

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

KOSS CORP.,
Patent Owner.

IPR2022-00188
Patent 10,469,934 B2

Before KARL D. EASTHOM, PATRICK R. SCANLON, and
DAVID C. McKONE, *Administrative Patent Judges*.

EASTHOM, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

Denying Motion for Joinder
35 U.S.C. § 315(c); 37 C.F.R. § 42.122

I. INTRODUCTION

Apple Inc. (“Petitioner” or “Apple”) filed a Petition for *inter partes* review of claims 1–22, 32–41, 47, and 49–62 of U.S. Patent No. 10,469,934 B2 (Ex. 1001, “the ’934 patent”). Paper 2 (“Pet.”). Petitioner also filed a Motion for Joinder with *Bose Corp. v. Koss Corp.*, IPR2021-00680 (the “’680 IPR”). Paper 3 (“Mot.” or “Joinder Motion”). Koss Corp. (“Patent Owner”) filed a Preliminary Response opposing institution and joinder. Paper 7 (“Prelim. Resp.”).¹ 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 deny the Petition and Joinder Motion and do not institute an *inter partes* review of the challenged claims.

II. RELATED PROCEEDINGS

The parties indicate that the ’934 patent is the subject of several court proceedings, the ’680 IPR filed by Bose Corp. (“Bose”), and two prior petitions for *inter partes* review filed by Petitioner. Pet. 2–3; Paper 5, 1–2. Based on Apple’s first petition, the ’934 patent was the subject of *Apple Inc. v. Koss Corp.*, IPR2021-00592 (the “’592 IPR”), where the Board granted institution of *inter partes* review. Paper 5, 2. Based on Apple’s second petition, the ’934 patent also was the subject of *Apple Inc. v. Koss Corp.*,

¹ Patent Owner did not file an Opposition to the Joinder, but asserts in the Preliminary Response that “the Board should deny institution of the Third Apple IPR and Petitioner’s motion for joinder.” Prelim. Resp. 11.

IPR2021-00693 (the “’693 IPR”), where the Board denied institution of *inter partes* review. *Id.*

The instant Petition challenges the same claims in the ’934 patent on the same grounds as Bose’s petition in the ’680 IPR. *See* Pet. 5–6. The Board instituted an *inter partes* review of claims 1–22, 32–41, 47, and 49–62 of the ’934 patent based on the following asserted prior art and grounds in Bose’s ’680 IPR petition, as summarized in the following table:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1–3, 5, 7, 9–11, 32–37, 39, 47, 49, 51–57	103(a)	Schrager, ² Goldstein ³
4, 6, 8, 12, 13, 38, 40, 41, 58–62	103(a)	Schrager, Goldstein, Harada ⁴
14–16, 19, 21, 49–51	103(a)	Schrager, Goldstein, Skulley ⁵
17, 18, 20, 22	103(a)	Schrager, Goldstein, Skulley, Harada
1–3, 5, 7, 9–11, 14–16, 19, 21, 47, 49–53	103(a)	Rezvani-446, ⁶ Rezvani-875, ⁷ Skulley, Hind ⁸
4, 6, 8, 12, 13, 17, 18, 20, 22, 58–62	103(a)	Rezvani-446, Rezvani-875, Skulley, Hind, Harada
32–37, 39, 54–57	103(a)	Rezvani-446, Rezvani-875, Oh, ⁹ Hind

² US 7,072,686 B1, issued July 4, 2006 (Ex. 1101).

³ US 2008/0031475 A1, published Feb. 7, 2008 (Ex. 1026).

⁴ US 2006/0229014 A1, published Oct. 12, 2006 (Ex. 1098).

⁵ US 6,856,690 B1, issued Feb. 15, 2005 (Ex. 1017).

⁶ US 2007/0136446 A1, published June 14, 2007 (Ex. 1097).

⁷ US 2007/0165875 A1, published July 19, 2007 (Ex. 1016).

⁸ US 7,069,452 B1, issued June 27, 2006 (Ex. 1019).

⁹ WO 2006/098584 A1, published Sept. 21, 2006 (Ex. 1099).

