

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETAPP, INC.
Petitioner,

v.

PERSONALWEB TECHNOLOGIES, LLC
Patent Owner.

Case IPR2013-00319 (JYC)
Patent 5,978,791

Before KEVIN F. TURNER, JONI Y. CHANG, and
MICHAEL R. ZECHER, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*.

DECISION
Motion for Joinder
37 C.F.R. § 42.122(b)

INTRODUCTION

NetApp, Inc. (“NetApp”) filed a petition requesting an *inter partes* review of claims 1-3, 29, and 35 of U.S. Patent 5,978,791 (“the ’791 patent”) (Paper 2, “Pet.”), and a motion for joinder with IPR2013-00082 (Paper 5, “Mot.”). In IPR2013-00082, the Board instituted an *inter partes* review based on the petition filed by EMC Corporation and VMware, Inc. (collectively “EMC”) on all of those claims except claim 35. (IPR2013-00082, Paper 21, Dec. 33.)

Patent Owner, PersonalWeb Technologies, LLC (“PersonalWeb”) opposes the motion for joinder, and argues that joinder would be prejudicial to PersonalWeb because NetApp’s petition introduces an additional challenged claim, independent claim 35, as well as new substantive issues, arguments, and declarations. (Paper 16, “Opp.”)

For the reasons set forth below, NetApp’s motion for joinder is *denied*.¹

DISCUSSION

The Leahy-Smith America Invents Act (AIA) created new administrative trial proceedings, including *inter partes* review, as an efficient, streamlined, and cost-effective alternative to district court litigation. The AIA permits joinders of like proceedings. The Board, acting on the behalf of the Director, has the discretion to join an *inter partes* review with another *inter partes* review. Specifically, 35 U.S.C. § 315(c) provides the following (emphasis added):

¹ NetApp’s petition will be decided in a separate, forthcoming, decision.

(c) JOINDER.—If the Director institutes an inter partes review, **the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311** that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

The AIA also makes clear that the one-year bar set forth in 35 U.S.C. § 315(b) does not apply to a request for joinder under 35 U.S.C. § 315(c). In particular, 35 U.S.C. § 315(b) reads as follows (emphasis added):

“(b) PATENT OWNER’S ACTION.—An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. **The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).**

Further, in the case of joinder, the Board has the discretion to adjust the time period for issuing a final determination in the *inter partes* review. 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c).

Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. 35 U.S.C. § 315(c); 37 C.F.R. § 42.122(b). When exercising that discretion, the Board is mindful that patent trial regulations, including the rules for joinder, must be construed to secure the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b).²

² 35 U.S.C. § 316(b) (“In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the

As a moving party, NetApp has the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c) and 42.122(b). A motion for joinder should: (1) set forth the reasons why joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; (3) explain what impact (if any) joinder would have on the trial schedule for the existing review; and (4) specifically address how briefing and discovery may be simplified. *See e.g., Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper No. 15 at 4 (PTAB, Apr. 24, 2013); FAQ H5 on the Board's website at <http://www.uspto.gov/ip/boards/bpai/prps.jsp>.

Furthermore, as indicated in the legislative history, the Board will determine whether to grant joinder on a case-by-case basis taking account the particular facts of each case. (*See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl)(When determining whether and when to allow joinder, the Office may consider factors including the breadth or unusualness of the claim scope, claim construction issues, and consent of the patent owner.) More specifically, the Board considers the impact of both substantive issues and procedural matters on the proceedings, as well as other considerations.

1. Substantive Issues

In its motion, NetApp asserts that joinder with IPR2013-00082 would not prejudice the patent owner or other petitioners, and would not cause any undue complication or delay. (Mot. 6-8.) In support of those assertions, NetApp

patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter.”)

contends that “the inclusion of claim 35 does not raise substantial issues that are not already before the Board” and “will not materially add to the analysis that must be performed by the parties or the Board in a joined proceeding.” (Mot. 7.)

According to NetApp, “the same features of the same prior art apply to claim 35 as are currently applied in the EMC IPR to claim 4 and its base independent claim 1,” and its petition presents “the same technical analysis for claim 35 as that already presented in the EMC IPR for claim 4.” (Mot. 6-8.)

PersonalWeb counters that joinder “would be prejudicial to Patent Owner because it would: (a) introduce a new claim (claim 35) not previously challenged, as well as new claim language and construction issues regarding that claim, (b) add a new party (NetApp) not previously named, and (c) add new declarations and arguments that are different than those in [IPR]2013-00082.” (Opp. 6.) In particular, PersonalWeb argues that Dr. Douglas Clark’s declaration submitted by NetApp contains new testimony and arguments not previously presented in IPR2013-00082. (*Id.*) It is PersonalWeb’s view that NetApp’s petition “will require significant additional analysis and expense on behalf of patent owner.” (*Id.*) We agree.

