

Filed on behalf of Innovative Display Technologies LLC
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MERCEDES-BENZ USA, LLC and
MERCEDES-BENZ U.S. INTERNATIONAL, INC.
Petitioners

v.

INNOVATIVE DISPLAY TECHNOLOGIES LLC
Patent Owner

Case IPR2015-00368
U.S. Patent No. 7,434,974

PATENT OWNER'S OPPOSITION TO MOTION FOR JOINDER

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Patent Trial and Appeal Board
U.S. Patent & Trademark Office
P.O. Box 1450

Patent Owner Innovative Display Technologies (“IDT” or “Patent Owner”) hereby files this opposition to the Motion for Joinder (“Motion,” Paper No. 3) filed by Mercedes-Benz USA, LLC and Mercedes-Benz U.S. International (“Petitioners”). Patent Owner hereby requests that the Board deny Petitioners’ Motion.

I. STATEMENT OF MATERIAL FACTS

1. IDT’s patent portfolio is currently subject to 20 IPRs:
 - a. IPR2014-01092 (U.S. Patent No. 7,434,974);
 - b. IPR2014-01094 (U.S. Patent No. 7,404,660);
 - c. IPR2014-01095 (U.S. Patent No. 8,215,816);
 - d. IPR2014-01096 (U.S. Patent No. 7,537,370);
 - e. IPR2014-01097 (U.S. Patent No. 7,300,194);
 - f. IPR2014-01357 (U.S. Patent No. 6,755,547);
 - g. IPR2014-01362 (U.S. Patent No. 7,384,177);
 - h. IPR2015-00359 (U.S. Patent No. 7,384,177);
 - i. IPR2015-00360 (U.S. Patent No. 7,300,194);
 - j. IPR2015-00361 (U.S. Patent No. 6,755,547);
 - k. IPR2015-00363 (U.S. Patent No. 7,404,660);
 - l. IPR2014-00366 (U.S. Patent No. 8,215,816);
 - m. IPR2015-00368 (U.S. Patent No. 7,434,974);

- n. IPR2015-00487 (U.S. Patent No. 7,404,660);
- o. IPR2015-00489 (U.S. Patent No. 7,384,177);
- p. IPR2015-00490 (U.S. Patent No. 7,300,194);
- q. IPR2015-00493 (U.S. Patent No. 7,537,370);
- r. IPR2015-00495 (U.S. Patent No. 7,404,660);
- s. IPR2014-00496 (U.S. Patent No. 8,215,816); and
- t. IPR2015-00497 (U.S. Patent No. 7,434,974).

2. As seen above, many of those IPRs cover overlapping patents. In fact, the majority of those overlapping IPRs purport to advance identical grounds, the only difference being that different entities filed them. That is the case for the three IPRs concerning the patent-at-issue, U.S. Patent 7,434,974 (the “’974 patent”). Those three IPRs are IPR2014-01092; IPR2015-00368 (the instant IPR); and IPR2015-00497. Each of those three IPRs purports to advance nearly identical grounds of invalidity. *See* Motion at 5 (“Petitioners’ arguments regarding the asserted references are identical to the arguments LG raised in the LG IPR”); *see also* IPR2015-00497, Paper 3 at 5 (stating the same).

3. LG Display Co., Ltd. filed IPR2014-01092 (the “first IPR”) against the ’974 patent on July 1, 2014.

4. Petitioners filed IPR2015-00368 (the instant IPR) against the ’974 patent on December 4, 2014, seeking to join the first IPR.

5. LG Electronics, Inc. filed IPR2015-00497 against the '974 patent on December 29, 2014, also seeking to join the first IPR.

6. On January 13, 2015, the Board denied institution the first IPR. IPR2014-01092, Paper No. 9.

II. AUTHORITY

To serve as a basis for joinder, an IPR must first be instituted. *See* 35 U.S.C. § 315 (“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 ...”) (emphasis added). The Board has the discretion to join an *inter partes* review under 35 U.S.C. § 315. If joinder is ordered, the Board has discretion to adjust the time period for issuing a final determination in an *inter partes* review. 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c). The Board determines whether to grant joinder on a case-by-case basis, taking into account the particular facts of each case, substantive and procedural issues, and other considerations. IPR2014-00702, Decision, July 24, 2014, Paper 12 at 3 (citing 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl)). When exercising its discretion to join IPR proceedings, the Board is mindful that patent trial regulations, including the rules for joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. *Id.* (citing 35 U.S.C. § 316(b); 37 C.F.R. § 42.1(b)).

The moving party has the burden of proof to establish that it is entitled to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b). To determine whether to grant a motion for joinder, the Board considers many factors, including, (1) time and cost considerations, including the impact joinder would have on the trial schedule; and (2) how briefing and discovery may be simplified. IPR2014-00702, Paper 12 at 3.

III. ARGUMENT

A. Statutorily, This IPR Cannot Be Joined to the First IPR.

The Board cannot join one IPR to another unless the first IPR is instituted. *See* 35 U.S.C. § 315 (“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 ...”) (emphasis added). Because the Board denied institution of IPR2014-01092, this Motion cannot be granted. Noting this fact and the fact that Petitioners have admitted that this IPR is identical to IPR2014-01092, Patent Owner also asks the Board to deny institution of this IPR for the same reasons as IPR2014-01092 before its preliminary response in this IPR is due.

B. In the Event that the Petitioner in the First IPR Actually Files and Succeeds in a Request for Reconsideration of the Denial to Institute, the Motion to Join this IPR should Nonetheless be Denied.

