

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

PARUS HOLDINGS, INC.,
Patent Owner.

Case No. IPR2023-00303
U.S. Patent No. 8,185,402

**PETITIONER'S MOTION FOR JOINDER
UNDER 35 U.S.C. § 315(c), 37 C.F.R. §§ 42.22, and 42.122(b)**

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I. STATEMENT OF PRECISE RELIEF REQUESTED

Petitioner Apple Inc. (“Apple”) respectfully submits this Motion for Joinder together with a Petition for *Inter Partes* Review of U.S. Patent No. 8,185,402 (“Apple’s Petition”). On April 6, 2022, Microsoft Corporation (“Microsoft”) filed *Microsoft Corporation v. Parus Holdings, Inc.*, IPR2022-00804 (“the Microsoft IPR”) that also challenges U.S. Patent No. 8,185,402. The Microsoft IPR was instituted November 4, 2022. Apple requests *inter partes* review and joinder with the Microsoft IPR pursuant to 35 U.S.C. § 315(c) and 37 C.F.R. § 42.122(b). Joinder is appropriate because Apple’s Petition is substantively identical to the petition in the Microsoft IPR—challenging the same claims of the ’402 patent on the same grounds while relying on the same prior art, arguments, and evidence (i.e., Apple’s Petition is a “copycat” petition). If, however, the Microsoft IPR is terminated prior to institution, Apple respectfully requests that this motion be withdrawn and Apple’s petition be instituted against the ’402 patent.

Apple’s request for joinder is timely because it is filed within thirty (30) days of institution of the Microsoft IPR. If Apple is joined, Apple proposes to streamline discovery and briefing by taking an “understudy role.” Accordingly, joinder will not unduly burden or prejudice the parties to the Microsoft IPR and will provide for a just, speedy, and inexpensive determination of related proceedings.

Counsel for Apple has conferred with counsel for Microsoft, and Microsoft does not oppose joinder.

II. BACKGROUND AND RELATED PROCEEDINGS

1. On September 17, 2021, Parus Holdings Inc. (“Parus”)—the purported Patent Owner—filed a complaint asserting the ’402 patent against Apple in the U.S. District Court for the Western District of Texas (Case No. 6:21-cv-00968).

2. Parus has also asserted the ’402 patent against Microsoft in 6:21-cv-00570 (W.D. Tex.) based on a complaint filed June 4, 2021; against Samsung Electronics America, Inc. in 6:21-cv-01073 (W.D. Tex.) based on a complaint filed October 15, 2021; and against Google, LLC in 6:21-cv-00571 (W.D. Tex.) based on a complaint filed June 4, 2021.

3. On April 6, 2022, Microsoft filed a Petition for *Inter Partes* Review challenging claims 1-15 of the ’402 patent (“Microsoft’s Petition”). *See Microsoft Corporation v. Parus Holdings, Inc.*, IPR2022-00804, (PTAB April 6, 2022). The Board instituted on November 4, 2022. *See Microsoft Corporation v. Parus Holdings, Inc.*, Paper 7, IPR2022-00804, (PTAB Nov. 4, 2022).

4. On February 1, 2022, Google filed a Petition for *Inter Partes* Review challenging claims 1-15 of the ’402 patent. *See Google LLC v. Parus Holdings, Inc.*, IPR2022-00523, (PTAB Feb. 1, 2022). The Board instituted on August 4,

2022. *See Google LLC v. Parus Holdings, Inc.*, IPR2022-00523, Paper 7 (PTAB Aug. 4, 2022)

5. On May 5, 2022, Apple filed a Petition for *Inter Partes* Review challenging claims of the '402 patent. *See Apple Inc. v. Parus Holdings, Inc.*, IPR2022-00949, (PTAB May 5, 2022). On December 2, 2022, the PTAB issued a Decision Denying Institution. *See Apple Inc. v. Parus Holdings, Inc.*, IPR2022-00949, Paper 7 (PTAB Dec. 2, 2022).

III. STATEMENT OF REASONS FOR RELIEF REQUESTED

As explained in detail below, Apple's motion for joinder should be granted because the motion is timely, the *Kyocera* factors favor joinder and the petition should not be discretionarily denied under *General Plastic*.

a. Legal Standard

The Board may join as a party to an instituted *inter partes* review a person who has properly filed a petition for *inter partes* review that warrants institution. 35 U.S.C. § 315(c). Seeking to join an IPR "first consider[s] whether to exercise discretion under § 314(a)." *Apple Inc. v. Uniloc 2017 LLC*, IPR2020-00854, paper 9, pg. 4-5 (PTAB Oct. 28, 2020) (precedential) ("*Uniloc*"). Where a party's first petition is denied, a second copycat petition accompanied by a motion to join may be instituted, even when applying the *General Plastic* factors under § 314(a). *See Google LLC v. Express Mobile Inc.* IPR2022-00791, Paper 15 (PTAB October 7,

2022) (“*Express Mobile*”) (granting institution of a second, copycat petition after denial of a first petition on the same claims).

