

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LORAL SPACE & COMMUNICATIONS, INC.
Petitioner

v.

VIASAT, INC.
Patent Owner

Case IPR2014-00236 (Patent 8,107,875)
Case IPR2014-00239 (Patent 8,068,827)
Case IPR2014-00240 (Patent 8,010,043)¹

Before GLENN J. PERRY, LYNNE E. PETTIGREW, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

PERRY, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

¹ The parties should refrain from using a multiple case caption.

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I. INTRODUCTION

This Decision applies to, and is made of record in, each of the *inter partes* reviews listed on the cover page of this Decision.

U.S. Patent Nos. 8,107,875; 8,068,827; and 8,010,043 are owned by ViaSat, Inc. (“ViaSat” or “Patent Owner”) and are related to satellite communications. On December 6, 2013, Loral Space & Communications, Inc. (“Loral” or “Petitioner”) filed three petitions for *inter partes* review (“IPR”):

Case No.	Patent	Claims	Paper No.
IPR2014-00236	8,107,875	1, 2, 4-9, 12, and 27	1
IPR2014-00239	8,068,827	7 and 8	1
IPR2014-00240	8,010,043	1, 3, and 6-8	1

Patent Owner filed a preliminary response in each of the IPRs.² The Board has jurisdiction under 35 U.S.C. § 314.

Each of the three patents is involved in *ViaSat, Inc. v. Space Systems/Loral, Inc.*, No. 3-12-cv-00260 (S.D. Cal.) (“260 litigation”). According to Petitioner, Loral was served with a complaint (“First Complaint”) in the 260 litigation on or about February 1, 2012. An amended complaint (“Amended Complaint”) was served on Loral on or about February 22, 2012. A further amended complaint (“Third Complaint”) was served on Loral on or about December 7, 2012. *See, e.g.*, IPR2014-00236, Pet. 3-4. In the 260 litigation, Patent Owner asserted claims of infringement

² IPR2014-00236 (Paper 6); IPR2014-00239 (Paper 6); and IPR2014-00240 (Paper 6).

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of its patents by Petitioner, including the three patents³ at issue in these *inter partes* reviews.

We deny the Petitions because they were not filed within the one-year period set forth in 35 U.S.C. § 315(b).

II. DISCUSSION

Section 315(b) of Title 35 of the United States Code provides:

(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 USPTO rule implementing section 315(b) is set forth in 37 C.F.R. § 42.101(b), which provides:

Who may petition for *inter partes* review.

A person who is not the owner of a patent may file with the Office a petition to institute an *inter partes* review of the patent unless:

...

(b) The petition requesting the proceeding is filed more than one year after the date on which the petitioner, the petitioner’s real party-in-interest, or a privy of the petitioner is served with a complaint alleging infringement of the patent;

....

³ IPR2014-00236 (Ex. 1001); IPR2014-00239 (Ex. 1001); and IPR2014-00240 (Ex. 1001).

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Petitioner acknowledges that the First Complaint and the Amended Complaint were served more than one year prior to the filing of these *inter partes* reviews. *See, e.g.*, IPR2014-00236, Pet. 3-4. However, Petitioner presents three arguments that the § 315(b) bar does not apply to any of the three petitions.

First, Petitioner argues that the patent infringement complaints served more than one year prior to the filing of the IPR Petitions do not bar the institution of an *inter partes* review under § 315(b) because they were filed before the effective date of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (Sept. 16, 2011) (“America Invents Act” or “AIA”). *See, e.g.*, IPR2014-00236, Pet. 3-4. According to Petitioner, a complaint served in 2012 cannot be a complaint that “*is served*” (emphasis added) within the meaning of § 315(b), and Congress would have used “*was served*” (emphasis added) if it intended complaints served before enactment of the America Invents Act also to trigger the one-year deadline. *See, e.g.*, IPR2014-00236, Pet. 4-6.

