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CENTRAL REEXAMINATION UNIT (For Requester)

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(Courtesy Copy)

In re Brown et al
Inter partes Reexamination Proceeding
Control No: 95/000,396
Filing Date: September 23, 2008
For: U.S. Patent No.: 6,516,236

:
: **DECISION**
: **ON**
: **PETITION**
:

This decision addresses:

- The patent owner petition under 37 CFR 1.182, filed on September 28, 2010, entitled "Petition Requesting Termination of the Reexamination Proceedings"(the September 28, 2010 patent owner petition);
- The patent owner paper, filed on October 8, 2010, entitled "Patent Owner's Request to Withdraw Its Petition Filed on September 28, 2010" (the October 8, 2010 request to withdraw the September 28, 2010 petition);
- The *sua sponte* analysis by the Office whether to terminate the present proceeding; and
- The power of attorney filed by the patent owner on January 27, 2009 (the January 27, 2009 power of attorney).

The September 28, 2010 patent owner petition, the October 8, 2010 request to withdraw the September 28, 2010 petition, the January 27, 2009 power of attorney, and the record as a whole, are before the Office of Patent Legal Administration (OPLA) for consideration.

SUMMARY

The October 8, 2010 patent owner request to withdraw the September 28, 2010 petition is **granted-in-part**, to the extent that the September 28, 2010 patent owner petition is **withdrawn**, and **will not be considered**. The September 28, 2010 patent owner petition, however, **will not be expunged** from the record, and **will remain in the file**. The patent owner's request for refund is **dismissed**.

Office records fail to show that, under the present facts and circumstances, termination of the present proceeding is mandated by 35 U.S.C. 317(b). Accordingly, the present proceeding **will not be terminated**, and **prosecution will continue** in due course.

The January 27, 2009 power of attorney is **ineffective**.

STATUTES, REGULATIONS, AND PATENT EXAMINING PROCEDURES

35 U.S.C. 317(b) provides:

FINAL DECISION. — Once a final decision has been entered against a party in a civil action arising in whole or in part under section 1338 of title 28, that the party has not sustained its burden of proving the invalidity of any patent claim in suit or if a final decision in an inter partes reexamination proceeding instituted by a third-party requester is favorable to the patentability of any original or proposed amended or new claim of the patent, then neither that party nor its privies may thereafter request an inter partes reexamination of any such patent claim on the basis of issues which that party or its privies raised or could have raised in such civil action or inter partes reexamination proceeding, and an inter partes reexamination requested by that party or its privies on the basis of such issues may not thereafter be maintained by the Office, notwithstanding any other provision of this chapter. This subsection does not prevent the assertion of invalidity based on newly discovered prior art unavailable to the third-party requester and the Patent and Trademark Office at the time of the inter partes reexamination proceedings.

37 CFR 1.907(b) provides:

Once a final decision has been entered against a party in a civil action arising in whole or in part under 28 U.S.C. 1338 that the party has not sustained its burden of proving invalidity of any patent claim-in-suit, then neither that party nor its privies may thereafter request inter partes reexamination of any such patent claim on the basis of issues which that party, or its privies, raised or could have raised in such civil action, and an *inter partes* reexamination requested by that party, or its privies, on the basis of such issues may not thereafter be maintained by the Office.

DECISION

I. The September 28, 2010 Patent Owner Petition is Withdrawn, and the October 8, 2010 Patent Owner Request Is Granted-In-Part

The patent owner requests, in its October 8, 2010 paper, that the September 28, 2010 petition to terminate the present proceeding be withdrawn. The Office, via this decision, has *sua sponte* determined not to terminate the present proceeding for the reasons discussed *infra*.

Consequently, there is no reason why patent owner's October 8, 2010 request to withdraw its September 28, 2010 petition should not be granted. Accordingly, the September 28, 2010 patent owner petition is withdrawn, and will not be considered.

The patent owner, however, has also requested, in its October 8, 2010 paper, that the September 28, 2010 petition be expunged from the record. Such a request must be filed as a petition under 37 CFR 1.183, and must be accompanied by a showing of the extraordinary circumstances, such that justice requires expungement of the September 28, 2010 petition, as well as the \$400 petition fee. The patent owner, however, has not filed a petition under 37 CFR 1.183, and has not provided any showing of extraordinary circumstances. For these reasons, the September 28, 2010 patent owner petition, although it is withdrawn, will not be expunged from the record, and will remain in the file. The September 28, 2010 patent owner petition, however, will not be considered.

The patent owner has also requested, in its October 8, 2010 paper, a refund of the petition fee for the September 28, 2010 petition. A request for a refund, however, must be filed separately pursuant to 37 CFR 1.4(c), which provides:

Since different matters may be considered by different branches or sections of the United States Patent and Trademark Office, each distinct subject, inquiry or order must be contained in a separate paper to avoid confusion and delay in answering papers dealing with different subjects.

Furthermore, the patent owner is reminded of the provisions of 37 CFR 1.26(a), which provide, in pertinent part:

. . . A change of purpose after the payment of a fee, such as when a party desires to withdraw a patent filing for which the fee was paid . . . will not entitle a party to a refund of such fee.

The patent owner, in its October 8, 2010 paper, requests a refund of the fee for the petition, the withdrawal of which is also requested by the patent owner in the same paper. Pursuant to 37 CFR 1.26(a), however, a party who wishes to withdraw a paper, i.e., a filing, for which the fee was paid, is not entitled to a refund of such fee. For these reasons, patent owner's October 8, 2010 request for refund is **dismissed**.

