

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PNC BANK, N.A., JP MORGAN CHASE & CO. and
JP MORGAN CHASE BANK, N.A.
Petitioner

v.

MAXIM INTEGRATED PRODUCTS, INC.
Patent Owner

Case CBM2014-00038
Patent 5,940,510

Before SALLY C. MEDLEY, MITCHELL G. WEATHERLY, and
MIRIAM L. QUINN, *Administrative Patent Judges*.

WEATHERLY, *Administrative Patent Judge*.

DECISION

Denying Institution of Covered Business Method Patent Review

37 C.F.R. § 42.208

I. INTRODUCTION

PNC Bank, N.A. (a subsidiary of The PNC Financial Services Group, Inc.) (“PNC”), JP Morgan Chase & Co., and JP Morgan Chase Bank, N.A. (collectively “JP Morgan” and collectively with PNC “Petitioner”) filed a petition, Paper 3 (“Pet.” or “Petition”), to institute a covered business method patent review (“a CBM review”) of claims 1, 3, 5, and 6 (“the challenged claims”) of U.S. Patent 5,940,510, Exhibit 1001 (“the ’510 patent”). 35 U.S.C. § 321. Maxim Integrated Products, Inc. (“Maxim” or “Patent Owner”) timely filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). Petitioner subsequently filed, with our prior authorization, “Petitioners’ Motion Requesting Adverse Judgment Against PNC Pursuant to 37 C.F.R. § 42.73(b)(4).” Paper 11 (“the Motion for Judgment”). In that Motion, PNC sought entry of adverse judgment against it and contended that JP Morgan could proceed with the Petition without further involvement by PNC. *Id.* at 3. Maxim opposed the Motion for Judgment. Paper 12. Petitioner filed a reply in support of the Motion for Judgment. Paper 13.

For the reasons expressed below, we deny the Petition and decline to institute a CBM review. We also dismiss as moot the Motion for Judgment.

II. BACKGROUND

JP Morgan and PNC jointly filed their Petition on November 22, 2013. Pet. 2. JP Morgan and PNC are represented by the same lead and back up counsel. *Id.* at 5. JP Morgan and PNC identify themselves collectively as “Petitioner,” *id.* at *i*, and in every respect advance the same argument against the patentability of the challenged claims. *Id.* at 1–53.

When PNC filed the Petition, it was a plaintiff identified in the civil action *PNC Financial Services Group, Inc. and PNC Bank, National*

Association v. Maxim Integrated Products, Inc., No. 2:12-cv-00089-JFC (W.D. Pa.) (“the PNC Action”). Ex. 2001, 1. PNC filed its complaint in the PNC Action on January 25, 2012, and sought a declaration that the claims of the ’510 patent are invalid. *Id.* at 5.

III. ANALYSIS

Maxim contends that the Board cannot institute a CBM review because Petitioner has filed a civil action challenging the validity of at least one claim of the ’510 patent. Prelim. Resp. 1–3. “A post-grant review may not be instituted under this chapter 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.” 35 U.S.C.

§ 325(a)(1).¹ PNC is both a petitioner, Pet. *i*, and a real party in interest, *id.* at 2. Before filing the Petition, PNC filed a civil action challenging the validity of claims of the ’510 patent. Ex. 2001, 5. Therefore, § 325(a)(1) precludes institution of a review in this proceeding. Accordingly, we deny the Petition in all respects. We express no opinion regarding the likelihood that any party other than PNC would prevail in establishing that any of the challenged claims are unpatentable for the reasons set forth in the Petition.

Maxim also contends that § 325(a)(1) would continue to bar institution of review even if PNC were to “forswear all further control and participation in this case.” Prelim. Resp. 30. On May 23, Petitioner notified

¹ Section 18(a)(1) of the Leahy-Smith America Invents Act provides that a CBM review proceeding shall employ all the standards and procedures of a post-grant review under Chapter 32 of title 35 of the United States Code (i.e., 35 U.S.C. §§ 321–29) except for those expressly carved out (i.e., 35 U.S.C. §§ 321(c) and 325(b), (e)(2), and (f)). Therefore, this CBM review is governed by the requirements of 35 U.S.C. § 325(a)(1).

the Board that Maxim and PNC had settled the district court litigation entitled *PNC Financial Services Group, Inc. v. Maxim Integrated Products, Inc.*, No. 2:12-cv-00089-JFC (W.D. Pa.). Paper 16 at 2. Nevertheless, as Maxim has pointed out “PNC has already exerted substantial control over the case.” Prelim. Resp. 30. Moreover, granting PNC’s request for adverse judgment would not obviate the control that PNC has already exerted in this proceeding by its filing of the Petition. Therefore, ruling upon the Motion for Judgment would not alter our conclusion that § 325(a)(1) precludes institution of a CBM review as requested in the Petition. Accordingly, we dismiss PNC’s Motion for Judgment as moot and deny the Petition in all respects.

IV. ORDER

For the reasons given, it is:

ORDERED that the Petition is DENIED; and

FURTHER ORDERED that the Motion for Judgment is DISMISSED as moot.

Case CBM2014-00038

Patent 5,940,510

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