

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NINTENDO CO., LTD. and
NINTENDO OF AMERICA INC.,
Petitioner,

v.

GAMEVICE, INC.,
Patent Owner.

IPR2020-01197
Patent 10,391,393 B2

Before JOSIAH C. COCKS, ROBERT L. KINDER, and
MATTHEW S. MEYERS, *Administrative Patent Judges*.

MEYERS, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314, 37 C.F.R. § 42.4

I. INTRODUCTION

Nintendo Co., Ltd. (“Petitioner”),¹ on June 26, 2020, filed a Petition to institute *inter partes* review of claims 1–8 and 12–18 of U.S. Patent No. 10,391,393 B2 (Ex. 1001, “the ’393 patent”). Paper 3 (“Petition” or “Pet.”). Gamevice, Inc., (“Patent Owner”)² filed a Preliminary Response to the Petition. Paper 7 (“Preliminary Response” or “Prelim. Resp.”). Pursuant to our authorization, Petitioner filed a Reply (Paper 11, “Pet. Reply”) and Patent Owner filed a Sur-Reply (Paper 12, “PO Sur-Reply”).

An *inter partes* review may not be instituted unless the information presented in the petition and the preliminary response shows “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (2018). Moreover, the Supreme Court has held that a decision under § 314 may not institute review on fewer than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1355–56 (2018); *see also PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018) (interpreting the statute to require “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”).

For the reasons set forth below, upon considering the Petition, Preliminary Response, Preliminary Reply, Preliminary Sur-Reply, and evidence of record, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution.

¹ Petitioner identifies Nintendo of America Inc. and Nintendo Co., Ltd. as the real parties in interest. Pet. 2.

² Patent Owner identifies itself as the real party in interest. Paper 4, 1.

II. BACKGROUND

A. Related Proceedings

In addition to IPR2020-01197, the '393 patent is involved in a proceeding pending before the International Trade Commission ("ITC"), *Certain Portable Gaming Console Systems with Attachable Handheld Controllers and Components Thereof II*, Inv. No. 337-TA-1197, filed March 27, 2020 ("the ITC Investigation"). Pet. 3; Paper 4, 1.

The parties also identify the following proceedings involving U.S. Patent No. 9,855,498, of which the '393 patent is a continuation patent, and U.S. Patent No. 9,808,713, which is in the same family as the '393 patent: *Certain Portable Gaming Console Systems with Attachable Handheld Controllers and Components Thereof*, Inv. No. 337-TA-1111, filed March 30, 2018³; and *Gamevice, Inc. v. Nintendo Co., Ltd. et al.*, Case No. 3:18-cv-01942 (N.D. Cal), filed March 29, 2018. Pet. 3; Paper 4, 1.

The parties identify the following proceedings involving U.S. Patent No. 9,126,119 (the "'119 patent"), to which the '393 patent claims priority: *Gamevice, Inc. v. Nintendo Co., Ltd., et al.*, Case No. 17-cv-05923 (C.D. Cal.); *Nintendo Co. Ltd. et al. v. Gamevice, Inc.*, IPR2018-01521, filed August 30, 2018; and *Nintendo Co. Ltd. et al. v. Gamevice, Inc.*, IPR2018-01522, filed August 30, 2018. Pet. 2; Paper 4, 2.

³ The parties indicate that an appeal from this decision is before the Court of Appeals for the Federal Circuit is pending: *Gamevice, Inc. v. International Trade Commission*, Appeal No. 2020-1264 (Fed. Cir.). Pet. 3; Paper 4, 1.

B. The '393 Patent

The '393 patent is titled "GAME CONTROLLER WITH STRUCTURAL BRIDGE." Ex. 1001, code (54). The '393 patent "generally relates to a combination game controller and information input device directed to controlling electronic games and entry of information to a computing device [. . .]" *Id.* at 4:12–15.

Figure 1 of the '393 patent, reproduced below, illustrates a front perspective view, with partial cutaway, of an embodiment an electronic game control apparatus. *Id.* at 1:58–59.

