UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COLLEGE PRODUCTS, INC.,

Petitioner,

v.

INTIRION CORPORATION,

Patent Owner.

Case IPR2023-01041

Patent No. 9,791,206

PATENT OWNER'S PRELIMINARY RESPONSE TO PETITION

TABLE OF CONTENTS

TABLE OF AUTHORITIES ii

TABLE OF EXHIBITS iii

I. INTRODUCTION 1

II. BACKGROUND 1

A. PROCEDURAL HISTORY 1

B. DURING AND AFTER CP FILED AND REFILED ITS DECLARATORY JUDGMENT ACTION, CP ARGUED IT WAS THE TRUE PLAINTIFF. 3

III. THE BOARD MUST DECLINE TO INSTITUTE REVIEW PURSUANT TO 35 U.S.C. § 315(A). 6

IV. ASSERTED PRIOR ART CHALLENGES CONTAIN NUMEROUS DEFICIENCES ALSO WARRANTS DENIAL OF INSTITUTION 11

V. CONCLUSION 11

CERTIFICATE OF COMPLIANCE 13

CERTIFICATE OF SERVICE 14

TABLE OF AUTHORITIES

Page(s)

Cases

Avigilon Corp v. Canon Inc.,
Case IPR2018-01626 (P.T.A.B. Mar. 18, 2019) 6, 7, 8, 10

Click-to-Call Techs., LP v. Ingenio, Inc.,
899 F.3d 1321 (Fed. Cir. 2018) 6

Ruiz Food Prods., Inc. v. MacroPoint LLC,
Case IPR2017-02016 & IPR2017-02018 (P.T.A.B. Feb. 14, 2019).....8

ZTE (USA), Inc. v. Agis Software Dev., LLC,
Case IPR2019-00487 (P.T.A.B. July 30, 2019) 7, 8

Statutes

35 U.S.C. § 315 ..... *passim*

Rules

Fed. R. Civ. P. 13 9

TABLE OF EXHIBITS

Exhibit #	Reference Name
2001	Intirion's Patent Infringement Complaint in Case No. 6:22-cv-00459 (W.D. Tex.)
2002	Intirion's Affidavit of Service in Case No. 6:22-cv-00459 (W.D. Tex.)
2003	Order Transferring Case No. 6:22-cv-00459 (ECF 35) (W.D. Tex.) to the Northern District of Iowa
2004	Intirion's First Amended Complaint in Case No. 5:23-cv-04023-KEM (N.D. Iowa)
2005	College Products's Declaratory Judgment Complaint in Case No. 5:23-cv-04002-KEM (N.D. Iowa)
2006	College Products's Amended Complaint in Case No. 5:23-cv-04002-KEM (N.D. Iowa)
2007	Declaration of R. Scott Johnson
2008	Joint Email to the U.S. District Court for the Northern District of Iowa (May 3, 2023)
2009	Transcript of May 4, 2023, Telephonic Status Conference before the U.S. District Court for the Northern District of Iowa
2010	Summary of May 4, 2023, Telephonic Status Conference for Case No. 5:23-cv-04002-KEM (N.D. Iowa)
2011	Joint Motion to Consolidate Actions in Case No. 5:23-cv-4002-KEM
2012	Email Exchange between Counsel for Intirion and Counsel for College Products (May 30 to June 8, 2023)
2013	Order Consolidating Case Nos. 5:23-cv-04002-KEM (N.D. Iowa) and 5:23-cv-04023-KEM (N.D. Iowa)
2014	College Products's Petition for *Inter Partes* Review of U.S. Patent No. 9,791,206
2015	College Products's Petition for *Inter Partes Review* of U.S. Patent No. 10,495,374
2016	College Products's Petition for *Inter Partes* Review of U.S. Patent No. 11,274,876

I. INTRODUCTION

35 U.S.C. § 315(a) is clear and unambiguous: "An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent." Despite this clear language—and relying on *no caselaw*, only unsupported arguments that are directly contradicted by decisions of the Patent Trial and Appeal Board (the "Board")—Petitioner College Products, Inc. ("CP"), filed this and two other barred petitions *after* it filed declaratory judgment actions for invalidity on U.S. Patent Nos. 9,791,206 (the "'206 Patent"); 9,657,974 (the "'974 Patent"); 10,495,374 (the "'374 Patent"); and 11,274,876 (the "'876 Patent").

