

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

**SEOUL SEMICONDUCTOR CO., LTD., and
SEOUL SEMICONDUCTOR, INC.**

Petitioners

v.

DOCUMENT SECURITY SYSTEMS, INC.

Patent Owner

Cases IPR2018-00333
U.S. Patent No. 7,256,486 B2

**OPPOSITION TO EVERLIGHT ELECTRONIC CO., LTD'S
MOTION FOR JOINDER UNDER 37 C.F.R. §§ 42.22 AND 42.122(b)**

I. BACKGROUND

On December 21, 2017, Seoul Semiconductor Co., Ltd. (“SSC”) and Seoul Semiconductor, Inc. (“SSI”) (collectively “Petitioner I”) filed a petition for *inter partes* review of U.S. Patent No. 7,256,486. *Seoul Semiconductor, Co., Ltd. v. Document Sec. Sys., Inc.*, IPR2018-00333 (PTAB) (Paper 1). By Order dated June 21, 2018, the Board granted institution. *Seoul Semiconductor*, IPR2018-00333 (PTAB Jun. 21, 2018) (Paper 9).

On June 22, 2018, John Rabena of Sughrue Mion PLLC contacted the undersigned counsel via email indicating Everlight’s intent to file a copy of the petition from IPR2018-00333 and a motion for joinder. His email further asked whether Petitioner I would oppose joinder. Upon search of the Patent Trial and Appeal Board records, Petitioner I determined that a nearly identical copy of their petition had been submitted weeks earlier on June 8, 2018. *Everlight Electronics Co., Ltd. v. Document Security Systems, Inc.*, IPR2018-01225 (PTAB) (Paper 1). Without receiving consent, Everlight (“Petitioner II”) submitted its Joinder Motion on June 25, 2018. *Everlight*, IPR2018-01225 (Paper 7). Patent Owner filed an Opposition to Joinder on July 25, 2018. *Everlight*, IPR2018-01225 (Paper 9).

On August 1, 2018, the Board granted the Petitioner I leave to file an opposition to Petitioner II’s Joinder Motion:

The Petitioner in IPR2018-00333 (Petitioner I) is authorized to file an Opposition to the Motion for Joinder in IPR2018-01225. Because Petitioner I is not a party in IPR2018-01225, Petitioner I shall file, and separately serve, its Opposition in IPR2018-00333. The Petitioner in IPR2018-01225 (Petitioner II) is authorized to file, and separately serve, a Reply to the Opposition due one month after service of the opposition. See 37 C.F.R. § 42.25 (a)(1). Petitioner II shall file any Reply in IPR2018-01225. The parties shall follow the page limits for Oppositions and Replies set forth per 37 C.F.R. § 42.24. The Opposition and Reply should also indicate that we authorized the filing per this email.

II. STANDARD FOR JOINDER

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

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.

Thus, the decision to grant or deny joinder is discretionary. As recognized in *Teva Pharmaceuticals USA, Inc. v. ViiV Healthcare Co.*, IPR2015-00550 slip op. at 4 (P.T.A.B. Jun. 25, 2015) (Paper 11), “[t]he Board determines whether to grant

joinder on a case-by-case basis, taking into account the particular facts of each case . . . [and] to secure the just, speedy, and inexpensive resolution of every proceeding.” In addition, the burden to establish entitlement to joinder is upon the requesting party. *Id.* Among the factors the Board considers is whether the original petitioner has agreed “to consolidate filings.” *Id.* at 6. The Board has also found that reliance upon a different expert weighs against joinder. *ZTE Corp. v. Adaptix, Inc.*, IPR2015-01184, slip op. 4-7 (PTAB July 24, 2015) (Paper 10).

Following joinder, the Board ordinarily requires coordination between the petitioners during discovery, briefing, and at oral argument. *Microsoft Corp. v. Koninklijke Philips N.V.*, IPR2017-01754, slip op. at 16-17 (PTAB Nov. 29, 2017) (Paper 16).

III. ARGUMENT

Petitioner I request that the Board deny Petitioner II’s Motion for Joinder. As explained in *Teva*, IPR2015-00550 slip op. at 4 (Paper 11), the Board is tasked with providing the “just, speedy, and inexpensive resolution of every proceeding.” Petitioner II’s Motion for Joinder is inconsistent with those goals.

According to its motion, Petitioner II “agrees to a complete ‘understudy role’” should joinder be granted. *Everlight*, IPR2018-01244 (Paper 7). The premise of such a role, however, is that the original and joining parties have come to an agreement on the scope and nature of the joining party’s involvement. *See Teva*, IPR2015-

00550 slip op. at 6 (Paper 11) (considering whether an agreement was reached to “consolidate filings” in determining whether to grant joinder); *Samsung Elect. Co., Ltd. v. Arendi S.A.R.L.*, IPR2014-01142 slip op. 5 (PTAB Oct. 2, 2014) (Paper 11). No such agreement was reached (or even sought) prior to the initial filing. Indeed, the fact that Petitioner II filed its petition weeks before contacting Petitioner I indicates that Petitioner II’s involvement will complicate rather than simplify the proceeding.

More fundamentally, the Petitioner I objects to Petitioner II’s attempt to gain the benefit of their work without any meaningful attempt to reach an agreement or accommodation. Petitioner I marshaled the prior art and evidence, drafted their petition, and filed it. As such, Petitioner I’s objections should be given weight in the Board’s analysis. *See SAS Institute v. Iancu*, 138 S. Ct. 1348, 1355 (2018) (“Much as in the civil litigation system it mimics, in an inter partes review the petitioner is master of its complaint.”). And the lack of an agreement (or even attempt to reach one) should also be considered. *See Teva*, IPR2015-00550 slip op. at 6 (Paper 11) (considering whether an agreement was reached to “consolidate filings” in determining whether to grant joinder); *Samsung Elect. Co., Ltd. v. Arendi S.A.R.L.*, IPR2014-01142 slip op. 5 (PTAB Oct. 2, 2014) (Paper 11).

Petitioner I further notes that they are direct competitors with Petitioner II, and therefore, have diverging interests. Indeed, Petitioner II’s unwanted participation

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