

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBALFOUNDRIES U.S. INC.,
Petitioner,

v.

GODO KAISHA IP BRIDGE 1,
Patent Owner.

Cases IPR2017-00925 and IPR2017-00926
Patent 7,126,174 B2

Before JUSTIN T. ARBES, MICHAEL J. FITZPATRICK, and
JENNIFER MEYER CHAGNON, *Administrative Patent Judges*.

Opinion for the Board filed by *Administrative Patent Judge* ARBES.

Opinion Concurring-in-Part, Dissenting-in-Part filed by *Administrative Patent Judge* FITZPATRICK.

ARBES, *Administrative Patent Judge*.

DECISION

Granting Institution of *Inter Partes* Review
37 C.F.R. § 42.108

Granting Petitioner's Motions for Joinder
37 C.F.R. § 42.122

Petitioner GlobalFoundries U.S. Inc. filed two Petitions requesting *inter partes* review of claims 1–12 and 14–18 (“the challenged claims”) of U.S. Patent No. 7,126,174 B2 (Ex. 1001, “the ’174 patent”)¹ and a Motion for Joinder with Case IPR2016-01246 in each proceeding. Patent Owner Godo Kaisha IP Bridge 1 filed a Combined Opposition to Petitioner’s Motion for Joinder and Preliminary Response and Petitioner filed a Reply in each proceeding, as listed in the following chart.

Case Number	Challenged Claims	Petition	Motion for Joinder	Combined Opposition and Preliminary Response	Reply
IPR2017-00925	1–3, 5–7, 9–12, and 14–18	Paper 2 (“Pet.”)	Paper 3 (“Mot.”)	Paper 8 (“Opp.”)	Paper 12 (“Reply”)
IPR2017-00926	1, 4, 5, 8–12, 14, and 16	Paper 1 (“-926 Pet.”)	Paper 3 (“-926 Mot.”)	Paper 8	Paper 11

Pursuant to 35 U.S.C. § 314(a), the Director may not authorize an *inter partes* review unless the information in the petition and preliminary response “shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” For the reasons that follow, we institute an *inter partes* review as to claims 1–12 and 14–18 of the ’174 patent on certain grounds of unpatentability, and grant Petitioner’s Motions for Joinder.

¹ References to exhibits herein are to those filed in Case IPR2017-00925. Petitioner’s original Reply in each proceeding exceeded the five-page limit set forth in 37 C.F.R. § 42.24(c)(2). On April 17, 2017, we authorized Petitioner by email to re-file its Replies and expunged the original versions. See IPR2017-00925, Papers 10–12; IPR2017-00926, Papers 10, 11.

I. BACKGROUND

A. *Related Proceedings*

On June 24, 2016, Taiwan Semiconductor Manufacturing Company, Ltd. (“TSMC”) filed two petitions, in Case IPR2016-01246 (“the -1246 Case”) and Case IPR2016-01247 (“the -1247 Case”), requesting *inter partes* review of the challenged claims of the ’174 patent. On January 4, 2017, we instituted an *inter partes* review on all of the asserted grounds, and exercised our authority under 35 U.S.C. § 315(d) to consolidate the two proceedings and conduct the proceedings as one trial, with papers being filed in the -1246 Case. *Taiwan Semiconductor Mfg. Co., Ltd. v. Godo Kaisha IP Bridge 1*, Case IPR2016-01246 (PTAB Jan. 4, 2017) (Paper 8) (“-1246 Dec. on Inst.”). Patent Owner filed its Response on March 24, 2017.

On February 3, 2017, GlobalFoundries, Inc. (Petitioner’s corporate parent) filed two petitions in Cases IPR2017-00849 and IPR2017-00850 requesting *inter partes* review of the challenged claims based on the same asserted grounds as the petitions in the -1246 and -1247 Cases, along with Motions for Joinder. The petitions listed GlobalFoundries, Inc. as the sole real party-in-interest. *See, e.g.*, IPR2017-00849, Paper 2, 70. Petitioner subsequently filed its Petitions and Motions for Joinder² in the instant proceedings on February 17, 2017, listing itself and GlobalFoundries, Inc. as real parties-in-interest. *See* Pet. 88; -926 Pet. 75. On March 10, 2017, we dismissed the petitions in Cases IPR2017-00849 and IPR2017-00850. *See, e.g.*, IPR2017-00849, Paper 12.

