

2025-144

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

IN RE GOOGLE LLC, SAMSUNG ELECTRONICS CO., LTD.,
SAMSUNG ELECTRONICS AMERICA, INC.

Petitioners

On petition for a writ of mandamus to the United States Patent and
Trademark Office, Patent Trial and Appeal Board,
in Nos. IPR2024-01464, IPR2024-01465

Reply in Support of Petition for a Writ of Mandamus

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September 26, 2025

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2025 Memo	Memorandum from Chief APJ Boalick to Board, <i>Guidance on USPTO’s Rescission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation”</i> (Mar. 24, 2025)
AD.Opp.____	respondent Acting Director’s response at page ____
AIA	Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011)
APA	Administrative Procedure Act
APJ	administrative patent judge
Board or PTAB	Patent Trial and Appeal Board
Cerence	respondent Cerence Operating Co.
C.Opp.____	respondent Cerence’s response at page ____
DACA	Deferred Action for Childhood Arrivals
Director	Director of the U.S. Patent & Trademark Office, including an Acting Director
Google	petitioner Google LLC
IPR	<i>inter partes</i> review
Pet.____	Petition at page ____
Petition	Petitioners’ petition for a writ of mandamus
Petitioners	Google and Samsung

Rescission	USPTO, <i>USPTO Rescinds Memorandum Addressing Discretionary Denial Procedures</i> (Feb. 28, 2025)
Samsung	collectively, petitioners Samsung Electronics Co., Ltd., and Samsung Electronics America, Inc.
US*MADE.Br. ____	<i>amicus</i> US*MADE's brief at page ____
USPTO or Office	United States Patent and Trademark Office
VA	United States Department of Veterans Affairs
(<i>x</i> : <i>y</i> - <i>z</i>)	column <i>x</i> , lines <i>y</i> - <i>z</i>
'461 patent	U.S. Patent No. 11,393,461
'750 patent	U.S. Patent No. 11,087,750
§ ____	All section references are to Title 35 of the U.S. Code unless otherwise specified.

INTRODUCTION

Respondents all but ignore retroactivity and seek refuge in the § 314(d) appeal bar, which they try to raise higher than Congress or the Supreme Court intended. Without denying the Rescission's APA problems, the Director instead argues this Court is powerless to remedy them. Respondents' due process arguments are equally unpersuasive. The Government created a protected interest when it declared that a *Sotera* stipulation would avoid a *Fintiv* denial. A legitimate expectation existed at that point because the Government can be taken at its word.

Finally, the Director suggests that following longstanding administrative-law procedural rules would "hamstring" the agency. But due process and the APA exist to ensure accountability, and their protections are not optional.

ARGUMENT

I. Respondents' oppositions rest on two faulty premises

A. The Rescission was retroactive

The Director agrees that a retroactive rule is one that impairs "rights a party possessed when he acted." AD.Opp.24 (quoting *Landgraf v. USI Film Prods.*, 511 U.S. 244, 280 (1994)). That's true here. When Petitioners prepared

and filed their joint petitions—i.e., *when they acted*—the agency had promised that a *Sotera* stipulation would avoid a *Fintiv* denial. By the time of the Rescission, it was too late for Petitioners to avoid the costs and strategic disadvantage of filing petitions that would be subject to the *Fintiv* factors, and it was too late for Google to file separately. *See Durr v. Nicholson*, 400 F.3d 1375, 1380 (Fed. Cir. 2005) (new notice-of-appeal requirements could not apply to previously filed appeal); *Woodward v. DOJ*, 598 F.3d 1311, 1315 (Fed. Cir. 2010) (new burden of proof could not apply to pending case). The Director’s focus on the timing of the institution decision ignores what matters: the Rescission’s consequences on the public’s past acts.

The Director acknowledges that the retroactivity analysis examines “the *nature and extent* of the change in the law” as well as “fair notice, reasonable reliance, and settled expectations.” AD.Opp.24 (quoting *Rodriguez v. Peake*, 511 F.3d 1147, 1153 (Fed. Cir. 2008)). Those factors confirm the problem. First, the “nature and extent of the change in the law was substantial,” *Rodriguez*, 511 F.3d at 1153, as shown by the flood in denials of petitions and the agency’s acknowledgment of the impact. *See* Pet.31-32; US*MADE.Br.7. For petitions with co-pending litigation, the Rescission replaced a guaranteed pathway to a merits analysis with a nearly certain discretionary denial.

