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| **Related Cases** | **Color** |
| **Are there any related cases?** | **No other appeal involving this civil action was previously before this or any other appellate court. This appeal will indirectly affect: 4 cases pending in the U.S. District Court for the District of Minnesota; 2 cases pending in the U.S. District Court for the Northern District of California; and IPR proceedings in *Gilead Sciences, Inc. v. Regents of the University of Minnesota*.** |
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| **Introduction** | **Color** |
| **What is the question in this appeal?** | **Whether a state entity—the University of Minnesota —may assert sovereign immunity to avoid inter partes review.** |
| **What did this Court hold in *Saint Regis Mohawk Tribe v. Mylan Pharm* (Fed. Cir. 2018)?** | **Indian tribes may not** **assert sovereign immunity to avoid inter partes review.** |
| **Did *Saint Regis Mohawk Tribe* decide whether states could assert sovereign immunity to avoid inter partes review?** | **No. Despite recognizing the “many parallels” between state and tribal sovereign immunities, this Court reserved “for another day the question of whether there is any reason to treat state sovereign immunity differently” than Indian tribe sovereign immunity.** |
| **On what basis did this Court reject the tribe’s immunity claim in *Saint Regis Mohawk Tribe*?** | ***Saint Regis Mohawk Tribe* rejected the tribe’s immunity claim by applying a Supreme Court case about *state* sovereign immunity—*****Federal Maritime Comm’n v. South Carolina State Ports Auth.* (U.S. 2002).** |
| **On what basis did *Saint Regis Mohawk Tribe* hold that IPR does not impinge on sovereign immunity?** | ***Saint Regis* held that IPR does not impinge on sovereign immunity because:**   * **Applying *FMC*, it concluded that IPRs are both functionally and procedurally different from district court litigation** * **Functional difference: IPR is the government’s reconsideration of its own grant of a patent** * **Procedural differences: USPTO Director has broad discretion regarding whether to institute review; IPR can continue with virtually no involvement from the parties; Federal Rules of Civil Procedure do not apply** |
| **What other reason did the Patent Trial and Appeal Board give for rejecting any sovereign immunity defense to IPR in this case?** | **The PTAB found that UMN waived any such immunity by litigating its infringement actions in district court.** |
| **Is UMN an arm of the State of Minnesota that shares the State’s sovereign immunity?** | **Yes. That was uncontested below. UMN Br. 5.** |
| **Did Ericsson or the Appellees argue that UMN was not entitled to invoke Minnesota’s sovereign immunity?** | **No. Neither Ericsson nor the Appellees argued that UMN was not entitled to invoke Minnesota’s sovereign immunity. Appx3-4, Appx21. As a result, they waived any such argument on appeal. UMN Br. 23.** |
| **Is Ericsson arguing that UMN is not entitled to invoke Minnesota’s sovereign immunity?** | **[Explain.]** |
| **Did the PTAB find that state sovereign immunity extends to IPRs?** | **Yes. UMN Br. 5** |
| **Were the IPRs here different actions filed in a different forum than the actions UMN commenced in federal district court?** | **[Explain.] UMN Br. 6.** |
| **Was there a finding here that IPRs are “necessary” for the complete determination of an infringement action,** **as is required to support a finding of waiver?** | **From UMN’s Brief: To the contrary, IPRs are discretionary proceedings that Congress only recently created; they plainly cannot be “necessary” for the complete determination of a district court infringement action. Courts have resolved patent infringement cases for centuries without recourse to IPRs. Appellees here have a full and fair opportunity to defend themselves – and to challenge the asserted patents – in the district court actions that UMN initiated. UMN Br. 6–7.**  **From LSI’s Brief: LSI’s IPR is “necessary to a complete determination” of UMN’s lawsuit against LSI and is not an “entirely separate lawsuit” like those in *Tegic* and *A123*. LSI Br. 16.** |
| **Are IPRs entirely separate from district court litigations?** | **From LSI’s Brief: UMN itself acknowledged in the underlying motion to dismiss that IPRs and district court litigations are not “entirely separate,” highlighting the “statutory interplay between IPRs and civil actions.” Appx699 n.1. This “statutory interplay” manifests Congress’s intent for IPR proceedings to constitute a compulsory “authorized phase” of the underlying litigation, not an “entirely separate” proceeding as UMN suggests. LSI Br. 17.** |
| **Does *Lapides v. Board of Regents of University System of Georgia* (U.S. 2002) authorize the PTAB to find waiver based on “fairness”?** | **From UMN’s Brief: The Board’s cited authority, *Lapides v. Board of Regents of University System of Georgia* (U.S. 2002), does not authorize the Board to find waiver based on “fairness” in the absence of circumstances meeting the Supreme Court’s longstanding test for waiver. A State’s access to the federal courts to enforce its patent rights is not – and cannot be – conditioned upon waiver of its constitutional right to be immune from suit by a private party in a different forum. *Coll. Sav. Bank v. Fla. Prepaid Postsecondary Educ. Expense Bd.* (U.S. 1999). UMN Br. 7.** |
| **What authority did the PTAB rely on in exercising jurisdiction over State sovereigns?** | **From UMN’s Brief: By its Orders, the Board claimed a power to exercise jurisdiction over State sovereigns that this Court held in *Tegic* and *A123* that even Article III courts do not have – namely, the power to adjudicate a private citizen’s challenge to a State-owned patent in a different forum to which the State never consented. It cited no precedent or authority supporting such extraordinary power. The affront to a State’s sovereignty is no less when forced against its will to defend itself in an administrative tribunal as opposed to a district court. UMN Br. 8.** |
| **Doesn’t the Board’s holding that sovereign immunity is waived when enforcing their property rights in court strip the very sovereignty that is at stake?** | **[Explain.] UMN Br. 9.** |
| **Doesn’t the PTAB’s holding undermine Congressional policy, embodied in the Bayh-Dole Act, that state universities use patents to promote the development and commercialization of technology?** | **[Explain.] UMN Br. 9.** |
| **Who makes the decision to institute inter partes review?** | **From Gilead’s Brief: A private party files the petition for review, 35 U.S.C. § 311(a), but the decision to institute review is made by the Director and committed to his unreviewable discretion. Gilead Br. 2 (citing *Oil States Energy Servs. v. Greene’s Energy Grp.* (U.S. 2018) and 35 U.S.C. § 314).** |
| **Are patent owners required to participate in inter partes reviews?** | **From Gilead’s Brief: No. Patent owners, whether States or not, do not have to participate in inter partesreviews. Patent owners need not respond to petitions, or even file a response if the Director initiates a proceeding. Gilead Br. 2 (citing 35 U.S.C. § 316(a)(8); 37 C.F.R. § 42.120).** |
| **Is inter partesreview a proceeding between the United States and the patent owner?** | **From Gilead’s Brief: Yes. Inter partesreview is a proceeding between the United States and the patent owner in which the State is not coerced to appear. Gilead Br. 4.** |

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| **Jurisdictional  Statement** | **Color** |
| **Where does the Patent Trial and Appeal Board’s jurisdiction lie?** | **The PTAB had jurisdiction over the IPR proceedings under 35 U.S.C. § 316(c).** |
| **When did the PTAB enter its decision?** | **The PTAB’s decision was entered on December 19, 2017.** |
| **When did UMN file petitions for review?** | **Appellants filed petitions for review on February 12, 2018.** |
| **Where does this Court’s jurisdiction lie?** | **This Court has jurisdiction under 28 U.S.C. § 1295(a)(4)(A).** |
| **Is UMN’s appeal ripe?** | **From LSI’s Brief: This Court lacks jurisdiction because UMN’s interlocutory appeal is not ripe. Title 28 U.S.C. § 1295(a)(4)(A) does not provide the Court with jurisdiction over an interlocutory appeal of a denial of a motion to dismiss before the Board. The collateral order doctrine does not resolve this jurisdictional deficiency. LSI Br. 2–3.** |
| **What is the standard of review in this appeal?** | **This Court reviews the PTAB’s legal conclusions de novo. *In re Durance* (Fed. Cir. 2018); *see* 5 U.S.C. § 706 (decision must be set aside if “not in accordance with law”). From UMN’s Brief: This Court reviews the Board’s findings of fact for substantial evidence. 5 U.S.C. § 706. UMN Br. 20.** |

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| **Issues  Presented** | **Color** |
| **What is the first question presented?** | **From UMN’s Brief: Whether a sovereign state waives its immunity from inter partesreview in the Patent Trial and Appeal Board by filing a patent infringement suit in a federal district court on the challenged claims. UMN Br. 10.** |
| **What is the second question presented?** | **From UMN’s Brief: Whether the Board correctly determined that IPRs are subject to state sovereign immunity. (While Appellant does not seek review of the underlying question, Appellees have indicated in their docketing statements that they intend to raise this issue and therefore it is addressed herein. *See* Dkt. No. 6; Dkt. No. 18). UMN Br. 10.** |

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| **Statement  of the Case** | **Color** |
| **When did Ericsson get its start as a business?** | **Ericsson got its start in 1876 in a telegraph repair shop, and has been at the forefront of communication technology ever since.** |
