

**United States Court of Appeals
for the Federal Circuit**

IN RE: BOLORO GLOBAL LIMITED
Appellant

2019-2349, 2019-2351, 2019-2353

Appeals from the United States Patent and Trademark Office, Patent Trial and Appeal Board, in Nos. 14/222,613; 14/222,615; and 14/222,616.

**APPELLANT BOLORO'S RESPONSE TO SUA SPONTE ORDER
FOR ADDITIONAL BRIEFING**

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May 27, 2020

Appellant Boloro Global Limited (“Boloro”) respectfully submits this Response to the Court’s *sua sponte* order for additional briefing issued April 13, 2020 (Doc. 29). In its Order, the Court requested a response addressing the following questions: (1) whether the Director’s purported ability to refuse to issue a patent if the Patent Trial and Appeal Board approves an application amounts to sufficient control or review over the Board’s exercise of authority to render them inferior officers?; and (2) whether, under the Supreme Court’s reasoning in *Freytag v. Commissioner*, 501 U.S. 868, 882 (1991) that if the special trial judge in question was “an inferior officer for purposes of” some responsibilities, then “he is an inferior officer within the meaning of the Appointments Clause and he must be properly appointed,” can an administrative patent judge’s appointment be unconstitutional with regard to *inter partes* reviews as was determined in *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019) and yet constitutional for reviewing initial examination? The questions are addressed below in reverse order.

I. Whether an Administrative Patent Judge’s Appointment Can Be Unconstitutional with Regard to *Inter Partes* Reviews and yet Constitutional for Reviewing Initial Examination

This Court two weeks ago addressed this issue with respect to Administrative Patent Judges (APJs) of the Patent and Trial Appeal Board (PTAB) not in the context of *inter partes* review or *ex parte* examination but in the context of *inter partes* reexamination. See *VirnetX Inc., v. Cisco Systems, Inc.*, (Fed. Cir. April 13, 2020) (Doc. 29) (Slip op. at 3). In doing so, this Court focused on the fact that “*Freytag* indicates that we should ‘look not only to the authority exercised in [an appellant]’s case but to all of that appointee’s duties’ when assessing an Appointments Clause challenge.” *Id.* (citing *Lucia v. SEC*, 832 F.3d 277, 284 (D.C. Cir. 2016), *rev’d on other grounds*, 138 S. Ct. 2044 (2018) and *Intercollegiate Broad. Sys., Inc. v. Copyright Royalty Bd.*, 684 F.3d 1332, 1338 (D.C. Cir. 2012)).

This Court reasoned that “if these APJs are unconstitutionally appointed principal officers because of their *inter partes* review duties in light of *Arthrex*, it would appear that under *Freytag* vacatur would be appropriate for all agency actions rendered by those APJs regardless of the specific type of review proceeding on appeal.” *VirnetX* at 3-4. The

Court ultimately did not extend its reasoning to *ex parte* cases instead holding “[w]hile it seems that, on this point, *Freytag* sweeps broadly and would apply to all Board proceedings, we need not go so far.” *Id.*

The Court should extend the *Freytag* reasoning in *Arthrex* and *VirnetX* to *ex parte* appeals as well. First, the core issue relates to the powers held by the APJ at the time of the decision, not what the APJ is deciding at the time of the decision. “*Freytag* calls on us to consider all the powers of the officials in question in evaluating whether their authority is ‘significant,’ ***not just those applied to the litigant bringing the challenge.***” *Intercollegiate Broad. Sys., Inc. v. Copyright Royalty Bd.*, 684 F.3d 1332, 1338 (D.C. Cir. 2012) (emphasis added). Such an analysis of other “powers of the officials ... not just those applied to the litigant bringing the challenge” would have been irrelevant if an officer could be unconstitutional for one purpose and constitutional for another. That is, the Court should consider the APJs’ significant authority in *inter partes* review and *inter partes* reexamination when deciding whether the APJs are properly appointed for all their functions. “If by statute [the Officer] performed at least some duties of an Officer of the United States, his appointment must

accord with Article II.” *Collins v. Mnuchin*, 938 F.3d 553, 591 (5th Cir. 2019).

