

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NEURENT MEDICAL INC. & NEURENT MEDICAL LTD.,
Petitioner,

v.

THE FOUNDRY, LLC,
Patent Owner.

Case IPR2024-00281
Patent No. 11,679,077 B2

**PATENT OWNER'S OPPOSITION TO PETITIONERS' MOTION TO
WITHDRAW PETITION THROUGH DISMISSAL WITHOUT PREJUDICE**

Patent Owner The Foundry, LLC opposes Petitioners Neurent Medical Inc. and Neurent Medical Ltd.’s Motion To Withdraw the above-captioned Petition for *inter partes* review of U.S. Patent No. 11,679,077 (“the ’077 patent”) because it would be inefficient and prejudicial to Patent Owner to allow this proceeding to proceed separately from and later than two related IPR proceedings. The Board authorized this filing on March 5, 2024, via email to the parties.

Petitioners filed petitions for *inter partes* review on patents related to the ’077 patent—IPR2024-00279 (U.S. Patent No. 10,610,675) and IPR2024-00280 (U.S. Patent No. 10,894,011)—raising similar grounds as in the instant proceeding. Allowing Petitioners to withdraw and refile the instant Petition would increase the burden on Patent Owner and the Board and lead to inefficiencies, as these similar proceedings would be on different schedules. Petitioners would also get a two-month preview of Patent Owner’s response in this proceeding based the responses filed in the related proceeding.

Patent Owner had proposed a reasonable compromise—Patent Owner would agree to the withdrawal and refiling of the instant Petition if Petitioners agreed that, with Board approval, Patent Owner’s preliminary responses in the related IPR2024-00279 and IPR2024-00280 proceedings could be extended to be due the same day as Patent Owner’s preliminary response in this refiled proceeding. Petitioners rejected that compromise. Patent Owner thus opposes Petitioners’ motion as presented.

I. BACKGROUND

The '077 patent issued on June 20, 2023. Petitioners filed the IPR Petition for the '077 patent on January 18, 2024—within nine months of the issue date. The Petition asserts multiple grounds of unpatentability, including grounds based on the claimed priority date and grounds based on an alleged post-AIA priority date. Pet. at 1-2. Petitioners filed the Petition for IPR within nine months of the issue date of the '077 patent and chose to include ineligible grounds based on the alleged post-AIA priority date. Petitioners now attempt to correct their own mistake.

When Petitioners filed the instant Petition, it filed seven other Petitions for *inter partes* review, which Petitioners expressly identified as related petitions, including IPR2024-00279 and IPR2024-00280. Pet. at 3. The proceedings in IPR2024-00279 and IPR2024-00280 involve patents directly related to the '077 patent. And Petitioners make the same priority arguments, use many of the same references, and assert similar grounds of invalidity as in the present proceeding.

Each of the patents of these three related IPRs claim priority at least to an application filed on July 21, 2006. In the Petitions, Petitioners argue, for the same reasons, that each of the three related patents are only entitled to a priority date of October 22, 2019. Pet. at 18-25; IPR2024-00279, Pet. at 18-26; IPR2024-00280, Pet. at 19-27. Petitioners also assert the same or similar grounds based on largely the same prior art in each Petition. Pet. at 7; IPR2024-00279, Pet. at 7; IPR2024-00280,

Pet. at 7. For instance, each Petition raises grounds based on the priority challenge, asserting anticipation and obviousness based on Saadat (Ex. 1003) and asserting anticipation based on Deem (Ex. 1004). Pet. at 31-66; IPR2024-00279, Pet. at 29-63; IPR2024-00280, Pet. at 32-64. And each Petition presents a ground or grounds not dependent on the priority date based on Makower (Ex. 1005) and Fang (Ex. 1006). Pet. at 66-92; IPR2024-00279, Pet. at 63-90; IPR2024-00280, Pet. at 64-92. And like the instant Petition, the Petition in IPR2024-00280 also has a ground which further includes Edwards-535 (Ex. 1008). Pet. at 92-95; IPR2024-00280, Pet. at 64-92. And the expert declaration of Dr. Nicolas Bu-Saba submitted in each proceeding is very similar. *Compare* Ex. 1002, *with* Exs. 1002 in IPR2024-00279 and IPR2024-00280.

