

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FITBIT, INC.
Petitioner,

v.

VALENCELL, INC.
Patent Owner.

IPR2017-01553
Patent 8,989,830 B2

Before BRIAN J. McNAMARA, JAMES B. ARPIN, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

McSHANE, *Administrative Patent Judge*.

DECISION

Institution of *Inter Partes* Review and Grant of Motion for Joinder
37 C.F.R. § 42.108; 37 C.F.R. § 42.122(b)

I. INTRODUCTION

Petitioner Fitbit, Inc. (“Fitbit”) filed a Petition requesting *inter partes* review of claims 1–6, 8–16, and 18–20 of U.S. Patent No. 8,989,830 B2 (Exhibit 1001, “the ’830 patent”). Paper 2 (“Petition” or “Pet.”). Fitbit also filed a Motion for Joinder under 35 U.S.C. § 315(c) requesting joinder of the present proceeding with *Apple Inc. v. Valencell, Inc.*, Case IPR2017-00317. Paper 3 (“Mot.”). Valencell, Inc. (“Patent Owner”) filed a Preliminary Response and Opposition to Petitioner’s Motion for Joinder. Paper 8 (“Prelim. Resp.”); Paper 7 (“Opp.”).

Case IPR2017-00317 challenges claims 1–6, 8–16, and 18–20 of the ’830 patent. We instituted trial in Case IPR2017-00317 on June 5, 2017, on the grounds that: (1) claims 1–4 and 11–14 would have been obvious over Goodman (Ex. 1007); (2) claims 5 and 15 would have been obvious over Goodman and Hicks (Ex. 1008); (3) claims 6 and 16 would have been obvious over Goodman, Hannula (Ex. 1009), and Asada (Ex. 1005); (4) claims 8, 9, 18, and 19 would have been obvious over Goodman and Asada; and (5) claims 10 and 20 would have been obvious over Goodman and Delonzor (Ex. 1010). IPR2015-00317, Paper 7. These same grounds are those on which Fitbit now seeks institution of *inter partes* review of claims 1–6, 8–16, and 18–20 in this case. Pet. 7.

In its Opposition to the Motion for Joinder, Patent Owner contends that the Motion should be denied because *inter partes* reviews are unconstitutional, as addressed in *Oil States Energy Services LLC v. Greene’s Energy Group*, presently pending before the U.S. Supreme Court. Opp. 2–4, 6; see *Oil States Energy Services LLC v. Greene’s Energy Group, LLC*, No. 16-712, 137 S. Ct. 2293, 2017 WL 2507340 (June 12, 2017). Patent Owner additionally asserts that Fitbit filed its Petition more than one year after

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service of an infringement complaint, and institution of *inter partes* review under this circumstance is impermissible under 35 U.S.C. § 315(b). *Id.* at 5.

II. DISCUSSION

Based on authority delegated to us by the Director, we have discretion to join an *inter partes* review to a previously instituted *inter partes* review. 35 U.S.C. § 315(c). Section 315(c) provides, in relevant part, that “[i]f 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.” *Id.* When determining whether to grant a motion for joinder we consider factors such as timing and impact of joinder on the trial schedule, cost, discovery, and potential simplification of briefing. *Kyocera Corp. v. SoftView, LLC*, Case IPR2013-00004, slip op. at 4 (PTAB April 24, 2013) (Paper 15).

Fitbit filed the Petition and Motion for Joinder in the present proceeding on June 9, 2017, which is timely filed within one month after we instituted trial in IPR2017-00317. 37 C.F.R. § 42.122(b). Fitbit’s Petition is based only on identical grounds, with substantially identical evidence and argument, on which we instituted *inter partes* review in Case IPR2017-00317. Mot. 1. The Petition, therefore, is based on “same claims, prior art, and grounds for unpatentability” raised in Case IPR2017-00317. *Id.* Fitbit proposes to streamline discovery and briefing by taking an “understudy role.” *Id.* at 1, 6–7. Fitbit asserts that it relies upon the same expert and a substantially identical expert declaration as Case IPR2017-00317, so only a single deposition of the expert would be required. *Id.* at 6. Fitbit also alleges, that as long as Apple remains an active party: (1) all Fitbit filings will be consolidated with those of Apple; (2) Fitbit will not be permitted to

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raise new grounds not already instituted; (3) Fitbit will be bound by any agreement between Patent Owner and Apple concerning discovery and/or depositions; and (4) Fitbit shall not receive any additional deposition time beyond that permitted for Apple. *Id.* at 7. With all this, Fitbit contends that its joinder will not negatively impact the existing trial schedule in Case IPR2017-00317. *Id.* at 5–6.

Fitbit’s Petition raises the same grounds and substantially identical arguments to those presented by Apple in Case IPR2017-00317. Pet. 1–60. Patent Owner’s Preliminary Response also has substantially identical arguments against institution to those presented in its Preliminary Response in Case IPR2017-00317. Prelim. Resp. 1–48.

Some of Patent Owner’s arguments in opposition to the Motion are based upon the constitutionality of *inter partes* review generally. At this time, no court has found *inter partes* review unconstitutional. The matter is before the U.S. Supreme Court, and, consequently, Patent Owner’s arguments as to denial of this Petition on this basis are premature.

Further, we do not agree with Patent Owner’s argument that § 315(b) bars institution of *inter partes* review under the circumstances here. Section 315(b) states that the one year bar “shall not apply to a request for joinder under subsection (c),” and § 315(c) authorizes, at our discretion, joinder of a party “to that [instituted] *inter partes* review any person who properly files a petition.” *See Dell Inc. v. Network-1 Security Solution*, IPR2013-00385, slip op. at 4–6 (PTAB July 29, 2013)(Paper 17); *see also Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co. Ltd.*, 868 F.3d 1013, 1020 (Fed. Cir. 2017) (Dyk, J., concurring) (“Thus, the exception to the time bar for ‘request[s] for joinder’ was plainly designed to apply where time-barred

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Party A seeks to join an existing IPR timely commenced by Party B when this would not introduce any new patentability issues.”).

Here, Fitbit’s Motion for Joinder has been timely filed and the Petition has been properly filed. And, in view of the foregoing, we find that joinder based upon the conditions stated by Fitbit in its Motion for Joinder will have little or no impact on the timing, cost, or presentation of the trial on the instituted ground. Thus, the Motion for Joinder is *granted*.

III. ORDER

Accordingly, it is

ORDERED that trial is instituted in IPR2017-01553 as to the following grounds: claims 1–4 and 11–14 would have been obvious over Goodman; claims 5 and 15 would have been obvious over Goodman and Hicks; claims 6 and 16 would have been obvious over Goodman, Hannula, and Asada; claims 8, 9, 18, and 19 would have been obvious over Goodman and Asada; and claims 10 and 20 would have been obvious over Goodman and Delonzor—the same grounds on which we instituted trial in IPR2017-00317;

FURTHER ORDERED that Fitbit’s Motion for Joinder with IPR2017-00317 is granted;

FURTHER ORDERED that IPR2017-01553 is terminated and joined to IPR2017-00317, pursuant to 37 C.F.R. §§ 42.72, 42.122, based on the conditions stated in Fitbit’s Motion for Joinder (Paper 3);

FURTHER ORDERED that the Amended Scheduling Order in place for IPR2017-00317 (Paper 25) shall govern the joined proceedings;

FURTHER ORDERED that all future filings in the joined proceeding are to be made only in IPR2017-00317;

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