See Rodriguez, 511 F.3d at 1153 (factor met where change altered chance of success on claim). Second, the change “meaningfully alter[ed] the consequences of relevant past events,” *id.* at 1155, because Petitioners cannot go back in time and change the facts underlying the denial or their decision to file. *See Princess Cruises, Inc. v. United States*, 397 F.3d 1358, 1366 (Fed. Cir. 2005) (factor met where data needed under new rule had not been collected under “common understanding[s]” that it wasn’t needed, and it could not be collected later). Finally, “fair notice, reasonable reliance, and settled expectations” confirm retroactivity because it was “objectively reasonable” for the public to rely on years-old guidance that the agency deemed binding but then changed without any notice, let alone fair notice. *Rodriguez*, 511 F.3d at 1155 (citation omitted); *Princess Cruises*, 397 F.3d at 1366 (factor met based on “letter” regarding prior rule that was “not an official ruling” but was “from a senior Customs official”).

The Director says (AD.Opp.26) the 2022 Guidance was “*interim*” and in force “*until further notice*,” so it was unreasonable to expect the Office to follow it. *See also* C.Opp.11-12 (similar). Even if so, reliance is only “akin to a tiebreaker in close cases.” *Princess Cruises*, 397 F.3d at 1366. Courts do not require the kind of concrete reliance the Director demands here. *See, e.g., id.*

at 1367 (citing agency’s representations, not concrete reliance on them). Regardless, the “interim” language did not preclude reliance. The Guidance was “interim” pending a promised rulemaking, *which would have required its own notice*. And regardless of whether the public expected the guidance to change in the future, there was no notice before Petitioners acted. The Director also insists (AD.Opp.27) that the Guidance only bound “subordinates.” But the Guidance informed the public—accurately, until recently—how the agency would treat their cases. The Director did not begin personally exercising discretion until after the denials here.

Because the Rescission meets the Director’s own retroactivity test, it “cannot be applied to cases pending at the time of its promulgation.” *Rodriguez*, 511 F.3d at 1153.

B. The 2022 Guidance constrained denial discretion

Petitioners explained that the 2022 Guidance provided the public a clear rule that a *Sotera* stipulation would avoid a *Fintiv* denial. Pet.6, 30. Under that Guidance, the agency lacked discretion to issue a *Fintiv* denial in the face of a *Sotera* stipulation.

Suggesting some sort of administrative sleight of hand, the Director argues (AD.Opp.14, 22) that the Guidance was not a surrender of discretion

because she retained the power to reverse the Board. But the Director delegated the institution decision to the Board and purported to bind it with the Guidance. It was reasonable, indeed required, for Petitioners to rely on those actions. The Director cites no authority suggesting that she could reverse the Board's application of the policy without changing it. Nor does she suggest that such a reversal occurred here.

Respondents also suggest that the Director cannot be bound by a prior administration. But the 2022 Guidance was made under “the Director’s authority to issue binding agency guidance” for the *agency*—not the particular *administration*. Appx39 (citing PTAB Standard Operating Procedure 2). In any event, an agency must adhere to its rules and guidance until they are amended or repealed through proper procedures. *See, e.g., United States v. Nixon*, 418 U.S. 683, 695-96 (1974) (“So long as this regulation remains in force the Executive Branch is bound by it....”); *Am. Fed’n of Gov’t Emps., AFL-CIO, Local 3090 v. FLRA*, 777 F.2d 751, 759 (D.C. Cir. 1985) (“[U]nless and until it amends or repeals a valid legislative rule or regulation, an agency is bound by such a rule or regulation.”).

Petitioners do not contest that new Directors can exercise discretion in different ways, but policy changes must still conform with law, and a turn-

over in administrations does not relieve the government of the need to honor its representations. Even assuming a new Director was free to rescind the Guidance without the promised rule, she was not free to do so *retroactively*. And even if the Director personally was not bound by the 2022 Guidance, that Guidance bound the employees to whom she delegated institution authority.

II. Section 314(d) does not preclude mandamus relief

Relying on *Mylan Laboratories Ltd. v. Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1382 (Fed. Cir. 2021), Respondents argue (AD.Opp.12-18; C.Opp.6-9) that non-constitutional arguments in support of mandamus relief are precluded. But *Mylan* just said there is “no reviewability of the Director’s exercise of [her] discretion to deny institution except for colorable constitutional claims.” 989 F.3d at 1380 (emphasis added). Petitioners’ non-constitutional arguments are not aimed at the substance of the decision or standards but at procedural flaws. And the Petition does not demand institution, just reconsideration under the 2022 Guidance.

