

No. 2022-1621, 2022-1622, 2022-1777, 2022-1779

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

DRAGON INTELLECTUAL PROPERTY, LLC,
Plaintiff – Cross Appellant

v.

DISH NETWORK, L.L.C.,
Defendant – Appellant

v.

ROBERT E. FREITAS, FREITAS & WEINBERG LLP,
Respondents – Appellees

On Appeal from the United States District Court, District of Delaware
No. 1:13-cv-02066 RGA, 1:13-cv-02067 RGA, Judge Richard Andrews

**PLAINTIFF-CROSS-APPELLANT DRAGON INTELLECTUAL
PROPERTY, LLC'S AND RESPONDENTS-APPELLEES
ROBERT E. FREITAS AND FREITAS & WEINBERG LLP'S
CORRECTED JOINT RESPONSE TO DISH NETWORK L.L.C.'S
PETITION FOR REHEARING *EN BANC***

Robert E. Freitas
FREITAS & WEINBERG LLP
303 Twin Dolphin Drive, Suite 600
Redwood Shores, CA 94065
Telephone: (650) 593-6300
Email: rfreitas@fawlaw.com
Attorneys for Respondents-
Appellees Robert E. Freitas and
Freitas & Weinberg LLP

James F. McDonough, III
ROZIER HARDT MCDONOUGH PLLC
659 Auburn Avenue NE, Unit 254
Atlanta, Georgia 30312
Telephone: (470) 480-9505
Email: jim@rhmtrial.com
Attorneys for Plaintiff-Cross-
Appellant Dragon Intellectual
Property LLC

DRAGON INTELLECTUAL PROPERTY, LLC,
Plaintiff – Cross Appellant

v.

SIRIUS XM RADIO, INC.,
Defendant – Appellant

v.

ROBERT E. FREITAS, FREITAS & WEINBERG LLP,
Respondents – Appellees

FORM 9. Certificate of Interest

Form 9 (p. 1)
March 2023**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT****CERTIFICATE OF INTEREST**

Case Number 2022-1621, 2022-1622, 2022-1777, 2022-1779

Short Case Caption Dragon Intellectual Property LLC v. DISH Network L.L.C.

Filing Party/Entity Plaintiff-Cross Appellant Dragon Intellectual Property, LLC

Instructions:

1. Complete each section of the form and select none or N/A if appropriate.
2. Please enter only one item per box; attach additional pages as needed, and check the box to indicate such pages are attached.
3. In answering Sections 2 and 3, be specific as to which represented entities the answers apply; lack of specificity may result in non-compliance.
4. Please do not duplicate entries within Section 5.
5. Counsel must file an amended Certificate of Interest within seven days after any information on this form changes. Fed. Cir. R. 47.4(c).

I certify the following information and any attached sheets are accurate and complete to the best of my knowledge.

Date: 09/03/2024Signature: /s/James F. McDonough, IIIName: James F. McDonough, III

FORM 9. Certificate of Interest

Form 9 (p. 2)
March 2023

1. Represented Entities. Fed. Cir. R. 47.4(a)(1).	2. Real Party in Interest. Fed. Cir. R. 47.4(a)(2).	3. Parent Corporations and Stockholders. Fed. Cir. R. 47.4(a)(3).
Provide the full names of all entities represented by undersigned counsel in this case.	Provide the full names of all real parties in interest for the entities. Do not list the real parties if they are the same as the entities. <input checked="" type="checkbox"/> None/Not Applicable	Provide the full names of all parent corporations for the entities and all publicly held companies that own 10% or more stock in the entities. <input checked="" type="checkbox"/> None/Not Applicable
Dragon Intellectual Property, LLC		

Additional pages attached

FORM 9. Certificate of Interest

Form 9 (p. 3)
March 2023

4. Legal Representatives. List all law firms, partners, and associates that (a) appeared for the entities in the originating court or agency or (b) are expected to appear in this court for the entities. Do not include those who have already entered an appearance in this court. Fed. Cir. R. 47.4(a)(4).

None/Not Applicable Additional pages attached

(see Addendum)		

5. Related Cases. Other than the originating case(s) for this case, are there related or prior cases that meet the criteria under Fed. Cir. R. 47.5(a)?

Yes (file separate notice; see below) No N/A (amicus/movant)

If yes, concurrently file a separate Notice of Related Case Information that complies with Fed. Cir. R. 47.5(b). **Please do not duplicate information.** This separate Notice must only be filed with the first Certificate of Interest or, subsequently, if information changes during the pendency of the appeal. Fed. Cir. R. 47.5(b).

6. Organizational Victims and Bankruptcy Cases. Provide any information required under Fed. R. App. P. 26.1(b) (organizational victims in criminal cases) and 26.1(c) (bankruptcy case debtors and trustees). Fed. Cir. R. 47.4(a)(6).

None/Not Applicable Additional pages attached

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

CERTIFICATE OF INTEREST – ADDENDUM

Case Number:	2022-1621, 2022-1622, 2022-1777, 2022-1779
Short Case Caption:	Dragon Intellectual Property LLC v. DISH Network L.L.C.
Filing Party/Entity:	Plaintiff-Cross Appellant Dragon Intellectual Property, LLC

Attorney	Firm
Timothy Devlin	Devlin Law Firm LLC
Jason S. Angell	Freitas & Weinberg LLP
Robert E. Freitas	Freitas & Weinberg LLP
Jessica N. Leal	Freitas & Weinberg LLP
QuynhChi Nguyen	Freitas & Weinberg LLP
J. James Li	LiLaw Inc.
Stephen B. Brauerman	Bayard, P.A.
Sara E. Bussiere	Bayard, P.A.
Richard D. Kirk	Bayard, P.A.
Vanessa Ribeiro Tiradentes	Bayard, P.A.

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March 2023**UNITED STATES COURT OF APPEALS
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Case Number 2022-1621, 2022-1622, 2022-1777, 2022-1779

Short Case Caption Dragon Intellectual Property LLC v. DISH Network L.L.C.

Filing Party/Entity Respondents-Appellees Robert E. Freitas and Freitas & Weinberg LLP

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2. Please enter only one item per box; attach additional pages as needed, and check the box to indicate such pages are attached.
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I certify the following information and any attached sheets are accurate and complete to the best of my knowledge.

