UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Shenzhen Waydoo Intelligence Technology Co., Ltd.,
Petitioner

v.

MHL Custom, Inc.,
Patent Owner

Case No. IPR2024-00998

Patent No. 9,359,044

PETITIONER'S REPLY IN SUPPORT OF MOTION FOR JOINDER UNDER 35 U.S.C. 315(c) AND 37 C.F.R. §§ 42.22 AND 42.122(b)

I. INTRODUCTION

Petitioner hereby responds to Patent Owner's ("PO") Opposition (Paper 8, "Opp.") to Petitioner's Motion for Joinder (Paper 2, "Mot.") that requests joinder to an already-instituted IPR (Case No. **IPR2024-00086**, "Foil IPR"). This reply is timely under 37 C.F.R. § 42.25(a)(2).

At bottom, PO invites the Board to fault Petitioner's exercise of a statutory right to seek joinder. That invitation should be rejected. Congress specifically exempted joinder from the one-year time bar and the Board has repeatedly joined time-barred parties to IPRs. PO's positions lack merit, as is explained below.

II. THE ONE-YEAR TIME BAR DOES NOT WARRANT DENIAL OF PETITIONER'S JOINDER MOTION

Petitioner's joinder motion is not gamesmanship to "end run around the one-year statutory bar" (Opp., 7) but rather exercise of a statutory right to request joinder. 35 U.S.C. § 315(b) ("The [1-year] time limitation… **shall not apply to a request for joinder** under subsection (c)."); *see also* 37 C.F.R. § 42.122(b).

Ignoring this, PO improperly asks the Board to impose a per se prohibition of joinder requests by otherwise time-barred parties. Opp., 7-8, 10. The Board's precedent rejects that same position. *See Proppant Express Invs. v. Oren Techs.*, IPR2018-00914, Paper 38, 18 (Mar. 13, 2019) (precedential) ("Indeed, a per se prohibition of joinder for any petition filed after the one-year time limitation of § 315(b) could create undesirable incentives.").

III. THE OUTCOME OF THE DISTRICT COURT CASE DOES NOT WARRANT DENIAL OF PETITIONER'S JOINDER MOTION

PO also argues that because Petitioner lost its invalidity defenses in a district court case involving the same patent, Petitioner should not be allowed "a second (or possibly even third) bite at the invalidity apple." Opp., 9. That does not matter. The Board has granted joinder motions under similar circumstances. *See, e.g.*, *Cisco v. Centripetal*, IPR2022-01151, Paper 12, 58 (Jan. 4, 2023); *Code200 v. Bright Data*, IPR2022-00861, Paper 19, 39 (Oct. 19, 2022). Moreover, just like in *Cisco*, PO does not "face[] extreme prejudice by having to relitigate validity of a fully litigated patent," *Cisco*, Paper 12, 58 (internal quotation omitted), because there is no fully litigated patent here. An appeal remains pending. *MHL Custom v. Waydoo*, 1:21-cv-00091 (DDE), Dkt. No. 298. PO's argument should be rejected.

PO's *Code 200* does not dictate otherwise. There, the parties dismissed all claims and counterclaims, including invalidity assertions, **with prejudice**. *Code200 v. Bright Data*, IPR2021-01503, Paper 13, 6. Thus, the validity issue in *Code 200*'s district court was final, which is not the case here. *See also Cisco*, Paper 12, 42 ("mere existence of a trial verdict (whether by jury or from the bench) does not automatically make the filing of a subsequent IPR on the involved patent(s) an abuse of process.") (cleaned up); *Code200 v. Bright Data*, IPR2022-00861, Paper 19, 6, 39 (finding that "joinder is appropriate in the interests of justice" despite a jury finding "that the defendants did not prove that these claims

were invalid by clear and convincing evidence [based on the same prior art reference asserted in the IPR].”).