The Director also distorts *Apple Inc. v. Vidal* by suggesting it sorted challenges into those that seek prospective relief only and those that are petition-specific. AD.Opp.15-16 (citing 63 F.4th 1, 10, 13-16 (Fed. Cir. 2023)).

Apple's background discussion observed that the plaintiffs "s[ought] prospective relief only," but it did not rely on that reasoning in permitting review. 63 F.4th at 10. All challenges in *Apple* sought prospective relief, even the unreviewable ones. *Apple* held § 314(d) shields the "substance of the Director's institution discretion" but not "the Director's choice of whether to use notice-and-comment rulemaking to announce instructions for the institution decision." *Id.* at 14. That holding supports review here, where Petitioners challenge the retroactive change in policy. The Director insists *Apple* held that § 314(d) allows review only of "the *manner* in which the Director relayed those instructions," AD.Opp.16-17, but Petitioners' APA and retroactivity arguments raise such a challenge.

Section 314(d) does not prohibit review where discretion has been surrendered, Pet.15-16, because there is no discretion to exercise within that zone. The Director (AD.Opp.15) relies on *Cuozzo Speed Technologies, LLC v. Lee*, 579 U.S. 261, 274-75 (2016), but *Cuozzo* didn't involve surrendered discretion; it held that "questions that are closely tied to the application and interpretation of statutes related to the Patent Office's decision to initiate inter partes review" were off-limits. *Cuozzo* involved the "application and interpretation" of an institution requirement: the "particularity" standard

of § 312. The Director had discretion to assess whether a petition met that standard. Furthermore, *Cuozzo* did not toss statutory challenges out of bounds—quite the opposite, it cautioned that the appeal bar did not “enable the agency to act outside its statutory limits” or engage in “shenanigans” reviewable under the APA. *Id.* at 275.

On the estoppel-expansion issue, the Director argues that “exceed[ing] ... statutory authority” is not a constitutional issue, AD.Opp.27-28 (quoting *Dalton v. Specter*, 511 U.S. 462, 473 (1994)), and thus unreviewable under *Mylan*. But the Petition does not argue that the Director merely exceeded her statutory authority; it argues that she arrogated authority from Congress with a new *rule* that rewrote Congress’s limits. *Dalton* is inapposite because it did not involve a new rule contrary to the statute—it involved an interpretation question. The issue is not “whether executive officials violated the governing statutes,” see *Climate United Fund v. Citibank, N.A.*, ___ F.4th ___, 2025 WL 2502881, at *10 (D.C. Cir. Sep. 2, 2025) (cleaned up), but whether the agency in effect *rewrote* it. Regardless, if *Mylan* held that § 314(d) categorically prohibited statutory-authority challenges, that would conflict with the longstanding principle, recognized by the Supreme Court, that appeal-bar statutes do not extend to “claims that the agency exceeded the scope of

its delegated authority.” *Hanaur v. Reich*, 82 F.3d 1304, 1307 (4th Cir. 1996) (citing *Leedom v. Kyne*, 358 U.S. 184 (1958)).

III. Petitioners’ right to relief is clear and indisputable

A. The USPTO’s retroactive policy change rendering *Sotera* stipulations non-dispositive violated the Constitution and the APA

1. The agency violated Petitioners’ due process rights

Respondents’ arguments that there was no due-process problem, AD.Opp.18-27; C.Opp.10-15, lack merit.

Retroactivity. The Rescission violated the due-process clause’s prohibition on retroactivity. Pet.23-25. As explained above, Respondents skirt around the retroactivity issue with meritless arguments. AD.Opp.24-27; C.Opp.14-15; *supra* at 1-4.

Respondents also assert that Petitioners had no vested interest. AD.Opp.18-20. They are wrong (*infra* at 10-12), but no interest needs to be shown to establish a violation of due-process anti-retroactivity principles. *See GPX Int’l Tire Corp. v. United States*, 780 F.3d 1136, 1141 (Fed. Cir. 2015) (when party challenges a law “because it operates retroactively,” “we do not

think that the outcome of the due process analysis depends upon a determination that a vested right exists"); *Princess Cruises*, 397 F.3d at 1362-67 (not inquiring into protected interest).

