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Paper 9
Date: January 25, 2024

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VIDENDUM PRODUCTION SOLUTIONS, INC.,
Petitioner,

v.

ROTOLIGHT LIMITED,
Patent Owner.

IPR2023-01218
Patent 10,845,044 B2

Before GRACE KARAFFA OBERMANN, JEFFREY W. ABRAHAM, and KIMBERLY McGRAW, *Administrative Patent Judges.*

Opinion for the Board filed by OBERMANN, *Administrative Patent Judge*.
Opinion Dissenting filed by McGRAW, *Administrative Patent Judge*.

OBERMANN, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314(a)

I. INTRODUCTION

Videndum Production Solutions, Inc. ("Petitioner") filed a petition for an *inter partes* review (Paper 1, "Pet.") challenging claims 1–19 of U.S. Patent No. 10,845,044 B2 (Ex. 1001, "the '044 patent"). Rotolight Limited ("Patent Owner") filed a Preliminary Response. Paper 6, "Prelim. Resp." After receiving authorization from the Board, Petitioner filed a Reply to the Preliminary Response (Paper 6) and Patent Owner filed a Sur-reply (Paper 7).

We have authority to determine whether to institute an *inter partes* review under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). For the reasons set forth below, we do not institute an *inter partes* review of the challenged claims.

A. Real Parties-in-Interest

Petitioner identifies itself and Videndum PLC as real parties-in-interest. Pet. 63. Patent Owner identifies itself and Rotolight Group Ltd. as real parties-in-interest. Paper 4, 1.

B. Related Proceedings

The parties identify *Rotolight Limited v. Videndum PLC and Videndum Product Solutions, Inc*., Case No. 22-928-MN-JLH (D. Del.) ("the District Court action"), in which Patent Owner has asserted infringement of the '044 patent against Petitioner. Pet. 63; Paper 4, 1. Patent Owner identifies three additional district court actions. Paper 4, 2 (listing those actions).

The parties indicate that Arnold & Richter Cine Technik GmbH & Co. Betriebs KG (referred to by the parties as "ARRI") previously filed an *inter partes* review against the same claims of the '044 patent in IPR2022-00099

("IPR099"). Pet. 63; Paper 4, 2. Patent Owner identifies seven additional *inter partes* reviews. *See* Paper 4, 1–2 (listing those proceedings).

C. The '044 Patent (Ex. 1001)

The '044 patent, titled "Lighting System and Control Thereof," issued on November 24, 2020. Ex. 1001, codes (45), (54). The '044 patent "relates to a lighting system, and the control of a lighting system, and the simulation of lighting special effects, and in particular to a lighting system for videography, broadcasting and cinematography." *Id.* at 1:14–17. According to the specification of the '044 patent, a typical "lighting controller called a 'flicker box'" may be "used to produce flickering lighting effects to mimic flickering light for example from a fire place, candle, electrical spark or lightning." *Id.* at 1:18–23.

But flicker boxes are "complex, costly and time consuming" to set up and undesirably require "a physical wired connection to the 'hot' light source desired to be controlled." *Id.* at 1:27–32. Flicker boxes also are "incompatible with LED light sources" and "require the use of 'hot' incandescent light sources which are energy inefficient and also pose health and safety risks to those working on set." *Id.* at 1:35–40.

The '044 patent purports to address those disadvantages and describes methods and devices "for controlling a lighting device to produce user customizable lighting effect," for example, by "calculating a time varying lighting value based on at least one simulation parameter" and "outputting said time varying lighting value thereby to simulate a lighting effect." *Id.* at 1:45–58. Figure 2 reproduced below, illustrates that solution.

