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Paper 18
Entered: September 27, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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CREE, INC.,
Petitioner,

v.

DOCUMENT SECURITY SYSTEMS, INC.,
Patent Owner.

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Case IPR2018-01205
Patent 7,256,486 B2

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Before SALLY C. MEDLEY, SCOTT C. MOORE, and BRENT M. DOUGAL, *Administrative Patent Judges.*

DOUGAL, *Administrative Patent Judge*.

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

Petitioner's Motion for Joinder
*37 C.F.R. § 42.122(b)*

# I. INTRODUCTION

## *A. Background*

Cree, Inc. ("Petitioner") filed a Petition (Paper 1, "Pet.") to institute an *inter partes* review of claims 1–3 (the "challenged claims") of U.S. Patent 7,256,486 B2 (Ex. 1001, the "'486 patent"). 35 U.S.C. § 311. Concurrently with its Petition, Petitioner filed a Motion for Joinder with *Seoul Semiconductor Co. Ltd. v. Document Security Systems, Inc.*, Case IPR2018-00333 ("the Seoul IPR"). Paper 3 ("Mot."). Petitioner represents that the petitioners in the Seoul IPR— Seoul Semiconductor Co., Ltd. and Seoul Semiconductor, Inc.—do not oppose the Motion for Joinder. Mot. 2. Document Security Systems, Inc. ("Patent Owner") timely filed a Preliminary Response (Paper 10, "Prelim. Resp."), but did not file an opposition to the Motion for Joinder. We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted "unless . . . 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 described below, we institute an *inter partes* review of claims 1–3 of the '486 patent and grant Petitioner's Motion for Joinder.

## *B. Related Proceedings*

The parties indicate that there are a number of related court proceedings: *Document Security Systems, Inc. v. Cree, Inc.*, No. 2:17-cv-04263 (C.D. Cal.); *Document Security Systems, Inc. v. Everlight Electronics Co.*, No. 2:17-cv-04273 (C.D. Cal.); *Document Security Systems, Inc. v. Lite-On, Inc.*, No. 2:17-cv-06050 (C.D. Cal.); *Document Security Systems, Inc. v. Nichia Corporation, et al.*, Case No. 2:17-cv-08849 (C.D. Cal.); and *Document Security Systems, Inc. v. Seoul Semiconductor Co.*, No. 8:17-cv-00981 (C.D. Cal.). Paper 6, 2–3.

The parties indicate that the following *inter partes* reviews involve the '486 patent: IPR2018-00333 ("the Seoul IPR"), IPR2018-01166, IPR2018-01220, and IPR2018-01225. *Id.* at 3. The parties indicate that the following *inter partes* reviews are related to the present *inter partes* review: IPR2018-00265, IPR2018-00522, IPR2018-00965, IPR2018-00966, IPR2018-01165, IPR2018-01167, IPR2018-01221, IPR2018-01222, IPR2018-01223, IPR2018-01226, IPR2018-01244, and IPR2018-01260. *Id.* at 3–4.

In the Seoul IPR, we instituted an *inter partes* review of claims 1–3 of the '486 patent as unpatentable under 35 U.S.C. § 103 on the following grounds:

| Reference[s] [1] | Claims challenged |
|---|---|
| Rohm | 1–3 |
| Rohm and Kish | 1–3 |
| Matsushita and Edmond '589 | 1–3 |

*Seoul Semiconductor Co. Ltd. v. Document Security Systems, Inc.*, Case IPR2018-00333, slip op. at 13 (PTAB June 21, 2018) (Paper 9) ("Seoul Dec.").

## II. INSTITUTION OF *INTER PARTES* REVIEW

The Petition in this proceeding asserts the same grounds of unpatentability as the ones on which we instituted review in the Seoul IPR. *Compare* Pet. 23–61, *with* Seoul Dec. 6–13. Indeed, Petitioner contends that the "Petition is

[1] Japanese Pat. Pub. 2003-17754, Jan. 17, 2003 (Ex. 1008) ("Rohm"); U.S. 5,376,580, Dec. 27, 1994 (Ex. 1010) ("Kish"); Japanese Pat. Pub. 2001-352102, Dec. 21, 2001 (Ex. 1009) ("Matsushita"); U.S. Patent 5,523,589, June 4, 1996 (Ex. 1011) ("Edmond '589").

substantively identical to the petition in the Seoul Semiconductor IPR – challenging the same claims of the '486 patent on the same grounds while relying on the same prior art, arguments, and evidence." Mot. 2; *see also*, *id.* at 5–6. This includes relying on the same expert declaration as the Seoul IPR. *Id.* at 2, 5.

Patent Owner's Preliminary Response does not address Petitioner's prior art, arguments, or evidence. *See generally*, Prelim. Resp. However, Patent Owner contends that the Petition is time barred. *Id.* at 1–6. Patent Owner asserts that "Cree, Inc., was first served with a complaint alleging infringement of the '486 patent on April 14, 2017, more than one year before Cree filed its petition for IPR on June 6, 2018." *Id.* at 1. Thus, under 35 U.S.C. § 315 (b) Cree's Petition is time barred. *Id.*

35 U.S.C. § 315 (b) states:

> (b) Patent Owner's Action.—
> 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).

As discussed in more detail below, a Motion for Joinder was filed with the present Petition. Thus, the time bar under 35 U.S.C. § 315 (b) does not apply as the Petition falls under the explicit exception to the rule: "The time limitation set forth in the preceding sentence shall not apply to a request for joinder."

For the same reasons set forth in our institution decision in the Seoul IPR, we determine that the information presented in the Petition shows a reasonable likelihood that Petitioner would prevail in showing that (a) claims 1–3 would have been obvious over Rohm, (b) claims 1–3 would have been obvious over Rohm and Kish, and (c) claims 1–3 would have been obvious over Matsushita and Edmond

'589. *See* Seoul Dec. 6–13. Accordingly, we institute an *inter partes* review on the same grounds as the ones on which we instituted review in the Seoul IPR.

## III. GRANT OF MOTION FOR JOINDER

The Petition and Motion for Joinder in this proceeding were accorded a filing date of June 6, 2018. *See* Paper 7. This is before the institution date of the Seoul IPR, i.e., June 21, 2018. Thus, Petitioner's Motion for Joinder is timely because joinder was requested no later than one month after the Seoul IPR. *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 reads:

> 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).

As noted, the Petition in this case asserts the same unpatentability grounds on which we instituted review in the Seoul IPR. *See* Mot. 2. Petitioner also relies on the same prior art analysis and expert testimony submitted by the Seoul Petitioner. *See id.* Indeed, the Petition is nearly identical to the petition filed by

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