

No. 26-_____

**IN THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

IN RE TESLA, INC.,
Petitioner.

PETITION FOR A WRIT OF MANDAMUS

**On Petition for a Writ of Mandamus to the United States Patent and
Trademark Office, Patent Trial and Appeal Board, in
Nos. IPR2025-00943, IPR2025-00944, IPR2025-01034, IPR2025-01035**

Debra J. McComas
Michael Qian
HAYNES AND BOONE, LLP
2801 N. Harwood Street, Suite 2300
Dallas, TX 75201
Phone: (214) 651-5375

Jonathan R. Bowser
HAYNES AND BOONE, LLP
888 16th Street NW, Suite 300
Washington, DC 20006
Phone: (202) 654-4503

Ashraf Fawzy
TESLA, INC.
800 Connecticut Avenue NW
5th Floor
Washington, DC 20006
Phone: (202) 905-9221

Laura N. Vu
HAYNES AND BOONE, LLP
1 Post Street, Suite 2800
San Francisco, CA 94104
Phone: (415) 293-8930

December 1, 2025

Counsel for Petitioner Tesla, Inc.

CERTIFICATE OF INTEREST

Case Number 26-
Short Case Caption In re Tesla, Inc.
Filing Party/Entity Tesla, Inc.

Instructions: Complete each section of the form. In answering items 2 and 3, be specific as to which represented entities the answers apply; lack of specificity may result in non-compliance. **Please enter only one item per box; attach additional pages as needed and check the relevant box.** Counsel must immediately file an amended Certificate of Interest if information changes. Fed. Cir. R. 47.4(b).

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Date: December 1, 2025

Signature: /s/ Debra J. McComas

Name: Debra J. McComas

1. Represented Entities. Fed. Cir. R. 47.4(a)(1).	2. Real Party in Interest. Fed. Cir. R. 47.4(a)(2).	3. Parent Corporations and Stockholders. Fed. Cir. R. 47.4(a)(3).
Provide the full names of all entities represented by undersigned counsel in this case.	Provide the full names of all real parties in interest for the entities. Do not list the real parties if they are the same as the entities.	Provide the full names of all parent corporations for the entities and all publicly held companies that own 10% or more stock in the entities.
<u> </u> None/Not Applicable	<u> X</u> None/Not Applicable	<u> X</u> None/Not Applicable
Tesla, Inc.		

4. Legal Representatives. List all law firms, partners, and associates that (a) appeared for the entities in the originating court or agency or (b) are expected to appear in this court for the entities. Do not include those who have already entered an appearance in this court. Fed. Cir. R. 47.4(a)(4).

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Jennifer C. Bailey (Erise IP, P.A.)	Adam M. Sandwell (Erise IP, P.A.)	Kevin J. Rongish (Erise IP, P.A.)
Justin N. Grimes (Erise IP, P.A.)	Gina Cremona (Tesla, Inc.)	

5. Related Cases. Other than the originating case(s) for this case, are there related or prior cases that meet the criteria under Fed. Cir. R. 47.5(a)?
 Yes (file separate notice; see below) No N/A (amicus/movant)
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STATEMENT OF RELATED CASES

No appeal in or from the same civil action or proceeding in the U.S. Patent and Trademark Office (USPTO) was previously before this or any other appellate court. The Petitions for *Inter Partes* Review that are the subject of this appeal relate to U.S. Patent Nos. 12,037,004 (IPR25-1034, IPR25-1035), U.S. Patent No. U.S. 11,597,402 (IPR25-943), and U.S. Patent No. 11,738,765 (IPR25-944) (the “Asserted Patents”). Each of these patents has been asserted against Tesla, Inc. in *Granite Vehicle Ventures LLC v. Tesla, Inc.*, 2:24-cv-01007 (E.D. Tex.).

RELIEF SOUGHT

Tesla Inc. (Tesla) respectfully requests a writ of mandamus vacating the discretionary denial of institution for *inter partes* review in IPR2025-943, -944, -1034, -1035. The Court should direct the USPTO to reconsider institution solely under the statutory criteria, not the agency's extra-statutory framework. At a minimum, the Court should direct the USPTO to reconsider institution without time-to-trial as the sole determinative criteria.

INTRODUCTION

Congress expressly identified the criteria that the USPTO is to consider in determining whether to institute IPR. “Time to trial”—the sole basis for denying institution in this case—is not among them. The USPTO has no authority to make up its own reasons to deny institution. By exceeding its authority, the USPTO violated the AIA and the separation of powers. Mandamus is appropriate to correct this violation.