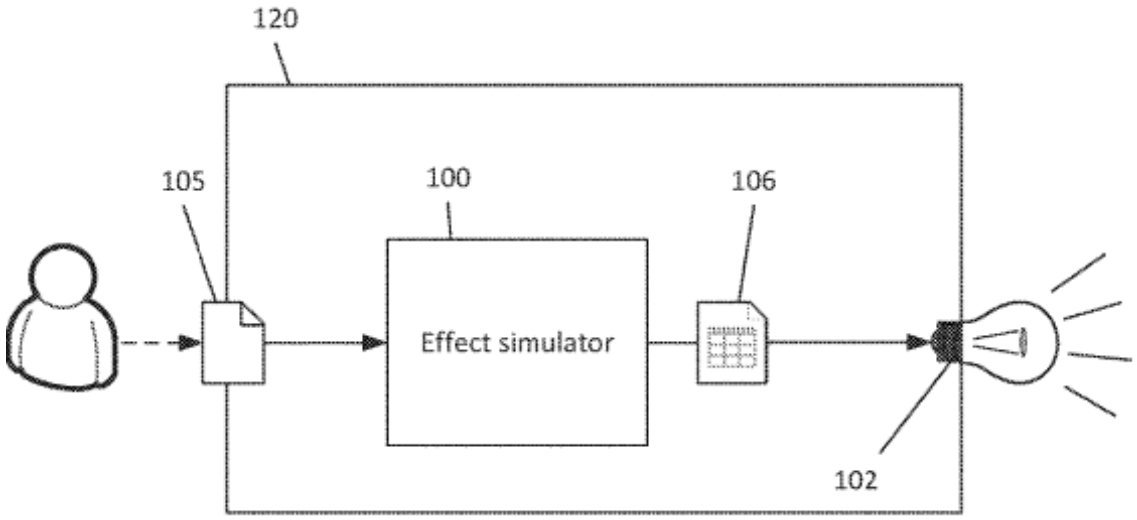


Figure 2

Figure 2 "is a schematic diagram of a further lighting system." *Id.* at 5:22. Figure 2 shows studio lamp device 120 that includes input interface 105 and lighting effect simulator 100, which produces data 106 used to modulate light 102. *Id.* at 5:54–6:8. For example, "the light **102** is an array of LEDs, preferably of differing colours" and a "microcontroller or other computing unit is integrated in the lamp device **120** for performing calculations." *Id.* at 5:56–57, 5:61–63. The '044 patent explains that "[t]his arrangement does not require the DMX [Digital Multiplex] distribution hub **302**, power elements **304**, **306**" required in a flicker box lighting system. *Id.* at 5:57–60.

Figure 6, reproduced below, illustrates a simulated lighting effect using an exemplary graphic user interface.

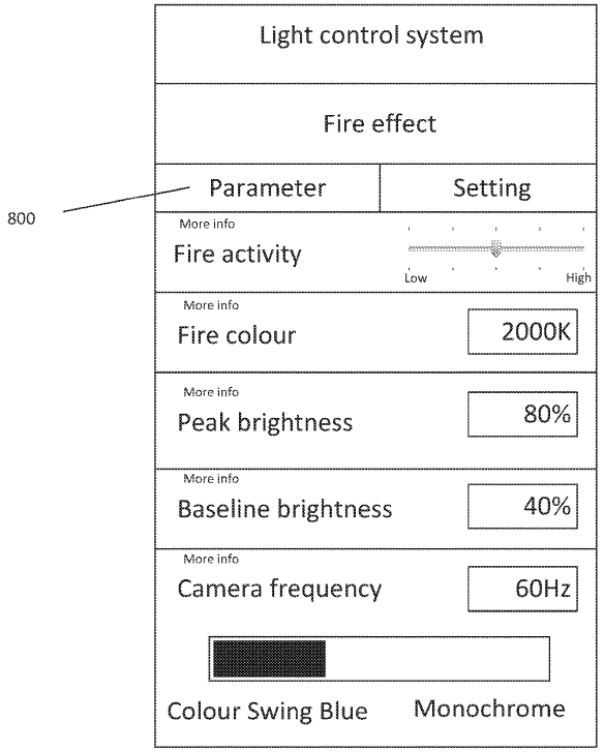


Figure 6

Figure 6 "is a graphic user interface [800] for user input of simulation parameters." *Id.* at 5:28–29. According to Figure 6, the simulated effect is a fire effect. *Id.* at 8:5–7. Interface 800 allows the user to select a "fire activity" by sliding the slider between low to high and set values for "fire colour," "peak brightness," "baseline brightness," and "camera frequency." *Id.* at 8:8–12.

D. Illustrative Claim

Petitioner challenges claims 1–19 of the '044 patent, with claims 1, 12, and 19 being the independent claims. Claim 1, reproduced below, is representative of the challenged claims.

> 1. A method for controlling a lighting device to produce a range of different user customisable lighting effects, the method comprising:

receiving user input of at least one user input simulation parameter to customise a lighting effect;

storing in memory said at least one user input simulation parameter, said at least one user input simulation parameter depending on the lighting effect being simulated;

recalling from said memory said at least one stored user input simulation parameter;

calculating, using an effect simulator, a time varying lighting value based on said recalled simulation parameter; and

outputting to said lighting device said time varying lighting value thereby to simulate the lighting effect.

Ex. 1001, 11:54–12:3.

E. The Asserted Unpatentability Challenges

Petitioner asserts the following grounds of unpatentability:

Claims Challenged	35 U.S.C. §	Reference(s)/Basis
1–19	102[1]	Astera[2]
1–19	103	Astera
1–19	102	Edwards[3]
1–19	103	Edwards

[1] The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284 (2011), amended 35 U.S.C. §§ 102 and 103, effective March 16, 2013. Given that the application from which the '044 patent issued was filed after this date (Ex. 1001, code (22)), the current versions of §§ 102 and 103 apply.

[2] Astera LED Technology GmbH, AX10 SPOTMAX™ User Manual, dated May 7, 2015 (Ex. 1004, "Astera"), which Petitioner alleges to have a publication date of June 2015. *See* Pet. 6–7 (Petitioner's information pertaining to earliest publication date).

[3] Charles Edwards, US 9,743,010 B1, issued August 22, 2017 (Ex. 1006, "Edwards").

Pet. 3. The Petition is supported by the declaration testimony of Mr. Woody Smith (Ex. 1003) and Mr. Simon Canins (Ex. 1005). The Preliminary Response is supported by the declaration testimony of Dr. Eric Bretschneider (Ex. 2002).