| **What is the nature of Ericsson’s business today?** | **Ericsson has more than 24,000 employees devoted to R&D, spends billions of dollars on research, and** **owns more than 45,000 patents.** |
| **What is the Bayh-Dole Act?** | **The Bayh-Dole Act was passed by Congress in 1980, and allows small businesses, nonprofits, and universities to obtain patents based on federally funded research. 35 U.S.C. §§ 200, 202.** |
| **Did the Bayh-Dole Act relax the statutory requirements for patentability?** | **No. The Bayh-Dole Act “was not intended to relax the statutory requirements for patentability.” *Univ. of Rochester v. G.D. Searle & Co.* (Fed. Cir. 2004).** |
| **What happened in *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank* (U.S. 1999)?** | **In 1999, the Supreme Court limited the circumstances in which states could be sued in federal court. *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank* (U.S. 1999).** |
| **What led to the “university patent boom”?** | **The twin developments of (1) the Supreme Court limiting when states could be sued in federal court, and (2) states acting as commercial players in various marketplaces, including in technology fields, led to the “university patent boom.”** |
| **What was the “university patent boom”?** | **Public universities began to rely more heavily on patents as a**  **source of revenue and became far more aggressive licensors of technology.** |
| **What were results of the “university patent boom”?** | **Public universities’ licensing regimes began to look more and more like those of for-profit entities, and patent infringement lawsuits by public universities grew.** |
| **Does UMN hold patents?** | **Yes. UMN has held hundreds of patents, on subject matter ranging from cancer treatments to the Honeycrisp apple.** |
| **Why was the inter partes review process developed?** | **The pre-grant process was insufficient to weed out bad patents, and more than half of litigated patents were found to be invalid, at least in part. So, Congress set out to enact a “viable, inexpensive, quick administrative alternative” to patent litigation. The end result was inter partes review, created by the America Invents Act (AIA).** |
| **What was the model for the inter partes review process?** | **Inter partes review was modeled after prior administrative processes that authorized the USPTO to reconsider and cancel patent claims that were wrongly issued.** |
| **Who endorsed inter partes review when it was enacted?** | **IPR was endorsed by entities across the technological spectrum, including UMN and one of its amici—the Association of Public and Land Grant Universities.** |
| **How did this lawsuit begin?** | **In 2014, UMN filed lawsuits in the U.S. District Court for the District of Minnesota against four different wireless service providers. UMN claimed that technology used for their 4G LTE networks—including technology supplied by Ericsson—infringed UMN’s patents.** |
| **Which wireless service providers did UMN originally sue for patent infringement?** | **AT&T, Sprint, T-Mobile, and Cellco.** |
| **Did UMN sue any other service providers?** | **Yes. In 2016, UMN filed patent infringement suits against LSI Corporation, Avago Technologies, and Gilead Sciences.** |
| **How did Ericsson become involved in this litigation?** | **Ericsson intervened as a defendant to dispute UMN’s claims. As part of its defense, Ericsson petitioned for IPR of UMN’s patents, asserting that the patents never should have issued in light of the prior art.** |
| **When did Ericsson move to intervene in the litigation?** | **January 21, 2016. UMN Br. 13.** |
| **Describe the UMN patents at issue in this litigation?** | **UMN’s asserted patents relate to methods of encoding wireless communication data to address problems with their transmission, such as fading signal strength.** |
| **What did Ericsson assert regarding UMN’s patents?** | **Ericsson explained that many of UMN’s patent claims were fully anticipated while the rest simply combined known modulation techniques and well-understood mathematical operations.** |
| **Did all of the defendants to the LSI, Ericsson, and Gilead Litigations challenge the asserted patents in those cases?** | **Yes. UMN Br. 13.** |
| **Did all of the defendants to the LSI, Ericsson, and Gilead Litigations file IPRs at the PTAB?** | **Yes. LSI filed an IPR petition challenging one UMN patent. Ericsson filed six IPR petitions challenging five UMN patents. Gilead filed four IPR petitions challenging a different UMN patent. The Ericsson, LSI, and Gilead IPR petitions were assigned to different panels of Board judges UMN Br. 13–14.** |
| **What did the district court do after Ericsson intervened?** | **The district court stayed the proceedings pending Ericsson’s IPRs, explaining that the parties’ dispute would simply “shift[] temporarily from this forum to the USPTO.” [From UMN’s Brief: The LSI, Ericsson, and Gilead Litigations were stayed pending resolution of the IPRs. UMN Br. 15.]** |
| **How did UMN try to exempt its patents from IPR?** | **UMN invoked state sovereign immunity to try to exempt its patents from IPR, even as it sought to enforce the same patents in district court.** |
| **What did Ericsson argue regarding UMN’s immunity claim?** | **Ericsson argued that UMN could not invoke state sovereign immunity because:**   * **State sovereign immunity is never available in IPR. *See* *FMC* (U.S. 2002).** * **UMN waived any such immunity by litigating its infringement actions in district court.** |
| **Why is state sovereign immunity not available in IPR?** | **Sovereign immunity does not ordinarily extend beyond Article III courts, and IPR is not sufficiently similar to a civil lawsuit to fall within the exception recognized in *FMC* (U.S. 2002).** |
| **Why does Ericsson argue that UMN waived its state sovereign immunity claim?** | **UMN waived state sovereign immunity by litigating its infringement actions in district court. The Supreme Court has forbidden states from using sovereign immunity to gain litigation advantages. *Clark v. Barnard* (U.S. 1883); *Gunter v. Atlantic Coast Line Railroad* (U.S. 1906); *Gardner v. New Jersey* (U.S. 1947); *Lapides v. Bd. of Regents of Univ. Sys. of Ga.* (U.S. 2002).** |
| **Are IPRs are adversarial proceedings or administrative actions by the Board or PTO against the patentee?** | **From UMN’s Brief: Both the statute that created the IPR process and case law interpreting the statute establish that an IPR is an adversarial proceeding against the patent owner brought by a petitioner – not by the Board. UMN Br. 23.** |
| **What were the PTAB’s findings?** | **From UMN’s Brief: The Board found that (1) UMN is the type of state instrumentality that can invoke Minnesota’s sovereign immunity, (2) IPRs involve adverse parties, and (3) IPRs are the type of adjudicatory administrative proceedings to which state sovereign immunity applies under *FMC*. Appx5. UMN Br. 22.** |
| **Was the PTAB correct in finding that IPRs are adversarial proceedings between patent owner and petitioner?** | **[Explain.]** |
| **Why did the PTAB expand the originally-designated panels in these appeals?** | **Noting “the exceptional nature of the issues presented,” the Board expanded the originally-designated panels from three judges to seven, by adding to each original panel the Chief Judge, the Deputy Chief Judge, and two Vice Chief Judges. Appx2-3, Appx19-21. UMN Br. 14.** |
| **What did the PTAB decide?** | **The majority of the panel held that state sovereign immunity may extend to IPR, but that UMN waived immunity by litigating in district court. The Board issued substantively identical decisions in the Ericsson IPRs and the LSI IPR and denied all the motions to dismiss. Appx1-36. UMN Br. 14.** |
| **What did Administrative Patent Judge Bisk say in her concurrence?** | **Administrative Patent Judge Bisk concurred in the PTAB’s decision, but she would have held that state sovereign immunity never applies to IPR. APJ Bisk explained the “[o]bvious differences” between IPR and the proceedings at issue in *FMC*, including the lead role played by a federal agency, the limited scope of discovery and remedies, and the fact that the patent holder is not a necessary party.** |
| **What happened after the PTAB issued its decision?** | **From LSI’s Brief: The Board stayed the IPR pending UMN’s appeal of the Board’s denial. Appx1086. LSI Br. 6.** |
| **What is the basis for UMN’s appeal?** | **UMN appeals from PTAB’s decisions denying UMN’s motions to dismiss IPRs filed by Appellees against UMN.** |
| **Is UMN appealing any other decisions here?** | **Yes. The PTAB issued an identical opinion in an IPR proceeding on a petition by co-appellees LSI Corporation and Avago Technologies. UMN appealed, and that appeal is consolidated with this one.** |
| **How is Gilead Sciences involved in this appeal?** | **Intervenor Gilead Sciences also petitioned for IPR against UMN patents, but the PTAB has delayed a ruling on UMN’s motion to dismiss pending the resolution of this appeal. Gilead Sciences was granted leave to intervene in this appeal.** |
| **How does UMN fund its research?** | **UMN’s research is funded by a variety of sources, including federal, state, and governmental agencies. UMN Br. 11.** |
| **What policy was created by the Bayh-Dole Act?** | **The Bayh-Dole Act states: “It is the policy and objective of the Congress to use the patent system to promote the utilization of inventions arising from federally supported research or development . . . .”** **35 U.S.C. § 200. UMN Br. 11.** |
| **Who performed the research for the inventions at issue in this litigation?** | **The subject inventions arose from research performed by UMN faculty, staff, and students. The inventors assigned their inventions to UMN, which prosecuted the applications that led to the challenged patents. UMN Br. 12.** |