Aside from the above distinctions, any overlap in the IPR arguments and those raised in District Court does not countenance for denying joinder. The jury did not substantively consider EvoloReport because the jury did not “find by clear and convincing evidence that EvoloReport was publicly accessible before October 10, 2013” (Ex-1025), after the district court judge excluded from evidence the Kuttenkeuler declaration corroborating EvoloReport’s public accessibility. Ex-1026. The Board, however, considered the Kuttenkeuler declaration and found “a reasonable likelihood that the EvoloReport is a printed publication and prior art.” Foil IPR, Paper 12, 25, 44. Moreover, the Foil IPR relies on different grounds (e.g., EvoloReport + Woolley) and new prior art references (e.g., EvoloVideos, TorqeedoManual, Gleason, and Manning) that the jury never considered (all under a lower burden of proof—preponderance of the evidence). Foil IPR, Paper 2, 9-10. Thus, the invalidity issues raised here do not overlap with those considered by the jury, and granting Petitioner’s motion would not “undermine the jury’s verdict… [or] the integrity of the judicial process” as PO wrongly contends. Opp., 9.

IV. PO’S “EXTREMELY LIMITED CIRCUMSTANCES” STANDARD IS NOT APPLICABLE

Relying on *Proppant*, PO also contends that Petitioner has failed to show “‘extremely limited circumstances’ where joinder would be appropriate.” Opp., 2.

But the Board made clear that "*Proppant*… expressed that narrow view of joinder **only in the context of… same-party and new-issue joinder**," and does not "consider *Proppant* as limiting [its] discretion… where neither same-party joinder nor new issues are involved." *Intel v. VLSI*, IPR2022-00366, Paper 14, 18-19 (Jun. 8, 2022); *see also Cisco*, Paper 12, 57-58. That is equally true here, so PO's "extremely limited circumstances" standard is inapplicable.

V. PO'S OTHER ALLEGED PREJUDICES DO NOT WARRANT DENIAL OF PETITIONER'S JOINDER MOTION

The Foil IPR is already instituted, so if Petitioner's joinder is granted (it should be), PO is not "forced to devote a significant amount of **further** time and resources" as it contends. Opp., 10; *see also Cisco*, Paper 12, 59 (finding no prejudice suffered by PO because "Patent Owner will address that prior art and respond to those unpatentability theories regardless of joinder."). Further, another party has moved for joinder as well, thereby further increasing the odds that PO will need to continue devoting resources to completing the Foil IPR. *See* IPR2024-01108, Paper 4.

PO also asserts that Petitioner's joinder motion "has already frustrated the possibility of this case **ever settling**." Opp., 11. PO's speculation is baseless—it provides no "other facts" that would distinguish from the *Global Foundries* case (which dismissed the frustration-of-settlement argument).

VI. PO'S ATTACKS ON PETITIONER'S "SILENT UNDERSTUDY" ROLE ARE MERITLESS

PO also contends that "a 'silent understudy' role… is not the likely role [Petitioner] will play" because "Foil [may] settle or cease pursing [the Foil IPR]." Opp., 14. This directly contradicts PO's assertion that Petitioner's joinder motion "has already frustrated the possibility of this case **ever settling**." Opp., 11. Regardless, the Board should not speculate what Foil will do, especially when Foil is still activity pursuing its IPR. Even if Foil ceases to participate, joinder serves the public interest against "leaving bad patents enforceable" by allowing Petitioner to continue the proceeding. *Thryv, Inc v. Click-To-Call Techs.*, LP, 590 U.S. 45, 55 (2020); *Cisco*, Paper 12, 42 ("the public[] ha[s] a vested interest in canceling invalid patents.") (internal quotation omitted).

VII. CONCLUSION

For the foregoing reasons, PO's arguments against joinder should be rejected. The Board should grant joinder and allow Petitioner to serve in the silent understudy role it requested.

Dated: August 5, 2024

Respectfully submitted,
/ Alexander B. Stein /
Alexander B. Stein (Reg. No. 71,397)

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), lead counsel for Petitioner hereby certifies that on August 5, 2024, a copy of the foregoing PETITIONER'S REPLY IN SUPPORT OF MOTION FOR JOINDER was sent via email to counsel of record in this proceeding:

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