

No.

---

---

**In the Supreme Court of the United States**

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

FALL LINE PATENTS, LLC, ET AL.

---

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

---

**PETITION FOR A WRIT OF CERTIORARI**

---

DAVID L. BERDAN  
*General Counsel*  
THOMAS W. KRAUSE  
*Solicitor*  
FARHEENA Y. RASHEED  
*Deputy Solicitor*  
MOLLY R. SILFEN  
DANIEL KAZHDAN  
*Associate Solicitors*  
*United States Patent and*  
*Trademark Office*  
*Alexandria, Va. 22314*

JEFFREY B. WALL  
*Acting Solicitor General*  
*Counsel of Record*  
JEFFREY BOSSERT CLARK  
*Acting Assistant Attorney*  
*General*  
MALCOLM L. STEWART  
*Deputy Solicitor General*  
SOPAN JOSHI  
*Senior Counsel to the*  
*Assistant Attorney General*  
JONATHAN Y. ELLIS  
*Assistant to the Solicitor*  
*General*  
SCOTT R. MCINTOSH  
MELISSA N. PATTERSON  
COURTNEY L. DIXON  
*Attorneys*  
*Department of Justice*  
*Washington, D.C. 20530-0001*  
*SupremeCtBriefs@usdoj.gov*  
*(202) 514-2217*

---

---

(Additional Captions On Inside Cover)

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

BOTTOMLINE TECHNOLOGIES (DE) INC.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

JAMES GELSIN MARX

---

UNITED STATES OF AMERICA, PETITIONER

*v.*

SNYDERS HEART VALVE LLC, ET AL.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

C.A. CASYSO GMBH, ET AL.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

UNILOC 2017 LLC, ET AL.

---

### QUESTION PRESENTED

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.

## **PARTIES TO THE PROCEEDING**

Petitioners in this Court are the United States of America, which intervened in the court of appeals in No. 2019-2111, pursuant to 28 U.S.C. 2403(a); and Andrei Iancu, Under Secretary of Commerce for Intellectual Property and Director, U.S. Patent and Trademark Office, who intervened in the court of appeals in Nos. 2019-1956, 2020-1444, 2020-1729, and 2020-1730, pursuant to 35 U.S.C. 143, and was the appellee in Nos. 2020-1161 and 2020-1207.

Respondents in this Court are Bottomline Technologies (DE) Inc., which was the appellant in the court of appeals in No. 2020-1161; C.A. Casyso GMBH, which was the appellant in the court of appeals in No. 2020-1444; Fall Line Patents, LLC, which was the appellant in the court of appeals in No. 2019-1956; Hemosonics LLC, which was the appellee in the court of appeals in No. 2020-1444; James Gelsin Marx, who was the appellant in the court of appeals in No. 2020-1207; Unified Patents, LLC, which was the appellee in the court of appeals in No. 2019-1956; Snyders Heart Valve LLC, which was the appellant in the court of appeals in No. 2019-2111; St. Jude Medical, LLC, which was the appellee in the court of appeals in No. 2019-2111; Uniloc 2017 LLC, which was the appellant in the court of appeals in Nos. 2020-1729 and 2020-1730; and Apple Inc., which was the appellee in the court of appeals in Nos. 2020-1729 and 2020-1730.

**RELATED PROCEEDINGS**

United States Court of Appeals (Fed. Cir.):

*Fall Line Patents, LLC v. Unified Patents, LLC*,  
No. 2019-1956 (July 28, 2020)

*In re Bottomline Techs. (DE) Inc.*,  
No. 2020-1161 (Aug. 4, 2020)

*In re Marx*, No. 2020-1207 (Aug. 17, 2020)

*Snyders Heart Valve LLC v. St. Jude Med., LLC*,  
No. 2019-2111 (Sept. 9, 2020)

*C.A. Casyso GMBH v. Hemosonics LLC*,  
No. 2020-1444 (Oct. 27, 2020)

*Uniloc 2017 LLC v. Apple Inc.*,  
Nos. 2020-1729 and 2020-1730 (Nov. 30, 2020)

