

2018-1364

**IN THE
UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

SIPCO, LLC,

Appellant,

v.

EMERSON ELECTRIC CO.,

Appellee.

**Appeal from the United States Patent and Trademark Office,
Patent Trial and Appeal Board in No. IPR2016-00984**

REPLY BRIEF OF APPELLANT SIPCO, LLC

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August 7, 2020

CERTIFICATE OF INTEREST

Counsel for Appellant SIPCO, LLC certifies the following:

1. Full name of the party represented by me:

SIPCO, LLC

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

None.

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

Glocom, Inc.

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:

James E. Schutz, Troutman Sanders LLP

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 appeal. *See* Fed. Cir. R. 47.4(a)(5), 47.5(b).

SIPCO, LLC, et al. v. Emerson Electric Co., et al., Civil Action No. 6:15-cv-00907-JRG-KNM (E.D. Tex.)

Emerson Electric Co. v. SIPCO, LLC, No. 1-15-cv-00319-AT (N.D. GA).

Emerson Electric Co. v. SIPCO, LLC, No. 19-1301 (Fed. Cir.)

Emerson Electric Co. v. SIPCO, LLC, IPR2015-01973, P.T.A.B.

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Parties

| | |
|----------------------------------|----------------------|
| Appellant, Patent Owner, SIPCO | SIPCO, LLC |
| Appellee, Petitioner, or Emerson | Emerson Electric Co. |

Citations

| | |
|------------|---|
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Terms

| | |
|-------------|---|
| '780 patent | United States Patent No. 8,754,780 |
| '732 patent | U.S. Patent No. 8,013,732 |
| AIA | America Invents Act |
| APJ | Administrative Patent Judge |
| APA | Administrative Procedure Act |
| AAPA | Applicant Admitted Prior Art |
| Kahn | Robert E. Kahn et al., <i>Advances in Packet Radio Network Protocols</i> , Proceedings of the IEEE, Vol. 66, No. 11, Nov. 1978. |
| Burchfiel | J. Burchfiel et al., <i>Functions and Structure of a Packet Radio Station</i> , National Computer Conference presented paper, 1975. |
| Greeves | B. Greeves, <i>SCADA Uses Radio to Bridge the Gap</i> , Sensor Review, Vol. 14, No. 2, pp. 31-34, 1994. |

Board, PTAB

Patent Trial and Appeal Board

PTO, Patent Office

United States Patent and Trademark Office

IPR

Inter Partes Review

FWD

Final Written Decision

ARGUMENT

The Board erred in ruling the claims 3, 5, and 11 of U.S. Patent 8,754,780 (“the ‘780 patent”) are unpatentable. As Emerson admits, “the Board below also found ‘780 Claims 3, 5, and 11 identical and substantially identical to ‘732 Claims 15, 17, and 22,” which “were not found unpatentable.” Red Br. 44, fn 2; *Emerson Elec. Co. v. SIPCO, LLC*, IPR2015-01973, 2020 WL 1818683 at * 12-13 (P.T.A.B. Apr. 10, 2020)(“the ‘732 FWD”). Indeed, the Board ruled in both its initial final decision and its decision on remand in IPR2015-01973 for the ‘732 patent that claims 15, 17, and 22 (identical to claims 3, 5, and 11 of the ‘780 patent at issue here) were not unpatentable.¹

Claims 3, 5, and 11 of the ‘780 patent were ruled unpatentable over the ‘732 patent solely because the Board prevented SIPCO from obtaining a Certificate of Correction to fix the ‘780 patent’s priority claim errors during the *inter partes* review. The Board’s rules, however, permit a priority claim error to be corrected if “the entire delay between the date the benefit claim was due ... and the date the benefit claims was filed was unintentional.” 37 C.F.R. § 1.78(e). And Mr. Weeks,

¹ The ‘732 FWD ruled that some of the claims of the ‘732 patent, which are similar to claims 1-2, 4, 6-10, and 12-15 of the ‘780 patent, are unpatentable. SIPCO initially challenged the Board’s ruling on claims 1-15 of the ‘780 patent in its opening brief here because the time period for appeal of the ‘732 FWD had not yet expired at the time that it filed that brief. SIPCO did not appeal the ‘732 FWD and therefore, no longer challenges the unpatentability ruling of claims 1-2, 4, 6-10, and 12-15 of the ‘780 patent here.

