

No. 20-631

IN THE
Supreme Court of the United States

HOLOGIC, INC., CYTYC SURGICAL PRODUCTS, LLC,
Cross-Petitioners,
v.
MINERVA SURGICAL, INC.,
Respondent.

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

BRIEF IN OPPOSITION

VERA M. ELSON	ROBERT N. HOCHMAN*
WILSON SONSINI GOODRICH	CAROLINE A. WONG
& ROSATI, P.C.	One South Dearborn
650 Page Mill Road	Chicago, IL 60603
Palo Alto, CA 94304	(312) 853-7000
(650) 493-9300	rhochman@sidley.com

EDWARD G. POPLAWSKI	JILLIAN SHERIDAN
OLIVIA M. KIM	STONECIPHER
WILSON SONSINI GOODRICH	SIDLEY AUSTIN LLP
& ROSATI, P.C.	1501 K Street, N.W.
633 West Fifth Street	Washington, D.C. 20005
Suite 1550	(202) 736-8000
Los Angeles, CA 90071	
(323) 210-2900	

Counsel for Petitioner

November 24, 2020

* Counsel of Record

QUESTIONS PRESENTED

In *Arista Networks, Inc. v. Cisco Systems, Inc.*, 908 F.3d 792 (Fed. Cir. 2018), the Federal Circuit concluded that assignor estoppel does not apply in *inter partes* reviews. In an *inter partes* review that is not before this Court, Hologic's '183 patent was conclusively determined to be invalid. The Federal Circuit affirmed the patent's invalidity, and Hologic did not seek review in this Court. Hologic did not challenge *Arista* in that proceeding at any time. Hologic's patent infringement claim against Minerva had not been litigated to judgment by the time the patent was determined invalid. Because of the final decision that the '183 patent was invalid, Hologic was barred from continuing to assert the dead '183 patent against Minerva in this matter.

The questions presented are:

(1) Whether Hologic can challenge *Arista* in this case which did not arise in the patent office, and where Hologic failed to challenge *Arista* in the patent office proceedings that led to the now-final judgment that the '183 patent is invalid, including the Federal Circuit appeal from that decision, and where Hologic failed to challenge *Arista* in this case prior to its petition for rehearing *en banc*; and

(2) Whether Hologic may evade the final judgment of invalidity of the '183 patent and assert that dead patent in litigation against a party in privity with the assignor of that patent, even though its patent may not be asserted against anyone else.

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

Petitioner Minerva Surgical, Inc. (“Minerva”) has no parent corporation. Boston Scientific Corporation, a publicly traded company, holds 10 percent of Minerva’s stock. No other publicly held company owns 10 percent or more of Minerva’s stock.

Respondents are Hologic, Inc. and Cytoc Surgical Products, LLC.

RELATED PROCEEDINGS

This case is directly related to *Minerva Surgical, Inc. v. Hologic, Inc. et al.*, No. 20-440 (pet'n for cert. filed Sept. 30, 2020). Other proceedings that are not directly related to this case but involve the same parties are:

Minerva Surgical, Inc. v. Hologic, Inc. et al., No. 1:18-cv-00217-JFB-SRF (D. Del.);

Hologic, Inc. et al. v. Minerva Surgical, Inc., No. 1:20-cv-00925-JFB-SRF (D. Del.).

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED.....	i
PARTIES TO THE PROCEEDING AND RULE 29.6 STATEMENT	ii
RELATED PROCEEDINGS.....	iii
TABLE OF AUTHORITIES	v
INTRODUCTION	1
STATEMENT OF THE CASE.....	2
REASONS THE PETITION SHOULD BE DE- NIED	7
I. HOLOGIC’S PETITION DOES NOT AL- LOW THE COURT TO REACH <i>ARISTA</i>	7
II. THIS COURT SHOULD NOT REVISIT THE ESTABLISHED RULE THAT AN IN- VALID PATENT CANNOT BE ASSERTED AGAINST ANYONE	14
CONCLUSION	22

TABLE OF AUTHORITIES

CASES	Page
<i>Arista Networks, Inc. v. Cisco Sys., Inc.</i> , 908 F.3d 792 (Fed. Cir. 2018)	1, 4, 10, 11, 12
<i>B & B Hardware, Inc. v. Hargis Indus., Inc.</i> , 135 S. Ct. 1293 (2015).....	15, 17
<i>Barnhart v. Sigmon Coal Co.</i> , 534 U.S. 438 (2002).....	11
<i>Bilski v. Kappos</i> , 561 U.S. 593 (2010)	11
<i>Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.</i> , 402 U.S. 313 (1971)	19, 20
<i>Cuozzo Speed Techs., LLC v. Lee</i> , 136 S. Ct. 2131 (2016).....	12, 15
<i>Federated Dep't Stores, Inc. v. Moitie</i> , 452 U.S. 394 (1981).....	10
<i>Fresenius USA, Inc. v. Baxter Int'l, Inc.</i> , 721 F.3d 1330 (Fed. Cir. 2013)	13, 15, 16, 17
<i>Hologic, Inc. v. Minerva Surgical, Inc.</i> , 764 F. App'x 873 (Fed. Cir. 2019).....	3, 4
<i>Johnson v. Watkins</i> , 101 F.3d 792 (2d Cir. 1996)	18
<i>Kimble v. Marvel Entm't, LLC</i> , 135 S. Ct. 2401 (2015).....	19
<i>Lear, Inc. v. Adkins</i> , 395 U.S. 653 (1969)....	12, 19
<i>Mentor Graphics Corp. v. Quickturn Design Sys., Inc.</i> , 150 F.3d 1374 (Fed. Cir. 1998)....	20
<i>Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC</i> , 138 S. Ct. 1365 (2018)	10
<i>Parklane Hosiery Co. v. Shore</i> , 439 U.S. 322 (1979).....	18
<i>Pentax Corp. v. Robison</i> , 135 F.3d 760 (Fed. Cir. 1998).....	9
<i>S. Pac. R.R. v. United States</i> , 168 U.S. 1 (1897).....	18
<i>Scott Paper Co. v. Marcalus Mfg. Co.</i> , 326 U.S. 249 (1945).....	11, 12

