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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SONY CORPORATION
Petitioner

v.

YISSUM RESEARCH DEVELOPMENT COMPANY OF THE HEBREW UNIVERSITY OF JERUSALEM
Patent Owner

Case IPR2013-00326 (SCM)
Patent 6,665,003 B1

Before SALLY C. MEDLEY, KARL D. EASTHOM, and JAMES B. ARPIN, *Administrative Patent Judges.*

EASTHOM, *Administrative Patent Judge*.

DECISION
Motion For Joinder
37 C.F.R. § 42.122(b)

I. INTRODUCTION

Petitioner, Sony Corporation, filed a corrected Petition for *inter partes* review of U.S. Patent 6,665,003 B1. Paper 10. Petitioner also filed a Motion for Joinder to Related *Inter Partes* Review IPR2013-00218 (with its original petition), requesting to join the instant *inter partes* proceeding with the '218 proceeding. Paper 4 ("Motion for Joinder" or "Motion"). In response, Patent Owner, Yissum Research Development Company of the Hebrew University of Jerusalem filed a Patent Owner's Opposition to Joinder. Paper 11 ("Opposition").

II. BACKGROUND

On July 3, 2013, an order was mailed in the '218 proceeding memorializing a telephone conference call between the parties and the Board regarding Petitioner's intention to file the above-noted Motion for Joinder along with a petition for *inter partes* review. *See* IPR2013-00218, Paper 14. Petitioner filed the instant Motion for Joinder and Petition. The Board authorized Patent Owner to file an opposition to Petitioner's Motion for Joinder and shortened the time for Patent Owner to file a Preliminary Response. Paper 7.[1] Patent Owner filed an Opposition to Petitioner's Motion and a Preliminary Response. Papers 11 and 13.

In the '218 proceeding, the Board instituted *inter partes* review of claims 1-3 and 22 in the '003 Patent. *See* IPR2013-00218, Paper 16. In the instant proceeding, IPR2013-00326, the Board concurrently herewith institutes *inter partes* review of claims 4, 5, and 34 in the same patent, the '003 Patent. In each of its preliminary responses in the '218 and the '326 proceedings, Patent Owner focuses solely on claim 1 in the '003 Patent.

[1] Unless otherwise indicated, the paper numbers refer to the numbers in the instant proceeding, IPR 2013-00326.

The ’003 patent also was involved in an investigation before the International Trade Commission (“ITC”) (now terminated, involving claims 1-3 and 22) and is involved in infringement litigation in the District Court of Delaware, *HumanEyes Technologies Ltd. v. Sony Electronics Inc. et al*., 1-12-cv-00398 (D. Del. March 29, 2012)). *See* Paper 4, 1. As discussed further below, Petitioner has moved to stay the District Court infringement litigation, which potentially involves all 155 claims in the ‘003 Patent. Patent Owner opposes the motion to stay. *See* Paper 11, 9-11.

III. DISCUSSION

The Leahy-Smith America Invents Act (AIA) permits joinder of like review proceedings. The statutory provisions governing joinder of *inter partes* review proceedings under 35 U.S.C. § 315(b and c) follow:

> (b) PATENT OWNER’S ACTION. – 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. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).
>
> (c) JOINDER.–If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

According to the statutory scheme, 35 U.S.C. § 315(b) establishes a one-year bar, which does not apply, if the Board, acting on behalf of the Director, and exercising its statutory discretion under 35 U.S.C. § 315(c), institutes *inter partes*

review of an otherwise time barred *inter partes* request and joins that proceeding to another instituted *inter partes* review proceeding.

Thus, if the Board decides to join the ’326 proceeding to the ’218 proceeding, the time bar would not apply. *See also* 37 C.F.R. § 42.122 (b) (“Any request for joinder must be filed, as a motion under § 42.22, no later than one month after the institution date of any *inter partes* review for which joinder is requested. The time period [of one year] set forth in § 42.101(b) shall not apply when the petition is accompanied by a request for joinder.”)

Accordingly, Petitioner maintains that it will be prejudiced absent joinder, contending that its Petition in this proceeding otherwise would be barred under the one-year time bar specified in 35 U.S.C. § 315(b). Paper 4, 4. As stated in a recent Board order cited by Petitioner, “‘[t]his is an important consideration’ because ‘absent joinder of this proceeding . . . the second Petition would be barred.’” *Id.* (quoting Paper 15 at 4 in IPR2013-00109).

Petitioner also maintains that Patent Owner would not be prejudiced because the Motion for Joinder was filed prior to the due dates for the Board’s decisions to institute in the two proceedings and prior to the due date for Patent Owner’s Preliminary Response in this proceeding, all of the prior art references presented in the Petition are applied also to claims challenged in the ’218 petition, the claims in the two proceedings are similar and present similar issues, and joinder will have no significant impact on the trial schedule. *Id.* at 4-6.

Patent Owner’s Opposition does not dispute Petitioner’s specific reasons for the lack of prejudice to Patent Owner as outlined above, and the record supports those reasons. Rather, Patent Owner asserts that it will be prejudiced for other reasons if joinder is granted, and further asserts that Petitioner will not be prejudiced if joinder is denied. Paper 11, 6-10.