NetApp’s arguments for joinder are unavailing, as the inclusion of claim 35 would raise substantive issues that are not before the Board in IPR2013-00082. For instance, claim 35 contains claim terms (*e.g.*, “determining whether the particular identifier is in the set of data items”) that are not recited in claims 1 and 4. (Pet. 15-16.) Through its claim construction analysis, NetApp raises substantive issues that are related to lack of enablement and written description under 35 U.S.C. 112, ¶ 1, and indefiniteness under 35 U.S.C. 112, ¶ 2. (*Id.*)

Notably, NetApp directs the Board's attention to a claim drafting error that raises questions of unpatentability under 35 U.S.C. § 112, and urges the Board to adopt a claim construction that would ignore "the literal wording of the claim term." (*Id.*) Particularly, NetApp, in its petition, asserts that claim 35 "contains a limitation that appears to be a drafting error and should be interpreted in a way that conforms to the context of the claim and that allows the claim to be arguably enabled and described." (*Id.*) Yet, NetApp indicates that it "does not concede that claim 35 is enabled or described." (*Id.*) NetApp also states the following in its petition (*id.*, emphasis added):

Claim 35 refers to "a set of identifiers" at 43:53-54 but does not refer to "a set of data items" preceding the claim term. Thus, the proffered construction makes the claim term consistent with the passage at lines 53-54, *whereas the claim term in its literal form is inconsistent*. The proffered construction also maintains antecedent basis, since the second and subsequent times a claim term is used, it should be referred to as "the" item and rather than "a" item. Additionally, a different construction that would seek to preserve *the literal wording of the claim term would not find enablement or description in the specification*, and furthermore, *would not even make sense, since a "set of data items" does not include "identifiers."*

Contrary to NetApp's contentions, NetApp's petition clearly presents new unpatentability analysis and substantive issues beyond those in IPR2013-00082. More importantly, NetApp fails to explain adequately the impact of those new substantive issues on the patent owner, other petitioners, and the trial schedule of IPR2013-00082.

2. *Procedural Matters*

While NetApp recognizes that joinder could extend the trial schedule of IPR2013-00082, NetApp merely characterizes the impact as minimal and argues that such an extension is permitted under the statute. (Mot. 7.) PersonalWeb counters that the additional information, arguments, analysis, and declarations would cause the schedule of IPR2013-00082 to be extended, possibly for six months. (Opp. 7.) We agree with PersonalWeb that the impact is not minimal in light of the new substantive issues discussed above.

NetApp's contention, at best, may justify a short extension of time in a simple case where there are no other pending related *inter partes* reviews. Here, in contrast, EMC and PersonalWeb maintain five other related *inter partes* reviews—namely IPR2013-00083, IPR2013-00084, IPR2013-00085, IPR2013-00086, and IPR2013-00087—for patents that share a common disclosure with the '791 patent.

NetApp fails to recognize that the discovery process and trial schedule for IPR2013-00082 have been coordinated and synchronized with those five related *inter partes* reviews. (IPR2013-00082, Paper 32.) For instance, the parties have stipulated to a single deposition useable in all six trials for each of EMC's declarant. (Paper 44.) As set forth in the Schedule Orders, DUE DATES 1 through 7 for all six trials are the same (*e.g.*, the due dates for filing a patent owner response, motion to amend, reply, and opposition), and oral hearings, if requested, will be conducted on the same day.

NetApp does not provide adequate explanations as to how its new declarations and additional substantive issues would not substantially affect the

coordinated discovery and increase costs. Moreover, NetApp fails to address sufficiently the impact joinder would have on the synchronized trial schedule.

The time set forth in 37 C.F.R. § 42.100(c) can be extended by up to six months for good cause or adjusted by the Board in the case of joinder. However, a good cause showing has not been provided for the five related *inter partes* reviews. Thus, joinder most likely would affect the Board's ability to complete all six reviews timely.

3. *Other Considerations*

NetApp was served with a complaint alleging infringement of the '791 patent, on December 16, 2011. (Ex. 2001.) NetApp could have filed a petition for *inter partes* review of the '791 patent, prior to the expiration of the one-year time under 35 U.S.C. § 315(b), but did not do so. Rather, NetApp filed its petition on May 30, 2013.

NetApp argues that its request for joinder is timely and the time period set forth in 37 C.F.R. § 42.101(b) does not apply to its petition because the petition was filed with a request for joinder under 37 C.F.R. § 42.122(b). (Mot. 5-6.) In response, PersonalWeb contends that NetApp's motion for joinder should be denied because, in PersonalWeb's view, "an IPR petition filed more than one year after the petitioner was served with a complaint alleging infringement of the patent is barred" and "not properly filed as required by § 315(c)." (Opp. 1-5.)

As an initial matter, we decline to adopt PersonalWeb's statutory interpretation, as it would render the last sentence of 35 U.S.C. § 315(b) meaningless. Indeed, PersonalWeb's statutory construction erroneously incorporates the one-year bar set forth in the first sentence of 35 U.S.C. § 315(b)

into the statutory language of 35 U.S.C. § 315(c)—“any person who properly files a petition under *section 311*” (emphasis added). Under PersonalWeb’s interpretation, no party served with a complaint more than one year beforehand, even one who files an identical petition as the first petition, accompanied by a request for joinder, could ever join with an instituted review. Such an interpretation ignores the last sentence of 35 U.S.C. § 315(b) and the legislative history. *See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (“The Office anticipates that joinder will be allowed as of right—if an *inter partes* review is instituted on the basis of a petition, for example, a party that files an identical petition will be joined to that proceeding . . .”).

In any event, we determine that NetApp has not demonstrated that its need for a cost-effective alternative to district court litigation outweighs the impact of joinder, including the burden and prejudice to the parties as we discussed above. Moreover, NetApp fails to establish that joinder would promote efficient resolution of the unpatentability issues without substantially affecting the schedule for IPR2013-00082 and the five other related *inter partes* reviews. NetApp, thus, has not satisfied its burden of proof in showing entitlement to the requested relief—namely joinder with IPR2013-00082. Accordingly, exercising our discretion under 35 U.S.C. § 315(c), we decline to authorize joinder and deny NetApp’s motion for joinder.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that NetApp’s motion for joinder is *denied*.

Case IPR2013-00319
Patent 5,978,791

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