

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RUBICON COMMUNICATIONS, LP,
Petitioner,

v.

LEGO A/S,
Patent Owner.

Case IPR2016-01187
Patent 8,894,066 B2

Before SCOTT A. DANIELS, NEIL T. POWELL, and
TIMOTHY J. GOODSON, *Administrative Patent Judges*.

POWELL, *Administrative Patent Judge*.

DECISION
GRANTING MOTION TO CORRECT RPI
37 C.F.R. § 42.5

I. Background

On June 10, 2016, Petitioner filed a Petition requesting an *inter partes* review of claims 1–8 of U.S. Patent No. 8,894,066 B2. Paper 1 (“Petition” or “Pet.”). On November 28, pursuant to our authorization, Petitioner filed a Motion to Correct Clerical Mistake Under 37 C.F.R. § 42.104(c). Paper 30 (“Motion” or “Mot.”). Patent Owner filed an Opposition to Petitioner’s Motion to Correct Clerical Mistake Under C.F.R. § 42.104(c). Paper 33 (“Opposition” or “Opp.”).

The Motion seeks to file a corrected petition that lists Smallworks, LLC as a real party-in-interest. Mot. 8. Petitioner asserts that Chris Thompson prepared the Petition and mistakenly omitted Smallworks, LLC from the section of the Petition that expressly identified the real parties-in-interest. *Id.* at 9. Petitioner advances that Mr. Thompson “had minimal involvement with the Lawsuit filed by Patent Owner against Rubicon Communications LP in May 2015, limited to working on invalidity contentions.” *Id.* Petitioner asserts that when he prepared the Petition, Mr. Thompson looked to the original complaint filed by Patent Owner to identify the real parties-in-interest, overlooking that Smallworks, LLC had been added as a named defendant. *Id.* Petitioner argues that Mr. Thompson’s mistake was clerical. *Id.*

Petitioner further argues that the omission of Smallworks, LLC and the requested relief of correcting the Petition to list Smallworks, LLC as a real party-in-interest do not prejudice Patent Owner. *Id.* at 10–11. Petitioner asserts that “Patent Owner was not surprised, disadvantaged or prejudiced in any way by the omission of Smallworks LLC,” and that “[n]o harm will come to Patent Owner if the correction is allowed.” Petitioner further notes that “under 37 CFR § 42.5, the Board may determine a proper course of

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conduct in a proceeding for any situation not specifically covered under the Rules, or waive or suspend a requirement of parts 1, 41, and 42 (with or without conditions).” *Id.* at 10.

Patent Owner argues that Mr. Thompson’s mistake was not clerical. Opp. 9–12. Patent Owner argues that Mr. Thompson overlooked the listing of Smallworks, LLC as a named defendant in at least a dozen pleadings, “including the invalidity contentions themselves.” *Id.* at 9. Rather than making a clerical error, Patent Owner argues, “Petitioner lacked substantive understanding of the rules, substantive understanding of the facts, or both.” *Id.* at 11.

Patent Owner also argues that “Petitioner’s claim that the Patent Owner is not prejudiced is demonstrably false.” *Id.* at 12. In support of this contention, Patent Owner argues that “Petitioner continues to hide at least one real party in interest,” other than Smallworks, LLC. *Id.* Patent Owner argues that Petitioner’s pleadings in the related district court proceeding inconsistently identify the involved parties, presenting a “moving target” for Patent Owner. *Id.* at 13.

II. Discussion

Pursuant to 35 U.S.C. § 312(a)(2), “[a] petition filed under Section 311 may be considered only if . . . the petition identifies all real parties in interest.” As Patent Owner asserts, “[w]hile not jurisdictional, listing all real parties in interest in a petition has been described as a significant issue due to its implications in, among others, 35 U.S.C. § 315(e)’s estoppel effect.” Opp. 9 (citing *Zoll Lifecor Corp. v. Philips Elecs. N. Am. Corp.*, Case IPR2013-00606, slip op. at 7–8 (PTAB Mar. 20, 2014) (Paper 13)).

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Under 37 C.F.R. § 42.104(c), provides that “[a] motion may be filed that seeks to correct a clerical or typographical mistake in the petition. The grant of such a motion does not change the filing date of the petition.”

The filing date for a petition is addressed by 37 C.F.R. § 42.106. Subsection (a) states “[a] petition to institute *inter partes* review will not be accorded a filing date” until it satisfies a number of requirements, which include identifying each real party-in-interest. § 42.106(a); *see* §§ 42.104, 42.8(b)(1). Subsection (b) states “[w]here a party files an incomplete petition, no filing date will be accorded.” Section 42.106 does not, however, foreclose the Board’s discretion to maintain a petition’s original filing date when a party amends its real party-in-interest disclosures because, under § 42.5(b), “[t]he Board may waive or suspend” § 42.106’s filing date provisions and “may place conditions on the waiver or suspension.”

Our Trial Practice Guide describes the “core functions” of the real party-in-interest requirement as:

to assist members of the Board in identifying potential conflicts, and to assure proper application of the statutory estoppel provisions. The latter, in turn, seeks to protect patent owners from harassment via successive petitions by the same or related parties, to prevent parties from having a “second bite at the apple,” and to protect the integrity of both the USPTO and Federal Courts by assuring that all issues are promptly raised and vetted.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012).

Regarding the question of whether the omission of Smallworks, LLC was a clerical mistake, we find Patent Owner’s arguments more persuasive than Petitioners. On the other hand, regarding the issue of whether the omission and the requested correction prejudice Patent Owner, we find

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Petitioner's arguments more persuasive. At this stage, neither party is seeking relief based on any omission of real parties-in-interest other than Smallworks, LLC. More importantly, any failure of Petitioner to list other real parties-in-interest does not persuade us that Patent Owner suffers any prejudice from the omission or the addition of Smallworks, LLC as a real party-in-interest.

On the current record, we are not persuaded that Petitioner has attempted to circumvent estoppel rules, or that Patent Owner has yet suffered any prejudice from the omission of Smallworks, LLC as a real party-in-interest. In view of this, we determine that allowing the requested correction would be in the interests of justice and would advance the core functions described in the Trial Practice Guide for the real party-in-interest requirement. Additionally, we determine that allowing the requested correction would also promote "the just, speedy, and inexpensive resolution of our proceedings." 37 C.F.R. § 42.1. Accordingly, we exercise our discretion to allow Petitioner to file a corrected Petition listing Smallworks, LLC as a real party-in-interest, without changing the June 10, 2016 filing date of the Petition. *See* 37 C.F.R. §§ 42.5(b), (c)(3). The corrected Petition shall differ from the original Petition only in the addition of Smallworks, LLC as a real party-in-interest.

At the same time, we reiterate that listing all real parties-in-interest constitutes a significant issue. Accordingly, neither this Decision nor our concurrent institution of a trial forecloses further consideration of whether the Petitioner has correctly identified all real parties-in-interest. To the extent that further correction of the listed real parties-in-interest may be required, Petitioner is encouraged to pursue such correction promptly. The more promptly and proactively Petitioner acts to correct any further errors in

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