

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RUIZ FOOD PRODUCTS, INC.,

Petitioner,

v.

MACROPOINT LLC,

Patent Owner.

Case IPR2017-02016
U.S. Patent No. 8,275,358 B1

MOTION TO DISMISS

UPDATED LIST OF EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
2001	Expert Declaration of David Hilliard Williams
2002	David Hilliard Williams CV
2003	Ruiz Food Products, Inc.'s Initial Invalidity Contentions, Civil Action 6:16-cv-1133
2004	Expert Report of Dr. Stephen B. Heppe dated January 25, 2017, Civil Action 6:16-cv-1133
2005	Ruiz Food Products, Inc.'s Final Election of Asserted Prior Art, Civil Action 6:16-cv-1133
2006	Declaration of Kyle B Fleming, Esq.
2007	Kyle B. Fleming CV
2008	Complaint filed in <i>FourKites, Inc. v MacroPoint, LLC</i> , Case No. 1:16-cv-02703-CAB (N.D. Ohio)

Petitioner lacks standing and is barred from bringing and maintaining this proceeding under 35 U.S.C. § 315(a)(1) because a Real Party In Interest, FourKites, Inc., filed an action challenging the validity of the claims of the '358 Patent prior to the filing of the petition. Board precedent had previously held that a prior action is not a bar under § 315 if it is voluntarily dismissed without prejudice before the Petition is filed. However, a recent Federal Circuit decision *en banc* reversed this PTAB precedent and held that a prior civil action, even if voluntarily dismissed without prejudice, triggers the standing bars of § 315.

Accordingly, Petitioner lacks standing and the Board lacks jurisdiction, and therefore this proceeding must be dismissed.

I. BACKGROUND

Petitioner Ruiz Food Products, Inc. filed the instant Petition on August 31, 2017. Paper 2 (“Petition”). Petitioner identified FourKites, Inc. as an additional Real Party In Interest. *Id.* at 3.

Petitioner further disclosed that the '358 Patent was the subject of prior, related proceedings, including an action for declaratory judgment of invalidity filed by FourKites on November 4, 2016, *FourKites, Inc. v MacroPoint, LLC*, Case No. 1:16-cv-02703-CAB (N.D. Ohio). *Id.* A copy of the Complaint from this action is submitted as Ex. 2008. Count IV challenged the validity of all claims of the '358 Patent, and specifically alleged:

75. The claims of the '358 patent are invalid for failure to comply with the requirements of patentability specified in Title 35 of the United States Code, including but not limited to 35 U.S.C. §§ 101, 102, 103, 112, 116 and/or 120, and/or based on other judicially created bases for invalidation.

Ex. 2008 at 18-19.

Despite this previously filed declaratory judgment action challenging the validity of the '358 Patent, Petitioner argued that it was not barred from filing the Petition under Board precedent because the earlier action had been voluntarily dismissed prior to the filing of the Petition:

As such, the dismissal without prejudice of the declaratory judgment “nullifies the effect of the service of the complaint and, as a consequence, does not bar” Petitioner from pursuing this IPR under 35 U.S.C. § 315(a)(1). *Oracle Corp. et al. v Click-to-Call Tech. LP*, IPR 2013-00312, Paper #26 at 17 (PTAB Oct. 30, 2013) (Precedential).

Petition at 5-6.

On August 16, 2018, the Federal Circuit *en banc* vacated the Board’s precedent on this issue and remanded IPR2013-00312 for dismissal, holding that the Board “committed legal error” in concluding that the petition was not time-barred by a prior, voluntarily dismissed action. *Click-to-Call Tech, LP. v. Ingenio, Inc.*, —F. 3d—, Case No. 15-1242 (Fed. Cir. August 16, 2018) (*en banc*). Notably, the order vacated by the Federal Circuit is the same authority upon which Petitioner relied as supporting its claim that it was not barred from pursuing a

petition for IPR. The vacatur and reversal of this precedent now requires dismissal of this proceeding.

II. ARGUMENT

Section 315 contains two parallel bars based on prior civil actions, one for actions brought by the petitioner or a real party in interest, and one for actions brought by the patent owner:

(a) Infringer's Civil Action.—

(1) Inter partes review barred by civil action.—

An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.

* * *

(b) Patent Owner's Action.—

An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

The major difference between the two provisions is the date on which the bar attaches: under subsection (a)(1) it attaches on the date that the petitioner (or a real party in interest) files the action challenging validity, and under subsection (b)

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