For example, Patent Owner explains that it "will be prejudiced if joinder influences the [D]istrict [C]ourt to grant Sony's pending motion to stay litigation pending outcome of inter partes review of the patents-in-suit." *Id.* at 9. Patent Owner also asserts that the District Court "stay should be denied" and its "real party in interest HumanEyes articulates factors that weigh heavily against a litigation stay." *Id.*[2] However, it is not clear why the Board should consider the possible impact the Board's decision to join will have on the District Court's decision to stay.

As Patent Owner notes, Petitioner "adds just 3 additional claims" in the instant proceeding, out of a possible 155. *Id.* In other words, the Petition here challenges claims 4, 5, and 34 in the '003 patent, whereas the first petition in the '218 proceeding challenges similar claims 1-3 and 22 in the '003 patent. Therefore, even if the Board should consider a possible impact of including three similar claims here on the District Court's decision to stay, any such impact is speculative, especially where Patent Owner asserts that over 100 other claims are potentially at issue in the District Court.

Patent Owner similarly asserts that denying joinder will not alter materially Petitioner's posture in the District Court litigation "because this new round of . . . petitions still fail to address all of the claims potentially at issue in that litigation." *Id.* at 11. Similar to the analysis of the stay decision issue, Patent Owner has not shown why a litigation posture, which by Patent Owner's characterization involves over 100 claims "potentially at issue," should have a significant bearing in the Board's decision to join.

[2] In this Decision on the Motion for Joinder, as a matter of expediency, the Board collectively refers to HumanEyes and Yissum as one entity - Patent Owner.

Patent Owner also asserts that Petitioner failed to act diligently, that continued delay in resolving Patent Owner's patent rights exacerbates uncertainty in the market value thereof, *id*. at 10, that Patent Owner has limited resources, and that it "may be prejudiced to the extent it is not given a full and fair opportunity to respond," *id*. at 9. Patent Owner emphasizes that the AIA legislative history encourages early, as opposed to late, joinder motions. *See id.* at 8 ("Specifically, Senator Kyl noted that '[t]he Office has made clear that it intends to use this authority to encourage early requests for joinder and to discourage late requests.'") (Patent Owner quoting and citing legislative history, citation omitted here).

Petitioner filed its *inter partes* Petition and Motion in the instant proceeding within two months after Patent Owner filed its Answering Brief in Opposition to Sony's Motion to Stay in the District Court. *Compare* Paper 11, 4-5 *with* Paper 4, 1-2 (respectively, Patent Owner and Petitioner outlining the timing of events in the District Court, the ITC, and before the Office). Petitioner asserts that it responded, with its instant Petition, to what Petitioner essentially characterizes as a litigation shift by Patent Owner. *See* Paper 4, 2-4.

Specifically, according to Petitioner, no specific claim 4, 5, and 34 infringement assertions were made originally in the District Court litigation. *See* Paper 4, 2, 4 (citing Ex 1102 at 13-14, Patent Owner's Answering Brief in District Court). As noted, within two months of the new specific claim 4, 5, and 34 assertions appearing in Patent Owner's Answering Brief in District Court, Petitioner filed the instant Petition. Therefore, notwithstanding Patent Owner's characterizations and explanation that more than 100 claims are potentially at issue before the District Court, Paper 11, Petitioner's challenge of additional claims 4, 5, and 34 here, appear on this record, to be a reasonable and timely response to Patent Owner's litigation posture, as opposed to a dilatory, unilateral action.

Given that the two sets of claims are related closely and involve the same prior art, the resolution here should be fast relative to the District Court litigation, especially if stay is granted there, and many more claims are asserted more specifically as infringed. Proceedings here will provide a relatively inexpensive full and fair opportunity to respond to the challenged claims. *See* 37 C.F.R. § 42.1(b) (AIA proceedings "shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding").

In exercising its statutorily mandated discretion to grant joinder, as indicated above, the Board considers the impact of both substantive issues and procedural matters on the proceedings, as well as any other appropriate considerations. Substantive issues in the two proceedings would not be complicated unduly by joinder because they involve the same patent and prior art, and the addition of three similar claims in one proceeding would be offset by the termination of another proceeding. Procedural issues would not be unduly burdensome, and the final hearing and final determination should not be delayed by joining the two proceedings. The Scheduling Order entered for the joined proceedings contemplates a final decision within one year of institution.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that this proceeding is joined with IPR2013-00218;

FURTHER ORDERED that the Scheduling Order entered in IPR2013-00218 shall hereafter govern the schedule of the joined proceedings;

FURTHER ORDERED that this proceeding is terminated under 37 C.F.R. § 42.72 and all further filings in the joined proceedings shall be made in IPR2013-00218;

FURTHER ORDERED that Petitioner and Patent Owner shall within

five business days refile those exhibits filed only in IPR2013-00326 (and not IPR2013-00218) in the joined proceeding, using unique sequential numbers as required by 37 C.F.R. § 42.63(c), and file an updated exhibit list pursuant to 37 C.F.R. § 42.63(e); and

FURTHER ORDERED that the case caption in IPR2013-00218 shall be changed to reflect the joined proceeding, according to the attachment.

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[1] Case IPR2013-00326 has been merged with this case.