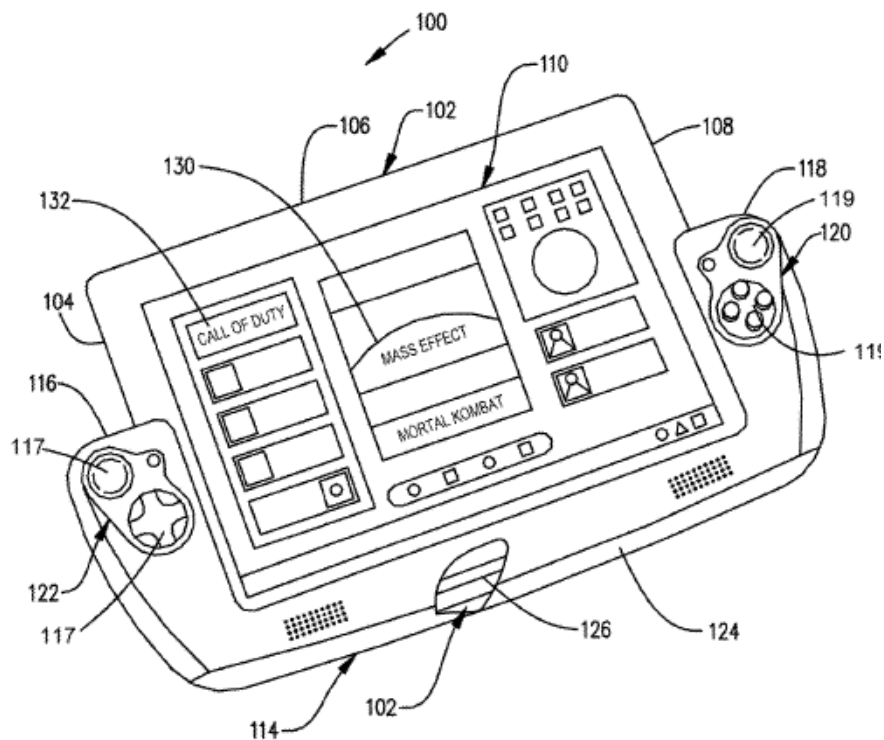


FIG. 1

Figure 1 (above) depicts a game controller and information entry device ("G&D") 100 and a computing device 102. *Id.* at 4:35–37.

Computing device 102 has a plurality of sides 104, 106, 108, and 126, and electronic display screen 110. *Id.* at 4:36–41. According to the '393 patent, “computing device 102 may take the form of a tablet computer, smart phone, notebook computer, or other portable computing device.” *Id.* at 4:43–45. G&D 100 also includes input device 114, which provides a pair of side structures, 116 and 118, with a bridge structure disposed there between. *Id.* at 4:46–48. As shown in Figure 1, input device 114 further provides a plurality of removable game control modules 120 and 122. *Id.* at 4:61–63.

C. Challenged Claims

The '393 patent includes twenty-three claims, and Petitioner challenges claims 1–8 and 12–18. Of the challenged claims, claims 1, 8, 12, and 16 are independent. Claim 1 is illustrative and reads as follows:

1. A combination comprising:
 - a computing device;
 - a pair of confinement structures, the pair of confinement structures interacting with the computing device and adjacent at least two opposing sides of the computing device, but not more than three sides of the sides of the computing device, each of the pair of confinement structures comprising a communication link, each of the communication links configured for electronic communication with the computing device;
 - a rigid structural bridge disposed between and secured to the pair of confinement structures, the rigid structural bridge comprising a passageway between the pair of confinement structures, the passageway promotes electrical communication between the communication link of a first confinement structure of the pair of confinement structures and the computing device, the passageway further promotes electrical communication between the communication link of a second confinement structure of the pair of confinement structures and the computing device; and

a pair of electronic game control modules, each electronic game control module of the pair of electronic game control modules is secured to and interacts with a corresponding confinement structure of the pair of confinement structures, each electronic game control module in electronic communication with the communication link of its corresponding confinement structure, wherein each electronic game control module is a separate and distinct structure from each of their corresponding confinement structures, forming no structural portion of their corresponding confinement structures, and in which each of the pair of confinement structures are separate and distinct structures from the structural bridge, forming no structural portion of the structural bridge.

Ex. 1001, 17:53–18:21.

D. Asserted Grounds of Unpatentability

Petitioner asserts seven grounds of unpatentability (Pet. 5, 22–91), which are provided in the table below:

Claim(s) Challenged	35 U.S.C. §	Reference(s)
1–8, 16–18	103(a) ⁴	Willner ⁵ and Park ⁶
16	102, 103(a)	Willner

⁴ The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”), amended 35 U.S.C. § 103. Because the challenged claims of the ’393 patent have an effective filing date before the effective date of the applicable AIA amendments, we refer to the pre-AIA version of 35 U.S.C. § 103 in this Decision.

