

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MEDTRONIC, INC. and MEDTRONIC VASCULAR, INC.
Petitioner,

v.

ENDOTACH LLC
Patent Owner.

Case IPR2014-00695
Patent 5,593,417

Before JACQUELINE WRIGHT BONILLA, MICHAEL J. FITZPATRICK,
and HYUN J. JUNG, *Administrative Patent Judges*.

Opinion for the Board filed by *Administrative Patent Judge* BONILLA.

Opinion Concurring filed by *Administrative Patent Judge* FITZPATRICK.

BONILLA, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Motion for Joinder,
and Denying Institution of *Inter Partes* Review
37 C.F.R. §§ 42.108, 42.122

I. INTRODUCTION

On April 25, 2014, Medtronic, Inc. and Medtronic Vascular, Inc. (“Petitioner”) filed a Petition for *Inter Partes* Review (Paper 1, “Second Petition”) involving the same parties and claims of U.S. Patent No. 5,593,417 (Ex. 1001, “the ’417 patent”) at issue in instituted trial proceeding IPR2014-00100. Petitioner concurrently filed a Motion for Joinder, requesting “that the Second Petition be joined with IPR2014-00100.” Paper 2 (“Joinder Motion”), 2. Petitioner filed its Joinder Motion within one month after institution of a trial in IPR2014-00100, as required by 37 C.F.R. § 42.122(b). On June 25, 2014, Patent Owner Endotach LLC (“Patent Owner”) filed an Opposition to Motion for Joinder (Paper 16, “Opp. to Joinder”), and a Preliminary Response (Paper 14, “Prelim. Resp.”). On July 11, 2014, Petitioner filed a Reply to Opposition to Motion for Joinder (Paper 17). We have jurisdiction under 35 U.S.C. § 314.

II. BACKGROUND

The statutory provision governing joinder of *inter partes* review proceedings is 35 U.S.C. § 315(c), which reads as follows:

(c) JOINDER.—If the Director institutes an *inter partes* review, the Director, in his or her discretion, may join as a party to that *inter partes* review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an *inter partes* review under section 314.

35 U.S.C. § 315(b) normally bars institution of *inter partes* review when the petition is filed more than one year after the petitioner (or petitioner’s real party in interest or privy) is served with a complaint alleging

infringement of the patent. 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b). That one-year time bar, however, does not apply to a request for joinder. 35 U.S.C. § 315(b) (final sentence); 37 C.F.R. § 42.122(b). This is an important consideration here because Petitioner was served with a complaint asserting infringement of the '417 patent more than one year before filing the Second Petition.¹ Thus, absent joinder of Petitioner in this proceeding as a party to IPR2014-00100, the Second Petition is barred.

Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. 35 U.S.C. § 315(c); 37 C.F.R. § 42.122(b). When exercising that discretion, the Board is mindful that patent trial regulations, including the rules for joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b).²

III. ANALYSIS

We are not persuaded that Petitioner has shown that joinder is justified in this instance. Petitioner filed its Second Petition one month after institution in IPR2014-00100. This case represents a “second bite at the apple” for Petitioner, who has received the benefit of seeing our Decision to Institute in the prior case involving the same parties and patent claims. *See* IPR2014-00100, Paper 15 (“Institution Decision”). This “second bite at the

¹ Petitioner was served with a complaint alleging infringement of the '417 Patent on November 1, 2012. Prelim. Resp. 17; Second Petition 2, 8. Petitioner filed its Petition in the instant proceeding on April 25, 2014.

² 35 U.S.C. § 316(b) (“In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter.”).

apple” situation is particularly noteworthy in view of the § 315(b) bar at issue here, as well as a difference of opinion that currently exists at the Board as to whether the Board has discretion under 35 U.S.C. § 315(c) to allow joinder of a person to an ongoing *inter partes* review when that person is already a party to the ongoing *inter partes* review.³

For the purposes of this Decision, we will assume we have discretion to allow joinder under the circumstances of this case. Thus, we assume that a “second bite” for a petitioner is appropriate under certain circumstances, particularly when a § 315(b) bar does not apply. That said, when a § 315(b) bar would apply absent joinder, we hesitate to allow a petitioner a second bite one month after institution in a first case, at the expense of scheduling constraints for everyone, as well as additional costs (and potential prejudice) to Patent Owner, absent a good reason for doing so.