| **Did UMN offer to license the patents at issue in this litigation to Ericsson and Appellees?** | **From UMN’s Brief: UMN approached each of Appellees and Intervenor and offered to license one or more of these patents, but they refused to license the patents. UMN Br. 12.**  **From LSI’s Brief: UMN never provided LSI with any notice of the ’601 patent before filing suit in August 2016. LSI Br. 5.** |
| **Why did Ericsson and Appellees refuse to license UMN’s patents?** | **[Explain.] UMN Br. 12.** |
| **Can patent infringement litigation be resolved without resort to the IPR process?** | **From UMN’s Brief: As has been true for over two centuries, infringement litigation – including challenges to the asserted patents – can be resolved without resort to the IPR process. Petitioning for IPR is a separate, optional process. When allowed, IPRs proceed independently of district court litigation, and can reach different results. And the results of IPRs and district court litigation are separately appealed. UMN Br. 40–41.** |
| **Can Ericsson and Appellees challenge UMN’s patent in the district court proceedings?** | **From UMN’s Brief: Yes. Appellees and Intervenor have a full, fair, and unfettered opportunity to litigate any and all challenges to the patent they may wish to assert in federal court. UMN Br. 54.**  **From LSI’s Brief: UMN is incorrect. Federal district courts (and state courts) do not and cannot entertain challenges to the *patentability* of issued patent claims as asserted in an IPR—challenges that implicate, *inter alia*, a different burden of proof, a different claim construction standard, and different finders of facts than invalidity challenges in district court. LSI Br. 16 n.5.** |
| **Is there any ground upon which unpatentability can be found in an IPR that is not also available as a defense in the district court?** | **From UMN’s Brief: There is no ground upon which unpatentability can be found in an IPR that is not also available as a defense in the district court. UMN Br. 57.** |
| **Is a defendant in a patent litigation ever *required* to petition for IPR?** | **From UMN’s Brief: A defendant in a patent litigation is never required to petition for IPR, and always has the right and ability to challenge the asserted patent, on any basis or theory it may wish to assert, in district court. UMN Br. 59.**  **From LSI’s Brief: UMN’s suit against LSI alleging infringement of the ’601 patent rendered any IPR petition filed by LSI on the ’601 patent compulsory. LSI Br. 13.** |
| **What is the patent at issue in the Gilead litigation?** | **From Gilead’s Brief: Gilead Sciences, Inc. invented sofosbuvir, a breakthrough drug used to cure Hepatitis C. Three months after Gilead launched its first sofosbuvir product, Solvadi®, and years after sofosbuvir was publicly disclosed, the Regents of the University of Minnesota filed a patent application attempting to claim invention of sofosbuvir. That application was granted as U.S. Patent No. 8,815,830. The University filed suit against Gilead seeking more than $2.5 billion in damages. Gilead Br. 4.** |
| **Does the Executive Branch participate in all inter partes reviews?** | **From Gilead’s Brief: Yes. When the Office grants a patent, it is carrying out “the constitutional functions” of the Executive. Gilead Br. 5 (quoting *Oil States Energy Servs. v. Greene’s Energy Grp.* (U.S. 2018). Inter partes review also begins and ends with the Executive—the Director not only begins and ends the proceeding but also remains in the case, because she may continue inter partesreview proceedings even if the petitioner and patent owner agree to terminate them. 35 U.S.C. §§ 317, 143.** |
| **Is participation by patent owners in inter partes reviews voluntary?** | **From Gilead’s Brief: Yes. Patent owner participation in inter partesreview is entirely voluntary and no one is coerced into appearing. Default judgments and similar sanctions are not available under the statute, which expressly contemplates non-participation by the patent owner. Gilead Br. 12.** |
| **Is inter partes review a dispute between private parties and UMN?** | **From Gilead’s Brief: This dispute is between the University as patentee and the United States as the grantor of patents. Gilead as petitioner has merely called to the Office’s attention arguments and prior art that it did not consider in the first instance (just as a party can petition the Director for an *ex parte* reexamination, 35 U.S.C. § 302). Gilead Br. 21.** |
| **What relief is available in inter partes review?** | **From Gilead’s Brief: There is only one type of relief available in inter partesreview. The Director must “issue and publish a certificate,” if the Board’s decision becomes final. 35 U.S.C. § 318(b). The certificate issued by the Director at the end of an inter partesreview cancels, confirms, or amends any challenged claims*. Id*. And while such a certificate may impact the scope of rights a patent affords, it has no compulsive effect on patent owners themselves. It does not require patent owners to pay damages or be enjoined from some action they would otherwise take. Gilead Br. 24.** |

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| **Sovereign Immunity** | **Color** |  |  |
| **What was the basis of this Court’s decision in *St. Regis Mohawk Tribe* (Fed. Cir. 2018)?** | **The decision in *St. Regis Mohawk Tribe* (Fed. Cir. 2018) was driven by three factors:**  **(1) Director’s institution authority allows for discretion, which is more like an enforcement action**  **(2) the parties’ participation is not instrumental to IPR**  **(3) IPR procedure differs from civil litigation** |  |  |
| **Did *St. Regis Mohawk Tribe* (Fed. Cir. 2018) concern *state* sovereign immunity?** | **No. *St. Regis Mohawk Tribe* (Fed. Cir. 2018) was expressly confined to tribal immunity. But the court recognized “many parallels” to state sovereign immunity, and the rationale driving the decision was based on *Federal Maritime Commission (FMC) (U.S. 2002)*, a case about state sovereign immunity.** |  |  |
| **How does IPR differ from civil litigation?** | ***St. Regis Mohawk Tribe* (Fed. Cir. 2018) explained that IPR differs from civil litigation in several ways:**   * **The USPTO Director has broad discretion in deciding whether to institute review** * **Parties are not necessary (The Director can participate in appeals if one drops out)** * **There is no standing requirement** * **There is limited discovery, there is no claim construction hearing, hearings are short, and testimony is rare** |  |  |
| **How do you respond to the argument that IPR procedures more closely resemble civil litigation than other USPTO proceedings, such as ex parte or inter partes reexamination?** | **The court in *St. Regis Mohawk Tribe* (Fed. Cir. 2018) explained that the mere existence of procedures in IPR that that look more like civil litigation than other USPTO proceedings (such as the inquisitorial nature of ex parte reexamination proceedings) does not mean that IPR adequately resembles civil litigation.** |  |  |
| **How is IPR fundamentally different from civil litigation?** | **As *St. Regis Mohawk Tribe* (Fed. Cir. 2018) explained, the ability of the PTAB to continue review even if the petitioner chooses not to participate reinforces the view that IPR is an act by the agency in reconsidering its own grant of a public franchise.** |  |  |
| **What was the holding in *Federal Maritime Commission (FMC)* (U.S. 2002)?** | **In *FMC* (U.S. 2000), the Supreme Court held that state sovereign immunity applied to administrative adjudication proceedings that were “overwhelmingly similar” to federal litigation in Article III courts.** |  |  |
| **How were the proceedings in *FMC* (U.S. 2000) like federal litigation?** | **The proceedings in *FMC* involved the mandatory adjudication of complaints by independent administrative judges. Discovery also tracked the Federal Rules of Civil Procedure.** |  |  |
| **What did this Court say about *FMC* (U.S. 2000) in *St. Regis Mohawk Tribe* (Fed. Cir. 2018)?** | **The *St. Regis* decision distinguished *FMC*, finding that IPRs did not resemble civil litigation.** |  |  |
| **What was the Supreme Court’s reasoning in the *FMC* decision?** | **The Supreme Court’s reasoning in *FMC* was driven by the need to protect the state of South Carolina from the affront of being subject to judicial proceedings.** |  |  |
| **Has the Supreme Court found that a State could be immune from administrative proceedings in any other case besides *FMC*?** | **No. *FMC* is the only case in which the Supreme Court found a State could be immune from administrative proceedings.** |  |  |
| **What was the holding in *Oil States Energy Services v. Greene’s Energy Group* (U.S. 2018)?** | **In *Oil States* (U.S. 2018), the Supreme Court held that IPR does not violate Article III. Patents are public rights and IPR is a reconsideration of the decision to grant those public rights.** |  |  |
| **Why does *Oil States* (U.S. 2018) matter in this case?** | ***Oil States* directly addressed the nature of IPR to determine whether it was properly housed in executive branch. The Supreme Court held that public rights may be adjudicated by entities other than Article III courts. Although UMN cites dicta from *SAS*, that case turned on the text and structure of a statute rather than the nature of IPR.** |  |  |
| **Why did *Oil States* (U.S. 2018) hold that IPR is not an appropriation of judicial power?** | **In Oil States, the Supreme Court explained that IPR is not an appropriation of judicial power because, at the time of the founding, similar revocation proceedings for patents were available in England (through the executive proceeding of the Privy Council).** |  |  |