⁵ Willner et al., US 2001/0045938 A1, pub. Nov. 29, 2001 (Ex. 1003).

⁶ Park, Korean Laid-Open Patent App. No. 10-2011-0116892, pub. Oct. 26, 2011 (Ex. 1004) (including English Translation and Translation Certification).

Claim(s) Challenged	35 U.S.C. §	Reference(s)
16	102, 103(a)	Park
1–8, 16–18	103(a)	Schoenith ⁷ and Kessler ⁸
16	102, 103(a)	Schoenith
12–15	102, 103(a)	Kessler
12–15	103(a)	Hirschman ⁹

Petitioner also relies on the declaration of Garry Kitchen (Ex. 1002).

III. DISCRETIONARY DENIAL UNDER 35 U.S.C. § 314(a)

Patent Owner argues that we should exercise discretion under 35 U.S.C. § 314 and deny institution, because the '393 patent is the subject of a pending ITC proceeding “involving the same parties” with a hearing scheduled to begin on “December 9, 2020,” and a final Commission determination target date “almost six months before any final written decision would be due here.” Prelim. Resp. 1 (citing Ex. 2001, 4); *see generally* PO Sur-Reply 1–7.

In response, Petitioner disagrees, and argues that the Board should not exercise discretion to deny institution because “the ITC Investigation will not resolve all claims at issue in the IPR,” Petitioner’s “invalidity arguments in the ITC differ from those described in this Petition,” “the strength of the

⁷ Schoenith et al., U.S. 9,539,507 B2, iss. Jan. 10, 2017 (Ex. 1005).

⁸ Kessler et al., Int’l Patent App. No. WO 2014/079264 A1, pub. May 30, 2014 (Ex. 1006).

⁹ Hirschman, US 2012/0271967 A1, pub. Oct. 25, 2012 (Ex. 1007).

petitioner’s positions in the IPR—also heavily favors institution,” and “efficiency favors institution here.” Pet. 21–22; *see generally* Pet. Reply 1–7. Petitioner acknowledges that the ITC investigation will conclude before a final decision could issue in this IPR, but argues the Board should focus on the “differences between ITC and Board proceedings that prejudice the [P]etitioner,” and decline to exercise discretion under 35 U.S.C. § 314(a) to not institute. Pet. 20.

A. Parallel Proceedings

As previously described, Patent Owner has asserted the ’393 patent against Petitioner in the ITC investigation. Pet. 3 (citing Ex. 1013); Paper 4, 1. As of the filing date of the Preliminary Response, fact discovery was complete, and the ITC had set a schedule requiring the completion of expert discovery and the filing and/or exchange of several substantive papers and trial preparation documents prior to the deadline for issuing an institution decision in this proceeding, including exhibit lists, summary determination motions, and exchange direct exhibits including deposition transcripts. Ex. 2001, 3–4. A hearing in the ITC investigation was scheduled for December 9–14, 2020.¹⁰ Ex. 2001, 4. The ITC’s Final Initial Determination is due on April 2, 2021, and the “target date” for completion of the investigation is August 4, 2021. *Id.*

¹⁰ The parties have not informed us as to any last minute deviation of the ITC’s schedule. We have no reason to believe that the hearing did not occur as scheduled. For the purposes of this Decision, we will assume that the hearing took place as scheduled.

B. Analysis

The Board’s precedential decision in *NHK Spring Co. v. Intri-Plex Techs, Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential) guides us in determining whether to exercise discretion to deny institution on behalf of the Director. In *NHK*, the Board found that the “advanced state of [a] district court proceeding” was a “factor that weighs in favor of denying” the petition under § 314(a). *NHK*, Paper 8 at 20. The Board determined 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.* (citing *Gen. Plastic Indus. Co., Ltd. v. Canon Kabushuki Kaisha*, IPR2016-01357, Paper 19, 16–17 (PTAB Sept. 6, 2017) (precedential in relevant part)).

The Board’s precedential decision in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”) sets forth six factors that we consider when determining whether to use our discretion to deny institution due to the advanced state of a parallel proceeding:

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

Fintiv, Paper 11 at 6. “These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* In evaluating these factors, we take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* (citing Patent Trial and Appeal Board Consolidated Trial Practice Guide 58 (November 2019), available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>). We discuss the parties' arguments below in the context of considering the above factors.