Date: 09/03/2024Signature: /s/Robert E. FreitasName: Robert E. Freitas

FORM 9. Certificate of Interest

Form 9 (p. 2)
March 2023

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Provide the full names of all entities represented by undersigned counsel in this case.	Provide the full names of all real parties in interest for the entities. Do not list the real parties if they are the same as the entities. <input checked="" type="checkbox"/> None/Not Applicable	Provide the full names of all parent corporations for the entities and all publicly held companies that own 10% or more stock in the entities. <input checked="" type="checkbox"/> None/Not Applicable
Robert E. Freitas		
Freitas & Weinberg LLP		

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None/Not Applicable Additional pages attached

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The petition for rehearing *en banc* filed by Appellant DISH Networks, L.L.C. (“DISH”) identifies no question worthy of *en banc* review. The panel correctly resolved the matters it addressed, and there is no conflict between the panel’s disposition and any prior decision by the Supreme Court, this Court, or any other court of appeals. The anecdotes and policy arguments offered by DISH and its *amici* present issues for Congress, not the courts. The petition should be denied.

I. AN *INTER PARTES* REVIEW IS NOT A “CASE” IN WHICH FEE SHIFTING IS AVAILABLE UNDER SECTION 285.

DISH seeks *en banc* review of the panel’s conclusion that attorneys’ fees incurred in *inter partes* review proceedings are not recoverable under 35 U.S.C. section 285. See *Dragon Intell. Prop. LLC v. DISH Network L.L.C.*, 101 F.4th 1366, 1371-72 (Fed. Cir. 2024). “In cases where a party voluntarily elects to pursue an invalidity challenge through IPR proceedings, we see no basis for awarding IPR fees under § 285.” *Id.* at 1371.

The panel’s decision followed a prior appeal in this case in which the Court did not decide the issue, but commented “we see no basis in the Patent Act for awarding fees under § 285 for work incurred in *inter partes* review proceedings that the Appellants voluntarily undertook.”

Dragon Intell. Prop. LLC v. DISH Network L.L.C., 956 F.3d 1358, 1362 (Fed. Cir. 2020).

Section 285 provides for the recovery of attorneys' fees by the prevailing party in exceptional "cases." A "case," as the term is used in fee shifting statutes, means "a proceeding in court, a suit, or action." *Amneal Pharms. LLC v. Almirall, LLC*, 960 F.3d 1368, 1371-72 (Fed. Cir. 2020) (quoting *Blyew v. United States*, 80 U.S. (13 Wall.) 581, 595 (1872)). As *Amneal* confirms, an *inter partes* review is not a "case." See also Appx.000030 ("there is no dispute that the 'cases' to which the statute refers are judicial proceedings. In other words, IPR proceedings are not 'cases.'").

In *Webb v. Bd. Of Educ. Of Dyer Cty., Tenn.*, 471 U.S. 234, 240-43 (1985), the Supreme Court held that "attorney's fees incurred while pursuing optional administrative proceedings were not compensable under a fee-shifting statute in a later district court case." Appx000031. DISH argued that *PPG Industries, Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565 (Fed. Cir. 1988), supports the award of attorneys' fees incurred in *inter partes* review, but the panel rejected that argument because the administrative proceeding in issue in *PPG*

Industries was “not optional.” *See Dragon Intell. Prop.*, 101 F.4th at 1372. “Due to the unique circumstances” present in *PPG Industries, Webb* was not controlling. *PPG Industries*, 840 F.3d at 1568. Here, however, “Appellants’ initiation of and participation in the IPR proceedings was voluntary.” *Dragon Intell. Prop.*, 101 F.4th at 1372.

Inter partes review is always “optional” in the only sense that matters under *Webb*. The panel’s conclusion that “Appellants voluntarily pursued parallel proceedings in front of the Board instead of arguing invalidity before the district court” is both sound as a legal matter, and supported by the record specific to this case. *See Dragon Intell. Prop.*, 101 F.4th at 1371.

For most accused infringers, the opportunity to avoid a jury trial and proceed in a forum that is statistically likely to be more favorable is a welcome option. As the panel explained, “there are advantages to doing so.” *Id.* Dissenting on this issue, District Judge Bencivengo, sitting by designation, noted that there are also disadvantages to proceeding before the Board, but the points she made do no more than highlight that a defendant considering a validity challenge has options. *See id.* at 1374.

In the district court, DISH offered a specific explanation for its decision to choose *inter partes* review. Judge Andrews pointed out that DISH and its co-appellant advised the district court that “they filed the IPR because they ‘thought that it was the most cost-effective way to resolve the case,’ not because they had no other option.” *See* Appx000011. DISH thus opted for what the panel called “an expeditious alternative to potentially years-long litigation,” and undoubtedly considered the other advantages of the *inter partes* review process.

Judge Bencivengo asserted that DISH was “compelled to contest the validity of Dragon’s patents [*sic*]” because it was sued. DISH was not, of course, “compelled” to challenge Dragon’s patent, but Judge Bencivengo missed the point. The question is not whether DISH was required to defend. What matters is whether the administrative process DISH chose was “optional.” As the panel majority explained, there can be no doubt on that score: “Appellants were not compelled to argue invalidity before the Board. Eight other defendants chose not to pursue such proceedings and continued to litigate in district court.” *Dragon Intellectual Prop.*, 101 F.4th at 1371.

Judge Bencivengo attempted to build an argument around the idea that *inter partes* review can be seen as an “alternative” to district court litigation. But a non-mandatory “alternative” is an “option,” and the decision to pursue such an option is a voluntary act. Judge Bencivengo even acknowledged that DISH “exercised [its] statutory *option* to litigate [its] affirmative invalidity defenses in IPR.” *Id.* at 1374 (emphasis added).

A need or incentive to seek *some* remedy is not the equivalent of a legal compulsion to pursue a specific administrative remedy. *Webb* distinguished *New York Gaslight Club, Inc. v. Carey*, 447 U.S. 54 (1980), as follows: “*Carey*, however, arose under a statute that expressly requires the claimant to pursue available state remedies before commencing proceedings in a federal forum. There is no comparable requirement in § 1983, and therefore the reasoning in *Carey* is not applicable to this case.” *Webb*, 471 U.S. at 240. DISH was not “expressly required” to take advantage of the forum it perceived as more cost effective. Its decision to do so was a voluntary act.

DISH cannot find solace in *Sullivan v. Hudson*, 490 U.S. 877 (1989), for similar reasons. In *Sullivan*, the Supreme Court said that

“where administrative proceedings are intimately tied to the resolution of the judicial action and *necessary* to the attainment of the results Congress sought to promote by providing for fees, they should be considered part and parcel of the action for which fees may be awarded.” *Id.* at 888 (emphasis added). *See also Webb*, 471 U.S. at 243 (emphasis added) (“The petitioner made no suggestion below that any discrete portion of the work product from the administrative proceedings was work that was both useful and of a type ordinarily *necessary* to advance the civil rights litigation to the stage it reached before settlement.”). *Inter partes* review is never “necessary.”

