

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HOME DEPOT U.S.A., INC.,
Petitioner,

v.

LYNK LABS, INC.,
Patent Owner.

IPR2022-00143
Patent 10,932,341 B2

Before JON B. TORNQUIST, MONICAS. ULLAGADDI, and
SCOTT RAEVSKY, *Administrative Patent Judges*.

ULLAGADDI, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Home Depot U.S.A., Inc. (“Petitioner”) filed a Petition (Paper 1, “Petition” or “Pet.”) requesting *inter partes* review of claims 1–3, 5, 7–10, 12, 14–17, and 19 (“the challenged claims”) of U.S. Patent No. 10,932,341 B2 (Ex. 1001, “the ’341 patent”), accompanied by the supporting Declaration of Dr. Dean Neikirk (Ex. 1002). Lynk Labs, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 14, “Preliminary Response” or “Prelim. Resp.”).

The standard for institution is set forth in 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted unless the information presented in the Petition and the 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.” 35 U.S.C. § 314; *see also* 37 C.F.R. § 42.4(a) (2021) (“The Board institutes the trial on behalf of the Director.”). For the following reasons, we deny Petitioner’s request and do not institute an *inter partes* review of the ’341 patent.

II. BACKGROUND

A. *Real Parties in Interest*

Petitioner (i) identifies Home Depot Product Authority, LLC as a real party-in-interest, (ii) identifies The Home Depot, Inc. as a potential real party-in-interest because it is also a named defendant in a related litigation (discussed *infra*), and (iii) “[i]n an abundance of caution,” identifies as potential real parties-in-interest suppliers of certain products that have been accused in the litigation and from whom Petitioner has requested indemnification, including Bel Air Lighting, Inc., New Bright Technology, Cordelia Lighting, Elec-Tech Solid State Lighting (HK) Ltd., Globe Electric,

King of Fans, Inc., Leedarson Lighting/Green Intelligence Co., and Year Young Industrial Co. Pet. 1–2. Petitioner notes that “[t]hese suppliers have not yet controlled or participated in the drafting of this Petition, and none has consented to being named an RPI.” *Id.*

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

B. Related Matters

The parties identify: *Lynk Labs, Inc. v. The Home Depot USA, Inc., et al.*, No. 6:21-cv-00097 (W.D. Tex.) (“the Texas Litigation”) as a related matter involving the ’341 patent, and *Lynk Labs, Inc. v. Home Depot USA, Inc. et al.*, No. 1:21-cv-05021 (N.D. Ga.) (“the Georgia Litigation”). Pet. 2; Paper 4, 1 (noting that the Georgia Litigation “was transferred from the Western District of Texas”).¹

Patent Owner also identifies U.S. Patent Application Nos. 17/001,074; 17/157,264; 17/216,032; 17/266,505; and 17/306,450 as “pending applications [that] may affect, or be affected by, a decision in this proceeding.” Paper 4, 1–2.

IPR2021-01541 challenges U.S. Patent No. 10,537,001, which is a parent of the ’341 patent, and trial was instituted on May 16, 2022.

The ’341 patent is also the subject of a petition for post-grant review, PGR2022-00009 and trial was instituted on May 25, 2022.

C. Asserted Grounds

Petitioner presents the following challenges as summarized in the chart below. Pet. 4–5.

¹ We collectively refer to the Texas Litigation and the Georgia Litigation as “the Related Litigation.”

Claims Challenged	35 U.S.C. §	Reference(s)/Basis
1, 3, 5, 7, 8, 10, 12, 14, 15, 17, 19	102 ²	Bruning ³
1–3, 5, 7–10, 12, 14–17, 19	103 ³	Bruning, Kabel ⁴
1, 2, 5, 7–9, 12, 14–16, 19	103	Dowling, ⁵ Mueller ⁶

