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Paper 9
Entered: December 1, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FITBIT, INC.,
Petitioner,

v.

VALENCELL, INC.,
Patent Owner.

Case IPR2017-01555
Patent 8,923,941 B2

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

ARPIN, *Administrative Patent Judge*.

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

I. INTRODUCTION

Fitbit, Inc. ("Petitioner") filed a Petition requesting an *inter partes* review of claims 1, 2, and 6–13 of U.S. Patent No. 8,923,941 B2 (Ex. 1001 ("the '941 patent"). Paper 2 ("Pet."). Petitioner also concurrently filed a Motion for Joinder, seeking to join this proceeding with *Apple Inc. v. Valencell, Inc.*, Case IPR2017-00319 ("the 319 IPR"). Paper 3 ("Mot."). Patent Owner filed a Preliminary Response (Paper 8 ("Prelim. Resp.")) and an Opposition to Petitioner's Motion for Joinder (Paper 7 ("Opp.")).

For the reasons set forth below, we institute an *inter partes* review of claims 1, 2, and 6–13 of the '941 patent, and grant Petitioner's Motion for Joinder.

II. INSTITUTION OF *INTER PARTES* REVIEW

On June 6, 2017, we instituted a trial in IPR2017-00319 based on the following grounds of unpatentability (the 319 IPR, slip op. at 55–56 (PTAB June 6, 2017) (Paper 10)):

References	Basis	Challenged Claim(s)
Luo and Craw	35 U.S.C. § 103(a)	1, 2, 9, and 11–13
Luo, Craw, and Fricke	35 U.S.C. § 103(a)	6 and 8
Luo, Craw, Fricke, and Comtois	35 U.S.C. § 103(a)	7
Luo, Craw, and Aceti	35 U.S.C. § 103(a)	10
Mault and Al-Ali	35 U.S.C. § 103(a)	1, 2, 9, 11, and 12
Mault, Al-Ali, and Han	35 U.S.C. § 103(a)	6–8
Mault, Al-Ali, and Numaga	35 U.S.C. § 103(a)	10
Mault, Al-Ali, and Ali	35 U.S.C. § 103(a)	13

The instant Petition presents the same grounds of unpatentability, the same prior art, and the same declarant testimony as the petition in the 319 IPR. Pet. 8−9; Mot. 5. In view of the identity of the grounds in the instant

Petition and in the 319 IPR petition, and, for the same reasons stated in our Decision on Institution in the 319 IPR, we institute *inter partes* review in this proceeding on the same grounds discussed above and for the same claims that we instituted *inter partes* review in the 319 IPR.

III. GRANT OF MOTION FOR JOINDER

Joinder in *inter partes* review is subject to the provisions of 35 U.S.C. § 315(c):

> (c) JOINDER.—If 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 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter parties review under section 314.

As the moving party, Petitioner bears the burden of proving that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). A motion for joinder should: (1) set forth the reasons joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; and (3) explain what impact (if any) joinder would have on the trial schedule for the existing review. *See* Frequently Asked Question H5, https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/ptab-e2e-frequently-asked-questions.

Petitioner asserts that the Motion for Joinder is timely because, in accordance with 35 U.S.C. § 315(c), Petitioner filed the Motion concurrently with the Petition and not later than one month after institution of the 319 IPR. Mot. 4. We find that the Motion for Joinder is timely.

We also find that Petitioner has met its burden of showing that joinder is appropriate. The Petition here is substantively identical to the petition in

the 319 IPR. Mot. 5–6. The evidence also is identical, including the reliance on the same Declaration of Majid Sarrafzadeh, Ph.D. *Id.* at 6.

Petitioner further has shown that the trial schedule will not be affected by joinder. *Id.* at 6–8. No changes in the schedule are anticipated or necessary, and the limited participation, if at all, of Petitioner will not impact the timeline of the ongoing trial. We limit Petitioner's participation in the joined proceeding, such that Petitioner shall require prior authorization from the panel before filing *any* further paper. This arrangement promotes the just and efficient administration of the ongoing trial and the interests of Petitioner and Patent Owner.

Nevertheless, Patent Owner has filed an Opposition to Petitioner's Motion for Joinder and a Preliminary Response responsive to the grounds asserted in the Petition.[1] The Preliminary Response presents arguments and evidence substantially identical to arguments challenging these same grounds in the preliminary response filed in the *inter partes* review to which joinder is sought. Despite Patent Owner's arguments and evidence, we are persuaded that Petitioner demonstrates a reasonable likelihood of prevailing in showing the challenged claims are unpatentable under the asserted grounds.

In its Opposition, Patent Owner argues that *inter partes* review proceedings are unconstitutional either because a patent creates a property right that cannot be revoked or cancelled by a non-Article III tribunal, such as the Board, or that the question of patent validity must be tried to a jury

[1] Patent Owner's Opposition to Petitioner's Motion For Joinder acknowledges that a Petition accompanied by a Motion for Joinder is *not* subject to the time bar provisions of 35 U.S.C. § 315(b). Opp. 5.

pursuant to the Seventh Amendment. Opp. 3–4. 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 are at best premature.

We also do not agree with Patent Owner's argument that § 315(b) bars institution of *inter partes* review under these circumstances. Opp. 4–5. 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 Party A seeks to join an existing IPR timely commenced by Party B when this would not introduce any new patentability issues.").

III. CONCLUSION

We find that Petitioner has met its burden of showing that joinder is appropriate. The Petition here is substantively identical to the petition in the 319 IPR. Mot. 3–4. The evidence also is identical, including the reliance on the same Declaration of Majid Sarrafzadeh, Ph.D. *Id.* Petitioner further has shown that the trial schedule will not be affected by joinder. *Id.* at 5–6. No changes in the schedule are anticipated or necessary, and the limited participation, if at all, of Petitioner will not impact the timeline of the ongoing trial or create additional unreasonable burdens on Patent Owner. In view of the foregoing, we find that joinder will have little or no impact on

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