

No. 2026-123

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

IN RE: VOLKSWAGEN GROUP OF AMERICA, INC.
Petitioner.

On Petition for Writ of Mandamus
from the United States Patent and Trademark Office,
Patent Trial and Appeal Board in No. IPR2025-00925

DIRECTOR'S RESPONSE TO PETITION FOR WRIT OF MANDAMUS

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INTRODUCTION

“Given Congress committed institution decisions to the Director’s discretion and protected that exercise of discretion from judicial review by making such determinations final and nonappealable, mandamus is ordinarily unavailable for review of institution decisions.” *In re Motorola Solutions, Inc.*, 159 F.4th 30, 36 (Fed. Cir. 2025) (precedential) (cleaned up); *see also In re Cambridge Indus. USA Inc.*, No. 2026-101, 2025 WL 3526129, at *2 (Fed. Cir. Dec. 9, 2025); *In re HighLevel, Inc.*, No. 2025-148, 2025 WL 3527144, at *1 (Fed. Cir. Dec. 9, 2025); *In re Sandisk Techs., Inc.*, No. 2025-152, 2025 WL 3526507, at *1 (Fed. Cir. Dec. 9, 2025) (relying on *Cambridge*); *In re Google LLC*, No. 2025-144, 2025 WL 3096849, at *1 (Fed. Cir. Nov. 6, 2025); *In re SAP America, Inc.*, No. 2025-132, 2025 WL 3096788, at *2 (Fed. Cir. Nov. 6, 2025). The *only* circumstance in which this Court can review—on mandamus—the Director’s decision to deny IPR institution is when there exists a colorable constitutional challenge to the Director’s exercise of his discretion. *See Mylan Lab’ys Ltd. v. Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1382 (Fed. Cir. 2021). And to obtain the “drastic and extraordinary” mandamus remedy, a petitioner

must show that it has (1) a “clear and indisputable” right to relief; (2) no “alternative avenues of relief”; and (3) that “the writ is appropriate under the circumstances.” *Cheney v. U.S. Dist. Ct. for D.C.*, 542 U.S. 367, 379-81 (2004) (quotation marks omitted).

Petitioner’s argument that Congress unconstitutionally vested discretion to decide whether or not to initiate an IPR in the USPTO Director runs headlong into established case law. To begin, as Petitioner admits, the Supreme Court and this Court have repeatedly explained that Congress gave the Director unreviewable discretion to deny IPR institution. Thus, Petitioner’s argument that the Director or his delegees have denied institution in a way contrary to some legislative determination that institution must be available in some circumstances is incorrect. And Petitioner’s contention that Congress violated the nondelegation doctrine in affording the Director such discretion is equally without merit. Like other forms of enforcement discretion, the Director’s discretion under 35 U.S.C. § 314 to decide whether to institute an administrative proceeding to review the validity of an issued patent implicates non-legislative powers of the sort

traditionally left to the Executive Branch. Statutes conferring enforcement authority on agency officials typically lack standards against which to judge the agency's exercise of discretion in a particular case, and Congress's adherence to that ordinary practice in the American Invents Act (AIA) raises no constitutional concerns.

Petitioner's reliance on the Fifth Circuit's unaffirmed nondelegation analysis in *Jarkesy v. SEC*, 34 F.4th 446 (5th Cir. 2022), is misplaced. Even were the Fifth Circuit's view of "legislative" authority tenable, that decision would not assist Petitioner. The Fifth Circuit distinguished an agency's discretion to initiate enforcement proceedings in the first place (as here) from what it deemed an unconstitutional degree of agency discretion to choose an administrative enforcement proceeding in lieu of an Article III proceeding affording a jury trial (which Petitioner here seeks to avoid).

Petitioner similarly cannot satisfy the mandamus standard's other requirements. Petitioner says that it has no other avenue for relief because this Court has said that review of institution decisions is available only through mandamus. But that just highlights the fact

that Petitioner is attempting to obtain judicial review of decisions this Court has recognized are within the USPTO's unreviewable discretion. Petitioner asserts only a desire to invalidate patent claims in its preferred forum. Petitioner has "alternative avenues of relief" through which it may seek invalidation of the challenged patent claims, including a pending district court litigation between the parties and *ex parte* reexamination.