² In its Motion for Joinder filed in Case IPR2017-00926, Petitioner requests joinder with the -1247 Case. -926 Mot. 1. As explained above, however, we consolidated the -1247 Case with the -1246 Case. Thus, we understand the Motion to apply to the consolidated proceeding.

B. The Prior Art

Petitioner relies on the following prior art:

U.S. Patent No. 4,506,434, issued Mar. 26, 1985 (Ex. 1010, “Ogawa”);

U.S. Patent No. 5,021,353, issued June 4, 1991 (Ex. 1017, “Lowrey”);

U.S. Patent No. 5,153,145, issued Oct. 6, 1992 (Ex. 1002, “Lee”); and

U.S. Patent No. 5,539,229, filed Dec. 28, 1994, issued July 23, 1996 (Ex. 1015, “Noble”).

C. The Asserted Grounds

Petitioner challenges claims 1–12 and 14–18 of the ’174 patent as unpatentable under 35 U.S.C. § 103(a)³ on the following grounds:

Case Number	References	Claims Challenged
IPR2017-00925	Lee and Noble	1–3, 5–7, 9–12, and 14–18
IPR2017-00925	Lee and Ogawa	1–3, 5–7, 9–12, and 14–18
IPR2017-00926	Lowrey and Noble	1, 4, 5, 8–12, 14, and 16
IPR2017-00926	Lowrey and Ogawa	1, 4, 5, 8–12, 14, and 16

³ 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 ’174 patent have an effective filing date before the effective date of the applicable AIA amendment, we refer to the pre-AIA version of 35 U.S.C. § 103.

II. DISCUSSION

A. The Petitions

Petitioner asserts the same grounds of unpatentability as those on which we instituted a trial in the -1246 Case. *See* Pet. 17; -926 Pet. 16–17; -1246 Dec. on Inst. 29. Petitioner’s arguments are identical to the arguments made by TSMC in its petitions. *Compare* Pet. 10–88, *with* IPR2016-01246, Paper 2, 10–85; *compare* -926 Pet. 10–75, *with* IPR2016-01247, Paper 2, 10–76; *see also* Mot. 3 (arguing that the Petitions “include[] grounds that are essentially the same as the grounds instituted” in the -1246 Case); Reply 2 (arguing that “Petitioner’s arguments regarding the asserted prior art references are identical to the arguments made by” TSMC, and Petitioner relies on the same declaration as TSMC in the -1246 Case). Patent Owner does not argue the merits of Petitioner’s asserted grounds in its Combined Opposition and Preliminary Response in each proceeding. We incorporate our previous analysis regarding the asserted grounds of unpatentability, and conclude that Petitioner has demonstrated a reasonable likelihood of prevailing on the grounds of unpatentability asserted in the Petitions for the same reasons. *See* -1246 Dec. on Inst. 7–28.

B. The Motions for Joinder

The AIA created administrative trial proceedings, including *inter partes* review, as an efficient, streamlined, and cost-effective alternative to district court litigation. 35 U.S.C. § 315(c) provides (emphasis added):

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.

“Any request for joinder must be filed, as a motion under § 42.22, no later than one month after the institution date of any *inter partes* review for which joinder is requested.” 37 C.F.R. § 42.122(b). Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. *See* 35 U.S.C. § 315(c); 37 C.F.R. § 42.122. The Board determines whether to grant joinder on a case-by-case basis, taking into account the particular facts of each case, substantive and procedural issues, and other considerations. *See Sony Corp. of Am. v. Network-1 Security Solutions, Inc.*, Case IPR2013-00495, slip op. at 3 (PTAB Sept. 16, 2013) (Paper 13) (“*Sony*”). When exercising its 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. *See* 35 U.S.C. § 316(b); 37 C.F.R. § 42.1(b).