| **What was the holding in *SAS Institute v. Iancu* (U.S. 2018)?** | **The Court in SAS held that the PTAB must issue a final written decision addressing every patent claim challenged in an IPR petition. It also held that partial institution violates the statute.** |  |  |
| **What did the Supreme Court say in *SAS* about inter partes review?** | **In *SAS* (U.S. 2018), the Court said that IPRs resemble civil litigation—judges cannot pick and choose which claims they decide.** |  |  |
| **Why shouldn’t *SAS*’s discussion of the similarities between IPR and civil litigation control this case?** | **The discussion of resemblance between IPR and civil litigation in *SAS* is dicta, especially as compared to the controlling discussion of IPR in *Oil States* (U.S. 2018). The mere observation in *SAS* that IPR resembles civil litigation does not dictate that it is “overwhelmingly similar” to civil litigation like the proceedings in *FMC*. The panel in *St. Regis* considered the same *SAS*-based arguments and rejected them.** |  |  |
| **What was the holding in *Vas-Cath v. Curators of University of Missouri* (Fed. Cir. 2007)?** | ***Vas-Cath* (Fed. Cir. 2007) held that a university’s participation in a patent inventorship interference proceeding waived its Eleventh Amendment immunity regarding that proceeding and an appeal therefrom. When a state waives immunity through litigation, that waiver extends to the full statutory system governing resolution of the state’s claims.** |  |  |
| **Did *Vas-Cath* (Fed. Cir. 2007) address whether interferences resembled civil litigation enough to warrant application of state sovereign immunity?** | **No. The *Vas-Cath* court assumed that sovereign immunity applied without deciding so because waiver (of the University’s immunity) was an independent sufficient ground to allow the appeal of the PTO’s decision in an interference proceeding to go forward.** |  |  |
| **How do IPRs compare to the interference proceedings at issue in *Vas-Cath* (Fed. Cir. 2007)?** | **IPRs are less like litigation than the interference proceedings in *Vas-Cath*. Interference requires two parties.** |  |  |
| **How does *Vas-Cath* relate to your waiver argument?** | **Like the interference proceedings in *Vas-Cath*, IPR and judicial lawsuits are statutorily intertwined proceedings such that participation in litigation waives immunity in IPRs.** |  |  |
| **Did *St. Regis* (Fed. Cir. 2018) address *Vas-Cath* (Fed. Cir. 2007)?** | **No. The Saint Regis Mohawk Tribe raised arguments based on *Vas-Cath*, but the *St. Regis* opinion does not mention the *Vas-Cath* decision.** |  |  |
| **What was the holding in *Cuozzo Speed Technologies v. Lee* (U.S. 2016)?** | **In *Cuozzo* (U.S. 2016), the Supreme Court held that the America Invents Act bars review of IPR institution decisions. It also held that the PTO’s adoption of the “broadest reasonable interpretation” standard was a proper exercise of rulemaking authority.** |  |  |
| **What is the significance of *Cuozzo* (U.S. 2016) to this case?** | **In *Cuozzo*, the challenger argued that the IPR’s resemblance to civil litigation mandated reviewability and the same claim construction standard. The Supreme Court rejected that argument, noting that IPRs are different from judicial proceedings in their purpose (reexamination) and procedures. IPRs are more like a specialized agency proceeding.** |  |  |
| **How is *Alden v. Maine* (U.S. 1999) relevant to this case?** | ***Alden v. Maine* (U.S. 1999) is relevant to this case because it explains that “In ratifying the Constitution, the States consented to suits brought by other States or by *the Federal Government*.” Because an IPR is initiated by the USPTO Director, it is a suit by the federal government from which states are not immune.** |  |  |
| **Is an IPR a suit by the federal government or a private party?** | **Because an IPR is initiated by the Director of the USPTO, it is a suit by the federal government from which states are not immune. IPRs are federal actions brought as part of the duty to take care that the laws be faithfully executed (U.S. Const. art. II, § 3). The goal of IPR is to protect the public from wrongfully issued patents.** |  |  |
| **What was the holding in *Tennessee Student Assistance Corporation v. Hood* (U.S. 2004)?** | **In *Tennessee Student Assistance Corporation v. Hood* (U.S. 2004), the Supreme Court held that a bankruptcy action to discharge state held student debt did not infringe state sovereign immunity because it was an in rem proceeding.** |  |  |
| **How is *Tennessee Student Assistance Corporation v. Hood* (U.S. 2004) relevant to this case?** | **In *Tennessee Student Assistance Corporation v. Hood* (U.S. 2004), the Supreme Court explained that the resemblance of an in rem proceeding to a civil trial is irrelevant: “there is no need to engage in a comparative analysis to determine whether the adjudication would be an affront to states’ sovereignty.… Our precedent has drawn a distinction between in rem and in personam jurisdiction, even when the underlying proceedings are, for the most part, identical.”** |  |  |
| **What was the holding in *California v. Deep Sea Research* (U.S. 1998)?** | **In *California v. Deep Sea Research* (U.S. 1998), the Supreme Court held that the Eleventh Amendment does not bar a federal court’s jurisdiction over an in rem admiralty action where the res was not within the State’s possession.** |  |  |
| **How is *California v. Deep Sea Research* (U.S. 1998) relevant to this case?** | **In *California v. Deep Sea Research* (U.S. 1998), the Supreme Court explained that “all the world” are parties to in rem suits, and that the State may not invoke immunity to negate an adverse decision.** |  |  |
| **Waiver** | **Color** |  |  |
| **Does this Court need to decide whether waiver by litigation applies here?** | **Not if it holds that state sovereign immunity never extends to IPR. In that case, the waiver issue would be moot.** |  |  |
| **What did the PTAB decide regarding waiver by litigation?** | **The PTAB held that by bringing infringement claims against the appellees, UMN waived immunity as to IPR petitions filed by the appellees.** |  |  |
| **Doesn’t this Court need to decide whether waiver by litigation applies because that was the basis for the PTAB’s decision?** | **No. This Court may affirm on any ground presented to the PTAB—including that state sovereign immunity never extends to IPR.** |  |  |
| **Your brief invokes the sword v. shield distinction to explain the scope of waiver by litigation. How does that analogy apply?** | **State sovereign immunity serves to “shield” a state from the affirmative claims of others. The Supreme Court said so in *Fitzpatrick v. Bitzer* (1976).**  **But immunity does not function as a “sword” to advance the state’s affirmative claims. As the Supreme Court has repeatedly explained—most recently in *Lapides v. Board of Regents* (2002)—a state cannot use its immunity to gain a litigation advantage regarding its own claim for federal relief. That’s when waiver by litigation kicks in.** |  |  |
| **You say that a state can’t use its immunity to gain a litigation advantage regarding its own claim for federal relief. Which Supreme Court cases actually establish that rule?** | **The Court first established that rule in three bedrock cases: *Clark v. Barnard* (1883), *Gunter v. Atlantic Coast Line Railroad* (1906), and *Gardner v. New Jersey* (1947).**  **More recently, the Court reaffirmed the rule in *Lapides*.** |  |  |
| **What happened in *Clark*?** | **Private plaintiffs sued a state official to recover a monetary sum. Rather than “appear[] only to protest against the exercise of jurisdiction by the court,” the state went on the offensive, intervening to assert a competing claim to the money.** |  |  |
| **How did *Clark* apply the waiver-by-litigation rule?** | **It held that by intervening to assert its own claim to the disputed money, the state “waive[d]” immunity from the plaintiff’s “adverse” claim. *Clark* at 447-48. Having voluntarily “appeared in the cause and presented and prosecuted a claim to the fund in controversy,” the state “made itself a party to the litigation to the full extent required for its complete determination.” *Id.* at 448. That included its adversary’s counterarguments.** |  |  |
| **How does *Clark* support the shield v. sword distinction you’re drawing regarding waiver by litigation?** | ***Clark* relied on precisely that distinction. It noted that the state could have used immunity solely to shield itself from the private plaintiff’s claim by “appear[ing] only to protest against the exercise of jurisdiction by the court.” *Clark* at 448. But the state did more than that. It asserted its own affirmative claim to the money, then attempted to invoke immunity as a sword to advance that claim by silencing the private plaintiff’s opposition. Waiver by litigation foreclosed that tactic.** |  |  |
| **What happened in *Gunter*?** | **Decades before deciding *Gunter*, the Supreme Court affirmed a judgment that two officials could not collect South Carolina taxes from a private company, which was exempt under a special government contract.**  **In *Gunter*, the question was whether South Carolina was bound by that prior judgment, such that it had no right to sue the private company’s successor for taxes in later years. The Court held that South Carolina was so bound because it had, in effect, voluntarily appointed the two officials in the prior judgment to “defend its rights and submit them for judicial determination.” *Gunter* at 289. That meant South Carolina was in privity with the officials and, through them, had waived its immunity to the prior judgment.** |  |  |