Consistent with 35 U.S.C. § 311 *et seq.*, Tesla did everything the statute requires to obtain fair consideration by the USPTO of whether “there is a reasonable likelihood that the petitioner would prevail [in challenging the patentability] with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). Tesla timely filed petitions for *inter partes* review (IPR) that set forth the grounds supporting unpatentability of each of the challenged claims of the challenged patents. *See* 35 U.S.C. §§ 311 and 312. It disclosed itself as the sole real party in interest. *See* 35 U.S.C. § 312(a)(2); 37 C.F.R. § 42.8(b)(1). And it paid tens of thousands of dollars in filing fees to obtain consideration of its petitions. 35 U.S.C. §312(a)(1). None of the statutory bars to IPR applied. *See, e.g.*, § 315 (timing of petition, estoppel). Yet, the USPTO never reached the question of whether “there is a reasonable likelihood

that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition” or any of the other statutory considerations for institution.

Instead, through a procedure the USPTO has dubbed “discretionary denial,” the USPTO denied institution in each of Tesla’s four IPRs solely because then-Acting Director Stewart (AD) concluded that “it is unlikely that a final written decision in this proceeding will issue before the district court trial occurs.” Appx2 (Dec. Denying Institution in IPR2025-00943, -944), Appx6 (incorporating analysis from Appx2 in Decision Denying Institution of IPR2025-01034, -1035). But the AIA does not allow the USPTO to deny institution based on “time to trial.”

Tesla acknowledges this Court’s recent denial of petitions for writ of mandamus in *In re Motorola Solutions, Inc.*, -- F.4th --, 2025 WL 3096514 (Fed. Cir. Nov. 6, 2025), *In re Google LLC*, No. 25-144, 2025 WL 3096849 (Fed. Cir. Nov. 6, 2025) (non-precedential), and *In re SAP Am., Inc.*, No.25-132, 2025 WL 3096788 (Fed. Cir. Nov. 6, 2025) (non-precedential). But none of those petitions squarely brought into question the statutory limits on the USPTO’s discretion. In *Motorola*, the Court recognized that notwithstanding § 314(d), institution decisions are reviewable in mandamus for “colorable constitutional claims” and “certain statutory challenges.” 2025 WL 3096514, at *3 (citing and quoting *Mylan Lab’ys Ltd. v. Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1382 (Fed. Cir. 2021) and *Apple Inc.*

v. Vidal, 63 F.4th 1, 12 n.5 (Fed. Cir. 2023)). The U.S. Supreme Court has more explicitly directed that § 314(d)'s judicial-review bar does not excuse “shenanigans,” including action “contrary to constitutional right,” “in excess of statutory jurisdiction,” or “arbitrary and capricious.” *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 275 (2016) (alterations omitted).

Over the course of this year, the USPTO has chiseled away at IPR to the brink of its extermination. And at each stroke, the USPTO throws up more arbitrary roadblocks to ever reaching the actual AIA-mandated considerations for institution. In addition to the “time to trial” rationale applied in this case, the USPTO now claims that it may deny IPR just because a patent is more than a few years old. *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21, at 2 (AD June 2025). It has denied institution for no other stated reason than the existence of *ex parte* reexamination as an available alternative. *See, e.g., In re Intel Corp.*, 26-113 (Fed. Cir. filed Nov. 21, 2025); *see also Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 (USPTO Nov. 5, 2025) (reversing institution based on comparative status of and positions taken in district court litigation). It has vacated institution following final written decision solely for the USPTO's convenience. *Verizon Connect Inc. v. Omega Patents, LLC*, No. 25-1994 (Fed. Cir. docketed Aug. 6, 2025). It has proposed to deny IPR whenever a “petitioner intends to pursue” novelty or

obviousness challenges in any other venue (even when the challenge could not be raised in an IPR, like challenges based on system art). 90 Fed. Reg. 48335, 48338 (Oct. 17, 2025). And more recently, it has stopped providing any explanation for its IPR institution decisions at all. Appx45-47 (Memorandum from USPTO Director to PTAB, *Director Institution of AIA Trial Proceedings* (Oct. 17, 2025) (“October Memorandum”)); *e.g.*, Appx964 (order summarily denying 13 petitions); Appx968 (Nov. 6, 2025 Squires order summarily denying 21 petitions). Its IPR institution rate has plummeted to near zero. *See* Appx976 (Dennis Crouch, *An Era of No: The USPTO’s New 0% Institution Rate*, PatentlyO (Nov. 12, 2025), <https://patentlyo.com/patent/2025/11/usptos-institution-rate.html>).

