

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SEGA OF AMERICA, INC.,
Petitioner,

v.

UNILOC USA, INC. and UNILOC LUXEMBOURG S.A.,
Patent Owner.

IPR2016-00427
Patent 5,490,216 C2

Before WILLIAM V. SAINDON, DONNA M. PRAISS, and
PATRICK R. SCANLON, *Administrative Patent Judges*.

PRAISS, *Administrative Patent Judge*.

DECISION

Denying *Inter Partes* Review and Joinder
37 C.F.R. §§ 42.108 and 42.122(b)

I. INTRODUCTION

Sega of America, Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) on January 2, 2016 seeking review of U.S. Patent No. 5,490,216 C2 (Ex. 1001, “the ’216 patent”) pursuant to 35 U.S.C. § 311–319. Petitioner filed its Petition along with a Motion for Joinder requesting that we join Petitioner as a party with *Kofax, Inc. v. Uniloc USA, Inc.*, IPR2015-01207. Paper 4, “Mot.” In IPR2015-01207, we instituted the same grounds of unpatentability over the same claims at issue in this proceeding. *Compare* IPR2015-01207, Paper 7, *with* Pet. 1–2. Patent Owners, Uniloc USA, Inc. and Uniloc Luxembourg S.A. (collectively, “Patent Owner”) filed an Opposition to Motion for Joinder (Paper 9, “Opp.”) on February 2, 2016, and a Preliminary Response (Paper 13, “Prelim. Resp.”) on March 10, 2016. Petitioner filed a Reply to Patent Owner’s Opposition to the Motion for Joinder on February 29, 2016. Paper 12. We have jurisdiction under 35 U.S.C. § 314.

For the reasons discussed below, we deny Petitioner’s Motion for Joinder and do not institute an *inter partes* review as to the challenged claims of the ’216 patent.

A. Related Proceedings

Petitioner represents that it has been sued for infringement of the ’216 patent by Patent Owner in the United States District Court for the Eastern District of Texas in Civil Action No. 6:13-cv-627. Pet. 51. Petitioner previously filed a petition for *inter partes* review of the ’216 patent in IPR2014-01453 and a petition for a covered business method patent review of the ’216 patent in CBM2014-00183. Prelim. Resp. 9; Opp. 2–3. A final

written decision was issued on March 10, 2016 in IPR2014-01453. *Sega of America, Inc. v. Uniloc USA, Inc.*, IPR2014-01453 (Paper 27). Institution was denied in CBM2014-00183. *Sega of America, Inc. v. Uniloc USA, Inc.*, CBM2014-00183 (Paper 11).

B. The Asserted Grounds

Petitioner challenges claims 1–20 of the '216 patent on the following grounds (Pet. 15, 39, 50):

Basis	Description	Claims Challenged
§ 103(a)	Obvious over Wolfe ¹ and Ehlmann ²	1–5, 7–11, and 17–20
§ 102(e)	Anticipated by Logan ³	1, 7–11, 19, and 20
§ 103(a)	Obvious over Logan	10 and 11

II. ANALYSIS

A. Motion for Joinder

We first address Petitioner's Motion for Joinder under 35 U.S.C. § 315(c), 37 C.F.R. § 42.22, and 37 C.F.R. § 42.122(b) seeking to join with *Kofax, Inc. v. Uniloc USA, Inc.*, IPR2015-01207. Petitioner timely filed the Motion within one month after the institution of IPR2015-01207. *See* 37 C.F.R. § 42.122(b).

Joinder of parties is permitted in related review proceedings as set forth in 35 U.S.C. § 315(c), which provides:

¹ US 4,796,220, issued Jan. 3, 1989 (Ex. 1002).

² *Designing Software to be Used Up and Protecting it from Pirates*, 11:3 ACM SIGSMALL/PC NOTES 9, 9–15 (1985) (Ex. 1003).

³ US 5,199,066, issued Mar. 30, 1993 (Ex. 1004).

(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.

