

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In the Inter Partes Review of:

Trial Number: To Be Assigned

U.S. Patent No. 5,593,417

Filed: November 27, 1995

Issued: January 14, 1997

Attorney Docket No.: 058888-000022

Inventor: Rhodes, Valentine J.

Assignee: Rhodes, Valentine J.

Title: INTRAVASCULAR STENT WITH
SECURE MOUNTING MEANS

Panel: To Be Assigned

Mail Stop Patent Board
Patent Trial and Appeal Board
P.O. Box 1450
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**MOTION FOR JOINDER TO
RELATED INSTITUTED INTER PARTES REVIEW**

Medtronic, Inc. and Medtronic Vascular, Inc. (collectively “Petitioner”) files this Motion for Joinder of the Second Petition for Inter Partes Review of U.S. Patent No. 5,593,417 (“the '417 patent”) (Exh. 1001), with the instituted inter partes review, *Medtronic, Inc., et al. v. Endotach LLC*, Case No. IPR2014-00100 (“IPR2014-00100”), pursuant to 35 U.S.C. § 315(c) and 37 C.F.R § 42.122.

No fee is required for consideration of this Motion. Petitioner has paid the fee for IPR2014-00100 and will be paying the fee for the Second Petition for inter partes review. Should this be incorrect, the Patent Office is authorized to charge Deposit Account No. 033975 the necessary fee.

I. APPLICABLE RULES

37 C.F.R. § 42.122(b) states:

Request for joinder. Joinder may be requested by a patent owner or petitioner. Any request for joinder must be filed, as a motion under § 42.22, no later than one month after the institution date of any inter partes review for which joinder is requested. The time period set forth in § 42.101(b) shall not apply when the petition is accompanied by a request for joinder.

Petitioner understands that prior authorization is generally required prior to filing of a motion unless it is impractical to do so. Petitioner determined the need to file this motion only after the initial conference with the Board, wherein its request to file supplemental information was denied.

Petitioner sought prior Board authorization for this motion on this same day, but was unsuccessful in reaching the Board. Given that the one month period for filing a motion for joinder pursuant to 37 C.F.R. § 42.122(b) expires this same day, Petitioner is filing this motion to meet this deadline. It is understood that entertaining this motion is entirely at the discretion of the Board. It is respectfully submitted that the interests of justice compels entering this motion, as explained below.

II. RELIEF REQUESTED

In this Motion, Petitioner requests that the Second Petition be joined with IPR2014-00100.

III. STATEMENT OF MATERIAL FACTS

1. On November 1, 2012, Endotach LLC (“hereinafter, Patent Owner”) filed a suit against Petitioner, which is pending in the U.S. District Court for the Northern District of California, San Jose Division, in a case titled *Endotach LLC v. Medtronic, Inc., et al.*, No. 5:13-cv-03292-BLF.

2. On October 31, 2013, Petitioner filed a Petition for Inter Partes Review (hereinafter, “First Petition”) requesting review of claims 1, 2, 9, 10, and 13 of the '417 patent, now instituted as *Medtronic, Inc., et al. v. Endotach LLC*,

Case No. IPR2014-00100 (“IPR2014-00100”). In the First Petition, Petitioner raised six grounds of unpatentability based on four prior art references—U.S. Patent No. 5,104,399 to Lazarus (“Lazarus”), U.S. Patent No. 4,562,596 to Kornberg (“Kornberg”), U.S. Patent No. 5,397,355 to Marin (“Marin”), and U.S. Patent No. 5,122,154 to Rhodes (“Rhodes '154”).

3. While a decision on the First Petition was pending, on February 18, 2014, Petitioner’s litigation counsel, Karen McDaniel of the Briggs and Morgan firm, received Patent Owner’s Infringement Contentions (Exh. 1007). The Infringement Contentions cite to claim construction rulings in another litigation involving the same patent (*Endotach LLC v. Cook Medical Inc.*, 1:12-cv-1630-LJM-DKL, Southern District of Indiana (Dkt. No. 102)) (hereinafter, “Cook District Court case”). In the Infringement Contentions, Patent Owner posits that the term “engage” means “to partly embed, interlock or enmesh,” while the term “tightly engage” in claim 1 excludes penetration that perforates or creates holes through the wall. Exh. 1007, pg. 16.

