

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE (USA) LLC,
Petitioner,

v.

SEVEN NETWORKS, LLC,
Patent Owner.

Cases IPR2019-00412 (Patent 9,351,254)
IPR2019-00460 (Patent 9,516,127)
IPR2019-00461 (Patent 9,516,129)
IPR2019-00585 (Patent 9,247,019)¹

Before THU A. DANG, KARL D. EASTHOM, JONI Y. CHANG,
THOMAS L. GIANNETTI, ROBERT J. WEINSCHENK, and
JACQUELINE T. HARLOW, *Administrative Patent Judges*.²

CHANG, *Administrative Patent Judge*.

ORDER
Conduct of Proceeding
37 C.F.R. § 42.5

¹ This Order applies to each of the above-listed proceedings. We exercise our discretion to issue one Order to be filed in each proceeding. The parties are not authorized to use this heading style in any subsequent papers.

² This is not an expanded panel of the Board. It is a listing of all the Judges on the panels of the above-listed proceedings.

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I. INTRODUCTION

ZTE (USA) LLC (“ZTE”) filed a Petition (Paper 2³) requesting an *inter partes* review (“IPR”), and a Motion for Joinder (Paper 3) in each of the above-identified proceedings (the “ZTE IPRs”), seeking to join the following proceedings: Case IPR2018-01106 filed by Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively “Samsung”), and Cases IPR2018-01048, IPR2018-01050, and IPR2018-01117 filed by Google LLC (“Google”) (collectively, the “Samsung-Google IPRs”). SEVEN Networks, LLC (“Patent Owner”) filed an Opposition (Paper 10) in each of the ZTE cases. At this time, ZTE filed a Reply in each case, except in Case IPR2019-00585.⁴ Patent Owner’s Preliminary Responses are due in April or May of 2019, more than one month from this Order. The Decision on Institution in each case is due three months after the date of the Preliminary Response, the date of a waiver of the Preliminary Response, or “the last date on which such response may be filed.” 35 U.S.C. § 314(b).

As to the procedural posture of the Samsung-Google IPRs, the parties in each of those cases filed a Joint Motion to Terminate, and the panels granted the Motions and terminated the proceedings in view of the parties’ settlement agreements. *See, e.g.*, Case IPR2018-01106, Paper 29.

On February 26, 2019, Judges Dang, Easthom, Chang, Giannetti, Weinschenk, and Harlow held a conference call with counsel for ZTE and

³ We cite to the record in IPR2019-00460, unless otherwise noted.

⁴ The Reply for Case IPR2019-00585 is due on March 22, 2019, one month after service of Patent Owner’s Opposition. *See* 37 C.F.R. § 42.25(a)(2).

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counsel for Patent Owner. ZTE requested the conference call⁵ to seek authorization to file a request for rehearing on the Decisions granting the Joint Motions to Terminate the Samsung-Google IPRs.

For the reasons stated below, ZTE's request for authorization to file a request for rehearing on the Decisions granting the Joint Motions to Terminate the Samsung-Google IPRs is *denied*.

II. DISCUSSION

During the conference call, as support, ZTE argued that the Decisions granting the Joint Motions to Terminate do not mention ZTE's Motions for Joinder. ZTE also argued that terminating the underlying proceedings before deciding its Motions for Joinder would prejudice ZTE, and that joinder with the Samsung-Google IPRs would be appropriate as its Petitions submit identical grounds, arguments, and evidence presented in the Samsung-Google IPRs. According to ZTE, the Board routinely grants joinder despite a later-filed motion to terminate the proceeding to be joined.

Patent Owner opposed, arguing that filing a motion for joinder *earlier* than a motion to terminate is *not determinative*, as the Board also has *denied* joinder notwithstanding a later-filed motion to terminate. Patent Owner also pointed out that ZTE is not a party to the Samsung-Google IPRs.

During the conference call, we noted that the decision to grant joinder is discretionary. *See* 35 U.S.C. § 315(c) (“[T]he Director, in his or her discretion, may join as a party to that inter partes review any person who

⁵ Although ZTE requested the conference call on January 17, 2019, via email (Ex. 1016), the panels were not assigned to the ZTE IPRs until February 20, 2019.

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properly files a petition . . .”). And the Board decides motions for joinder on a case-by-case basis upon consideration of the totality of the circumstances. Notably, “[t]here are strong public policy reasons to favor settlement between the parties to a proceeding.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012) (“Practice Guide”). “The Board expects that a proceeding will terminate after the filing of a settlement agreement, unless the Board already has decided the merits of the proceeding.” *Id.*

Here, we are mindful that the settlement agreement between Samsung and Patent Owner, and the settlement agreement between Google and Patent Owner, involve more than the *four* above-identified Samsung-Google IPRs. Indeed, Samsung and Patent Owner filed Joint Motions to Terminate in *fourteen* IPR proceedings, and Google and Patent Owner filed Joint Motions to Terminate in *eleven* IPR proceedings, none of which has reached a final written decision. *See, e.g.*, Case IPR2018-01106, Paper 27, 1–2; Case IPR2018-01107, Paper 29, 1–2. Moreover, the Joint Motions to Terminate indicate that the parties have settled their disputes and executed the settlement agreements to terminate all IPR proceedings, as well as the related district court litigations, regarding the patents at issue. *See, e.g.*, Case IPR2018-01106, Paper 27, 2–3; Case IPR2018-01107, Paper 29, 2–3. Based on the totality of the circumstances, we believe that granting of the Joint Motions to Terminate is appropriate, consistent with the “strong policy reasons to favor settlement between the parties to a proceeding.” Practice Guide, 77 Fed. Reg. at 48,768.

In any event, ZTE currently is not a party to the Samsung-Google IPRs. Therefore, ZTE is not authorized to file a request for rehearing on the

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Decisions granting the Joint Motions to Terminate the Samsung-Google IPRs. Also, additional briefing on the termination issue is not necessary, as ZTE has the opportunity to file a Motion for Joinder and a Reply in each of the ZTE IPRs. Furthermore, filing a request for rehearing in the ZTE IPRs is premature because we have not yet decided ZTE's Petitions or Motions for Joinder. If the panels subsequently deny ZTE's Petitions or Motions for Joinder, ZTE may file a request for rehearing on that Decision in each of the ZTE IPRs, pursuant to 37 C.F.R. § 42.71(d).

III. ORDER

In consideration of the foregoing, it is hereby

ORDERED that ZTE's request for authorization to file a request for rehearing on the Decisions granting the Joint Motions to Terminate the Samsung-Google IPRs is *denied*.

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