

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HTC CORPORATION and HTC AMERICA, INC.,
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

Case IPR2018-01589
Patent 7,653,508 B1

Before SALLY C. MEDLEY, JOHN F. HORVATH, and
SEAN P. O'HANLON, *Administrative Patent Judges*.

O'HANLON, *Administrative Patent Judge*.

DECISION
Institution of *Inter Partes* Review
35 U.S.C. § 314(a)

Granting-in-Part Petitioner's Motion for Joinder
37 C.F.R. § 42.122(b)

I. INTRODUCTION

A. Background

HTC Corporation and HTC America, Inc. (“Petitioner” or “HTC”) filed a Petition for *inter partes* review of claims 1–4, 6–8, 11–16, 19, and 20 of U.S. Patent No. 7,653,508 B1 (Ex. 1001, “the ’508 patent”). Paper 1 (“Pet.”), 1. Concurrently with its petition, HTC filed a Motion for Joinder with *Apple Inc. v. Uniloc 2017 LLC*, Case IPR2018-00387 (“the Apple IPR”). Paper 3 (“Motion” or “Mot.”). Uniloc 2017 LLC (“Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”).

For the reasons explained below, we institute an *inter partes* review of claims 1–4, 6–8, 11–16, 19, and 20 of the ’508 patent, and grant-in-part and deny-in-part Petitioner’s Motion for Joinder.

B. Real Parties-in-Interest

The statute governing *inter partes* review proceedings sets forth certain requirements for a petition for *inter partes* review, including that “the petition identif[y] all real parties in interest.” 35 U.S.C. § 312(a)(2); *see also* 37 C.F.R. § 42.8(b)(1) (requiring identification of real parties-in-interest in mandatory notices). The Petition identifies HTC Corporation and HTC America, Inc. as the real parties-in-interest. Pet. 2. Patent Owner states that its real parties-in-interest are Uniloc 2017 LLC, Uniloc USA, Inc., and Uniloc Licensing USA LLC. Paper 6, 2.

C. Related Matters

The parties indicate that the '508 patent is involved in *Uniloc USA, Inc. v. HTC Am., Inc.*, Case No. 2-17-cv-01629 (W.D. Wash) and other proceedings. Pet. 2; Prelim. Resp. 3–4.

In the Apple IPR, we instituted an *inter partes* review of claims 1–4, 6–8, 11–16, and 19 of the '508 patent on the following grounds:

Reference(s)	Basis ¹	Challenged Claims
Pasolini ²	35 U.S.C. § 103(a)	1, 2, 11, and 12
Fabio ³	35 U.S.C. § 103(a)	6–8, 15, 16, and 19
Pasolini and Fabio	35 U.S.C. § 103(a)	3, 4, 13, and 14

Apple Inc. v. Uniloc 2017 LLC, Case IPR2018-00387, slip. op. at 6, 27 (PTAB July 23, 2018) (Paper 8) (“Apple Decision” or “Apple Dec.”).

II. INSTITUTION OF *INTER PARTES* REVIEW

The Petition in this proceeding asserts substantially the same grounds of unpatentability as the one on which we instituted review in the Apple IPR. *Compare* Pet. 24–72, *with* Apple Dec. 6, 27. Indeed, Petitioner contends that the Petition asserts only the grounds that the Board instituted in the Apple IPR, and the Petitioner relies on the same exhibits and expert declaration as in the Apple IPR. Mot. 6–12. We note that in this Petition,

¹ The '508 patent was filed on December 22, 2006, prior to the date when the Leahy-Smith America Invents Act (“AIA”) took effect.

² US 7,463,997 B2 (filed Oct. 2, 2006, issued Dec. 9, 2008) (Ex. 1005, “Pasolini”).

³ US 7,698,097 B2 (filed Oct. 2, 2006, issued Apr. 13, 2010) (Ex. 1006, “Fabio”).

Petitioner also asserts a challenge to claim 20, which is further discussed below.

