

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

JIAWEI TECHNOLOGY (HK) LTD., JIAWEI TECHNOLOGY (USA)
LTD., SHENZHEN JIAWEI PHOTOVOLTAIC LIGHTING CO., LTD.,
ATICO INTERNATIONAL (ASIA) LTD., ATICO INTERNATIONAL
USA, INC., CHIEN LUEN INDUSTRIES CO., LTD., INC.
(CHIEN LUEN FLORIDA), CHIEN LUEN INDUSTRIES CO., LTD., INC.
(CHIEN LUEN CHINA), COLEMAN CABLE, LLC, NATURE'S MARK,
RITE AID CORP., SMART SOLAR, INC., AND
TEST RITE PRODUCTS CORP.,
Petitioners

v.

SIMON NICHOLAS RICHMOND
Patent Owner

Case IPR2015-00580

Patent 7,429,827

**PATENT OWNER'S OPPOSITION TO MOTION FOR
JOINDER TO RELATED *INTER PARTES* REVIEW OF U.S.
PATENT NO. 7,429,827 (IPR2014-00938)**

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I. Introduction

Petitioner's Motion for Joinder (IPR2015-00580, the "580 IPR," Paper 11), which seeks to join its current Petition ("Second Petition") challenging Claims 31 - 34 of U.S. Patent No. 7,429,827 (the "827 Patent") with its prior proceeding (IPR2014-00938, the "938 IPR"), is without merit. The Second Petition relies upon the same prior art and the same or substantially the same arguments it presented in its prior "First Petition," filed June 6, 2014, 938 IPR (Paper 13), which the Board held failed to show a likelihood of unpatentability of Claims 31-34.¹ 938 IPR (Paper 20). This prior art and these same or substantially the same arguments were presented again in Petitioner's request for rehearing, 938 IPR (Paper 22)("Req. Reh'g"), and rejected again by the Board in its January 15, 2015 Decision denying rehearing. 938 IPR (Paper 27). 35 U.S.C § 325(d) expressly authorizes the Board to exercise its discretion to reject institution of a petition under such circumstances.

Since Petitioner transparently seeks joinder to attempt to avoid the one year bar of § 315(b) to obtain yet another bite at the same apple, this Board should

¹ Trial was instituted only as to Claims 24-30 and 35, over various combinations of prior art, namely, Chliwnyj, Lau, Dowling, Wu and/or Pu. 938 IPR (Paper 20) at 19, encompassing all prior art now raised in the Second Petition.

exercise its discretion to deny joinder and institution of the improper Second Petition.

II. Response to Petitioner's STATEMENT OF FACTS Presented in the Motion for Joinder

In response to Petitioner's Alleged Fact No. 1, Patent Owner agrees that each real party-in-interest has the following service date in the District of New Jersey (the "New Jersey Lawsuit"): "June 11, 2013 (Menards, Lowe's, and Walgreens); June 12, 2013 (Smart Solar); June 13, 2013 (Ace, CVS, Jiawei Technology (USA) Ltd., Orgill, True Value, Chien Luen, and Rite Aid); July 3, 2013 (Coleman); and no service date (Nature's Mark and Test Rite)." 938 IPR (Paper 13) at 3. Regarding Alleged Fact No. 6, Patent Owner denies that "the Board found that claim 30 was obvious over Chliwnyj in view of Wu, and Lau." Petitioner mischaracterizes the Board's decision. Patent Owner admits the remainder of the alleged fact. Patent Owner admits the Alleged Facts Nos. 2 – 5 and 7 - 9.

III. Relevant Law

In IPR proceedings, "[a] petitioner is not entitled to multiple challenges against a patent." *Samsung Electronics Co. v. Rembrandt Wireless Technologies, LP*, IPR2015-00118 (Paper 14) at 6 – 7 (denying joinder and stating "we are not apprised of a reason that merits a second chance").

35 U.S.C. § 325(d) provides, in pertinent part, as follows:

(d) MULTIPLE PROCEEDINGS. —*In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.* (Emphasis added.)

The Board designated seven decisions as “informative” regarding subsequent proceedings. In each, the Board exercised its discretion under 35 U.S.C. § 325(d) to reject a subsequent petition where “the same or substantially the same prior art or arguments were presented to the office.” For example, in *ZTE v. ContentGuard Holdings*, IPR2013-00454 (Paper 12) at 6, the Board stated the following:

A decision to institute review on some claims should not act as an entry ticket, and a how-to guide, for the same Petitioner who filed an unsuccessful joinder motion, and is outside of the one-year statutory period, for filing a second petition to challenge those claims which it unsuccessfully challenged in the first petition.

