

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HEWLETT PACKARD ENTERPRISE CO.,
Petitioner,

v.

CHROMAR SYSTEMS, INC.,
Patent Owner.

Case IPR2019-00032
Patent 8,155,012 B2

Before KARL D. EASTHOM, ROBERT J. WEINSCHENK, and
FREDERICK C. LANEY, *Administrative Patent Judges*.

LANEY, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 315(a)(1)

I. INTRODUCTION

Hewlett Packard Enterprise Co. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting an *inter partes* review of claims 1, 5, 6, 10, 13, 16, 22, 25, 26, 29, 30, 67, 73, 80, 88, 106, 108, 114, 121, 129, and 147 (“challenged claims”) of U.S. Patent No. 8,155,012 B2 (Ex. 1003, “the ’012 patent”). Chrimar Systems, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 8, “Prelim. Resp.”) to the Petition. Also, as authorized, Petitioner filed a Reply (Paper 9, “Reply”) to the Preliminary Response, and Patent Owner filed a Sur-reply (Paper 10, “Sur-reply”) to the Reply.

An *inter partes* review “may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.” 35 U.S.C. § 315(a)(1). The information presented shows that Petitioner filed a civil action challenging the validity of a claim of the ’012 patent before the date on which the Petition was filed. Therefore, the Petition is denied, and no trial is instituted.

A. *Related Proceedings*

As required by 37 C.F.R. § 42.8(b)(2), each party identifies various judicial or administrative matters that would affect or be affected by a decision in this proceeding. Pet. 2–7; Paper 6, 1–2 (“Patent Owner’s Mandatory Notice”).

B. *The ’012 Patent*

The ’012 patent relates generally to a communication system “provided for generating and monitoring data over a pre-existing wiring or cables that connect pieces of networked computer equipment to a network.” Ex. 1003, 3:19–22. The ’012 patent discloses central module 15 and remote

module 16 system for achieving identification of electronic computer equipment associated with computer network 17. *Id.* at 4:44–47. “[C]entral module 15 monitors remote module circuitry 16 that may be permanently attached to remote[] located electronic workstations such as personal computers 3A through 3D over the computer network.” *Id.* at 4:53–56.

Figure 3 of the '012 patent is reproduced below:

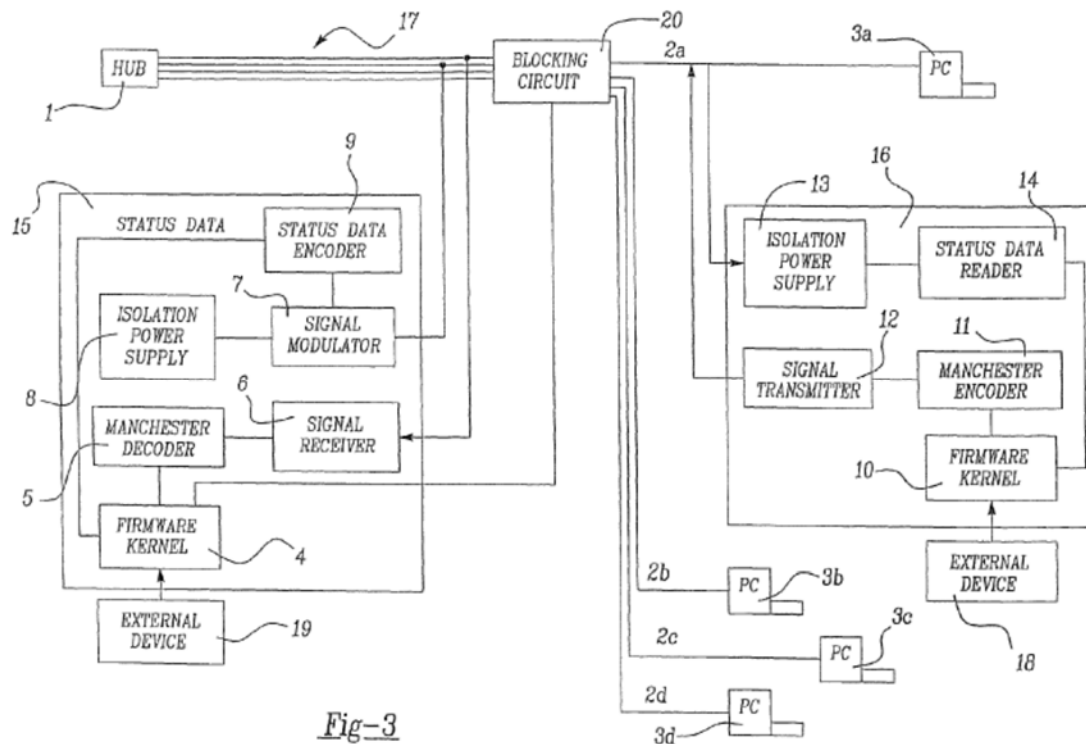


Fig-3

Ex. 1003, Fig. 3. As shown in Figure 3 of the '012 patent above, the central module includes isolation power supply 8 to supply continuous direct current to each of the current loops 2A through 2D. *Id.* at 5:33–35.