Notice & opportunity. Respondents contend that Petitioners received notice and opportunity to discuss how the Rescission would affect institution, AD.Opp.22-23; C.Opp.13-14, but Petitioners lacked notice of the Rescission when it mattered. The ability to address the Rescission's application was not a stand-in for notice that it would be applied in the first place. Petitioners were denied notice "when the deprivation c[ould] still be prevented," *Fuentes v. Shevin*, 407 U.S. 67, 81 (1972)—before deciding to file a joint petition, before paying the request fee, and before making the strategic choice to share their prior-art invalidity grounds long before they would be litigated in any district-court action. The ability to address the *Fintiv* factors was not enough; Petitioners were due consideration absent *Fintiv*.

Protected interest. The 2022 Guidance created a conditional protected interest in avoiding denial based on co-pending litigation. Pet.19-23. Respondents' counterarguments lack merit. AD.Opp.18-22; C.Opp.10-13.

Respondents insist that Petitioners have no protected interest in an IPR because the Director has denial discretion. *E.g.*, C.Opp.10, 15; AD.Opp.20.

But the Director does not have *unfettered* discretion, and constraints on discretion create a protected interest. Respondents' cases about *unconstrained* discretion are in apposite. See AD.Opp.18-20; C.Opp.10 (discussing *Bloch*, *Castle Rock*, *Allied Chemical*, *Miller*, *Mylan*, and *Synthes*). Neither Respondent disputes that Petitioners had a protected interest if the Director's discretion was constrained. See *Logan v. Zimmerman Brush Co.*, 455 U.S. 422, 429-30 (1982) (identifying protected interest in "use of established adjudicatory procedures").

The Director also suggests (AD.Opp.21) that the agency isn't obliged to explain its institution decisions and posits that if IPR petitioners were entitled to application of specific discretionary criteria, the agency's "transparency" could be transformed into a constitutional entitlement through "artful framing." Putting aside the Director's attempt to reduce the agency's statutory duty to gratuitous transparency, § 314(c) requires written notification of "the Director's determination under [§ 314(a)]," and contrary to the Director's reading (AD.Opp.21-22 n.6 (alteration in original)), the *only* "determination" under § 314(a) is the threshold *merits* determination. Regardless, the Director cannot avoid review of the Board's application of *Fintiv* contrary to the 2022 Guidance by suggesting it had the right to remain silent.

Apart from the constrained discretion, Petitioners had an interest in the fees and costs they expended in preparing and filing the petitions. Pet.22-24. Money is a property interest, and Petitioners were deprived of that money without the procedures they were entitled to at that time. *See Logan*, 455 U.S. at 429-30. Respondents disagree (AD.Opp.21-22 n.6; C.Opp.13), but they cite no authority. Using the conservative numbers cited by *amicus* US*MADE, petitioners who relied on the 2022 Guidance have spent more than \$17 million to prepare and file petitions that were never considered on the merits due to the retroactive Rescission. US*MADE.Br.7-8 (172 denials of petitions, each costing \$100,000+ to file).

Cerence suggests Petitioners did not “identify any additional ‘process’ that was due to them.” C.Opp.13. Not so. The process due upon making the *Sotera* stipulation was consideration without a *Fintiv* denial. Pet.20-21.

2. The agency violated the APA

Respondents barely dispute that the agency action violated the APA because the Rescission failed to go through notice and comment, was retroactive, and violated the change-in-position doctrine. Respondents mostly argue that Petitioners cannot raise those arguments at all. AD.Opp.14; C.Opp.6-9. This Court should reject the few merits arguments they do make.

Notice-and-comment rulemaking. The Petition explained that the Rescission was a rule change that was impermissibly imposed without notice-and-comment rulemaking. Pet.26-28. The Director does not dispute that. Instead, she only invokes § 314(d). AD.Opp.14-15. But the Director’s *uncontested* violation of the APA’s notice-and-comment requirement is surely an instance of the “blatant violations of legal constraints or other ‘shenanigans’” reviewable under *Cuozzo. IGT v. Zynga, Inc.*, 144 F.4th 1357, 1367 (Fed. Cir. 2025) (quoting *Cuozzo*, 579 U.S. at 275).

Cerence contends without explanation (C.Opp.14) that the Rescission was a notice-and-comment-exempt “procedural rule.” Not even the Director makes that argument, and Cerence is wrong. Petitioners explained, and neither Respondent disputes, that the Rescission altered the “substantive standards by which the USPTO evaluates” IPR petitions, *In re Chestek PLLC*, 92 F.4th 1105, 1110 (Fed. Cir. 2024), with a dispositive effect on the outcome here. That makes it substantive and subject to notice-and-comment.

