

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ACXIOM CORPORATION,
Petitioner,

v.

PHOENIX LICENSING, LLC,
Patent Owner.

Case CBM2015-00068
Patent 8,352,317 B2

Before BARRY L. GROSSMAN, STACEY G. WHITE, and
PETER P. CHEN, *Administrative Patent Judges*.

GROSSMAN, *Administrative Patent Judge*.

DECISION
Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Acxiom Corporation (“Acxiom”) filed a Request For Reconsideration of the Decision Denying Institution of Covered Business Method Review (Paper 24, “Req. Reh’g”) requesting rehearing of our decision (Paper 23, “Decision”) declining to institute a covered business method patent review of U.S. Patent No. 8,352,317 B2 (“the ’317 patent”). The basis for our Decision was that Acxiom did not establish that it satisfies the standing requirement for filing a petition for a covered business method patent review.

For the reasons stated below, we deny Acxiom’s request.

II. DISCUSSION

When rehearing a decision on institution, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). The burdens and requirements of a request for rehearing are stated in 37 C.F.R. § 42.71(d):

(d) Rehearing. . . . The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.

Acxiom asserts that “from oversight or misapprehension” (Req. Reh’g 3) the Decision erred on three distinct issues:

1. the four separate and distinct entities filing the Petition constituted a “single legal entity known as the Petitioner” at the time of filing (Req. Reh’g 1, 4);
2. the Petition asserted that Petitioners Ford Motor Company and AT&T Mobility LLC each have been sued for infringement of the ’317 Patent, thus conferring standing on Petitioner Acxiom (*id.* at 5–8); and

3. once standing of any named Petitioner is established at the time of filing the Petition, standing for all named Petitioners is established and continues throughout the proceeding (*id.* at 8–10).

We address below each of these assertions.

A. “*Single Legal Entity Known as the Petitioner*”

Acxiom argues that “[f]our business entities came together to form the legal entity known as the Petitioner.” Req. Reh’g 1. According to Acxiom, “the Board has previously explained that, *as a legal matter*, a collection of multiple entities that together file a single petition for CBM review are deemed to collectively constitute a single ‘Petitioner.’” *Id.* at 2 (emphasis added). Acxiom misconstrues our prior decisions. Neither *Agilysis, Inc., v. Ameranth, Inc.*, Case CBM2014-00014, (PTAB Feb. 11, 2014) (Paper No. 11) nor its related case, *Fandango, LLC v. Ameranth, Inc.*, Case CBM2014-00013, (PTAB Feb. 11, 2014) (Paper No. 14), cited by Acxiom (Req. Reh’g 2), support Acxiom’s position.

Ameranth and *Fandango* were decided by the same panel of the Board, on the same day, with substantially identical decisions. In *Agilysis*, thirty-five companies were identified in the petition as “Petitioners.” *Agilysis* at 1. In *Fandango*, five companies were identified in the petition as “Petitioners.” *Fandango* at 1. In response to a Board inquiry about how the “proceeding [would be] conducted,” a representative counsel spokesperson in each case stated the filings with the Board would “articulate the differences” any of the multiple Petitioner companies may have on any issues. *Agilysis* at 2, *Fandango* at 2. The Board determined that, procedurally, this was “unacceptable.” *Id.* at 1. The Board also determined that the “*manner of conducting*” this proceeding, as proposed by counsel, “is not in accordance with the rules governing trial practice *and procedure* before the Board.” *Id.* at 3 (emphases added).

The Board’s statements in *Agilysis* and *Fandango* that “for each ‘petition’ there is but a single party filing the petition, no matter how many companies are listed as petitioner or petitioners,” (*id.* at 3) and that the multiple companies “stand in the shoes of a single ‘Petitioner’” (*id.*) were in the context of the manner of conducting the proceeding. Neither *Agilysis* nor *Fandango* addresses standing to file a covered business method patent review (“CBM”) petition. Neither *Agilysis* nor *Fandango* determined that, *as a legal matter*, a collection of multiple entities that together file a single petition for a CBM are deemed to meet the standing requirement of a CBM proceeding if any *one* of the multiple entities meets the statutory standing requirement. Our Decision is not inconsistent with *Agilysis* and *Fandango*.

As the Federal Circuit has explained, “the starting point for a standing determination for a litigant before an administrative agency is not Article III [of the Constitution], but is the statute that confers standing before that agency.” *Ritchie v. Simpson*, 170 F.3d 1092, 1095 (Fed. Cir. 1999); *see also, Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1376 (Fed. Cir. 2012) (“[F]or an agency such as the PTO, standing is conferred by statute. . . . The purpose of the standing requirement is ‘to prevent litigation where there is no real controversy between the parties, where a plaintiff, petitioner or opposer, is no more than an intermeddler.’ *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1028–29 (CCPA 1982)”).¹

In this case, the starting point for a standing determination is the Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, § 18(a)(1)(B),

¹ *Ritchie*, *Coach Servs.*, and *Lipton* are appeals under the Lanham Act from decisions of the Trademark Trial and Appeal Board.

