

IN THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

COREPHOTONICS, LTD.,

Appellant,

v.

APPLE INC.,

Appellee,

KATHERINE K. VIDAL, Under Secretary of
Commerce for Intellectual Property and Director of
the United States Patent and Trademark Office,

Intervenor.

Nos. 2020-1425,
2022-1157,
2022-1159

**PARTIALLY OPPOSED MOTION BY THE UNITED STATES
FOR LIMITED REMAND**

The United States respectfully moves for a limited remand of this case for the purpose of providing the Senate-confirmed Director of the United States Patent and Trademark Office (USPTO) with the opportunity to consider whether to rehear the Patent Trial and Appeal Board decision that is the subject of this appeal. By ordering a limited remand, the Court can obviate appellant's constitutional and statutory challenges to the denial of Director review issued by Andrew Hirshfeld. If a limited remand is issued, the Director will endeavor to decide expeditiously whether to grant Director review, avoiding any substantial delay in the resolution of this appeal. Apple does not oppose the motion for limited remand. Corephotonics opposes.

1. This case arises from a challenge to a final written decision of the Board in an inter partes review proceeding. In July of 2021, this Court issued an order remanding the case to the USPTO for the limited purpose of allowing appellant the opportunity to request Director review of the Board's final written decision. ECF No. 68. The Court otherwise retained jurisdiction over the appeal. *Id.* The Court further specified that in the event of the denial of Director review, appellant should notify the Court of that fact within 14 days so that the appeal could be reactivated. *Id.* And the Court directed that if rehearing were granted, the government should notify the Court of the decision and potentially move for the case to be remanded in full. *Id.*

2. On limited remand, Corephotonics filed a request for Director review. At the time, the USPTO was without a Senate-confirmed Director. The rehearing request was referred to Commissioner for Patents Andrew Hirshfeld, who was exercising the delegable duties and functions of the Director. Commissioner Hirshfeld issued a summary order denying Director review.

3. Corephotonics notified the Court of the denial of its request for Director review, the stay was lifted, and the Court gave Corephotonics 14 days to file any petition for rehearing. ECF Nos. 69, 70. Corephotonics subsequently filed a notice of appeal, an amended notice of appeal, and a combined petition for panel rehearing and rehearing en banc challenging the denial of Director review. ECF Nos. 77, 79.

Because this Court had already issued a merits decision prior to the post-*Arthrex* remand, see *Corephotonics, Ltd. v. Apple Inc.*, 857 F. App'x 641 (Fed. Cir. 2021), the

challenge to the denial of Director review came in the form of a rehearing petition. Corephotonics argued that only a Senate-confirmed Director could consider its request for Director review and that Commissioner Hirshfeld's order denying review violated the Constitution, the Federal Vacancies Reform Act, and separation-of-powers principles. ECF Nos. 79 and 91. In response to Corephotonics's petition, this Court issued an Order directing Commissioner Hirshfeld to address "whether review by an Acting Director appointed by the Secretary of Commerce is constitutionally sufficient under the Appointments Clause" and "whether the review on remand by Andrew Hirshfeld was sufficient." ECF No. 77. The USPTO filed its response and asserted that this Court should answer both of these related questions in the affirmative. ECF No. 85. Apple also filed a response to Corephotonics's petition. ECF No. 86.

4. Subsequently, Katherine Vidal was confirmed by the Senate to be the Director of the USPTO, and Director Vidal was sworn in on April 13, 2022. As a result, the USPTO is now in a position to provide the Director review to which appellant claims entitlement.

5. The United States stands by the arguments it has previously made in this and other cases and believes that appellant's challenges to Commissioner Hirshfeld's order lack merit. Nonetheless, as a matter of discretion, and to spare the Court the need to resolve appellant's claims, the USPTO asks the Court to issue a limited remand order akin to the one issued once before in this case. Specifically, the USPTO asks the

Court to remand the case for the limited purposes of allowing Director Vidal to determine whether she wishes to rehear the Board's decision, while otherwise retaining jurisdiction. The government recently filed a similar motion in *Arthrex, Inc. v. Smith & Nephew, Inc.*, No. 18-2140, ECF No. 192 (Fed. Cir. May 17, 2022).

6. If this Court orders a limited remand, Director Vidal will decide whether to grant Director review based on the request for Director rehearing that was previously submitted, so further briefing before the agency will be unnecessary. Director Vidal will endeavor to decide expeditiously as to whether Director review will be granted. In the event that Director review is denied, we will promptly notify the Court so that this appeal can be reactivated. If Director review is granted, the USPTO will file a motion seeking a full remand of this appeal.

7. Counsel for Apple does not oppose and has asked the following to be included:

Apple does not oppose a limited remand consistent with the procedure used for the earlier limited remand in this appeal. To the extent the Court denies this motion, however, Apple urges that the only issue the Court need resolve in this particular case is the question of whether the Appointments Clause permits an inferior officer to temporarily perform the responsibilities of a principal office when the principal office is vacant (a question *United States v. Eaton* already resolved), given that Corephotonics twice forfeited any argument under the Federal Vacancies Reform Act, as explained in Apple's earlier briefing. *See* ECF No. 86 at 10-11.

8. Counsel for Corephotonics has stated that it opposes the motion.

CONCLUSION

For the foregoing reasons, the Court should order a limited remand.

Respectfully,

/s/ Maureen D. Queler

THOMAS W. KRAUSE

Solicitor

FARHEENA Y. RASHEED

Deputy Solicitor

MAUREEN D. QUELER

MICHAEL S. FORMAN

Associate Solicitors

United States Patent and Trademark Office

Office of the Solicitor

PO Box 1450 Mail Stop 8

Alexandria, VA 22313

May 23, 2022

CERTIFICATE OF COMPLIANCE

I hereby certify that this motion complies with the applicable type-volume requirements because it was prepared in Garamond, a proportionally-spaced font, and contains 927 words according to the count of Microsoft Word.

/s/ Maureen D. Queler
Maureen D. Queler