Impermissible retroactivity. Respondents do not dispute that the USPTO lacks authorization to promulgate retroactive rules. Pet.29-30. Respondents briefly argue that no retroactivity occurred, but that is wrong for the reasons

above. *Supra* at 1-4. And retroactivity violates the APA regardless of whether the new rule is substantive or procedural. Pet.29-30; *Bowen v. Georgetown Univ. Hosp.*, 488 U.S. 204, 208, 215 (1988) (violation to retroactively apply substantive rule on Medicare cost limits); *Durr*, 400 F.3d at 1380-81 (violation to retroactively apply procedural rule).

Change-in-position doctrine. The Petition explained that the agency violated the change-in-position doctrine by switching policies without explanation or consideration of reliance. Pet.31-33. That is undisputed; neither Respondent so much as mentions the change-in-position doctrine. The Director questions the adequacy of the reliance interests themselves, but the question under the doctrine is whether she considered them *at the time*, not now. *Chenery* prevents such post-hoc justification anyway. *Tau-Ken Temir LLP v. United States*, 147 F.4th 1363, 1377 (Fed. Cir. 2025) (citing *SEC v. Chenery*, 318 U.S. 80, 87 (1943)).

Critically, the change-in-position doctrine applies regardless of whether the Rescission was binding. Pet.32 (citing *FDA v. Wages & White Lion Invs., L.L.C.*, 145 S. Ct. 898, 918 n.5, 928 (2025)) (applying to guidance); *Encino Motorcars, LLC v. Navarro*, 579 U.S. 211, 222 (2016) (applying to regulation that had undergone notice-and-comment rulemaking). Respondents

have not contended otherwise. That makes the violation undisputed. Again, the Director's only argument is the appeal bar of § 314(d), and an *undisputed* violation is the kind of "blatant violations of legal constraints or other 'she-nanigans'" that are reviewable under *Cuozzo. IGT*, 144 F.4th at 1367 (citation omitted).

B. The USPTO's extra-statutory expansion of estoppel violated the Constitution's separation of powers

The Director's estoppel-expansion rewrites Congress's limits on how IPRs may affect litigation, Pet.34-38, violating the separation of powers by usurping authority reserved to Congress, Pet.34.

The Director does not dispute that IPR petitioners may now be required to stipulate away grounds not available in an IPR for a stipulation to have effect. And she does not cite a single post-Rescission IPR where a classic *Sotera* stipulation has been deemed sufficient. Respondents' remaining arguments lack merit. AD.Opp.27-30; C.Opp.15-17.

According to the Director, the statute "leaves the agency free to deny institution for any constitutionally permissible reason." AD.Opp.28. Not at all. The Director identifies no affirmative source of statutory authority to "deny institution for any constitutional permissible reason." She only

argues there is no *limit*. And that turns the constitutional nature of agencies on its head. Agency authority is defined by what Congress *grants*, not what it forbids—there is no inherent power. Because there is no affirmative authorization in the statute, the Director is necessarily invoking inherent power and making a constitutional argument as in *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579, 585 (1952). *See Dalton*, 511 U.S. at 473. Moreover, Congress spoke to the estoppel scope, and agencies are not entitled to legislate where Congress has set clear rules.

Respondents make various policy arguments in support of the Rescission, but the agency did not invoke any of them to justify its action. The Director's reliance on § 316(a)(4) & (b) (AD.Opp.28-29) is ironic, as they authorize the Director to "prescribe *regulations*"—exactly what she resists. The Director also insists she may consider "the integrity of the patent system" (AD.Opp.29), but discretionary denial is relevant only when a patent likely contains an unpatentable claim: without such a claim the Director cannot institute an IPR regardless of discretion. More discretionary denials can only *impede* patent integrity because they can only shield patents otherwise subject to review, the exact opposite of Congress's intent. The Director also suggests she may consider "the efficient administration of the Office,"

AD.Opp.29, but she has not explained why a massive increase in denials increases efficiency when petitioner-paid fees are set to fund full consideration of a petition.

More fundamentally, a fatal problem with invoking any of those rationales is that the Director did not do so when she acted, and *Chenery* forbids her from justifying the action on those grounds now. *Tau-Ken*, 147 F.4th at 1377.

Respondents argue (AD.Opp.29-30; C.Opp.16) that stipulations are not estoppels but simply voluntary litigation choices. But the stipulations are coerced. The Director has not denied that super-stipulations may now be necessary. The super-stipulation requirement has the exact effect of the estoppel statute, only broader, and it results from the government's requirement, so any formal distinction is without a difference.¹

¹ The argument (AD.Opp.28) that requiring broad waivers of invalidity defenses is consistent with § 315(e) because § 315(e) contains no entitlement to defenses ignores 35 U.S.C. § 282(b), which expressly provides for invalidity defenses. Section 315(e) is the AIA-imposed limit on those defenses, which the Director cannot enlarge by way of discretion.

