

No. 24-518

IN THE
Supreme Court of the United States

PARKERVISION, INC.,

Petitioner,

v.

TCL INDUSTRIES HOLDINGS CO., LTD., *et al.*,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF

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INTRODUCTION

Respondents concede the question presented. They do not dispute that § 144 of the Patent Act requires the Federal Circuit to decide an appeal from the Patent Trial and Appeal Board (PTAB) by issuing an “opinion.” 35 U.S.C. § 144. They also do not dispute that an *opinion* is a term of art meaning a court’s statement of reasons for its decision. Nor do they dispute that when the Federal Circuit affirms a PTAB decision under Rule 36—saying only “affirmed”—the court has not rendered an “opinion” and has thus violated § 144.

They were right to give up the ghost. Section 144 means what it says. Respondents’ statutory concession, coupled with the mounting criticism of Rule 36’s deployment in PTAB appeals, illustrates the need for review. Indeed, most Rule 36-ed PTAB appeals arise from inter partes reviews (IPRs)—proceedings where, as here, large corporations prevail upon the PTAB to invalidate issued patents. The PTAB deck is already stacked against solo inventors and small technology firms fighting technology giants, and Rule 36, through which the Federal Circuit affirms PTAB invalidations without explaining why, exacerbates the imbalance of power.

An array of amici, including Professor Mary Ann Glendon, urge this Court to grant review. And there’s more. Former Federal Circuit Judge Michel has stated: “The Federal Circuit’s regular practice of issuing judgments without opinions in appeals from PTAB reviews contravenes the literal terms of § 144, which contains no exceptions and warrants immediate Supreme Court scrutiny.” *See* Ed Nelson III, *Rule 36*

v. Section 144: Will the Supreme Court Answer the Call?, IPWatchdog (Feb. 26, 2025).¹

Former Federal Circuit Judge O'Malley has joined the fray, too, stating: "The ParkerVision case is of particular concern." *Id.* To her, Rule 36s are improper in IPR appeals: "In those cases," she admonishes, "guardrails against unduly depriving a party of property rights break down," and "the Federal Circuit should provide greater oversight." *Id.*

Review would also align with the views of Chief Judge Markey and Judge Rich, patent law's framers. While stewarding the fledgling Federal Circuit and its predecessor, they recognized that the appellate court with patent jurisdiction must issue opinions in agency appeals—and that, to create the property-rights foundation for American investment in innovation, a *court* must say what the law is. Agencies are not courts; judgments are not opinions.

This Court should grant review.

¹ <https://ipwatchdog.com/2025/02/26/rule-36-v-section-144-will-supreme-court-answer-call/id=186616/>.

ARGUMENT**A. As Respondents Concede, Using Rule 36 in PTAB Appeals Violates § 144.**

As the petition showed (at 12-14), an *opinion* is a court’s statement of reasons. That definition is deeply rooted in American legal culture. So Congress must have known that when it required the Federal Circuit to issue an “opinion” in a PTAB appeal, it was requiring the court to state reasons. 35 U.S.C. § 144. A one-word affirmance under Federal Circuit Rule 36, however, is not a statement of reasons and is therefore not an “opinion.” Using Rule 36 in PTAB appeals is thus unlawful. It overlooks a statutory command in plain view: § 144’s reason-giving requirement. “This elephant has never hidden in a mousehole; it has been standing before us all along.” *Bostock v. Clayton Cnty., Georgia*, 590 U.S. 644, 680 (2020).

The text matters, and respondents do not deny that Congress’s chosen word—“opinion”—controls. Because “[o]urs is a society of written laws,” “[j]udges are not free to overlook plain statutory commands.” *Id.* at 683. Indeed, this Court may not “soften the import of Congress’ chosen words”—not even to “rescue Congress from its drafting errors,” and not even when “the words lead to a harsh outcome.” *Lamie v. U.S. Tr.*, 540 U.S. 526, 538, 542 (2004). And here, there is no basis to suggest that “opinion” was a drafting error, and the outcome of Congress’s term is not harsh: the Federal Circuit could manageably issue opinions in all PTAB appeals. In 2024, for example, the court issued Rule 36s in 69 PTAB appeals, 57 of which arose from

IPRs.² An opinion can be a paragraph. The burden of another seventy paragraphs would not have ground the court to a halt.

