

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NEC CORPORATION, NOKIA CORPORATION, and
ALCATEL SUBMARINE NETWORKS,
Petitioners,

v.

NETPUNE SUBSEA IP LIMITED,
Patent Owner.

Case IPR2018-01190
Patent 7,860,403 B2

Before BARBARA A. BENOIT, GREGG I. ANDERSON, and
SCOTT C. MOORE, *Administrative Patent Judges*.

MOORE, *Administrative Patent Judge*.

DECISION

Granting Motion to Dismiss Petition and Terminate Proceeding
37 C.F.R. §§ 42.71, 42.72

Pursuant to our order of January 18, 2019 (Paper 8), Petitioners move pursuant to 37 CFR § 42.71(a) to dismiss their petition and terminate this proceeding without entering a final written decision. Paper 9 (“Motion”). Petitioners make clear in the Motion that they are not requesting adverse judgment against themselves. *Id.* at 1.

Patent Owner does not oppose termination of this proceeding so long as adverse judgment is entered against Petitioners. Paper 10 (“Opposition”). Patent Owner, however, opposes any termination not accompanied by an adverse judgment. *Id.* at 1.

Our Rules permit a party to “request judgment against itself at any time during a proceeding,” and indicate that “[a]bandonment of the contest” is construed as a request for adverse judgment. 37 C.F.R. § 42.73(b). In this case, however, Petitioners have explicitly requested that we *not* enter adverse judgment. Motion 1–2. Petitioners also have indicated that they do not want the Board to terminate this proceeding if doing so would require entry of adverse judgment, and clarified that they intend to continue with this proceeding if termination does not occur. Motion 1–2. Thus, it is clear Petitioners are not seeking entry of adverse judgment.

Patent Owner cites *Arthrex, Inc. v. Smith & Nephew, Inc.*, 880 F.3d 1345, 1349 (Fed. Cir. 2018), to argue that we have authority to treat this Motion as a request for entry of adverse judgment notwithstanding Petitioners’ wishes to the contrary. Opposition 3. But in *Arthrex*, the Board entered adverse judgment because the petitioner cancelled all of the challenged claims, eliminating the basis for a trial. *See id.* at 1347. No such

cancellation has occurred here, and there is no reason a trial could not proceed in this case if it were not terminated.

Under the circumstances present here, we decline to treat the Motion as a request for adverse judgment. We now consider whether it is appropriate to terminate this proceeding without entry of adverse judgment.

As Petitioners note in their Motion, this proceeding is in its early stages. Motion 3–4. Patent Owner declined to file a preliminary response, and an institution decision has not yet issued. *Id.* In addition, Petitioners concede that they are time barred under 35 U.S.C. § 315(b) from filing another petition against the challenged patent. *Id.* at 4. In these circumstances, we find that termination of this proceeding would avoid unnecessary effort and expense on the part of Petitioner, Patent Owner, and the Board.

Patent Owner argues in response that it will be prejudiced if adverse judgment is not entered. Opposition 2–4. However, as discussed above, there is no basis for entry of adverse judgment in this case.

Patent Owner’s prejudice arguments are primarily directed to what would occur if we terminate *without* entering adverse judgment instead of terminating *with* entry of adverse judgment. But, because adverse judgment is inappropriate in this case, the proper comparison is between what would happen if we terminate without adverse judgment instead of allowing this proceeding to go forward. Patent Owner does not identify any substantial prejudice that it will suffer if we terminate without entry of adverse

judgment that would be avoided if we were to allow this proceeding to move forward.

Patent Owner indicates that it is “not seeking an institution decision on the merits” (Opposition 3), but this argument ignores that the Board will be required to issue an institution decision on the merits if this proceeding is not terminated. *See* 35 U.S.C. § 314(b). Patent Owner also argues that Petitioner might later seek to join a petition filed by another party (*id.* at 4), but nothing would prevent Petitioner from doing so if this proceeding were to move forward—at least not until entry of a final written decision.

Having considered the arguments of both Parties, we find in the circumstances present here that it is appropriate to dismiss the Petition and terminate this proceeding without entry of a final written decision.
37 C.F.R. §§ 42.71, 42.72.

For the above reasons, it is

ORDERED that the Petition in this proceeding is *dismissed*, and

FURTHER ORDERED that this proceeding is *terminated* as to both Petitioners and Patent Owner without entry of a final written decision.

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