See also Intelligent Bio-systems, Inc. v. Illumina Cambridge Limited, IPR2013-00324 (Paper 19) at 6 – 7 (same); *Prism Pharma v. Choongwae Pharma.*, IPR2014-00315 (Paper 14) at 13 (same); *Medtronic, Inc. v. Robert Bosch Healthcare Systems, Inc.*, IPR2014-00436 (Paper 17) at 12 (same); *Medtronic, Inc. v. Nuvasive, Inc.*, IPR2014-00487 (Paper 8) at 6 – 7 (same); *Unilever, Inc. v. The Procter & Gamble Co.*, IPR2014-00506 (Paper 17) at 6 (same). *United Patents*,

Inc. v. Personalweb Technologies, LLC, IPR2014-00702 (Paper 12) at 4 (“Joinder [under Section 315(c)] is not automatic, particularly given the need to complete proceedings in a just, speedy, and inexpensive manner.”) (citing 37 C.F.R. § 42.1(b)).

35 U.S.C. § 315(b) provides:

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).

Multiple bites at the apple are “especially” unjustified when a subsequent petition would otherwise be time-barred by § 315(b). *Rembrandt Wireless*, IPR2015-00118 (Paper 14) at 7; *see also Medtronic, Inc. v. Endotach LLC*, IPR2014-00695 (Paper 18) at 4 (“when a § 315(b) bar would apply absent joinder, we hesitate to allow a petitioner a second bite one month after institution of a first case”).

Petitioner here, as a single party with several members served with complaints more than one year ago, is time-barred under § 315(b), absent joinder. *Fandango, LLC v. Ameranth, Inc.*, CBM2014-00013 (Paper 22) at 4 (denying

Apple, Inc. a leave to file a separate IPR petition, where it had already joined other parties as a single petitioner). Joinder should be denied.

IV. Patent Owner Opposes the Motion for Joinder

The Second Petition seeks an inappropriate second (or third) bite at the apple. Petitioner's Second Petition relies upon the same prior art (Chliwnyj, Wu and Lau) presented in its First Petition (938 IPR, Paper 13), using the same or substantially the same arguments, and also recycles arguments from its unsuccessful request for rehearing. 938 IPR (Paper 22). This justifies rejection of the Second Petition pursuant to § 325(d).

Though Petitioner asserts that only one “new” issue, “continuous color changing cycle,” is presented (580 IPR (Paper 13) at 7), the “continuous color changing cycle” issue was already argued by Petitioner and fully considered by the Board's Decision in the 938 IPR that found no likelihood of unpatentability of Claims 31-34. The Board stated that “even if Chliwnyj produces a plurality of colors and we were to consider that to be ‘changing colors,’ that does not mean that Chliwnyj produces *a color changing cycle*,” explaining that “[t]he scheme that Chliwnyj uses, cited by Petitioner, is with respect *to individual LEDs*, such that the intensity of the individual LEDs varies according to their own schemes...[t]hese passages do not speak to *their combined effect* with respect to their resulting color.” 938 IPR Decision (Paper 20) at 16 (emphasis is the Board's). The Board also stated that “Chliwnyj admonishes prior art lights that have a perceptible

pattern in overall flame effect, instead seeking to simulate a ‘natural random process.’” *Id.* (emphasis added).

In its request for rehearing, Petitioner made the same or substantially the same arguments regarding the alleged obviousness of Claims 31-34 over Chliwnyj in combination with the prior art as it now makes in the Second Petition. Compare 938 IPR (Paper 22) at 12 (“despite its alleged admonishment that repetition was inferior, Chliwnyj still reiterated the well-known ability to repeat a ‘color changing cycle’”) with 580 IPR (Paper 10) at 46 (“Petitioner believes that Chliwnyj teaches repeating cycles, but relies on Lau to demonstrate that it would have been obvious, and Chliwnyj does not teach away from a combination with Lau.”). In rejecting Petitioner’s arguments in its decision denying rehearing, the Board made it clear that, though Chliwnyj admonished prior art teaching perceptible patterns was not characterized as teaching away from a color changing cycle, “we remain convinced that Petitioner’s failures in its Petition under 37 C.F.R. 42.104(b)(3)-(5) regarding the ‘color changing cycle’ limitation justify our decision to deny review of claims 31 – 34.” 938 IPR, Rehearing Decision (Paper 27) at 4 – 5.