B. The Context Confirms That § 144 Is a Reason-Giving Directive.

When Congress in 1984 required the Federal Circuit to decide patent-agency appeals by issuing opinions, it was not legislating on a blank slate. Congress in 1929 had similarly required the Federal Circuit's predecessor, the Court of Customs and Patent Appeals (CCPA), to decide patent-agency appeals by issuing opinions. This directive was by design. It was integral to the common purpose of the CCPA and the Federal Circuit: to articulate the legal standards for invention patents and thereby engender a predictable property-rights framework, inspire investment, and spark innovation. Congress understood that, for the appellate court with patent-agency jurisdiction to perform its progress-promoting function, the court needed to decide patent-agency appeals by articulating the reasons for its decisions. The agency's reasoning was not enough; a *court* needed to speak up. Section 144 codified this principle.

In 1929, Congress transferred jurisdiction over Patent Office appeals from the Court of Appeals of the District of Columbia, whose docket had become "congested," to the Court of Customs Appeals, which had little to do. H.R. Rep. No. 69-1803, at 1 (1927).

² See Fed. Cir. Website, *Opinions & Orders*, <https://cafc.uscourts.gov/home/case-information/opinions-orders/> (Feb. 28, 2025) (showing: 68 PTAB-appeal Rule 36s in 2023; 59 in 2022; 72 in 2021; 73 in 2020).

What's more, Congress saw the value in "a highly technical court, with special knowledge of patent matters to pass upon ... very important questions." *Change in Title of the United States Court of Customs Appeals: Hearing on H.R. 6687 Before the H. Comm. on the Judiciary*, 70th Cong. 17 (1928) (statement of Rep. Leonidas Dyer). As the CCPA's Judge Graham recounted: "[T]he march of national progress in the arts depends upon a proper and sensible construction of these laws by the Patent Office and its appellate judicial tribunal." William J. Graham, *The United States Court of Customs and Patent Appeals, Its History, Functions and Jurisdiction*, 14 J. Pat. Off. Soc'y 932, 940 (1932).

Congress accordingly required the CCPA to issue an "opinion," "rendered in writing," in "every case on appeal from the decision of the Patent Office." Act of Mar. 2, 1929, ch. 488, § 3, 45 Sta. 1475, 1476 (1929); *accord* 28 U.S.C. § 216 (effective 1948–82) (requiring CCPA, "on each appeal from a Patent Office decision," to "file a written opinion").

The CCPA, in turn, internalized Congress's directive. As an article from 1932 put it, the CCPA eschewed "rubber stamp decisions": "[T]he decisions of the present Court all indicate a complete and thorough study of the related prior art, and related court decisions, and careful attention to and explanation of all the reasons which led to decision, whether it was favorable or otherwise." George E. Tew, *Decisions of the Court of Customs and Patent Appeals on Questions of Patentability*, 14 J. Pat. Off. Soc'y 312, 313 (1932). The court's opinions, further, were "commendable" in "result and in reasoning, with sufficient liberality in reversals of the Patent Office to

correct any possible tendency of the part of that Office toward a narrow view of what amounts to invention.” *Id.* at 314. Yet today’s court of patent appeals, by affirming PTAB invalidations at a rate of 85% and doing so under Rule 36 at a rate of 60% (Pet. 32-33), defies not only Congress’s reason-giving directive, but also the CCPA’s institutional tradition of correcting bureaucratic myopia.

For its half-century of existence, the CCPA cleaved to Congress’s reason-giving directive. In 1974, the CCPA’s Chief Judge Markey confirmed: “Every case has an opinion.” *First Judicial Conference of the United States Court of Customs and Patent Appeals*, 65 F.R.D. 171, 233 (1974). In 1981, the CCPA’s Judge Rich reaffirmed: “An opinion of the court is filed in every case. Some are published, others are not.” Giles S. Rich & Bradford J. Duft, *Doing It Better in the U.S. Court of Customs and Patent Appeals*, 9 Am. Patent L. Assoc. Q. J. 84, 88 (1981). Judge Rich proceeded to explain that, although unpublished opinions are shorter, they still inform the parties of “the court’s reasoning.” *Id.*

In fact, Judge Rich so abhorred the idea of Rule 36 that he once distributed a sarcastic draft summary affirmance to his fellow panelists on a pending appeal. Beneath the decree and a dinkus, he posted a warning—“THIS IS A TEST”—and a series of scathing questions, including:

- **“Is this an ‘opinion’ within the meaning of 28 USC 216?”**
- “Will the appellants and their attorney think their case has received full consideration?”
- “Has any issue in the appeal been overlooked?”

Neil A. Smith, *Remembrances and Memorial: Judge Giles Sutherland Rich*, 3 J. Fed. Cir. Hist. Soc’y 163, 164-65 (2009) (emphasis added). Judge Rich’s test affirmance demonstrates the need for review. His first question above *is* the question presented here.

