

No. 17-1594

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**In the Supreme Court of the United States**

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RETURN MAIL, INC.,

*Petitioner,*

v.

UNITED STATES POSTAL SERVICE and UNITED STATES,

*Respondents.*

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On Writ of Certiorari  
to the United States Court of Appeals  
for the Federal Circuit

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**BRIEF FOR PETITIONER**

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## **QUESTION PRESENTED**

Whether the government is a “person” who may petition to institute review proceedings under the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284 (2011).

**PARTIES TO THE PROCEEDING BELOW AND  
RULE 29.6 STATEMENT**

Petitioner Return Mail, Inc. has no parent corporation, and no publicly held company holds 10% or more of its stock.

Respondents are the United States Postal Service and the United States.

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## **BRIEF FOR THE PETITIONER**

Petitioner Return Mail, Inc. respectfully submits that the judgment of the United States Court of Appeals for the Federal Circuit should be reversed.

### **OPINIONS BELOW**

The Patent Trial and Appeal Board's Decision to Institute Covered Business Method Review (Pet. App. 98a–139a), and that Board's Final Written Decision (Pet. App. 57a–97a) are unreported. The Federal Circuit's opinion (Pet. App. 1a–56a) is reported at 868 F.3d 1350 (Fed. Cir. 2017). Its order denying rehearing en banc (Pet. App. 140a–141a) is unreported.

### **JURISDICTION**

The judgment of the court of appeals was entered on August 28, 2017. A timely petition for rehearing was denied on December 15, 2017. On February 28, 2018, the Chief Justice extended the time to file a petition for a writ of certiorari to and including May 14, 2018. The petition was filed on May 14, 2018, and was granted on October 26, 2018. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

### **CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED**

The pertinent statutory provisions are reproduced in the appendix to this brief (AIA, § 18, 125 Stat. at 329–331; 28 U.S.C. § 1498; 1 U.S.C. § 1; 35 U.S.C. §§ 311, 315, 321, 325). App., *infra*, 1–20.

## INTRODUCTION

Congress created an administrative adjudication process at the U.S. Patent and Trademark Office as part of the Leahy-Smith America Invents Act (AIA) to expedite resolution of patent validity disputes and to decrease costly litigation. The AIA authorizes a “person” to petition the Office to cancel a patent for invalidity through three new types of review proceedings, but mandates that the person is then estopped from asserting the same grounds to challenge the patent in federal district court or International Trade Commission litigation.

That agency review and estoppel framework is central to the AIA’s structure and purpose. The Federal Circuit held, however, that the government is a “person” who can invoke the AIA’s review proceedings, even though the government is not covered by the statute’s estoppel provisions. Under the Federal Circuit’s ruling, the government—and the government alone—could challenge the validity of a patent in an AIA review and then relitigate that same validity challenge in Court of Federal Claims litigation, thus getting “two bites at the apple.” Pet. App. 55a (dissenting opinion).

The Federal Circuit’s reading is contrary to the text, structure, and purpose of the AIA. Congress did not separately define “person” in the AIA, nor do the Patent Act’s omnibus definitions, so Congress directs usage of the definition of “person” in the Dictionary Act, which does not include the government unless the context indicates otherwise, 1 U.S.C. § 1. Congress’s straightforward statutory definition is reinforced by

this Court’s “longstanding interpretive presumption that ‘person’ does not include the sovereign.” *Vermont Agency of Nat. Res. v. U.S. ex rel. Stevens*, 529 U.S. 765, 780–781 (2000). That presumption “may be disregarded only upon some affirmative showing of statutory intent to the contrary.” *Id.* at 781. There is no statutory context or affirmative showing by Congress that it departed in the AIA review provisions from the well-established definition of “person.” And there is no basis for treating differently the U.S. Postal Service, which the Court already has held is not separate from the federal government when it comes to the definition of “person.” *U.S. Postal Service v. Flamingo Indus. (USA) Ltd.*, 540 U.S. 736, 746 (2004). The judgment of the Federal Circuit should be reversed.

## STATEMENT OF THE CASE

### A. Statutory Framework

1. The AIA, enacted in 2011, adopted the most significant changes to the Nation’s patent laws since the Patent Act of 1952. Of direct relevance here, the AIA changed the nature of various procedures used to adjudicate patent disputes. Specifically, the AIA created three types of agency proceedings to review the validity of issued patents: post-grant review (PGR), *inter partes* review (IPR), and a transitional covered business method review (CBM review), available for eight years. *See* 35 U.S.C. §§ 311–319 (IPR); 35 U.S.C. §§ 321–329 (PGR); AIA Pub. L. No. 112-29, § 18, 125

Stat. 284, 329–331 (2011) (CBM review).<sup>1</sup> We refer to these proceedings collectively as “AIA reviews.”

Congress provided that a “person” can petition for institution of such reviews in defined circumstances. The AIA directs that “a person who is not the owner of a patent may file with the [Patent and Trademark] Office a petition to institute a post-grant review [PGR] of the patent,” 35 U.S.C. § 321(a), and similarly, that “a person who is not the owner of a patent” may petition to institute an IPR, 35 U.S.C. § 311(a). The statute further provides that a CBM review “shall be regarded as, and shall employ the standards and procedures of, a [PGR],” with limited exceptions not relevant here, AIA § 18(a)(1), 125 Stat. at 329, such that “a person who is not the owner of a patent” may likewise petition for CBM review, 35 U.S.C. § 321(a). Unlike PGRs and IPRs, availability of CBM reviews is further limited by a threshold requirement that “[a] person may not file a petition for a transitional proceeding with respect to a [CBM] patent unless the person or the person’s real party in interest or privy

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<sup>1</sup> The provisions regarding PGRs and IPRs have no sunset date, but the transitional CBM review program requires that a petition for review be filed by September 16, 2020, eight years after the effective date of the Patent and Trademark Office’s implementing regulations. AIA § 18(a)(3)(A), 125 Stat. at 330; Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents, 77 Fed. Reg. 48,680, 48,680, 48,687 (Aug. 14, 2012); Transitional Program for Covered Business Method Patents—Definitions of Covered Business Method Patent and Technological Invention, 77 Fed. Reg. 48,734, 48,734–48,735 (Aug. 14, 2012). Although the AIA is generally codified in Title 35, the transitional CBM review provisions are not codified and are found in Section 18 of the AIA. 125 Stat. at 329–331.

has been sued for infringement of the patent or has been charged with infringement under that patent.” AIA § 18(a)(1)(B), 125 Stat. at 330.

The question here is whether the government is a “person” authorized to petition for such AIA reviews. Congress did not separately define the term “person” for purposes of AIA reviews, or elsewhere in the AIA. The Patent Act’s omnibus definitions provision, 35 U.S.C. § 100, likewise lacks a separate definition of the term “person.” Congress defined “person,” however, in the Dictionary Act: “In determining the meaning of any Act of Congress, unless the context indicates otherwise, . . . the words ‘person’ and ‘whoever’ include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals.” 1 U.S.C. § 1.

2. Congress structured AIA reviews as “an adversarial process . . . that mimics civil litigation.” *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1352 (2018). Third parties petition for institution of agency review to seek cancellation of a patent. 35 U.S.C. §§ 311(a), 321(a); AIA § 18(a)(1), 125 Stat. at 329. Once instituted, AIA reviews involve new trial-like procedures, including discovery and oral hearings. 35 U.S.C. §§ 316(a)(5), (a)(10), 326(a)(5), (a)(10); AIA § 18(a)(1), 125 Stat. at 329.

Each of the three types of AIA review provide a mechanism by which a “person” may seek the invalidation of a patent, although they differ slightly in terms of when the review may be instituted and the particular grounds on which a patent may be challenged. For example, a PGR petition can be filed only

within nine months after grant of the relevant patent, 35 U.S.C. § 321(c), and the petitioner can argue for cancellation of the patent on any ground of invalidity that is a defense to infringement under 35 U.S.C. § 282(b)(2), (3). *See* 35 U.S.C. § 321(b). An IPR petition can be filed nine months after a patent is granted or on the date a previously-instituted PGR is terminated, whichever is later. 35 U.S.C. § 311(c). The grounds for challenging a patent in an IPR are significantly narrower than in a PGR, and are limited to grounds that could be raised under 35 U.S.C. §§ 102 (anticipation) and 103 (obviousness), and then “only on the basis of prior art consisting of patents or printed publications,” 35 U.S.C. § 311(b).<sup>2</sup>

The AIA directs that reviews be conducted by the Patent Trial and Appeal Board, an adjudicative body newly created by the AIA, and composed of Administrative Patent Judges. *See* 35 U.S.C. § 6(a); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2137 (2016). The Board determines whether to institute the review requested by the petition, 35 U.S.C. §§ 314, 324,<sup>3</sup> and then, if a review is instituted, the Board generally must issue a final written decision “not later than 1 year after” instituting review. 35 U.S.C. §§ 316(a)(11),

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<sup>2</sup> Unlike PGRs and IPRs, which apply to patents regardless of the type of invention claimed, a CBM review is limited to a patent that “claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service, except that the term does not include patents for technological inventions.” AIA § 18(a)(1), (d)(1), 125 Stat. at 329–331.

<sup>3</sup> The Director is charged with deciding whether to institute review and, “[i]n practice, the agency’s Patent Trial and Appeal Board exercises this authority on behalf of the director.” *SAS Inst.*, 138 S. Ct. at 1353 (citing 37 C.F.R. § 42.4(a)).

318(a), 326(a)(11), 328(a); AIA § 18(a)(1), 125 Stat. at 329. The Board’s final written decision can be appealed by an aggrieved party to the Federal Circuit. *See* 35 U.S.C. § 141(c); AIA § 18(a)(1), 125 Stat. at 329.

