

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

GILBERT P. HYATT,

Plaintiff

v.

UNITED STATES PATENT AND TRADEMARK
OFFICE and ANDREI IANCU, Under Secretary
of Commerce for Intellectual Property, and
Director of the United States Patent and
Trademark Office,

Defendants

Case No. 1:18cv546 (TSE/MSN)

**Memorandum of Law in Support of Defendants’
Motion to Dismiss**

Defendants Andrei Iancu and the United States Patent and Trademark Office (collectively “the USPTO”) respectfully submit this memorandum in support of their motion to dismiss plaintiff Gilbert Hyatt’s Complaint for lack of subject matter jurisdiction under Federal Rule of Civil Procedure 12(b)(1), for improper venue under Federal Rule of Civil Procedure 12(b)(3), and for failure to state a claim on which relief can be granted under Federal Rule of Civil Procedure 12(b)(6).

Introduction

This Court is no stranger to the ongoing administrative and litigative campaign by Mr. Hyatt concerning what the United States Court of Appeals for the Federal Circuit has termed Mr. Hyatt’s “extraordinary” tactics of pursuing hundreds of massive patent applications with the USPTO—requiring an examination process that has tested and stretched the resources of the agency. Less than three years ago, this Court rejected Mr. Hyatt’s attempt to have this Court provide oversight into the complex and ongoing examination of his almost 400 applications

comprised of over 115,000 claims. Noting the narrow avenue of Article III review authorized under the law—“in the nature of mandamus”—this Court reviewed a substantially similar complaint. *Hyatt v. USPTO*, 146 F. Supp. 3d 771, 781-82 (E.D. Va. 2015) (Ellis, J.). After noting that “neither party wears a completely white hat,” this Court held that there was little legal relevance in “looking at the past and assigning fault for delay” and that the only salient question was what was happening with Hyatt’s applications “at the present and asking whether there is anything a court should lawfully and discretionarily compel.” *Id.* This Court answered that question in the negative.

Dissatisfied with his prior result, Mr. Hyatt now returns to this Court with a Complaint that greatly expands upon the original allegations and legal theories. However, it seeks to accomplish *exactly* what this Court held the prior complaint could not do—look to the past in order to justify judicial oversight of the present examination process. In an apparent attempt to circumvent the limitations on his prior Administrative Procedure Act (“APA”) cause of action, Mr. Hyatt also presents claims for a general injunction under the All Writs Act, for mandamus under the Mandamus Act, and for relief directly under the United States Constitution. Regardless of the legal genesis, however, there can be little doubt that the type of relief that Mr. Hyatt seeks here is not available.

There are two parts to the allegations found within Mr. Hyatt’s Complaint. First, at a granular level, Mr. Hyatt levies allegations about specific examination-related actions taken with respect to three specific patent applications, but there has been no final action as to any of the three, nor is the USPTO withholding action on them. As such and consistent with this Court’s prior ruling, there is simply no legal basis for the relief Mr. Hyatt seeks beyond the actions the USPTO has already taken. Second, Mr. Hyatt presents broad-based grievances about the USPTO’s

handling of his patent applications and asks this Court to engage in oversight of the USPTO's ongoing decision-making. But Mr. Hyatt's latest Complaint attempts to take this Court down paths it has already traveled without sufficient recognition or mention of this Court's prior determinations. Mr. Hyatt presents no legally cognizable argument for the general relief he seeks.

This Court lacks jurisdiction to issue the relief Mr. Hyatt seeks, and Mr. Hyatt's Complaint fails to state a claim for which relief can be granted. As the Federal Circuit has conclusively held, Congress implemented a specific administrative and judicial review scheme for patent applications, and Mr. Hyatt must follow that scheme in order to seek judicial review about the propriety of particular actions that the USPTO has taken in the context of a particular patent application. And that type of judicial review (consistent with the judicial review provisions of the APA) can only be had after receiving final agency action, not in a separate collateral attack on the agency's ongoing proceedings. Therefore, regardless of the label that Mr. Hyatt uses (*e.g.*, APA, mandamus), this Court lacks jurisdiction over any claim that seeks interlocutory judicial review of the propriety of the USPTO's examination of Mr. Hyatt's patent applications.

Nor can Mr. Hyatt justify this Court's intervention under the alternative APA rubric—that which this Court termed “in the nature of mandamus” for unreasonable delay under 5 U.S.C. § 706(1). Section 706(1) is limited to situations in which the requested agency action is “legally required.” *Norton v. Southern Utah Wilderness Alliance*, 542 U.S. 55, 62 (2004) (“*SUWA*”). Because active prosecution is ongoing in two of the three applications at issue, no. 08/599,450 (the '450 application) and no. 08/456,263 (the '263 application), there is no particular action that the agency is legally required to take in any established time frame. The USPTO explained to this Court before this Court's prior decision that the USPTO intended to provide Mr. Hyatt with office actions at a certain rate, and it has lived up to those promises since. To the extent that Mr. Hyatt

is simply dissatisfied with the types of actions the USPTO has been taking in his applications, as this Court explained, any such protests are not remediable through a lawsuit under § 706(1) that alleges a failure to act; they are remediable after a final agency action.

This structure makes sense. As the Supreme Court has explained, agencies need the freedom to deliberate and come to final decisions on their own before the courts step in and review the outcome of those deliberations. Mr. Hyatt's attempts to interrupt the agency's ongoing examination of his applications through repeated litigation only serve to inhibit the agency from coming to a final decision on any single application. And certain relief Mr. Hyatt seeks, such as payment for an alleged Fifth Amendment taking, cannot even be quantified until the agency has come to a decision on whether the particular invention claimed is patentable and, if so, with what scope. Until any patent right is determined, there is no cognizable claim for a taking, even if one assumes there would be basis for such a claim in the first place.

With respect to application no. 08/762,669 (the '669 application), this Court separately lacks jurisdiction over that application because it has been abandoned since November 2017, when Mr. Hyatt failed to respond to an office action within the required time period. To pursue relief in court, Mr. Hyatt must first exhaust his administrative remedies at the agency by filing a petition that, if grantable, would allow the USPTO to undo the abandonment and resume examination. Because Mr. Hyatt has failed to exhaust his administrative remedies, filing this suit before bringing any disagreements to the agency, this Court lacks subject matter jurisdiction over any request for relief related to the '669 application.

Finally, Mr. Hyatt also cannot pursue his claims for relief by invoking the Declaratory Judgment Act, 28 U.S.C. § 2201-02, or the All Writs Act, 28 U.S.C. § 1651, when those statutes only provide a procedural mechanism to obtain relief where jurisdiction otherwise exists. Because

there is no jurisdiction or claim upon which relief can be granted based on any other statute, all of Mr. Hyatt's claims should be dismissed.

