

No. _____

In The
Supreme Court of the United States

CELANESE INTERNATIONAL CORPORATION,
CELANESE (MALTA) COMPANY 2 LIMITED, AND
CELANESE SALES U.S. LTD., PETITIONERS

v.

INTERNATIONAL TRADE COMMISSION, ET AL.

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

PETITION FOR A WRIT OF CERTIORARI

AARON G. FOUNTAIN
MORRISON & FOERSTER LLP
300 Colorado Street
Austin, TX 78701

DEANNE E. MAYNARD
Counsel of Record
SETH W. LLOYD
MORRISON & FOERSTER LLP
2100 L Street NW
Washington, DC 20037
(202) 887-8740
DMaynard@mof.com

DIANA L. KIM
MORRISON & FOERSTER LLP
755 Page Mill Road
Palo Alto, CA 94304

Counsel for Petitioners

DECEMBER 9, 2024

QUESTION PRESENTED

Under the Leahy-Smith America Invents Act of 2011 (“AIA”), “[a] person shall be entitled to a patent unless * * * the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention.” 35 U.S.C. § 102(a). The AIA defines the “claimed invention” as “the subject matter defined by a claim in a patent or an application for a patent.” 35 U.S.C. § 100(j). For process claims, the subject matter defined by the claim is the process itself, not an end product made using the process.

The question presented is:

Whether the sale of an end product made by secret use of a later-patented process places “the claimed invention”—that is, the process itself—on sale and thus invalidates the patent on that process, even where the claimed process was not disclosed by the sale and cannot be discovered by studying the end product.

PARTIES TO THE PROCEEDING

Petitioners below were Celanese International Corporation, Celanese (Malta) Company 2 Limited, and Celanese Sales U.S. Ltd. (collectively, “Celanese”). Respondent below was the International Trade Commission (“ITC”). Intervenors below were Anhui Jinhe Industrial Co., Ltd. and Jinhe USA LLC (collectively, “Jinhe”).

Various other companies were named as respondents in Celanese’s complaint before the ITC, but they were not parties to the appeal in the Federal Circuit.

CORPORATE DISCLOSURE STATEMENT

Celanese (Malta) Company 2 Limited is a wholly owned, indirect subsidiary of Celanese Corporation, a publicly held company. Celanese Sales U.S. Ltd. and Celanese International Corporation are wholly owned subsidiaries of Celanese Corporation. No publicly held corporation holds 10% or more of Celanese Corporation’s stock. *See* S. Ct. Rule 29.6.

STATEMENT OF RELATED PROCEEDINGS

This case arises from the following proceedings:

- *Celanese International Corporation et al. v. International Trade Commission*, No. 22-1827 (Fed. Cir.) (judgment affirming International Trade Commission’s determination entered August 12, 2024);
- *In the Matter of Certain High-Potency Sweeteners, Processes for Making Same, and Products Containing Same*, Investigation

No. 337-TA-1264 (United States International Trade Commission) (notice of determination not to review initial determination entered April 1, 2022; initial determination entered January 11, 2022).

TABLE OF CONTENTS

QUESTION PRESENTED..... i
PARTIES TO THE PROCEEDING ii
CORPORATE DISCLOSURE STATEMENT..... ii
STATEMENT OF RELATED PROCEEDINGS..... ii
TABLE OF AUTHORITIES..... vii
PETITION FOR WRIT OF CERTIORARI 1
OPINIONS BELOW 4
JURISDICTION 4
STATUTORY PROVISIONS INVOLVED..... 4
STATEMENT OF CASE 5
 A. Statutory Framework..... 5
 1. The AIA denies a patent if the
 “claimed invention” was on sale 5
 2. Pre-AIA patent law about the on-
 sale bar was different from the AIA
 and not settled on the question
 presented here 7
 a. The pre-AIA patent statute’s
 on-sale bar encompassed “loss
 of right” 7
 b. The Federal Circuit had
 adopted conflicting meanings
 of the pre-AIA statute’s on-
 sale bar depending on the
 seller’s identity 8
 B. Factual and Procedural Background..... 10

REASONS FOR GRANTING REVIEW..... 12

I. THE FEDERAL CIRCUIT’S DECISION IS WRONG 12

A. The Federal Circuit’s Rule Contravenes The AIA’s Text, Structure, And Purpose 12

1. The Federal Circuit ignored the AIA’s plain text, which requires that the “claimed invention” be on sale, not a product made by secret use of the invention 12

2. The Federal Circuit’s rule would put the on-sale provision at odds with the AIA’s structure and other provisions..... 15

a. The Federal Circuit’s rule would create a mismatch between the on-sale provision and the grace period for prior art 16

b. The Federal Circuit’s rule would create uncertainty about third-party sales of end products and potentially render the prior-user defense superfluous 18

3. The Federal Circuit’s rule would undermine the AIA’s purposes 20

B. The Federal Circuit’s Approach Flouts Bedrock Principles Of Statutory Interpretation..... 21

1. The reenactment canon cannot override the statute's unambiguous text.....	22
2. Even were consideration of the reenactment canon appropriate, the Federal Circuit misapplied it	23
a. There was no settled interpretation of whether the pre-AIA on-sale bar applied to sales of products made by secret use of an inventive process	24
b. Even were pre-AIA law settled, the Federal Circuit erred in dismissing the AIA's changes	28
3. The Federal Circuit misread Helsinn, which did not address the issue here, let alone endorse reenactment of all pre-AIA lower-court decisions about the on-sale bar.....	30
II. THE QUESTION PRESENTED IS IMPORTANT TO THE PATENT COMMUNITY AND HAS FAR-REACHING CONSEQUENCES	32
III. THIS CASE PROVIDES AN IDEAL VEHICLE AND WARRANTS IMMEDIATE REVIEW	35
CONCLUSION	36
APPENDIX	

TABLE OF AUTHORITIES

Cases

<i>Barnhart v. Sigmon Coal</i> , 534 U.S. 438 (2002)	1, 12, 22
<i>BP v. Mayor and City Council of Baltimore</i> , 593 U.S. 230 (2021)	22, 24, 26
<i>In re Caveney</i> , 761 F.2d 671 (Fed. Cir. 1985)	26
<i>Central Bank of Denver v. First Interstate Bank of Denver</i> , 511 U.S. 164 (1994)	23
<i>Clark v. Martinez</i> , 543 U.S. 371 (2005)	27
<i>Conn. Nat’l Bank v. Germain</i> , 503 U.S. 249 (1992)	2
<i>Corley v. United States</i> , 556 U.S. 303 (2009)	19
<i>Estate of Cowart v. Nicklos Drilling</i> , 505 U.S. 469 (1992)	22
<i>D.L. Auld v. Chroma Graphics</i> , 714 F.2d 1144 (Fed. Cir. 1983).	8, 9, 11, 26, 27, 28, 29, 30
<i>Digit. Realty Tr. v. Somers</i> , 583 U.S. 149 (2018)	13, 15