Accordingly, *inter partes* review (IPR) "may not be instituted." 35 U.S.C. § 315(a).

II. BACKGROUND

A. PROCEDURAL HISTORY

Patent Owner Intirion Corporation ("Intirion") filed an infringement action against CP on May 6, 2022, in the Western District of Texas, alleging infringement of the '206, '974, '374, and '876 Patents. (Ex. 2001). CP was served with the Texas infringement suit on June 8, 2022. (Ex. 2002). Intirion's infringement action remained pending in Texas until April 2023, when the Western District of Texas transferred the case to the Northern District of Iowa on venue grounds. (Ex.

2003). Intirion's infringement action in the Northern District of Iowa, which is currently ongoing, is captioned *Intirion Corporation v. College Products, Inc.*, No. 23-cv-04023 (N.D. Iowa) (the "Infringement Action"). (Ex. 2004).

On January 5, 2023—while the parties were still disputing venue in the Western District of Texas—CP filed a complaint for a declaratory judgment in the Northern District of Iowa: *College Products, Inc. v. Intirion Corporation*, No. 23-cv-4002 (N.D. Iowa) (the "Declaratory Judgment Action"). (Ex. 2005). CP sought a declaratory judgement of invalidity for the '974, '206, '374 and '876 Patents:

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF IOWA
WESTERN DIVISION

COLLEGE PRODUCTS, INC.	§	
	§	
Plaintiff,	§	
	§	
vs.	§	CIVIL ACTION NO. 23cv4002
	§	
INTIRION CORPORATION,	§	JURY TRIAL DEMANDED
	§	
Defendant.	§	

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff College Products, Inc. (hereinafter "College Products") seeks declaratory judgment that (1) College Products does not infringe, directly or indirectly, United States Patent Nos. 9,657,974 ("the '974 Patent"), 9,791,206 ("the '206 Patent"), 10,495,374 ("the '374 Patent"), and 11,274,876 ("the '876 Patent") (collectively, the "Asserted Patents") and (2) the Asserted Patents are invalid.

(*Id.* at 1). The Declaratory Judgment Action remained pending for six months,

until June 7, 2023. CP even amended its Complaint in the Declaratory Judgment Action by repleading its invalidity claims and asserting additional tort and state law claims. (Ex. 2006). That CP filed the Declaratory Judgement Action is undisputed.

B. DURING AND AFTER CP FILED AND REFILED ITS DECLARATORY JUDGMENT ACTION, CP ARGUED IT WAS THE TRUE PLAINTIFF.

The Infringement Action was transferred to the District Court for the Northern District of Iowa on April 13, 2023. Shortly thereafter, Intirion contacted CP to discuss potential consolidation of the Declaratory Judgment Action into Intirion's Infringement Action. (Ex. 2007, ¶ 3). CP opposed. (*Id.* at ¶ 4). Specifically, CP asserted that CP was properly the plaintiff in the patent litigation, due to its invalidity Declaratory Judgment Action, and that its Declaratory Judgment Action should be the lead case, with Intirion's case being consolidated therein. (*Id.*). After the discussion, on April 25, 2023, CP filed its amended Complaint in the Declaratory Judgment Action, which, *inter alia*, included its claims challenging the validity of the '974, '206, '374 and '876 Patents. (Ex. 2006, at 14–15, 18–20, 22–24, 26–28).

CP then contacted the Court, again arguing the cases should be consolidated, that CP was the plaintiff due to their filing of the Declaratory Judgment Action, and requesting a status conference. In a joint email to the District Court for the

Northern District of Iowa, CP argued that it was and should remain the "Plaintiff." (Ex. 2008, at 2) ("College Products' Position: College Products contends Intirion's transfer case . . . should be consolidated into College Products' case . . . such that College Products remains Plaintiff."; "College Products contends its case . . . should be the controlling case, and it should remain Plaintiff. College Products' case in this District was the *first properly filed case.*" (emphasis added)).