Background

A. Patent prosecution background¹

If an applicant fails to respond to an office action, the USPTO issues a notice of abandonment. *See* 35 U.S.C. § 133. That tells the applicant that the USPTO will no longer examine the patent application, on the basis that the applicant has failed to take a required action. The USPTO has provided two ways for an applicant to respond to a notice of abandonment: (1) file a petition to revive an abandoned application under 37 CFR § 1.137, and/or (2) file a petition to withdraw the holding of abandonment under 37 CFR § 1.181(a). *See* Manual of Patent Examining Procedure (MPEP) 711.03(c)(I).² Only after the applicant makes clear through one of those petitions that he does not want the application to remain abandoned, and after the USPTO has denied the petition, has the applicant exhausted his administrative remedies such that he can seek relief in court. *See McKart v. United States*, 395 U.S. 185, 193 (1969); *Star Fruits SNC v. United States*, 393 F.3d 1277, 1280 (Fed. Cir. 2005).

B. A brief history of Mr. Hyatt's patent applications and suits

1. Mr. Hyatt filed approximately 400 patent applications and proceeded to expand them to contain approximately 115,000 claims

Mr. Hyatt is the named inventor on an extended family of approximately 400 patent applications,³ nearly all of which were filed in 1995 or earlier. *Hyatt v. USPTO*, 146 F. Supp. 3d

¹ In its prior opinion, this Court provided an appropriate synopsis of the patent examination process, and thus the USPTO does not repeat that information here.

² Such a petition may be dismissed as untimely if it is not filed within two months of the notice of abandonment, but the MPEP outlines possible alternative procedures for untimely petitions to withdraw a holding of abandonment. *See* MPEP 711.03(c)(I)(C).

³ The number of the applications that currently remain pending is lower due to intervening

771, 773 (E.D. Va. 2015) (“*Hyatt Requirements Suit*”). Mr. Hyatt’s applications represent a unique situation in the history of the USPTO. As originally filed, each of Mr. Hyatt’s approximately 400 applications contained around 20 to 100 claims. *Id.* at 776. Over time, Mr. Hyatt repeatedly amended his applications, such that in August 2013, his web of interconnected applications contained a total of approximately 115,000 claims. *Id.* at 773, 776; *Hyatt v. USPTO*, 797 F.3d 1374, 1377 (Fed. Cir. 2015) (“*Hyatt Publication Suit*”) (noting that each application contained an average of nearly 300 claims).

This number is unprecedented for any single applicant. *Hyatt Requirements Suit*, 146 F. Supp. 3d at 781. For comparison, in 2017, less than 5% of patents issued contained more than 30 claims. See Dennis Crouch, “Standard Patent Size,” <https://patentlyo.com/patent/2017/10/standard-patent-size.html> (last visited July 3, 2018). Indeed, Mr. Hyatt’s applications have included some of the largest claim sets the USPTO has ever encountered. *Hyatt Requirements Suit*, 146 F. Supp. 3d at 776; see *Hyatt Publication Suit*, 797 F.3d at 1377 (discussing Mr. Hyatt’s “remarkable number of claims”).

Moreover, Mr. Hyatt’s specifications are hundreds of pages long. *Hyatt Requirements Suit*, 146 F. Supp. 3d at 773, 776 & n.8. For example, the specifications filed in one family of applications are approximately 576 pages long. *Id.* As a point of reference, the USPTO deems any specification (the written description plus drawings plus original claims) longer than 20 pages to be a “Jumbo Application” subject to special rules and fees. MPEP § 608.01 [¶6.31].

Mr. Hyatt’s applications are not only unprecedented in their size and volume, but also in their interconnectedness. *Hyatt Requirements Suit*, 146 F. Supp. 3d. at 776-77 & n.9. All of Mr.

developments, such as abandonment, that occurred during the prosecution of the individual applications.

Hyatt’s pending applications are “related”: “[E]ach application incorporates by reference, and claims the benefit of priority to, numerous earlier-filed applications often dating back to the early 1970s,” *id.* at 776, thereby making the right of priority determinations on a claim-by-claim basis difficult and thus complicating the process of identifying the relevant prior art applicable to each examined claim. Indeed, in one example of Mr. Hyatt’s applications, “there are 38 different possible dates to which [Mr. Hyatt] may be entitled to maintain priority for a given claim.” *Id.* at 777 (marks omitted). “And still further adding to the complexity is that [Mr. Hyatt] has in many instances filed identical or nearly identical claims across the applications in violation of PTO regulations.” *Id.* This claim overlap is possible in part because, as this Court previously found, “[t]he vast majority of plaintiff’s approximately 400 pending applications—including, but not limited to, the 80 patent applications in issue in this action—use only 12 distinct specifications.” *Id.* at 776.

To avoid repetition and maintain consistency, examination of any application requires ongoing knowledge of the claims in the other related applications. *See, e.g.,* MPEP § 706.07(h)(XI)(A) (explaining that a Board decision is controlling in related applications). The examiner must also have an intimate knowledge of the written description and drawings in the application. *See* 35 U.S.C. § 112; MPEP §§ 2161-86 (many sections explaining ways in which examiner must compare claims to written description).

As Judge Hilton previously observed, “[t]he Administrative Record confirms that the circumstances of [Mr. Hyatt’s] patent applications and his prosecution history are extraordinary.” *Hyatt v. USPTO*, No. 1:13-cv-1535, 2014 WL 2446176, at *6 (E.D. Va. May 29, 2014). And in the words of the Federal Circuit, “[t]hese circumstances are not just special—they are unique. We are aware of no other applicant with the same volume of claims as Mr. Hyatt, where those claims

were filed before June 8, 1995, and where any patent stemming from those claims will have a term of 17 years, beginning from the date of issuance of the patent.” *Hyatt Publication Suit*, 797 F.3d at 1384 (citing 37 C.F.R. § 1.75(b)).

2. The USPTO issued the Requirements to facilitate timely and effective examination of Mr. Hyatt’s applications

Given the unprecedented size, volume, and interconnectedness of Mr. Hyatt’s applications, in 2012, the USPTO dedicated twelve full-time patent examiners solely to examining Mr. Hyatt’s patent applications, later adding two more. *Hyatt Requirements Suit*, 146 F. Supp. 3d at 778; *see id.* at 779 (later fourteen examiners). In August 2013, the USPTO began issuing the Requirements in Mr. Hyatt’s applications. The Requirements recited the “confluence of multiple factors” that made examination of Mr. Hyatt’s applications “unmanageable,” including (i) the number of related pending applications, (ii) the length of the specifications and number of applications incorporated by reference, (iii) the number of claims, (iv) the multiplication of claims over the course of prosecution, and (v) the similarity of claims. *Id.* at 778 (quoting Requirements).

To remove those barriers to effective examination, the Requirements instructed Mr. Hyatt to (i) select a number of claims from each of his twelve “families” (i.e., groups of related applications with nearly identical specifications), not to exceed 600 claims per family absent a showing that more claims are necessary, (ii) identify the earliest possible priority date and supporting disclosure for each selected claim, and (iii) present a copy of the selected claims to the USPTO. *Hyatt Requirements Suit*, 146 F. Supp. 3d at 778. As this Court explained, “[b]y directing [Mr. Hyatt] to reduce the number of claims under review, the Requirements facilitate effective examination of the relevant patent applications.” *Id.* at 785.

