

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Mercedes-Benz USA, LLC,
Petitioner,

v.

Yechezkal Evan Spero,
Patent Owner.

Case No. IPR2023-01034
Patent 11,208,029

**PETITIONER'S REPLY TO
PATENT OWNER'S PRELIMINARY RESPONSE
REGARDING *GENERAL PLASTIC* ARGUMENTS**

Filed on behalf of Petitioner:
Celine Jimenez Crowson (Reg. No. 40,357)
Joseph J. Raffetto (Reg. No. 66,218)
Scott Hughes (Reg. No. 68,385)
Ryan Stephenson (Reg. No. 76,608)
HOGAN LOVELLS US LLP
555 13th Street N.W.
Washington, D.C. 20004
Telephone: 202.637.5600
Facsimile: 202.637.5710

Petitioner submits this Reply to Patent Owner’s (“**PO’s**”) Preliminary Response (“**POPR**”), as authorized by the Board via email on October 31, 2023. Discretionary denial under *General Plastic* (“**GP**”) is not warranted, and the Board should institute a Trial for the reasons below and in the Petition.

GP factor 1: PO asserts Mercedes is the “same petitioner” as Unified Patents because it is a real party in interest (“**RPI**”) to Unified. POPR at 47-49. Whether Mercedes is an RPI (it is not) should not be assessed, as PO makes no time bar or estoppel claims. *Unified Patents v. Memoryweb*, IPR2021-01413, Paper 76 at 4-5 (May 22, 2023). Moreover, the Board has rejected arguments that factor 1 supports denial because a petitioner is a Unified member and Unified filed IPRs. *Box v. Topia*, IPR2023-00433, Paper 17 at 20-22 (Aug. 4, 2023). Like in *Box*, Unified’s IPR used different art and was terminated after institution, providing no benefit to Mercedes.¹

PO similarly asserts Mercedes and VW, as co-defendants, should be the “same petitioner” under *Valve*. POPR at 50-51. *Valve* is inapposite. The *Valve* petitioners were licensor-licensee sued on the same product. *Valve*, at 9-10. VW and Mercedes are competitors sued on different products (distinct headlight systems). EX1009 at 16-19, 28-30. Whether they share a supplier is irrelevant given that their products

¹ Nor did Mercedes and Unified communicate with one another when preparing and filing their respective IPRs. *See, e.g.*, IPR2022-01500, Exhibit 1025 at ¶¶ 13-17.

were independently developed and are different. *See, e.g., id.*; IPR2023-01039, EX2007. Tellingly, PO does not even allege their products are the same, instead claiming they use the “same type of headlight technology.” POPR at 50-51. Being sued on similar technology does not make two companies the “same petitioner.”²

PO further alleges Mercedes is the “same petitioner” as VW (and Unified) because they have a “history” of coordinating and Mercedes is using VW (and Unified) as a “test” case. POPR at 51-54. This is baseless. Mercedes was not aware of VW’s or Unified’s IPRs until they were filed and did not coordinate with either on this Petition. This Petition is also based on a different reference (Alden). Pet. at 5; IPR2022-01586 (Pet. at 4); IPR2022-01500 (Pet. at 6). Thus, Mercedes did not use VW’s or Unified’s IPRs as a “roadmap,” and PO cannot show otherwise.

Nor do the unrelated cases PO cites show a “history” of coordination. POPR at 52-53. In *Carucel*, Mercedes filed initial petitions *before* the POPRs in VW’s petitions. Its later-filed petitions were simply to join *its own initial petitions* because new claims were asserted. IPR2019-01635, Paper 3 (Sept. 21, 2019); IPR2019-01644, Paper 3 (Sept. 23, 2019). Significantly, these allegedly “coordinated”

² Nor is *Shenzhen* help to PO. In *Shenzhen*, the Board found that factor 1 favored institution and that being co-defendants does not mean two petitioners are the same. IPR2018-00761, Paper 15 at 9-10 (Sept. 5, 2018).

petitions were instituted. IPR2019-01635, Paper 9 (Jan. 22, 2020); IPR2019-01644, Paper 9 (Mar. 26, 2020). In *Arigna*, when Mercedes filed its IPR, VW's IPR had been terminated without a POPR and Unified's had not yet been instituted. IPR2022-00147, Paper 12 (Feb. 14, 2022); IPR2022-00147, Paper 10 (Jun. 17, 2022).