3. Congress provided that AIA review proceedings would have estoppel effect in patent litigation in federal district court “under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930,” and in proceedings at the Patent and Trademark Office. 35 U.S.C. §§ 315(e)(1), (2), 325(e)(1), (2); AIA § 18(a)(1)(A), (D), 125 Stat. at 329–330. Congress specified that, following a final written decision by the Board, the petitioner in an AIA review may not assert in the three listed forums that a challenged patent is invalid on “any ground that the petitioner raised or reasonably could have raised during” the review. 35 U.S.C. §§ 315(e)(1), (2), 325(e)(1), (2); AIA § 18(a)(1)(D), 125 Stat. at 330.<sup>4</sup> The estoppel provisions also bind “the real party in interest or privy of the petitioner.” 35 U.S.C. §§ 315(e), 325(e); *see also* AIA § 18(a)(1)(D), 125 Stat. at 330 (estoppel from CBM reviews applicable to petitioner “or the petitioner’s real party in interest”).

Congress designed the estoppel provisions to facilitate the expeditious and economical resolution of patent validity disputes, while “limit[ing] unnecessary and counterproductive litigation costs.” H.R. Rep. No. 112-98, pt. 1, at 40 (2011). AIA reviews were

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<sup>4</sup> For CBM reviews, estoppel in a federal district court or International Trade Commission proceeding applies only to grounds that the petitioner “raised during” the review. AIA § 18(a)(1)(D), 125 Stat. at 330.

given estoppel effect to prevent them from being “used as tools for harassment” or as “a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent.” H.R. Rep. No. 112-98, at 48 (2011); *see also id.* (estoppel provides “quiet title to patent owners to ensure continued investment resources”); S. Rep. 111-18, at 18 (2009). Absent that protection, a patent owner would be exposed to the significant burden of “multiplicative” proceedings in federal court and before the Board, “including discovery in both forums . . . while permitting the challenger to exploit [AIA] review’s lower standard of proof.” *Cuozzo*, 136 S. Ct. at 2154 (Alito, J., concurring in part and dissenting in part) (discussing 35 U.S.C. §§ 315–316).

The AIA review provisions do not mention the federal government as a “person” and the estoppel provisions do not mention litigation in the Court of Federal Claims under 28 U.S.C. § 1498(a). A suit in that court under Section 1498(a) is the exclusive remedy for a patent owner who alleges that the federal government or its contractors used or manufactured a patented invention without license or right. *Id.*

## **B. Facts and Procedural History**

1. Petitioner Return Mail, Inc., is a small business that provides technological solutions for efficient processing of mail that cannot be delivered due to inaccurate or obsolete address information. Pet. App. 41; Fed. Cir. App. 3298, No. 2016-1502 (Sept. 22, 2016), ECF No. 41. In the early 2000s, the cost of processing undeliverable, returned mail was a



particularly large problem for high-volume mail businesses like credit card companies and bulk mail advertisers, as well as for the U.S. Postal Service. Fed. Cir. App. 685. In particular, re-routing returned mail involved manual handling—a labor-intensive process subject to human error and delays. Pet. App. 5a.

Return Mail’s founders, Ralph Mitchell Hungerpiller and Ronald C. Cagle, developed an invention to solve that problem. The invention was built around the unconventional scanning and processing of new categories of coded information by relying on machine-readable two-dimensional barcodes, rather than an envelope’s alphanumeric addressing information. Fed. Cir. App. 686, 1701; *see* Pet. App. 5a–6a. Return Mail protected this invention by filing an application with the Patent and Trademark Office, which issued U.S. Patent No. 6,826,548 to the company in 2004. Pet. App. 159a.

Return Mail met with the U.S. Postal Service in 2003 to discuss the company’s invention, and the Postal Service repeatedly expressed interest in the invention in the ensuing years. Pet. App. 161a–163a. These discussions culminated in a January 2006 meeting, at which the Postal Service and Return Mail discussed licensing options and the Postal Service proposed a formal pilot program. Pet. App. 162a–163a.

While discussions of the technical details of the proposed pilot program were underway, the U.S. Postal Service announced that it would offer its own system, called “OneCode ACS,” to process returned and undeliverable mail. Pet. App. 163a–164a. Return

Mail informed the Postal Service that the OneCode ACS system was covered by the claims of Return Mail's '548 Patent, Pet. App. 164a. The Postal Service declined to license Return Mail's invention, however, Pet. App. 6a, and requested that the Patent and Trademark Office conduct an *ex parte* reexamination of the '548 Patent. The Patent and Trademark Office conducted the reexamination—a non-adversarial proceeding before a patent examiner—and confirmed the patentability of Return Mail's invention. Pet. App. 4a–5a.

2. On February 28, 2011, Return Mail brought suit against the United States in the Court of Federal Claims under 28 U.S.C. § 1498(a), seeking compensation for unlawful governmental use of the invention claimed in the '548 Patent. That litigation proceeded for three years, including the government's answer to the complaint and litigation of a *Markman* proceeding at which the court construed various of the patent claims and adopted Return Mail's claim construction positions. *Return Mail, Inc. v. United States*, 2013 WL 5569433 (Oct. 4, 2013); *see also Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996).

3. Three years after Return Mail brought suit, the U.S. Postal Service petitioned the Board for a CBM review, challenging Return Mail's '548 Patent as invalid on various grounds, including anticipation, obviousness, and ineligibility. Pet. App. 6a–7a. The Postal Service identified the United States as the real party in interest. *See* Fed. Cir. App. 90–91. Return Mail opposed the petition and contended, among other things, that the Board lacked statutory authority to

institute CBM review based on a petition filed by the government. Pet. App. 7a.

The Board instituted the requested CBM review with respect to the U.S. Postal Service’s Section 101 and 102 challenges. Pet. App. 98a–139a. In doing so, the Board rejected Return Mail’s statutory authority argument, concluding that “because the United States has been sued for infringement of the ’548 Patent under 28 U.S.C. § 1498(a), the United States has standing under Section 18 of the AIA to seek a covered business method review of the ’548 Patent.” Pet. App. 117a.

On October 15, 2015—11 years after the ’548 Patent was first issued and more than four-and-a-half years after Return Mail first filed its Section 1498(a) claim against the government—the Board issued its final written decision in the CBM review. Pet. App. 57a–97a. The Board rejected the U.S. Postal Service’s anticipation challenge, Pet. App. 83a–90a, but nonetheless invalidated Return Mail’s ’548 Patent as ineligible for patent protection under 35 U.S.C. § 101 and *Alice Corp. v. CLS Bank International*, 573 U.S. 208 (2014). Pet. App. 72a–81a.

4. A divided panel of the Federal Circuit affirmed. Pet. App. 1a–43a.

As relevant here, the court held that the government is a “person” authorized to petition for CBM review under AIA § 18(a)(1)(B), 125 Stat. at 330. Pet. App. 29a–33a. The court acknowledged that statutes using the term “person” ordinarily are construed not to include the government, but noted that there is no

“hard and fast rule of exclusion” and that any presumption of excluding the government “carries less weight” where treating the government as a “person” would confer an advantage rather than impose a limitation. Pet. App. 30a. The court also noted that “[t]he AIA does not appear to use the term ‘person’ to exclude the government in other provisions.” Pet. App. 31a.<sup>5</sup>

The court acknowledged that allowing the government to petition for CBM review would create an “oddity” because the AIA’s estoppel provisions do not apply to actions in the Court of Federal Claims, such that “the government would enjoy the unique advantage of not being estopped in the Claims Court from relitigating grounds raised during a CBM review proceeding.” Pet. App. 28a–29a. The court dismissed this issue, however, as raising only “policy concerns,” and declared that it was for Congress to “revis[e] the estoppel provisions for CBM review should it see fit.” Pet. App. 29a; *see also* Pet. App. 31a–32a & n.17 (rejecting concerns about the lack of estoppel for government petitioners as raising merely a “policy consideration”).

Judge Newman dissented, reasoning that the AIA’s text and structure counsel against reading “person” to include government agencies as among those

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<sup>5</sup> The court also ruled, among other things, that an action against the government for compensation under 28 U.S.C. § 1498(a), meets the requirement that a person has been “sued for infringement” within the meaning of the CBM review provision. AIA § 18(a)(1)(B), 125 Stat. at 330. Pet. App. 17a–33a.

entitled to petition for CBM review. Pet. App. 44a–56a.

Starting with the text, Judge Newman applied the “general statutory definition” of the Dictionary Act and noted that the government is “conspicuously absent” from that definition, which has been judicially reinforced. Pet. App. 47a–48a (citing 1 U.S.C. § 1). And she noted that “[t]he long-standing rule excluding the government from implicit inclusion as a statutory ‘person’ applies to situations where the government would benefit from such inclusion, as well as situations where such inclusion would burden the government.” Pet. App. 50a (citing *United States v. Fox*, 94 U.S. 315, 321 (1876)).

The dissent then turned to the AIA’s structure, and in particular its estoppel provisions. The balance between the AIA’s authorization for a “person” to petition for agency review of a patent, on the one hand, and the AIA’s provision for such reviews to have estoppel effect, on the other hand, forms “the backbone of the AIA.” This balance allows Congress to “achiev[e] its purpose of expeditious and economical resolution of patent disputes without resort to the courts,” while also providing finality for the parties. Pet. App. 51a. Because the AIA’s estoppel provisions apply only to patent litigation in federal district court and proceedings before the International Trade Commission, and make no mention of litigation before the Court of Federal Claims (the sole forum for litigating patent claims against the government), the dissent concluded that allowing the government to petition for CBM review would upset the statute’s carefully calibrated scheme. Pet. App. 51a. The majority’s

interpretation “would grant the United States the benefit of post-grant challenge in the PTO, but would omit the statute’s estoppel against raising the same challenge in court,” Pet. App. 52a, ignoring “the extensive backdrop of law and history on which the AIA was enacted,” Pet. App. 53a n.1, and “giving the government ‘two bites at the apple,’” Pet. App. 55a.