The judicial review statute in issue in *Sullivan* was “somewhat unusual.” *Id.* at 885. “Where a court finds that the Secretary has committed a legal or factual error in evaluating a particular claim, the district court’s remand order will often include detailed instructions concerning the scope of the remand, the evidence to be adduced, and the legal or factual issues to be addressed,” including “complex legal issues.” *Id.* “In many remand situations, the court will retain jurisdiction over the action pending the Secretary’s decision and its filing with the court.” *Id.* In this unique setting, “the Social Security claimant’s status as a

prevailing party and the final judgment in her ‘civil action . . . for review of agency action’ are often completely dependent on the successful completion of the remand proceedings before the Secretary.” *Id.* at 887. District court litigation is not similarly dependent on the outcome of an administrative proceeding, as concretely illustrated here by the success of the other defendants sued by Dragon.

In every case, the defendant retains the option to litigate to a conclusion in district court. Whether it chooses *inter partes* review, as DISH did, or decides to seek a successful outcome in district court, as eight other defendants did, is entirely a matter of choice. A litigant is never required to initiate an *inter partes* review, and success before the Board is never “necessary” for it to succeed.

Judge Bencivengo also argued that “it should be within the discretion of the district judge to award *all* reasonable fees incurred by the prevailing defendant.” *Dragon Intellectual Prop.*, 101 F.4th at 1374. If this was a policy assessment, the role of the courts is not to determine what “should” occur. Courts take statutes as they find them. *Reiter v. Sonotone Corp.*, 442 U.S. 330, 344 (1979). If the law does not properly reflect what “should” occur, “Congress may amend the statute; [a court]

may not.” *Griffin v. Oceanic Contractors, Inc.*, 458 U.S. 564, 576 (1982). See *Omnicare, Inc. v. Laborers Dist. Council Constr. Indus. Pension Fund*, 575 U.S. 175, 193 (2015) (“Congress gets to make policy, not the courts.”). Judge Hall responded to DISH’s complaint about the state of the law as follows: “My answer to that is this: raise it with Congress. Federal courts don’t make policy. Congress could have provided for such fee shifting but it didn’t. This Court cannot change that.” Appx000032.

The policy arguments offered by DISH and its *amicus* could not, in any event, be easily resolved. As the panel noted, “a district court is particularly well positioned to determine whether a case before it is exceptional because it ‘lives with the case over a prolonged period of time.’” *Dragon Intell. Prop.*, 101 F.4th at 1372 (citing *Highmark Inc. v. Allcare Health Mgmt. Sys., Inc.*, 572 U.S. 559, 564 (2014)). “Were ‘cases’ under § 285 to include IPR proceedings, district court judges would be tasked with evaluating the exceptionality of arguments, conduct, and behavior in a proceeding in which they had no involvement.” *Id.* This “is inconsistent with the rationale articulated in *Highmark* and the deference with which we review exceptionality determinations.” *Id.* The

question of whether the role of a district court should be so dramatically changed is neither uncomplicated nor one for the courts.

Webb and *Bylew* were decided long before the creation of *inter partes* review in the America Invents Act. When Congress created *inter partes* review, it was aware of the prevailing standards, and it made no attempt to change them, or to amend section 285 to provide for the recovery of attorneys' fees incurred in *inter partes* review. See *Gross v. FBL Fin. Servs.*, 557 U.S. 167, 174-75 (2009) (“When Congress amends one statutory provision but not another, it is presumed to have acted intentionally.”). When the members of DISH’s *amicus* High Tech Inventors Alliance advocated the creation of a new administrative procedure, they, too, were aware of the state of the law. If these powerful companies desired an amendment to section 285, they had an opportunity to try to persuade Congress that such an amendment was appropriate. Nothing is stopping them from lobbying to that effect now. Judge Hall’s answer to DISH remains the right answer.

The panel correctly applied the law. In doing so, the panel created no conflict with any Supreme Court decision or decision of this Court or another court of appeals. Any remaining questions about the

availability of fee shifting in *inter partes* review are for the Legislative Branch.

II. THERE IS “NO LEGAL BASIS” FOR LAWYER LIABILITY UNDER SECTION 285.

DISH also seeks *en banc* review of the panel’s unanimous determination “that liability for attorneys’ fees awarded under § 285 does not extend to counsel.” *Dragon Intell. Prop.*, 101 F.4th at 1372. No court that has ever considered the issue has concluded otherwise.

Various courts, including this Court, have observed that there is “no legal basis” for a claim to the contrary, *see, e.g., Phonometrics, Inc. v. ITT Sheraton Corp.*, 64 F. App’x 219, 222 (Fed. Cir. 2003), and, with seven years to try to do so, DISH has never come up with one. *See also Interlink Elecs v. Incontrol Sols., Inc.*, 1999 U.S. App. LEXIS 20072, at *6-*7 (Fed. Cir. Aug. 24, 1999) (“section 285 imposes costs on a party, not an attorney.”) (citing *Central Soya Co. v. Geo. A. Hormel & Co.*, 723 F.2d 1573, 1578 (Fed. Cir. 1983) (section 285 requires “the party acting exceptionally to bear the expenses of the opposing party”)); *Stillman v. Edmund Scientific Co.*, 522 F.2d 798, 800 (4th Cir. 1975).

All of the district courts that have considered the issue have reached the same conclusion. *See, e.g., My Health, Inc. v. ALR Techs.*,

Inc., 2019 U.S. Dist. LEXIS 94700, at *7 (E.D. Tex. June 5, 2019) (“Defendants provide no legal basis for a fee award against My Health’s counsel under § 285. Indeed, the Federal Circuit has declined to find counsel liable for fees awarded under § 285.”) (citing *Phonometrics*, 64 F. App’x at 222), *adopted by district judge*, 2020 U.S. Dist. LEXIS 4172, at *16 (E.D. Tex. Jan. 10, 2020); *Lumos Tech. Co., Ltd. v. JEDMED Instrument Co.*, 2018 U.S. Dist. LEXIS 24238, at *4 (S.D.N.Y. Feb. 14, 2018); *Tech. Props. Ltd. LLC v. Canon Inc.*, 2017 U.S. Dist. LEXIS 144204, at *16 (N.D. Cal. Jan. 26, 2017); *Advanced Video Technologies LLC v. HTC Corp.*, 2015 U.S. Dist. LEXIS 122423, at *19 (S.D.N.Y. Aug. 28, 2015); *Rates Tech. Inc. v. Broadvox Holding Co., LLC*, 56 F. Supp. 3d 515, 526 (S.D.N.Y. Oct. 7, 2014). The policy arguments presented by DISH and its *amici* are again not within the competence of the courts, and DISH offers neither a convincing suggestion that the panel erred in its application of the law nor a reason why *en banc* review is necessary or helpful.

