

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

IPR2020-00115
Patent No. 8,407,609

NOTICE OF APPEAL OF GOOGLE LLC

US PATENT AND
TRADEMARK OFFICE
2020 JUL 14 AM 10:48
OFFICE OF THE GENERAL COUNSEL

Notice is hereby given, pursuant to 37 C.F.R. §§ 90.2(a) and 90.3, and 35 U.S.C. §§ 141 and 142, and 28 U.S.C. § 1295(a)(4)(A), that Petitioner Google LLC (“Google”) appeals to the United States Court of Appeals for the Federal Circuit from the Decision Denying Petitioner’s Request for Rehearing of the Patent Trial and Appeal Board in Case No. IPR2020-00115 entered on May 12, 2020 (Paper No. 10), and from all underlying orders, decisions, rulings and opinions.

In accordance with 37 C.F.R. § 90.2(a)(3)(ii), Google states that the issues on appeal include, but are not limited to, whether the USPTO has violated 35 U.S.C. § 316(a)(2) by setting the standards for the showing of sufficient grounds to institute a review under 35 U.S.C. § 314(a) without prescribing regulations; whether the USPTO’s use of precedential PTAB decisions to govern the standards for institution violates 5 U.S.C. § 706(2)(D) because such decisions are not adopted through the use of the notice-and-comment rulemaking process of 5 U.S.C. § 553; whether the precedential opinions that bound the PTAB panel here violated 5 U.S.C. § 706(2)(C) because the USPTO lacks authority to create a rule inconsistent with the timing provision in 35 U.S.C. § 315(b), and whether the institution decision in the underlying IPR should be vacated based on some or all of the foregoing reasons. Google further intends to seek a writ of mandamus based on some or all of the foregoing.

Google is filing one copy of this Notice of Appeal with the Director of the United States Patent and Trademark Office, and a copy of this Notice of Appeal is being filed electronically with the Board. In addition, a copy of this Notice of Appeal is being electronically filed with the Clerk's Office for the United States Court of Appeals for the Federal Circuit, along with the required docketing fee.

Date: July 14, 2020

Respectfully submitted,

/Erika H. Arner/

Erika H. Arner,
Reg. No. 57,540

CERTIFICATE OF FILING

I certify that the foregoing was filed electronically with the Board through the PTAB E2E System, and a paper copy was served by hand delivery on July 14, 2020 with the Director of the United States Patent and Trademark Office, at the following address:

Director of the U.S. Patent and Trademark Office
c/o Office of the General Counsel
U.S. Patent and Trademark Office
Madison Building East, Room 10B20
600 Dulany Street
Alexandria, VA 22314

I further certify that a true and correct copy of the foregoing Notice of Appeal, along with the required filing fee, was filed electronically with the Court of Appeals for the Federal Circuit via CM/ECF on July 14, 2020. Pursuant to Administrative Order No. 20-01, a paper copy of this Notice of Appeal has not been filed with the Court of Appeals.

I also hereby certify that on July 14, 2020, a true and correct copy of the foregoing Notice of Appeal was served by electronic mail on counsel for the Patent Owner as follows:

Ryan Loveless
ryan@etheridgelaw.com

Brett Mangrum
brett@etheridgelaw.com

James Etheridge
jim@etheridgelaw.com

Jeffrey Huang
jeff@etheridgelaw.com

Dated: July 14, 2020

By: /Lisa C. Hines/
Lisa C. Hines
Litigation Legal Assistant

FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, LLP

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
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UNILOC 2017 LLC,
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IPR2020-00115
Patent 8,407,609 B2

Before CHARLES J. BOUDREAU, DANIEL J. GALLIGAN, and
JULIET MITCHELL DIRBA, *Administrative Patent Judges*.

DIRBA, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

On March 27, 2020, the Board issued an Institution Decision, which exercised discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review of claims 1–3 of U.S. Patent No. 8,407,609 B2 (“the ’609 patent”). Paper 8 (“Decision”). On April 27, 2020, Petitioner filed a Request for Rehearing. Paper 9 (“Request”).

