

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MANITOWOC FOODSERVICE COMPANIES, LLC,
Petitioner Application No. 17/978.751,
Petitioner,

v.

GATE CFV SOLUTIONS, INC.,
Respondent Application No. 17/382,693,
Respondent.

DER2023-00006

Before JOSIAH C. COCKS, JOHN E. SCHNEIDER, DAVID COTTA,
Administrative Patent Judges.

SCHNEIDER, *Administrative Patent Judge.*

DECISION
Denying Institution of Derivation Proceeding
35 U.S.C. § 135(a)

I. INTRODUCTION

On November 11, 2022, Manitowoc Foodservice Systems, LLC (“Petitioner”), on the basis of its Application 17/978,751 (“the ’751 application”), filed a petition under 35 U.S.C. § 135(a) to institute a derivation proceeding directed to claims 1–20 of Application 17/382,693 (“the ’693 application”) of Gate CFV Solutions, Inc. (“Respondent”). Paper 3 (“Pet.”). On February 24, 2025 we exercised exclusive jurisdiction over the ’751 and ’693 applications under 37 C.F.R. § 42.3(a), for the purpose of determining whether to institute a derivation proceeding. Paper 9 (“Order”)

“Whenever the Director determines that a petition . . . demonstrates that the standards for instituting a derivation proceeding are met, the Director may institute a derivation proceeding.” 35 U.S.C. § 135(a)(1). We have authority to institute a derivation proceeding on behalf of the Director. 37 C.F.R. § 42.408(a). The threshold showing for institution of a derivation proceeding is whether the petition demonstrates substantial evidence that, if unrebutted, would support a determination of derivation. *See* 35 U.S.C. §135(a); 37 C.F.R. § 42.405(c). Once a derivation proceeding has been instituted, the standard of proof for establishing that a challenged claim constitutes a derived invention is by a preponderance of the evidence. 37 C.F.R. § 42.1(d). For the reasons that follow, we conclude that Petitioner has not made a sufficient showing to warrant institution and, therefore, do not institute a derivation proceeding.

A. *Respondent’s ’693 Application*

The ’693 application, titled “Ultra High Ratio Liquid Delivery System,” was filed on July 22, 2021, and published on November 11, 2021, as U.S. Patent Application Publication No. US 2021/0347624 A1. Ex. 1001,

codes (54), (22), (43), and (10). Originally the '693 application claimed priority to applications including a provisional application filed May 5, 2015. *Id.* codes (63), (60). The named inventors of the '693 application are John Newton, Jacob Lockwood, Michael Cheney, Dustin Hartsfield, Rory Pawl, Peter Brooke, and Gillian Callahan. *Id.* code (72). The assignee to the '693 application is Gate CFV Solutions, Inc. *Id.* code (22).

The '693 application describes liquid delivery systems capable of delivering, on demand, a high ratio mixture of at least two liquids. '693 application ¶ 3. In one embodiment, the system includes a cleaning system for a drink dispensing device. *Id.* The cleaning system comprises a water source connected to a cartridge containing cleansing or sanitizing solution. *See id.* ¶¶ 57–62, Fig. 8. The water mixes with the cleaning or sanitizing solutions, creating a diluted cleaning or sanitizing solution. *Id.* The diluted solution is then distributed to various parts of a drink dispensing system to clean/sanitize the drink dispensing system. *Id.*

Respondent filed the '693 application with original claims 1–20. *Id.* 11–13. Respondent later made amendments and withdrew some claims from consideration resulting in currently pending claims 1–7, 9, and 10. Ex. 3003. On October 28, 2024, the Examiner indicated that claims 1–7, 9, and 10 were in condition for allowance. Ex. 3001.

B. Petitioner's '751 Application

The '751 application, entitled “Cleaning Assembly for a Beverage Dispenser,” was filed on November 1, 2022. Ex. 3004. The '751 application describes a cleaning system for beverage system similar to that described in the '693 application. The named inventor of the '751 application is Kenneth

Lundberg. *Id.* code (72). The assignee of the '751 application is Manitowoc Foodservice Companies, LLC. *Id.* code (73).

The '751 application was filed with 10 claims which appear to be identical to claims 1–10 of the '693 application. During prosecution, Petitioner amended the claims adding claims 917 and deleting claims 1–8. Exs. 3005 and 3006. On February 11, 2025, the Examiner indicated the claims were in condition for allowance. Ex. 3002.

