

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MERCEDES-BENZ USA, LLC
Petitioner,

v.

YECHEZKAL EVAN SPERO
Patent Owner.

U.S. Patent No. 11,208,029

IPR Case No.: IPR2023-01034

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

The Petition is a prime example of the “abuse of the review process by repeated attacks on patents” that 35 U.S.C. § 314 was intended to prevent. *See General Plastic*, 16-17 (quoting H.R. Rep. No. 112-98, pt. 1, at 48 (2011)). Mercedes Benz (MB), together with its codefendants and member organization, collectively filed 20 IPR petitions challenging 3 related patents, including 5 petitions challenging the ’029 Patent. MB waited until the very last day of its one-year statutory bar to file the Petition to maximize its review and analysis of the POPRs and Institution Decisions in Unified’s IPR2022-01500 and Volkswagen’s (VW) IPR2022-01586. These petitions do not propose alternate claim construction positions or make priority arguments; and the challenged patents do not include hundreds of claims. Accordingly, there is no reasonable excuse for filing 20 IPR petitions.

I. Factor 1: MB has a “significant relationship” with VW.

Under *Valve*, the application of Factor 1 “is not limited solely to instances when multiple petitions are filed by the same petitioner”; rather, the Board “consider[s] any relationship between” the petitioners.” *Valve Corp. v. Electronic Scripting Prods., Inc.*, IPR2019-00062, Paper 11 at 2, 9 (Apr. 2, 2019) (precedential). *Valve* denied a second petition against a patent by a second petitioner, where the two petitioners were codefendants in the same patent infringement litigation relating to the same product. *Id.*, 10.

Competitors rarely sell the exact same product, therefore interpreting *Valve* narrowly to require the exact same product would significantly limit *Valve*'s precedential impact. Accordingly, the PTAB recently clarified that cooperating codefendants that are accused of infringing the same patent based on **similar products** that comply with the same technical standards, satisfy the *Valve* “significant relationship” test. *See Am. Honda Motor Co., Inc., v. Neo Wireless LLC*, IPR2023-00797, Paper 14, 13 (Nov. 9, 2023). Honda and VW were accused of infringing the same patent “based on similar products that allegedly comply with the ‘LTE or 4G/5G technical standards’ on which the [challenged] patent allegedly reads,” and both challenged the same claims. *Id.*, 12. The Board found a “significant relationship” because Honda and VW were co-defendants in the litigation and “accused of infringing the ’302 patent based on products that allegedly comply with ... same technical standards on which the ’302 patent allegedly reads, ... ordered to jointly submit invalidity and unenforceability contentions, which requires cooperation concerning the identification and application of asserted prior art.” *Id.*, 13.

Here, MB and VW are cooperating as codefendants in litigation in the District of Delaware. As competitors, MB and VW sell similar headlights that are designed to meet the same requirements, e.g., FMVSS 108 and industry standard SAE J1383 *See* IPR2022-01586, Ex.1042. The codefendants are accused of

infringement of the same patents that are directed to adaptive headlight technology, therefore the codefendants' accused products have substantially the same subject matter for purposes of the *General Plastics* and *Valve* precedential decisions. For example, the codefendants filed common interrogatories that combine invalidity contentions, i.e., "Interrogatory No. 10. To the extent you dispute any of Defendants' contentions of invalidity of the claims of the Asserted Patents . . ." *Id.*, Dkt 89 at 11 (Jan. 20, 2023) and collectively deposed Patent Owner's witness. *Id.*, Dkt 117 (Apr. 4, 2023). MB has a "significant relationship" with VW under *Valve* and *Honda* and all claims challenged in the Petition were previously challenged in the VW '586 IPR. Therefore Factor 1 weighs against institution.

II. Factor 1: MB has a "significant relationship" with Unified

In *RPX*, the Board determined that a "significant relationship" existed between RPX and Salesforce under its *General Plastics* analysis because "Salesforce [is a] member of RPX, and has paid substantial sums as membership fees." *RPX Corp. v. Applications in Internet Time, LLC.*, IPR2015-01750, Paper 128 at 39 (Oct. 2, 2020) (precedential). The Board held that "[b]ased on the facts presented, Salesforce and RPX are sufficiently related such that the complete overlap in the challenged claims and the significant relationship between RPX and Salesforce would favor denying institution under § 314(a) under our current precedent." *Id.*, 40.