4. On the basis of Patent Owner’s Infringement Contentions, Petitioner’s litigation counsel performed a prior art search in March 2014 that uncovered several prior art references that show projections that partly embed, interlock or enmesh in the surrounding vessel. Among those references are: U.S. Patent No. 5,562,725 to Schmitt (“Schmitt”) and U.S. Patent No. 5,370,657 to Irie (“Irie”)

(attached hereto as Exhibits 1011 and 1012). Petitioner was not in possession of these two references prior to the Petition's filing date of October 31, 2013 for IPR2014-00100.

5. On March 26, 2014, the Board instituted trial on claims 1, 2, 9, 10, and 13 of the '417 patent ("IPR2014-00100 Decision") on two of the six grounds of unpatentability, based on only two of the prior art references—Kornberg and Rhodes '154—in the First Petition. Exh. 1009, pg. 15. The Board did not, however, authorize an inter partes review on the remaining grounds of unpatentability, reasoning that the remaining four grounds “are redundant in light of the grounds on the basis of which [the Board] institute[d] inter partes review of the same claims” in IPR2014-00100. *Id.* at pg. 14.

6. Concurrently with this Motion, Petitioner is filing its Second Petition, challenging the same claims (claims 1, 2, 9, 10, and 13 of the '417 patent).

7. The Second Petition asserts a prior art reference (Lazarus) that was included in the First Petition, but was not instituted for trial in IPR2014-00100 Decision. While Lazarus was deemed redundant with the references instituted for trial in IPR2014-00100, it is not.

8. The Second Petition also asserts Schmitt and Irie, two references that were uncovered by the search noted above.

9. The Second Petition is being filed to address new information that

came to light when Endotach provided Medtronic with its claim construction position on the term “tightly engage” in connection with infringement contentions in parallel (now stayed) district court litigation.

10. Petitioner attempted to address this new information in IPR2014-00100 by submitting supplemental information under 37 C.F.R. § 42.123(a). However, the Board denied the Petitioner’s request for authorization to file a motion to submit supplemental information on the basis that Petitioner could not raise a new ground of patentability after institution of a trial, reasoning that 37 C.F.R. § 42.123(a) is not the proper vehicle to address Patent Owner’s claim construction in the district court case.

11. Petitioner contacted Patent Owner the day of this filing to determine whether Patent Owner would agree to this motion to enable the Board to fully consider the issues germane to the co-pending litigation, assuming the Board would entertain it.

12. Patent Owner indicated that it would not have time to review the Petition, but requested that Petitioner send an advanced copy, which Petitioner complied with. Patent Owner further indicated that, subject to revision after having time to evaluate the Second Petition and this Motion, Patent Owner would not be opposed to joinder so long as the schedule for a joined proceeding is acceptable and provided Patent Owner adequate time to respond to the challenges in the

Second Petition. Petitioner responded that it would accommodate Patent Owner's request, as further set forth herein.

ARGUMENT

The Board has authority under 35 U.S.C. § 315(c) to join a properly-filed second inter partes review petition to an already instituted inter partes review proceeding. This request for joinder is timely and the time periods set forth in 37 C.F.R. § 42.101(b) do not apply to the Second Petition because it is accompanied by this request for joinder. 37 C.F.R. § 42.122(b).

In the instant case, the Second Petition involves the same patent, the same claims, and the same parties as IPR2014-00100, and there is an overlap in the cited prior art references between the Second Petition and IPR2014-00100. In addition, Petitioner appreciates the Board's concern with respect to efficient use of administrative resources when the Board decided not to authorize an inter partes review on four of the six grounds of unpatentability raised in the First Petition on the basis of redundancy, and instituting IPR2014-00100 on the two grounds of patentability based only on Kornberg and Rhodes '154.

However, on the basis of Patent Owner's Infringement Contentions, it is clear that the four grounds of unpatentability for which an inter partes review was not instituted are not redundant. Specifically, Patent Owner posits in its Infringement Contentions that the term "engage" means "to partly embed, interlock or enmesh," while the term "tightly engage" in challenged claim 1 excludes penetration that perforates or creates holes through the wall. Exh. 1007, pg. 16.

While the underlined language is entirely absent from challenged claim 1 and not supported by the specification, Patent Owner nevertheless argues for this interpretation of the term “tightly engage” in its Infringement Contentions. Petitioner suggests that “tightly engage” be interpreted in accordance with its plain and ordinary meaning. Patent Owner seeks to construe the language in a way that limits penetration. The Second Petition should be instituted on this limited issue so that the Board can determine what the ‘417 patent means in this regard.