As the moving party, Petitioner has the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b). A motion for joinder should (1) set forth the reasons why joinder is appropriate; (2) identify any new ground(s) of unpatentability asserted in the petition; and (3) explain what impact (if any) joinder would have on the trial schedule for the existing review. *See Sony*, at 3; Mot. 4. Petitioner should address specifically how briefing and/or discovery may be simplified to minimize schedule impact. *See Kyocera Corp. v. SoftView LLC*, Case IPR2013-00004, slip op. at 4 (PTAB Apr. 24, 2013) (Paper 15) (representative); Mot. 4.

1. Timeliness of the Motions for Joinder

Patent Owner argues that the Motions for Joinder should be denied as untimely under 37 C.F.R. § 42.122(b), which specifies that “[a]ny request for joinder must be filed, as a motion under § 42.22, no later than one month after the institution date of any *inter partes* review for which joinder is requested.” Opp. 2–5. We instituted an *inter partes* review in the -1246 Case on January 4, 2017, and Petitioner filed its Motions for Joinder in the instant proceedings on February 17, 2017. Thus, the Motions were filed after the one-month period set forth in 37 C.F.R. § 42.122(b). Under 37 C.F.R. § 42.5(b), however, the Board “may waive or suspend a requirement of [part 42 of the Board’s rules] and may place conditions on the waiver or suspension.” Patent Owner argues that there is no reason why Petitioner could not have filed its Motions within one month of institution in the -1246 Case, particularly given the fact that it filed nearly identical petitions within one month in Cases IPR2017-00849 and IPR2017-00850. Opp. 2–4. Petitioner responds that special circumstances exist to waive the one-month requirement. Reply 3–4. We agree with Petitioner.

Similar to the situation in *Sony*, where the petitioner filed a first petition and motion for joinder within the one-month period that was denied, and then a second petition and motion for joinder after the one-month period that was granted, here Petitioner’s parent company filed its petitions in Cases IPR2017-00849 and IPR2017-00850 within one month of institution in the -1246 Case, then Petitioner re-filed shortly thereafter to include both entities as real parties-in-interest. *See Sony*, at 6–9. Also similar to the facts of *Sony* and explained further below, Petitioner’s “asserted grounds and arguments are identical to those already at issue in the existing proceeding,

joinder would require no change to the trial schedule, [and] joinder would impose no added burden on the existing parties because [Petitioner is] willing to have only a limited ‘understudy’ role.” *See id.* at 9. Thus, we are persuaded to exercise our discretion to waive the one-month requirement under 37 C.F.R. § 42.122(b), and turn to whether joinder should be granted, taking into account substantive, procedural, and other considerations.

2. Substantive Issues

Petitioner argues that joinder with the -1246 Case is appropriate because its asserted grounds and supporting evidence are “essentially the same” as that of the -1246 Case. *See* Mot. 1; Reply 2. Patent Owner does not dispute that the asserted grounds and evidence are identical to those on which a trial was instituted in the -1246 Case. We agree with Petitioner that the Petitions raise no new issues beyond those already before us in the existing proceeding, which weighs in favor of joinder.

Patent Owner argues that Petitioner’s actions “raise questions” as to whether it identified correctly all real parties-in-interest in these proceedings. Opp. 10–13. Specifically, GlobalFoundries, Inc. filed the original petitions in Cases IPR2017-00849 and IPR2017-00850, identifying itself as the only real party-in-interest, but Petitioner now identifies both itself and GlobalFoundries, Inc. *Id.* at 10–12. Patent Owner also points to a statement made by Petitioner in a related case that “the Petition had been timely filed because it was filed less than one year after the date [Broadcom Ltd. (‘Broadcom’)] was served with both the summons and the complaint.” *Id.* at 12 (citing IPR2017-00903, Paper 2, 87–88). We are not persuaded that Petitioner’s identification of an *additional* real party-in-interest in the instant

proceedings would raise significant new issues beyond those already at issue in the -1246 Case. Nor are we persuaded by Patent Owner's citation to the statement regarding Broadcom, because Petitioner did not in fact identify Broadcom as a real party-in-interest in that proceeding. *See* IPR2017-00903, Paper 2, 86–88. Given the similarities in substantive issues between the instant proceedings and the -1246 Case, we conclude that the impact of joinder on the existing proceeding would be minimal.⁴

