

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TERREMARK NORTH AMERICA LLC, VERIZON BUSINESS
NETWORK SERVICES INC., VERIZON SERVICES CORP., TIME
WARNER CABLE INC., ICONROL NETWORKS, INC., and
COXCOM, LLC
Petitioner,

v.

JOAO CONTROL & MONITORING SYSTEMS, LLC,
Patent Owner.

Case IPR2015-01482
Patent 7,397,363 B2

Before HOWARD B. BLANKENSHIP, STACEY G. WHITE, and
JASON J. CHUNG, *Administrative Patent Judges*.

CHUNG, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Petitioner, Terremark North America LLC, Verizon Business Network Services Inc., Verizon Services Corp., Time Warner Cable Inc., Icontrol Networks, Inc., and Coxcom, LLC, filed a Petition requesting an *inter partes* review of claims 42–46, 48, 53, 54, and 84–86 of U.S. Patent No. 7,397,363 B2 (Ex. 1001, “the ’363 patent”). Paper 1 (“Pet.”). In addition, on August 5, 2015, Petitioner filed a Motion to Recognize June 23, 2015, as the filing date. Paper 6 (“Motion”). On August 19, 2015, in response to Petitioner’s Motion, Patent Owner, Joao Control & Monitoring Systems, LLC, filed Patent Owner’s Opposition to Motion to Recognize June 23 as the filing date. Paper 7. Patent Owner filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted “unless . . . the information presented in the petition . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

For the reasons set forth below, we determine that the Petition was not filed timely within the statutory period of 35 U.S.C. § 315(b). We, thus, deny *inter partes* review of the ’363 patent.

A. Identifying the Petitioner

Petitioner presents various lists of petitioning parties throughout the Petition. The Petition lists Terremark North America LLC, Verizon Communications Inc., Verizon Services Corp., Time Warner Cable Inc., iControl Networks, Inc., and Coxcom, LLC in the caption of the Petition.

Only three of the listed petitioners, Terremark North America LLC, Verizon Business Network Services Inc., and Verizon Services Corp., however, are identified in the Petition as Petitioners in the “[r]eal party-in-interest” section. Pet. 1. Five entities, CoxCom, LLC, Terremark North America LLC, Verizon Communications Inc., Time Warner Cable, Inc., and iControl Networks, Inc. are identified in the Petition as Petitioners in the “[l]ead and back-up counsel” section. Pet. 4–5.

Verizon Communications Inc., Verizon Corporate Resources Group LLC, and Verizon Data Services LLC are identified in the Petition as real parties-in-interest. Pet. 2. Petitioner notes that Verizon Communications Inc. has more than 500 affiliated entities and states that “each of these entities agrees to be estopped under the provisions of 35 U.S.C. §§ 315 and/or 325 as a result of any final written decision in the requested IPR to the same extent that the Petitioners are estopped.” On this record, we construe any mismatch between the named Verizon entities to be a typographical error.

Because Petitioner identifies five entities, CoxCom, LLC, Terremark North America LLC, Verizon Communications Inc., Time Warner Cable, Inc., and iControl Networks, Inc. as Petitioners in the “[l]ead and back-up counsel” section (*id.*), and, as stated *supra*, any mismatch between the named Verizon entities (e.g., Verizon Communications Inc., Verizon Business Network Services, and Verizon Services Corp.) is a typographical error, we construe any mismatch between the caption of the Petition, the “[r]eal party-in-interest” section, and the “[l]ead and back-up counsel” section to be a typographical error.

We, thus, identify Petitioner as Terremark North America LLC, Verizon Communications Inc., Verizon Services Corp., Verizon Business Network Services, Time Warner Cable Inc., iControl Networks, Inc., and Coxcom, LLC.