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
38, 40, 41	103(a)	Rezvani-446, Rezvani-875, Oh, Hind, Harada

Bose Corp. v. Koss. Corp., IPR2021-00680, Paper 15 at 8, 43 (PTAB Oct. 13, 2021) (institution decision) (“’680 Dec.”).

III. WHETHER TO INSTITUTE *INTER PARTES* REVIEW

As indicated above, the Petition here asserts the same grounds of unpatentability as those upon which the Board instituted review in the ’680 IPR. *Compare* Pet. 6, with ’680 Dec. 8, 43. Petitioner verifies that the Petition “is substantively identical to the [’680] petition.” Pet. 5.

Based on institution in the ’680 IPR, the substantively identical showing here by Petitioner warrants institution if the institution decision considers only the merits of the prior art challenges. Notwithstanding the merits, however, Patent Owner argues that we should exercise our discretion to deny institution under 35 U.S.C. § 314(a) and, accordingly, deny joinder, based on the *General Plastic* factors and the Board’s most recent precedential position on joinder. Prelim. Resp. 9–21 (citing *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i) and *Apple Inc. v. Uniloc 2017 LLC*, IPR2020-00854, Paper 9 at 4–7 (PTAB Oct. 28, 2020) (precedential as to discretionary denial of joinder) (“*Uniloc*”)).

Petitioner argues that the *General Plastic* factors support granting joinder and that the facts in the Petition are substantially different than those in *Uniloc*. Mot. 6, 10. As explained in further detail below, Petitioner’s arguments are not persuasive. The “me-too” Petition here is Petitioner’s

third challenge to the '934 patent. Should Bose settle, Petitioner would be able to continue a proceeding that would otherwise be terminated. *See Uniloc*, Paper 9 at 4 (“[S]hould Microsoft settle, Petitioner would stand in to continue a proceeding that would otherwise be terminated. In effect, it would be as if Apple had brought the [third] challenge to the patent in the first instance.”); *General Plastic*, Paper 19 at 17 (“Multiple, staggered petitions challenging the same patent and same claims raise the potential for abuse.”).

Under the precedential decision in *Uniloc*, deciding to join Apple as a party to the '680 IPR first involves considering whether to exercise discretion under § 314(a). *See Uniloc*, Paper 9 at 5 (“[B]efore determining whether to join Apple as a party to the 023 IPR, even though the Petition is a ‘me-too petition,’ we first determine whether application of the *General Plastic* factors warrants the exercise of discretion to deny the Petition under § 314(a).”).

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

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.

See also Facebook, Inc. v. Windy City Innov., LLC, 973 F.3d 1321, 1332 (Fed. Cir. 2020) (determining that § 315(c) requires “two different decisions,” first “whether the joinder applicant’s petition for IPR ‘warrants’

institution under § 314,” and then whether to “exercise . . . discretion to decide whether to ‘join as a party’ the joinder applicant”).

Summarizing, under 35 U.S.C. § 315(c), the Director’s discretion to join a party to an ongoing IPR includes determining whether the petition warrants institution. Under *General Plastic*, the Board may deny a petition based on the Director’s discretionary authority of § 314(a). *General Plastic*, Paper 19 at 15. Under *Uniloc*, before determining whether to join Apple as a party to the ’680 IPR, even though the Petition is a “me-too” Petition, we first determine whether application of the *General Plastic* factors warrants the exercise of discretion to deny the Petition under § 314(a). *See Uniloc*, Paper 9 at 5–13 (applying *General Plastic* factors).

A. Prior Petitions

In *General Plastic*, the Board recognized certain goals of the AIA but also “recognize[d] the potential for abuse of the review process by repeated attacks on patents.”¹⁰ *General Plastic*, Paper 19 at 16–17. On March 2, 2021, Apple filed a first petition challenging the ’934 patent. ’592 IPR, Paper 2. The Board granted that petition on August 23, 2021, because the evidence and arguments presented met the reasonable likelihood threshold required for institution. ’592 IPR, Paper 9. On March 23, 2021, Apple filed a second petition challenging the ’934 patent. ’693 IPR, Paper 2. The Board denied that petition on October 13, 2021, because the evidence and arguments presented failed to meet substantively the reasonable likelihood threshold required for institution. ’693 IPR, Paper 11. At this point in the

¹⁰ “AIA” refers to the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011).

timeline of events, Patent Owner had served Apple with a district court complaint more than a year prior to the Board's decision denying institution in the '693 IPR. Accordingly, after that time, 35 U.S.C. § 315(b) time barred Apple from filing any further petitions against the '934 patent.

