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Paper 30
Date: February 12, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TARGET CORPORATION,
Petitioner,

v.

DESTINATION MATERNITY CORPORATION,
Patent Owner.

Case IPR2014-00509
Patent RE43,531 E

Before MICHAEL P. TIERNEY, LORA M. GREEN, JONI Y. CHANG, THOMAS L. GIANNETTI, JENNIFER S. BISK, MICHAEL J. FITZPATRICK, and MITCHELL G. WEATHERLY, *Administrative Patent Judges*.

Opinion for the Board filed by *Administrative Patent Judge* GREEN.

Opinion Dissenting filed by *Administrative Patent Judge* MICHAEL J. FITZPATRICK, in which *Administrative Patent Judges*, JENNIFER S. BISK and MITCHELL G. WEATHERLY, join.

DECISION
Motion for Joinder
37 C.F.R. § 42.122(b)

I. INTRODUCTION

Petitioner, Target Corporation, requests joinder of the instant proceeding with IPR2013-00533. Paper 3. Patent Owner opposes. Paper 17. The present Motion was filed concurrently with Petitioner's Second Petition for *inter partes* review (Paper 1) involving the same patent and parties as IPR2013-00533. In a separate decision, we grant Petitioner's Request for Rehearing. We also grant, in a separate decision entered today, Petitioner's Motion to Limit its Petition and institute an *inter partes* review as to challenged claims 18 and 19. For the reasons that follow, we grant also Petitioner's Motion for Joinder.

II. BACKGROUND

Petitioner presents a Statement of Material Facts in support of its motion. Paper 3, 1–7. In particular, Petitioner argues that Patent Owner learned of Japanese Utility Model Patent No. 3086624 to Asada ("Asada") on or before June 26, 2012, when it received a copy of Asada from the Japanese Patent Office. *Id.* ¶ 5(b). Petitioner asserts that although it had requested that Patent Owner identify and/or produce prior art to the '531 patent in the co-pending litigation in March 2013, Patent Owner did not identify Asada until October 2013, after Petitioner had filed its request for *inter partes* review of the '563 patent on August 27, 2013. *Id.* ¶¶ 2, 5.

Petitioner's Motion for Joinder was filed concurrently with the second Petition, and was filed within one month after institution of the trial in IPR2013-00533 and is, therefore, timely under 37 C.F.R. § 42.122(b). Moreover, IPR2013-00533 and this proceeding involve the same parties and

the same patent. The Petition filed in the instant proceeding challenges claims that are dependent on claims challenged in IPR2013-00533.

III. ANALYSIS

The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) ("AIA") permits joinder of like review proceedings. Thus, an *inter partes* review may be joined with another *inter partes* review, and a post-grant review may be joined with another post-grant review. The statutory provision governing joinder of inter partes review proceedings is 35 U.S.C. § 315(c), which reads as follows:

> (c) JOINDER.--If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

As is apparent from the statute, a request for joinder affects certain deadlines under the AIA. Normally, a petition for *inter partes* review filed more than one year after the petitioner (or the petitioner's real party-in interest or privy) is served with a complaint alleging infringement of the patent is barred. 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b). The one-year time bar, however, does not apply to a request for joinder. 35 U.S.C. § 315(b)(final sentence); 37 C.F.R. § 42.122(b). Moreover, in the case of joinder, the one-year time requirement for issuing a final determination in an *inter partes* review may be adjusted. 35 U.S.C. § 316(a)(11).

Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. 35 U.S.C. § 315(c); 37 C.F.R. § 42.122(b). When

exercising that discretion, the Board is mindful that patent trial regulations, including the rules for joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b).[1] As indicated in the legislative history, the Board will determine whether to grant joinder on a case-by-case basis taking into account the particular facts of each case. *See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl)(When determining whether and when to allow joinder, the Office may consider factors including the breadth or unusualness of the claim scope, claim construction issues, and consent of the patent owner).

Patent Owner argues that joinder is not appropriate, as the Petition presents new patentability analysis and substantive arguments beyond those on which trial was instituted in IPR2013-00533. Paper 17, 5–6. Petitioner, however, moved to limit the Petition to claims 1, 18, and 19. Paper 7, 1–2. Moreover, in the Decision to Institute, we institute only on two grounds: Claim 19 as anticipated by Asada; and claim 18 as obvious over Asada and Summers. Thus, the grounds on which trial is instituted in this proceeding are limited, and do not go substantially beyond those on which trial was instituted in IPR2013-00533.

Patent Owner contends further that Petitioner did not propose a modified schedule, nor did it explain how the schedule could be reconciled with the schedule in IPR2013-00533. Paper 17, 6–8. We acknowledge that,

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[1] 35 U.S.C. § 316(b) ("In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter.")

at this point, there is no way to reconcile the schedule in the instant proceeding with that in IPR2013-00533 given that oral hearing has already been held in IPR2013-00533, however, many of the procedural delays in this case were beyond Petitioner's control. And as noted above, Petitioner did timely file its Motion for Joinder.

Patent Owner argues also that Petitioner has not established that joinder would promote efficient resolution of the unpatentability issues, as the Petition re-challenges 15 instituted claims. *Id.* at 8. As acknowledged by Patent Owner, however, trial was not instituted as to claims 18 and 19 in IPR2013-00533 (*id.*), and we only institute trial in the instant proceeding as to claims 18 and 19.

IV. CONCLUSION

The policy basis for construing our rules for these proceedings is set forth in the Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,758 (Aug. 14, 2012): "The rules are to be construed so as to ensure the just, speedy, and inexpensive resolution of a proceeding . . . ." *See also* Rule 1(b) (37 CFR § 42.1(b)). We have determined that this policy would best be served by granting Petitioner's Motion. The same patent and parties are involved in both proceedings. Petitioner has been diligent and timely in filing the Motion. And while some adjustments to the schedule will be necessary, many of those adjustments were due to the procedural history of this proceeding, and beyond Petitioner's control. In sum, the relevant factors of which we are aware all weigh in favor of granting this Motion.

Given that oral hearing has already been held in IPR2013-00533, that we only institute trial as to claims 18 and 19, and that trial is being instituted

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