<i>Helsinn Healthcare v. Teva Pharmaceuticals USA, 586 U.S. 123 (2019)</i>	2, 3, 6, 7, 8, 11, 13, 21, 22, 27, 30, 31, 32
<i>Jama v. Immigration and Customs Enforcement, 543 U.S. 335 (2005)</i>	22, 23, 26, 28
<i>Keene Corp. v. United States, 508 U.S. 200 (1993)</i>	23
<i>In re Kollar, 286 F.3d 1326 (Fed. Cir. 2002)</i>	14, 26
<i>Lorillard v. Pons, 434 U.S. 575 (1978)</i>	23
<i>Medicines Co. v. Hospira, 827 F.3d 1363 (Fed. Cir. 2016)</i>	26
<i>Metallizing Engineering v. Kenyon Bearing & Auto Parts, 153 F.2d 516 (2d Cir. 1946)</i>	9, 26, 30
<i>Oklahoma v. Castro-Huerta, 597 U.S. 629 (2022)</i>	2, 22, 26
<i>Pennock v. Dialogue, 19 F. Cas. 171 (C.C.E.D. Pa. 1825)</i>	24, 25
<i>Pennock v. Dialogue, 27 U.S. 1 (1829)</i>	24, 25
<i>Pfaff v. Wells Electronics, 525 U.S. 55 (1998)</i>	6, 13, 14, 25

<i>Rotkiske v. Klemm</i> , 589 U.S. 8 (2019)	13, 14
<i>SAS Inst. v. Iancu</i> , 584 U.S. 357 (2018)	32
<i>Scaltech v. Retec/Tetra</i> , 269 F.3d 1321 (Fed. Cir. 2001)	13
<i>United States v. Studiengesellschaft Kohle</i> , 670 F.2d 1122 (D.C. Cir. 1981)	14
<i>W.L. Gore v. Garlock</i> , 721 F.2d 1540 (Fed. Cir. 1983)	9, 10, 11, 26, 27
Statutes	
19 U.S.C. § 1337 (Current)	10
28 U.S.C. § 1254 (Current)	4
35 U.S.C. § 100(j) (Current)	i, 1, 5, 13, 28
35 U.S.C. § 102 (1952)	7, 27
35 U.S.C. § 102 (Current)	8
35 U.S.C. § 102(a) (Current)	i, 1, 5, 13, 28
35 U.S.C. § 102(a) (1952)	7
35 U.S.C. § 102(b) (Current)	1, 6, 16
35 U.S.C. § 102(b) (1952)	8, 28
35 U.S.C. § 102(c) (1952)	7

35 U.S.C. § 271 (Current).....	14
35 U.S.C. § 273 (Current).....	15, 19, 20
Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011).....	i, 1, 5, 7, 20
Other Authorities	
157 Cong. Rec. S1371 (daily ed. Mar. 8, 2011)	34
157 Cong. Rec. S5431 (daily ed. Sept. 8, 2011)	17
Am. Intellectual Property Law Ass'n, <i>Report of the Economic Survey 72-73</i> (2023)	33
European Patent Convention (16th ed. June 2016).....	20
H.R. Rep. No. 112-98 (2011).....	14, 16, 20
Janice M. Mueller, <i>Patent Law 263</i> (5th ed. 2016).....	32
Korean Intellectual Property Office, Patent Examination Guidelines (Mar. 2023)	20

PETITION FOR WRIT OF CERTIORARI

This Court’s review is needed to correct the Federal Circuit’s atextual interpretation of the Leahy-Smith America Invents Act (“AIA”). The case presents an important question of patent law: whether the sale of *an end product* made by secret use of a claimed process places *the process itself* on sale, rendering the process unpatentable under the AIA’s on-sale provision. Had the Federal Circuit followed basic principles of statutory interpretation, the answer should have been a straightforward no.

The AIA precludes a patent if “the claimed invention was * * * on sale” before the patent’s filing, subject to a one-year grace period for disclosures by patentees. 35 U.S.C. §§ 102(a)(1), (b)(1). The AIA defines the “claimed invention” as “the subject matter defined by a claim” in the patent or application. 35 U.S.C. § 100(j). For process claims, that is the process itself. Thus, the AIA’s text makes clear that the on-sale provision is triggered only when the “claimed invention”—the process—is on sale, not when an end product made by secret use of the process is sold. That “plain and unambiguous” reading of the text is “coherent and consistent” with the rest of the statutory scheme and should have ended the inquiry. *Barnhart v. Sigmon Coal*, 534 U.S. 438, 450 (2002).

The Federal Circuit adopted a contrary rule only by flouting the bedrock principle that statutory interpretation starts (and often ends) with the text. Instead of asking what the words of the statute mean, the court looked to its own old decisions under the pre-

AIA statute and held that the AIA reenacted those decisions.

Tellingly, those pre-AIA decisions themselves were atextual—emblematic of a bygone era when courts interpreted statutes by attempting to divine congressional intent and making their own policy judgments. Relying solely on policy judgments, the Federal Circuit had adopted conflicting policies for different sellers: a patentee’s sales of products made using a claimed process triggered the on-sale bar, but third-party sales of the same products did not. In applying the reenactment canon to those decisions, the decision below ignored that inconsistency, holding that the court’s policy for patentees was reenacted and making no mention of its contrary policy for third parties.

That approach fundamentally misunderstands statutory interpretation. Not only did the court misapply the reenactment canon, but by elevating that canon over the text, it prioritized its own decisions over Congress’s judgment. “[C]anons of construction are no more than rules of thumb.” *Conn. Nat’l Bank v. Germain*, 503 U.S. 249, 253 (1992). And this Court has made clear that “the reenactment canon does not override clear statutory language.” *Oklahoma v. Castro-Huerta*, 597 U.S. 629, 644 (2022).

Worse, the Federal Circuit believed its flawed approach was compelled by this Court’s decision in *Helsinn Healthcare v. Teva Pharmaceuticals USA*, 586 U.S. 123 (2019). *Helsinn* addressed a different question on which the AIA’s text was ambiguous: whether a confidential sale of a claimed invention triggers the on-sale provision. There was no dispute

that the claimed non-process invention there was actually on sale. In applying the reenactment canon to the question before it—the meaning of “on sale”—*Helsinn* said nothing about other questions on which the AIA’s text is unambiguous. And nowhere did it give courts license to ignore the text under the guise of the reenactment canon.

Correcting the Federal Circuit’s erroneous holding here is important for multiple reasons.

First, the proper interpretation of the on-sale provision is critically important to intellectual property owners. Absent this Court’s review, the Federal Circuit’s rule would bind all future patentability determinations, with far-reaching consequences. It would disfavor inventors of processes and potentially call into question existing process patents that are crucial to industries like manufacturing, biotechnology, and pharmaceuticals.

Second, because the Federal Circuit refused to address the logical implications of its rule, its decision clashes with other parts of the AIA’s statutory scheme, creating substantial uncertainty about, *e.g.*, third-party sales of end products and the grace period for prior art. Inventors need clarity now to know how to protect their process inventions, and they cannot predict how the law will be applied if they cannot rely on the statute’s text to mean what it says.

Finally, beyond the specific issues here, the Federal Circuit’s erroneous approach to statutory interpretation would set precedent for courts interpreting other statutes to disregard unambiguous text in favor of their own old decisions. This Court

should make clear that is not how courts should interpret statutes.

OPINIONS BELOW

The Federal Circuit's opinion (Pet. App. 1a-18a) is reported at 111 F.4th 1338. The ITC's initial determination (Pet. App. 26a-45a) can be found at 2022 WL 142328. The ITC's notice of determination not to review the initial determination (Pet. App. 19a-25a) can be found at 2022 WL 1043922.

