

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FLIR SYSTEMS, INC.,
Petitioner,

v.

LEAK SURVEYS, INC.,
Patent Owner.

Case IPR2015-00065
(Patent 8,426,813 B2)

Before FRED E. McKELVEY, JAMES T. MOORE, and
TREVOR M. JEFFERSON, *Administrative Patent Judges*.

FRED E. McKELVEY, *Administrative Patent Judge*.

POST CONFERENCE CALL ORDER
Conduct of Proceedings
37 C.F.R. § 42.5(a)

A conference call was held on 5 December 2014 at approximately
12 noon.

The purpose of the conference call was to discuss scheduling in this
IPR and IPR2014-00411/IPR2014-00434.

Pursuant to an agreement by the parties, Patent Owner is submitting
its preliminary response in two parts.

Part 1 was timely submitted on 1 December 2014. Paper 8.

In Part 1, Patent Owner raises four arguments why an *inter partes* review should not be instituted.

The four arguments are:

(1) Petitioner is improperly used the Board's institution decision in IPR2014-00411/00434 as a "road map" in presenting its petition in IPR2015-00065. Paper 8, pages 1-11.

(2) The petition presents redundant grounds. Paper 8, pages 11-12.

(3) Petitioner is "estopped" from seeking an *inter partes* review in light of our decision to institute in IPR2014-00411/00434. Paper 8, pages 12-13.

(4) Petitioner is statutorily time barred because a fee was not timely paid. Paper 8, pages 13-15.

The Road Map Argument

In determining whether to institute an *inter partes* review, the Director may take into account whether "the same or substantially the same prior art or arguments previously were presented to the Office." 35 U.S.C. § 325(d).

The Director has delegated to the Board a determination of whether an *inter partes* review should be instituted. 37 C.F.R. § 42.4(a).

Because § 325(d) uses the language "may," the Board has discretion as to whether an *inter partes* review should be instituted or not instituted based on possible use of the same or substantially the same prior art previously presented in IPR2014-00411/00434.

It is true in this case that the prior art relied upon in the petition in this IPR considerably overlaps that urged in IPR2014-00411/00434.

However, as a table on pages 2-3 of Part 1 reveals, the manner in which the prior art is combined differs.

In IPR2014-00411/00434, we found that Kulp did not describe a claimed limitation and therefore declined to institute an *inter partes* review trial based on Kulp.

We found, however, that the Merlin Brochure described that limitation and instituted an *inter partes* review Trial based on the Merlin Brochure.

A combination of Kulp with the Merlin Brochure presents a question not addressed in determining whether to institute an *inter partes* review trial in IPR2014-00411/00434.

While we are unable at this time to determine whether on the final record the combination will ultimately render obvious the claims being challenged, the combination of Kulp and the Merlin Brochure facially is more likely to lead to a conclusion that Petitioner can meet the standard set out in 35 U.S.C. § 314(a).

At this point, however, we do not have Patent Owner's preliminary input on the combination of prior art proposed by Petitioner.

Assuming *arguendo* that Petitioner used our previous decision as a "Road Map," and no other regulatory or statutory hurdles exist, there is nothing inherently wrong in doing so provided a second petition is filed prior to any time bar.

We do not perceive much more work on our part under the facts of this case.

Nor do we perceive significant more work for the parties.

In this case, it is our understanding that the witnesses to be called in this IPR (if instituted) would be the same as those to be called in IPR2014-00411/00434.

The parties' analysis of the references relied upon and our analysis of the prior art would be the same.

A single oral argument can be scheduled for both this IPR (if instituted) and IPR2014-00411/434.

Decisions in IPR2014-00411/00434 and this IPR (if instituted) can be rendered on the same day, and in fact if an IPR is instituted, the times for taking action in this IPR will be those already set in IPR2014-00411/00434.

On balance, and for the reasons given, we exercise our discretion to further consider the petition in this particular case notwithstanding Petitioner may have used our prior decision as a "Road Map."

Redundant Grounds

The Patent Owner raises a plausible basis for not instituting based on Petitioner's having raised redundant grounds of unpatentability.¹

Various alternate combinations of prior art said to be relied upon by Petitioner are revealed in the table on pages 2-3 of Part 1.

Upon consideration of Patent Owner's Part 2, it may become clear that Petitioner is in fact raising redundant grounds.

¹ We note that Patent Owner talks in terms of "invalidity." Paper 8, page 5, line 8. We caution both parties that in an IPR the issue is "patentability" not "invalidity." The standards for holding a patent invalid differ from those applicable to IPR proceedings. We urge the parties to refer to "patentability" and not "invalidity."

If so, we are in a position to institute based on some grounds and not others.

The time for us to make that analysis is upon review of Patent Owner's Part 2.

Estoppel

Patent Owner's basis for estoppel appears to be 35 U.S.C. § 315(e)(1). Paper 8, page 13.

Section 315(e)(1) estops a petitioner from raising in the Office any ground of unpatentability that was raised or could have been raised in an IPR after a *final written decision* is entered.

A final written decision is not the same as a decision to institute an IPR or not institute an IPR.

No final written decision has been entered in IPR2014-00411/00434. Accordingly, § 315(e)(1) has no applicability in this IPR at this stage of the proceeding.

Estoppel is not a ground for declining to institute an IPR in this case.

Time Bar Due to Non-payment of Fee

Patent Owner suggests that Petitioner is time barred because Petitioner did not timely pay an appropriate fee.

The USPTO records reveal that, when the petition was filed, Petitioner paid for 15 claims--\$23,000.

However, because all challenged claims dependent directly or indirectly from independent claim 1, Petitioner was required to pay for 16 claims—or \$23,400.

The \$400 fee was paid after a one-year time bar from service of a complaint against Petitioner was accomplished.

Hence, Patent Owner reasons the entire fee was not timely paid.

The fee issue was discussed at considerable length during the conference call.

Petitioner was advised that it could withdraw a dependent claim for its challenge.

Petitioner indicated that it would withdraw one claim.

Patent Owner maintained that it is too late to withdraw a claim.

As a result of the discussion, and to develop a record, Patent Owner was authorized to file a paper addressing the “fee issue.” The paper was timely filed on **12 December 2014**. Paper 11.

Petitioner was authorized to file a response. The response is due on or before **19 December 2014**.

The response has not yet been filed.

The time to evaluate the fee issue is after the paper and response are filed.

Because we indicated to the parties during the conference call that a discussion on Patent Owner’s Part 1 would be issued shortly so as to permit Patent Owner to evaluate what it might present in its Part 2, we will defer further consideration of the fee issue to a future date.

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