For the reasons provided below, Petitioner’s Request is *denied*.

II. BACKGROUND

The ’609 patent is asserted against Petitioner in *Uniloc 2017 LLC v. Google LLC*, 2:18-cv-00502 (E.D. Tex.) (“the Texas Litigation”). Paper 1 (“Pet.”), 63; Paper 6 (“Prelim. Resp.”), 9. According to the district court’s Amended Docket Control Order,¹ fact discovery closed on March 30, 2020, expert discovery closed on May 11, 2020, and jury selection will begin on August 17, 2020. Ex. 2002, 1–3. In addition, the district court has invested time and resources in the Texas Litigation: the district court issued a *Markman* order with a detailed discussion of a number of disputed claim terms and phrases (Ex. 2001, 57–78), and the court issued that order within two weeks of its *Markman* hearing (*id.* at 1, 78).

Petitioner’s invalidity contentions in the Texas Litigation contain the same arguments as are presented in the Petition for independent claim 1.

¹ The Amended Docket Control Order (Ex. 2002) is the only evidence in the record regarding the schedule of the Texas Litigation. Although Petitioner argues that the district court *may* modify these deadlines in the future (*see* Request 8–11, 13), Petitioner neither contends that this order has since been amended, nor identifies any prior instances of the district court materially modifying any of these dates.

Compare Pet. 24 (asserting anticipation based on Hayward and obviousness based on Hayward and Middleton), *with* Ex. 2003, 14–15, 18 (same). The Petition also challenges dependent claims 2 and 3 (Pet. 24), which are not currently asserted in the Texas Litigation (Ex. 2003, 1); however, Petitioner has expressly sought to incorporate all of the Petition’s contentions into the Texas Litigation (*id.* at 5).

Despite the advanced stage of the Texas Litigation, the Petition addressed neither the stage of, nor the contentions presented in, the Texas Litigation. *See generally* Pet.; *cf.* Consolidated Trial Practice Guide (Nov. 2019) (“Consolidated TPG”), 58, available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf> (noting that proceedings related to the same patent at a district court may favor denial of a petition and inviting parties to “address in their submissions whether any other such reasons exist in their case . . . and whether and how such factors should be considered” (citing, *inter alia*, *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19–20 (PTAB Sept. 12, 2018) (precedential) (“*NHK*”)).²

In its Preliminary Response, Patent Owner argued that the Board’s precedential decision in *NHK* was “on point” and, thus, that the Board should exercise discretion to deny the Petition. Prelim. Resp. 10–13.

As explained in the Decision, we agreed. Specifically, we concluded that the relevant facts were substantially the same as those presented in *NHK*. Decision 6–9. The district court had scheduled trial for August

² Although the Consolidated TPG was published after the Petition was filed, the earlier version (available when the Petition was filed) also includes this guidance. *See* July 2019 Office Trial Practice Guide Update, 84 Fed. Reg. 33,925 (July 16, 2019).

2020—more than seven months before a final written decision would be due—and the record included “no evidence that the district court has granted (or would grant) a stay pending *inter partes* review.” *Id.* at 7. Further, Petitioner “present[ed] overlapping arguments in the Texas Litigation and in the Petition.” *Id.* at 8 (citing Pet. 24; Ex. 2003, 5, 14–15, 18). Although “the Texas Litigation and the Petition [did] not involve an identical set of claims”—as dependent claims 2 and 3 were not asserted in the Texas Litigation, but were challenged in the Petition—we were not persuaded that this fact alone justified a trial here, as the Board had already instituted two other *inter partes* review proceedings challenging all claims of the ’609 patent. *Id.* at 9 (citing *Sling TV, L.L.C. v. Uniloc 2017 LLC*, IPR2019-01367, Paper 7 (PTAB Feb. 4, 2020) (Institution Decision); *Netflix, Inc. v. Uniloc 2017*, IPR2020-00041, Paper 10 (PTAB Mar. 25, 2020) (Institution Decision)). For these reasons, we exercised our discretion to deny the Petition. *Id.* at 10.

