

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAP AMERICA, INC.,
Petitioner,

v.

LAKSHMI ARUNACHALAM,
Patent Owner.

Case IPR2014-00414
Patent 8,346,894 B2

Before KARL D. EASTHOM, WILLIAM V. SAINDON and
BRIAN J. McNAMARA, *Administrative Patent Judges*.

McNAMARA, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318(a) and
37 C.F.R. § 42.73

BACKGROUND

In this proceeding we instituted a trial on the following challenges asserted by SAP America, Inc. (“Petitioner”) to the patentability of claims 1–19 of U.S. Patent 8,346,894 B2 (“the ’894 Patent”, Ex. 1001) under 35 U.S.C. § 103: claims 1–6, 8–12, and 15–18 as unpatentable over the combination of the ’779 Application and Chaterjee (Exs. 1004 and 1005, respectively); claims 7 and 13 as unpatentable over the combination of the ’779 Application, Chaterjee, and Drumm (Ex. 1006); claim 14 as unpatentable over the combination of the ’779 Application, Chaterjee and Le; and claim 19 as unpatentable over the combination of the ’779 Application, Chaterjee, and Amstutz (Ex. 1008). Paper 11 (“Dec. to Inst.”), 28. Lakshmi Arunachalam (“Patent Owner”) disputes our claim constructions and contends that claims 1–19 are patentable because “*None* of the art relied upon by the [Petitioner] is eligible as prior art under Sections 102 or 103.” Paper 18 (“PO Resp.”) 41 (emphasis in original). Patent Owner also contends that the Petition exceeds the permissible scope of review because Petitioner’s challenge “raises issues related to a purported failure of the written description requirement, which is the realm of 35 U.S.C. § 112(a) and *not* a prior art challenge under Sections 102 or Sections 103.” *Id.* at 42. Patent Owner does not offer any other substantive response to Petitioner’s challenges on which we instituted trial. For the reasons discussed herein, we conclude that claims 1–19 are unpatentable.

PATENT OWNER’S REQUEST FOR RECUSAL

On December 5, 2014, in response to repeated unauthorized filings, we limited Patent Owner to paper filings and barred her from electronic

filing through the Patent Review Processing System (“PRPS”). Paper 21(“Order”) 4–7. We also considered and denied Patent Owner’s unauthorized motions to recuse Judge McNamara, stating that Patent Owner’s theories concerning mutual fund ownership are not the law and that Patent Owner had not demonstrated any conflict of interest by any judge in the proceedings involving Patent Owner. *Id.* at 3.

Patent Owner has raised the issue again in the Patent Owner Response. PO Resp. 48–49. A patent owner may file a response to the petition addressing any ground for unpatentability not already denied. 37 C.F.R. § 42.120(a). Thus, the scope of a patent owner response does not include Patent Owner’s request for recusal. Nevertheless, because Patent Owner has repeatedly raised this issue, I¹ address it here before proceeding to substantive matters.

I join a long list of judges, including judges of the Court of Appeals for the Federal Circuit and the U.S. District Court for the District of Delaware, as well as other professionals and attorneys,² who have been the subject of similar allegations by Patent Owner. *See Leader Tech. v. Facebook, Inc.*, 2012 U.S. App. LEXIS 17259 (Aug. 10, 2012); *Pi-Net Int’l Inc. v. Citizens Fin. Grp.* Case 1:12-cv-00355, slip op. (Memorandum Order, Docket Entry 120) (D. Del., filed March 18, 2015). Patent Owner contends

¹ References in this section to “I” or “my” refer to Judge McNamara.

² Patent Owner has filed accusations of financial conflicts against at least 5 judges of the U.S. Court of Appeals for the Federal Circuit, 3 judges of the District Court for the District of Delaware, and the Clerk of the Federal Circuit. In addition, in *Pi-Net International, Inc. v. JPMorgan Chase & Co.*, No. 1:12-cv-00282 in the District of Delaware and related cases, Patent Owner has filed numerous papers alleging misconduct by opposing counsel and her own attorneys.

that my financial holdings, which include the Fidelity Contra Fund, the Vanguard Institutional Index Fund, and a small amount of Microsoft stock, create a financial conflict of interest in my presiding over cases involving Patent Owner, her predecessor-in-interest (Pi-Net International), or Petitioner. PO Resp. 48. The funds Patent Owner identifies are broad diversified funds, whose holdings are in no way influenced by me. Both the Federal Circuit and District Court for the District of Delaware have addressed similar issues in the decisions identified above, and I will not repeat the analysis here. *See also*, 5 C.F.R. 2640.201(a) (exempting ownership in diversified mutual funds as a basis for recusal).

Turning to Microsoft, Patent Owner alleges that “Microsoft is involved in three re-exams in the CRU (central reexamination unit) against three patents in the same patent portfolio in the same priority chain as the ‘894 patent.” PO Resp. 49. Microsoft’s involvement in reexaminations of other patents in the CRU has no relevance to my involvement in any proceeding in which Patent Owner has appeared before me.

First, Microsoft is not a party to this *inter partes* review. Indeed, Microsoft has not been a party to *any* of the proceedings in which Patent Owner has appeared before me.

Second, our rules provide that parties file a Mandatory Notice identifying any Related Proceedings. One reason we require such a notice is “to assist members of the Board in identifying potential conflicts.” *See* Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48759 (Aug. 14, 2012). Patent Owner has not filed any notice in any proceeding identifying the re-exams as “Related Proceedings.” In her Patent Owner Response, Patent Owner still does not identify the re-exams to which she refers. *Id.*

Third, Patent Owner admits that the re-exams involving Microsoft do not pertain to the patents that are the subject of these proceedings. PO Resp. 49. At the initial conference in this proceeding, Patent Owner stated explicitly that the '894 Patent before this panel is not the subject of any reexamination proceedings. Paper 17, 3. The re-exams in the CRU concern different patents with different claims.

Fourth, the reexams are being conducted independently by different personnel in a different administrative arm of the U.S. Patent and Trademark Office. Even if the patents being reexamined in the CRU stem from the same priority chain, they are not patents that are before this panel. The reexamination of different patents by different personnel based on a request filed by a different third party requestor, is not relevant to our inquiry in this proceeding.

Fifth, not having been notified of these reexams, we have not ordered that any reexam proceedings concerning any of Patent Owner's patents in CRU be stayed.

Sixth, Patent Owner has not sought my recusal in a proceeding in which she prevailed when we denied a petitioner's request for covered business method patent review of the '894 Patent. *GSI Commerce Sols., Inc. v. Pi-Net, Inc.* Case CBM2014-00101, Paper 10 (Denial of Institution of Covered Business Method Patent Review) (PTAB October 7, 2014). Patent Owner only raised these allegations in November 2014, after becoming disgruntled at the institution of this and a related proceeding and unsuccessful outcomes in IPR2013-00194, IPR2015-00195, and CBM2013-00013.

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