When Petitioners realized that grounds based on a priority date of 2019 are not eligible for IPR yet, Petitioners sought Patent Owner's position on their desire to withdraw and refile the Petition. Patent Owner raised concerns about burdens and inefficiencies that would result from having related proceedings on different schedules and the unfair advantage Petitioners would have in this proceeding. Patent Owner also offered a compromise. Patent Owner proposed that the deadlines for filing Patent Owner's Preliminary Responses in the two related IPRs be extended to match the deadline in this refiled IPR to maintain scheduling efficiencies and avoid burden to the Patent Owner and the Board caused by Petitioners' mistake. Petitioners rejected Patent Owner's compromise.

II. ARGUMENT

A. **Withdrawal of the Petition through dismissal without prejudice will not promote efficiency and will lead to unnecessary costs.**

Petitioners bear the burden of showing that their petition should be dismissed. 37 C.F.R. § 42.20(c). The Board has considered the following factors when evaluating a petitioner's motion to dismiss: petitioner's reason for seeking dismissal, whether petitioner intends to re-file, and the burden on patent owner and/or the Board. *See, e.g., General Elec. Co. v. Siemens Gamesa Renewable Energy A/S*, IPR2021-00722, Paper 11 at 2-3 (P.T.A.B. Oct. 7, 2021); *Fresenius-Kabi USA LLC v. AstraZeneca AB*, IPR2017-01910, Paper 7 at 2-5 (P.T.A.B. Nov. 2, 2017).

While the Board has dismissed petitions to “promote efficiency and minimize unnecessary costs,” such efficiencies do not exist in this case. *See Apple Inc. v. Pinn, Inc.*, IPR2021-00220, Paper 10 (P.T.A.B. Mar. 19, 2021) (granting a motion to dismiss where petitioner was time barred from filing another petition for review and Patent Owner did not oppose). The Board has also granted motions to dismiss to promote efficiencies and minimize unnecessary costs in cases where patent owner did not oppose and, for example, petitioner would not re-file another petition on the same patent (*General Elec. v. Siemens*, IPR2021-00722, Paper 11 at 2), where petitioner sought dismissal of multiple related IPR proceedings (*Materialise N.V. v. Osteoplastics, LLC*, IPR2021-00245, Paper 12 at 2 (P.T.A.B. June 4, 2021)), and where petitioner sought dismissal of one IPR proceeding so that judicial resources

could be devoted to a related IPR proceeding (*Regeneron Pharms., Inc. v. Novartis Pharma AG*, IPR2020-01318, Paper 17 at 2 (P.T.A.B. Dec. 7, 2020)). None of these circumstances are present here.

Rather than promoting efficiencies and minimizing unnecessary costs, dismissing and refiling only the present IPR Petition, without extending the deadline for Patent Owner's Preliminary Responses in IPR2024-00279 and IPR2024-00280, would cause inefficiencies and unnecessarily increase costs. For example, allowing these three related IPR proceedings to follow different schedules would lead to multiple expert depositions on the same issues at different times. It would also require the Board to hold multiple hearings on the same issues, again at different times. Having different schedules would also essentially provide Petitioners an effective two-month extension of time on filings in this proceeding because it would have earlier obtained Patent Owner's responses on the same issues and arguments in the related proceedings. Maintaining these three related IPR proceedings on the same schedule would increase efficiencies by allowing for coordination of discovery, filings, and oral hearings across the related proceedings.

Petitioners assert that the Board has granted a request to withdraw a petition through dismissal without prejudice in similar circumstances. But the only case Petitioners identify is distinguishable. In *SharkNinja, Inc. v. Dyson Technology Ltd.*, the Board granted petitioner's motion to withdraw and refile a petition when the

claims became eligible for *inter partes* review. *SharkNinja, Inc. v. Dyson Technology Ltd.*, IPR2023-01323, Paper 7, 2-3 (P.T.A.B. Nov. 28, 2023). In that case, however, there were no related proceedings, and the patent owner did not oppose. *Id.*; *see also Fresenius-Kabi*, IPR2017-01910, Paper 7 at 5 (stating “that none of the Board’s rules expressly contemplates the withdrawal of a petition by a petitioner over the objections of a patent owner”). Here, this proceeding is related to at least two others, and Patent Owner opposes on grounds of inefficiencies, undue burdens and costs, and unfair advantage to Petitioners.