Congress, the courts, and the advisory committees on the federal rules have repeatedly given specific attention to the question of whether and when lawyers should be subject to fee shifting. Various federal

rules and statutes “explicitly allow parties to recover costs and fees from counsel.” *Dragon Intell. Prop.*, 101 F.4th at 1372. “Federal Rule of Civil Procedure 11 expressly allows the court to impose monetary sanctions on attorneys and law firms, which can include ‘all of the reasonable attorney’s fees and other expenses’ incurred as a result of sanctionable conduct.” *Id.* at 1373 (citing Fed. R. Civ. P. 11(c)(1), (c)(4)). “[U]nder 28 U.S.C. § 1927, [a]ny attorney . . . who so multiplies the proceedings in any case unreasonably and vexatiously may be required by the court to satisfy personally the excess costs, expenses, and attorneys’ fees reasonably incurred because of such conduct.” In extreme cases, the inherent power of a district court allows it to impose sanctions, including the award of attorneys’ fees, on lawyers. *See, e.g., Chambers v. NASCO, Inc.*, 501 U.S. 32, 50 (1991).

The Supreme Court and the courts of appeals have consistently explained that when a statute does not provide for lawyer liability, there is none. The panel cited one of the court of appeals decisions applying this presumption against lawyer liability, *In re Crescent City Ests., LLC*, 588 F.3d 822, 825 (4th Cir. 2009), and there are many others. *See, e.g., Peer v. Liberty Life Assurance Co.*, 992 F.3d 1258, 1263

(11th Cir.2021) (quoting *Crescent City Estates*, 588 F.3d at 825); *Tejero v. Portfolio Recovery Assocs., L.L.C.*, 955 F.3d 453, 462 (5th Cir. 2020); *Amlong & Amlong, P.A. v. Denny's, Inc.*, 500 F.3d 1230, 1238 (11th Cir.2007); *Steinert v. Winn Grp., Inc.*, 440 F.3d 1214, 1222 (10th Cir. 2006); *Pfingston v. Ronan Eng'g Co.*, 284 F.3d 999, 1005-06 (9th Cir. 2002); *Crescent Publ'g Group, Inc. v. Playboy Enters., Inc.*, 246 F.3d 142, 150 (2d Cir. 2001); *Heckethorn v. Sunan Corp.*, 992 F.2d 240, 242 (9th Cir.1993); *Healey v. Chelsea Res., Ltd.*, 947 F.2d 611, 624 (2d Cir. 1991); *Foster v. Mydas Assocs., Inc.*, 943 F.2d 139, 142 (1st Cir. 1991); *Brown v. Borough of Chambersburg*, 903 F.2d 274, 276- 77 (3d Cir. 1990); *Eastway Construction Corp. v. City of New York*, 821 F.2d 121, 123-24 (2d Cir. 1987). The panel also cited the Supreme Court's decision in *Roadway Exp., Inc. v. Piper*, 447 U.S. 752, 761 (1980), in which the Court refused to include the award of attorneys' fees against counsel under a statute providing for recovery of "costs." See *Dragon Intell. Prop.*, 101 F.4th at 1373.

DISH portrays the application of the settled law reflected in *Crescent City Estates* and the approach taken by the Fifth Circuit in *Alliance for Good Government v. Coalition for Better Government*, 998

F.3d 661, 664-66 (5th Cir. 2021), as alternative approaches to the question of lawyer liability for fee shifting. These cases address different issues, as Judge Hall explained. Appx000036. DISH contends that the panel “provides no reason” for following *Crescent City Estates* rather than *Alliance for Good Government*, but there is no reason why the panel would “follow” a case that does not address the issue at hand, or ignore the decisions by the Fifth Circuit and other courts of appeal that do.

Over a vigorous dissent, 998 F.3rd at 669-82 (Dennis, J., dissenting), the *Alliance for Good Government* majority concluded that an award against a non-party was proper under the “general principle that [a]n officer is individually liable for any tortious conduct that he committed in connection with his corporate duties.” *Id.* at 666 (quoting *Insituform Tech., Inc. v. CAT Contracting, Inc.*, 385 F.3d 1360, 1373 (Fed. Cir. 2004)). *See id.* at 680 (Dennis, J., dissenting). Under those tort principles, Darleen Jacobs, “a principal of Coalition,” was joined and made personally liable for the fee award. *Id.* at 664. Ms. Jacobs was a lawyer, but she was not held liable as such. DISH proceeded against

lawyers acting as lawyers. No one associated with the law firm was a principal of Dragon, and there was no claim to the contrary.

DISH previously argued that, although the cases overwhelmingly support the idea that fee shifting is not available against lawyers “when the statute is silent on the issue,” *Dragon Intell. Prop.*, 101 F.4th at 1373, the inclusion of the “exceptionality” requirement in section 285 was a reflection of congressional intent “to allow recovery of fee awards from counsel and parties alike.” The panel rejected as “untenable” the idea that “Congress has expressly allowed recovery of costs and fees against counsel elsewhere but intended to imply such a provision in § 285 with exceptionality language.” The history of section 285 confirms the correctness of the panel’s conclusion. *See* Appx000035.

The attorneys’ fees language now found in section 285 was originally a part of 35 U.S.C. § 70. *See* Patent Act of August 1, 1946, § 1, 60 Stat. 778 (codified at 35 U.S.C. § 70) (1946 ed.). Section 70 provided a comprehensive set of remedies for patent infringement. First, “upon a Judgment being rendered in any case for an infringement the complainant shall be entitled to recover general damages which shall be due compensation for making, using, or selling the invention, not less

than a reasonable royalty therefor, together with such costs, and interest, as may be fixed by the court.” The statute also provided that “[t]he court may in its discretion award reasonable attorney’s fees to the prevailing party upon the entry of Judgment on any patent case.” *See id.* Appearing as it did in a statute providing for the recovery of damages for infringement, the attorney’s fees and cost remedies set forth in section 70 were obviously not available against lawyers.

The attorneys’ fees language of section 70 was interpreted in a manner that limited recovery to special situations. *See generally Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 548-49 (2014). When the Patent Act was adopted in 1952, the attorneys’ fees language taken from section 70 was amended in a manner consistent with the case law by adding the reference to “exceptional cases,” and codified in a new section 285.

In *Octane Fitness*, 572 U.S. at 549, the Supreme Court stated: “We have observed, in interpreting the damages provision of the Patent Act, that the addition of the phrase ‘exceptional cases’ to § 285 was ‘for purposes of clarification only.’” (quoting *General Motors Corp. v. Devex Corp.*, 461 U.S. 648, 653 n.8 (1983)). *See id.* (“the recodification did not

substantively alter the meaning of statute.”). The “untenable” notion that in section 285, Congress uniquely decided to impose liability on lawyers without explicitly saying so is foreclosed by *Octane Fitness*.

