

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

SEVEN NETWORKS, LLC
Patent Owner.

Case IPR2018-01047
Patent 9,516,129

**PATENT OWNER'S
REQUEST FOR REHEARING**

Pursuant to 37 C.F.R. § 42.71(d), Patent Owner SEVEN Networks, LLC (“Seven”) respectfully requests reconsideration of the decision to institute IPR in IPR2018-01047. Paper 22 (“Institution Decision” or “ID”).

Rehearing by the Precedential Opinion Panel is requested to reconsider the determination that the named petitioner, Google LLC, was not required to identify its 100-percent controlling owner, Alphabet Inc., as a real party-in-interest under 35 U.S.C. § 312(a)(2). ID § II-A. That determination is of broad applicability. It contributes to an increasing lack of uniformity of Board decisions on this issue. It also implicates exceptionally important questions of Office policy regarding whether companies should be permitted to file America Invents Act petitions without identifying extremely closely related entities, even if they are time-barred, as real parties-in-interest. The issue warrants the attention of the Precedential Opinion Panel.

I. LEGAL STANDARDS

The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the Petition and Preliminary Response shows a sufficient threshold of support for institution. 35 U.S.C. § 314(a). That determination must “take into account a patent owner preliminary response where such a response is filed[.]” 37 C.F.R. § 42.108(c).

“When rehearing a decision on petition, the Board reviews the decision for an abuse of discretion.” *Target Corp. v. Destination Maternity Corp.*, IPR2014-00508, Paper 28 at 3 (expanded 7-judge panel, granting rehearing). If the panel is expanded on rehearing, however, the panel shall decide the rehearing *de novo*. PTAB Std. Oprt’g Proc. 1 III.M.8. (Rev. 15, Sep. 20, 2018).

“An abuse of discretion occurs, *inter alia*, when a decision was based on an erroneous conclusion of law.” *Target*, IPR2014-00508, Paper 28 at 3.

II. THE PRECEDENTIAL OPINION PANEL SHOULD CONSIDER WHETHER THE PETITIONER SHOULD HAVE IDENTIFIED ITS 100 PERCENT OWNER AS A REAL PARTY-IN-INTEREST.

The named petitioner, Google LLC, is wholly owned by holding company XXVI Inc., which is in turn wholly owned by Alphabet Inc. In view of the facts set forth in the Preliminary Response (Paper 10, § III-A to III-B), including the full control that Alphabet may assert over Google’s activities and the full dependence that Alphabet has upon Google’s revenues, the relationship between Alphabet and Google makes Alphabet a real party-in-interest in this case for purposes of the Leahy-Smith America Invents Act. Google, however, did not name Alphabet (or XXVI) as a real party-in-interest, even when the panel specifically offered Google the opportunity to do so *after* the petition was filed. Paper 20 (Patent Owner’s Sur-Reply In Support Of Preliminary Response), § III.

The Institution Decision's determination that Google need not identify Alphabet as a real party-in-interest concerns an important issue of broad applicability.¹ The determination implicates exceptionally important questions of Office policy, regarding whether very closely related companies, including controlling corporate parents and their wholly-owned subsidiaries, should be able to separately file America Invents Act petitions against the same patent without identifying each other as real parties-in-interest, even when the unnamed party is closely interrelated with the named party and will experience the same benefit from the outcome of the case as the unnamed party, and even if the party may be time-barred.

The determination also contributes to an increasing lack of uniformity among Board decisions. As explained in the Preliminary Response, many Board decisions have held that a wholly-owned subsidiary relationship in which the parent may exert full control over the subsidiary weighs heavily in favor of the

¹ With respect to Google and Seven alone, the same determination and reasoning has appeared, or may shortly appear, in up to 12 concurrent related cases filed by Google against Seven: IPR2018-01047, 1048, 1049, 1050, 1051, 1052, 1101, 1102, 1115, 1116, 1117, 1118.

corporate parents being real parties-in-interest under the AIA. Paper 10, 16-17, 19-20, 25-26, 28-29, 32. Recent jurisprudence of the Board's reviewing court has reinforced these past Board decisions, and expressly overruled other Board decisions defining real party-in-interest and privity narrowly under the AIA. *Id.*, 18. The determination that Google did not need to name its 100 percent corporate owner as real party-in-interest thus departs from the Board's prior decisions.

The Director has an interest in creating binding norms for fair and efficient Board proceedings, and for establishing consistency across decision makers under the America Invents Act. This case, in which both parties have briefed the issue at length, is an appropriate vehicle for such action. For the reasons given above, reconsideration by the Precedential Opinion Panel of this question would be appropriate. PTAB Std. Oprt'g Proc. 2 I.A. (Rev. 10, Sep. 20, 2018).

Respectfully submitted,

/Kenneth J. Weatherwax/
Kenneth J. Weatherwax, Reg. No. 54,528
LOWENSTEIN & WEATHERWAX LLP
1880 Century Park East, Suite 815
Los Angeles, California 90067
Counsel for Patent Owner

Date: December 17, 2018

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the following documents were served by electronic service, by agreement between the parties, on December 17, 2018:

**PATENT OWNER'S
REQUEST FOR REHEARING**

The names and address of the parties being served are as follows:

Erika H. Arner

erika.arners@finnegan.com

Stephen E. Kabakoff

stephen.kabakoff@finnegan.com

Kara A. Specht

kara.specht@finnegan.com

Google-SevenNetworks-IPRs@finnegan.com

Respectfully submitted,

/ Jason Linger /

Date: December 17, 2018