The Board determines whether to grant joinder on a case-by-case basis, taking into account the particular facts of each case. *See* 157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (when determining whether and when to allow joinder, the Office may consider factors including the breadth or unusualness of the claim scope, claim construction issues, and consent of the patent owner). Here, while we appreciate that Patent Owner does not oppose joinder in the event that the Board institutes trial with respect to at least one challenge in the Second Petition (Opp. to Joinder 2), we determine that Petitioner’s stated reasons for allowing joinder do not outweigh meaningful reasons to not allow joinder.

³ *See Target Corp. v. Destination Maternity Corp.*, Case IPR2014-00508, (PTAB Sept. 25, 2014) (Paper 18); *see also, e.g., Ariosa Diagnostics v. Isis Innovation Ltd.*, Case IPR2012-00022, (PTAB Sept. 2, 2014) (Paper 166).

As noted above, we are mindful of a public interest in securing “the just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b). As relevant to the “speedy” consideration, we observe that the Second Petition reasserts two grounds of unpatentability previously asserted in IPR2014-00100, as well as three new grounds relying on two additional references. Second Petition 10, 13. Thus, Petitioner raises five grounds potentially requiring a response by Patent Owner after Patent Owner has already filed its Response to the Petition in IPR2014-00100 on July 28, 2014. IPR2014-00100, Paper 5 (“First Petition”); Paper 27 (“PO Resp.”). If we were to grant joinder and institute on any of the five grounds, therefore, it would impact the schedule of IPR2014-00100, because it would require a response by Patent Owner in relation to any additional instituted ground(s).

With respect to the “just” consideration, we note that Petitioner created its own § 315(b) bar situation by filing the Second Petition when it did, something entirely within Petitioner’s control. If a § 315(b) bar did not apply, a trial in the second case could proceed, on its own schedule if needed, assuming Petitioner otherwise met the “reasonable likelihood that [it] would prevail” standard under 35 U.S.C. § 314(a). It is only the existence of a § 315(b) bar in this case that requires us to consider modifying a schedule in a joined case requiring Patent Owner to address additional grounds at a late stage in that first proceeding.

In the Joinder Motion, Petitioner indicates that it received “Patent Owner’s Infringement Contentions” (Ex. 1007, “Infringement Contentions”) as part of a related district court case on February 18, 2014, after Petitioner filed its First Petition, and after the § 315(b) bar applied. Joinder Motion 3. Petitioner contends that Patent Owner’s Infringement Contentions discuss

claim construction by a different district court, involving a different defendant,⁴ of the phrase “tightly engage” in independent claim 1 of the ’417 patent. *Id.* (citing Ex. 1007, 16). Challenged claim 1 recites, *inter alia*, that “at least one surface” of projections of the anchoring means “*tightly engage* the interior surface of the vessel, duct, or lumen. . . .” Ex. 1001, 9:23–45 (emphasis added). The Infringement Contentions indicate that a district court has concluded previously that “tightly engage” in claim 1 “excludes penetration that perforates or creates holes through the wall.” *Id.* (citing Ex. 1007, 16).

Petitioner states that on the basis of Patent Owner’s Infringement Contentions, Petitioner performed a prior art search in March 2014, which uncovered U.S. Patent No. 5,562,725 (Ex. 1011, “Schmitt”) and U.S. Patent No. 5,370,657 (Ex. 1012, “Irie”), which Petitioner contends it did not possess prior to October 31, 2013, when it filed the First Petition in IPR2014-00100. Joinder Motion 3–4.