II. WHETHER TO INSTITUTE AN *INTER PARTES* REVIEW

Patent Owner requests a discretionary denial of institution under 35 U.S.C. § 314 based on the earlier petition filed by ARRI in IPR099. Prelim. Resp. 12–25 (citing *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i)). Petitioner counters that discretionary denial is not appropriate on this record. Pet. 61–62; Reply 1–3.

A. Background

On October 25, 2021, ARRI filed its petition in IPR099 against claims 1–19 of the ’044 patent. Ex. 2004. On May 12, 2022, the Board instituted review in IPR099 based on ARRI’s petition. Ex. 1007. Three months later, on July 12, 2022, Patent Owner filed the complaint in the District Court action against Petitioner for infringement of claims 1–19 of the ’044 patent. Ex. 2001, 1. On January 9, 2023, after completion of discovery and the filing of all trial briefs in IPR099, the Board entered a hearing order that scheduled final arguments for February 13, 2023. *See* IPR099, Paper 35 (hearing order).

On January 13, 2023, six months after Petitioner was sued by Patent Owner in the District Court action, ARRI and Patent Owner jointly moved to terminate their dispute in IPR099 based on settlement. IPR099, Paper 37. The next day, on January 14, 2023, Petitioner sent an email to the Board requesting denial of the parties’ joint motion to terminate IPR099.

Ex. 1010.[4] In that email, Petitioner maintained that termination was against Petitioner's interests because Petitioner, at that time, was defending against Patent Owner's claims of infringement of the '044 patent in the District Court action. *Id*. at 1–2.

On January 30, 2023, the Board issued an order that terminated IPR099 (before a final written decision issued) based on the settlement between ARRI and Patent Owner. Ex. 1011. In that order, the Board expressly addressed Petitioner's objections to termination (*id*. at 3–7), observing that the Board was "first made aware of [Petitioner's] asserted interests" in IPR099 in the email dated January 14, 2023, "with no prior attempt by that non-party to otherwise be involved in" IPR099 (*id*. at 6). The Board observed that Petitioner's email did not explain why Petitioner "could not have filed" a "copycat" petition in IPR099 "to serve as a back-up or understudy petitioner in the event of a settlement between the parties." *Id*. The Board further observed that, in the email, Petitioner "indicates that it is not time-barred and may file its own" petition against claims of the '044 patent "in the future." *Id*. at 7. Against that backdrop, the Board terminated IPR099, reasoning that Petitioner's "asserted interests as a non-party" did not "outweigh the substantial interests of the actual participants in" that proceeding. *Id*. at 6–7.

On July 17, 2023, about six months after the Board terminated the proceeding in IPR099 and a few days shy of the one-year anniversary of the date on which Petitioner was sued for infringement in the District Court action, Petitioner filed the instant Petition. *See* Pet. The Petition advances

[4] Petitioner changed its name from "The Vitec Group PLC" to "Videndum Production Solutions, Inc." in May 2022. Prelim. Resp. 13 (citing Ex. 2003).

the same challenges based on the same prior art references against the same patent claims as ARRI's petition in IPR099. *Compare id*. at 3 (grounds chart), *with* Ex. Ex. 2004, 4 (grounds chart).

B. General Plastic Factors

The Board's decision in *General Plastic* articulates a non-exhaustive list of factors that we consider in evaluating whether to exercise discretion, under 35 U.S.C. § 314(a), to deny a petition that challenges a patent that was previously challenged before the Board. These factors are:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, Paper 19 at 9−10.

C. Assessment of the Factors

1. Factor One

Under the first *General Plastic* factor, we consider "whether the same petitioner previously filed a petition directed to the same claims of the same patent." *General Plastic*, Paper 19 at 16. The parties agree that this is the first petition that Petitioner has filed against claims of the '044 patent. Prelim. Resp. 16; Reply 1. The parties disagree, however, about whether this first factor nonetheless favors a discretionary denial of institution because a "significant relationship" exists between Petitioner and ARRI. Prelim. Resp. 16–17 (quoting *Valve Corp. v. Elec. Scripting Prods., Inc*., IPR2019-00062, Paper 11 at 9–10 (PTAB Apr. 2, 2019) (precedential)); Reply 1.

On that point, we take note that "our application of the *General Plastic* factors is not limited solely to instances when multiple petitions are filed by the same petitioner." *Valve*, Paper 11 at 9. "[W]hen different petitioners challenge the same patent, we consider any relationship between those petitioners when weighing the *General Plastic* factors." *Id*.

Patent Owner argues that Petitioner's use of the earlier-filed petition in IPR099 "as a roadmap for its own petition ties the interests of" Petitioner and ARRI together such that the first *General Plastic* factor supports denial of institution. Prelim. Resp. 17 (quoting *Ericsson Inc. v. Uniloc 2017, LLC*, IPR2019-01550, Paper 8 at 11–12 (PTAB Mar. 17, 2020) ("*Ericsson I*")). Aside from the facts surrounding Petitioner's alleged copying of ARRI's petition in IPR099, Patent Owner directs us to no other evidence of a relationship between Petitioner and ARRI, except to indicate that both entities were sued by Patent Owner for infringement of the '044 patent and both were "industry participants." Prelim. Resp. 17.

