UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RUIZ FOOD PRODUCTS INC.,
Petitioner,

v.

MACROPOINT LLC,
Patent Owner.

IPR2017-02016

Patent 8,275,358

PETITIONER'S REQUEST FOR REHEARING

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I. INTRODUCTION

Petitioner Ruiz Food Products, Inc. ("Ruiz") respectfully requests rehearing of the Board's Decision Granting Patent Owner's Motion to Dismiss and Terminating the Proceedings. Paper 25. Ruiz requests this rehearing based on the following: (1) the Board misapprehended the role of background legal principles in the statutory construction of § 315(a)(1); and (2) the Board overlooked whether there was, in fact, subject-matter jurisdiction for the declaratory judgment action.

First, the Board mistakenly ignored the background legal principle at issue—the effect of a dismissal without prejudice—because it believed that this principle was not applicable if the relevant statutory language was not ambiguous. The statute, here § 315(a)(1), must be read in the context in which Congress enacted it, and this background legal principle provides necessary context.

Second, the Board failed to determine whether the district court declaratory judgment action was a "civil action" under the statute. Contradicting another recent institution decision, the Board observed only that the district court did not grant Patent Owner MacroPoint LLC's ("MacroPoint") motion to dismiss. The absence of a district court decision is not determinative of whether subject matter jurisdiction existed. Before the Board can invoke § 315(a)(1) to bar inter partes review, the Board must find that there *was* subject-matter jurisdiction in order for there to have been a "civil action." It did not.

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Finally, this request for rehearing should be heard by the Precedential Opinion Panel ("POP"). By extending *Click-to-Call* to § 315(a)(1), this Board Panel has adopted a new statutory interpretation that is not only at odds with the settled understanding that had been applied in innumerable prior proceedings, but which also introduces new ambiguities where there had previously been none. The proper and precedential resolution of these issues is a matter of importance that extends beyond the instant current IPR proceedings and is thus appropriate for consideration by the POP. Therefore, the POP should be convened, and the Board's decision to terminate the proceedings should be reversed.

II. STANDARD OF REVIEW

A request for rehearing "must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply." 37 C.F.R. § 42.71(d).

III. ARGUMENT

A. The Board Misapprehended the Role of Background Legal Principles in the Statutory Construction of § 315(a)(1).

1. Consideration of Background Legal Principles Is a Cardinal Rule of Statutory Construction.

The Board mistakenly understood *Click-to-Call* as "reject[ing] the application of the purported background legal principle in the absence of ambiguity

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in statutory language." Paper 25 at 9. In other words, the Board held that it did not need to consider the application of the background legal principle—that a dismissal without prejudice nullifies the original filing—because § 315(a)(1) was not ambiguous. That is not the proper analysis.

As the Federal Circuit acknowledged in *Click-to-Call*, the assessment of whether a statute is ambiguous includes the proper application of rules of statutory interpretation. *See Click-to-Call Techs., LP v. Ingenio, Inc.*, 899 F.3d 1321, 1330 (Fed. Cir. 2018) ("[W]e may not conclude that a statutory provision is ambiguous until we conclude that **resort to all standard forms of statutory interpretation** are incapable of resolving any apparent ambiguity which might appear on the face of the statute." (emphasis added)).

"[I]t is a 'cardinal rule of statutory construction' that where Congress adopts a common-law term without supplying a definition, courts presume that Congress 'knows and adopts the cluster of ideas that were attached' to the term." *WesternGeco LLC v. ION Geophysical Corp.*, 889 F.3d 1308, 1317 (Fed. Cir. 2018) (quoting *FAA v. Cooper*, 566 U.S. 284, 291–92 (2012)).

Indeed, as Ruiz observed in its opposition papers, the Supreme Court has recognized, "where a common-law principle is well established," like here, "the courts may take it **as given** that Congress has legislated with an expectation that the principle will apply." *Astoria Fed. Sav. & Loan Ass'n v. Solimino*, 501 U.S.

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