

No. 14-366

In the Supreme Court of the United States

MADSTAD ENGINEERING, INC., ET AL.,
PETITIONERS

v.

UNITED STATES PATENT AND TRADEMARK
OFFICE, ET AL.

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

BRIEF FOR THE RESPONDENTS IN OPPOSITION

DONALD B. VERRILLI, JR.
*Solicitor General
Counsel of Record*

JOYCE R. BRANDA
*Acting Assistant Attorney
General*

MARK R. FREEMAN
TARA S. MORRISSEY
Attorneys

*Department of Justice
Washington, D.C. 20530-0001
SupremeCtBriefs@usdoj.gov
(202) 514-2217*

QUESTIONS PRESENTED

1. Whether the court of appeals correctly held that petitioners lack standing to assert a facial constitutional challenge to the “first inventor to file” provisions of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284.

2. Whether the Patent Clause of the Constitution, U.S. Const. Art. I, § 8, Cl. 8, allows Congress to award priority to the first inventor to file a patent application disclosing a claimed invention.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1a-31a) is reported at 756 F.3d 1366. The opinion of the district court (Pet. App. 32a-47a) is not published in the *Federal Supplement* but is available at 2013 WL 3155280.

JURISDICTION

The judgment of the court of appeals was entered on July 1, 2014. The petition for a writ of certiorari was filed on September 26, 2014. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. Every patent system must have a rule of priority for circumstances in which two or more persons

independently seek to patent the same invention at the same time. Until 2011, the United States generally assigned priority in such circumstances according to a “qualified first-to-invent” principle. *Young v. Dworkin*, 489 F.2d 1277, 1282-1283 (C.C.P.A. 1974) (Rich, J., concurring). Under that approach, the first inventor in time generally enjoyed priority over any later inventor unless the first inventor abandoned, suppressed, or concealed the invention from the public. See 35 U.S.C. 102(g) (2006); *Gayler v. Wilder*, 51 U.S. (10 How.) 477, 496-498 (1850). That system contrasted with the “first to file” principle adopted by every other industrialized nation, under which priority is determined by the effective filing date of the earliest patent application disclosing the claimed invention. See H.R. Rep. No. 98, 112th Cong., 1st Sess. 40 (2011) (House Report).

In 2011, Congress enacted the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284, which substantially revised and updated the patent laws. The AIA adopted the “first inventor to file” principle for determining priority among patent applications filed on and after March 16, 2013. See generally *id.* § 3, 125 Stat. 285; *id.* § 3(n), 125 Stat. 293. Under that principle, priority is awarded to the first inventor to file a patent application disclosing a claimed invention, provided that the applicant himself independently invented the claimed invention and did not derive the idea from another person. See *id.* § 3(b), 125 Stat. 285-286 (amending 35 U.S.C. 102 to define the priority date of an invention as its effective filing date); see also *id.* § 3(a), 125 Stat. 285 (adopting a new definition of “effective filing date”) (35 U.S.C. 100(i)).

Congress anticipated that switching to a first-inventor-to-file principle would provide a simple and objective method for determining a patent's priority date, thereby reducing the cost and difficulty of resolving patentability disputes; that the new priority rules would harmonize United States law with the patent systems of our major trading partners; and that the new system would eliminate the need for inventors to maintain costly records systems merely to guard against the possibility of a later dispute over the date of invention. House Report 40-42.

2. a. In 2012, petitioners filed this facial challenge to the AIA's first-inventor-to-file provisions, alleging that those provisions "violate[] the text, structure, history and purpose of the Intellectual Property Clause of the Constitution, Article I, Section 8, Clause 8." C.A. App. 77, 79. Petitioners alleged that the Constitution prohibits Congress from authorizing the award of a patent to any person other than the first and original inventor of a claimed invention. See, *e.g.*, *id.* at 72. The complaint sought a declaration that the AIA exceeds Congress's powers under Article I, as well as a permanent injunction barring enforcement of the Act. *Id.* at 72, 78.