Any request for joinder must be filed “no later than one month after the institution date of any inter partes review for which joinder is requested.” 37 C.F.R. § 42.122(b). A petition for *inter partes* review is not subject to the one-year statutory time bar if the petition is accompanied by a request for joinder. 35 U.S.C. § 315(b); 37 C.F.R. § 42.122(b).

“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 review; and (4) address specifically how briefing and discovery may be simplified.” *Samsung Elecs., Co. v. Raytheon Co.*, IPR2016-00962, Paper 12 at 5 (PTAB Aug. 24, 2016) (citing *Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper 15 at 4 (PTAB Apr. 24, 2013)).

b. Petitioner’s Motion for Joinder is Timely

Apple’s Motion for Joinder is timely because it is being filed within one month after the institution decision in the Microsoft IPR. *See* 37 C.F.R. § 42.122(b).

c. The Petition Should Not Be Discretionarily Denied under 35 U.S.C. § 314(a)

The Board should consider this motion for joinder and not discretionarily deny the copycat petition under § 314(a), because application of the *General Plastic* framework weighs in favor of institution, particularly considering that the facts here are distinguishable from *Uniloc*.

i. Whether the petition is directed to the same claims of the same patent.

The copycat petition challenges claims 1-15 of the '402 patent like Apple's first petition. However, regardless of whether this factor weighs against institution, the totality of factors weigh in favor of institution. *See Express Mobile*, Paper 15 (granting institution of a second, copycat petition after denial of a first petition on the same claims).

ii. Whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition.

The *General Plastic* framework addresses the situation where a petitioner files serial petitions in “an attempt to cure the deficiencies that the Board identified in its first-filed petitions.” *General Plastic Indus. Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 11 (PTAB Sept. 6, 2017) (precedential) (“*General Plastic*”). “The filing of sequential attacks against the same claims, with the opportunity to morph positions along the way, imposes inequities on [Patent Owner].” *Id.*

In contrast, Apple is not curing deficiencies or morphing positions from its first IPR. Rather, Apple is seeking to join a petition that was filed *before* its own petition was filed, which Apple had no part in preparing, and which has been instituted. *See Express Mobile*, 9 (“This ‘me-too’ Petition is not a new ‘serial attack,’ but rather an attempt to join a proceeding that has already been instituted”). The Board noted in *Express Mobile* that an “explanation of the facts relevant to the second *General Plastic* factor” distinguishes *Uniloc*. *See Express Mobile*, 8. Here, like in *Express Mobile*, Petitioner provides an explanation of the facts as follows.

This copycat petition uses the same prior art as Microsoft’s IPR, which was filed only one month *before* Apple filed its first petition. Apple worked diligently to prepare its first petition since being sued on September 17, 2021. When Microsoft filed its IPR, making Apple aware of the prior art combinations therein as relevant to the '402 patent, Apple was nearing completion of its own IPR. At that time, Apple’s district court litigation had a scheduled trial date of October 12, 2023, and the expected date of any Final Written Decision (“FWD”) from a petition filed in May, 2021 was November, 2023. Accordingly, Apple could not have been reasonably expected to rework its petition with the entirely different art combinations from Microsoft’s IPR because any delays in filing would have increased the likelihood of discretionary denial under the Board’s *Fintiv* framework by continuing to move the expected FWD date further after the

scheduled trial.¹

Thus, because Apple is not curing deficiencies from its first IPR—and because Petitioner has provided a detailed explanation of the facts surrounding when it became aware of the prior art from the second petition—this factor weighs in favor of institution.

iii. Patent owner’s preliminary response and the Board’s institution decision of the first petition.

Petitioner gains no benefit from the patent owner preliminary response or Board’s decision in its first IPR. This second, copycat petition is identical in substance to Microsoft’s IPR that was filed before Apple’s first IPR. *See Express Mobile*, 9 (“there is no reason to conclude that Petitioner used the filings or decision [of its first IPR] to obtain an unfair advantage in this Petition, which was essentially prepared by someone else”). Therefore, this factor weighs in favor of institution.

iv. Time elapsed between the first and second petitions.

When assessing this factor, it is not reasonable to expect petitioner to file a second, copycat petition while its first petition is still pending. *See Express Mobile*,

¹ Director Vidal had not yet issued the Memorandum of June 22, 2022 that updated the *Fintiv* framework to consider median time-to-trial statistics.