Petitioner cannot otherwise show that mandamus relief would be appropriate. Congress gave the Director wide latitude to manage IPR proceedings, insulating institution decisions from appellate review. The Acting Director's action here reflects the practical reality that each Director must balance requests for administrative review of patent claims against the other needs of the USPTO and the patent system more generally. Acting Director Stewart executed that responsibility based upon the conditions existing when she rendered her institution decision in September 2025. Petitioner's request for a judicial order forcing the Director to comply with a new ruling eliminating enforcement discretion Congress intended to bestow on the Director

would inappropriately hamstring the Director in discharging his responsibility to implement the nation's patent laws. Thus, even apart from Petitioner's inability to meet the other mandamus criteria, the Court should decline to use its discretion to issue an extraordinary writ.

BACKGROUND

1. When Congress created inter partes review, it set out various statutory bars precluding the USPTO Director from instituting an IPR, but no set of circumstances in which institution is required. *See* 35 U.S.C. §§ 314(a), 315. Congress further provided that although the agency's final written decision with respect to patentability is subject to appeal in this Court, *see id.* §§ 318, 319, the determination by the Director whether to institute an IPR is "final and nonappealable," *id.* § 314(d). Both this Court and the Supreme Court have repeatedly made clear that the USPTO is under "no mandate to institute review" and the "decision to deny [an IPR] petition is a matter committed to the Patent Office's discretion." *Mylan*, 989 F.3d at 1382 (quoting *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 273 (2016)). Thus, "[t]he Director is permitted, but never compelled, to institute an IPR," and "no petitioner has a right to ... institution." *Id.*

2. Historically, the Director delegated broad discretion over whether to institute IPR proceedings to the Board, *see* 37 C.F.R. § 42.4(a), and Directors have set out various criteria for the Board to use in employing that delegated authority. *See, e.g., General Plastic Indus. Co. v. Canon Kabushiki Kaisha*, No. IPR2016–01357, 2017 WL 3917706 (P.T.A.B. Sept. 6, 2017) (precedential) (discussing discretionary factors for multiple IPR petitions); *Apple Inc. v. Fintiv, Inc.*, No. IPR2020-00019, 2020 WL 2126495 (P.T.A.B. Mar. 20, 2020) (precedential) (discussing a non-exhaustive list of factors to address concerns about redundancy or wastefulness based upon parallel district court litigation).

3. On March 26, 2025, Acting Director Stewart issued a memorandum entitled “Interim Processes for PTAB Workload Management” (Workload Memo), in order “[t]o ensure that the PTAB continues to meet its statutory obligations as to *ex parte* appeals, while continuing to maintain its capacity to conduct AIA proceedings.”¹ The

¹See <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf> (last visited, Feb. 3, 2026)

memo provided that “the Director, in consultation with at least three PTAB judges, will determine whether discretionary denial of institution is appropriate.” *Id.* The memo outlined a new briefing schedule that bifurcated briefing between (1) discretionary considerations and (2) merits and other non-discretionary statutory considerations. *Id.* The briefing on discretionary considerations would “address all relevant considerations” and “considerations bearing on the Director’s discretion” including “[s]ettled expectations of the parties, such as the length of time the claims have been in force.” *Id.* at 2-3. The guidance outlined in the memo applied prospectively to “IPR and PGR proceedings where the deadline for the patent owner to file a preliminary response has not yet passed.” *Id.* at 3.²

² The new USPTO Director, John Squires, temporarily delegated his discretion over IPR institution decisions to now-Deputy Director Stewart. <https://www.uspto.gov/sites/default/files/documents/deshpande-delegation-letter.pdf> (last visited Feb. 3, 2026). On October 17, 2025, the Director announced that going forward, although the bifurcated briefing process in the Interim Processes memo would remain in place, he would both (1) directly exercise his discretion over IPR institution decisions and (2) perform the merits-based institution determination. *See* https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf (last visited Feb. 3, 2026).

