

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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RUBICON COMMUNICATIONS, LP  
Petitioner,

v.

LEGO A/S  
Patent Owner.

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Case IPR2016-01187  
Patent 8,894,066

**PATENT OWNER'S OPPOSITION TO PETITIONER'S  
MOTION TO LIST ADDITIONAL PARTIES AS REAL  
PARTIES-IN-INTEREST**

Under the Board's February 24, 2017 authorization, Patent Owner respectfully submits its Opposition to Petitioner's Motion to List Additional Parties as Real Parties-in-Interest. Paper 53 ("Motion to List"). For the reasons set forth below, Patent Owner requests the Board deny the Motion to List.

**I. Responses to Petitioner's Statement of Material Facts:**

1. Paragraph 1 cannot be admitted or denied by Patent Owner.
2. Paragraph 2 is admitted to the extent that Patent Owner was aware of "the existence" only of the entities, but deny any implication that Patent Owner was aware of the missing real parties-in-interest's direct role in this proceeding and the related litigation.
3. Paragraph 3 cannot be admitted or denied by Patent Owner.
4. Paragraph 4 is admitted.
5. Paragraph 5 cannot be admitted or denied by Patent Owner.
6. Paragraph 6 is admitted to the extent that Patent Owner received the document.
7. Paragraph 7 is admitted. Patent Owner commenced the related litigation on May 29, 2015 and moved to add SmallWorks, LLC as a defendant on October 14, 2015.
8. Paragraph 8 is admitted.
9. Paragraph 9 is admitted.

10.Paragraph 10 is admitted.

11.Paragraph 11 is admitted.

## **II. ARGUMENT**

Rubicon Communications, LP and SmallWorks, LLC (collectively, “Petitioners”) continue to argue in bad faith that Rubicon Communications, LLC, Jamie Thompson, and James Thompson are not real parties-in-interest (“RPIs”) in this proceeding. Instead, they claim the missing non-parties are mere privies of Petitioners who did not need to be identified under 35 U.S.C. § 312(a)(2). Petitioners then attempt to hedge by belatedly seeking the Board’s permission to retroactively correct the Petition for a second time. In doing so, Petitioners continue to trivialize the RPI issue as “procedural” and engage in gamesmanship. Patent Owner respectfully requests the denial of the Motion to List.

### **1. Rubicon Communications, LLC, Jamie Thompson, and James Thompson Are Real Parties-in-Interest**

Petitioners continue to argue in bad faith that Rubicon Communications, LLC, Jamie Thompson, and James Thompson are not RPIs. As Patent Owner previously noted, a common consideration in determining RPIs is whether a non-party exercised or could have exercised control over a party’s participation in a proceeding. Motion to Vacate Institution Decision and Terminate Proceeding at 7 (Papers 56, 57) (“Motion to Terminate”) (quoting Office Patent Trial Practice

Guide, 77 Fed. Reg. 48,756, 48,759–48,760 (Aug. 14, 2012)); *see also Atlanta Gas Light Co. v. Bennett Regulator Guards, Inc.*, Case IPR2013-00453, slip op. at 9 (PTAB Jan. 6, 2015) (Paper 88). Here, Jamie and James Thompson exercised control over Petitioners in this proceeding as owners/directors through corporate transactions [REDACTED]. Motion to Terminate at 4–6. Moreover, Rubicon Communications, LLC exercised control over Petitioners in this proceeding through blurred corporate boundaries, shared corporate leadership, employees and resources, [REDACTED]. *Id.* at 5–6. As a result, Petitioners failed to satisfy the statutory requirement when they omitted these RPIs in the Petition.

Petitioners’ arguments regarding each non-party are not only irrelevant, but also erroneous. They falsely argue Rubicon Communications, LLC “divested itself of any interest in the matters at issue here” under the Bill of Sale and Assignment and Assumption Agreement (Ex. 1033) (“Agreement”). Motion to List at 8. As Patent Owner noted, it is unclear what Jamie and James Thompson transferred with the Agreement. Motion to Terminate at 5. Petitioners initially state that “Rubicon Communications, LLC assigned all assets and liabilities to SmallWorks, LLC.” Motion to List at 8 (emphasis added). They then state “SmallWorks, LLC stood alone as the successor in interest to Rubicon Communications, LLC with respect to the issues raised in this proceeding . . . .” *Id.* (emphasis added). This inconsistency is emblematic of Petitioners’ concealment regarding their corporate

structure and transactions. As discussed previously, the Agreement on its face indicates all assets and liabilities were transferred. Motion to Terminate at 5. Yet,

[REDACTED]

Regardless of the transfer under the Agreement, Rubicon Communications, LLC has unceasingly provided employees and resources to SmallWorks, LLC for conduct accused of infringing Patent Owner's patents and [REDACTED]

[REDACTED] *Id.* at 80:9–16, 100:19–101:12, 178:20–23.

Consequently, SmallWorks, LLC appears to be nothing more than a storefront and a corporate shell, while Rubicon Communications, LLC is the entity currently making, offering for sale, and selling the infringing products. If SmallWorks, LLC is not a mere corporate shell, then it is at least inextricably intertwined with Rubicon Communications, LLC. Where a corporate relationship has been blurred to such a point that it is not possible to determine where one entity ends and the other begins, the Board has found the non-party to be an RPI despite the appearance of separation. *See Zhejiang Yankon Group, Ltd. v. Cordelia Lighting, Inc.*, Case IPR2015-01420, slip op. at 11–16 (PTAB Nov. 25, 2015) (Paper 9) (rejecting the petitioner's contention that the non-party subsidiary had “no real

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