

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LUMINEX INTERNATIONAL CO., LTD.,
Petitioner,

v.

SIGNIFY HOLDINGS B.V.,
Patent Owner.

IPR2024-00101
Patent 10,299,336 B2

Before CHRISTOPHER M. KAISER, KEVIN C. TROCK, and
STEVEN M. AMUNDSON, *Administrative Patent Judges*.

AMUNDSON, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

I. INTRODUCTION

Luminex International Co., Ltd. (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–20 in U.S. Patent No. 10,299,336 B2 (Exhibit 1001, “the ’336 patent”) under 35 U.S.C. §§ 311–319. Paper 1 (“Pet.”). Signify Holdings B.V. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

II. BACKGROUND

A. Statutory Bars to Institution

The Leahy-Smith America Invents Act (“AIA”) precludes institution of an *inter partes* review under certain circumstances. 35 U.S.C. § 315(a)–(b) (2018); *see* 37 C.F.R. § 42.101(a)–(b) (2023).

First, § 315(a), titled “Infringer’s Civil Action,” bars institution of an *inter partes* review “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); *see* 37 C.F.R. § 42.101(a). But § 315(a) provides that “[a] counterclaim challenging the validity of a claim of a patent does not constitute a civil action challenging the validity of a claim of a patent for purposes of this subsection.” 35 U.S.C. § 315(a)(3).

Second, § 315(b), titled “Patent Owner’s Action,” bars institution of an *inter partes* review “if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” 35 U.S.C. § 315(b); *see* 37 C.F.R. § 42.101(b).

B. Discretionary Denial in View of Parallel Litigation

When deciding whether to exercise discretion under § 314(a) to deny institution, the Board has considered the status of litigation involving the parties in light of the AIA’s objective “to provide an effective and efficient alternative to district court litigation.” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 12, 19–20 (PTAB Sept. 12, 2018) (precedential); *see* 35 U.S.C. § 314(a). The Board has set forth various nonexclusive factors to consider when determining whether to exercise discretion under § 314(a) to deny institution due to the advanced state of parallel litigation. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”).

The Board also follows the Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022) (“Interim Procedure”).¹ The Interim Procedure states as follows: “Consistent with *Sotera Wireless, Inc.*, the PTAB will not discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB.” Interim Procedure at 3 (footnote omitted) (citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A)); *see id.* at 7, 9.

¹ Available at https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf.

C. Patent Owner's Contentions

Patent Owner contends that § 315(a)'s bar to institution applies because Petitioner filed a crossclaim seeking a declaratory judgment of invalidity for the '336 patent in February 2023 before Petitioner filed the Petition in October 2023. Prelim. Resp. 10; *see id.* at 2–3, 21.

Patent Owner contends that § 315(b)'s bar to institution applies because:

- (1) Petitioner filed the Petition in October 2023 more than one year after Patent Owner served Menard, Inc. (“Menard”) with a complaint for patent infringement in *Signify North America Corp. et al. v. Menard, Inc.*, No. 3:22-cv-00706 (W.D. Wis. filed Aug. 12, 2022) (the “Wisconsin case”); and
- (2) Menard is “at least one of” a real party in interest and a privy of Petitioner.

Prelim. Resp. 21; *see id.* at 3–4, 26.

Also, Patent Owner argues that we should exercise our discretion under § 314(a) to deny institution in view of the Wisconsin case. *See* Prelim. Resp. 4–5, 28–34.

D. Petitioner's Request

On February 29, 2024, Petitioner's counsel emailed the Board to request authorization to file a preliminary reply that “would be limited to seven (7) pages addressing the §§ 315(a) and 315(b) and *Fintiv* issues raised” in the Preliminary Response. Ex. 3001. Among other things, Petitioner's counsel stated that “Petitioner intends to set forth a stipulation” relevant to the *Fintiv* issues that “will minimize or eliminate overlap between this IPR and the district court litigation.” *Id.*

Further, Petitioner's counsel represented that "Petitioner will not oppose a sur-reply by Patent Owner" limited to seven (7) pages and that Patent Owner's counsel "stated that Patent Owner does not oppose this request." Ex. 3001.

III. DISCUSSION

After reviewing the Petition and the Preliminary Response and considering the circumstances, the Board believes that further briefing will assist it in deciding whether a statutory bar precludes institution in this proceeding. The Board also believes that a stipulation relevant to the *Fintiv* issues, i.e., a *Sotera* stipulation, will simplify the issues in this proceeding and avoid an extensive analysis whether the Board should exercise discretion based on *Fintiv* to deny institution in view of parallel litigation.

IV. ORDER

Accordingly, it is

ORDERED that no later than five business days after the date of this order, Petitioner may file a stipulation relevant to the *Fintiv* issues;

ORDERED that no later than five business days after the date of this order, Petitioner may file a Preliminary Reply no longer than seven pages that addresses the § 315(a), § 315(b), and *Fintiv* issues raised in the Preliminary Response;

FURTHER ORDERED that no later than ten business days after the date of this order, Patent Owner may file a Preliminary Sur-reply no longer than seven pages that responds to the Preliminary Reply; and

FURTHER ORDERED that Petitioner may not file any new evidence with the Preliminary Reply and Patent Owner may not file any new evidence with the Preliminary Sur-reply.

IPR2024-00101
Patent 10,299,336 B2

For PETITIONER:

Joshua R. Nightingale
William E. Devitt
Vishal V. Khatri
Jeffrey S. Messing
JONES DAY
jrnightingale@jonesday.com
wdevitt@jonesday.com
vkhatri@jonesday.com
jmessing@jonesday.com

For PATENT OWNER:

Justin J. Oliver
John D. Carlin
VENABLE LLP
JOliver@Venable.com
JCarlin@Venable.com
Signify-IPRs@Venable.com