The USPTO’s overreach in applying extra-statutory excuses to avoid addressing IPR institution under the AIA’s statutory framework defines the very “shenanigans” the Supreme Court has found reviewable notwithstanding § 314(d)’s appeal bar. Mandamus is appropriate here as the sole mechanism available to compel the USPTO to act within the limits of its authority.

ISSUES PRESENTED

1. Did the USPTO exceed its authority—violating the APA, AIA, and the Constitution’s separation of powers—by inventing an extra-statutory “time to trial” rationale that fails to consider the statutory grounds for *inter partes* review?

2. Did the USPTO violate the APA by imposing a time-to-trial rationale for discretionary denial without proper notice-and-comment rulemaking?¹

BACKGROUND

I. Congress established IPR.

In enacting the AIA, Congress believed “questionable patents” were “too easily obtained” and “too difficult to challenge.” H.R. Rep. No. 112-98, at 39-40 (2011). It created IPR specifically “to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.” *Id.* at 40. IPR allows anyone other than the patent owner to petition the USPTO to conduct a limited review of granted patents. 35 U.S.C. § 311. To decide whether to institute IPR, Congress instructed the Director to determine whether “there is a reasonable likelihood that the petitioner would prevail.” § 314(a). The USPTO “may not” institute IPR “unless” that requirement is met. § 314(a). Congress also established other considerations that may bar institution if not met, including a specific timeframe for filing a petition (*e.g.*, § 315(b) one-year time bar after infringement complaint), and specific criteria for the USPTO to consider at its discretion (*e.g.*, § 315(d) considerations of other

¹ This issue is raised in the event the Court holds in the pending appeal in *Apple Inc. v. Squires*, Case No. 24-1864 that notice-and-comment rulemaking was required for the type of rationale applied here. That case is set for argument in January 2026.

proceedings before the USPTO). But the “threshold” Congress identified in the statutory section addressing “institution” is the likelihood the petitioner would prevail. § 314(a). Nowhere does the AIA state the USPTO has general discretion to invent new, additional institution criteria beyond those identified by Congress.

The AIA further dictates that the Director “shall prescribe regulations” governing the IPR process, including “setting forth the standards for the showing of sufficient grounds to institute a review under section 314(a).” 35 U.S.C. § 316(a)(2). The USPTO has repeatedly begun—and abandoned²—the notice-and-comment process to “prescribe regulations.” *Id.* In 2023, it issued an advance notice of proposed rulemaking, but no corresponding regulations were prescribed. 88 Fed. Reg. 24,503 (Apr. 21, 2023). Following district court challenges to the absence of rulemaking, in 2024, the USPTO issued a notice of proposed rulemaking. 89 Fed. Reg. 28,693 (Apr. 19, 2024). Earlier this year, the USPTO withdrew its previous rulemaking and proposed yet more new institution rules. 90 Fed. Reg. 48,335-48,341, 48,342 (Oct. 17, 2025). But no notice-and-comment regulation with IPR institution standards has ever issued.

² The abandonment followed thousands of comments criticizing the proposed rules. *See, e.g.,* <https://www.uspto.gov/about-us/news-updates/uspto-advances-rules-governing-ptab-review-practices-various-proceedings>.

II. The USPTO created its own extra-statutory IPR institution criteria without notice and comment.

Instead, the USPTO has issued IPR institution criteria via decisions and guidance documents. The Director designated as precedential the six *Fintiv* factors, governing whether to institute IPR when there is parallel district court litigation. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, 2020 WL 2126495, at *2 (PTAB Mar. 20, 2020) (precedential). In 2022, the Director “issue[d] binding agency guidance” governing IPR institution. Memorandum from PTO Director to PTAB, *Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation* 3 (June 21, 2022) (Appx30). Among other things, that guidance reaffirmed the *Fintiv* factors. Appx28-29. It also announced that “the PTAB will not discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB” (known as a “*Sotera* stipulation”). Appx30.

