

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LKQ CORPORATION and
KEYSTONE AUTOMOTIVE INDUSTRIES, INC.,
Petitioners,

v.

GM GLOBAL TECHNOLOGY OPERATIONS LLC,
Patent Owner.

IPR2020-00063 (Patent D828,255 S)
IPR2020-00065 (Patent D813,120 S)¹

Before KEN B. BARRETT, SCOTT A. DANIELS, and
ROBERT L. KINDER, *Administrative Patent Judges*.

DANIELS, *Administrative Patent Judge*.

DECISION
Dismissing Petition
37 C.F.R. §§ 42.5(a), 42.71(a)

¹ This Order addresses issues that are the same in both cases. Therefore, we exercise our discretion to issue one Decision to be filed in each case. The parties are not authorized to use this style heading for any subsequent papers.

On March 6, 2020, LKQ Corporation and Keystone Automotive Industries, Inc. (collectively “Petitioner”) filed a motion, (“Mot.”), to dismiss its petition for *inter partes* review and terminate these proceedings prior to determination of whether the Board will institute trial in each case. Paper 11.² GM Global Technology Operations LLC, (“Patent Owner”), filed an Opposition (“Opp.”) to Petitioner’s Motion. Paper 12. For the reasons below, we grant Petitioner’s motion in each case.

Petitioner submits that dismissal is appropriate because the proceeding is in its preliminary phase and “the Board has not yet issued a decision on institution.” Mot. 6. Dismissal of the Petitions, according to Petitioner, will preserve both the Board’s and parties’ resources and “Patent Owner would not be prejudiced by LKQ’s withdrawal of its petition and the Board’s subsequent dismissal of this case.” *Id.* Petitioner explains that rather than continue these IPR’s, it “seeks to challenge this patent (and others, whenever possible) through the more cost-efficient *ex parte* reexamination, which will better use the Parties’ and the Board’s resources.” *Id.* at 2. Petitioner contends that it is not time-barred from filing these same IPR’s again at a later date because there is currently no parallel district court litigation. Petitioner argues, however, that in view of newly discovered prior art references which are not before the Board in these cases, it is most efficient and cost effective for Petitioner to address that art, as well as the art currently before the Board, in an *ex parte* reexamination.

Patent Owner opposes Petitioner’s motion, arguing that Petitioner’s desire to dismiss its petition in this case prior to an institution decision is “a classic case of road-mapping, [where] LKQ seeks to replace its flawed

² Unless otherwise noted, we refer to paper numbers in IPR2020-00063,

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petition with a new request—this time an *ex parte* reexam—using what it learned from GM’s preliminary response.” Opp. 1. For example, Patent Owner argues that Petitioner’s “new” art is simply a different reference, i.e., a different picture, of the same vehicle, a Toyota Tundra, as it is relying on in at least one proceeding. *Id.* Patent Owner contends that Patent Owner’s reasoning to dismiss the petition in favor of a reexamination procedure “is about gamesmanship, not efficiency.” *Id.* Patent Owner specifically argues *inter alia*, that it would be prejudiced by the dismissal because “GM has already expended considerable resources analyzing LKQ’s petition and preparing its preliminary response.” *Id.* at 2–3.

These proceedings are still in the preliminary proceeding stage and the Board has not yet decided the merits of the case, or even whether institution is appropriate on the record at this point in the proceedings.³ Patent Owner’s arguments concerning the expenditure of resources fail to consider the requirements of these proceedings with respect to institution and, more so, if trial is instituted. Also, the “undue prejudice” that Patent Owner ascribes to itself for having filed a preliminary response, is not particularly persuasive as a momentous burden or procedural injustice that must be corrected. Indeed, there is no right, for either party as a matter of procedural or legal due process, to a decision on the merits. The rules provide us the discretion to “take up petitions or motions for decisions in any order” and to “grant, deny, or dismiss any petition or motion” or enter any appropriate order. 37 C.F.R. § 42.71(a). It may be that Patent Owner believes that a determination

³ “Preliminary proceeding” is defined as the period from the filing of a petition for instituting a trial to the written decision as to whether a trial will be instituted. 37 C.F.R. § 42.2.

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by the Board denying institution would be in Patent Owner's favor, and by not going forward is thus prejudiced. But neither Patent Owner, nor Petitioner, nor the Board know at this point whether institution of this *inter partes* review would, or would not be granted.

In addition, these are not follow-on petitions and we are not persuaded that the preliminary response provides Petitioner with a particularly useful roadmap as to how to improve its arguments. *See* Opp. 6–7 (citing *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 17–18 (PTAB Sept. 6, 2017) (precedential)). The term “roadmap” is used in the *inter partes* review context not to refer simply to the preliminary response, but more aptly towards using the Board's decisions to strategically improve and update prior art and arguments throughout multiple petitions. As we have noted before “[m]ultiple, staggered petitions challenging the same patent and same claims raise the potential for abuse.” *Gen. Plastic*, IPR2016-01357, Paper 19 at 17. That is not the situation here. Moreover, in this preliminary proceeding, Petitioner could have sought leave to file a reply to the preliminary response and further explained its arguments in that way.

We are cognizant of Patent Owner's concerns and the potential for abuse of patent office procedures. We acknowledge that there may be some strategic rethinking on the part of Petitioner with respect to challenging the '255 and '120 patents. But in looking to dismiss its Petitions in this case and on the facts before us here, we do not find such actions rise to an abuse of our processes or apportion significant prejudice to Patent Owner. Also, to the extent such maneuvering between *inter partes* review and other office procedures, such as reexamination, could become abusive and redundant, as

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noted above, institution is discretionary. The Board has a variety of ways in which to adjust and define the equities between parties challenging and defending patents where parties abuse our procedures for example by reusing the same or similar arguments. *See, e.g., Becton, Dickinson & Co. v. B. Braun Melsungen AG* (§ III.C.5, first paragraph), Case IPR2017-01586, Paper 8 (Dec. 15, 2017) (precedential) (The Board was persuaded to exercise discretion to not institute under 35 U.S.C. § 325(d) when the same or substantially the same prior art or arguments previously were presented to the Office in an *inter partes* review.)

Under these circumstances at this early juncture, and based on the record before us, we exercise our discretion and dismiss the petition under 37 C.F.R. §§ 42.5, 42.71(a).

ORDER

For the reasons given, it is

ORDERED that Petitioner's motions to dismiss its petitions and terminate *inter partes* review in IPR2020-00063 and IPR2020-00065 are GRANTED; and

FURTHER ORDERED that the petitions in IPR2020-00063 and IPR2020-00065 are DISMISSED.

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