C. Illustrative Claim and Claim Correspondence

Petitioner contends that the pending claims 9–17 of its '751 application are identical to claims 1–7, 9, and 10 of the '693 application. Ex. 3005. Claim 1 of the '693 application is representative, and reproduced below.

1. A cleaning system for a drink dispensing device comprising:
 - a cleaner canister coupled to a water source;
 - a cleaner CFValve coupled to the water source which provides a first water flow to the cleaner canister, the cleaner canister configured to provide a cleaner solution to one or more parts of the drink dispensing device;
 - a sanitizer canister coupled to the water source and a sanitizer CFValve coupled to the water source which provides a second water flow to the sanitizer canister, the sanitizer canister configured to provide a sanitizer solution to one or more parts of the drink dispensing device;
 - a water flush device coupled to the water source and a water flush CFValve coupled to the water source which provides a third water flow to the one or more parts of the drink dispensing device;
 - a total dissolved solids device which measures an inlet total dissolved solids and an outlet total dissolved solids;
 - an inlet dry breaking fitting and an outlet dry breaking fitting on the sanitizer canister;

an inlet dry breaking fitting and an outlet dry breaking fitting on the cleaner canister; and
a controller that controls one or more ratios based on the inlet total dissolved solids and the outlet total dissolved solids.

II. DISCUSSION

A. Principles of Law

Although a derivation proceeding is a creation of the Leahy-Smith America Invents Act, Public Law No. 112-29, 125 Stat. 284 (2011) (“AIA”),¹ the charge of derivation of invention as a basis for finally refusing application claims and cancelling patent claims had been adjudicated under 35 U.S.C § 135(a) as it existed prior to the enactment of AIA. On the substantive law of derivation of invention, we apply the jurisprudence which developed in that context, including the case law of the U.S. Court of Appeals for the Federal Circuit and the U.S. Court of Customs and Patent Appeals.

Under the AIA, a petitioner must show that the respondent, without authorization, filed an application claiming a derived invention. 35 U.S.C. § 135(a); 37 C.F.R. § 42.405(b)(2). A derivation petition with respect to an invention that is the same or substantially the same as a claim contained in a patent issued on an earlier application, or contained in an earlier application when published or deemed published under 35 U.S.C. § 122(b), must be filed during the one-year period following the date on which the patent

¹ The language of 35 U.S.C. § 135 was amended to its current form in the Technical Corrections—Leahy-Smith America Invents Act, Pub. L. No. 112-274 §§ 1(e)(1), 1(k), 126 Stat. 2456, 2456–58 (2013).

containing such claim was granted or the earlier application containing such claim was published, whichever is earlier.² 35 U.S.C. § 135(a)(2).

To prove derivation, the party asserting derivation must establish (1) prior conception of the claimed subject matter, and (2) communication of that conception to an inventor of the other party. *Cooper v. Goldfarb*, 154 F.3d 1321, 1332 (Fed. Cir. 1998); *Price v. Symsek*, 988 F.2d 1187, 1190 (Fed. Cir. 1993); *Hedgewick v. Akers*, 497 F.2d 905, 908 (CCPA 1974); *see* Changes to Implement Derivation Proceedings; Final Rule, 77 Fed. Reg. 56,068, 56,075 (Sept. 11, 2012) (“Derivation requires both earlier conception by the party alleging derivation as well as communication of the conception.”). “There can be no derivation without prior conception on the part of the party alleging derivation.” *Davis v. Reddy*, 620 F.2d 885, 889 (CCPA 1980) (quoting *Egnot v. Looker*, 387 F.2d 680, 687 (CCPA 1967)). A charge of derivation addresses originality—who invented the subject matter at issue. *Price*, 988 F.2d at 1190.

“Conception is the formation ‘in the mind of the inventor of a definite and permanent idea of the complete and operative invention, as it is there[after] to be applied in practice.’” *Kridl v. McCormick*, 105 F.3d 1446, 1449 (Fed. Cir. 1997) (quoting *Coleman v. Dines*, 754 F.2d 353, 359 (Fed. Cir. 1985)); *Burroughs Wellcome Co. v. Barr Labs. Inc.*, 40 F.3d 1223, 1228 (Fed. Cir. 1994); *Coleman v. Dines*, 754 F.2d 353, 359 (Fed. Cir. 1985). “Conception must be proved by corroborating evidence which shows that