A few of Mr. Hyatt’s applications—approximately six—were not subject to Requirements for various reasons. One of those applications was the ’263 application.

3. Like the current action, the *Hyatt Requirements Suit* sought an order declaring that the USPTO unreasonably delayed examination of Mr. Hyatt's applications

In February 2014, Mr. Hyatt filed the *Hyatt Requirements Suit*, alleging that the USPTO's decision to issue the Requirements in 80 of his applications (those in which appeal briefs had been filed) constituted unreasonable delay. Mr. Hyatt requested "the Court to order the PTO not to reopen prosecution on the appeals or otherwise delay final resolution on the merits of the appeals as presented to the [Board] in each of these 80 appealed patent applications." *Hyatt v. USPTO*, No. 1:14-cv-01300-TSE, Compl., ECF No. 2-1, at 18 [10-18] (E.D. Va. Feb. 27, 2014). This Court granted summary judgment in favor of the USPTO in November 2015, determining that the USPTO "has already done what it is statutorily required to do, namely to cause an examination of the applications. Indeed, the Requirements expressly state that they were issued to achieve this very purpose." *Hyatt Requirements Suit*, 146 F. Supp. 3d at 783. Mr. Hyatt did not appeal this Court's decision, and it is now final.

In the course of the *Hyatt Requirements Suit*, the USPTO stated to the Court that it would among other things, issue approximately 10 office actions per month on Mr. Hyatt's applications and would not suspend Mr. Hyatt's pending applications, barring unforeseen circumstances. The USPTO has worked diligently to uphold those commitments. Because the USPTO was able to coordinate its actions by issuing the Requirements, it has issued approximately *1,500 office actions since January 2014* on Mr. Hyatt's applications, which is well over 10 per month.

C. The Instant Complaint

Despite this forward progress on Hyatt's "extraordinary" collection of patent applications, Mr. Hyatt's instant Complaint, once again "looking to the past," alleges that the USPTO is acting in an inappropriate fashion (or even in "bad faith") with respect to that examination process. But his averments are cast primarily in general terms—*i.e.*, they neither relate to, nor allege, any

specific misconduct with respect to any particular application. Instead, Hyatt cobbles together certain alleged actions and statements by USPTO officials from the past. And from these general averments, Hyatt seeks unprecedented judicial review of the propriety of the USPTO's examination actions and unprecedented relief: (1) an order, pursuant to the APA, requiring the USPTO to pay Hyatt an amount related to the fees he remitted to the agency for the examination of his applications because he disagrees with the USPTO's examination actions (Counts I and III, Complaint, ¶¶597-604; 612-19); (2) an order requiring the payment of "compensation," pursuant to the Fifth Amendment, for the "taking" of the intellectual property represented by his patent applications (Count II, *id.* ¶¶605-11); (3) general relief, under the APA, from the so-called "policies" of the USPTO in examining any and all Hyatt's applications (Count IV, *id.* ¶¶620-27); (4) an injunction precluding the USPTO, from "unlawfully withholding or unduly delaying final agency actions on any and all of Hyatt's applications (Count V, *id.* ¶¶628-32)⁴; and (5) a "mandamus" order compelling "lawful" action in any and all of Hyatt's applications (Count VI, *id.* ¶¶633-37).

Hyatt's Complaint only *specifically* alleges delay in reaching final agency action in three of his applications. In one of those applications, the '669 application, the USPTO issued an office action in March 2017. Mr. Hyatt did not respond in the prescribed time period or request an extension of time to respond, so the USPTO issued a notice of abandonment in November 2017. Ex. 1.⁵ Mr. Hyatt has not filed a petition that, if grantable, would allow the USPTO to undo that abandonment and resume examination. Thus, the '669 application is not in active prosecution.

⁴ Although Hyatt identifies the Patent Act and the United States Constitution within this Count of his Complaint, his use of "unlawfully withheld or unduly delayed" is an unmistakable reference to the cause of action Congress created under the APA pursuant to 5 U.S.C. § 706(1).

⁵ While this document and the other attached exhibits would be a part of a potential administrative record as to the '669, '450, and '263 patent applications, the complete prosecution histories for

In a second one of those applications, the '450 application, examination is actively underway. After receiving the Requirement, Mr. Hyatt responded under protest and pursued administrative review of the Requirement. Following the denial of Mr. Hyatt's petition challenging the Requirement for the '450 application, examination did not immediately resume. An office action for the '450 application was recently mailed on July 9, 2018. Ex. 3.

Finally, the '263 application is one of approximately six of Mr. Hyatt's applications that did not receive the Requirement when the USPTO renewed its efforts to consistently examine all of Mr. Hyatt's pending applications. However, the USPTO has recently continued examination of the '263 application, and an office action was mailed on June 27, 2018. Ex. 2. Hyatt's three final causes of action seek specific relief with respect to the '263 application; in particular Hyatt asks this Court for a declaration (Count VII, Complaint, ¶¶638-41), injunction (pursuant to the APA) (Count VIII, *id.* ¶¶642-45), and mandamus order (Count IX, *id.* ¶¶646-51)

D. Mr. Hyatt's requested relief

Despite the ongoing, iterative nature of the prosecution process, Mr. Hyatt filed this lawsuit on May 7, 2018, alleging that the USPTO has unreasonably delayed taking action on three pending applications. Citing the APA, the Declaratory Judgment Act, 28 U.S.C. § 2201-02, and the All Writs Act, 28 U.S.C. § 1651, the Complaint seeks refunds and other monetary relief (Complaint ¶¶ 12, 597-619, Prayer for Relief ¶¶ A-H) and various orders and declarations that the USPTO has delayed (*id.* at ¶¶ 12, 628-637, 642-645, Prayer for Relief ¶¶ J, K), that it has to act on Mr. Hyatt's

just those three applications would constitute an extremely large electronic filing (in the hundreds of megabytes). At this time, Defendants are thus attaching only those documents necessary to consideration of the issues raised in this particular motion. Note also that due to similar size considerations Exhibit 2 and 3 include only the office actions in question without the supporting attachments. And in an abundance of caution, Defendants have filed these materials under seal.

applications in particular ways, and that it must issue Mr. Hyatt a particular patent (*id.* at ¶¶ 12, 620-627, 638-641, 646-651, Prayer for Relief ¶¶ I, L-P).

Argument

A. This Court lacks subject matter jurisdiction over Hyatt’s APA, Injunctive, and Mandamus Claims (Counts I; III-IX)

Certain of Hyatt’s claims are brought explicitly (Counts I; III-IV; VIII) or impliedly (Counts V; VII) pursuant to the APA. And indeed, this Court has already equated Hyatt’s claims with “mandamus” relief, thus providing that there is no real distinction between Hyatt’s APA and mandamus claims. And in this respect, Hyatt’s claims can be broken into two categories: (1) those that seek this Court’s judicial review over the propriety of the USPTO’s past actions during the examination of Hyatt’s patent applications; and (2) those that seek to have this Court compel further action on those patent applications. Regardless of their statutory genesis,⁶ however, this Court lacks subject-matter jurisdiction over these claims.

