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September 5, 2014

*By ECF*

The Honorable Richard G. Andrews  
The District Court for the District of Delaware  
844 N. King Street  
Wilmington, Delaware 19801

**Re: *InterDigital Comm., Inc. et al. v. Nokia et al.*  
C.A. No. 13-010-RGA**

Dear Judge Andrews:

Plaintiffs InterDigital Communications, Inc., InterDigital Technology Corporation, IPR Licensing, Inc. and InterDigital Holdings, Inc. (“InterDigital”) hereby respond to Defendants Nokia Corp., Nokia Inc. and Microsoft Mobile Oy’s (“Defendants”) September 4, 2014 letter (“Letter”) regarding the USPTO’s decision denying institution of an *inter partes* review of the ‘151 patent (‘151 IPR Denial). InterDigital is responding to several misstatements of law and fact, as well as new issues raised by Defendants’ in their Letter.

**A. The ‘151 IPR Denial is A Decision on the Merits**

Defendants state that the ‘151 IPR Denial is not a decision on the merits. Defendants are wrong. There is no effective difference between the “reasonable likelihood of success” standard for institution of an IPR and the patentability standard. An IPR is instituted upon a showing that “there is a **reasonable likelihood** that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. §314(a)(emphasis added). If the petition fails to meet this low threshold, this means the Patent Office reviewed the evidence and argument presented in the petition and determined there is not even a reasonable likelihood that the petitioner could prevail on its assertion that the challenged patent claims are not patentable. *See* 35 U.S.C. §318(a)(The Patent Trial and Appeals Board (“PTAB”) issues “a final written decision with respect to the patentability of any patent claim challenged by the petitioner.”). Therefore, a decision whether to institute a petition necessarily involves a decision regarding the patentability of the challenged claims.

Contrary to Defendants’ Letter, the ‘151 IPR Denial did in fact address the obviousness of the claims of the ‘151 patent in view of Siemens 004

combined with other prior art. Specifically, the '151 IPR Denial states that “[h]aving considered Petitioner’s arguments concerning the combination of Siemens 004 with each of the APA [Admitted Prior Art], 3GPP, InterDigital 810, Motorola 683 and Siemens 010, we are not persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail in demonstrating obviousness of the challenged claims.” Ex. 1, Decision Denying Institution of *Inter Partes* Review at 18. The PTAB could not have been clearer that it considered, and rejected, the arguments that the claims of the '151 patent were obvious in light of Siemens 004 in combination with other prior art.<sup>1</sup>

Defendants also incorrectly assert that the '151 IPR Denial is not a decision on the merits because “the PTAB’s decision was based on a construction of ‘shared channel’ that was *explicitly rejected by the Court.*” Defendants are wrong. The term “shared channel” was neither argued in front of the Court, nor addressed in the claim construction opinion and order. Memorandum Opinion on Claim Construction (D.I. 253, April 22, 2014); Claim Construction Order (D.I. 224, April 29, 2014). Instead, the parties *agreed* to a construction of “shared channel,” notifying the Court of the same in a May 2, 2014 letter. More importantly, the issues in the '151 IPR Denial focused on whether the uplink channel in Siemens 004 was “shared.” Under either the agreed construction or that used by the PTAB, the word “shared” as used in the phrase “shared channel” has exactly the same meaning. *Compare*, “channel that can convey information to or from a plurality of WTRUs” (May 2, 2014 Letter (D.I. 261) at 1) and “a radio resource that can convey information to or from a plurality of WTRUs” (Ex. 1, Decision Denying Institution of *Inter Partes* Review at 10). Nokia did not argue prejudice arising from any differences in the two constructions because there is none. Any differences are insubstantial and irrelevant just as much here as they were in the '151 IPR Denial.

## **B. The '151 IPR Denial is Part of the Prosecution History**

Defendants’ Letter ignores that the USPTO considers the '151 IPR Denial as part of the prosecution history. *See* Opposition to Defendant’s Motion in Limine #3, Ex. 1 (docket of the PTO prosecution file history for the '151 patent, including the July 7, 2014 Denial of IPR Trial Request). The PTAB’s comments in *ScentAir Techs. Inc. v. Prolitec, Inc.* that an IPR is not examination are not to the contrary. Examination is not the only part of the intrinsic record of the prosecution history, as recognized by courts. *Intellectual Ventures I LLC v. PNC*

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<sup>1</sup> Defendants’ allegation that the PTAB did not address obviousness is wrong. Without informing the Court, Defendants quoted from a portion of the IPR Denial where the Patent Office refused to consider obviousness based on Siemens 004 *alone* because Petitioner had failed to advance any arguments of obviousness based on Siemens 004 *alone*. *See* Ex. 1, Decision Denying Institution of *Inter Partes* Review at 10, n. 5. The Petitioner, however, did offer evidence and arguments of obviousness based on Siemens 004 in combination with other prior art, and that evidence and those arguments were expressly considered and found wanting by the Patent Office.. *Id.* at 18-19.

