

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., GOOGLE LLC; and
SAMSUNG ELECTRONICS AMERICA, INC.
Petitioner,

v.

HEADWATER RESEARCH LLC,
Patent Owner.

Case IPR2024-00342
Patent 8,406,733

PATENT OWNER'S PRELIMINARY RESPONSE

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	THE BOARD SHOULD EXERCISE ITS DISCRETION TO DENY INSTITUTION OF THIS PARALLEL PETITION.	1
III.	CONCLUSION	10

TABLE OF AUTHORITIES

Cases

<i>Adobe Inc. v. Syncloud Technologies, LLC</i> , IPR2020-01393, Paper 8 (PTAB Mar. 11, 2021)	9
<i>Align Technology, Inc. v. 3Shape A/S</i> , IPR2021-01309, Paper 11 (PTAB Feb. 9, 2022)	7
<i>Apple, Inc. v. Koss Corp.</i> , IPR2021-00686, Paper No. 12 (PTAB Oct. 12, 2021)	7
<i>Apple, Inc. v. Spier Techs. Ltd.</i> , IPR2023-00543, Paper No. 8 (PTAB Aug. 8, 2023)	9
<i>Dolby Laboratories, Inc. v. Intertrust Technology Corp.</i> , IPR2020-01106, Paper 12 (PTAB Jan. 5, 2021)	7
<i>Global Tel*Link Corp. v. HLFIP Holding, Inc.</i> , IPR2021-00445, Paper 14 (PTAB June 22, 2021)	4, 5, 8, 9
<i>SAS Inst. Inc. v. Iancu</i> , 138 S. Ct. 1348 (2018)	1

Statutes

35 U.S.C. § 314(a)	1, 2
37 C.F.R. §§ 42.15(a)	7

PATENT OWNER’S EXHIBIT LIST

No.	Description
Ex. 2001	<i>Samsung Elecs. Co. et al. v. Headwater Research LLC</i> , IPR2024-00341, Paper 4 (IPR Petition) (PTAB Jan. 23, 2024)
Ex. 2002	<i>Samsung Elecs. Co. et al. v. Headwater Research LLC</i> , IPR2024-00341, Paper 3 (Ranking Notice) (PTAB Jan. 23, 2024)
Ex. 2003	<i>Headwater Research LLC v. Samsung Elecs. Co. et al.</i> , No. 23:cv-00103, Plaintiff Headwater Research LLC’s Disclosure of Amended Asserted Claims and Infringement Contentions for U.S. Patent No. 8,406,733 (E.D. Tex., served Jan. 23, 2024)

I. INTRODUCTION

The Board should deny institution of *inter partes* review (“IPR”) because the instant Petition is one of two parallel petitions that Petitioners filed challenging claims of U.S. Patent No. 8,406,733 (“the ’733 Patent”). If the Board grants institution of the other parallel petition in IPR2024-00341, the Board should exercise its discretion and deny institution in this proceeding because Petitioners have not shown that this is one of the “rare” instances where two petitions are needed. Petitioners offer no persuasive reason for this Petition; their arguments make clear that they wanted to have the “backup” grounds of this Petition in case those in IPR2024-00341 fail. Indeed, the two petitions challenge twenty-six of the same claims of the ’733 Patent, simply with different grounds. This Petition uniquely challenges only three dependent claims, and Petitioners offer no explanation for why they could not address these mere three claims within the confines of the other petition. Institution should be denied.

II. THE BOARD SHOULD EXERCISE ITS DISCRETION TO DENY INSTITUTION OF THIS PARALLEL PETITION.

Under 35 U.S.C. § 314(a), the Board has discretion to deny institution of IPR. *See, e.g., SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018). When a petitioner opts to file two parallel petitions on the same patent, as Petitioner as done here, the Board considers the following guidance in the November 2019 Consolidated Trial

Practice Guide (“CTPG”):

Based on the Board’s experience, *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*. In addition, multiple petitions by a petitioner are not necessary in the vast majority of cases. To date, a substantial majority of patents have been challenged with a single petition.

CTPG at 59 (emphasis added). If a petitioner opts to file two or more parallel petitions concerning the same patent:

[That] petitioner should ... identify: (1) a ranking of the petitions in the order in which it wishes the Board to consider the merits, if the Board uses its discretion to institute any of the petitions, and (2) a succinct explanation of the differences between the petitions, why the issues addressed by the differences are material, and why the Board should exercise its discretion to institute additional petitions if it identifies one petition that satisfies petitioner’s burden under 35 U.S.C. § 314(a).