When Congress in 1982 replaced the CCPA with the Federal Circuit (and granted it jurisdiction over patent-agency appeals and district-court patent appeals), Chief Judge Markey and Judge Rich moved to the new court and implemented their norm of reason-giving. According to Chief Judge Markey: “[T]he Court agreed at the outset to issue an opinion in every single case decided on the merits. Some would be published, some would not be, but every case would get an opinion and every opinion would tell the loser why he lost.” *The First Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 100 F.R.D. 499, 509 (1983). His pledge became a familiar refrain. See Howard T. Markey, *The Court of Appeals for the Federal Circuit: Challenge and Opportunity*, 34 Am. U. L. Rev. 595, 598 (1985) (“The court supplies an opinion in every case, enabling losing counsel to know why he or she did not prevail.”); *The Fifth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 119 F.R.D. 45, 56 (1987) (“As you know, the court issues an opinion in every case.”).

Fittingly, when Congress prepared to finetune the statutes applicable to the Federal Circuit one year into the project, *Chief Judge Markey* recommended amending § 144 to specify that the court “shall issue” an “opinion” in patent-agency appeals. *Technical Amendments to the Federal Courts Improvement Act of 1982: Hearing on H.R. 3824 Before the Subcomm. on*

Cts., C.L. & the Admin. of Just. of the H. Comm. on the Judiciary, 98th Cong. 8-9 (1983).

Congress in 1984 adopted his proposal, thereby reviving, for the Federal Circuit, the reason-giving directive that had governed the CCPA but that had been scrapped in 1982 along with the rest of the CCPA's statutory framework. Pet. 15. That revival made sense. Congress had established the Federal Circuit to bring even more uniformity and clarity to patent law than the CCPA had brought, and reason-giving was central to this objective. S. Rep. No. 97-275, at 5-6 (1981) (“doctrinal stability,” “doctrinal development,” and “national law precedent”: “Business planning will become easier as more stable and predictable law is introduced”); *Court of Appeals for the Federal Circuit—1981: Hearings on H.R. 2405 Before the Subcomm. on Cts., C.L. & the Admin. of Just. of the H. Comm. on the Judiciary*, 97th Cong. 7 (1981) (statement of Markey, C.J.) (“definitive, uniform, judicial interpretation of the national law of patents, on which our citizens may rely”); Howard T. Markey, *The State of the Court*, 38 Am. U. L. Rev. 1093, 1094 (1989) (“the pre-eminent part of our mission requires ... outstanding written communication skills in preparing opinions”).

Then, in 1989, the Federal Circuit adopted Rule 36. Pet. 13. From the start, though, Rule 36s in patent-agency appeals provoked alarm. At a conference in 1995, Chief Judge Archer was forced to address “**whether the requirement of 35 U.S.C. 144 to issue a mandate and an opinion is satisfied when we use Rule 36.**” *The Thirteenth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 166 F.R.D. 515, 549-50 (1995)

(emphasis added). He reported that, in the court’s view, a Rule 36 affirmance is an “opinion” under § 144. *Id.* Like Judge Rich, Chief Judge Archer posed *the* question presented, underscoring the need for review.³

C. Respondents Identify No Vehicle Problems with Reviewing the Important and Recurring Question Presented.

Large technology companies (including foreign companies) have created an “institutional environment” in the United States where “the enforcement of IP rights is a challenging and often futile endeavor, especially for patents owners with limited resources.” Jonathan M. Barnett, *The Big Steal: Ideology, Interest, and the Undoing of Intellectual Property* 350 (2024); *see also id.* at 176 (pre-Rule 36, “Federal Circuit jurisprudence” supplied “property-rights foundation”). As amici have explained, moreover, these companies have achieved their weak-IP utopia through a tried-and-true strategy: the IPR-and-Rule-36 two-step. But their success comes at a steep cost: solo American inventors and small technology firms are deprived of property rights and denied any judicial explanation why.

Respondents are incorrect (at 6) that IPRs cannot invalidate patents. They mischaracterize the process, and they are bluffing. *See* 35 U.S.C. § 318;

³ Chief Judge Archer reached the wrong answer but asked the right question. His framing douses the notion (in outlier commentary) that § 144 is a requirement of transmission, not reason-giving. If the court must issue an opinion “to the [PTO] Director,” it must issue an opinion. “This is just common sense.” Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts* 192 (2012) (predicate-act canon).