Petitioners alleged that they have standing to sue because the AIA has imposed "costs and burdens" on them. C.A. App. 73. According to the complaint, the AIA increases the incentive for computer hackers and other thieves to steal petitioners' intellectual property, forcing petitioners to improve their computer security and develop in-house facilities for development and testing. *Id.* at 73-75. The complaint further alleged that the AIA forces petitioners to expend time and resources developing provisional patent applica-

tions to preserve their patent rights. *Id.* at 75-76. Finally, the complaint alleged that petitioners are “deterred from sharing ideas and inventions with potential investors and business partners because of the risk that another party will ‘scoop’ ideas and inventions through IP theft or other means and be the first to file a patent application with the” United States Patent and Trademark Office (PTO). *Id.* at 76-77.

b. The district court dismissed the complaint for lack of standing, concluding that petitioners had failed to identify any concrete and imminent injury that is fairly traceable to the AIA. Pet. App. 44a-47a. Drawing on this Court’s decision in *Clapper v. Amnesty International USA*, 133 S. Ct. 1138 (2013), the district court explained that, in order to establish standing, a threatened injury must be “certainly impending.” Pet. App. 43a-44a. The court concluded that petitioners, like the plaintiffs in *Clapper*, had alleged only an attenuated, speculative possibility that they could be harmed by the actions of computer hackers or business partners who might attempt to steal petitioners’ inventions. *Id.* at 44a. The court further held that, as in *Clapper*, petitioners’ alleged expenditures in anticipation of that possibility were insufficient to establish injury. *Id.* at 44a-45a. In light of that conclusion, the district court declined to address the constitutionality of the AIA’s first-inventor-to-file provisions. *Id.* at 47a.

3. The court of appeals affirmed. Pet. App. 1a-31a.

The court of appeals explained that, in order to establish Article III standing, a plaintiff must allege an “actual or imminent” injury that is “fairly traceable to the challenged action.” Pet. App. 9a (quoting *Mon-*

santo Co. v. Geertson Seed Farms, 561 U.S. 139, 149 (2010)). The court examined each of petitioners' alleged injuries and concluded that they were insufficient to establish standing because they rested on unsupported speculation about how the AIA might encourage third parties to behave. *Id.* at 13a-26a.

First, the court of appeals concluded that petitioners' alleged need for enhanced computer security to protect against an increased risk of intellectual-property theft "rests on speculation" that the AIA would encourage "illegal" actions by "independent actors." Pet. App. 16a. Second, the court held that petitioners' alleged need to expend additional time and effort filing patent applications was insufficient to establish standing because petitioners had not alleged that they possessed any invention ready for patenting, but rather alleged merely an "inten[t] to file for another patent at some unknown point in the future." *Id.* at 22a; see *id.* at 19a-21a. Third, the court held that petitioners' claim that the AIA would force them to set up and maintain in-house development and testing centers, rather than use outside vendors whose systems might be vulnerable to hacking and IP theft, was "speculative and generalized." *Id.* at 23a-24a. The court noted that petitioners had not alleged that they had actually established in-house facilities as a result of the AIA, or that they were engaged in any project that would employ such facilities. *Ibid.* Finally, the court held that petitioners' claim that they would suffer lost business opportunities for fear that potential partners and investors would steal their ideas was speculative and "unsubstantiated." *Id.* at 25a.

The court of appeals next addressed petitioners' contention that their injuries were "certainly impending." Pet. App. 28a-29a. The court explained that, in *Clapper* and in a subsequent case, *Susan B. Anthony List v. Driehaus*, 134 S. Ct. 2334 (2014), this Court had stated that a future injury may be sufficiently imminent if there is a "substantial risk" that it will occur. Pet. App. 28a-29a (citing *Clapper*, 133 S. Ct. at 1150 n.5, and *Susan B. Anthony List*, 134 S. Ct. at 2342-2343). The court of appeals concluded that it "need not decide whether" the "certainly impending" and "substantial risk" formulations "are alternative tests for standing applicable to all factual circumstances," because petitioners' allegations did not satisfy either test. *Id.* at 30a. Because the court of appeals held that petitioners lacked standing, it declined to reach their constitutional arguments. *Id.* at 2a.

