shall issue to the Director its mandate *and opinion*, which shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case.") (emphasis added).

CONCLUSION

For these reasons, it is respectfully requested that the time to file a petition for certiorari be extended 30 days to and including November 18, 2022.

Dated: September 22, 2022 Respectfully submitted,

/s/ Morris E. Cohen

MORRIS E. COHEN

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KATHI VIDAL, DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE, Respondent

PROOF OF SERVICE

I, Morris E. Cohen, a member of the Bar of this Court, hereby certify that all parties required by the Rules of this Court to be served have been served. On this 22nd day of September 2022, a copy of this Application for Extension of Time to File Petition for a Writ of Certiorari to the United States Supreme Court was mailed by first-class mail, postage prepaid, to:

Benjamin T. Hickman Associate Solicitor USPTO Office of the Solicitor United States Patent and Trademark Office Mail Stop 8, P.O. Box 1450 Alexandria, VA 22313-1450 Dir: (571) 272-8261

Main: (571) 272-9035 Fax: (571) 273-0373

Benjamin.Hickman@USPTO.GOV

Bernhard P. Molldrem, Jr. Law Office of Bernhard Molldrem 224 Harrison Street, Suite 200 Syracuse NY 13202 (Third Party Reexamination Requester)

/s/ Morris E. Cohen Morris E. Cohen Counsel of Record GOLDBERG COHEN LLP 1350 Avenue of Americas, 3rd Floor 646-380-2084 (telephone) mcohen@goldbergcohen.com

Counsel for Applicant Zahner Design Group, Ltd.

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APPENDIX

- A. 07/07/2022 United States Court of Appeals for the Federal Circuit Decision
- United States Court of Appeals for the Federal Circuit Order on B. 07/21/2022 Petition for Panel Rehearing

APPENDIX A

NOTE: This disposition is nonprecedential.

United States Court of Appeals for the Federal Circuit

IN RE: ZAHNER DESIGN GROUP, LTD.,

Appellant

2022-1026

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. 90/013,952.

JUDGMENT

MORRIS E. COHEN, Goldberg Cohen LLP, New York, NY, argued for appellant Zahner Design Group, Ltd. Also represented by LEE A. GOLDBERG; DONALD RHOADS, Rhoads Legal Group PC, New York, NY.

BENJAMIN T. HICKMAN, Office of the Solicitor, United States Patent and Trademark Office, Alexandria, VA, argued for appellee Katherine K. Vidal. Also represented by THOMAS W. KRAUSE, AMY J. NELSON, BRIAN RACILLA, FARHEENA YASMEEN RASHEED.

THIS CAUSE having been heard and considered, it is

ORDERED and ADJUDGED:

PER CURIAM (NEWMAN, LINN, and CHEN, $\it Circuit$ $\it Judges$).

AFFIRMED. See Fed. Cir. R. 36.

ENTERED BY ORDER OF THE COURT

July 7, 2022 Date <u>/s/ Peter R. Marksteiner</u> Peter R. Marksteiner Clerk of Court

APPENDIX B

NOTE: This order is nonprecedential.

United States Court of Appeals for the Federal Circuit

IN RE: ZA	HNER DESIGN GROUP, LTD., Appellant	
_	2022-1026	
appeal from th	e United States Patent and Trad	en

Office, Patent Trial and Appeal Board in No. 90/013,952.

ON PETITION FOR PANEL REHEARING

Before Newman, Linn, and Chen, $Circuit\ Judges$. Per Curiam.

ORDER

Zahner Design Group, Ltd. filed a petition for panel rehearing.

Upon consideration thereof,

IT IS ORDERED THAT:

The petition for panel rehearing is denied.

FOR THE COURT

July 21, 2022 Date

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

IN RE: ZAHNER DESIGN GROUP, LTD.

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