Later, Acting Director Stewart discretionarily denied institution in *Dabico Airport Solutions Inc. v. AXA Power ApS*, IPR2025-00408, 2025 WL 1710857 (P.T.A.B. Jun. 18, 2025) (Acting Director Jun. 18, 2025) (*Dabico*). In *Dabico*, Acting Director Stewart “exercise[d] discretion to deny institution [] based on a holistic assessment of all of the evidence and arguments presented.” *Id* at *2. *Dabico* further noted that there, “the challenged patent has been in force almost eight years, creating settled expectations.” *Id.* at *1. Because in its briefing, Petitioner did not provide “persuasive reasons why the Office should review the challenged patent . . . the Office is disinclined to disturb the settled expectations of Patent Owner in this instance.” *Id.*

4. This mandamus petition concerns an IPR petition brought by Volkswagen Group of America, Inc. (“Volkswagen” or “Petitioner”) against a patent owned by Longhorn Automotive Group LLC (“Longhorn” or “Patent Owner”). *See* Appx8-120. In accordance with the bifurcated briefing schedule, Longhorn requested that the Acting Director discretionarily deny institution in view of, among other things, Longhorn’s settled expectations concerning the patent, which was in

force for 13 years as of the IPR petition's filing date. Appx134-135. Volkswagen responded by arguing, among other things, that the Examiner committed material error during prosecution, which outweighs any of Longhorn's settled expectations. Appx184-186.

Siding with Longhorn, Acting Director Stewart denied institution "based on the totality of the evidence and arguments the parties have presented." Appx2. Acting Director Stewart credited Longhorn's settled expectations in a 13-year-old patent and was not persuaded by Volkswagen's allegations of material error by the Examiner. Her decision stated that "Petitioner's argument that the Examiner erred is unconvincing as it does not accurately characterize the prosecution history." Appx2. Volkswagen sought Director Review (Appx205-217), which the Director denied (Appx5-6).

Volkswagen now petitions for a writ of mandamus to overturn Acting Director Stewart's discretionary decision declining to institute IPR.

ARGUMENT

I. Congress Constitutionally Committed The Decision Whether To Institute An Inter Partes Review To The USPTO Director's Discretion

To be eligible for mandamus relief, a petitioner must show a “clear and indisputable” right to relief. *In re Dominion Dealer Sols., LLC*, 749 F.3d 1379, 1381 (Fed. Cir. 2014) (quotation marks omitted); *see also Cheney*, 542 U.S. at 380-81. Here, Petitioner fails to articulate any constitutional problem with the Director’s well-established discretion to decline to institute an inter partes review, let alone a “clear and indisputable” violation warranting a writ of mandamus.

A. The Supreme Court And This Court Have Repeatedly Held That The Director Has Unreviewable Discretion To Deny Institution Of An IPR.

It is well settled that under the AIA, Congress intended for the USPTO Director to have unreviewable discretion to deny institution of an IPR. Petitioner admits that “[t]he Supreme Court and Federal Circuit have, thus far, interpreted 35 U.S.C. § 314 to give the USPTO Director complete discretion in deciding to deny institution of inter partes review.” Pet. 7. Indeed, § 314(a) provides the Director with institution discretion, while in § 314(d), Congress expressly precluded

judicial review of the Director’s “determination ... whether to institute an inter partes review,” providing that the decision is “final and nonappealable.” 35 U.S.C. § 314(d). While various statutory strictures preclude the Director from granting a petition to institute an IPR, *see, e.g.*, 35 U.S.C. § 315(a), (b), no statutory provision compels institution in any circumstance. Thus, the Supreme Court in *Cuozzo* invoked 35 U.S.C. § 314 to hold that the “decision to *deny* a petition [for IPR] is a matter committed to the Patent Office’s discretion,” *Cuozzo*, 579 U.S. at 273 (emphasis added); *see also United States v. Arthrex, Inc.*, 594 U.S. 1, 8-9 (2021).

Accordingly, just “as agencies generally are free ... to choose not to initiate enforcement proceedings,” the Director is free to choose not to institute an IPR for any constitutionally permissible reason, such as “administrative efficiency.” *Mylan*, 989 F.3d at 1382 (citing *Heckler v. Chaney*, 470 U.S. 821, 830-32 (1985)). The Supreme Court and this Court have repeatedly examined the AIA and failed to find extratextual strictures on the Director’s ability to decline to initiate an administrative proceeding. *See Cuozzo*, 579 U.S. at 273; *Mylan*, 989

F.3d at 1382; *Apple Inc. v. Vidal*, 63 F.4th 1, 15 (Fed. Cir. 2023) (referencing “[t]he general rule that non-enforcement choices are committed to agency discretion by law.”); *Motorola*, 159 F.4th at 37.