TABLE OF AUTHORITIES—continued

	Page
<i>XY, LLC v. Trans Ova Genetics, L.C.</i> , 890 F.3d 1282 (Fed. Cir. 2018)	7, 15, 16, 17
 STATUTE AND REGULATION	
35 U.S.C. § 307(a).....	15
<i>Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents</i> , 77 Fed. Reg. 48,680 (Aug. 14, 2012)	12
 LEGISLATIVE MATERIAL	
H.R. Rep. No. 112-98, pt. I (2011).....	12
 SCHOLARLY AUTHORITIES	
Steven M. Auvil, Note, <i>Staying Patent Validity Litigation Pending Reexamination: When Should Courts Endeavor to Do So?</i> , 41 Clev. St. L. Rev. 315 (1993).....	16
Michael S. Greve, <i>Exceptional, After All and After Oil States: Judicial Review and the Patent System</i> , 26 B.U. J. Sci. & Tech. L. 1 (2020)	13
Mark D. Janis, <i>Rethinking Reexamination: Toward a Viable Administrative Revocation System for U.S. Patent Law</i> , 11 Harv. J.L. & Tech. 1 (1997)	16

INTRODUCTION

The Federal Circuit's assignor estoppel doctrine is illogical and internally inconsistent. The Federal Circuit has adhered to the text of patent statutes in deciding that assignor estoppel has no place in *inter partes* reviews. *Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 803 (Fed. Cir. 2018). At the same time, outside the *inter partes* review context it has expanded assignor estoppel at every opportunity, including in this case. This Court's intervention is necessary to bring order to the Federal Circuit's jurisprudence. As Minerva has explained in its petition (No. 20-440) and reply in support of that petition, Minerva's petition presents an ideal vehicle for the Court to consider whether assignor estoppel has any continued validity and, if so, to clarify the doctrine's proper boundaries. This Court should grant that petition.

In contrast, Hologic's cross-petition does not allow the Court to consider assignor estoppel *at all*. The '183 patent that is the subject of Hologic's cross-petition has been *conclusively* determined to be invalid in a separate proceeding that is not before this Court. When that patent was determined to be invalid by the Federal Circuit in a *different* appeal, Hologic did not seek this Court's review; indeed, it did not even ask the Federal Circuit in that appeal to abandon its view that assignor estoppel does not apply in patent office proceedings. Hologic's cross-petition cannot pierce the final judgment that its '183 patent is invalid. And, critically, Hologic's cross-petition does not allow this Court to review the question presented in *Arista*, namely whether assignor estoppel applies in patent office proceedings.

Instead, Hologic's cross-petition would allow this Court to review only an issue that is not the subject of

controversy. There is no authority for allowing a party to obtain a judgment of “patent” infringement against anyone after the “patent” has conclusively been determined to be invalid. Hologic’s cross-petition presents only its self-serving attack on settled rules regarding the enforcement of final judgments, not about assignor estoppel. This Court should, therefore, deny Hologic’s cross-petition.

STATEMENT OF THE CASE

Inventor Csaba Truckai is responsible for many advances in medical technology for performing endometrial ablations. Minerva’s petition in No. 20-440 concerns the ’348 patent, which claims a device using an applicator head as part of a “moisture transport” system.¹ Hologic’s petition concerns a different patent relating to a separate Truckai invention—the ’183 patent—which covered a specific way of detecting any perforation in the uterine wall prior to performing an endometrial ablation. The patent office concluded in 2017 that the ’183 patent is invalid.

¹ Minerva’s petition in No. 20-440 contains additional facts related to Truckai’s innovations and assignments of patent rights, in particular relating to the ’348 patent. It also explains in detail why each of the supposed vehicle problems barring this Court’s consideration of assignor estoppel with respect to the ’348 patent crumble on inspection. Hologic repeats some of those supposed problems in its cross-petition. See Cross-Pet. 3–4, 11–12, 29 (suggesting, again without any support in the Federal Circuit’s decision, that the Federal Circuit concluded that the ’348 patent contains adequate written description and is enabled). To avoid burdening this Court with repetition, Minerva refers this Court to the relevant pages of its petition and reply explaining why its petition presents no obstacles to a comprehensive review of assignor estoppel. Pet. 28–31 (No. 20-440); Minerva Reply 4–6 (No. 20-440).