Petitioner responds that ARRI is its direct competitor and, further, that ARRI and Petitioner were "separately sued based on different products, and did not collaborate on" any *inter partes* review proceedings. Reply 1–2.

We do not read the *Valve* decision as supporting Patent Owner's view that Petitioner's reliance on ARRI's earlier-filed petition in IPR099, even "as a menu and roadmap," is sufficient to create "a significant relationship" that favors denial under the first *General Plastic* factor. *See Ericsson Inc. v. Uniloc 2017 LLC*, IPR2020-00420, Paper 7 at 9 (PTAB June 18, 2020) ("*Ericsson II*"). To the extent the Board held otherwise in *Ericsson I*, "we are not bound" because that decision "is not precedential authority." *Ericsson II*, Paper 7 at 9 (addressing *Ericsson I*). Petitioner's decision to review ARRI's petition in IPR099 "and even agreeing with and liking the analysis in the earlier petition does not create a significant relationship between the two petitioners." *Ericsson II*, Paper at 10.

On this record, we agree with Petitioner that the first *General Plastic* factor weighs in favor of institution. We also agree that the lack of a significant relationship between first and second petitioners can diminish the relevance of the other *General Plastic* factors. *See* Reply 1 (Petitioner's argument on that point). As explained below, however, similar to the panel in *Ericsson II*, we find that is not the case here. *See Ericsson II*, Paper 7 at 7–16 (denying institution after weighing all seven *General Plastic* factors, notwithstanding that no significant relationship was shown to exist between the first and second petitioners and the first factor favored institution).

2. Factor Two

Under the second *General Plastic* factor, we consider "whether at the time of filing of the first petition the petitioner knew of the prior art asserted

in the second petition or should have known of it." *General Plastic*, Paper 19 at 16. At its core, this factor goes to whether the same petitioner could have and, therefore, should have asserted, in a first petition, prior art newly-asserted later in a second petition. *Id*. The instant case, by contrast, does not involve the same petitioner that filed the first and second petitions. Accordingly, we determine that the second *General Plastic* factor is inapplicable to the circumstances at hand and, therefore, is neutral.[5]

3. Factor Three

The third *General Plastic* factor focuses on "whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition." *General Plastic*, Paper 19 at 16. This factor supports denial because Petitioner filed the instant Petition about six months after the full trial record essentially was complete in IPR099. The only outstanding tasks were presentation of final oral arguments and issuance of a final written decision. *See supra* 7–9 (timeline).

Petitioner accessed the trial record in IPR099 at least six months prior to filing the instant Petition. *See* Ex. 1010 (email dated January 14, 2023). The record suggests, moreover, that Petitioner kept abreast in real-time of the papers filed in IPR099. *See id*. (Petitioner's email to the Board, dated ***January 14, 2023***, attempting to dissuade the Board from terminating IPR099 pursuant to a joint request for termination filed one day earlier, on

[5] We below address, in connection with the fourth factor, the length of time that elapsed between when Petitioner knew of the prior art asserted in the Petition and the filing date of the Petition (at least sixteen months).

January 13, 2023). We find nothing innately improper or unfair about that practice. To the contrary, monitoring the developments in an instituted *inter partes* review seems reasonable and prudent where, as here, the proceeding was brought by a direct competitor sued by the same Patent Owner for infringement of the same patent claims on which Petitioner had been sued in the District Court action.

But that does not end the inquiry. As Patent Owner correctly points out, this third *General Plastic* factor concerns whether a second petitioner files a "sequential" or time-staggered attack "against the same claims, with the opportunity to morph positions along the way" by reviewing information filed in the first proceeding, which inherently "imposes inequities on Patent Owner." Prelim. Resp. 20 (quoting *General Plastic*, Paper 19 at 11 ("[t]his is inequitable to Patent Owner and the very type of conduct that factor 3 seeks to protect against")).

It is the "***opportunity*** to morph positions along the way" that favors denying a second petition that is time-staggered relative to a first petition. *General Plastic*, Paper 19 at 9 n.13, 11 (Board's emphasis). Petitioner had more than a mere opportunity to morph its positions. It is beyond dispute that Petitioner, in fact, accessed the trial record in IPR099 at least six months prior to filing the instant Petition. Ex. 1010 (Petitioner's email dated January 14, 2023). Further, Petitioner leaves uncontested on this record Patent Owner's assertion and evidence that Petitioner "bolstered arguments" in the Petition based on review of the trial record developed in IPR099. Prelim. Resp. 19–20 (identifying persuasive examples); *see* Reply 1–3 (declining to contest Patent Owner's arguments or evidence on that point).

For the above reasons, we find the third *General Plastic* factor weighs in favor of denying institution.