Id. at 59-60. However, the CTPG emphasizes that, although there may be “cases [in which] *two petitions* by a petitioner may be needed, ... this *should be rare.*” *Id.* at 59 (emphases added).

Here, Petitioners filed (1) a petition in IPR2024-00341 (“First Petition,” Ex.

2001) challenging claims 1-17, 19, 21-27, 29, and 30 of the '733 Patent based on the combination of a standards-based specification ("TS-23.140") and a patent ("Ogawa"); and (2) the instant Petition ("Second Petition") challenging claims 1-24 and 26-30 of the '733 Patent based on the combination of Ogawa with one or more of two patent publications ("Houghton" and "Hwang"). Petitioners thus filed two petitions that each challenge twenty-six of the same claims—claims 1-17, 19, 21-24, 27, 29, and 30; the only unique claim challenged in the First Petition is dependent claim 25, and the only unique claims challenged in the Second Petition are dependent claims 18, 20, and 28.

Petitioners filed the same Petitioners' Notice Ranking Petitions ("Ranking Notice") in both this proceeding (Paper 3) and the -00341 proceeding (Ex. 2002), giving the First Petition a ranking of 1 and the Second Petition a ranking of 2. Ranking Notice at 1. To the extent that the Board institutes review of the First Petition, institution of the Second Petition should be denied as an unnecessary parallel petition. Petitioners assert that this is a case where two petitions are appropriate, but none of the reasons provided by Petitioners demonstrate that is so.

First, Petitioners allege that "each petition relies on a *different type of primary reference*, with each requiring a different showing to demonstrate that it qualifies as prior art." *Id.* (emphases added). Petitioners claim this matters because if their arguments regarding the public availability of the TS-23.140 specification in

the First Petition are unsuccessful, “Petitioners would be left with no IPR challenge” if institution of the Second Petition was denied. *Id.* at 2. Petitioners further allege that “such a public-availability challenge is unlikely” in the Second Petition. *Id.* That Petitioners’ argument may fail as to public availability of an alleged prior art reference in its preferred First Petition is not a valid reason to burden Patent Owner and the Board with its second-choice “backup” petition. Petitioners cite no authority in support of this argument, and Patent Owner is aware of none. Rather, two petitions are not warranted in this circumstance where Petitioners challenge nearly all of the same claims in both petitions because “[t]here is no entitlement to assert, in a single petition, more than one ground of unpatentability against each challenged claim.” *Global Tel*Link Corp. v. HLFIP Holding, Inc.*, IPR2021-00445, Paper 14 at 18 (PTAB June 22, 2021) (“*Global Tel*Link*”).

Regardless of the propriety of Petitioners’ first argument, Patent Owner stipulates that if institution is denied in this proceeding, Patent Owner will ***not*** challenge the public availability of the TS-23.140 specification in the -00341 proceeding.

Second, Petitioners argue that “the petitions challenge the claims from ***different perspectives***, each based on the teachings of materially ***different primary references and arguments/combinations*** that apply differently to the challenged claims.” Ranking Notice at 2 (emphases added). In other words, Petitioners allege

the two petitions “us[e] non-redundant and non-duplicative grounds.” *Id.* at 3. “Petitioner[s’] focus on whether the primary references are redundant or duplicative or each other is misplaced. It is not enough that the primary references are not redundant to or duplicative of each other. The key question is whether multiple grounds are necessary.” *Global Tel*Link* at 14. The evidence shows they are not necessary here.

Indeed, this argument flies in the face of the guidance in the CTPG, which counsels that the need for two petitions should be “rare,” particularly absent extenuating circumstances such as “when the patent owner has asserted a large number of claims in litigation or when there is a dispute about priority date requiring arguments under multiple prior art references.” CTPG at 59. No party alleges there is a dispute concerning the priority date, and as addressed in more detail below, Patent Owner has not asserted a “large number” of claims in the parallel litigation. Again, it appears Petitioners want a “back-up” petition in case the Board does not find the challenged claims unpatentable under their now-preferred ground (the TS-23.140 and Ogawa combination). As with their first argument, Petitioners cite no authority in support of this argument, and Patent Owner is aware of none. *See Global Tel*Link* at 18.