In 2001, Truckai assigned his interest in the patent application that issued as the '183 patent. The '183 patent was issued four years later, in 2005. Hologic acquired the patent in 2007. Seven years after assigning his interests, Truckai founded a new company—Minerva—and developed a new, and more effective, technique for detecting perforations in the uterus. Minerva's endometrial ablation device, which received FDA approval in 2015, uses this new technique.

Hologic eventually sued Minerva, alleging that Truckai's new technique for detecting uterine perforations infringed the '183 patent.

Minerva then instituted an *inter partes* review in the Patent Office under the America Invents Act ("AIA"), asserting that the '183 was unpatentable.² Hologic fully participated in the *inter partes* review. Hologic did not argue that assignor estoppel barred Minerva from asserting that the '183 patent was invalid. In fact, Hologic affirmatively stated that it would "not assert the defense [of assignor estoppel] here in view of [Patent Trial and Appeal Board ("PTAB")] decisions concerning the inapplicability of such arguments before the Board." Hologic's Response at 6 n.1, *Minerva Surgical, Inc. v. Hologic, Inc.*, No. IPR2016-00868 (P.T.A.B. Jan. 11, 2017), 2017 WL 3090850. Hologic merely purported to "reserve its rights should the Board or any appellate court determine that such defense is available for purposes of an *inter partes* review proceeding." *Id.* Ultimately, Hologic never argued that assignor estoppel should apply.

The PTAB determined in December 2017 that all claims of the '183 were unpatentable as obvious. See *Hologic, Inc. v. Minerva Surgical, Inc.*, 764 F. App'x

² *Minerva Surgical, Inc. v. Hologic, Inc.*, No. IPR2016-00868 (P.T.A.B. filed Apr. 11, 2016).

873 (Fed. Cir. 2019). In 2019, the Federal Circuit affirmed. *Id.*

Before its decision affirming the invalidity of the '183 patent, the Federal Circuit decided *Arista*, 908 F.3d 792, which held that there is “no room for assignor estoppel in the IPR context,” *id.* at 803. At no point in its appeal from the PTAB decision did Hologic ask the Federal Circuit to reverse *Arista*, either in its briefing before the panel, or in its petition for rehearing *en banc*.

Hologic did not seek this Court’s review. So the decision finding the '183 patent invalid is final.

Despite allowing the judgment that its patent is invalid to become final, Hologic persisted in continuing to seek a judgment of infringement of that “patent” in district court in this litigation. Indeed, Hologic continued to press not only for an award of damages for its invalid “patent,” but also to enjoin Minerva from selling its novel device based on Hologic’s invalid “patent.” Hologic did not argue that assignor estoppel should have applied in the prior *inter partes* review, contrary to *Arista*. Instead, Hologic argued only that while the PTAB decision “might render the patent invalid against other parties, assignor estoppel would preclude Minerva from relying on that as a defense to liability.” Hologic never explained what “defense” was at issue, and never offered any basis for its right to assert infringement of a “patent” that had been determined to be invalid, through all appeal rights available to Hologic.

The district court refused to award relief on an invalid patent, and its judgment granted Hologic relief only for infringement of the '348 patent at issue in Minerva’s petition. Cross-Pet. App. 7a.

In its appeal, Hologic again did not challenge *Arista*, arguing instead that *Arista* applies only in *inter partes* reviews and “has nothing to do with the application of assignor estoppel in a district court.” Hologic Fed. Cir. Opening Br. 35–36. Nor did Hologic challenge the preclusive effect of PTAB decisions in litigation generally. In fact, Hologic even admitted and “never challenged” the “unremarkable proposition that a patentee ordinarily is barred from asserting a patent that has been found invalid by this Court.” Hologic Fed. Cir. Reply Br. 9–10. Instead, Hologic asserted that, “while Minerva was not barred from participating in [*inter partes* review] proceedings,” Minerva was “precluded from relying on the [*inter partes* review] results” in this matter because of assignor estoppel. Hologic Fed. Cir. Opening Br. 36. Hologic still never explained what legal authority gave it the right to ask a court to enter a judgment of infringement of a patent that has been determined to be invalid.

The Federal Circuit affirmed the district court, applying the fundamental principle that “[b]ecause the ’183 patent claims are invalid, Hologic cannot assert those claims or seek ongoing monetary or injunctive relief based on infringement.” Pet. App. 15a. The Federal Circuit’s “affirmance of the Board’s invalidity decision . . . ‘renders final a judgment on the invalidity of the [’183 patent], and has an immediate issue-preclusive effect on any pending or co-pending actions involving the patent,’ including the instant action.” *Id.* at 16a (alteration in original). That prior “affirmance of the Board’s invalidity decision” in the *inter partes* review “is dispositive . . . regardless of how the validity question came to this court, and regardless of whether assignor estoppel bars Minerva from challenging the patent’s validity in this district court case.” *Id.* at 15a.

The Federal Circuit’s ruling barring Hologic from continuing to *assert* infringement of a patent that has been conclusively determined to be invalid was rooted in prior Federal Circuit decisions that Hologic did not challenge. *Id.* at 15a–17a (applying *XY, LLC v. Trans Ova Genetics, L.C.*, 890 F.3d 1282 (Fed. Cir. 2018), *Fresenius USA, Inc. v. Baxter Int’l, Inc.*, 721 F.3d 1330 (Fed. Cir. 2013), and *Mentor Graphics Corp. v. Quickturn Design Sys., Inc.*, 150 F.3d 1374 (Fed. Cir. 1998)).