1. Neither the Patent Act nor § 706(2) of the APA, if available, allows Hyatt to obtain judicial review of the propriety of nonfinal agency action with respect to a patent application

The vast majority of Hyatt’s claims here seek to have this Court exercise Article III judicial review over, and adjudicate the propriety of, certain past actions that the USPTO has taken with respect to Hyatt’s patent applications, and order certain relief commensurate with this Court’s ultimate conclusions. But for patent applicants, Congress has prescribed a particular administrative and judicial route for review of agency action within a particular patent application.

⁶ Nor can Hyatt simply avoid the APA – and the limited nature of the judicial review that Congress offered through that statutory vehicle – by referencing the federal Constitution generically as a basis for his claims. Leaving aside the Supreme Court’s repeated warnings about authorizing creative pleading as a means of circumventing litigative limitations, *see Brown v. GSA*, 425 U.S. 820 (1976), as one court has cogently noted, the APA has supplanted the so-called “federal officer’s suit” of *Ex Parte Young*, 209 U.S. 123 (1908). *See EEOC v. Peabody W. Coal Co.*, 610 F.3d 1070 (9th Cir. 2010).

After a *final* agency decision, an applicant can seek judicial review in this Court or the Federal Circuit. 35 U.S.C. §§ 141, 145. The specific review provisions of the Patent Act supersede the general provision for review of agency action under 5 U.S.C. § 706(2). Even if APA review under § 706(2) were available, the APA similarly requires *final* agency action before a party can seek judicial review, 5 U.S.C. § 704.

a. First, Congress may—and often does—displace the APA’s default cause of action by providing a detailed scheme for administrative and judicial review of agency action. As the Supreme Court has explained, judicial review under the APA will not lie where “congressional intent to preclude judicial review is fairly discernible in the statutory scheme.” *Block v. Cmty. Nutrition Inst.*, 467 U.S. 340, 351 (1984) (quotation marks omitted); *see also* 5 U.S.C. § 701(a)(1) (review applies except to the extent “statutes preclude judicial review”); 5 U.S.C. § 704 (review limited to final agency action “for which there is no other adequate remedy in a court”). “A statute need not explicitly state that judicial review is unavailable for preclusion to be found.” *Pregis Corp. v. Kappos*, 700 F.3d 1348, 1358 (Fed. Cir. 2012). And indeed, the Supreme Court has held that in the face of the creation of such an intricate statutory scheme, this Court lacks jurisdiction—pursuant to the APA or otherwise—to consider any challenge to agency action falling within that scheme. *See Elgin v. Dep’t of Treasury*, 567 U.S. 1, 9-10 (2012); *Thunder Basin Coal Co. v. Reich*, 510 U.S. 200, 207-209 (1994); *see also Sturm Ruger & Co. v. Herman*, 300 F.3d 867, 876 (D.C. Cir. 2002) (“Our obligation to respect the review process established by Congress bars us from permitting Sturm Ruger to make this end run [around Congress’s review scheme], and requires dismissal of its district court complaint.”).

And as the Federal Circuit has conclusively held, the “Patent Act expressly provides an intricate scheme for administrative and judicial review of PTO patentability determinations that

evinces a clear Congressional intent to preclude actions under the APA of the PTO's reasons for deciding" to reject pending patent claims. *See Pregis*, 700 F.3d at 1358; *see also Elm 3DS Innovations, LLC v. Lee*, No. 1:16-cv-1036, 2016 WL 8732315 at *4 (E.D. Va. Dec. 2, 2016) (applying similar reasoning to dismiss collateral APA challenge to post-grant USPTO proceedings). "[T]he Patent Act establishes specific procedures allowing a patent applicant to appeal PTO rejections of patent claims." *Pregis*, 700 F.3d at 1358. Specifically, Congress defined two routes of judicial review under the Patent Act. "An applicant who is dissatisfied with the *final decision*" of the Board may appeal to the Federal Circuit. 35 U.S.C. § 141(a) (emphasis added). Alternatively, *after a Board decision*, an applicant may bring an action in this Court. *Id.* § 145. In either case, an applicant must have a final Board decision before pursuing either path of judicial review. More importantly, those paths for judicial review are *exclusive*; a patent applicant may not utilize the general provisions of the APA to seek District Court judicial review of some particularized decision within the examination process. This alone precludes Mr. Hyatt's attempt to secure this Court's judicial review of the propriety of the USPTO's decisionmaking during the examination of his patent applications.

b. Second, even if § 706(2) APA review were not displaced, and Mr. Hyatt's challenges somehow fell outside the ambit of the Patent Act's exclusive review scheme, the APA only authorizes judicial review only of "final agency action for which there is no other adequate remedy in court." 5 U.S.C. § 704. There are two requirements for an agency action to be final. "First, the action must mark the consummation of the agency's decisionmaking process—it must not be of a merely tentative or interlocutory nature. And second, the action must be one by which rights or obligations have been determined, or from which legal consequences will flow." *Automated Merchandising Systems, Inc. v. Lee*, 782 F.3d 1376, 1380 (Fed. Cir. 2015) (quoting *Bennett v.*

Spear, 520 U.S. 154, 177-78 (1997)) (internal quotation marks omitted). Neither requirement is met here.

Regarding the first requirement for final action, as in *Automated Merchandising Systems*, “[a]n ultimate merits determination regarding the validity of any of the patent claims at issue has not yet been reached” in the applications identified by Mr. Hyatt. 782 F.3d at 1380; *see also Franklin v. Massachusetts*, 505 U.S. 788, 797 (1992) (“The core question is whether the agency has completed its decisionmaking process, and whether the result of that process is one that will directly affect the parties.”). Allowing APA review in federal district court of the USPTO’s examination decisions would result in exactly the type of piecemeal judicial review that the final agency action requirement is designed to avoid. *See DRG Funding Corp. v. Sec’y of Hous. & Urban Dev.*, 76 F.3d 1212, 1214 (D.C. Cir. 1996). The Federal Circuit has held that federal district courts lack jurisdiction to consider interlocutory challenges to USPTO decision-making. *See Automated Merchandising Sys.*, 782 F.3d at 1380-81. And nowhere is this well-established principle more relevant than with respect to Hyatt’s challenges to so-called “policies” that have been applied to the examination of his patent applications. It is well-settled that general “policy statements” and the like are not reviewable absent a final agency action in which the policy has been applied, and the implications of such a holding here would be staggering.

As to the second requirement for final action, the USPTO’s actions during examination are not actions “by which ‘rights or obligations have been determined,’ or from which ‘legal consequences will flow.’” *Bennett*, 520 U.S. at 178. Only a final denial of a patent (via a Board decision) will determine any rights, at which time Mr. Hyatt will have an adequate path for judicial review. *Automated Merchandising Systems*, 782 F.3d at 1381.