² Per the Manual of Patent Examining Procedure (MPEP) § 2159.02, America Invents Act (“AIA”) 35 U.S.C. §§ 102, 103 took effect on March 16, 2013. AIA 35 U.S.C. §§ 102, 103 apply to any patent application that contains or contained at any time a claim to a claimed invention that has an effective filing date that is on or after March 16, 2013. If a patent application (1) contains or contained at any time a claim to a claimed invention having an effective filing date as defined in 35 U.S.C. § 100(i) that is on or after March 16, 2013 or (2) claims or ever claimed the benefit of an earlier filing date under 35 U.S.C. §§ 120, 121, or 365 based upon an earlier application that ever contained such a claim, then AIA 35 U.S.C. §§ 102, 103 apply to the application (i.e., the application is an AIA application). If there is ever even a single claim to a claimed invention in the application having an effective filing date on or after March 16, 2013, AIA 35 U.S.C. §§ 102, 103 apply in determining the patentability of every claimed invention in the application. This is the situation even if the remaining claimed inventions all have an effective filing date before March 16, 2013, and even if a claim to a claimed invention having an effective filing date on or after March 16, 2013, is canceled.

³ U.S. Patent Application Publication No. 2002/0070914 A1, published June 13, 2002 (Ex. 1004, “Bruning”).

⁴ U.S. Patent Application Publication No. 2004/0164948 A1, published August 26, 2004 (Ex. 1005, “Kabel”).

⁵ U.S. Patent Application Publication No. 2002/0048169 A1, published April 25, 2002 (Ex. 1006, “Dowling”).

⁶ U.S. Patent No. 6,016,038, issued January 18, 2000 (Ex. 1007, “Mueller”).

III. ANALYSIS

A. *Discretion to Deny Under 35 U.S.C. § 314(a)*

Institution of an *inter partes* review is discretionary. Section 314(a) of title 35 of the United States Code provides that: “[t]he Director may not authorize an *inter partes* review to be instituted unless the Director determines that the information presented in the petition . . . and any 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.” The Supreme Court of the United States has explained that, because § 314 includes no mandate to institute review, “the agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.” *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016); *see also Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (explaining that under § 314(a), “the PTO is permitted, but never compelled, to institute an IPR proceeding”). The Director has delegated her authority under § 314(a) to the Board. 37 C.F.R. § 42.4(a) (“The Board institutes the trial on behalf of the Director.”). In deciding whether to institute *inter partes* review, we consider the guidance in the Consolidated Trial Practice Guide (“CTPG”), which sets forth the following:

Based on the Board’s experience, one petition should be sufficient to challenge the claims of a patent in most situations. Two or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner) may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns. See 35 U.S.C. § 316(b). In addition, multiple petitions by a petitioner are not necessary in the vast majority of cases. To date, a substantial majority of patents have been challenged with a single petition.

CTPG 59. Nonetheless, “more than one petition may be necessary, including, for example, when the patent owner has asserted a large number of claims in litigation or when there is a dispute about priority date requiring arguments under multiple prior art references.” *Id.* To aid the Board, a petitioner who files two or more petitions challenging the same patent should “identify: (1) a ranking of the petitions in the order in which it wishes the Board to consider the merits . . . , and (2) a succinct explanation of the differences between the petitions” *Id.* at 59–60.

In *General Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential) (“*General Plastic*”), the Board articulated a list of non-exclusive factors to be considered in determining whether to exercise discretion under § 314(a) to deny a petition:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner’s preliminary response to the first petition or received the Board’s decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and

7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, Paper 19 at 16 (citing *NVIDIA Corp. v. Samsung Elec. Co.*, IPR2016-00134, Paper 9 at 6–7 (PTAB May 4, 2016)). The *General Plastic* factors “are not dispositive, but part of a balanced assessment of all relevant circumstances in the case, including the merits.” CTPG 58.

For the reasons that follow and under the facts and circumstances of the present proceeding, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of an *inter partes* review.

With regard to *General Plastic* factors 1 and 2, Petitioner asserts the same prior art references against the ’341 patent in this proceeding as it does in PGR2022-00009 (albeit with respect to a subset of claims).⁷ We have already instituted post-grant review in the first-filed proceeding, PGR2022-00009. Thus, more claims are challenged in the instituted post-grant review. We determine that these two factors weigh strongly in favor of exercising our discretion to deny institution.

With regard to *General Plastic* factor 3, it is undisputed that, at the time of filing the Petition in the present proceeding, Petitioner was not in receipt of Patent Owner’s Preliminary Response or the Board’s Decision in PGR2022-00009. This is due, in part, to the fact that only nine days had elapsed between the filing of the Petition in PGR2022-00009 and the filing of the Petition in the present proceeding—this is relevant to *General Plastic* factor 4. The delay is minimal and as such, Petitioner’s failure to expressly

⁷ PGR2022-00009 involves claims 1–5, 7–12, and 14–19 of the ’341 patent. In the present proceeding, the Petition involves only claims 1–3, 5, 7–10, 12, 14–17, and 19.

address diligence does not weigh against it. Both of these factors are neutral and do not weigh in favor of or against exercising our discretion to deny institution.