The Federal Circuit denied Return Mail’s timely petition for rehearing. Pet. App. 140a–141a.

## SUMMARY OF ARGUMENT

I. When Congress enacted the Leahy-Smith America Invents Act (AIA) in 2011, it used the term “person” to identify those who may petition the agency to seek cancellation of a patent on invalidity grounds through an AIA review proceeding. Only a “person” may petition to institute post-grant review (PGR), *inter partes* review (IPR), and covered business method review (CBM review). 35 U.S.C. § 311(a); *id.* § 321(a); AIA § 18(a)(1)(B), 125 Stat. at 330.

As a matter of statutory and judicial precedent, “person” has a settled and longstanding meaning: The term *excludes* the government, unless context indicates otherwise or there is an affirmative showing by Congress to the contrary. Here there is no such context or showing. Indeed, the statutory context reinforces the conclusion that “person” in the AIA review provisions excludes the government because patent litigation against the government in the Court of Federal Claims is excluded from the estoppel provisions that counterbalance those AIA reviews.

A. Congress defined the term “person” in the Dictionary Act: “In determining the meaning of any Act of Congress, unless the context indicates otherwise . . . the words ‘person’ and ‘whoever’ include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals.” 1 U.S.C. § 1. Conspicuously, Congress’s definition of “person” does *not* include the government.

The Dictionary Act’s definition of “person” is longstanding. The current definition has been on the books for roughly seventy years. *See* Pub. L. No. 80-772, 62 Stat. 859 (1947). And the previous definition—which had been in place since 1874—similarly excluded the government. *See* Rev. Stat. § 1 (1974).

By using “person” in the AIA’s review provisions without separately defining it, Congress triggered the Dictionary Act definition. This Court has consistently turned to the Dictionary Act when interpreting a term that is not defined separately in the specific statute at issue—including “person.” More than seventy years ago, this Court relied on the Dictionary Act to construe “persons” for purposes of the Norris-LaGuardia Act and concluded then—as it should do now—that “persons” excluded the government.

The AIA is no exception from the Dictionary Act’s directive that it is to be consulted “[i]n determining the meaning of any Act of Congress.” 1 U.S.C. § 1. And the Dictionary Act’s definition of “person” governs here because the “the context” does not “indicate[] otherwise.” *Id.* Indeed, the Dictionary Act was designed for this very purpose. The Act’s “whole

point . . . is to provide a stable set of background principles that will promote effective communication between Congress and the courts.” *Dorsey v. United States*, 567 U.S. 260, 297 (2012) (Scalia, J., dissenting).

B. Congress’s use of “person” is mirrored by the well-settled precedent of this Court. In particular, this Court employs a “longstanding interpretive presumption that ‘person’ does not include the sovereign.” *Vermont Agency of Nat. Res. v. U.S. ex rel. Stevens*, 529 U.S. 765, 780–781 (2000). That presumption has governed this Court’s interpretation of statutes for more than a century, and it “may be disregarded only upon some affirmative showing of statutory intent to the contrary.” *Id.* at 781; *see also United States v. Fox*, 94 U.S. 315, 321 (1876).

The presumption that “person” does not include the government is dispositive here, because there is no “affirmative showing” that Congress intended a contrary meaning. To the extent Congress affirmatively revealed an intended definition for “person” in the AIA review provisions, those signals confirm the presumption that the government is not included. When Congress did intend to include the government in patent provisions, it knew how to do so clearly, as it did when it provided that “[e]ach Federal agency” is authorized to apply for and obtain patents. 35 U.S.C. § 207(a)(1). Congress did not provide any generally applicable definition of the term “person” in the patent statute, however, or any showing that it expanded that term in the AIA review provisions.



That the term “person” may carry a different meaning in different contexts in the AIA does not undermine that conclusion. There is no “rigid” requirement that “identical words used in different parts of the same act are intended to have the same meaning.” *United States v. Cleveland Indians Baseball Co.*, 532 U.S. 200, 213 (2001). And there is no different treatment warranted for the U.S. Postal Service. *See U.S. Postal Service v. Flamingo Indus. (USA) Ltd.*, 540 U.S. 736, 745–746 (2004).

II. Reading “person” in the AIA review provisions to exclude the government finds full support in the statutory structure, in particular the AIA’s estoppel provisions, which form the backbone of the AIA review scheme.

A. Congress enacted the AIA to strike a critical balance that would “remove current disincentives to [the use of] administrative processes” for the review of patents, while also ensuring that such mechanisms would not “be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent.” H.R. Rep. No. 112-98, pt. 1, at 48 (2011). The estoppel provisions effectuate that balance by barring a petitioner from challenging patent validity in federal district court or the International Trade Commission “on any ground that the petitioner raised during” the AIA review. AIA § 18(a)(1)(D), 125 Stat. at 330; *see also* 35 U.S.C. §§ 315(e)(2), 325(e)(2). Without estoppel provisions, AIA reviews may have *multiplied*, rather than “streamline[d]” patent litigation, contrary to Congress’s intent. The Act’s estoppel provisions ensure that AIA review remains a “quick

and cost-effective *alternative[]* to litigation,” H.R. Rep. No. 112-98, pt. 1, at 48 (2011) (emphasis added)—rather than a first course on a menu of litigation options.

B. Although the Court of Federal Claims is the only forum where a patent owner can seek compensation from the government for the government’s alleged unlawful use of its patent, 28 U.S.C. § 1498(a), the AIA’s estoppel provisions make no mention of that forum or such proceedings. As a result, if the government were considered a “person” for purposes of petitioning for AIA review, the government—and the government alone—would receive a free pass to relitigate its challenges to a patent’s validity.

C. The government has suggested that it would not be unusual for Congress to exempt federal agencies from the AIA’s estoppel provisions, relying in particular on the principle that “equitable estoppel will not lie against the Government as it lies against private litigants.” *Office of Personnel Mgmt. v. Richmond*, 496 U.S. 414, 419 (1990). The government’s argument is without merit because the AIA’s estoppel provisions are statutory, not equitable, and when Congress crafted the AIA’s estoppel provisions, it was invoking not equitable estoppel, but mutual *collateral* estoppel, which does apply against the government.

Whatever Congress’s reasons for crafting the estoppel provisions as it did, its omission of any reference to Section 1498(a) or the Court of Federal Claims cannot provide the affirmative showing needed to override the definition of “person” under the Dictionary Act and longstanding judicial precedent.

**ARGUMENT****I. THE STATUTORY TEXT, STRUCTURE, AND PURPOSE DEMONSTRATE THAT THE GOVERNMENT IS NOT A “PERSON” UNDER THE AIA REVIEW PROVISIONS.**

When Congress enacted the AIA in 2011, it acted against a well-established understanding of the meaning of the term “person,” rooted in Congress’s express definition and this Court’s precedent. Congress used the word “person” to identify those who can petition the Patent and Trademark Office to cancel a patent based on invalidity in new, adversarial AIA review proceedings: “[A] person” who is “not the owner of a patent may file with the Office a petition to institute” post-grant review (PGR) or *inter partes* review (IPR) asking for invalidation of the patent. 35 U.S.C. §§ 311(a), 321(a). And such a “person” may petition for covered business method review (CBM review) as well, but only if “the person or the person’s real party in interest or privy has been sued for [or charged with] infringement under that patent.” AIA § 18(a)(1)(B), 125 Stat. at 330.

The term “person” is not new to the law, nor is its meaning unsettled. By operation of statute and judicial precedent, “person” has for more than a century been understood to *exclude* the government, absent some clear statutory showing to the contrary. Because Congress drafted and the President signed the AIA against that steady and longstanding interpretive backdrop—and because in doing so they left no

sign of any intent to depart from the presumptive statutory meaning—“person” as used in the AIA review provisions is correctly read to exclude the government.

**A. Congress Has Long Defined “Person” in the Dictionary Act to Exclude the Government and That Definition Controls Here.**

1. One need “not speculate as to the meaning of ‘person,’” Pet. App. 53a n.1 (dissenting opinion), because Congress has defined the term. The AIA review provisions do not separately define “person,” nor do the Patent Act’s omnibus definitions, so Congress directs usage of the Dictionary Act definition of the term: “In determining the meaning of any Act of Congress, unless the context indicates otherwise . . . the words ‘person’ and ‘whoever’ include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals.” 1 U.S.C. § 1.

The Dictionary Act’s definition of “person” does not include the government, *see* Pet. App. 47a–48a (dissenting opinion), and that definition is longstanding. For more than a century, across the Dictionary Act’s multiple iterations, Congress has consistently omitted the government from the definition of “person.” As early as 1874, Congress provided that “[i]n determining the meaning of . . . any act or resolution of Congress . . . the word ‘person’ may extend and be applied to partnerships and corporations,” but Congress did not provide for inclusion of the government. Rev.

Stat. § 1 (1874).<sup>6</sup> Congress renewed that definition in 1947, *see* Act of July 30, 1947, Pub. L. No. 80-278, 61 Stat. 633 (definition codified at 1 U.S.C. § 1 (1947)), and then settled the following year on the definition of “person” that remains in force to this day, *see* Dictionary Act, Pub. L. No. 80-772, § 6, 62 Stat. 859 (codified as amended at 1 U.S.C. § 1).