Petitioner is misleading and incorrect in its assertion that the Second Petition “relies on the same ground as applied to claim 30 [Ground 3], but raising substantially different arguments.” Mot. Joinder at 5. The Board has disagreed with Petitioner’s characterization stating “[t]he issue in IPR2015-00580 is largely

the same as the issue in” the 938 IPR and “the new ground...is substantially similar to the old ground,” referring to Ground 2 challenging Claims 27–29 and 31– 35, *not* Ground 3. 580 IPR (Paper 16) at 2 (emphasis added). The Second Petition effectively seeks another rehearing on this issue already decided against it by the Board – yet another bite at the apple – which should not be allowed.

In the Second Petition, as it did in its unsuccessful request for rehearing, *see* 938 Req. Reh’g. (Paper 22) at 6–9, Petitioner attempts to blame Patent Owner, contending that Petitioner’s failure to show a likelihood of unpatentability of Claims 31-34 was caused by the Patent Owner presenting an “unforeseeable construction of ‘continuous color changing cycle.’” 580 IPR (Paper 10) at 1, 19, 51.² This argument is a red herring: In refusing rehearing, the Board confirmed that it did not rely on any construction of “cycle” presented by Patent owner. 938 IPR (Paper 27) at 3. In any event, the supposedly “new” evidence and argument regarding how ‘cycle’ may be construed or read on the prior art was available to

² Petitioner states that Patent Owner admitted that varying color and color changing cycle meant substantially the same thing in the New Jersey Lawsuit. 580 IPR (Paper 10) at 17. Patent Owner disagrees. Patent Owner was merely communicating to the court that he chose not to respond to IDC’s apparent admission.

Petitioner and, if regarded as important, could have been raised in the original Petition. *Id.* at 4.

Petitioner blames the Board for not agreeing with it and for “requiring construction of a term that was never in dispute between the parties” and not applying the term’s “plain and customary meaning.” Second Pet. at 1 - 2. But substantially the same arguments were presented by Petitioner in its request for rehearing, 938 IPR (Paper 22) at 6, 8, and rejected by the Board. 938 IPR (Paper 27).

Petitioner’s proffered excuse for now citing Lau for the same asserted “cycle” teaching as Chliwnyj is that it became aware of the alleged relevance of Lau to Claims 31 – 34 only after reading Patent Owner’s Preliminary Response. Mot. Joinder at 6. This excuse does not ring true and is irrelevant. *See Endotach* (Paper 18) at 9 (“as part of the “reasonable likelihood” standard under § 314(a), Petitioner has a burden to make its case, taking into consideration possible contentions that Patent Owner may assert at a later time, whether it be in relation to claim construction or otherwise”); *see also Intelligent Bio-Systems* (Paper 19) at 6 (noting that petitioner had “not provided any justification for filing the instant petition, other than its representation that it became aware of the relevance of [new art] after the filing of the [prior] Petition”). The Board also confirmed that it did not rely on any construction of “cycle” presented by Patent owner (938 IPR (Paper

27) at 3), and that “the form of repetition, if any, implied by the term ‘cycle’ was not germane in our reason to deny institution of claims 31 – 34.” 938 IPR (Paper 27) at 3 – 4.

Lau does not remedy the deficiencies of Chliwnyj. Petitioner’s argument that Lau “demonstrate[s] that it would have been obvious” to implement “a repeating color changing cycle with no changes” (Second Pet. at 29-30) in Chliwnyj does not add anything to its prior argument regarding Chliwnyj, which it contended already taught a “color changing cycle” using the same technology as Lau. *See* Second Pet. at 46 (“*Similar to Chliwnyj*, Lau uses a Microcontroller and LED drivers to produce a continuous color changing cycle;” and both would achieve “very pleasing soothing, and almost mesmerizing visual effects.”) Second Pet., 49 (quoting Chliwnyj, Ex. 1105, 2:51-52). Mere citation of another reference for the same alleged teaching of the prior cited art is insufficient to support institution of a subsequent petition. *See Bio-delivery v. Illumina*, IPR2013-00324 (Paper 19) at 6 (denying institution because petitioner did not distinguish any teaching in the newly cited art from references cited in the prior petition); *Enfish* (Paper 13) at 6 (same).³

³ Lau also adds nothing to the Dowling reference, which was cited by the Examiner during the original prosecution, used by Petitioner in Ground 1 of the

In any event, Petitioner has no justification for failing to present this version of its argument in the First Petition that relied upon the same prior art. *See Unilever v. Procter & Gamble*, IPR2014-00506 (Paper 17) at 6 (rejecting petition where petitioner did not explain that newly cited references were not known or available to petitioner when earlier filed petition filed); *Rembrandt* (Paper 14) at 7 (denying joinder, “Petitioner simply presents an argument now that it could have made in the [prior proceeding], had it merely chosen to do so”).

