

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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LUMENTUM HOLDINGS, INC., LUMENTUM, INC., and  
LUMENTUM OPERATIONS LLC,  
Petitioner,

v.

CAPELLA PHOTONICS, INC.,  
Patent Owner.

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Case IPR2015-00739  
Patent RE42,678 E

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Before JOSIAH C. COCKS, KALYAN K. DESHPANDE, and  
JAMES A. TARTAL, *Administrative Patent Judges*.

TARTAL, *Administrative Patent Judge*.

DECISION  
*Motion to Terminate*  
*37 C.F.R. § 42.71(a)*

Patent Owner Capella Photonics, Inc. was authorized to file a motion to terminate “limited only to Patent Owner’s contention that the Board lacked jurisdiction to institute *inter partes* review in this proceeding.” Paper 31, 5. Patent Owner filed a Motion to Terminate, and, as the moving party, has the burden of proof to establish that it is entitled to the requested relief, here, termination of the proceeding. Paper 35 (“Motion” or “Mot.”), *see also* 37 C.F.R. § 42.21(c). Upon consideration of Patent Owner’s arguments, for the reasons discussed below, the Motion is *denied*.

By way of background, the Petition was filed on February 14, 2015, and identified JDS Uniphase Corporation (“JDSU”) as the petitioner and real party-in-interest. Paper 1, 1. During late July and early August, 2015, as part of a reorganization, JDSU was renamed Viavi Solutions Inc. (“Viavi”). Ex. 1048, 345. Additionally, certain assets and obligations associated with communications and commercial optical products were spun out to Lumentum Holdings Inc., Lumentum, Inc. and Lumentum Operations LLC. Paper 21, 1–5; Ex. 1048, 2–3 (stating that pursuant to a series of agreements entered July 31, 2015, Viavi transferred certain business segments to Lumentum Holdings Inc. pursuant to a distribution effective August 1, 2015).

On August 25, 2015, a decision instituting trial in this proceeding was entered. Paper 7. On September 15, 2015, an updated mandatory notice was filed stating that, as a result of a reorganization involving JDSU, the real parties-in-interest to this proceeding are now Lumentum Holdings Inc., Lumentum, Inc. and Lumentum Operations LLC. Paper 10. Petitioner’s updated mandatory notice was not filed within 21 days of the change in

name of the real parties-in-interest, as required by 37 C.F.R. §42.8(a)(3). On January 15, 2016, we conducted a teleconference with the parties in response to a request by Petitioner to re-caption the proceeding to reflect the change in name of the real parties-in-interest. During that call we authorized Petitioner to file a motion to re-caption the proceeding, and accepted Petitioner's late-filing of the updated mandatory notice. *See* 37 C.F.R. §42.5(c)(3). On January 22, 2016, Petitioner filed a Motion to Re-Caption the Proceeding (the "Re-Caption Motion"). Paper 21. Patent Owner did not oppose the Re-Caption Motion. The Re-Caption Motion was granted on January 29, 2016. Paper 27. During a teleconference on February 2, 2016, Patent Owner conceded that it has no evidence to dispute the identification of the real parties-in-interest provided by Petitioner.

Patent Owner contends that "Petitioner failed to meet its statutory requirements under § 312(a)(2) and that the petition was incomplete," and reasons that "[s]ince the Board should not have considered the petition when it instituted review, this proceeding should be terminated." Mot. 1. We disagree.

The statutory provision at issue, 35 U.S.C. § 312(a), states:

A petition filed under section 311 may be considered only if-

(1) the petition is accompanied by payment of the fee established by the Director under section 311;

(2) the petition identifies all real parties in interest;

(3) the petition identifies, in writing and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim, including-

(A) copies of patents and printed publications that the petitioner relies upon in support of the petition; and

(B) affidavits or declarations of supporting evidence and opinions, if the petitioner relies on expert opinions;

(4) the petition provides such other information as the Director may require by regulation; and

(5) the petitioner provides copies of any of the documents required under paragraphs (2), (3), and (4) to the patent owner or, if applicable, the designated representative of the patent owner.

Contrary to Patent Owner's argument that, under § 312(a)(2), the Board lacked jurisdiction to institute *inter partes* review in this proceeding, Patent Owner has not shown that § 312(a) is jurisdictional. In *Elekta, Inc. v. Varian Medical Systems, Inc.*, IPR2015-01401, slip op. 6–7, (December 31, 2015) (Paper 19) (“*Elekta*”), the decision explained, and we agree, that:

[T]he [Supreme] Court has “adopted a readily administrable bright line for determining whether to classify a statutory limitation as jurisdictional.” *Sebelius* [*v. Auburn Reg'l Med. Ctr.*], 133 S. Ct. [817,] 824 [(2013)] (internal quotation marks omitted). That determination turns on “whether Congress has clearly stated that the rule is jurisdictional; absent such a clear statement, . . . courts should treat the restriction as nonjurisdictional in character.” *Id.* (internal quotation marks and alteration omitted). Section 312(a)'s emphatic “may be considered only if” language does not make those requirements jurisdictional. *See Henderson* [*ex rel. Henderson v. Shinseki*], 562 U.S. [428,] [] 439 [(2011)] (“[W]e have rejected the notion that all mandatory prescriptions, *however emphatic*, are properly typed jurisdictional.”) (internal quotation marks and alterations omitted, emphasis added). Because Congress has not clearly stated that it is jurisdictional, we treat § 312(a) as nonjurisdictional in character. In particular, § 312(a)'s “Requirements of the Petition” are “[a]mong the types of rules that should not be described as jurisdictional” because they are “‘claim-processing rules’ . . . that seek to promote the orderly progress of litigation by requiring that the parties take certain procedural steps at certain specified times.” *Henderson*, 562

U.S. at 435; *see id.* at 438 (holding that a statutory notice of appeal deadline required “[i]n order to obtain review by the Court of Appeals for Veterans Claims” was not jurisdictional); *see also Achatz Reference Publ’g, Inc. v. Apple Inc.*, 803 F.3d 652, 658 (Fed. Cir. 2015) (holding that the § 315(b) time-bar does not implicate the Board’s jurisdiction because the time bar “does not itself give the Board the power to invalidate a patent”).

