Paper No. 26

Entered: May 17, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.; AND SAMSUNG ELECTRONICS AMERICA, INC.
Petitioners

v.

IMAGE PROCESSING TECHNOLOGIES, LLC
Patent Owner

IPR2017-01190 (Patent 6,717,518 B1)¹ IPR2017-01218 (Patent 8,983,134 B2)

Before JONI Y. CHANG, MIRIAM L. QUINN, and SHEILA F. McSHANE, *Administrative Patent Judges*.

McSHANE, Administrative Patent Judge.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

¹ We exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in any subsequent papers without prior authorization.



I. BACKGROUND

In Case IPR2017-01190 ("the -01190 case"), Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. ("Petitioner") filed a Petition requesting *inter partes* review of claim 39 of U.S. Patent No. 6,717,518 ("the '518 patent"). Paper 2. There were three (3) obviousness grounds on which institution was requested. *Id.* at 3. Image Processing Technologies, LLC ("Patent Owner") filed a Preliminary Response to the Petition. On October 3, 2017, we issued a Decision instituting *inter partes* review of claim 39 of the '518 patent on two (2) of the three (3) asserted grounds for unpatentability. Paper 11.

In Case IPR2017-01218 ("the -01218 case"), Petitioner filed a Petition requesting *inter partes* review of claims 3–6 of U.S. Patent No. 8,983,134 ("the '134 patent"). Paper 2. There were two (2) obviousness grounds on which institution was requested for claims 3–6. *Id.* at 3. Patent Owner filed a Preliminary Response to the Petition. On October 3, 2017, we issued a Decision instituting *inter partes* review of claim 3, and not claims 4–6, on the two (2) asserted grounds for unpatentability. Paper 11.

A common Scheduling Order was entered in both the -01190 case and the -01218 case, setting the oral hearing date on June 29, 2018. Paper 12 (both cases).

On April 24, 2018, the U.S. Supreme Court held that a final written decision under 35 U.S.C. § 318(a) shall be with respect to the patentability of all of the claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S.Ct. 1348, 1358 (2018). As noted above, in the -01190 case, although Petitioner challenged claim 39 of the '518 patent on three grounds, we did not institute review on one ground. In the -01218 case, although Petitioner



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challenged claim 3–6 of the '134 patent, we did not institute review of claims 4–6 on the two grounds asserted. We modified our Decisions on Institution to institute on all of the challenged claims and on all of the grounds asserted in the Petitions in both the -01190 and -01218 cases. *See* -01190 case, Paper 24; -01218 case, Paper 25.

On April 26, 2018, the Board received an email request from Patent Owner requesting leave to file a sur-reply in the -01218 case, which was responded to by an email authorizing the parties to file papers relating to the identification of the alleged out-of-proper-scope portions of Petitioner's Rely at issue. On May 10, 2018, Patent Owner renewed its request for leave to file a sur-reply, which Petitioner opposes, and stated that "Patent Owner does not contend that Petitioner's reply is beyond the proper scope of a reply."

On April 26, 2018, the Board also received an email from Petitioner requesting a change in the oral hearing date due to a conflict of a counsel, and the Board responded that the request could be further discussed at any call conducted regarding *SAS Institute* issues.

II. PROCEDURES

In the wake of the U.S. Supreme Court's *SAS Institute* decision, we held a conference call with the parties on May 14, 2018, to discuss how to proceed in this cases.

In the -01190 case, neither party requested additional briefing, however, neither party agreed to withdraw the newly-instituted ground from the proceeding.



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In the -01218 case, Patent Owner did not want to file additional briefing, and did not believe that any Petitioner additional briefing should be permitted. However, to the extent that the Board permitted Petitioner to file additional briefing, Patent Owner also requested leave to be permitted to file responsive briefing. Petitioner requested additional briefing, but did not request that new evidence be permitted or that additional discovery be conducted, including expert depositions. Petitioner indicated that the briefing was requested to address issues on newly-instituted claims 4–6 as discussed in the Institution Decision. Petitioner and Patent Owner indicated a general agreement that if briefing were permitted, the briefing should be limited to 5,000 words per side. Petitioner indicated that its view was that briefing should be conducted with Patent Owner first filing its briefing, and then Petitioner filing its responsive briefing. Patent Owner disagreed with Petitioner's proposed order of briefing, asserting that because Petitioner wanted the briefing, Petitioner's briefing should be filed first, with Patent Owner's responsive briefing to follow. The parties were in general agreement that the first round of briefing should be due in three weeks, with responding briefing due in another three weeks.

We have considered the parties' positions on additional briefing and determine that in the -01218 case Petitioner is authorized to file a supplemental brief addressing the claims on which the Board had previously denied institution. The supplemental brief is limited to the existing record in the proceeding, and shall address only the arguments and evidence in the Petition and the portions of the Decision to Institute related to the newly-instituted claims 4–6 of the '134 patent. Petitioner may not raise new arguments or submit new evidence. Petitioner's supplemental brief shall be



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no more than eight (8) pages to be filed within two weeks of the date of this order. Patent Owner, at this time, is not authorized to file a response.

We have considered Petitioner's request for rescheduling the oral hearing date of June 29, 2018, and deny the request. The parties were provided notice of the oral hearing date in an October 3, 2017 Scheduling Order, and the request for a changed date was made at a late stage in the proceedings. The request generally states there is a conflict in a counsel's schedule, however, we also note that Petitioner has multiple counsel of record in these proceedings.

As to Patent Owner's request for a sur-reply to Petitioner's Reply in the -01218 case, Patent Owner's stated reason for the request is that the proposed additional briefing would be helpful to the Board. Petitioner opposes the request, arguing that Patent Owner is trying to get the last word. We have considered the parties' positions on the sur-reply request and, given that there is no dispute that Petitioner's reply is within the proper scope of a reply, we deny Patent Owner's request for leave to file a sur-reply in the -01218 case.

III. ORDER

Accordingly, it is hereby:

ORDERED that in the -01218 case, Petitioner may file a supplemental brief addressing the newly-instituted claims, limited to eight (8) pages, within two weeks of the date of this order;

FURTHER ORDERED that Petitioner's request for rescheduling the June 29, 2018 oral hearing date in the -01190 and -01218 cases is *denied*; and



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