Although 35 U.S.C. § 315(b) bars *inter partes* review when a petition is filed more than one year after the petitioner (or the petitioner’s real party-in-interest or privy) is served with a complaint alleging infringement of the patent, *see* 37 C.F.R. § 42.101(b), the one-year time bar does not apply to a request for joinder. 35 U.S.C. § 315(b) (stating that “[t]he time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c)” of 35 U.S.C. § 315); 37 C.F.R. § 42.122(b).

In the present case, Petitioner was served with a complaint alleging infringement of the ’216 patent more than one year prior to filing the Petition in this proceeding. *See* Pet. 51; Ex. 1025. Thus, absent joinder of this proceeding with IPR2015-01207, institution of *inter partes* review is barred.

As a moving party, Petitioner has the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b). A motion for joinder should: (1) set forth the 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 review; and (4) specifically address how briefing and discovery may be simplified. *See, e.g., Kyocera Corp. v. Softview LLC*, Case IPR2013-00004, slip op. at 4 (PTAB Apr. 24, 2013) (Paper 15).

Petitioner seeks joinder with *Kofax, Inc. v. Uniloc USA, Inc.*, IPR2015-01207. In that proceeding, we authorized an *inter partes* review to be instituted as to claims 1–20 of the '216 patent. *Kofax, Inc. v. Uniloc USA, Inc.*, Case IPR2015-01207 (Paper 7). Thereafter, Patent Owner filed a motion to terminate IPR2015-01207 based on the final written decision issued in IPR2014-01453 as to claims 1–20 of the '216 patent, in accordance with 35 U.S.C. § 315(e) and 37 C.F.R. § 42.73(d). *Kofax, Inc. v. Uniloc USA, Inc.*, Case IPR2015-01207 (Paper 16). Upon consideration of the motion, we entered judgment terminating IPR2015-01207. *Kofax, Inc. v. Uniloc USA, Inc.*, Case IPR2015-01207 (Paper 22). Because IPR2015-01207 is no longer pending, it cannot serve as a proceeding to which another proceeding may be joined. We, therefore, must deny Petitioner's Motion for Joinder.

Even if IPR2015-01207 had not been terminated, other considerations weigh in favor of denying Petitioner's Motion for Joinder. Petitioner previously filed a petition for *inter partes* review of the '216 patent in IPR2014-01453 and a petition for a covered business patent review of the '216 patent in CBM2014-00183. *Sega of America, Inc. v. Uniloc USA, Inc.*, IPR2014-01453 (Paper 6); *Sega of America, Inc. v. Uniloc USA, Inc.*, CBM2014-00183 (Paper 6). The earlier petitions were filed within one year of the date on which Petitioner was served with a complaint alleging infringement of the '216 patent. *Id.* The grounds and arguments now asserted by Petitioner are substantially identical to the grounds presented in CBM2014-00183, which was denied, and could have been brought in IPR2014-01453, which was instituted. Petitioner did not include the asserted grounds in a petition for *inter partes* review until now. Nor has

Petitioner explained sufficiently why the petition in IPR2014-01453 did not contain the grounds and arguments set forth in the Petition in this proceeding.

Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. 35 U.S.C. § 315(c). When exercising that discretion, the Board is mindful that patent trial regulations, including the rules of joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. *See* 37 C.F.R. § 42.1 (b). In view of the facts and circumstances of this case, we determine that Petitioner has not met its burden to show that joinder would be appropriate, even if IPR2015-01207 had not been terminated.

B. Denial of Inter Partes Review

Petitioner was served with a complaint alleging infringement of the '216 patent more than one year prior to filing the Petition in this proceeding. *See* Pet. 51; Ex. 1025. Accordingly, in view of the denial of the requested relief of joinder with IPR2015-01207, institution of an *inter partes* review as requested by Petitioner is barred by statute. *See* 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b).

III. CONCLUSION

For the foregoing reasons, based on the particular facts of this case, we deny Petitioner's motion for joinder. Because Petitioner is barred under 35 U.S.C. § 315(b) from *inter partes* review of the '216 patent, we do not institute review as to any of the challenged claims.

IV. ORDER

Accordingly, it is:

ORDERED that Petitioner's Motion of Joinder is *denied*; and

FURTHER ORDERED that the Petition for *inter partes* review is *denied* as to all challenged claims and all grounds and that no trial is instituted.

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Patent 5,490,216 C2

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