1. Whether a Stay Exists or Is Likely to Be Granted if a Proceeding Is Instituted

Patent Owner acknowledges that “there is no possibility of a stay of the litigation” because “[t]here is no parallel district court litigation involving the challenged '393 patent, only the ITC litigation.” Prelim. Resp. 3. However, Patent Owner contends the *Fintiv* factors properly apply to ITC investigations (Prelim. Resp. 3 (citing *Fitbit, Inc. v. Koninklijke Philips N.V.*, IPR2020-00772, Paper 14 at 14–15 (PTAB Oct. 19, 2020); *Comcast Cable Commc'ns, LLC v. Rovi Guides, Inc.*, IPR2020-00800, -801, -802, Paper 10 at 9–18 (PTAB Oct. 22, 2020) (“Comcast I”); *Bio-Rad Labs., Inc. v. 10X Genomics, Inc.*, IPR2019-00567, Paper 23 at 26–29 (PTAB Aug. 8, 2019); *Bio-Rad Labs., Inc. v. 10X Genomics, Inc.*, IPR2019-00568, Paper 22 at 22–

25 (PTAB Aug. 8, 2019))), and that this factor weighs in favor of denial. Prelim. Resp. 2–3.

With regard to this factor, Patent Owner notes that Petitioner has not requested a stay of the ITC investigation, but points out that “the ITC has never stayed its investigation due to institution of an IPR proceeding.” Prelim. Resp. 3 (citing Ex. 2002, 4–9). Patent Owner further notes that it is unlikely the ITC would “set new precedent” in this case because of the advanced stage of the ITC investigation. *Id.* at 4 (“[T]he ITC trial will be completed more than a month before the Board’s decision on institution. *See* Ex. 2001 at 4 (trial ends on December 14, 2020).”).

Petitioner does not expressly address *Fintiv* Factor 1 in its Petition or Petitioner’s Reply. *See* Pet. 20–22; Pet. Reply 1–7.

At the outset, we note that Patent Owner is correct that *Fintiv* expressly addresses ITC investigations, and the Board has considered ITC investigations in weighing whether or not to exercise its discretion under 35 U.S.C. § 314. *Fintiv*, Paper 11 at 8 (“[E]ven though the Office and the district court would not be bound by the ITC’s decision, an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition.”); *Garmin International, Inc. v. Koninklijke Philips N.V.*, IPR2020-00754, Paper 11 (PTAB Oct. 27, 2020).

With regard to this factor, we find the current record does not indicate that Petitioner has requested a stay of the ITC investigation, and we agree with Patent Owner that a stay of the ITC investigation is unlikely given the hearing in the ITC investigation already has taken place, and the target date

for a final Commission determination is almost six months before our final decision due date. Ex. 2001, 4.

For this reason, we determine that this factor weighs against institution.

2. *Proximity of the Court's Trial Date to the Board's Projected Statutory Deadline*

Patent Owner contends this factor also strongly weighs in favor of denial because the hearing already has taken place, and the final Commission determination, which is targeted for completion by August 4, 2021, “pre-dates the Board’s final written decision due date by almost six months.” Prelim. Resp. 4 (citing Ex. 2001, 4).

Petitioner does not expressly address *Fintiv* Factor 2 in its Petition or Petitioner’s Reply. See Pet. 20–22; Pet. Reply 1–7.

We agree with Patent Owner that the advanced stage of the ITC investigation with an already completed hearing and a target date of August 4, 2021 for completion of investigation set to pre-date the Board’s January 29, 2022 due date for a final written decision by over five months weighs against institution.

For this reason, we determine that this factor weighs against institution.

3. *Investment in the Parallel Proceeding by the Court and Parties*

Patent Owner contends this factor favors denial. Prelim. Resp. 5–7; Sur-Reply 1–3. Patent Owner argues that “[t]he ITC has presided over nearly six months of intensive fact and expert discovery since May 5, 2020.”

Prelim. Resp. 5 (citing Ex. 2001, 3; Ex. 2004, 1–2). According to Patent Owner,

[t]he parties have already submitted trial exhibits and witness statements in lieu of trial testimony for their cases-in-chief, and rebuttal exhibits and witness statements are due within five days. *See* Ex. 2001 at 3. All told, the parties will have submitted around 1,200 pages of trial witness statements and 750 pages of pre-trial briefing and relevant attachments. *See* Ex. 2003 at 11, 13.

Prelim. Resp. 6.

