

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMERICAN HONDA MOTOR CO., INC.,
Petitioner,

v.

NEO WIRELESS, LLC,
Patent Owner.

Case IPR2023-00797
Patent 10,771,302

**PETITIONER'S REPLY IN SUPPORT OF ITS REQUEST FOR
REHEARING BY THE DIRECTOR**

TABLE OF CONTENTS

I. Neo Relies Solely on the MDL Co-Defendants’ Joint Preparation of Invalidity Contentions to Support Discretionary Denial.....	1
II. Neo Does Not Rebut That This Case Presents Important Issues of Policy Concerning the Proper Use of Discretionary Denial.....	2
III. The Law Does Not Support the Panel’s Discretionary Denial.....	3
A. The Panel’s Denial Distorts <i>General Plastic</i>	3
B. Neo Cites No Authority Supporting the Panel’s Denial	3

Neo Wireless, LLC (“Neo”) improperly seeks to extend *Valve* so a patent owner may sue an entire industry, consolidate its actions, and then restrict the industry to a single IPR. Under Neo’s view, this restriction should be triggered by a single fact (even in the absence of evidence or even contentions of roadmapping or collaboration among defendants)—namely, the co-defendants’ joint preparation of invalidity contentions in district court litigation. There is no statutory, regulatory or precedential basis for such an expansion of *Valve*, and confirmation of it would amount to an abandonment of the Patent Office’s statutory mandate to improve patent quality. The panel’s expansion would also permit impeding entire industries from utilizing tools Congress provided them, and would permit unfairly punishing petitioners for decisions by others—e.g., Neo, the Court, and other defendants—over which American Honda Motor Co. (“Honda”) had no control. The Director should vacate the panel’s discretionary denial and remand for further consideration.

I. Neo Relies Solely on the MDL Co-Defendants’ Joint Preparation of Invalidity Contentions to Support Discretionary Denial

Neo only addresses the first two *General Plastic* factors, and does not dispute Honda’s balancing of the remaining factors. *See* Paper 24, at 4, 14; *see also* Paper 16, at 8-15. Nor does Neo refute the numerous facts raised by Honda that militate against discretionary denial, including (i) Neo unilaterally sought consolidation of its district court actions against vehicle makers;

(ii) Honda was unaware that VW planned to file an IPR; (iii) Honda and VW did not coordinate their IPRs; (iv) Honda purposely avoided playbooking based on VW's IPR by selecting distinct prior art applicable against a later priority date advanced uniquely by Honda; (v) Honda advanced distinct claim constructions from VW's constructions; (vi) Honda alone discovered the non-cumulative Kitroser reference just two weeks before Honda filed its IPR; and (vii) Honda and the other defendants remain free to present distinct invalidity cases at their jury trials. Neo instead relies heavily on a single fact to justify discretionary denial under *Valve*,¹ i.e., that Honda and VW collaborated on joint invalidity contentions. *See* Paper 24, at 2-4, 6-10, and 12-14.

II. Neo Does Not Rebut That This Case Presents Important Issues of Policy Concerning the Proper Use of Discretionary Denial

Neo does not dispute that it seeks to extend *Valve* to allow discretionary denial based only on the joint preparation of invalidity contentions. *Compare* Paper 16, at 7 *with* Paper 24. Nor does Neo meaningfully challenge that its extension presents important policy issues concerning the proper use of discretionary denials. *See generally* Paper 24, at 9 (relying on “simple fairness

¹ *Valve Corp. v. Elec. Scripting Prods., Inc.*, No. IPR2019-00062, Paper 11 (PTAB Apr. 2, 2019) (“*Valve I*”); *Valve Corp. v. Elec. Scripting Prods., Inc.*, No. IPR2019-00064, Paper 10 (PTAB May 1, 2019) (“*Valve II*”).

and common sense” to support its extension of *Valve*). The panel’s denial here presents important policy issues, as it disproportionately hinders petitioner-defendants from utilizing the relief afforded by IPRs. *See* Paper 16, at 5-8.

III. The Law Does Not Support the Panel’s Discretionary Denial

A. The Panel’s Denial Distorts *General Plastic*

General Plastic fundamentally guards against petitioners’ decisions that abuse the IPR process. *See Gen. Plastic Indus. Co., Ltd. v. Canon Kabushiki Kaisha*, No. IPR2016-01357, Paper 19, at 15-19 (Sept. 6, 2017). Denial under these circumstances fails to serve this goal. Rather, discretionary denial of Honda’s IPR would unfairly punish Honda for the decisions of others—including Neo’s motion for consolidation, the Court’s instruction that the co-defendants submit joint invalidity contentions, and VW’s go-it-alone IPR filing. Honda availed itself of joinder in IPRs for the other patents-in-suit, but disagreed with VW’s approach to the ’302 patent IPR and so did not join. The panel’s and Neo’s application of *Valve* here would signal that petitioners must choose between binding themselves to the inferior positions of earlier filers, or foregoing IPR relief altogether. That is not the law, nor is it sound policy.