Judge Stoll wrote separately to note that the Federal Circuit’s assignor estoppel precedent is at odds with itself: an assignor may “attack[] the validity of a patent claim in the Patent Office, but cannot do the same in district court.” Pet. App. 31a. She pointed to two ways to resolve this inconsistency: (1) “change the application of [assignor estoppel] in district court” or (2) “reevaluate our interpretation of the [AIA] [in *Arista*] as prohibiting the doctrine of assignor estoppel.” *Id.* at 32a. Neither the panel opinion nor Judge Stoll’s separate opinion suggested that barring a party from continuing to assert an invalid patent, even against the patent’s assignor or someone in privity with the assignor, was controversial. And neither opinion suggested it was possible to revisit the rule of *Arista* in this case.

Hologic petitioned for rehearing *en banc*, arguing, for the first time, that *Arista* was wrongly decided, and that the Federal Circuit should reverse *Arista* and hold that assignor estoppel applies in *inter partes* reviews. Hologic Pet. for Reh’g *En Banc* 1. Alternately, Hologic also argued that assignor estoppel should be expanded to allow it to continue to assert its invalid patent against Minerva in district court litigation. As Hologic presented the issue, a final judgment of invalidity protects potential defendants against infringement lawsuits as a matter of collateral estoppel, and

Hologic argued that the Court should create an “exception” to collateral estoppel which “bars an assignor like Minerva from asserting collateral estoppel . . . at least when it was the one who initiated the [*inter partes* review] proceeding after the infringement litigation had already begun.” *Id.* at 15–16 (emphasis omitted). Hologic, yet again, could not provide a basis for its right to continue to ask a court for a judgment of infringement of an invalid “patent.”

Minerva’s response pointed out that Hologic’s challenge to *Arista* was forfeited and unavailable in Hologic’s appeal from a district court decision, and that Hologic sought a fact-specific, unprecedented, and wholly unsupported departure from long settled law. The Federal Circuit has previously held, in decisions that Hologic does not dispute, that a final judgment of invalidity bars the owner of the patent from continuing to assert the patent in litigation, and a court may dismiss any such infringement claim *sua sponte* without waiting for the defendant to assert any defense of invalidity. *XY, LLC*, 890 F.3d at 1294. The Federal Circuit denied Hologic’s petition for rehearing.

REASONS THE PETITION SHOULD BE DENIED

I. HOLOGIC’S PETITION DOES NOT ALLOW THE COURT TO REACH *ARISTA*.

Hologic’s cross-petition will not permit this court to resolve “[t]he central problem in the Federal Circuit’s precedents,” namely “the conflict between how assignor estoppel is applied in district court and not applied in the Patent Office.” Cross-Pet. 14. Only Minerva’s petition presents an opportunity to resolve the conflict. This case provides no opportunity for this Court to reach the issue presented in *Arista* or even to

opine on the issue of assignor estoppel in a way that would inform how the Federal Circuit and the patent office should deal with assignor estoppel issues in *inter partes* review proceedings.

1. Hologic's attack on *Arista* is doubly waived.

First, Hologic litigated the validity of the '183 patent in the patent office and specifically chose not to assert that assignor estoppel barred Minerva from instituting that proceeding and participating in that proceeding all the way through the patent office's and the Federal Circuit's conclusion that the patent is invalid. Hologic did not assert assignor estoppel in the patent office and it did not assert assignor estoppel in the Federal Circuit review of the patent office's conclusion that the patent is invalid. This was not mere oversight by Hologic. It was a decision: "[Hologic] will not assert the defense [of assignor estoppel] here in view of decisions concerning the inapplicability of such arguments before the Board." See, *e.g.*, Hologic's Response at 6 n.1, *Minerva Surgical, Inc. v. Hologic, Inc.*, No. IPR2016-00868 (P.T.A.B. Jan. 11, 2017), 2017 WL 3090850. If Hologic wanted to challenge the rule of *Arista*, the time and place for Hologic to raise that argument was in the *inter partes* review and in the Federal Circuit appeal from the PTAB ruling. Hologic failed to do so.

It is no coincidence that Hologic did not ask this Court to review the Federal Circuit's decision affirming the PTAB on the basis of assignor estoppel; such a petition would have been frivolous because Hologic chose not to raise the issue at any point in those proceedings. It is equally frivolous, perhaps even more so, for Hologic to suggest that this Court may consider the issue in this separate proceeding.