Patent Owner also takes the position that Petitioner “did not file its petition expeditiously and cannot excuse its delay.” *Id.* (citing *Fintiv*, IPR2020-00019, Paper 11, at 11–12). According to Patent Owner, Petitioner

has known about the ’393 patent since at least November 5, 2019, when it sent [Patent Owner] a letter about the patent. And [Petitioner] was aware of the specific claims of the ’393 patent asserted against it as early as March 27, 2020, when [Patent Owner] publicly filed its ITC complaint. *See* Ex. 2004 at 1–2. Although the ITC litigation was instituted only on May 4, 2020, *see* Ex. 2004 at 1, [Petitioner] has no excuse for delaying its petition until June 26, 2020, seven months after it contacted [Patent Owner] about the patent and three months after it became aware of the specific patent claims asserted against it.

Prelim. Resp. 6–7.

Petitioner contends this factor weighs in favor of institution. Pet. Reply 7. Petitioner argues that “the Board too has invested in the subject matter of this IPR.” *Id.* According to Petitioner, several “core limitations” of the ’393 patent are substantially similar to those recited in claims of the related ’119 patent, and these “core limitations” have been considered by the Board in IPR2018-01521 (Ex. 1010) and IPR2018-01522 (Ex. 1011). Pet.

Reply 7. Petitioner asserts that “by analyzing briefing and issuing decisions in the prior ’119 IPRs,” the Board has invested substantial time and resources in the current IPR proceeding for the ’393 patent. *Id.* Petitioner also argues that it did not delay in filing the current Petition for the ’393 patent, but instead “rushed to file its petition” less than three months after Patent Owner asserted the ’393 patent in the ITC investigation. *Id.*

In response, Patent Owner notes that Petitioner does not dispute “the Administrative Law Judge’s and parties’ investments in the ITC proceeding.” PO Sur-Reply 1 (citing Prelim. Resp. Reply 5–6). Patent Owner asserts that “the Board’s investment in the prior ’119 IPRs is irrelevant because the correct inquiry under *Fintiv* factor 3 is whether the parallel litigation is more advanced than the current proceeding. *Id.* (citing *Fintiv*, IPR2020-00019, Paper 11, at 9–10).

We weigh this factor against institution. We agree with Patent Owner that the parties and the ALJ and staff of the ITC have expended considerable resources to date on the ITC investigation, in the form of addressing claim construction, completing fact and expert discovery, and conducting the hearing. Prelim. Resp. 5–6; Ex. 2001, 1–4. In fact, under the current ITC schedule (*see* Ex. 2001), the parties will have filed initial and reply post-hearing briefs, final exhibits (January 8, 2021), and a joint outline of the issues to be decided in the Final Initial Determination (January 19, 2021), almost ten days before a decision on institution is due on January 28, 2021.

Petitioner’s argument that the Board has already spent substantial time and resources in the current proceeding by “analyzing briefing and issuing decisions” in the related ’119 patent IPR proceedings (Pet. Reply 7) is

unavailing, as the fact that these additional proceedings exist does not detract from the considerable resources already invested in the ITC proceeding. Here, we agree with Patent Owner that “the correct inquiry under *Fintiv* factor 3 is whether the parallel litigation is more advanced than the *current* proceeding.” PO Sur-Reply 1 (citing *Fintiv*, Paper 11 at 9–10). Petitioner fails to provide any citation to support its argument that “the Board’s prior investment in evaluating a different patent is relevant to this factor.” *Id.* We also agree with Patent Owner that enough differences exist between the claims challenged in this proceeding and the claims challenged previously in the ’119 patent’s proceedings that it would not substantially relieve the Board “from the burden of evaluating the ’393 patent’s claims anew in this proceeding.” PO Sur-Reply 3. Consequently, we find the ITC has invested far greater resources than the Board in evaluating the ’393 patent’s claims at issue in the current proceeding. We credit, however, Petitioner’s diligence in filing this Petition “within two months of institution of the ITC case.” Pet. Reply 7.

4. *Overlap Between Issues Raised in the Petition
and in the Parallel Proceeding*

Patent Owner contends this factor favors denial because there is “substantial overlap between the claims, art, and grounds of challenge presented in [Petitioner]’s petition and for the ITC trial.” Prelim. Resp. 8 (comparing Ex. 2005, 104, 114–116, 123, 133, 146 (Q&A Nos. 335, 355, 359, 362, 381, 402, 433); Pet. 5). Patent Owner acknowledges that dependent claims 5 and 13–15 are not being challenged in the ITC investigation, but argues that “these dependent claims are directed to the

same subject matter as independent claims 1 and 12, and dependent claims 2–4, which face overlapping challenges in Nintendo’s petition and the ITC trial.” Prelim. Resp. 8. Patent Owner also notes that Petitioner “does not identify any harm if institution of the non-overlapping dependent claims 5 and 13–15 is denied because they are not asserted against [Petitioner] in any forum.” *Id.* at 9.

