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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HTC CORPORATION and HTC AMERICA, INC.,
Petitioner,

v.

PARTHENON UNIFIED MEMORY ARCHITECTURE LLC,
Patent Owner.

Case IPR2017-00512
Patent 5,812,789

Before MICHAEL R. ZECHER, JAMES B. ARPIN, and MATTHEW R. CLEMENTS, *Administrative Patent Judges.*

ZECHER, *Administrative Patent Judge.*

DECISION
Granting Institution of *Inter Partes* Review and
Granting Petitioner's Unopposed Motion for Joinder
35 U.S.C. § 314(a), 37 C.F.R. §§ 42.108 and 42.122

I. INTRODUCTION

On January 5, 2017, Petitioner, HTC Corporation and HTC America, Inc. (collectively, "HTC"), filed a Petition requesting an *inter partes* review of claims 1–8 and 11–14 of U.S. Patent No. 5,812,789 (Ex. 1001, "the '789 patent"). Paper 1 ("Pet."). HTC filed its Petition along with a Motion for Joinder requesting that we join HTC as a party with *Apple Inc. v. Parthenon Unified Memory Architecture LLC*, Case IPR2016-01135 ("Apple IPR"). Paper 2 ("HTC Mot. for Joinder").

On December 6, 2016, we entered a Decision on Institution in the Apple IPR, in which we instituted an *inter partes* review as to claims 1–8 and 11–14 of the '789 patent. *See* Apple IPR, Paper 7 ("Apple IPR Dec. on Inst."). The Petition and supporting evidence filed in this proceeding are essentially the same as the petition and supporting evidence filed in the Apple IPR. *Compare* Apple IPR, Paper 2, 1–69, *and* Apple IPR, Exs. 1003, 1005–1010, *with* Pet. 1–66, *and* Exs. 1003, 1005–1010. Moreover, HTC represents that it is willing to limit the asserted grounds of unpatentability ("grounds") in this proceeding to the same grounds on which we instituted trial in the Apple IPR. HTC Mot. for Joinder 2–3; Apple IPR Dec. on Inst. 28–29. HTC also represents that, if it is allowed to join the Apple IPR, it will assume an "understudy" role (i.e., a passive role) and will assume an active role only in the event that Apple reaches a settlement agreement with Patent Owner, Parthenon Unified Memory Architecture Limited Liability Corporation ("Parthenon").[1] HTC Mot. for Joinder 6.

[1] For example, in its understudy role, HTC may not file any paper or exhibit in the Apple IPR separate and apart from Apple, absent our express authorization.

In this proceeding, Parthenon did not file an opposition to HTC's Motion for Joinder. Parthenon, however, did file a Preliminary Response. Paper 11 ("Prelim. Resp.").

Under 35 U.S.C. § 314(a), an *inter partes* review may not be instituted unless the information presented in the Petition shows "there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." For the reasons discussed below, we institute an *inter partes* review as to claims 1–8 and 11–14 of the '789 patent, and we *grant* HTC's Motion for Joinder.

II. INSTITUTION OF *INTER PARTES* REVIEW

In the Apple IPR, we instituted an *inter partes* review as to 1–8 and 11–14 of the '789 patent based on the asserted grounds set forth in the table below. Apple IPR Dec. on Inst. 28–29.

References	Basis	Challenged Claim(s)
Bowes,[2] TMS,[3] and Thomas[4,5]	§ 103(a)	1–5 and 12–14
Bowes, TMS, Thomas, and Gove[6]	§ 103(a)	6 and 8

[2] U.S. Patent No. 5,546,547 (issued Aug. 13, 1996; filed Jan. 28, 1994) (Ex. 1005, "Bowes").
[3] *TMS320C8x System-Level Synopsis*, Literature Ref. No. SPRU113B, Texas Instruments, Inc. (Sept. 1995) (Ex. 1006, "TMS").
[4] U.S. Patent No. 5,001,625 (issued Mar. 19, 1991; filed Mar. 24, 1988) (Ex. 1007, "Thomas").
[5] Thomas is not listed as an asserted prior art reference in HTC's "Identification of Challenges" (Pet. 9) (emphasis omitted), but is relied upon in its substantive analysis (*id.* at 15–66).
[6] Robert J. Gove, *The MVP: A Highly-Integrated Video Compression Chip*, IEEE (1994) (Ex. 1008, "Gove").

