

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

BIO-RAD LABORATORIES, INC.,

Petitioner

v.

CALIFORNIA INSTITUTE OF TECHNOLOGY,

Patent Owner

---

Case Number: IPR2015-00009

U.S. Patent No. 7,294,503 B2

---

**FLUIDIGM CORPORATION'S RESPONSE TO  
THE ORDER TO SHOW CAUSE**

NeoChord v. Univ of Maryland  
IPR2016-00208  
NeoChord Exhibit 1017

## I. INTRODUCTION

On October 23, 2014, Fluidigm Corporation (“Fluidigm”) submitted a Mandatory Notice that it was the real-party-in interest. Having received no objection from the Petitioner or the Board, Fluidigm filed a Preliminary Response on January 27, 2015. On March 6, 2015, the Board issued an Order stating “[t]he current record in each of these proceedings includes no evidence to support the assertion that Fluidigm is an exclusive licensee with all substantial rights to the ’503 and ’539 patents, including the right under § 313 to file the Preliminary Response, or otherwise participate, in these proceedings.” Order at 4. Accordingly, the Board ordered Fluidigm to show cause why it is entitled to “stand in the shoes of the Patent Owner in these proceedings” and file a preliminary response. *Id.*

Submitted with this Response is the exclusive license agreement between California Institute of Technology (“Patent Owner” or “Caltech”) and Fluidigm relating to the ’503 patent. *See* Exh. 2003 (the “License Agreement”); *see also* Exh. 2009 (redacted version of the License Agreement).<sup>1</sup> Under the License

---

<sup>1</sup> A redacted version of the License Agreement was also previously submitted as a public document to the Securities and Exchange Commission (“the SEC”) by Fluidigm. *See*

<http://www.sec.gov/Archives/edgar/data/1162194/000119312510273807/dex105.htm>. The redactions in Exhibit 2009 are identical to those submitted to the SEC

Agreement, Fluidigm obtained “an exclusive license” to the ’503 patent for the life of the patent, and has the sole right to enforce, defend, and sublicense the ’503 patent. *Id.* Fluidigm therefore has “all substantial rights” under the ’503 patent, both for standing under the Federal Circuit’s case law and under the PTO’s “real-party-in-interest” rules. For that reason, the Board should permit Fluidigm to participate in these proceedings in place of Patent Owner.

## II. DISCUSSION

As the Board observes, Federal Circuit cases hold that an exclusive licensee with all substantial rights is the “effective patentee,” and thus meets the constitutional standing requirement to sue in its own name in Federal Court without mandatory joinder of the named patentee. Order at 3, *citing Sicom Sys. Ltd. V. Agilent Techs., Inc.*, 427 F.3d 971, 976 (Fed. Cir. 2005) and *Prima Tek II, L.L.C. v. A-Roo Co.*, 222 F.3d 1372, 1377 (Fed. Cir. 2000).

Likewise, “the Board will apply traditional common-law principles in determining the real party-in-interest.” *Motorola Mobility LLC v. Arnouse*, IPR2013-00010, Paper No. 27 at 3 (Apr. 5, 2013), *citing* Fed. Reg., Vol. 77 No. 157 (Aug. 14, 2012) at 48759. In determining the real party-in-interest when a patent has been licensed, the Board applies the Federal Circuit’s guidance as to  

---

except that the identification of the relevant applications on page 40 are also unredacted in Exhibit 2009.

standing. *Id.*, citing *Sicom*, 427 F.3d 971; *Prima Tek*, 222 F.3d 1372. As the Board in *Motorola* held, an exclusive licensee with all substantial rights – and **not** the Patent Owner – “is the entity with the right to participate in proceedings before the Office.” *Id.* at 5; see also *Motorola Mobility LLC v. Arnouse*, IPR2013-00010, Paper No. 30 at 6 (Apr. 19, 2013). Here, Fluidigm is the exclusive licensee with “all substantial rights” in the ’503 patent, in accordance with the Federal Circuit’s holdings in *Sicom* and *Prima Tek II* and the Board’s *Motorola Mobility* decisions. Therefore, Fluidigm (and not the Patent Owner) “is the entity with the right to participate in proceedings before the Office.”

Specifically, the License Agreement defines “Licensed Patents” as:

[T]he patent applications listed in Exhibit A hereto; any patents issuing on such patent applications, all divisionals, continuations, continuations-in-part, patents of addition, substitutions, registrations, reissues, reexaminations or extensions of any kind with respect to any of the existing patents and any foreign counterparts of such patent applications and patents, and Improvements.

Exh. 2003 and 2009 at § 1.5. Exhibit A to the License Agreement specifically lists application serial numbers 60/233,037, 60/246,793, and 09/953,103 – the applications that led to the ’503 patent. Exh. 2003 and 2009 at p. 40; Exh. 2004 and 2010 at p. 7. Therefore, the ’503 patent is a Licensed Patent.

The License Agreement grants Fluidigm exclusive rights under the ’503

patent:

2.1 Caltech hereby grants to [Fluidigm] an exclusive, royalty-bearing, worldwide license, with the right to grant and authorize sublicenses, under the Licensed Patents and Technology to make, have made, use, import, offer for sale and sell Licensed Products, practice any method or procedure and otherwise exploit the Licensed Patents and Technology.

Exh. 2003 and 2009 at § 2.1 (underlining added). Under § 2.1, Fluidigm has exclusive license rights commensurate in scope with the Licensed Patents, including the '503 patent.<sup>2</sup> The exclusive license for the '503 patent is for the life of the patent. *See* Exh. 2003 and 2009 at § 12.1. Also under § 2.1, Fluidigm has the right to grant sublicenses, which the Federal Circuit has noted is an important consideration in determining whether a license agreement transfers all substantial rights. *Prima Tek II*, 222 F.3d at 1380.

Moreover, § 7.1 provides that Fluidigm, “upon notice to Caltech, shall have

---

<sup>2</sup> The limited retained rights under § 2.2 by Caltech “to make, have made, and use” licensed products for noncommercial education and research purposes, but not for sale or distribution to third parties, and the U.S. Government’s limited retained rights (if any) for inventions made with federal assistance, are insufficient to defeat Fluidigm’s exclusive and substantial rights. *See WiAV Solutions LLC v. Motorola*, 631 F.3d 1257, 1266 (Fed. Cir. 2010).

# 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.