Paper 9

Entered: February 26, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE INC., Petitioner,

v.

TLI COMMUNICATIONS LLC, Patent Owner.

Case IPR2015-00283 Patent 6,038,295

Before JAMESON LEE, BART A. GERSTENBLITH, and JO-ANNE M. KOKOSKI, *Administrative Patent Judges*.

KOKOSKI, Administrative Patent Judge.

ORDER Conduct of the Proceeding 37 C.F.R. § 42.5



At the request of counsel for Patent Owner, a telephone conference was held on February 19, 2015, among respective counsel for Petitioner and Patent Owner, and Judges Lee, Gerstenblith, and Kokoski. The purpose of the call was Patent Owner's request for authorization to file a motion to stay the proceeding. We have not yet instituted trial. Petitioner seeks *inter partes* review of claims 17–24 of U.S. Patent No. 6,038,295 ("the '295 patent"). Paper 6. The Notice of Filing Date Accorded Petition issued on December 5, 2014 (Paper 3), and Patent Owner's Preliminary Response is due by March 5, 2015. The request is *denied*.

On February 6, 2015, the United States District Court for the Eastern District of Virginia, in *In re: TLI Communications LLC Patent Litigation*, MDL No. 1:14md2534, granted defendants' consolidated motion to dismiss on the grounds that (1) claims 1–26 of the '295 patent are invalid under 35 U.S.C. § 101, and (2) claims 1 and 25 of the '295 patent are indefinite under 35 U.S.C. § 112(f). Patent Owner filed a copy of that decision on February 19, 2015. Ex. 2001.

Patent Owner advised the Board that the District Court's decision is being appealed to the United States Court of Appeals for the Federal Circuit, and Patent Owner estimates that the Federal Circuit could render a decision on the appeal by January 2016. Patent Owner argues that the Federal Circuit's decision would be dispositive if the Federal Circuit affirms the District Court's decision that the claims are invalid under § 101. Patent Owner requests authorization to file a motion to stay this proceeding until the Federal Circuit decides the appeal.

Petitioner responds that Patent Owner is requesting an open-ended stay because it is unknown when the Federal Circuit would decide the



appeal. Petitioner also notes that there is no overlap in the issues between the appeal and this proceeding, where Petitioner is challenging claims 17–24 on obviousness grounds that were not part of the District Court's ruling.

An important consideration in determining whether to stay a proceeding is that, absent good cause shown, the proceeding must be completed within one year of institution. 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c). When exercising our discretion, we are mindful that patent trial statutes and regulations, including those directed to staying a proceeding, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. *See* 35 U.S.C. § 316(b); 37 C.F.R. § 42.100(c). As the moving party, Patent Owner has the burden of proof to establish that it is entitled to the requested relief. 37 C.F.R. § 42.20(c).

A stay generally is undesirable because it lengthens the pendency of the proceeding, as "[a]ny modification of times will take any applicable statutory pendency goals into account." 37 C.F.R. § 42.5(c)(1). Even though a preliminary response has not been filed and a trial has not been instituted, a stay would delay the institution of trial if one is to be instituted, and, thus, also delay the completion of the overall proceeding. The preliminary proceeding, occurring prior to the institution of trial, is a part of the overall proceeding. A stay for an indefinite period entered during the preliminary proceeding would affect the applicable pendency goals should trial be instituted, and would contravene our mandate to secure the just, speedy, and inexpensive resolution of this proceeding. *See* 35 U.S.C. § 316(b); 37 C.F.R. § 42.100(c).

We agree with Petitioner that there is no guarantee that the appeal will be decided by January 2016, and Patent Owner acknowledges that this is just



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an estimate. Furthermore, there is no overlap between the obviousness grounds asserted in the Petition and the issues in the appeal.

Under the circumstances, Patent Owner has failed to persuade us that there is sufficient evidence of good cause to justify authorizing a motion to stay the proceeding.

It is therefore

ORDERED that Patent Owner's request for authorization to file a motion to stay this proceeding is *denied*.

PETITIONER:

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