The 1952 Reviser’s Note for section 285 is to the same effect. It states that “[t]his section is substantially the same as corresponding provision in R.S. 4921,” showing that no change in the reach of section 70 was intended when section 285 was adopted. S. Rep. No. 1979, 82nd Cong., 2d Sess. (1952), reprinted in 1952 U.S. Code Cong. & Ad. News 2394, 4223.

In the district court, Judge Hall pointed out that “Dish and SXM agree[d] that nothing in the legislative history of the Patent Act supports their position that § 285 authorizes an award of fees against opposing counsel.” Appx000035. Judge Andrews also noted the Appellants’ agreement “that nothing in the legislative history of § 285 supports awarding fees against opposing counsel.” Appx000012 (“The Magistrate Judge found, and Defendants agree, that nothing in the legislative history of § 285 supports awarding fees against opposing counsel.”).

Despite all of this, DISH argues that *Octane Fitness* stands for just the opposite, claiming that the Court's comment that section 285 contains only "one constraint" means that there is no "constraint" on lawyer liability. This argument is inconsistent with the presumption that lawyers are not liable for fee shifting in the absence of specific language of inclusion, and it flatly ignores what the Supreme Court said about the 1952 codification of section 285 in *Octane Fitness*. The attempt to transform the "one constraint" comment also overlooks the issue addressed in *Octane Fitness*. As Judge Andrews put it, "*Octane* does not even address against whom fees can be assessed." Appx000013.

DISH falsely asserts that the panel "declin[ed] to consider 'manner of litigating,'" Petition at 10, but the panel stated, "[w]e see no basis in our precedent to allow Appellants to recover § 285 fees from counsel, especially where, as here, exceptionality was based on Dragon's substantive litigating position and not on counsel's manner of litigating." *Dragon Intell. Prop.*, 101 F.4th at 1373. Neither the panel nor the district court declined to consider any evidence or arguments presented by DISH. There was no misconduct, and no failure to

consider evidence. But simple “error” of this nature, real or imagined, would not warrant *en banc* review.

The anecdotes DISH and its *amici* tell of other lawyers and other cases also do not suggest a basis for *en banc* review. If the antics of others have any significance, they are fodder for policy discussions that cannot contribute to the questions that were before the panel, and do not justify *en banc* review. When Congress enacted section 285 in 1952, it did not include lawyers. Decades later, the emergence of a class of scoundrels who are not involved in this case, and whose activities bear no resemblance to anything that occurred in this case, does not alter the meaning of the statute.

III. CONCLUSION.

The panel correctly resolved the issues it considered in a manner that does not conflict with any decision of the Supreme Court, the Federal Circuit, or any other court of appeals. The petition should be denied.

Dated: September 3, 2024

/s/Robert E. Freitas

Robert E. Freitas
FREITAS & WEINBERG LLP
303 Twin Dolphin Drive, Suite 600
Redwood Shores, CA 94065

Attorneys for Respondents-
Appellees

Robert E. Freitas and
Freitas & Weinberg LLP

/s/James F. McDonough, III

James F. McDonough, III
ROZIER HARDT MCDONOUGH PLLC
659 Auburn Avenue NE, Unit 254
Atlanta, Georgia 30312

Attorneys for Plaintiff-Cross-
Appellant

Dragon Intellectual Property, LLC

FORM 19. Certificate of Compliance with Type-Volume Limitations

Form 19
July 2020**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT****CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATIONS****Case Number:** 2022-1621, 2022-1622, 2022-1777, 2022-1779**Short Case Caption:** Dragon Intellectual Property LLC v. DISH Network L.L.C.

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Date: 09/03/2024Signature: /s/Robert E. FreitasName: Robert E. Freitas

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

DRAGON INTELLECTUAL PROPERTY LLC,
Plaintiff-Cross-Appellant

v.

DISH NETWORK L.L.C.,
Defendant-Appellant

v.

**ROBERT E. FREITAS, FREITAS & WEINBERG
LLP,**
Respondents-Appellees

2022-1621, 2022-1777

Appeals from the United States District Court for the
District of Delaware in No. 1:13-cv-02066-RGA, Judge
Richard G. Andrews.

DRAGON INTELLECTUAL PROPERTY LLC,
Plaintiff-Cross-Appellant

v.

SIRIUS XM RADIO INC.,
Defendant-Appellant

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DRAGON INTELLECTUAL PROPERTY LLC v.
DISH NETWORK L.L.C.

v.

**ROBERT E. FREITAS, FREITAS & WEINBERG
LLP,**
Respondents-Appellees

2022-1622, 2022-1779

Appeals from the United States District Court for the District of Delaware in No. 1:13-cv-02067-RGA, Judge Richard G. Andrews.

Decided: May 20, 2024

JAMES F. MCDONOUGH, III, Rozier Hardt McDonough PLLC, Atlanta, GA, argued for plaintiff-cross-appellant.

LAUREN J. DREYER, Baker Botts LLP, Washington, DC, argued for all defendants-appellants. Defendant-appellant DISH Network L.L.C. Also represented by JAMIE ROY LYNN; GEORGE HOPKINS GUY, III, Palo Alto, CA; SPENCER JAMES PACKARD, Houston, TX.

MARK BAGHDASSARIAN, Kramer Levin Naftalis & Frankel LLP, New York, NY, for defendant-appellant Sirius XM Radio Inc. Also represented by SHANNON H. HEDVAT.

ROBERT E. FREITAS, Freitas & Weinberg LLP, Redwood Shores, CA, argued for respondents-appellees. Also represented by DANIEL J. WEINBERG, Hopkins & Carley, ALC, Redwood City, CA.

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Before MOORE, *Chief Judge*, STOLL, *Circuit Judge*, and
BENCIVENGO, *District Judge*.¹

Opinion for the court filed by *Chief Judge* MOORE.

Opinion dissenting-in-part filed by *District Judge*
BENCIVENGO.

MOORE, *Chief Judge*.

DISH Network L.L.C. (DISH) and Sirius XM Radio Inc. (SXM) (collectively, Appellants) appeal the United States District Court for the District of Delaware's denial-in-part of Appellants' motion for attorneys' fees under 35 U.S.C. § 285. Dragon Intellectual Property, LLC (Dragon) cross-appeals the district court's grant-in-part of attorneys' fees. For the following reasons, we affirm.

BACKGROUND

Dragon separately sued DISH, SXM, and eight other defendants in December 2013, alleging infringement of claims of U.S. Patent No. 5,930,444. In response, DISH and SXM each sent letters to Freitas & Weinberg LLP, Dragon's counsel, explaining their products were not covered by the '444 patent and a reasonable pre-suit investigation would have shown the accused products could not infringe the asserted claims. Dragon continued to pursue its infringement claims.