“Firmware kernel 10 provides a preprogrammed unique identification number to Manchester encoder 11 in order to reliably traverse the data communication link or cable 2A,” and the “Manchester encoder then passes this encoded number to signal transmitter 12 which sends the encoded number across the data communication link 2A by altering the total current

draw of the remote module 16.” *Id.* at 6:7–13. “In addition to transmitting an identification number the firmware kernel 10 may also elect to send additional information such as confirmation of the status information or additional data provided by an external device 18, such as the computer 3A to which the remote module 16 is attached.” *Id.* at 6:19–24.

C. *Illustrative Claim*

Of the challenged claims, claims 1, 67, and 108 are independent. Claim 1 is reproduced below.

1. A method for adapting a piece of Ethernet data terminal equipment, the piece of Ethernet data terminal equipment having an Ethernet connector, the method comprising:
 - selecting contacts of the Ethernet connector comprising a plurality of contacts, the selected contacts comprising at least one of the plurality of contacts of the Ethernet connector and at least another one of the plurality of contacts of the Ethernet connector;
 - coupling at least one path across the selected contacts of the Ethernet connector; and
 - associating distinguishing information about the piece of Ethernet data terminal equipment to impedance within the at least one path.

Ex. 1003, 17:5–17.

D. *Evidence of Record*

Petitioner submits the following references and declaration (Pet. 14):

Reference or Declaration	Exhibit No.
Declaration of George Zimmerman	Ex. 1001
The Institute of Electrical and Electronics Engineers, Inc., IEEE Standard 802.3u-1995 (1995) (“IEEE 802.3-1995”)	Ex. 1021
The Institute of Electrical and Electronics Engineers, Inc., IEEE Standard 802.3-1993 (1993) (“IEEE 802.3-1993”)	Ex. 1022
Bloch et al., U.S. Patent No. 4,173,714 (issued Nov. 6, 1979) (“Bloch”)	Ex. 1025
Bulan et al., U.S. Patent No. 5,089,927 (issued Feb. 18, 1992) (“Bulan”)	Ex. 1027
Hunter et al., PCT Publication No. WO 96/23377 (published Aug. 1, 1996) (“Hunter”)	Ex. 1033

E. *Asserted Grounds of Unpatentability*

Petitioner asserts that the challenged claims are unpatentable on the following grounds (Pet. 14):

Claim(s)	Basis	References
1, 5, 6, 10, 13, 16, 22, 25, 26, 29, 30, 67, 73, 80, 88, 106, 108, 114, 121, 129, and 147	35 U.S.C. § 103	Hunter and Bulan
1, 67, and 108	35 U.S.C. § 103	Bloch, IEEE 802.3-1993, and IEEE 802.3-1995

II. ANALYSIS

An *inter partes* review “may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.” 35 U.S.C. § 315(a)(1). Petitioner previously filed a civil action challenging the validity of a claim of the ’012 patent. Pet. 9; Prelim. Resp. 1; Ex. 2001 ¶¶ 7, 9, 63–68. Petitioner argues, though, that § 315(a)(1) does not bar

institution of an *inter partes* review because Petitioner voluntarily dismissed its previous civil action without prejudice. Pet. 9–10 (citing *Emerson Elec. Co. v. SIPCO, LLC*, Case IPR2015-01579, slip op. at 2–3 (PTAB Jan. 14, 2016) (Paper 7)).¹ In Petitioner’s words: “[b]ecause the [declaratory judgment] actions here were voluntarily dismissed without prejudice, § 315(a)(1) has not been triggered.” *Id.* at 10.

Section 315(a)(1), titled “Inter Partes Review Barred by Civil Action,” bars institution of an *inter partes* review when a petitioner filed a civil action challenging the validity of a claim of a patent before the date on which that petitioner filed a petition requesting an *inter partes* review of that patent. 35 U.S.C. § 315(a)(1). Section 315(a)(1) does not include an exception for a civil action that was dismissed without prejudice. *Id.*; see *Click-to-Call*, 899 F.3d at 1330. And Congress demonstrated that it knew how to provide an exception to a statutory bar by including an exception to the § 315(b) time bar for a joinder request. 35 U.S.C. § 315(b); see *Click-to-Call*, 899 F.3d at 1331. Thus, Congress could have included an exception to the § 315(a)(1) bar for a civil action that was dismissed without prejudice, but did not. 35 U.S.C. § 315(a)(1); see *Click-to-Call*, 899 F.3d at 1331.