Petitioner contends that the difference in scope between the ITC investigation and the current IPR proceeding heavily favors institution. Pet. 21. More particularly, Petitioner argues that claims 5 and 13–15 were not asserted in the ITC investigation and “[d]enying institution would rob [Petitioner] of its challenges for those claims.” *Id.*¹¹ Petitioner also argues that Petitioner’s “invalidity arguments in the ITC differ from those described in this Petition, including because of its reliance on product art in the ITC.” *Id.* (citing Ex. 1020, 6–8; *Comcast Cable Comm’ns, LLC v. Veveo, Inc.*, IPR2019-00290, Paper 15, at 11–12 (PTAB July 5, 2019)).

In its Reply, Petitioner disagrees with Patent Owner’s position that claims 5 and 13–15 “‘are directed to the same subject matter as’ claims at issue before the ITC.” Pet. Reply 5–6 (citing Prelim. Resp. 8). Petitioner notes that “[c]laim 5 depends from claim 1 and adds a limitation requiring the ‘rigid structural bridge’ to be ‘adjacent to the external surface of the back

¹¹ Petitioner states that Patent Owner “recently dropped claim 16 from the ITC case.” Pet. Reply 6; *cf.* Ex. 3003 (“This investigation is terminated as to claim 16 of the ’393 patent.”). We note, however, that the increased number of claims challenged only in this IPR does not affect the substance of our analysis at least because claim 17, which depends from claim 16, remains under investigation at the ITC. *See* Ex. 1001, 20:19.

of the computing device,’ which no other claim recites.” *Id.* at 6. Petitioner also notes that “dependent claims 13–15 recite combinations unlike those in any other challenged claim” because they add limitations to independent claim 12. *Id.* Petitioner last asserts that it “would suffer prejudice if the Board denied the petition despite the difference in scope between this IPR and the parallel ITC case.” *Id.* According to Petitioner, Patent Owner “has never represented that [Petitioner] does not infringe those claims,” and if Patent Owner “were to do so more than a year after service of its ITC complaint, [Petitioner] could be barred from ever challenging claims 13–16 in an IPR.” *Id.* at 6–7 (citing 35 U.S.C. § 315(b)).

In response, Patent Owner argues that “*Fintiv*’s fourth factor requires only ‘substantial’ overlap, not complete overlap, to favor denial of institution.” PO Sur-Reply 4 (citing *Fintiv*, Paper 11 at 12–13; *Next Caller, Inc. v. TRUSTID, Inc.*, IPR2019-00961, Paper 10 at 14 (PTAB Oct. 16, 2019)). To support its argument, Patent Owner points out that Petitioner “asserts the exact same grounds against overlapping independent claim 12 and dependent claims 13–15” and “the exact same grounds against overlapping claims 1–4 and dependent claim 5.” PO Sur-Reply 5 (citing Pet. 5). Patent Owner last argues that Petitioner would not suffer any prejudice if institution were denied under 35 U.S.C. § 314(a) because Petitioner “is incorrect that the ITC complaint filing triggers the one-year bar of 35 U.S.C. § 315(b).” *Id.* (citing *Robert Bosch Tool Corp. v SD3, LLC*, IPR2016-01753, Paper 15, at 11 (PTAB Mar. 22, 2017)).

With regard to this factor, “if the petition includes the same or substantially the same claims, grounds, arguments, and evidence as

presented in the parallel proceeding, this fact has favored denial” because “concerns of inefficiency and the possibility of conflicting decisions [are] particularly strong.” *Fintiv*, Paper 11 at 12. Here, it is undisputed that the same grounds, arguments, and evidence are presented in the Petition and the parallel ITC investigation. Prelim. Resp. 7–8; Reply 5–7; PO Sur-Reply 4–5; *compare* Pet. 5, with Ex. 2005, 104, 114–116, 123, 133, 146 (Q&A Nos. 335, 355, 359, 362, 381, 402, 433); *see also* *Fintiv*, Paper 15 at 15 (“Petitioner’s assertion of additional invalidity contentions . . . is not relevant to the question of the degree of overlap for this factor.”).

