

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LG ELECTRONICS, INC., LG ELECTRONICS U.S.A. INC.,
LG ELECTRONICS MOBILECOMM U.S.A. INC.,
LG ELECTRONICS MOBILE RESEARCH U.S.A. LLC, and
LG ELECTRONICS ALABAMA, INC.,
Petitioner,

v.

FUNDAMENTAL INNOVATION SYSTEMS INTERNATIONAL LLC,
Patent Owner.

Case IPR2018-00461
Patent 8,624,550 B2

Before RAE LYNN P. GUEST, JO-ANNE M. KOKOSKI, and
JON B. TORNQUIST, *Administrative Patent Judges*.

TORNQUIST, *Administrative Patent Judge*.

DECISION
Instituting *Inter Partes* Review and
Granting Motion for Joinder
35 U.S.C. §§ 314(a), 315(c); 37 C.F.R. § 42.122(b)

I. INTRODUCTION

LG Electronics, Inc., LG Electronics U.S.A. Inc., LG Electronics Mobilecomm U.S.A. Inc., LG Electronics Mobile Research U.S.A. LLC, and LG Electronics Alabama, Inc. (collectively, “Petitioner” or “LG Petitioners”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–18 of U.S. Patent No. 8,624,550 B2 (Ex. 1001, “the ’550 patent”). Petitioner also concurrently filed a Motion for Joinder seeking to join, as a Petitioner, in *ZTE (USA) Inc., Samsung Electronics Co., Ltd., and Samsung Electronics America, Inc. v. Fundamental Innovation Systems International LLC*, IPR2018-00111 (“ZTE/Samsung IPR”) (Paper 3, “Motion for Joinder” or “Mot.”). Fundamental Innovation Systems International LLC (“Patent Owner”) filed a Preliminary Response to the Petition (Paper 9, “Prelim. Resp.”) and an Opposition to Petitioner’s Motion for Joinder (Paper 8, “Opp.”).

For the reasons set forth below, we institute *inter partes* review and grant Petitioner’s Motion for Joinder.

II. INSTITUTION OF *INTER PARTES* REVIEW

On May 9, 2018, we instituted trial in the ZTE/Samsung IPR with respect to all challenged claims and on all the grounds set forth in the petition. ZTE/Samsung IPR, Paper 16, 22. Petitioner represents that the current Petition includes the same grounds, arguments, and supporting evidence as the petition in the ZTE/Samsung IPR. Pet. 2 (“This petition is substantially identical to IPR2018-00111.”), Mot. 1 (asserting that the current Petition is “substantively identical to the petition” in the ZTE/Samsung IPR, challenges “the same claims of the ’550 patent on the

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same grounds,” and relies upon “the same prior art, arguments, and evidence”).

Patent Owner does not dispute that the current Petition is substantively identical to the ZTE/Samsung IPR petition, and generally presents the same arguments and supporting evidence in its Preliminary Response as it previously set forth in the ZTE/Samsung IPR. Patent Owner does assert, however, two additional arguments regarding the present Petition that require consideration.

Patent Owner contends we should deny the Petition under 35 U.S.C. § 325(d), because Petitioner never explains why it chose to file a second, identical petition, as opposed to joining the petitioners in the ZTE/Samsung IPR. Prelim. Resp. 18. According to Patent Owner, denying the Petition pursuant to § 325(d) will avoid “serial harassment of the patent owner” and “conserve resources.” *Id.* In this case, however, the LG Petitioners filed a concurrent motion to join the ZTE/Samsung IPR, effectively obviating any concerns of serial harassment and unnecessary expenditure of resources. Mot. 1. Thus, we decline to dismiss the Petition under 35 U.S.C. § 325(d).

Patent Owner also contends the Petition should be denied because Petitioner has failed to identify all real parties-in-interest (“RPI”). Prelim. Resp. 18. Specifically, Patent Owner contends that LG Corporation is an unidentified RPI in this proceeding in view of its ownership of “10 percent or more of LG Electronics, Inc.’s stock.” *Id.* (citing Ex. 2007, 2).

Under 35 U.S.C. § 312(a)(2), a petition may be considered only if “the petition identifies all real parties in interest.” “To decide whether a party other than the petitioner is the real party in interest,” we seek to determine “whether some party other than the petitioner is the ‘party or parties at

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whose behest the petition has been filed.”” *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1336 (Fed. Cir. 2018) (quoting Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012)). One common consideration in determining whether a non-party is an RPI is whether that non-party “exercised or could have exercised control over a party’s participation in a proceeding.” Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,759; *see Wi-Fi One*, 887 F.3d at 1329 (agreeing that a “party that funds and directs and controls an IPR” is a “real party-in-interest”).

Here, Patent Owner’s sole evidence that LG Corporation should have been identified as an RPI is a corporate disclosure showing that LG Corporation owns “10 percent or more of LG Electronics, Inc.’s stock.” Prelim. Resp. 18 (citing Ex. 2007, 2). This evidence does not demonstrate or suggest that the Petition was filed at LG Corporation’s behest, or that LG Corporation exercised or could have exercised control over LG Electronics, Inc.’s participation in this proceeding. *See Wi-Fi One*, 887 F.3d at 1329; *see also Par Pharma., Inc. v. Jazz Pharma, Inc.*, IPR2015-00546, slip. op. at 15–19 (PTAB July 28, 2015) (Paper 25) (noting that corporate ownership, even if that ownership is complete, is not sufficient, by itself, to show a non-party is an RPI). Thus, we decline to dismiss the Petition for failure to name all RPIs under 35 U.S.C. § 312(a)(2).

In view of the identity of the challenge between the present Petition and that filed in the ZTE/Samsung IPR, and for the reasons set forth in the Decision to Institute in the ZTE/Samsung IPR, which we hereby incorporate by reference, we institute *inter partes* review in this proceeding with respect

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to all challenged claims and on all asserted grounds. *See* ZTE/Samsung IPR, Paper 16, 6–22.

III. MOTION FOR JOINDER

As noted above, Petitioner requests that we join the present proceeding with IPR2018-00111. Mot. 1. Petitioner represents that it has conferred with petitioner’s counsel in the ZTE/Samsung IPR and they do not oppose the Motion.

Joinder is governed by 35 U.S.C. § 315(c), which recites:

(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 partes review under section 314.

By regulation, the Director’s discretion to join proceedings has been delegated to the Board. *See* 37 C.F.R. § 42.4(a). Thus, we have discretion to join the LG Petitioners to the instituted ZTE/Samsung IPR, if such an action is warranted.

Petitioner contends joinder is appropriate in this case because: (1) the Motion is timely, having been filed at the same time as the Petition; (2) the Petition is substantively identical to the petition in the ZTE/Samsung IPR, relying on the same arguments, evidence, and declaration testimony; (3) Petitioner agrees to an “understudy role” in the joined proceeding, in which it “will not materially participate in calls with the Board, depositions, and any oral hearing”; and (4) joinder will eliminate the need for two parallel, but identical, *inter partes* review proceedings. Mot. 1–2, 5–6 n.1, 8.

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