We acknowledge Patent Owner's arguments and evidence supporting its position that the claims would not have been obvious. Prelim. Resp. 12–33. Certain of Patent Owner's arguments against the merits of the Petition have been previously addressed in the Apple Decision, and we need not address them here again. Certain other arguments against the merits of the Petition closely mirror arguments made in the Patent Owner Response filed in the Apple IPR (*compare* Prelim. Resp. 12–33, *with* Apple IPR PO Resp. (IPR2018-00387, Paper 11), 11–30). Those common arguments will be fully considered in the Apple IPR with the benefit of a complete record.

Regarding claim 20, Petitioner relies on its analysis of claim 3, and Patent Owner relies on its arguments regarding claim 6. *See* Pet. 72–73; Prelim. Resp. 31. Patent Owner also argues that the challenge to claim 20 is conclusory, asserting that “Petitioner may not rely on conclusory testimony of a declarant as to what would have been common knowledge at the time.” Prelim Resp. 31–32. This argument is unpersuasive because neither Petitioner nor Petitioner's declarant present an argument based on “common knowledge.” Rather, as discussed below, Petitioner relies on prior arguments regarding claim 3. *See* Pet. 72–73.

In sum, based on the current record, Patent Owner's arguments made in its Preliminary Response in this case do not persuade us that Petitioner has not demonstrated a reasonable likelihood of success in prevailing on the grounds asserted in the Petition, including the same grounds instituted in IPR2018–00387.

Additionally, Patent Owner notes that an argument made in an appeal pending at the U.S. Court of Appeals for the Federal Circuit asserts that “the Board’s appointments of administrative patent judges violate the Appointments Clause of Article II” of the U.S. Constitution. Prelim. Resp. 32–33. “Patent Owner . . . adopts this constitutional challenge . . . to ensure the issue is preserved pending the appeal.” *Id.* at 33.

The Board has previously “declin[ed] to consider [the] constitutional challenge as, generally, ‘administrative agencies do not have jurisdiction to decide the constitutionality of congressional enactments.’” *Square, Inc. Unwired Planet LLC*, IPR2014-01165, Paper 32, 25 (PTAB Oct. 30, 2015) (quoting *Riggin v. Office of Senate Fair Employment Practices*, 61 F.3d 1563, 1569 (Fed. Cir. 1995)). We, likewise, decline to consider Patent Owner’s constitutionality argument.

III. MOTION FOR JOINDER

The Petition and Motion for Joinder in this proceeding were accorded a filing date of August 23, 2018. *See* Paper 5. Thus, Petitioner’s Motion for Joinder is timely because joinder was requested no later than one month after the institution date of the Apple IPR, i.e., July 23, 2018. *See* 37 C.F.R. § 42.122(b).

The statutory provision governing joinder in *inter partes* review proceedings is 35 U.S.C. § 315(c), which states:

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.

A motion for joinder should (1) set forth 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. *See Kyocera Corp. v. Softview LLC*, Case IPR2013-00004, slip op. at 4 (PTAB Apr. 24, 2013) (Paper 15).

1. Claims 1–4, 6–8, 11–16, and 19

Regarding claims 1–4, 6–8, 11–16, and 19, the Petition in this case asserts the same unpatentability grounds on which we instituted review in the Apple IPR. *See* Mot. 6. HTC also relies on the same prior art analysis and expert testimony submitted by the Apple Petitioner. *See id.* Indeed, the Petition is nearly identical to the petition filed by the Apple Petitioner with respect to the grounds on which review was instituted in the Apple IPR. *See id.* Thus, with respect to these claims, this *inter partes* review does not present any ground or matter not already at issue in the Apple IPR.

If joinder is granted, HTC anticipates participating in the proceeding in a limited capacity absent termination of Apple Petitioner as a party. *Id.* at 8–9. HTC agrees to “[a]ssume a second-chair role as long as the Apple Petitioner remains in the proceeding.” *Id.* at 9. HTC further represents that “[n]o new grounds of unpatentability are asserted” and that “joinder would not adversely impact the trial schedule, briefing, or discovery in the Apple IPR.” *Id.* at 10.

We agree with Petitioner that, with respect to the claims already at issue in the Apple IPR, joinder with the Apple IPR is appropriate under the

circumstances. Accordingly, we grant-in-part Petitioner’s Motion for Joinder regarding claims 1–4, 6–8, 11–16, and 19.