The ambiguity and claim construction maneuvering relating to the term “tightly engage,” particularly in light of the additional functional language set forth in the last 6 lines of claim 1, creates great uncertainty and unfairness to manufacturing companies such as Medtronic that need to understand the metes and bounds of the patent right.

Indeed, the Executive Office of the President of the United States recently issued a report in which it was noted that Patent Assertion Entities (PAEs, also known as “patent trolls”) regularly employ overly broad functional language to “take advantage of uncertainty about the scope or validity of patent claims.” Exh. 1013, pg. 3. In response, the White House Task Force on High-Tech Patent Issues identified “Tightening Functional Claiming” as one of five Executive Actions the Administration is taking “to help bring about greater transparency to the patent system and level the playing field for innovation.” Exh. 1014, pg. 2.

Although the President's report emphasizes that these problems are especially acute for software patents, they are by no means limited to claims directed to software.

The claims of the '417 patent are a prime example of how PAEs may take advantage of problematic functional claim language in the mechanical arts. The vague, functional phrasing of the claims of the '417 patent – although originally claimed by a practicing physician – is now being twisted and construed by a PAE in a way to create ambiguous differences over the prior art while creating further ambiguities in terms of the products that the claims cover.

Properly drafted patent claims serve an important public notice function. As such, the ambiguous functional claim language of the claims of the '417 patent – and its susceptibility to the type of claim construction maneuvering discussed above – does not only affect Medtronic. It casts a fog that obscures the scope of protection the '417 patent is properly afforded within the patent landscape of all intraluminal medical devices. The resulting uncertainty is a burden on innovation, investment, and job creation within this important medical field. This fog can only be cleared through costly litigation or through action by the Office. When combined with the patent owner estoppel provisions of 37 C.F.R. §42.73(d)(3)(i), inter partes review of the '417 patent is the most effective way for the Office to address this problem. Accordingly, it is important that the Board provide Petitioner

with an opportunity to address the ambiguities raised by Patent Owner in its infringement contentions and join the Second Petition with the IPR2014-100 proceeding.

The Petition Based on Lazarus

In the Second Petition, with respect to Lazarus, Petitioner raises a narrowly tailored subset of the grounds of unpatentability that were raised in the First Petition but for which an inter partes review was not authorized on the basis of redundancy. Specifically, in the Second Petition, with respect to Lazarus, Petitioner raises only two grounds of unpatentability: (1) Lazarus alone (anticipation); and (2) Rhodes '154 in view of Lazarus (obviousness). Lazarus explicitly discloses and illustrates that its downstream-oriented projections do not perforate or create holes through a blood vessel wall when tightly engaged with the blood vessel wall. Exh. 1005, Fig. 7 (reference numeral 16); *see also* 6:61-65 (“The angle 76 between the wall engaging members 72 and the longitudinal axis 77 may vary between about 45 degrees and about 115 degrees. Preferably, the wall engaging members 72 of the distal staples are sufficiently short so as not to perforate the vessel wall.”).

The issues added by joinder are narrowly focused on issues that were raised in Patent Owner’s Infringement Contentions, and that were addressed by the First Petition. It is submitted that Petitioner would be unfairly prejudiced should joinder

not be permitted on grounds that were improperly deemed to be redundant in the First Petition.

It is further submitted that joinder will serve judicial efficiency, as the issue raised by the Second Petition may otherwise not be fully and fairly litigated in IPR2014-00100, leaving the issue unresolved in the stayed co-pending litigation, *Endotach LLC v. Medtronic, Inc., et al.*, No. 5:13-cv-03292-BLF. In addition, the Joinder will not unduly delay the IPR2014-00100 proceedings because identical claims are being addressed. Furthermore, because Patent Owner did not file and thus waived the Patent Owner's preliminary response with respect to Lazarus, or Lazarus in view of Rhodes, when originally presented in the First Petition, Patent Owner waived its right to do so under the doctrine of administrative estoppel, e.g., *see Ex Parte Smith*, Appeal No. 2009-014595 (BPAI, Aug. 17, 2010) (holding that a patent owner's silence during prosecution estopped patent owner from raising such issues during reexamination). This waiver should eliminate any delay that would be introduced by a Patent Owner's preliminary response to the Second Petition.