We acknowledge that there is not complete overlap between the claims challenged in the Petition and those at issue in the ITC investigation, with claims 5 and 13–16 being challenged in this proceeding but not asserted in the ITC. However, other than asserting that claim 5 “adds a limitation requiring the ‘rigid structural bridge’ to be ‘adjacent to the external surface of the back of the computing device’” (Pet. Reply 6) and pointing out features of independent claim 12, which is asserted in the ITC, Petitioner does not argue that these limitations result in the Petition including “materially different grounds, arguments, and/or evidence than those presented in” the ITC investigation. *Fintiv*, Paper 11 at 12–13. Also unavailing is Petitioner’s argument that it would suffer prejudice under 35 U.S.C. § 315(b) if the Board exercised discretion to deny institution. Pet. Reply 6–7. Here, as Patent Owner points out, Petitioner “is incorrect that the ITC complaint filing triggers the one-year bar of 35 U.S.C. § 315(b).” Reply 5 (citing *SD3*, IPR2016-01753, Paper 15, at 11).

On balance, we determine this significant overlap between the prior art challenges asserted before the Board and the ITC weighs slightly against institution.

5. *Whether the Petitioner and the Defendant in the Parallel Proceeding Are the Same Party*

Patent Owner asserts that the same parties involved in the present proceeding are also involved in the ITC investigation. Prelim. Resp. 11. Petitioner does not dispute this fact. Accordingly, this factor weighs against institution. *Fintiv*, Paper 11 at 6.

6. *Other Circumstances that Impact the Board's Exercise of Discretion, Including the Merits*

Patent Owner contends this factor favors denial because the Petitioner “deliberately omits material information from its submissions to the PTAB and, further, mischaracterizes the circumstances surrounding” the ’119 patent and its IPRs (Ex. 1010, 1011), and the ’393 patent “to make it appear that [Petitioner’s] petition is stronger than it really is.” Prelim. Resp. 11; *see also id.* at 12 (Petitioner “(mis)characterizes the ’393 patent as merely a rehash of the ’119 patent.”).

Petitioner contends this factor weighs in favor of institution. Petitioner asserts that its “Petition is particularly strong” because “[t]he challenged claims recite core limitations the Board previously found were disclosed by the same prior art raised in the current petition.” Pet. Reply 1; *see also id.* at 2 (Petitioner’s “arguments are especially compelling, as the Board issued final written decisions in prior related IPRs determining that the same prior art disclosed core subject matter recited in the challenged

claims.”); Pet. 21 (“[T]he claims of the ’393 patent rehash subject matter claimed in the ’119 patent.”). Petitioner further asserts that “[m]any of the Board’s conclusions now legally bind [Patent Owner], strengthening [Petitioner’s] positions.” *Id.* at 22. According to Petitioner, Patent Owner is “collaterally estopped as to fundamental issues, including the disclosure of core limitations in the prior art and motivations to combine that art.” Pet. Reply 3 (citing Pet. 19). Thus, Petitioner asserts that “efficiency *favours* institution here” because of the Board’s “extensive work on the prior ’119 IPRs.” Pet. 22.

In response, Patent Owner argues that Petitioner is incorrect in asserting “that many of the core limitations in the challenged claims are the same as those in the ’119 patent.” PO Sur-Reply 5. Patent Owner asserts that the ’393 patent’s claims recite different limitations than those of the ’119 patent, and provides a detailed explanation identifying the differences to support its assertion. *Id.* at 1–3 (identifying that “claims 1 and 17 differ from claim 1 of the ’119 patent in at least five respects,” “claim 8 differs from the ’119 patent’s claims,” “[c]laim 12 too differs,” “claim 16 recites ‘first means’ and ‘second means’ limitations that also do not appear in the ’119 patent’s claims.”). Patent Owner adds that “any collateral estoppel that may apply over the ’119 IPRs (which [Patent Owner] does not concede) would be relatively insignificant in terms of the Board’s investment in evaluating the ’393 patent’s claims.” PO Sur-Reply 1–2.

At the outset, we agree with Petitioner that the ’393 patent’s claims share some of the same claim limitations addressed by the Board previously in the ’119 patent’s IPRs, and as such, there does appear to be some strength

to the merits of Petitioner’s challenges. This factor weighs in favor of institution.