Accordingly, the October 8, 2010 patent owner request is **granted-in-part**, to the extent that the September 28, 2010 patent owner petition is **withdrawn**, and **will not be considered**. The September 28, 2010 patent owner petition, however, **will not be expunged** from the record, and **will remain in the file**. The patent owner's request for refund is **dismissed**.

II. *Sua Sponte* Analysis Whether the Proceeding Will Not Be Terminated

The September 28, 2010 patent owner petition has drawn the Office's attention to the issue of whether the present proceeding should be terminated under 35 U.S.C. 317(b), in view of two orders by the United States District Court, Eastern District of Texas Marshall Division (the district court's orders), dismissing, with prejudice, all claims and counterclaims in suit, and directing that the parties shall bear their own costs. See *ROY-G-BIV Corporation v. FANUC Ltd. et al*, Case No. 2:07-CV-418-DF (E.D. Texas, November 20, 2009).

The district court's two orders, however, also grant "the parties' Joint Motions to Vacate the Court's October 19, 2009 Order" (D. E. 204 and D.E. 23, respectively), "Reopen the Case, and then Dismiss the Case with Prejudice". To date, however, the Office has not received copies of the parties' joint motions to vacate, and of the court's October 19, 2009 order. These copies are necessary to determine whether the court, or the parties, intended the dismissal to resolve the issue of invalidity of at least one claim of the patent under reexamination.

The first sentence of 35 U.S.C. 317(b) provides, in pertinent part (emphasis added):

Once a **final decision** has been entered against a party in a civil action arising in whole or in part under section 1338 of title 28, that the party has not sustained its burden of proving the invalidity of any patent claim in suit . . . then . . . an inter partes reexamination requested by that party or its privies on the basis of . . . issues [which that party or its privies raised or could have raised in such civil action] may not thereafter be maintained by the Office . . .

The Office analyzes whether a reexamination proceeding must be terminated pursuant to 35 U.S.C. 317(b) by determining:

1. Whether the third party requester was a party to the litigation;
2. Whether the decision is final, i.e., after all appeals;
3. Whether the court decided that the requester/party had not sustained its burden of proving the invalidity of any claim in suit of the patent under reexamination; and
4. Whether the issue(s) raised in the reexamination proceeding are the same issue(s) that were raised or could have been raised by the requester in the civil action.

The Third Party Requester Was a Party to the Litigation

The patent owner has provided copies of two orders by the United States District Court for the Eastern District of Texas, Marshall Division (district court) on November 20, 2009, between the patent owner/plaintiff, ROY-G-BIV, and requester/co-defendant GE Fanuc Intelligent Platforms, Inc., the real party in interest in the present reexamination proceeding.¹ Thus, the third party requester was a party in the litigation.

¹ See Exhibit 2, attached to the present petition.

The Decision is Final

In *ROY-G-BIV Corporation v. FANUC Ltd. et al*, Case No. 2:07-CV-418-DF (E.D. Texas, November 20, 2009), the district court ordered that “Plaintiff ROY-G-BIV Corporations claims are DISMISSED WITH PREJUDICE and Defendants . . . GE Fanuc Intelligent Platforms, Inc.’s counterclaims are DISMISSED WITH PREJUDICE . . .”, and that each party should bear its own attorney’s fees and costs.

In view of the specific facts and circumstances of the present case, the November 20, 2009 district court judgment is order to be a final decision within the meaning of the statute.

There Is No Decision That Requester/Co-defendant Did Not Sustain Its Burden of Proving the Invalidity of Any Patent Claim in Suit

Office records fail to reveal any evidence that the issue of invalidity of at least one claim of the patent under reexamination was resolved by the court’s decision. The present record only includes copies of the district court’s dismissal with prejudice. While such a dismissal will bar a subsequent suit, it does not itself “establish any facts to which the doctrine of collateral estoppel can be applied in a later litigation on a different claim.” Wright & Miller, *Federal Practice and Procedure*, § 2373 (2008). There is no language in the court’s orders that suggest that the parties, or the court, intended the dismissal to resolve the invalidity issue. Thus, there is nothing in the documents of record that amounts to a decision that the requester/party did not sustain its burden of proving the invalidity of any patent claim in suit, as required by 35 U.S.C. 317(b). Instead, the action appears to have been dismissed without there ever being an assessment of whether the party sustained its burden, and without the parties agreeing, through a stipulated judgment or otherwise, that the burden of proving invalidity had not been met.

For the reasons given above, there is no evidence of a final decision by a federal court that the requester/co-defendant in *ROY-G-BIV Corporation* did not sustain its burden of proving invalidity of any claim in suit of the patent under reexamination. Thus, Office records fail to show that, under the present facts and circumstances, termination of the present proceeding is mandated by 35 U.S.C. 317(b).

The Office Need Not Address Whether Issues Raised in the Reexamination Proceeding Are Identical to Those Raised or Could Have Been Raised in Litigation

Because there is no evidence of record of a final decision by a federal court that the requester/co-defendant in *ROY-G-BIV Corporation* did not sustain its burden of proving invalidity of any claim in suit of the patent under reexamination as required by statute, the Office need not address whether the issues raised in the reexamination proceeding are identical to those which were raised or could have been raised in the earlier litigation.

Accordingly, the present proceeding **will not be terminated**, and **prosecution will continue** in due course.²

² The Office notes that the patent owner, in its September 28, 2010 petition, calls attention to reexamination control no. 95/000,186, in which the Office granted a petition to terminate the reexamination proceeding. In 95/000,186,

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