In February 2025, the USPTO issued a website post rescinding institution guidance—the guidance the USPTO had purportedly been following since 2022. Appx37. On March 24, then-Chief Administrative Patent Judge issued a memo with new institution rules. Appx39-41. Two days later, the AD issued another memo with more new rules. Appx42-44. The AD’s memo announced a new “discretionary

consideration”—the parties’ “[s]ettled expectations,” “such as the length of time the claims have been in force.” Appx43. Two days after that, on March 28, 2025, the AD changed the landscape yet again, this time issuing a decision vacating institution after faulting the Board panel for failing to “give enough weight to the investment in the parallel proceeding” and giving “too much weight to Petitioner’s *Sotera* stipulation.” *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19, at 2 (PTAB Mar. 28, 2025). But the AD did not stop there. Suddenly, even a *Sotera* stipulation was not enough to break through the USPTO’s arbitrary barriers to statutory review of institution. Instead, in a non-precedential decision, the AD decided that a petitioner would need to surrender all invalidity challenges in district court to have a chance at institution in the face of competing district court litigation. *Id.* at 4.

All these official actions were taken without reference to or consideration of the AIA’s limitations on the USPTO’s institution considerations. They were also taken without notice-and-comment rulemaking, despite the USPTO’s statutory obligations and repeated earlier commitments to pursue that path. 5 U.S.C. § 553; 35 U.S.C. § 316(a)(2); 88 Fed. Reg. 24,503; 89 Fed. Reg. 28,693.

III. Tesla sought IPR.

It is in the midst of these ever-changing IPR rules that Tesla found itself defending against a patent infringement lawsuit on the Asserted Patents. *Granite Vehicle Ventures LLC v. Tesla, Inc.*, No. 2:24-cv-01007 (E.D. Tex.) (Appx264). In response and mere months after service of the complaint, Tesla filed IPR petitions challenging the patentability of the Asserted Patents. Appx275-387 (IPR25-944, filed 5/2/25); Appx47-146 (IPR25-943, filed 5/5/25); Appx498-625 (IPR25-1034, filed 5/28/25); Appx739-848 (IPR25-01035, filed 5/28/25). It paid more than \$200,000 in filing fees to gain consideration of its petitions and incurred substantial costs preparing the petitions and supporting declarations. Appx24-27.

IV. Even though Tesla complied with all the new, extra-statutory institution considerations, the USPTO denied institution here based solely on the time to trial.

Tesla argued to the USPTO that the AIA allows for none of the dizzying, ever-changing new requirements the USPTO has recently insisted upon. Appx239-245, Appx474-481, Appx709-717, Appx934-941. Still, Tesla explained that its petitions should have satisfied even these new conditions. Appx197-237, Appx256-261, Appx440-474, Appx491-496, Appx673-709, Appx731-737, Appx896-933, Appx956-962. Tesla agreed to broad surrender of invalidity defenses in district court, satisfying the new enhanced *Sotera* requirement articulated in *Motorola Sols*. Appx163-164. The remaining original *Fintiv* factors were satisfied. Appx217-225,

Appx454-462, Appx689-697, Appx912-920. And, the challenged patents were young (issued in 2023), satisfying the new settled expectations requirement. Appx2. Nonetheless, the AD seized on one factor (without regard to the countless factors favoring institution) as justification to discretionarily deny institution: “it is unlikely that a final written decision in this proceeding will issue before the district court trial occurs, resulting in significant duplication of effort, additional expense for the parties, and a risk of inconsistent decisions.” Appx2, Appx6.

STANDARD OF REVIEW

This Court has “jurisdiction to review any petition for a writ of mandamus denying institution of an IPR.” *Mylan Lab’ys Ltd. v. Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1381 (Fed. Cir. 2021). A petitioner must show “a clear and indisputable legal right,” the lack of “other adequate method[s] of obtaining relief,” and the writ’s “appropriate[ness]” “under the circumstances.” *Id.* at 1382.

REASONS WHY THE WRIT SHOULD ISSUE

- I. The USPTO’s errors in exceeding its statutory authority in violation of the APA and separation of powers are clear and indisputable.**

Tesla respectfully requests that the USPTO’s time-to-trial rationale be set aside. In discretionarily denying Tesla’s IPRs based solely on that rationale, the USPTO exceeded its authority—thus usurping Congress’s legislative power, transgressing the AIA, and violating the APA (5 U.S.C. § 706(2)(A)-(C)).

A. Congress did not empower the Director to create extra-statutory institution criteria.

The USPTO's rationale here also exceeds its authority for a more fundamental reason. Congress did not give the USPTO power to create new reasons to deny institution, like denying institution because a patent infringement lawsuit exists on the same patents. Congress outlined specific institution criteria for the Director to consider. *E.g.*, §§ 314(a), 315(d), 325(d). It granted discretion in applying some of *those* criteria, as well as limited authority to promulgate "regulations" implementing *those* criteria, which the agency has failed to do (§ 316(a)(2)). But the USPTO instead believes it may invent *any* criteria it wishes (or even no criteria at all). *See* PTO Resp., *In re Sandisk Techs., Inc.*, No. 25-152, ECF No. 39 at 23, 30 ("the IPR statute contains no criteria for institution" so denying institution is "entirely" up to Director). That is unlawful. Congress did not legislate a reticulated framework for the USPTO to simply disregard.

