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Paper 9
Entered: March 6, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RESMED LIMITED, RESMED INC., AND RESMED CORP,
Petitioner,
v.
FISHER & PAYKEL HEALTHCARE LIMITED,
Patent Owner.

Case IPR2016-01726
Patent 8,443,807 B2

Before RICHARD E. RICE, BARRY L. GROSSMAN, and JAMES J. MAYBERRY, *Administrative Patent Judges.*

RICE, *Administrative Patent Judge.*

DECISION
Denying Institution of Inter Partes Review
37 C.F.R. § 42.108

I. INTRODUCTION

A. Background

ResMed Limited, ResMed Inc., and ResMed Corp (collectively, "Petitioner") filed a Petition (Paper 4, "Pet.") requesting an *inter partes* review of claims 1–7, 17–19, 24, and 25 of U.S. Patent No. 8,443,807 B2 (Ex. 1001, "the '807 Patent"). Petitioner supported the Petition with a declaration from John Izuchukwu, Ph.D., P.E. (Ex. 1008). Fisher & Paykel Healthcare Limited ("Patent Owner") filed a Preliminary Response (Paper 8, "Prelim. Resp.").

Under 35 U.S.C. § 314, an *inter partes* review may not be instituted "unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." 35 U.S.C. § 314(a). Upon considering the Petition and the Preliminary Response, we determine that Petitioner has not shown a reasonable likelihood that it would prevail with respect to at least one of the challenged claims. Accordingly, we do not institute an *inter partes* review.

B. Related Proceedings

The parties identify a related federal district court case involving the '807 Patent: *Fisher & Paykel Healthcare Ltd. v. ResMed Corp.*, Case No. 3:16-cv-02068-GPC-WVG (S.D. Cal.). Pet. 1; Paper 6, 1–2.

Petitioner has filed a second petition for *inter partes* review of the '807 Patent (*see* IPR2016-01734), as well as two petitions for *inter partes* review of U.S. Patent No. 8,479,471 B2, which is related to the '807 Patent (*see* IPR2016-01714, IPR2016-01718).

The parties inform us that Petitioner filed and then voluntarily dismissed, without prejudice, a declaratory judgment action challenging the

validity of the '807 Patent (*ResMed Inc. v. Fisher & Paykel Healthcare Corporation Limited*, Case No. 3:16-cv-02072-JAH-MDD (S.D. Cal.). Pet. 1–2; Prelim. Resp. 9–10.

C. Statutory Bar Under 35 U.S.C. § 315(a)(1)

Patent Owner argues that the Petition is barred under 35 U.S.C. § 315(a)(1) because Petitioner filed a declaratory judgment action for invalidity of the '807 Patent on August 16, 2016, and before filing the instant Petition. Prelim. Resp. 9–16. That action, however, was voluntarily dismissed without prejudice on August 18, 2016, well before the instant Petition was filed. Pet. 2. As such, Patent Owner's argument fails because prior Board decisions have consistently interpreted 35 U.S.C. § 315(a)(1) as not barring *inter partes* review if the previously filed civil action was dismissed without prejudice, which is the case here. *See, e.g.*, *Microsoft Corp. v. Parallel Networks Licensing, LLC*, Case IPR2015-00486, slip op. at 6–7 (PTAB Jul. 15, 2015) (Paper 10); *Oracle Corp. v. Click-to-Call Techs. LP*, Case IPR2013-00312, slip op. at 12–13 (PTAB Oct. 28, 2014) (Paper 52).

Patent Owner now challenges the Board's consistent interpretation of 35 U.S.C. § 315(a)(1). But Patent's Owner's arguments are in direct contrast to a decision in the related district court action, which relied upon the Board's consistent interpretation of 35 U.S.C. § 315(a)(1) in deciding whether to impose a stay pending our resolution of this proceeding. Ex. 3001. There, Patent Owner argued the statutory bar as a reason the court should not impose a stay. *Id.* at 3. The district court, noting that Petitioner's declaratory judgment action was voluntarily dismissed "without prejudice" prior to the instant Petition being filed, held that "the effect of a voluntary

dismissal w/out prejudice is to render the prior action a nullity" such that it is "treated as if it was not 'filed' at all" and thus "cannot give rise to a statutory bar under 35 U.S.C. § 315(a)(1)." *Id.* at 4. In doing so, the district court relied upon, and expressly adopted, the reasoning of prior Board decisions that came to a similar conclusion.[1] *Id.* Moreover, the district court noted that "at least eight Circuits had likewise determined that a dismissal without prejudice makes the situation as if the action had never been filed."[2] *Id.*

We see no reason to deviate from our prior decisions interpreting 35 U.S.C. § 315(a)(1) or the district court's concurring analysis of this issue, and Patent Owner's arguments to the contrary do not persuade us otherwise. As such, we hold that the Petition is not barred by 35 U.S.C. § 315(a)(1).