Petitioner argues that by discretionarily denying institution of IPRs based on settled expectations, the Director rejects Congress’s policy judgment and is “creating legislative policy out of whole cloth.” Pet. 13-14. But this argument contradicts Petitioner’s own admission that the Supreme Court and this Court have understood § 314 to provide the Director with unreviewable discretion to institute IPRs. Pet. 7-8, 11, 14. In fact, Congress never expressed a judgment that IPR institution is required in any particular circumstance but “has committed the [institution] decision ... to the Director’s unreviewable discretion.” *Arthrex, Inc.*, 594 U.S. at 8-9; *see also* 35 U.S.C. §§ 314(a), 324(a). With this discretion, Congress gave the Director authority and flexibility to consider multiple factors and allocate resources within the USPTO based on current demands and agency priorities. By exercising discretion to deny IPR institution, the Director is following Congress’s directives, not subverting them.

Petitioner relies on dicta from *Cuozzo* suggesting that the Director must honor “the public’s interest in keeping patent monopolies within their legitimate scope.” Pet. 15. But *Cuozzo* did not suggest that Congress instructed the Director to consider all patentability disputes brought by an IPR petitioner. Rather, *Cuozzo* recognized that IPR is an administrative procedure that “*offers* a second look at an earlier administrative grant of a patent” (*Cuozzo*, 579 U.S. at 279 (emphasis added)) only if the Director determines that institution is warranted. As with other administrative actions designed to determine compliance with federal law, the initiating agency is free to base the decision whether such an action is warranted upon multiple considerations independent of merit, including where “agency resources are best spent” and an “agency’s overall policies.” *Chaney*, 470 U.S. at 831; *see Mylan*, 989 F.3d at 1382.

B. Petitioner’s Nondelegation Arguments Are Meritless.

Petitioner’s contention that Congress unconstitutionally bestowed discretion on the USPTO Director to decide when to institute an inter partes review is entirely without merit. The nondelegation doctrine prohibits Congress from “unlawful[ly] delegati[ng] ...

legislative power.” *Whitman v. American Trucking Ass’ns*, 531 U.S. 457, 472 (2001) (emphasis added). Like other forms of enforcement discretion, the Director’s discretion under 35 U.S.C. § 314 to decide to forgo an administrative proceeding to review the validity of an issued patent implicates non-legislative powers of the sort traditionally left to the Executive Branch.

1. Under the nondelegation doctrine, Congress may not delegate “powers which are strictly and exclusively legislative.” *Gundy v. United States*, 588 U.S. 128, 135 (2019) (plurality). Only in challenges to broadly applicable agency rules governing private conduct has the Supreme Court ever perceived a meaningful concern that Congress might have effectively authorized other actors to perform the legislative functions that the Constitution assigns to Congress. *See, e.g., id.* at 146-47 (plurality opinion) (rules governing registration of sex offenders); *Whitman*, 531 U.S. at 472-476 (environmental rules); *Panama Ref. Co. v. Ryan*, 293 U.S. 388, 420-433 (1935); (rules governing commerce in petroleum); *A.L.A. Schechter Poultry Corp. v. United States*, 295 U.S. 495, 529-42 (1935) (fair-competition code issued by the President).

By contrast, “Congress may ‘obtain[] the assistance of its coordinate Branches’—and in particular, may confer substantial discretion on executive agencies to implement and enforce the laws.” *Gundy*, 588 U.S. at 135 (quoting *Mistretta v. United States*, 488 U.S. 361, 372 (1989)). Indeed, discretionary decisions about how to enforce the law fall within a classic form of executive power stemming from the President’s authority to “take Care that the Laws be faithfully executed.” U.S. Const. Art. II, § 3; see *United States v. Texas*, 599 U.S. 670, 1971 (2023); *Chaney*, 470 U.S. at 832. “[T]he choice of how to prioritize and how aggressively to pursue legal actions against” violations of the law “falls within the discretion of the Executive Branch.” *TransUnion LLC v. Ramirez*, 594 U.S. 413, 429 (2021).