SIPCO's patent prosecution counsel, demonstrated in his declaration that the errors were unintentional by explaining in detail how they were made. Nonetheless, the Board denied SIPCO's request to correct the priority without addressing Mr. Weeks's detailed explanations, let alone show how the errors could possibly be determined to be "deliberate" in light of the detailed explanations to the contrary. *See* Appx527. By failing to address Mr. Week's testimony, the Board ran afoul of the APA's fundamental requirement that the agency "examine the relevant data and articulate ... a 'rational connection between the facts found and the choice made.'" *Motor Vehicle Mfrs. Ass'n of U.S. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983).

In response, Emerson argues that (i) the Board need not "explicitly discuss every issue or every piece of evidence," Red Br. 38, and (ii) even if the Board had permitted SIPCO to correct the priority, it would not have been effective because it would have "issued 'well after the inter partes review commenced,'" and was not "sought 'until after Petitioner filed its petition.'" Red Br. 40-41, *quoting* Appx 18. Both arguments are inconsistent with this Court's precedent.

Although the Board need not address every single argument or document in the record as Emerson states, the APA and black letter administrative law does require that agencies address "important aspect[s] of the problem" presented to it. *State Farm*, 463 US at 43. The extensive evidence set forth by Mr. Weeks showing

that the priority claim errors were not deliberate and were instead unintentional certainly qualifies as an important aspect of the problem in this IPR. It was incumbent on the Board to address this evidence which SIPCO repeatedly highlighted in its briefing and to explain how the priority claim errors could possibly be considered to be “deliberate” despite the overwhelming evidence presented by Mr. Weeks to the contrary. The Board’s failure to do so renders its decision legally flawed and requires reversal. *State Farm*, 463 U.S. at 43.

Emerson’s second argument runs afoul of this Court’s holdings in both *Honeywell Int’l v. Arkema, Inc.*, 939 F.3d. 1345 (Fed. Cir. 2019) and *Fitbit, Inc. v. Valencell, Inc.*, No. 2019-1048, slip op. (Fed. Cir. July 8, 2020). In both cases—as in this IPR—patent owner requested leave to file a petition for a certificate of correction after the IPR commenced and if leave had been granted, the certificate would have issued during the IPR. *Honeywell*, 939 F.3d at 1350; *Fitbit*, No. 2019-1048, slip op at 13. In both cases, this Court vacated the Board’s final written decision and held that a certificate of correction requested after IPR institution and issued during the IPR is effective. Therefore, the Board’s Final Written Decision here should be vacated, just as it was in the same circumstances in both *Honeywell* and *Fitbit*.

In addition, Emerson’s argument that SIPCO did not appeal this issue, Red Br. 40, is demonstrably false as SIPCO particularly listed in its Notice of Appeal the

issues of “[w]hether the PTAB erred in preventing Patent Owner from petitioning the Petitions Branch of the U.S. PTO to accept an unintentionally delayed priority claim” and “[w]hether the PTAB erred in concluding that claims 1-15 would have been obvious under 35 U.S.C. § 103 over U.S. Patent 8,013,732,” Appx773.

In addition, Emerson also fails to provide any statutory or case law support for the Board’s position that the Certificate of Correction that was ultimately issued by the Director should *never* be effective. *See* Red Br. 28-34. Rather, the proper interpretation of 35 USC § 355—when read in the context of the America Invents Act 35 USC § 316(d), which permits claim amendments during an IPR—indicates that priority claim errors can be corrected in an IPR. Emerson’s argument that SIPCO forfeited its argument on this issue by not filing a second notice of appeal, Red Br. 26, is flawed because Emerson fails to consider that this Court retained jurisdiction over the appeal in its remand order and that SIPCO complied with the order.

A. Emerson Failed To Show That The Board Complied With The Administrative Procedure Act When It Denied SIPCO Sufficient Opportunity To Correct The Priority Claim Errors.

Emerson’s attempts to justify the Board’s finding that SIPCO’s priority claim errors were “deliberate” and the Board’s denial of SIPCO’s attempt to correct the priority claim error by stating that “the Board found that ‘Patent Owner does not explain any particular circumstances that would justify its mistakes.’”