B. Related Matters

Petitioner indicates that the '363 patent has been asserted in the following proceedings: (1) *Joao v. LifeShield, Inc.*, No. 2-15-cv-02772 (E.D. Pa.); (2) *Joao v. Telular Corp.*, No. 1-14-cv-09852 (N.D. Ill.); (3) *Joao v. Mobile Integrated Solutions, LLC*, No. 2-14-cv-02643 (D. Ariz.); (4) *Joao v. Comverge, Inc.*, No. 1-14-cv-03862 (N.D. Ga.); (5) *Joao v. Slomin's Inc.*, No. 2-14-cv-02598 (E.D.N.Y.); (6) *Joao v. Cox Communications, Inc.*, No. 1-14-cv-00520 (D. Del.); (7) *Joao v. Nissan North America, Inc.*, No. 1-14-cv-00523 (D. Del.); (8) *Joao v. Verizon Communications, Inc.*, No. 1-14-cv-00525 (D. Del.); (9) *Joao v. Time Warner Cable, Inc.*, No. 1-14-cv-00524 (D. Del.); (10) *Joao v. Consolidated Edison, Inc.*, No. 1-14-cv-00519 (D. Del.); (11) *Joao v. Volkswagen Group of America, Inc.*, No. 1-14-cv-00517 (D. Del.); (12) *Alarm.com Inc. v. Joao*, No. 1-14-cv-00284 (D. Del.); (13) *Joao v. Protect America, Inc.*, No. 1-14-cv-00134 (D. Del.); (14) *Joao v. FrontPoint Security Solutions LLC*, No. 1-13-cv-01760 (D. Del.); (15) *Joao v. Chrysler Corp.*, No. 4-13-cv-13957 (E.D. Mich.); (16) *Joao v. Ford Motor Co.*, No. 4-13-cv-13615 (E.D. Mich.); (17) *Joao v. Lowe's Cos., Inc.*, No. 5-13-cv-00056 (W.D.N.C.); (18) *Joao v. Vivint Inc.*, No. 1-13-cv-00508 (D. Del.); (19) *Joao v. Chrysler Corp.*, No. 1-13-cv-00053 (S.D.N.Y.); (20) *Joao v. Ford Motor Co.*, No. 1-

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12-cv-01479 (D. Del.); (21) *Joao v. City of Yonkers*, No. 1-12-cv-07734 (S.D.N.Y.); (22) *Joao v. Ford Motor Co.*, No. 4-12-cv-14004 (E.D. Mich.); (23) *Joao v. Xanboo, Inc., et al.*, No. 2-12-cv-03698 (C.D. Cal.); (24) *Joao of California, LLC v. Sling Media, Inc., et al.*, No. 3-11-cv-06277 (C.D. Cal.); and (25) *Joao of California, LLC v. ACTI Corp. Inc.*, No. 8-10-cv-01909 (C.D. Cal.). Pet. 2–4; Paper 5.

According to Patent Owner, the '363 patent also is currently the subject of four *ex parte* reexaminations, Reexamination Control Nos.: (1) 90/013,303; (2) 90/013,301; (3) 90/013,302; and (4) 90/013,300. Paper 5, 5. Petitioner concurrently filed petitions requesting an *inter partes* review of the following U.S. Patent Nos.: (1) 7,397,363 (Case IPR2015-01485); (2) 6,549,130 (Case IPR2015-01509); (3) 6,542,077 (Case IPR2015-01466); (4) 6,587,046 (Case IPR2015-01477); (5) 7,277,010 (Case IPR2015-01484); (6) 6,542,076 (Case IPR2015-01478); and (7) 6,542,076 (Case IPR2015-01508). *Id.* at 4–5.

II. ANALYSIS

Because at least one of the petitioning parties was served with a complaint on June 23, 2014 (Exs. 2002–2005), the statutory bar date for IPR2015-01485 is June 23, 2015. 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b). Petitioner, however, was accorded a filing date of June 24, 2015. Paper 3. Petitioner filed, served, and paid the fee for IPR2015-01482 on June 24, 2015, which is one day after the statutory bar date. Motion 2–5 (citing Ex. 1 ¶¶ 1–12).¹