Second, to not extend the *Arthrex* and *VirnetX* reasoning broadly to *ex parte* appeals as well invites a continuing drain on judicial resources in order to determine whether a particular task to be performed by an APJ makes the APJ a principal officer. Absent the application of a bright line rule such as in *Freytag*, this Court may be forced to address in separate cases the constitutionality of the appointment of APJs hearing *ex parte* appeals when addressing (1) prior art issues under 35 U.S.C. §§ 102/103, (2) patent eligibility issues under 35 U.S.C. § 101, (3) definiteness under 35 U.S.C. § 112(b), (4) compliance with adequate written description and enablement under 35 U.S.C. § 112(a), (5) whether an applicant is barred from presenting claims under 35 U.S.C. § 135, etc. Judicial resources would be conserved by applying *Freytag* as broadly as possible given the Supreme Court’s holding.

II. Whether the Director’s Purported Ability to Refuse to Issue a Patent If The PTAB Approves an Application Amounts to Sufficient Control or Review over the Board’s Exercise of Authority to Render Them Inferior Officers

The Director’s purported ability to refuse to issue a patent as part of examination before Examiners is not indicative of whether the Director has sufficient control or review *over the Board’s exercise of authority* to render APJs inferior officers. In *VirnetX*, this Court dealt with the corresponding issue in the context of *inter partes* reexamination. The Court explained:

The ... [Director and Cisco] primarily argue that the Director has significant control over *inter partes* reexamination proceedings *before* a case reaches the Board. In this regard, Cisco contends that—acting through the examiners—the Director can control the findings of fact and conclusions of law that are present in the reexamination at the start of the appeal process. ... The Director adds that he “acting alone has authority to make a decision favorable to a patent owner” before a case ever gets to the Board for review. ... ***That cited authority offers “no actual reviewability of a decision issued by a panel of APJs.”*** *Arthrex*, 941 F.3d at 1329. As this court explained in *Arthrex*, “the relevant question is to what extent the final written decisions are subject to the Director’s review.” ... And, like the Director’s ability to decide whether to institute *inter partes* review proceedings, the Director’s cited powers here provide no form of review authority or supervision over the APJs’ final decisions.

VirnetX at 5 (internal citations omitted) (emphasis added). Thus, the Director's purported ability to refuse to issue a patent as part of examination before Examiners is not indicative of whether the Director has sufficient control or review ***over the Board's exercise of authority*** to render APJs inferior officers.

In *VirnetX*, the Court also noted that the Director's powers were limited during *inter partes* reexamination in ways that parallel limits on the Director's powers during *ex parte* examination: (1) the Board (not the Director) may grant rehearing under 35 U.S.C. § 6, and (2) the Director does not have the power to appeal to this Court. Also, in the *Arthrex inter partes* review and the *VirnetX inter partes* reexaminations, the Court found that at the end of an examination process "the Director's hands are tied." *VirnetX* at 4-5 (quoting *Arthrex*, 941 F.3d at 1329; and Pre-AIA 35 U.S.C. § 316(a) (stating that the Director "shall issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable"). Similarly, 35 U.S.C. § 131 controlling *ex parte* examination states:

The Director shall cause an examination to be made of the application and the alleged new invention; and if on such examination it appears that the applicant is entitled to a

patent under the law, *the Director shall issue a patent therefor.*

Thus, the Director's purported ability to refuse to issue a patent if the PTAB approves an application is unsupported by regulation and insufficient to overcome the unconstitutionality issue of *Arthrex* in light of the limits on the Director's powers.

Moreover, both before a case is sent to the Board and after a decision favorable to the applicant has been rendered by the Board, there are no rules in place by which the Director can simply examine the case despite the PTO's allegation in its original Opposition to Boloro's Motion that "in a case where the Director chooses not to delegate the examination function to an examiner and makes the examination decision himself, the statute does not even authorize appeal to the Board." Doc. 16 at 8. As shown by the PTO's own response (Appendix A) to Boloro's counsel's Updated Request #2 in the FOIA request of Appendix B, the "United States Patent and Trademark Office identified no records responsive to [the] request" that would show that the Director has, at least in the last 10 years responsive to the FOIA request, ever "ma[d]e the examination decision himself." (Appendix A at 2.)