In the AIA, Congress instructed the agency to *apply* statutory requirements, not create new ones out of whole cloth. Congress specified the core merits threshold in § 314(a); it instructed parties to address the "requirement[s] *of this chapter*" (§ 313 (emphasis added)); and it set forth other reticulated considerations. Some are firm bars (§ 315(b)'s time limit and § 315(e)'s estoppel). Some are discretionary considerations (§ 315(d)'s docket-management authority and § 325(d)'s anti-

duplication authority). Those are the criteria the USPTO must apply when deciding whether to institute IPR.

To be sure, the Director has broad “discretion” within the AIA’s statutory markers. *Cuozzo*, 579 U.S. at 273. But discretion *within* markers is not discretion to redraw entirely new boundaries, especially boundaries so narrow as to effectively eliminate IPR. And the AIA nowhere grants the USPTO power to ignore Congress’s framework and invent *new* criteria. “Administrative agencies are creatures of statute;” they “possess only the authority that Congress has provided.” *Nat’l Fed’n of Indep. Bus. v. Dep’t of Lab., Occupational Safety & Health Admin.*, 595 U.S. 109, 117 (2022); *see Sierra Club v. U.S. Army Corps of Eng’rs*, 909 F.3d 635, 648 (4th Cir. 2018) (finding agency exceeded authority granted under the Clean Water Act by imposing conditions on permitting that exceeded the conditions set by the Act); *see also* 5 U.S.C. § 706(C) (requiring the “reviewing court” to correct agency actions “in excess of statutory jurisdiction, authority, or limitations, or short of statutory right”).

And Congress carefully specified when the Director may exercise discretion in IPR institution. Take § 325(d). There, Congress provided that, in instituting certain proceedings (including IPRs), the Director “may” consider whether “the same or substantially the same prior art or arguments previously were presented to

the Office.” § 325(d). Congress granted the Director discretion in applying that criterion (the Director “may” reject a petition). And it authorized accompanying regulations to flesh out the standard. § 316(a)(2). Those regulations must consider effects on “the patent system” (by avoiding inconsistent outcomes on the same prior art or arguments) and “efficient [agency] administration” (by avoiding redundant proceedings). § 316(b). But none of this matters under the USPTO’s current position. If the USPTO already has unfettered discretion to consider anything it chooses at institution, it would not need § 325(d)’s *redundant* authority to do the same thing. That express section should not be read as a mere suggestion (at best) or superfluous (at worst). See *Gustafson v. Alloyd Co.*, 513 U.S. 561, 574 (1995) (avoiding such “redundan[cy]”); *Indep. Ins. Agents of Am., Inc. v. Hawke*, 211 F.3d 638, 643-44 (D.C. Cir. 2000) (rejecting agency’s attempt to read broad authority into statute where specific provisions conferred only a subset of the claimed authority); *Halverson v. Slater*, 129 F.3d 180, 185 (D.C. Cir. 1997).

Or take § 315(d).³ There, Congress authorized the USPTO to “stay, transfer, consolidat[e], or terminat[e]” related proceedings *before the agency*. § 315(d). This expressly authorizes the Director to manage the agency’s docket when overlapping

³ Section 325(d) includes nearly identical language for PGRs.

proceedings are pending before the agency. Absent from this authority is any similar consideration of a pending infringement lawsuit in district court. Again, Congress granted discretion in applying that criterion (the Director “*may* determine” how such proceedings “*may* proceed” (emphasis added)), and authorized implementing regulations. §§ 316(a)(2), (b). Yet under the USPTO’s view, those tailored provisions would be unnecessary because the agency has complete discretion over institution already.

The USPTO invokes § 314(a) as the source of the Director’s discretion. *See* AD’s Resp., *In re SAP Am., Inc.*, No. 25-132, ECF No. 39 at 12; *see also* Appx2 (denying petitions under § 314(a)). But that subsection grants no such authority. Section 314(a) textually imposes a direct requirement for institution: the USPTO “*may not* authorize an [IPR] to be instituted unless” there is “a reasonable likelihood that the petitioner would prevail.” This sets the critical threshold for granting review. *See id.* It does not grant the Director freestanding, limitless authority to impose *any* criteria the Director wishes to justify failing to make that determination. And it certainly does not authorize the Director to set aside IPR entirely without ever considering the criteria actually set by Congress.