IV. The remaining mandamus factors are satisfied

Respondents argue that the two other mandamus factors—lack of an alternative remedy and appropriateness of writ relief under the circumstances—weigh against relief. AD.Opp.30-33; C.Opp.17-18. They are wrong. Not only do respondents confuse the remedy sought in this Petition with the remedy sought in the IPR, but they rely on a political-accountability argument that is plain backwards.

A. No alternative means of relief exists

Respondents don't dispute that a district-court APA challenge would not provide the requested relief; that Petitioners exhausted administrative remedies; and that no other forum can remedy the Constitutional and APA violations here. *See* AD.Opp.30-32; C.Opp.17-18. Indeed, this Court has already recognized the lack of alternative means for challenging an institution decision. *Mylan*, 989 F.3d at 1380; *In re Palo Alto Networks, Inc.*, 44 F.4th 1369, 1374 (Fed. Cir. 2022). The Director's suggestion that a separate *validity* challenge is an alternate means of relief (AD.Opp.31-32) misreads *Mylan*. This Court's mention of a separate validity challenge was in the context of

Mylan's argument that it would be bound to another party's ongoing validity challenge; it was not a suggestion that such a challenge was an alternative to Mylan's *mandamus* challenge. *Mylan*, 989 F.3d 1383.

The Director's attempt to cabin *Palo Alto* to constitutional challenges fares no better—the nature of the challenge does not affect the adequacy of other remedies. Nor do the Director's cases overcome *Palo Alto*. In each, the relief sought on mandamus was available elsewhere. *Bryan v. McDonald*, 615 F. App'x 681, 684 (Fed. Cir. 2015) (service connection for disability); *Fornaro v. James*, 416 F.3d 63, 69 (D.C. Cir. 2005) (higher disability claim); *Barnhart v. Devine*, 771 F.2d 1515, 1527 (D.C. Cir. 1985) (position-by-position comparison). The relief sought here is available nowhere else.

B. Mandamus is appropriate

Mandamus is appropriate given the uncertainty and impact of the Rescission and to ensure that the USPTO follows the law. Pet.38-40. Respondents' responses (AD.Opp.32-33; C.Opp.17-18) only confirm that.

The Director argues (AD.Opp.33) that the requested relief “raises serious political-accountability concerns.” Quite the opposite. The APA's requirements ensure that “agencies are accountable to the public.” *DHS v. Regents of Univ. of Cal.*, 591 U.S. 1, 16 (2020) (citation omitted). Exempting

agency actions from review makes agencies *less* accountable. The USPTO's accountability is especially important because patents are "public franchises," and issuing them "takes from the public rights of immense value." *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 584 U.S. 325, 335 (2018) (cleaned up). Unpatentable claims impede public liberty.

As for the Director's statement (AD.Opp.18) that "courts are not the appropriate fora for debating" discretionary denial policies, the Director gave Petitioners no other choice when she rescinded the 2022 Guidance without notice or opportunity for public comment. The Director's reference (*id.*) to "resource allocation" is especially misleading because petition filing fees themselves pay for the needed resources. As it stands, the agency is now collecting those fees hundreds of times over without devoting *any* resources to assess the merits.

The Director calls the chaos around the sudden rule changes simply "the impact of a reasoned policy determination." AD.Opp.17-18. But the Rescission did not rely on any "reasoned policy determination"—let alone one that permitted public input. Relief would also not "inappropriately hamstring" the Director "from responding to evolving conditions facing the

agency.” AD.Opp.33. Petitioners ask only that position changes follow the law.

CONCLUSION

The Court should direct the USPTO to apply the discretionary-denial guidance in place when they filed their IPR petitions.

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATION

This petition complies with the relevant type-volume limitations of the Federal Rules of Appellate Procedure and the Federal Circuit Rules because it has been prepared using a proportionally spaced 14-point typeface and includes 3,890 words, excluding the portions exempted by rule.

Dated: September 26, 2025

/s/Nathan K. Kelley

Nathan K. Kelley

CERTIFICATE OF AUTHORITY

I certify under penalty of perjury under the laws of the United States that I have the authority of Ali R. Sharifahmadian to file this document with his electronic signature.

Dated: September 26, 2025

/s/Nathan K. Kelley

Nathan K. Kelley