¹ Exhibits 1–4, filed by Petitioner with the Motion, do not comply with

Petitioner contends that it is not barred or estopped from requesting an *inter partes* review of the '363 patent, thus, satisfying the requirements of § 315(b) because the Patent Review Processing System (“PRPS”) “was apparently malfunctioning” when Petitioner repeatedly attempted to upload documents the night of June 23, 2015. Motion 2–5. Petitioner also alleges the three petitions (i.e., IPR2015-01482, IPR2015-01485, and IPR2015-01486) were filed serially to avoid having to reload any previously submitted exhibits, which caused Petitioner to complete the filing of all three cases after June 23, 2015. *Id.* at 4. In addition, Petitioner alleges the expert Declaration filed incorrectly is “simply clerical and an oversight” because it uploaded mistakenly the expert Declaration for IPR2015-01485 in IPR2015-01482. *Id.* at 5–6. Petitioner additionally argues the Board has the authority, as demonstrated in past decisions, to recognize the filing date for this *inter partes* review as June 23, 2015. *Id.* at 6–9. Moreover, Petitioner alleges that there is no prejudice to Patent Owner because immediate remedial measures were taken right away by Petitioner. *Id.* at 9–10. In addition, Petitioner contends that one of the petitioning parties, CoxCom,

37 C.F.R. § 42.63(c), requiring all exhibits to be separately and uniquely numbered within the range of 1001–1999, or 37 C.F.R. § 42.63(d)(1)(ii), requiring exhibits not filed with the petition to include “the party’s name, followed by a unique exhibit number, the names of the parties, and the trial number.” Motion. Petitioner, instead, filed their motion, declarations, and all supporting exhibits together as the Motion. To avoid potential for further confusion, we treat the citations to Exhibits 1–4 as though Petitioner had identified and filed correct exhibits. We note that Petitioner’s non-compliance with these rules is moot in light of our denial of the Motion and the Petition.

LLC, was not served with a complaint until August 18, 2014 and is, thus, not time barred from filing a petition. *Id.* at 10. We disagree that Petitioner is not barred or estopped from requesting an *inter partes* review. We address Petitioner's arguments in turn.

A. *Petitioner has not Shown that PRPS was “Apparently Malfunctioning”*

Petitions for *inter partes* review must be filed within one year after Petitioner was served with a complaint alleging infringement. 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b). Moreover, a petition is only accorded a filing date once (1) a petition has been filed; (2) payment has been made; and (3) the complete petition is served on the patent owner. 35 U.S.C. § 312(a); 37 C.F.R. § 42.106(a). The Board has discretion to waive non-statutory requirements per 37 C.F.R. § 42.5(b). In addition, our rules permit a party to file a motion to correct a “clerical or typographical mistake.” 37 C.F.R. § 42.104(c). The burden of proof rests with the moving party, which is, in this case, Petitioner. 37 C.F.R. § 42.20(c); Motion 2.

It is undisputed that at least two of the petitioning parties were served with a complaint alleging infringement of the '363 patent on June 23, 2014. Ex. 2001 ¶¶ 1–4; Exs. 2002–2005. On June 23, 2015, Petitioner failed to comply with the statutory requirements of 35 U.S.C. § 312(a) by not paying the required fee and failing to meet the requirements of 37 C.F.R. § 42.106(a) by not filing and serving the Petition and its supporting evidence. Motion 2–5 (citing Ex. 1 ¶¶ 1–12). On June 24, 2015, one day

after the one year statutory deadline, Petitioner completed filing of the Petitions at issue. *Id.* at 3–5 (citing Ex. 1 ¶¶ 1–12).

Petitioner alleges that the filings were one day late because of PRPS “apparently malfunctioning.” Motion 2–5. The burden of proof, as stated *supra*, rests with Petitioner. Petitioner has not shown persuasively how a series of screenshots illustrating a “pending” status (*id.* at 3–4 (citing Ex. 1 ¶¶ 1–12)) demonstrates that PRPS was “apparently malfunctioning.” Put another way, “pending” is a normal status message that shows the document is being uploaded. In addition, there are other possible reasons, besides PRPS allegedly malfunctioning, why Petitioner was unable to upload their documents at the required time such as Petitioner’s network malfunctioning, Petitioner’s computer malfunctioning, etc. Moreover, our internal investigation confirms that PRPS access on June 23, 2015 was functioning properly.