A provision that speaks in the negative and limits the Director’s discretion to grant review under specified conditions cannot be construed as a sweeping,

affirmative grant of power to deny IPR based on *any* criteria the Director concocts. It is implausible that Congress, in a provision setting forth what the Director “may not” do (§ 314(a)), hid the vast power to redefine the conditions for instituting IPR—a scheme at the heart of the patent system and the national economy—so as to effectively eliminate (or at least practically obviate) the Congressionally-authorized mechanism for obtaining expedited review of patentability.

Nor does it help the USPTO that § 314(a) does not *mandate* institution when the merits threshold is met. Even for petitions meeting that threshold, Congress supplied other criteria *outside* § 314(a) that could still defeat institution. *E.g.*, §§ 315(b), (e), 315(d), 325(d). But it was *Congress* that chose these additional criteria. It nowhere empowered the USPTO to make different choices or substitute its judgment for Congress’s carefully designed statutory scheme.

Congress’s express grant of discretion in two accompanying AIA sections confirms it did not grant broader discretion here. For derivation proceedings, Congress provided “the Director *may* institute” if the requisite “standards . . . are met.” § 135(a)(1) (emphasis added). Similarly, for joinder petitions, “the Director, *in his or her discretion, may* join” parties otherwise satisfying § 314. § 315(c) (emphases added). In other words, under § 135 and § 315, the decision lies with the Director to determine whether to institute in derivation proceedings and whether to

join petitions, even where circumstances exist supporting such institution or joinder. No comparable authority exists for IPR institution. Instead, in § 314(a) Congress articulated the threshold inquiry for institution of IPR, providing that the Director “may not” institute “unless” it finds there is a reasonable likelihood that the petitioner would prevail” on at least one claim. *See, e.g., SAS Inst. Inc. v. Iancu*, 584 U.S. 357, 365 (2018) (finding that § 314(a) “requires [the Director] to decide whether the petitioner is likely to succeed on ‘at least 1’ claim”). “When Congress includes particular language in one section of a statute but omits it from a neighbor, we normally understand that difference in language to convey a difference in meaning.” *Bittner v. United States*, 598 U.S. 85, 94 (2023); *see also Gallo v. Dep’t of Transp.*, 725 F.3d 1306, 1310 (Fed. Cir. 2013) (*expressio unius*); *Hawke*, 211 F.3d at 643-44; *Halverson*, 129 F.3d at 185.

Congress expressly conferred discretion elsewhere in the AIA, but not for inventing IPR institution criteria; the Court should enforce that congressional choice. The USPTO must determine whether to institute based on the threshold inquiry established by Congress; it may not invent new criteria for denying institution that are not present in the AIA, like the time-to-trial basis for the denial here.

B. The USPTO's time-to-trial rationale fails for lack of notice and comment.

Tesla believes notice-and-comment rulemaking was required to impose a time-to-trial rule, but Tesla recognizes that under current precedent, this Court will not, in a mandamus posture, decide that open question in the first instance. *In re Motorola Solutions, Inc.*, —F.4th —, 2025 WL 3096514, at *5 (Fed. Cir. Nov. 6, 2025).

But in a pending case set for argument in January 2026, this Court is set to decide in a non-mandamus posture whether the USPTO must engage in notice-and-comment rulemaking to impose institution rules. *Apple Inc. v. Squires*, Case No. 24-1864. In the event the Court holds in *Apple v. Squires* that the USPTO's institution rules are invalid for lack of notice-and-comment rulemaking, Tesla urges that this case be remanded for consideration without an invalid rule. In that scenario, Tesla would have a clear and indisputable right to relief warranting mandamus: the rule applied here would be invalid under a binding holding of this Court. And in that scenario, mandamus would be the only way to enforce that holding (because a separate district-court suit could not correct the application of an invalid rule in a particular institution decision).

II. The remaining mandamus criteria are satisfied.

A. The USPTO's errors are reviewable in mandamus.

There is a “‘strong presumption’” that agencies cannot escape judicial review. *Guerrero-Lasprilla v. Barr*, 589 U.S. 221, 229 (2020). When the USPTO exceeds legal constraints in denying institution, this Court applies mandamus review. *Mylan*, 989 F.3d at 1380. “In fact, when the Board denies institution, our mandamus jurisdiction is especially important.” *Id.* Although “the appeal bar in § 314(d) prevents any direct appeal,” it does not “divest[] [this Court] of mandamus jurisdiction.” *Id.* Section 314(d) therefore does not bar mandamus review of Tesla’s claims.