The Dictionary Act “is generally applicable to any Act of Congress,” *Hubbard v. United States*, 514 U.S. 695, 701 n.4 (1995), and its definition of “person” controls here. As this Court recently observed, “unless there is something about the [statutory] context that ‘indicates otherwise,’ the Dictionary Act provides a quick, clear, and affirmative answer” to the definitional scope of “person.” *Burwell v. Hobby Lobby Stores, Inc.*, 134 S. Ct. 2751, 2768 (2014). Indeed, the Dictionary Act was designed for this very purpose. The Act’s “whole point . . . is to provide a stable set of

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<sup>6</sup> Prior to 1874, Congress had provided that the term “person” included “bodies politic and corporate.” Act of Feb. 25, 1871, ch. 71, § 2, 16 Stat. 431, 431. Congress then substituted “partnerships and corporations” for “bodies politic and corporate.” *Ngiraingas v. Sanchez*, 495 U.S. 182, 191 (1990) (quoting 1 Revision of the United States Statutes as Drafted 19 (1872)). This Court has held that even the earlier “bodies politic and corporate” phrase from the 1871 Act “was used to mean corporations, both private and public (municipal),” but *not* non-corporate *sovereign* entities. *Will v. Michigan Dep’t of State Police*, 491 U.S. 58, 69 (1989); *accord Monell v. N.Y.C. Dep’t of Social Servs.*, 436 U.S. 658, 688–689 (1978); *see also* Brief for the United States as *Amicus Curiae* Supporting Respondents at 18 n.15, *Ngiraingas v. Sanchez*, 495 U.S. 182 (1990) (No. 88-1281), 1989 WL 1126865, at \*18 n.15 (noting that the 1871 Dictionary Act definition of “person” included “municipal corporations and their equivalent government units (towns, cities, and counties)” but not “sovereign entities”).

background principles that will promote effective communication between Congress and the courts.” *Dorsey v. United States*, 567 U.S. 260, 297 (2012) (Scalia, J., dissenting).

2. This Court has consistently turned to the Dictionary Act, including with respect to “person,” when interpreting a term that is not defined separately in the specific statute at issue. More than seventy years ago, this Court relied on the Dictionary Act when construing “persons” for purposes of the Norris-LaGuardia Act, which did not separately define the term. *United States v. United Mine Workers of Am.*, 330 U.S. 258 (1947). The Court noted that through the Dictionary Act, “Congress made express provision for the term [‘persons’] to extend to partnerships and corporations,” but had omitted “any comparable provision extending the term to sovereign governments.” *Id.* at 275. The Court reasoned that, therefore, when Congress used the term “persons” in the Norris-LaGuardia Act, it did not include the federal government. *Id.*

On several subsequent occasions, where “person” was not separately defined in a particular statute, this Court again applied the Dictionary Act definition. *See, e.g., Hobby Lobby*, 134 S. Ct. at 2768; *Vermont Agency*, 529 U.S. at 782. Notably, among opinions citing the Dictionary Act where the applicability of “person” to the government was at issue, the Court has repeatedly *excluded* the government from the reach of that term. *See Will*, 491 U.S. at 69–70; *Wilson v. Omaha Indian Tribe*, 442 U.S. 653, 666 (1979).

This is unsurprising. The Dictionary Act’s “person” definition “confirms that insofar as this word is concerned, Congress speaks English like the rest of us.” *Clinton v. City of New York*, 524 U.S. 417, 454 (1998) (Scalia, J., dissenting). When engaged “in everyday parlance,” *Mohamad v. Palestinian Auth.*, 566 U.S. 449, 454 (2012), few would use the word “person” to describe the government.

3. The AIA is no exception from the Dictionary Act’s directive that it is to be consulted “[i]n determining the meaning of any Act of Congress.” 1 U.S.C. § 1. And the Dictionary Act’s definition of “person” to exclude the government controls here because “the context” does not “indicate[] otherwise.” *Id.* To the contrary, the context of the AIA review provisions—especially the statutory estoppel provisions—strongly reinforces Congress’s use of the term “person” in the AIA review provisions to exclude the government. *See infra*, pp. 27–32 (discussing lack of any affirmative showing by Congress to include the government) In keeping with the first provision of the United States Code, then, the term “person” in the AIA review provisions is correctly read to exclude the government.

4. The context of Congress’s use of the term “person” in the AIA review provisions may explain why this Court has twice described AIA reviews as permitting validity challenges brought by “private parties.” *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1352 (2018); *Oil States Energy Servs., LLC v. Greene’s Energy Grp., LLC*, 138 S. Ct. 1365, 1378 (2018).

Similarly, in briefing before this Court, the Solicitor General has repeatedly employed a similar choice

of words when referring to the persons who can petition for AIA reviews. *See, e.g.*, Brief for the Federal Respondent at 11–13, 15, 19, 25, 26, *Oil States Energy Servs., LLC v. Greene’s Energy Grp., LLC*, 138 S. Ct. 1365 (2018) (No. 16-712) (referring to persons who can petition for IPR as “private challenger[s],” “private part[ies],” and “private petitioner[s]”); *id.* at 11, 24 (observing that AIA review mechanisms allow the Patent and Trademark Office to “leverage knowledge possessed by persons outside the government”); Brief for the Respondent at 30, *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131 (2016) (No. 15-446 (noting “the presence of contesting private parties” as a “distinguish[ing]” feature of IPRs).

**B. Under This Court’s Precedent, “Person” Is Presumed to Exclude the Government, Unless There Is an Affirmative, Contrary Showing by Congress, Which Is Absent Here.**

**1. There Is an Interpretive Presumption Against “Person” Including the Government.**

Congress’s definition of “person”—one that excludes the government “unless the context indicates otherwise,” 1 U.S.C. § 1—is mirrored by the well-settled precedent of this Court. In particular, this Court employs a “longstanding interpretive presumption that ‘person’ does not include the sovereign.” *Vermont Agency*, 529 U.S. at 780–81. That presumption “may be disregarded only upon some affirmative showing of statutory intent to the contrary.” *Id.* at 781; *see also Fox*, 94 U.S. at 321 (1876) (“The term ‘person’ as here



used applies to natural persons, and also to artificial persons, . . . but cannot be so extended as to include within its meaning the Federal government. It would require an express definition to that effect to give it a sense thus extended.”).

The presumption that Congress excludes the government when using the term “person” has guided this Court’s interpretation of statutes for more than a century. *See, e.g., United States v Fox*, 94 U.S. 315, 321 (1876); *United States v. United Mine Workers of Am.*, 330 U.S. 258, 272 (1947); *Wilson v. Omaha Tribe*, 442 U.S. 653, 667 (1979); *Will v. Michigan Dep’t of State Police*, 491 U.S. 58, 64 (1989).

For example, in *United States v. Cooper Corp.*, 312 U.S. 600 (1941), the Court applied the presumption in a situation similar to the one presented here. *Cooper* addressed the scope of a provision authorizing “any person” to bring suit for treble damages under the Sherman Antitrust Act. *Id.* at 603–604. Reasoning that “in common usage, the term ‘person’ does not include the sovereign,” the Court observed that “statutes employing the phrase are ordinarily construed to exclude it.” *Id.* at 604. It followed that “the use of the phrase ‘any person’ [was] insufficient to authorize an action by the Government.”<sup>7</sup>

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<sup>7</sup> Congress reaffirmed this understanding when it later “amended the antitrust statutes to allow the United States to bring antitrust suits.” *Flamingo*, 540 U.S. at 745. Rather than “chang[e] the definition of ‘person’ in the statute,” Congress added “a new section allowing the United States to sue,” such that “*Cooper*’s conclusion that the United States is not an antitrust ‘person’ . . . was unaltered by Congress’ action.” *Id.*

As *Cooper* illustrates, the background rule that “person” excludes the government “applies to situations where the government would benefit from such inclusion, as well as situations where such inclusion would burden the government.” Pet. App. 50a (dissenting opinion). Indeed, decades before *Cooper*, the Court held that the federal government was not a “person capable by law of holding real estate” under a New York statute because there was no “express definition” to the contrary, again demonstrating that the presumption applies regardless of whether the government is benefited or burdened. *Fox*, 94 U.S. at 321.

Because “Congress understands the state of existing law when it legislates,” *Bowen v. Massachusetts*, 487 U.S. 879, 896 (1988), Congress’s use of “person” in the AIA review provisions excludes the government absent a clear signal to the contrary. “It is always appropriate to assume that our elected representatives, like other citizens, know the law,” *Cannon v. Univ. of Chicago*, 441 U.S. 677, 696–697 (1979), and that assumption is especially warranted here, where a “vast weight of statute and precedent,” Pet. App. 54a (dissenting opinion), long ago agreed on an interpretive framework for use of the term “person.”

## **2. There Is No Affirmative Showing by Congress to Overcome the Presumption That the Government Is Not a “Person” in the AIA Review Provisions.**

a. Congress provided no affirmative showing of an intent to depart from the well-established, presumptive definition of “person.” *Vermont Agency*, 529 U.S.

at 781. The AIA offers no separate definition of “person” that would expand that term to include the government and, indeed, the statutory structure and purpose counsel against such an expansion.

The Federal Circuit acknowledged the absence of any indication from Congress regarding the meaning of “person” in the AIA review provisions. Pet. App. 32a. The fatal flaw in that court’s analysis was that it drew the wrong conclusion from that fact. The Federal Circuit turned this Court’s precedent on its head by reading “person” to *include* the government because it did not identify evidence in the AIA “that Congress intended to *exclude* the government from filing petitions.” Pet. App. 32a–33a (emphasis added). Instead, “the absence of Congressional guidance,” Pet. App. 32a, should have been dispositive in the opposite direction, requiring that “person” be read according to its presumptive statutory meaning that excludes the government.<sup>8</sup>

b. The text and structure of the Patent Act demonstrate that Congress knows how to explicitly include the government when it intends to do so.

