UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

REACTIVE SURFACES LTD. LLP,

Petitioner,

v.

TOYOTA MOTOR CORPORATION,

Patent Owner.

Case IPR2016-01914

Patent No. 8,394,618 B2

PATENT OWNERS' REPLY IN SUPPORT OF MOTION TO DISMISS

Petitioner's suggestion that the University of Minnesota and its Regents are "separate and distinct" entities for immunity purposes (Opp. 3) is meritless. The University is a corporation which was incorporated by the Minnesota legislature in 1851. *See* Minn. Terr. Laws, ch. 3 (1851); *Regents of Univ. of Minn. v. Lord*, 257 N.W.2d 796, 799 n.1 (Minn. 1977) (reproducing the University's Charter); *see also* Ex. 2007.[1] The University's Charter is "perpetuated" in the state constitution. *See* Minn. Const., art. XIII, § 3. Section 4 of the Charter vests "[t]he government of th[e] University . . . in a Board of twelve Regents." "The Board of Regents is the governing body of the [University]." *Star Tribune Co. v. Univ. of Minn. Bd. of Regents*, 683 N.W.2d 274, 280 (Minn. 2004) (citing § 4 of the Charter). In light of this organizational structure, which was laid out in the Motion to Dismiss (Mtn. 9-10) and which is not disputed by Petitioner, a proceeding brought against the Regents is plainly a proceeding against the University itself.

Miller v. Chou, 257 N.W.2d 277 (Minn. 1977), the case cited by Petitioner as support for the suggestion that the University and the Regents should be treated

[1] Petitioner objects to Exhibit 2007, a copy of the Charter, but the Charter is a statute. For the Board's convenience, Patent Owners submitted a copy instead of simply citing the statute. For the same reason, Patent Owners submitted copies of relevant assignments records (Exhibits 2003-2006) instead of simply providing reel/frame numbers.

as distinct entities, in fact directly refutes that suggestion. In *Miller*, the Supreme Court of Minnesota noted that by "perpetuat[ing] unto ***[the] university***" "all the rights, immunities, franchises and endowments" previously conferred upon it, the state constitution perpetuated ***the Regents'*** sovereign immunity against being sued in state court. 257 N.W.2d at 278, 280. Thus, far from treating them as distinct entities, *Miller* recognized that the University's "rights, immunities, franchises and endowments" necessarily included the Board of Regents' right to assert immunity when a complaint is filed against it in state court. In doing so, *Miller* followed *State ex rel. Univ. of Minn. v. Chase*, 220 N.W. 951, 953-54 (Minn. 1928), which held that the University's constitutionally-protected "rights, immunities, franchises and endowments" included the Regents' authority, conferred unto them by the Charter, to govern the University without interference. *Chase* explained:

> That a corporation was created by the act of 1851 and "perpetuated" by the constitution with "all the rights, immunities, franchises and endowments" which it then possessed is plain. Of that corporation the regents were both the sole members and the governing board. ***They were the corporation*** in which were perpetuated the things covered by the constitutional confirmation.

Id. at 954 (emphasis added).

Courts thus do not distinguish between the University and the Regents in Eleventh Amendment cases, as seen in the cases cited in the Motion to Dismiss. *Raygor v. Regents of the Univ. of Minn.*, 534 U.S. 533, 535-36 (2002) (treating a

suit against the Regents as a suit against the University, "an arm of the State of Minnesota"); *Richmond v. Bd. of Regents of Univ. of Minn.*, 957 F.2d 595, 596 (8th Cir. 1992) (treating a suit against the Regents as a "suit against the University of Minnesota"); *Issaenko v. Univ. of Minn.*, 57 F. Supp. 3d 985, 993 (D. Minn. 2014) (referring to the University and the Regents as "collectively, 'the University'"); *see also Humenansky v. Regents of the Univ. of Minn.*, 152 F.3d 822, 823 (8th Cir. 1998) (treating a suit against the Regents as a suit against the University, "an instrumentality of the state"). These cases plainly recognize that a suit brought against the Regents is a suit against the University itself,[2] regardless of how the complaint is styled. Petitioner's suggestion that those cases do not indicate that the Board of Regents is an arm of the state (Opp. 6.) is simply incorrect.

This is a proceeding against an arm of the State of Minnesota entitled to share in the State's immunity. The Board should grant the Motion to Dismiss.

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[2] Petitioner does not dispute that the University is immune, apart from speculating that a sovereign could lose immunity if it were "being indemnified by a private entity." (Opp. 6.) The decision cited by Petitioner as support for this suggestion, *Doe v. Lawrence Livermore Nat'l Lab.*, 65 F. 3d 771 (9th Cir. 1995), was ***reversed*** on direct review by the U.S. Supreme Court, *see Regents of the Univ. of Cal. v. Doe*, 519 U.S. 425 (1997), though Petitioner fails to acknowledge this (even as it cites the Supreme Court case elsewhere in its Opposition (*see* Opp. 4)).

Dated: March 24, 2017

/s/ *Joshua A. Lorentz*
Joshua A. Lorentz
Reg. No. 52,406
Attorney for TMC and
The University of Minnesota

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