| **How did *Gunter* apply the waiver-by-litigation rule?** | **The Court reiterated *Clark*’s waiver rule: “[W]here a state voluntarily becomes a party to a cause, and submits its rights for judicial determination, it will be bound thereby, and cannot escape the result of its own voluntary act by invoking the prohibitions of the 11th Amendment.” *Gunter* at 284.**  **It then held that South Carolina, through the two officials named in the prior lawsuit, had submitted its right to collect taxes for judicial determination. That meant it had waived immunity from the prior judgment.** |  |  |
| **How does *Gunter* support the shield v. sword distinction you’re drawing regarding waiver by litigation?** | ***Gunter* reaffirms that waiver by litigation kicks in when a state affirmatively presses its own claim, rather than merely shielding itself from the affirmative claims of others. In the Court’s words, the state is then “bound” by its own “voluntary act” and loses immunity regarding “judicial determination” of the dispute. *Gunter* at 284.** |  |  |
| **What happened in *Gardner*?** | **A state filed a proof of claim in a bankruptcy proceeding but then invoked immunity to quash adjudication of the trustee’s objections. *Gardner* at 570-71.** |  |  |
| **How did *Gardner* apply the waiver-by-litigation rule?** | **The Court held that by asserting its own affirmative claim in the bankruptcy, the state waived immunity regarding the trustee’s opposition: “When the State becomes the actor and files a claim against the fund it waives any immunity which it otherwise might have had respecting the adjudication of the claim.” *Gardner* at 574. That included the trustee’s efforts to defeat the state’s claim.**  **Thus, just like a private litigant, a state that “invokes the aid of the bankruptcy court by offering a proof of claim and demanding its allowance must abide the consequences of that procedure.” *Id.* at 573.** |  |  |
| **How does *Gardner* support the shield v. sword distinction you’re drawing regarding waiver by litigation?** | **As in *Clark* and *Gardner*, the Court tied waiver by litigation to the state’s pursuit of its own affirmative claim. Waiver happens when “the State becomes the actor.” *Gardner* at 574.** |  |  |
| **What happened in *Lapides*?** | **A defendant state elected to remove a state-court dispute to federal court, seeking certain benefits of the federal forum. Those benefits included more “generous interlocutory appeal provisions” for its employees who were named as co-defendants. *Lapides* at 616, 621. When the state’s adversary pressed its claims in federal court, however, the state argued that it remained immune from federal jurisdiction notwithstanding its own successful removal motion. *Id.* at 616.** |  |  |
| **How did *Lapides* apply the waiver-by-litigation rule?** | **It foreclosed the state from invoking immunity. Having “voluntarily” asserted that the case should be resolved in federal court, the state had to abide federal jurisdiction in full. *Id.* at 620.** |  |  |
| **How does *Lapides* support the shield v. sword distinction you’re drawing regarding waiver by litigation?** | ***Lapides* reaffirmed the shield-not-sword distinction established in *Clark, Gunter,* and *Gardner.* It warned that “a Constitution that permitted States to follow their litigation interests” by selectively invoking immunity “could generate seriously unfair results.” *Lapides* at 619. And it confirmed that waiver by litigation prevents unfair litigation advantages:**  **“[W]aiver in the litigation context rests upon the [Eleventh] Amendment’s presumed recognition of the judicial need to avoid inconsistency, anomaly, and unfairness, and not upon a State’s actual preference or desire, which might, after all, favor selective use of ‘immunity’ to achieve litigation advantages.” *Id.* at 620.** |  |  |
| **Didn’t *Lapides* hold that a state’s waiver of sovereign immunity must be “clear”? How could UMN have made clear that it was waiving immunity in this IPR when it’s always denied any such intention?** | ***Lapides* did not hold that a state must makes its intention to waive immunity in this IPR “clear.” To the contrary: A state’s “actual preference or desire” is irrelevant to waiver analysis. *Lapides* at 620.**  **Instead, *Lapides* held that “[t]he relevant ‘clarity’ must focus on the litigation act the State takes.” *Id.* Here, UMN’s litigation act was clear and unmistakable: It brought affirmative claims for patent infringement against the appellees.** |  |  |
| **Doesn’t *College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board* (1999) show that it’s fine for states to use their immunity to gain advantages when litigating their own claims?** | **No. UMN’s opening brief repeatedly quotes that case for the proposition that “‘evenhandness’ [sic] between individuals and States is not to be expected.” But *College Savings* did not endorse unevenness in the way individuals and states litigate their ownaffirmative claims. It held only that when individuals and states both act as non-litigating “market participants,” their corresponding exposure to the affirmative claims of othersmay be uneven because the states’ immunity generally shields them from liability. *College Savings* at 684-86. That holding sheds no light on the scope of waiver by litigation.** |  |  |
| **You’re suggesting that *College Savings* doesn’t bear on the scope of waiver by litigation. Has any other circuit said that?** | **Yes. In *Arecibo Community Health Care, Inc. v. Puerto Rico* (1st Cir. 2001), the First Circuit said: “Nothing in *College Savings* purports to restrict the constitutionally permissible scope of waiver triggered by the state’s invocation of the jurisdiction of a federal court.”** |  |  |
| **UMN suggests that *College Savings Bank* bears on whether it “waived its sovereign immunity merely by applying for and obtaining the Challenged Patents.” OB38. Isn’t that right?** | **That’s beside the point. UMN waived immunity here through its affirmative litigation conduct, not merely by obtaining the patents.** |  |  |
| **Don’t *Clark*, *Gunter*, *Gardner* and *Lapides* merely establish the “traditional rule” that waiver by litigation extends only to the “chosen forum” where the state initially files?** | **No. The Supreme Court’s waiver rule is far more expansive: Once a state submits its own affirmative claim for resolution, it must “abide the consequences,” *Gardner* at 573, by waiving immunity to the “full extent required for its complete determination,” *Clark*, at 448. That rule is not limited to consequences within a particular forum. It covers whatever proceedings may be necessary for the “complete determination” of the state’s claim, without qualification.** |  |  |
| **You at least agree that *Clark*, *Gunter*, *Gardner*, and *Lapides* did not extend waiver beyond the state’s initial chosen forum, right?** | **On the facts of those particular cases, the Supreme Court had no occasion to extend waiver beyond the initial chosen forum. But waiver can extend across forums, as this Court has recognized repeatedly.** |  |  |
| **Didn’t *Pennhurst State School & Hospital v. Halderman* (1984)hold that a state may choose “where” its adversary can defend itself? Doesn’t that show that states are entitled to limit waiver to their initial chosen forum?** | ***Pennhurst* has nothing to do with waiver by litigation. The quoted passage observes only that a state may expressly consentto the claims of private parties in its own courts while retaining immunity in federal court. As *Lapides* makes clear, waiver by litigation doesn’t offer the same control over venue: It is notdefined by “a State’s actual preference or desire, which might, after all, favor selective use of ‘immunity’ to achieve litigation advantages.” *Lapides* at 620.**  **UMN cites other cases about express consent that are irrelevant for the same reason: *U.S. v. Nordic Village* (1992), *Port Authority Trans-Hudson Corp. v. Feeney* (1990), and *Atascadero State Hospital v. Scanlon* (1985).** |  |  |
| **You argue that *Pennhurst* has nothing to do with waiver by litigation. But if that’s true, why did we cite it in *Tegic Communications v. University of Texas* (CAFC 2006)—a case about waiver?** | ***Tegic* mentioned *Pennhurst* only in passing, when providing a general overview of the Supreme Court’s sovereign immunity jurisprudence. *Tegic* at 1342. When *Tegic* actually decided the issue at hand, it relied solely on waiver precedents: *Clark, Gardner*, and *Lapides*. *See Id.* at 1342-43.** |  |  |
| **Which Federal Circuit cases extended waiver by litigation beyond the forum where the state initially filed?** | ***Vas-Cath* is the best example, with further confirmation from *BPMC v. California Department of Health Services* (CAFC 2007) and *University of California v. Eli Lilly* (CAFC 1997).** |  |  |
| **What happened in *Vas-Cath*?** | **A state university initiated an interference proceeding against a private patent holder before the USPTO. When the university prevailed before the agency, it attempted to block the private patent holder from appealing to federal district court, on the theory that the state had voluntarily appeared—and thus waived immunity—only before the USPTO. *Vas-Cath* at 1380-81.**  **This Court disagreed. It held that the state’s waiver by litigation encompassed the full “statutory system*”* governing resolution of the state’s claim—including proceedings in federal court. *Id.* at 1383.** |  |  |
| **How does *Vas-Cath* show that waiver by litigation can extend beyond the state’s initial chosen forum?** | **The state university in Vas-Cath tried to limit waiver to its initial chosen forum (the USPTO), arguing that it had not voluntarily appeared anywhere else. This Court rejected that narrow conception of waiver, instead extending it to other forums contemplated by the “statutory system” for claim resolution. More specifically, this Court extended waiver across intertwined administrative and federal-court proceedings.** |  |  |
