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Peter R. Marksteiner
U.S. Court of Appeals for the Federal Circuit
717 Madison Place, NW, Suite 401
Washington, DC 20439

Re: In re: PersonalWeb Technologies LLC (2021-1858, 2021-1859, 2021-1860): Letter re Citation of Supplemental Authority pursuant to Federal Rule of Appellate Procedure 28(j)

Dear Clerk Marksteiner:

PersonalWeb apprises the Court of the Brief for the U.S. in *PersonalWeb Techs., LLC v. Patreon, Inc.,* No. 20-1394 (U.S. Supreme Court April 8, 2022). There, PersonalWeb asked the Supreme Court to review this Court's decision holding that certain PersonalWeb actions were precluded under *Kessler v. Eldred*, 206 U.S. 285 (1907).

This Court had concluded that a prior Texas stipulated judgment of dismissal with prejudice resulted in preclusion under *Kessler*. *In re PersonalWeb Techs., LLC*, 961 F.3d 1365 (Fed. Cir. 2020).

The Supreme Court invited the Solicitor General to provide the views of the United States. The Solicitor General asserted that this Court had "erred in treating *Kessler v. Eldred*, 206 U.S. 285 (1907), as a freestanding basis for precluding petitioner's claims against Amazon's customers over their use of Amazon S3 after the entry of the Texas judgment." U.S. Br. 8. "Because the prior judgment in *Kessler* was premised on a judicial finding of noninfringement, while the Texas judgment at issue in this case was entered after a stipulated dismissal, *Kessler* is not controlling here." *Id.* Because the prior Texas lawsuit was voluntarily dismissed pursuant to stipulation without any merits adjudication, the Solicitor General expressed the view that "the judgment entered in the Texas case did not 'settle[] finally and everywhere' that Amazon 'had the right to manufacture, use[,] and sell' its product 'free from all interference from [petitioner] by virtue of the [True Name] patent[s].'" *Id.* at 14 (quoting *Kessler*, 206 U.S. at 288) (brackets in original).

The Solicitor General's position undermines the district court's fee award here. The district court invoked *Kessler* preclusion as one of the reasons for imposing fees. *In re PersonalWeb Techs., LLC*, 2019 WL 1455332 (N.D. Cal. Apr. 2, 2019). While this Court agreed that *Kessler* preclusion applies, the Solicitor General has now opined that it was error, and that *Kessler* ought not apply. Fees should not be awarded against a party for taking a

position that was arguably correct at the time, and has since been shown to be correct at least in the views of the United States Department of Justice.

Respectfully,



Michael A. Sherman

cc: Counsel of record via ECF