To begin, the USPTO’s violations of constitutional constraints (here, the separation of powers) are reviewable in mandamus. *Mylan*, 989 F.3d at 1382-83.⁴

In any event, “§ 314(d) does not ‘enable the agency to act outside its statutory limits,’” and such “shenanigans” are reviewable notwithstanding § 314(d). *SAS*, 584 U.S. at 371 (quoting *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 275 (2016)); *see* 5 U.S.C. § 706(2). So too, despite § 314(d), “judicial review remains available consistent with the [APA], which directs courts to set aside agency action ‘not in

⁴ The Court in *Mylan* rejected the petitioner’s due process arguments. Those same arguments are not repeated here. As discussed in more detail *infra*, the separation-of-powers claims asserted here have not yet been reached by this Court.

accordance with law’ or ‘in excess of statutory jurisdiction, authority, or limitations.’” *SAS*, 584 U.S. at 371 (quoting 5 U.S.C. § 706(2)(A), (C)). This reflects a deeply rooted principle: “courts have recognized that an implicit and narrow exception to [a] bar on judicial review exists for claims that the agency exceeded the scope of its delegated authority or violated a clear statutory mandate.” *Hanauer v. Reich*, 82 F.3d 1304, 1307 (4th Cir. 1996); see *Leedom v. Kyne*, 358 U.S. 184 (1958).

Thus, as this Court recently confirmed, mandamus review exists for certain “challenges to the applicable factors” that the USPTO considers in denying institution, even if “non-constitutional.” *Motorola*, 2025 WL 3096514, at *5. Section 314(d) bars review of “‘an ordinary dispute about the application of’ an institution-related statute.” *Thryv, Inc. v. Click-to-Call Techs., LP*, 590 U.S. 45, 54 (2020). But the Supreme Court and this Court have preserved review for statutory challenges “depend[ing] on other less closely related statutes,” or that present questions of broader “scope and impact.” *Cuozzo*, 579 U.S. at 275; *Apple Inc. v. Vidal*, 63 F.4th 1, 12 n.5 (Fed. Cir. 2023).

The claims here fall within that preservation of judicial review. They go well beyond case-specific interpretation or application of institution criteria and concern questions of fundamental scope and impact regarding the agency’s authority to

create institution standards in the first place. The then-Acting Director’s creation of new, extra-statutory criteria is a “blatant violation[] of” “legal constraints” that activate judicial review. *See IGT v. Zynga Inc.*, 144 F.4th 1357, 1367 (Fed. Cir. 2025).

The questions here are thus more fundamental and far-reaching, *see id.*, than those this Court has previously declined to resolve in institution-related challenges. This Court has rejected challenges to the USPTO’s weighing of parallel litigation in institution decisions—claims that merely contested “the weighing of the relevant factors” but (unlike here) failed to challenge the clear statutory bounds of the Directors’ authority. *Motorola*, 2025 WL 3096514, at *5; *see Mylan*, 989 F.3d at 1382-83; *Apple*, 63 F.4th at 11-14. Here, the claims concern the more fundamental question of what the USPTO can permissibly consider at all. *See Motorola*, 2025 WL 3096514, at *5 (preserving mandamus review of some “non-constitutional challenges to the applicable factors”). Similarly, while prior decisions have previously assumed that the USPTO has broad discretion over institution criteria, this Court has yet to confront the arguments here addressing the extent of that discretion. *See, e.g., Mylan*, 989 F.3d at 1382; *Apple*, 63 F.4th at 7; *see also Taylor Energy Co. v. Dep’t of the Interior*, 990 F.3d 1303, 1310 n.1 (Fed. Cir. 2021) (“[W]hen an issue is not argued or is ignored in a decision, such decision is not precedent to be followed in a subsequent case in which the issue arises.” (citation omitted)).

* * *

If, however, the Court believes these fundamental questions are somehow unreviewable under existing circuit law or that the arguments here are foreclosed under this Court’s current precedent, Tesla would urge the Court to revisit those decisions en banc—initially or otherwise.

