June 20, 2023

Michael Tierney, Vice Chief Administrative Patent Judge
Amber Hagy, Lead Administrative Patent Judge
Mail Stop Patent Trial and Appeal Board
P.O. Box 1450
Alexandria, VA
22313–1450

Re: Docket No. PTO-P-2020-0022

I. INTRODUCTION

Nokia supports the ongoing efforts by the United States Patent and Trademark Office ("PTO") and the Patent Trial and Appeal Board ("PTAB") to review and improve post-grant proceedings (i.e., *inter partes* review (IPR) and post grant review (PGR)) so as to meet the ultimate goal of providing a quick and cost-effective alternative to litigation. As both a petitioner and a patent owner in post-grant proceedings and in the manner described below, Nokia supports the PTO's ongoing efforts to reduce the number of times multiple petitions are instituted against the same patent and increase the number of times that the PTAB does not institute a post-grant proceeding in view of a co-pending action before another tribunal.

In view of Nokia's understanding that this Advance Notice of Proposed Rulemaking ("ANPRM") does not propose any specific rules but instead requests comment on proposals from various sources, Nokia does not comment specifically on the PTO's rulemaking authority under 35 U.S.C. §§ 316 and 326 but reserves the right to do so should the PTO propose specific rules related to the topics discussed herein. To the extent that the PTO lacks rulemaking authority with regard to any of the proposals discussed herein, Nokia is in favor of additional legislative efforts to address the same.

II. CORPORATE OVERVIEW

Nokia[1] is a technology leader and an innovation powerhouse. For more than 30 years, Nokia has defined many of the fundamental technologies used in any device that is connected to a cellular network and Nokia takes a leadership role in standards setting, with Nokia's standardization experts holding more than 100 board member and other senior positions across all key standardization bodies. Nokia is focused on resolving the most complex technical problems and coming up with fundamental, high quality inventions. To that end, Nokia has invested over $150 billion in research and development since 2000, contributing much of its technology to open standards.

[1] References to Nokia in this section include Nokia Technologies Oy and its parent and affiliates.

Google Exhibit 1095
Google v. Mullen
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As a B2B technology innovation leader, Nokia is pioneering networks that sense, think and act by leveraging its work across mobile, fixed and cloud networks. Specifically, Nokia's networks power more than 50% of the telco fixed broadband lines in the U.S. In addition, Nokia creates value with intellectual property and long-term research, led by the award-winning Nokia Bell Labs. Service providers, enterprises and partners worldwide trust Nokia to deliver secure, reliable and sustainable networks today – and work with Nokia to create the digital services and applications of the future.

III. DISCUSSION[2]

A. Limitations on Nonmarket Competitors ("Standing Requirement")

The PTO has requested comments related to a standing requirement by authorizing discretionary denial of any Petition:

> filed by an entity that: (1) is a for-profit entity[3]; (2) has not been sued on the challenged patent or has not been threatened with infringement of the challenged patent in a manner sufficient to give rise to declaratory judgment standing; (3) is not otherwise an entity that is practicing, or could be alleged to practice, in the field of the challenged patent with a product or service on the market or with a product or service in which the party has invested to bring to market; and (4) does not have a substantial relationship with an entity that falls outside the scope of elements (1)–(3).

88 Fed. Reg. 24503, 24508.

Nokia generally supports a standing requirement as it should help reduce uncertainty and gamesmanship and would cement post-grant proceedings as a true alternative to litigation. Specifically, Nokia supports a rule that requires a petitioner, or the real party in interest or privy of the petitioner, to have been sued on the challenged patent or have been threatened with infringement of the challenged patent in a manner sufficient to give rise to declaratory judgment standing. Reliance on the developed body of declaratory judgment standing case law alone would provide a level of certainty that elements (1), (3), and (4) may not provide. Moreover, it is not clear what additional clarity elements (1), (3), and (4) add that is not otherwise addressed by the protections offered in element (2).

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[2] Nokia has chosen a subset of the proposals for comment herein. Nokia takes no position on any proposal that is not specifically addressed herein.

[3] If the "for-profit" distinction were eventually retained, Nokia recommends that the PTO adopt a definition of "for-profit" entity. For example, the PTO may consider defining a "for-profit" entity as one that does not qualify for tax exemption under 26 U.S.C § 501(c)(3).

