

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAP AMERICA INC.
Petitioner

v.

CLOUDING IP, LLC
Patent Owner

Case IPR2014-00306
Patent 6,738,799

Before JAMESON LEE, JUSTIN BUSCH, and
KRISTINA M. KALAN, *Administrative Patent Judges*.

BUSCH, *Administrative Patent Judge*.

DECISION ON
MOTION FOR JOINDER
37 C.F.R. § 42.122(b)

I. INTRODUCTION

SAP America Inc. (“SAP”) filed a petition for *inter partes* review of U.S. Patent No. 6,738,799 (Ex. 1001, “the ’799 Patent”) on January 22, 2013 (the “SAP IPR Petition”). Paper 1 (“Pet.”). On April 21, 2014, SAP filed a Motion for Joinder (“Mot.”) to join this proceeding with *Unified Patents, Inc. v. Clouding IP, LLC*, Case IPR2013-00586 (the “Unified IPR”).

Paper 8. Having instituted trial based on the SAP IPR Petition, we now turn to SAP’s Motion for Joinder.

On April 23, 2014, Clouding IP, LLC (“Clouding”) requested a conference call, seeking leave to file an opposition to SAP’s Motion for Joinder. On April 24, 2014, the Board ordered Clouding to file any opposition to SAP’s Motion for Joinder by May 2, 2014. On April 29, 2014, Unified Patents, Inc. (“Unified”) requested a conference call, seeking leave to file an opposition to SAP’s Motion for Joinder, but later withdrew the request to have that conference call. Nevertheless, the Board authorized Unified to file an opposition to the Motion for Joinder by May 7, 2014. On May 1, 2014, Clouding filed its Opposition to Motion for Joinder (“Opp.”) and on May 6, 2014, SAP filed its Reply. Unified filed no opposition. In exercising its discretion to grant joinder, the Board considered the impact of both substantive issues and procedural matters on the proceedings, as well as other considerations. For the reasons that follow, we grant SAP’s Motion for Joinder.

II. DISCUSSION

An *inter partes* review may be joined with another *inter partes* review. The statutory provision governing joinder of *inter partes* review proceedings is 35 U.S.C. § 315(c), which reads as follows:

(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.

As the movant, SAP bears the burden to show that joinder is appropriate. 37 C.F.R. § 42.20(c). As noted by Clouding, a motion for joinder should: (1) set forth the reasons 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) address specifically how briefing and discovery may be simplified. Opp. 4; *see also* Frequently Asked Question (“FAQ”) H5 on the Board’s website at <http://www.uspto.gov/ip/boards/bpai/prps.jsp>.

Clouding argues SAP does not “identify any compelling reasons why joinder is appropriate.” Opp. 5. The reasons presented, however, do not have to be “compelling,” which is a very high standard of persuasion. Also, SAP presents various arguments in support of its motion. Mot. 5-8. SAP argues joinder will not affect the Board’s ability to complete the review in a timely manner because the grounds of unpatentability in SAP’s Petition are identical to those in the Unified IPR Petition. *Id.* at 5-6. SAP further asserts that joinder would promote efficiency by avoiding duplicate reviews, consolidating issues, and avoiding redundancy. *Id.* at 6-7. SAP also argues

that neither Unified nor Clouding will be prejudiced by joinder because joinder need not affect the timing of the review and, to the extent extensions to the schedule are required, the law and rules provide for such extensions in the case of joinder. *Id.* at 7. SAP further argues that joinder should be more efficient for Clouding because Clouding would only have to address the same issues in a single proceeding instead of two separate proceedings. *Id.* at 7-8.

SAP has stated that it will withdraw the declaration of Dr. Grimshaw, which was submitted in support of SAP's Petition in IPR2014-00306, and instead rely on the declaration of Dr. Hutchinson, which was submitted in support of Unified's Petition in IPR2013-00586. SAP notes that this withdrawal will eliminate the need to alter the trial schedule to accommodate the deposition of Dr. Grimshaw. Reply 1-2. SAP also proposes that the Board order Unified and SAP "to file consolidated filings, for which [Unified will be] responsible, and allow[SAP] to file seven additional pages with corresponding additional responsive pages allowed to [Clouding]." Mot. 6.

Given that the SAP IPR Petition raises no new issues as compared to the Unified IPR Petition, that SAP proposes procedural protections that allow Unified to retain control over the joined proceeding (Mot. 5-6), and that there is no apparent need to alter the Scheduling Order in the Unified IPR, the impact of joinder on the Unified IPR will be minimal. Under the circumstances, we are persuaded that granting SAP's Motion for Joinder will not unduly complicate or delay IPR 2013-00586.

III. ORDER

For the reasons given, it is

ORDERED that IPR2014-00306 is joined with IPR2013-00586;

FURTHER ORDERED that, as proposed by SAP, in the joined proceeding, SAP will not rely on the declaration of Dr. Grimshaw, but will, instead, rely on the testimony of Dr. Hutchinson, whose declaration is of record in IPR2013-00586 and relied on in the Unified IPR Petition;

FURTHER ORDERED that, subsequent to joinder, the grounds for trial in the joined proceedings are the same as those for which trial was instituted in IPR2013-00586;

FURTHER ORDERED that, in the joined proceeding, Unified and SAP will file papers, except for motions which do not involve the other party, as consolidated filings; Unified will identify each such filing as a Consolidated Filing and will be responsible for completing all consolidated filings. SAP may file an additional paper, concurrent with each consolidated filing, not to exceed seven pages, which may address only points of disagreement with positions asserted in the consolidated filing. Any such filing by SAP must specifically identify and explain each point of disagreement. SAP may not file separate arguments in support of points made in Unified's consolidated filing;

FURTHER ORDERED that, in addition to responding to any consolidated filing, Clouding may respond separately, but concurrently, to any separate SAP filing. Any such response by Clouding to an SAP filing may not exceed the number of pages in the SAP filing and is limited to issues raised in the SAP filing;

FURTHER ORDERED that SAP and Unified will designate attorneys to conduct the cross-examination of any witnesses produced by Clouding and the redirect of any witnesses produced by Unified or SAP within the time frame normally allotted by the rules for one party. SAP and Unified will not receive any separate cross-examination or redirect time;

FURTHER ORDERED that any requests by any party for additional deposition time must be brought before the Board;

FURTHER ORDERED that this proceeding (IPR2014-00306) is terminated under 37 C.F.R. § 42.72 and all further filings in the joined proceeding shall be made in IPR2013-00586; and

FURTHER ORDERED that the case caption in IPR2013-00586 shall be changed to reflect joinder with this proceeding in accordance with the attached example.

IPR2014-00306
Patent 6,738,799

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