III. ANALYSIS

A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. § 42.71(d). “The burden of showing a decision should be modified lies with the party challenging the decision.” *Id.*

“When rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” 37 C.F.R. § 42.71(c); *see Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”). “An abuse of discretion is found if the decision: (1) is clearly unreasonable,

arbitrary, or fanciful; (2) is based on an erroneous conclusion of law; (3) rests on clearly erroneous fact finding; or (4) involves a record that contains no evidence on which the Board could rationally base its decision.” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016).

The Request contends that the Decision applied the Board’s precedential decision in an “unreasonable” manner and asks the Board to “reweigh the *NHK Spring* factors.” Request 1. In support, Petitioner argues that the Decision departed from prior Board decisions (*id.* at 2–6), misapprehended the uncertainty surrounding a “final” decision on validity in the Texas Litigation (*id.* at 6–11), and “undermine[d] Congress’ intent” (*id.* at 12–15).

We are not persuaded. Petitioner does not dispute that *NHK* applies and does not contend that we overlooked any relevant arguments or evidence. Petitioner identifies (and we perceive) no place where any of the Request’s arguments were previously presented. *See generally* Request; *cf.* 37 C.F.R. § 42.71(d) (requiring identification of “the place where each [allegedly misapprehended] matter was previously addressed in a motion, an opposition, or a reply”). Indeed, Petitioner made the decision not to address *NHK* or the facts relevant to that analysis in its Petition. *See* Decision 5 (citing Pet. i, 60–65); Paper 7, 3 (finding Patent Owner’s *NHK* arguments to be foreseeable). We could not have misapprehended or overlooked something Petitioner never presented or explained.

Petitioner’s Request also fails to identify an abuse of discretion. Petitioner does not contend that the Decision conflicts with the Board’s guidance in the Consolidated TPG or its precedential decision in *NHK*.

Rather, Petitioner asserts that the Decision “deviates” from other, non-precedential Board decisions that also applied *NHK* and that, according to Petitioner, “gave significant weight to whether a district court would address the validity of all claims challenged in an IPR.” Request 2–3; *see id.* at 3–4 (identifying decisions).

We disagree. Aside from each of the decisions cited by Petitioner being non-precedential, we do not find any inconsistency with the present Decision. Of the five decisions cited by Petitioner, three are readily distinguishable because no trial date had been set in the copending district court litigation. *See Resideo Techs., Inc. v. Innovation Sciences, LLC*, IPR2019-01306, Paper 19 at 11 (PTAB Jan. 27, 2020) (“That the district court has not yet set a trial date is a significant factor distinguishing this case from *NHK Spring.*”); *PUMA N. Am., Inc. v. Nike, Inc.*, IPR2019-01043, Paper 8 at 9 (PTAB Oct. 31, 2019); *Oticon Med. AB v. Cochlear Ltd.*, IPR2019-00975, Paper 15 at 23–24 (PTAB Oct. 16, 2019). In another cited case, the panel was persuaded not to deny institution because of *significant* differences in the claim sets *and in the prior art* asserted in the petition and the litigation. *See Facebook, Inc. v. Blackberry Ltd.*, IPR2019-00899, Paper 15 at 12 (PTAB Oct. 8, 2019). Finally, in the last cited case, the district court litigation was less advanced, and the patent owner had not argued for discretionary denial of institution. *See Uniden Am. Corp. v. Escort Inc.*, IPR2019-00724, Paper 6 at 5–9 (PTAB Sept. 17, 2019). Moreover, none of the cited decisions involved a crucial fact present here: the challenged patent is currently the subject of two instituted IPRs that cover all claims

missing from the litigation.³ Our guidance explains that other proceedings related to the patent, including those in district courts *and at the Office*, may bear on the Board’s exercise of discretion. Consolidated TPG 58.⁴

The remainder of the Request presents various reasons why the Board should not exercise its discretion to deny institution. *See* Request 6–15. But none of these arguments were previously presented, and none are indicative of any abuse of discretion. Rather, Petitioner merely disagrees with our Decision and argues that we should have reached a different result. Mere disagreement with the Board’s analysis or conclusion is not a proper basis for rehearing.