4. Factors Four and Five

Under the fourth and fifth *General Plastic* factors, we consider "the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition" and "whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent." *General Plastic*, Paper 19 at 16.

Petitioner had knowledge of the asserted prior art, namely, Astera and Edwards, no later than February 25, 2022, when Patent Owner identified IPR099 as a related matter in both IPR2022-00261 ("IPR261") and IPR2022-00262 ("IPR262"), which were filed by Petitioner. Prelim. Resp. 13; IPR261, Paper 5 at 1; IPR262, Paper 6 at 1. Patent Owner filed its complaint against Petitioner in the District Court action on July 12, 2022, and Petitioner filed the instant Petition on July 17, 2023, which appears on this record to fall just under the statutory-bar deadline.[6]

On this record, Petitioner's direct interest in invalidating claims 1–19 of the '044 patent matured on July 12, 2022, the day it was sued for infringement of those claims in the District Court action. Ex. 2001. During the next six months, Petitioner, well within its rights, declined to file a copycat petition to join IPR099 "as a back-up or understudy" in the event ARRI settled its dispute with Patent Owner. Ex. 1011, 6. Instead, during that

[6] Patent Owner argues that "Petitioner waited until nearly the very last day, July 17, 2023, to file the current petition before it became time-barred under 35 U.S.C. § 315(b)." Prelim. Resp. 21.

period, it appears Petitioner was content to monitor the activity in IPR099. *See* Ex. 1010 (email demonstrating Petitioner's real-time monitoring of the developments in IPR099). We emphasize again that Petitioner was under no obligation to join IPR099 or file its own petition at any particular time. Nevertheless, under binding precedent, Petitioner bears the burden of explaining the length of its delay in filing a time-staggered second petition against the same patent claims challenged in IPR099, with a level of detail that is adequate in view of the particular and unique facts and circumstances presented on this record. *General Plastic*, Paper 19 at 16.

We determine that Petitioner's explanation for the delay between the filing of the complaint in the District Court action and the filing of the instant Petition is not sufficient under the particular and unique facts presented on this record. Petitioner devotes a single sentence to this issue, stating only that the delay was "reasonable" because Petitioner had to "find a new expert, coordinate with third parties (one residing overseas), and finalize declarations." Reply 3.

That explanation ignores that Petitioner had access to every trial brief filed in IPR099 for a full six months prior to filing its Petition. Furthermore, Petitioner's explanation ignores that the instant Petition is based on the same prior art, the same invalidity challenges, and the same patent claims as the first petition filed by ARRI in IPR099—a circumstance that significantly undercuts the conclusory assertion that a delay of nearly 12 months was reasonable because Petitioner had to find a new expert, deal with an overseas non-party, and finalize declarations. *Id*.

Petitioner fails to explain adequately why preparing the instant Petition was so time consuming, considering the Board instituted an *inter*

partes review in IPR099 on the same prior art and challenges. *Id*. (Petitioner's argument that the decision to institute in IPR099 demonstrates that the Board has "already found a likelihood that the" instant Petition is sufficient to support institution (citing Ex. 1007, 25)). The clear implication is that the nearly 12-month-long delay, including a six-month period during which Petitioner had access to an essentially complete trial record in IPR099, was necessary to allow Petitioner time to craft "bolstered arguments" in the instant Petition relative to the IPR099 petition. Prelim. Resp. 19; *see* Reply 1–3 (declining to contest Patent Owner's argument and evidence that Petitioner "bolstered arguments" in the instant Petition based on review of the record in IPR099).

To be clear, we do not hold that any particular length of delay is always unreasonable between time-staggered, serial petitions filed by different petitioners against the same patent claims. To the contrary, we assess the reasonableness of the delay in this case by considering the particular and unique set of ***uncontested*** facts presented on this record, including: (1) Petitioner kept abreast of the developments in IPR099 in real-time, as evidenced by Petitioner's email to the Board, submitted *one day* after the parties filed a motion to terminate in IPR099 (Ex. 1010); (2) the record in the first proceeding was essentially complete six months before Petitioner filed the instant Petition; (3) the instant Petition asserts the same challenges against the same patent claims based on the same prior art as the petition in IPR099; (4) Petitioner was aware of the asserted art at least sixteen months before it filed the Petition; (5) Petitioner bolstered arguments in the Petition in view of the trial record developed in IPR099; and (6) after Patent Owner filed suit against Petitioner in the District Court action,

Petitioner waited nearly one year to file the Petition, just a few days shy of the last day before the Section 315(b) time bar would set in. Prelim. Resp. 12–25 (asserting those facts); Reply 1–3 (declining to contest those facts); *see* Pet. 62 (declining to address any *General Plastic* factor, much less attempting to explain the delay).

When considered in light of those uncontested facts, we find insufficient Petitioner's single cursory sentence directed toward explaining the delay, which refers to finding a new expert, coordinating with an overseas non-party, and finalizing declarations. Reply 3. On this record, the fourth and fifth *General Plastic* factors weigh in favor of denying institution.

