

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NOKIA OF AMERICA CORPORATION,
Petitioner,

v.

ALEXANDER SOTO AND WALTER SOTO,
Patent Owners.

Case IPR2023-00960
U.S. Patent No. 8,238,754

PATENT OWNERS' SHOWING OF CAUSE

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TABLE OF AUTHORITIES

Cases

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Rules

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EXHIBITS

Exhibit	Description
2001	Email from PTAB, dated July 20, 2023
2002	Chain of Emails Between Counsel for Nokia and Special Appearance Counsel for Patent Owners, Redacting the Username and Password
2003	Excerpt of JOSEPH W. GLANNON, <i>Civil Procedure, in</i> EXAMPLES & EXPLANATIONS (Aspen Publishers, 6th ed. 2008).
2004	Transcript of August 23, 2023 Teleconference Hearing
2005	U.S. Pat. Pub. No. 2002/0067529 to Yokomoto et al. (“Yokomoto”)
2006	U.S. Pat. Pub. No. 2002/0006111 to Akita et al. (“Akita”)
2007	U.S. Pat. Pub. No. 2003/0091045 to Choi et al. (“Choi”)
2008	U.S. Pat. No. 5,572,349 to Hale et al. (“Hale”)
2009	U.S. Pat. Pub. No. 2004/0052274 to Wang et al. (“Wang”)
2010	U.S. Pat. No. 7,031,343 to Kuo et al. (“Kuo”)
2011	U.S. Pat. No. 6,023,467 to Abdelhamid et al. (“Abdelhamid”)
2012	U.S. Pat. No. 6,498,667 to Masucci et al. (“Masucci”)
2013	U.S. Pat. No. 6,778,339 to Medina et al. (“Medina”)
2014	Excerpt of Plaintiff NextGen Innovations, LLC’s Responses to Defendants’ First Set of Common Interrogatories
2015	U.S. Pat. No. 7,925,162 to Soto et al.
2016	Declaration of Andrew D. Weiss in Support of <i>Pro Hac Vice</i> Admission
2017	Declaration of Paul A. Kroeger in Support of <i>Pro Hac Vice</i> Admission

2018	Declaration of Benjamin T. Wang in Support of <i>Pro Hac Vice</i> Admission
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Paper 19 at 26 orders the parties to file a paper to explain the lack of notice of developments in parallel litigation. Patent Owners submit the following explanation on behalf of themselves. Patent Owners apologize for any unintended inconvenience experienced by the Board.

I. Patent Owners Informed the Board of All Developments, Including the Pending Motion, Up Through the Board’s *Fintiv* Deadline

Patent Owners acted in good faith to ensure that their filings apprised the Board of all important ongoing developments in parallel litigation in accordance with their obligation under 37 C.F.R. § 42.11. Rule 42.11(a) requires that a party proceed with a duty of candor and good faith to the Office during the course of a proceeding in its motions, responses, and other papers.

Patent Owners respectfully submit that they affirmatively complied with this duty when Patent Owners’ Sur-Reply informed the Board about the then-pending motion to consolidate the *Nokia I* case (*NextGen Innovations, LLC v. Nokia of Am. Corp.*, No. 2:22-cv-00309 (E.D. Tex.)) with the *Nokia II* case (*NextGen Innovations, LLC v. Nokia of Am. Corp.*, 2:23-cv-00637 (E.D. Tex.)). Paper 16 at 8 n.3. Indeed, this disclosure by Patent Owners appears to be what allowed the Board to reach its decision. Patent Owners also complied with this duty by filing Supplemental Mandatory Notices listing the *Nokia II* case. Paper 17.

Patent Owners disclosed the latest information available as of the January 22, 2024 filing of their Preliminary Sur-Reply. The District Court did not grant the motion to consolidate until later, on January 30, 2024. Ex. 3004 at Dkt. 28; Ex. 3008 at 2. But by then, Patent Owners no longer had authorization to submit further arguments or briefing on *Fintiv* issues because the Board set the deadlines for *Fintiv* briefing to conclude by January 24, 2024. Ex. 3002 at 1. Thus, submitting further arguments¹ about the *Fintiv* effects of the District Court’s January 30, 2024 Order would have violated the Board’s Order.

In sum, Patent Owners complied with Rule 42.11 because they: 1) notified the Board about the parallel litigation by filing their Supplemental Mandatory Notice; 2) specifically directed the Board’s attention to the motion to consolidate, which remained pending as of the sur-reply deadline authorized by the Board; and 3) were not authorized by the Board to further brief the effects of case developments after January 24, 2024. Patent Owners respectfully submit that each of their filings complied with their duty of candor.