JURISDICTION

The court of appeals entered judgment on August 12, 2024. Pet. App. 1a. On October 23, 2024, the Chief Justice extended the time to petition for a writ of certiorari until December 10, 2024. This Court has jurisdiction under 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The relevant statutory provisions are reproduced at Pet. App. 46a-117a.

STATEMENT OF CASE

A. Statutory Framework

1. *The AIA denies a patent if the “claimed invention” was on sale*

Congress enacted the AIA in 2011 to “improve the United States patent system and promote harmonization of the United States patent system with the patent systems commonly used in nearly all other countries throughout the world.” Pub. L. No. 112-29, § 3(p), 125 Stat. 284, 293. The AIA was the most significant patent reform since 1952. *Ibid.* It replaced the existing U.S. system of granting patents to the first inventor with a system of granting patents to the first inventor to file for a patent, similar to the systems used by most other nations. *Ibid.*

Section 102(a) of the AIA defines the novelty requirement for patentability and identifies categories of prior art that defeat a claimed invention’s novelty. It states: “A person shall be entitled to a patent unless—(1) the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention * * * .” 35 U.S.C. § 102(a)(1). The AIA added and defined the new term “claimed invention” as “the subject matter defined by a claim in a patent or an application for a patent.” *Id.* § 100(j).

Section 102(b) provides a grace period allowing inventors to file within one year of engaging in conduct that would otherwise constitute prior art. It states: “A disclosure made 1 year or less before the effective filing date of a claimed invention shall not be prior art

to the claimed invention under subsection (a)(1) if—
(A) the disclosure was made by the inventor * * * or
(B) the subject matter disclosed had, before such
disclosure, been publicly disclosed by the
inventor * * * .” *Id.* § 102(b)(1).

This Court has never addressed whether a claimed process invention is on sale under the AIA when only an end product made by secret use of the process is sold. It has confronted the AIA’s on-sale provision only once—in *Helsinn*, which raised a different question. The question presented there was “whether the sale of an invention to a third party who is contractually obligated to keep the invention confidential places the invention ‘on sale’ within the meaning of § 102(a).” *Helsinn*, 586 U.S. at 125. The claimed invention was a drug dosage amount, and it was undisputed that the patentee had offered the dosage for sale to a pharmaceutical company. *Id.* at 126. But the contract required the company to keep the dosage confidential. *Ibid.*

This Court held the confidential sale still placed the invention “on sale.” *Id.* at 130-131. *Helsinn* applied the reenactment canon to this question. *Id.* at 130-132. This Court’s pre-AIA precedents had interpreted “on sale” in the pre-AIA provision to require that the invention be (1) “the subject of a commercial offer for sale,” and (2) “ready for patenting.” *Pfaff v. Wells Electronics*, 525 U.S. 55, 67 (1998). And those precedents had settled that a “sale” under the statute need not be public. *Helsinn*, 586 U.S. at 130-132. *Helsinn* held that Congress had reenacted the settled interpretation on that issue by using the words “on sale” again in the AIA. *Id.* at 130-132. In so holding, the Court did not address the

meaning of “claimed invention,” which was not at issue. Nor did it suggest that its reenactment analysis applied to other on-sale provision questions not before it.

2. *Pre-AIA patent law about the on-sale bar was different from the AIA and not settled on the question presented here*
 - a. *The pre-AIA patent statute’s on-sale bar encompassed “loss of right”*

As discussed in *Helsinn*, the patent statute before the AIA also contained an on-sale provision. But it differed in certain ways from the AIA. As noted above, the pre-AIA statute embodied a first-to-invent system rather than the AIA’s first-to-file system, and that pre-AIA framework had impacts throughout the patent statute, including to the on-sale bar.

While section 102 of the AIA now focuses solely on “novelty,” pre-AIA section 102 addressed both “novelty and loss of right to patent.” 35 U.S.C. § 102 (1952). That dual focus was necessary because, under a first-to-invent system, novelty was defined at the time of invention, not the time of filing. *Id.* § 102(a). “Loss of right” principles then dictated that, even if an invention were novel when invented, an inventor could still lose his right to patent, *e.g.*, if he delayed in filing or abandoned his invention. *E.g., id.* § 102(c). The AIA removed these “loss of right” subsections, which were unnecessary under the new first-inventor-to-file system. AIA § 3(b)(1).

The pre-AIA subsection containing the on-sale bar precluded a patent if “the invention was patented or described in a printed publication in this or a

foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States.” 35 U.S.C. § 102(b) (1952). The pre-AIA statute did not use the term “claimed invention.” And it limited the on-sale bar to sales “in this country,” which the AIA has since lifted so that conduct anywhere in the world can affect patentability. *Compare ibid.*, with 35 U.S.C. § 102 (current).

b. The Federal Circuit had adopted conflicting meanings of the pre-AIA statute’s on-sale bar depending on the seller’s identity

Unlike the question addressed in *Helsinn*, this Court never had occasion to decide whether the pre-AIA on-sale bar would be triggered by selling something other than the invention itself, such as a product made by secret use of the invention.

The Federal Circuit, though, had adopted conflicting positions depending on who sold the product. In *D.L. Auld v. Chroma Graphics*, it held that a patent applicant’s own sale of an end product barred him from patenting the process used to make that product, even if the process was never disclosed. 714 F.2d 1144, 1147-1148 (Fed. Cir. 1983). There, the applicant had invented a method for making decorative emblems and offered those emblems for sale. *Id.* at 1147. Relying solely on policy judgments, the Federal Circuit concluded that the applicant’s attempt to “profit from commercial use” of the process “must act as a forfeiture” of patent rights to prevent “circumvention of the policy animating § 102(b).” *Id.* at 1147-1148. The court cited a Second Circuit

decision, *Metallizing Engineering v. Kenyon Bearing & Auto Parts*, which opined that the on-sale bar's animating policies were to encourage early disclosure and prevent inventors from extending their monopolies. 153 F.2d 516, 520 (2d Cir. 1946). *Auld* did not address the pre-AIA statute's text, let alone determine whether the offers placed the process itself on sale.

In contrast, in *W.L. Gore v. Garlock*, the Federal Circuit held that a third party's sales of an end product did not bar an inventor from patenting the process used to make the product. 721 F.2d 1540, 1549-1550 (Fed. Cir. 1983). There, the patentee had patented a process for stretching tape, and the court held that a third party's prior sales of tape made using that process did not invalidate the patent. *Id.* at 1544-1546. The court reasoned: "If [the third party] offered and sold anything, it was only tape, not whatever process was used in producing it." *Id.* at 1550. And "there was no evidence" that "the public could learn the claimed process by examining the tape." *Ibid.* Thus, there was "no reason or statutory basis" that a third party's "secret commercialization of a process" would bar someone else from patenting it. *Ibid.*

The Federal Circuit made no attempt to reconcile its conflicting policies with the pre-AIA on-sale bar's text, which made no distinction between patentees and third parties. Instead, the *Gore* court justified the differential treatment by relying solely on policy: "As between a prior inventor who benefits from a process by selling its product but suppresses, conceals, or otherwise keeps the process from the public, and a later inventor who promptly files a patent application

from which the public will gain a disclosure of the process, the law favors the latter.” *Ibid.*

B. Factual and Procedural Background

None of the pertinent facts are in dispute. Celanese owns process patents for improvements to a method for making acesulfame potassium (“Ace-K”), an artificial sweetener. Pet. App. 27a-28a. The patents, filed in 2016, are governed by the AIA. Pet. App. 3a. During prosecution, Celanese disclosed to the U.S. Patent and Trademark Office (“PTO”) that its claimed process had been in secret use and that Ace-K made using that process had been sold for over a year before the patents’ filing. Pet. App. 3a.