Nor can the Director simply issue substantive rules himself in order to address a decision with which he does not agree. Instead, the Director, when establishing regulations for the conduct of proceedings in the Office under 35 U.S.C. § 2(b)(2)(B) shall do so “in accordance with section 553 of title 5” of the Administrative Procedures Act which he has not done.

CONCLUSION

This Court should vacate the Board’s decisions below and remand the cases in this consolidated appeal to the Board for proceedings consistent with *Arthrex*.

Respectfully submitted,

Dated: May 27, 2020

/s/ Michael R. Casey
Michael R. Casey
Oblon, McClelland, Maier,
& Neustadt, LLP
1940 Duke Street
Alexandria, Virginia 22314
(703) 413-3000
*Counsel for Appellant,
Boloro Global Limited*

CERTIFICATE OF INTEREST

Counsel for Appellant certifies the following:

1. The full name of party represented by me:

Boloro Global Limited

2. The name of the real party in interest (please only include any real party in interest NOT identified in Question 3) represented by me is:

Boloro Global Limited

3. Parent corporations and publicly held companies that own 10% or more of stock in the party:

None

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court (and who have not or will not enter an appearance in this case) are:

None

5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeals. See Fed. Cir. R. 47.4(a)(5) and 47.5(b):

USPTO Application Serial No. 16/426,064, filed May 30, 2019

Dated: May 27, 2020

/s/ Michael R. Casey
Michael R. Casey
Counsel for Appellant

**CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME
LIMITATION**

The foregoing was printed using a 14 point Century Schoolbook Font. This Response complies with the Order dated April 13, 2020 (Doc. 29) that Boloro's "response should not exceed 10 pages in length."

Dated: May 27, 2020

/s/ Michael R. Casey
Michael R. Casey
Counsel for Appellant

CERTIFICATE OF FILING AND SERVICE

The undersigned hereby certifies that, on the 27th day of May, 2020, I electronically filed the foregoing document using the United States Court of Appeals for the Federal Circuit's CM/ECF system, which will at the time of filing serve and send notice to all registered CM/ECF users.

/s/ Michael R. Casey
Michael R. Casey
Counsel for Appellant

**United States Court of Appeals
for the Federal Circuit**

IN RE: BOLORO GLOBAL LIMITED
Appellant

2019-2349, 2019-2351, 2019-2353

Appeals from the United States Patent and Trademark Office, Patent Trial and Appeal Board, in Nos. 14/222,613; 14/222,615; and 14/222,616.

**DECLARATION OF MICHAEL R. CASEY IN SUPPORT OF
BOLORO'S RESPONSE TO SUA SPONTE ORDER FOR
ADDITIONAL BRIEFING**

I, Michael R. Casey, declare as follows:

1. I am over the age of 21, and I have personal knowledge of the facts contained herein unless otherwise indicated. I am a partner with the firm of Oblon, McClelland, Maier & Neustadt, L.L.P.

2. On May 19, 2020, I received via email the United States Patent and Trademark Office Response to Freedom of Information Act (FOIA) Request No. F-20-00123 (Appendix A).

Appendix A is a true and accurate copy of the document I received.

3. On April 26, 2020, I sent, via email to Ms. Traci Alexander of the United States Patent and Trademark Office, an Updated Freedom of Information Act (FOIA) Request (updating original FOIA request no. F-20-00111) (Appendix B).

Appendix B is a true and accurate copy of the email I sent.

4. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the results of these proceedings.