In December 2014, DISH filed a petition seeking *inter partes* review of the '444 patent. The Patent Trial and Appeal Board instituted review and subsequently granted SXM's request for joinder under 35 U.S.C. § 315(c). The district court stayed proceedings as to DISH and SXM

¹ Honorable Cathy Ann Bencivengo, District Judge, United States District Court for the Southern District of California, sitting by designation.

pending resolution of the Board's review but proceeded with claim construction as to the other eight defendants.

After the consolidated claim construction hearing, Freitas & Weinberg LLP withdrew as Dragon's counsel. Based on the claim construction order, Dragon, DISH, SXM, and the other eight defendants stipulated to noninfringement as to the accused products, and the district court entered judgment of noninfringement in favor of all defendants. Subsequently, the Board issued a final written decision holding unpatentable all asserted claims. *See DISH Network L.L.C. v. Dragon Intell. Prop., LLC*, No. IPR2015-00499, 2016 WL 3268756 (PTAB June 15, 2016).

In August 2016, DISH and SXM moved for attorneys' fees under 35 U.S.C. § 285 and 28 U.S.C. § 1927. Before the motions were resolved, Dragon appealed both the district court's judgment of noninfringement and the Board's final written decision. We affirmed the Board's decision, *Dragon Intell. Prop., LLC v. DISH Network LLC*, 711 F. App'x 993 (Fed. Cir. 2017), and dismissed the parallel district court appeal as moot, *Dragon Intell. Prop., LLC v. Apple Inc.*, 700 F. App'x 1005 (Fed. Cir. 2017). On remand, Dragon moved to vacate the district court's judgment of noninfringement and to dismiss the case as moot. The district court vacated the judgment of noninfringement as moot but retained jurisdiction to resolve Appellants' fees motions.

In November 2018, the district court denied Appellants' motions for attorneys' fees. The district court held neither DISH nor SXM was a prevailing party because invalidating the patent through IPR proceedings was not a basis for attorneys' fees. We reversed and remanded, holding Appellants were prevailing parties under § 285 because they successfully invalidated the asserted claims in a parallel IPR proceeding. *Dragon Intell. Prop., LLC v. DISH Network LLC*, 956 F.3d 1358, 1361–62 (Fed. Cir. 2020).

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Based on a magistrate judge report and recommendation and its own analysis, the district court determined these cases were exceptional and granted-in-part Appellants' motion for attorneys' fees under § 285 to the extent Appellants sought fees from Dragon for time spent litigating. The district court denied-in-part the motion to the extent Appellants sought attorneys' fees incurred solely during the IPR proceedings and recovery from Dragon's former counsel, Freitas & Weinberg LLP and attorney Robert Freitas (collectively, Freitas), holding § 285 does not permit either form of recovery. DISH and SXM appeal the denial-in-part of fees. Dragon cross-appeals the district court's grant-in-part of fees. We have jurisdiction pursuant to 28 U.S.C. § 1295(a)(1).

DISCUSSION

I

We first address Dragon's cross-appeal. A district court "in exceptional cases may award reasonable attorney fees to the prevailing party." 35 U.S.C. § 285. "[A]n 'exceptional' case is simply one that stands out from others with respect to the substantive strength of a party's litigating position . . . or the unreasonable manner in which the case was litigated." *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 554 (2014). Dragon challenges the district court's determination that these cases were "exceptional" under § 285.

We review exceptionality determinations for abuse of discretion. *Highmark Inc. v. Allcare Health Mgmt. Sys., Inc.*, 572 U.S. 559, 564 (2014). A district court abuses its discretion when it "fail[s] to conduct an adequate inquiry." *Atl. Rsch. Mktg. Sys., Inc. v. Troy*, 659 F.3d 1345, 1360 (Fed. Cir. 2011).

The district court determined these cases were exceptional based on "the substantive strength of Dragon's infringement position." *Dragon Intell. Prop., LLC v. Dish*

Network L.L.C., No. 13-2066, 2021 WL 3616147, at *6 (D. Del. Aug. 16, 2021) (Magistrate Rep. and Rec.). The bases for exceptionality included clear prosecution history disclaimer, which precluded a finding of infringement by any of the accused products; public availability of information demonstrating noninfringement by the accused products before Dragon filed the infringement suits; notice of noninfringement sent by Appellants to Dragon after the complaints were filed; and Dragon’s continued litigation after being put on notice of the objective baselessness of its infringement allegations. *Id.* at *6–7.

Dragon’s argument is premised on its assertion that vacatur of the noninfringement judgment invalidated the prior claim construction order. Dragon Principal and Resp. Br. 54–64. Dragon contends an award of fees based on the district court’s claim construction exposes it to harm based on an unreviewable decision. *Id.* at 63–64 (citing *United States v. Munsingwear, Inc.*, 340 U.S. 36, 40 (1950)). Therefore, Dragon argues, the district court’s reliance on its prior conclusion of clear prosecution history disclaimer was improper and its exceptionality inquiry was inadequate. We do not agree.

The district court did not abuse its discretion by relying on its prior adjudication of prosecution disclaimer during claim construction. After we dismissed Dragon’s noninfringement appeal as moot and remanded to the district court, Dragon moved under Federal Rule of Civil Procedure 60(b)(6) requesting the district court “vacate [its] final judgments of non-infringement” and dismiss the cases as moot. The district court vacated its noninfringement judgments but declined to dismiss the cases, retaining jurisdiction to resolve Appellants’ fee motions. *Dragon Intell. Prop., LLC v. Apple, Inc.*, No. 13-2058, 2018 WL 4658208, at *2–3 (D. Del. Sep. 27, 2018). Dragon did not request, and the district court did not grant, vacatur of the claim construction order.

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Dragon’s argument that vacatur of the noninfringement judgment required the district court to ignore its claim construction order in determining exceptionality is incorrect. The district court was not required to relitigate claim construction for an invalidated patent to resolve Appellants’ fee motions. Unlike *Munsingwear*, which concerned application of *res judicata* when intervening mootness prevented a non-prevailing party from obtaining judicial review, *Munsingwear*, 340 U.S. at 38–39, Dragon is not at risk of harm by enforcement of the district court’s claim construction order.