Hyatt's Complaint openly concedes that he is not seeking judicial review of any final agency action in any of his applications. None of the three applications at issue in Mr. Hyatt's Complaint has received reviewable final agency action. The '450 and '263 applications are in active prosecution. And the '669 application has been abandoned since November 2017. To pursue relief in court, Mr. Hyatt must first exhaust his administrative remedies at the agency by filing a petition that, if grantable, would allow the USPTO to undo the abandonment and resume examination. MPEP 711.03(c)(I); 37 CFR §§ 1.137, 1.181(a). Thus, the USPTO has no duty to act on the merits of the '669 application; indeed, its regulations do not allow it to take an action on the merits. *See* MPEP 203.05; 203.08(III)(D); *McKart v. United States*, 395 U.S. 185, 193 (1969) (“[N]o one is entitled to judicial relief for a supposed or threatened injury until the prescribed administrative remedy has been exhausted.” (internal quotation omitted)).

In sum, dismissal of Counts I and III – IX is appropriate for the following reasons. First, in his Complaint, Mr. Hyatt does not (and cannot) seek the exclusive means for judicial review under the Patent Act. The Patent Act specifies a specific scheme for review of agency actions determining patentability that displaces the general APA provisions for review of agency action. In relying on the APA for his cause of action, Mr. Hyatt has failed to identify an appropriate basis for this Court's exercise of jurisdiction over his action. Second, even if APA review were available here, Mr. Hyatt has not alleged the existence of final agency action (e.g., a Board decision) with regard to any of the three patent applications at issue that is a prerequisite to such review.

With regard to Count IV, Mr. Hyatt attempts to circumvent the latter problem by alleging final agency action in the form of “*de facto* or *de jure* policies” applied to Mr. Hyatt's patent applications. *See* Complaint ¶¶ 621-622. To the extent Mr. Hyatt is arguing that these alleged policies have resulted in agency action unlawfully withheld or unreasonably delayed, as we explain

next, this Court lacks jurisdiction to hear those claims. To the extent that Mr. Hyatt is alleging something beyond that, as we have already explained, Mr. Hyatt may not raise those assertions to collaterally attack the ongoing examination of his patent applications.

2. There is no agency action being unlawfully withheld or unreasonably delayed under 5 U.S.C. § 706(1)

Without final agency action, the only judicial remedy contemplated by the APA is to “compel agency action unlawfully withheld or unreasonably delayed.” 5 U.S.C. § 706(1). The precise nature of the action that Mr. Hyatt seeks to compel is unclear. *See* Complaint ¶¶ 627, 632, 637. As the Supreme Court cautioned in *SUWA*, “[f]ailures to act are sometimes remediable under the APA, but not always.” 542 U.S. at 61. Most importantly, “the only agency action that can be compelled under the APA is action legally *required*.” *Id.* at 62 (emphasis original). Where a court is asked to compel action that is not legally required, it must dismiss the claim for lack of jurisdiction. *See Village of Bald Head Island v. U.S. Army Corps of Engineers*, 714 F.3d 186 (4th Cir. 2013) (affirming dismissal on basis of lack of jurisdiction where plaintiff agency was not legally required to take action that plaintiff alleged was unreasonably delayed or unlawfully withheld under 5 U.S.C. § 706(1)); *Hamandi v. Chertoff*, 550 F. Supp. 2d 46, 49-50 (D.D.C. 2008) (describing jurisdictional limitations on courts adjudicating claims under 5 U.S.C. § 706(1)).

Mr. Hyatt explicitly concedes that the agency has been acting on his applications, but disagrees with the actions the agency has been taking. *See, e.g.*, Complaint, ¶¶ 140-142 (discussing the USPTO’s actions in reopening prosecution by issuing the Requirements), 247 (complaining that the USPTO issued a “boatload” of nearly 400 office actions on Mr. Hyatt’s applications in a short time in 2013, allegedly “to swamp him in paperwork”). Such a challenge to agency action is improper in a suit challenging a purported *failure to act* under 5 U.S.C. § 706(1). Even where a court “can compel the agency to act,” it cannot “specify what the action must be.” *SUWA*, 542

U.S. at 65; *see Enterprise Nat'l Bank v. Vilsack*, 568 F.3d 229, 234 (D.C. Cir. 2009) (“Section 706(1) does not provide a court with a license to substitute its discretion for that of an agency merely because the agency is charged with having unreasonably withheld action.” (internal citation omitted)). And Mr. Hyatt cannot seek review of the USPTO’s choices of what actions to take under the guise of an alleged *failure to act*. *See Sierra Club v. Peterson*, 228 F.3d 559, 568 (5th Cir. 2000) (en banc) (noting that the agency “has been acting, but the [plaintiffs] simply do not believe its actions have complied” with the relevant statute); *Public Citizen v. Nuclear Regulatory Comm’n*, 845 F.2d 1105, 1108 (D.C. Cir. 1988) (“The agency has acted.... Petitioners just do not like what [it] did.”); *Ecology Center, Inc. v. U.S. Forest Serv.*, 192 F.3d 922, 926 (9th Cir. 1999) (“This court has refused to allow plaintiffs to evade the finality requirement with complaints about the sufficiency of an agency action ‘dressed up as an agency’s failure to act.’”).

Counts IV – VI identify no specific applications, referencing only Mr. Hyatt’s patent applications generally. In the course of the *Hyatt Requirements Suit*, the USPTO warranted to this Court that it would, *inter alia*, endeavor to issue approximately 10 office actions per month on Mr. Hyatt’s applications. The USPTO has demonstrated good faith efforts to honor its commitment to action on Mr. Hyatt’s applications. Because the USPTO was able to coordinate its actions by issuing the Requirements, it has issued approximately 1500 office actions since January 2014 on roughly 390 out of the 400 or so of Mr. Hyatt’s applications. In other words, the USPTO has recently acted on nearly all of Mr. Hyatt’s applications that are not subject to ongoing federal litigation.

Count VIII alleges a failure to act under 5 U.S.C. § 706(1) with specific regard to the ’263 application. *See* Complaint ¶ 644. The USPTO acknowledges an extended past failure to act with regard to the ’263 application, most recently due to unintentional oversight as it worked diligently

to examine Mr. Hyatt's other applications that were subject to Requirements as discussed above. However, the USPTO mailed a non-final office action for the '263 application on June 27, 2018. Any claim for ongoing delay in the examination of the '263 application under 5 U.S.C. § 706(1) is thus moot. The APA's provision to "compel agency action" seeks to address current agency delays; once action has been taken, any past delays do not support court intervention to curtail imagined future delays. *See Action on Smoking & Health v. Dep't of Labor*, 28 F.3d 162 (D.C. Cir. 1994) (once action has issued, claim for unreasonable delay is moot, and claim of future unreasonable delay is not ripe); *United Steelworkers of Am., AFL-CIO-CLC v. Rubber Mfrs. Ass'n*, 783 F.2d 1117, 1120 (D.C. Cir. 1986) (Even where agency began to act just before oral argument, court determined that it did not "have occasion to decide whether the period of delay prior to the [recently issued action] was unreasonable, inasmuch as the issuance of the [action] itself has mooted petitioners' claims to the extent that they were based upon that delay." (citation omitted)); *In re Am. Fed'n of Gov't Emps., AFL-CIO*, 790 F.2d 116 (D.C. Cir. 1986) (although agency's past record of delay was "intolerable," recent action by agency obviated any need for court order compelling agency action).