B. If the Board grants Petitioners’ motion, the deadline for Patent Owner’s Preliminary Responses in the related proceedings should be extended to keep related proceedings on the same schedule.

The deadline for filing a Patent Owner Preliminary Response is set by rule to “three months after the date of a notice indicating that the request to institute an *inter partes* review has been granted a filing date.” 37 C.F.R. § 42.107(b). The Board, however, may modify any deadline that is set by rule so long as “any applicable statutory pendency goal [is taken] into account” and the extension of time is “supported by a showing of good cause.” 37 C.F.R. § 42.5(c)(1)-(2); *see also General Elec. Co. v. Transdata, Inc.*, IPR2014-01380, Paper 18 at 2 (P.T.A.B. Dec. 4, 2014).

In this case, there is no applicable statutory deadline because *inter partes* review has not yet been instituted and Patent Owner has not yet filed or waived its

Preliminary Response. *See* 35 U.S.C. § 314(b) (stating that the “Director shall determine whether to institute an inter partes review” within three months after either the filing of Patent Owner’s Preliminary Response or the expiration of the time for Patent Owner to file a Preliminary Response); 35 U.S.C. § 313 (setting no statutory time limit for the filing of Patent Owner’s Preliminary Response). The Board has also found good cause for extending the deadline of a Patent Owner Preliminary Response to place three related proceedings on the same schedule. *See General Elec. v. Transdata*, IPR2014-01380, Paper 18 at 3.

Additionally, allowing Petitioners to terminate and re-file only the present Petition without extending the deadline for the Patent Owner Preliminary Responses in the two related proceedings would give Petitioners an improper advantage. Because the prior art and arguments made in each of the three related Petitions are similar, allowing Petitioners to re-file the present Petition over two months after the related Petitions were filed would give Petitioners an effective two-month extension on all papers in the re-filed proceeding. Petitioners would receive an over two-month preview of Patent Owner’s response for the re-filed Petition based on Patent Owner’s responses to the same and similar arguments made in the two related proceedings.

While Petitioners attempt to blame Patent Owner for their mistake, Mot. at 10, the circumstances leading to Petitioners’ motion are caused by Petitioners filing a

Petition including ineligible grounds. Petitioners should not be able to benefit from their own error by gaining an over two-month advantage in a re-filed proceeding.

Petitioners also assert that Patent Owner will obtain an “improper strategic advantage in those IPR proceedings and in ongoing litigation between the parties” if the deadline for Preliminary Responses in the related proceedings is extended. Mot. at 7. But Petitioners never identify how such an extension could provide a strategic advantage in the litigation. As to the related proceedings, Petitioners assert that Patent Owner could argue that the Board should deny institution because the district court case has advanced another two months while at the same time it argues that the district court case is at an early stage. Mot. at 7-8. But the Board will be able to evaluate the entirety of the circumstances if Patent Owner presents arguments for a discretionary denial, including Petitioners’ rush to file Petitions and any extension of time granted to Patent Owner for the Preliminary Responses. And it is actually Petitioners—not Patent Owner—that would obtain an improper strategic advantage with their proposal. For example, if these three related IPR proceedings are permitted to be on different schedules, Petitioners would have a chance to depose Patent Owner’s expert in two of the proceedings and then have a second chance to do so two months later on the exact same issues, which would be an unfair opportunity for Petitioners to have a do-over of the deposition. Petitioners should not benefit from their own mistake, particularly to Patent Owner’s detriment.

III. CONCLUSION

Patent Owner respectfully requests that Petitioners' Motion to Withdraw Petition Through Dismissal Without Prejudice be denied, unless the deadline for filing Patent Owner's Preliminary Responses in the related proceedings, IPR2024-00279 and IPR2024-00280, is extended to the same deadline as the Patent Owner Preliminary Response in the present proceeding when refiled.

Dated: March 13, 2024

By: /Kathleen A. Daley/
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FINNEGAN, HENDERSON, FARABOW,
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Lead Counsel for Patent Owner
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **Patent Owner's Opposition to Petitioners' Motion To Withdraw Petition Through Dismissal Without Prejudice** was served on March 13, 2024, via email directed to counsel of record for Petitioner at the following:

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Dated: March 13, 2024

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