**TABLE OF CONTENTS**

	Page
Opinions below .....	3
Jurisdiction .....	3
Statement .....	4
Argument .....	9
Conclusion .....	11

**TABLE OF AUTHORITIES**

Cases:

<i>Arthrex, Inc. v. Smith &amp; Nephew, Inc.</i> , 941 F.3d 1320 (Fed. Cir. 2019), cert. granted, Nos. 19-1434, 19-1452, and 19-1458 (Oct. 13, 2020) .....	4, 9
<i>Free Enterprise Fund v. Public Co. Accounting Oversight Bd.</i> , 561 U.S. 477 (2010).....	6

Constitution, statutes, and regulation:

U.S. Const. Art. II, § 2, Cl. 2 .....	4, 6
Appointments Clause.....	4, 5, 6, 7, 8, 9
Patent Act of 1952, 35 U.S.C. 1 <i>et seq.</i> .....	5
35 U.S.C. 1(a) .....	5
35 U.S.C. 2(a)(1).....	5
35 U.S.C. 3(c) .....	5
35 U.S.C. 6(a) .....	5, 6
35 U.S.C. 6(b).....	5
35 U.S.C. 141(c) .....	5
35 U.S.C. 144.....	5
35 U.S.C. 319.....	5
5 U.S.C. 7513(a) .....	6, 7
5 U.S.C. 7543(a) .....	6
5 C.F.R. Pt. 359.....	6

VI

Miscellaneous:	Page
83 Fed. Reg. 29,312 (June 22, 2018).....	6
<i>General Order in Cases Remanded Under Arthrex, Inc. v. Smith &amp; Nephew, Inc., 941 F.3d 1320 (Fed. Cir. 2019) (PTAB May 1, 2020) .....</i>	7, 8

**In the Supreme Court of the United States**

---

No.

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

FALL LINE PATENTS, LLC, ET AL.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

BOTTOMLINE TECHNOLOGIES (DE) INC.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

JAMES GELSIN MARX

---

UNITED STATES OF AMERICA, PETITIONER

*v.*

SNYDERS HEART VALVE LLC, ET AL.

---

(1)



ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

C.A. CASYSO GMBH, ET AL.

---

ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR, U.S. PATENT AND TRADEMARK OFFICE,  
PETITIONER

*v.*

UNILOC 2017 LLC, ET AL.

---

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

---

**PETITION FOR A WRIT OF CERTIORARI**

---

The Acting Solicitor General, on behalf of the United States and Andrei Iancu, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, 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, the government 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.

**OPINIONS BELOW**

The order of the court of appeals in *Fall Line Patents, LLC v. Unified Patents, LLC*, No. 2019-1956 (App. 1a-11a) is not published in the Federal Reporter but is reprinted at 818 Fed. Appx. 1014.

The order of the court of appeals in *In re Bottomline Technologies (DE) Inc.*, No. 2020-1161 (App. 12a-13a) is unreported.

The order of the court of appeals in *In re Marx*, No. 2020-1207 (App. 14a-15a) is unreported.

The order of the court of appeals in *Snyders Heart Valve LLC v. St. Jude Medical, LLC*, No. 2019-2111 (App. 16a-19a) is not published in the Federal Reporter but is reprinted at 825 Fed. Appx. 888.

The order of the court of appeals in *C.A. Casyso GMBH v. Hemosonics LLC*, No. 2020-1444 (App. 20a-21a) is unreported.

The order of the court of appeals in *Uniloc 2017 LLC v. Apple, Inc.*, Nos. 2020-1729 and 2020-1730 (App. 22a-23a) is unreported.

**JURISDICTION**

The judgment of the court of appeals in *Fall Line Patents, LLC v. Unified Patents, LLC*, No. 2019-1956, was entered on July 28, 2020. A petition for rehearing in that case was denied on September 29, 2020 (App. 24a-25a).

The judgment of the court of appeals in *In re Bottomline Technologies (DE) Inc.*, No. 2020-1161, was entered on August 4, 2020.