In a May 4, 2023, conference call with the Northern District of Iowa, CP also indicated that it believed that the Declaratory Judgment Action should be the lead case. Again, CP argued that Intirion was "not the first to file" and its "DJ action takes precedence" over Intirion's Infringement Action due to the venue dispute. (Ex. 2009, at 9:12–10:1); *see also* (*id.* at 10:10–20) ("[W]e think we have the affirmative cause of action here. . . [W]e believe that we should be a plaintiff and recover for all the harm that's been cause to our university relationships."); (Ex. 2010). The court "decline[d] to consolidate the cases at [that] time" and stated it would instead hear Intirion's motion to dismiss, noting "that if the motion to dismiss is denied, it is the court's general practice to follow the first-filed rule." (Ex. 2010).

Following conference call with the Court, CP voluntarily agreed to consolidate its Declaratory Judgment Action into Intirion's Infringement Action. (Ex. 2007, ¶ 5). On May 22, 2023, CP and Intirion *jointly* moved the Court to

consolidate the cases into Intirion's Infringement Action. (Ex. 2011). A week later, on May 30, CP notified Intirion for the first time that CP would be filing IPR petitions. (Ex. 2012, at 3). Intirion informed CP that CP was barred from filing IPR petitions on the the '206, '374, and '876 Patents because CP had previously filed the Declaratory Judgment Action challenging the validity of these same Patents. (*Id.* at 1) ("College Products chose to file a declaratory judgment action challenging validity. The statute and case law are both clear that College Products is barred from filing any IPR Petitions under 35 U.S.C. § 315(a)(1). Should College Products proceed with filing an IPR Petition, Intirion reserves the right to seek fees and costs.").

On June 7, 2023, the Court consolidated CP's Declaratory Judgement Action into Intirion's infringement case. (Ex. 2013). The next day, CP filed petitions for IPR of three of the patents that were the subject of the Declaratory Judgment Action: the '206, '374, and '876 Patents. (Ex. 2014; Ex. 2015; Ex. 2016). CP acknowledges it filed the Declaratory Judgment Action in each petition. *E.g.*, (Ex. 2014, at 1). CP contends its Declaratory Judgment Action, which affirmatively challenged the validity of the '206, '374, and '876 Patents, does not matter because it is actually a "counterclaim" to Intirion's separate infringement action. *E.g.*, (*id.* at 3–4). CP is wrong.

III. THE BOARD MUST DECLINE TO INSTITUTE REVIEW PURSUANT TO 35 U.S.C. § 315(A).

Section 315(a)(1) is straightforward and clear: a petitioner may not institute IPR if "before the date on which the petition for review is filed, the petitioner . . . filed a civil action challenging the validity of a claim of the patent." On January 5, 2023, CP filed a civil action challenging the validity of the '206 Patent. (Ex. 2005, at 15–17). On April 25, 2023, CP filed an amended complaint in this civil action, reasserting its declaratory judgment claim challenging the validity of the '206 Patent. (Ex. 2006, at 18–20). The petition for IPR challenging the '206 Patent was filed on June 8, 2023, six months *after* CP filed a civil action challenging the validity of the '206 Patent. This is a cut-and-dry case where CP is barred from filing.

The § 315(a)(1) bar is triggered by the common, well-understood phrase "filed a civil action." This is plain and unambiguous language. CP attempts to imbue ambiguity by claiming its Declaratory Judgement Action is (and was always) nothing more than "counterclaims." This is both contrary to the plain meaning of § 315(a)(1) *and* against the clear weight of caselaw.

The Board has found that prior declaratory judgment actions bar institution in similar cases under § 315(a)(1). For example, in *Avigilon Corp v. Canon Inc.*, Case IPR2018-01626, Paper 11 (P.T.A.B. Mar. 18, 2019), the patent owner, Canon Inc., first filed an infringement suit on July 6, 2017, in the Eastern District of New

York. *Id.* at 3. The patent owner Canon, Inc. later voluntarily refiled its complaint in the Northern District of Texas on October 5, 2017. *Id.* The same day, the petitioner Avigilon filed a declaratory judgment complaint in Massachusetts. *Id.* Avigilon voluntarily dismissed its declaratory judgment action, then filed its IPRs. *Id.* at 4. The Board *did not* hold that Avigilon's declaratory judgment action's invalidity claims—which would be (and were eventually filed as compulsory counterclaims in the Texas infringement case—were merely counterclaims, and thus excepted from § 315(a)(1). *Id.* at 10–11. Rather, the Board held that, under *Click-to-Call Techs., LP v. Ingenio, Inc.*, 899 F.3d 1321 (Fed. Cir. 2018), Avigilon's *filing* of the declaratory judgment action barred institution of IPR under § 315(a)(1), consistent with the plain language of the statute, regardless of the fact that the Massachusetts declaratory judgment action was voluntarily dismissed and re-pled as counterclaims. *Id.* at 11.