¹ Due to substantial settlement progress, the parties filed the joint motion to consolidate, effectively continuing the trial. Patent Owners would have needed leave to brief how settlement progress means that a Final Written Decision is unlikely to ever issue in this IPR, much less issue before patent expiration.

II. Compliance With Board Orders Should Not Violate Rule 42.11

Patent Owners regret the trouble that this factual situation has caused the Board. Patent Owners never intended to mislead or be untruthful in their dealings with Board. Thus, Patent Owners were forthright about the filing of *Nokia II* as well as the pendency of the consolidation motions in *Nokia I* and *Nokia II*.

When Patent Owners filed their *Fintiv* Sur-Reply by the authorized deadline, the motion to consolidate was pending, and Patent Owners did not know if it would be granted. For example, a recent decision from the Eastern District of Texas explains how the Court takes pride in managing its docket so that cases reach trial in a timely manner, despite what motions the parties may file. *See Atlas Glob. Techs. LLC v. TP-Link Techs. Co.*, No. 2:21-CV-00430-JRG, 2023 WL 5512068, at *1–2 (E.D. Tex. Aug. 25, 2023) (explaining the Court’s policy of setting multiple trials on the same day, despite the party’s request, to ensure speedy trials). If the consolidation motion were denied, the motion would have had no effect on Patent Owners’ *Fintiv* arguments. Thus, all of Patent Owners’ filings had merit as required by 37 C.F.R. § 42.11(b)-(c) and § 11.18 as of their filing.

In retrospect, Patent Owners understand the concerns raised by Board about being provided updates on developments in the underlying litigation(s). Patent Owners apologize for any inconvenience experienced by the Board. Patent Owners, however, respectfully submit that compliance with the Board’s Orders and Rules

allowing for only authorized filings should not be grounds for sanctions, particularly where there is no evidence of improper intent. *See also Patent Trial and Appeal Board Consolidated Trial Practice Guide* at 37 (Nov. 2019), available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf?MURL=TrialPracticeGuideConsolidated> (“a motion will not be entered without prior Board authorization”). Patent Owners’ submissions were forthcoming about the relevant facts as they stood at time of filings, and Patent Owners did not intentionally withhold information about the consolidation. Rather, this is a unique set of facts that Patent Owners intend to learn from. In the future, if occurrences in the underlying litigation might affect issues under consideration by the Board, Patent Owners will seek leave from the Board to submit additional briefing regarding these occurrences.

III. The Fujitsu Stay Has No Relevance To This IPR

As a final point, Patent Owners believe it may be helpful to address the Board’s reference to the stipulated Fujitsu stay. *See* Paper 19 at 25 (citing Ex. 3006). Patent Owners did not notify the Board about this filing because it did not affect the *Nokia I* case. *Nokia I* was consolidated for pretrial purposes with three other cases, including a case with Fujitsu. The stay stipulation affected NextGen’s claims against Fujitsu only but had no effect on the *Nokia I* case. Until the consolidation motion

was granted after Patent Owners' final submissions, *Nokia I* was set for trial in May 2024, as addressed in previous briefing.

IV. Conclusion

Patent Owners apologize for the unintended effect of causing the Board to question the veracity and completeness of their filings. Patent Owners' submissions were accurate as of the date of each submission, and Patent Owners did not intend to withhold any material information from the Board.

Patent Owners filed their Supplemental Mandatory Notice listing the *Nokia II* case. Paper 17. Patent Owners identified the pending motion to consolidate. Paper 16 at 8 n.3. Patent Owners would have provided further updates but-for the order setting January 24, 2024 as the deadline cutting off further *Fintiv* arguments and briefing. Ex. 3002 at 1. Patent Owners respectfully submit that they made their best effort to act candidly while complying with the Board's deadline for *Fintiv* arguments, and no provision of 37 C.F.R. § 42.11 was violated.

Date: March 4, 2024

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CERTIFICATION REGARDING WORD COUNT

Patent Owners certify that there are less than 10 pages in the paper, excluding the portions exempted under 37 C.F.R. § 42.24, in compliance with Paper 19 at 26.

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CERTIFICATE OF CONFERENCE

Patent Owners' representatives met and conferred with opposing counsel. The parties agree that each party is best positioned to address their own conduct in their showings of cause.

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6 (e)(1))

The undersigned hereby certifies that the above document was served on March 4, 2024, by filing this document through the Patent Review E2E system as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioner:

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