

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PELOTON INTERACTIVE, INC.,
Petitioner,

v.

NEC CORPORATION,
Patent Owner.

Case No. IPR2023-01240
U.S. Patent No. 9,769,427

**PATENT OWNER'S RESPONSE TO PETITIONER'S
STATEMENT REGARDING MULTIPLE PETITIONS**

LIST OF EXHIBITS	
Exhibit	Document
2001	Expert Declaration of Dr. Jeremy Cooperstock
2002	CV of Dr. Jeremy Cooperstock
2003	Joint Claim Construction Chart
2004	Excerpts of Prosecution History of U.S. Patent No. 9,769,427
2005	U.S. Patent Publication No. 2008/0256216 (“Aarts”)
2006	Complaint for Patent Infringement (Case No. 1:22-cv-00987)

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<i>General Plastic Indus. Co. v. Canon Kabushiki Kaisha</i> IPR2016-01357, Paper 19 (P.T.A.B. Sept. 6, 2017).....	1, 2
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STATUTES

35 U.S.C. § 316(b)	3
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I. INTRODUCTION

Peloton Interactive, Inc.’s (“Petitioner’s”) filing of two meritless petitions for *inter partes* review on the *same* day challenging substantively similar claims of U.S. Patent No. 9,769,427 (the “’427 Patent”) asserting the *same* combination of references is precisely the kind of tactic that imposes an unnecessary burden on the Board and NEC Corporation (“Patent Owner”). See Patent Trial and Appeal Board Consolidated Trial Practice Guide (“CTPG”) at 59 (November 2019). Indeed, Petitioner’s seven (7) page “Statement Regarding Multiple Petitions” (Statement) is itself 40 percent over the 5 page limit set forth in the Trial Practice Guide. CTPG at 60 n.3. Petitioner’s inability to fit its arguments into the word and page limits provided by the Board is a result of its own inefficiencies and desire to present extraneous arguments. Its petitions should be denied.

II. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. § 314(A)

35 U.S.C. § 314(a) gives the Board discretion to deny petitions when multiple petitions are filed. The Board’s decision in *General Plastic Indus. Co. v. Canon Kabushiki Kaisha* (IPR2016-01357, Paper 19 at 16 (P.T.A.B. Sept. 6, 2017) (precedential)) sets forth seven relevant factors, which weigh against institution.

1. Factor 1 weighs against institution.

Factor 1 relates to successive petitions filed by the same petitioner. While the precise claims challenged by Petitioner are not identical, the features of the claims between the petitions are substantively identical in most respects. In the instant

petition, Petitioner challenges claims 1-9, 14-18, 20, 22, 32 and 34-36. Paper 2 at 1. In IPR2023-01241, Petitioner challenges claims 10-13, 19, 21, 23 and 33 of the '427 Patent. *See* Petitioner's Statement, Paper 3 at 3-4. The claims are closely related because they are directed to the same inventive concepts and, notably, Petitioner asserts the same combination of the same five references renders all of the challenged claims obvious in both IPR2023-01240 and IPR2023-01241.

2. *Factor 2 weighs against institution and Factors 3, 4, 5, and 7 are neutral.*

Factor 2 weighs against institution because petitioner relies upon the same combination of the same five references—Ueda, SIP Standard, SDP Standard, Bechtolsheim, and Cohee—in both petitions. Petitioner plainly knew of the prior art asserted in the first petition when it filed the second petition. Because both petitions were simultaneously filed, factors 3, 5, and 7 are neutral.

3. *Factor 6 weighs heavily against institution, as only a subset of the claims in the two Petitions are asserted in the litigation.*

Factor 6 relates to efficiency and the finite resources of the Board. *See General Plastic* at 16. This factor weighs strongly against institution. As stated in the Trial Practice Guide,

one petition should be sufficient to challenge the claims of a patent in most situations. Two or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner)

may place *a substantial and unnecessary burden on the Board* and the patent owner and could raise fairness, timing, and *efficiency* concerns. *See* 35 U.S.C. § 316(b). In addition, multiple petitions by a petitioner are not necessary in the vast majority of cases.