1. Celanese filed a complaint at the ITC alleging Jinhe violated 19 U.S.C. § 1337 by importing Ace-K made using a process that infringed Celanese’s patents. Pet. App. 2a. Jinhe moved for summary determination of no violation. Pet. App. 3a. Jinhe argued that Celanese had triggered the AIA’s on-sale provision by selling products made using the claimed process, thus invalidating the claims encompassing that process. Pet. App. 3a. Jinhe did not argue that the sales disclosed Celanese’s inventive process or that it was possible to discover the process by studying the end product. *See* C.A. Appx8212-8234. Nor did Jinhe argue that the product sales triggered the separate “public use” provision. C.A. Appx8225 n.6.

Celanese opposed, contending that, under the AIA’s plain text, the on-sale provision was triggered only when the “claimed invention” was on sale. Here, the “claimed invention” was Celanese’s improved process for making Ace-K, not the Ace-K that was sold.

The ALJ granted Jinhe’s motion, concluding that Celanese’s sales of end products invalidated its process claims. Pet. App. 26a-45a. His decision was not based on section 102’s text. Instead, he concluded that the AIA had reenacted the Federal Circuit’s pre-AIA policy in *Auld* for product sales by patentees. Pet. App. 32a-37a.

The ITC denied Celanese’s petition for review. Pet. App. 19a-25a.

2. Celanese appealed, contending that the ALJ approached the statutory-interpretation question backwards. Celanese explained that interpreting the on-sale provision must begin with the text’s plain meaning, and if the text is unambiguous—as the AIA’s use of “claimed invention” is—that should end the inquiry.

In a precedential decision, the Federal Circuit affirmed. Rather than asking what the on-sale provision’s text means, the court asked whether Congress had done enough in the AIA to override the Federal Circuit’s policy decisions under the pre-AIA statute. Pet. App. 6a-18a. Starting with *Auld*, the court concluded its pre-AIA decisions had held that a patentee’s sales of products made using a secret process triggered the on-sale bar and prohibited patenting the process. Pet. App. 6a-8a. Although the court cited *Gore*, it never acknowledged *Gore*’s opposite holding for third-party sales. Pet. App. 7a. And it concluded that *Helsinn*’s reasoning justified applying the presumption of reenactment in this case. Pet. App. 9a-10a. Although the Federal Circuit recognized the AIA had changed the on-sale provision, it reviewed those changes through the prism of

whether they sufficed to overturn the court’s previous atextual and inconsistent readings, rather than determining the best reading of the AIA’s text, structure, and purpose. Pet. App. 11a-16a.

REASONS FOR GRANTING REVIEW

I. THE FEDERAL CIRCUIT’S DECISION IS WRONG

The Federal Circuit’s decision is erroneous in both its holding and approach. Left uncorrected, its erroneous rule would bind all PTO, ITC, and lower-court patentability determinations, depriving process inventors of the patent protections Congress enacted. And the court’s atextual approach to statutory interpretation would erode this Court’s foundational instruction that statutory interpretation begins with the text, inviting other courts to follow in its footsteps.

A. The Federal Circuit’s Rule Contravenes The AIA’s Text, Structure, And Purpose

1. *The Federal Circuit ignored the AIA’s plain text, which requires that the “claimed invention” be on sale, not a product made by secret use of the invention*

This Court has “stated time and again that courts must presume that a legislature says in a statute what it means and means in a statute what it says there. When the words of a statute are unambiguous, then, this first canon is also the last: ‘judicial inquiry is complete.’” *Barnhart*, 534 U.S. at 461-462. This simple rule alone requires reversal.

Under the AIA’s plain language, the “claimed invention” itself—not a product made using the claimed invention—must be on sale to trigger the on-sale provision. 35 U.S.C. § 102(a)(1). The AIA defines “claimed invention” as “the subject matter defined by a claim” in a patent. *Id.* § 100(j); see *Digit. Realty Tr. v. Somers*, 583 U.S. 149, 160 (2018) (“When a statute includes an explicit definition, we must follow that definition * * *”). “There is no dispute that the ‘claimed invention’ here is the *process* Celanese used to make Ace-K.” Pet. App. 11a (Federal Circuit’s emphasis).

As this Court has held, a claimed invention is “on sale” when it is “the subject of a commercial offer for sale’ and ‘ready for patenting.” *Helsinn*, 586 U.S. at 125 (quoting *Pfaff*, 525 U.S. at 67). Thus, putting the definitions together, the AIA unambiguously requires that “the subject matter defined by a claim” (Celanese’s process) be “the subject of a commercial offer for sale and ready for patenting.” For processes, this might include, *e.g.*, contracting to perform the steps of the process for compensation—such as offering to use a process to provide waste-cleaning services for another. *Scaltech v. Retec/Tetra*, 269 F.3d 1321, 1328-1331 (Fed. Cir. 2001).

But nothing in the text covers selling the *product* of a process invention’s secret use. That is particularly so where the claimed process is not disclosed to the buyer and cannot be deduced from the product sold. “It is a fundamental principle of statutory interpretation that ‘absent provisions cannot be supplied by the courts.’” *Rotkiske v. Klemm*, 589 U.S. 8, 14 (2019) (citation and alterations omitted). And section 102(a)(1) ends with “or otherwise available to

the public” to “emphasize the fact that [prior art] must be publicly accessible”—but an invention is not publicly accessible when only an end product of its secret use is sold. H.R. Rep. No. 112-98, at 42-43 (2011).

Nor does the AIA’s text cover any “attempt to profit from commercial exploitation” of the invention. *Contra* Pet. App. 7a. That reading, adopted by the Federal Circuit, is contrary both to the ordinary meaning of “on sale” and to this Court’s definition of that term in *Pfaff*, 525 U.S. at 67. As even the Federal Circuit has recognized, there are many forms of profit from commercial exploitation that do not involve a “commercial offer for sale” of the invention. *E.g.*, *In re Kollar*, 286 F.3d 1326, 1332 (Fed. Cir. 2002) (licensing a patent to a process, which may result in profit, is not a “sale”). Had Congress intended such a broad reach, it could have said “commercial use” or “profit,” but it chose the term “on sale.”

“Atextual judicial supplementation is particularly inappropriate when * * * Congress has shown that it knows how to adopt the omitted language or provision.” *Rotkiske*, 589 U.S. at 14. Elsewhere in the AIA, Congress referred specifically to products of an invention’s use as distinct from the invention itself. In defining infringement, Congress enacted separate subsections covering one who “offers to sell, or sells any patented invention” (35 U.S.C. § 271(a)) and one who “offers to sell, sells, or uses within the United States *a product which is made by a process* patented in the United States” (*id.* § 271(g) (emphasis added)). The latter was necessary because the former did not cover the “sale of a product made by a patented process.” *United States v.*

Studiengesellschaft Kohle, 670 F.2d 1122, 1127-1128 (D.C. Cir. 1981). Likewise, in defining the prior-user defense to infringement of a process patent, Congress expressly included one who “*commercially used* the subject matter” in connection with a sale “of a *useful end result* of such commercial use.” 35 U.S.C. § 273(a)(1) (emphases added).