Red. Br. 27 (citations omitted). But Mr. Weeks, SIPCO's patent prosecution attorney, did, in fact, explain the particular circumstances that led to the errors, thereby demonstrating that they were not deliberate. Appx3390-3399. And the Board violated the APA by failing to explain how the errors could have been "deliberate" in light of Mr. Weeks's explanation to the contrary. See Appx48-49; Appx525-528.

Emerson responds with reliance on *Navaris AG v. Torrent Pharm. Ltd.*, 853, F.3d 1316 (Fed. Cir. 2017) for the proposition that the Board need not "explicitly discuss every issue or every piece of evidence," Red Br. 38, and *Redline Detection, LLC v. Star Envirotech, Inc.*, 811 F.3d 435 (Fed. Cir. 2015) for the proposition that the Board must "complete IPR proceedings in a timely manner." Red Br. 36.

But although the Board need not address every single argument or document in the record as Emerson states, the APA and black letter administrative law does require that agencies address "important aspect[s] of the problem" presented to it. *State Farm*, 463 US at 43; see also *Rovalma, S.A. v. Bohler-Edelstahl GmbH*, 856 F.3d 1019, 1025 (Fed. Cir. 2017); *Power Integrators, Inc. v. Lee*, 797 F.3d 1318, 1326 (Fed. Cir. 2015). That requirement exists to make sure that agency decisions are not arbitrary and capricious. *SEC v. Chenery Corp.*, 318 US 80, 94 (1943). The extensive evidence set forth by Mr. Weeks showing that the priority claim errors

were not deliberate and were instead made in good faith certainly qualifies as an important aspect of the problem in this IPR.

Mr. Weeks explained that the Attorney Advisor in the Office of Petitions instructed him “that the sole reason for dismissing the First Request [to correct the priority error] was the failure to include the corrected application data sheet.” Appx3392, ¶ 8. After he submitted the application data sheet, however, “the USPTO issued a decision again dismissing the Second Request [to correct the priority error] and identifying another error in the priority claim of the ‘780 patent—one not previously identified by any party or the Office of Petitions.” Appx3393, ¶ 10. Mr. Weeks explained that this newly-identified error “likely resulted” from the PTO’s “publication error” when application no. 09/439,059 “issued as US Patent No. 6,437,692.” Appx3393-3394, ¶ 11. “This error in publication (i.e., the priority claim is correct in the specification but was printed incorrectly on the cover of the issued patent) also occurred in” two more patents in the family of the ‘780 Patent. Appx3394, ¶ 11. Mr. Weeks demonstrated that the entire delay in correcting these priority errors was unintentional. Appx3391-3399.

It was incumbent on the Board to address this evidence which SIPCO repeatedly highlighted in its briefing and to explain how the priority claim errors could possibly be considered to be “deliberate” despite the overwhelming evidence presented by Mr. Weeks to the contrary. The Board’s failure to do so renders its

decision legally flawed and requires reversal. *State Farm*, 463 U.S. at 43; *see also Rovalma*, 856 F.3d at 1025; *Power Integrations*, 797 F.3d at 1326.

Moreover, the Director—not the Board—should have decided whether SIPCO’s priority claim errors were “deliberate” or unintentional and made in good faith. Blue Br. 32-33; 35 U.S.C. § 255. The Board’s statement that SIPCO’s “mistakes indicate deliberate indifference,” Appx572, addressed a decision that was not the Board’s to make. *See, e.g., Plastic Dev. Grp., LLC v. Maxchief Inv. Ltd.*, IPR2017-00846, Paper 16 at 2 (P.T.A.B. Nov. 13, 2017) (“The Board has not made a determination as to whether or not the mistake is in fact correctable. We leave the final determination on whether a Certificate of Correction should be issued with the Director in accordance with the authority granted in 35 U.S.C. § 255.”); *Aceto Agricultural Chem. Corp. v. Gowan Co.*, IPR2016-0076, Paper 12 at 2 (P.T.A.B. Jun. 13, 2016); *United Servs. Automobile Ass’n v. Asghari-Kamrani*, CBM2016-00063, 2016 WL 8944589, at *1, Paper 7 at 2 (P.T.A.B. July 27, 2016).