³ Petitioner complains that it is not a party to those IPRs (Request 4–5), but Petitioner did not seek to join either IPR, despite receiving the Decision denying institution of the Petition more than three weeks before a motion to join IPR2020-00041 would have been due.

⁴ Petitioner contends that the Decision should have evaluated the *General Plastic* factors to consider these other IPRs. Request 5–6. We disagree:

The *General Plastic* factors . . . are not intended to represent all situations where it may be appropriate to deny a petition. There may be other reasons besides the “follow-on” petition context where the “effect . . . on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings,” favors denying a petition even though some claims meet the threshold standards for institution under 35 U.S.C. §§ 314(a), and 324(a). This includes, for example, events in other proceedings related to the same patent, either at the Office, in district courts, or the ITC.

Consolidated TPG 58 (citations omitted; second alteration in original).

IV. CONCLUSION

Consequently, Petitioner has not persuaded us that we misapprehended or overlooked any matter or that we abused our discretion. Accordingly, we see no reason to modify our Decision in this proceeding.

V. ORDER

Accordingly, it is:

ORDERED that Petitioner's Request for Rehearing (Paper 9) is *denied*.

IPR2020-00115
Patent 8,407,609 B2

PETITIONER:

Erika H. Arner
Joshua L. Goldberg
A. Grace Mills
FINNEGAN, HENDERSON, FARABOW,
GARRETT, & DUNNER LLP
erika.arner@finnegan.com
joshua.goldberg@finnegan.com
gracie.mills@finnegan.com

PATENT OWNER:

Ryan Loveless
Brett Mangrum
James Etheridge
Jeffrey Huang
ETHERIDGE LAW GROUP
ryan@etheridgelaw.com
brett@etheridgelaw.com
jim@etheridgelaw.com
jeff@etheridgelaw.com

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JULIET MITCHELL DIRBA, *Administrative Patent Judges*.

DIRBA, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

On October 31, 2019, Google LLC (“Petitioner”) filed a Petition seeking institution of *inter partes* review of claims 1–3 of U.S. Patent No. 8,407,609 B2 (Ex. 1001, “the ’609 patent”). Paper 1 (“Pet.”). Uniloc 2017 LLC (“Patent Owner”) filed a Preliminary Response on February 10, 2020. Paper 6 (“Prelim. Resp.”).

We may institute an *inter partes* review if the information presented in the Petition and the Preliminary Response shows that there is a reasonable likelihood that Petitioner would prevail with respect to at least one of the challenged claims. *See* 35 U.S.C. § 314. However, the Board has discretion to deny a petition even when a petitioner meets that threshold. *Id.*; *see, e.g., Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”). The Trial Practice Guide identifies considerations that may warrant exercise of this discretion. Consolidated Trial Practice Guide (Nov. 2019) (“Consolidated TPG”), 55–63, available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>.

Having considered the parties’ submissions, we determine that it is appropriate in this case to exercise our discretion to deny institution of *inter partes* review pursuant to 35 U.S.C. § 314(a).