Importantly, Avigilon tried CP's argument here, alleging that "the declaratory judgment action contained counterclaims to Canon's [the patent owner's] infringement allegations and, thus, pursuant to 35 U.S.C. § 315(a)(3), is not a civil action challenging the validity of a claim of a patent for purposes of § 315(a)(1)." *Id.* at 10. The Board summarily dismissed Avigilon's argument:

> [W]e agree . . . that a counterclaim typically is asserted in an existing civil action, in contrast to a complaint, the filing of which begins a civil action. *See* Prelim. Resp. 24 (citing, e.g., Fed. R. Civ. P. 13 (defining counterclaims as distinct from pleadings, including a

> complaint, set forth in Fed. R. Civ. P. 7)); Fed. R. Civ. P. 3 ("A civil action is commenced by filing a complaint with the court."). Avigilon relies on the definition of "counterclaim" in Black's Law Dictionary as "[a] claim for relief asserted against an opposing party after an original claim has been made." Pet. 8 (citing Black's Law Dictionary, 286 (Abridged 7th ed. 2000)). As Canon points out, the definition also provides that a counterclaim ordinarily is "a *defendant's* claim in opposition to or as a setoff against the *plaintiff's* claim." Ex. 2011 (definition of "counterclaim" in Black's Law Dictionary (10th ed. 2014)) (emphases added); see Prelim. Resp. 24. Avigilon did file counterclaims as a defendant against plaintiff Canon's claims in the Texas infringement action. See Ex. 2008. But in the declaratory judgment action, Avigilon was the plaintiff while Canon was the defendant, so the allegations in the declaratory judgment complaint were not a defendant's claims in opposition to a plaintiff's claims, as set forth in the cited definition of "counterclaim."

Id. at 10–11. For the same reasons the Board declined to institute Avigilon's petition, the Board should decline to institute review based on CP's petitions here.

Avigilon is not the only factually similar petition for which the Board declined to institute review under § 315(a)(1). For example, in *ZTE (USA), Inc. v. Agis Software Dev., LLC*, the petitioner was, *first*, the defendant to an action brought by the patent owner and, *second*, a declaratory plaintiff. Case IPR2019-00487, Paper 8 at 5 (P.T.A.B. May 6, 2019); Case IPR2019-00487, Paper 9 at 4 (P.T.A.B. July 30, 2019). The Board properly determined that § 315(a)(1) barred institution of review. *ZTE*, Paper 9 at 3–5.

Similarly, in *Ruiz Food Prods., Inc. v. MacroPoint LLC*, IPR2017-02016 & IPR2017-02018, Paper 25 (P.T.A.B. Feb. 14, 2019), real party-in-interest FourKites argued its declaratory judgment complaint was a "countersuit" and "a

direct response to [Patent Owner's] suit", and thus, "would be considered a 'counterclaim' under the common legal definition of the word." *Id.* at 11. Like CP, FourKites cited no case law in support of its argument. The Board found "no ambiguity in the term 'counterclaim'" and again properly denied institution of review under § 315(a)(1). *Id.* at 12.

CP's argument that its Declaratory Judgement Action was somehow actually "compulsory counterclaims" similarly holds no water. It is the same argument rejected in *Avigilon* and the other decisions discussed above. These decisions, and the plain language of §315(a)(1), mandate the same result.

Indeed, here, CP deliberately chose to file the Declaratory Judgment Action with full knowledge of the consequences. CP tries to ignore its own decision by suggesting it filed the Declaratory Judgment Action to "preserve its counterclaims" against Intirion. Yet, there was no need for such preservation. Intirion's infringement action was already pending, and CP cites nothing to suggest Intirion would not pursue its claims. Even if there were a need for preservation (there was not), CP was not up against any deadline. The Texas infringement case was served on CP on June 8, 2022. (Ex. 2002). CP filed its Declaratory Judgment Action seven months later. The one-year time limitation of 35 U.S.C. § 315(b) was still five months away. (Ex. 2005). CP deliberately chose to file its petitions *after* filing its Declaratory Judgment Action that challenged the validity of the Intirion's

patents. There was nothing stopping CP from filing IPR petitions and *then* filing declaratory judgment claims.