A certificate of correction to correct a priority claim error is granted when “the entire delay between the date the benefit claim was due under paragraph (d)(3) of this section and the date the benefit claim was filed was *unintentional*.” 37 C.F.R. § 1.78(e)(*emphasis added*). The Director should have decided whether the delay in filing the correct benefit claim caused by SIPCO’s errors in its first two attempts to correct the priority were unintentional—not the Board. Indeed, when

the Petition's Branch—the experts tasked by the Director to decide petitions—was eventually permitted to review the evidence presented by Mr. Weeks, it determined that the errors were, in fact, unintentional. Appx3612-3613. The Petitions Branch properly considered Mr. Weeks's evidence; its decision was correct. The Board did not properly consider this evidence; its decision was arbitrary and capricious.

B. The Board's Unpatentability Decision Based On The '732 Patent Should Be Reversed.

The Board violated the APA by denying SIPCO sufficient opportunity to petition the Director to correct the priority claim during the IPR proceeding. The Director ultimately issued the certificate, Appx3612-3613, when SIPCO was eventually permitted by the Board in its Final Written Decision to file its petition. If the Board had granted permission during the IPR proceeding, the Director would have issued the certificate before the Final Written Decision and the '732 patent would not have qualified as prior art during the IPR. Thus, the Board's APA violation—in denying the SIPCO sufficient opportunity to petition the Director to correct the priority claim during the IPR—led to the Board's decision that the claims of the '780 patent were unpatentable over the '732 patent. The Board's unpatentability ruling, therefore, is tainted by its APA violation and should be reversed.

Emerson argues against reversal on the grounds that even if the Board had not “denied SIPCO’s request for leave to request a certificate,” it would not have been effective because it would have “issued ‘well after the inter partes review commenced,’” and was not “sought ‘until after Petitioner filed its petition.’” Red Br. 40-41, *quoting* Appx18.

But Emerson’s argument runs afoul of this Court’s holdings in both *Honeywell Int’l v. Arkema, Inc.*, 939 F.3d 1345 (Fed. Cir. 2019) and *Fitbit, Inc. v. Valencell, Inc.*, No. 2019-1048, slip op. (Fed. Cir. July 8, 2020). In both cases—as in this IPR—patent owner requested leave to file a petition for a certificate of correction after the IPR commenced and if leave had been granted, the certificate would have issued during the IPR. *Honeywell*, 939 F.3d at 1350; *Fitbit*, No. 2019-1048, slip op at 13. This Court in *Honeywell* “vacated the Board’s final written decision” because “the Board erred by rejecting Honeywell’s request to file a motion for leave to petition the Director for a Certificate of Correction.” *Honeywell*, 939 F.3d at 1350. Likewise, this Court in *Fitbit* vacated “[t]he Board’s Final Written Decision on the ground of ‘absence of antecedent’ basis” because “the Board erred in declining to ... correct the [antecedent basis] error.” *Fitbit*, No. 2019-1048, slip op. at 14. This Court reasoned that “[w]ith this correction, the rejection of claims 4 and 5 for absence of antecedent basis for ‘the application’ disappears.” *Ibid.* That is, this Court twice held that a certificate of correction

requested after institution of an IPR and issued during the IPR is effective. Here, as in both *Honeywell* and *Fitbit*, the Board’s reason for cancelling the claims “disappears” with the correction of the patent.

Therefore, the Board’s Final Written Decision should be vacated, just as it was in the same circumstances in both *Honeywell* and *Fitbit*.

In addition, Emerson’s argument that SIPCO did not appeal this issue, Red Br. 40, is demonstrably false as SIPCO particularly listed in its Notice of Appeal the issues of “[w]hether the PTAB erred in preventing Patent Owner from petitioning the Petitions Branch of the U.S. PTO to accept an unintentionally delayed priority claim” and “[w]hether the PTAB erred in concluding that claims 1-15 would have been obvious under 35 U.S.C. § 103 over U.S. Patent 8,013,732,” Appx773.

C. The Board Should Have Given Effect To The Certificate of Correction That Was Ultimately Issued By the Director.

1. Section 255—When Read In The Context Of The AIA—Indicates that the Certificate of Correction Should Be Given Effect.

Section 255—when interpreted in the context of the America Invents Act (AIA)—indicates that the Director’s Certificate of Correction, Appx3612-3613, should be given effect in this IPR. The AIA permits patents to be changed in an IPR. 35 USC § 316(d). (“During an inter partes review instituted under this

chapter, the patent owner may file 1 motion to amend.”). Emerson’s assertion that “motion to amend . . . are also not retroactive,” Red. Br. 34, misses the point.