II. BACKGROUND

A. *Related District Court Proceedings*

The ’609 patent is asserted against Petitioner in *Uniloc 2017 LLC v. Google LLC*, 2:18-cv-00502 (E.D. Tex.) (“the Texas Litigation”). Pet. 63; Prelim. Resp. 9. Patent Owner filed the Texas Litigation on November 17,

2018. Prelim. Resp. 9. The district court held a *Markman* hearing on January 10, 2020, and issued an order shortly thereafter. Ex. 2001 (District Court’s Claim Construction Memorandum and Order), 1, 78. That order construes six of the disputed claim terms and phrases from the ’609 patent. *Id.* at 57–78. According to the district court’s Amended Docket Control Order: fact discovery must be completed and expert reports are due on March 30, 2020; expert discovery closes and dispositive and *Daubert* motions are due by May 11, 2020; a joint pretrial order, proposed jury instructions, and a proposed verdict form are due by July 6, 2020; a pretrial conference will be held on July 9, 2020. Ex. 2002, 1–3. The order also specifies that jury selection in the Texas Litigation will begin on August 17, 2020—less than five months from today. *Id.* at 1.

The parties also identify other district court proceedings involving the ’609 patent that are currently pending. Pet. 63–64; Prelim. Resp. 9. Each of these proceedings was filed on or after November 17, 2018 (i.e., the filing date of the Texas Litigation). Prelim. Resp. 9; *see* Pet. 63–64.

B. Related PTAB Proceedings

The ’609 patent is the subject of petitions for *inter partes* review in IPR2019-01367 (filed by Sling TV, L.L.C. on July 22, 2019; the “1367 IPR”) and IPR2020-00041 (filed by Netflix, Inc. and Roku, Inc. on October 31, 2019; the “041 IPR”). Pet. 63; Prelim. Resp. 9. Both of those petitions challenge all claims of the ’609 patent (i.e., claims 1–3), and the Board instituted an *inter partes* review in both proceedings. *Sling TV, L.L.C. v. Uniloc 2017 LLC*, IPR2019-01367, Paper 7 (PTAB Feb. 4, 2020) (Institution Decision); *Netflix, Inc. v. Uniloc 2017*, IPR2020-00041, Paper 10 (PTAB Mar. 25, 2020) (Institution Decision).

In addition, the '609 patent is the subject of IPR2020-00677 (filed by Vudu, Inc. on March 3, 2020), and in that proceeding, the petitioner requests joinder with IPR2019-01367. A decision whether to institute has not been entered in IPR2020-00677.

C. The Petition's Asserted Grounds

Petitioner asserts the following grounds of unpatentability (Pet. 24):

| Claim(s) Challenged | 35 U.S.C. § | Reference(s)/Basis |
|----------------------------|---------------------|---------------------------------------|
| 1 | 102(b) ¹ | Hayward ² |
| 1 | 103(a) | Hayward, Middleton ³ |
| 2, 3 | 103(a) | Hayward, Middleton, Ryan ⁴ |

III. ANALYSIS

Patent Owner argues, *inter alia*, that we should exercise our discretion under 35 U.S.C. §314(a) to deny institution. Prelim. Resp. 10–13. For the reasons explained below,⁵ we agree.

¹ The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 285–88 (2011), revised 35 U.S.C. §§ 102, 103 effective March 16, 2013. Because the challenged patent was filed before March 16, 2013, we refer to the pre-AIA version of §§ 102, 103.

² US 2004/0045040 A1, published Mar. 4, 2004 (Ex. 1005).

³ US 2002/0111865 A1, published Aug. 15, 2002 (Ex. 1006).

⁴ US 6,421,675 B1, issued July 16, 2002 (Ex. 1007).

⁵ We decline to address the other arguments advanced by Patent Owner for discretionary denial. *See generally* Prelim. Resp. 13–23.

Patent Owner contends that a trial would be “an inefficient use of Board resources.” Prelim. Resp. 10–13 (citing *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential (“*NHK*”))). In particular, Patent Owner submits that “[j]ury selection is set to begin in the [Texas Litigation] on August 17, 2020, which is approximately three months after the anticipated timing of an institution decision from the Board in this case, and therefore, approximately nine months prior to any expected Final Written Decision in this IPR if trial were instituted.” *Id.* at 10 (emphasis omitted) (citing Ex. 2002). Patent Owner argues that Petitioner’s invalidity contentions in the Texas Litigation include “the same grounds” of unpatentability as are presented in the Petition for independent claim 1. *Id.* at 12 (citing Ex. 2003, 14–15, 18 (Invalidity Contentions)). In addition, Patent Owner contends that the district court has already construed the claims of the ’609 patent and that expert discovery in the Texas Litigation “will close on May 11, 2020, which is one day after the last date to issue a decision on institution in this proceeding.” *Id.* at 12–13 (citing Ex. 2001; Ex. 2002, 3). According to Patent Owner, the Board’s precedential decision in *NHK* is “on point,” and, consequently, the Board should exercise discretion to deny the Petition. *Id.* at 10, 13.