References	Basis	Challenged Claim(s)
Bowes, TMS, Thomas, and Ran[7]	§ 103(a)	7
Bowes, TMS, Thomas, and Celi[8]	§ 103(a)	11

As we indicated previously, the Petition and supporting evidence filed in this proceeding are essentially the same as the petition and supporting evidence filed in the Apple IPR, and HTC is willing to limit the asserted grounds in this proceeding to the same grounds on which we instituted trial in the Apple IPR. HTC Mot. for Joinder 2–3; Apple IPR Dec. on Inst. 28–29.

Parthenon filed a Preliminary Response in this proceeding that includes a single, substantive argument directed to why HTC has not satisfied the "reasonable likelihood" threshold standard for institution. Relying upon the testimony of Mitchell A. Thornton, Ph.D., P.E., Parthenon argues that combining the teachings of Bowes and Thomas would not support the real-time operations of Bowes' digital signal processor ("DSP") because it would effectively cut the bus bandwidth to the DSP in half. Prelim. Resp. 8–12 (citing Ex. 2003 (Declaration of Dr. Thornton) ¶¶ 41–45). This argument also happens to be the only argument presented by Parthenon in its Patent Owner Response filed in the Apple IPR. *Compare* Prelim. Resp. 8–12, *and* Ex. 2003 ¶¶ 41–45, *with* Apple IPR Paper 25 ("Patent Owner Response"), 7–11, *and* Apple IPR Ex. 2011 (Declaration of Dr. Thornton) ¶¶ 41–45. The supporting testimony of Dr. Thornton in both this proceeding and in the Apple IPR creates a genuine issue of material fact.

[7] U.S. Patent No. 5,768,533 (issued June 16, 1998; filed Sept. 1, 1995) (Ex. 1009, "Ran").
[8] U.S. Patent No. 5,742,797 (issued Apr. 21, 1998; filed Aug. 11, 1995) (Ex. 1010, "Celi").

There are three reasons that warrant not reaching the merits of the issue of fact identified above until briefing is complete in the Apple IPR, granting institution of an *inter partes* review in this proceeding, and simply joining HTC as a party with the Apple IPR. First, during the preliminary stage of this proceeding, we are required to view the issue of fact identified above "in the light most favorable to [HTC] solely for purposes of deciding whether to institute an *inter partes* review." 37 C.F.R. § 42.108(c). In contrast, if we decline to reach the merits of this issue until briefing is complete in the Apple IPR, the same issue would be treated in a more balanced light. That is, 37 C.F.R. § 42.108(c) would no longer apply in the Apple IPR because we already instituted an *inter partes* review in that proceeding.

Second, declining to reach the merits of the issue of fact identified above until briefing is complete in the Apple IPR is a more balanced result because, after institution of an *inter partes* review in the Apple IPR, the "reasonable likelihood" threshold standard no longer applies. Instead, Apple and any party that might be joined to the Apple IPR (e.g., HTC) bears the burden of demonstrating that claims 1–8 and 11–14 of the '789 patent are unpatentable by a preponderance of evidence. 35 U.S.C. § 316(e) ("In an inter partes review instituted under this chapter, the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.").

Third, declining to reach the merits of the issue of fact identified above until briefing is complete in the Apple IPR would allow us to address this issue in a single proceeding (i.e., the Apple IPR), rather than in two proceedings (i.e., this preliminary proceeding and the Apple IPR). This type

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