ARGUMENT

Petitioners contend that the court of appeals erred in holding that they lack standing to challenge the AIA's first-inventor-to-file provisions. The court's fact-bound decision is correct, and it does not conflict with any decision of this Court or any other court of appeals. Petitioners also urge this Court to address the merits of their constitutional claim. The lower courts correctly held, however, that petitioners' lack of standing precluded the courts from addressing that question. The petition for a writ of certiorari therefore should be denied.

1. Petitioners contend that this Court's review is warranted to "clarify" that an alleged injury may be sufficiently imminent for standing purposes if the "threatened injury is 'certainly impending' *or* there is a 'substantial risk that the harm will occur.'" Pet. 14

(quoting *Susan B. Anthony List v. Driehaus*, 134 S. Ct. 2334, 2340-2341 (2014)) (emphasis in petition). The court of appeals correctly held, however, that even assuming that there is a separate “substantial risk” test for imminent injury that is more lenient than the “certainly impending” formulation, petitioners’ allegations would fail that test too. This case therefore presents no opportunity to consider the relationship between the “certainly impending” and “substantial risk” formulations of the imminent-injury requirement.

a. In *Clapper v. Amnesty International USA*, 133 S. Ct. 1138 (2013), this Court explained that, in order to “establish Article III standing, an injury must be concrete, particularized, and actual or imminent,” and it must also be “fairly traceable” to the challenged action. *Id.* at 1147 (internal quotation marks and citation omitted). The Court stated that, when a plaintiff relies on threatened injury to establish standing, that injury must be “certainly impending”—*i.e.*, “not too speculative for Article III purposes,” and not merely “*possible*.” *Ibid.* Applying that standard, the Court held that attorneys and organizations lacked standing to challenge a foreign intelligence surveillance program that might target individuals with whom they communicated. *Id.* at 1143, 1145. The plaintiffs’ allegations, the Court explained, relied on “a highly attenuated chain of possibilities,” including that the government would target the communications of the individuals with whom the plaintiffs communicated; that the government would invoke its authority under the challenged statute rather than under another program; and that the intercepts would be successful. *Id.* at 1148.

The *Clapper* Court also observed that it had on occasion “found standing based on a ‘substantial risk’ that the harm will occur, which may prompt plaintiffs to reasonably incur costs to mitigate or avoid that harm.” 133 S. Ct. at 1150 n.5 (citing *Monsanto Co. v. Geertson Seed Farms*, 561 U.S. 139, 153-156 (2010)). The Court stated that, “to the extent that the ‘substantial risk’ standard is relevant and is distinct from the ‘clearly impending’ requirement,” the plaintiffs’ allegations “fall short of even that standard, in light of the attenuated chain of inferences necessary to find harm here.” *Ibid.*

Subsequently, in *Susan B. Anthony List*, this Court stated that “an allegation of future injury may suffice” for standing purposes “if the threatened injury is ‘certainly impending,’ or there is a ‘substantial risk’ that the harm will occur.” 134 S. Ct. at 2340-2341 (quoting *Clapper*, 133 S. Ct. at 1147, 1150 n.5). The Court held that a pro-life organization had standing to bring an action for pre-enforcement review of Ohio election laws that prohibited false statements about candidates’ voting records. *Id.* at 2338-2339, 2347. The Court concluded that the plaintiff had demonstrated a “substantial” and “credible” threat that the challenged statute would be enforced against it because the relevant state agency had previously found probable cause to believe the plaintiff had violated the statute, and the plaintiff intended to engage in the same type of speech in the future. *Id.* at 2343-2345.

b. In this case, the court of appeals concluded that it “need not decide whether” the “certainly impending” and “substantial risk” formulations are “alternative tests for standing applicable to all factual circumstances.” Pet. App. 30a. The court explained that

petitioners' allegations were insufficient to satisfy either test, as petitioners have not alleged facts suggesting there is a substantial risk that they will suffer injuries fairly traceable to the AIA. *Ibid.* That conclusion is correct.