Even if Petitioner was able to show that PRPS was malfunctioning with respect to uploading documents, which it did not, Petitioner has not shown persuasively why it was unable to serve to Patent Owner and why it did not pay the filing fee on time.

Petitioner, thus, has not shown persuasively how a series of screen shots and a statement that PRPS was “apparently malfunctioning” justifies the relief requested.

B. Petitioner’s Declaration Filed Incorrectly is not a Clerical Error

Petitioner filed the Declaration for IPR2015-01485 in IPR2015-01482. Motion 5–6. Petitioner submitted the Declaration for IPR2015-

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01482 on July 29, 2015, which is approximately five weeks after the Petition was filed. Ex. 4 ¶¶ 2–5.

Petitioner alleges the filing of the Declaration incorrectly is “simply clerical and an oversight” because it uploaded mistakenly the Declaration for IPR2015-01485 in IPR2015-01482. Motion 5–6. The burden of proof, as stated *supra*, rests with Petitioner. Petitioner has not shown persuasively, however, how its alleged clerical error explains the untimeliness of the Declaration. Even if we accept that filing a declaration from a different case was a clerical mistake, Petitioner fails to justify waiting five weeks to correct that mistake.

We, thus, decline to correct Petitioner’s late filing.

C. Petitioner’s Serial Filings did not Prevent Timely Filing

Although Petitioner alleges the three petitions (i.e., IPR2015-01482, IPR2015-01485, and IPR2015-01486) were filed in series “to avoid having to reload any previously submitted exhibits” (Motion 4 (citing Ex. 1 ¶ 7)), this argument is not persuasive because PRPS requires separate uploading and filing of documents for each petition. Petitioner’s filings additionally undermine its position because Petitioner did not cross-reference earlier-filed documents in later-filed petitions, but instead, re-filed numerous duplicative exhibits in each of the three petitions at issue. *See, e.g.*, Ex. 1003 in IPR2015-01482, -01485, and -01486; Ex. 1004 in IPR2015-01482, -01485, and 01486. Thus, Petitioner’s argument that “the second . . . and third petition . . . could not be filed until the first filing was completed” (Motion 4) is not persuasive.

Petitioner also alleges but for PRPS malfunctioning, their counsel would have “serve[d] the three petitions and accompanying documents.” Ex. 1 ¶ 4. Service and filing, however, are independent events, as demonstrated by the fact that Petitioner printed the documents for service before completing the electronic filing. *Id.* ¶ 3. Petitioner acknowledges that there was more than one employee in the office at the time of filing. *Id.* ¶ 4.

Petitioner, thus, has not shown persuasively how the combination of serial filings, a series of screen shots, and a statement that PRPS was apparently malfunctioning justifies the relief requested.

D. The Board’s Prior Decisions are Distinguishable

Petitioner cites a number of non-precedential Board decisions to support its arguments. These cases, however, are distinguishable because none of them addressed the combination of a failure to file, serve, and pay the required fee as set out in our Rules and governing statute.

In *E*Trade Financial Corp. v. Droplets, Inc.*, Case IPR2015-00470 (PTAB Apr. 20, 2015) (Paper 17), the Board addressed a Motion to Change the Filing Date. In *E*Trade*, the petitioner received a notice from PRPS that the system was “currently down” when the petitioner attempted to file the petition. Moreover, in *E*Trade*, a Board employee, acting with the authority of the Board, instructed the petitioner to email its petition and supporting documents as an attachment. The petitioner in *E*Trade* paid timely the filing fee, and served timely the petition on the patent owner. The petitioner in *E*Trade* refiled the petition and supporting documents when PRPS

functioned properly. The Board granted the motion because all three filing requirements were met; in particular, the documents were emailed timely, fees were paid timely, and the documents were served timely. *E*Trade*, slip op. at 3–4.