As explained in the POPR, Unified, like RPX, is a company that challenges patents on behalf of its members and lists Mercedes as one of its members. IPR2022-01500, Ex.2003 at 1. Unified’s members subscribe to one or more technology-specific NPE zones and pay a yearly subscription fee of \$50k-490K per zone. *Id.*, Ex.1014 at 1; Ex.2003 at 2. Unified “performs many deterrent activities” or services for its members, including filing *inter partes* reviews. *Id.*, Ex.1014 at 1-2. This contractual relationship establishes privity, which further shows the significant relationship between MB and Unified. *See* POPR at 46-47. The Petition challenges 30 claims, including all of the claims challenged in the Unified ’500 IPR. Thus, Factor 1 weighs against institution.

III. Factors 2-7: *See* POPR at 54-59

Additionally, MB filed IPR2023-01126 and Porsche filed IPR2023-01122 with motions to join the VW ’586 IPR. If joined, these “me-too” petitions would have the same effective filing date as the VW ’586 IPR, making this Petition serial to 4 different IPRs. Accordingly, the Petition should also be denied as a serial petition of MB’s ’126 IPR Petition and of Porsche’s ’122 IPR for at least the same reasons given for the VW ’586 IPR.

Respectfully submitted,

Dated: December 15, 2023

/ Andrew B. Turner /
Andrew B. Turner (Reg. No. 63,121)
John M. Halan (Reg. No. 35,534)

Sangeeta G. Shah (Reg. No. 38,614)
Bernard P. Tomsa (Reg. No. 60,121)
BROOKS KUSHMAN P.C.
1000 Town Center, 22nd Floor
Southfield, MI 48075
(248) 358-4400

Attorneys for Patent Owner

Certificate of Service

The undersigned hereby certifies that on December 15, 2023, a complete and entire copy of **PATENT OWNER'S SUR REPLY**, was served via electronic mail to the attorneys listed below:

LEAD COUNSEL	BACK-UP COUNSEL
Celine Crowson (Reg. No. 40,357) HOGAN LOVELLS US LLP 555 13 th Street, N.W. Washington, D.C. 20004 Telephone: (202) 637-5600 Facsimile: (202) 637-5910 celine.crowson@hoganlovells.com	Joseph Raffeto (Reg. No. 66,218) Scott Hughes (Reg. No. 68,385) Ryan Stephenson (Reg. No. 76,608) HOGAN LOVELLS US LLP 555 13 th Street, N.W. Washington, D.C. 20004 Telephone: (202) 637-5600 Facsimile: (202) 637-5910 joseph.raffeto@hoganlovells.com scott.hughes@hoganlovells.com ryan.stephenson@hoganlovells.com

Respectfully submitted,

/ Andrew B. Turner /

Andrew B. Turner (Reg. No. 63,121)
John M. Halan (Reg. No. 35,534)
Sangeeta G. Shah (Reg. No. 38,614)
Bernard P. Tomsa (Reg. No. 60,121)
BROOKS KUSHMAN P.C.
1000 Town Center, 22nd Floor
Southfield, MI 48075
(248) 358-4400

Attorneys for Patent Owner

Certificate of Compliance Pursuant to 37 C.F.R. § 42.24

This paper complies with the type-volume limitation of 37 C.F.R. § 42.24. The paper contains 4 pages as authorized by the Board on November 30, 2023, excluding the parts of the paper exempted by §42.24(a).

This paper also complies with the typeface requirements of 37 C.F.R. § 42.6(a)(ii) and the type style requirements of § 42.6(a)(iii)&(iv).

Respectfully submitted,

Dated: December 15, 2023

/ Andrew B. Turner /
Andrew B. Turner (Reg. No. 63,121)
John M. Halan (Reg. No. 35,534)
Sangeeta G. Shah (Reg. No. 38,614)
Bernard P. Tomsa (Reg. No. 60,121)
Brooks Kushman P.C.
1000 Town Center, 22nd Floor
Southfield, MI 48075
(248) 358-4400

Attorneys for Patent Owner