D. The '807 Patent

The '807 Patent, titled "Breathing Assistance Apparatus," issued on May 21, 2013, and claims priority from applications filed in New Zealand on July 14 and November 6, 2006. Ex. 1001, 1. The '807 Patent relates to a

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[1] The district court may have recognized that "an agency's interpretation of the statute under which it operates is entitled to some deference." *Southeastern Community College v. Davis*, 442 U.S. 397, 411 (1979).

[2] *See, e.g.*, *Holloway v. U.S.*, 60 Fed. Cl. 254, 261 (2004), *aff'd* 143 F. App'x 313 (Fed. Cir. 2005) (treating civil action dismissed without prejudice "as if it never existed."); *Bonneville Assoc., Ltd. P'ship v. Barram*, 165 F.3d 1360, 1364 (Fed. Cir. 1999) ("The rule in the federal courts is that '[t]he effect of a voluntary dismissal without prejudice pursuant to Rule 41(a) is to render the proceedings a nullity and leave the parties as if the action had never been brought.'") (citations and some internal quotations omitted).

nasal interface for the supply of positive pressure respiratory gases to a person suffering from obstructive sleep apnea. *See, e.g.*, Pet. 4 (citing Ex. 1001, 1:10–13, 1:24–2:32, 2:58–3:30; Ex. 1008 ¶¶ 24–29; Ex. 1040).

Figures 2 and 3 of the '807 Patent as annotated by Petitioner are reproduced below.

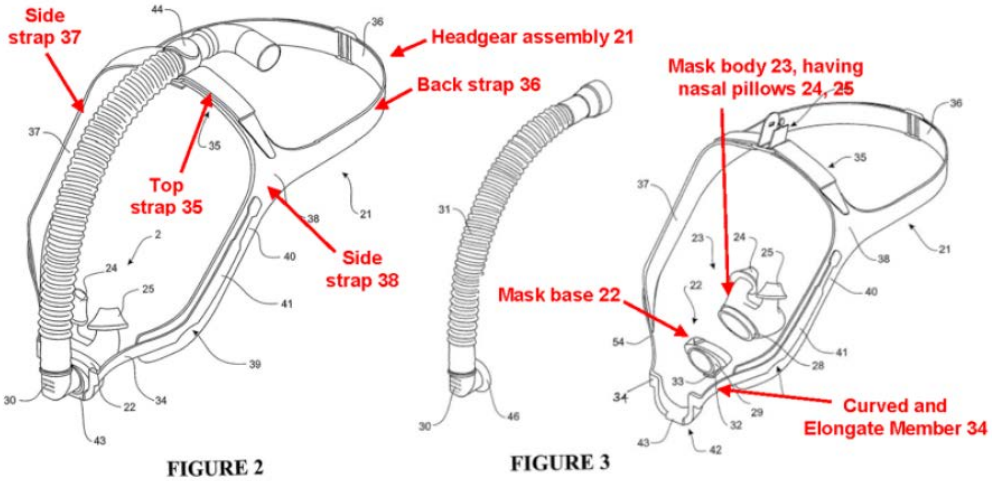

FIGURE 2 FIGURE 3

Id. at 4. The annotated figures above depict a patient interface embodiment including nasal mask 2, mask body 23 with nasal pillows 24, 25, mask base 22, swivel elbow connector 30, contoured side arms 41, 54, headgear assembly 21, and side straps 37, 38. *See id.* at 5 (citing Ex. 1001, 5:25–47, 6:38–45, 6:57–7:3, 8:38–52; Ex. 1008 ¶¶ 28–29). "The nasal pillows 24, 25 are preferably frustoconical in shape and in use rest against a patient's nares,[3] to substantially seal the patient's nares." Ex. 1001, 5:29–31. As described in the Specification, "mask base 22 is a ring or sleeve type attachment." *Id.* at 6:19–20. The side straps extend underneath the side arms, to which they are glued or otherwise attached as shown in Figure 2,

[3] "Nares" as used in the Specification is interchangeable with "nostrils." *See* Ex. 1001, 2:4–10, 5:29–31, 6:9–12.

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