

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SALESFORCE.COM, INC.,
Petitioner,

v.

VIRTUALAGILITY, INC.,
Patent Owner.

Case CBM2013-00024
Patent 8,095,413 B1

Before JAMESON LEE, GEORGIANNA W. BRADEN, and
CHRISTOPHER M. KAISER, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

ORDER
Denying Authorization for Motion
to Vacate Final Written Decision
37 C.F.R. § 42.5

Introduction

On May 24, 2013, Petitioner filed a petition for *inter partes* review of U.S. Patent No. 8,095,413 B1 (“the ’413 patent”). Paper 4. We instituted trial on November 19, 2013. Paper 16. Patent Owner filed its Patent Owner Response on January 28, 2014. Paper 25. Petitioner then filed its Reply on April 11, 2014. Paper 29. Oral argument was held on July 14, 2014.

A Final Written Decision was rendered on September 16, 2014, in which we held that Petitioner has proven, by a preponderance of the evidence, that claims 1–21 of the ’413 patent are unpatentable. Paper 47. On November 18, 2014, Patent Owner filed a Notice of Appeal to the Court of Appeals for the Federal Circuit. Paper 49. Also on November 18, 2014, the parties filed a Joint Motion to File Settlement Agreement as Confidential Business Information. Paper 50.

In a joint conference call held on November 21, 2014, Patent Owner requests authorization to file a *Motion to Vacate the Final Written Decision and to Terminate the Proceeding after the Final Written decision has been Vacated*. For reasons discussed below, the request is *denied*.

Discussion

During the conference call, counsel for Patent Owner explained that its request is based on Salesforce’s “abandonment” of this proceeding. Counsel for Patent Owner points to the following language in the parties’ Joint Motion to File Settlement Agreement as Confidential Business Information:

Pursuant to agreement between the parties, Petitioner salesforce.com will take no further action in this proceeding and will not participate in any subsequent appeal.

Paper 50, 1.

At this stage of the proceeding, where Petitioner already has proven by a preponderance of the evidence that claims 1–21 of the '413 patent are unpatentable, and where a Final Written Decision already has been rendered, lack of further participation by Petitioner in this proceeding and in any subsequent appeal is inconsequential to the merits or legitimacy of the Final Written Decision. Such “abandonment,” if even appropriate to be referred to as “abandonment,” does not undo the work Petitioner already has done in completing trial and obtaining an adverse judgment against Patent Owner. No more participation by Petitioner is either necessary or required. The claims already have been proven unpatentable.

We disagree with Patent Owner’s characterization that trial before the Board is not yet complete. Patent Owner’s rationale is this: (1) a covered business method review is a trial per 37 C.F.R. § 42.300; (2) a trial is a contested matter per 37 C.F.R. § 42.2; and (3) because Patent Owner is appealing the Board’s Final Written Decision, the matter remains contested, and that means trial is not yet complete. Appellate review, however, is not a part of the trial before the Board. Trial before the Board is complete when the Final Written Decision was entered.

We note 35 U.S.C. § 327(a), which applies to covered business method reviews, under which the Board may continue to completion of trial to render judgment even if the parties have settled and the proceeding is terminated with respect to each petitioner. If the Board can proceed to issuance of a Final Written Decision despite settlement between the parties and termination of the proceeding with respect to each petitioner, an already issued Final Written Decision should not be vacated based on settlement between the parties.

During the conference call, counsel for Patent Owner acknowledged that the Board must take into account the public’s interest as well. According to Patent Owner, however, any public interest is tied to the existence of an unresolved

infringement suit between the parties, because it is a precondition to the filing of a covered business method patent petition that the petitioner has been sued for or charged with infringement of the involved patent. Under that theory, if the parties have settled, no public interest remains. Patent Owner's position is unduly restrictive.

There is "a strong public interest in the finality of judgments in patent litigation." *Cardinal Chem. Co. v. Morton Int'l, Inc.*, 508 U.S. 83, 100 (1993). Here, the public interest lies in not having claims which have been proven unpatentable remain in an issued patent, whether or not all disputes between two parties to a law suit with regard to that patent have been resolved. In that regard, we note also the following statement from the Supreme Court:

Judicial precedents are presumptively correct and valuable to the legal community as a whole. They are not merely the property of private litigants and should stand unless a court concludes that the public interest would be served by a vacatur.

U.S. Bancorp Mortgage Co. v. Bonner Mall Partnership, 513 U.S. 18, 26 (1994)
(citation omitted).

Conclusion

The alleged "abandonment" fails to justify vacating the Final Written Decision.

Order

It is

ORDERED that Patent Owner is not authorized to file a *Motion to Vacate the Final Written Decision and to Terminate the Proceeding after the Final Written Decision has been Vacated*.

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Patent 8,095,413 B1

For PETITIONER:

Michael Rosato

Brian Range

Jose Villarreal

mrosato@wsgr.com

brange@wsgr.com

jvillarreal@wsgr.com

For PATENT OWNER

Gregory Gonsalves

Jay Kesan

gonsalves@gonsalveslawfirm.com

jay@jaykesan.com