For example, as noted in the Brief in Opposition, Congress has specifically authorized “[e]ach Federal agency” to “apply for, obtain, and maintain patents.” 35 U.S.C. § 207(a)(1). The government seizes on that language to argue that because the Act uses “person”

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<sup>8</sup> Congress also provided no affirmative showing in either the *ex parte* reexamination provisions, *see* 35 U.S.C. § 302, or in the since-repealed *inter partes* reexamination provisions, *see, e.g.*, 35 U.S.C. § 311(a) (2006), that the government was authorized to file a request for reexamination.

elsewhere in relation to patent ownership and applications, the AIA’s use of “person” to refer to those who can challenge a patent’s validity through the review provisions should also include the government. Br. in Opp. 10–11. But Congress did not expand any definition of “person” that applies to the whole of the statute, and no such definition exists. Rather, Congress expressly addressed the ability of “[e]ach Federal agency” with regard to a specific aspect of the patent framework (patent ownership), providing an affirmative showing on that particular point. *See Vermont Agency*, 529 U.S. at 781.

There is no analogous affirmative showing by Congress with regard to those who are authorized to seek cancellation of a patent through AIA review proceedings. Unlike Section 207(a)(1), Congress made no mention of “[e]ach Federal agency” or any other reference to the government in the AIA review provisions. Section 207(a)(1) “shows that Congress knew exactly how to authorize” the government to exercise a particular patent right, *SAS Inst.*, 138 S. Ct. at 1351, and could have done so if it had intended the same with respect to AIA reviews.

That omission is particularly instructive here where the government is acting *qua* government, as a defendant in an action for government compensation under 28 U.S.C. § 1498(a), a statute rooted in the constitutional eminent domain authority of the government.<sup>9</sup> The government can raise challenges to

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<sup>9</sup> *See Crozier v. Fried. Krupp Aktiengesellschaft*, 224 U.S. 290, 304–305 (1912) (explaining that when the government uses the patented invention of another, it does not “infringe”—rather, it

the validity of a patent at issue in Section 1498(a) litigation in the Court of Federal Claims proceedings that Congress created uniquely for the federal government. Congress did not authorize “[e]ach Federal agency” that has been sued for compensation under Section 1498(a) also to petition for AIA review—and then to get that “second bite” without the statutory estoppel that applies to all other petitioners.

Congress also has demonstrated how it explicitly broadens the definition of “person” to include governmental entities when it so intends, as in the language of 35 U.S.C. § 296(a). See Pub. L. No. 102-560, § 2(a)(2), 106 Stat. 4230, 4230 (1992). Through that provision, Congress sought to abrogate the sovereign immunity of the States with respect to patent infringement suits. That effort was held unconstitutional on unrelated grounds in *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank*, 527 U.S. 627, 630 (1999), but Section 296(a) demonstrated again how Congress

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has “exert[ed] the power of eminent domain” and “appropriat[ed] . . . a license to use the inventions” covered by the patent). As the Federal Circuit has recognized, Section 1498(a) “creates its own independent cause of action” and “operates independently from Title 35,” *Zoltek Corp. v. United States*, 672 F.3d 1309, 1321 (Fed. Cir. 2012) (en banc), and various provisions available to patent owners against infringers under Title 35 are unavailable against the government in Section 1498(a) proceedings in the Court of Federal Claims. See *Motorola, Inc. v. United States*, 729 F.2d 765, 768 n.3 (Fed. Cir. 1984) (highlighting differences in the availability of increased damages, attorneys’ fees, and injunctive relief, and in the scope of liability). By enacting Section 1498(a) rather than waiving sovereign immunity in the Patent Act, Congress created a tailored, standalone framework to govern the government’s exposure to liability for use of patented inventions and any concomitant patent invalidity challenges it may raise in its defense.

makes an affirmative showing when it intends to expand “person” beyond the presumptive definition that excludes the government. Specifically, Section 296(a) identified those authorized to bring infringement suits against States and directed that such suits could be brought “in Federal court by any *person, including any governmental or nongovernmental entity.*” 35 U.S.C. § 296(a) (emphasis added). Congress thus provided an affirmative showing that a “person” who could bring suit included a governmental entity, reinforcing, by contrast, that Congress did not do so with regard to AIA reviews.

c. The Federal Circuit based its expanded reading of “person” in part on purported statutory consistency. The court asserted that its interpretation would give the term a consistent meaning throughout the AIA because, according to the court, the AIA “does ‘not appear to use the term “person” to exclude the government in other provisions.’” Pet. App. 31a. The court based its reasoning on the “premise that [a] term should be construed, if possible, to give it a consistent meaning throughout [an] Act.” Pet. App. 31a (citing *Gustafson v. Alloyd Co.*, 513 U.S. 561, 568 (1995)). The government invokes the same premise, citing the provision discussed above authorizing federal agencies to “apply for, obtain, and maintain patents,” 35 U.S.C. § 207(a)(1). Br. in Opp. 11. But the Federal Circuit and the government make no effort to show that an expanded definition of “person” to include the government could apply throughout the AIA, and in any event, such consistency in usage is unachievable.

This Court has recognized that there is no “rigid” requirement that “identical words used in different

parts of the same act are intended to have the same meaning.” *United States v. Cleveland Indians Baseball Co.*, 532 U.S. 200, 213 (2001). Accordingly, “the presumption of consistent usage ‘readily yields’ to context, and a statutory term . . . ‘may take on distinct characters from association with distinct statutory objects.’” *Util. Air Regulatory Grp. v. EPA*, 134 S. Ct. 2427, 2441 (2014); *see also Barber v. Thomas*, 560 U.S. 474, 483 (2010) (recognizing that “the same phrase used in different parts of the same statute [may] mean[] different things”).

Such is the case here, where various provisions of the AIA use “person” in a manner that could not include the government because they use it to refer exclusively to *natural* persons. *See, e.g.*, 35 U.S.C. § 2(a)(11) (authorizing Patent and Trademark Office to “expend funds to cover the subsistence expenses” and other expenses of “persons attending [certain patent-law] programs who are not federal employees”); § 6(a) (“administrative patent judges” of the Board “shall be persons of competent legal knowledge and scientific ability who are appointed by the Secretary”); § 100(h) (referring to “persons or entities,” thereby distinguishing natural “persons” from artificial “entities”).

In light of the absence of any affirmative showing that Congress expanded the term “person” in the AIA review provisions to include the government, it is especially appropriate for Congress to address, itself, any concerns that the government may have regarding the scope of the statute, rather than for this Court to do so. *See Bifulco v. United States*, 447 U.S. 381, 400–401 (1980) (If the Court’s construction “clashes

with present legislative expectations, there is a simple remedy—the insertion of a brief appropriate phrase, by amendment, into the present language of [the statute]. But it is for Congress, and not this Court, to enact the words that will produce the result the Government seeks in this case.”); *Dodd v. United States*, 545 U.S. 353, 359 (2005) (“[W]e are not free to rewrite the statute that Congress has enacted.”).

### **C. There Is No Exception for the U.S. Postal Service.**

Although the government has suggested that the U.S. Postal Service should be treated differently than other government agencies for purposes of the definition of “person” in the AIA review provisions, *see* Brief in Opp. 14, that argument does not hold water.

1. The government bases its argument on lower court decisions that were tethered to the particular definitional features of another statute, i.e., the Lanham Trademark Act. The Trademark Act specifies that “person” expressly “includes a juristic person as well as a natural person,” and a “juristic person” in turn covers “a firm, corporation, union, association, or *other organization capable of suing and being sued in a court of law.*” 15 U.S.C. § 1127 (emphasis added). Because the Postal Service under the Postal Reorganization Act may “sue and be sued in its official name,” 39 U.S.C. § 401(1), some lower courts reasoned that it fell within the Trademark Act’s definition of “juristic person.” *See Fed. Express Corp. v. U.S. Postal Service*, 151 F.3d 536, 545–546 (6th Cir. 1998) (Postal Service is a Trademark Act “person” because it “is outfitted with a sue-and-be-sued clause waiving its traditional



sovereign immunity” (quoting *United States v. Q Int’l Courier, Inc.*, 131 F.3d 770, 775 (8th Cir. 1997)); see also *Glob. Mail Ltd. v. U.S. Postal Service*, 142 F.3d 208, 217 (4th Cir. 1998) (concluding that “agencies [like the Postal Service] whose sovereign immunity has been independently waived . . . are ‘juristic persons’ under the terms of the Lanham Act”).

Because these decisions turned on the specific phrasing of the Trademark Act’s “person” definition, they provide no guidance here. The AIA review provisions contain no such comparable language. In any event, Congress overtook these earlier decisions when it subsequently amended the Trademark Act’s definition of “person” to include the federal government, see Trademark Amendments Act of 1999, Pub. L. No. 106-43, § 4(c), 113 Stat. 218, 219–220, on the basis that “[c]urrently, the Federal Government may not be sued for trademark infringement,” 145 Cong. Rec. S8252, S8254 (daily ed. July 12, 1999) (statement of Sen. Leahy).

2. The government also relies on legal analyses that do not survive this Court’s ruling in *U.S. Postal Service v. Flamingo Industries (USA) Ltd.*, 540 U.S. 736 (2004).

In *Flamingo*, the Court held that the U.S. Postal Service is “part of the Government,” and therefore may not be sued as a “person” under the Sherman Antitrust Act. 540 U.S. at 748. In reaching that conclusion, the Court gave extended consideration to the status of the Postal Service as an “independent establishment of the executive branch of the Government of the United States,” 39 U.S.C. § 201,

noting that this “designation . . . is not consistent with the idea that [the Postal Service] is an entity existing outside the Government.” *Flamingo*, 540 U.S. at 746.