3. Procedural Issues

Petitioner argues that because the asserted grounds and supporting evidence mirror what was presented in the -1246 Case, “joinder would not affect the pending schedule in [the -1246 Case] nor increase the complexity of that proceeding, minimizing costs.” Mot. 1; *see* Reply 2–3. Petitioner further states that it “is willing to act as an ‘understudy’ to TSMC, only assuming an active role in the event TSMC settles with” Patent Owner. Mot. 1; *see* Reply 3. Specifically, Petitioner

proposes that as long as TSMC remains in the joined IPR, [Petitioner] agrees to remain in a circumscribed “understudy” role without a separate opportunity to actively participate. Thus, [Petitioner] will not file additional written submissions, nor will [Petitioner] pose questions at depositions or argue at oral hearing without the prior permission of TSMC. Only in the event that TSMC settles will [Petitioner] seek to become active in the joined IPR.

Mot. 5; *see also* Reply 5 (“Petitioner is willing to abide by such additional conditions as the Board deems appropriate.”). Because joinder would require no change to the existing trial schedule and Petitioner agrees to have

⁴ To the extent Patent Owner believes any additional briefing is necessary in the -1246 Case, Patent Owner may request a conference call.

only a limited “understudy” role if joined, the procedural impact of joinder on the -1246 Case would be minimal, which weighs in favor of joinder.

Patent Owner argues that permitting joinder “would frustrate the possibility of settlement” with TSMC in the -1246 Case, as “[n]either Patent Owner nor TSMC would have an incentive to simplify and streamline the IPR issues via settlement if [Petitioner] looms in the background.” Opp. 5. The possible chilling effect of joinder on settlement is a factor present in most, if not all, joinder situations, and must be weighed together with all of the other facts. We are persuaded that the similarities in issues, lack of any impact on the existing trial schedule, and fact that Petitioner consents to procedural protections that will maintain TSMC’s control over the proceeding outweigh any potential effect on settlement.

Patent Owner also argues that, if joinder is granted, we should impose additional conditions on Petitioner’s participation in the -1246 Case. Opp. 13–15. Much of what Patent Owner requests is already stated in Petitioner’s proposal above. We agree with Patent Owner, though, that given its “understudy” role, Petitioner should be permitted to file papers, engage in discovery, and participate in depositions and oral argument only after obtaining authorization from the Board, not TSMC. *See id.* at 13–14. Petitioner may request a conference call to obtain such authorization if necessary.

4. Conclusion

Based on all of the considerations above, we are persuaded that Petitioner has met its burden of demonstrating that joinder is warranted under the circumstances. Petitioner will have a limited role in the -1246

Case, as explained below. If at some point the -1246 Case is terminated with respect to TSMC, the role of any remaining party or parties in the proceeding will be reevaluated.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that an *inter partes* review is instituted as to claims 1–12 and 14–18 of the '174 patent;

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(a), *inter partes* review of the '174 patent is hereby instituted commencing on the entry date of this Decision, and pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial;

FURTHER ORDERED that the trial is limited to the following grounds of unpatentability, and no other grounds as to claims 1–12 and 14–18 of the '174 patent are authorized:

Claims 1–3, 5–7, 9–12, and 14–18 under 35 U.S.C. § 103(a) as unpatentable over Lee and Noble;

Claims 1–3, 5–7, 9–12, and 14–18 under 35 U.S.C. § 103(a) as unpatentable over Lee and Ogawa;

Claims 1, 4, 5, 8–12, 14, and 16 under 35 U.S.C. § 103(a) as unpatentable over Lowrey and Noble; and

Claims 1, 4, 5, 8–12, 14, and 16 under 35 U.S.C. § 103(a) as unpatentable over Lowrey and Ogawa;

FURTHER ORDERED that Petitioner's Motions for Joinder with Case IPR2016-01246 are *granted*, and GlobalFoundries U.S. Inc. is joined as a party to Case IPR2016-01246;

FURTHER ORDERED that Cases IPR2017-00925 and IPR2017-00926 are instituted, joined, and terminated under 37 C.F.R. § 42.72, and all further filings in the joined proceeding shall be made in Case IPR2016-01246;

FURTHER ORDERED that unless given prior authorization by the Board, Petitioner is not permitted to file papers, engage in discovery, or participate in any deposition or oral argument in Case IPR2016-01246. Petitioner, however, is permitted to appear in Case IPR2016-01246 so that it receives notification of filings and may attend depositions and oral argument.⁵ Should Petitioner believe it necessary to take any further action, Petitioner should request a conference call to obtain authorization from the Board; and

FURTHER ORDERED that a copy of this Decision be entered into the file of Case IPR2016-01246.