Because the first IPR was denied institution, the only chance for the first IPR’s survival is a motion for reconsideration. Patent Owner does not anticipate that reconsideration will be successful in this matter or that the petitioner will even file

for reconsideration. But, if the first IPR is actually instituted after a motion for reconsideration, the PTAB should nonetheless deny the Motion.

Petitioner's Motion states that, "[a] motion for joinder should: (1) set forth the reasons why joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; (3) explain what impact (if any) joinder would have on the trial schedule for the existing review; and (4) address specifically how briefing and discovery may be simplified." Motion at 5. The Motion does not adequately show that requirements (1), (3), and (4) support joinder, and thus the Motion should be denied.

C. Petitioners' Motion Does not Set Forth Any Independent Reasons Why Joinder is Appropriate.

To meet the first requirement of a motion for joinder, Petitioners simply argue the second and third requirements. First, Petitioners argue that this IPR "does not raise any new grounds of unpatentability over what has been asserted in the LG IPR" and that "Petitioners' arguments regarding the asserted references are identical to the arguments LG raised in the LG IPR." Motion at 5. But those reasons alone are not enough for joinder. *See* IPR2014-00702, Paper 12 at 4 ("As an initial matter, we are not persuaded by Unified's argument that, if there are two proceedings with nearly identical petitions, the legislative history provides that joinder should be granted 'as a matter of right.' Mot. 6; Reply 1. As we explained above, Section 315(c) clearly states that we have discretion to join a party. Unified fails to recognize

that joinder is not automatic, particularly given the need to complete proceedings in a just, speedy, and inexpensive manner.”).

Second, Petitioners argue that joinder is appropriate because the “LG IPR has not yet been instituted, and therefore, no scheduling order has been entered, yet.” Motion at 6. Nevertheless, as discussed in the next section, joinder here would improperly delay the scheduling of the first IPR.

D. Joinder Would Improperly Delay the Trial Schedule in the First IPR.

If reconsideration results in a reversal of the Board’s earlier decision to deny institution of the first IPR, then the schedule will already be significantly delayed. Further delaying the schedule of the first IPR to accommodate joinder would inhibit the Board’s mandate “to complete proceedings in a just, speedy, and inexpensive manner.” 37 C.F.R. § 42.1(b). As cited above, the Board’s interest in completing proceedings in a just, speedy, and inexpensive manner supersedes its interest in joining identical IPRs. *See* IPR2014-00702, Paper 12 at 4 (“we are not persuaded by Unified’s argument that, if there are two proceedings with nearly identical petitions, the legislative history provides that joinder should be granted ‘as a matter of right.’ . . . Unified fails to recognize that joinder is not automatic, particularly given the need to complete proceedings in a just, speedy, and inexpensive manner.”).

E. Patent Owner Will Likely Seek Additional Discovery in this IPR, which Weighs Further against Joinder.

Patent Owner will likely seek additional discovery to determine if LG Display Co. Ltd. (“LG”) was controlling or funding the filing of this IPR, and thus whether this IPR fails to name real parties-in-interest pursuant to 35 U.S.C. § 315(a)(2) or should be terminated under 35 U.S.C. § 315(d). Patent Owner is aware that LG supplies Petitioners with the very LCDs that are the subject of Patent Owner’s lawsuit asserting the ’974 patent against Petitioner: *Innovative Display Technologies LLC v. Mercedes-Benz U.S. International, Inc. et al.*, 2:14-cv- 00535-JRG (E.D. Tex., filed June 24, 2014). Furthermore, LG is the Petitioner in the first IPR, which Petitioners allege is identical to the present IPR. Under these facts, it is likely that LG is an unnamed real party-in-interest to this IPR. The potential for the additional discovery sought to prove LG’s involvement in this IPR is beyond that already before the PTAB in IPR2014-01092, and thus weighs against joinder. *See* IPR2014-00702, Paper 12 at 5-6 (“Based on those statements, it is not unreasonable for PersonalWeb to seek authorization for additional discovery in order to determine what companies, if any, fund and control Unified. This potential for additional discovery presents a new substantive issue beyond what is already before us in IPR2014-00057 and, as a result, weighs in favor of denying Unified’s Motion for Joinder.”).

IV. CONCLUSION

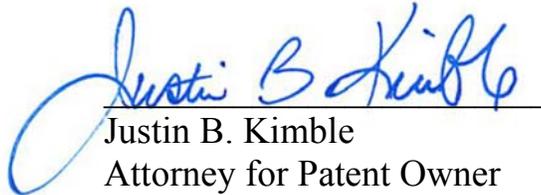
The first IPR was not instituted and thus the instant IPR cannot be joined to it. Moreover, Petitioners have not met their burden for joinder even if the first IPR were instituted. To support their Motion for joinder, Petitioners simply argue that the IPRs are identical and that the schedule in the first IPR was not entered yet. Those are not sufficient reasons for joinder, given that joinder would only further delay the schedule of the first IPR and that additional discovery would likely be sought in this IPR that is not sought in the first IPR.

Case IPR2015-00368

Patent 7,434,974

Dated: January 23, 2015

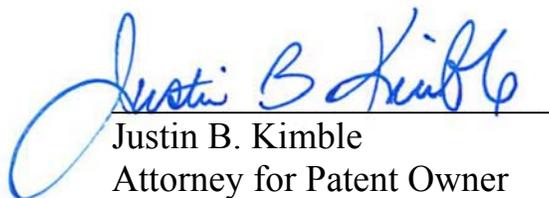
Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that document has been served via electronic mail on January 23, 2015, to Petitioners at following email addresses pursuant to their consent in its Petition at p. 4: sweingaertner@kslaw.com and nmoffitt@kslaw.com.



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