As this Court explained with respect to Mr. Hyatt's own applications, "[b]ecause the law requires the PTO to cause an examination of a patent application to be made, and because examinations of the . . . patent applications in issue are actively underway, there is nothing to be judicially compelled. . . . [Section] 706(1), *because it is in the nature of mandamus*, is a narrow grant of remedial power designed to afford relief for current delay that is inconsistent with legal obligations, not a free reign to craft a perfect remedy to solve all past transgressions." *Hyatt Requirements Suit*, 146 F. Supp. 3d at 783.

The Complaint's extensive allegations of past delay and withheld action on Mr. Hyatt's applications are thus inapposite. Because Mr. Hyatt can point to no specific and *current* "agency action unlawfully withheld or unreasonably delayed," there is no basis for this Court to maintain jurisdiction over Mr. Hyatt's Complaint pursuant to 5 U.S.C. § 706(1). In the alternative, dismissal is also appropriate pursuant to Fed. R. Civ. Proc. 12(b)(6) for failure to state a claim upon which relief can be granted.

Moreover, these arguments were already made and ruled upon as part of the *Hyatt Requirements Suit*, and issue preclusion therefore applies to prevent Mr. Hyatt from seeking the same relief again upon the same grounds. In the *Hyatt Requirements Suit*, Mr. Hyatt asserted that the 2013 Requirements were in fact an attempt to "den[y] Mr. Hyatt a final determination on the merits" and create "further interminable delays." *Hyatt v. USPTO*, No. 1:14-cv-01300-TSE, Compl., ECF No. 2-1, at 15 [19]-17 [4] (E.D. Va. Feb. 27, 2014). Mr. Hyatt sought a declaration that the Requirements "unreasonably delayed final agency action on the 80 patent applications in issue" in that suit and sought "injunctive relief compelling agency action." *Hyatt Requirements Suit*, 146 F. Supp. 3d at 780. He also asked the Court to oversee the examination of his applications by having the parties "appear before this Court for a status check monthly." *Hyatt v. USPTO*, No. 1:14-cv-01300-TSE, Compl., ECF No. 2-1, at 18[C] (E.D. Va. Feb. 27, 2014).

Similarly, here, Mr. Hyatt asserts that, in the time leading up to the 2013 Requirements, the USPTO "put more than 80 of Mr. Hyatt's pending administrative appeals on ice for up to a decade" and that the Requirements "terminat[ed] them by reopening prosecution and restarting the examination process from scratch." Complaint ¶ 2. Mr. Hyatt thus asks the Court to issue a general declaration that the USPTO "unlawfully withheld and unreasonably delayed agency action on Mr. Hyatt's patent applications, instead miring them in administrative purgatory and preventing Mr.

Hyatt from obtaining fair and impartial examination of his applications in accordance with the law and ultimately from receiving patents to which he is entitled.” Complaint ¶ 631. Like the *Hyatt Requirements Suit*, Mr. Hyatt here asks the Court to oversee the examination process and to “[r]etain jurisdiction in order to ensure compliance.” Complaint, Prayer for Relief ¶¶ I-O.

The Federal Circuit applies the law of the regional circuit for issue preclusion. *eDigital Corp. v. Futurewei Tech., Inc.*, 772 F.3d 723, 726 (Fed. Cir. 2014). “[I]ssue preclusion . . . applies when [a] later litigation arises from a different cause of action between the same parties.” *Orca Yachts, L.L.C. v. Mollicam, Inc.*, 287 F.3d 316, 318 (4th Cir. 2002). “Issue preclusion operates to bar subsequent litigation of those *legal* and factual issues common to both actions that were actually and necessarily determined by a court of competent jurisdiction in the first litigation.” *Id.* (quotation omitted) (emphasis added).

The parties here and in the *Hyatt Requirements Suit* are identical. In the *Hyatt Requirements Suit*, this Court reached a number of legal conclusions regarding the type of relief available under 5 U.S.C. § 706(1) review and when it is available. The scope of § 706(1) as applied to any delay in Mr. Hyatt’s applications before 2015 was “actually and necessarily” determined by this Court in ruling on the relief sought by Mr. Hyatt in the *Hyatt Requirements Suit*. For example, this Court stated that “[b]ecause the law requires the PTO to cause an examination of a patent application to be made, and because examinations of the 80 patent applications in issue are actively underway, there is nothing to be judicially compelled.” 146 F. Supp. 3d at 783. This Court also specifically concluded, in contrast to Mr. Hyatt’s allegations of past wrongs in this Complaint, that § 706(1) “is in the nature of mandamus, [and] is a narrow grant of remedial power designed to afford relief for current delay that is inconsistent with legal obligations, not a free reign to craft a perfect remedy to solve all past transgressions.” *Id.* With regard to the ongoing oversight

that Mr. Hyatt seeks, this Court has already concluded that “absent statutory instruction to the contrary, it is for the PTO to decide how to effectuate Congress’s goal [of effective review] as to a given claim set.” *Id.* at 784. As to Mr. Hyatt’s repeated arguments that the Requirements were an improper procedural mechanism, this Court already determined that “the Requirements facilitate effective examination of the relevant patent applications.” *Id.* at 785. “Because the law merely requires that the PTO cause an examination to be made, and because the administrative record reflects that examinations are currently and actively underway, aided by the Requirements, no further constraint is warranted. [Mr. Hyatt] has no right to an examination free from suspensions, new grounds for rejection, or reopened prosecution; [Mr. Hyatt’s] right is merely to an examination of his patent applications. Simply put, the remedy for unreasonable delay under § 706(1) is action, not preferential treatment.” *Id.* (footnote omitted).

In sum, Mr. Hyatt’s present prayer for relief under § 706(1) is not in keeping with this Court’s legal and factual determinations in the *Hyatt Requirements Suit*, and the related counts must be dismissed for failure to state a claim upon which relief can be granted.

3. The Declaratory Judgment Act and the All Writs Act do not provide an independent source of jurisdiction separate from the APA for Counts VI, VII, and IX of the Complaint

Mr. Hyatt’s framing of his claim for declaratory relief as one arising under the Declaratory Judgment Act, 28 U.S.C. § 2201, does not save his cause, as that statute is not itself a jurisdictional grant. *See Skelly Oil Co. v. Phillips Petroleum Co.*, 339 U.S. 667, 671-72 (1950). Rather, it is a procedural vehicle that provides a remedy only if the court has jurisdiction from some other source. *Aetna Life Ins. Co. of Hartford, Conn. v. Haworth*, 300 U.S. 227, 240 (1937); *see also StoneEagle Servs., Inc. v. Gillman*, 746 F.3d 1059, 1062 (Fed. Cir. 2014); *Matthews Int’l Corp. v. Biosafe Eng’g, LLC*, 695 F.3d 1322, 1327–28 (Fed. Cir. 2012); *Mut. Life Ins. Co. of New York v. Moyle*, 116 F.2d 434, 437 (4th Cir. 1940). And importantly, the Declaratory Judgment Act does not

constitute a waiver of the United States’s sovereign immunity. *See, e.g., Worsham v. U.S. Dep’t of the Treasury*, No. ELH-12-2635, 2013 WL 5274358, at *7 (D. Md. Sept. 17, 2013).

