

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.

IPR2024-00281
Patent 11,679,077 B2

Before SHERIDAN K. SNEDDEN, SUSAN L. C. MITCHELL, and
TIMOTHY G. MAJORS, *Administrative Patent Judges*.

MAJORS, *Administrative Patent Judge*.

DECISION

Granting Petitioner's Opposed Motion to Withdraw Petition

37 C.F.R. § 42.71(a)

Dismissal Prior to Institution of Trial

35 U.S.C. § 314

I. BACKGROUND

On January 18, 2024, Neurent Medical Inc. and Neurent Medical Ltd. (collectively “Petitioner”) filed a Petition (Paper 3, “Pet”) requesting *inter partes* review of claims 1–8 and 11 of U.S. Patent No. 11,679,077 B2 (“the ’077 patent”). Pet. 5–7. The Foundry Inc. (“Patent Owner”) has not yet filed its preliminary response to the Petition.

On February 23, 2024, the Board authorized Petitioner to file a motion to withdraw the petition. Ex. 3001. Petitioner filed the present Opposed Motion to Withdraw Petition Through Dismissal Without Prejudice (Paper 7, “Motion” or “Mot.”) on February 28, 2024. On March 13, 2024, Patent Owner filed an Opposition to the Motion (Paper 8, “Opposition” or “Opp.”), and Petitioner filed a Reply in support of the Motion (Paper 9, “Mot. Reply”) on March 15, 2024. For the reasons discussed below, Petitioner’s Motion is granted.

II. DISCUSSION

“The Board may terminate a trial without rendering a final written decision, where appropriate.” 37 C.F.R. § 42.72. Moreover, under 37 C.F.R. § 42.71(a), the Board “may grant, deny, or dismiss any petition,” as appropriate under the circumstances. *Facebook, Inc. v. EveryMD.com LLC*, IPR2018-00050, Paper 19, 4–5 (PTAB Oct. 9, 2018) (explaining that the Board has “broad” authority to dismiss a petition under the applicable statutory and regulatory framework, even after institution); *SharkNinja, Inc. v. Dyson Tech. Ltd.*, IPR2023-01323, Paper 7, 2–3 (PTAB Nov. 28, 2023) (dismissing petition in pre-institution phase where the petition challenged claims not yet eligible for IPR under 35 U.S.C. § 311(c), and petitioner planned to refile the petition once the claims became eligible for IPR challenge).

Petitioner moves the Board to withdraw the Petition and terminate the proceeding. Mot. 1–2. According to Petitioner, the requested relief is warranted because, *inter alia*, this case is still at an early stage—Patent Owner has not filed a preliminary response and the Board has not entered any decision on institution. Mot. 3.

In addition, Petitioner contends that granting the motion so that Petitioner may withdraw the Petition and refile the challenge at a later date eliminates a potential dispute about the timing of the Petition’s filing under 35 U.S.C. § 311(c). *Id.* at 1–4. The Petition was filed within nine months of the ’077 patent’s issue date. Under § 311(c), the filing deadline for IPR petitions is “after the later of either . . . the date that is 9 months after the grant of a patent” or the date a post-grant review (PGR) terminates if a PGR is instituted. Petitioner asserts, however, that the Petition raises multiple grounds of unpatentability, with some grounds based on the claims receiving a pre-AIA priority date and other grounds based on the claims having a post-AIA priority date. *Id.* Petitioner thus implicitly considers the existing IPR Petition to have been timely filed because it includes at least some grounds premised on the ’077 patent’s claims having a pre-AIA priority date. And, if a pre-AIA priority date applies, the patent may not otherwise be eligible for a PGR challenge, which must be brought within the nine months from the patent’s issuance.¹

¹ The post-grant review provisions in section 6(d) of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (September 16, 2011) (“AIA”) apply only to patents that “contain[] or contained at any time . . . a claim to a claimed invention that has an effective filing date . . . that is on or after [March 16, 2013].” AIA §§ 3(n)(1), 6(d), 6(f)(2)(A), 125 Stat. 284, 293, 305–312 (2011). In addition, “[a] petition for a post-grant review may only be filed not later than the date that is 9 months after the date of the

Petitioner contends that Patent Owner refuses to state its position on the timing and related IPR eligibility question above. More specifically, according to Petitioner, despite raising the timing issue with Patent Owner, Patent Owner will not say whether it will argue that the claims of the '077 patent are ineligible for IPR under § 311(c) based on the challenges in the Petition filed January 18, 2024 (i.e., roughly seven months after the '077 patent's issuance on June 20, 2023). Mot. 1–2; Mot. Reply 2 (“Patent Owner . . . refuses to confirm it will not raise an issue of first impression regarding the proper timing” of a petition that presents grounds based on both pre- and post-AIA priority “under 35 U.S.C. § 311(c)”). Nevertheless, Petitioner contends that issue is moot if the present Petition is dismissed and the identical challenge is refiled *after* the expiry of the nine-month period on March 21, 2024, which Petitioner has done. Mot. 1, 4 (explaining that its refiled petition would still be timely filed within one year from service of the complaint asserting infringement of the '077 patent in compliance with 35 U.S.C. § 315(b)); *see* IPR2024-00669.

