UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ONE WORLD TECHNOLOGIES, INC.,
D/B/A TECHTRONIC INDUSTRIES POWER EQUIPMENT,
Petitioner,

v.

CHERVON (HK) LIMITED,
Patent Owner.

Case IPR2020-00886
U.S. Patent No. 9,826,686

PETITIONER'S MOTION TO UPDATE MANDATORY NOTICE TO ADD REAL PARTIES-IN-INTEREST

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Pursuant to the Board's order of August 27, 2020 (Paper 12), and in accordance with 37 C.F.R. § 42.20(a) (2020), One World Technologies, Inc., d/b/a Techtronic Industries Power Equipment ("Petitioner") respectfully moves to update its mandatory notice to identify additional real parties-in-interest ("RPIs") without changing the filing date of the above-captioned petition.[1] Specifically, Petitioner hereby moves to update its mandatory notice to identify Techtronic Industries Co. Ltd., Techtronic Industries North America, Inc., and Homelite Consumer Products, Inc., as real parties-in-interest without admitting that they are, in fact, real parties-in-interest.

I. The Board Should Allow Petitioner to Update the Real Parties-In-Interest Listing While Maintaining the Original Filing Date.

The Federal Circuit has held that the real party-in-interest requirement of 35 U.S.C. § 312(a) is correctable. "[I]f a petition fails to identify all real parties in

[1] As permitted by the order, substantively identical motions and related papers are being filed in each of IPR2020-00883 (Patent 9,060,463 B2); IPR2020-00884 (Patent 9,596,806 B2); IPR2020-00885 (Patent 9,648,805 B2); IPR2020-00886 (Patent 9,826,686 B2); IPR2020-00887 (Patent 9,986,686 B2); IPR2020-00888 (Patent 10,070,588 B2); PGR2020-00059 (Patent 10,477,772 B2); PGR2020-00060 (Patent 10,485,176 B2); and PGR2020-00061 (Patent 10,524,420 B2).

interest under § 312(a)(2), the Director can, and does, allow the petitioner to add a real party in interest." *WiFi One v. Broadcom Corp.*, 878 F.3d 1364, 1374, n.9 (Fed. Cir. 2018) (*en banc*).[2] The requirement to identify all RPIs serves "to assist members of the Board in identifying potential conflicts, and to assure proper application of the statutory estoppel provisions." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012). A lapse in compliance with the requirements of § 312(a) "does not deprive the Board of jurisdiction over the proceeding, or preclude the Board from permitting such lapse to be rectified." *Lumentum Holdings, Inc. v. Capella Photonics, Inc.*, Case IPR2015-00739, slip op. 5 (PTAB Mar. 4, 2016) (Paper 38) (precedential). Indeed, the Board has found that allowing petitioners "to update the mandatory notices while maintaining the original filing date promotes the core functions of RPI disclosures and secures a 'just, speedy, and inexpensive resolution' of this proceeding." *Adello Biologics LLC v. Amgen Inc.*, PGR2019-00001, Paper 11 at 5 (PTAB Feb. 14, 2019) (designated precedential Apr. 16, 2019) (citing 37 C.F.R. § 42.1).

[2] *Wi-Fi One* was decided in the context of *inter partes* review, and in *Adello Biologics LLC v. Amgen Inc.*, PGR2019-00001, Paper 11 at 3 n.1 (PTAB Feb. 14, 2019) (designated precedential Apr. 16, 2019), the Board saw "no reason" to treat differently the correction of RPIs in a post-grant review.

A. 35 U.S.C. 312(a) and 37 C.F.R. 42 Allow Updates to the RPI Listing While Maintaining a Petition's Original Filing Date.

Section 312 is not a jurisdictional statute. *Lumentum*, at 4-5 (relying on *Elekta, Inc. v, Varian Med. Sys., Inc*., IPR 2015-01404, Paper 19 (PTAB Dec. 31, 2015)). "Section [37 C.F.R. §] 42.106 does not foreclose the Board's discretion to maintain a petition's original filing date when a party amends its RPI disclosures because, under § 42.5(b), '[t]he Board may waive or suspend' § 42.106's filing date provisions." *Elekta* at 8. The *Elekta* Board maintained the petition's original filing date and allowed petitioner to amend its mandatory notice and add RPIs based on § 42.5(b). *Id*., 8-10. *See* § 42.5(a); *Lumentum* at 7 (37 C.F.R. 42.5(c)(3) "provid[es] the Board discretion to permit late-filing of the updated mandatory notice."). The Board therefore has authority to provide the relief sought.

B. No Evidence of Bad Faith, Gamesmanship, or Intentional Concealment by Petitioner.

In *Adello,* the Board considered whether any intentional concealment, gamesmanship, or other bad faith by the petitioner was behind its delay in identifying an additional RPI. *Adello*, at 4-5; *see also Proppant*, at 6. None of those factors is present here. Petitioner acknowledges that parties and individuals involved in proceedings before the Office have a "duty of candor and good faith," 37. C.F.R. § 42.11(a). With that understanding, Petitioner represents that there was no intentional concealment, gamesmanship, or bad faith in its decision to identify

only "One World Technologies, Inc., d/b/a Techtronic Industries Power Equipment" as the Petitioner.