Second, Hologic did not even try to properly preserve a challenge to the rule of *Arista* in this litigation (an effort that, for all the reasons discussed above, would have been futile in any event). Hologic challenged *Arista* for the first time in its *en banc* petition in the Federal Circuit. Throughout this case, Hologic argued only that, although the '183 patent is invalid and dead as to the rest of the world, it somehow remains appropriate for Hologic to obtain a "patent" infringement judgment and monetary and injunctive relief against Minerva. Hologic never argued that assignor estoppel should apply in *inter partes* review proceedings or otherwise challenged *Arista* before the district court or the Federal Circuit panel. Once again, this was no oversight, but a considered choice. Hologic argued that "*Arista* has nothing to do with the application of assignor estoppel in a district court." Hologic Fed. Cir. Opening Br. 35–36 (emphasis added). Only after Judge Stoll suggested that revisiting *Arista* may be one way to resolve the inconsistency in the Federal Circuit's precedents did Hologic challenge *Arista* in its *en banc* petition. But Judge Stoll rightly did not assert that *Arista* could be revisited in this case. Hologic forfeited any challenge to *Arista*. See *Pentax Corp. v. Robison*, 135 F.3d 760, 762 (Fed. Cir. 1998) (arguments raised for the first time in a petition for rehearing are forfeited).

2. Even apart from waiver, Hologic's challenge to *Arista* cannot be raised here, because *Arista* played no role in the outcome of this case. This case did not arise in the patent office, and *Arista*, as Hologic argued, therefore did not apply. Hologic's grievance is with the legal *consequences* of a final judgment of invalidity. What mattered in *this* case was that, by the time Hologic sought damages and a permanent injunction

based on the '183 patent, the '183 patent had conclusively been determined to be invalid. The Federal Circuit correctly did not look beyond that final judgment to reexamine the grounds on which it rested.

Hologic's challenge to *Arista* is nothing more than a collateral attack on the already final judgment stemming from the *inter partes* review proceeding that finally determined that the '183 patent is invalid. When Hologic asks this Court to reconsider *Arista* in *this* case, it is actually asking this Court to re-open and reconsider the judgment in *that* case. But it is a bedrock principle that a "final judgment on the merits of an action precludes the parties . . . from relitigating issues that were or could have been raised in that action." *Federated Dep't Stores, Inc. v. Moitie*, 452 U.S. 394, 398–99 (1981). This "is a rule of fundamental and substantial justice, 'of public policy and of private peace,' which should be cordially regarded and enforced by the courts." *Id.* at 401 (quoting *Hart Steel Co. v. R.R. Supply Co.*, 244 U.S. 294, 299 (1917)). Hologic had a full and fair opportunity to attack *Arista* in the case where it could have applied. Hologic may not launch a collateral attack against the judgment in that case here.

3. Even if this case provided a vehicle for considering whether assignor estoppel applies in *inter partes* reviews, and it does not, there is no need for this Court to intervene, because *Arista* is rightly decided.

As *Arista* recognized, assignor estoppel cannot bar an assignor from instituting an *inter partes* review because the governing statute allows "a person who is not the owner of a patent" to institute an *inter partes* review. *Arista*, 908 F.3d at 803–04 (quoting 35 U.S.C. § 311(a)). As this Court has explained "[a]ny person other than the patent owner can file a petition for *inter partes* review." *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 138 S. Ct. 1365, 1371

(2018) (emphasis added). And an assignor, by definition, is “a person who is not the owner of a patent.” *Arista* followed this Court’s consistent direction that “[w]here ‘the statutory language is plain, [courts] must enforce it according to its terms.’” *Arista*, 908 F.3d at 803 (quoting *King v. Burwell*, 135 S. Ct. 2480, 2489 (2015)); see also *Bilski v. Kappos*, 561 U.S. 593, 602–03 (2010) (“[C]ourts ‘should not read into the patent laws limitations and conditions which the legislature has not expressed.’”).

Hologic urges the Court to look not to the statutory text but rather to assignor estoppel’s history in the common law, arguing that the Congress legislated “with an expectation that” assignor estoppel would apply because the “common-law principle is well established.” Cross-Pet. 21–22. This argument fails for a number of reasons. First, the text of the AIA is plain, and “[w]hen the words of a statute are unambiguous, . . . judicial inquiry is complete.” *Barnhart v. Sigmon Coal Co.*, 534 U.S. 438, 462 (2002). Indeed, in *Arista*, the Federal Circuit concluded that “even assuming that assignor estoppel could be considered such a well-established common law principle” that Congress legislated with it in mind, “a statutory purpose to the contrary is evident” from the AIA’s text. 908 F.3d at 803.

In addition, the essential premise for Hologic’s argument—that Congress has legislated against the backdrop of a settled common law principle—does not hold. This Court has been calling assignor estoppel into question since at least 1945. *Scott Paper* questioned the “extent [assignor estoppel] may be deemed to have survived the *Formica* decision.” *Scott Paper Co. v. Marcalus Mfg. Co.*, 326 U.S. 249, 254 (1945). Justice Frankfurter, in dissent, concluded that *Scott Paper* in effect eliminated assignor estoppel because, under the

majority’s reasoning “the assignor in raising invalidity in a suit for infringement is just a part of the general public and can ask the Court to enforce every defense open to the rest of the public.” *Id.* at 261 (Frankfurter, J., dissenting). This Court later agreed: the “*Scott* exception had undermined the very basis of” assignor estoppel. *Lear, Inc. v. Adkins*, 395 U.S. 653, 666 (1969).