V. The Board Decisions Cited by Petitioner Do Not Support Joinder of the 580 IPR with the 938 IPR

Petitioner cites a string of five cases to assert that § 315(c) allows for “joinder of issues.” Mot. Joinder at 11. However, joinder is discretionary, and most of the cases cited by Petitioner found joinder was not warranted.

First Petition regarding claims 24-26, (938 IPR, Paper 13) and fully analyzed by the Board. In Patent Owner’s Preliminary Response to the First Petition, Patent Owner pointed out that Dowling taught “a color wash, in which the LEDs cycle continuously through the full color spectrum,” but only in the context of a non-solar-powered light that (like Lau) was provided essentially unlimited AC power. 827 IPR (Paper 19) at 44 (citing Exh. 1010, Dowling, 6:32-33). *Compare* Lau, Ex. 1011, Col. 1:33–40.

In *Standard Innovation Corp. v. Lelo, Inc.*, IPR2014-00907, the Board, referring to the petition as a “second bite at the apple” denied joinder citing failure to “present[] cogent argument or evidence to explain why the grounds of unpatentability asserted in the Petition.” (Paper 10) at 4. Similarly, in this proceeding, the Board has already rejected Petitioner’s “surprise” excuse. 938 IPR (Paper 27) at 3 – 4.

In *Medtronic, Inc. v. Norred*, IPR2014-00823 (Paper 12) at 5-7, the Board declined joinder and institution of subsequent petition “to add additional challenges based on prior art references we have already considered” where only the proposed combination of those references was different. Similarly, here, the Second Petition relies on, at best, “additional challenges based on prior art references . . . already considered” which should, likewise, not be allowed.

In *Medtronic, Inc. v. Endotach LLC*, IPR2014-00695 the Board denied joinder stating, “Petitioner effectively asks us to re-address the issue of redundancy in a Second Petition subject to a bar under § 315(b) absent joinder with [the prior proceeding], which is much further along in its own schedule and in which Patent Owner has already filed a Patent Owner Response.” *Endotach* (Paper 18) at 9. Similarly, this proceeding, which is subject to a bar under § 315(b) absent joinder with the prior proceeding, is almost nine months further along than the Second

Petition, in which Petitioner asks this Board to re-address its analysis of Chliwnyj, again.

In only two of these cases cited by Petitioner was joinder approved, despite the existence of a Section 315(b) time bar, and those cases bear no resemblance to the present case. In *Samsung Electronics Co. v. Virginia Innovation Sciences, Inc.*, IPR2014-00557 (Paper 10) at 17, joinder was granted to allow institution of a ground merely adding a limitation (communication “via an HDMI connection”) that the patent owner had not contested existed in the cited prior art. *See also Samsung*, IPR2014-00557, Patent Owner’s Opposition to Joinder (Paper 8) at 7. Here, however, the Board has already ruled, twice before in the context of the 827 Patent and twice before in the context of U.S. Patent No. 8,362,700 (see IPR2014-00937, Papers 22, 24), that Chliwnyj does not teach the cited color changing cycle and that it, in fact, admonishes prior art lights that have a perceptible pattern. In *Ariosa Diagnostics v. Isis Innovation Ltd.*, IPR2012-00022 (Paper 166), the Board granted joinder of proceeding IPR2013-00250 when a new product had been launched. *See IPR2013-00250* (Paper 4) at 3. This also bears no resemblance to the present case.

VI. The *Target II* Decision Makes it More Important for the Board to Deny a Subsequent Petition that Relies Upon the Same Prior Art and Arguments Previously Presented, Especially Where, As Here, Absent Joinder, The Petition Would be Time Barred.