Patent Owner does not dispute Petitioner's assertions above. Nor does Patent Owner dispute the Board's authority to dismiss the Petition in the manner requested by Petitioner. Patent Owner contends that doing so, however, would be inefficient and prejudicial to Patent Owner. Opp. 1. Patent Owner also states that it proposed a “reasonable compromise” in which Patent Owner would agree to the withdrawal and refiling of the Petition, provided the deadlines for the preliminary responses in the related

grant of the patent or of the issuance of a reissue patent (as the case may be).” 35 U.S.C. § 321(c).

IPR2024-00279 and IPR2024-00280 proceedings² are extended to coincide with any preliminary response deadline set in the refiled proceeding. *Id.* According to Patent Owner, Petitioner rejected that proposal. *Id.* We address the parties' positions in greater detail below.

As Patent Owner notes, the Board, in deciding whether to grant a petitioner's motion to dismiss a petition, has considered factors such as the petitioner's reasons for seeking dismissal and whether granting the relief will promote efficiencies. Opp. at 4–5 (citing cases). According to Patent Owner, dismissing and refiling the present Petition is less efficient and increases costs. *Id.* at 5–6. The thrust of Patent Owner's argument is that, because many issues overlap in the 279, 280, and 281 cases (e.g., similar references and grounds asserted), it is less efficient to proceed with the 279 and 280 cases on a first schedule while the 281 case (as later refiled) moves forward on a different schedule that trails the first schedule. *Id.* For example, Patent Owner contends, “allowing these three related IPR proceedings to follow different schedules would lead to multiple expert depositions on the same issues at different times” and “require the Board to hold multiple hearings on the same issues . . . at different times.” *Id.* at 5.

We agree in part with Patent Owner. A refiled version of the Petition that proceeds on a different schedule may result in increased downstream work—particularly if the Board institutes trial in each of the three related cases. That could, for example, result in the parties and Board holding an

² The petitions in the 279 and 280 cases challenge other patents related to the '077 patent, and those petitions were filed the same day as the Petition in this matter. See Opp. 5–6 n.1, n.3 (noting that the 279 and 280 cases challenge, respectively, claims from the grandparent and parent patents to the '077 patent).

oral hearing for the 279 and 280 cases and a separate hearing at a later time for the refiled 281 case. On the other hand, as noted by Petitioner, it is not unusual for the Board to analyze patents in the same family under different schedules. Mot. 9 (citing examples). Moreover, if Patent Owner wants more coordinated discovery and schedules, Patent Owner could file its preliminary response to the refiled Petition early. Patent Owner has had the Petition since January. And if, as Petitioner represents, the refiled petition is substantively identical, it is not clear why Patent Owner would need to wait until the preliminary response filing deadline to file its response.³

Although there are some inefficiencies introduced by handling one of the three related proceedings on a separate schedule, there are also efficiencies gained by dismissing the Petition. As Petitioner points out, dismissal avoids any dispute about whether Petitioner's particular IPR challenge came too early such that it was untimely filed under § 311(c). Patent Owner has not committed to whether it will make that argument. And Petitioner, understandably, cannot take a wait-and-see approach because, if Patent Owner does raise the argument and the Board were to agree that the Petition is ineligible for IPR under § 311(c), Petitioner could be barred altogether from having its challenge heard by the Board on the merits (assuming an institution decision in late July 2024 and a time bar under 35 U.S.C. § 315(b) applied against Petitioner after July 11, 2024).⁴ It would be inefficient for the Board and parties to get sidetracked with novel

³ It appears Petitioner has refiled its challenge to the '077 patent, which challenge is now docketed as IPR2024-00669. Based on the accorded filing date for the petition in that case, the filing deadline for Patent Owner's preliminary response is July 19, 2024.

⁴ Petitioner states that, on July 11, 2023, Patent Owner asserted the '077 patent against Petitioner in related district court litigation. Mot. 10.