Under Section 316(d) of the AIA, a patent owner is entitled to change the claims during an IPR and receive a validity determination on the amended claims. Indeed, this Court recently held that the Board must correct errors in a patent when a certificate of correction is requested:

The preferable agency action is to seek to serve the agency’s assignment under the America Invents Act, and to resolve the merits of patentability. Although the Board does not discuss its authority to correct errors, there is foundation for such authority in the America Invents Act, which assured that the Board has authority to amend claims of issued patents. See 35 U.S.C. § 316(d). . . . The concept of error correction is not new to the Agency, which is authorized to issue Certificates of Correction.

Fitbit, No. 2019-1048, slip op. at 13. Thus, Emerson’s interpretation of the law governing the amendment of patents during an IPR proceeding is inconsistent with this Court’s precedent.

Emerson’s argument that “in every grant of permission for a patent owner to seek a certificate of correction would create a risk that the Board will be forced to change course mid-proceeding to address the corrected patent,” Red Br. 32, is also inconsistent with this Court’s precedent. Indeed, this Court has already remanded IPRs to the Board with instructions to do exactly that which Emerson finds to be

objectionable: to allow a patent owner to petition to the Director to correct an error in a patent. *Honeywell*, 939 F.3d at 1350; *Fitbit*, No. 2019-1048, slip op at 14.

Moreover, this Court has held that patent owners are entitled to an invalidity determination on a patent that has been corrected with a certificate of correction. *H-W Technology, L.C. v. Overstock.com, Inc.*, 758 F.3d 1329, 1335 (Fed. Cir. 2014). Emerson’s assertion that *H-W Tech* “affirms that the corrected patent applies only prospectively,” Red Br. 33, is a gross mischaracterization of the holding in that case. In *H-W Technology*, a patent owner requested and received a certificate of correction for a patent claim (claim 9) after the filing of a district court case. *Id.* at 1333. The district court then held that the corrected claim could not be asserted in the case and held claim 9 to be invalid. *Id.* at 1334. This Court concluded that the district court “erred to the extent it held corrected claim 9 invalid.” *Id.* at 1335. In particular, this Court struck, “the portion of the final judgment holding claim 9 invalid.” *Ibid.* That is, this Court in *HW Tech* held that the Patent Owner was entitled to a validity determination on corrected claim 9, just as it did in *Honeywell* and *Fitbit*. Thus, Emerson’s position that the certificate of correction should never be considered, therefore, runs afoul of this Court’s precedent that a patent owner is entitled to a validity determination on the corrected patent.

Here, this Court should similarly vacate the Board’s invalidity holding based on a reference that is not prior art under the corrected priority claim. SIPCO is entitled to a validity determination on the corrected ‘780 patent, just as the patent owners in *H-W Technology*, *Honeywell*, and *Fitbit* were.

Emerson’s statement that “the validity has been litigated and the ‘780 patent, has been found unpatentable,” Red Br. 34, is simply not true and misses the point of this Court’s precedent. The validity of the *corrected* ‘780 patent was not litigated by the Board in this IPR and the claims of the *corrected* ‘780 Patent were not found unpatentable. Indeed, the Board—by ruling that the Certificate of Correction will never be effective—prevented SIPCO from getting the validity determination on the corrected patent to which it is entitled.

2. Emerson Has Not Explained Why Its Cited Authority Should Be Extended To Adopt Its Interpretation Of Section 255.

Emerson contends that an IPR is a “cause of action” and that a Certificate of Correction affects only causes of action arising after the Certificate issued. Red Br. 28-29. This argument, however, finds no clear precedent in the patent statute in any court’s jurisprudence. Indeed, the statute does not even include the term “cause of action.:

Whenever a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent and Trademark Office, appears in a patent and a showing has been made that such mistake occurred in good faith, the Director may, upon payment of the required fee, issue

a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require re-examination. Such patent, together with the certificate, shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form.

35 U.S.C. § 255.

Neither the statute defining inter partes review, 35 U.S.C. § 311, nor any other part of Title 35 defines an IPR as a “trial of actions for causes.” And Emerson has not cited any authority that squarely addresses this issue.