2. Claim 20

Although the Board routinely grants motions for joinder where the asserted grounds of unpatentability, and supporting arguments and evidence, are the same as in the preceding case, the Motion here seeks to add to the Apple IPR a challenge to an additional claim (claim 20) that was not previously challenged in the Apple IPR.⁴ HTC argues, however, that there is “substantial similarity between claim 20 and claims 3 and 13,” which were previously challenged in the Apple IPR, and, thus, alleges that it “do[es] not seek to introduce new grounds or arguments,” given that HTC relies on essentially the same arguments and evidence as in the Apple IPR. Mot. 6. According to HTC, “the difference between the claim language in claims 3, 13, and 20 is ‘sufficiently minor such that it would not unduly burden [Uniloc] to analyze and address it’” in the Apple IPR. *Id.* at 11. Further, HTC asserts that Patent Owner will not be unduly prejudiced because “[t]he Petition raises issues already before the Board and long known to the Patent Owner” and “Patent Owner will bear the same burden to defend claims 3 and 13 as it will defending claim 20.” *Id.* at 11–12.

⁴ We note that the issue of joining new issues to an existing proceeding is currently under review by the PTAB Precedential Opinion Panel. *See Proppant Express Inv., LLC v. Oren Techs., LLC*, IPR2018-00914, Paper 24.

Patent Owner disputes HTC's characterization of newly challenged claim 20, stating that "claim 20 does not have substantially similar limitations as dependent claims 3 and 13." Prelim. Resp. 1.⁵

Claim 20 depends from claim 19 (which was challenged in the Apple IPR) and further requires "wherein the cadence logic adjusts the cadence windows based on a measured cadence associated with the periodic human motion." Ex. 1001, 16:54–56. Claim 3 recites, in relevant portion, "maintaining a cadence window, wherein the cadence window is continuously updated as an actual cadence changes." *Id.* at 15:23–25. We agree that the language of these claims is similar, as both claims require adjusting/updating the cadence window based on a measured/actual cadence. HTC relies on arguments made with respect to claims 3 and 19 in the Apple Petition in arguing that claim 20 is unpatentable over Pasolini and Fabio. Pet. 72–73 (citing *Apple Inc. v. Uniloc 2017 LLC*, Case IPR2018-00387, Paper 2 ("Apple Petition"), 94–95).

Although Patent Owner argues that "claim 20 does not have substantially similar limitations as dependent claim[] 3" (Prelim. Resp. 1), Patent Owner does not identify any substantial differences between the claims. Instead, Patent Owner merely states that the Petition relies on conclusory allegations. *Id.* at 1–2, 31–32. Notably, in arguing against the unpatentability of claim 20, Patent Owner relies on its arguments made regarding claim 6. *Id.* at 31–32.

We agree that the differences between claim 20 and claim 3 do not seem substantial. However, the claim language differs between these

⁵ We note that Patent Owner did not file an opposition to Petitioner's Motion for Joinder.

claims, indicating that there is a presumption the claims are of different scope. *See Karlin Tech. Inc. v. Surgical Dynamics, Inc.*, 177 F.3d 968, 971–72 (Fed. Cir. 1999) (discussing “the common sense notion that different words or phrases used in separate claims are presumed to indicate that the claims have different meanings and scope”). Thus, Patent Owner must be provided a fair opportunity to respond to the contentions of Petitioner and Petitioner’s declarant, including the opportunity to depose Petitioner’s declarant or otherwise seek discovery from Petitioner.

Petitioner acknowledges that a motion for joinder should explain what impact joinder would have on the trial schedule for the existing review, and address specifically how briefing and discovery may be simplified. Mot. 5–6. Petitioner asserts that “[j]oinder will simplify briefing and discovery” (*id.* at 9) and “joinder would not adversely impact the trial schedule” (*id.* at 10).