The judgment of the court of appeals in *In re Marx*, No. 2020-1207, was entered on August 17, 2020.

The judgment of the court of appeals in *Snyders Heart Valve LLC v. St. Jude Medical, LLC*, No. 2019-2111,

was entered on September 9, 2020. A petition for rehearing in that case was denied on November 9, 2020 (App. 26a-27a).

The judgment of the court of appeals in *C.A. Casyso GMBH v. Hemosonics LLC*, No. 2020-1444, was entered on October 27, 2020.

The judgment of the court of appeals in *Uniloc 2017 LLC v. Apple Inc.*, Nos. 2020-1729 and 2020-1730, was entered on November 30, 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, order denying discretionary review, or order denying a timely petition for rehearing. The effect of that order was to extend the deadline for filing a petition for a writ of certiorari seeking review of the judgment in *In re Bottomline Technologies (DE) Inc.*, No. 2020-1161, to January 1, 2021, and to extend to a later date the deadline for filing in each of the other cases encompassed by this petition.

In each case, the jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

#### STATEMENT

These cases concern whether, under the Appointments Clause, U.S. Const. Art. II, § 2, Cl. 2, administrative patent judges of the United States Patent and Trademark Office (USPTO) are principal officers who must be appointed by the President with the advice and consent of the Senate, or “inferior Officers” whose appointment Congress may vest in a department head. In *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (2019), cert. granted, Nos. 19-1434, 19-1452, and 19-1458 (Oct. 13, 2020), the Federal Circuit held that administrative patent judges are principal officers and that the

statutorily prescribed method of appointing administrative patent judges—by the Secretary of Commerce acting alone, see 35 U.S.C. 6(a)—violates the Appointments Clause. 941 F.3d at 1327-1335. In each of the judgments encompassed by this consolidated petition, the court of appeals vacated one or more decisions of the Patent Trial and Appeal Board (Board) based on *Arthrex* and remanded for further proceedings.

1. The Patent Act of 1952 (Patent Act), 35 U.S.C. 1 *et seq.*, establishes the USPTO as an executive agency within the United States Department of Commerce “responsible for the granting and issuing of patents and the registration of trademarks.” 35 U.S.C. 2(a)(1); see 35 U.S.C. 1(a). The Board is an administrative tribunal within the USPTO that conducts several kinds of patent-related administrative adjudications, including appeals from adverse decisions of patent examiners on patent applications and in patent reexaminations; derivation proceedings; and inter partes and post-grant reviews. 35 U.S.C. 6(a) and (b). Its final decisions may be appealed to the Federal Circuit. 35 U.S.C. 141(c), 144, 319.

The Board consists of the Director, the Deputy Director, the Commissioners for Patents and Trademarks, and “administrative patent judges.” 35 U.S.C. 6(a). Administrative patent judges, of whom there are currently more than 250, are “persons of competent legal knowledge and scientific ability who are appointed by the Secretary [of Commerce], in consultation with the Director.” *Ibid.* Like other “[o]fficers and employees” of the USPTO, most administrative patent judges are “subject to the provisions of title 5, relating to Federal employees.” 35 U.S.C. 3(c). Under those provisions, members of the civil service may be removed “only for such cause as will promote the efficiency of the

service,” 5 U.S.C. 7513(a). Because the Secretary appoints the judges, that removal authority belongs to the Secretary. See *Free Enterprise Fund v. Public Co. Accounting Oversight Bd.*, 561 U.S. 477, 509 (2010).<sup>1</sup>

2. In *Arthrex*, the court of appeals held that administrative patent judges are principal officers for purposes of the Appointments Clause, U.S. Const. Art. II, § 2, Cl. 2, and therefore must be appointed by the President with the advice and consent of the Senate. 941 F.3d at 1327-1335. The court therefore held that the statutorily prescribed method of appointing administrative patent judges—by the Secretary of Commerce acting alone—violates the Appointments Clause. *Ibid.*; see 35 U.S.C. 6(a).

