

In The
United States Court of Appeals
For The Federal Circuit

UNITED FIRE PROTECTION CORP.,

Appellant

v.

ENGINEERED CORROSION SOLUTIONS, LLC,

Appellee.

**APPEAL FROM THE UNITED STATES PATENT AND
TRADEMARK OFFICE, PATENT TRIAL AND APPEAL BOARD
IN NO. IPR2018-00991.**

MOTION FOR REMAND

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Appellant United Fire Protection Corp. (“**United Fire**”) moves the Court pursuant to Rule 27 for a remand in view of *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320, No. 18-2140 (Fed. Cir. Oct. 31, 2019). In *Arthrex* the Court held that the “current structure of the Board” was “unconstitutional.” *Id.* at 1335. The Court recognized that administration patent judges (APJs) “exercise significant discretion when carrying out their function of deciding *inter partes* reviews.” *Id.* at 1328. Under the structure “no presidentially-appointed officer [with] independent statutory authority [] review[s] a final written decision by the APJs before the decision issues on behalf of the United States.” The Court then ordered a remand for a new PTAB panel as a remedy for litigants who (1) raise an Appointments Clause challenge on appeal and (2) appeal from a final decision of a PTAB panel with APJs not constitutionally appointed. *Id.* at 1340. Subsequently, the Court has remanded cases back to the PTAB that raise an Appointments Clause challenge. *See, e.g., Image Processing Technologies v. Samsung Electronics Co. LTD*, 2019-1408, 2019-1485 (Fed. Cir. Dec. 5, 2019).

United Fire is similarly situated as the litigants in *Arthrex*. A panel of APJs, organized under the same structure held unconstitutional in *Arthrex*, denied institution of *inter partes* review on November 15, 2018 and denied United Fire’s rehearing request on October 10, 2019. *See United Fire Prot., Corp. v. Engineered Corrosion Solutions, LLC*, Decision Denying Institution, IPR 2018-

00991, Paper No. 10 (2018); *United Fire Prot., Corp. v. Engineered Corrosion Solutions, LLC*, Decision Denying Rehearing, IPR 2018-00991, Paper No. 18 (2019). United Fire’s case was decided based entirely on APJ discretion with no presidentially appointed officer reviewing the decision. *See* Decision Denying Institution (“A decision whether to institute is within the Director’s discretion, and that discretion has been delegated to the Board... we exercise our discretion under § 314(a) not to institute review in this proceeding”). Further United Fire’s case was decided by a single judge because both the decision denying institution and the decision denying rehearing were 2-1-split decisions. In the dissenting opinion of the Decision Denying Institution, the dissent stated that the panel should “proceed to investigat[e] the merits of the Petition.” Decision Denying Institution, p. 21. In the dissenting opinion, of the decision denying rehearing the dissent stated that the “majority abused its discretion in our Decision on Institution.” Decision Denying Rehearing, p. 19.

United Fire has timely raised an Appointment Clause challenge on Appeal. *See United Fire Protection, Corp. v. Engineered Corrosion Solutions, LLC*, IPR 2018-00991, Paper No. 19, p. 1 (Dec. 9, 2019).

For purposes of considering the constitutional question of an Appointments Clause challenge, the PTAB has issued a final written decision. Institution decisions under section 314 are “final”. 35 USC § 314(d). While these decisions

are normally non-appealable under section 314, the Supreme Court has held that where the PTAB has exceeded its “statutory bounds, judicial review remains available.” *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018); *see also Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2141 (2016) (refraining from “decid[ing] the precise effect of § 314 on appeals that implicate constitutional questions”). Certainly, any Act of Congress is subject to the limits of the United States Constitution.

United Fire requests consideration of this request before opening briefing consistent with Rule 27(f). Further, the other issues raised on appeal may become moot depending on the outcome of the remand. Thus, it would be premature to brief the Court on these issues before a decision on this request. United Fire reserves the right to file a motion to request an extension for filing opening briefing to await a decision on this motion.

The undersigned counsel has discussed this motion, with counsel for Appellee Engineered Corrosion Solutions, LLC (“ECS”). ECS opposes this motion and would like to file a response to United Fire’s Motion for Remand.

Respectfully submitted.

January 9, 2020

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CERTIFICATE OF FILING AND SERVICE

I hereby certify that on this 9th day of January 2020, I caused this Appellee Motion to Extend the Time for Filing Appellee's Brief to be filed electronically with the Clerk of the Court using the CM/ECF System, which will send notice of such filing to the following registered CM/ECF users:

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CERTIFICATE OF COMPLIANCE

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Dated: January 9, 2020

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