Even though vacatur of the noninfringement judgment did not entitle Dragon to a claim construction do-over, the magistrate judge independently considered whether the prosecution history disclaimed the functionality of the accused devices in her exceptionality inquiry. Magistrate Rep. and Rec. at *6 n.10 (noting the clear and unambiguous prosecution history disclaimer of accused products and rejecting Dragon’s argument of entitlement to “a do-over on a clean slate”). The district court analyzed the prosecution history multiple times for this very issue. *See id.*; *Dragon Intell. Prop., LLC v. Apple, Inc.*, No. 13-2058, 2015 WL 5298938, at *4 (D. Del. Sep. 9, 2015) (claim construction order); *Dragon Intell. Prop., LLC v. DISH Network L.L.C.*, No. 13-2066, 2021 WL 5177680, at *2 (D. Del. Nov. 8, 2021) (granting-in-part fees under § 285). Dragon has not presented any grounds for holding that this constitutes an inadequate inquiry.

We hold the district court did not abuse its discretion in declaring these cases exceptional and affirm the district court’s grant-in-part of Appellants’ motions for attorneys’ fees.

II

We next address Appellants’ appeal of the denial-in-part of fees. Appellants argue the district court erred in denying attorneys’ fees incurred during the IPR

proceedings and declining to hold Freitas jointly and severally liable with Dragon for the fee award. The district court concluded § 285 did not permit either form of recovery. We review the scope of § 285 de novo. *Waner v. Ford Motor Co.*, 331 F.3d 851, 857 (Fed. Cir. 2003). We hold § 285 does not entitle Appellants to recovery of fees incurred in parallel IPR proceedings and does not entitle Appellants to hold Dragon’s counsel jointly and severally liable for fees.

A. Fees Incurred in IPR Proceedings

Appellants challenge the district court’s conclusion that fees incurred in the parallel IPR proceedings are not recoverable under § 285. Appellants contend the IPR proceedings were “part and parcel” of the case, and the optional nature of IPR proceedings does not compel the denial of IPR fees. We do not agree.

Appellants voluntarily pursued parallel proceedings in front of the Board instead of arguing invalidity before the district court. Indeed, there are advantages to doing so. In district court, challengers must prove each patent claim invalid by clear and convincing evidence. *Microsoft Corp. v. i4i Ltd. P’ship*, 564 U.S. 91, 95 (2011). Before the Board, petitioners need only establish unpatentability by a preponderance of the evidence. 35 U.S.C. § 316(e). By statute, IPR proceedings must be completed within one year of institution, 35 U.S.C. § 316(a)(11), providing an expeditious alternative to potentially years-long litigation. Based on these advantages, parties often strategically choose to argue invalidity before the Board. The “vast majority” of IPR petitioners are sued by patent owners in another venue before filing petitions. UNITED STATES PATENT AND TRADEMARK OFFICE, PATENT TRIAL AND APPEAL BOARD PARALLEL LITIGATION STUDY 3 (June 2022). In cases where a party voluntarily elects to pursue an invalidity challenge through IPR proceedings, we see no basis for awarding IPR fees under § 285. The dissent takes issue with

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characterization of Appellants' participation in IPR proceedings as "voluntary." Appellants were not compelled to argue invalidity before the Board. Eight other defendants chose not to pursue such proceedings and continued to litigate in district court.

Our holding is consistent with *PPG Industries v. Celanese Polymer Specialties Co.*, 840 F.2d 1565 (Fed. Cir. 1988), on which Appellants rely. In *PPG*, we held that fees incurred by a defendant in reissue proceedings were recoverable under § 285. *Id.* at 1568–69. The district court in *PPG* denied the defendant reissue fees, reasoning participation in the reissue proceedings was "non-mandatory" and the party had the option of arguing validity before the court. *PPG Indus. v. Celanese Polymer Specialties Co.*, 658 F. Supp. 555, 561 (W.D. Ky. 1987). We reversed on the grounds that the defendant's participation in the reissue proceedings was "not optional" because the plaintiff had initiated the reissue proceedings and "forced" the defendant to perform before the Board "precisely the same type of work" the defendant would have performed at trial, so the defendant "had no other option available." *PPG Indus.*, 840 F.2d at 1568. Those are not the circumstances here, where Appellants' initiation of and participation in the IPR proceedings was voluntary.

Appellants also argue the district court misapplied our holding in *Amneal Pharmaceuticals LLC v. Almirall, LLC*, 960 F.3d 1368 (Fed. Cir. 2020), in concluding IPRs are not "cases" under § 285. In *Amneal*, we denied the patent owner's request for fees incurred in IPR proceedings because "section 285 does not authorize [us] to award fees for work that was done before the agency on appeal from an IPR." *Id.* at 1371–72. We rejected the patent owner's argument that our previous guidance to view cases "more as an 'inclusive whole' . . . when analyzing fee-shifting under § 285," *Therasense, Inc. v. Becton, Dickinson & Co.*, 745 F.3d 513, 516–17 (Fed. Cir. 2014) (citation omitted), required application of § 285 to fees incurred in IPR

proceedings. *Amneal*, 960 F.3d at 1371–72. We specifically noted “we were clearly only referring to district court and appellate court proceedings.” *Id.* at 1372. Appellants argue *Amneal* is distinguishable because there we denied fees for an IPR instituted before any district court suit was filed, *see id.* at 1370, but here the IPR was filed after Dragon filed suit in district court. While true, this distinction neither renders irrelevant *Amneal*’s analysis of § 285 nor creates inconsistency with our precedent.

We note that a district court is particularly well-positioned to determine whether a case before it is exceptional because it “lives with the case over a prolonged period of time.” *Highmark*, 572 U.S. at 564. Were “cases” under § 285 to include IPR proceedings, district court judges would be tasked with evaluating the exceptionality of arguments, conduct, and behavior in a proceeding in which they had no involvement. Such an inquiry is inconsistent with the rationale articulated in *Highmark* and the deference with which we review exceptionality determinations. *See id.* Indeed, the district court determined these cases exceptional based on Dragon’s substantive litigation position in the district court and its finding of clear prosecution history disclaimer. These bases for exceptionality are wholly unrelated to parallel proceedings before the Board.

For these reasons, we reject Appellants’ argument that § 285 allows recovery of fees incurred in the voluntarily undertaken parallel IPR proceedings.

B. Attorney Liability

Appellants challenge the district court’s holding that a party’s counsel of record cannot be held jointly and severally liable for fee awards under § 285. Appellants argue § 285 permits wide discretion in fashioning fee awards based on the circumstances of the case. We agree with the district court’s analysis and hold that liability for attorneys’ fees awarded under § 285 does not extend to counsel.