| **Did *Vas-Cath* rely on Supreme Court precedent regarding waiver by litigation?** | **Yes, it relied heavily on *Lapides.* By extending waiver to the full “statutory system” for claim resolution, this Court prevented states from selectively avoiding portions of the system that might not prove “favorable.” *Vas-Cath* at 1383. That’s precisely what *Lapides* prohibits.** |  |  |
| **How is this case analogous to *Vas-Cath*?** | **Here, as in *Vas-Cath,* the governing statute provides for interlocking agency and judicial review. As a defendant in UMN’s infringement action, Ericsson is statutorily entitled to contest liability in both forums. UMN cannot use its sovereign immunity to constrain Ericsson’s defensive options to federal court alone, however “favorable” such a tactic might be. *Vas-Cath* at 1383.** |  |  |
| **Isn’t *Vas-Cath* distinguishable because it extended immunity to different stages of a single continuous proceeding? Didn’t we say exactly that in *BPMC*?** | **Per *BPMC*, *Vas-Cath* “found that the waiver of Eleventh Amendment sovereign immunity extended to a later phase of a *continuous* proceeding.” *BPMC* at 1337. But that doesn’t take away from its precedential force here. Under the AIA, a defendant’s IPR is intertwined with district court litigation—they are two dimensions of a single claim resolution process.** |  |  |
| **You suggest that *Vas-Cath* extended waiver to an entire “statutory system.” But that can’t be right, can it? Wouldn’t that mean the waiver would extend to a defendant’s declaratory judgment action, Reply 29?** | ***Vas-Cath* confirms that waiver extends to the entire statutory system *for resolving the state’s claim*. That includes all statutory defensive measures. And under the AIA, an IPR petition is a critical “defensive measure,” as this Court recently put it in *WesternGeco LLC v. ION Geophysical Corp.* (Fed. Cir. 2018) at 1320.**  **A defendant’s declaratory judgment action is different. It’s not a defensive measure enshrined in the AIA—it’s simply a duplicative district court action. Foreclosing duplicative federal litigation may not be unfair to defendants under *Lapides*. Foreclosing IPR, in contrast, puts defendants at a clear disadvantage.** |  |  |
| **What happened in *BPMC*?** | **A state intervened in a 1997 federal lawsuit against a private patentee in California district court. The state sought a declaratory judgment of invalidity and noninfringement. That lawsuit was dismissed without prejudice for improper venue.**  **A decade later, in 2006, the patentee filed a new federal lawsuit against the state (in the same California district court) asserting infringement of the same patent. The patentee argued that the state had waived immunity as to the new action by filing its previous lawsuit in 1997, simply because the two actions involved “the same subject matter and same parties.” *BPMC* at 1334-35.**  **The Federal Circuit held that the state had not waived immunity from the 2006 lawsuit.** |  |  |
| **How does *BPMC* show that waiver by litigation can extend beyond the state’s initial chosen forum?** | ***BPMC* made a point of clarifying that there is no “bright-line rule whereby a State’s waiver of sovereign immunity can never extend to a … separate lawsuit.” *BPMC* at 1339. That confirms the sweeping scope of waiver by litigation.**  **Indeed, before this lawsuit, UMN insisted that under *BPMC*,a state’s waiver of immunity in district court patent litigation could extend to a related IPR. It said so in PTAB filings in the *Reactive Surfaces* IPR.** |  |  |
| **You mention that UMN construed *BPMC* broadly when litigating the *Reactive Surfaces* IPR. What happened in that case, and why was UMN involved?** | **A private party petitioned for an IPR of a patent that UMN co-owned. UMN moved to dismiss on sovereign immunity grounds.** |  |  |
| **Why did UMN invoke *BPMC* in the *Reactive Surfaces* IPR?** | **The private petitioner in *Reactive Surfaces* raised concerns that if UMN were granted immunity from the IPR, UMN could later seize unfair litigation advantages by enforcing the patent (which had escaped IPR scrutiny) in district court.**  **UMN invoked *BPMC* to allay those concerns. It insisted that if it ever enforcedthe patent by filing an infringement action, it “could be deemed to have waived its sovereign immunity to the IPR process.” To explain why, UMN quoted *BPMC,* along with *Lapides*:**  **“As the Federal Circuit has made clear, there is ‘no bright-line rule’ that prevents waiver in one forum (*e.g.,* a district court) from giving rise to waiver in another forum (*e.g.,* an agency tribunal); rather, how far waiver will extend is dictated by the need to avoid ‘unfairness’ and ‘inconsistency.’” Paper 23at 19-20 n.3 (quoting *BPMC* at 1329; *Lapides* at 620).** |  |  |
| **What does UMN have to say now about its filing in *Reactive Surfaces*?** | **It first contends that “*Reactive Surfaces …* did not concern waiver.” Reply 27 n.11. But obviously, UMN’s analysis of *BPMC* was expressly about waiver.**  **UMN then tries to disavow its prior analysis: “[I]f UMN’s statements there were … construed as having been about the circumstances here, the assertion there was wrong and has no estoppel effect here.” *Id.* But it was right the first time.** |  |  |
| **You quote one passage from *BPMC* that suggests waiver by litigation might extend across lawsuits in certain circumstances. But doesn’t the opinion also reject “the contention that waiver of immunity in one suit should extend to a separate action simply because the action involves the same parties and same subject matter,” *BPMC* at 1339? Doesn’t that language hurt your position here?** | **That language is entirely consistent with our argument. *BPMC* says that waiver by litigation doesn’t automatically extend to another action or venue “simply because the action involves the same parties and same subject matter.” We agree. UMN’s waiver extends to these IPRs not merely because they involve the same parties and subject matter, but because they’re part of a unitary statutory scheme for resolving UMN’s affirmative claims for patent infringement. For Ericsson and LSI, these IPRs are critical defensive measures in the disputes that UMN initiated.** |  |  |
| **You quote one passage from *BPMC* that suggests waiver by litigation might extend across lawsuits in certain circumstances. But the actual holding of the case was that waiver *didn’t* extend across lawsuits. Doesn’t that holding hurt your position here?** | **No. That facts of *BPMC* were very different, so the holding is distinguishable. The patentee there filed a new district court action nearly a decade after the initial action was dismissed. Our IPRs are something entirely different: Contemporaneous administrative proceedings designed to work in tandem with UMN’s ongoing district court action.**  ***BPMC* also had another distinguishing oddity: When the state brought the initial 1997 lawsuit to establish noninfringement, binding Federal Circuit precedent held that states were never immune from patent litigation. *BPMC* at 1331-32. That precedent was subsequently overruled by *Florida Prepaid v. College Savings* (1999). But in 1997, the state didn’t have the option to use immunity as a shield from private infringement actions. This Court sensibly concluded that the state had not waived a dimension of immunity that wasn’t yet established by controlling case law.** |  |  |
| **What happened in *Eli Lilly*?** | **A state university sued a private party for patent infringement in California district court. When the private party moved to transfer venue to Indiana district court, the university attempted to block the transfer by invoking sovereign immunity. The state argued that the action could not shift to Indiana because it had voluntarily appeared, and so waived immunity, only in California.**  **This Court disagreed. It held that the private party was free to defend itself by transferring venue, notwithstanding the university’s sovereign immunity.** |  |  |
| **How does *Eli Lilly* show that waiver by litigation can extend beyond the state’s initial chosen forum?** | **Once the state chose to file suit in California district court, it could not invoke immunity to block the action from moving to a different venue. That confirms a state cannot unilaterally limit litigation of its affirmative claim to its initial chosen forum.** |  |  |
| **You suggest that *Eli Lilly* sheds light on the waiver by litigation doctrine. But that wasn’t a waiver decision, was it? Didn’t it hold that “we need not determine whether [the state] waived its immunity only in California, because this case does not create an Eleventh Amendment jurisdictional issue concerning which the question of waiver even arises,” *Eli Lilly* at 1564-65?** | ***Eli Lilly* held that the private defendant’s motion to transfer venue was not akin to a “claim or counterclaim” that might trigger immunity absent waiver. *Id.* at 1565. So it technically decided that immunity was never implicated—not that it would apply but for waiver. Still, *Eli Lilly* confirms what *Vas-Cath* and *BPMC* already make clear: A state cannot unilaterally limit litigation of its affirmative claim to its initial chosen forum.** |  |  |
| **Have other circuits held that waiver by litigation may extend beyond the state’s initial chosen forum?** | **Yes. As the Seventh Circuit puts it, “a waiver of immunity in an initial proceeding extends to all ancillary proceedings that follow.” *University of Wisconsin v. Phoenix Int’l* (CA7 2012) at 464.** |  |  |
| **What has the Federal Circuit said about waiver by litigation with regard to affirmative defenses?** | **This Court has held that when a state pursues its own affirmative claim, it waives immunity as to all affirmative defenses. *Genentech v. Eli Lilly* (CAFC 1993). That is consistent with Supreme Court precedent, since affirmative defenses are “required” for the “complete determination” of the state’s claim. *Clark* at 448.** |  |  |
