Filed on behalf of: IPR LICENSING, INC.

Entered: November 20, 2014

Jonathan D. Link Latham & Watkins LLP 555 11th Street, NW Washington, D.C. 20004-1304 Telephone: (202) 637-2200 Facsimile: (202) 637-2201

E-mail: jonathan.link@lw.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION

Petitioner

v.

IPR LICENSING, INC.

Patent Owner

Case IPR2015-00074 U.S. Patent No. 8,380,244

Before PATRICK E. BAKER, Trial Paralegal.

PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION FOR JOINDER



I. <u>Introduction</u>

Petitioner Microsoft filed a Petition for *Inter Partes* Review of U.S. Patent No. 8,380,244 (Paper No. 1) (the "Petition"), along with a Motion for Joinder (Paper No. 3) (the "Motion"). This Motion would join the Petition with the *inter partes* review in *ZTE Corporation v. IPR Licensing, Inc.*, IPR2014-00525 (the "ZTE IPR").

Patent Owner respectfully opposes the Motion. As Patent Owner will set forth in greater detail in its Preliminary Patent Owner's Response, the Petition is substantively duplicative to the currently pending ZTE IPR. Petitioner admits that it is based on the same grounds and same combinations of prior art. *See*, *e.g.*, Paper No. 3 at 4. Yet, the Petition introduces new information that would unnecessarily complicate the proceedings in the ZTE IPR and the Petitioner fails to explain why this new information is required for the resolution of the ZTE IPR, or why the Board cannot address the merits of the very same prior art and arguments without Petitioner. Moreover, denying the Motion will not harm the Petitioner, as it constructively chose not to timely file its Petition earlier. The Patent Trial and Appeals Board (the "Board") should exercise its discretion and deny the Motion.



II. Response to Petitioner's Statement of Facts

Patent Owner does not dispute the facts set forth in this section of the Motion. However, facts admitted elsewhere in Petitioner's Motion and its Petition, as well as certain omitted facts, compel denial of the Motion.

On September 3, 2013, Petitioner announced that it would purchase substantially all of Nokia's Devices & Services business, which ultimately included the acquisition of Nokia, Inc. ("Nokia") by Petitioner's wholly-owned subsidiary Microsoft Mobile Oy ("MMO"). Despite being sued for patent infringement under the '244 patent in March, 2013, Nokia (now wholly-owned by Petitioner) did not join co-defendant ZTE in filing its IPR request. Nor did Nokia file its own IPR request within the time period set forth under 35 U.S.C. § 315(b). Rather, Petitioner waited opportunistically until after the institution of the ZTE IPR. The Motion ignores these facts. The Motion also fails to acknowledge that in related legal proceedings, Petitioner has expressly elected to assume all liabilities of Nokia, including all "defenses, rights of offset or counterclaims related to the Assumed Liabilities" for purposes of those related proceedings. Ex. 2001 (MMO's Brief Regarding Substitution of Parties, Interdigital Commc'ns, Inc. v. Nokia Corp., No. 1:13-cv-00010, D.I. 303 at 6 (D. Del. July 22, 2014)).

Finally, Petitioner admits that the Petition is duplicative of the Grounds initiated in the ZTE IPR, as set forth below. *See*, *e.g.*, Paper No. 1 at 14. Thus,



Petitioner seeks to institute a review that is not only duplicative, but that could have been – but was not – timely filed by Nokia, in whose shoes Petitioner has now willingly chosen to stand.

The facts demonstrate that there is no prejudice to Petitioner. The Petitioner has knowingly assumed Nokia's prior decision not to file, and should not now be permitted to evade its liabilities by joining the ZTE IPR. Therefore, the denial of the Motion and the Petition is proper.

III. <u>Joinder is Discretionary</u>

The Board has discretion to join together two *inter partes* reviews. 35 U.S.C. § 315. Specifically, Section 315(c) provides:

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 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.

Thus, joinder is discretionary and decided on a "case-by-case basis, taking into account the particular facts of each case, substantive and procedural issues, and other considerations." *Shaw Indus. Grp., Inc. v. Automated Creel Sys., Inc.*, IPR2013-00584, Paper No. 20 at 3 (P.T.A.B. Dec. 31, 2013) (citing 157 CONG. REC.



S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl)). Further, "the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office." 35 U.S.C. § 325(d). The Petitioner, as the moving party, has the burden of proof in establishing that joinder is appropriate. 37 C.F.R. §§ 42.20(c), 42.122(b).

IV. The Motion Fails to Meet the Requirements for Joinder

Petitioner has presented no evidence or indication that its presence is necessary in the ZTE IPR. Petitioner has conceded that there are no substantive differences between the Petition and the ZTE IPR. See, e.g., Paper No. 1 at 14. The prior art and arguments are the same. Paper No. 3 at 4. Nonetheless, Petitoner identifies restructuring of arguments, additional citations to prior art, arguments regarding related litigation and a supplemental declaration from the expert. Paper No. 3 at 4-5. Contrary to Petitioner's assertions, these changes and additional arguments will still require additional analysis by the Patent Owner. Further, the Patent Owner will be required to address these arguments and issues, regardless of how trivial or duplicative the arguments might be. Thus, joining Petitioner will necessarily complicate the proceedings in the ZTE IPR. Despite these additional complications, the Petitioner fails to explain how this new information or its participation are necessary for the resolution of the ZTE IPR, or why the Board



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