Date: May 27, 2020

/s/ Michael R. Casey
Michael R. Casey

APPENDIX A



UNITED STATES PATENT AND TRADEMARK OFFICE

OFFICE OF THE GENERAL COUNSEL

May 19, 2020

VIA EMAIL

Dr. Michael Casey
1940 Duke Street
Alexandria, VA 22314

Re: ***Freedom of Information Act (FOIA) Request No. F-20-00123***

Dear Dr. Casey:

The United States Patent and Trademark Office (USPTO) FOIA Office has received your e-mail dated Sunday, April 26, 2020 requesting a copy of the following documents pursuant to the provisions of the Freedom of Information Act, 5 U.S.C. § 552:

Updated Request #1

Exhibit 1 states on page 7 that “Ordinarily, of course, the Director ‘cause[s]’ examinations ‘to be made’ and patents to be issued through the examining corps.” For any patent issued that was not “issued through the examining corps” as that phrase is used in Exhibit 1, Requester requests copies be provided of:

- a. Documents that are not otherwise publicly available via Public PAIR identifying the patent by serial number and/or patent number;
- b. Documents that are not otherwise publicly available via Public PAIR identifying any actions taken by the Director to cause the patent to be issued;
- c. Documents that are not otherwise publicly available via Public PAIR showing any actions taken by the Director to cause the patent to be issued;
- d. Documents that are not otherwise publicly available via Public PAIR identifying any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent;
- e. Documents that are not otherwise publicly available via Public PAIR showing any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent.

Updated Request #2

Exhibit 1 states on page 8 that “in a case where the Director chooses not to delegate the examination function to an examiner and makes the examination decision himself, the statute does not even authorize appeal to the Board.” For any patent application where the Director chose “not to delegate the examination function to an examiner” as that phrase is used in Exhibit 1 and/or where the Director made “the examination decision himself” as that phrase is used in Exhibit 1, Requester requests copies be provided of:

- a. Documents that are not otherwise publicly available via Public PAIR identifying the patent application by serial number and/or patent number;
- b. Documents that are not otherwise publicly available via Public PAIR identifying any actions taken by the Director to cause the patent to be issued or to cause the patent application to be denied;

- c. Documents that are not otherwise publicly available via Public PAIR showing any actions taken by the Director to cause the patent to be issued or to cause the patent application to be denied;
- d. Documents that are not otherwise publicly available via Public PAIR identifying any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent or to cause the patent application to be denied;
- e. Documents that are not otherwise publicly available via Public PAIR showing any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent or to cause the patent application to be denied; and Documents that are not otherwise publicly available via Public PAIR identifying to whom, if anyone, the Director did delegate the examination function to if not an examiner.

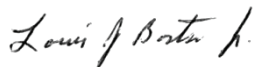
The United States Patent and Trademark Office identified no records responsive to your request.

You have the right to appeal this initial decision to the Deputy General Counsel, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450. An appeal must be received within 90 calendar days from the date of this letter. See 37 C.F.R. § 102.10(a). The appeal must be in writing. You must include a copy of your original request, this letter, and a statement of the reasons why the information should be made available and why this initial denial is in error. Both the letter and the envelope must be clearly marked "Freedom of Information Appeal."

You may contact the FOIA Public Liaison at 571-272-9585 for any further assistance and to discuss any aspect of your request. Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

Since the cost associated with processing this request was less than \$20.00, the processing fee is waived. See 37 C.F.R. § 102.11(d)(4).

Sincerely,



Louis J. Boston Jr.
USPTO FOIA Officer
Office of General Law

APPENDIX B

From: [Michael R. Casey, Ph.D.](#)
To: [FOIA Requests](#)
Cc: [Alexander, Traci](#); [FOIA Requests](#); [Diana S. Bowen](#); [James Love](#)
Subject: Updated FOIA Requests in Light of Final Agency Response - F-20-00111
Date: Sunday, April 26, 2020 4:08:43 PM
Attachments: [image0e30c8.PNG](#)
[Exhibit 1.pdf](#)
[Final Agency Response.pdf](#)

Ms. Alexander:

Per my discussions with Mr. Boston, please find an updated FOIA Request in light of the attached response by the Patent and Trademark Office (PTO) dated April 8, 2020.