Six days before Apple filed its second petition, Bose filed its petition challenging the '934 patent, on March 17, 2021. '680 IPR, Paper 2. The Board granted that petition and instituted the '680 IPR on October 13, 2021. '680 Dec. 1.

Apple filed its third petition, the instant Petition, on November 15, 2021, together with its Joinder Motion, seeking to join the '680 IPR. As noted above, Patent Owner challenges Apple's request to join the '680 IPR. *See* Prelim. Resp. 11. Patent Owner notes that the Board denied Apple's second petition, which Apple filed after the Bose filed its petition. *See id.* at 7–8. Therefore, Patent Owner argues that we should deny this Petition as “a third bite at the apple [that] is exactly the ‘kind of serial attack that *General Plastic* was intended to address,”” because “Petitioner ‘is using the joinder procedure as an end run around its failed [second] petition.’” *Id.* at 11 (quoting *Uniloc*, Paper 9 at 4).

By way of summary, the Board instituted in Apple's first attempt to challenge the '934 patent, denied institution in Apple's second attempt to challenge the '934 patent, and, over a year later and subject to a § 315(b) bar, Apple seeks to join the ongoing Bose proceeding challenging that same patent with the instant Petition.

B. General Plastic Factors

The Board's decision in *General Plastic* articulates a non-exhaustive list of factors to be considered in evaluating whether to exercise discretion,

under 35 U.S.C. § 314(a), to deny a petition that challenges a patent that was previously challenged before the Board. These factors follow:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, Paper 19 at 9–10.

C. Assessment of the Factors

The Petition here is Apple's third petition challenging the '934 patent. Patent Owner urges that we exercise discretion to deny the Petition and deny joinder because of Apple's repeated challenges.

1. "whether the same petitioner previously filed a petition directed to the same claims of the same patent"

As stated above, this Petition is Apple's third petition challenging claims of the '934 patent. Prelim. Resp. 6. In its first petition, Apple challenged claims 1–3, 5, 7, 9–11, 14–16, 19, 21, 23–25, 28, 30, 32–37, 39, 42–43, 45–48, and 51–57 of the '934 patent. IPR2021-00592, Paper 2, 1. In

its second petition, Apple challenged claims 1–6, 8, 10–20, 22–29, 31–36, 38–42, 44, and 58–62 of the '934 patent. IPR2021-00693, Paper 2, 1. Here, in Apple's third petition, Apple challenges a subset of the claims challenged in the first two petitions, and adds two additional dependent claims 49 and 50. Pet. 6.

Even though the challenged claims are not exactly the same in the instant Petition relative to Apple's first two petitions, there is substantial overlap.

Accordingly, this first *General Plastic* factor weighs in favor of exercising discretion to deny institution.

2. *“whether at the time of filing of the first [two] petition[s] the petitioner knew of the prior art asserted in the [third] petition or should have known of it”*

Patent Owner argues that Apple “was aware of the prior art cited in this proceeding at the time it filed the Second Apple IPR because the prior art was cited in the Bose IPR, which was filed March 17, 2021 ([Exhibit] 2006), six days before Petitioner filed the Second Apple IPR ([Exhibit] 2007) on March 23, 2021.” Prelim. Resp. 13. In support of this assertion, Patent Owner contends that Apple “cited the Bose IPR in its mandatory notices in the Second Apple IPR ([Exhibit] 2007 at 76) and expressly acknowledged that the Bose IPR relied on ‘an entirely different set of prior art.’” *Id.* (citing Ex. 2007, 69).¹¹ According to Patent Owner, Apple “had to know what art was cited in the Bose IPR in order to make the representation that the art was ‘entirely different.’” *Id.* Patent Owner further argues that Apple's “Joinder Motion improperly ignores the Second Apple IPR and

¹¹ Page numbers refer to the original petition page numbers.

instead focuses solely on what Petitioner knew when it filed the First Apple IPR due to Petitioner’s mischaracterization of the Board’s ruling in *Uniloc*.” *Id.* at 14.