However, as Patent Owner points out, there are quite a few differences between the two patents. *See* PO Sur-Reply 2–3. For example, Patent Owner identifies that “in claims 1 and 17 [of the ’393 patent], the ‘confinement structures’ are ‘separate and distinct structures . . . forming no structural portion of the structural bridge.’ The ’119 patent’s claims have no such limitation.” *Id.* at 2; *cf.* Ex. 1011, 14 (While considering Petitioner’s challenge based on Willner and Park, the panel stated “[importantly, claim 1 [of the ’119 patent] does not require that the confinement structures be “separate and apart from one another,” as [Patent Owner] asserts.”). And, as a result of this newly added “separate and distinct structures” limitation in the ’393 patent that requires the “confinement structures” be “separate and distinct structures from the structural bridge, forming no structural portion of the structural bridge” (Ex. 1001, 18:18–21), Petitioner was forced to make material factual changes to its obvious analysis in the current IPR proceeding. *See* Pet. 22–23 (“[A] POSITA would have retained the left and right sidewalls of Willner’s adaptor 210 . . . to hold and secure the sides of the computing device but replaced the main body of the adaptor with Park’s adjustable bridge.”). Thus, we agree with Patent Owner that enough differences exist between the two patents such that the Board’s “extensive work on the prior ’119 IPRs” does not, without more, favor institution.

On balance, we determine that the facts underlying the sixth factor weigh in favor of institution under § 314.

7. Balancing the *Fintiv* Factors

We have considered the circumstances and facts before us in view of the *Apple v. Fintiv* factors. Our analysis is fact driven and no single factor is determinative of whether we exercise our discretion to deny institution under § 314(a). Here, we determine that most of the *Fintiv* factors (i.e., factors 1–3, and 5) weigh in favor of exercising our discretion to deny institution under § 314(a) while the fourth factor weighs slightly in favor. Only the sixth factor weighs against discretionary denial, but, in our holistic review of all the *Fintiv* factors, does not sufficiently tip the balance in favor of declining our discretion to deny under § 314(a).

Petitioner argues that we should institute review and “follow the recent [non-precedential] decision in *3Shape A/S v. Align Tech., Inc.*, IPR2020-00223, Paper 12, at 32–34 (PTAB May 26, 2020),” as well as other non-precedential decisions in *Samsung Electronics. Co. v. Dynamics Inc.*, IPR2020-00499, Paper 41 at 13–15 (PTAB Aug. 12, 2020) and *Apple Inc. v. Neodron, Ltd.*, IPR2020-00778, Paper 10 at 19–20 (PTAB Sept. 14, 2020). Pet. 20; Pet. Reply 1. However, we are not persuaded that the facts in these non-precedential Board decisions are similar enough to the facts of this case.

For example, in *3Shape*, when considering the fourth *Fintiv* factor, there was no evidence in the decision that the panel had considered whether the prior art relied on in the ITC Investigation was the same or similar to the art presented in the Petition to the Board. In this case, the record indicates that the Petition and ITC case involve the same prior art challenges, as discussed above with respect to *Fintiv* factor 4. Thus, *3Shape*’s holding is inapposite to the facts of this case.

In *Samsung*, when considering the second *Fintiv* factor, the panel noted that “the ITC’s initial determination (ID) [had] been postponed indefinitely.” Paper 41 at 12. The panel further noted that the “trial was set to be held on June 22–26, 2020 but was adjourned until further notice due to COVID-19 concerns.” *Id.* In this case, a hearing already has occurred, so *Samsung*’s holding is also inapposite to the facts of this case.

In *Apple*, when considering the second and third *Fintiv* factors, the panel noted that “the ITC Investigation [was] not significantly advanced,” and there had only “been limited investment in the ITC Investigation by the Commission or by the parties.” Paper 10 at 19 (noting that a claim construction hearing had not been scheduled, an evidentiary hearing was set to occur five months after the institution decision, and the Commission’s target date was *after* the Board’s final decision due date). The panel determined that these considerations weighed against exercising discretion to not institute under *Fintiv* factors 2 and 3. In our case, the record shows that the ITC Investigation is advanced, so *Apple*’s holding is inapposite to the facts of this case.

For these reasons, and the reasons discussed above with respect to each of the six *Fintiv* factors, we exercise our discretion to deny institution under § 314(a).

IV. CONCLUSION

After considering all the evidence and arguments presently before us, we determine that exercising our discretion under 35 U.S.C. § 314(a) to not institute trial is warranted. Accordingly, we do not institute an *inter partes* review.

V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), the Petition is denied.

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Patent 10,391,393 B2

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