In determining that assignor estoppel does not apply in *inter partes* reviews, *Arista* itself recognized that assignor estoppel has a fraught history, noting that “in *Lear, Inc. v. Adkins*, the Supreme Court appeared to cast some doubt on the doctrine’s continued viability” and that “court decisions post-*Lear* ‘reveal[ed] some uncertainty about the continued vitality of the doctrine.’” 908 F.3d at 802 (alteration in original) (quoting *Diamond Sci. Co. v. Ambico, Inc.*, 848 F.2d 1220, 1223 (Fed. Cir. 1988)).

Through the AIA, Congress intended to “protect the public’s ‘paramount interest in seeing that patent monopolies . . . are kept within their legitimate scope,’” by creating an avenue for the efficient elimination of bad patents. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144 (2016) (omission in original) (quoting *Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324 U.S. 806, 816 (1945)); see H.R. Rep. No. 112-98, pt. I, at 39–40 (2011) (*inter partes* review is an “efficient system for challenging patents that should not have issued”); *Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents*, 77 Fed. Reg. 48,680, 48,680 (Aug. 14, 2012) (“The purpose of the AIA . . . is to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.”). In this context, the

Court should be especially wary about reading an exception into statutory text that saves bad patents from review.

Hologic’s extensive arguments about why *Arista* is problematic—that it will lead to forum shopping, races to judgment, and duplicative litigation, Cross-Pet. 3, 20–21—are not problems with *Arista*, but problems with the Federal Circuit applying assignor estoppel differently in different forums. Eliminating assignor estoppel in district court, as Minerva’s petition asks, would eliminate these problems.

Regardless, *Arista* is not to blame for concurrent litigation and *inter partes* reviews. It is widely recognized that the AIA itself was crafted to incentivize defendants in patent infringement litigation to file *inter partes* reviews, and that, in fact, Congress *fully intended for them to do so*. *Fresenius USA, Inc.*, 721 F.3d at 1339 (“Congress expected reexamination to take place concurrent with litigation . . .”); Michael S. Greve, *Exceptional, After All and After Oil States: Judicial Review and the Patent System*, 26 B.U. J. Sci. & Tech. L. 1, 36 (2020) (“[A] demand for *inter partes* review . . . is the predictable and usual response to a judicial infringement proceeding. Congress in the AIA fully intended that result, and it clearly meant to facilitate administrative patent invalidation.” (footnote omitted)). There is nothing nefarious about Minerva, or any other defendant accused of patent infringement, filing an *inter partes* review, precisely as Congress intended.

II. THIS COURT SHOULD NOT REVISIT THE ESTABLISHED RULE THAT AN INVALID PATENT CANNOT BE ASSERTED AGAINST ANYONE.

Hologic proposes a different issue as a fallback, in an effort to keep its hope alive of collecting damages for infringement of an invalid patent. But that issue is one over which there is no controversy. As Hologic would have it, an assignee’s right to sue the assignor for patent infringement survives a conclusive determination that the patent is invalid. Cross-Pet. (I), 25–27. That novel and highly illogical proposal does not warrant this Court’s review.

1. Hologic cites no court ruling, concurrence, or dissent that adopts or encourages its proposed view—which is not surprising given that it appears to be a rule devised for Hologic’s convenience rather than in pursuit of any sound patent law policy. See Cross-Pet. 26. The district court and the Federal Circuit roundly rejected Hologic’s proposal, Pet. App. 15a–16a, and Judge Stoll did not suggest that it was a viable way to bring coherence to the Federal Circuit’s precedent, *id.* at 31a–32a. Hologic’s proposed fact-specific exception, drawn narrowly to serve Hologic’s ends in this case, does not meet this Court’s criteria for granting a petition for certiorari.

2. Hologic’s proposed exception also does not solve the problem Hologic says warrants this Court’s review. It does not “straighten out the Federal Circuit’s divergent precedents on the doctrine of assignor estoppel in different forums” but would instead allow the Federal Circuit to continue to apply different rules in different forums. Cross-Pet. 3.

Hologic’s proposal would not clarify the law; it would merely complicate it in ways that make no sense. Assignors could pursue invalidity of the patents they have assigned in the patent office, but doing so successfully would still leave them, and those in privity with them, subject to patent infringement lawsuits for violating the invalidated patent. No language in any patent-related statute supports such a bizarre state of affairs, and no common law principle supports it. Once again, it appears to be nothing more than a jerry-rigged set of rules that gives Hologic what it wants.

Indeed, Hologic’s cross-petition actually proposes to upset well-settled and sound legal principles. When an *inter partes* review results in a final determination that a patent claim is invalid, that claim can no longer be enforced through litigation. *XY, LLC*, 890 F.3d at 1294; *Fresenius USA, Inc.*, 721 F.3d at 1340. When a claim is determined to be invalid, the AIA requires the Director of the PTO to “issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable.” 35 U.S.C. § 307(a). Because the “existence of [a] valid and interfering patent[]” is “a necessary condition for [an infringement] action,” a decision mandating cancellation of a patent claim “*require[s] . . . dismissal*” of any suit alleging infringement of the claim. *Fresenius USA, Inc.*, 721 F.3d at 1340 (quoting *Slip Track Sys., Inc. v. Metal Lite, Inc.*, 159 F.3d 1337, 1340 (Fed. Cir. 1998)).

