

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

ALD SOCIAL, LLC,
Patent Owner.

IPR2023-01398 (Patent 9,198,054)
IPR2023-01399 (Patent 9,402,158)¹

Before BARBARA A. BENOIT, SHARON FENICK, and
PHILLIP A. BENNETT, *Administrative Patent Judges*.

BENOIT, Administrative Patent Judge.

JUDGMENT
Granting Adverse Judgment
37 C.F.R. §42.73(b)

¹ This Judgment addresses issues that are the same in each of the identified proceedings.

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I. BACKGROUND

On September 12, 2023, Apple Inc. (“Petitioner”) filed two petitions pursuant to 35 U.S.C. §§ 311–319 to request institution of *inter partes* reviews of certain claims of U.S. Patent Nos. 9,198,054 and 9,402,158 (“the challenged patents”). *See* IPR2023-01398, Paper 1 (Petition challenging U.S. Patent No. 9,198,054); IPR2023-01399, Paper 1 (Petition challenging U.S. Patent No. 9,402,158).

Board rules require that Petitioner must serve the petition and supporting evidence relied upon in the petition “on the patent owner at the correspondence address of record for the subject patent.” 37 C.F.R. § 42.105(a). United States Patent and Trademark Office (USPTO) records indicate that nine attorneys associated with Customer Number 116950 are attorneys of record for the two challenged patents. According to USPTO records, Customer Number 116950 is associated with Tarolli, Sundheim, Covell & Tummino LLP in Cleveland, Ohio. Each petition includes a certificate of service indicating service was made in accordance with 37 C.F.R. § 42.105(a) on Patent Owner at Tarolli, Sundheim, Covell & Tummino LLP, 1300 East Ninth Street, Suite 1700, Cleveland, Ohio 44114. *See* IPR2023-01398, Paper 1, 80; IPR2023-01399, Paper 1, 79.

Board rules also require Patent Owner (ALD Social, LLC) to file mandatory notices within 21 days of service of the petition. 37 C.F.R. § 42.8(a)(2). Each of the mandatory notices must include identification of (1) the real party-in-interest, (2) related judicial or administrative matters that would affect, or be affected by, a decision in the proceeding, (3) service information, and, (4) counsel for the party, if the party is represented by counsel. 37 C.F.R. § 42.8(b).

On September 21, 2023, the Board issued Notices of Filing Date Accorded to Petition and Time for Filing Patent Owner Preliminary Response (“Notice”) for

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each case. IPR2023-01398, Paper 4; IPR2023-01399, Paper 3. Each Notice indicated that Patent Owner “may file a preliminary response to the petition no later than three months from the date” of the notice. IPR2023-01398, Paper 4, 1; IPR2023-01399, Paper 3, 1. Each Notice also advised Patent Owner “of the requirement to submit mandatory notice information under 37 C.F.R. § 42.8(a)(2) within 21 days of service of the petition.” IPR2023-01398, Paper 4, 2; IPR2023-01399, Paper 3, 2. The Board sent a copy of each Notice to an address corresponding to Tarolli, Sundheim, Covell & Tummino LLP in Cleveland, Ohio, the law firm of record for the challenged patents. IPR2023-01398, Paper 4, 4; IPR2023-01399, Paper 3, 4. Patent Owner did not submit for either case mandatory notice information or file a preliminary response to the petition within the time frame stated in the Notice.

In addition to these communications, on December 22, 2023 and again on January 2, 2024, the Board contacted counsel who had represented ALD Social LLC in previously pending litigation involving the challenged patents. Ex. 3001. Litigation counsel indicated that his law firm no longer represented ALD Social LLC and that he was unaware who currently represented ALD Social LLC.² *Id.*

On January 25, 2024, the Chief Clerk of the Board sent a Notice of Delinquent Mandatory Notices (“Chief Clerk Notices”) in each case. *See* IPR2023-01398, Paper 5; IPR2023-01399, Paper 4. The Chief Clerk Notices were sent to the attorneys of record for the challenged patents, to ALD Social LLC at its

² Litigation counsel also volunteered to ask ALD Social LLC who would represent them in these IPR challenges but did not contact the Board again regarding the result of any such inquiry. *See* Ex. 3001.