“When Congress includes particular language in one section of a statute but omits it in another, this Court presumes that Congress intended a difference in meaning.” *Digit. Realty Tr.*, 583 U.S. at 161 (citation omitted). These examples show that Congress knew how to refer to products made from use of a patented process and to commercial use more broadly. Congress chose not to include similar language in the AIA’s on-sale provision. It instead added the term “claimed invention” and defined it by the patent’s claims, thus excluding end products made by a claimed process.

This unambiguous reading of the AIA’s text should end the inquiry. But the Federal Circuit did not even address this plain meaning, let alone explain how to reconcile its holding with the text’s requirement that the “claimed invention” be on sale.

2. *The Federal Circuit’s rule would put the on-sale provision at odds with the AIA’s structure and other provisions*

While the plain meaning explained above coheres with the rest of the statutory scheme, the Federal Circuit’s interpretation cannot be reconciled with other AIA provisions, including the grace period and prior-user defense. The uncertainty resulting from

that inconsistency places process inventors seeking to protect their inventions in a difficult position.

a. The Federal Circuit's rule would create a mismatch between the on-sale provision and the grace period for prior art

The AIA creates a grace period so that “disclosure[s]” made by an inventor within one year of filing “shall not be prior art.” 35 U.S.C. § 102(b)(1). This “give[s] U.S. applicants the time they need to prepare and file their applications.” H.R. Rep. No. 112-98, at 42.

Read properly, section 102(a)(1)'s prior art definition and section 102(b)(1)'s grace period operate harmoniously. Under the plain language, all of section 102(a)(1)'s prior art categories—patent, publication, public use, offer for sale, or otherwise publicly accessible—involve disclosure of the invention to someone, whether the buyer, PTO, or public. Section 102(b)(1)'s grace period for “disclosures” thus covers all relevant prior art. H.R. Rep. No. 112-98, at 42-43 (grace period “will apply to all actions by the patent owner during the year prior to filing that would otherwise create § 102(a) prior art”). The inventor has one year to engage in conduct that would otherwise be prior art, without losing patent rights.

The Federal Circuit's contrary rule, though, would create a mismatch. Sale of a product made by secret use of an inventive process does not disclose the process to anyone, not even the buyer. The Federal Circuit treated such a product sale as prior art. If that reading were accepted, there would be no grace period for such a sale, unlike for other prior art, because, by

its text, section 102(b)(1)'s grace period applies only to "disclosures." Rather than being coextensive as Congress intended, the grace period would only cover a sub-category of prior art. An inventor who sold a product made by secret use of a process would be precluded from patenting the process even if the sale occurred just one day before the inventor filed the patent application. That inventor would be denied the time Congress believed was needed to prepare his application.

There is no logical reason Congress would have enacted such a mismatched scheme. As Senator John Kyl, one of the AIA's sponsors, put it: "Why would Congress create a grace period that allows an invention that has been disclosed to the world in a printed publication, or sold and used around the world, for up to a year, to be withdrawn from the public domain and patented, but not allow an inventor to patent an invention that, by definition, has not been made available to the public?" 157 Cong. Rec. S5431 (daily ed. Sept. 8, 2011). "Such an interpretation of section 102 simply makes no sense, and should be rejected for that reason alone." *Ibid.*

Tellingly, the ITC and Jinhe cannot agree on what to do about this mismatch. Jinhe admitted Congress intended the grace period to be coextensive, but it argued "disclosures" should be read to mean the opposite of what it says—covering all prior art even when the invention was not disclosed. C.A. Intervenor Response Br. 38-39. That would compound the error, using one atextual interpretation to compensate for another. The ITC did not endorse this atextual chain reaction: it admitted its reading created a mismatch but argued the court should just accept those

consequences and leave certain process inventors without a grace period. C.A. ITC Response Br. 33-36. That result would serve no valid purpose (for the reasons Senator Kyl explained), singling out process inventors for disfavored treatment.

The Federal Circuit adopted neither view. It refused to explain how its holding interacts with the grace-period provision, claiming no explanation was necessary because Celanese's sales fell outside the grace period. Pet. App. 15a. But Celanese's point is not that the grace period applies here; it is that statutes must be interpreted coherently as a whole, so an interpretation that cannot make sense of section 102's structure should be rejected. Because the Federal Circuit's rule would bind all cases, it cannot close its eyes to the logical implications of its interpretation.

b. The Federal Circuit's rule would create uncertainty about third-party sales of end products and potentially render the prior-user defense superfluous

The Federal Circuit also turned a blind eye to the inconsistency between its pre-AIA decisions for sales by patentees and for sales by third parties. Pet. App. 6a-8a. As with the grace period, this avoidance creates structural problems that cannot be reconciled.

On the one hand, if (as respondents argued below) the reenactment canon were also applied to *Gore's* opposite holding for third-party sales, the atextual chain reaction would multiply further. The AIA's text contains no statutory basis for treating sales differently depending on the seller's identity. To

read “claimed invention” to mean what it does not say (*i.e.*, product of a process invention’s secret use), respondents must then read “on sale” to mean what it does not say (*i.e.*, on sale by patentees but not third parties). This exemplifies the problem with ignoring the text—one atextual reading creates conflicts that can only be resolved with more atextual readings.

On the other hand, if the same rule applies to all sellers (as the text indicates), different problems would arise. Section 273 creates a defense to infringement of a process claim if the would-be infringer, “acting in good faith, commercially used the subject matter in the United States * * * in connection with * * * an actual arm’s length sale or other arm’s length commercial transfer of a useful end result of such commercial use” within a year of patent filing. 35 U.S.C. § 273(a). But following the decision below, if the sale of a “useful end result” would invalidate the process patent regardless of the seller’s identity, section 273’s prior-user defense would be superfluous. No one would need an infringement defense if the patent were invalid. Yet it is “one of the most basic interpretive canons” that “a statute should be construed so that effect is given to all its provisions, so that no part will be inoperative or superfluous, void or insignificant.” *Corley v. United States*, 556 U.S. 303, 314 (2009) (citation omitted).

Either untenable result could—and should—have been avoided simply by giving the on-sale provision its plain meaning. If no end product sales from any seller invalidate a patent on a secret process, third parties who use the process would infringe a valid patent but can assert the prior-user defense if they satisfy its requirements. That straightforward

interpretation makes sense of both the on-sale provision and section 273.

3. *The Federal Circuit's rule would undermine the AIA's purposes*

The AIA expressly stated its purpose was to “promote harmonization of the United States patent system with the patent systems commonly used in nearly all other countries throughout the world.” AIA § 3(p). It accomplished that in significant part by switching to a first-inventor-to-file system. *Ibid.* But the Federal Circuit's rule would undermine this harmonizing purpose.

An important aspect of harmonization is consistency in defining what actions preclude patentability; otherwise, inventors would be forced to choose between forgoing conduct permitted in other countries or losing patent rights in the United States. Other countries do not treat the sale of a product made by secret use of an inventive process as a bar to patenting the process. *See, e.g.*, European Patent Convention, art. 54(2) (16th ed. June 2016); Korean Intellectual Property Office, Patent Examination Guidelines 264-265 (Mar. 2023). The decision below would thus widen rather than close the gap between the United States and “other countries throughout the world.” AIA § 3(p).