Instead, Emerson conflates out-of-context dicta from the Supreme Court’s decision in *Oil States Energy Servs., LLC v. Greene’s Energy Grp., LLC*, 138 S. Ct. 1365 (2018) with this Court’s holding in *Sw. Software, Inc. v. Harlequin Inc.*, 226 F.3d 1280 (Fed. Cir. 2000) to reach the conclusion that an inter partes review is a “cause of action,” which in turn is a “trial of actions for causes” under § 255. Red Br. 29. But neither case settles the question of what effect a Certificate of Correction (“COC”) has on an instituted IPR. And Emerson has not even attempted to explain why the holdings in these cases should be pieced together in the manner it suggests, particularly in view of the impact this would have on the way the PTO handles petitions for COC during an IPR. *See ibid.*

Emerson’s assertion that in *Oil States* “[t]he Supreme Court confirmed *an IPR’s status as a cause of action*“ that is “properly assigned by Congress to

adjudication in a non-Article III tribunal,” Red Br. 29, is flatly contradicted by the Supreme Court’s clarification of the boundaries of its decision:

We emphasize the narrowness of our holding. We address the constitutionality of inter partes review only. We do not address whether other patent matters, such as infringement actions, can be heard in a non-Article III forum.

Oil States, 138 S. Ct. at 1379. The Supreme Court analyzed the narrow question of “whether inter partes review violates Article III or the Seventh Amendment of the Constitution.” *Oil States*, 138 S. Ct. at 1370. The Supreme Court did *not* analyze whether “an IPR is a cause of action” for any purpose, much less for purposes of § 255. Indeed, the Supreme Court repeatedly referred to IPRs as a “process” and “procedure”—not a cause of action. *See, e.g., Oil States*, 138 S. Ct. at 1370-71 (“The Leahy-Smith America Invents Act, 35 U.S.C. § 100 *et seq.*, establishes a process called ‘inter partes review.’ ... The America Invents Act replaced inter partes reexamination with inter partes review, the procedure at issue here.”).

Further, the *Granfinanciera* case cited by Emerson, Red Br. 29, predates the creation of IPRs and thus sheds no light on the question of whether an IPR is a “trial of actions for causes” for purposes of § 255. *Granfinanciera, S.A. v. Nordberg*, 492 U.S. 33, 36 (1989) (addressing “whether a person who has not submitted a claim against a bankruptcy estate has a right to a jury trial when sued by the trustee in bankruptcy to recover an allegedly fraudulent monetary transfer.”).

Furthermore, Emerson stretches the limited holding in *Southwest Software* beyond its clear context—civil actions for patent infringement—to find application to IPRs. *See* Red Br. 30-31. In *Southwest Software*, the Federal Circuit stated: “[W]e hold that a certificate of correction that was issued under 35 U.S.C. § 254 to add certain material to the '257 patent is not effective for purposes of *this action*.” 226 F.3d at 1283 (emphasis added). *Southwest Software* and its progeny all involve the applicability of a COC to a patent infringement action brought in a district court—not to an IPR proceeding. *Id.* at 1282 (involving patent infringement action tried in U.S. District Court); *Novo Indus., L.P. v. Micro Molds Corp.*, 350 F.3d 1348, 1349 (Fed. Cir. 2003) (same); *Superior Fireplace Co. v. Majestic Prod. Co.*, 270 F.3d 1358, 1361 (Fed. Cir. 2001) (same). Emerson cites no court or agency decision extending *Southwest Software*’s holding to IPRs. *Cf. TCT Mobile, Inc.*, IPR2016-01861, 2018 WL 1472580, at *12 (Mar. 22, 2018) (dismissing as moot the briefed issue of whether *Southwest Software* should apply in an instituted IPR).

D. Emerson’s Waiver Argument Is Flawed Because This Court Retained Jurisdiction Over The Appeal and SIPCO Complied With This Court’s Order.

Emerson’s argument that SIPCO forfeited its right to argue that the Director’s certificate of correction should be given effect by not filing a second

notice of appeal, Red Br. 26, is flawed. Emerson's argument does not consider that this Court retained jurisdiction over the appeal and that SIPCO complied with this Court's order.

The Supreme Court has "long and repeatedly held that the time limits for filing a notice of appeal are *jurisdictional* in nature." *Bowles v. Russell*, 551 U.S. 205, 207 (2007) (*emphasis added*). This Court clearly stated in its Order that it "*retains jurisdiction* over the appeal." Dct. 29, p. 4 (*emphasis added*). Thus, it would not have been proper for SIPCO to file a second notice of appeal because this Court has continuously had jurisdiction since SIPCO timely filed its Notice of Appeal on December 21, 2017. Emerson fails to even mention that this Court retained jurisdiction over the appeal, let alone explain how SIPCO could have possibly forfeited its argument by not filing a second notice of appeal after this Court retained jurisdiction. *See* Red Br. 26.

