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Paper No. 10
Filed: October 4, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE CORPORATION AND ZTE (USA), INC.,
Petitioner,

v.

CELLULAR COMMUNICATIONS EQUIPMENT LLC,
Patent Owner.

Case IPR2017-01079
Patent 8,457,676 B2

Before BRYAN F. MOORE, GREGG I. ANDERSON, and JOHN A. HUDALLA, *Administrative Patent Judges*.

MOORE, *Administrative Patent Judge*.

DECISION
Institution of *Inter Partes* Review and
Grant of Motion for Joinder to IPR2016-01501
37 C.F.R. §§ 42.108, 42.122(b)

I. INTRODUCTION

Petitioner, ZTE Corporation and ZTE (USA), Inc. (collectively, "ZTE"), filed a Petition ("Pet.") on March 13, 2017 (Paper 1) requesting *inter partes* review of claims 1, 19, and 33 of U.S. Patent No. 8,457,676 B2 ("the '676 patent," Ex. 1001). Pet. 1. Along with the Petition, ZTE filed a Motion for Joinder ("Motion," Paper 3) with Case IPR2016-01501, *HTC Corporation and HTC America, Inc. v. Cellular Communications Equipment LLC* ("'1501 IPR"), a pending *inter partes* review involving the '676 patent. Paper 3, 1. Cellular Communications Equipment LLC is Patent Owner.

Patent Owner filed a Preliminary Response ("Prelim. Resp.," Paper 9) and an Opposition to Motion for Joinder ("Opp.," Paper 7). Patent Owner opposes ZTE's Motion. Prelim. Resp. 1–11. For the reasons described below, we institute an *inter partes* review of all the challenged claims and grant ZTE's Motion for Joinder.

II. ANALYSIS

We start with whether or not to institute trial and proceed to joinder.

A. Institution of Trial

The Board instituted a trial in the '1501 IPR on the following ground: whether claims 1, 19, and 33 were unpatentable over U.S. Patent Application Publication No. 2006/0140154 to Kwak ("Kwak") under 35 U.S.C. § 103(a). '1501 IPR, slip. op. at 4–5, 18–19 (PTAB February 13, 2017) (Paper 7) ("'1501 DI"). The instant Petition asserts the same grounds as that on which the Board instituted review in the '1501 IPR. *Compare* Pet. 9–25, *with* '1501 DI, 4–5, 20; *see also* Paper 3, 3 ("The Petition includes a ground that is substantively the same as the sole ground instituted in the HTC ['1501] IPR.").

Patent Owner opposes institution. Prelim. Resp. 1. Patent Owner raises the time bar under 35 U.S.C. § 315(b), which states, in part, "[a]n 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 … is served with a complaint alleging infringement of the patent." *Id.* at 4–5. Patent Owner acknowledges "previous Board decisions permitting institution of copy-cat petitions that would otherwise be time-barred when a request for joinder to an instituted trial is filed with the copy-cat petition." Opp. 3.

Patent Owner first attempts to distinguish "filing a petition" from a "request for joinder" as precluding joinder under 35 U.S.C. § 315(c). Prelim. Resp. 5–9. This argument is unsupported by any precedent and we decline to accept it. *Id.*

Patent Owner next argues

> [t]he second sentence of § 315(b) makes the time-bar inapplicable to the request for joinder, but the statutory language does nothing to alter or affect the institution decision which, according to §315(c), must be made as a prerequisite before joinder can even be considered. In making the institution decision, § 315(b) very plainly states that a time-barred petition "may not be instituted . . . ."

Id. at 7–8 (emphasis omitted). We also decline to determine that 37 C.F.R. § 42.122(b), which allows joinder of an otherwise time-barred Petition, is "not a valid regulation," as Patent Owner argues. *Id.* We are not persuaded by these arguments and decline to abrogate 37 C.F.R. § 42.122(b) as suggested by Patent Owner and deny institution based on 35 U.S.C. § 315(b).

B. Joinder

An *inter partes* review may be joined with another *inter partes* review, subject to the provisions of 35 U.S.C. § 315(c), which governs joinder of *inter partes* review proceedings:

> (c) JOINDER. – 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 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

As the moving party, ZTE bears the burden of proving that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). A motion for joinder should (1) set forth the reasons joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; and (3) explain what impact (if any) joinder would have on the trial schedule for the existing review. *Kyocera Corp. v. Softview LLC*, Case IPR2013-00004, slip. op. at 3–4 (PTAB April 24, 2013) (Paper 15). As noted above, the Petition asserts the same ground and is virtually identical in arguments and evidence to the petition in the '1501 IPR.

ZTE filed its Motion for Joinder on March 13, 2017. Paper 3. The Board instituted *inter partes* review in the '1501 IPR on February 13, 2017. '1501 IPR, Paper 7. Accordingly, the filing date of the Motion satisfies the joinder filing requirement, as set forth in 37 C.F.R. § 42.122. *See* 37 C.F.R. § 42.122(b) (2016) ("Any request for joinder must be filed . . . no later than one month after the institution date of any *inter partes* review for which joinder is requested").

We have reviewed Patent Owner's arguments (*see* Opp. 5–11) opposing the Motion for Joinder, which are similar to those discussed above. *See supra* § II.A. We find them unpersuasive for the same reasons. Patent Owner first argues the Motion was not authorized by the Board. *Id.* at 5. However, as noted above, our regulations authorize the filing of a motion for joinder "no later than one month after the institution date of any *inter partes* review for which joinder is requested." 37 C.F.R. § 42.122(b). Patent Owner next argues that the Petition is untimely under 35 U.S.C. § 315(b) because it was filed more than a year after ZTE was served with the complaint in the underlying litigation. Opp. 6–11. As such, Patent Owner argues joinder is not permitted under 35 U.S.C. § 315(c) because the Petition was not properly filed in the first instance. *Id.* Yet Patent Owner cites no authority for its argument. Further, § 315(c) allows the Board, under the authority of the Director, to exercise its discretion and join parties to an *inter partes* review previously instituted.

Under the current schedule for the '1501 IPR, several of Petitioner's due dates have passed. Most notably, Petitioner's Reply date, May 12, 2017, has passed. *See* '1501 IPR (Scheduling Order, Paper 8). ZTE agreed, however, to take an understudy role to petitioner HTC Corporation and HTC America, Inc. (collectively, "HTC") in the '1501 IPR. *See also* Paper 2, 8–9 (assurances). As explained below, we go further and adopt Patent Owner's suggestions to ensure the efficient completion of the '1501 IPR.

ZTE also demonstrates sufficiently that joinder will promote efficiency. *See id.* Absent Board authorization, ZTE will not actively participate in further proceedings. ZTE is not authorized to file any papers for which the due date has passed. HTC et al. will be held to the procedure detailed in the Patent Owner's Opposition to Petitioner's Motion for Joinder

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