

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 E

Before JOSIAH C. COCKS, KALYAN K. DESHPANDE, and
JAMES A. TARTAL, *Administrative Patent Judges*.

TARTAL, *Administrative Patent Judge*.

DECISION
Motion to Terminate
37 C.F.R. § 42.71(a)

Patent Owner Capella Photonics, Inc. was authorized to file a motion to terminate “limited only to Patent Owner’s contention that the Board lacked jurisdiction to institute *inter partes* review in this proceeding.” Paper 32, 5. Patent Owner filed a Motion to Terminate, and, as the moving party, it has the burden of proof to establish that it is entitled to the requested relief, here, termination of the proceeding. Paper 36 (“Motion” or “Mot.”), *see also* 37 C.F.R. § 42.21(c). Upon consideration of Patent Owner’s arguments, for the reasons discussed below, the Motion is *denied*.

As we have explained previously in this case:

By way of background, the Petition was filed on February 13, 2015, and identified JDS Uniphase Corporation (“JDSU”) as the real party-in-interest. Paper 1, 1. During late July and early August, 2015, as part of a reorganization JDSU was renamed Viavi Solutions Inc. (“Viavi”). Additionally, certain assets and obligations associated with communications and commercial optical products were spun out to Lumentum Holdings Inc., Lumentum, Inc. and Lumentum Operations LLC. Paper 22, 1–5; Ex. 1037 (stating that pursuant to a series of agreements entered July 31, 2015, Viavi transferred certain business segments to Lumentum Holdings Inc. pursuant to a distribution effective August 1, 2016.)

On August 25, 2015, a decision instituting trial in this proceeding was entered. [Paper 8.] On September 15, 2015, an updated mandatory notice was filed stating that as a result of a reorganization involving JDSU, the real parties-in-interest to this proceeding are now Lumentum Holdings Inc., Lumentum, Inc. and Lumentum Operations LLC. [Paper 11.] Petitioner’s updated mandatory notice was not filed within 21 days of the change in name of the real parties-in-interest, as required by 37 C.F.R. §42.8(a)(3). On January 15, 2016, we conducted a teleconference with the parties in response to a request by Petitioner to re-caption the proceeding to reflect the change in name of the real parties-in-interest. During that call we

authorized Petitioner to file a motion to re-caption the proceeding, and accepted Petitioner's late-filing of the updated mandatory notice. *See* 37 C.F.R. §42.5(c)(3). On January 22, 2016, Petitioner filed a Motion to Re-Caption the Proceeding (the "Motion"). Paper 22. Patent Owner did not oppose the Motion. The Motion was granted on January 29, 2016. Paper 28. During the teleconference on February 2, 2016, Patent Owner conceded that it has no evidence to dispute the identification of the real parties-in-interest provided by Petitioner.

Paper 32, 2–3.

Patent Owner contends that "Petitioner failed to meet its statutory requirements under § 312(a)(2) and that the petition was incomplete," and reasons that "[s]ince the Board should not have considered the petition when it instituted review, this proceeding should be terminated." Mot. 1. We disagree.

The statutory provision at issue, 35 U.S.C. § 312(a), states:

A petition filed under section 311 may be considered only if-

(1) the petition is accompanied by payment of the fee established by the Director under section 311;

(2) the petition identifies all real parties in interest;

(3) the petition identifies, in writing and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim, including-

(A) copies of patents and printed publications that the petitioner relies upon in support of the petition; and

(B) affidavits or declarations of supporting evidence and opinions, if the petitioner relies on expert opinions;

(4) the petition provides such other information as the Director may require by regulation; and

(5) the petitioner provides copies of any of the documents required under paragraphs (2), (3), and (4) to the patent owner

or, if applicable, the designated representative of the patent owner.

Contrary to Patent Owner's argument that under § 312(a)(2) the Board lacked jurisdiction to institute *inter partes* review in this proceeding, Patent Owner has not shown that § 312(a) is jurisdictional. In *Elekta, Inc. v. Varian Medical Systems, Inc.*, IPR2015-01401, slip op. 5–8, (December 31, 2015) (Paper 19) (“*Elekta*”), the decision explained, and we agree, that:

The [Supreme] Court has “adopted a readily administrable bright line for determining whether to classify a statutory limitation as jurisdictional.” *Sebelius v. Auburn Reg'l Med. Ctr.*, 133 S. Ct. [817,] 824 [(2013)] (internal quotation marks omitted). That determination turns on “whether Congress has clearly stated that the rule is jurisdictional; absent such a clear statement, . . . courts should treat the restriction as nonjurisdictional in character.” *Id.* (internal quotation marks and alteration omitted). Section 312(a)'s emphatic “may be considered only if” language does not make those requirements jurisdictional. *See Henderson [ex rel. Henderson v. Shinseki]*, 562 U.S. [428,] [] 439 [(2011)] (“[W]e have rejected the notion that all mandatory prescriptions, *however emphatic*, are properly typed jurisdictional.”) (internal quotation marks and alterations omitted, emphasis added). Because Congress has not clearly stated that it is jurisdictional, we treat § 312(a) as nonjurisdictional in character. In particular, § 312(a)'s “Requirements of the Petition” are “[a]mong the types of rules that should not be described as jurisdictional” because they are “‘claim-processing rules’ . . . that seek to promote the orderly progress of litigation by requiring that the parties take certain procedural steps at certain specified times.” *Henderson*, 562 U.S. at 435; *see id.* at 438 (holding that a statutory notice of appeal deadline required “[i]n order to obtain review by the Court of Appeals for Veterans Claims” was not jurisdictional); *see also Achates Reference Publ'g, Inc. v. Apple Inc.*, 803 F.3d 652, 658 (Fed. Cir. 2015) (holding that the § 315(b) time-bar does not implicate the Board's jurisdiction because the time bar “does not itself give the Board the power to invalidate a patent”).

Simply stated, § 312(a) sets forth requirements that must be satisfied for the Board to give consideration to a petition, however, a lapse in compliance with those requirements does not deprive the Board of jurisdiction over the proceeding, or preclude the Board from permitting such lapse to be rectified. Applying Patent Owner's contrary logic that § 312(a) is jurisdictional would lead to absurd results. For example, if § 312(a) were jurisdictional, a patent owner could show at the conclusion of trial that a petitioner failed to attach to the petition a copy of a patent "relied upon in support of the petition," as required by § 312(a)(3)(A), and we would have no choice but to terminate the proceeding. Such a result contrary to the interests of justice weighs heavily against Patent Owner's contention that § 312(a) is jurisdictional.

The Board's rules further make clear that jurisdiction is not "lost" the moment a petition no longer identifies "all real parties in interest," as required by § 312(a)(2), because it is apparent readily that over the course of a trial the identity of a real party in interest may change. Accordingly, 37 C.F.R. §42.8(a)(3) allows a party 21 days to provide the Board notice of a change in its identification of the real parties-in-interest, without the loss of "jurisdiction" over the proceeding.

Patent Owner provides no argument in its Motion to undermine the determination in *Elekta*, with which we agree, that § 312(a) is not jurisdictional. Patent Owner contends that *Elekta* is "distinguishable" because in that case the "Board was able to consider the new RPI listed in the mandatory notice before it instituted review," is "not controlling" (as it is not a precedential decision), and "is inconsistent with many other Board

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