Accordingly, in *Chaney*, the Supreme Court held that an agency’s decision not to pursue an enforcement action ordinarily is unreviewable under the APA because it is “committed to agency discretion by law” within the meaning of 5 U.S.C. 701(a)(2). See 470 U.S. at 830-832. The Court explained that, under Section 701(a)(2), “review is not to be had if the statute is drawn so that a court would have no meaningful standard

against which to judge the agency’s exercise of discretion.” *Id.* at 830. The Court also observed that “an agency’s decision not to prosecute or enforce, whether through civil or criminal process, is a decision generally committed to an agency’s absolute discretion.” *Id.* at 831. The reasons for such discretion are “many,” given “the general unsuitability for judicial review of agency decisions to refuse enforcement,” such as the Executive Branch’s “complicated balancing of a number of factors ... peculiarly within [the agency’s] expertise,” involving not only “whether a violation has occurred, but whether agency resources are best spent on this violation or another” and “whether the particular enforcement action requested best fits the agency’s overall policies.” *Id.*

The Supreme Court in *Chaney* indicated that “Congress may limit an agency’s exercise of enforcement power if it wishes, either by setting substantive priorities, or by otherwise circumscribing an agency’s power to discriminate among issues or cases it will pursue.” 470 U.S. at 833. But in holding that an agency’s decision not to enforce is “presumptively unreviewable,” *id.* at 832, the Court recognized that statutes conferring

enforcement authority on agency officials *typically* contain “no meaningful standard against which to judge the agency’s exercise of discretion” in a particular case, *id.* at 830.

2. In authorizing the USPTO Director to decline to initiate an administrative proceeding to review whether a patent was issued in violation of certain patent laws, Congress did not delegate legislative power. As the Supreme Court has explained, Congress has committed the “decision to deny a petition” to institute an inter partes review to “the Patent Office’s discretion.” *Cuozzo*, 579 U.S. at 273; *see also supra* § I.A. That choice reflects commonplace legislative practice, entirely consistent with the Executive Branch’s usual discretion to decide whether to initiate an enforcement proceeding to remedy a potential violation of the laws (here, the requirements of 35 U.S.C. §§ 102 and 103 based on certain prior art during the initial issuance of the challenged patent claim).

Petitioner does not dispute that the statute includes constraints on the USPTO’s ability to enforce the patent laws through inter partes review by specifying the types of patentability errors that may be

pursued through such agency proceedings, as well as the remedy the USPTO is to impose if it finds a patent claim invalid. *See* 35 U.S.C. § 311(b) (limiting IPR to requests “to cancel as unpatentable 1 or more claims of a patent only on a ground that could be raised under section 102 or 103 and only on the basis of prior art consisting of patents or printed publications”); *id.* § 318 (directing the Director to “publish a certificate canceling any claim of the patent finally determined to be unpatentable” after opportunity for appeal). The Supreme Court has dismissed nondelegation concerns in such circumstances. *See, e.g., United States v. Batchelder*, 442 U.S. 114, 126 (1979) (reiterating prosecutorial discretion “routinely exercise[d] in enforcing the criminal laws,” and reasoning that “[h]aving informed the courts, prosecutors, and defendants of the permissible punishment alternatives available under each [statute], Congress ha[d] fulfilled its duty”).

Rather, Petitioner complains (Pet. 11-15) only that Congress failed to impose additional constraints that *require* the USPTO Director to institute inter partes review in some circumstances. But the absence of any such constraints *mandating* an administrative enforcement

proceeding is the established norm and does not suggest any constitutional infirmity. *Cf. Texas*, 599 U.S. at 676-80 (discussing Executive Branch discretion to decide whether to pursue legal violations even in the context of “statutory arrest mandates”). Because an agency’s choice whether to avail itself of a legally available administrative proceeding to evaluate conformity to the law is presumptively unconstrained and unreviewable, Congress had no constitutional duty to provide intelligible principles to guide the Director’s exercise of discretion here. *See Batchelder*, 442 U.S. at 126.

3. Petitioner’s contrary claim (Pet. 14-15, 17-18) turns on the view of the nondelegation doctrine reflected in *Jarkesy v. SEC*, 34 F.4th 446 (5th Cir. 2022), a judgment the Supreme Court affirmed on other grounds without endorsing the Fifth Circuit’s nondelegation discussion, *see SEC v. Jarkesy*, 603 U.S. 109, 121 (2024) (explaining that because its resolution of “the jury trial question resolves this case,” it did “not reach the nondelegation or removal issues”). But the *Jarkesy* panel majority, like Petitioner here, proceeded on a misunderstanding of what constitutes legislative power—one that would dramatically expand the

nondelegation doctrine beyond anything recognized by the Supreme Court.

