UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOSHIBA CORPORATION, TOSHIBA AMERICA ELECTRONIC COMPONENTS, INC., AND APRICORN,
Petitioners,

v.

SPEX TECHNOLOGIES, INC.,
Patent Owner.

Patent No. 6,088,802
Filing Date: June 4, 1997
Issue Date: July 11, 2000
Title: PERIPHERAL DEVICE WITH INTEGRATED SECURITY FUNCTIONALITY

PATENT OWNER'S OPPOSITION TO PETITIONERS' MOTION FOR JOINDER

Case No. IPR2018-01067

I. Legal Standard

Joinder may be authorized **when warranted**, but the decision to grant joinder is discretionary. 35 U.S.C. § 315(c); 37 C.F.R. § 42.122(b). When exercising that discretion, the Board construes the relevant authorities to secure the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b). As shown herein, the circumstances here warrant a denial of joinder.

II. The '802 Patent's History at the PTAB Identifies a Clear Trend of Improper Road-Mapping at the Expense of Patent Owner and the Board

In September 2016, SPEX *concurrently* filed seven complaints alleging infringement of the '802 Patent by certain defendants, including the Joinder Petitioners. Paper 9 at 2. Shortly thereafter, defendants embarked on what will amount to a two-and-a-half-year road-mapping campaign against the '802 Patent before the PTAB.

On December 14, 2016, Unified Patents filed a petition in case number IPR2017-00430 ("430-IPR") alleging that claims 1-39 of the '802 Patent were unpatentable, in part, over **Jones** and **Harari**. 430-IPR, Paper 2 at 3-4. The Board denied institution on all grounds. 430-IPR, Paper 8.

On January 31, 2017, Kingston filed a second petition in case number IPR2017-00824 ("824-IPR") alleging that claims 1-3. 6-8, 11-15, 23-28, and 36-39 of the '802 Patent were unpatentable over **Jones** and other references. 824-IPR,

Paper 2 at 3-4. The Board again denied institution on all grounds. 824-IPR, Paper 8.

On October 16, 2017, after having reviewed two preliminary responses by SPEX and two institution denials by the PTAB, Western Digital filed a third petition in case number IPR2018-00082 ("82-IPR") alleging that claims 1-2, 6-7, 11-12, 23-25, and 38-39 of the '802 Patent were unpatentable over **Harari** and other references. 82-IPR, Paper 1. In compliance with post-*SAS* procedures, the Board instituted the 82-IPR while finding that Western Digital failed to establish a reasonable likelihood that claims 1-2, 6-7, 11-12, and 23-25 were unpatentable. 82-IPR, Paper 11.

On May 9, 2018, SPEX timely requested reconsideration and reversal of institution of the 82-IPR. 82-IPR, Paper 15. In its rehearing request, SPEX informed the Board that it no longer asserted claims 38 and 39 in the district court proceeding, and accordingly, that substantial judicial resources would be spared by denying a petition in which the petitioner no longer held an interest in the invalidity of the only two claims that met the institution standard. 82-IPR, Paper 15 at 2-3. The rehearing request remains pending at this time.

Along the way, defendants have inefficiently consumed the limited resources of Patent Owner SPEX and the PTAB. The joint defense group has engaged in incremental petitioning which has allowed it to impermissibly benefit

from SPEX's prior arguments and the Board's prior decisions. No efficiencies will be gained by allowing otherwise time-barred Petitioners (or any other co-defendant who received a complaint in September 2016) to insert themselves into this proceeding. SPEX respectfully urges the Board to deny the request for joinder and the underlying petition before SPEX and the Board waste additional resources.[1]

III. Petitioners Are Otherwise Time-Barred Petitioners and Have Identified No Legitimate Reason for Joinder

Joinder should be denied because Petitioners fail to identify a legitimate basis to join the 1067-IPR to the 82-IPR. First, Petitioners incorrectly identify timeliness, a statutory prerequisite, as sufficient basis. Second, Petitioners identify overall commonality (*i.e.*, substantially identical) as their basis for joinder, conceding that the 1067-IPR involves redundant grounds on the same prior art and same claims. Neither timeliness nor commonality constitutes a legitimate *reason* for joinder.

Petitioners have the burden of establishing entitlement to joinder and articulating a reason to join the proceeding. In *Kyocera*, the joining party expressed its belief that joinder was the only option to participate in the review of the challenged patents and that the petitioner's reliance on the joining party's expert's testimony in the proceeding necessitated the joining party's participation

[1] As noted herein, Patent Owner intends to submit a preliminary response addressing *General Plastic* factors and additional reasons why the Board should deny institution. However, the Board is well-aware of the record of the 82-IPR and the related proceedings. Patent Owner respectfully requests the Board exercise its discretion to deny institution before the preliminary response is due on August 15, 2018.

in any cross-examination of its expert. IPR2013-00004, Paper 15 at 2-3.

Here, Petitioners present no such rationale. Petitioners do not allege ignorance of the 82-IPR prior art, including Harari, during their one-year statutory period. Petitioners identify no reason why it could not file this petition within a year of being served process in the district court case. Instead, Petitioners concede to sitting on their hands and engaging in a wait-and-see strategy. Petitioners do not identify any new arguments, testimony, evidence, and/or issues, admitting that they will not introduce any argument or discovery not already introduced by Western Digital.

Petitioners present no reason *why* they are entitled to joinder. Petitioners identify commonality between the 82-IPR and the 1067-IPR as the sole basis for meeting each of the four factors required in a motion for joinder. Commonality alone must not compel automatic joinder. And reapplying commonality to satisfy each independent factor renders Factor 1 meaningless. Other than increasing expenses for SPEX, Petitioners have identified no legitimate reason to join this proceeding. Without reason, Petitioners fail to show entitlement to the requested relief.

Moreover, as explained in Section II above, the Board has already ruled that Western Digital failed to show a reasonable likelihood that claims 1-2, 6-7, 11-12, and 23-25 were unpatentable. 82-IPR, Paper 11. If the Board grants SPEX's

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