Simply stated, § 312(a) sets forth requirements that must be satisfied for the Board to give consideration to a petition, however, a lapse in compliance with those requirements does not deprive the Board of jurisdiction over the proceeding, or preclude the Board from permitting such lapse to be rectified. Applying Patent Owner’s contrary logic that § 312(a) is jurisdictional would lead to absurd results. For example, if § 312(a) were jurisdictional, a patent owner could show at the conclusion of trial that a petitioner failed to attach to the petition a copy of a patent “relied upon in support of the petition,” as required by § 312(a)(3)(A), and we would have no choice but to terminate the proceeding. Such a result contrary to the interests of justice weighs heavily against Patent Owner’s contention that § 312(a) is jurisdictional.

The Board’s rules further make clear that jurisdiction is not “lost” the moment a petition no longer identifies “all real parties in interest,” as required by § 312(a)(2). It is apparent readily that over the course of a trial the identity of a real party in interest may change. Accordingly, 37 C.F.R. §42.8(a)(3) allows a party 21 days to provide the Board notice of a change in its identification of the real party in interest, without the loss of “jurisdiction” over the proceeding.

Patent Owner provides no argument in its Motion to undermine the reasoning in *Elekta*, with which we agree, that § 312(a) is not jurisdictional.

Patent Owner contends that *Elekta* is “distinguishable” because in that case the “Board was able to consider the new [real party in interest] listed in the mandatory notice before it instituted review,” is “not controlling” (as it is not a precedential decision), and “is inconsistent with many other Board cases that treat § 312(a) as a threshold issue.” Mot. 8–10. None of these arguments demonstrate that § 312(a) is jurisdictional, the very premise upon which Patent Owner’s Motion is founded. Patent Owner directs us to no decision finding § 312(a) is jurisdictional, and simply stating that an issue is a “threshold” issue does not make it “jurisdictional,” nor does the timing of the institution decision. Thus, having failed to demonstrate that § 312(a) is jurisdictional, Patent Owner has not shown it is entitled to the relief requested.

Patent Owner’s additional arguments generally fall outside the scope of what was authorized for the Motion, but do not otherwise support Patent Owner’s request that the proceeding be terminated. Mot. 1–13. Patent Owner’s argument that the Petition was incomplete is not correct. *Id.* at 1–5. There is no dispute that the Petition, when filed, identified all real parties in interest, and, therefore, the Petition was complete, was properly accorded a filing date, and was available to be “considered” under § 312(a). Accordingly, Patent Owner’s argument that the Petition cannot be “corrected” under 37 C.F.R. § 42.106(b) is misplaced, as there was no need to “correct” the Petition (as opposed to updating the Petition with additional information concerning circumstances that arose after the Petition was filed). Thus, Patent Owner has not shown a need to assign a new filing date to the Petition. *Id.* at 3–4.

Fundamentally, Patent Owner seeks to create an obligation on Petitioner to notify the Board of any change in the identity of a real party in interest before the Board issues an institution decision, notwithstanding that Petitioner does not know the date such a decision will be issued, and in disregard of our rule which provides 21 days to provide such notice. *See id.* at 6–8; *see also* 37 C.F.R. §42.5(c)(3) (providing the Board discretion to permit late-filing of the updated mandatory notice). Patent Owner has shown no sufficient support for imposing such an obligation, much less a jurisdictional requirement that would compel us to do so.

Similarly, Patent Owner’s contention that the Board is offering Petitioner “a fully furnished opportunity for gamesmanship” has no merit. *See* Mot. 10–11. Petitioner disclosed on September 15, 2015, the new name of the real party in interest following the corporate reorganization. Patent Owner raised no issue with that disclosure for over four months, waiting until after we granted Petitioner’s Re-Caption Motion, *without opposition from Patent Owner*, on January 29, 2016. We have considered all of Patent Owner’s arguments and conclude that Patent Owner has failed to make the necessary showing that it is entitled to the extraordinary relief it seeks of termination of this proceeding.

Accordingly, it is:

ORDERED that Patent Owner’s Motion to Terminate is *denied*.

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For PETITIONER:

Walter C. Linder  
FAEGRE BAKER DANIELS LLP  
[patentdocketing@faegrebd.com](mailto:patentdocketing@faegrebd.com)

For PATENT OWNER:

Jason D. Eisenberg  
Robert Greene Sterne  
Jon E. Wright  
STERNE, KESSLER, GOLDSTEIN & FOX P.L.L.C.  
[jasone-PTAB@skgf.com](mailto:jasone-PTAB@skgf.com)  
[rsterne-PTAB@skgf.com](mailto:rsterne-PTAB@skgf.com)  
[jwright-PTAB@skgf.com](mailto:jwright-PTAB@skgf.com)