5. Factors Six and Seven

Under the sixth and seventh *General Plastic* factors, we consider "the finite resources of the Board" and "the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review." *General Plastic*, Paper 19 at 16. The sixth and seventh factors are efficiency considerations. *See id.* at 16–17; *see also* Consolidated Trial Practice Guide 56 (Nov. 2019) ("CTPG"), https://go.usa.gov/xpvPF (citing *General Plastic*, Paper 19 at 15) (noting that the Director's discretion under § 314(a) is informed by 35 U.S.C. § 316(b), which requires "the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter").

We determine that the sixth and seventh *General Plastic* factors weigh against institution. In general, having multiple petitions challenging the same patent, especially when not filed at or around the same time as in this case, is inefficient and tends to waste resources. On that point, we are not persuaded

by Petitioner's argument that these factors favor institution because, in IPR099, "the Board already found a likelihood that the '044 patent may be invalid on the same grounds [asserted] in the Instant Petition." Reply 3.

Specifically, that argument fails to addresses concerns of efficiency and wasted resources at the Board. At the time the parties to IPR099 filed their motion to terminate based on settlement, the trial was nearly complete as the matter had been fully briefed and the time for the final hearing had already been set. All that remained was for the parties to present final arguments and the Board to issue its final written decision. A decision instituting an *inter partes* review on the instant Petition would require us to start another proceeding, on the same grounds raised in IPR099, from the very beginning, thus duplicating much of the Board's and Patent Owner's efforts exerted in that proceeding.

We determine that the sixth and seventh *General Plastic* factors weigh in favor of denying institution.

D. Summary

The evidence of record shows that factor 1 favors institution, factor 2 is neutral, and factors 3–7 favor denial of institution. Although no single factor is dispositive, the evidence and circumstances as a whole weigh in favor of denying institution in this case. As a result, we determine that it is appropriate to exercise our discretion under § 314(a) to deny institution.

III. CONCLUSION

For the forgoing reasons, we exercise our discretion under § 314(a) to deny institution of an *inter partes* review.

IV. ORDER

It is

ORDERED that, pursuant to 35 U.S.C. § 314, the Petition is denied, and no *inter partes* review is instituted.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VIDENDUM PRODUCTION SOLUTIONS, INC.,
Petitioner,

v.

ROTOLIGHT LIMITED,
Patent Owner.

IPR2023-01218
Patent 10,845,044 B2

McGRAW, *Administrative Patent Judge, Dissenting*.

I. INTRODUCTION

I dissent respectfully from the panel majority's decision ("majority decision"[7]) that we should exercise discretion to institution under 35 U.S.C. § 314(a). I believe the majority decision, when weighing certain of the *General Plastic* factors[8] and determining to deny institution, fails to sufficiently take into account certain facts including:

1) the present Petitioner is not the petitioner, nor a real party in interest or privy of the petitioner (i.e., Arnold & Richter Cine Technik GmbH & Co. Betriebs KG ("ARRI")) that filed the earlier petition in IPR2022-00099 ("IPR099");
2) the present Petitioner and ARRI do not have a significant relationship with each other;
3) Patent Owner sued the present Petitioner for infringement of the '044 patent *after* the decision to institute was issued in IPR099;
4) Patent Owner settled the IPR099 proceeding with ARRI and the Board terminated the proceeding without issuing a final written decision;
5) Petitioner requested the Board to not terminate IPR099 stating Patent Owner was attempting "to dismiss these proceedings at the eleventh-hour knowing that its patents are at substantial risk of invalidation" (Ex. 1010, 1);
6) when terminating IPR099, the Board expressly stated the fact that VPS indicates that it "is not time-barred and may file its own petitions in the future" leaves "open the ultimate patentability issues implicated in these cases"; and
7) the present Petitioner filed its Petition within the one-year statutory bar set forth in 35 U.S.C. § 315(b).

[7] This dissent assumes the reader is familiar with the facts set forth in the majority decision.

[8] The *General Plastic* factors are set forth in *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, Case, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i).

For the reasons set forth below, I would address the *General Plastic* factors as follows and grant institution.

A. Factor 1:

Factor 1 considers "whether the same petitioner filed a petition directed to the same claims of the same patent." *General Plastic,* Paper 19 at 9; *see also Valve Corp. v. Elec. Scripting Prods., Inc.*, IPR2019-00062, -00063, -00084 Paper 11 at 2, 10 (PTAB Apr. 2, 2019) (weighing *General Plastic* factor 1 in favor of denying institution when there is a "significant relationship" between the first and second petitioners).

As correctly noted by the majority decision, this is the first petition filed by Petitioner against the claims of the '044 patent. Petitioner is not a real party in interest or in privy with ARRI, the petitioner of the IPR099 proceeding. Additionally, no significant relationship has been shown to exist between Petitioner and ARRI. On this record, factor one weighs strongly in favor of institution.