² The Petition was timely filed. It was accorded a filing date of November 11, 2022. (Paper 4), which is within one year of the date of publication of Respondent’s ’693 Application on November 11, 2021, as Pub. No. US 2021/0347624 A1.

the inventor disclosed to others his ‘completed thought expressed in such clear terms as to enable those skilled in the art’ to make the invention.” *Coleman*, 754 F.2d at 359 (citation omitted). An inventor’s testimonial assertion of inventive facts requires corroboration by independent evidence. *Brown v. Barbacid*, 276 F.3d 1327, 1335 (Fed. Cir. 2002). The purpose of the corroboration requirement is to prevent fraud by providing independent confirmation of the inventor’s testimony. *Kridl*, 105 F.3d at 1450. Without the requirement of independent corroboration, there would be a great temptation to perjury and the adverse party would be effectively precluded from a successful rebuttal. *Price*, 988 F.2d at 1194–95. A rule of reason applies to determining whether the inventor’s testimony has been corroborated. *Id.* at 1195. “The rule of reason, however, does not dispense with the requirement for some evidence of independent corroboration.” *Coleman*, 754 F.2d at 360.

Similarly, an inventor’s assertion of communication of the alleged conception to an inventor of the other party must have corroboration. *Price*, 988 F.2d at 1196; *Davis*, 620 F.2d at 885. Thus, a corroborated showing of prior conception and communication need be made for an invention allegedly disclosed to an inventor of the other party. If that showing is made, any challenged claim which the petitioner demonstrates is “the same or substantially the same” as the disclosed invention constitutes a derived invention.³ *See* 37 C.F.R. § 42.405(b)(3)(i). Proof of conception must encompass all limitations of the disclosed invention. *See Singh v. Brake*, 222

³ “Same or substantially the same means patentably indistinct.” 37 C.F.R. § 42.401.

F.3d 1362, 1367 (Fed. Cir. 2000); *Kridl*, 105 F.3d at 1449; *Sewall v. Walters*, 21 F.3d 411, 415 (Fed. Cir. 1994); *Coleman*, 754 F.2d at 359; *Davis*, 620 F.2d at 889.

Assuming that corroborated conception and communication both are established, a petitioner would be able to regard as a derived invention those challenged claims of the respondent which are shown by the petitioner to be drawn to the same or substantially the same invention as the invention disclosed to respondent. 37 C.F.R. § 42.405(b)(3)(i). Additionally, per 37 C.F.R. § 42.405(a)(2), a petitioner also has to show that it has at least one claim that is (i) the same or substantially the same as the respondent's claimed invention, and (ii) the same or substantially the same as the invention disclosed to the respondent.

B. Summary of Petitioner's Contentions

Petitioner contends that on November 1, 2019, its employee Lundberg sent an email to Callaghan and Pawl of Respondent regarding the use of Respondent's ultra-high dosing ratio system in Petitioner's sanitation system for on board cleaning chemical storage and dilution. Pet. 7, citing Ex. 1003. Petitioner further contends that the email had an attachment which was a diagram of the sanitation system. *Id.* at 7–8. Petitioner still further contends that the diagram that was attached to the email is the same as Fig. 8 of the '693 application. *Id.* at 8.

Petitioner maintains that during the period February 14, 2020, and April 17, 2020, Lundberg shared various details of Petitioner's sanitation system, including additional drawings, diagrams, and design specifications with employees of Respondent. Pet. 8, citing Exs. 1004, 1005, 1006, and

1007. Petitioner contends all of the information supplied to Respondent by Lundberg was done under a mutual Non-Disclosure Agreement

C. The Requirements Regarding the Claims

We are cognizant of Petitioner's contention that it conceived of its invention and communicated that invention to Respondent prior to July 22, 2021, the filing date of Respondent's '693 application. *See* Pet. 6–10. Of great importance here, however, are the requirements noted above, that Petitioner must show: (1) that Petitioner has at least one claim that is the same or substantially the same as Respondent's claimed invention; (2) that Petitioner has at least one claim that is the same or substantially the same as the invention Petitioner disclosed to Respondent; and (3) that the challenged claims are drawn to the same or substantially the same invention as the invention Petitioner disclosed to Respondent. *See* 37 C.F.R. § 42.405(a)(2), 37 C.F.R. § 42.405(b)(3). For the reasons discussed below, Petitioner has not made the requisite showing in the Petition with respect to at least item (2).