Regarding *ConMed Corp. v. Bonutti Skeletel Innovations LLC*, Case IPR2013-00624 (PTAB Mar. 14, 2014) (Paper 22), the Board addressed a Motion to Correct Filing Date. The petitioner in *ConMed* paid timely the filing fee, and served timely the petition on the patent owner. The petitioner in *ConMed* filed the petition and supporting documents, but because the petitioner failed to click “Submit” when filing those documents, the proceeding was accorded a filing date after the statutory bar. The petitioner in *ConMed* did not hit the submit button until several days after the statutory bar date when it refiled exhibits with the corrected labels. The Board, however, granted the motion primarily because all three filing requirements were met; in particular, the documents were uploaded and filed timely but for an omission to click a “Submit” button, fees were paid timely, and the documents were served timely. *ConMed*, slip op. at 2–6.

As for *Oracle Corp. v. Maz Encryption Techs. LLC*, Case IPR2014-00472 (PTAB May 1, 2014) (Paper 9), the Board addressed a Motion to Recognize March 1, 2014 as Filing Date. The petitioner in *Oracle* paid timely the filing fee, and served timely the petition on the patent owner. The petitioner in *Oracle* was unable to timely file the petition because PRPS was malfunctioning. The Board, however, granted the motion because its “internal investigation confirm[ed] that PRPS access . . . was indeed compromised.” *Oracle*, slip op. at 2.

In *2Wire, Inc. v. TQ Delta, LLC*, Case IPR2015-00239 (PTAB Jan. 15, 2015) (Paper 10), the Board addressed a Motion to Correct Filing Date. In *2Wire*, counsel pressed the “submit” button after midnight. The Board, however, granted the motion because all three filing requirements were met; in particular, the documents were uploaded timely, fees were paid timely, and the documents were served timely. *2Wire*, slip op. at 4–8.

Regarding *Micron Tech., Inc. v. e.Digital Corp.*, Case IPR2015-00519 (PTAB Mar. 24, 2015) (Paper 14), the Board addressed a Motion to Deny a Petition a Filing Date based on Improper Service. The petitioner in *Micron* filed timely the petition, and paid timely the filing fee. In addition, in *Micron*, the petitioner served a copy of the petition and supporting documents on the patent owner’s litigation counsel via email more than two weeks prior to expiration of the statutory bar date, and email correspondence between the parties indicated that the patent owner’s litigation counsel was in receipt of the documents prior to the statutory bar date. The petitioner in *Micron* failed to timely serve the patent owner at the correspondence address of record. The Board, however, denied the patent owner’s motion because the patent owner, through its litigation counsel, actually received the petition prior to the one year statutory bar date. *Micron*, slip op. at 4–6.

As for *ABB Inc. v. Roy-G-Biv Corp.*, Case IPR2013-00063 (PTAB Jan. 16, 2013) (Paper 21), the Board addressed a Motion to Correct Petition. The petitioner in *ABB* served timely the petition, and paid timely the filing fee. The petitioner in *ABB* failed to timely file the correct exhibits. The Board, however, granted the motion based on a finding that although the

petitioner filed the wrong exhibits, the petitioner served timely the correct exhibits on the patent owner. *ABB*, slip op. at 2, 5–11.

In *Schott Gemtron Corp. v. SSW Holding Co. Inc.*, Case IPR2014-00367 (PTAB Sept. 22, 2014) (Paper 30), the Board addressed a Motion to Correct Filing Date. The petitioner in *Schott* served timely the petition, and paid timely the filing fee. In *Schott*, the petitioner filed timely an incorrect exhibit. The Board, however, granted the motion because the petitioner served timely the petition and supporting documents, which the patent owner acknowledged during a conference call. *Schott*, slip op. at 2–4.

Regarding *Syntroleum Corp. v. Neste Oil OYJ*, Case IPR2013-00178 (PTAB July 22, 2013) (Paper 21), the Board addressed a Motion to Correct Petition. The petitioner in *Syntroleum* paid timely the filing fee. In *Syntroleum*, the petitioner filed timely and served timely the petition, but filed an incorrect reference and served the same incorrect reference. The petitioner in *Syntroleum* intended to file a published European application, but instead, the petitioner filed inadvertently and served inadvertently a patent that issued from the publication. The Board, however, granted the motion because both the petitioner’s original petition and declaration cited the published European application. *Syntroleum*, slip op. at 2–6.

