

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HARVEST TRADING GROUP, INC.,
Petitioner,

v.

VIREO SYSTEMS, INC.,
Patent Owner.¹

Case IPR2016-00945 (Patent 8,354,450 B2)
Case IPR2016-00947 (Patent 8,962,685 B2)²

Before JACQUELINE WRIGHT BONILLA, MICHAEL J. FITZPATRICK,
and ZHENYU YANG, *Administrative Patent Judges*.

FITZPATRICK, *Administrative Patent Judge*.

DECISION
Motion to Act to the Exclusion of a Co-Owner
37 C.F.R. § 42.9(b)

¹ Vireo Systems, Inc. is the only patent owner who has filed mandatory notices.

² This Decision employs a joint caption, as it is being entered in both matters. The parties may not use a joint caption unless authorized.

IPR2016-00945 (Patent 8,354,450 B2)

IPR2016-00947 (Patent 8,962,685 B2)

Petitioner, Harvest Trading Group, Inc., filed Petitions to institute *inter partes* reviews of claims of U.S. Patent Nos. 8,354,450 B2 and 8,962,685 B2.

Vireo Systems, Inc. (“Vireo”), who identifies itself as a co-owner of each patent, filed a power of attorney in both matters. IPR2016-00945, Paper 5; IPR2016-00947, Paper 4. In both matters, Vireo also filed a Motion, pursuant to 37 C.F.R. § 42.9(b), “to act to the exclusion of patent co-owner, Board of Regents of the University of Nebraska (‘University’) and UNeMed Corporation (‘UNeMed’), as holder of all of University’s substantial rights” in the challenged patents. IPR2016-00945, Paper 6; IPR2016-00947, Paper 6. On August 12, 2016, a conference call was held to discuss the Motions.

Rule 42.9(b) provides:

An owner of a part interest in the subject patent may move to act to the exclusion of an inventor or a co-owner. The motion must show the inability or refusal of an inventor or co-owner to prosecute the proceeding or other cause why it is in the interests of justice to permit the owner of a part interest to act in the trial. In granting the motion, the Board may set conditions on the actions of the parties.

37 C.F.R. § 42.9(b).

Vireo’s Motions do not demonstrate inability or refusal by either University or UNeMed to prosecute the proceeding and do not otherwise show why granting the Motions would be in the interests of justice.

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The Motions are supported by a declaration from Michael Dixon appended to each Motion as “Exhibit A.”³ However, Mr. Dixon offer his testimony only on behalf of UNeMed and not on behalf of University. *See, e.g.*, IPR2016-00945, Paper 6 at “Exhibit A” ¶ 2.

In most relevant part, he testifies:

6. UNeMed voluntarily consents to Vireo prosecuting IPR proceedings IPR2016-00945 and IPR2016-00947, filed by Harvest Trading Group, Inc. against Vireo and UNeMed, to the exclusion of UNeMed.

7. UNeMed believes that its interests will be adequately represented by Vireo, and that Vireo acting to the exclusion of UNeMed in IPR proceedings IPR2016-00945 and IPR2016-00947 is in the interests of justice and efficiency.

Id. at ¶¶ 6–7. This testimony does not establish that UNeMed (let alone University) is unable to participate or that it refuses to participate. Nor does this testimony explain how proceeding without UNeMed (or University) is in the interests of justice. The testimony demonstrates a preference by UNeMed to not participate, but not an inability or refusal to do so.

Vireo’s Motions are denied without prejudice. Any new motion Vireo wishes to file under 37 C.F.R. § 42.9(b) should offer sufficient evidence and

³ Evidence must not be submitted as a paper, or as part of a paper. *See* 37 C.F.R. § 42.63(a) (“All evidence must be filed in the form of an exhibit.”). Additionally, exhibits must be numbered in compliance with 37 C.F.R. § 42.63(c) (“Each party’s exhibits must be uniquely numbered sequentially in a range the Board specifies. For the petitioner, the range is 1001–1999, and for the patent owner, the range is 2001–2999.”).

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argument that any co-owner sought to be excluded is unable or refusing to participate, or that it is in the interests of justice to so exclude such co-owner.

Alternatively, and as discussed during the conference call, it may be more practical for each co-owner to file mandatory notices pursuant to 37 C.F.R. § 42.8 and a power of attorney pursuant to 37 C.F.R. § 42.10. Thereafter, any such co-owner need not file its own substantive papers and evidence, instead relying on Vireo to advance its interests with respect to the patents.

Accordingly, it is

ORDERED that Vireo's Motions, filed pursuant to 37 C.F.R. § 42.9(b), (i.e., Paper 6 in each matter) are denied without prejudice; and

FURTHER ORDERED that Vireo may file a new motion pursuant to 37 C.F.R. § 42.9(b) in each matter on or before August 26, 2016.

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