| **What is a counterclaim in recoupment, and how does it differ from other types of compulsory counterclaims?** | **All compulsory counterclaims “arise from the same transaction or occurrence as the state’s claims,” such that they “should be litigated together” on pain of waiver. *UMN v. Knight* (CAFC 2003) at 1124-25.**  **Counterclaims in recoupment meet additional conditions: They “seek relief of the same kind or nature as do the state’s claims, and seek an amount not greater than the amount sought in the state’s claims.” *Id.* at 1124. In other words, they seek only to neutralize the state’s claims—much like an affirmative defense.** |  |  |
| **What has the Federal Circuit said about waiver by litigation with regard to compulsory counterclaims? In which cases?** | **This Court has held that when a state pursues its own affirmative claim, it waives immunity as to certain compulsory counterclaims.**  **First, *Genentech* held that a state waives immunity as to all counterclaims in recoupment. That’s because those counterclaims are analogous to affirmative defenses, which means they are “required” for the “complete determination” of the state’s claim. *Clark* at 448. *Knight* reaffirmed that holding.**  **Separately, *Knight* also held that the state plaintiff at issue (UMN, as it happens) had waived immunity as to all other compulsory counterclaims. The Court noted that the state could easily have “anticipate[d]” those counterclaims before it chose to file suit. *Knight* at 1126. And it concluded that barring compulsory counterclaims would result in the type of “seriously unfair results” that *Lapides* forbids. *Id.* at 1125.** |  |  |
| **It seems like *Genentech* and *Knight* endorsed two different rationales for extending waiver to counterclaims—one that applies to counterclaims in recoupment, and another that applies to other compulsory counterclaims. Are you invoking both rationales here? If not, why not?** | **Ericsson is drawing an analogy only to counterclaims in recoupment. Those counterclaims, like affirmative defenses, serve only to defeat the state’s claim—not to impose any additional liability. Ericsson’s IPR works exactly the same way: As this Court has recognized, it is a “defensive measure” against the state’s infringement claims. *WesternGeco* at 1320. So Ericsson’s IPR, just like a counterclaim in recoupment or affirmative defense, is “required” for a “complete determination” of the state’s claims. *Clark* at 448; *see Knight*; *Genentech*.**  **That analogy resolves this case. This Court has no need to consider the portion of *Knight* that deals with other compulsory counterclaims.** |  |  |
| **How is an IPR petition filed by a defendant in federal court akin to a counterclaim in recoupment or an affirmative defense?** | **For several reasons, an IPR is a complementary alternative to a counterclaim in recoupment or affirmative defense:**   1. **It seeks only to defeat the state’s infringement claims, not to impose distinct liability on the state.** 2. **It must be filed within one year of service of the complaint, on pain of waiver. 35 U.S.C. § 315(b).**   **It resolves all validity issues “that the petitioner raised or reasonably could have raised” before the agency, estopping further litigation of those issues in district court. 35 U.S.C. § 315(e)(2). And it applies retroactively. *See id.* §§ 252, 318(c).** |  |  |
| **You mention that an IPR petition must be filed within one year of service of the complaint. Was Ericsson, as an intervenor in the district court, subject to that rule?** | **Yes. We were served once we became a party, and we petitioned within a year of that date.** |  |  |
| **You urge us to analogize your IPR petition to a counterclaim in recoupment. But don’t your fellow appellees, LSI and Avago, rely instead on the portion of *Knight* that extended waiver to other compulsory counterclaims, on the theory that they were foreseeable to the state? And doesn’t the U.S., as amicus, do the same?** | **Yes, and that portion of *Knight* may well lend further support to the waiver finding here. We just don’t think this Court needs to reach the issue because *Genentech* and *Knight*’s holding regarding counterclaims in recoupment suffices to decide the case.** |  |  |
| **You urge us to analogize your IPR petition to a counterclaim in recoupment. But didn’t the PTAB rely instead on the portion of *Knight* that extended waiver to other compulsory counterclaims, on the theory that they were foreseeable to the state?** | **Yes, and that portion of *Knight* may well lend further support to the waiver finding here. We just don’t think this Court needs to reach the issue because *Genentech* and *Knight*’s holding regarding counterclaims in recoupment suffices to decide the case.** |  |  |
| **What has the Federal Circuit said about waiver by litigation with regard to separate declaratory judgment actions filed by a defendant?** | **When a state files suit in district court, its waiver may not extend to a separate declaratory judgment action filed by a defendant. *Tegic* and *A123 Systems v. Hydro-Quebec* (CAFC 2010) point in that direction, but they don’t establish a categorical rule.** |  |  |
| **I take your point that an IPR petition filed by a defendant in federal court could effectively defeat the state’s claims. But so could a separate declaratory judgment action, which would presumably fall outside the scope of the state’s waiver by litigation. Isn’t that a better analogy than a counterclaim, since an IPR (like a declaratory judgment action) is an entirely separate action with its own docket number, etc.?** | **An IPR is not an entirely separate action. It’s a statutory defense that works in tandem with the state’s district court case. That’s clear from two features of the AIA:**   1. **Service of the state’s complaint triggers a one-year window for filing an IPR petition.** 2. **An IPR resolves all validity issues “that the petitioner raised or reasonably could have raised” before the agency, estopping further litigation of those issues in district court. 35 U.S.C. § 315(e)(2); *see id.* §§ 252, 318(c).**   **By statutory design, therefore, an IPR shifts a portion of the patent dispute to an administrative venue. The district court said so here, noting that Ericsson’s requested IPRs promise to “simplify the issues” by “shift[ing]” the “parties’ dispute … temporarily from this forum to the USPTO.” It’s all part of a single statutory system—unlike a separate declaratory judgment action.** |  |  |
| **What does 35 U.S.C. § 315(a)(1) say about the relationship between a defendant’s IPR petition and a defendant’s separate declaratory judgment action challenging patent validity?** | **If a party has already filed a declaratory judgment action, the party can’t petition for IPR.** |  |  |
| **What does 35 U.S.C. § 315(a)(2) say about the relationship between a defendant’s IPR petition and a defendant’s separate declaratory judgment action challenging patent validity?** | **If a party files a declaratory judgment action after petitioning for IPR, the declaratory judgment action is automatically stayed until:**   * **the patent owner moves the court to lift the stay** * **the patent owner files a civil action or counterclaim for patent infringement**   **the petitioner moves to dismiss the declaratory judgment action** |  |  |
| **Don’t 35 U.S.C. § 315(a)(1) and (a)(2) show that a defendant must choose between an IPR and a declaratory judgment action—suggesting they’re equivalent?** | **No. Those provisions actually show that a party can pursue both an IPR and a declaratory judgment action if the patentee files claims for patent infringement—that is, if the IPR serves as a defensive measure.** |  |  |
| **What does 35 U.S.C. § 315(a)(3) say about the relationship between a defendant’s IPR petition and a defendant’s counterclaim challenging patent validity?** | **It clarifies that such a counterclaim doesn’t trigger any of the provisions of § 315(a)(1) or (a)(2). So it has no impact on the defendant’s ability to petition for IPR, and vice versa.** |  |  |
| **Doesn’t 35 U.S.C. § 315(a)(3) show that a defendant’s IPR is not a defensive measure comparable to a counterclaim, since the defendant can bring both simultaneously?** | **The statute doesn’t support that inference. Defendants are free to pursue a range of defensive measures at the same time, including counterclaims and affirmative defenses. It makes sense that a defendant’s IPR, as yet another defensive measure, would be treated the same way.** |  |  |
| **You’re portraying IPR as intertwined with district court litigation in a single statutory scheme. But isn’t it true that “IPRs proceed independently of district court litigation, and can reach different results” that are “separately appealed,” OB 40-41?** | **The state’s district court litigation and a defendant’s IPR are not independent. District court litigation triggers a one-year window in which to file an IPR. And once an IPR is resolved, its outcome gives rise to estoppel in federal court. It’s true, as UMN notes, that an IPR may give rise to its own appeal in the Federal Circuit. But that doesn’t change the bottom line: An IPR is a statutorily authorized defense to district court litigation and ultimately controls on validity issues.**  **For that reason, district courts often stay all proceedings while a related IPR plays out, as the courts below did here.** |  |  |
| **Let’s say a patentee serves a patent infringement complaint on you. A week later, the patentee voluntarily dismisses the action without prejudice. Are you still required to petition for IPR within one year under § 315(c), on pain of waiver?** | **Yes. This Court, sitting en banc, so held in *Click-To-Call Technologies v. Ingenio* (CAFC 2018).** |  |  |
