Trials@uspto.gov
571.272.7822

Paper No. 26
Filed: May 6, 2019

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 B1)
IPR2017-02018 (Patent 9,429,659 B1)

Before MEREDITH C. PETRAVICK, TREVOR M. JEFFERSON, and NATHAN A. ENGELS, *Administrative Patent Judges.*

ENGELS, *Administrative Patent Judge.*

DECISION ON REQUEST FOR REHEARING

Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

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In a Decision (Paper 25[1]) granting Patent Owner's Motion to Dismiss (Paper 18) and terminating the proceedings, the Board determined that the Petitions were untimely under 35 U.S.C. § 315(a)(1) and that the Board therefore lacked jurisdiction over the proceedings. More specifically, the Board determined that a complaint for declaratory judgment filed before the Petitions triggered the time bar of § 315(a)(1) even though the complaint was dismissed without prejudice after its filing. Decision at 2–3.

Petitioner filed a Request for Rehearing of our Decision. Paper 26. In the Request, Petitioner argues the Board (i) "ignored the background legal principle at issue—the effect of a dismissal without prejudice" (*id.* at 1; *see id.* at 2–7) and (ii) "failed to determine whether the district court declaratory judgment action was a 'civil action' under [§ 315(a)(1)]" (*id.* at 1; *id.* at 7–12).

Contrary to Petitioner's arguments regarding the purported background legal principle (*id.* at 2–7), the Decision considers the principle but follows the Federal Circuit's guidance that the principle is not "firmly established and unequivocal" and therefore cannot justify applying an exception to the unambiguous language of § 315(a)(1). Decision 9–10 (citing *Click-to-Call Techs., LP v. Ingenio, Inc.*, 899 F.3d 1321, 1335 (Fed. Cir. 2018) (explaining that a "background legal principle" must be both "firmly established and unequivocal before it can justify ignoring the plain text of the statute"; holding that the principle that "a dismissal without prejudice leaves the parties as if the underlying complaint had never been filed" is "anything but unequivocal")).

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[1] We refer to the papers in IPR2017-02016 as representative, unless otherwise noted.

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Regarding whether the declaratory-judgment action qualifies as a "civil action" under § 315(a)(1), Petitioner argues for the first time in its Request for Rehearing that "its certification that the declaratory judgment action was not a bar was entitled to a presumption of being correct." Request at 7–8 (citing *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1241–44 (Fed. Cir. 2018)). Even if that argument were timely, which it is not, the Petition itself reflects why that argument fails; Petitioner's "certification" was premised on "the dismissal without prejudice . . . of the declaratory judgment action" and case law that no longer applies under *Click-to-Call*. *See* Pet. 6–7 (citing, e.g., *Graves v. Principi*, 294 F.3d 1350, 1356 (Fed. Cir. 2002) and *Oracle Corp. v. Click-to-Call Tech. LP*, Case IPR2013-00312, Paper 26 at 17 (PTAB Oct. 30, 2013)). Further, Petitioner stopped short of arguing that subject-matter jurisdiction did not exist; Petitioner instead argued that "had [Patent Owner's district-court motion to dismiss] been granted, § 315(a)(1) would not apply" and "the Board should take [Patent Owner] at its word when it filed its motion to dismiss, and hold that the countersuit was never a 'civil action' under § 315(a)(1)." Paper 20 at 13–14. As explained in the Decision, nothing on the record before us indicates that the declaratory-judgment action was defective for lack of subject-matter jurisdiction.

Accordingly, because Petitioner has not persuasively identified any matters that the Board misapprehended or overlooked (37 CFR § 42.71(d)), Petitioner's Request for Rehearing is denied.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner's Request for Rehearing is *denied*.

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For PETITIONER:

James P. Murphy
Matthew Frontz
Ryan Murphy
POLSINELLI PC
jmurphy@polsinelli.com
mfrontz@polsinelli.com
rmurphy@polsinelli.com

For PATENT OWNER:

Mark C. Johnson
Luis A. Carrion
Kyle Fleming
RENNER OTTO
mjohnson@rennerotto.com
lcarrion@rennerotto.com
kfleming@rennerotto.com

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