On March 25, 2014, we instituted trial in IPR2014-00100 on some, but not all, asserted grounds. IPR2014-00100, Paper 15. In our Institution Decision, we deemed two grounds, i.e., anticipation by Lazarus (Ex. 1005)⁵ and obviousness over Rhodes ’154 (Ex. 1008)⁶ and Lazarus, among other grounds, to be redundant in light of two grounds, i.e., anticipation by

⁴ *Endotach LLC v. Cook Medical Inc.*, 1:12-cv-1630-LJM-DKL (S.D. Ind.) (Dkt No. 102). Joinder Motion 3; Ex. 1007, 16.

⁵ U.S. Pat. No. 5,104,399 (“Lazarus”) (Ex. 1005).

⁶ U.S. Pat. No. 5,122,154 (“Rhodes ’154”) (Ex. 1008).

Kornberg (Ex. 1006)⁷ and obviousness over Rhodes '154 and Kornberg, on which we instituted review. IPR2014-00100, Paper 15 at 5–6, 14.

Thereafter, on April 15, 2014, Petitioner filed a Request for Authorization to File a Motion to Submit Supplemental Information in IPR2014-00100, as a vehicle to file Patent Owner's Infringement Contentions (Ex. 1009) and three additional prior art references (Exs. 1010–1012). IPR2014-00100, Paper 17 (“Supplemental Information Request”) at 1. In its Supplemental Information Request, Petitioner requested authorization to file the motion “to present additional grounds,” asserting it became “aware of three secondary references that were unknown to it when the Petition was filed.” *Id.* We did not authorize that motion, stating that submitting supplemental information under 37 C.F.R. § 42.123(a) as a vehicle to respond to a possible position that another party may take in the future was improper. IPR2014-00100, Paper 18 at 4. We further explained that “Petitioner may not raise a new ground of patentability after institution of a trial, even assuming Patent Owner offers its own claim construction, and patentability contentions based on that construction, in a Patent Owner Response,” and also stated that Petitioner “will have an opportunity to respond to a Patent Owner Response in a Reply.” *Id.*

Notably, in its Supplemental Information Request, Petitioner did not refer to any ground deemed to be redundant in the Institution Decision. IPR2014-00100, Paper 17, Paper 15 at 14–15. In addition, Petitioner did not file a request for rehearing under 37 C.F.R. § 42.71(d)(1) (stating that a party dissatisfied with a decision to institute may file, without prior authorization,

⁷ U.S. Pat. No. 4,562,596 (“Kornberg”) (Ex. 1006).

within 14 days of the decision, a request for rehearing identifying matters the party believes the Board misapprehended or overlooked).

Instead, on April 25, 2014, Petitioner filed the Second Petition and Joinder Motion in the current proceeding. In the Joinder Motion, Petitioner asserts, for the first time, that two grounds raised in the First Petition based on Lazarus (Ex. 1005), which we deemed redundant in IPR2014-00100, are not redundant in view of Patent Owner's Infringement Contentions. Joinder Motion 4–5, 7. In the Joinder Motion and Second Petition, Petitioner also asserts three new grounds relying on two new references, i.e., anticipation by Schmitt (Ex. 1011), obviousness over Rhodes '154 and Schmitt, and obviousness over Rhodes '154 and Irie (Ex. 1012). Joinder Motion 13–14; Second Petition 22–32.

With respect to the three new grounds, although there is overlap in relation to one reference, i.e., Rhodes '154, cited in an instituted ground in IPR2014-00100, Petitioner relies in significant part, in three different grounds, on two references never cited by Petitioner before institution in IPR2014-00100. Thus, we do not perceive that there is “no discernible prejudice” to Patent Owner if we grant the Joinder Motion. *See Microsoft Corp. v. Proxyconn, Inc.*, Case IPR2013-00109, slip op. at 4 (PTAB Feb. 25, 2013) (Paper 15) (concluding there was “no discernible prejudice to either party” in granting joinder).

