Paper No. 12
Filed: October 14, 2014

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICRO MOTION, INC.
Petitioner

v.
INVENSYS SYSTEMS, INC.
Patent Owner

Patent No. 7,571,062
Issue Date: August 4, 2009
Title: DIGITAL FLOWMETER

Case No. IPR2014-01409

PETITIONER'S REPLY TO PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION FOR JOINDER

37 C.F.R. § 42.122(b)

I. PETITIONER'S MATERIAL FACTS STAND AS ADMITTED

Petitioner's motion for joinder (Paper 3) contained a "Statement of Material Facts," none of which were denied in Patent Owner's opposition (Paper 10). Those facts now stand as "admitted." 37 C.F.R. § 42.23(a). *See Ariosa Diagnostics v. Isis Innovation Ltd.*, IPR2013-00250 (Sept. 3, 2013) (Paper 24) (granting joinder where petitioner's facts "stand as admitted").

II. *TARGET* IS A MINORITY OUTLIER DECISION AND IS WRONG

Patent Owner's opposition relies exclusively on *Target Corp. v. Destination Maternity Corp.*, IPR2014-00508 (Paper 18) (Sept. 25, 2014), which is neither "precedential" nor "informative" under the Board's SOP 2, and therefore is not binding. While Patent Owner characterizes *Target* as an "expanded panel," the two judges that were added to the original panel (consisting originally of Judges Bisk, Fitzpatrick, and Weatherly) appear to have been added precisely because of their known, contrary view on the issue. *See Ariosa Diagnostics v. Isis Innovation Ltd.*, IPR2012-00022 (Sept. 2, 2014) (Paper 166) (Green, J.) (holding that § 315(c) authorizes joinder between the same parties); *Microsoft Corp. v. Proxyconn, Inc.*, IPR2013-00109 (Feb. 25, 2013) (Paper 15) (Giannetti, J.) (same).

As shown in the chart below, *Target* is directly contrary to at least five prior decisions, including *Microsoft*—a decision listing the current Vice Chief as a panelist and which the Board itself published on its webpage of "**Representative**

Orders, Decisions, and Notices" as a "**Decision granting motion for joinder.**"[1]

Indeed, *Microsoft* specifically noted that "the same patents and parties are involved in both proceedings" and stressed that this was "an important consideration here, because Microsoft was served with a complaint asserting infringement of the '717 patent more than a year before filing the second Petition." *Id.* at 4. Petitioner here reasonably relied on *Microsoft* in its motion. Mot. 7 (citing *Microsoft*).

Decisions Holding That "Any Person" in § 315(c) Excludes the Original Petitioner
Target Corp. v. Destination Maternity Corp., IPR2014-00508 (Sept. 25, 2014) (Paper 18) (Bisk, Fitzpatrick, Weatherly, JJ.) (Green, Giannetti, JJ., dissenting)
Decisions Holding That "Any Person" in § 315(c) Means Any Person
Microsoft Corp. v. Proxyconn, Inc., IPR2013-00109 (Feb. 25, 2013) (Paper 15) (**Representative Decision**) (Medley, Boalick, Giannetti, JJ.)
ABB Inc. v. Roy-G-Biv Corp., IPR2013-00286 (Aug. 9, 2013) (Paper 14) (Giannetti, Moore, Bisk, JJ.)
Sony Corp. v. Yissum Res. Dev. Co. of the Hebrew Univ. of Jerusalem, IPR2013-00327 (Sept. 24, 2013) (Paper 15) (Medley, Easthom, Arpin, JJ.)
Samsung Elecs. Co. v. Virginia Innovation Scis., Inc., IPR2014-00557 (June 13, 2014) (Paper 10) (Kim, McNamara, Clements, JJ.)
Ariosa Diagnostics v. Isis Innovation Ltd., IPR2012-00022 (Sept. 2, 2014) (Paper 166) (Green, Prats, Robertson, JJ.)

The *Target* decision is wrong, moreover, because it ignores the plain language of 35 U.S.C. § 315(c) and effectively rewrites it to read:

> If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a **new and different** party to that inter partes

[1] http://www.uspto.gov/ip/boards/bpai/representative_orders_and_opinions.jsp

> review ~~any~~ **a** person **other than the first petitioner** 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.

35 U.S.C. § 315(c) (strikethrough and underlined text added).

The legislative history that *Target* relies on is in no way limiting. It states: "The Director may allow other petitioners to join an inter partes or post-grant review." H.R. REP. NO. 112-98, pt.1, at 76 (2011). First, this statement does not say "*only* allow"; nor does it say "*different* petitioners." Second, because an IPR operates on a ground-by-ground, claim-by-claim basis, a "person" who files two different petitions at different times against the same patent is a "petitioner" (and "party") in the first IPR and is also a "petitioner" (and "party") in the second IPR. Thus, joinder of multiple IPR "petitioners" (or "parties") is both logical and semantically sound, even if the petitions were filed by the same "person."

As the Supreme Court has noted, "the word 'any' has an expansive meaning," and where, as here, "Congress did not add any language limiting the breadth of that word," it "must [be] read" literally. *United States v. Gonzales*, 520 U.S. 1, 5 (1997) (emphasis added). Thus, "any person" must be read to include the first petitioner.

III. THE PETITION RAISES A NEW COMBINATION OF PRIOR ART

Contrary to Patent Owner's argument that the petition should be denied under § 325(d), Petitioner has explained in its petition why it should not. Pet. 49-50. Indeed, Petitioner has been careful to avoid § 325(d) by not reasserting the same arguments or grounds of rejection (Pet. 49-50; Mot. 4-5), but has also taken care to ensure efficient joinder due to a "substantial overlap" of issues, prior art, and declarants (Mot. 7-11), all of which the Board views favorably on a motion for joinder. *See Microsoft*, at 4 (granting joinder where there was an "overlap in the cited prior art" and "declarants"); *ABB*, at 3; *Sony*, at 5; *Ariosa*, at 21.

IV. GOOD CAUSE CONTINUES TO EXIST TO GRANT JOINDER

Contrary to Patent Owner's "harassment" argument (Opp. 11), it was Patent Owner who sued Petitioner on seven patents, thus necessitating these IPR petitions. Moreover, the instituted '393 IPR already involves the '062 patent's two independent claims (claims 1 and 40) in view of Romano and Kolatay, separately; while the '1409 IPR asserts the combination of Romano and Kolatay together against dependent claims 12, 23-25, 29, 36 and 43. (Mot. ¶¶ 4, 9-10.) As the Board recognized in *Samsung* in granting joinder, there is a "strong[] … public interest in having consistency of outcome concerning similar sets of claimed subject matter and prior art." *Samsung*, at 18 (emphasis added). The same holds true here, where

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