⁵ Counsel for TSMC and Petitioner should refer to the Board's website for information regarding filings in the Patent Trial and Appeal Board End to End (PTAB E2E) system.

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GODO KAISHA IP BRIDGE 1,
Patent Owner.

Cases IPR2017-00925 and IPR2017-00926
Patent 7,126,174 B2

FITZPATRICK, *Administrative Patent Judge*, concurring-in-part,
dissenting-in-part.

I concur with the majority’s decision to join GlobalFoundries U.S. Inc. (“Global”) as co-petitioner in the previously instituted *inter partes* review (Case IPR2016-01246). I dissent from the remainder of the majority’s decision, including the decision to grant the Motions for Joinder and to “institute[], join[], and terminate[]” Cases IPR2017-00925 and IPR2017-00926.

I. The Motions For Joinder Should Not Be Granted

The Motions for Joinder seek “joinder” of Global-petitioned *inter partes* reviews with Case IPR2016-01246. *See, e.g.*, IPR2017-00925, Paper 3, 6 (“Global respectfully requests that its Petition for Inter Partes

Review of U.S. Patent No. 7,126,174 B1 be granted and that the proceedings be joined with *Taiwan Semiconductor Manufacturing Company Limited* (“TSMC”) v. *Godo Kaisha IP Bridge 1*, Case No. IPR2016-01246. Joinder will ensure a just, speedy and inexpensive resolution in both proceedings.”). But, the statutory sub-section under which Global seeks relief, 35 U.S.C. § 315(c), does not permit joining an *inter partes* review to another *inter partes* review. *Id.*; but cf. *id.* § 315(d) (referring to “consolidation” of a pending *inter partes* review and “another proceeding or matter involving the patent”). Section 315(c) refers to joining, rather, a “person” “as a party” to an instituted *inter partes* review. It states the following:

(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.

35 U.S.C. § 315(c) (emphasis added). Hence, although I concur in the decision to join Global as co-petitioner in Case IPR2016-01246, I do not agree with the majority’s decision to grant the Motions for Joinder, which seek relief not authorized by § 315(c) and not properly labeled “joinder.”

II. The Petitions Should Not Be Granted

Granting a second (or third) petition for an *inter partes* review is not necessary to grant joinder. 35 U.S.C. § 315(c). As a prerequisite to joining a person as a party to an instituted *inter partes* review, the statute requires

us—as the Director’s delegates⁶—to determine that the person to be joined has properly filed a petition that “warrants the institution of an inter partes review.” Granting the person’s petition, however, is not a prerequisite to granting the person’s request for joinder.

And, “a petition to institute an inter partes review” (35 U.S.C. § 311(a)) is distinct from “a request for joinder” (35 U.S.C. § 315(b)). In fact, although “[a]n 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,” that petitioner may still be joined to an instituted an *inter partes* review (if one exists) that was filed by a different petitioner. 35 U.S.C. § 315(b).

As the majority notes *supra*, the Petitions before us collectively present the same grounds of unpatentability as those on which we instituted trial in Case IPR2016-01246 (as consolidated with Case IPR2016-01247). I would deny the Petition under 35 U.S.C. § 325(d). The majority implicitly recognizes that additional *inter partes* reviews based on the Petitions would be duplicative of Case IPR2016-01246 and, thus, it terminates the *inter partes* reviews that it institutes. But, the majority does not explain the legal basis for terminating them. Clearly, Cases IPR2017-00925 and IPR2017-00926 are not being terminated under 35 U.S.C. § 317. Nor is a final written decision being entered pursuant to 35 U.S.C. § 318.

⁶ Although § 325(d) refers only to determinations by “the Director,” the Director has delegated institution authority to the Board. *See* 37 C.F.R. § 42.4(a).

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I concur with the majority's decision to join Global as co-petitioner in Case IPR2016-01246, but I would not grant Global's Motions for Joinder or its Petitions.

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