

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARTHREX, INC. and SMITH & NEPHEW, INC.,
Petitioner,

v.

VITE TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2016-00382
Patent 6,168,598 B1

Before WILLIAM V. SAINDON, BARRY L. GROSSMAN, and
TIMOTHY J. GOODSON, *Administrative Patent Judges*.

GOODSON, *Administrative Patent Judge*.

ORDER
Denying Second Request for Adverse Judgment
37 C.F.R. § 42.73

On June 28, 2016, we instituted this *inter partes* review of claims 21, 25–27, 29, 30, 38, and 39 of U.S. Patent No. 6,168,598 B1 (“the ’598 patent”). Paper 7. On October 17, 2016, Patent Owner filed a Request for Adverse Judgment Under 37 C.F.R. § 42.73(b). Paper 10 (“First Request”). Patent Owner’s First Request noted that the ’598 patent is the subject of an *ex parte* reexamination proceeding, in which “the majority of the original claims at issue in the present proceeding” have been rejected. *Id.* at 1. In the First Request, Patent Owner “ask[ed] that the Board cancel the only claims remaining in this proceeding (claims 21, 25–27, 29, 30, 38, and 39) and enter adverse judgment against it ***without prejudice to its ability to proceed with the ex parte reexaminations of the patents, including continuing prosecution of the claims currently pending there.***” *Id.* (emphasis added).

In ruling on the First Request, we observed that the language emphasized above conditioned the First Request on the adverse judgment being without prejudice to other claims not at issue in this proceeding. Paper 11, 2. We noted the explanation provided in a previous Board decision that “[w]e cannot make a determination regarding claims not involved in this *inter partes* review. A request for adverse judgment should not be made with conditions imposed on what effects it should or should not have on other claims.” *Id.* (quoting *Hyundai Motor Co. v. American Vehicular Sciences LLC*, Case IPR2014-00657, slip op. at 2 (PTAB Feb. 9, 2015) (Paper 16)). Accordingly, we denied Patent Owner’s First Request “without prejudice to Patent Owner refiling its request without any

conditional language that seeks to limit the impact of the entry of adverse judgment.” *Id.*

On October 24, 2016, Patent Owner filed a second paper entitled “Patent Owner’s Request for Adverse Judgment Under 37 C.F.R. § 42.73(b).” Paper 12 (“Second Request”). The Second Request omits the language from the First Request that is emphasized above, but includes the following footnote: “Vite makes this request without waiving what rights Vite has to proceed with reexamination of U.S. Patent No. 6,168,598 and understands that the PTAB is not deciding the scope of those rights in entering an adverse judgment.” *Id.* at 2, n.1.

The Second Request presents the same problem as the First Request, in that it attempts to impose limits on the adverse judgment and, therefore, introduces confusion into the effect that an adverse judgment would have. Specifically, the Second Request suggests that an adverse judgment would impose no barrier to whatever rights Patent Owner chooses to seek in the reexamination proceeding. However, one of the consequences of an adverse judgment is that “[a] patent applicant or owner is precluded from taking action inconsistent with the adverse judgment, including obtaining in any patent: (i) A claim that is not patentably distinct from a finally refused or canceled claim. . . .” 37 C.F.R. § 42.73(d)(3). Therefore, in this case, an adverse judgment would preclude Patent Owner from obtaining in the reexamination proceeding claim scope that is not patentably distinct from any of claims 21, 25–27, 29, 30, 38, and 39. In that sense, it is potentially misleading for the Second Request to state that “PTAB is not deciding the scope of those rights [i.e., the rights being pursued in the reexamination] in

entering an adverse judgment.” Paper 12, 1.¹ Patent Owner’s attempt to characterize what the PTAB is or is not deciding is misleading because if we enter adverse judgment, that judgment would, in fact, decide the scope of rights available to Patent Owner during its reexamination. An adverse judgment brings with it certain consequences that are defined by the Board’s rules. *See* 37 C.F.R. § 42.73. It is inappropriate for a request for adverse judgment to include language that seeks to alter, recharacterize, or put a gloss on those consequences.

For the foregoing reasons, we deny Patent Owner’s Second Request. Patent Owner may refile its request without language that seeks to limit the impact of the entry of adverse judgment.

It is:

ORDERED that Patent Owner’s request for entry of adverse judgment is *denied*; and

FURTHER ORDERED that Patent Owner may refile its request in a form that complies with the instructions set forth above.

¹ The claims that Patent Owner is seeking in the reexamination are not before us. This Order should not be interpreted as making any determination as to whether any of the reexamination claims are or are not patentably distinct from any of claims 21, 25–27, 29, 30, 38, and 39.

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