

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

Before SALLY C. MEDLEY, SCOTT C. MOORE, and
BRENT M. DOUGAL, *Administrative Patent Judges*.

DOUGAL, *Administrative Patent Judge*.

DECISION

Institution of *Inter Partes* Review
35 U.S.C. § 314(a)

Petitioner's Motion for Joinder
37 C.F.R. § 42.122(b)

I. INTRODUCTION

A. Background

Everlight Electronics Co., Ltd. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1–3 (the “challenged claims”) of U.S. Patent 7,256,486 B2 (Ex. 1001, the “’486 patent”). 35 U.S.C. § 311. Petitioner also filed a Motion for Joinder with *Seoul Semiconductor Co. Ltd. v. Document Security Systems, Inc.*, Case IPR2018-00333 (“the Seoul IPR”). Paper 7 (“Mot.”). The original petitioners in the Seoul IPR—Seoul Semiconductor Co., Ltd. and Seoul Semiconductor, Inc. (“Seoul Petitioner”)—oppose the Motion for Joinder. Paper 10 (“Seoul Opp.”). Document Security Systems, Inc. (“Patent Owner”) also opposes the Motion for Joinder. Paper 9, (“Doc. Opp.”). Petitioner timely filed a Reply to the oppositions. Paper 12, (“Reply”). Patent Owner timely filed a Preliminary Response (Paper 13, “Prelim. Resp.”). We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

For the reasons described below, we institute an *inter partes* review of claims 1–3 of the ’486 patent and grant Petitioner’s Motion for Joinder.

B. Related Proceedings

The parties indicate that there are a number of related court proceedings: *Document Security Systems, Inc. v. Cree, Inc.*, No. 2:17-cv-04263 (C.D. Cal.); *Document Security Systems, Inc. v. Everlight Electronics Co.*, No. 2:17-cv-04273 (C.D. Cal.); *Document Security Systems, Inc. v. Lite-On, Inc.*, No. 2:17-cv-06050 (C.D. Cal.); *Document Security Systems, Inc. v. Nichia Corporation, et al.*, Case No. 2:17-cv-08849 (C.D. Cal.); and *Document Security Systems, Inc. v. Seoul Semiconductor Co.*, No. 8:17-cv-00981 (C.D. Cal.). Paper 6, 2–3.

The parties indicate that the following *inter partes* reviews involve the '486 patent: IPR2018-00333 (“the Seoul IPR”), IPR2018-01166, IPR2018-01220, and IPR2018-01205. *Id.* at 3. The parties indicate that the following *inter partes* reviews are related to the present *inter partes* review: IPR2018-00265, IPR2018-00522, IPR2018-00965, IPR2018-00966, IPR2018-01165, IPR2018-01167, IPR2018-01221, IPR2018-01222, IPR2018-01223, IPR2018-01226, IPR2018-01244, and IPR2018-01260. *Id.* at 3–4.

In the Seoul IPR, we instituted an *inter partes* review of claims 1–3 of the '486 patent as unpatentable under 35 U.S.C. § 103 on the following grounds:

Reference[s] ¹	Claims challenged
Rohm	1–3
Rohm and Kish	1–3
Matsushita and Edmond '589	1–3

Seoul Semiconductor Co. Ltd. v. Document Security Systems, Inc., Case IPR2018-00333, slip op. at 13 (PTAB June 21, 2018) (Paper 9) (“Seoul Dec.”).

II. INSTITUTION OF *INTER PARTES* REVIEW

The Petition in this proceeding asserts the same grounds of unpatentability as the ones on which we instituted review in the Seoul IPR. *Compare* Pet. 19–51, *with* Seoul Dec. 6–13. Indeed, Petitioner contends that the Petition “is

¹ Japanese Pat. Pub. 2003-17754, Jan. 17, 2003 (Ex. 1008) (“Rohm”); U.S. 5,376,580, Dec. 27, 1994 (Ex. 1010) (“Kish”); Japanese Pat. Pub. 2001-352102, Dec. 21, 2001 (Ex. 1009) (“Matsushita”); U.S. Patent 5,523,589, June 4, 1996 (Ex. 1011) (“Edmond '589”).

substantively identical to Seoul Semiconductor’s IPR.” Mot. 2; *see also, id.* at 5–6. Petitioner acknowledges that the Petition relies on a different expert, however, Petitioner asserts that “Everlight’s expert reviewed and agreed with the expert declaration supporting Seoul Semiconductor’s IPR, and Everlight’s expert declaration is substantially identical to Seoul Semiconductor’s expert declaration.” *Id.* at 5.

Patent Owner’s Preliminary Response does not address Petitioner’s prior art, arguments, or evidence. *See generally*, Prelim. Resp. However, Patent Owner contends that the Petition is time barred. *Id.* at 1–5; *see also* Doc. Opp. 1–3. Patent Owner asserts that Petitioner “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.” Prelim. Resp. 1. Thus, Patent Owner argues that under 35 U.S.C. § 315 (b) Everlight’s Petition is time barred. *Id.*

35 U.S.C. § 315 (b) states:

(b) Patent Owner’s Action.—

An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

As discussed in more detail below, a Motion for Joinder was filed in the present case. Thus, the time bar under 35 U.S.C. § 315 (b) does not apply as the Petition falls under the explicit exception to the rule: “The time limitation set forth in the preceding sentence shall not apply to a request for joinder.” Patent Owner acknowledges as much in its Opposition to the Motion for Joinder. Doc. Opp. 3

(“Everlight can only participate in an IPR against the ’486 patent through joinder.”).

For the same reasons set forth in our institution decision in the Seoul IPR, we determine that the information presented in the Petition shows a reasonable likelihood that Petitioner would prevail in showing that (a) claims 1–3 would have been obvious over Rohm, (b) claims 1–3 would have been obvious over Rohm and Kish, and (c) claims 1–3 would have been obvious over Matsushita and Edmond ’589. *See* Seoul Dec. 6–13. Accordingly, we institute an *inter partes* review on the same grounds as the ones on which we instituted review in the Seoul IPR.

III. GRANT OF MOTION FOR JOINDER

The Petition in this proceeding was accorded a filing date of June 8, 2018. *See* Paper 8. The Seoul IPR was instituted on June 21, 2018. Petitioner filed a Motion for Joinder on June 25, 2018. Thus, Petitioner’s Motion for Joinder is timely because joinder was requested no later than one month after the Seoul IPR. *See* 37 C.F.R. § 42.122 (b).

The statutory provision governing joinder in *inter partes* review proceedings is 35 U.S.C. § 315(c), which reads:

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.

A motion for joinder should (1) set forth reasons why joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; (3) explain what impact (if any) joinder would have on the trial schedule for the existing

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