*Fin. Servs. Grp., Inc.*, No. 14-cv-0832, 2014 WL 3942277, at \*2 (W.D. Penn. Aug. 12, 2014) (noting IPR and CBM proceedings “will become part of the intrinsic records of the patents”).

The case law cited by Defendants is inapposite. In quoting from footnote 31 in *Sigram*, Defendants neglected to include the next sentence, which states that “[a]s the [interim] rejections on reexamination **are not binding**, they are generally not relevant to the issues to be tried.” *Sigram Schindler Beteiligungsgesellschaft mbH v. Cisco Sys., Inc.* Nos. 09-72-SLR, 09-232-SLR, 2010 WL 2977552, at \*416, n.31 (D. Del. July 26, 2010)(emphasis added). In *SRI Int’l Inc. v. Internet Sec. Sys. Inc.*, the court noted that “[a]bsent unusual circumstances, none of which were presented here, **non-final** decisions made during reexamination are not binding”, where non-binding decisions were those “not vetted by the Federal Circuit.” 647 F. Supp. 2d 323, 356, n. 39 (D. Del. 2009). Thus, both deal with reexamination proceedings that **were not yet final**. This is not the case with the ‘151 IPR Denial, as it is a final decision that is non-appealable.

Further, in noting that it “typically does not admit evidence of reexamination proceedings at trial,” the court in *Boston Scientific Corp. v. Johnson & Johnson Inc.* requested that the parties “be prepared to address, at the pre-trial hearing, the admissibility of [a witness’] statements (cited by BSC) made during the co-pending reexamination for impeachment purposes.” 679 F.Supp. 2d 539, 548, n.12 (D. Del. 2010). There is no indication about the status of the reexamination proceeding or whether these statements were precluded or not by that court.

### **C. The ‘151 IPR Denial is relevant and Probative to Defendants’ Defenses**

Defendants’ arguments that the USPTO did not fully consider Siemens 004 are wrong. The 20 page decision of the ‘151 IPR Denial demonstrates that the USPTO expressly considered the Siemens 004 reference, both alone and in combination with other prior art. Defendants’ arguments that anticipation is not obviousness are irrelevant. As noted *supra*, the ‘151 IPR Denial expressly addresses whether the challenged claims of the ‘151 patent were obvious in light of Siemens 004 and other prior art. Ex. 1, Decision Denying Institution of *Inter Partes* Review at 18-19. Defendants’ assertions to the contrary are wrong. Because Siemens 004 was considered, both alone and in combination with other prior art, the ‘151 IPR Denial is relevant to show that the USPTO has considered the Siemens 004 reference.

### **D. Admission of the ‘151 IPR Denial Would Not Expand the Scope of the Case**

Defendants’ assertion that InterDigital withheld key evidence from the

PTAB is wrong. Despite being aware of the '151 IPR Denial, as well as InterDigital's intention to refer to the '151 IPR Denial, since at least July 21, 2014, Defendants only now raise these allegations and demand discovery. These allegations are not pleaded in Defendants' answer, nor set forth in any contentions at any point in this case. Thus, Defendants have waived raising this issue at this late stage in the litigation.

Even if it is appropriate to raise the issue at this late date, Defendants inaccurately characterize the law governing *inter partes* review proceedings. Section 1.56 of 37 C.F.R., which is the regulatory basis for inequitable conduct claims, specifically does not apply to post grant proceedings. 77 Fed. Reg. 48638 (“[IPR] Proceedings, not being applications for patents, are not subject to §1.56.”)(Response to Comment 105). Further, 37 C.F.R. § 42.51 relates to discovery obligations, which are generally effective only upon institution of an *inter partes* review. *See, e.g.*, 77 Fed. Reg. 48637 (“Scheduling Order [issued after institution] will authorize the patent owner to begin taking routine discovery” but “additional discovery may be authorized [by the PTAB] prior to institution.”)(Response to Comment 102). No discovery was exchanged or authorized by the PTAB during the pendency of the petition that resulted in the '151 IPR Denial.

Finally, 37 C.F.R. § 42.11 does require a duty of candor and good faith in proceedings before the Office. However, the scope of this duty is “comparable to the obligations toward the tribunal imposed by Rule 11 of the Federal Rules of Civil Procedure.” 77 Fed. Reg. 48630 (Response to Comment 43). Even assuming that a pending petition qualifies as a proceeding under this regulation, nowhere do Defendants set forth facts demonstrating that InterDigital has violated Rule 11 in its conduct. This is because InterDigital has not. InterDigital's arguments and filings before the PTAB were not for an improper purpose. Further, they were warranted by existing law and based on evidentiary support. Therefore, Defendants' allegations have no factual or legal basis and should not prevent admission of the '151 IPR Denial.

Respectfully,

/s/ Neal C. Belgam

Neal C. Belgam (No. 2721)

cc: Clerk of Court  
Counsel of Record

# Exhibit 1

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