B. Factor 2:

Factor 2 asks "whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it." *General Plastic,* Paper 19 at 16. Patent Owner asserts that factor 2 weighs in favor of denying institution because "Petitioner was aware of the petition filed by ARRI on the '044 patent [in IPR099] and Petitioner relies on the same art as in the ARRI petition." Prelim Resp. 17. However, factor 2 is less relevant in the overall *General Plastic* analysis when the later petitioner is not the first petitioner, nor is a real party in interest, in privy, or significantly related to the first petitioner. *See, e.g., Qualcomm Inc. v. Monterey Research, LLC*, IPR2020-01493, Paper 11 at 17 (PTAB Mar. 8,

2021); *Unified Patents*, IPR2018- 00548, Paper 7 at 7–8. IPR2021-01577, 20–21.

The evidence presented does not show that Petitioner was aware of the asserted art as of October 25, 2021, the date ARRI filed its petition in IPR099 challenging the '044 patent, let alone show that Petitioner was aware of the relevance of the '044 patent to Petitioner's products or the art's relevance to the challenged claims of the '044 patent.[9] I agree with the majority that the second *General Plastic* factor is inapplicable to the circumstances at hand and, accordingly, is neutral.

[9] Patent Owner does not assert that Petitioner was aware of the asserted art as of October 25, 2021, the date ARRI filed its petition in IPR099 challenging the '044 patent. Rather, Patent Owner asserts Petitioner was aware of the asserted art when Petitioner filed "their first petitions on December 3, 2021" challenging related patents because the IPR099 proceeding "was pending at the time." Prelim. Resp. 17–18; *see also id*. at 18 (stating "[t]here is no question that Petitioner knew of then pending IPR2022-00099 petition and its asserted references" because "Petitioner noticed the ARRI IPRs in the Mandatory Notices sections of their first petitions") (citing IPR2022-00262, Paper 1 at 1). However, as admitted by Patent Owner, IPR099 is not one of the "ARRI IPRs" cited in Petitioner's Mandatory Notice. Prelim. Resp. 18 ("Petitioner does not cite to the IPR2022-00099 proceeding itself"). Rather, Patent Owner asserts that the ARRI proceedings identified by Petitioner "refer to the same prior art." *Id.* Patent Owner also cites to Petitioner's email to the Board requesting the Board not terminate, *inter alia,* the IPR099 proceeding following Patent Owner's settlement with ARRI as evidence that Petitioner "was monitoring cases against ARRI and the IPRs challenging the asserted patents." *Id.* (citing Ex. 1010). However, this email is dated January 14, 2023 and does not establish that Petitioner was aware of the asserted art when ARRI filed its petition in IPR099.

C. Factor 3:

Factor 3 asks "whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition." *General Plastic,* Paper 19 at 9. The majority correctly points out that this third *General Plastic* factor concerns whether a second petitioner files a "sequential" or time-staggered attack "against the same claims, with the opportunity to morph positions along the way" by reviewing information filed in the first proceeding, which inherently imposes inequities on Patent Owner. *See, e.g.*, *Code2000 UAB v. Bright Data Ltd.,* IPR2022-00861, -00862, Paper 18 at 5 (PTAB Aug. 23, 2022) (precedential) (citing *General Plastic*, Paper 19 at 17 and explaining that the absence of any restrictions on follow-on petitions would allow petitioners the opportunity to strategically stage their prior art and arguments in multiple petitions, using our decisions as a "roadmap," until a ground is found that results in the grant of review). The majority finds that factor 3 supports denial because it is undisputed that the instant Petition, filed about six months after the full trial record was essentially complete in IPR099, contains "bolstered arguments" that are based on review of the IPR099 trial record.

I agree that IPR proceedings "are not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent. Doing so would frustrate the purpose of the section as providing quick and cost effective alternatives to litigation." *General Plastic*, 17 (quoting H.R. Rep. No. 112-98, pt. 1, at 48 (2011)). I disagree, however, that factor 3 supports denial of

institution under the present circumstances. Here, Patent Owner chose to file its complaint for patent infringement against Petitioner in July 2022, two months after the Board's May 2022 Decision on Institution in IPR099. Patent Owner cannot complain that Petitioner had an opportunity to study the filings in IPR099 when Patent Owner chose to wait nearly nine months after the petition was filed in IPR099, and two months after the Decision on Institution issued, before bringing suit against Petitioner. Thus, any inequities faced by the Patent Owner in the present circumstances is a result of Patent Owner's own doing. This fact mitigates against the valid concern of road mapping.

Moreover, the IPR099 proceeding was terminated following settlement by Patent Owner and APPI. Ex. 1011. Thus, the Board never issued a final written decision on the merits of the challenges presented in first filed IPR099 petition. Indeed, when the Board terminated IPR099 over Petitioner's objections (Ex. 1010), the Board expressly stated that "termination leaves open the ultimate patentability issues implicated in these cases" and pointed to Petitioner's representation that Petitioner "is not time-barred and may file its own petitions in the future." Ex. 1011, 6.