B. Neo Cites No Authority Supporting the Panel’s Denial

No authority supports the panel’s application of *Valve*. Neo relies heavily on comments by Thom Tillis, Christopher Coons, and Mazie Hirono, suggesting their comments are “law” and “principles” to be “appl[ied].” *See*

Paper 24, at 3-6; *see also* Ex. 2014 at 1-2; USPTO, Executive Summary, Public Views on Discretionary Institution of AIA Proceedings, at 3 & n.5 (Jan. 2021). Even if those comments were authoritative, which they are not, they do not support denial here because Honda’s independent filing of a unique IPR petition does not raise concerns about abusive, duplicative proceedings.

Neo also overlooks the distinctions between *Valve* and this case. Neo ignores that Honda and VW are global competitors, and that no evidence supports that Honda and VW share suppliers, components, or accused products (like HTC’s VIVE devices in *Valve*). *See generally* Paper 24; *see also Valve I*, at 9-10; *Valve II*, at 11. Neo repeats that *Valve* permits *consideration* of “any relationship between” petitioners, but Neo fails to support that joint invalidity contentions create a relationship deserving discretionary denial.

Fresenius Kabi USA v. Amgen, Inc., IPR2019-00971, Paper 13 (Oct. 16, 2019), is also inapposite. Unlike the *Fresenius* petitioner, which coordinated its challenge with a prior-filed post-grant review—even to the point of proposing joint consideration by the Board, *see Fresenius*, IPR2019-00971, Paper 13, 7—Honda never coordinated its IPR with VW’s IPR.

Contrary to Neo’s arguments, *Qualcomm Inc. v. Monterey Rsch., LLC*, No. IPR2020-01492, Paper 8 (Mar. 8, 2021), and *Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot Corp.*, No. IPR2018-00761, Paper 15 (Sep.

5, 2018) (“*Shenzhen I*”), show that JDG participation—commonly involving joint invalidity contentions—does not warrant discretionary denial.

Qualcomm, No. IPR2020-01492, Paper 8, 16; *Shenzhen*, No. IPR2018-00761, Paper 15, 9-10. While Neo argues that *Shenzhen* supports institution denial, see Paper 24 at 1, Neo overlooks distinctions including that here, Honda asserted entirely separate prior art from VW. *Shenzhen Silver Star Intelligent Tech. Co. v. iRobot Corp.*, IPR2018-00882, Paper 9, 11 (Oct. 1, 2018) (“*Shenzhen IP*”) (both petitioners asserted Tangenberg); *Shenzhen I*, at 6 (asserting Everett); *Shenzhen Zhiyi Tech. Co. Ltd. v. iRobot Corp.*, No. IPR2017-02078, Paper 8, at 6 (Mar. 12, 2018) (also asserting Everett).

Faced with a lack of substantive roadmapping, Neo repackages the panel’s erroneous interpretation of *Code200*, *UAB v. Bright Data Ltd.*, IPR2022-00861, Paper 18 (Aug. 23, 2022), suggesting that the panel’s merits evaluation of VW’s IPR petition removes roadmapping from the calculus. Paper 24, at 13. Neo’s interpretation is wrong for the reasons already explained by Honda²—which Neo does not rebut. See Paper 16, at 10-11.

² *Code200* emphasizes roadmapping as a consideration under *General Plastic*, and does not discuss circumstances warranting roadmapping from the calculus. See *Code200*, No. IPR2022-00861, Paper 18, at 4-5.

Respectfully submitted,

Date: February 13, 2024

/W. Karl Renner/

W. Karl Renner, Reg. No. 41,265
Thomas Rozyłowicz, Reg. No. 50,620
John T. Johnson, Reg. No. 37,363
Jeffrey C. Mok, Reg. No. 69,878
Won Yoon, Reg. No. 71,058
Timothy W. Riffe, Reg. No. 43,881
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
T: 202-783-5070
F: 877-769-7945

Attorneys for Petitioner

CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on February 13, 2024, a complete and entire copy of this Petitioner's Reply in Support of Its Request for Rehearing by the Director was provided by email, to the Patent Owner by serving the correspondence addresses of record as follows:

Kenneth J. Weatherwax
Parham Hendifar
LOWENSTEIN & WEATHERWAX LLP
1016 Pico Boulevard
Santa Monica, CA 90405

Xu Zhou
CALDWELL, CASSADY, & CURRY P.C.
2121 N. Pearl St., Ste 1200
Dallas, TX 75201

Email: weatherwax@lowensteinweatherwax.com
NeoWireless_IPRs@lowensteinweatherwax.com
xzhou@caldwellcc.com

/Diana Bradley/
Diana Bradley
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
(858) 678-5667