

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BMW OF NORTH AMERICA, LLC,
Petitioner,

v.

MICHIGAN MOTOR TECHNOLOGIES, LLC,
Patent Owner.

IPR2023-01031
Patent 8,909,482 B2

Before JAMES P. CALVE, NEIL T. POWELL, and SCOTT B. HOWARD,
Administrative Patent Judges.

HOWARD, *Administrative Patent Judges*

JUDGMENT

Denying Motion to Terminate
Granting Request for Adverse Judgment After Institution of Trial
37 C.F.R. §§ 42.72, 42.73(b)

I. ANALYSIS

BMW of North America, LLC¹ (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting *inter partes* review of claims 1, 2, 4–7, and 9–13 (“challenged claims”) of U.S. Patent No. 8,909,482 B2 (Ex. 1001, “the ’482 patent”). Michigan Motor Technologies, LLC (“Patent Owner”) filed a Patent Owner Preliminary Response (Paper 11, “Prelim. Resp.”). Because we determined that Petitioner had demonstrated a reasonable likelihood that it would prevail with respect to at least one challenged claim, we instituted *inter partes* review of all challenged claims on all asserted grounds. Paper 12.

Along with the Institution Decision, we issued a Scheduling Order which, *inter alia*, set April 16, 2024 as the due date for submitting a Patent Owner’s Response. Paper 13, 9, 11. The parties agreed to extend that due date until May 9, 2024 and filed the appropriate notice indicating the new due date. Paper 21. Patent Owner did not file a timely Patent Owner Response.

On May 16, 2024—one week after the due date—we issued an Order to Show Cause requiring Patent Owner to “show cause why adverse judgment under 37 C.F.R. § 42.73(b)(4) should not be entered against it.” Paper 22, 2. We further advised Patent Owner that “[u]pon failure to respond or absent a showing of good cause, adverse judgment will be entered against Patent Owner as to the claims upon which trial was instituted.” *Id.*

¹ The Petition was originally filed by BMW of North America, LLC and Mercedes-Benz USA, LLC. This proceeding was terminated with respect to Mercedes-Benz. Paper 10 (Termination Order).

Patent Owner filed a timely response to the Show Cause Order. Paper 23. Patent Owner stated that “[r]elying on representations by Petitioner, Patent Owner voluntarily dismissed the pending lawsuit [between the parties], believing that Petitioner would seek timely dismissal of the above-captioned *Inter Partes Review* of the ’482 patent. *See* Exhibit 2004. However, Petitioner has not done so despite repeated requests.” Paper 23, 2. Patent Owner further states that “rather than further burdening the Board, Patent Owner has elected not to file a Patent Owner Response and has also disclaimed all of the challenged claims in the above-captioned *Inter Partes Review* of U.S. Patent 8,909,482. *See* Exhibit 2005.” *Id.* “Accordingly,” Patent Owner argues, “the above-captioned *Inter Partes Review* of U.S. Patent 8,909,482 is now moot.” *Id.*

As for relief, “Patent Owner avers that there is good cause not to enter adverse judgment and respectfully requests that the Board instead exercise its discretion to terminate this proceeding without adverse judgment. However, if the Board declines to exercise its discretion as requested, Patent Owner will not oppose adverse judgment under 37 C.F.R. § 42.73(b).” Paper 23, 2–3.

Although Patent Owner did not comply with our rules,² we treat Patent Owner’s request as a motion to terminate pursuant to 37 C.F.R. § 42.72 (2023). Under 37 C.F.R. § 42.72, “[t]he Board may terminate a trial without rendering a final written decision, where appropriate, including where the trial is consolidated with another proceeding or pursuant to a joint

² Patent Owner did not state that it met-and-conferred with Petitioner. Nor did Patent Owner request authorization to file a motion to terminate the proceedings.

request under 35 U.S.C. 317(a) or 327(a).” In this case, there is no “consolidat[ion] . . . or a joint request under 35 U.S.C. 317(a) or 327(a),” so the application of § 42.72 here is unclear.

However, application of section 42.73 is straightforward and unobjected to. *See* Paper 23, 3 (Patent Owner not objecting to entry of adverse judgment). The Board construes an action cancelling or disclaiming claims such that no challenged claims remain in the trial as a request for adverse judgment. 37 C.F.R. § 42.73(b)(2) (“Actions construed to be a request for adverse judgment include: . . . [c]ancellation or disclaimer of a claim such that the party has no remaining claim in the trial.”); *see also McAfee, Inc. v. CAP Co., Ltd.*, IPR2016-00211, Paper 19 (PTAB Apr. 5, 2017) (entering adverse judgment based on motion to amend seeking cancellation of claims remaining in the trial). In this case, the Board instituted trial on claims 1, 2, 4–7, and 9–13 of the ’482 patent, none of which remains in the trial following Patent Owner’s statutory disclaimer. Ex. 2005, 5 (disclaiming claims 1, 2, 4–7, and 9–13). Accordingly, we construe Patent Owner’s disclaimer as a request for adverse judgment, and we grant that request.

II. ORDER

Accordingly, for the reasons discussed above, it is:

ORDERED that Patent Owner’s motion to terminate this proceeding under 37 C.F.R. § 42.72 is *denied*; and

FURTHER ORDERED that adverse judgment is hereby entered against Patent Owner pursuant to 37 C.F.R. § 42.73(b) with respect to claims 1, 2, 4–7, and 9–13 of U.S. Patent No. 8,909,482 B2.

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FOR PETITIONER:

Edward H. Sikorski
Matthew S. Middleton
DLA Piper LLP (US)
ed.sikorski@us.dlapiper.com
matthew.middleton@us.dlapiper.com

FOR PATENT OWNER:

Timothy Devlin
Jason Wejnert
DEVLIN LAW FIRM LLC
tdevlin@devlinlawfirm.com
jason.wejnert@dinsmore.com