Petitioner argues that Supreme Court and Federal case law require a statutory construction that “*is served*” can apply only to a complaint served after enactment. Petitioner points to language in *Carr v. United States*, 560 U.S. 438 (2010), indicating that the use of the present tense in a statute “reinforces the conclusion that preenactment travel falls outside the statute’s compass.” *See Carr*, 560 U.S. at 447-48. *See, e.g.*, IPR2014-00236, Pet. 5.

In *Carr*, a criminal case, the Supreme Court held that an Indiana sex offender statute could not place in jeopardy an accused whose interstate travel occurred before the effective date of the statute. The majority reasoned that the plain language and legislative history of the statute suggest

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that the statute does not apply to travel of the accused that predates its enactment.

Petitioner cites *Carr* as requiring a construction in which a statute's temporal reach is limited to post-enactment activity when the statute is written in the present tense. *See, e.g.*, IPR2014-00236, Pet. 5. We disagree that the rationale in *Carr* extends to the language of section 315(b). *Carr* considered a statute that imposes a penalty on an individual who is required to register under the Sex Offender Registration and Notification Act (SORNA) travels, and knowingly fails to register. The Court held that use of the present tense thus sets forth the conditions only prospectively; thus, an individual who traveled before enactment does not meet the travel condition.

The dissent in *Carr* explains that the statute confronting the Court in *Carr* had no explicit temporal requirement. Thus, the Court had to identify the event relative to which the present tense must be evaluated—it chose that event to be the enactment of the statute. *Carr*, 560 U.S. at 465 n.5. The dissent identifies the implicit premise in the majority's reasoning: "The unspoken premise of petitioner's argument is that § 2250(a) speaks as of the time when it became law." *Id.* at 463.

Petitioner argues (*see, e.g.*, IPR2014-00236, Pet. 5-6) that it would be inconsistent for § 315(b) to apply different temporal meanings to "is served" and "is filed" appearing in the same section. Section 315(b), however, does not present the same ambiguity that confronted the *Carr* Court. Petitioner's argument that "is filed" and "is served" both must be evaluated relative to the enactment date of the America Invents Act is flawed because the two verb phrases are not given parallel grammatical treatment in the statute. Consistent with *Carr*, "is filed" should be construed relative to the

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enactment date because it defines the condition for barring institution. But “is served” is part of a prepositional phrase that defines “the date,” and therefore should be construed relative to the date of service, not the statute’s enactment date. Contrary to Petitioner’s assertion that the Dictionary Act⁴ is violated because it requires that words in the present tense include the future as well as the present tense, there is no inconsistency. Both the present and future of “is served” are evaluated relative to the act of service, not to enactment of the statute. We note that the *Carr* dissent expressed a preference for the use of the present tense in drafting statutes.

Petitioner also cites *Frederick v. Shinseki*, 684 F.3d 1263 (Fed. Cir. 2012) (*see, e.g.*, IPR2014-00236, Pet. 5), a Federal Circuit case in which the condition for receiving Veterans surviving-spouse benefits was set forth explicitly in the statute in the present tense: “. . . only if the individual submits an application for such benefits” The Court held that “the statutory language ‘submits an application for such benefits’ in the present tense connotes that a post-enactment application is necessary to secure DIC benefits.” *Frederick*, 684 F.3d at 1270. Although § 315(b) similarly requires that a post-enactment filing is necessary for there to be a bar, as explained above, § 315(b) does not require a post-enactment service of the complaint because “is served” is used only as part of a prepositional phrase that defines “the date.”

Petitioner next argues that even if the Board decides that each of the pre-AIA complaints “is” served in accordance with 35 U.S.C. § 315(b), Petitioner would not be estopped from filing this Petition because the complaints filed more than one year before the IPR Petitions were replaced

⁴ 1 U.S.C. § 1.

