

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PROPPANT EXPRESS INVESTMENTS, LLC,
PROPPANT EXPRESS SOLUTIONS, LLC,
Petitioner,

v.

OREN TECHNOLOGIES, LLC,
Patent Owner.

Case IPR2017-02103
Patent 9,511,929 B2

Before MITCHELL G. WEATHERLY, KEVIN W. CHERRY, and
MICHAEL L. WOODS, *Administrative Patent Judges*.

CHERRY, *Administrative Patent Judge*.

ORDER

*Denying Petitioner's Request for Authorization to
File Motion to Amend Petition
37 C.F.R. § 42.5*

On March 28, 2018, Judges Woods and Cherry conducted a teleconference with counsel for the parties regarding Petitioner's second request for authorization to file a motion to amend its Petition. For the following reasons, we deny Petitioner's request.

On March 16, 2018, we issued our Decision on Institution (Decision or "Inst. Dec.") where we instituted *inter partes* review on the claims challenged by Petitioner, except for claim 4. As we explained in our Decision, Petitioner had failed to adequately account for the limitations of dependent claim 4 by omitting a reference that Petitioner relied on to account for certain limitations of dependent claim 3, from which claim 4 depends. Inst. Dec. 34. This argument had been raised in Patent Owner's Preliminary Response, which was filed on December 27, 2017. *See* Prelim. Resp. 53 n.5.

On March 22, 2018, Petitioner requested a conference call to seek authorization to file a motion to have us exercise our authority under 37 C.F.R. § 42.5 to "(1) allow Petitioners to file a corrected petition that discusses dependent claim 4 in the correct section; and (2) institute trial on dependent claim 4." We denied the request because the relief requested could not have been granted within the statutorily limited time period for the Board to decide whether to institute trial under § 314(b).

On March 23, 2018, Petitioner renewed its request asserting that it was seeking to add dependent claim 4 to the already instituted claims, which Petitioner contended was an approach for which authority exists. We agreed to have a conference call to discuss Petitioner's authority.

On the call, Petitioner submitted that the Board has previously allowed similar requests in IPR2018-00067 and IPR2014-00809. Petitioner

admitted that it had not seen the footnote in Patent Owner's Response, so it was not aware of its error in grouping claim 4 until our Decision. Petitioner submitted that no new evidence was required, and all that was necessary was to regroup claim 4 in the same ground as claim 3. Patent Owner opposed the request contending that we lacked authority to grant the relief because it was barred by the statute.

Without deciding whether the statute would bar the request, we determine that Petitioner failed on the call to allege facts that would support good cause for waiving our rules to allow this action. "Whether good cause exists turns on the diligence of the moving party." *Holmes v. Grubman*, 568 F.3d 329, 335 (2d Cir. 2009). Here, Petitioner should have been aware of the defect in its Petition from the filing of the Patent Owner Preliminary Response. But Petitioner did nothing and admitted on the call that it failed to notice Patent Owner's argument in the Patent Owner Preliminary Response. Petitioner's failure to review the Patent Owner Preliminary Response carefully is not a basis allowing a correction now. "[C]arelessness is not compatible with a finding of diligence and offers no reason for a grant of relief." *Johnson v. Mammoth Recreations, Inc.*, 975 F.2d 604, 609 (9th Cir. 1992). Although we understand Petitioner's desire to address all of the challenged claims in one proceeding, its failure to diligently seek correction of its petition is not a basis now for revisiting our Institution Decision. The cases Petitioner has identified do not suggest otherwise. First, in *Unified Patents Inc. v. Universal Secure Registry LLC*, Case IPR2018-00067 (PTAB Mar. 14, 2018) (Paper 11), the petitioner in that case sought correction of an error in the petition *pre-institution* and did so within a month of the filing of the Preliminary Response. Petitioner's post-institution request demonstrates

none of the same diligence. Second, in *Silicon Laboratories, Inc. v. Cresta Technology Corp.*, Case IPR2014-00809 (PTAB Nov. 26, 2014) (Paper 28), the Board allowed correction of citations to a prior art reference for a dependent claim and then instituted as to that dependent claim. However, the situation in *Silicon Laboratories* is different than in this case. In *Silicon Laboratories*, the Board based its initial decision to deny institution, not on an argument raised in the Patent Owner Preliminary Response, but on the Board's own review of the citations that Petitioner provided. Thus, Petitioner apparently had no notice of the clerical error in its petition until the decision on institution. This is not the case here. We relied on an argument explicitly raised in the Patent Owner Preliminary Response. Thus, Petitioner's authority illustrates the lack of diligence in this case.

Accordingly, we deny Petitioner's request for authorization to file a motion to correct the Petition and institute as to claim 4.

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