Apple contends that it “was not aware of U.S. Patent No. 7,072,686 (‘Schrager’)—the primary reference that forms the basis of Grounds 1A–1D of the [’]680 Proceeding—before Bose filed IPR2021-00612 (a petition against related U.S. Patent No. 10,206,025) a day later on March 3, 2021.” Mot. 7. This contention does not specifically address what Apple knew or should have known at the time of filing of its second petition, which Apple filed after the filing of the Bose ’680 petition and after March 3, 2021. *See id.* In any event, Apple appears to admit that it knew of Schrader prior to filing its second petition on March 23, 2021. *See id.* In addition, Patent Owner introduces evidence that Apple knew or should have known about Schrager prior to filing of its first petition. *See* Prelim. Resp. 15 (showing “Petitioner had been aware of Schrager since at least 2014” (citing Ex. 2003; Ex. 2004) and identifying “over 100 times” Apple “had cited Schrager to the Office . . . in its own patent applications” (citing Ex. 2002)); 4 (citing Ex. 2002, 10–15 (web document listing Apple as assignee on multiple patents citing Schrager between 2014 and 2018)); Ex. 2003 (Information Disclosure Statement (IDS) filed by Apple listing Schrager in 2014); Ex. 2004 (IDS filed by Apple listing Schrager in 2016).

Accordingly, this second *General Plastic* factor weighs in favor of exercising discretion to deny institution.

3. “*whether at the time of filing of the [third] petition the petitioner already received the patent owner’s preliminary response to the first [two] petition[s] or received the Board’s decision[s] on whether to institute review in the first [two] petition[s]*”

Patent Owner argues that prior to filing the instant Petition, Apple had already received the preliminary responses for Apple’s first and second petitions, and the Board had instituted Apple’s first petition and denied Apple’s second petition. Prelim. Resp. 17. As explained above in the timeline of events, the record shows that Apple had received the Board’s decisions granting the first petition and denying the second petition well before Apple filed the instant Petition. In its Joinder Motion, Apple focuses on the ’680 IPR petition and asserts that “Bose certainly did not have access to Koss’s preliminary response or the Board’s institution decision when preparing the petition for the [’]680 Proceeding.” Mot. 7–8.

Apple’s argument is unpersuasive because the third *General Plastic* factor addresses whether Apple had access to a Board decision or a preliminary response concerning its first or second petitions, such that Apple would have been in a position to gain a benefit from having that information before filing its third petition. *See Uniloc*, Paper 9 at 10.

Accordingly, the third *General Plastic* factor weighs in favor of exercising discretion to deny institution.

4. “*the length of time that elapsed between the time the petitioner learned of the prior art asserted in the [third] petition and the filing of the [third] petition*”

Patent Owner argues that “[t]he only prior art relied upon in this proceeding that Petitioner asserted it did not know of when it filed its petition for the First Apple IPR is Schrager.” Prelim. Resp. 18 (citing

Mot. 7). Patent Owner repeats that Apple knew of the prior art (including Schrager) when it filed its second petition “for more than eight months,” and at least should have known of the prior art when it filed its first petition. *Id.* (emphasis omitted). Apple argues that this factor is not relevant because it does not affect Patent Owner. Mot. 9.

Contrary to Apple’s argument, the *General Plastic* factors are relevant to our analysis under the precedential decision in *Uniloc*, as explained above. The fourth *General Plastic* factor seeks to address a delay, if any, in filing a subsequent, in this case, third petition, i.e., the Petition. Apple was aware of the prior art asserted in its Petition for about seven and one-half months before Apple filed it (November 2021), because Apple’s second petition (March 2021) lists the ’680 IPR in the Related Matters section thereof and it also characterizes Bose’s ’680 petition as employing an “entirely different set of prior art” relative to Apple’s first petition and Bose’s ’680 petition. *See* Ex. 2007, 69, 76 (related matters); Prelim. Resp. 18 (citing Ex. 2007).