Under this Court’s precedents, as long as the patent holder had a full and fair opportunity to participate in an *inter partes* review, a final judgment in such a review has preclusive effect in other actions. See *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 135 S. Ct. 1293, 1310 (2015) (Trademark Trial and Appeal Board (TTAB) decision has preclusive effect); *Cuozzo Speed Techs., LLC*, 136 S. Ct. at 2143 (“[A] decision to cancel

a patent normally has the same effect as a district court's determination of a patent's invalidity."); see also *XY, LLC*, 890 F.3d at 1294 (holding that a patent office determination of invalidity, affirmed by the Federal Circuit, "collaterally estops [a patent holder] from asserting the patent in any further proceedings").

Indeed, both "the language and legislative history of the [AIA] show that Congress expected . . . that cancellation of claims during reexamination would be binding in concurrent infringement litigation." *Fresenius USA, Inc.*, 721 F.3d at 1339; see also Mark D. Janis, *Rethinking Reexamination: Toward a Viable Administrative Revocation System for U.S. Patent Law*, 11 *Harv. J.L. & Tech.* 1, 82 (1997) ("[A] final decision in a reexamination striking down claims binds courts in pending and future litigation."); Steven M. Auvil, Note, *Staying Patent Validity Litigation Pending Reexamination: When Should Courts Endeavor to Do So?*, 41 *Clev. St. L. Rev.* 315, 326–37 (1993) (a decision to cancel claims "renders the claims unenforceable in the pending litigation").

Hologic *does not challenge this general rule*. As Hologic put it, "Hologic has never challenged" the "unremarkable proposition that a patentee ordinarily is barred from asserting a patent that has been found invalid by [the Federal Circuit]." Hologic Fed. Cir. Reply Br. 9–10. Instead, Hologic argues for an extra-ordinary exception to the rule that it admits, without the novel exception it seeks, would bar it from asserting the '183 patent.

As Hologic would have it, assignor estoppel bars the assignor from pointing to the judgment of invalidity as a defense. But when a patent ceases to exist, a defendant need not assert that fact as a defense. It is the plaintiff that can no longer assert infringement. An assignor therefore need not raise this issue at all. The

court can raise it *sua sponte*. *XY, LLC*, 890 F.3d at 1294. The reason Hologic cannot obtain a judgment of infringement based on its invalid “patent” is, in the words of *Fresenius*, because Hologic no longer has any “cause of action” for patent infringement. *Fresenius USA, Inc.*, 721 F.3d at 1340. That is why both *Fresenius* and *XY* say such a claim is moot. *Id.*; *XY, LLC*, 890 F.3d at 1295. The district court here did not enter a judgment that the ’183 patent is invalid. The claim was dismissed as moot.

This leaves Hologic’s gestures at some supposed constitutional concerns with affording preclusive effect to judgments arising from *inter partes* reviews, Cross-Pet. 21, 25, doubly irrelevant. Hologic’s infringement claim was merely mooted; the judgment here does not declare the patent invalid because that had *already* happened. In addition, Hologic does not actually raise any constitutional challenges. Hologic cannot do so, because it plainly forfeited any constitutional issue by failing to raise any such challenge below, and even conceded that judgments arising from *inter partes* reviews generally have preclusive effect. See *B & B Hardware, Inc.*, 135 S. Ct. at 1304 (petitioner forfeited challenge to the constitutionality of affording preclusive effect to judgments arising from *inter partes* reviews that was not raised below).

3. When viewed in its proper light, it becomes clear that Hologic’s fallback argument in its cross-petition is not really an argument about assignor estoppel at all. It is a radical argument about collateral estoppel. To fit its novel collateral estoppel argument into an assignor estoppel framework, Hologic argues that “[i]n trying to assert collateral estoppel, Minerva was asserting the invalidity of the patent rights it assigned.” Cross-Pet. 26.

Hologic fundamentally misunderstands collateral estoppel. Collateral estoppel does not turn on the merits of the prior judgment. In fact, where collateral estoppel applies, courts are not permitted to look beyond the prior judgment to reexamine the bases of that judgment. See *Johnson v. Watkins*, 101 F.3d 792, 795 (2d Cir. 1996). Allowing reexamination of the merits would eviscerate collateral estoppel by allowing parties to relitigate issues that have been decided. By alerting the court that the '183 patent had finally been determined to be unpatentable, Minerva was not “asserting invalidity.” Minerva merely pointed the Court to the judgment of invalidity entered elsewhere, and asserted that the '183 patent therefore could not form the basis of a judgment of patent infringement. Even as a matter of collateral estoppel, Hologic could not dispute what the judgment says on its face, and no court could look behind the prior judgment to reconsider the issue of validity.