12. Here, Apple files the petition within two days after its first IPR was terminated.

This factor weighs against discretionary denial.

v. Petitioner’s explanation for the time elapsed between the filings of multiple petitions.

As noted in factors 3 and 4, Petitioner is acting reasonably by filing the second, copycat petition within the time allotted by the rules. Accordingly, this factor also weighs against discretionary denial.

vi. The finite resources of the Board.

The copycat petition does not require any more resources from the Board other than what the Board already allocated for Microsoft’s IPR when they granted institution. *See Express Mobile*, 12 (“we find that Board resources are not a concern here because this panel has the capacity to see the Facebook IPR to its conclusion regardless of the constitution of the petitioner”). This factor weighs against discretionary denial.

vii. The totality of factors favor institution.

Factors 2-6 weigh in favor of institution. Accordingly, petitioner respectfully requests that the Board consider this motion for joinder.

d. The *Kyocera* Factors Favor Joinder

i. Factor 1: Joinder is appropriate

Joinder with the Microsoft IPR would be appropriate because Apple's Petition involves the same patent, challenges the same claims, and is based on the same grounds and same technical expert declaration testimony relied upon in Microsoft's Petition. In short, Apple's Petition is substantively identical to the Microsoft IPR with respect to the prior art challenges. The only changes to the Microsoft IPR were to (i) properly identify the filing party, (ii) provide a stipulation for the *Fintiv* analysis, (iii) address the *General Plastic* factors under 35 U.S.C. § 314(a), and (iv) for word count purposes, portions of the summary of the '402 patent were removed.

As such, Apple's Petition does "not present issues that might complicate or delay" the existing Microsoft IPR. *See Enzymotec Ltd. v. Neptune Techs & Bioresources, Inc.*, IPR2014-00556, Paper 19 at 6 (July 9, 2014) ("we are mindful of a policy preference for joining a party that does not present new issues that might complicate or delay an existing proceeding"). Joinder would have little, if any, impact on the Microsoft IPR because no new grounds would be added, the schedule would not be affected, no additional briefing or discovery would be required, and no additional burdens would be placed on Patent Owner, as detailed below.

Additionally, Apple is currently involved in litigation based on Patent Owner's allegation that Apple's products infringe the '402 patent. Apple therefore

has a particular interest in the substantial questions of unpatentability surrounding the '402 patent. Joinder would be appropriate for the additional reason that the invalidity grounds as to the challenged claims can be resolved through Apple's continued participation in the IPR process, even if the original petitioner in IPR2022-00804 were to reach a settlement with Patent Owner, or otherwise cease active participation in that instituted proceeding. The public interest in "permitting full and free competition in the use of ideas which are in reality a part of the public domain," *Lear, Inc. v. Adkins*, 395 U.S. 653, 670 (1969), favors allowing joinder in this case, as joinder would allow Apple to continue participating in the IPR process if Microsoft ceases active participation. In that regard, Apple is filing this petition and joinder motion so that regardless of whether Microsoft terminates or ceases participation in its IPR proceeding, *inter partes* review of the '402 patent may proceed in due course.

Accordingly, joinder is appropriate because it eliminates the possibility of duplicate efforts and ensures a just, speedy, and inexpensive resolution of these proceedings.

ii. Factor 2: Apple's Petition proposes no new grounds of unpatentability

Apple's Petition does not present any new grounds or arguments regarding unpatentability. It is substantively identical to Microsoft's Petition in that regard.

The Board “routinely grants motions for joinder where the party seeking joinder introduces identical arguments and the same grounds raised in the existing proceeding.” *BlackBerry Corp. v. Uniloc 2017 LLC*, IPR2019-01283, Paper 10 at 8 (PTAB Nov. 5, 2019) (quoting *Samsung*, IPR2016-00962, Paper 12 at 9) (emphasis added). This factor therefore favors joinder.

iii. Factor 3: Joinder will not unduly burden or negatively impact the Microsoft IPR

Joinder will not unduly burden Patent Owner. Because Apple’s Petition presents the same grounds and arguments as Microsoft’s Petition, there would be no new issues for Patent Owner to address post institution. *See Sony Corp. v. Memory Integrity, LLC*, IPR2015-01353, Paper 11 at 6 (PTAB Oct. 15, 2015) (granting motion for joinder and instituting IPR where “joinder should not necessitate any additional briefing or discovery from Patent Owner beyond that already required in [the original IPR]”).

Likewise, joinder will not negatively impact the trial schedule of the Microsoft IPR. If joinder of Apple is granted, Apple expressly consents to the trial schedule issued in the Microsoft IPR. Further, as described below, Apple agrees to take an “understudy” role in the joined proceeding, so long as Microsoft remains an active party in the joined proceeding.