B. Petitioners have no other adequate means of relief.

Mandamus is the proper mechanism for “judicial review” of “decisions denying institution,” “[g]iven that there is no adequate remedy by way of direct appeal,” which this Court holds is barred by § 314(d). *In re Palo Alto Networks, Inc.*, 44 F.4th 1369, 1374 (Fed. Cir. 2022) (citation omitted). The relief Tesla seeks—for the USPTO to comply with its legal obligations in deciding its IPR petitions—cannot be sought elsewhere.⁵ Even the option to challenge improper rulemaking in district court would fall short of providing any relief to Tesla in the present cases, which were rejected through USPTO shenanigans and can only be addressed through this mandamus petition.

⁵ For similar reasons mandamus is available, Tesla submits that § 314(d) should not be read to foreclose appeals challenging policies exceeding agency authority and violating statutory and constitutional mandates. But Tesla acknowledges that under this Court’s existing precedent, no direct appeal from IPR institution denials is available—and no such appeal is necessary given the availability of mandamus.

C. Mandamus is appropriate under the circumstances.

Mandamus is a critical check on unlawful agency action. It is appropriate “to decide ‘basic’ and ‘undecided’ questions” and “to further supervisory or instructional goals where issues are unsettled and important.” *In re BigCommerce, Inc.*, 890 F.3d 978, 981 (Fed. Cir. 2018). Mandamus is also warranted when “important to ‘proper judicial administration.’” *In re Cray Inc.*, 871 F.3d 1355, 1358-59 (Fed. Cir. 2017).

This Court’s mandamus review is badly needed here. The USPTO’s decision claims sweeping authority to deny IPR, presenting basic, undecided questions regarding the USPTO’s authority to invent institution criteria and to exceed universal legal limits that all ordinary agencies must obey. *See BigCommerce*, 890 F.3d at 981. Left unchecked, the agency’s assertion of power to shut down IPR threatens the core functioning of Congress’s patent system and IPR scheme, with sweeping consequences for an overwhelming number of stakeholders. *See Cray*, 871 F.3d at 1358-59. This Court should not countenance the USPTO substituting its own judgment for ways to dispense with IPRs over the carefully designed institution criteria established by Congress in the AIA.

The need for review is especially urgent because the USPTO recently stopped issuing explanations when it denies institution (absent special circumstances).

October Memorandum, *supra*. Now that the USPTO's rationales for decisions—or lack thereof—are hidden from parties and this Court, judicial review will only be more difficult. This Court should clarify the limits on the USPTO's authority now to ensure the agency's future decisions adhere to constitutional and statutory obligations.

CONCLUSION

The Court should grant the petition and vacate the non-institution decision. The Court should direct the USPTO to reconsider institution solely under the statutory criteria, not the agency's extra-statutory framework. At a minimum, the Court should direct the USPTO to reconsider institution without the USPTO's time-to-trial criteria.

Dated: December 1, 2025

Respectfully Submitted,

HAYNES AND BOONE, LLP

/s/ Debra J. McComas

Debra J. McComas

Michael Qian

2801 N. Harwood St., Suite 2300

Dallas, TX 75201

Phone: (214) 651-5375

Debbie.McComas@haynesboone.com

Michael.Qian@haynesboone.com

Jonathan R. Bowser

888 16th Street NW, Suite 300

Washington, DC 20006

Phone: (202) 654-4503

Jonathan.Bowser@haynesboone.com

Laura N. Vu

1 Post Street, Suite 2800

San Francisco, CA 94104

Phone: (415) 293-8930

Laura.Vu@haynesboone.com

TESLA, INC.

Ashraf Fawzy

800 Connecticut Avenue NW

5th Floor

Washington, DC 20006

Phone: (202) 905-9221

afawzy@tesla.com

Attorneys for Petitioner Tesla, Inc.

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/s/ Debra J. McComas

Debra J. McComas

PROOF OF SERVICE

I certify that on December 1, 2025, I caused a paper copy of this document (and the attached appendix, entry of appearance, certificate of interest, and notice of related cases) to be sent by express carrier to lead counsel for respondent Granite Vehicle Ventures LLC at the following address:

Kyle E. Friesen
HEIM, PAYNE & CHORUSH, LLP
609 Main Street, Suite 3200
Houston, TX 77002
(713) 221-2022

I further certify that I caused courtesy electronic copies of this document (and the attached appendix, entry of appearance, certificate of interest, and notice of related cases) to be sent to Kyle E. Friesen at friesen@hpcllp.com and to the following additional counsel of record for respondent:

Lily R. Glick (lglick@hpcllp.com)
Kyle S. Ruvolo (kruvolo@hpcllp.com)

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Dated: December 1, 2025

/s/ Debra J. McComas
Debra J. McComas