As six Fifth Circuit judges explained, the *Jarkesy* panel majority opinion “borrow[ed]” a capacious “definition of ‘legislative power from [*INS v. Chadha*, 462 U.S. 919, 952 (1983)]—a case that does not discuss the nondelegation doctrine—and incorrectly applie[d] it.” *Jarkesy v. SEC*, 51 F.4th 644, 646 (5th Cir. 2022) (Haynes, J., dissenting from denial of rehearing en banc). The *Jarkesy* panel majority defined all government actions as “‘legislative’ if they have ‘the purpose and effect of altering the legal rights, duties and relations of persons ... outside the legislative branch.’” 34 F.4th at 461 (quoting *Chadha*, 462 U.S. at 952). But that definition of nondelegable legislative power cannot be reconciled with the myriad “real-world examples of executive action” that satisfy it, yet nonetheless have long been recognized to be properly exercised by the Executive Branch. *Jarkesy*, 51 F.4th at 646 (Haynes, J., dissenting from denial of rehearing en banc). Decisions to, e.g., choose between felony and misdemeanor charges, or to exercise discretion *not* to enforce, “certainly alter[] your legal rights and duties”

but have never been considered “an exercise of legislative power.” *Id.* The *Jarkesy* panel majority’s conclusion to the contrary cannot be reconciled with the Supreme Court’s explanations regarding Executive Branch discretion and would dramatically and unjustifiably expand the nondelegation doctrine; this Court should decline to join it. And at a minimum, this unaffirmed aspect of the *Jarkesy* panel majority’s decision is not a clear and indisputable basis that could support a writ of mandamus.

C. Even Assuming *Jarkesy*’s Nondelegation Analysis Is Valid, It Would Not Support Petitioner’s Constitutional Claim.

As explained, Petitioner’s contention that Congress delegated legislative power to the USPTO Director is incorrect. But even assuming that the *Jarkesy* panel majority’s expansive view of “legislative” power for purposes of the nondelegation doctrine were sound, *Jarkesy* would still not support Petitioner’s constitutional challenge here. The *Jarkesy* challengers argued that they were entitled to a jury trial. *See* Pet’rs’ Br. at 37, *Jarkesy v. SEC*, 2021 WL 1044807 (5th Cir.) (arguing “[t]he delegated power of the Commission to institute administrative enforcement actions against targets—instead of

Article III actions [in which a jury trial is available]—clearly alters the legal rights, duties and relations of those targets” and was thus unconstitutional). In response, the *Jarkesy* panel majority faulted the SEC statute that gave the agency discretionary “power to bring securities fraud actions for monetary penalties within the agency” instead of before a jury. 34 F.4th at 461. It was in that context that the Fifth Circuit found a constitutional defect in the SEC’s “power to decide which defendants should receive *certain legal processes* (those accompanying Article III proceedings) and which should not.” *Id.* at 462.

Here, however, Petitioner is not seeking the “legal processes” attendant to a jury trial—Petitioner instead seeks to *avoid* such processes entirely by arguing that the Director wrongly declined to institute an administrative proceeding to adjudicate its patentability challenge. *Jarkesy*, 34 F.4th at 462. Such a complaint bears no resemblance to what the Fifth Circuit addressed in *Jarkesy*. Indeed, Petitioner complains about the very thing that the Fifth Circuit explained was *not* a nondelegation problem: Congress’ choice to “give

the [agency] the power to decide whether to bring enforcement actions in the first place.” *Id.* That is the only power that Petitioner here contends that Congress unconstitutionally delegated to the USPTO Director: the authority to decide whether to initiate an inter partes review or not. Unlike *Jarkesy*, here the USPTO Director is not enforcing patent laws by initiating an administrative proceeding in lieu of using a district court proceeding to review the patentability of previously issued patents. The USPTO Director, thus, does not exercise the power of choice *Jarkesy* found constitutionally objectionable—the choice between an agency enforcement action in an Article III court and an agency enforcement action in an administrative proceeding.³ *See id.* Moreover, unlike the challengers in *Jarkesy*, Petitioner does not assert an injury based on the deprivation of a jury trial, and for good reason, given that

³ Even were the potential for actions between private parties relevant to the nondelegation analysis, Petitioner is incorrect in assuming that the denial of an IPR petition “force[s] invalidity challenges into district court.” Pet. 12. Although institution denial leaves a petitioner free to attempt to raise invalidity arguments in district court, the denial does not force anyone to argue invalidity in a district-court proceeding. And as noted below, disappointed IPR petitioners wishing to challenge a patent claim could also seek a different sort of administrative proceeding, ex parte reexamination.

the Supreme Court has already held that the rights determined in an inter partes review do not require such proceedings. *See Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 584 U.S. 325, 329 (2018) (holding that inter partes review does not violate “Article III or the Seventh Amendment”).