As the court of appeals explained (Pet. App. 14a-26a), the bulk of petitioners' asserted injuries (Pet. 6-8) are premised on the perceived possibility that the AIA's first-inventor-to-file rule will encourage hackers, thieves, and potential business partners to steal petitioners' intellectual property in order to apply for a patent on it. Petitioners claim that, to address that danger, they must purchase enhanced security to protect against computer hacking and intellectual-property theft. Pet. 6; C.A. App. 73-74. But that theory of standing "relies on a highly attenuated chain of possibilities." *Clapper*, 133 S. Ct. at 1148. As the court of appeals explained, petitioners' theory assumes that a hacker could break into petitioners' security system, "interpret all of [petitioners'] data, finish developing the product to a point where it can be patented, successfully file for a patent, and prosecute that application successfully, all before [petitioners] can file [their] own patent application." Pet. App. 17a. There is no substantial risk that this "exotic scenario" will come to pass. *Id.* at 46a; see *Clapper*, 133 S. Ct. at 1150 n.5 (declining to find a substantial risk of harm based on "speculation about the unfettered choices made by independent actors not before the court") (internal quotation marks and citation omitted). And unlike in *Susan B. Anthony List*, petitioners are unable to point to any concrete reason to believe that the harm they fear might actually occur. 134 S. Ct. at 2345.

Petitioners also allege (Pet. 7, 15-16) that the first-inventor-to-file rule encourages inventors to “race” to the PTO to file applications, and that petitioners therefore must “divert business resources to prepare more patent applications and file them sooner.” Pet. App. 18a (citation omitted). But petitioners have not filed, nor are they preparing to file, any patent application subject to the first-inventor-to-file rule. *Id.* at 21a. Indeed, petitioners do not possess any patentable invention at this time. *Id.* at 19a, 21a-22a. Nor have petitioners established in-house facilities, or alleged that they have projects that would make use of such facilities. *Id.* at 23a. Petitioners’ theory, moreover, rests on the conjectural assumption that some other inventor might simultaneously develop the same invention as petitioners and seek to patent it, leading to a potential priority contest. See *id.* at 22a.¹

Petitioners also assert that the possibility of intellectual-property theft will force them to set up in-house testing facilities to prevent hackers from stealing their ideas from outside vendors, and will also force petitioners to forgo sharing ideas with potential business partners who might steal them. Pet. App. 22a-26a. Those theories, which are variations on petitioners’ intellectual-property-theft theme, rest on

¹ In fact, priority contests are extremely rare. In 2012—the last year in which patent applications were filed under the pre-AIA scheme—542,815 utility patent applications were filed, and the PTO declared only 56 interferences in the same fiscal year. *U.S. Patent Statistics, Calendar Years 1963-2013*, PTO, http://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.pdf (last visited Dec. 24, 2014); *Process Production Report: Final Report*, PTO, http://www.uspto.gov/ip/boards/bpai/stats/process/fy2012_sep_b.pdf (last visited Dec. 24, 2014). Petitioners cannot establish standing based on the risk of losing a race they likely will never run.

conjecture—that hackers will be able to penetrate outside vendors’ security systems, steal ideas, and seek to patent them; and that potential business partners will engage in criminal acts of theft. *Id.* at 24a-25a.

Finally, petitioners attempt to establish (Pet. 6-7) existing injury by asserting that they have already purchased and implemented improved security systems to protect against the cyber-attacks that the AIA allegedly makes more likely. See Pet. App. 15a-16a. Petitioners also assert that they have already lost potential business opportunities based on their unwillingness to share intellectual property with counterparties who might steal it in order to patent it. *Id.* at 25a. But petitioners may not establish standing “based on costs they incurred in response to a speculative threat.” *Clapper*, 133 S. Ct. at 1151. In addition, petitioners’ expenditures are not “fairly traceable” to the AIA. *Ibid.* As the court of appeals concluded, petitioners identified no plausible reason to believe that the AIA’s first-inventor-to-file provisions will result in increased hacking and intellectual-property theft. See, *e.g.*, Pet. App. 16a-17a. Petitioners’ statistics suggest that “hacking was a growing threat well before the AIA was even enacted.” *Id.* at 15a. And there is no reason to suppose that the AIA has emboldened previously law-abiding commercial actors to commit the criminal act of stealing intellectual property. *Id.* at 25a.