What happened is consistent with settled collateral estoppel law. And there is no basis for extending the reach of assignor estoppel to disturb the straightforward operation of collateral estoppel here. (Once again, Hologic’s claim also failed because Hologic cannot assert infringement of its invalid patent in the first place.) Collateral estoppel’s long and consistent record stands in stark contrast to assignor estoppel’s spotty history. Collateral estoppel has long served the crucial purposes of “protecting litigants from the burden of relitigating an identical issue . . . and of promoting judicial economy by preventing needless litigation.” *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326 (1979); *S. Pac. R.R. v. United States*, 168 U.S. 1, 48–49 (1897) (explaining that collateral estoppel is “demanded by the very object for which civil courts have been estab-

lished, which is to secure the peace and repose of society by the settlement of matters capable of judicial determination” and that its “enforcement is essential to the maintenance of social order”). Assignor estoppel, in contrast, is rooted in contractual equities between private parties which this Court has already recognized “do not weigh very heavily when they are balanced against the important public interest in permitting full and free competition” by eliminating invalid patents. *Lear*, 395 U.S. at 670; see *Kimble v. Marvel Entm’t, LLC*, 135 S. Ct. 2401, 2407 (2015) (discussing the long line of cases holding that parties which contracted not to challenge patents can nevertheless challenge patents).

This Court has therefore consistently questioned and never applied assignor estoppel to bar an invalidity defense, see *Minerva Pet.* 18–20 (No. 20-440). Meanwhile, the Court has decided that once a patent is determined invalid, that determination has broad preclusive effect.

In *Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation*, 402 U.S. 313 (1971), the Court rejected a rule that the holder of a patent determined to be invalid in a prior proceeding was collaterally estopped from asserting the patent against *only* the defendant in that prior proceeding. *Id.* at 349–50. Limiting the preclusive effect of a judgment of invalidity was inconsistent with the public interests the patent law serves. *Id.* at 343 (“The far-reaching social and economic consequences of a patent . . . give the public a paramount interest in seeing that patent monopolies . . . are kept within their legitimate scope.” (quoting *Precision Instrument Mfg. Co.*, 324 U.S. at 816)) Pointing to *Lear* and its abolition of licensee estoppel, the Court reiterated the public interest in “eliminating

obstacles to suit by those disposed to challenge the validity of a patent.” *Id.* at 345. Because a narrow view of collateral estoppel allowed holders of invalid patents to continue to reap supra-competitive benefits, it could not stand: “federal law requires[] that all ideas in general circulation be dedicated to the common good unless they are protected by a valid patent,” *id.* (quoting *Lear*, 395 U.S. at 668), so “the holder of a patent should not be insulated from the assertion of defenses and thus allowed to [benefit from] the use of an idea that is not in fact patentable,” *id.* at 349–50. Since at least 1998, the Federal Circuit has recognized that, under *Blonder-Tongue*, whether or not the defendant previously assigned the patent: “assignor estoppel does not limit [assignors’] ability to defend themselves” by “arguing that the patentee is itself collaterally estopped from asserting a patent found invalid in a prior proceeding.” *Mentor Graphics Corp.*, 150 F.3d at 1379–80.

Once again, Hologic’s fallback argument in its cross-petition is not asking this Court to resolve a disputed issue in the law. It is an attempt to get this Court to upset settled law for no reason other than to benefit Hologic.

4. It is hard to imagine an approach more inconsistent with sound patent policy than Hologic’s. Hologic’s proposal would create uncertainty and undermine the finality of patent judgments. It would reduce incentives for defendants to use *inter partes* review proceedings in precisely the way Congress intended—to eliminate patents that do not provide the value necessary to support the patent holder’s monopoly. And, most importantly, it would prop up bad patents as barriers to innovation, despite conclusive findings that they are not patents and are not worthy of delivering such supra-competitive benefits.

Importantly, Hologic conceals the breadth of the novel rule of law it seeks. The patent office proceedings that resulted in invalidation of the '183 patent here was initiated by Minerva. But nothing in the new rule Hologic seeks limits its operation to cases in which the patent office proceedings were initiated by the assignor or someone in privity with the assignor. If some third party had initiated the proceedings, and the patent were invalidated by the patent office, the contorted view of collateral estoppel Hologic seeks would *still* allow Hologic to sue Minerva for its invalid patent. The timing of the lawsuit would not matter either. Hologic could *begin* its patent infringement lawsuit against Minerva after its patent was deemed invalid. Even a final judgment of invalidity in court obtained by a third party would not, on Hologic's view of the law, prevent Hologic from suing Minerva on the invalidated patent. There is no reason for this Court to entertain such a radical proposal.

In addition, in this case Hologic asked the district court to enter a permanent injunction based on an invalid patent excluding a competitor from the market. That injunction, Hologic proposed without any sense of irony, would have lasted until the patent expired. Hologic proposes an entirely new legal beast: a zombie patent with an expiration date. The Court should not intervene to entertain Hologic's bizarre proposal.

CONCLUSION

For the foregoing reasons, Hologic's petition for a writ of certiorari should be denied.

Respectfully submitted,

VERA M. ELSON
WILSON SONSINI GOODRICH
& ROSATI, P.C.
650 Page Mill Road
Palo Alto, CA 94304
(650) 493-9300

ROBERT N. HOCHMAN*
CAROLINE A. WONG
One South Dearborn
Chicago, IL 60603
(312) 853-7000
rhochman@sidley.com

EDWARD G. POPLAWSKI
OLIVIA M. KIM
WILSON SONSINI GOODRICH
& ROSATI, P.C.
633 West Fifth Street
Suite 1550
Los Angeles, CA 90071
(323) 210-2900

JILLIAN SHERIDAN
STONECIPHER
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, D.C. 20005
(202) 736-8000

Counsel for Petitioner

November 24, 2020

* Counsel of Record