Moreover, Petitioners admit the “perspectives” and some of the art of the ground in the First Petition as compared with those of the Second Petition, in fact,

have substantial overlap: “Both petitions ... leverage the symmetric data encryption techniques taught by Ogawa” Ranking Notice at 2-3. Petitioners also state that they “purposefully used the same secondary reference (Ogawa) in a similar manner in both petitions. This similarity includes similar motivations to combine these secondary references with the respective primary references.” *Id.* at 5; *see also id.* (stating that in the two petitions, “the same secondary reference (Ogawa) ... is applied in the presented combinations in a similar manner”).

Petitioners’ motivation for their two petitions appears to be that, in Petitioners’ view, “certain dependent claims could only be challenged by either the TS-23.140-based ground [of the First Petition] or Houghton-based grounds [of the Second Petition] (but not both).” *Id.* at 4. But as noted above, and as Petitioners admit, there are only one and three dependent claims uniquely challenged in the First and Second Petitions, respectively. *Id.* Petitioners offer no explanation for why they could not, for example, challenge the mere three dependent claims (claims 8, 18, and 28) with the grounds set forth in the Second Petition in their preferred First Petition, particularly given that they admit the Ogawa reference is used in a similar fashion in all of the grounds. *See* Ex. 2001 at 1 (Ogawa is part of the combination challenging each of claims 8, 18, and 28); Ranking Notice at 2-3, 5. If the Second Petition is denied because Petitioners opted to file two petitions rather than one, and Petitioners are left “with no IPR remedy for challenging the[se] dependent claims,” that is a

problem of Petitioners' own making. *See* Ranking Notice at 4.

Third, Petitioners allege that “the large number of asserted claims in litigation against Petitioner Samsung makes an IPR challenge using a single petition especially challenging.” *Id.* at 3; *see id.* (alleging that 22 claims are asserted); Ex. 2003 (indicating that there are only 21 claims asserted; contrary to Petitioners' Ranking Notice, claim 6 is not asserted). As an initial matter, the Board has previously held that a “Petitioner's contention that 20 claims is a quantum of claims that could not addressed in a single petition strains credulity.” *Apple, Inc. v. Koss Corp.*, IPR2021-00686, Paper 12 at 13 (PTAB Oct. 12, 2021). Indeed, “[t]he Board routinely receives petitions challenging more than 18 claims,” and “the basic filing fee for an *inter partes* review contemplates challenging up to 20 claims.” *Id.* (citing 37 C.F.R. §§ 42.15(a)(2)-(3)).

The cases Petitioners cite to the contrary (Ranking Notice at 4) are readily distinguishable. For example, in *Align Technology, Inc. v. 3Shape A/S*, unlike here, the two petitions challenged “a unique subset” of claims, and “the second petition [wa]s not submitted to present additional grounds of challenge or invalidity theories for the same claims addressed in first petition.” IPR2021-01309, Paper 11 at 12 (PTAB Feb. 9, 2022) (cleaned up). And the two instituted petitions discussed in *Dolby Laboratories, Inc. v. Intertrust Technology Corp.* similarly challenged different claim sets, and unlike here, the claims in both the first and second petitions

were all asserted in litigation. IPR2020-01106, Paper 12 at 20 (PTAB Jan. 5, 2021).

Petitioners also claim that Patent Owner “has reserved the right to later assert any [of the nine] currently-unasserted claims against Petitioner Samsung.” Ranking Notice at 3 (citing Ex. 1021 at 2). The cited document (Patent Owner’s original infringement contentions) does not support this proposition. But in any event, Patent Owner has no “right” to do so. Aside from a narrow exception related to claim construction, the Local Patent Rules of the Eastern District of Texas require Patent Owner to seek leave of court for any amendments to its infringement contentions (including adding new claims), and Patent Owner must show good cause. E.D. Tex. P.R. 3-6(b). At this point in time, with the information of which it is currently aware, Patent Owner does not have an intention to seek leave to add new claims in the district court proceeding.

Petitioners also allege “that the independent claims are ‘lengthy’ and ‘complex,’” as an additional reason that a second petition is warranted here. Ranking Notice at 4. Here, there are only two independent claims, claims 1 and 30. Ex. 1001 at 163:47-166:39. The First Petition itself challenges both independent claims (Ex. 2001 at 1), belying Petitioners’ argument that the Second Petition was necessary due to the length and complexity of them. In addition, Petitioners admit there is overlap of certain elements of independent claims 1 and 30, as they address these claims together in both petitions. Pet. at 18-44; Ex. 2001 at 20-42; *see also Global Tel*Link*

at 17. Petitioners' cited case on this point (Ranking Paper at 4) is distinguishable on this basis. In *Adobe Inc. v. Syncloud Technologies, LLC*, unlike here, the two independent claims were of different scope, requiring different and lengthy explanations. IPR2020-01393, Paper 8 at 9-10 (PTAB Mar. 11, 2021). And this "is not a circumstance in which Petitioner must apply numerous prior art to meet the claim elements such that multiple petitions may be required." *Global Tel*Link* at 17 (rejecting the argument that any complexity of the independent claims necessitated two petitions, even though one had more than twenty distinct claim elements, because in each petition two references "account[ed] for the vast majority of the elements in [the] independent claims").