In the Petition, Petitioner identifies the Texas Litigation, but does not discuss its stage or the arguments advanced in that copending district court case; rather, the Petition simply notes that the Texas Litigation is “unrelated” to the litigations against the parties who filed the 1367 and 041 IPRs. Pet. 61, 63; *see generally* Pet. i, 60–65; *cf.* Consolidated TPG at 58 (noting that proceedings related to the same patent at a district court may favor denial of a petition and inviting parties to “address in their submissions whether any

other such reasons exist in their case . . . and whether and how such factors should be considered” (citing, *inter alia*, *NHK*, IPR2018-00752, Paper 8 at 19–20)).⁶

In determining whether to exercise our discretion, we are guided by the Board’s precedential decision in *NHK*. There, the Board found that “the advanced state of the district court proceeding is an additional factor that weighs in favor of denying the Petition under § 314(a).” *NHK*, IPR2018-00752, Paper 8 at 20. In the parallel district court case, the petitioner had asserted “the same prior art and arguments,” expert discovery was scheduled to end in approximately seven weeks, and a jury trial was scheduled to begin in just over six months. *Id.* at 1, 20. The Board found that “[i]nstitution of an *inter partes* review under these circumstances would not be consistent with ‘an objective of the AIA . . . to provide an effective and efficient alternative to district court litigation.’” *Id.* at 20 (citing *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16–17 (PTAB Sept. 6, 2017) (precedential in relevant part)).

“[T]he Board’s cases addressing earlier trial dates as a basis for denial under *NHK* have sought to balance considerations such as system efficiency, fairness, and patent quality.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5 (PTAB Mar. 20, 2020). When applying *NHK*, the Board has balanced the following factors:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;

⁶ Although the Consolidated TPG was published after the Petition was filed, the earlier version also includes this guidance. *See* July 2019 Office Trial Practice Guide Update, 84 Fed. Reg. 33,925 (July 16, 2019).

2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

Id. at 5–6 (footnote omitted).

Factors 1, 2, 3, and 5 (above) weigh in favor of denying institution of the Petition. Indeed, the relevant facts before us here are substantially the same as those presented in *NHK*. Petitioner is the defendant in the Texas litigation. Pet. 63; Prelim. Resp. 10. According to the Amended Docket Control Order submitted by Patent Owner, expert discovery will close in approximately six weeks, and a jury trial will begin in less than five months. Ex. 2002, 1, 3. Thus, the district court's trial is scheduled to precede our final written decision by more than seven months.⁷ There is no evidence that the district court has granted (or would grant) a stay pending *inter partes* review. The district court has invested time and resources in the Texas Litigation: the district court issued a *Markman* order with a detailed discussion of a number of disputed claim terms and phrases (Ex. 2001, 57–78), and the court issued that order within two weeks of its *Markman* hearing (*id.* at 1, 78).

⁷ Even if the district court were to delay its schedule by two months, the trial would still precede our final written decision by more than five months. See Paper 7 at 3–4.

Turning to factor 4, Petitioner presents overlapping arguments in the Texas Litigation and in the Petition. Petitioner's invalidity contentions in the Texas Litigation contain the same invalidity arguments as are presented in the Petition for independent claim 1. *Compare* Pet. 24 (asserting that Hayward anticipates claim 1 and that Hayward and Middleton render obvious claim 1), *with* Ex. 2003, 14–15, 18 (same). In addition, Petitioner's invalidity contentions purport to “incorporate[] by reference any prior art identified and/or invalidity claim charts set forth . . . in any *inter partes* review petitions and/or proceedings involving the ['609 patent].” Ex. 2003, 5. In other words, Petitioner has expressly and specifically sought to incorporate all of the Petition's contentions into the Texas Litigation.