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corporate address³ provided in the latest assignment recorded at the USPTO, and to the registered agent⁴ for ALD Social LLC identified in public records of the Delaware Secretary of State. *See* IPR2023-01398, Paper 5; IPR2023-01399, Paper 4. The Chief Clerk Notices reminded the Patent Owner “to file mandatory notices pursuant to 37 C.F.R. § 42.8(a)(2) for IPR2023-01398 and IPR2023-01399.” *See* IPR2023-01398, Paper 5, 3; IPR2023-01399, Paper 4, 3. Mandatory notices were not filed in either case after these Chief Clerk Notices.⁵

On March 18, 2024, we instituted trial for each case. *See* IPR2023-01398, Paper 6; IPR2023-01399, Paper 5. As 37 C.F.R. § 42.4(c)(1) provides, notice of institution of trial was sent to the attorneys of record for the challenged patents, ALD Social LLC at its corporate address, and the registered agent for ALD Social LLC.

Also on March 18, 2024, we sent in each case an order captioned “Setting Deadline for Filing Mandatory Notices to Avoid Adverse Judgment.” *See* IPR2023-01398, Paper 8; IPR2023-01399, Paper 7.

No counsel has yet appeared in these proceedings on behalf Patent Owner, and Patent Owner has not filed mandatory notices. Nor has Patent Owner contacted the Board in response to our March 18, 2024 orders.

³ According to the assignment document recorded at Reel 060788 / Frame 0636, ALD Social LLC is located at 220 Hunting Hill Lane, West Chester, Pennsylvania 19382.

⁴ A Registered Agent, Inc., 8 The Green, Suite A, Dover, Delaware 19901.

⁵ On February 7, 2024, counsel of record for the challenged patents contacted the Board to indicate that they were prosecution counsel and had no relationship with Patent Owner. Ex. 3002. To date, however, no “Request for Withdrawal as Attorney or Agent and Change of Correspondence Address” has been received by the USPTO.

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II. ANALYSIS

In our March 18, 2024 orders, we explained that a party may request judgment against itself at any time during a proceeding, and abandonment of the contest is construed by the Board to be a request for adverse judgment. *See* IPR2023-01398, Paper 8, 3 (citing 37 C.F.R. § 42.73(b)); IPR2023-01399, Paper 7, 3 (citing 37 C.F.R. § 42.73(b)). Our orders also stated:

Under the specific circumstances of this case, we determine Patent Owner’s failure to file long-overdue mandatory notices required by 37 C.F.R. § 42.8(a)(2) to demonstrate Patent Owner’s abandonment of the contest. Under 37 C.F.R. § 42.5(c), in the particular circumstances of this case, **and in the interests of justice, we set a deadline for Patent Owner to file mandatory notices pursuant to 37 C.F.R. § 42.8(a)(2) no later than June 10, 2024.**

IPR2023-01398, Paper 8, 4 (emphasis in original); IPR2023-01399, Paper 7, 4 (emphasis in original). Our orders further explained that we “would view, in the particular circumstances of this case, Patent Owner’s filing of mandatory notices by the deadline as an indication that Patent Owner had not abandoned the contest.” IPR2023-01398, Paper 8, 4; IPR2023-01399, Paper 7, 4.

The deadline of June 10th set in our March 18, 2024 orders for Patent Owner to file mandatory notices to avoid adverse judgment has passed without response. *See* IPR2023-01398, Paper 8; IPR2023-01399, Paper 7.

As such, we consider Patent Owner’s failure to file mandatory notices in these particular circumstances to be an unequivocal abandonment of the contest of these proceedings. *Cf. Apple Inc. v. Zipit Wireless, Inc.*, IPR2021-01124, Paper 14 at 3–4 (Vidal Dec. 21, 2022) (precedential) (vacating adverse judgment where counsel appeared on behalf of a patent owner and made statements that were not “an unequivocal abandonment of the contest of [the] proceedings”); *Shenzhen Xinxing E-Commerce Co. v. Shenzhen Carku Tech. Co.*, IPR2023-00222, Paper 7

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at 4 (Vidal July 10, 2024) (vacating adverse judgment entered before an institution decision where Board's communications to Patent Owner failed to articulate sufficiently that failing to file mandatory notices may be considered abandonment of the contest and result in adverse judgment against Patent Owner). Additionally, we construe Patent Owner's abandonment of the contest to be a request for adverse judgment under 37 C.F.R. § 42.73(b). As such, we order adverse judgment be entered against Patent Owner in each of these proceedings and terminate each proceeding.

III. ORDER

Accordingly, it is

ORDERED that adverse judgment is entered against Patent Owner as to claims 1–14 of the '054 patent challenged in IPR2023-01398;

FURTHER ORDERED that adverse judgment is entered against Patent Owner as to claims 1–16 of the '158 patent challenged in IPR2023-01399;

FURTHER ORDERED that these proceedings are terminated; and

FURTHER ORDERED that this Judgment be sent to the attorneys of record for the challenged patents, ALD Social LLC at its corporate address, and the registered agent for ALD Social LLC.

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