IPR timing and eligibility issues when those issues can be eliminated by the simple act of dismissing and refileing the Petition a few months after its original filing date. It is more efficient (and fair) under the circumstances to address Petitioner's challenge on the merits, rather than potential formalities that can be mooted well before any decision on institution.

Patent Owner also contends that allowing Petitioner to dismiss and file the Petition gives Petitioner an unfair advantage. Opp. 3, 5–7. Patent Owner's contention again stems from the refiled proceeding moving forward on a different schedule. *Id.* According to Patent Owner, having different schedules “essentially provide[s] Petitioners an effective two-month extension of time because it would have earlier obtained Patent Owner's responses on the same issues and arguments in related proceedings.” *Id.* at 5; *see also id.* at 7–8 (asserting the mismatch in schedules gives Petitioner a “preview” of Patent Owner's arguments in earlier filings, and a second opportunity to depose the same expert on the same issues).

We disagree that dismissing the Petition under the circumstances here gives Petitioner an unfair advantage. If an extension of time is seen as advantageous, dismissing the Petition gives Patent Owner several additional months to address Petitioner's identical arguments in any refiled petition. As noted above, however, Patent Owner may also decide to file its preliminary response early and mitigate perceived advantages to Petitioner created by the mismatch in schedules. Moreover, even if the cases proceed on different schedules, “advantages” that Patent Owner suggests accrue to Petitioner also flow to Patent Owner. Indeed, Patent Owner would get a preview of arguments made and testimony given by Petitioner and its witnesses in the earlier-filed 279 and 280 cases, giving Patent Owner more time to develop counter-arguments and additional opportunities to depose

those witnesses in the refiled case challenging the '077 patent. It is also clear that Petitioner's motion was not brought for purposes of seeking "advantages" of the sort suggested by Patent Owner. Had Petitioner sought to exploit "advantages" of the type suggested by Patent Owner, Petitioner could have filed its three IPR challenges against the three different patents on a staggered timetable. Mot. Reply 4 (asserting that Petitioner "could have filed the three IPRs at issue at *any time* within a year of the complaint in litigation, including separated by even more than two months").

Lastly, we appreciate Patent Owner's effort to propose a compromise that would have simplified resolution of this Motion. Opp. 1. At the same time, we observe Petitioner's desire to keep the 279 and 280 cases on their current schedule rather than delay them by months. Mot. 7–8. There is nothing unreasonable about Petitioner wanting to keep that schedule intact to ensure more prompt decisions about the asserted unpatentability of claims of two of the three related patents asserted against it in parallel district court litigation. *Id.*⁵ Patent Owner nevertheless casts Petitioner's petitioning activity as "rush[ed]" and repeatedly characterizes the early filing of the Petition as a "mistake." Opp. 2–3, 7–8. Even if we agreed with Patent Owner's characterization, the "mistake" is easily correctable at an early stage of the case and without substantial disruption or prejudice to either

⁵ Petitioner also contends that, had it accepted Patent Owner's proposal to delay the 279 and 280 proceedings, Patent Owner may argue that such delay supports discretionary denial under 35 U.S.C. § 314(a). Mot. 7–8. Patent Owner, rather than committing that it would not argue its own proposed delay further supports discretionary denial, indicates that the "Board will be able to evaluate the entirety of the circumstances if Patent Owner presents arguments for discretionary denial." Opp. 8.

party. Altogether, Petitioner persuades us under the circumstances here that the Petition should be dismissed without prejudice.

For the above reasons, Petitioner's Motion is granted. The Petition in IPR2024-00281 is dismissed without prejudice, and IPR2024-00281 is hereby terminated.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner's Motion to Withdraw the Petition is *granted*;

FURTHER ORDERED that the Petition (Paper 3) is dismissed; and

FURTHER ORDERED that IPR2024-00281 is terminated without prejudice.

IPR2024-00281
Patent 11,679,077 B2

FOR PETITIONER:

David Cavanaugh
Alexis Cohen
Alexander Nemtzow
Gilbert Smolenski
WILMER CUTLER PICKERING HALE and DORR LLP
david.cavanaugh@wilmerhale.com
alexis.cohen@wilmerhale.com
alex.nemtzw@wilmerhale.com
gilbert.smolenski@wilmerhale.com

FOR PATENT OWNER:

Kathleen Daley
Jason Stach
Sonja Sahlsten
Anthony Berlenbach
Christopher Howes
FINNEGAN, HENDERSON, FARABOW,
GARRETT, & DUNNER LLP
kathleen.daley@finnegan.com
jason.stach@finnegan.com
sonja.sahlsten@finnegan.com
anthony.berlenbach@finnegan.com
christopher.howes@finnegan.com