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Unpacking Appellate Challenges to the USPTO's Discretionary Denial Framework

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Since the United States Patent and Trademark Office (USPTO) rescinded former Director Vidal's 2022 memorandum concerning discretionary denials under the *Fintiv* framework (Vidal Memo) in Patent Trial and Appeal Board (PTAB) proceedings and implemented new guidance in the March 26, 2025 Interim Processes for PTAB Workload Management (2025 Interim Memo), discretionary denials have increased significantly. The USPTO's recent notice of proposed rulemaking to codify aspects of the discretionary denial framework and Memorandum Regarding Director Institution of AIA Trial Proceedings underscores the agency's commitment to these changed policies. Because the America Invents Act (AIA) states that institution decisions in post-grant proceedings are "final and nonappealable," [35 U.S.C. § 314\(d\)](#), the effects of this change in USPTO policy are insulated from ordinary appellate review. Nevertheless, aggrieved petitioners have filed petitions for writs of mandamus at the United States Court of Appeals for the Federal Circuit asking the court to overturn various aspects of the USPTO's new approach to discretionary denials.

On November 6, 2025, the Federal Circuit released a first batch of decisions denying three of the pending mandamus petitions. The Court released a second batch of mandamus denials on December 9, 2025.

The Federal Circuit's November decisions in *Motorola*, *SAP*, and *Google*

The most detailed decision to date, *In re Motorola Solutions, Inc.*, No. 25-134, is designated precedential. Motorola had argued that it was deprived of due process by retroactive application of the February 28, 2025, rescission of the Vidal Memo concerning discretionary denials, but the court found no due process violation because (1) the benefit of *inter partes* review (IPR) is left "to the discretion of a government official" so that "no protected property interest in that benefit can arise," Slip op. at 7 (quoting *Bloch v. Powell*, [348 F.3d 1060](#), 1069 (D.C. Cir. 2003)), and (2) Motorola did not "ask for additional process," *id.*

The court also rejected the argument that the Vidal Memo constrained the Board's discretion sufficiently to give rise to a property interest, *id.* at 8, and found that Motorola's alleged property interest was rooted in its "own unilateral expectation" as opposed to "any separate property interest," *id.* at 9. Regarding Motorola's arguments about the retroactive application of the rescission, the opinion reasons that Motorola "did not experience anything close to the kind of unfair surprise that might raise a due process violation" because Motorola knew of the *Fintiv* precedent and was "on notice that the interim guidance" of the Vidal Memo "could be modified at any time." *Id.* "Moreover, rescission of the interim guidance did not affect Motorola's ability to properly raise its patentability defenses elsewhere[.]" such as in a district court action. *Id.* at 10.

The court also rejected Motorola's Administrative Procedure Act (APA) arguments. First, it found that, because Motorola could raise its notice-and-comment argument in an APA action in district court, this argument was inappropriate for mandamus. *Id.* at 10 (citing *Apple Inc. v. Vidal*, 63 F.4th 1, 14 (Fed. Cir. 2023)). The court added that, because Motorola's challenge sought institution of specific IPRs, it "falls outside the scope" of the subject matter that *Apple v. Vidal* had found reviewable (*i.e.*, the APA's procedural requirements, like the agency's choice of whether to use notice-and-comment rulemaking to announce institution's instructions). *Id.* at 10-11. Finally, the order rejected Motorola's arguments that the USPTO's decisions were arbitrary and capricious, inadequately explained, and did not account for reliance interests on the grounds that they "do not fall within the limited category of non-constitutional challenges to the applicable factors appropriate to review on limited mandamus relief." *Id.* at 11.

The Federal Circuit likewise denied the petition at issue in *In re SAP America, Inc.*, Nos. 25-132, -133, in a non-precedential opinion because "SAP failed to raise its challenges before the agency" and because the *Motorola* ruling "forecloses relief on those issues." Slip op. at 2. The court also denied a joint petition by Samsung and Google in *In re Google*, No. 25-144, which it characterized as raising "materially similar challenges" to Motorola's. Slip op. at 3. In this non-precedential opinion, the court separately found that the Google/Samsung petition "misconstrues the Board's decisions" in arguing that the USPTO's treatment of the *Sotera* stipulations violated the separation of powers, concluding that the Board did not demand foregoing invalidity grounds but merely "determined that institution would be inefficient, even in light of the stipulation" given that it would be considering the same claims' validity almost seven months after the district court trial date. *Id.* at 4. Although Google and Samsung separately argued that the fees and costs expended in preparing and filing IPRs gave rise to a property interest (an issue not raised by SAP or Motorola in their petitions), the *Google* order does not address this argument.

The Federal Circuit's December decisions in *Cambridge Industries*, *SanDisk*, and *Highlevel*

The following month, the Federal Circuit issued three more denials of mandamus, all nonprecedential, closely tracking its previous precedential decision in *In re Motorola Solutions, Inc.*, No. 2025-134, 2025 WL 3096514 (Fed. Cir. Nov. 6, 2025).

