

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FRIENDFINDER NETWORKS INC., STREAMRAY INC., WMM, LLC,
WMM HOLDINGS, LLC, AND MULTI MEDIA, LLC
Petitioners

v.

WAG ACQUISITION, LLC
Patent Owner

U.S. Patent Nos. 8,364,839 and 8,122,141

Inter Partes Review Case Nos. IPR2017-00784 and -00786

**PATENT OWNER'S OPPOSITION TO PETITIONERS' MOTION FOR
JOINER TO INSTITUTED INTER PARTES REVIEWS**

This is the Opposition by Patent Owner, WAG Acquisition, L.L.C. (“WAG”), to the motion by Friendfinder Networks Inc., Streamray Inc., WMM, LLC, WMM Holdings, LLC, and Multi Media, LLC (collectively, “Petitioners”) to join the instant proceedings with recently instituted IPR proceedings, which are IPR2016-01239 (regarding U.S. Patent No. 8,364,839 (the “’839 Patent”)) and IPR2016-01238 (regarding U.S. Patent No. 8,122,141 (the “’141 Patent”).

The IPRs sought to be joined, IPR2016-01238 and IPR2016-01239, were both filed by Webpower, Inc. (“Webpower”), and are referred to herein as the “Webpower IPRs.” Counsel for Webpower in the Webpower IPRs is the same counsel that is representing the present Petitioners. In addition, the Petitioners, by the same counsel, have filed prior IPRs challenging the same WAG patents.

Patent Owner opposes Petitioners’ motion for joinder because the instant Petitions and motions are second bites at the apple for Petitioners, and Petitioners have failed to explain why the instant grounds and arguments were not raised in prior (and timely) petitions.

Petitioners had their chance and filed IPR petitions against both the ’839 and ’141 Patents in 2015, within a year of having been served with complaints alleging infringement of the ’839 and ’141 Patents. The primary reference in both of the Webpower IPRs was known to and asserted by Petitioners in 2015. Petitioners simply chose not to assert the current grounds and arguments at that time. And

Petitioners have given no reason for their failure to make the current arguments years ago.

Joinder is discretionary. 35 U.S.C. § 315(c). As indicated in legislative history, the Board determines whether to grant joinder on a case-by-case basis, taking into account each case's particular facts. *See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011). As the moving party, Petitioners have the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b).

The Board has exercised its discretion to deny joinder in numerous cases such as this, in which petitioners attempt a second opportunity to pursue arguments that could have and should have been raised in earlier, timely IPRs. *See, e.g., LG Elecs., Inc. v. ATI Techs. ULC*, Case IPR2015-01620, slip op. at 10 (PTAB Feb. 2, 2016) (Paper 10) (denying joinder because petitioner did not demonstrate “a reasoned justification” for its failure to assert current challenges in earlier petition, or present evidence that new references were “not known or available” at the time of the earlier petition). “There is merit in encouraging a petitioner to raise in its first petition all grounds and claims that reasonably could be raised, to avoid serial attacks against a patent and reduce the burden on patent owners of defending multiple proceedings.” *Par Pharm., Inc. v. Novartis AG*, Case IPR2016-01059, slip op. at 17 (PTAB Oct. 26, 2016) (Paper 19).

Background

Petitioners Friendfinder Networks Inc. and Streamray Inc. were served with complaints alleging infringement of the '839 and '141 Patents on June 3, 2014. Petitioners WMM, LLC and WMM Holdings, LLC were served with complaints alleging infringement of the '141 Patent on April 15, 2014, and Petitioner Multi Media, LLC was served with a complaint alleging infringement of the '141 Patent on April 16, 2014. (Exs. 2001-05.)

On April 14, 2015, Petitioners filed petitions for *Inter Partes* Review of the '839 and '141 Patents (herein referred to as the “2015 IPRs”).¹ The primary reference in IPR2015-01036, which was instituted and in which a final written decision was issued on October 20, 2016, was U.S. Patent No. 5,822,524 to Chen et al. (“Chen”). Chen is the primary reference in both Webpower IPR Petitions that Petitioners seek to join. Further, the Carmel reference used in Webpower’s IPR2016-01238 on the '141 Patent was also asserted in Ground 4 of Petitioners’ 2015 IPR on the '839 Patent. *See* IPR2015-01036.

¹ Petitioners WMM, LLC, WMM Holdings, LLC, Multi Media, LLC were not listed as petitioners in IPR2015-01036 regarding the '839 Patent, but were listed as Real Parties in Interest. Further, prior Board decisions establish that one petitioner being barred bars all petitioners. *See, e.g., Ubisoft, Inc. v. Uniloc USA, Inc.*, Case IPR2016-00414, slip op. at 5-6 (PTAB June 2, 2016) (Paper 16) (denying joinder, in part, because some of the petitioners had previously filed a petition); *see also Terremark North America LLC v. Joao Control & Monitoring Systems, LLC*, Case IPR2015-01482, slip op. at 5, 14-15 (PTAB Dec. 28, 2015) (Paper 10) (tying petitioners together because barred petitioner had “substantial control over the case by participating in filing the Petition, appointing counsel, etc.” and setting bar date for petition to earliest date of service on one petitioner).

Argument

Petitioners have failed to sufficiently explain in the present Petitions why their petitions in the 2015 IPRs did not contain the grounds and arguments set forth in the Webpower IPRs.

The Webpower IPRs raise a couple of new secondary references, but Petitioners have given no reasoning as to why these new secondary references are not cumulative of prior references and, if not cumulative, why the references could not have been found using reasonable efforts for use in the 2015 IPR petitions.

Rather, Petitioners held back grounds and arguments as to known prior art in their 2015 IPRs, which Petitioners now seek to assert almost two years later in a second bite at the apple. The Board has previously denied joinder in many similar cases. *See, LG Elecs., Inc. v. ATI Techs. ULC*, Case IPR2015-01620, slip op. at 10 (PTAB Feb. 2, 2016) (Paper 10) (denying joinder); *Samsung Elec. Co., Ltd. v. Affinity Labs of Texas, LLC*, Case IPR2015-00820, slip op. at 4-5 (PTAB May 15, 2015) (Paper 12) (denying joinder because the petitioner offered no persuasive reason why the asserted grounds of unpatentability could not have been raised in earlier filed petitions); *Reloaded Games, Inc. v. Parallel Networks, LLC*, Case IPR2014-00950, slip op. at 4-5 (PTAB Oct. 22, 2014) (Paper 12) (denying joinder as “second bite of the apple” because petitioner could have raised grounds of unpatentability in prior petition); *Apotech, Inc. v. Synopsys, Inc.*, Case IPR2015-

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