CTPG at 59 (emphasis added).

This is not a situation where more than one petition is necessary. As an initial matter, Patent Owner asserted fourteen (14) claims in the litigation. *See* Ex. 2006, Complaint for Patent Infringement (Case No. 1:22-cv-00987). Nevertheless, Petitioner has challenged *non-asserted* claims in both petitions (2-3 and 6-9; and 10-13, 19, 21, 23, and 33).

Petitioner’s reliance on *Microsoft Corp. v. IPA Techs. Inc.*, IPR2019-00810, Paper 12 (P.T.A.B. Oct. 16, 2019), *Intel Corp. v. VLSI Tech. LLC*, IPR2019-01199, Paper 19 (P.T.A.B. Feb. 6, 2020), and *Intel Corp. v. Tela Innovations, Inc.*, IPR2019-01520, Paper 14 (P.T.A.B. Mar. 11, 2020). *See* Statement, Paper 2 at 2. Petitioner’s reasons for submitting parallel petitions include that (1) “Petitioner is unable to properly address each of the challenged claims in one petition within the Board’s word-count limitation”; and (2) “[t]his is not a situation where multiple petitions attack identical claim sets[.]” *Id.* at 2, 5.

However, Petitioner’s reasons for filing multiple petitions are lacking. Petitioner essentially argues that each petition is directed to *different claims*

requiring additional word count, but the claims are more similar than Petitioner suggests and the Board has rejected similar arguments in the past. *See Apple Inc., v. Speir Technologies Ltd.*, IPR2023-00543, Paper 8 at 10 (P.T.A.B. Aug. 8, 2023) (“Petitioner does not persuade us that Patent Owner has asserted a large number of claims ... Petitioner filed this Petition just in case Patent Owner asserts additional claims.”); *see also Lifescan, Inc. v. Facet Technologies, LLC*, IPR2023-00713, Paper 13 at (P.T.A.B. Sept. 1, 2023) (finding insufficient “Petitioner’s assertion that two petitions challenge ‘different sets of claims’”).

As Petitioner acknowledges, these petitions are remarkably similar. *See* Notice, Paper 2 at 5 (“Both petitions are based on the same primary reference (Ueda), and both rely upon the SIP Standard, the SDP Standard, Bechtolsheim, and Cohee for various grounds.”). In fact, pages 1-64 of the instant petition and pages 1-60 of the first-filed petition are essentially identical. *Compare* Petition for *Inter Pares* Review of U.S. Patent No. 9,769,427, IPR2023-01241, Paper 3 at 1-64 *with* Petition for *Inter Partes* Review of U.S. Patent No. 9,769,427, IPR2023-01240, Paper 3 at 1-60; *see also* Notice, Paper 2 at 8 (identifying two total sections which are different between the multiple petitions). Although the claims of the ’427 patent are patentably distinct, there are numerous common elements that preclude a reasonable justification for the substantial and unnecessary burdens on the Board and the Patent

Owner. *See* Statement at 2 (“compare claim 1 to claims 10 and 21; compare claims 1, 4 and 5 to claim 33; and compare claims 1, 15 and 17 to claims 19 and 23[.]”).

Thus, this case does not present circumstances in which more than one petition is necessary, and the Board should exercise its discretion to deny institution.

Respectfully submitted,

November 9, 2023
Date

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(a), this is to certify that I caused to be served a true and correct copy of the foregoing “PATENT OWNER’S RESPONSE TO PETITIONER’S STATEMENT REGARDING MULTIPLE PETITIONS” and Exhibits 2001-2006 thereto via the PTAB’s E2E system and sent via email as detailed below.

Date of service: November 9, 2023

Documents served: PATENT OWNER’S RESPONSE TO PETITIONER’S STATEMENT REGARDING MULTIPLE PETITIONS

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