c. Petitioners’ theory also overlooks features of the AIA that protect inventors from the scenarios that petitioners envision. The AIA provides for “derivation” proceedings that allow an inventor to demonstrate that an invention disclosed in an earlier-filed

patent or patent application was improperly derived—*i.e.*, stolen—from the inventor. See AIA § 3(i), 125 Stat. 289 (35 U.S.C. 135). If the PTO finds that the invention was improperly derived, the agency “may correct the naming of the inventor in any application or patent at issue.” *Ibid.* (35 U.S.C. 135(b)). The Act further authorizes an inventor to file a civil action in federal district court to prove improper derivation. See AIA § 3(h), 125 Stat. 288 (35 U.S.C. 291). Congress created those proceedings to “ensure that the first person to file the application is actually a true inventor,” and that no person may patent an invention that “he did not actually invent.” House Report 42. The availability of these proceedings further undermines petitioners’ claim to a credible fear of theft.

Thus, under the AIA as under pre-existing law, a person who derives an invention from another is ineligible to receive a patent on that invention, even if he is the first person to file a patent application. The AIA changed the priority rule that applies to a quite different scenario, in which two different inventors *independently* conceive the same invention. That change, however, creates no meaningful incentive for the acts of hacking and intellectual-property theft that underlie petitioners’ claim of standing.² And petitioners

² As the courts below recognized, petitioners’ claimed causal connection between theft of their ideas and loss of a patent to which they would otherwise be entitled depends in part on the wrongdoers’ ability “to disguise their theft so as to defeat a challenge by [petitioners] in a derivation proceeding.” Pet. App. 14a; see *id.* at 45a. But even under the pre-AIA first-to-invent priority rule, some danger existed that a person who had in fact stolen the relevant idea could conceal that fact from the PTO and/or a reviewing court. There is no evident reason to suppose that Congress’s adoption of the first-inventor-to-file rule will increase that risk.

identify no reason to expect that they will ever be on the losing end of the sort of priority dispute—*i.e.*, a contest between two independent inventors in which the first to invent was not the first to file a patent application—in which the change adopted in the AIA will be outcome-determinative.

2. Petitioners contend (Pet. 17-19) that the court of appeals’ decision conflicts with *Clapper* and other decisions of this Court. Those arguments lack merit.

a. Petitioners contend that the court of appeals’ decision “ignores the limits that this Court carefully placed on its decision” in *Clapper*. Pet. 17. Specifically, petitioners argue that the plaintiffs in *Clapper* were not directly governed by the challenged statute, whereas here, petitioners are governed by the AIA. *Ibid.* In *Clapper*, the Court explained that, because the challenged statute “does not regulate, constrain, or compel any action on [the plaintiffs’] part,” the plaintiffs’ theory of injury was that governmental actions taken pursuant to the statute might harm them. 133 S. Ct. at 1153. The Court rejected that argument as “rest[ing] on mere conjecture about possible governmental actions.” *Id.* at 1154.

Similarly here, petitioners’ current conduct is not regulated or constrained by the AIA—and, as noted, petitioners have no immediate plans to file a patent application governed by the AIA. Petitioners’ standing argument, like that in *Clapper*, rests on “mere conjecture” about how the law might alter third parties’ behavior. See *Clapper*, 133 S. Ct. at 1154. Indeed, petitioners’ claim is even more speculative than that in *Clapper*, because it relies on the assumption that the AIA will encourage criminal conduct. See *id.* at 1148.

Petitioners also argue that “the *Clapper* plaintiffs adduced no specific facts,” whereas here petitioners have presented an “uncontradicted factual record.” Pet. 18. In fact, the *Clapper* record included numerous affidavits, *e.g.*, 133 S. Ct. at 1156-1157 (Breyer, J., dissenting), but the Court concluded that the sworn facts reflected assumptions and speculation insufficient to support standing, *id.* at 1148-1149. As in *Clapper*, the court of appeals here concluded that the facts alleged in petitioners’ affidavits were insufficient to confer standing. See Pet. App. 13a (considering each of petitioners’ allegations); *id.* at 34a (referencing affidavits).

b. Petitioners’ reliance (Pet. 18-19) on other decisions of this Court is also misplaced.