Petitioner's Disclosure as Compared to Respondent's Claim

Petitioner contends that the claim chart provided in the Petition shows, for each claim of the '693 application, the elements that were conceived by Lundberg and communicated to Respondent. Pet. 14. During prosecution of the '693 application, elements of original claim 8 were incorporated into claim 1. Ex. 3003 Because Petitioner's claim chart was based on the original claims, we base our analysis of current claim 1 on the discussion of original claims 1 and 8 in Petitioner's claim chart.

We have reviewed Petitioner's comparison of the elements of claim 1⁴ as amended with the information communicated between Petitioner and Respondent. Based on that review we find that there are at least three elements of amended claim 1 that are not reflected in the information communicated from Petitioner to Respondent. Based on that finding we conclude that Petitioner has not shown that amended claim 1 is the same or substantially the same as what was disclosed to Respondent.

Amended claim 1 reads, in part,

a cleaner CFValve coupled to the water source which provides a first water flow to the cleaner canister, the cleaner canister configured to provide a cleaner solution to one or more parts of the drink dispensing device;

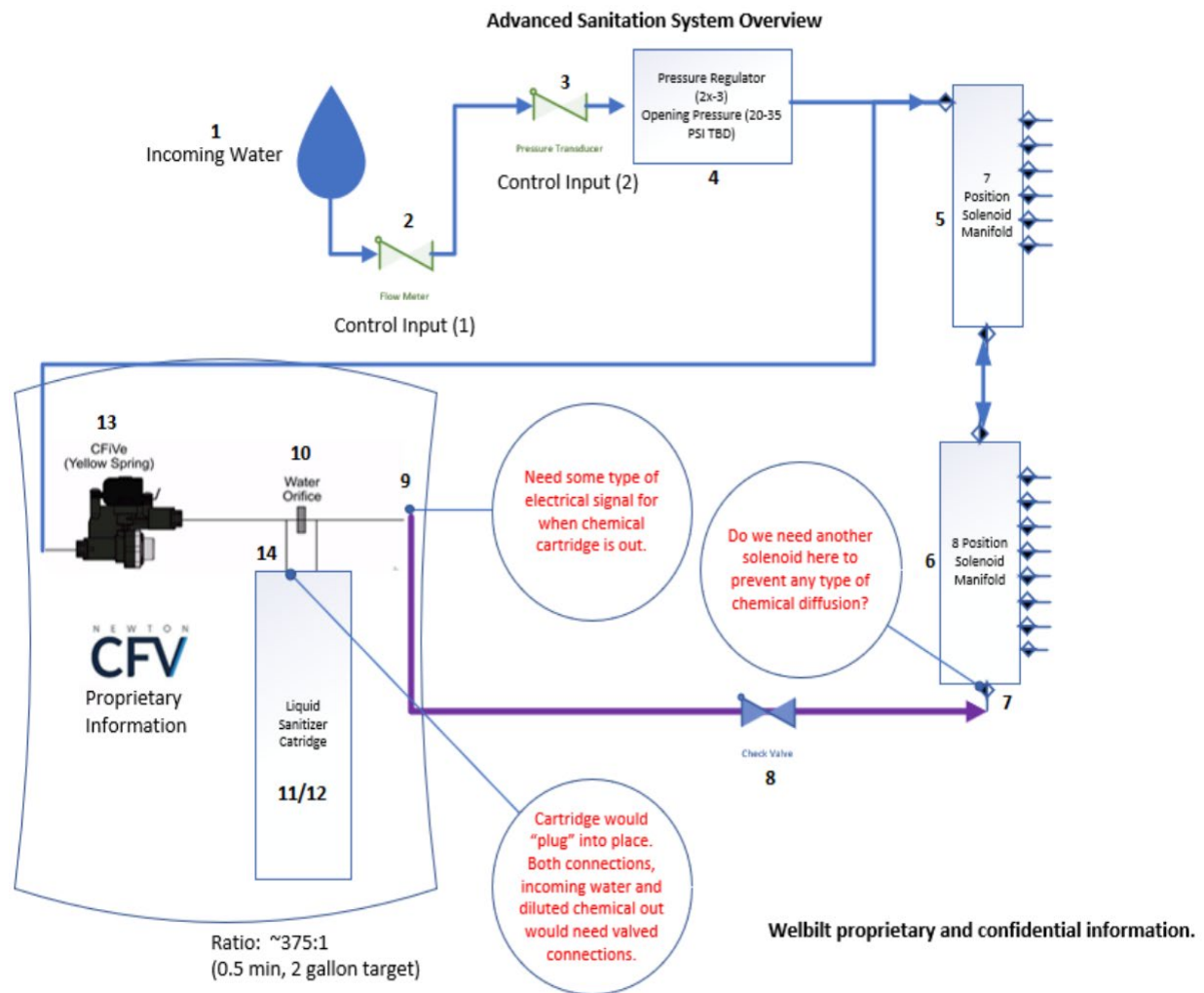
a sanitizer canister coupled to the water source and a sanitizer CFValve coupled to the water source which provides a second water flow to the sanitizer canister, the sanitizer canister configured to provide a sanitizer solution to one or more parts of the drink dispensing device.