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We find support for this conclusion in the text of the statute. Section 285 is silent as to who can be liable for a fee award. Conversely, other statutes explicitly allow parties to recover costs and fees from counsel. For example, under 28 U.S.C. § 1927, “[a]ny attorney . . . who so multiplies the proceedings in any case unreasonably and vexatiously may be required by the court to satisfy personally the excess costs, expenses, and attorneys’ fees reasonably incurred because of such conduct.” Similarly, Federal Rule of Civil Procedure 11 expressly allows the court to impose monetary sanctions on attorneys and law firms, which can include “all of the reasonable attorney’s fees and other expenses” incurred as a result of sanctionable conduct. Fed. R. Civ. P. 11(c)(1), (c)(4). Section 285, however, does not identify counsel as liable for a fee award. Statutes and rules that expressly identify counsel as liable are more appropriate vehicles to recover fees from counsel.

Appellants acknowledge that other courts have similarly declined to extend liability under fee-shifting statutes to counsel when the statute is silent on the issue, *see, e.g., In re Crescent City Ests., LLC*, 588 F.3d 822, 825 (4th Cir. 2009), but argue Congress’ inclusion of exceptionality language in § 285 indicates intent to allow recovery of fee awards from counsel and parties alike. We do not agree. That Congress has expressly allowed recovery of costs and fees against counsel elsewhere but intended to imply such a provision in § 285 with exceptionality language is untenable. *Cf. Roadway Exp., Inc. v. Piper*, 447 U.S. 752, 761 (1980) (refusing to allow “costs” recoverable against counsel under 28 U.S.C. § 1927 (1948) to include attorneys’ fees by reading in such a provision where the statute was silent). The requirement of § 285 that a case be exceptional for the prevailing party to recover attorneys’ fees does not create by implication a presumption that liability can extend to counsel. When, as here, the statute does not provide for fee awards against attorneys and other statutes expressly do for similar types of conduct, it is reasonable to

conclude, as the district court did, that fees cannot be assessed against counsel.

Appellants argue we have previously allowed assessment of § 285 fees against non-parties based on the nature of the case's exceptionality. Appellants rely primarily on *Ohio Cellular Products Corp. v. Adams USA, Inc.*, where we affirmed a determination that the plaintiff's president and sole shareholder, who committed inequitable conduct during prosecution of a patent, could be joined as a third-party against whom fees could be collected. 175 F.3d 1343, 1352 (Fed. Cir. 1999), *rev'd sub nom. Nelson v. Adams USA, Inc.*, 529 U.S. 460 (2000). The Supreme Court reversed our opinion on due process grounds but noted its decision "surely does not insulate" the third party "from liability." *Nelson*, 529 U.S. at 472. Unlike here, the third-party in *Nelson* was not counsel for either party. In no case have we imposed liability against a third party because they were a party's attorney. We see no basis in our precedent to allow Appellants to recover § 285 fees from counsel, especially where, as here, exceptionality was based on Dragon's substantive litigation position and not on counsel's manner of litigating.

For these reasons, we reject Appellants' argument that § 285 allows Freitas to be held jointly and severally liable for the fee award and affirm the district court's denial-in-part of fees.

CONCLUSION

We have considered the parties' remaining arguments and find them unpersuasive. We affirm the district court's judgment granting-in-part and denying-in-part Appellants' motions for attorneys' fees.

AFFIRMED

COSTS

No costs.

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

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Plaintiff-Cross-Appellant

v.

DISH NETWORK L.L.C.,
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DRAGON INTELLECTUAL PROPERTY LLC v.
DISH NETWORK L.L.C.

v.

**ROBERT E. FREITAS, FREITAS & WEINBERG
LLP,**
Respondents-Appellees

2022-1622, 2022-1779

Appeals from the United States District Court for the District of Delaware in No. 1:13-cv-02067-RGA, Judge Richard G. Andrews.

BENCIVENGO, *District Judge*, dissenting-in-part.

I join Parts I and II.B of the majority’s opinion, but I respectfully dissent from Part II.A. The majority categorically holds that § 285 does not entitle a defendant to recover fees incurred in IPR proceedings that the defendant sought to institute after being sued for infringement. I disagree.

The majority, by characterizing Appellants’ election to utilize IPR as “voluntary” and “parallel” to the district court litigation, holds that there is no basis for awarding IPR fees under § 285. Appellants did not “voluntarily” seek to invalidate Dragon’s patents through IPR as would arguably have been the case had Appellants initiated IPR before Dragon filed this lawsuit. Instead compelled to contest the validity of Dragon’s patents in response to Dragon’s meritless infringement suit, Appellants exercised their statutory option to litigate their affirmative invalidity defenses in IPR.

As contemplated by the creation of IPR, Appellants utilized this substitute venue pursuant to 35 U.S.C. § 315(b) for efficiencies in lieu of district court proceedings. There are advantages in doing so for challengers to be sure, as the

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majority points out, but there are also constraints. For instance, the challenge must be submitted fully formed within 12 months of the suit being served with little, if any, discovery. The results are binding. Estoppel provisions preclude the challenger from asserting in the district court invalidity arguments that were raised or could have been raised in IPR. 35 U.S.C. § 315(e)(2).

In this case the IPR was not “parallel” to the district court litigation. The Appellants were not litigating invalidity, or anything else, in parallel in the district court. To the contrary, at Appellants’ request, the district court stayed the litigation pending the outcome of the IPR. The IPR, therefore, substituted for district court litigation on Appellants’ validity challenge. *See* 157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (if an inter partes review is instituted while litigation is pending, that review will completely substitute for at least the patent-and-printed publications portion of the civil litigation). The Appellants’ success in the IPR proceeding led to the determination that Appellants were the prevailing party in this litigation. *Dragon Intell. Prop., LLC v. DISH Network LLC*, 956 F.3d 1358, 1361–62 (Fed. Cir. 2020).

The majority expresses concern that a district court is not situated to make an exceptional case finding based on the proceedings in the IPR over which it did not preside. That, however, is not the situation at hand. The Appellants do not seek an exceptional case finding based on the outcome of the IPR.

The district court found this case exceptional based on a determination that it was objectively baseless from its inception. Appellants seek the fees they expended in the IPR, in which they prevailed, as compensation for their defense of this baseless litigation. The incurrence of these fees is not wholly unrelated to the bases for exceptionality. Appellants incurred fees in the IPR that they would not have incurred but for being sued by Dragon in a case that should

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not have been initiated by Dragon. To categorically preclude recovery of IPR fees in this circumstance is inconsistent with § 285 or the intent of IPR itself.

In a case such as this, where exceptionality is based on a determination that the case was objectively baseless from its inception, it should be within the discretion of the district judge to award *all* reasonable fees incurred by the prevailing defendant, including fees incurred in an IPR that resolved any invalidity defenses that were required to be asserted in response to the baseless complaint.

Accordingly, I respectfully dissent-in-part from this portion of the majority opinion, and this court should reverse the district court's decision denying Appellants' request for fees incurred in IPR.