Patent Owner bases its argument on purported control over the Petitioner. Specifically, Patent Owner's Preliminary Response (POPR) asserts that Techtronic Industries Co. Ltd. is a real party in interest because that entity allegedly controlled the filing of this Petition. *See, e.g.*, IPR2020-00886, Paper 11 at 49-51. The declaration from Mr. Clancy (Ex. 2004) asserts that it was his impression during settlement negotiations that Lee Sowell "on behalf of 'TTI'" controlled whether any and all of Petitioner, Techtronic Industries Co. Ltd., and Homelite Consumer Products, Inc. would file an IPR petition. The POPR concludes, without any support, that "'TTI' stands for Techtronic Industries Co. Ltd." POPR at 52, n. 20. This is wrong. Rather, Mr. Sowell's use of "TTI" was shorthand for the Petitioner; *i.e.*, One World Technologies, Inc., d/b/a **T**ech**t**ronic **I**ndustries Power Equipment. *See* Ex. 1036 (Declaration of Lee Sowell), ¶2. Thus, Patent Owner has no basis to assert that Techtronic Industries Co. Ltd. controlled the filing of this Petition.

Instead, Techtronic Industries Co. Ltd. and Techtronic Industries North America, Inc., are Petitioner's grandparent and parent investment holding companies, respectively. *See* Patent Owner's Exhibit 2005, p.63 (Techtronic Industries Co. Ltd. "acts as an investment holding company"); p.112 (Techtronic Industries North America, Inc. "Principal activities[:] Investment holding"). *See*

also Exhibit 2006, p.1. Those holding companies exercise no control over the daily operations of Petitioner, and Petitioner had no obligation to consult with them or obtain their permission to file the present Petition. Ex. 1036 (Sowell Decl.), ¶4. Under similar circumstances, the Board has found that parent entities are not real parties in interest. *Mobile Tech, Inc. v. Sennco Solutions, Inc.*, IPR2017-02199, Paper 9 at 8-10 (PTAB, Apr. 10, 2018); *Puzhen Life USA, LLC v. Esip Series 2, LLC*, IPR2017-02197, Paper 13 at 3-6 (PTAB, Apr. 11, 2018).

The third entity to be added as RPI, Homelite Consumer Products, Inc., is a sister company of Petitioner and wholly owned by Techtronic Industries North America, Inc. Patent Owner waited until April 2020 to add Homelite as a defendant in the district court litigation (just a few weeks before the Petition was filed), and the accusations in that litigation relate to Homelite serving as the importer of record for Petitioner's accused lawnmowers. Homelite Consumer Products, Inc., exercises no control over the daily operations of Petitioner, and Petitioner had no obligation to consult with Homelite or obtain its permission to file the present Petition. *Id.*, ¶4. Homelite is therefore not a real party in interest.

Accordingly, Petitioner had, and continues to have, a good faith belief that none of the three entities to be added as RPIs is, in fact, an RPI. If any of these three entities are RPIs, the failure to name them was at most the result of human error rather than an attempt to circumvent the application of estoppel. Naming

them as RPIs will clarify that each will be bound by any estoppel effect flowing from this proceeding and eliminate any doubt about this issue.[3]

C. No Prejudice to Patent Owner.

As in *Adello*, adding the three entities as RPIs benefits rather than prejudices Patent Owner by ensuring that those entities are subject to "the relevant statutory restrictions." *See Adello*, at 6. Furthermore, Patent Owner was aware of each entity before the Petition was filed—Patent Owner named two of them in its April 1, 2020, Second Amended Complaint (Ex. 1038) and the third was identified earlier on September 18, 2019, in a corporate disclosure statement filed in the district court. Ex. 2006, at 1 (¶2). Thus, there was no concealment of relevant entities, and Patent Owner will not have been deprived of discovery from the RPIs in this proceeding should it have a need for such discovery. Adding the RPIs also benefits Patent Owner by preventing any "second bite at the apple" through successive petitions.

[3] Petitioner's mandatory notice, filed concurrently with this motion, uses language deemed acceptable in *Proppant Express Investments, LLC v. Oren Technologies, LLC*, IPR2017-01917, Paper 86 at 14-16 (precedential) (Petitioner adding two parties as RPIs "without admitting that they are in fact real parties-in-interest").

Finally, any delay in identifying the three entities has no negative effect on Patent Owner's ability to challenge the petition. Patent Owner has submitted a substantive POPR in the IPR petitions and will have another opportunity to file a substantive response should the Board institute the proceeding. Patent Owner's POPRs in the PGRs are not yet due. Had the three entities been named as RPIs originally, Patent Owner would have been in the same position as it is now.

II. The Updated Set of Real Parties-In-Interest Would Not Result in a Time Bar under 35 U.S.C. § 315(b).

Finally, on the date the Petition was filed, neither Petitioner nor any of the entities to be added as RPIs was subject to the § 315(b) time bar. The petition was filed May 1, 2020, less than ten months after Patent Owner filed its original Complaint against Petitioner and Techtronic Industries Co. Ltd. in the district court on the six IPR patents. Ex. 1037 at 1. Homelite Consumer Products, Inc., was named as a defendant April 1, 2020, by which time the three PGR patents had been added. Ex. 1038 at 1. The third entity, Techtronic Industries North America, Inc., is not a party to the district court litigation and has not been served with any complaint regarding the patent at issue in this proceeding. Accordingly, if the three new entities are added as RPIs without changing the present petition's filing date, no time bar under 35 U.S.C. 315(b) would result.

Respectfully submitted,

Dated: September 3, 2020

/s/ Edward H. Sikorski
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CERTIFICATE OF SERVICE

The undersigned certifies service pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(b) on the Patent Owner by electronic copy of this PETITIONER'S MOTION TO UPDATE MANDATORY NOTICE TO ADD REAL PARTIES-IN-INTEREST. Service is made electronically upon agreement of the parties.

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