To cure the putative constitutional defect that it identified, the *Arthrex* court held that the restrictions on removal imposed by 5 U.S.C. 7513(a) cannot validly be applied to administrative patent judges, and that the application of those restrictions should be severed so that the judges are removable at will. 941 F.3d at 1335-1338. “Because the Board’s decision in [*Arthrex*] was made by a panel of [administrative patent judges] that were not constitutionally appointed at the time the decision was rendered,” the court vacated the Board’s decision, remanded for “a new hearing” before the Board, and directed “that a new panel of [administrative patent judges] must be designated to hear the [proceeding] anew on remand.” *Id.* at 1338, 1340; see *id.* at 1338-1340.

---

<sup>1</sup> A small subset of administrative patent judges serve as members of the Senior Executive Service, see 83 Fed. Reg. 29,312, 29,324 (June 22, 2018), and therefore are subject to removal “for misconduct, neglect of duty, malfeasance, or failure to accept a directed reassignment or to accompany a position in a transfer of function,” 5 U.S.C. 7543(a); see 5 C.F.R. Pt. 359.

The *Arthrex* court stated that vacatur and remand would also be appropriate in all other cases “where final written decisions were issued [by the Board] and where litigants present an Appointments Clause challenge on appeal.” *Id.* at 1340.

On October 13, 2020, this Court granted the government’s petition for a writ of certiorari seeking review of the Federal Circuit’s *Arthrex* decision, as well as two additional petitions filed by the private parties in *Arthrex*. See *United States v. Arthrex, Inc.*, No. 19-1434; *Smith & Nephew, Inc. v. Arthrex, Inc.*, No. 19-1452; *Arthrex, Inc. v. Smith & Nephew, Inc.*, No. 19-1458. The Court has agreed to consider: (1) whether administrative patent judges are principal or inferior officers for purposes of the Appointments Clause; and (2) whether, if administrative patent judges are principal officers, the Federal Circuit properly cured any Appointments Clause defect by severing the application of 5 U.S.C. 7513(a) to those judges.

3. Since resolving *Arthrex*, the Federal Circuit has decided dozens of other appeals in which, based on its *Arthrex* decision, it has vacated Board decisions and remanded for new hearings. See Pet. at 14, 27, *Arthrex, supra* (No. 19-1434); Pet. App. at 223a, *Arthrex, supra* (No. 19-1434). The Board has issued a blanket order staying further administrative proceedings in those and any subsequent cases remanded by the Federal Circuit pending this Court’s disposition of *Arthrex*. *General Order in Cases Remanded Under Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019) 1-2 (PTAB May 1, 2020). In issuing that stay, the Board observed that the Federal Circuit “ha[d] already vacated more than 100 decisions by the [Board] and more

such Orders are expected.” *Id.* at 1; see *id.* at 2-6 (listing proceedings that had been remanded as of May 1, 2020).<sup>2</sup> In the months since then, the court of appeals has remanded additional cases based on *Arthrex*. *E.g.*, App. 1a-23a; Pet. App. at 70a-84a, *Iancu v. Luoma*, No. 20-74 (July 23, 2020).

On July 23, 2020, the government filed a consolidated petition for a writ of certiorari encompassing multiple Federal Circuit orders in which the court had remanded on the basis of *Arthrex*. Pet. at 1-27, *Luoma, supra* (No. 20-74). The government urged the Court to hold the petition pending disposition of *Arthrex*, and then to dispose of those cases as appropriate in light of this Court’s decision in *Arthrex*. *Id.* at 27. That petition remains pending before the Court.

The six orders of the Federal Circuit encompassed by this consolidated petition are also among those in which the Federal Circuit has vacated Board decisions based on *Arthrex* and has remanded for further proceedings before a different Board panel. App. 1a-23a. The orders were issued after the government filed its petition in *Luoma, supra* (No. 20-74). As in the cases encompassed by the *Luoma* petition, patent owners in these cases challenged final decisions issued by the Board in inter partes reviews or other Board proceedings. App.

