

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

JON R. RASMUSSEN and BRANDON J. FAIR,
Petitioner Application 17/846,932,
Petitioner,

v.

NICHOLAS KLEINSCHMIT and AARON HOLMBERG,
Respondent Application 17/522,731,
Respondent.

Case DER2023-00012

Before JAMESON LEE, RAE LYNN P. GUEST, and
CHARLES J. BOUDREAU, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

ORDER
Retaking Exclusive Jurisdiction and
Authorizing Substitute Petition with Limitations
37 C.F.R. §§ 42.3(a), 42.5

I. Introduction

On April 10, 2025, we issued an Order taking exclusive jurisdiction of the parties' applications to determine whether to institute a derivation proceeding based on Petitioner's Corrected Petition. Paper 8. In that Order, we ordered the parties to "file a paper listing and reproducing all of its application claims at the time of filing of the initial petition on May 11, 2023, and also all of its application claims at the time of the date of entry of this Order." *Id.* at 3.

On May 19, 2025, Petitioner made an unauthorized filing in which it alleged a new theory of relief based on a North Dakota State Court Decision and Judgment (Exhibit 1031) addressing ownership of technology issues between Petitioner's inventors and Respondent's inventors. Paper 19. That unauthorized submission was expunged. Paper 21. Because Petitioner's ownership of Respondent's involved application may render moot this derivation proceeding, we authorized and granted Petitioner's Motion for Remand of both parties' involved applications to the respective Examiners "for the purpose of pursuing and recording actions concerning ownership of those applications" (Paper 23). Papers 24, 25. Specifically, we stated: "the remand is only for determining, raising, and recording ownership, and neither party shall make any amendments to the claims or to the specification during the remand period [six months]." Paper 25, 3.

During the six-month remand period, Petitioner filed and recorded an assignment of Respondent's involved application to Jon R. Rasmussen and Brandon J. Fair, individually. Paper 27, 2. Respondent did not take any action. Paper 28, 2.

II. Discussion

Recordation of an Assignment of Respondent's Application to Petitioner's inventors, which "Assignment" lacks the signatures of Respondent's inventors, does not establish ownership by Petitioner's inventors of Respondent's involved application. Recordation of the purported assignment is merely a ministerial act. No official in the Patent and Trademark Office has made a determination regarding whether Petitioner's inventors actually own Respondent's involved application. Although the recorded "Assignment" is accompanied by a copy of the North Dakota State court Decision and Judgment (Exhibit 1031), no official in the Patent and Trademark Office has made a determination regarding whether that state court Decision and Judgment covers Respondent's involved application. Accordingly, it is appropriate for the Board to resume taking exclusive jurisdiction of the parties' respective involved applications and to proceed on the basis that Petitioner's inventors or assignee do not own Respondent's involved application.

Because both parties' application claims have changed since the filing of the initial Petition by Petitioner on May 11, 2023 (Paper 3), it is appropriate to authorize Petitioner to file a Substitute Petition to replace the initial Petition. The Substitute Petition shall address the parties' current claims, not the claims existing at the time of filing of the initial Petition. Upon filing of the Substitute Petition, nothing from the initial Petition shall carry over to the Substitute Petition, and nothing in the initial Petition may be incorporated by reference in the Substitute Petition. The Board will refer only to the Substitute Petition, not any portion of the initial Petition, for determining whether to institute a derivation proceeding.

Because Petitioner has already been given an opportunity to establish ownership of Respondent's involved application, and failed, and because

ownership of Respondent's involved application does not, in any event, affect a determination of whether Respondent's inventors derived Respondent's claimed invention from Petitioner's inventors, Petitioner is not authorized to include in its Substitute Petition any argument based on alleged ownership by Petitioner's inventors or assignee of Respondent's involved application or on the North Dakota State Court's Decision and Judgment regarding ownership of technology (Exhibit 1031). Failure to comply with this limitation may result in summary dismissal of the Substitute Petition.

III. Order

It is

ORDERED that the Board will immediately retake exclusive jurisdiction over Petitioner's involved Application 17/846,932 and Respondent's involved Application 17/522,731, and prosecution of both applications is suspended until further notice;

FURTHER ORDERED that Petitioner is authorized to file, within one month of the date of this Order, a Substitute Petition:

1. which is based on the current claims of each party's involved application,
2. which may not refer back to any substance in the initial Petition or incorporate by reference anything from the initial Petition,
3. which must not identify "the invention disclosed to the respondent" as anything different from that which was identified in the initial Petition as "the invention disclosed to the respondent,"

within the context of 37 C.F.R. §§ 42.405(a)(2)(ii) and 42.405(b)(3)(i);¹

FURTHER ORDERED that the authorized Substitute Petition be deemed to replace the initial Petition (Paper 3) henceforth in this proceeding;

FURTHER ORDERED that the authorized Substitute Petition may rely on declaration evidence already filed by Petitioner, so long as clear and specific citations thereto are included in the Substitute Petition, and that, to the extent necessary, Petitioner may file additional declaration evidence to support the Substitute Petition;

FURTHER ORDERED that the authorized Substitute Petition must not include any argument based on alleged ownership by Petitioner's inventors or assignee of Respondent's involved application, or on the North Dakota State Court's Decision and Judgment regarding ownership of technology (Exhibit 1031);

FURTHER ORDERED that a copy of this Order be entered in the file of Petitioner's involved Application 17/846,932, and in the file of Respondent's involved Application 17/522,731.

¹ Identification of "the invention disclosed to the respondent" is central and definitive of Petitioner's charge of derivation. It is the root of any alleged wrongdoing by the Respondent regardless of what claims have been presented by the parties. Therefore, changed claims of the parties do not justify a change in the identification of "the invention disclosed to the respondent." Rather, authorizing such a change presents an opportunity for error correction without justification.

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Petitioner Application 17/846,932
Respondent Application 17/522,731

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