UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC,
Petitioner,

v.

CHRIMAR SYSTEMS, INC.,
Patent Owner.

Case IPR2018-01508
Patent No. 8,155,012 B2

PATENT OWNER'S SUR-REPLY TO ITS PRELIMINARY RESPONSE TO PETITION FOR *INTER PARTES* REVIEW UNDER 37 C.F.R. § 42.107

Table of Authorities

Cases

Statutes

Other Authorities

Rules

List of Exhibits

Exhibit No.	Description
2001	Petitioner's Complaint challenging the validity of '012 patent claims
2002	Order Temporarily Staying Case
2003	Notice of Voluntary Dismissal

Ignoring the plain language of the statute and the Federal Circuit's directives in *Click-to-Call* and *Bennett Regulator*, Cisco asserts that Congress intended the filing of a civil action ***not*** bar institution of an IPR under the same set of facts where serving a complaint ***would do so***. Cisco cites no authority for that distinction. Under 35 U.S.C. §315(a), if a party files a civil action for a declaratory judgment of patent invalidity, the Board may not institute an IPR, period. The very same legislative history Cisco quotes (Reply p. 5) makes it clear that the mere filing of the complaint bars IPR institution: "The present bill does coordinate *inter partes* and post-grant review with litigation, ***barring use of these [*****inter partes*** ***and post-grant review] proceedings if the challenger seeks a declaratory judgment that a patent is invalid*** . . . ." 157 Cong. Rec. S1023 at S1041 (March 1, 2011).[1] If, as Cisco asserts, this passage expresses Congress' intent, then Congress intended that the mere act of seeking a declaratory judgment of patent invalidity bars institution of an IPR. Contrary to Cisco's argument, no further acts are necessary for the bar to exist.

Cisco's effort to distinguish "civil action" from "complaint" is similarly unavailing. The two go hand-in-hand, as Fed. R. Civ. P. 3 make clear: "A civil action is commenced by filing a complaint with the court." The PTAB has also

[1] Throughout, all emphasis is added unless otherwise noted.

confirmed that no distinction exists: "When the statute [§315(a)(1)] refers to ***filing a civil action***, it refers to ***filing a complaint*** with a court to commence a civil action." *Noven Pharms., Inc. v. Novartis AG*, IPR2014-00549, Paper 10, at 6-7 (PTAB Oct. 14, 2014).

Cisco does not deny that its filing of the declaratory judgment complaint triggered the bar of §315(a)(1)—*i.e.*, it does not deny that the bar would be in effect had Cisco not (more than two years later) dismissed the complaint. Cisco contends that subsequent events can eliminate the bar, a contention the Federal Circuit expressly rejected in *Bennett Regulator* (a case Cisco ignores): "We recently held that serving a complaint alleging infringement—***an act unchanged by the complaint's subsequent success or failure***—unambiguously implicates §315(b)'s time bar." *Bennett Regulator Guards, Inc. v. Atlanta Gas Light Co.*, 905 F.3d 1311, 1314-15 (Fed. Cir. 2018), citing *Click-to-Call Techs., LP v. Ingenio, Inc.*, 899 F.3d 1321, 1329–32 (Fed. Cir. 2018). More pointedly, the Federal Circuit held, "The statute endorses ***no exceptions*** for dismissed complaints . . . . ." *Id.* at 1315. Section 315(a)(1) states, without exceptions, "[a]n *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." Unquestionably, *Bennett Regulator's* holding applies equally to §315(a)(1) because filing a civil action — "an act unchanged by the complaint's subsequent

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