| **You agree that § 315(c)’s one-year window for filing an IPR, once triggered, persists even if the patentee voluntarily dismisses the district court action. Doesn’t that show that an IPR is a separate, freestanding proceeding? And that an IPR is fundamentally different from counterclaims or affirmative defenses, which obviously can’t be brought after voluntary dismissal?** | **[Explain.]** |  |  |
| **How does an IPR differ from district court litigation, as to both procedure and substance?** | **IPR offers several procedural and substantive advantages for defendants/petitioners:**   1. **Less demanding evidentiary standard: preponderance of the evidence rather than the clear-and-convincing.** 2. **No presumption of validity.** 3. **Faster and more affordable than district court litigation, with a decision ordinarily required within 12 months. 35 U.S.C. § 316(a)(11).**   **Resolved in the first instance by administrative law judges who must possess not only “competent legal knowledge,” but also “scientific ability” that ensures expert analysis of prior art. *Id.* § 6.** |  |  |
| **Don’t the differences between IPR and district court litigation show that IPR is an entirely separate action, as UMN contends?** | **To the contrary: The differences show that IPR is a critical part of the statutory system for resolving patent disputes. As a defensive measure, an IPR is not redundant of counterclaims or affirmative defenses in district court. It is an important alternative that adds unique procedural and substantive features to the claim resolution process.**  **That further distinguishes IPR from a defendant’s separate declaratory judgment action in cases like *A123 Systems*. A declaratory judgment action is entirely redundant—both procedurally and substantively—of the initial district court litigation, and so is not a vital part of the claim resolution process.** |  |  |
| **UMN cites *Novartis v. Noven Pharmasceuticals* (CAFC 2017) for the proposition that as between IPR and district court litigation, “[r]ulings of law in one proceeding do not make binding law for the other,” Reply 29. Doesn’t that show that IPR is an entirely separate action?** | **No. All *Novartis* says is that the PTAB (applying the preponderance standard) may invalidate a claim previously held valid by a district court (applying the clear and convincing standard). That’s simply another way of noting that the two tribunals apply different legal standards. The key point is that the PTAB’s validity rulings ultimately control. That shows that IPR and district court litigation are part of a single, coherent statutory system for resolving patent disputes.** |  |  |
| **Even if defendants might prefer to determine validity through an IPR, isn’t UMN right that “infringement litigation … can be resolved without resort to … IPR,” OB40?** | **Yes, but that’s not the claim resolution process under the AIA. The statute offers the option of defensive IPRs. UMN cannot use its sovereign immunity as a sword to slice away that option just because it isn’t “favorable.” *Vas-Cath* at 1343.** |  |  |
| **Is it really so unfair to deny defendants in your shoes the ability to petition for IPR? You still get to argue invalidity and noninfringement as affirmative defenses or counterclaims, right? Why isn’t that sufficient?** | **Foreclosing recourse to IPR here would be exactly the “selective use of ‘immunity’” that *Lapides* forbids. *Lapides* at 621. UMN voluntarily invoked the federal system for resolving patent disputes, seeking to benefit from the remedial provisions of federal law. It cannot simultaneously exemptitself from an accompanying statutory defense.**  **That’s particularly true because UMN would benefit in district court from a presumption of validity premised on the USPTO’s reasoned approval of its patents. It would be unfair for UMN to claim that presumption while prohibitingthe agency from carefully scrutinizing the patents as it otherwise could.**  **Having litigated against Ericsson and LSI, UMN must “abide the consequences” of its courtroom conduct and submit to the full statutory claim resolution process—** **including defensive IPR petitions. *Gardner* at 573.** |  |  |
| **What happened in *Tegic*?** | **A state university sued dozens of defendants in Texas district court, alleging that they had infringed its patents by using certain software. Months later, non-party Tegic filed a separate lawsuit in Washington district court for a declaratory judgment that the same software did not infringe the university’s patents.**  **This Court held that the university’s waiver by litigation did not extend to Tegic’s distinct lawsuit.** |  |  |
| **Why did *Tegic* decline to extend waiver to Tegic’s separate declaratory judgment action?** | **The reason was simple: It was far from “clear” that Tegic played a “necessary” role in the state’s infringement dispute to begin with. *Tegic* at 1343-44. The Court recognized that “the University obviously ‘made itself a party to the [Texas] litigation to the full extent required for its complete determination.’” *Id.* at 1343 (quoting *Clark,* 108 U.S. at 448). But as a non-party, Tegic was formally a stranger to that litigation.**  **The Court invited Tegic to show otherwise by intervening in Texas district court—at which point it would benefit from the university’s waiver. *Id.* at 1344. In the meantime, though, the Court declined to extend waiver to “a new action brought by a different party in a different state and a different district court.” *Id.* at 1343.** |  |  |
| **How is *Tegic* distinguishable?** | **Tegic lost because it was not a party to the state university’s district court litigation, which meant it couldn’t benefit from the accompanying waiver. That’s not the case for Ericsson, LSI and Avago. They were parties to UMN’s district court litigation, and there’s no dispute that they benefit from the accompanying waiver.**  **The question here is whether that waiver encompasses defensive IPR petitions. *Tegic* sheds no light on that distinct issue.** |  |  |
| **You emphasize that Tegic was not a party to the state’s lawsuit. But wasn’t that irrelevant to this Court’s waiver analysis? Didn’t we mention it only when “reject[ing] arguments about the customer suit exception and foreseeability,” Reply 26?** | **No. When deciding the scope of waiver, this Court acknowledged that the state university “obviously ‘made itself a party to the litigation to the full extent required for its complete determination.’” *Tegic* at 1343 (quoting *Clark* at 448). But it drew the line at a “new action brought by a different party in a different state and a different district court.” *Id.* Tegic’s non-party status was essential to the waiver analysis.** |  |  |
| **What happened in *A123 Systems*?** | **A state university granted a patent license to a private corporation. A third party, A123 Systems, then sued the corporation in Massachusetts district court, seeking a declaratory judgment of invalidity and noninfringement.**  **Months afterward, the university and its licensee sued A123 Systems in Texas district court for patent infringement. The earlier-filed Massachusetts action was eventually dismissed.**  **Later, A123 Systems moved to reopen the Massachusetts action and join the university as a defendant. It argued that the university’s litigation in Texas effected a “retroactive waiver,” erasing the immunity that had initially foreclosed the Massachusetts action.**  **This Court concluded that the university’s waiver by litigation had not traveled back in time to revive a defunct, earlier-filed lawsuit.** |  |  |
| **Why did *A123 Systems* decline to extend waiver to an earlier-filed federal lawsuit?** | **Aside from the obvious illogic of sending waiver back in time, the Court emphasized the absence of the fairness concerns so essential to *Lapides*.**  **Both cases were in district court. So even without its Massachusetts action, A123 Systems could still raise precisely the same “noninfringement and invalidity” arguments in Texas, subject to the same procedures and legal standards. *A123 Systems* at 1222.**  **The only difference was the geographic location of the district court. And even that was not set in stone—as *Eli Lilly* shows, motions to transfer venue aren’t barred by state sovereign immunity.**  **At bottom, therefore, A123 Systems wasn’t prejudiced in any meaningful way. It was free to move to litigate the state’s action in Massachusetts instead of Texas—it just had to follow the right procedure.** |  |  |
| **How is *A123 Systems* distinguishable?** | **Most obviously, *A123 Systems* denied a retroactivewaiver and says nothing about the prospectivescope of waiver—the issue here.**  ***A123 Systems* also emphasized that A123 Systems’ Massachusetts action and the state university’s Texas action offered identical procedural and substantive rules for resolving the patent dispute. That’s because both were district court lawsuits. A123 Systems wasn’t missing out on any procedural or substantive advantage.**  **Our case is different. As noted, IPR offers a host of unique procedural and substantive advantages not available in district court. Foreclosing those advantages would work exactly the kind of unfairness that was absent from *A123 Systems*.** |  |  |
| **Isn’t UMN right that you “fail to identify any case holding that a State, having voluntarily appeared in federal court, waived immunity to an action filed separately in a different court, let alone with an agency,” Reply 26?** | **This particular permutation of waiver by litigation may be novel, but the principles that decide it are longstanding. This Court should have no more trouble extending waiver to IPR here than it did extending waiver to counterclaims in recoupment in *Genentech*.** |  |  |