

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SDI Technologies, Inc.
Petitioner

v.

Bose Corporation
Patent Owner

Case IPR2014-00346
Patent 8,364,295

**PATENT OWNER'S
OPPOSITION TO PETITIONER'S MOTION FOR JOINDER UNDER 37
C.F.R. § 42.122(B)**

Patent Owner Bose Corporation (“Bose”) opposes Petitioner SDI Technologies’ (“SDI’s”) motion for joinder seeking to join the present proceedings with IPR2013-00465.

STATEMENT OF MATERIAL FACTS

1. On July 25, 2013, SDI filed a Petition for *Inter Partes* Review of claims 1-21, 24, 27, 29-47, 50, 63, 64, 68-70, 73, 74, 77, and 78 of the ‘295 patent. IPR2013-00465, Paper 5.

2. On June 28, 2013, Bose served and filed its Preliminary Infringement Disclosure in connection with litigation involving the ‘295 patent (*Bose Corp. v. SDI Technologies, Inc.*, Case No. 13-cv-10277-WGY (D. Mass) (“the *Bose v. SDI* case”)). A copy of the Disclosure is included as Exhibit 2101. The Disclosure identified Bose’s infringement contentions and included the claims that are the subject of IPR2013-00465, as well as claims 25, 26, 52, 53, 55-59, 60-62, 75, and 76 of the ‘295 patent.

3. From June 28, 2013 through January 13, 2014 (a period of over 6 months), SDI took no action with respect to claims 25, 26, 52, 53, 55-59, 60-62, 75, and 76 of the ‘295 patent.

4. On December 13, 2013, the Board instituted trial on claims 1-21, 24, 27, 29-47, 50, 63, 64, 68-70, 73, 74, 77, and 78 of the ‘295 patent. IPR2013-00465, Paper 14. The Board also issued a Scheduling Order that specified March 11, 2014

as the Due Date for Patent Owner's Response to the Petition (Due Date 1) and September 4, 2014 as the Due Date for Oral Argument (Due Date 7).

5. On January 13, 2014, SDI filed a second Petition for *Inter Partes* Review regarding the '295 patent. The second Petition included claims 25, 26, 52, 53, 55-59, 60-62, 75, and 76 of the '295 patent. IPR2014-00346, Paper 1. A motion for joinder accompanied the Petition that sought to join IPR2014-00346 with the already ongoing trial in IPR2013-00465.

6. On January 15, 2014, the U.S. District Court for the District of Massachusetts held a hearing in the *Bose v. SDI* case. During the course of that hearing, the Court heard argument concerning a motion SDI filed to stay the lawsuit pending the outcome of the trial instituted for IPR2013-00465 and the related proceeding, IPR2013-00350. Based on representations from SDI's counsel that both IPR's would be concluded by December 13, 2014, the Court stayed the case through December 13, 2014. A copy of relevant portions of the hearing transcript is included as Exhibit 2102.

7. On January 16, 2014, the Board held a scheduling conference with the parties during which SDI's motion for joinder was discussed. The parties agreed to try to work out a mutually agreeable schedule for a joined proceeding that would not unduly prejudice Bose. The parties have been unable to agree upon such a schedule. Therefore, Bose opposes SDI's motion for joinder.

ARGUMENT

SDI filed its second Petition for *Inter Partes* Review and motion for joinder at the one month deadline following the date on which trial was instituted in IPR2013-00465. 37 C.F.R. § 42.122(b). This was over 6 months after SDI learned that Bose had accused it of infringing the claims that are the subject of its second Petition. There is no justification for SDI's delay in filing the second Petition. Nowhere in SDI's motion for joinder does SDI provide any explanation for why it waited so long or why it could not have filed its second Petition much sooner.¹ Nevertheless, in the interests of efficiency, Bose proposed to SDI that it would attempt to accelerate the due date for its preliminary response in IPR2014-00346, and to adjust the current scheduling order in IPR2013-00465 by altering only Due Date 1, leaving all the other dates intact.²

¹ For example, in IPR2013-00109, the petitioner, Microsoft, filed its second Petition within two weeks of receipt of the patent owner, Proxyconn's, supplemental infringement contentions that added additional claims. Had SDI filed its second Petition within two weeks of receiving Bose's infringement contentions on June 28, 2013, joinder would have been feasible.

² Bose's proposal was also contingent upon the Board being able to issue a decision on the second Petition by a certain date.

SDI rejected Bose's proposal and instead offered a counter proposal that altered Due Dates 1-6 of the Scheduling Order related to IPR2013-00465. SDI's proposal would prejudice Bose by requiring Bose to accept multiple shortened periods. Bose cannot accept SDI's proposed Scheduling Order.

Because IPR2013-00465 is significantly advanced relative to IPR2014-00346, the two proceedings cannot be effectively joined without extending the overall length of the proceeding. However, in view of the fact that the Court in the *Bose v. SDI* case has agreed to lift the stay on December 13, 2014, any extension of the overall proceeding from its current setting would severely prejudice Bose.

The Board recognized the difficulty of joining the two proceedings during the initial Scheduling Conference for IPR2013-00465. In view of the foregoing, Bose requests that the Board deny SDI's motion for joinder.

Respectfully submitted,

Date: February 10, 2014

/Dorothy P. Whelan/

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR §§ 42.6(e)(4) and 42.205(b), the undersigned certifies that on February 10, 2014, a complete and entire copy of this Patent Owner Bose Corporation's Opposition to Petitioner's Motion for Joinder were provided via email, to the Petitioner by serving the correspondence email address of record as follows:

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