In *Monsanto*, the Court held that growers of conventional alfalfa had standing to challenge the deregulation of genetically-engineered alfalfa because the deregulation “g[ave] rise to a significant risk of gene flow to” conventional alfalfa. 561 U.S. at 155. As the *Clapper* Court later explained, *Monsanto*’s standing analysis rested on specific evidence demonstrating that currently-planted genetically-engineered alfalfa seed fields posed a substantial risk of contaminating nearby conventional fields. *Clapper*, 133 S. Ct. at 1153-1154 (discussing *Monsanto*, 561 U.S. at 153-155 & n.3). Here, by contrast, petitioners offer no facts suggesting that their fears have any basis in evidence, relying instead on conjecture about the motives and actions of third parties. See *id.* at 1154.

In *Massachusetts v. Environmental Protection Agency*, 549 U.S. 497 (2007), the Court held that Massachusetts had standing to challenge the EPA’s decision not to regulate greenhouse gases under the Clean

Air Act. *Id.* at 505, 521-526. The Court observed that “the existence of a causal connection between man-made greenhouse gas emissions and global warming” was undisputed, and that the EPA’s failure to regulate therefore “contribute[d]” to the plaintiffs’ injuries.³ *Id.* at 523. Here, petitioners offer only subjective speculation that there is a causal connection between the AIA and the injuries they allege.

Finally, this Court’s decision in *Friends of the Earth, Inc. v. Laidlaw Environmental Services (TOC), Inc.*, 528 U.S. 167 (2000), is also inapposite. There, it was “undisputed” that the defendant had created a substantial risk of harm to the plaintiffs by unlawfully “discharging pollutants in excess of permit limits” into a river. *Id.* at 184. The contested question was whether the plaintiffs had acted reasonably in refraining from using the polluted area. *Ibid.*; see *Clapper*, 133 S. Ct. at 1153. Here, by contrast, petitioners have not alleged facts suggesting that the AIA creates any risk of harm to them in the first place. See *Clapper*, 133 S. Ct. at 1153 (distinguishing *Laidlaw*, *supra*, on this basis).

3. Contrary to petitioners’ argument (Pet. 20-23), the Federal Circuit’s decision does not conflict with any decision of another court of appeals. In all of the cases on which petitioner relies, the courts of appeals concluded that a substantial risk of injury existed based on allegations that gave rise to an inference of future harm, in factual scenarios that are distinguishable from that presented here.

³ The Court in *Massachusetts* also noted that “[i]t is of considerable relevance that the party seeking review * * * is a sovereign State and not * * * a private individual.” 549 U.S. at 518.

In *Sierra Club v. Jewell*, 764 F.3d 1 (2014), the D.C. Circuit held that plaintiffs challenging the removal of a battlefield from the National Register of Historic Places had established an imminent injury because there was a “substantial probability” that third-party coal companies would conduct surface mining on the battlefield. *Id.* at 7. The court relied on the coal companies’ stated intention to mine on the battlefield if it were removed from the register. *Ibid.* Here, petitioners have not alleged that any third party has expressed an intent to steal and patent petitioners’ ideas, nor have they alleged any facts suggesting that such conduct is likely.

In *Constitution Party of Pennsylvania v. Aichele*, 757 F.3d 347 (3d Cir. 2014), the court held that the plaintiffs, non-major political parties, had established a “credible threat” that major political parties would use certain state-law ballot-access provisions to impose significant litigation expenses on the plaintiffs. *Id.* at 363-364 & n.21. The court relied on evidence that major parties had previously—and successfully—used the provisions in question to force other parties’ candidates out of the election. *Id.* at 363. Here, the AIA does not authorize or otherwise provide third parties with a means of harming petitioners’ interests; rather, petitioners contend that the AIA increases already-existing incentives to steal petitioners’ ideas. Petitioners also have not alleged that private parties have successfully stolen and patented their intellectual property.

In *Arcia v. Florida Secretary of State*, No. 12-15738, 2014 WL 6235917 (11th Cir. Nov. 17, 2014) (vacating opinion reported at 746 F.3d 1273, and reissuing majority opinion without change), the court of

appeals held that individual voters and organizations had standing to challenge a Florida program that sought to identify and remove non-citizens from voting rolls before the general election. *Id.* at *3-*4. In concluding that the plaintiffs had established an imminent injury, the court relied on the fact that the plaintiffs and their members had been mistakenly identified as non-citizens under the program before the primary election. *Id.* at *2-*3. The court further held that the organizational plaintiffs had reasonably expended resources to assist members who had been identified as potential non-citizens before the primary. *Id.* at *4. *Arcia* is distinguishable from this case, since petitioners' expenditure of resources was based on conjectural fears that the AIA would encourage hackers to steal their ideas, rather than on concrete evidence of likely harm.