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B. Serial Petitions

As noted in its comments of December 20, 2020, Nokia supports a rule that bars a petitioner, real party in interest, or privy of the petitioner[4] who has filed a previous IPR petition from filing a subsequent petition against that same patent, unless the petitioner is charged with infringement of additional claims of the patent (in which case a second petition would be limited to the added claims) and provided that the subsequent petition complies with 35 U.S.C § 315 and other applicable statutory requirements. Such a bright-line rule provides a petitioner with clear guidance as to when it can bring a serial petition and, at the same time, protects a petitioner from gamesmanship when additional claims are added to the case after the filing of a post-grant proceeding. The rule also benefits the patent owner as it increases certainty as to the scope of the validity case at the PTO and eliminates costly briefing related to serial petitions.

In all other circumstances and in Nokia's view, *General Plastic* represented a significant improvement in PTAB operation by limiting the circumstances under which a petitioner is permitted to bring a subsequent petition against the same patent. *General Plastic Co., Ltd.* v. *Canon Kabushiki Kaisha,* IPR2016-01357, 2017 WL 3917706, at *7 (PTAB Sept. 6, 2017) (precedential). *Valve I* represented a further improvement when it extended the *General Plastic* factors to a co-defendant. *Valve Corp.* v. *Elec. Scripting Prods., Inc.,* IPR2019-00062, -00063, -00084, 2019 WL 1490575 (PTAB Apr. 2, 2019) (precedential) (*Valve I*). As a result, Nokia supports rulemaking that codifies the case-specific test in *General Plastic* for all other circumstances.

C. Parallel Petitions

As noted in its comments of December 20, 2020, Nokia believes that parallel petitions likewise can result in costly briefing, inefficiency and gamesmanship, and, thus, Nokia again supports rulemaking that limits a petitioner, real party in interest, or privy of the petitioner, to one petition per patent instead of the case-specific analysis outlined in the Consolidated Trial Practice Guide. Understanding that certain patents could not be addressed in a single petition (e.g., based on the number of claims and other factors), Nokia continues to support a rule that allows for a reasonable increase in the word limit in exchange for higher USPTO fees so as to prevent undue prejudice to petitioners and to address any loss of revenue / increased costs to the PTO. Nokia specifically supports the proposal that allows for the payment of additional fees (e.g., an additional 50% or 100%) for a higher word-count limit (e.g., an additional 50% or 100%) for the petition.

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[4] Nokia does not specifically address the proposed "substantial relationship" test herein. Nokia believes that a standing requirement will decrease the gamesmanship that can occur as a result of the current case law surrounding RPI and privity. As such, by addressing concerns about the identification of related parties through the standing inquiry, Nokia believes that there is not a need to address the "substantial relationship" test at this time.

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D. Parallel Litigation

Nokia applauds the *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, 2020 WL 2126495 (PTAB Mar. 20, 2020) (precedential) and *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, 2018 WL 4373643 (PTAB Sept. 12, 2018) (precedential) decisions as they represent a commitment to post grant proceedings as an alternative to litigation. Nokia, however, believes that the PTO should take steps to ensure that any party that avails itself of the PTO does not get two bites at the invalidity apple with respect to same or substantially the same invalidity challenges before PTAB.

First, and with respect to ITC proceedings, Nokia opposes any proposal that would curtail the PTAB's discretion to deny an IPR petition based on a parallel International Trade Commission (ITC) investigation. 88 Fed. Reg. 24503, 24514. Nokia instead supports the PTO decisions denying institution when an ITC initial determination is to be issued before a final written decision. *See e.g., Comcast Cable Commc'ns, LLC v. Rovi Guides, Inc.,* IPR2020-00800, -00801, -00802, Paper 10 (PTAB Oct. 22, 2020); *Garmin International, Inc. et al v. Koninklijke Philips NV*, Paper 11 (PTAB Oct. 27, 2020). While Nokia understands that the ITC lacks authority to invalidate a patent, a validity determination at the ITC impacts the parties and will influence future validity decisions as between the parties in future district court actions. If other meritorious challenges remain against the patent that could be adjudicated before the PTAB, a party other than the one who lost at the ITC would be the appropriate party to file any such petition.

Nokia favors rulemaking whereby the PTAB shall exercise its discretion to deny institution of an IPR in instances where the ITC initial determination is scheduled to be issued before any PTAB final written decisions and when the respondent is pursuing invalidity under Sections 102 and 103 at the ITC, unless the invalidity argument at the ITC is only based on prior art not the same or substantially the same prior art before the PTAB or allegations that the claimed invention was in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention. Nokia believes that such a rule is necessary given the speed at which ITC proceedings occur and the fact that the ITC does not generally stay proceedings in view of a co-pending PTAB action. Such a rule also provides balance and efficiency and requires a petitioner to choose where to bring its invalidity case on the same or substantially the same prior art.

