

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BAKER HUGHES INCORPORATED
and
BAKER HUGHES OILFIELD OPERATIONS, INC.,
Petitioners

v.

PACKERS PLUS ENERGY SERVICES, INC.
Patent Owner

Case IPR2016-01506
Patent 7,861,774

MOTION FOR JOINDER WITH CASE IPR2016-00598

I. STATEMENT OF PRECISE RELIEF REQUESTED

Pursuant to 35 U.S.C. § 315(c) and 37 C.F.R. § 42.122(b), Petitioners move for joinder of this IPR (the “1506 Proceeding”) with instituted IPR2016-00598 (the “598 Proceeding”), which involves the same patent, the same challenged claims, the same proposed claim constructions, the same parties, and the same expert for Petitioners. The primary reference (Lane-Wells) in the 1506 Proceeding—which Petitioners discovered several months after filing the 598 Proceeding—is different than the primary reference (Thomson) of the 598 Proceeding, but the secondary references in both proceedings (Ellsworth and Hartley) are the same.

Petitioners have requested permission to file a motion to change the Due Dates in the 598 Proceeding to approximate the Due Dates of the 1506 Proceeding if it is instituted. But, if allowed, this scheduling change should only minimally prejudice Patent Owner (if at all) because in the underlying litigation involving the challenged patent, the parties have stipulated to a stay that would extend through the conclusion of the 1506 Proceeding. Furthermore, Patent Owner has not sought to depose Petitioners’ expert in the 598 Proceeding, so consolidation would allow for only one deposition of him. Petitioners are also agreeable to any deposition time-limit, word-count, and page-limit increases that Patent Owner believes are necessary, provided Petitioners receive comparable increases.

II. STATEMENT OF MATERIAL FACTS

1. On February 19, 2016, Petitioners filed IPR2016-00598 against claims 1-16 of U.S. Pat. No. 7,861,774 (“the ’774 Patent”). The petition raised two grounds of unpatentability: (1) claims 1-16 are obvious over Thomson (SPE Paper 37482, published in 1997) and Ellsworth (a paper co-authored by one of the inventors (Themig) and published in the proceedings of a 1999 conference in Calgary); and (2) claim 15 is obvious over Thomson, Ellsworth, and Hartley (U.S. Patent No. 5,449,039).

2. Petitioners became aware of Lane-Wells on or around June 20, 2016.

3. Lane-Wells was published in 1955 as part of an annual publication known as the Composite Catalog, and was not text-searchable. *See* Ex. 1002.

4. Petitioners are not aware of a corresponding patent directed to the tool (the “Tubing Port Valve”) in Lane-Wells on which Petitioners rely in this proceeding.

5. On July 30, 2016, prior to the one-year litigation bar of 35 U.S.C. § 315(b), the 1506 Proceeding was filed. Its petition includes two grounds of unpatentability: (1) claims 1-16 are obvious over Lane-Wells and Ellsworth; and (2) claim 15 is obvious over Lane-Wells, Ellsworth, and Hartley.

6. On August 22, 2016, the Board instituted the 598 Proceeding on all challenged claims and all grounds. *See* IPR2016-00598 at Paper 8.

7. On September 7, 2016, Petitioners (as Defendants) renewed a motion to stay Civil Action No. 6:15-cv-724 (“the Litigation”), in which Rapid Completions LLC, Patent Owner’s exclusive licensee and the acting party in these proceedings, sued Petitioners for allegedly infringing the ’774 Patent. *See Rapid Completions LLC v. Baker Hughes Incorporated, et al.*, Civil Action No. 6:15-cv-724-RWS-KNM at Dkt. No. 228.

8. On September 9, 2016, Rapid Completions LLC filed a response, opposing the stay, at least in part because Petitioners would not agree to estoppel under 35 U.S.C. § 315(e)(2) based on the July 29, 2016 IPR filed by co-Defendant Weatherford International, LLC (IPR2016-01509). *See id.* at Dkt. No. 229.

9. On September 16, 2016, Rapid Completions LLC and Petitioners reached an agreement in which Rapid Completions LLC would agree to an immediate stay “through all final written decisions in IPR trials instituted on presently-filed [as of September 16] IPR petitions on the 505, 634, 774, 009, and 451 patents-in-suit,” and Petitioners would agree to be estopped under Section 315(e)(2) based on the Weatherford IPR. The parties filed a notice of this stipulation and a corresponding proposed order. *See id.* at Dkt. Nos. 233 and 233-

1. As of the date of this Motion, the Court has not yet granted the stipulated stay.

10. On September 20, 2016, Petitioners requested the Board’s permission to seek to change the Due Dates in the 598 Proceeding to approximate the Due

Dates of the 1506 Proceeding if it is instituted. The Board has indicated by email that this request remains under consideration.

III. ARGUMENT

The Board has discretion to decide whether to grant joinder. 35 U.S.C. § 315(c); 37 C.F.R. § 42.122(b). As indicated in the legislative history, the Board determines whether to grant joinder on a case-by-case basis, taking into account the particular facts of each case. *See* 157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (when determining whether and when to allow joinder, the Office may consider factors including the breadth or unusualness of the claim scope, claim construction issues, and consent of the patent owner). Relevant to that determination, the patent trial regulations, including those for joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b).

A. Reasons Joinder Is Appropriate

Joinder is appropriate here for several reasons. This motion is timely because it is made within one month of August 22, 2016, the institution date of the 598 Proceeding (*see* 37 C.F.R. § 42.122(b)), and it is not made to avoid the one-year litigation bar under Section 315(b). Same-party joinder (or issue joinder) has been recognized as appropriate under Section 315(c). *See Kofax, Inc. v. Uniloc USA, Inc.*, Case IPR2015-01207, slip op. at 8-9 (Paper 22) (P.T.A.B. June 2,

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