In relation to the two previously deemed redundant grounds based on Lazarus, the First Petition could have, but did not, articulate adequately a meaningful distinction in terms of relative strengths and weaknesses regarding the application of cited references in relation to “tightly engage” in claim 1. *See UltraTec, Inc. v. Sorenson Commc'ns, Inc.*, Case IPR2013-

00288, slip op. at 4 (PTAB Jan. 10, 2014) (Paper 23). Furthermore, Petitioner did not raise its position that those grounds were not redundant in view of Patent Owner's Infringement Contentions in any paper filed in IPR2014-00100 after institution, such as in a request for rehearing or its Supplemental Information Request. Instead, Petitioner effectively asks us to re-address the issue of redundancy in a Second Petition subject to a bar under § 315(b) absent joinder with IPR2014-00100, which is much further along in its own schedule and in which Patent Owner has already filed a Patent Owner Response.

Lastly, we note, as part of the "reasonable likelihood" standard under § 314(a), Petitioner has a burden to make its case, taking into consideration possible contentions that Patent Owner may assert at a later time, whether it be in relation to claim construction or otherwise. Thus, although Petitioner suggests it was unaware of Patent Owner's claim construction position regarding "tightly engage" in claim 1 until after it filed its First Petition, Petitioner had the burden to anticipate reasonable claim construction positions, and adequately address such positions in its Petition as needed. Moreover, a claim construction ruling regarding "tightly engage" in a district court case involving the same patent was publicly available in April 2013, six months before Petitioner filed its First Petition on October 31, 2013. Opp. to Joinder 4–5.

In view of the foregoing, on the record before us, Petitioner has not shown that joinder is justified.

IV. CONCLUSION

We deny the Joinder Motion and, therefore, deny the Second Petition because it was not filed within the time limits imposed under 35 U.S.C. § 315(b).

V. ORDER

Accordingly, it is

ORDERED that the Joinder Motion is *denied*; and
FURTHER ORDERED that the Second Petition is *denied* and no trial is
instituted.

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FITZPATRICK, *Administrative Patent Judge*, concurring.

I concur in the majority's decision to deny joinder and to deny institution, but I would reach that result for different reasons.

Pursuant to 35 U.S.C. § 315(c), Petitioner requests "that the Second Petition be joined with IPR2014-00100." Joinder Motion 1–2. Section 315(c), however, does not refer to the joining of a petition. Rather, it refers to the joining of a petitioner (i.e., "any person who properly files a petition . . ."). 35 U.S.C. § 315(c). Further, it refers to the joining of that petitioner "*as a party* to [an instituted] inter partes review." *Id.* (emphasis added). Thus, § 315(c) authorizes joinder of a person, not a petition, to an

instituted *inter partes* review. It does not provide a mechanism for joining an additional petition to the instituted IPR2014-00100.

Petitioner has sought, under 35 U.S.C. § 315(c), relief that § 315(c) cannot provide.⁸ For that reason alone, I would deny the Joinder Motion.

With respect to the Second Petition, I would deny it as time barred under 35 U.S.C. § 315(b). As the majority notes, the Second Petition was filed more than one year after Petitioner was served with a complaint asserting infringement of the '417 patent. Thus, we may not institute an *inter partes* review based on the Second Petition. 35 U.S.C. § 315(b) (“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).”).

Relying on the second sentence of 35 U.S.C. § 315(b), the majority reasons that we may institute an *inter partes* review based on the Second Petition if Petitioner is joined to the instituted IPR2014-00100. But, in my view, the second sentence does not provide such an exception. Rather, it states—or clarifies—that the one-year time bar, which applies to instituting an *inter partes* review, does not also apply to a request to join, as a party, an instituted *inter partes* review. In short, § 315(b) bars institution of an *inter partes* review based on a petition filed more than 1 year after the date on which the petitioner is served with a complaint alleging infringement of the

⁸ The relief that § 315(c) can provide is something Petitioner already has (i.e., status as a party in IPR2014-00100).

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patent, but does not bar a request by that petitioner to join, as a party, an already-instituted *inter partes* review of the same patent.

Petitioner's Second Petition was filed more than one year after it was served with a complaint asserting infringement of the '417 patent. For that reason alone, I would deny it under 35 U.S.C. § 315(b).

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