As such, the present circumstances do not present the kind of harassment that forces a Patent Owner to defend against patent challenges that were already deemed insufficient. Notably, the Director has stated that allowing a petitioner the opportunity to pursue a decision on the merits in a second-filed petition, when the first-filed petition was not evaluated on the merits, "best balances the desires to improve patent quality and patent-system efficiency against the potential for abuse of the review process by repeated attacks on patents." *Code2000,* Paper 18 at 4–5 (internal quotations

omitted). "Holding otherwise would undercut the congressional grant to the United States Patent and Trademark Office of 'significant power to revisit and revise earlier patent grants" as a mechanism "to improve patent quality and restore confidence in the presumption of validity that comes with issued patents.'" *Id.* at 5 (quoting *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 272 (2016) (quoting H.R. Rep. No. 112-98, pt. 1, at 45, 48)).

Moreover, it appears that the present Petition presents the same evidence that Patent Owner would have had to face had it not chosen to settle its previous proceeding. *See* Prelim. Resp. 19–20 (identifying the "bolstered" material included in the present Petition that was not included in the earlier petition as material from the terminated proceeding). It would be unfair to Patent Owner infringement defendants for Patent Owner to inoculate itself from facing meritorious challenges to its patent simply by settling an earlier proceeding.

Thus, for the foregoing reasons, I would weigh factor 3 as supporting institution.

D. Factors 4 and 5

Factor 4 addresses "the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition." Factor 5 addresses "whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent." *General Plastic*, Paper 19 at 9. The majority decision determines that the fourth and fifth *General Plastic* factors weigh in favor of denial.

I disagree that these factors favor denial. Rather, these factors are inapplicable to the circumstances at hand—where Petitioner filed its Petition

within one year of being sued by Patent Owner—and accordingly are neutral.

Although Petitioner was aware of the asserted prior art at least as early as February 25, 2022 (*see* Prelim. Resp. 13; IPR261 Paper 5 at 1; IPR262, Paper 6 at 1), Patent Owner did not sue Petitioner for infringement of the '044 patent until July 2022. Petitioner filed its first petition challenging the '044 patent on July 17, 2023, within the one-year statutory period expressly allowed by Congress under 35 U.S.C. § 315(b). *See* Pet. 63–64 (identifying the district court proceeding in which Patent Owner asserted infringement of the '044 patent against Petitioner and stating that Petitioner is not barred or estopped from requesting an IPR of the challenged claims).

In debating Section 315(b), Congress extended the period for filing the petition from six months to one year so as to afford accused infringers sufficient time to assess the patent owner's infringement allegations and to investigate the patent's validity. *See* 157 Cong. Rec. S5429 (daily ed. Sept. 8, 2011) (statement of S. Kyl) (explaining that the "final bill" extends the deadline for seeking *inter partes* review from six months to one year because, "in light of the present bill's enhanced estoppels, it is important that the section 315(b) deadline afford defendants a reasonable opportunity to identify and understand the patent claims that are relevant to the litigation"). That Congress chose one year over six months raises the presumption, then, that accused infringers are entitled to the full year permitted by statute for filing a petition without being hindered to explain why the petition was not filed earlier in the yearlong window. Indeed, many companies choose not to file a petition for *inter partes* review until they have been sued for patent infringement.

Accordingly, under the facts presented, factors 4 and 5 are inapplicable to the circumstances at hand and accordingly are neutral.

E. Factors 6 and 7:

Factor 6 addresses "the finite resources of the Board" and factor 7 addresses "the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review." I disagree with the majority that the sixth and seventh *General Plastic* factors weigh in favor of denying institution.

Although I agree that it is inefficient and wasteful for the Board to reconsider the same grounds that were raised in IPR099 and that doing so would require Patent Owner to duplicate its efforts exerted in that proceeding, IPR099 was filed by another petitioner and terminated before the Board issued a final written decision. Moreover, the previous proceeding was terminated following Patent Owner's request to terminate following settlement. In such circumstances, the Board's mission "to improve patent quality and restore confidence in the presumption of validity that comes with issued patents" and the fact that Petitioner filed its first petition challenging the '044 patent within one year of being sued, outweighs the impact on Board resources needed to reach a final evaluation of the merits of the asserted grounds. *See Code2000,* Paper 18 at 6 (stating "the Patent Owner's concerns of fairness are outweighed by the benefits to the patent system of improving patent quality by reviewing the merits of the challenges raised in the petitions, which have not been addressed to date"). As such, I would weigh factor 6 as supporting institution.

Regarding factor 7, there is nothing in the record that would prevent the panel from issuing a final determination within one year of institution. Thus, factor 7 also favors institution.

F. Reasonable Likelihood of Success

Patent Owner admits that the present Petition is a copy of the petition in IPR099—which was sufficient for institution in that proceeding—further bolstered with additional material copied from later filings in that proceeding. Prelim. Resp. 17. As such, it appears that the present petition, like the petition in IPR099, shows there is a reasonable likelihood that Petitioner would prevail with respect to at least one of the claims challenged in the Petition.

G. Summary

Based on the circumstances presented, I determine that, as a whole, the factors weigh against exercising discretion to deny institution of the Petition. Therefore, I would not exercise discretion to deny institution under § 314(a), and, respectfully, dissent.

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