

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EVERLIGHT ELECTRONICS CO., LTD.,
Petitioner,

v.

DOCUMENT SECURITY SYSTEMS, INC.,
Patent Owner.

Case IPR2018-01225
Patent 7,256,486 B2

**PATENT OWNER'S OPPOSITION TO EVERLIGHT'S
MOTION FOR JOINDER**

PATENT OWNER'S LIST OF EXHIBITS

Exhibit Number	Exhibit Description
2001-2099	Reserved
2100	Complaint for Patent Infringement in <i>Document Security Systems, Inc. v. Everlight Electronics Co., Ltd., and Everlight Americas, Inc.</i> , Case 2:17-cv-00310 (E.D. Tex.)
2101	Notice of Service in <i>Document Security Systems, Inc. v. Everlight Electronics Co., Ltd., and Everlight Americas, Inc.</i> , Case 2:17-cv-00310 (E.D. Tex.)
2102	Complaint for Patent Infringement in <i>Document Security Systems, Inc. v. Everlight Electronics Co., Ltd., and Everlight Americas, Inc.</i> , Case 2:17-cv-04273 (C.D. Cal.)
2103	Notice of Dismissal in <i>Document Security Systems, Inc. v. Everlight Electronics Co., Ltd., and Everlight Americas, Inc.</i> , Case 2:17-cv-00310 (E.D. Tex.)
2104	Reserved
2105	Email Message sent from Seoul Semiconductor's counsel to Trials@uspto.gov, seeking permission to oppose Everlight Electronics Co., Ltd.'s Motion to Join IPR2018-00333

IPR2018-01225 Patent Owner's Opposition to Everlight's Motion for Joinder

Pursuant to 37 C.F.R. § 42.23, Patent Owner Document Security Systems, Inc. ("DSS" or "Patent Owner") opposes Everlight's Motion to Join Everlight's IPR (IPR2018-01225) with Seoul Semiconductor's IPR (IPR2018-00333).

Everlight was first served with a complaint alleging infringement of the '486 patent on April 26, 2017, more than one year before Everlight filed its petition for IPR on June 8, 2018. While the time limit under 35 U.S.C. § 315(b) does "not apply to a request for joinder under subsection (c)," Everlight does not establish that the panel should exercise its discretion to permit joinder as Everlight's participation can only lengthen and complicate this proceeding.

Further, Everlight's motion highlights the USPTO's failure to update its rules to address the issues raised by the Supreme Court's decision in *SAS Institute Inc. v. Iancu*, 584 U.S. ___, 138 S. Ct. 1348 (2018). The USPTO has not issued rules governing how joinder should be handled by the Board post-*SAS*. And an *ad hoc* approach to the issues raised by joinder would be in contravention of 35 U.S.C. § 316(b), which requires the Director to issue regulations under 35 U.S.C. § 316(a) after considering the effect of those regulations on various factors.

I. EVERLIGHT'S PETITION FOR IPR IS TIME-BARRED

Everlight's Statement of Material Facts contends that "Everlight was served" with a June 8, 2017 complaint in the Central District of California "on June 20, 2017." Motion, p. 3. Everlight omits that, on April 26, 2017, real-party-in-interest

IPR2018-01225 Patent Owner's Opposition to Everlight's Motion for Joinder Everlight Americas, Inc. (Pet., 2) was served with an April 13, 2017 complaint charging infringement of '486 patent in the Eastern District of Texas. Ex. 2100, ¶¶33-39; Ex. 2101, 2. Because Everlight was served with "a complaint" alleging infringement of the patent-at-issue more than one year prior to the filing of its petition for IPR, Everlight's petition is time-barred. *See* 35 U.S.C. § 315(b).

Everlight will likely reply that the April 26 service should not apply because DSS dismissed the Eastern District of Texas complaint without prejudice on June 8, 2017. Ex. 2103, 2. Under the plain language of the 35 U.S.C. 315(b), that subsequent action is irrelevant. But even if a dismissal with prejudice could operate to reset the time-bar in some circumstances, the activity here should be viewed as a transfer of the case against Everlight from Texas to California rather than a dismissal of Patent Owner's infringement action. The Supreme Court issued its decision in *TC Heartland LLC v. Kraft Foods Group Brands LLC*, 581 U.S. ___, 137 S. Ct. 1514 (2017) on May 22, 2017, after DSS filed its Texas complaint. *TC Heartland* restricted the venue in which a particular patent infringement complaint could be brought. In view of that intervening decision, DSS moved its infringement action against Everlight to the Central District of California, by concurrently refiling the counts in the Texas complaint in California and dismissing the Texas complaint, both on June 8, 2017. *Cf.* Ex. 2100, ¶¶33-39 with Ex. 2102, ¶¶33-39; Ex. 2103, 2. Accordingly, as there was no gap in the charge of

IPR2018-01225 Patent Owner’s Opposition to Everlight’s Motion for Joinder infringement, and by the statute’s plain language, the time-bar of 35 U.S.C. § 315(b) should run from the first service of “a complaint alleging infringement” of the ’486 patent on April 26, 2017.

II. JOINDER IS NOT APPROPRIATE

As Everlight’s Petition is time-barred, Everlight can only participate in an IPR against the ’486 patent through joinder. But no other party feels Everlight’s participation will assist any party or the Board.

Instead, Everlight’s presence will complicate the proceeding. Everlight states that “if joined, Everlight will not file additional briefs outside of the consolidated filings, will not request any additional deposition time, and will not request any additional oral hearing time.” Motion at 6-7.¹ Further, the Seoul Semiconductor petitioners have sought permission to oppose Everlight’s motion (*see* Ex. 2105), thereby casting doubt that those parties could coordinate a “consolidated” filing. And even if there is available space in a “consolidated” filing for any of Everlight’s unique positions, it would be unfairly prejudicial to Patent Owner, and inconsistent with an “understudy” role, for Everlight to include those positions into a “consolidated” filing. Similarly, simply because time may

¹ These proposed concessions are frustrated in particular by Everlight’s decision to submit a declaration from its own technical declarant, rather than sharing Seoul Semiconductor’s declarant.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.