Similarly, Mr. Hyatt’s framing of his claims for writs of mandamus as arising under the All Writs Act, 28 U.S.C. § 1651, does not save those claims, as the All Writs Act is not an independent source of subject matter jurisdiction. *Syngenta Crop Prot., Inc. v. Henson*, 537 U.S. 28, 31 (2002). Instead, the All Writs Act is an aid to the exercise of a court’s jurisdiction conferred by other statutes. *Id.*

B. Count II should be dismissed under Fed. R. Civ. Proc. 12(b)(6) for failure to state a claim upon which relief can be granted and under 12(b)(3) for improper venue

Mr. Hyatt alleges that jurisdiction over Count II lies with this Court under 28 U.S.C. § 1331 in conjunction with the Takings Clause of the Fifth Amendment of the U.S. Constitution.⁷ *See* Complaint ¶¶ 12, 605-611. It is a “bedrock requirement that the existence of a valid property interest is necessary in all takings claims.” *Wyatt v. United States*, 271 F.3d 1090, 1097 (Fed. Cir. 2001). “If the claimant fails to demonstrate the existence of a legally cognizable property interest, the court[’]s task is at an end.” *Am. Pelagic Fishing Co., L.P. v. United States*, 379 F.3d 1363, 1372 (Fed. Cir. 2004). “[T]here can be no taking until a patent issues because Congress has plenary power to impose conditions on the vesting of patent rights, such as the payment of fees, and ‘no person has a vested right to a patent.’” *Giuliani v. United States*, 6 F. App’x 863, 864 (Fed. Cir. 2001) (citing *McClurg v. Kingsland*, 42 U.S. (1 How.) 202, 206, 11 L. Ed. 102 (1843)). Because Mr. Hyatt’s “Expired Applications” are merely applications and not issued patents, Count II must be dismissed for failure to state a claim upon which relief can be granted.

⁷ To the extent that Mr. Hyatt alleges that jurisdiction over Count I also lies with this Court under the Takings Clause, the arguments that follow apply equally to Count I.

Furthermore, a claim under the Takings Clause of the Fifth Amendment is a claim against the United States for money damages. *See, e.g., Jan's Helicopter Serv., Inc. v. F.A.A.*, 525 F.3d 1299, 1309 (Fed. Cir. 2008). “In both the Tucker Act, 28 U.S.C. § 1491, and the Little Tucker Act, 28 U.S.C. § 1346(a)(2), Congress has waived sovereign immunity for certain actions for monetary relief against the United States.” *Doe v. United States*, 372 F.3d 1308, 1312 (Fed. Cir. 2004). “The Little Tucker Act permits an action to be brought in a district court, but only if a claim does not exceed \$10,000 in amount; the Tucker Act contains no such monetary restriction but authorizes actions to be brought only in the Court of Federal Claims.” *Id.* However, even assuming a waiver of any damages in excess of \$10,000, a Little Tucker Act claim may only be brought “in the judicial district where the plaintiff resides.” 28 U.S.C. § 1402(a). Mr. Hyatt resides in Nevada. Complaint, ¶ 9. Thus, even if Mr. Hyatt had presented a cognizable Fifth Amendment Takings claim, venue would not lie in this Court. Dismissal of Count II is thus required under Fed. R. Civ. Proc. 12(b)(3) as well.

C. Dismissal of Counts I and III is also required because the APA does not authorize an award of money damages

In Counts I and III of his Complaint, Hyatt seeks truly unprecedented relief – a monetary award related to the amount of patent examination fees that he remitted to the USPTO because the patent application process did not garner the results that he desired. Count I of the Complaint seeks money damages equivalent to the total amount of fees that Mr. Hyatt has paid for examination of the '450 and '669 applications. Complaint ¶¶ 597-604. Count III seeks money damages equivalent to the total amount of fees that Mr. Hyatt has paid for examination of his other applications (without greater specificity). *Id.* ¶¶ 612-619. This Court lacks jurisdiction to order that monetary relief because the United States has not waived sovereign immunity and thus has

not consented to be sued for that relief. *Portsmouth Redevelopment & Hous. Auth. v. Pierce*, 706 F.2d 471, 473 (4th Cir. 1983); see *United States v. Bormes*, 133 S. Ct. 12, 16-18 (2012).

Mr. Hyatt states that he seeks relief under the APA; See Complaint ¶¶ 598, 613. At the outset, the APA precludes judicial review of the propriety of the patent fees that Hyatt remitted – *i.e.*, an assessment by this Court of whether the USPTO legitimately took action on Hyatt’s patent applications consistent with the amount of patent fees he remitted. See 5 U.S.C. § 701(a)(1). Congress has comprehensively (and repeatedly) promulgated legislation with respect to patent fees, and in so doing, provided for a refund of fees remitted in only *certain* circumstances. See . 35 U.S.C. §§ 41(a)(2)(C), 41(d)(1)(D), 42(d) (stating that “The [USPTO] Director shall charge” certain specific fees and that refunds are available only for certain claims canceled *before* any examination, and fees paid by mistake). The fact that Congress created a limited vehicle through which an applicant could obtain a refund of the fees he paid, but did not extend that vehicle to instances in which an applicant (or an Article III court) concludes that the applicant did not obtain sufficient “benefit” from those fees demonstrates that Congress did not intend for federal courts to equitably determine what amount of one’s patent fees the USPTO actually earned during a given examination process.

And in any event, the APA provides only for “relief other than money damages.” 5 U.S.C. § 702. Mr. Hyatt asserts that his claims for monetary relief are not for money damages but are instead claims for “specific relief,” implying that he believes this Court can hear those claims. Complaint ¶598 (citing *Bowen v. Massachusetts*, 487 U.S. 879 (1988)). But Mr. Hyatt’s claims do not encompass “specific relief” under *Bowen*. They are simply claims for money damages, in the form of a refund of fees he paid.

In *Bowen*, the Supreme Court addressed whether the district court had authority under the APA to award monetary relief to a state in the process of administering the Medicaid program, in the form of future advances to compensate for past overpayments. The Court determined that district courts had that authority. The Supreme Court explained that “money damages” under the APA means “compensation for the damage sustained by the failure of the Federal Government to pay as mandated.” 487 U.S. at 900. In contrast, the state was seeking to “enforce the statutory mandate itself, which happens to be one for the payment of money.” *Id.* Because the state sought to recover money it thought it was entitled to under the relevant statutes, the state’s claim was for “specific relief” rather than “money damages.” *Id.* at 900-01. *Bowen* thus focused on the distinction between damages and specific remedies. “[S]pecific remedies attempt to give the plaintiff the very thing to which he was entitled.” *Hubbard v. Administrator, EPA*, 982 F.2d 531, 543 (D.C. Cir. 1992) (quotation marks omitted).