Unsurprisingly, CP's arguments *before filing this IPR* to the Northern District of Iowa when opposing consolidation into the Infringement Action all undercut its current argument that the Declaratory Judgment Action was somehow comprised of "counterclaims." For example, after CP deliberately filed its Declaratory Judgment Action, CP argued that (1) its Declaratory Judgment Action was the "first properly filed case," (Ex. 2008, at 2); (2) CP's invalidity case was really "the affirmative cause of action," (Ex. 2009, at 10:10–20); and thus, (3) CP was true plaintiff. (Ex. 2008, at 2–3). CP does not, and cannot, address this in its petition. A complaint—let alone a "first properly filed" complaint—filed by a plaintiff is not a counterclaim. Fed. R. Civ. P. 13 (defining counterclaims as distinct from pleadings, including a complaint, set forth in Fed. R. Civ. P. 7). That CP later sought to backtrack from its failed attempt to use its status as plaintiff in the Declaratory Judgment Action to become plaintiff in Intirion's affirmative infringement lawsuit is of no help. *See Avigilon*, Paper 11 at 10–11 ("[I]n the [petitioner's] declaratory judgment action, [the petitioner] was the plaintiff while [the patent owner] was the defendant, so the allegations in the declaratory judgment complaint were not a defendant's claims in opposition to a plaintiff's claims, as set forth in the cited definition of 'counterclaim.'").

CP may now regret filing its Declaratory Judgment Action challenging the validity of the patents before filing its IPR petitions, but that does not change the fact that CP *first*, filed its Declaratory Judgment Action, *second*, agreed to consolidate into Intirion's infringement action, then *third*, filed its petitions for IPR. Nor does it change the fact that Intirion *warned* CP that its petitions for IPR are statutorily barred, and that CP proceeded with filing them, regardless, without considering the applicable caselaw.

The Board should deny institution of CP's petition for IPR.

IV. ASSERTED PRIOR ART CHALLENGES CONTAIN NUMEROUS DEFICIENCES ALSO WARRANTS DENIAL OF INSTITUTION

Intirion disputes that the references have all been established to be printed publications and disputes that the prior art teaches or suggests, individually or in combination, all of the limitations in any claim of the '206 Patent. Moreover, the Petition does not even address the real claim language, but rather, CP's own created limitations. However, because this IPR is clearly barred under § 315(a)(1), these numerous deficiencies in the Petition need not be considered. Intirion reserves the right to address these should review be instituted.

V. CONCLUSION

For all of the above reasons, Intirion respectfully requests that the Board decline to institute IPR2023-01041.

Dated: September 14, 2023

/R. Scott Johnson/

R. Scott Johnson
Reg. No. 45,792

Counsel for Patent Owner Intirion

CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(a)(1)(i), the undersigned hereby certifies that the foregoing Patent Owner's Preliminary Response contains 2,555 words, excluding parts of this Preliminary Response exempted under § 42.24(a), as measured by the word-processing system used to prepare this paper.

Dated: September 14, 2023

/R. Scott Johnson/
R. Scott Johnson
Reg. No. 45,792

Counsel for Patent Owner Intirion

CERTIFICATE OF SERVICE

Per agreement of the parties and pursuant to 37 C.F.R. ¶ 42.105(b), the undersigned certifies that a copy of this Patent Owner's Preliminary Response to Petition and Exhibits 2001–2016 were served on September 14, 2023, electronically via Secured File Transfer on the following:

Domingo M. LLagostera
Russell T. Wong
BLANK ROME LLP
717 Texas Avenue, Suite 1400
Houston, TX 77002
Telephone: (713) 632-8682
Fax: (713) 228-6605
domingo.llagostera@blankrome.com
russell.wong@blankrome.com

Megan R. Wood
Alexander S. Perry
BLANK ROME LLP
1825 Eye Street NW
Washington, DC 20006
Telephone: (202) 420-2753
Fax: (202) 420-2201
megan.wood@blankrome.com
alex.perry@blankrome.com

Dated: September 14, 2023

/R. Scott Johnson/
R. Scott Johnson
Reg. No. 45,792

Counsel for Patent Owner Intirion