Paper No. 46
Filed: December 6, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE (USA) INC.,

Petitioner

v.

FUNDAMENTAL INNOVATION SYSTEMS INTERNATIONAL LLC,

Patent Owner

MOTION TO RETROACTIVELY ADD A REAL PARTY IN INTEREST OR TERMINATE THIS PROCEEDING

Case No. IPR2018-00111
Patent 8,624,550 B2

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

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I. Introduction

Petitioner ZTE (USA) Inc. ("Petitioner") respectfully requests leave to name an additional real party in interest ("RPI") in this proceeding, or to the extent this request is denied, to seek termination of this proceeding. *See* Paper 45 ("Order") at 1. For the reasons that follow, Petitioner respectfully requests that the Board enter the amended mandatory notice submitted herewith and maintain the original filing date of the instant instituted Petition for Inter Partes Review ("IPR").

Section 312, 35 U.S.C. requires that "[a] petition [for IPR] may be considered only if . . . (2) the petition identifies all real parties in interest." [please INSERT factual background – want to take care with affirmative statements]

II. Argument

Amendment of the named RPIs in this proceeding is only necessitated by the intervening change in law from the July 9, 2018 Federal Circuit decision in *Applications in Internet Time, LLC v. RPX Corporation*, 897 F.3d 1336 (Fed. Cir. 2018) ("*AIT*"). There is no prejudice because Patent Owner has known about the to-be-named entity, ZTE (TX), Inc. ("ZTE TX") all along. Retroactive amendment of the named RPIs in this proceeding would satisfy the two aims of the statutory requirement while protecting the public interest.

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A. The Intervening Change In Law Merits Retroactive Identification of ZTE TX As A Real Party In Interest

ZTE TX never contributed to the control or funding of this IPR proceeding, nor did it make or sell allegedly infringing products (and at most practiced *de minimis* test use) and therefore Petitioner did not name ZTE TX as an RPI in the petition. However, the Federal Circuit's intervening decision in *AIT* changes the law in a way that suggests ZTE TX may be an RPI. Under these circumstances, petitioners request leave to retroactively identify ZTE TX as an RPI, particularly where, as here, Patent Owner would suffer no prejudice.

1. The Federal Circuit's RPX Decision Changed The Law

ZTE (TX), Inc. ("ZTE TX") is a subsidiary of ZTE Corporation and thus an affiliate corporation of Petitioner ZTE (USA), Inc. Like ZTE (USA), Inc. and ZTE Corporation, ZTE TX was sued by Patent Owner in the Eastern District of Texas Case No. 3:17-cv-01827-N filed July 12, 2017. As an affiliate of Petitioner ZTE (USA), Inc. ZTE TX does not control or financially influence ZTE (USA), Inc.

Prior to *AIT*, RPI determination followed common law understanding of "real party in interest" considerations. Both the Supreme Court case *Taylor v. Strurgell* and the USPTO Patent Trial Practice Guide, Fed. Reg. 48,756 (Aug. 14, 2012) ("Trial Practice Guide") provided guidance to practitioners. According to the Trial Practice Guide:

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