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Paper 44
Entered: September 22, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VALVE CORPORATION,
Petitioner,

v.

IRONBURG INVENTIONS LTD.,
Patent Owner.

Case IPR2016-00948
Patent 8,641,525 B2

Before PHILLIP J. KAUFFMAN, MEREDITH C. PETRAVICK, and MITCHELL G. WEATHERLY, *Administrative Patent Judges.*

KAUFFMAN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION

35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

A. OVERVIEW

Valve Corporation ("Petitioner") filed a corrected Petition (Paper 4, "Pet.") requesting *inter partes* review of claims 1–20 of U.S. Patent No. 8,641,525 B2 (Ex. 1001, "the '525 patent"). Pet. 1. Ironburg Inventions Ltd. ("Patent Owner") filed a Preliminary Response (Paper 7, "Prelim. Resp.") to the Petition. We instituted an *inter partes* review of claims 1–11, 13, 14, and 16–20, and did not institute review of claims 12 and 15. Paper 10 ("Dec.").

Subsequently, Patent Owner filed a Patent Owner Response (Paper 19, "PO Resp."), and Petitioner filed a Reply (Paper 23, "Pet. Reply").

Oral hearing was held on June 5, 2017, and a transcript of the oral hearing is included in the record. Paper 36 ("Tr.").

We have jurisdiction under 35 U.S.C. § 6(b). This Final Written Decision is issued pursuant to under 35 U.S.C. § 318(a) as to the patentability of the claims on which we instituted trial.

For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 6, 13, 14, 16, 17, 19, and 20 of the '525 patent are unpatentable, but has not made such a showing with regard to claims 2–5, 7–11, and 18. *See* 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d).

B. RELATED PROCEEDINGS

The parties indicate that the '525 patent is at issue in: *Ironburg Inventions Ltd. v. Valve Corp.*, Case No. 1:15-cv-04219-MHC (N.D. Ga.). Pet. 1; Paper 6, 1.

Petitioner also filed a petition against U.S. Patent 9,089,770 B2 ("the '770 patent"), the subject of *inter partes* review IPR2016-00949 ("the '949 IPR"). The '770 patent issued from an application that was a continuation of application 13/162,727, now the '525 patent. These *inter partes* reviews have proceeded on the same schedule.

Petitioner filed a second petition against both the '525 patent and the '770 patent (IPR2017-00136 and IPR2017-00137, respectively), and each petition was accompanied by a Motion for Joinder/Consolidation. In IPR2017-00136, we instituted review of claim 20 and denied the Motion for Joinder/Consolidation. IPR2017-00136, Paper 12. In IPR2017-00137, we denied institution and denied the Motion for Joinder/Consolidation. IPR2017-00137, Paper 10.

II. PRELIMINARY MATTERS

A. PATENT OWNER'S MOTION TO EXCLUDE EVIDENCE

Patent Owner moves to exclude (1) Exhibits 1025–1027 and the associated Paper (Paper 25), and (2) Exhibit 1007. Paper 28. Petitioner filed an opposition to the Motion (Paper 32) and Patent Owner filed a Reply to the Opposition (Paper 33). Patent Owner has the burden of establishing that evidence should be excluded. *See* 37 C.F.R. § 42.20(c), § 42.22. For the reasons that follow, we *deny* Patent Owner's Motion.

1. Exhibits 1025–1027 and Associated Paper

Petitioner filed Exhibits 1025–1027 with an associated Paper (Paper 25) on April 13, 2017, as supplemental evidence in response to Patent Owner's second set of objections to Exhibit 1007. *See* Paper 24 (Patent

Owner's second set of objections); Paper 25 (asserting that the subject information was only being used regarding the admissibility of Ex. 1007); Paper 32, 11–12 (acknowledging that the subject information is supplemental evidence only).

These Exhibits and the associated Paper are not evidence on the merits of this case; they are in the record for the limited purpose of the admissibility of Exhibit 1007. Consequently, these Exhibits and the associated Paper are not the proper subject of a Motion to Exclude.

2. Exhibit 1007

Exhibit 1007 is a United Kingdom (UK) Search and Examination Report for the counterpart to the application that became the '525 patent. Petitioner submitted Exhibit 1007 in association with the Petition, and as such, it is evidence submitted during a preliminary proceeding.[1] *See* 37 C.F.R. § 42.2 (defining preliminary proceeding).

A timely objection is a prerequisite to a Motion to Exclude. *See* 37 C.F.R. § 42.64(b)(1), (c). Patent Owner purports to have made three sets of objections to Exhibit 1007 in the following papers: (1) the Preliminary Response, (2) Paper 15, and (3) Paper 24. Paper 28, 1.

a) Preliminary Response

Patent Owner asserted in the Preliminary Response that Exhibit 1007 is "hearsay and is not prior art," and "should be excluded in its entirety." Prelim. Resp. 28.

[1] Exhibit 1007 was served on Petitioner in association with Paper 1 (the original Petition) and was not served a second time with Paper 4 (the corrected Petition). *See* Paper 1, 61; Paper 4, 54. This distinction is immaterial to our analysis.

In our Decision to Institute, we explained that a preliminary response cannot serve as an effective objection for two reasons.[2] Dec. 4–5 (entered on September 27, 2016). First, objections must be made after institution of trial. *See* 37 C.F.R. § 42.64(b)(1) (objections are due ten days from institution of trial). Second, an objection and a preliminary response may not be combined into a single document. *See* 37 C.F.R. § 42.6(a)(3) (prohibiting combined documents).

b) Paper 15

On Wednesday, October 26, 2016, the Board held a conference call at Patent Owner's request. Paper 13. During that call, Patent Owner asked again whether the Preliminary Response had served as a timely objection to Exhibit 1007. *See* Paper 13, 2–3. We reiterated that the statements in the Preliminary Response were not an effective objection, and explained that Patent Owner was raising the issue after expiration of the time-period for an objection. *Id*. at 3. Patent Owner maintained the request to object to Exhibit 1007. *Id.* Before ending the call, we informed the parties that we would enter an order shortly.

On Thursday, October 27, 2016, the next business day after the call, the Board entered the anticipated Order. Paper 13. In that Order, we permitted Patent Owner two business days (until Monday, October 31, 2016) to file objections to Exhibit 1007. *See* Paper 13, 4. Entry of that Order triggered an automated email to the email address of record entered by

[2] In the interest of brevity, we incorporate by reference our analysis at Paper 13 pages 2–4.

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