Recently, in *Target Corp. v. Destination Maternity Corp.*, IPR 2014-00508 (Paper 28, referred to as “*Target II*”) at 6, in a four to three decision, expanded Board reversed its prior decision denying joinder, (Paper 18) (“*Target I*”), and held that joinder under § 315 (c) of a petition otherwise time-barred by § 315(b) could be allowed in some circumstances, subject to the Board’s discretion to reject joinder in “situations that may have resulted otherwise [in] untenable results,” *Id.* (Paper 28) at 15-6 (citing *Reloaded Games, Inc. v. Parallel Networks LLC*, IPR2014-00950, (Paper 12) at 4- 5 which denied a joinder request by the same petitioner where petitioner was seeking ‘a second bite of the apple’ on grounds that could have been raised in the earlier petition and other decisions denying joinder).

The three dissenting members took a different view, concluding after thorough analysis that the § 315(b) time-bar was absolute and not subject to waiver by the Board by virtue of a motion for joinder under § 315(c):

Under our interpretation, once a petitioner is time-barred under § 315(b) with respect to a particular patent, it is always time-barred. A time-barred petitioner cannot petition successfully for an *inter partes* review of the patent, regardless of whether it requests joinder under subsection (c). If an *inter partes* review of the patent is underway at the Board, a time-barred

petitioner (as well as a non-time-barred petitioner) may request to join it as a party. 35 U.S.C. § 315(c). The Board, in its discretion, may grant or deny the request, but it may not deny the request as statutorily time-barred under § 315(b). *Target II* (Paper 28)(Dissenting Opinion at 19).

With all due respect to the four-member majority in *Target II*, Patent Owner agrees with dissenting opinion in *Target II* and urges its adoption to refuse institution of the Second Petition as time-barred under § 315(b), which would moot the motion for joinder under § 315(c). Petitioner certified in the Second Petition that its “real parties in interest” include Menards, Lowe’s, Walgreens, Smart Solar, Ace, CVS, Jiawei Technology (USA) Ltd., Orgill, True Value, Chien Luen, and Rite Aid and Coleman. In 938 IPR (Paper 13) at 3, Petitioner admits that these of its “real part[ies] in interest or privies” were served with complaints for infringement on dates ranging from June 11, 2013 to July 3, 2013, all more than one year prior to the January 16, 2015 filing date of the Second Petition. As such, § 315(b) mandates that “[a]n *inter partes* review may not be instituted [on] the petition requesting the proceeding,” i.e., the Second Petition. (Emphasis added).

The time-bar of § 315(b) prohibiting *institution* of *inter partes* review on the Second Petition is not avoided because two of Petitioner’s real parties in interest, Test-Rite and Nature’s Mark, have not yet been served with a complaint for infringement, because § 315(b) provides that its time-bar against institution of a

petition is triggered by service of a complaint on any of the “petitioner, real party in interest, or privy of the petitioner.” § 315(b). *See also Fandango, LLC v. Ameranth, Inc.*, CBM2014-00013, Paper No. 22, at 9.

If the dissent’s interpretation of § 315(b) and (c) is applied here, although Petitioner is prohibited from having an *inter partes* review instituted on its Second Petition, Petitioner would necessarily not be prohibited by § 315(b) from requesting joinder of itself as a party to 938 IPR pursuant to § 315(c). However, since Petitioner is already a party to 938 IPR, the joinder issue is moot. The Board should deny joinder on this basis.

If this Board does not, however, adopt the view of the dissent in *Target II*, the Board’s vigilant exercise of its discretion to deny institution under 35 U.S.C. §§ 315(c) and 325(d) is even more vital as a “safety valve [that] will allow the Office to avoid being overwhelmed if there happens to be a deluge of joinder petitions in a particular case.” *See Target II* (Paper 28) at 11 (quoting 154 Cong. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl). The Board should vigilantly exercise its discretion under § 325(d) in the present case to deny joinder and to reject the Second Petition as an unjustified second (or third) bite at the apple.

VII. CONCLUSION

Petitioner’s motion for joinder and institution should be denied.

Respectfully submitted,

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Dated: Feb. 17, 2015

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e)(4)(i) *et seq.* and 42.105(b), the undersigned certifies that on this date a copy of the PATENT OWNER'S OPPOSITION TO MOTION FOR JOINDER TO RELATED INTER PARTES REVIEW OF U.S. PATEN NO. 7,429,827 (IPR2014-00938) was served on Lead and Backup Attorneys for Petitioner, via the consented to method of email to the following email addresses:

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Respectfully submitted,

Dated: February 17, 2015

_____/Theodore F. Shiells/
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