The Court also based its decision on the “nation-wide, public responsibilities of the Postal Service,” which are distinctly “not those of private enterprise.” *Id.* at 747. For example, the U.S. Postal Service “does not seek profits, but only to break even,” and is subject to “broad[] obligations, including the provision of universal mail delivery, the provision of free mail delivery to certain classes of persons,” and certain “public responsibilities related to national security.” *Id.* The Postal Service also “has many powers more characteristic of Government than of private enterprise, including its state-conferred monopoly on mail delivery, the power of eminent domain, and the power to conclude international postal agreements.” *Id.* In light of these “public characteristics and responsibilities,” the Court determined that under the Sherman Antitrust Act, the Postal Service should be considered “part of the Government of the United States, not a market participant separate from it.” *Id.*

There is no basis for taking a different approach in reading the AIA review provisions. To the contrary, the separate Court of Federal Claims proceedings created by Congress in 28 U.S.C. § 1498(a) that are unique to the government demonstrate that Congress has addressed the matter itself through the statutory framework.

## II. AIA REVIEWS ARE PREDICATED ON STATUTORY ESTOPPEL NOT APPLICABLE TO THE GOVERNMENT, SUPPORTING EXCLUSION OF THE GOVERNMENT FROM PURSUING SUCH REVIEWS.

### A. The Estoppel Effect of AIA Reviews Is Central to the Structure and Purpose of the Reviews.

The AIA was “designed to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.” H.R. Rep. No. 112-98, at 40 (2011). Congress sought to strike a critical balance, aiming not only “to remove current disincentives to [the use of] administrative processes” for the review of patents, but also to ensure that such mechanisms would not “be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent.” *Id.* at 48.

The AIA’s estoppel provisions effectuate that balance by barring a petitioner who seeks cancellation of a patent through a PGR, IPR, or CBM review from challenging the validity of that patent in federal district court or the International Trade Commission “on any ground that the petitioner raised during” the agency review. AIA § 18(a)(1)(D), 125 Stat. at 330; *see also* 35 U.S.C. §§ 315(e)(2), 325(e)(2). For PGRs and IPRs, petitioners are also estopped from challenging validity in those two forums based on grounds that “reasonably could have [been] raised” during the agency review. 35 U.S.C. §§ 315(e)(2), 325(e)(2).

Persons who seek cancellation of a patent through AIA reviews are provided a streamlined, more expedient avenue for challenging the validity of a patent, with a lower burden of proof than elsewhere. *Compare* 35 U.S.C. § 316(e) (in an IPR, “the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.”), *id.* § 326(e) (same for PGRs), and AIA § 18(a)(1), 125 Stat. 329 (same for CBM reviews), *with Cuozzo*, 136 S. Ct. at 2144 (“[I]n district court, a challenger must prove invalidity by ‘clear and convincing evidence.’” (quoting *Microsoft Corp. v. i4i Ltd. P’ship*, 564 U.S. 91, 95 (2011))).

The AIA balanced the benefits to patent challengers against the interest in finality and the protection of patent owners from duplicative challenges. Thus, the patent owner who is required to defend the validity of his patent in an AIA review proceeding is immunized by estoppel from subsequent challenges in litigation by the petitioner on those same grounds.

“This statutory balance, of administrative challenge in exchange for finality, is the foundation of the America Invents Act.” Pet. App. 52a–53a (dissenting opinion). It shields patentees from “abusive serial challenges to patents,” *Patent Reform Act of 2011*, 157 Cong. Rec. S952 (daily ed. Feb. 28, 2011) (statement of Sen. Grassley), which, if unchecked, would unfairly convert the AIA’s hallmark review proceedings into “tools for harassment,” H.R. Rep. No. 112-98, at 48. Recurrent litigation would also exact broader economic harm to society, “divert[ing] resources from the research and development of inventions” and even “prevent[ing] market entry” altogether. H.R. Rep. No.

112-98, at 48. Congress enacted the estoppel provisions to forestall these harms by preventing petitioners “from improperly mounting multiple challenges to a patent” on the same grounds. *Id.*

The estoppel effect of AIA reviews also reflects “the importance of quiet title to patent owners.” *Id.* at 48. As the then-Director of the Patent and Trademark Office explained to Congress, “there are significant advantages for patentees who successfully go through the post grant system,” because the AIA’s “estoppel provisions mean that your patent is largely unchallengeable by the same party.” *America Invents Act: Hearing on H.R. 1249 Before the House Comm. on the Judiciary*, 112th Cong. 52–53 (Mar. 30, 2011) (statement of Director David Kappos). By providing patent owners with this degree of finality, the AIA safeguards the value of patents and in turn “ensure[s] continued investment resources.” H.R. Rep. No. 112-98, at 48.<sup>10</sup>

Without the estoppel provisions, AIA reviews may have *multiplied*, rather than “streamline[d]” patent litigation, contrary to Congress’s intent. The AIA’s estoppel provisions ensure that agency review remains a “quick and cost-effective *alternativ[e]* to litigation,”

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<sup>10</sup> For these reasons, the Patent and Trademark Office Director testified in 2007 that “the estoppel needs to be quite strong,” such that “any issue that you raised or could have raised . . . you can bring up no place else.” *Patent Reform—The Future of American Innovation: Hearing Before the Senate Comm. on the Judiciary*, 110th Cong. 13 (June 6, 2007) (statement of Director Jon Dudas regarding an AIA predecessor bill). Then-Director Dudas went on to emphasize that agency reviews should serve as “a complete alternative to litigation.” *Id.*

H.R. Rep. No. 112-98, at 48 (emphasis added)—and not a first course on a menu of litigation options.

**B. Reading “Person” to Include the Government Would Allow It to Pursue Duplicative Patent Challenges, Contrary to the Structure and Purpose of AIA Reviews.**

Congress provided that the sole remedy for a patent owner who alleges that the federal government or its contractors unlawfully used or manufactured a patented invention is to bring suit against the government in the Court of Federal Claims for compensation. 28 U.S.C. § 1498(a).

Congress did not include the Court of Federal Claims as a forum where an AIA review has statutory estoppel effect. *See* 35 U.S.C. §§ 315(e), 325(e) (listing forums where estoppel applies to be the Patent and Trademark Office, and patent litigation in the federal district courts and proceedings before the International Trade Commission); AIA § 18(a)(1)(D), 125 Stat. at 330 (same); *see also* Pet. App. 48a (dissenting opinion) (noting that the Court of Federal Claims “is conspicuously absent from the designation of tribunals subject to the” AIA’s estoppel provisions).

If the government were nonetheless considered a “person” for purposes of AIA reviews and therefore an eligible petitioner, the government would have a unique advantage over patent owners, upsetting the balance Congress intended. Unlike all other AIA petitioners, the government would receive an inexplicable free pass to relitigate its invalidity defenses in the Court of Federal Claims. And the

government would be given a test-run opportunity for discovery at the agency as well. 35 U.S.C. § 326(a)(5); AIA § 18(a)(1), 125 Stat. at 330.

But “Congress . . . does not alter the fundamental details of a regulatory scheme in vague terms or ancillary provisions,” *Whitman v. Am. Trucking Ass’ns, Inc.*, 531 U.S. 457, 468 (2001), and it certainly does not do so through silence. As the dissenting opinion below made clear, the “irregular assumption” that Congress gave the government “two bites at the apple,” “with no hint of support in the statute or legislative history, cannot be countenanced.” Pet. App. 55a. Indeed, such an assumption would be particularly unwarranted here where it would implicate, without textual or structural support, the authority of a federal agency to hear a challenge instituted by another federal agency. Because “an agency literally has no power to act . . . unless and until Congress confers power upon it,” *Louisiana Pub. Serv. Comm’n v. FCC*, 476 U.S. 355, 374 (1986), this Court must “tak[e] seriously, and apply[] rigorously” the “statutory limits on agencies’ authority” established under the AIA. *City of Arlington v. FCC*, 569 U.S. 290, 307 (2013). Put simply, in a case “defining the proper scope of the federal power,” the Court must “be certain that Congress has conferred authority on the agency” in question. *New York v. FERC*, 535 U.S. 1, 18 (2002). The AIA review provisions provide no such certainty here.

Because reading “person” in the AIA’s review provisions to include the government would be not only “decidedly awkward,” *Int’l Primate Prot. League v. Adm’rs of Tulane Educ. Fund*, 500 U.S. 72, 82–83 (1991), but fundamentally at odds with the structure

and purpose of the AIA, such an interpretation should be rejected.

**C. Principles of Equitable Estoppel Offer No Justification for the Government’s Counter-Textual Interpretation.**

The government has suggested that reading “person” to allow the government to petition for AIA review even though it is exempt from the estoppel effect applicable to all other AIA reviews, is not especially “distinctiv[e],” citing this Court’s precedents concerning equitable estoppel. Br. in Opp. 13–14. The government relies in particular on the principle that “equitable estoppel will not lie against the Government as it lies against private litigants.” *OPM v. Richmond*, 496 U.S. 414, 419 (1990).

The government’s argument is wide of the mark. The rule that equitable estoppel does not lie against the government is inapplicable here because the AIA’s estoppel provisions are statutory, not equitable. See, e.g., *Shaw Indus. Grp., Inc. v. Automated Creel Sys., Inc.*, 817 F.3d 1293, 1299–300 (Fed. Cir. 2016) (describing estoppel in IPRs as governed by “statutory estoppel provisions”), *cert. denied*, 137 S. Ct. 374. Furthermore, when Congress crafted the AIA’s estoppel provisions, it was invoking not equitable estoppel, but mutual *collateral* estoppel—a species of res judicata that does apply against the government.