Fourth, continuing with their flawed assumption that Patent Owner has the right to assert all thirty claims of the '733 Patent in the parallel litigation, Petitioners imply they needed to challenge all of these thirty claims. But as explained above, there are twenty-one currently-asserted claims, and absent leave of court and with the requisite good cause showing, this number will not increase. Petitioners therefore opted to unnecessarily challenge nine non-asserted claims, while at the same time arguing that they needed to file two petitions because they lacked enough space in the First Petition to challenge the mere three dependent claims that are uniquely challenged by the Second Petition. *Cf., e.g., Apple, Inc. v. Spier Techs. Ltd.*, IPR2023-00543, Paper 8 at 10 (PTAB Aug. 8, 2023) (denying institution of a second

petition in part because it addressed only claims not asserted in the co-pending litigation, and further noting that “Petitioner filed this Petition just in case Patent Owner asserted additional claims,” which “do[es] not fall under either example circumstance supporting the need for parallel petitions set forth in the Trial Practice Guide”) (citing CTPG at 59).

III. CONCLUSION

Patent Owner respectfully requests, to the extent that the Board institutes review in the -00341 proceeding, also challenging the '733 Patent, that the Board deny institution of the instant Petition because Petitioner has failed to demonstrate why two petitions on the same patent are necessary.

Date: April 30, 2024

Respectfully submitted,

/Amy E. Hayden/

Reza Mirzaie, Reg. No. 69,138

Marc A. Fenster, *pro hac vice* forthcoming

Dale Chang, Reg. No. 61,476

Amy E. Hayden, Reg. No. 64,817

Neil A. Rubin, Reg. No. 67,030

Philip X. Wang, Reg. No. 74,621

James A. Milkey, Reg. No. 79,503

RUSS, AUGUST & KABAT

12424 Wilshire Blvd., 12th Floor

Los Angeles, CA 90025

Counsel for Patent Owner

CERTIFICATION REGARDING WORD COUNT

Pursuant to 37 C.F.R. §42.24(d), Patent Owner certifies that there are 2,307 words in the paper excluding the portions exempted under 37 C.F.R. §42.24(a)(1).

Date: April 30, 2024

/Amy E. Hayden/
Reza Mirzaie, Reg. No. 69,138
Marc A. Fenster, *pro hac vice* forthcoming
Dale Chang, Reg. No. 61,476
Amy E. Hayden, Reg. No. 64,817
Neil A. Rubin, Reg. No. 67,030
Philip X. Wang, Reg. No. 74,621
James A. Milkey, Reg. No. 79,503
RUSS, AUGUST & KABAT
12424 Wilshire Blvd., 12th Floor
Los Angeles, CA 90025

Counsel for Patent Owner

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e)(1))

The undersigned hereby certifies that the above document was served on April 30, 2024, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioners:

W. Karl Renner (Reg. No. 41,265)
Jeremy J. Monaldo (Reg. No. 58,680)
Karan Jhurani (Reg. No. 71,777)
FISH & RICHARDSON P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
IPR39843-0164IP2@fr.com

Gregory F. Corbett (*pro hac vice* forthcoming)
Turhan F. Sarwar (*pro hac vice* forthcoming)
WOLF, GREENFIELD & SACKS, P.C.
600 Atlantic Avenue
Boston, MA 02210
Gregory.Corbett@wolfgreenfield.com
TSarwar-PTAB@wolfgreenfield.com

Date: April 30, 2024

/Amy E. Hayden/
Reza Mirzaie, Reg. No. 69,138
Marc A. Fenster, *pro hac vice* forthcoming
Dale Chang, Reg. No. 61,476
Amy E. Hayden, Reg. No. 64,817
Neil A. Rubin, Reg. No. 67,030
Philip X. Wang, Reg. No. 74,621
James A. Milkey, Reg. No. 79,503
RUSS, AUGUST & KABAT
12424 Wilshire Blvd., 12th Floor
Los Angeles, CA 90025

Counsel for Patent Owner