There are two potentially significant differences between Petitioner's invalidity contentions in the Texas Litigation and the grounds presented in the Petition. First, Petitioner's invalidity contentions include a large number of other allegations, in addition to those presented in the Petition. *See generally* Ex. 2003 (alleging hundreds of obviousness combinations). However, Hayward is the *only* anticipatory reference identified in the invalidity contentions—and Hayward is the Petition's primary reference, relied upon for most claim limitations. *Compare* Ex. 2003, 14–15 (identifying only one reference for anticipation or single-reference obviousness: Hayward), *with* Pet. 24–46 (ground 1: alleging Hayward anticipates), 46–55 (ground 2: relying on Hayward for most limitations of Hayward-Middleton combination). Accordingly, in the facts and circumstances of this case, the additional invalidity arguments presented in the invalidity contentions do not significantly impact our analysis.

Second, the Texas Litigation and the Petition do not involve an identical set of claims. According to Petitioner's invalidity contentions, only claim 1 is currently at issue in the Texas Litigation (Ex. 2003, 1), where the Petition challenges both independent claim 1 and its dependent claims 2 and 3 (Pet. 24). However, the Board has already instituted two other *inter partes* review proceedings that challenge these claims: the 1367 and 041 IPRs. *Sling TV*, IPR2019-01367, Paper 7 (trial instituted on claims 1–3); *Netflix*, IPR2020-00041, Paper 10 (same); *see* Prelim. Resp. 20 (arguing the Petition is redundant given two earlier-filed petitions in the 1367 and 041 IPRs). Given these other pending trials at the Board, we are not persuaded that a third trial is justified in these circumstances.⁸

On balance, under the particular circumstances presented here, i.e., the advanced stage of the Texas Litigation and the fact that the '609 patent is challenged in two other pending *inter partes* review proceedings, we decline to institute an additional *inter partes* review in this proceeding. *See NHK*, IPR2018-00752, Paper 8 at 20; Consolidated TPG at 58. Accordingly, we exercise our discretion under 35 U.S.C. § 314(a) and deny institution.

⁸ Petitioner's arguments do not persuade us that the differences between this Petition and the two earlier filed petitions mitigate in favor of a third trial. *See* Pet. 61–62. In particular, Petitioner identifies differences between its primary reference (Hayward) and a reference asserted in a previous petition (Jacoby); however, Petitioner does not explain the significance of these differences. *Id.* In addition, although Petitioner notes that the Petition alleges anticipation, Petitioner fails to explain why this is a material difference from the obviousness arguments presented in the earlier-filed petitions. *Id.* at 62.

IV. CONCLUSION

In the specific factual circumstances of this case, consistent with the Board's precedential decision in *NHK*, we exercise our discretion to deny institution under § 314(a).

ORDER

It is, therefore,

ORDERED that the Petition is denied; and

FURTHER ORDERED that the requested *inter partes* review is not instituted with respect to any claim of the '609 patent.

IPR2020-00115
Patent 8,407,609 B2

PETITIONER:

Erika H. Arner
Joshua L. Goldberg
A. Grace Klock Mills
FINNEGAN, HENDERSON, FARABOW,
GARRETT, & DUNNER LLP
erika.arner@finnegan.com
joshua.goldberg@finnegan.com
gracie.mills@finnegan.com

PATENT OWNER:

Ryan Loveless
Brett Mangrum
James Etheridge
Jeffrey Huang
ETHERIDGE LAW GROUP
ryan@etheridgelaw.com
brett@etheridgelaw.com
jim@etheridgelaw.com
jeff@etheridgelaw.com