

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CONTROLS SOUTHEAST, INC.,
Petitioner,

v.

QMAX INDUSTRIES, LLC,
Patent Owner.

Case IPR2017-00976
Patent 8,469,082 B2

Before PATRICK R. SCANLON, JAMES A. WORTH, and
SCOTT C. MOORE, *Administrative Patent Judges*.

SCANLON, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review
37 C.F.R. §§ 42.107(e), 42.108

I. INTRODUCTION

Controls Southeast, Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting an *inter partes* review of claims 1–9, 11, 12, and 18–20 (“the challenged claims”) of U.S. Patent No. 8,469,082 B2 (Ex. 1001, “the ‘082 patent”). QMax Industries, LLC (“Patent Owner”) filed a Preliminary Response (Paper 7, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314.

In its Preliminary Response, Patent Owner asserts that it “has filed a statutory disclaimer under 35 U.S.C. § 253(a) disclaiming claims 1–9, 11, 12, and 18–20 of the ‘082 patent,” pursuant to 37 C.F.R. § 42.107(e). Prelim. Resp. 3. Patent Owner has filed a copy of the statutory disclaimer as evidence of its assertion. Ex. 2001.

II. REQUEST FOR ADVERSE JUDGMENT

On July 5, 2017, Petitioner sent an email to the Board requesting a telephone conference to seek authorization to file a motion for adverse judgment in view of Patent Owner’s disclaimer of all of the challenged claims. The requested conference call was held on July 12, 2017, between respective counsel for Petitioner and Patent Owner, and Judges Scanlon, Worth, and Moore.

During the conference call, Petitioner indicated an adverse judgment against Patent Owner would be appropriate because Patent Owner’s disclaimer of all of the challenged claims should be construed as a request for adverse judgment under 37 C.F.R. § 42.73(b). Petitioner also expressed concern that, should an adverse judgment not be entered against Patent Owner, Patent Owner would not be estopped under 37 C.F.R. § 42.73(d)(3) from obtaining a claim that is not patentably distinct from any of the

challenged claims, despite Petitioner having invested significant resources in this proceeding. Patent Owner contended that adverse judgment was not appropriate.

After conferring, we denied Petitioner's request for authorization to file a motion for adverse judgment. As we explained during the conference call, 37 C.F.R. § 42.73(b) provides that a party may request judgment *against itself*. As such, our rules do not provide a basis for Petitioner to request an adverse judgment against Patent Owner. Regarding Petitioner's contention that Patent Owner's disclaimer should be construed as a request for adverse judgment, 37 C.F.R. § 42.73(b) provides that "[a]ctions construed to be a request for adverse judgment include . . . (2) [c]ancellation or disclaimer of a claim such that the party has no remaining claim *in the trial*" (emphasis added). The term "trial" refers to "a contested case instituted by the Board based upon a petition," which "begins with a written decision notifying petitioner and patent owner of the institution of the trial." 37 C.F.R. § 42.2. Because it was filed prior to an institution of trial, Patent Owner's statutory disclaimer should not be construed as a request for adverse judgment in this proceeding.

III. ANALYSIS

37 C.F.R. § 42.107(e) provides: "The patent owner may file a statutory disclaimer under 35 U.S.C. 253(a) in compliance with § 1.321(a) of this chapter, disclaiming one or more claims in the patent. No *inter partes* review will be instituted based on disclaimed claims."

Patent Owner's disclaimer is in compliance with 37 C.F.R. § 1.321(a). Further, Patent Owner's disclaimer disclaims each one of the challenged claims. Therefore, there are no asserted grounds remaining for our

IPR2017-00976
Patent 8,469,082 B2

determination of whether trial should be instituted. Accordingly, we decline to institute an *inter partes* review.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is *denied*, and that we do not institute an *inter partes* review of any claim of the '082 patent based on the grounds asserted in this Petition.

IPR2017-00976
Patent 8,469,082 B2

PETITIONER:

Benjamin Leace
beleace@ratnerprestia.com

Christopher Blaszkowski
cblaszkowski@ratnerprestia.com

Andrew Koopman
akoopman@ratnerprestia.com

PATENT OWNER:

Chad Tillman
chad@ti-law.com

Jeremy Doerre
jdoerre@ti-law.com