Accordingly, the fourth *General Plastic* factor weighs in favor of exercising discretion to deny institution.

5. “*whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent*”

Patent Owner contends that “Petitioner failed to provide any explanation as to the time elapsed between, on one hand, the filings of the First and Second Apple IPR[petitions] in March of 2021, respectively, and, on the other hand, the filing of this proceeding almost eight months later in November of 2021.” Prelim. Resp. 19. Apple argues the fourth and fifth *General Plastic* factors together and asserts they are not relevant. *See*

Mot. 9. For the same reasons stated above, including with respect to factor 4, *Uniloc* dictates relevancy of the *General Plastic* factors here. *See Uniloc*, Paper 9 at 10–11.

Accordingly, the fifth *General Plastic* factor weighs in favor of exercising discretion to deny institution.

6. “*the finite resources of the Board*”

Patent Owner argues that it is appropriate to consider the resources of the Board in the event “Bose and Patent Owner settle the Bose IPR.”

Prelim. Resp. 20. Patent Owner is correct that if Bose and Patent Owner were to settle, Apple would stand in as a petitioner in the joined proceeding and that the Board would expend resources in continuing the proceeding in that event. *Id.* Apple argues that this sixth *General Plastic* factor weighs against denial of institution because the ’680 IPR is already ongoing and Apple’s involvement in an understudy role would not impact the Board’s resources. Mot. 9–13.

Although a joinder request is usually an efficient mechanism by which to become a petitioner in an IPR, under the precedential decision in *Uniloc*, Apple’s argument that Apple’s understudy role is an efficient use of resources in what would be its third petition challenging the ’934 patent is not persuasive. *See Uniloc*, Paper 9 at 11–12. For example, consistent with *Uniloc*’s reasoning, should Bose settle, “Apple would stand in to continue a proceeding that would otherwise be terminated.” *Id.* at 12. Also, “[j]oinder in this circumstance would allow Apple to continue a proceeding, even after settlement with the primary petitioner, based on a [third] attempt by Apple.” *Id.*

Accordingly, the sixth *General Plastic* factor weighs in favor of exercising discretion to deny institution of the proceeding.

7. “*the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review*”

Like the sixth *General Plastic* factor, the seventh factor, “the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review,” implicates an efficiency consideration.

Patent Owner argues that “[a]s in *Uniloc*, this factor is neutral.” Prelim. Resp. 20. Apple argues that joinder and institution will not impact the timing of issuing a final written decision in the ’680 IPR because the issues are the same with Apple acting as an understudy to Bose. *See* Mot. 9–13.

Notwithstanding Apple’s argument, the issues were the same in the successive petitions in *Uniloc* because that case also involved a “me-too petition.” *Uniloc*, Paper 9 at 4; *see also id.* at 12 (“Because there is no evidence or persuasive argument towards this factor, we determine this factor’s weight is neutral.”). However, unlike in *Uniloc*, Apple articulates some argument here even if Apple mainly explicitly relies on what was implicit in *Uniloc*—i.e., a “me-too petition” as providing an efficiency gain. *Compare* IPR2022-00854, Paper 8, 5 (Apple arguing that “[t]his factor weighs in favor of institution, as there is nothing to prevent the Board from issuing a final determination on Microsoft’s petition within one year”), *with* Mot. 10–13 (providing efficiency “understudy” arguments as summarized above and also arguing that Apple consents to the ’680 IPR trial schedule).

Accordingly, this seventh factor is neutral or weighs slightly in favor of not exercising discretion to deny institution.

D. Conclusion

After a holistic review of the *General Plastic* factors and the arguments presented for and against the exercise of discretionary denial, and following *Uniloc*, we exercise discretion under 35 U.S.C. § 314(a) and deny institution.

IV DENIAL OF MOTION FOR JOINDER

As stated above, the Director may join a party to an ongoing IPR only if the filed petition warrants institution under § 314. 35 U.S.C. § 315(c). Because we deny institution under § 314, we deny Petitioner's Motion for Joinder.

IV. ORDER

Accordingly, it is

ORDERED that, pursuant to 35 U.S.C. § 314(a), the Petition is denied; and

FURTHER ORDERED that the Motion for Joinder is denied.

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