Adoption of such a rule would also eliminate confusing and contradictory results, such as seemed to occur in the *Cisco/Arista* matter, where the ITC entered an exclusion order after finding an asserted patent infringed and not invalid, and the PTAB later invalidated the claims of the same patent. *Certain Network Devices, Related Software & Components Thereof*, Inv. No. 337-TA-945; *Arista Networks, Inc. v. Cisco Systems, Inc*., IPR2016-00303 (May 25, 2017). If the respondent believes that the ITC reached an incorrect decision on validity, the proper next step should be at the Court of Appeals for the Federal Circuit, not in a parallel co-pending proceeding before the PTAB involving the same prior art.

Second, and with respect to district court proceedings, Nokia favors codifying a version of the multi-factor *Fintiv* test. The PTO was correct to focus on "overlap between the issues raised in the petition and in the parallel proceeding." However, Nokia believes that the Board should

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reconsider how it analyzes the "proximity of the court's trial date to the Board's projected statutory deadline for a final written decision." *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15, 13 (PTAB May 13, 2020) (informative) ("We generally take courts' trial schedules at face value absent some strong evidence to the contrary."). In addition to the median time to trial being considered today based on the Director's Guidance and because trial schedules are much less certain in many district courts, Nokia supports the PTO's proposal that it should consider the current schedule along with local rules, propensity to stay, caseload of the judge, and other case-specific facts when evaluating this *Fintiv* factor.

To balance its proposals, Nokia supports the proposal that *Sotera* stipulation should weigh heavily in favor of not granting a discretionary denial. 88 Fed. Reg. 24503, 24515-16. Such a stipulation strikes the appropriate balance because a defendant/respondent in a district court or ITC proceeding that opts to file an IPR with a *Sotera* stipulation can substantially increase the likelihood that the PTAB is the forum that will decide validity under Sections 102 and/or 103 for particular grounds of invalidity. Likewise, if the defendant/respondent files a more limited stipulation agreeing not to raise the same grounds for invalidity in the PTAB and a parallel proceeding, such a stipulation should be weighed accordingly in consideration of the *Fintiv* factors. Additional tools include moving for a stay of parallel actions in favor of an IPR, which would weigh in favor of denying a discretionary stay. Providing appropriate weight based on the degree of the stipulation offered reduces gamesmanship and supports one of the goals of the AIA – to create an alternative to litigation.

At the same time, unwillingness to make any stipulation regarding not raising validity grounds in a parallel action based on the IPR being instituted should weigh strongly in favor of discretionary denial, even if other factors, such as the compelling merits factor, otherwise weigh against a discretionary denial. To provide otherwise would encourage duplicative and potentially conflicting proceedings.

E. 35 U.S.C. § 325(d) Framework

Nokia appreciates the efforts by the PTO with respect to 35 U.S.C. § 325(d). Specifically, Nokia supports case-specific analysis of whether the same or substantially the same art or arguments were previously presented to the PTO. *See Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential); *see also Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17–18 (PTAB Dec. 15, 2017) (precedential as to Section III.C.5, first paragraph).

While Nokia would support rulemaking in line with the tests outlined in *Advanced Bionics* and *Becton, Dickinson*, Nokia believes there should be an absolute bar against institution when the same or substantially the same art or arguments had previously been addressed in a decision by the PTAB in connection with a post-grant proceeding. Nokia believes that once a patent owner has successfully contested the applicability of the same or substantially the same art or arguments to its claims in connection with a post-grant proceeding, the patent owner should not have to revisit the same art or arguments in a subsequent post-grant proceeding.

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F. Prior Adjudications Upholding Validity

Nokia applauds the PTO for considering rulemaking related to final patentability decisions in a district court. Similar to Nokia's position with respect to § 325(d), Nokia believes that once a patent owner has successfully contested the applicability of the same or substantially the same art or arguments in connection with a district court proceeding, that the patent owner should not have to revisit the same art or arguments in a post-grant proceeding.

G. Compelling Merits

The ANPRM would provide an exception to discretionary denial of an IPR petition if the petition presents "compelling merits" of unpatentability. 88 Fed. Reg. 24503, 24516. Nokia appreciates the PTO's desire to provide balance to the discretionary denial practice. However, Nokia is concerned that the "compelling merits" standard may become the rule and not the rare exception it is intended to be. Moreover, the "compelling merits" standard injects a highly subjective test, a test that is presumably not appealable, as an exception to proposals that otherwise strive to be objective and/or bright line rules. That is, the "compelling merits" test undercuts the certainty that many of the ANPRM proposals intend to provide.

IV. CONCLUSION

Nokia thanks the PTO for seeking comments. Nokia appreciates the opportunity to comment and looks forward to participating in further reform in the near future.

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