Even in the event that the Board determines that Patent Owner's preliminary response is not waived, and permits additional time for a Patent Owner's preliminary response, any delay (which is expressly permitted by statute. *See* 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c)) to trial would be less than six months,

and likely substantially less. Specifically, during the conference call on April 17, 2014 in IPR2014-00100, Patent Owner informed the Board that it will not file a motion to amend. Exh. 1010, pg. 3. As such, no time will be needed for an opposition to such amendment motion or a reply to an opposition to such amendment motion. Moreover, Petitioner is willing to forfeit a reasonable portion of its response period to the extent that is deemed necessary to provide Patent Owner with sufficient time to address the additional grounds of unpatentability in the Second Petition. Petitioner will also accommodate any reasonable logistical or scheduling request of Patent Owner in order to accommodate the joinder of the proceedings. For example, Petitioner is willing to stipulate to extending the due date for Patent Owner's response from June 10, 2014 to August 10, 2014 (or later) and to extending the due date for Petitioner's reply to Patent Owner's response from August 26, 2014 to September 26, 2014 (or later).

With the present facts, any such minor delay is outweighed by judicial efficiency as noted above, and joinder enables the issues that will be raised in litigation to be fully and fairly litigated. Joinder is necessary to ensure efficiency and correctness of the IPR2014-00100 proceedings, and will not unduly delay the resolution of either proceeding. Moreover, the joinder of this proceeding based on Lazarus with IPR2014-00100 will help "secure the just, speedy, and inexpensive resolution" of these proceedings. *See* 37 C.F.R. § 42.1(b).

The Petition Based on 2 Additional References

Petitioner submits that Joinder of the Petition with respect to the two additional references is appropriate as well. The two references are being submitted for the narrow proposition that the term “tightly engaged” as construed by Patent Owner is well known in the prior art. Specifically, the two new references explicitly disclose projections that do not perforate or create holes through a blood vessel wall when tightly engaged with the blood vessel wall. The two added references are being combined with the same primary reference (Rhodes '154) that was instituted for trial in IPR2014-00100.

The instant scenario is similar to the scenarios in *Microsoft Corporation v. Proxyconn, Inc.*, Case No. IPR2013-00109 (hereinafter, “*Microsoft*”) and *Ariosa Diagnostics v. Isis Innovation Limited*, Case No. IPR2013-00250 (hereinafter, “*Ariosa Diagnostics*”), where the Board granted joinder on two related IPR proceedings. Paper 15, pg. 5; *Ariosa Diagnostics*, Paper 24, pg. 5. In *Microsoft*, the second petition (which did not satisfy the one-year time period set forth in 37 C.F.R. § 42.101(b)) raised new grounds of patentability against patent claims that were challenged in the first petition (but for which trial was not instituted) and new grounds of unpatentability against patent claims that were not challenged in the first petition. *Microsoft*, Paper 7, pgs. 3-4. Nevertheless, the *Microsoft* Board concluded that the policy set forth in 37 C.F.R. § 42.1(b) that the “rules are to be

construed so as to ensure the just, speedy, and inexpensive resolution of a proceeding” would best be served by granting the joinder of the second petition with the instituted inter partes review. *Microsoft*, Paper 15, pg. 4. In so concluding, the *Microsoft* Board reasoned that the same patents and parties are involved in both the second petition and the instituted inter partes review, and that there was an overlap in the cited prior art references in both the second petition and the instituted inter partes review. *Id.* On those bases, the *Microsoft* Board found that there was no discernible prejudice to either party.

In *Ariosa Diagnostics*, the second petition (which did not satisfy the one-year time period set forth in 37 C.F.R. § 42.101(b)) raised new grounds of patentability against patent claims that were not challenged in the first petition. *Ariosa Diagnostics*, Paper 4, pg. 2. Like the *Microsoft* Board, the *Ariosa Diagnostics* Board granted joinder of the two related IPR proceedings because the two IPR proceedings involved the same patent and parties, and there was an overlap in the cited prior art references in both IPR proceedings. *Ariosa Diagnostics*, Paper 24, pg. 4. Likewise, on those bases, the *Ariosa Diagnostics* Board concluded that there was no discernible prejudice to either party. *Id.*

Conclusion

It is submitted that Petitioner has established good cause for joining this proceeding with IPR2014-00100. It is submitted that the Motion should be granted

and trial instituted with respect to the grounds set forth therein. Accordingly, for at least the foregoing reasons, Petitioner requests joinder of the Second Petition with IPR2014-00100.

Respectfully submitted,

Date: April 25, 2014

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.205)

I hereby certify that a true copy of the MOTION FOR JOINDER TO RELATED INSTITUTED INTER PARTES REVIEW was served by EXPRESS MAIL (or by means at least as fast and reliable this 25th day of April, 2014 on the attorney of record of the '417 patent shown in PAIR:

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