USPTO FOIA Officer
United States Patent and Trademark Office
PO Box 1450
Alexandria, VA 22313-1450

UPDATED Freedom Of Information Act Request

The original request having been submitted on March 19, 2020, the undersigned Requester hereby submits Updated Requests for documents under the Freedom of Information Act to be returned to:

Michael R. Casey
Partner
Oblon McClelland Maier & Neustadt, LLP
1940 Duke St.
Alexandria, VA 22314

A response can be sent via email in addition to or in lieu of a written response to:

mcasey@oblon.com
Oblonpat@oblon.com

As discussed with Mr. Boston, the documents to be searched for can be time-limited to those after January 1, 2010, and to the extent that documents are found for more than 10 patent applications, the undersigned Requester is only asking for documents from the first 10 responsive applications found by the PTO. These Updated Requests are not to be construed as requesting that the PTO create or generate any documents that did not already exist at the time these Updated Requests were received.

A number of the Updated Requests will reference Exhibit 1 which is DIRECTOR APPELLEE'S OPPOSITION TO APPELLANT'S MOTION TO REMAND IN LIGHT OF ARTHREX in Federal Circuit Appeal Nos. 2019-2349, 2019-2351, 2019-2353 and filed as Document 16 on January 13, 2020, which is attached to this email and will be referred to herein simply as "Exhibit 1".

As used herein, the phrase "Public PAIR" will be used to describe the publicly accessible system of document accessible at <https://portal.uspto.gov/pair/PublicPair>.

Updated Request #1

Exhibit 1 states on page 7 that “Ordinarily, of course, the Director ‘cause[s]’ examinations ‘to be made’ and patents to be issued through the examining corps.” For any patent issued that was not “issued through the examining corps” as that phrase is used in Exhibit 1, Requester requests copies be provided of:

- a. Documents that are not otherwise publicly available via Public PAIR identifying the patent by serial number and/or patent number;
- b. Documents that are not otherwise publicly available via Public PAIR identifying any actions taken by the Director to cause the patent to be issued;
- c. Documents that are not otherwise publicly available via Public PAIR showing any actions taken by the Director to cause the patent to be issued;
- d. Documents that are not otherwise publicly available via Public PAIR identifying any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent; and
- e. Documents that are not otherwise publicly available via Public PAIR showing any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent.

Updated Request #2

Exhibit 1 states on page 8 that “in a case where the Director chooses not to delegate the examination function to an examiner and makes the examination decision himself, the statute does not even authorize appeal to the Board.” For any patent application where the Director chose “not to delegate the examination function to an examiner” as that phrase is used in Exhibit 1 and/or where the Director made “the examination decision himself” as that phrase is used in Exhibit 1, Requester requests copies be provided of:

- a. Documents that are not otherwise publicly available via Public PAIR identifying the patent application by serial number and/or patent number;
- b. Documents that are not otherwise publicly available via Public PAIR identifying any actions taken by the Director to cause the patent to be issued or to cause the patent application to be denied;
- c. Documents that are not otherwise publicly available via Public PAIR showing any actions taken by the Director to cause the patent to be issued or to cause the patent application to be denied;
- d. Documents that are not otherwise publicly available via Public PAIR identifying any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent or to cause the patent application to be denied;
- e. Documents that are not otherwise publicly available via Public PAIR showing any information considered by the Director relating to the application for patent that was considered in deciding to grant the patent or to cause the patent application to be denied; and
- f. Documents that are not otherwise publicly available via Public PAIR identifying to whom, if anyone, the Director did delegate the examination function to if not an examiner.

Questions about the request can be made by return email or by telephone to 571-278-6379.

The undersigned indicates that he will pay reproduction costs up to \$500 without the need for additional confirmation and requests that he be provided with an estimate of any costs if they are believed to be above \$500.

/ Michael R. Casey /
Michael R. Casey
Reg. No. 40,294

Michael R. Casey, Ph.D.

Partner

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From: efoia@uspto.gov [mailto:efoia@uspto.gov]
Sent: Wednesday, April 8, 2020 11:41 AM
To: Michael R. Casey, Ph.D.
Cc: traci.alexander@uspto.gov
Subject: Final Agency Response - F-20-00111

Dear Mr. Casey:

Attached is the Agency's final response to FOIA Request No. F-20-00111.

Traci Alexander
FOIA Specialist
United States Patent and Trademark Office
Office of General Law