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by the last of the complaints filed. According to Petitioner, the earlier complaints are a “dead letter” in that they were replaced by the last of the complaints filed. Petitioner argues that the earlier filed complaints should have the same status as a complaint dismissed without prejudice. *See, e.g.*, IPR 2014-00236, Pet. 6-7 (citing *Macauto U.S.A. v. BOS GmbH & KG*, IPR2012-00004, slip op. at 15-16 (PTAB Jan. 24, 2013) (Paper 18)). We disagree.

An amended complaint is just that—a complaint that has been amended. The original complaint has been amended, and has not gone away in the same sense as a complaint dismissed without prejudice. No persuasive evidence has been presented that an original complaint that has been amended should be considered as if it had never been filed.

Petitioner further argues that even if the Board decides that each of the pre-AIA complaints “is” served in accordance with 35 U.S.C. § 315(b), Petitioner would not be estopped from filing this Petition because the December 7, 2012 complaint is “a complaint,” and the Petitions were filed within a year of being served “a complaint.” *See, e.g.*, IPR 2014-00236, Pet. 7-8. According to Petitioner, this interpretation is “consistent with” the legislative history of the AIA. *Id.*

Petitioner’s construction of § 315(b) incorrectly supposes that institution of an *inter partes* review is *authorized* by the statute within a year of being served with a complaint for patent infringement. The statute provides no such authorization. Rather, the statute *bars* institution of an *inter partes* review of any patent that was the subject of a patent-infringement complaint served on Petitioner more than one year before the filing of an *inter partes* review petition.

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The legislative history of 35 U.S.C. § 315(b) does not support Petitioner's argument. The legislative history indicates that Congress intended *inter partes* reviews to "provid[e] quick and cost effective alternatives to litigation." H.R. REP. NO. 112-98, at 48 (2011), *reprinted in* 2011 U.S.C.C.A.N. 67, 78. The legislative history indicates also that 35 U.S.C. § 315(b) was intended to set a "deadline for allowing an accused infringer to seek inter partes review after he has been sued for infringement." 157 CONG. REC. S5429 (daily ed. Sept. 8, 2011) (statement of Sen. Kyl). The deadline helps to ensure that *inter partes* review is not used as a "tool[] for harassment" by "repeated litigation and administrative attacks." H.R. Rep. No. 112-98 at 48, *reprinted in* 2011 U.S.C.C.A.N. at 78. Allowing such attacks "would frustrate the purpose of the section as providing quick and cost effective alternatives to litigation." *Id.*

The Board consistently has taken the position that § 315(b) bars institution of an *inter partes* review based on a complaint for infringement served more than one year before filing of the request for *inter partes* review, even if the complaint at issue was served before passage of the America Invents Act. *See, e.g., Universal Remote Control, Inc. v. Universal Elecs., Inc.*, IPR2013-00168 (PTAB Aug. 26, 2013) (Paper 9); *St. Jude Med., Cardiology Div., Inc. v. Volcano Corp.*, IPR2013-00258 (PTAB Oct. 16, 2013) (Paper 29). We are not persuaded otherwise now.

The plain meaning of § 315(b) is that an *inter partes* review may not be instituted if the petition is filed more than one year after the date on which a party serves Petitioner (or real party-in-interest or privy) with a complaint. The only exception created by the statute is in the case of joinder.

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III. CONCLUSION

We deny the IPR Petitions because they were not filed within the time limit imposed by 35 U.S.C. § 315(b).

IV. ORDER

Accordingly, it is

ORDERED that the Petition in IPR2014-00236 challenging the patentability of claims 1, 2, 4-9, 12, and 27 of U.S. Patent No. 8,107,875 is *denied*.

ORDERED that the Petition in IPR2014-00239 challenging the patentability of claims 7 and 8 of U.S. Patent No. 8,068,827 is *denied*.

ORDERED that the Petition in IPR2014-00240 challenging the patentability of claims 1, 3, and 6-8 of U.S. Patent No. 8,010,043 is *denied*.

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