Two decisions focused on the "settled expectations" factor, which the USPTO may apply to deny review where the patent-at-issue has been in force for many years, especially where the petitioner was aware of the patent. In the more detailed decision, *In re Cambridge Industries*, No. 26-101, the court held that Cambridge's due process challenges to the use of the "settled expectations" factor, like Motorola's earlier challenges, "fail to identify the kind of property rights or retroactivity concerns that might give rise to a colorable Due Process Clause claim." Slip op. at 3-4. The court similarly echoed *Motorola* in rejecting Cambridge's statutory and APA challenges, finding that its notice-and-comment claims could be brought in an Administrative Procedure Act (APA) action in district court, and that Cambridge had not shown its remaining claims to be reviewable. *Id.* at 4-5. The court also addressed Cambridge's separation of powers argument — an issue not reached in the previous denials — holding that "claims simply alleging that the President has exceeded his statutory authority are not 'constitutional' claims." *Id.* at 4 n.1 (quoting *Dalton v. Specter*, 511 U.S. 462, 473-74 (1994)). Although the court emphasized that it was not deciding whether the "settled expectations" factor was permissible under the statute, it concluded that Cambridge had not shown a clear and indisputable right to mandamus relief. *Id.* at 5-6. In a two-page order, the court denied the mandamus petition in *In re Sandisk Technologies, Inc.*, No. 25-152, finding that it raises the same issues as *Cambridge*.

The court also denied mandamus in *In re Highlevel, Inc.*, No. 25-148, a case involving a less common issue — whether the USPTO can deny institution based on the challenged claims having already been held patent-ineligible under [35 U.S.C. § 101](#) in a parallel litigation. As in *Motorola* and *Cambridge*, the court held that Highlevel had not identified a sufficient property interest for a Due Process Clause claim and that its parallel

statutory and APA challenges either presented unreviewable issues or could be raised in a district court APA suit. Slip op. at 3-4.

Aggrieved IPR petitioners continue to file mandamus petitions

Despite the headwinds created by the Federal Circuit's denials thus far, parties have continued filing mandamus petitions to challenge the USPTO's discretionary denials. The petitions currently pending are:

- *In re Google LLC*, No. 26-111 (challenging the “settled expectations” factor)
- *In re Kangxi Communication Technologies Co.*, No. 26-115 (challenging the “settled expectations” factor and seeking to distinguish *Motorola* by relying on filing fees as the relevant “property” interest)
- *In re Tesla, Inc.*, No. 26-116 (challenging the “time to trial” factor)
- *In re Tessell, Inc.*, No. 26-117 (challenging discretionary denial based on assignor estoppel)
- *In re Kahoot! AS*, No. 26-119 (challenging the “settled expectations” factor)

These petitions post-date the precedential *Motorola* decision and thus seek to distinguish it, either by identifying a different property interest (as in *Kangxi*) or by arguing that the USPTO's evolving practices more clearly demonstrate a violation of its statutory and/or constitutional authority. The Federal Circuit's forthcoming decisions on these petitions should provide additional guidance regarding the reviewability of discretionary denial on mandamus.

APA actions in district court: An alternative path to challenge the USPTO?

An issue lurking in the background is whether aggrieved petitioners could instead challenge the USPTO's application of its discretionary denial framework in district court under the APA. Although the *Motorola* decision forecloses mandamus relief based on an argument that notice-and-comment was required because a district court APA action is an available avenue to raise such a challenge, the court's reasoning may apply with equal force to other potential issues. In *Apple v. Vidal*, on remand, the district court found that the *Fintiv* standard is a “general statement of policy, rather than a substantive or legislative rule” such that the USPTO was not required to conduct notice-and-comment rulemaking to implement it. See *Apple Inc. v. Vidal*, Case No. 20-cv-06128, 2024 WL 1382465, *13 (N.D. Cal. Mar. 31, 2024). The appeal in that case was submitted after oral argument on January 5, 2026. See *Apple Inc. v. Squires*, No. 24-1864 (Fed. Cir.). The decision there could strongly influence whether bringing a district court APA action would be an effective vehicle to challenge the USPTO's policies.

Takeaways

The recent changes in discretionary denial policy at the USPTO and the challenges to those changes have generated considerable uncertainty, which is likely to persist to some degree despite these rulings. Nevertheless, the court's decisions cast further doubt over whether mandamus, as opposed to a district court APA action, is likely to be a fruitful avenue. Thus, although creative petitioners have and likely will continue to pursue mandamus and distinguish the cases denying review thus far, the consistent denials of mandamus to date, as well as the USPTO's ongoing rulemaking concerning IPR institution, could lead aggrieved parties to shift their focus to possible APA actions in district court.