Thus, as described above, all of these cases are distinguishable from the facts currently before us. Petitioner has not directed us to any case where the petitioning party failed to file, serve, and pay the required fee by the statutory bar date.

E. Petitioner's Arguments Pertaining to a Prejudice to Patent Owner is Misplaced

Petitioner contends there is no prejudice to Patent Owner because immediate remedial measures were taken right away by Petitioner. Motion 9. As stated *supra* in Part II.B., Patent Owner, however, was prejudiced by not having the Declaration until five weeks after filing. Further, Petitioner's argument is misplaced because the standard for permitting a late filing is not dependent solely on whether there was prejudice to Patent Owner.

We, therefore, decline to grant the relief requested.

F. The Presence of CoxCom, LLC does not Remove the Statutory Bar

Petitioner contends that one of the petitioning parties, CoxCom, LLC, was not served with a complaint until August 18, 2014, and is, thus, not time barred from filing the Petition. Motion 9. We disagree that Petitioner is not time barred.

“An inter partes review may not be instituted 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” (emphasis added). 35 U.S.C. § 315(b).

Petitioner acknowledges that Terremark North America LLC, Verizon Communications Inc., Verizon Services Corp., Verizon Communications Inc., Verizon Corporate Resources Group, LLC, and Verizon Data Services LLC are real-parties-in-interest. Pet. 1–2. Petitioner also acknowledges that Terremark North America LLC and Verizon Communications Inc. were

served with a complaint on June 23, 2014. Ex. 2003. *Inter partes* review is precluded for at least the reasons that Terremark North America LLC and Verizon Communications Inc. are real parties-in-interest and were served with a complaint on June 23, 2014. 35 U.S.C. § 315(b).

CoxCom, LLC, is precluded additionally from filing the Petition for other reasons. In *PNC Bank, N.A. et al. v. Maxim Integrated Prods., Inc.*, Case CBM2014-00041 (PTAB June 3, 2014) (Paper No. 19), the Board addressed a Motion of Adverse Judgement against PNC. In *PNC Bank*, PNC, one of three petitioners, violated 35 U.S.C. § 325(a)(1) by filing the petition for covered business method review (“CBM”) after it had filed a district court suit challenging the validity of the patent challenged in the CBM. In an attempt to eliminate the statutory bar against PNC, PNC moved for entry of adverse judgment against it in the CBM proceeding and contended that other petitioners could proceed with the petition without further involvement by PNC. The Board denied institution on the CBM petition and dismissed the motion because PNC already had exerted substantial control over the case, and granting PNC’s request for adverse judgment would not obviate the control that PNC already had exerted. *Id.*, slip op. at 4.

Similarly, Terremark North America LLC and the named Verizon entities in this case already have exerted substantial control over the case by participating in filing the Petition, appointing counsel, etc. The presence of CoxCom, LLC, therefore, does not remove the statutory bar.

III. CONCLUSION

For the foregoing reasons, the Petition falls outside the one-year time bar set forth in 35 U.S.C. § 315(b). We, thus, deny *inter partes* review of the '363 patent.

IV. ORDER

For the foregoing reasons, it is
ORDERED that the Petition is *denied* as to all challenged claims and no trial is instituted.

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PETITIONER:

Vaibhav P. Kadaba
D. Clay Holloway
Kilpatrick Townsend & Stockton LLP
wkadaba@kilpatricktownsend.com
cholloway@kilpatricktownsend.com

Frank C. Cimino, Jr.
Megan S. Woodworth
Venable LLP
FCCimino@venable.com
MSWoodworth@venable.com

Jackson Ho
K&L Gates LLP
jackson.ho@klgates.com

PATENT OWNER:

Raymond Joao
rayjoao@optonline.net

René A. Vazquez
HENINGER GARRISON DAVIS, LLC
rvazquez@hgdllawfirm.com