4. Petitioners also urge (Pet. i, 23-32) this Court to review the merits of their constitutional claim that the AIA's first-inventor-to-file rule violates the Patent Clause. But even if the Court granted certiorari on the standing issue and reversed the court of appeals' judgment, review of the merits question would be contrary to this Court's usual practices. Based on their determinations that petitioners lacked standing, neither the Federal Circuit nor the district court decided that Patent Clause question on the merits, and this Court is "a court of final review and not first view." *Zivotofsky v. Clinton*, 132 S. Ct 1421, 1430 (2012) (citation omitted); see *National Collegiate Athletic Ass'n v. Smith*, 525 U.S. 459, 470 (1999). There is consequently no basis for granting certiorari on the second question presented.

In any event, petitioners' constitutional challenge lacks merit. Petitioners contend (Pet. 23-29) that the Patent Clause, which authorizes Congress to grant exclusive rights to "Inventors," U.S. Const. Art. I, § 8, Cl. 8, permits Congress to confer patent rights only on the "first actual inventor of a discovery." Pet. 23. Petitioners argue that the AIA exceeds Congress's power because it authorizes the grant of a patent to someone who was the second to conceive a particular piece of technology, but the first to file a patent application.

Contrary to petitioners' suggestions (*e.g.*, Pet. 3), the AIA does not authorize a patent to be issued to a person who was not the "inventor" of the technology in question. The AIA preserves without change the Patent Act's requirement that a patent may issue only to a person who "invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." 35 U.S.C. 101. The AIA also requires each patent applicant to swear an oath that the applicant "believes himself or herself to be the original inventor or an original joint inventor of a claimed invention in the application." 35 U.S.C. 115(b)(2). In addition, the AIA adds a new definition of the term "inventor" to make clear that an inventor is a person "who invented or discovered the subject matter of the invention." 35 U.S.C. 100(f).

The AIA's first-inventor-to-file rule allocates priority among inventors who independently conceived and described the same discovery, and who seek to patent the same invention. Every patent system must have a priority rule of some kind, and nothing in the Constitution requires Congress to adopt one rule rather than

another. The Patent Clause specifies only that Congress shall have the power to grant exclusive rights to “Inventors,” U.S. Const. Art. I, § 8, Cl. 8—it does not permit Congress only to grant rights to the “*first* Inventor.” Nor does it require Congress to employ any particular procedure for resolving contests of priority among multiple “Inventors.”

Petitioners’ constitutional challenge is further flawed because it rests on the false premise that, until the AIA was enacted, the United States had always determined priority according to a strict “first to invent” principle. In fact, there have long been exceptions to the general first-to-invent rule. Even before the AIA, for instance, a subsequent inventor could obtain a patent by demonstrating that the first inventor had abandoned, suppressed, or concealed the invention. See 35 U.S.C. 102(g) (2006); *Gayler v. Wilder*, 51 U.S. (10 How.) 477, 496-497 (1850) (establishing this rule). Under petitioners’ view, that long-standing practice would be unconstitutional.

Finally, petitioners cannot demonstrate that “no set of circumstances exists under which [the AIA’s first-inventor-to-file provision] would be valid,” as is necessary to invalidate the provision on its face. *United States v. Salerno*, 481 U.S. 739, 745 (1987); see *Washington State Grange v. Washington State Republican Party*, 552 U.S. 442, 450 (2008). Even if petitioners could establish that only the first inventor may constitutionally obtain a patent, the AIA would operate constitutionally in the ordinary case—*i.e.*, one in which the first to file an application is also the first inventor.

CONCLUSION

The petition for a writ of certiorari should be denied.
Respectfully submitted.

DONALD B. VERRILLI, JR.
Solicitor General
JOYCE R. BRANDA
*Acting Assistant Attorney
General*
MARK R. FREEMAN
TARA S. MORRISSEY
Attorneys

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