1. The statutory character of the AIA’s estoppel provisions is significant here. The entire basis for exempting the government from the operation of equitable estoppel is the principle that courts may not force the government to act beyond the confines of its



statutory authority. Equitable estoppel generally operates “to avoid injustice in particular cases,” where one party has acted to his detriment in reasonable reliance on the misrepresentations of another. *Heckler v. Cmty. Health Servs. of Crawford Cty., Inc.*, 467 U.S. 51, 59 (1984). Where government officers or agents have made such misrepresentations, however, the United States may not be compelled by means of equitable estoppel to do “what the *law does not sanction or permit.*” *Richmond*, 496 U.S. at 420 (1990) (emphasis added) (quoting *Utah Power & Light Co. v. United States*, 243 U.S. 389, 409 (1917)).

In *Richmond*, for example, the Court held that a benefits claimant who had relied on the erroneous advice of a government employee was not entitled “to a monetary payment not otherwise permitted by law,” on the ground that “payments of money from the Federal Treasury are limited to those *authorized by statute.*” *Richmond*, 496 U.S. at 416 (emphasis added). *Richmond* highlighted the absence of statutory authority as the common thread running through the Court’s prior equitable estoppel decisions concerning the government. *See, e.g., id.* at 420 (applying equitable estoppel against government “would disregard ‘the duty of all courts to observe the conditions defined by Congress for charging the public treasury’” (quoting *Fed. Crop Ins. Corp. v. Merrill*, 332 U.S. 380, 385 (1947))); *Richmond*, 496 U.S. at 420 (government may “not be compelled [by operation of equitable estoppel] to honor bills of exchange issued by the Secretary of War *where there was no statutory authority* for the issuance of the bills”) (emphasis added) (citing *The Floyd Acceptances*, 74 U.S. (7 Wall.) 666 (1869)).

The *equitable* estoppel doctrine does not, however, delimit or inform the proper scope of *statutory* estoppel provisions. The relevance of equitable estoppel ends precisely where the entitlements or prohibitions of law begin. See *Richmond*, 496 U.S. at 416 (weighing issuance of “monetary payment not otherwise permitted by law”).

2. The government’s equitable estoppel argument is misguided also because the AIA’s estoppel provisions function as a variety of mutual *collateral* estoppel, which does operate against the government.

Collateral estoppel, sometimes known as “issue preclusion,” *Taylor v. Sturgell*, 553 U.S. 880, 892 (2008), is a species of *res judicata* and “generally refers to the effect of a prior judgment in foreclosing successive litigation of an issue of fact or law actually litigated and resolved in a valid court determination essential to the prior judgment, whether or not the issue arises on the same or a different claim.” *New Hampshire v. Maine*, 532 U.S. 742, 748–749 (2001). Issue preclusion’s sister doctrine, “claim preclusion,” also falls within the *res judicata* rubric, and “generally refers to the effect of a prior judgment in foreclosing successive litigation of the very same claim, whether or not relitigation of the claim raises the same issues as the earlier suit.” *Id.* at 748.

Both claim preclusion and issue preclusion—or collateral “estoppel”—accomplish essentially the same objectives as the AIA’s estoppel provisions: “By ‘preclud[ing] parties from contesting matters that they have had a full and fair opportunity to litigate,’ these

two doctrines protect against ‘the expense and vexation attending multiple lawsuits, conserv[e] judicial resources, and foste[r] reliance on judicial action by minimizing the possibility of inconsistent decisions.’” *Taylor*, 553 U.S. at 892 (quoting *Montana v. United States*, 440 U.S. 147, 153–154 (1979)).

Unlike the doctrine of equitable estoppel, the government *is* subject to res judicata doctrines—including mutual collateral estoppel. *See, e.g., Montana v. United States*, 440 U.S. 147, 164 (1979) (concluding that because the federal government “had a full and fair opportunity to press its constitutional challenges” to a state sales tax before the Montana Supreme Court, “the [g]overnment is estopped from seeking a contrary resolution of those issues here”); *United States v. Mendoza*, 464 U.S. 154, 163 (1984) (reiterating that “[t]he doctrine of res judicata . . . prevents the Government from relitigating the same cause of action against the parties to a prior decision,” and reaffirming that “the Government may be estopped . . . from relitigating a question when the parties to the two lawsuits are the same”); *United States v. Stauffer Chem. Co.*, 464 U.S. 165, 174 (1983) (affirming application of collateral estoppel doctrine against the government).

In short, because the equitable estoppel doctrine here is doubly irrelevant, it cannot smooth the edges of the government’s square-peg interpretation. *See Rowland v. California Men’s Colony*, 506 U.S. 194, 200 (1993). And whatever Congress’s reasons for crafting the estoppel provisions as it did, its *omission* of any reference to Section 1498(a) or the Court of Federal Claims cannot serve as an *affirmative* showing

that Congress overrode the applicability of the Dictionary Act and the presumptive statutory definition of “person” that excludes the government.

**CONCLUSION**

The judgment of the court of appeals should be reversed.

Respectfully submitted,

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## APPENDIX

App. 1

**Leahy-Smith America Invents Act,  
Pub. L. No. 112-29, § 18, 125 Stat. 284, 329–331  
(2011)**

**SEC. 18. TRANSITIONAL PROGRAM FOR  
COVERED BUSINESS METHOD  
PATENTS.**

(a) TRANSITIONAL PROGRAM.—

(1) ESTABLISHMENT.—Not later than the date that is 1 year after the date of the enactment of this Act, the Director shall issue regulations establishing and implementing a transitional post-grant review proceeding for review of the validity of covered business method patents. The transitional proceeding implemented pursuant to this subsection shall be regarded as, and shall employ the standards and procedures of, a post-grant review under chapter 32 of title 35, United States Code, subject to the following:

(A) Section 321(c) of title 35, United States Code, and subsections (b), (e)(2), and (f) of section 325 of such title shall not apply to a transitional proceeding.

(B) A person may not file a petition for a transitional proceeding with respect to a covered business method patent unless the person or the person's real party in interest or privy has been sued for infringement of the patent or has been charged with infringement under that

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patent.

(C) A petitioner in a transitional proceeding who challenges the validity of 1 or more claims in a covered business method patent on a ground raised under section 102 or 103 of title 35, United States Code, as in effect on the day before the effective date set forth in section 3(n)(1), may support such ground only on the basis of—

(i) prior art that is described by section 102(a) of such title (as in effect on the day before such effective date); or

(ii) prior art that—

(I) discloses the invention more than 1 year before the date of the application for patent in the United States; and

(II) would be described by section 102(a) of such title (as in effect on the day before the effective date set forth in section 3(n)(1)) if the disclosure had been made by another before the invention thereof by the applicant for patent.

(D) The petitioner in a transitional proceeding that results in a final written decision under section 328(a) of title 35, United States Code, with respect to a claim in a covered business method patent, or the petitioner's real party in interest, may not assert, either in a civil action arising in whole or in part under

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section 1338 of title 28, United States Code, or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 (19 U.S.C. [§] 1337), that the claim is invalid on any ground that the petitioner raised during that transitional proceeding.

(E) The Director may institute a transitional proceeding only for a patent that is a covered business method patent.

(2) EFFECTIVE DATE.—The regulations issued under paragraph (1) shall take effect upon the expiration of the 1-year period beginning on the date of the enactment of this Act and shall apply to any covered business method patent issued before, on, or after that effective date, except that the regulations shall not apply to a patent described in section 6(f)(2)(A) of this Act during the period in which a petition for post-grant review of that patent would satisfy the requirements of section 321(c) of title 35, United States Code.

(3) SUNSET.—

(A) IN GENERAL.—This subsection, and the regulations issued under this subsection, are repealed effective upon the expiration of the 8-year period beginning on the date that the regulations issued under to paragraph (1) take effect.

(B) APPLICABILITY.—Notwithstanding subparagraph (A), this subsection and the



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regulations issued under this subsection shall continue to apply, after the date of the repeal under subparagraph (A), to any petition for a transitional proceeding that is filed before the date of such repeal.

(b) REQUEST FOR STAY.—

(1) IN GENERAL.—If a party seeks a stay of a civil action alleging infringement of a patent under section 281 of title 35, United States Code, relating to a transitional proceeding for that patent, the court shall decide whether to enter a stay based on—

(A) whether a stay, or the denial thereof, will simplify the issues in question and streamline the trial;

(B) whether discovery is complete and whether a trial date has been set;

(C) whether a stay, or the denial thereof, would unduly prejudice the nonmoving party or present a clear tactical advantage for the moving party; and

(D) whether a stay, or the denial thereof, will reduce the burden of litigation on the parties and on the court.

(2) REVIEW.—A party may take an immediate interlocutory appeal from a district court's decision under paragraph (1). The United States Court of Appeals for the Federal Circuit shall review the

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district court's decision to ensure consistent application of established precedent, and such review may be de novo.

(c) ATM EXEMPTION FOR VENUE PURPOSES.—In an action for infringement under section 281 of title 35, United States Code, of a covered business method patent, an automated teller machine shall not be deemed to be a regular and established place of business for purposes of section 1400(b) of title 28, United States Code.

(d) DEFINITION.—

(1) IN GENERAL.—For purposes of this section, the term “covered business method patent” means a patent that claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service, except that the term does not include patents for technological inventions.

(2) REGULATIONS.—To assist in implementing the transitional proceeding authorized by this subsection, the Director shall issue regulations for determining whether a patent is for a technological invention.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as amending or interpreting categories of patent-eligible subject matter set forth under section 101 of title 35, United States Code.