We do not agree with Petitioner’s conclusory statements regarding the impact joinder of claim 20 would have on the schedule of the Apple IPR. In that case, Patent Owner filed its Response on October 11, 2018, and Apple filed its Reply on January 2, 2019. Thus, there is no opportunity for Patent Owner to analyze and address claim 20 in the existing schedule of the Apple IPR. Nor is it likely there is sufficient time remaining in the Apple IPR schedule to allow discovery and briefing regarding claim 20 were it to be added to the Apple IPR.

Due to the advanced state of the Apple IPR, and for the reasons discussed above, we deny-in-part Petitioner’s Motion for Joinder regarding claim 20. Instead, Petitioner’s challenge to claim 20 will proceed in the instant *inter partes* review.

IV. CONCLUSION

For the foregoing reasons, we determine that the information presented establishes a reasonable likelihood that Petitioner would prevail in showing that at least one of claims 1–4, 6–8, 11–16, 19, and 20 of the '508 patent is unpatentable. At this preliminary stage, we have not made a final determination with respect to the patentability of the challenged claims or any underlying factual and legal issues.

Given that Petitioner is being joined as a party to the Apple IPR and that “Petitioner[] agree[s] to proceed on the grounds, evidence, and arguments advanced, or that will be advanced, in the Apple IPR as instituted,” Petitioner is bound by the ultimate determination made in the Apple IPR regarding claims 1–4, 6–8, 11–16, and 19. *See* 35 U.S.C. §§ 315(e)(1), 325(d); 37 C.F.R. § 42.73(d)(1). Accordingly, Petitioner shall not advance any arguments regarding these claims in this proceeding; all grounds raised by Petitioner regarding these claims will be addressed in the Apple IPR. The parties are limited to advancing arguments regarding claim 20 in this proceeding.

V. ORDER

Accordingly, it is:

ORDERED that an *inter partes* review is instituted in IPR2018-01589;

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial, which commences on the entry date of this decision.

FURTHER ORDERED that the parties are limited to advancing arguments regarding claim 20 in this proceeding;

FURTHER ORDERED that the Motion for Joinder with IPR2018-00387 is *granted-in-part* regarding claims 1–4, 6–8, 11–16, and 19, and HTC Corporation and HTC America, Inc. are joined as a petitioner in IPR2018-00387;

FURTHER ORDERED that the Motion for Joinder with IPR2018-00387 is *denied-in-part* regarding claim 20;

FURTHER ORDERED that, subsequent to joinder, the grounds for trial in IPR2018-00387 remain unchanged;

FURTHER ORDERED that, subsequent to joinder, the Scheduling Order in place for IPR2018-00387 (Paper 9) remains unchanged;

FURTHER ORDERED that in IPR2018-00387, the Apple Petitioner and HTC will file each paper, except for a motion that does not involve the other party, as a single, consolidated filing, subject to the page limits set forth in 37 C.F.R. § 42.24, and shall identify each such filing as a consolidated filing;

FURTHER ORDERED that for any consolidated filing in IPR2018-00387, if HTC wishes to file an additional paper to address points of disagreement with the Apple Petitioner, HTC must request authorization from the Board to file a motion for additional pages, and no additional paper may be filed unless the Board grants such a motion;

FURTHER ORDERED that in IPR2018-00387 the Apple Petitioner and HTC shall collectively designate attorneys to conduct the cross-examination of any witness produced by Patent Owner and the redirect of

any witness produced by the Apple Petitioner and HTC, within the timeframes set forth in 37 C.F.R. § 42.53(c) or agreed to by the parties;

FURTHER ORDERED that in IPR2018-00387 the Apple Petitioner and HTC shall collectively designate attorneys to present at the oral hearing, if requested and scheduled, in a consolidated argument;

FURTHER ORDERED that the case caption in IPR2018-00387 shall be changed to reflect joinder of HTC Corporation and HTC America, Inc. as a petitioner in accordance with the attached example; and

FURTHER ORDERED that a copy of this Decision shall be entered into the record of IPR2018-00387.

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EXAMPLE CAPTION

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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⁶ LG Electronics, Inc., who filed a Petition in IPR2018-01577, and HTC Corporation and HTC America, Inc., who collectively filed a Petition in IPR2018-01589, have been joined as a petitioner in this proceeding.