125 Stat. 284, 330 (2011). The law governing standing to file a petition for a CBM is clear. AIA Section 18(a)(1)(B) states:

(B) *A person may not file* a petition for a transitional proceeding with respect to a covered business method patent *unless* the person or the person's real party in interest or privy has been sued for infringement of the patent or has been charged with infringement under that patent.

(emphases added). The statute further defines a “person” who may file a CBM petition as “a person who is not the owner of a patent.” 35 U.S.C. § 321(a).² We construe the statute to mean that a person, such as a corporate petitioner, may file a CBM petition only if that individual entity, or its real parties in interest or privies, have been sued for, or charged with, infringement. *See Joe Matal, A Guide to the Legislative History of the America Invents Act: Part II of II*, 21 FED. CIR. B.J. 539, 626 (2012) (“[A] party may petition for a proceeding only if *that party* or its real parties in interest or privies have been ‘sued for infringement of the patent or . . . charged with infringement under that patent.’” (emphases added)).

Our implementing rules are equally clear:

(a) *A petitioner may not file* with the Office a petition to institute a covered business method patent review of the patent *unless* the petitioner, the petitioner's real party-in-interest, or a privy of the petitioner has been sued for infringement of the patent or has been charged with infringement under that patent. Charged with infringement means a real and substantial controversy regarding infringement of a covered business method patent exists such that the petitioner would have standing to bring a declaratory judgment action in Federal court.

37 CFR § 42.302(a) (emphases added).

² AIA § 18(a)(1) provides that CBM proceedings “shall be regarded as, and shall employ the standards and procedures of, a post-grant review under chapter 32 of title 35, United States Code.”

Based on the statute and rule, each named petitioner in a CBM petition filed by multiple petitioners must satisfy the CBM standing requirement at the time the petition is filed. Acxiom does not direct us to persuasive authority to the contrary. A contrary interpretation would allow a person without standing readily to circumvent the statutory requirement for standing by simply associating, for purposes of filing a CBM petition, with a person that does have standing. Thus, each petitioner must have standing at time of filing, and if instituted, the case will proceed procedurally with the multiple petitioners treated as a single entity, as was done in *Agilysis* and *Fandango*. Accordingly, Acxiom has not demonstrated that we abused our discretion or misapprehended or overlooked facts, law, or arguments in determining that Acxiom did not have standing to file a CBM petition in this case. ³

B. Conferred Standing

It is undisputed that, out of the four original petitioners, only two, Ford Motor Company and AT&T Mobility, were sued for infringement of the '317 patent. Dec. 4. There is no evidence or allegation that Acxiom has been sued or has had its real-party-in-interest or privy sued. *Id.* Acxiom asserts the standing of Ford and AT&T Mobility is conferred on Acxiom merely because Acxiom is a

³ *Cf. PNC Bank, N.A. et al. v. Maxim Integrated Prods., Inc.*, Case CBM2014-00041 (PTAB June 3, 2014) (Paper No. 19). In *PNC Bank*, , PNC, one of three Petitioners violated 35 U.S.C. § 325(a)(1) by filing the CBM petition after it had filed a district court suit challenging the validity of the patent challenged in the CBM. In an attempt to eliminate the statutory bar against PNC, PNC moved for entry of adverse judgment against it in the CBM proceeding and contended that other Petitioners could proceed with the Petition without further involvement by PNC. The Board denied institution on the CBM petition and dismissed the motion because PNC already had exerted substantial control over the case and granting PNC's request for adverse judgment would not obviate the control that PNC already had exerted. *Id.*, slip op. at 4.

co-petitioner. Req. Reh’g 5–8. Based on our determination above that the governing statute requires each entity named as a petitioner in a CBM petition to have standing for that petitioner to be able to participate, Acxiom’s unrelated co-petitioners, Ford Motor Company and AT&T Mobility, cannot confer their standing on Acxiom. Accordingly, Acxiom has not demonstrated that we abused our discretion or misapprehended or overlooked facts, law, or arguments in determining that Acxiom did not have standing to file a CBM petition in this case.

C. At Time of Filing

Based on our determination above that the governing statute requires each entity named as a petitioner in a CBM petition to have standing, on the record before us, there was no evidence establishing that Acxiom had standing at the time the Petition was filed. We agree with Acxiom’s premise that the requirements for standing need be met only at the time of filing. Req. Reh’g 8–10. This has been our consistent interpretation of the governing statute and rule. *Westlake Servs., v. Credit Acceptance Corp.*, Case CBM2014-00176 (PTAB Sept. 3, 2015) (Paper 41); *eBay Enterprise, Inc. v. Lockwood*, Case CBM2014-00026 (PTAB May 15, 2014) (Paper 25). Our Decision does not contravene this premise. We determined that Acxiom itself did not have standing at the time the petition was filed. Acxiom has not asserted error in that determination. Accordingly, Acxiom has not demonstrated that we abused our discretion or misapprehended or overlooked facts, law, or arguments in determining that Acxiom did not have standing to file a CBM petition in this case.

III. CONCLUSION

Petitioner has not persuaded us that the determination not to institute a covered business method review of the ’317 patent was an abuse of our discretion,

or that we misapprehended or overlooked any matter. Accordingly, we deny the request for rehearing.

IV. ORDER

For the reasons given, it is

ORDERED that the request for rehearing is *denied*.

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