28 U.S.C. § 1498

**Patent and copyright cases**

(a) Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the United States Court of Federal Claims for the recovery of his reasonable and entire compensation for such use and manufacture. Reasonable and entire compensation shall include the owner's reasonable costs, including reasonable fees for expert witnesses and attorneys, in pursuing the action if the owner is an independent inventor, a nonprofit organization, or an entity that had no more than 500 employees at any time during the 5-year period preceding the use or manufacture of the patented invention by or for the United States. Notwithstanding<sup>1</sup> the preceding sentences, unless the action has been pending for more than 10 years from the time of filing to the time that the owner applies for such costs and fees, reasonable and entire compensation shall not include such costs and fees if the court finds that the position of the United States was substantially justified or that special circumstances make an award unjust.

For the purposes of this section, the use or manufacture of an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the

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<sup>1</sup> So in original. Probably should be "Notwithstanding".

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Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States prior to July 1, 1918.

A Government employee shall have the right to bring suit against the Government under this section except where he was in a position to order, influence, or induce use of the invention by the Government. This section shall not confer a right of action on any patentee or any assignee of such patentee with respect to any invention discovered or invented by a person while in the employment or service of the United States, where the invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials or facilities were used.

(b) Hereafter, whenever the copyright in any work protected under the copyright laws of the United States shall be infringed by the United States, by a corporation owned or controlled by the United States, or by a contractor, subcontractor, or any person, firm, or corporation acting for the Government and with the authorization or consent of the Government, the exclusive action which may be brought for such infringement shall be an action by the copyright owner against the United States in the Court of Federal Claims for the recovery of his reasonable and

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entire compensation as damages for such infringement, including the minimum statutory damages as set forth in section 504(c) of title 17, United States Code: *Provided*, That a Government employee shall have a right of action against the Government under this subsection except where he was in a position to order, influence, or induce use of the copyrighted work by the Government: *Provided, however*, That this subsection shall not confer a right of action on any copyright owner or any assignee of such owner with respect to any copyrighted work prepared by a person while in the employment or service of the United States, where the copyrighted work was prepared as a part of the official functions of the employee, or in the preparation of which Government time, material, or facilities were used: *And provided further*, That before such action against the United States has been instituted the appropriate corporation owned or controlled by the United States or the head of the appropriate department or agency of the Government, as the case may be, is authorized to enter into an agreement with the copyright owner in full settlement and compromise for the damages accruing to him by reason of such infringement and to settle the claim administratively out of available appropriations.

Except as otherwise provided by law, no recovery shall be had for any infringement of a copyright covered by this subsection committed more than three years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt of a written claim for compensation by the Department or agency of the Government or corporation owned or controlled by the United States, as the case may be, having authority to

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settle such claim and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as a part of the three years, unless suit is brought before the last-mentioned date.

(c) The provisions of this section shall not apply to any claim arising in a foreign country.

(d) Hereafter, whenever a plant variety protected by a certificate of plant variety protection under the laws of the United States shall be infringed by the United States, by a corporation owned or controlled by the United States, or by a contractor, subcontractor, or any person, firm, or corporation acting for the Government, and with the authorization and consent of the Government, the exclusive remedy of the owner of such certificate shall be by action against the United States in the Court of Federal Claims for the recovery of his reasonable and entire compensation as damages for such infringement: *Provided*, That a Government employee shall have a right of action against the Government under this subsection except where he was in a position to order, influence, or induce use of the protected plant variety by the Government: *Provided, however*, That this subsection shall not confer a right of action on any certificate owner or any assignee of such owner with respect to any protected plant variety made by a person while in the employment or service of the United States, where such variety was prepared as a part of the official functions of the employee, or in the preparation of which Government time, material, or facilities were used: *And provided further*, That before such action against the United States has been

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instituted, the appropriate corporation owned or controlled by the United States or the head of the appropriate agency of the Government, as the case may be, is authorized to enter into an agreement with the certificate owner in full settlement and compromise, for the damages accrued to him by reason of such infringement and to settle the claim administratively out of available appropriations.

(e) Subsections (b) and (c) of this section apply to exclusive rights in mask works under chapter 9 of title 17, and to exclusive rights in designs under chapter 13 of title 17, to the same extent as such subsections apply to copyrights.

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**1 U.S.C. § 1**

**Words denoting number, gender, and so forth**

In determining the meaning of any Act of Congress, unless the context indicates otherwise—

words importing the singular include and apply to several persons, parties, or things;

words importing the plural include the singular;

words importing the masculine gender include the feminine as well;

words used in the present tense include the future as well as the present;

the words “insane” and “insane person” and “lunatic” shall include every idiot, lunatic, insane person, and person non compos mentis;

the words “person” and “whoever” include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals;

“officer” includes any person authorized by law to perform the duties of the office;

“signature” or “subscription” includes a mark when the person making the same intended it as such;



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“oath” includes affirmation, and “sworn” includes affirmed;

“writing” includes printing and typewriting and reproductions of visual symbols by photographing, multigraphing, mimeographing, manifolding, or otherwise.

**35 U.S.C. § 311**

**Inter partes review**

(a) **IN GENERAL.**—Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute an inter partes review of the patent. The Director shall establish, by regulation, fees to be paid by the person requesting the review, in such amounts as the Director determines to be reasonable, considering the aggregate costs of the review.

(b) **SCOPE.**—A petitioner in an inter partes review may request 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.

(c) **FILING DEADLINE.**—A petition for inter partes review shall be filed after the later of either—

(1) the date that is 9 months after the grant of a patent; or

(2) if a post-grant review is instituted under chapter 32, the date of the termination of such post-grant review.

**35 U.S.C. § 315**

**Relation to other proceedings or actions**

(a) INFRINGER'S CIVIL ACTION.—

(1) INTER PARTES REVIEW BARRED BY CIVIL ACTION.—An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.

(2) STAY OF CIVIL ACTION.—If the petitioner or real party in interest files a civil action challenging the validity of a claim of the patent on or after the date on which the petitioner files a petition for inter partes review of the patent, that civil action shall be automatically stayed until either—

(A) the patent owner moves the court to lift the stay;

(B) the patent owner files a civil action or counterclaim alleging that the petitioner or real party in interest has infringed the patent; or

(C) the petitioner or real party in interest moves the court to dismiss the civil action.

(3) TREATMENT OF COUNTERCLAIM.—A counterclaim challenging the validity of a claim of a patent does not constitute a civil action challenging the validity of a claim of a patent for purposes of this subsection.

(b) PATENT OWNER'S ACTION.—An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

(c) JOINDER.—If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

(d) MULTIPLE PROCEEDINGS.—Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of an inter partes review, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the inter partes review or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, or termination of any such matter or proceeding.

(e) ESTOPPEL.—

(1) PROCEEDINGS BEFORE THE OFFICE.—The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not

request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

(2) CIVIL ACTIONS AND OTHER PROCEEDINGS.—  
The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

**35 U.S.C. § 321**

**Post-grant review**

(a) **IN GENERAL.**—Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute a post-grant review of the patent. The Director shall establish, by regulation, fees to be paid by the person requesting the review, in such amounts as the Director determines to be reasonable, considering the aggregate costs of the post-grant review.

(b) **SCOPE.**—A petitioner in a post-grant review may request to cancel as unpatentable 1 or more claims of a patent on any ground that could be raised under paragraph (2) or (3) of section 282(b) (relating to invalidity of the patent or any claim).

(c) **FILING DEADLINE.**—A petition for a post-grant review may only be filed not later than the date that is 9 months after the date of the grant of the patent or of the issuance of a reissue patent (as the case may be).

**35 U.S.C. § 325**

**Relation to other proceedings or actions**

(a) INFRINGER'S CIVIL ACTION.—

(1) POST-GRANT REVIEW BARRED BY CIVIL ACTION.—A post-grant review may not be instituted under this chapter if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.

(2) STAY OF CIVIL ACTION.—If the petitioner or real party in interest files a civil action challenging the validity of a claim of the patent on or after the date on which the petitioner files a petition for post-grant review of the patent, that civil action shall be automatically stayed until either—

(A) the patent owner moves the court to lift the stay;

(B) the patent owner files a civil action or counterclaim alleging that the petitioner or real party in interest has infringed the patent; or

(C) the petitioner or real party in interest moves the court to dismiss the civil action.

(3) TREATMENT OF COUNTERCLAIM.—A counterclaim challenging the validity of a claim of a patent does not constitute a civil action challenging the validity of a claim of a patent for purposes of this subsection.

(b) PRELIMINARY INJUNCTIONS.—If a civil action alleging infringement of a patent is filed within 3 months after the date on which the patent is granted, the court may not stay its consideration of the patent owner's motion for a preliminary injunction against infringement of the patent on the basis that a petition for post-grant review has been filed under this chapter or that such a post-grant review has been instituted under this chapter.

(c) JOINDER.—If more than 1 petition for a post-grant review under this chapter is properly filed against the same patent and the Director determines that more than 1 of these petitions warrants the institution of a post-grant review under section 324, the Director may consolidate such reviews into a single post-grant review.

(d) MULTIPLE PROCEEDINGS.—Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of any post-grant review under this chapter, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the post-grant review or other proceeding or matter may proceed, including providing for the stay, transfer, consolidation, or termination of any such matter or proceeding. In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.



(e) ESTOPPEL.—

(1) PROCEEDINGS BEFORE THE OFFICE.—The petitioner in a post-grant review of a claim in a patent under this chapter that results in a final written decision under section 328(a), or the real party in interest or privy of the petitioner, may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that post-grant review.

(2) CIVIL ACTIONS AND OTHER PROCEEDINGS.—The petitioner in a post-grant review of a claim in a patent under this chapter that results in a final written decision under section 328(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that post-grant review.

(f) REISSUE PATENTS.—A post-grant review may not be instituted under this chapter if the petition requests cancellation of a claim in a reissue patent that is identical to or narrower than a claim in the original patent from which the reissue patent was issued, and the time limitations in section 321(c) would bar filing a petition for a post-grant review for such original patent.