¹ In *Emerson*, a panel of the Board held in a non-precedential decision that the § 315(a)(1) bar does not apply when a petitioner dismissed its previous civil action without prejudice because “[f]ederal courts treat a civil action that is dismissed without prejudice as ‘something that de jure never existed.’” *Emerson*, Case IPR2015-01579, slip op. at 2–3 (Paper 7). Subsequently, in *Click-to-Call Techns., LP v. Ingenio, Inc.*, 899 F.3d 1321, 1328 n.3 (Fed. Cir. 2018) (en banc), the Federal Circuit held that the § 315(b) time bar applies even when a previous civil action was dismissed voluntarily without prejudice. This Decision addresses the § 315(a)(1) bar in light of the Federal Circuit’s discussion of the § 315(b) time bar.

Further, the ordinary meanings of the terms “file” and “civil action” show that the phrase “filed a civil action” in § 315(a)(1) applies to a civil action that was dismissed without prejudice. Black’s Law Dictionary defines “file” as “[t]o commence a lawsuit,” and defines “civil action” as “[a]n action brought to enforce, redress, or protect a private or civil right; a noncriminal litigation.” BLACK’S LAW DICTIONARY (10th ed. 2014). These definitions indicate that the § 315(a)(1) bar is implicated once a party commences a noncriminal litigation, irrespective of subsequent events. *Id.*; see *Click-to-Call*, 899 F.3d at 1330. In other words, once a party begins a lawsuit by filing an action for declaratory judgment to challenge the validity of a patent, the triggering event that § 315(a)(1) identifies has, by definition, occurred.

Petitioner contends that *Click-to-Call* is distinguishable because the phrase “filed a civil action” used in § 315(a)(1) is not the same as the phrase “served with a complaint” used in § 315(b) and the Federal Circuit only addressed the meaning of “served with a complaint.” See Pet. 10–11; Reply 4–6. Petitioner contends that the use the term “filed” is significant because “a dismissal without prejudice nullifies the action and returns the parties to the same legal position as if the civil action was never filed.” Reply 3. According to Petitioner, a “voluntary dismissals under Rule 41(a)(1)(A)(i), before any substantive activity occurred, nullified the actions’ existence and left the parties as if the actions had never been brought.” *Id.* Petitioner’s argument is not persuasive.

“A voluntary dismissal without prejudice only leaves the dismissed action without legal effect for *some* purposes; for many other purposes, the dismissed action continues to have legal effect.” *Click-to-Call*, 899 F.3d at

1335. Because the background legal principle relied on by Petitioner is “anything but unequivocal,” it does not “transform[] the ordinary meaning of the phrase [‘filed a civil action’] into something else.” *Id.* The Federal Circuit made clear that, when the statute clearly identifies a triggering event, without any exceptions, a party’s performance of that triggering event is the focus of the inquiry. *See id.* at 1330 (determining that because the act of serving a complaint triggers § 315(b), “it is wholly irrelevant . . . whether the civil action in which the complaint was filed is later voluntarily dismissed without prejudice”). Once all of the conditions of the triggering event have been determined to occur, the results that the statute dictates must follow, irrespective of subsequent events. *Id.* (holding that “§ 315(b)’s time bar is implicated once a party receives notice through official delivery of a complaint in a civil action, irrespective of subsequent events”).

In this case, the triggering event of 315(a)(1) is “the petitioner or real party in interest fil[ing] a civil action challenging the validity of a claim of the patent” and the consequence of that event is an *inter partes* review “may not be instituted.” 35 U.S.C. § 315(a)(1). Petitioner does not dispute it filed a civil action challenging the validity of a claim of the ‘012 patent. As a result, § 315(a)(1) bars institution of an *inter partes* review even though Petitioner voluntarily dismissed its earlier civil action challenging the validity of a claim of the ‘012 patent without prejudice.

III. CONCLUSION

The information presented shows that Petitioner filed a civil action challenging the validity of a claim of the ‘012 patent before the date on which Petitioner filed the Petition. Therefore, the Petition is denied under § 315(a)(1).

IV. ORDER

In consideration of the foregoing, it is hereby
ORDERED that the Petition is denied, and no trial is instituted.

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