The AIA also sought to promote “certainty in the procedures used for securing the exclusive rights of inventors to their discoveries,” to “simplif[y] how prior art is determined,” and to “reduce[] the cost associated with filing and litigating patents.” AIA § 3(p); H.R. Rep. No. 112-98, at 42. But allowing prior art to include secret uses of a process would undermine that

efficiency—both for applicants filing for a patent and for litigants disputing a patent’s validity.

For example, while it is “relatively inexpensive” to identify public uses of an invention, investigating secret uses of a process that cannot be identified from the end product requires extensive and costly investigation, monitoring, and discovery. These costs would be exacerbated by the AIA’s elimination of geographic limitations, requiring investigation into secret uses anywhere in the world. And they would be even further exacerbated if third-party secret uses were included. Although Celanese voluntarily disclosed its secret uses, not all applicants are as forthcoming, and even forthcoming ones may disagree about whether their prior uses practiced the claims. Thus, far from simplifying procedures and reducing costs, the decision below would do the opposite.

B. The Federal Circuit’s Approach Flouts Bedrock Principles Of Statutory Interpretation

The Federal Circuit failed to conduct the above analysis because it framed the question incorrectly. The AIA question presented here is a statutory-interpretation question of first impression, and lower-court decisions about pre-AIA statutes do not answer that question. But the Federal Circuit erroneously elevated its own pre-AIA decisions over the text, misapplied the reenactment canon, and believed *Helsinn* justified that error. This flawed approach to statutory interpretation warrants review to ensure other courts do not follow the Federal Circuit’s example.

1. *The reenactment canon cannot override the statute's unambiguous text*

As explained, the Federal Circuit's most egregious error was ignoring the plain meaning of the text, which unambiguously resolves this case. By turning first to the reenactment canon instead of the text, the Federal Circuit contravened this Court's precedents. If the text is clear, "judicial inquiry is complete," and the reenactment canon should not even be reached. *Barnhart*, 534 U.S. at 461-462.

This Court has repeatedly rejected reenactment arguments under such circumstances because "the reenactment canon does not override clear statutory language." *Castro-Huerta*, 597 U.S. at 644 (giving General Crimes Act its plain meaning and rejecting contrary reenactment argument). The Court's "duty is to follow the law as [the Court] find[s] it, not to follow rotely whatever lower courts once might have said about it." *BP v. Mayor and City Council of Baltimore*, 593 U.S. 230, 244 (2021) (rejecting reenactment argument because the Court "bears no 'warrant to ignore clear statutory text on the ground that other courts have done so'"); see *Jama v. Immigration and Customs Enforcement*, 543 U.S. 335, 351-352 (2005) (rejecting reenactment argument where "the text and structure of the statute are to the contrary"); cf. *Estate of Cowart v. Nicklos Drilling*, 505 U.S. 469, 478 (1992) ("administrative interpretation followed by congressional reenactment cannot overcome the plain language of a statute").

None of the decisions cited by the Federal Circuit (Pet. App. 10a) support its backwards approach. *Helsinn* turned to the reenactment canon to resolve a

question on which the text was unclear: the words “on sale” do not specify what kind of sales count, whether only public sales or also private, confidential ones. The Court’s holding that a confidential sale is still a sale was one plausible reading of the text.

The other decisions cited by the Federal Circuit likewise reinforce that the reenactment canon is merely a tool used to clarify ambiguous or silent text. *E.g.*, *Keene Corp. v. United States*, 508 U.S. 200, 210-212 (1993) (applying reenactment canon only after concluding that statutory meaning was “elusive” due to text’s “awkward formulation” and “variety of meanings”); *Central Bank of Denver v. First Interstate Bank of Denver*, 511 U.S. 164, 173-178, 185-188 (1994) (holding that “the text of the statute controls our decision” and declining to rely on reenactment canon); *see Lorillard v. Pons*, 434 U.S. 575, 585 (1978) (applying reenactment canon “where the statute provides no express answer”). None of these decisions suggested that the reenactment canon could rewrite the text.

2. *Even were consideration of the reenactment canon appropriate, the Federal Circuit misapplied it*

The Federal Circuit’s reliance on the reenactment canon is erroneous for the independent reason that neither of the canon’s requirements is met here: (1) there was no settled judicial consensus “so broad and unquestioned that we must presume Congress knew of and endorsed it,” and (2) “Congress did not simply reenact [the statute] without change.” *Jama*, 543 U.S. at 349.

- a. *There was no settled interpretation of whether the pre-AIA on-sale bar applied to sales of products made by secret use of an inventive process*

Contrary to the characterization below, there was no settled construction of the pre-AIA on-sale bar on the question presented here. This Court had never addressed whether the sale of an end product made by secret use of a claimed process triggered that on-sale bar, and absent such precedent, it is “most unlikely * * * that a smattering of lower court opinions” could establish the necessary judicial consensus. *BP*, 593 U.S. at 244.

Neither of the two decisions the Federal Circuit cited from this Court addressed this question, much less settled it. Pet. App. 7a-8a. In *Pennock v. Dialogue*, the Court was not interpreting any on-sale bar because the patent statute at the time contained no such language; it required only that the invention was “not known or used before the application.” 27 U.S. 1, 18 (1829). The Court concluded that an inventor who for seven years had permitted a licensee to publicly make and sell the invention—riveted leather hose—could not later patent the invention and remove it from the public domain. *Id.* at 19.

That decision did not address the patentability of an invention that was neither itself on sale nor discoverable from the product sold. At the time, patents did not typically contain claims, so the patented invention in *Pennock* encompassed not just a process for making hose but also the riveted hose itself. *Pennock v. Dialogue*, 19 F. Cas. 171, 173 (C.C.E.D. Pa. 1825) (referring to “the hose for which

this patent was granted” and “the hose invented by Mr. Bedford”); *id.* at 174 (referring to the hose as “the article so publicly used, and afterwards patented”); 27 U.S. at 15 (similar). Thus, unlike here, a sale of the product was a sale of “the thing invented.” *Pennock*, 27 U.S. at 23-24. Nor was anything in *Pennock* kept secret. The inventor had disclosed the invention to a third-party licensee who made and sold it. *Id.* at 3-4, 19. And the innovative riveting would have been obvious from examining the rivets on the hose—unlike Celanese’s inventive process here, which cannot be discovered from the sweetener it produces.

Pfaff v. Wells Electronics is even further afield. It applied the on-sale bar to a product invention (computer chip sockets), not a process, and held that, to be “on sale,” the invention “must be the subject of a commercial offer for sale” and “ready for patenting.” 525 U.S. at 57, 67. Those conditions were met because the sockets sold “contained all the elements of the invention claimed” in the patent. *Id.* at 68. Nowhere did *Pfaff* suggest that the bar would apply to the sale of something containing none of the claim’s elements. *Pfaff* thus supports Celanese’s plain reading of the text, not the Federal Circuit’s atextual approach, because *Pfaff* requires the elements of the claims—the invention itself—to be on sale.

The Federal Circuit appears to recognize that these decisions did not settle the question here because it cites them largely for general policy rationales. Pet. App. 7a-8a. Instead, the weight of its reenactment analysis rests primarily on its own decisions. But what the Federal Circuit described as “long-settled pre-AIA precedent” (Pet. App. 8a) is

merely the kind of “smattering of lower court opinions” this Court has found insufficient. *BP*, 593 U.S. at 244.