Here, as stated above, Mr. Hyatt does not seek money which he is *entitled* to under any relevant statute. Because Mr. Hyatt cannot show any of those particular circumstances, he cannot show that he has any statutory mandate or entitlement to compensation, unlike the state plaintiffs in *Bowen*. Even if such refunds were contemplated, Mr. Hyatt would first need to demonstrate that he has exhausted any administrative remedies.

Furthermore, after *Bowen*, the Federal Circuit has “cautioned litigants that dressing up a claim for money as one for equitable relief will not remove the claim from Tucker Act jurisdiction and make it an APA case.” *Suburban Mortgage Associates, Inc. v. HUD*, 480 F.3d 1116, 1123-24 (Fed. Cir. 2007); *see also Consolidated Edison Co. of N.Y. v. United States*, 247 F.3d 1378, 1385 (Fed. Cir. 2001) (“This court and its sister circuits will not tolerate a litigant’s attempt to artfully recast its complaint to circumvent the jurisdiction of the Court of Federal Claims.”). In

determining whether a claim is for equitable relief or is instead for money, the primary inquiry is whether the complaint seeks essentially a monetary reward: “[W]hen the plaintiff’s claims, regardless of the form in which the complaint is drafted, are understood to be seeking a monetary reward from the Government, then . . . a straightforward analysis calls for determining whether the case falls within the jurisdiction of the Court of Federal Claims. If that court can provide an adequate remedy—if a money judgment will give the plaintiff essentially the remedy he seeks—then the proper forum for resolution of the dispute is not a district court under the APA but the Court of Federal Claims under the Tucker Act.” *Suburban*, 480 F.3d at 1126. Counts I and III are simply claims for monetary relief, dressed up as claims for equitable relief. *See Burkins v. United States*, 112 F.3d 444, 449 (10th Cir. 1997) (dismissing suit seeking change in disability benefits as effectively seeking monetary relief); *Farmer v. United States*, __ F.3d __, 2018 WL 1365797, *7-8 (D.S.C. Mar. 16, 2018) (dismissing suit seeking specific performance of contract as essentially seeking money damages); *South Carolina v. United States*, 221 F. Supp. 3d 684, 695-96 (D.S.C. 2016) (complaint seeking declaration and injunction requiring United States to pay fees contemplated by statute was essentially seeking money damages dressed up as equitable relief).

D. Dismissal of Counts IV – VI is also appropriate under Rule 12(b)(6) for failure to state a claim upon which relief can be granted in accordance with *Iqbal*

The Complaint contains a lengthy recitation of facts alleged to support Mr. Hyatt’s claims, but volume alone is insufficient. The facts alleged, taken as true for purposes of this motion, must support a conclusion that Mr. Hyatt is entitled to relief pursuant to a legally cognizable cause of action. Counts IV – VI of the Complaint are highly generalized accusations of unfair treatment that are not tied to either particular patent applications or specific actions taken by the agency. The agency is left with no guidance as to what specific actions constitute the alleged “policies” it is meant to defend or what specific relief Mr. Hyatt is seeking. This Court is similarly left without

guidance as to (1) what USPTO conduct to evaluate (2) according to what legal standard (3) entitling Mr. Hyatt to what relief.

“As the Court held in *Twombly*, the pleading standard Rule 8 announces does not require ‘detailed factual allegations,’ but it demands more than an unadorned, the-defendant-unlawfully-harmed-me accusation.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (citing *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007)). Significantly, the Supreme Court continued that “[w]here a complaint pleads facts that are merely consistent with a defendant’s liability, it stops short of the line between possibility and plausibility of entitlement to relief.” *Id.* at 678 (quotations omitted). In *Iqbal*, the Supreme Court explained that two key principles underlie the decision in *Twombly*. *Id.* at 678-679. First, in considering a motion to dismiss, a court does not assume legal conclusions in a complaint to be true, so “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice.” *Id.* at 678. “Second, only a complaint that states a plausible claim for relief survives a motion to dismiss.” *Id.* at 679. Making that evaluation is “a context-specific task.” *Id.*

Counts IV – VI do not meet the pleading standard outlined in *Iqbal*. While the Complaint describes many different actions taken with regard to different patent applications that Mr. Hyatt has found objectionable over an extended period of time, the Complaint does not explain how those actions taken together constitute one or more “policies.” The Complaint provides no legal support for the notion that disparate actions spread across a wide number of applications over a long time somehow are recognizable as a policy adopted by the USPTO and cognizable as “final action.” And while the USPTO takes seriously any allegations of bias or other misconduct, Mr. Hyatt has not presented his allegations within any legal framework permitting this Court to address his grievances.

The Complaint also fails to identify which applications have been subject to the alleged policies and in connection with what specific actions by the USPTO. The particular administrative record in each application speaks for itself. Therein, the USPTO has explained in writing what action(s) it has taken and why, most notably why a particular claim has been rejected. Mr. Hyatt can challenge those actions and the basis provided for them in the appropriate time and place, but that time and place is neither here nor now. And Mr. Hyatt's broad, disassociated allegations about different "actions" are not based on the written administrative record for a given application in any event. In short, Counts IV – VI fall well short of the mark of a well-pleaded complaint because, even read favorably, they are conclusory allegations of entitlement to generalized relief that do not present a legally cognizable theory of entitlement to specific relief.

E. Dismissal of Counts VII - IX is also required because the APA does not authorize the Court to order issuance of a patent

The Court does not have jurisdiction to mandate that the USPTO issue the '263 application as a patent, as Mr. Hyatt requests (Complaint, Prayer for Relief ¶¶ L-N). The USPTO is the agency charged with determining whether a patent should issue. *See* 35 U.S.C. § 3(a)(2)(A) ("The [USPTO] Director shall be responsible . . . for the issuance of patents."); *Blacklight Power, Inc. v. Rogan*, 295 F.3d 1269, 1274 (Fed. Cir. 2002) ("The PTO's responsibility for issuing sound and reliable patents is critical to the nation."); *In re Alappat*, 33 F.3d 1526, 1535 (Fed. Cir. 1994) (en banc); *Hyatt Requirements Suit*, 146 F. Supp. 3d at 784 ("Put very simply, a patent is a big deal. . . . Congress wants the PTO to do its job thoroughly and to issue only patents that are valid."). Indeed, "[t]he [Director] has an obligation to refuse to grant a patent if he believes that doing so would be contrary to law." *Alappat*, 33 F.3d at 1535.

Thus, a court cannot order the USPTO to issue a patent; it can only decide whether the current basis expressed by the USPTO for withholding that patent—in a final agency action—is

CERTIFICATE OF SERVICE

I hereby certify that on this date, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system, which will send a notification of such filing (“NEF”) to the following:

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