

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LUMENTUM HOLDINGS, INC., LUMENTUM, INC., and
LUMENTUM OPERATIONS LLC
Petitioner

v.

CAPELLA PHOTONICS, INC.
Patent Owner

Case IPR2015-00731
Patent RE42,368

PATENT OWNER'S MOTION TO TERMINATE

Mail Stop "Patent Board"
Patent Trial and Appeal Board
U.S. Patent & Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

TABLE OF CONTENTS

I. INTRODUCTION..... 1

II. PETITIONER’S FAILURE TO MEET STATUTORY REQUIREMENTS
REQUIRES TERMINATION. 1

 1. The petition did not meet the statutory requirements of 35 U.S.C. §
 312(a)(2). 1

 2. The petition is no longer correctable. 3

 3. JDSU-customer defendants in the district court litigation were privies of
 indemnifier JDSU, triggering a § 315(b) bar under *GE v Transdata*..... 4

III. THE BOARD’S STATED CONCERNS ARE NOT DISPOSITIVE. 5

 1. Even if the proper RPI was identified on the day the petition was filed, this
 is not dispositive. 6

 2. Even if evidence suggests that Petitioner identified the proper real parties-
 in-interest at some point during the proceeding, this is also not dispositive. 7

 3. The *Elekta* case is distinguishable from this case because in that case the §
 312(a) issue was addressed pre-institution. 8

IV. THE MAJORITY DECISION IN *ELEKTA* IS NOT CONTROLLING AND
IS INCONSISTENT WITH OTHER BOARD DECISIONS; MOREOVER THE
DISSENTING OPINION WARNED AGAINST THE GAMESMANSHIP IN
THE INSTANT CASE. 9

 1. *Elekta* is inconsistent with other Board decisions. 9

 2. This instant case would result in the realization of *Elekta* dissenting Judge
 Boucher’s warning of gamesmanship. 10

 a) In his partial dissent in *Elekta*, Judge Boucher warned of the dangers of
 allowing incorrect RPI to be corrected without consequences notwithstanding
 the rules. 10

 b) Late correction of RPI without consequence is the exact gamesmanship
 likely at play in the instant proceeding. 10

 c) The Board’s discretion should only be extended in exceptional cases – not
 here where Petitioner used gamesmanship to obtain institution..... 12

V. RELIEF REQUESTED 12

I. INTRODUCTION

On February 5, 2016, the Board authorized Capella to file a Motion to Terminate to further explain the Board's lack of jurisdiction to institute *inter partes* review in this proceeding. *See* Order, Paper 31. Capella argues that Petitioner failed to meet its statutory requirements under § 312(a)(2) and that the petition was incomplete. Since the Board should not have considered the petition when it instituted review, this proceeding should be terminated.

II. PETITIONER'S FAILURE TO MEET STATUTORY REQUIREMENTS REQUIRES TERMINATION.

1. The petition did not meet the statutory requirements of 35 U.S.C. § 312(a)(2).

The Patent Trial and Appeal Board may only consider a petition for *inter partes* review if the petition meets certain statutory requirements, including identification of all real parties-in-interest. 35 U.S.C. § 312(a)(2). Further, PTAB rules require that petitioners file and timely update mandatory notices that “[i]dentify each real party-in-interest for the party.” 37 C.F.R. § 42.8. The Board has dismissed or terminated proceedings where the petition was incomplete and should not have been considered. *See Atlanta Gas Light Company v. Bennett Regulator Guards, Inc.* IPR2013-00453, Paper 88 (P.T.A.B., Jan. 6, 2015).

Petitioner filed this petition on February 13, 2015 and identified the RPI as only JDS Uniphase Corporation. Petition at 1. On July 31, 2015, JDSU transferred its interest in the instant action to Lumentum Operations LLC, an entity owned by

a subsidiary of Lumentum Holdings Inc. On the same day, JDSU became Viavi Solutions. Under 37 C.F.R. § 42.8, JDSU had 21 days to inform the Board of the change in RPI. On August 25, 2105, under the false belief that JDSU was still the correct RPI, the Board instituted trial. After the Board instituted trial and 25 days after the deadline to file an updated mandatory notice, Petitioner finally notified the Board of the RPI change, on September 15, 2015.

Petitioner contends that it has complied with § 312(a) because “[§]312(a) requires [only] that the petition identify the real parties in interest at the time of filing.” Ex. 2035, 26:11-14. This interpretation is inconsistent with the language of the statute and PTAB practices. The petition must identify the RPI for it to be considered, and consideration does not occur at the moment of filing. Rather, when terminating proceedings, the Board has made clear that consideration takes place “at the time of institution.” See *Corning Optical Communications RF, LLC, v. PPC Broadband, Inc.*, IPR2014-00440, Paper 68 at 25 (P.T.A.B., Aug. 18, 2015)(terminating proceedings, stating the Board “cannot consider the Petitions, and should not have considered them at the time of institution”); see also *Medtronic v. Robert Bosch Healthcare Systems, Inc.*, IPR2014-00488, Paper 52 at 19 (PTAB March 16, 2015). The instant case exemplifies why Petitioner’s interpretation of the statute is nonsensical—between the time a petition is filed and when the Board renders a decision to institute various events could occur that

might change key facts of a case, including the RPIs. Identifying the RPI solely at the time of filing and failing to timely update mandatory notices is insufficient and opens the door to gamesmanship and obfuscation.

Petitioner confuses the Board's initial presumptions of the petition with the statutory requirements. While the Board generally accepts the petitioner's identification of RPI *at the time of filing* the petition, this is merely a rebuttable presumption—one that is not only refutable, but also does not relieve the petitioner of its obligation to update the Board if there are any changes to the RPI. 77 Fed. Reg. 48612, 48695 (Aug. 14, 2012); 37 C.F.R. § 42.8. If § 312(a)(2) meant that the petitioner only needed to identify the RPI at filing, there would be no purpose to the rules on updating mandatory notices.

2. The petition is no longer correctable.

When a petition is incomplete, the corrected petition must be assigned a new filing date. 37 C.F.R. § 42.106(b). But the law is unclear if a petition can be amended under § 42.106 *post*-institution. *See Atlanta Gas Light*, IPR2013-00453, Paper 88 at 13; *see also Askeladden LLC v. Sean I. McGhie and Brian Buccheit*, IPR2015-00122, Paper 16 at 5 (P.T.A.B., Feb. 17, 2015) (“Correcting a petition after institution may not be feasible.”). Particularly where, as here, the Petitioner had the opportunity to correct the petition prior to the statutory deadline for institution, but elected not to do so, the petition cannot be amended under §

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.