Ex. 300_. As seen from the quoted portion above, claim 1 calls for a first water flow from a water source to a cleaner CFValve and then to a cleaner cannister as well as a separate sanitizer CFValve that provides a second flow of water from the water source to a sanitizer canister. *Id.*

In support of its contention that these elements were communicated to Respondent, Petitioner relies on Exhibit 1003, an email sent by Lundberg on

⁴ Claim 1 is the sole independent claim allowed in the '693 application. Ex. 3003. If elements of claim 1 were not communicated to Respondent, the same hold true for the remaining claims. *See* 35 U.S.C. § 112(d) (Dependent claims shall be construed to incorporate by reference all the limitations of the claim to which it refers.).

November 1, 2019, which included a diagram of Petitioner's system. Pet. 16, 22. However, as shown in Petitioner's annotated version of the diagram from Ex. 1003, reproduced below, the information provided to Respondent shows a single CF Valve (13) connected by a single water flow to both the sanitizer cartridge and the cleaner canister (11/12). *See also* Pet. 16, 17, 22.



Schematic of Petitioner's Advanced Sanitation System showing the flow of water and cleaning solution between various element as annotated by Petitioner. Pet. 16.

Petitioner has not pointed to any persuasive evidence in the record that shows communication to Respondent of either a separate sanitizer CFValve or a second water flow as recited in amended claim 1.⁵

Amended claim 1 also includes the limitation calling for “a controller that controls one or more ratios based on the inlet total dissolved solids and the outlet total dissolved solids.” Ex. 3003. Petitioner contends this element was communicated to Respondent when Lundberg shared the draft control system specification with Respondent. Pet. 23. In particular, Petitioner quotes the portion of the specification where it states “[s]ystem shall have a dilution function that mixes the incoming water with detergent to create the target diluted chemical.” Pet. 23(quoted Ex. 1005, REQ00010-13). Absent from Petitioner’s analysis is any showing of how the dilution function uses total dissolved solids to control the ratios of cleaner/sanitizer to water.

We acknowledge that other exhibits may show the presence of a Total Dissolved Solids sensor in the system, e.g., Ex. 1006 (referencing a “TDS Sensor”), however, Petitioner has not explained, nor do we discern, what role that sensor plays in Petitioner’s system, let alone that it is used to control the ratios of water to cleaner/sanitizer.

Given Petitioner’s failure to show that at all of the elements of amended claim 1 of the ’693 application were conceived and communicated

⁵ In addition to the emails and documents exchanged between Petitioner and Respondent, Petitioner has submitted a declaration from Kenneth L. Lundberg, the inventor of the ’751 application. Paper 2 (“Lundberg Decl.”). Mr. Lundberg’s declaration, however, does not provide any information about the communications between Petitioner and Respondent outside of what is in the Exhibits to the Petition. *See* Lundberg Decl. ¶ 2.

to Respondent, Petitioner has failed to meet the requirements set forth in 37 C.F.R. § 42.405.

III. CONCLUSION

For the reasons above, we conclude that Petitioner has not made the required showings under 37 C.F.R. § 42.405 as to the necessary content of its Petition. Instituting a derivation proceeding, therefore, is not appropriate, and we do not do so.

IV. ORDER

It is

ORDERED that the Petition is *denied*; and

FURTHER ORDERED that no derivation proceeding is instituted on the basis of the Petition;

FURTHER ORDERED that jurisdiction over the '693 application and the '751 application are herein returned to the appropriate officials under the Commissioner for Patents;

FURTHER ORDERED that a copy of this Decision be placed in the files of the '693 application and the '751 application; and

FURTHER ORDERED that the record of this proceeding be made publicly available.

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Petitioner Application No. 17/978,751

Respondent Application No, 17/382,693

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