For starters, most of the Federal Circuit decisions did not actually hold that selling a product made by a secret process puts the process on sale; rather, the decision below refers to their dicta. *Medicines Co. v. Hospira*, 827 F.3d 1363, 1381 (Fed. Cir. 2016) (holding on-sale bar did *not* apply to product-by-process invention); *Kollar*, 286 F.3d at 1330-1331 (holding bar did *not* apply to process based on research and licensing agreement); *In re Caveney*, 761 F.2d 671, 673 (Fed. Cir. 1985) (holding bar applied to *product* invention); *Gore*, 721 F.2d at 1549-1550 (holding bar did *not* apply to process based on third-party sale of end product). But this Court has instructed that the reenactment “canon does not apply to dicta,” let alone lower-court dicta. *Castro-Huerta*, 597 U.S. at 644; *see Jama*, 543 U.S. at 351 n.12 (“Dictum settles nothing, even in the court that utters it.”).

Discounting dicta, all that remains of the Federal Circuit’s analysis is *Auld* and the Second Circuit’s *Metallizing* decision on which *Auld* relied—far from a consensus “so broad and unquestioned that we must presume Congress knew of and endorsed it.” *Jama*, 543 U.S. at 349. Even putting numbers aside, those two decisions fail to establish a basis for reenactment.

First, neither decision interpreted the pre-AIA on-sale bar’s text. They did not even consider how selling a *product* could put a *process* on sale. Instead, the decisions made free-floating policy judgments. *Auld*, 714 F.2d at 1148 (aiming to prevent “circumvention of the policy animating § 102(b)”); *Metallizing*, 153 F.2d at 520 (relying on Congress’s

intent that “the public shall as soon as possible begin to enjoy the disclosure”). As such, these decisions could not establish a settled construction of any reenacted text because they were not a construction of the text at all.

Second, because *Auld* was based on policy rather than text, the Federal Circuit felt free to reach the opposite result in *Gore*, holding that third-party sales of end products made by a secret process do not bar another party from patenting that process. *Gore*, 721 F.2d at 1549-1550. Those conflicting outcomes refute any claim of a settled textual construction because the same words cannot have different meanings for different people. *Clark v. Martinez*, 543 U.S. 371, 378 (2005) (“To give these same words a different meaning for each category would be to invent a statute rather than interpret one.”). If “the invention was * * * on sale” (35 U.S.C. § 102 (1952)) meant one thing for sales by patentees and another for sales by third parties, those words had no consistent interpretation for Congress to adopt.

The Federal Circuit’s failure to recognize these problems reflects its fundamental misunderstanding of the reenactment canon. That canon, like all canons, is a tool for understanding the words Congress enacted. By presuming Congress adopts prior well-settled interpretations of a phrase when it reuses the same phrase, the canon’s logic is tied to the text. See *Helsinn*, 586 U.S. at 131.

That logic does not apply to freestanding policy determinations that do not interpret any text. Applying the reenactment canon to atextual decisions makes no sense where, as here, the decisions conflict

with themselves and with the text’s plain meaning. It would have the perverse result of presuming Congress intended words to mean the opposite of what they say, merely because some lower courts had previously disregarded the text when applying a former statute. That would turn the reenactment canon from a tool for understanding the text into a mechanism for entrenching atextual, erroneous decisions. *Auld* was wrong when decided, and it would be doubly wrong to use the reenactment canon to make it harder for Congress to fix.

b. Even were pre-AIA law settled, the Federal Circuit erred in dismissing the AIA’s changes

The reenactment canon is additionally inapplicable here because the AIA did not reenact pre-AIA § 102(b) “without change.” See *Jama*, 543 U.S. at 349. It changed not only the on-sale provision’s text, but also the structure of section 102 and the entire patent system.

Congress repudiated the Federal Circuit’s policy-based reading of the pre-AIA on-sale bar by defining a new term—“claimed invention”—as “the subject matter defined by a claim in a patent” (35 U.S.C. § 100(j)), and using that term as the subject of the on-sale provision (*id.* § 102(a)(1)). This change emphasized that the “subject matter defined by a claim” must itself be on sale, not merely some end product not covered by the patent claim.

The Federal Circuit missed the point of this revision by contending that adding “claimed” before “invention” was not a big enough change. Pet. App. 12a. But Congress did not just add an adjective

describing “invention”; it created a new statutorily defined term that was not used in the prior statute. That definition speaks directly to the error in the Federal Circuit’s pre-AIA decisions: the court had failed to require that the process itself—the subject matter of the patent’s claims—be on sale.

Requiring a bigger change would be particularly improper here, where Congress was correcting an atextual decision. Where a court’s interpretation of the prior statute was wrong because it had disregarded the statute’s text, Congress corrects that error not by changing the statute, but by reinforcing that it meant what it said in the statute’s text. It is unclear how the Federal Circuit expected Congress to do that, other than by doubling down on the text’s plain meaning and emphasizing the very term that the court had ignored. It makes no sense to require that Congress substantially change the statute’s text when it seeks to require what that text already said in the first place.

The Federal Circuit also overlooked the AIA’s broader structural changes, which rejected the policy underlying that court’s pre-AIA decisions. Congress removed “loss of right to patent” from section 102’s title, eliminated loss-of-right provisions like abandonment, and focused the definition of prior art solely on novelty. *Supra* p.7. These changes rejected *Auld*’s rationale, which hinged on loss-of-right principles. *Auld* reasoned that selling an end product “must act as a forfeiture” of patent rights “if circumvention of the policy animating § 102(b) is to be avoided.” *Auld*, 714 F.2d at 1147-1148; *see id.* at 1147 (relying on “forfeiture’ theory”). By eliminating the forfeiture concept from section 102, Congress rejected

this reasoning. Because the AIA no longer advances a loss-of-right policy, there is no circumvention of that policy to prevent.

Auld's policy judgment was further displaced by the AIA's switch to a first-inventor-to-file system. *Auld* believed the pre-AIA on-sale bar's policy was to encourage inventors to disclose inventions to the public and prevent them from extending their monopolies. *Id.* at 1147-1148; *Metallizing*, 153 F.2d at 520. In a first-to-invent system, inventors could potentially delay filing for a patent, wait until their rivals caught up, and then patent based on their earlier invention date to remove the discovery from the public domain. The first-inventor-to-file system eliminates that incentive and promotes early disclosure because inventors who delay filing risk losing the patent to another inventor who files first. There is thus no need for *Auld's* policy judgment. The Federal Circuit disregarded this comprehensive reform because it failed to interpret the on-sale provision in the context of the AIA as a whole.

3. *The Federal Circuit misread Helsinn, which did not address the issue here, let alone endorse reenactment of all pre-AIA lower-court decisions about the on-sale bar*

Helsinn's holding does not govern this case because the Court did not address the question presented here. There, it was undisputed that the claimed invention, which was not a process, was itself on sale. *Helsinn*, 586 U.S. at 126. The only question was whether the sale's confidentiality prevented application of the on-sale provision. *Id.* at 125. That

question turns on a different part of the text from the question here: *Helsinn* asked what it means for a claimed invention to be “*on sale*,” whereas this case asks what it means for a “*claimed invention*” to be on sale. *Helsinn* held an invention is “on sale” when it is subject to a commercial offer for sale, even if the invention’s details are not publicly disclosed. But that does not address whether a “claimed invention” is on sale when it has never been the subject of a commercial offer for sale and only an end product of its secret use has been.