In addition, SIPCO fully complied with this Court's Order as well as the Federal Rules of Appellate Procedure. This Court "remanded for the Board to issue an order addressing what, if any impact the certificate of correction has on its final written decision in this case," and ordered that "[w]ithin seven days from the date of the Board's decision, the parties are directed to inform this court how they believe this appeal should proceed." Dkt., p. 4; *see also* FPAP 12.1 ("[i]f the court of appeals remands but retains jurisdiction, the parties must promptly notify the

circuit clerk” after the decision on remand is made.”). SIPCO complied with the Order and this rule. SIPCO conferred with Emerson about “how they believe the appeal should proceed” and the parties agreed to a briefing schedule. Emerson did not mention a second notice of appeal or propose a briefing schedule that would have been based on the filing date of a second notice of appeal. SIPCO then filed a letter with this Court proposing the agreed-to briefing schedule within seven days of the Board’s ruling as ordered by this Court. Dkt. 30. Emerson fails to explain why this Court should penalize SIPCO when it complied with this Court’s Order and rules. *See* Red Br. 26.

Emerson’s string cite to three cases does not support its forfeiture argument. Red Br. 26, *citing Bowles v. Russell*, 551 U.S. 205, 209 (2007); *Torres v. Oakland Scavenger Co.*, 487 U.S. 312, 318 (1988); *Oja v. Dep’t of Army*, 405 F.3d 1349, 1358-59 (Fed. Cir. 2005). None addresses the situation here, in which SIPCO filed a notice of appeal to transfer jurisdiction to this Court and this Court retained jurisdiction. Likewise, Emerson’s citations to FPAP 3, 4, and 15 also do not support its forfeiture argument because none state that a second notice of appeal must be filed to an appellate court when that court retains jurisdiction from an earlier notice. Rather, FRAP 12.1, which governs the situation like this case, in which “a court of appeals remands but retains jurisdiction,” requires “the parties to promptly notify the circuit clerk after the decision on remand is made.” SIPCO did,

in fact, notify the clerk of this Court promptly after the Board's decision on remand. Dkt. 30. Clearly, SIPCO complied with this Court's Order and the FRAP.

Emerson's allegation that SIPCO did not identify the issues on appeal, Red Br. 27, is demonstrably false. SIPCO timely filed a Notice of Appeal on December 21, 2017. Appx772-777. In that notice, SIPCO identified several issues on appeal including, *inter alia*, "[w]hether the PTAB erred in preventing Patent Owner from petitioning the Petitions Branch of the U.S. PTO to accept an unintentionally delayed priority claim" and "[w]hether the PTAB erred in concluding that claims 1-15 would have been obvious under 35 U.S.C. § 103 over U.S. Patent 8,013,732," which is not prior art under the corrected priority claim. Appx773.

SIPCO later moved this Court to remand "to allow the Board to account for the newly issued Certificate of Correction ... to provide the Board an opportunity to address *this issue*." Dkt 29, p. 4 (*emphasis added*). This Court ordered the case to be "remanded for the Board to issue an order addressing" the issue of "what, if any, impact the certificate of correction has on its final written decision in this case." Dkt. 29, p. 4. The Board addressed this particular issue on remand by determining that the certificate has no impact. Appx25-26. Indeed, Emerson itself clearly understood what the issue was because it stated to the Board that "the Certificate of Correction has ... no impact on the Board's Final Written Decision in this case." Appx863. Clearly, Emerson's statement to this Court that the issues

on appeal were not identified, Red Br. 26, is inconsistent with its statement to the Board as well as the other documents of record in this case.

SIPCO complied with this Court's Order and all laws and regulations governing this appeal.

CONCLUSION

For the foregoing reasons, the Court should reverse the Board's ruling that claims 3, 5, and 11 are obvious over the grandparent '732 patent.

Date: August 7, 2020

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on August 7, 2020, this Reply Brief of Appellant SIPCO, LLC was filed electronically using the CM/ECF system and served via the CM/ECF system on registered counsel.

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