D. Removing The Director's Discretion To Institute Would Be Otherwise Unworkable And Impractical.

Petitioner proposes stripping the Director of essentially all discretion over whether to institute a petition. Pet. 22-25. But current fiscal law would require the Director to compromise or abandon policy priorities in order to implement the statute as Petitioner proposes. When it passed the AIA, Congress gave the USPTO time-limited authority to set various fees, including for IPR petitions. That authority expires at the end of the current fiscal year, which, absent congressional action, will leave the USPTO's current fees in place permanently (subject to some very limited adjustment authority). But the USPTO's current IPR fees cover substantially less than the costs of

conducting the proceedings.⁴ IPR proceedings, therefore, are effectively subsidized by patent fees collected elsewhere by the USPTO. *See* 35 U.S.C. § 42(c)(3)(A). Petitioner's remedy would likely increase the number of instituted IPRs; the additional IPR proceedings would require additional subsidization. This situation would, effectively, require the USPTO to spend significantly more of its funds on IPRs than on other patent-related expenses, which would limit the Director's ability to advance policy priorities, such as prompt resolution of pending patent applications.

The costs to the USPTO and other parts of the patent system from Petitioner's remedy would be real and substantial. For example, in fiscal year 2025, the Board decided *ex parte* appeals from prosecution,

⁴ *See* <https://www.uspto.gov/sites/default/files/documents/Patent-Fees-Current-Final-Unit-Cost-FR-2025.xlsx> (sort order 287 and 288) (last visited Feb. 3, 2026). According to data USPTO published in November 2024 as part of the supplemental materials supporting its last fee rulemaking, USPTO's FY23 costs for IPR institution and trial were approximately \$11,000 more than current fees (compare columns H and M). This detailed unit cost information is part of the supplemental materials USPTO regularly publishes in connection with fee setting rulemaking it undertakes using the authority set forth in Sec. 10 of the Leahy-Smith American Invents Act (<https://www.uspto.gov/about-us/performance-and-planning/fee-setting-and-adjusting>).

on average, more than 12 months after they were fully briefed,⁵ whereas the Board decided IPR proceedings within five months to meet its statutory mandate. Petitioner's proposal would unfairly exacerbate this lengthy delay for those seeking patents; IPR petitioners have multiple avenues to challenge a patent, but the Board is the only avenue for patent applicants to be heard.

In response to this situation, last year the USPTO elected to devote more Board resources to resolving ex parte appeals, which has resulted in faster resolution of applications and a reduced latency disparity between ex parte appeals and IPRs. Petitioner, however, would block this progress and compel the Director to institute vastly more IPRs while delaying resolution of patent applicants' appeals. Such a remedy would subvert the USPTO Director's policy determinations and is inconsistent with what Congress envisaged.

Petitioner's regime is also problematic because it would require the Director to institute wasteful petitions. Without discretion, the

⁵ See <https://www.uspto.gov/dashboard/ptab/> at slide 7 (last visited Feb. 3, 2026).

Director might have to institute IPR when all challenged claims had already been found invalid under § 101 by a district court, even though there is obviously little benefit (and substantial cost) to reviewing already invalidated claims. Even if a patent had been challenged by the same petitioner multiple times on other grounds, Petitioner would not allow the Director to decline institution on that basis. And even if the parties are litigating the questions presented by the petition in district court and the dispute is likely to be resolved there well in advance of any final written decision, the Director would still be compelled to institute in the absence of a statutory time bar. The limited discretion Petitioner finds in the statute would not cover any of these scenarios. Yet, each of these scenarios reflect sound practical reasons for denying institution and demonstrate why Congress afforded the Director discretion over institution. Indeed, there is no reason to think that Congress wanted a system in which the USPTO would expend time and resources compulsorily adjudicating these types of cases. *See* H.R. Rep. No. 112-98, pt. 1, at 48 (2011) (“the Committee intends for the USPTO

to address potential abuses and current inefficiencies under its expanded procedural authority.”)

