2020-1441

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MOBILITY WORKX, LLC,
Appellant,

v.

UNIFIED PATENTS, LLC,
Appellee,

ANDREW HIRSHFELD, Performing the Functions and Duties of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office,
Intervenor.

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2018-01150.

INTERVENOR'S RESPONSE IN CONNECTION WITH THE COURT'S OMNIBUS *ARTHREX* BRIEFING ORDER

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July 21, 2021

On June 23, 2021, after the Supreme Court's decision in *United States v. Arthrex, Inc.*, 141 S. Ct. 1970 (2021), this Court issued an omnibus order instructing the parties that raised Appointments Clause challenges to file briefs explaining how their cases should proceed in light of the *Arthrex* opinion. ECF No. 84. On July 8, 2021, Mobility Workx filed its response, asking that the Board's decision be vacated and the present case remanded to the USPTO. ECF No. 85 at 1.

In *Arthrex*, the Supreme Court held that the appropriate remedy for parties who have properly raised an Appointments Clause challenge is a "limited remand" but that such parties are "not entitled to a hearing before a new panel of APJs." *Arthrex*, 141 S. Ct. at 1987-88. Here, because Mobility Workx requests a remand pursuant to *Arthrex*, the USPTO respectfully submits that this Court should issue the "limited remand" provided for in *Arthrex* to afford Mobility Workx the opportunity to request Director rehearing of the Board's final written decision consistent with the Board's regulations and interim guidance.[1]

But in issuing that remand, this Court should retain jurisdiction, thereby making it possible for this Court to reactivate the appeal in its current posture without the need for a new notice of appeal or otherwise duplicative proceedings. And this Court should not vacate the original Board decision because, pursuant to

[1] *See* USPTO, *USPTO implementation of an interim Director review process following Arthrex*, https://www.uspto.gov/patents/patent-trial-and-appeal-board/procedures/uspto-implementation-interim-director-review (last visited July 21, 2021).

Arthrex, appellants are "not entitled to a hearing before a new panel of APJs," *Arthrex*, 141 S. Ct. at 1987.

The USPTO envisions that the limited remand would proceed as follows. After this Court's order for a limited remand issues, Mobility Workx would have 30 days to request Director rehearing of the Board's final written decision. *See* USPTO, *Arthrex Q&As* https://www.uspto.gov/patents/patent-trial-and-appeal-board/procedures/arthrex-qas (updated July 20, 2021). If that request is denied, Mobility Workx may then request that this Court reactivate this appeal, and this appeal would proceed from the point where it was before the remand. If rehearing is granted, the USPTO would move this Court for a full remand.

This Court has issued similar limited remands in the past. An example is *Windy City Innovations, LLC v. Am. Online, Inc.*, 217 F. App'x 980, 980 (Fed. Cir. 2007), where the parties sought a remand so that a district court could consider a Rule 60(b) motion. This Court issued a "limited remand" (pursuant to Federal Rule of Appellate Procedure 12.1(b)): If the district court decided not to consider the Rule 60(b) motion, this Court would maintain jurisdiction. On the other hand, "[i]f the district court intend[ed] to grant the motion, it [w]ould so inform the parties and the parties m[ight] then promptly move to remand the case in its entirety." *Id.* Similar orders have issued in other cases. *See, e.g., Hyatt v. Hirshfeld*, 998 F.3d 1347, 1371 (Fed. Cir. 2021) (retaining jurisdiction over the appeal during limited

remand to district court to resolve prosecution laches issue consistent with this Court's opinion); *Agility Logistics Services Co. v. Carter*, 2016 WL 11110465 (Fed. Cir. 2016) (granting a limited remand to an agency to determine the real party in interest while retaining jurisdiction over the appeal); *In re Cumming*, No. 18-2307, ECF No. 24 (Fed. Cir. March 28, 2019) (granting a limited remand to the USPTO to approve the entry of a terminal disclaimer and to withdraw a non-statutory double patenting rejection); *In re Escobosa,* No. 18-2259, ECF No. 20 (Fed. Cir. Jan. 30, 2019) (similar); *In re Wella A.G.*, 858 F.2d 725, 729 (Fed. Cir. 1988) (similar).

As to Mobility Workx's separate arguments regarding the USPTO's current leadership and what action the USPTO should take on remand (ECF No. 85 at 2-7), those arguments are beyond the scope of this Court's post-*Arthrex* supplemental briefing order, and the Court should not reach them at this juncture. Any challenge to the procedures that the USPTO will apply on remand—which has not yet occurred, and which could result in a decision favorable to Mobility Workx—is premature. This Court should simply follow the remand procedure contemplated by the Supreme Court in *Arthrex* and return the case to the agency so that Mobility Workx may seek further review there. *See generally PPG Indus., Inc. v. United States*, 52 F.3d 363, 365 (D.C. Cir. 1995) ("Under settled principles of administrative law, when a court reviewing agency action determines that an

agency made an error of law, the court's inquiry is at an end: the case must be remanded to the agency for further action consistent with the corrected legal standards."). If Mobility Workx remains dissatisfied at the completion of the remanded proceedings, it can raise its arguments at the appropriate time. If, however, the Court wishes to consider Mobility Workx's arguments now, the USPTO respectfully asks that it be given a chance to respond with further briefing.

Dated: July 21, 2021

Respectfully,

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RULE 32(A)(7)(C) CERTIFICATE OF COMPLIANCE

I hereby certify that pursuant to Fed. R. App. Proc. 32(a)(7), the **INTERVENOR'S RESPONSE IN CONNECTION WITH COURT'S OMNIBUS ARTHREX BRIEFING ORDER** complies with the type-volume limitation required by the Court's rule. The total number of words, excluding parts of the motion exempted by the Federal Rule of Appellate Procedure and Federal Circuit Rules, is 816 words as calculated using the Microsoft Word® software program.

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