Nor does *Helsinn*’s reasoning justify the Federal Circuit’s reenactment analysis. To the contrary, *Helsinn*’s differences highlight the Federal Circuit’s errors. First, as explained, *Helsinn*’s resort to the reenactment canon was appropriate because the AIA’s text is ambiguous about whether “on sale” includes confidential sales. The same text, however, is unambiguous that the claimed invention must itself be on sale. *Supra* pp. 12-15, 22-23. Second, *Helsinn* found a settled pre-AIA interpretation on the question before it by relying first and primarily on this Court’s precedent. 586 U.S. at 130-131. *Helsinn* only invoked Federal Circuit decisions as making “explicit what was implicit in [this Court’s] precedents.” *Id.* at 131. But no decision of this Court has settled the question here. *Supra* pp.24-28. Third, in concluding that the AIA had not changed the relevant pre-AIA interpretation there, *Helsinn* analyzed only the addition of “or otherwise available to the public.” *Id.* at 132. It did not address the newly defined term “claimed invention” or the structural changes undermining loss-of-right policies; neither was relevant to the question before it. *Supra* pp.28-30.

In overlooking these critical differences, the Federal Circuit overread *Helsinn*. *Helsinn* did not hold that the AIA reenacted all lower-court pre-AIA on-sale bar decisions. Reenactment is not all-or-nothing, and that is not how this Court decides cases. It decides the legal question presented by the case or controversy before it. That the AIA reenacted one pre-AIA interpretation of one issue about the on-sale provision does not mean it reenacted other interpretations addressing different issues. This Court previously warned the Federal Circuit against overreading its AIA precedents, and that correction is needed again here. *SAS Inst. v. Iancu*, 584 U.S. 357, 370-371 (2018).

II. THE QUESTION PRESENTED IS IMPORTANT TO THE PATENT COMMUNITY AND HAS FAR-REACHING CONSEQUENCES

1. Review of the Federal Circuit's erroneous decision is important to all stakeholders in the patent community, which depends on the correct interpretation of the on-sale provision. Novelty determinations are foundational to patent law, and the on-sale provision is a significant source of litigation. Janice M. Mueller, *Patent Law* 263 (5th ed. 2016). Because the Federal Circuit's jurisdiction is exclusive, the decision's impact would be far-reaching—it would bind all patentability determinations before the PTO, ITC, and lower courts, including applications for new patents and challenges to existing ones.

Those ramifications could potentially affect many inventors with process patents granted under the AIA

that would now be subject to challenge. Process inventions are critical to many industries. For example, the chemical and biotechnology industries patent processes for making compounds; the pharmaceutical industry patents processes for making drugs; and manufacturers patent better and more efficient ways of making existing products, as Celanese did here. The decision below would destabilize these industries by disfavoring process inventions and calling existing patents into doubt.

The decision would also make it difficult for inventors to make informed decisions about whether to continue investing in improving processes and how to protect their rights. Obtaining and enforcing a patent is costly. Inventors must not only search prior art to determine whether a process is patentable and draft the patent itself, but also hire counsel to respond to PTO requests and defend against inter-partes and post-grant challenges. *See* Am. Intellectual Property Law Ass'n, *Report of the Economic Survey* 72-73 (2023) (median cost of filing or defending IPR/PGR challenge through appeal ranging from \$500,000-\$800,000). Litigation costs can be even higher. *Id.* at 61-70 (reaching millions of dollars).

Clarity and predictability in patent law are thus necessary for inventors to know whether to undertake these costs. If left uncorrected, the decision below would sow uncertainty and impose unnecessary burdens. As explained, it would undermine Congress's purposes of harmonizing U.S. and foreign patent law and simplifying procedures. *Supra* pp.20-21. It is inventors who would suffer the consequences. Investigating prior art and litigating patent validity would become more costly for both patentholders and

challengers, who would have to monitor secret uses that are not easily discoverable. And inventors would be put to a trade-off between their U.S. patent rights and rights abroad. Using a process secretly abroad, as other countries permit, may cause them to lose their U.S. patent rights; or if they protect their invention domestically by filing for a patent, disclosing the invention here may force their hand abroad. Either way, inventors would be caught between inconsistent laws.

The uncertainty is exacerbated by the Federal Circuit's blind eye toward the logical implications of its holding. As the ITC asserted below, and the Federal Circuit declined to resolve, process inventors who sell end products made from secret use of their inventions may not be entitled to any grace period. *Supra* pp.16-18. They would risk losing their patents based on even a single sale one day before filing, even though inventors of products have a year to prepare filings. If that is the case, inventors need to know now so they can protect their rights. The decision below likewise creates uncertainty over whether third-party sales will preclude patentability. *Supra* pp.18-20. Inventors need to know now whether to undertake the significant monitoring costs to investigate secret third-party uses, assuming that is even possible. Without immediate clarity, the Federal Circuit's decision would turn the on-sale provision into a "trap[] for unwary inventors" and "impose extreme results to no real purpose." 157 Cong. Rec. S1371 (daily ed. Mar. 8, 2011).

2. The decision below would also harm the public by hindering the AIA's goal of encouraging early disclosure of inventions. As explained, the first-

inventor-to-file system promotes early disclosure by eliminating the incentive to delay that existed under a first-to-invent system. *Supra* p.30. But the Federal Circuit’s decision would cut off the continuing incentive to disclose. Once the on-sale provision is triggered by a single end-product sale, inventors would have to keep their process inventions secret indefinitely because that becomes the only way to protect their rights to the invention. That harsh rule would deprive the public of the invention entirely—the opposite of the AIA’s goal.

3. Finally, the question presented is important to the entire legal community because predictability in the law depends on the ability to rely on statutory text to mean what it says. Precedents disregarding statutory text threaten this approach to statutory interpretation and invite other courts to follow suit—not only with the AIA, but also with other statutes. This Court should nip such departures in the bud to ensure courts adhere to the text Congress enacted.

III. THIS CASE PROVIDES AN IDEAL VEHICLE AND WARRANTS IMMEDIATE REVIEW

This case is an ideal vehicle for resolving the question presented. The relevant facts are undisputed: the “claimed invention” is Celanese’s process for making Ace-K, not the Ace-K produced; Celanese’s pre-filing use of the process was secret; and the Ace-K produced was sold for over a year before filing. Pet. App. 3a, 11a-12a. The question before the Court, then, is a pure question of law about the proper interpretation of the AIA. That question was the only issue raised and decided in the Federal Circuit, so all

arguments are preserved, and no secondary issues would distract from the question presented.

The Federal Circuit's erroneous answer to that question governs all process patents. Nothing would be gained from delaying review, as the Federal Circuit's exclusive jurisdiction prevents any possibility of circuit conflict. Only this Court can correct the Federal Circuit's error, and it should do so now to provide much-needed clarity to inventors and restore the primacy of the text in statutory interpretation.

CONCLUSION

The petition should be granted.

Respectfully submitted,

AARON G. FOUNTAIN
MORRISON & FOERSTER LLP
300 Colorado Street,
Suite 1800
Austin, TX 78701

DEANNE E. MAYNARD
Counsel of Record
SETH W. LLOYD
MORRISON & FOERSTER LLP
2100 L St. NW
Washington, DC 20037
Tel: (202) 887-8740
DMaynard@mfo.com

DIANA L. KIM
MORRISON & FOERSTER LLP
755 Page Mill Road
Palo Alto, CA 94304

Counsel for Petitioners

DECEMBER 9, 2024