In sum, because Mercedes and VW (and Unified) are distinct entities that are not “similarly situated,” *GP* factor 1 favors institution. See *Foundation Medicine v. Guardant Health*, IPR2019-00634, Paper 10 at 36-37 (Aug. 19, 2019) (finding *GP* factor 1 did not favor denying institution where petitioners were competitors sued on different products and the petitions' grounds were not identical).

***GP* factors 2-5:** When factor 1 favors institution, “factors 2-5 bear little relevance unless there is evidence... of extenuating circumstances” such as coordination. *Alcatel-Lucent v. Oyster Optics*, IPR2017-02146, Paper 12 at 12 (Feb. 28, 2018). No “extenuating circumstances” exist because, as explained, there was no coordination among petitioners and Mercedes and VW are competitors. Further:

- Factor 2 does not support denial because there is no evidence that Mercedes and VW or Unified “act[ed] in concert” (they did not) or that Mercedes was aware of VW's or Unified's petitions when they were filed (it was not). See *Foundation Med.*, Paper 10 at 37-38.
- Factor 3 does not support denial because Mercedes developed its own challenges based on Alden, VW's and Unified's IPRs were instituted based

on different prior art, and thus Mercedes did not gain any advantage from the VW or Unified IPRs. *See Box v. Topia*, Paper 17 at 20-22.³

- Factors 4-5 do not support denial because, again, there was no coordination, and the mere fact Mercedes took longer to file its IPR does not change this. Mercedes timely filed within the statutory period, and it is expected some parties may take longer than others to file. *See Google v. Realtime Adaptive Streaming*, IPR2019-01033, Paper 9 at 14-17 (Nov. 13, 2019); *Apple v. Uniloc 2017*, IPR2019-01667, Paper at 10 (Apr. 21, 2020).

GP factors 6-7: PO conceded factor 7 does not weigh against institution. Nor does factor 6, as this is the first Petition Mercedes filed and Mercedes is not asking the Board to reconsider grounds in other IPRs (it is presenting distinct grounds).

Finally, while PO claims this IPR should be denied institution under the *GP* factors, it abandoned these arguments in other IPRs. For example, Mercedes filed IPRs against PO's US10,894,503, a family member of the challenged patent here, under *near identical procedural circumstances*. But there, PO does not argue the *GP* factors favor discretionarily denying institution. *See, e.g.*, IPR2023-01027 (Paper 9 at 45-50). This, too, reinforces the Board should not deny institution here.

³ PO claims Mercedes decided to not use Beam as its primary reference after seeing the institution in VW's IPRs. POPR at 56-57. This is pure speculation and untrue.

Dated: December 8, 2023

Respectfully submitted,

/s/ Celine J. Crowson

Celine Jimenez Crowson (Reg. No. 40,357)

Joseph J. Raffetto (Reg. No. 66,218)

Scott Hughes (Reg. 68,385)

Ryan Stephenson (Reg. 76,608)

HOGAN LOVELLS US LLP

555 13th Street N.W.

Washington, D.C. 20004

Telephone: 202.637.5600

Facsimile: 202.637.5910

Counsel for Petitioner Mercedes-Benz USA, LLC

Certificate of Service

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e) and 37 C.F.R. § 42.105, the foregoing **PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE REGARDING *GENERAL PLASTIC* ARGUMENTS AND EXHIBIT 1009** were served on December 8, 2023, electronically via e-mail upon the following parties:

Sangeeta G. Shah (Lead Counsel)
David S. Bir (Back-up Counsel)
Andrew B. Turner (Back-up Counsel)
BROOKS KUSHMAN P.C.
TRCH0112IPR@brookskushman.com

/s/ Nicole Lynch
Nicole Lynch
Hogan Lovells US LLP
555 Thirteenth Street NW
Washington, DC 20004