II. Petitioner Cannot Satisfy The Other Mandamus Factors.

Even if it could meet the mandamus standard’s demanding merits bar, Petitioner could not satisfy the remaining two factors: the absence of “adequate alternative means to obtain the relief” sought and a showing that “the writ is appropriate under the circumstances.”

Dominion Dealer Sols., 749 F.3d at 1381 (quotation marks omitted); *see also Cheney*, 542 U.S. at 380-81.

A. Petitioner Has Alternate Means of Relief.

Petitioner contends that it has no alternative means of relief because this Court has stated that “there is no adequate remedy by way of direct appeal.” Pet. 25-26 (quoting *In re Palo Alto Networks, Inc.*, 44 F.4th 1369, 1374 (Fed. Cir. 2022)). But the only harm Petitioner claims is the denial of one avenue for challenging patent claims. There is no question that Petitioner may pursue validity challenges in another forum such as district court litigation or ex parte reexamination.⁶

⁶ Petitioner’s identified real party in interest, Volkswagen AG, is expected to pursue prior-art invalidity defenses in the parallel district

Cf. Motorola, 159 F.4th at 37 (recognizing that IPR institution denial does not affect petitioner’s ability to raise patentability issues elsewhere). Petitioner’s abbreviated discussion does not address these obvious alternative means of relief, so Petitioner cannot carry its burden to show that the alternatives are inadequate. And the fact that the alternate relief available is not a party’s preferred type does not make that relief inadequate or support a grant of mandamus. *See Fornaro v. James*, 416 F.3d 63, 69 (D.C. Cir. 2005); *Barnhart v. Devine*, 771 F.2d 1515, 1527 (D.C. Cir. 1985); *Bryan v. McDonald*, 615 F. App’x 681, 684 (Fed. Cir. 2015) (unpublished).

B. Mandamus Relief Is Inappropriate Under The Circumstances.

Finally, “even if the first two prerequisites [for mandamus] have been met, the issuing court, in the exercise of its discretion, must be satisfied that the writ is appropriate under the circumstances.” *Cheney*, 542 U.S. at 381. For the reasons discussed above, (1) Petitioner’s constitutional claim is entirely without merit and certainly not “clear

court proceeding. *See Order Focusing Patent Claims and Prior Art to Reduce Costs, Longhorn Automotive Group LLC v. Volkswagen AG*, No. 2:24-cv-00933, Dkt. No. 83 (E.D. Tex. Nov. 21, 2025).

and indisputable”; and (2) Petitioner may still pursue its invalidity defenses in district court or by seeking ex parte reexamination.

But even beyond Petitioner’s inadequate legal showing and other available routes to challenging patent claims, Petitioner seeks an inappropriate exercise of this Court’s mandamus authority. Petitioner asks this Court to issue an extraordinary writ to control the current USPTO leadership’s exercise of discretion over whether to begin or forgo an administrative proceeding, without pointing to any instance in which a court has taken such a step. Petitioner casts its attempt to limit the Director’s exercise of discretionary criteria as “important to proper judicial administration” (Pet. 27 (cleaned up)) without explaining what that means. Nor does Petitioner explain why this Court should issue a writ of mandamus forcing the USPTO Director to comply with a new ruling eliminating discretion Congress intended the Director to have, on what Petitioner calls an “unsettled” legal issue. Pet. 27. Even assuming a constitutional defect in Congress’s very ordinary decision to leave it to the Executive Branch to determine when to initiate an administrative enforcement proceeding, issuing the writ Petitioner

requests would raise political-accountability concerns, hamstringing the current Director from responding to evolving conditions facing the agency and using the agency's finite resources to best implement the nation's patent laws. *See Arthrex*, 594 U.S. at 21. The Court should decline to use its discretion to issue an extraordinary writ in such circumstances.

CONCLUSION

The Court should deny the petition for a writ of mandamus.

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February 4, 2026

CERTIFICATE OF COMPLIANCE

I certify that the foregoing Director's Response to Petition for Writ of Mandamus complies with the type-volume limitation of Federal Rule of Appellate Procedure 21(d)(1) because it contains 5,534 words, excluding the table of contents, table of authorities, and signature block, as measured by the word-processing software used to prepare this filing.

Dated: February 4, 2026

/s/ Fahd H. Patel