Finally, Apple’s Petition relies on the same technical expert and identical declaration. *See* EX1003 (Decl. of Paul Jacobs, Ph.D).

iv. Factor 4: Procedures to simplify briefing and discovery

In the event Apple is joined, Apple agrees to take an “understudy” role in the joined proceeding, so long as Microsoft remains a party and active participant in the proceeding. *See, e.g., Apple Inc. v. INVT SPE LLC*, IPR2019-00958, Paper 9 at 6-8 (PTAB May 30, 2019) (granting motion for joinder where the movant presented a substantively identical petition and agreed to take an “understudy” role in the joined proceeding); *Intel Corp. v. Alacritech, Inc.*, IPR2018-01352, Paper 11 at 3–5 (PTAB Jan. 8, 2019) (same). To be clear, Apple only contemplates assuming the role of primary petitioner in the instituted Microsoft IPR if (i) Microsoft is terminated as a party to the proceeding, or (ii) Microsoft ceases participating in the proceeding such that the proceeding is no longer “meaningfully adversarial,” contrary to the public interest. *See ZTE (USA), Inc., et al. v. CyWee Group Ltd.*, IPR2019-00143, Paper 50 at 7-9 (PTAB July 17, 2020) (allowing a joinder petitioner to assume the role of primary petitioner with respect to a motion to amend because the “trial no longer appears to be meaningfully adversarial” given the primary petitioner’s decision not to oppose revised amended claims).

As an understudy in the Microsoft IPR, Apple agrees to the following conditions regarding the joined proceeding, so long as Microsoft remains an active

party in the joined proceeding:

- All filings by Apple in the joined proceeding shall be consolidated with the filings of Microsoft unless a filing solely concerns issues that do not involve Microsoft²;
- Apple shall not be permitted to raise any new grounds not already instituted by the Board in the Microsoft IPR, or introduce any argument or discovery not already introduced by Microsoft;
- Apple shall be bound by any agreement between Patent Owner and Microsoft concerning discovery and/or depositions; and
- At deposition, Apple shall not receive any direct examination, cross-examination, or redirect time beyond that permitted in this proceeding for Microsoft alone under either 37 C.F.R. § 42.53 or any agreement between Patent Owner and Microsoft.

See Apple, IPR2019-00958, Paper 9 at 7–8 (granting a motion for joinder where the movant proposed the above limitations on its role as understudy); *see also Intel*

² Any consolidated filings jointly submitted by petitioners will not exceed the normal page limits for a single party set forth in the rules. Circumstances may require Apple to request and file separate papers with respect to Apple’s individual status as petitioner in the proceeding—*e.g.*, a motion to terminate.

Corp., IPR2018-01352, Paper 11 at 4–5 (granting a motion for joinder with such limitations on the understudy).

Additionally, with respect to any oral hearing, Microsoft will be responsible for the presentation before the Board. Apple, when in the understudy role, will not request any additional time to independently argue before the Board or attempt to submit its own demonstratives.³

Accordingly, if joinder is granted, briefing and discovery in the joined proceeding will be no more complex than if Apple had never been joined. Consolidated briefing and discovery will ensure a simplified and efficient joined proceeding. As such, this factor also favors joinder.

IV. CONCLUSION

For the reasons above, Apple respectfully requests that the Board institute Apple’s concurrently filed Petition for *Inter Partes* Review of U.S. Patent No. 8,185,402 and grant joinder.

Respectfully submitted,

Dated: December 4, 2022
HAYNES AND BOONE, LLP

/Andrew S. Ehmke/

Andrew S. Ehmke

³ While Apple will not materially participate in calls with the Board, depositions, and any oral hearing, Apple anticipates that its counsel will attend such events.

2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Customer No. 27683

Lead Counsel for Petitioner
Registration No. 50,271

CERTIFICATE OF SERVICE

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e) and 37 C.F.R. § 42.105, service was made on Patent Owner as detailed below.

Date of service December 4, 2022

Manner of service FEDERAL EXPRESS

Documents served PETITIONER’S MOTION FOR JOINDER UNDER 35 U.S.C. § 315(c), 37 C.F.R. §§ 42.22, and 42.122(b).

Persons served Counsel for Patent Owner
Patent Law Works, LLP
310 East 4500 South, Suite 400
Salt Lake City, UT

McKool Smith, P.C.
303 Colorado Street, Suite 2100
Austin, Texas 78701
ATTN: John B. Campbell

Counsel for Microsoft
Faegre Drinker Biddle & Reath LLP
320 S. Canal St., Suite 3300
Chicago, Illinois, 60606
ATTN: Carrie Beyer

/Andrew S. Ehmke/
Andrew S. Ehmke
Lead Counsel for Petitioner
Registration No. 50,271