---

<sup>2</sup> In one set of 18 Board proceedings that involve the same parties and were covered by the Board’s blanket order, the court of appeals initially vacated and remanded based on *Arthrex*, but the court subsequently granted the request of the party that had raised an Appointments Clause challenge in the court of appeals “to withdraw and permanently waive its Appointments Clause challenge.” Order at 4, *Intel Corp. v. Alacritech, Inc.*, No. 2019-1443 (Fed. Cir. Apr. 30, 2020). The Board has also determined that two proceedings were mistakenly included in its blanket order and has since lifted the order in those proceedings.

1a-23a. In each case, the government defended against a challenge to the constitutionality of the statutory scheme. *Ibid.* The Federal Circuit vacated the Board's final decision or decisions in each case based on *Arthrex*, and the court remanded each case to be reheard by a different panel of the Board. *Ibid.* In some cases, the court denied petitions for rehearing. App. 24a-27a.

#### ARGUMENT

In *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (2019), cert. granted, Nos. 19-1434, 19-1452, and 19-1458 (Oct. 13, 2020), the Federal Circuit held that the administrative patent judges who sit on Board panels are principal officers who must be, but by statute are not, appointed by the President with the advice and consent of the Senate. *Id.* at 1327-1335. To eliminate that putative constitutional infirmity going forward, the court severed the application to administrative patent judges of certain statutory protections against removal. *Id.* at 1335-1338. But because the Board decision that was under review in *Arthrex* had been issued before the court's decision rendering those removal protections inapplicable, the court vacated that Board decision and remanded for a new administrative proceeding before a differently constituted Board panel. *Id.* at 1338-1340.

Since its decision in *Arthrex*, the Federal Circuit has followed the same course in scores of additional appeals from Board rulings, including in the cases encompassed by this petition. In each of the orders at issue here, the court vacated one or more Board decisions based on *Arthrex* and remanded for further proceedings before a different Board panel.

On October 13, 2020, this Court granted three petitions for a writ of certiorari to review the Federal Circuit's Appointments Clause holding in *Arthrex* and the



court's decision to sever the application of statutory removal protections for administrative patent judges. See *United States v. Arthrex, Inc.*, No. 19-1434; *Smith & Nephew, Inc. v. Arthrex, Inc.*, No. 19-1452; *Arthrex, Inc. v. Smith & Nephew, Inc.*, No. 19-1458. The Court ordered that the three cases be consolidated. If the Court reverses the Federal Circuit's judgment in *Arthrex*, its decision will undermine the court of appeals' subsequent rulings in the cases encompassed by this petition, in which the court applied *Arthrex's* holdings to reach the same result. In that event, it will be appropriate for the Court to vacate the Federal Circuit's judgments in these cases and remand for further proceedings. Accordingly, because this Court's resolution of *Arthrex* may affect the proper disposition of these cases, this petition should be held pending the resolution of the three consolidated cases, and then disposed of as appropriate in light of the Court's decision in those cases.

CONCLUSION

The petition for a writ of certiorari should be held pending the Court's decision in *United States v. Arthrex, Inc.*, cert. granted, No. 19-1434 (Oct. 13, 2020), and the consolidated cases (Nos. 19-1452 and 19-1458), and then disposed of as appropriate in light of that decision.

Respectfully submitted.

DAVID L. BERDAN <i>General Counsel</i>	JEFFREY B. WALL <i>Acting Solicitor General</i>
THOMAS W. KRAUSE <i>Solicitor</i>	JEFFREY BOSSERT CLARK <i>Acting Assistant Attorney General</i>
FARHEENA Y. RASHEED <i>Deputy Solicitor</i>	MALCOLM L. STEWART <i>Deputy Solicitor General</i>
MOLLY R. SILFEN	SOPAN JOSHI <i>Senior Counsel to the Assistant Attorney General</i>
DANIEL KAZHDAN <i>Associate Solicitors</i>	JONATHAN Y. ELLIS <i>Assistant to the Solicitor General</i>
<i>United States Patent and Trademark Office</i>	SCOTT R. MCINTOSH MELISSA N. PATTERSON COURTNEY L. DIXON <i>Attorneys</i>

DECEMBER 2020