Christopher T. Zirpoli et al., Cong. Research Serv., *The Patent Trial and Appeal Board and Inter Partes Review* (2024),⁴ at summ. (“PTAB procedures—and IPR in particular—have aroused controversy”), 17-18 (“PTAB cancels” at least one claim in 82.9% of decisions, and all claims in 67.5%).

Rather than engaging with the question presented, respondents (at 7-8) seek refuge in the claim that this case is a poor vehicle because petitioner did not press its challenge below. But that contention is flawed—several times over. First, petitioner could not have challenged the Federal Circuit’s use of Rule 36 before the Federal Circuit used Rule 36. Second, seeking rehearing “is not a prerequisite” to seeking certiorari. *See* Fed. Cir. R. 40 practice notes (2024). Third, the court inherently determined that it was not committing a statutory violation, and a rehearing petition would have been futile: the court’s rule *is* the issue. *See* Stephen M. Shapiro et al., *Supreme Court Practice* ch. 6, § 6.26(e) (11th ed. 2019) (“special considerations” can outweigh “prudential limitations”).⁵ And fourth, the petition presents a “purely legal question,” “appropriate for immediate resolution.” *See Mitchell v. Forsyth*, 472 U.S. 511, 530 (1985) (citing *Nixon v. Fitzgerald*, 457 U.S. 743 n.23 (1982)). This Court should therefore exercise its Rule 10(a) supervisory power to grant review and direct the Federal Circuit to follow § 144. *See Nguyen v. United States*, 539 U.S. 69, 73-74 (2003).

⁴ <https://crsreports.congress.gov/product/pdf/R/R48016>.

⁵ *See, e.g., Ultratec, Inc., v. Captioncall, LLC*, No. 19-1998, Dkt. 75 (Fed. Cir. Jan. 5, 2021) (denying rehearing).

In presuming that review could make no difference (at 9), respondents fare no better. If this Court vacates, remands, and directs the Federal Circuit to issue a statutorily required opinion, it is uncertain whether the Federal Circuit will reach the same judgment. *See* Pet. 21 (“it won’t write”). Even if it does reach the same judgment, an opinion will remedy the statutory violation.

Respondents also obscure the record in urging (at 10) that *ParkerVision, Inc. v. Vidal*, 88 F.4th 969 (Fed. Cir. 2023), renders an opinion unnecessary. *Vidal* and this case are not identical. They involve different IPR decisions, issues, and petitioners: Intel in *Vidal*; TCL and LG here. *Vidal* did not moot this case, and respondents never argued otherwise.

In particular, *Vidal* did not resolve whether the PTAB acted improperly here by relying on positions that TCL and LG took in the IPRs for the first time on reply. Respondents mention that Judge Chen, at oral argument, asked ParkerVision’s counsel whether *Vidal* was relevant to that issue. But they omit what transpired. Counsel answered that TCL and LG, unlike Intel in *Vidal*, were aware of a prior judicial ruling on the scope of ParkerVision’s patents when they filed their IPRs, but their petitions disregarded that ruling, only for their replies to invoke it. Pet. App. 94a-95a. Judge Chen then endorsed ParkerVision’s counsel’s distinction: “I guess patent owner is raising a potentially interesting question, which is, if there’s something foreseeable that the petitioner could see that it needs to address in the petition but then doesn’t, then have they given up the right to make that argument at a later point in time in the proceeding?” Pet. App. 101a. Yet the Federal Circuit returned with

a Rule 36 affirmance, leaving ParkerVision in the dark about how the court resolved that “potentially interesting” issue—and all the other issues on appeal.

Finally, respondents misplace their reliance on prior certiorari denials. Seven of the ten cited petitions (at 3-4) do not mention § 144. They concern whether Rule 36 is per se unlawful or improper in non-§ 144 cases. But petitioner acknowledges that Rule 36 may be used to affirm a district-court opinion that has afforded the patent holder a judicial explanation for a deprivation. The issue here is whether using Rule 36 in a patent-agency appeal, when no court has said a thing, violates § 144’s opinion requirement. And no prior petition on this issue has detailed § 144’s historical context or received comparable support: thirteen amici across nine briefs; Judge Michel, who supports the petition’s textual interpretation and calls for “immediate Supreme Court scrutiny”; and Judge O’Malley, who supports the petition’s constitutional-doubt argument. See *supra* at 1-2.

The issue has proven that it will not resolve itself. Instead, it has only intensified, and inventors’ disillusionment with a process that deprives them of property rights in issued patents, and then denies them a judicial opinion despite the clear statutory command, is only deepening.

CONCLUSION

The petition should be granted.

Respectfully submitted,

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