Below, we address the parties' arguments with respect to *General Plastic* factors 5, 6, and 7.

1. *Petitioner's Arguments*

In Petitioner's Notice Ranking Petitions (Paper 3, "Pet. Ranking"), Petitioner argues that institution is warranted for both the instant IPR proceeding and the PGR2022-00009 proceeding "so that [the Board] can determine on a full trial record the underlying factual dispute regarding the effective filing date of certain claims and, therefore, whether the 341 patent is eligible for PGR." Pet. Ranking 1. Petitioner also acknowledges, however, that "[t]he IPR petition has identical prior art arguments to the PGR petition, and is only being filed to preserve Petitioner's ability to challenge the 341 patent's validity before the Board should the Board agree with Patent Owner that the 341 patent was not PGR eligible." *Id.* Petitioner ranks the PGR proceeding first, indicating, among other things, that claims 4, 11, and 18 "cannot be challenged in the IPR petition because impossible subject matter, by definition, is not disclosed or enabled by the prior art"—claims 4, 11, and 18 are addressed by challenges under 35 U.S.C. § 112 in the PGR2022-00009 proceeding. *Id.* at 2–3.

Petitioner argues that "[t]he Board has expressly acknowledged that a 'dispute about priority date' may justify the institution of multiple petitions" and that "the Board has recognized that such a dispute can justify filing a petition for PGR and a 'nearly identical' petition for IPR." *Id.* at 4 (citing CTPG at 59–60; *Align Tech., Inc. v. 3shape a/s*, PGR2018-00104, Paper 8 at

11 (PTAB May 13, 2019) (finding petitioner’s explanation for filing “nearly identical” PGR and IPR petitions “sufficient,” where petitioner explained that patent owner “may be able to provide [evidence] during trial that might dissuade the Board from holding the [challenged] patent is PGR eligible”). Petitioner contends that the “resolution of this underlying factual dispute will determine whether the patent is eligible for PGR.” Pet. Ranking 3 (citing *Hologic, Inc. v. Smith & Nephew, Inc.*, 884 F.3d 1357, 1361 (Fed. Cir. 2018); *Align Tech.*, 2019 WL 2120939, at *5).

Petitioner further argues that, “even if the Board initially found a challenged patent to be PGR-eligible at institution, the Board could change its mind based on facts developed during the PGR trial—at which point, the Petitioner would be foreclosed from filing an IPR under § 315(b).” *Id.* at 5.

According to Petitioner, “[t]he Board can easily align the schedules of the IPR and PGR proceedings or even consolidate them” at least, in part, because “Petitioner is amenable to coordinated or consolidated trials, depositions, and hearings, thereby minimizing any burden on the Board and Patent Owner” and because “the Board can terminate one of the related proceedings prior to issuing a final written decision.” *Id.* at 4. Thus, Petitioner contends, “[a]ny incremental burden on the Board or Patent Owner would be outweighed by ensuring the merits of the challenges are resolved on a fully developed record.” *Id.* at 4–5.

2. Patent Owner’s Arguments

In Patent Owner’s Response to Petitioner’s Notice Ranking Petitions (Paper 15, “PO Ranking”), Patent Owner contends that “Petitioner is not required to file both a PGR and an IPR, and the [CTPG] indicates a strong preference for filing only one petition.” PO Ranking 2 (citing CTPG, 59

(“Based on the Board’s experience, one petition should be sufficient . . . in most situations. Two or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner) may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns.”); 35 U.S.C. § 316(b)).

Patent Owner distinguishes *Align Tech* on the basis that discretionary denial in that case “involved whether the PGR arguments were substantially the same under § 325(d) as arguments presented to the examiner during prosecution.” *Id.* at 4 (citing *Align Tech.*, 2019 WL 2120939, at **5–6). In particular, Patent Owner contends that “[t]he dispute regarding the filing date in *Align Tech.* was different and involved whether the Patent Office had determined the patent at issue was subject to pre-AIA law (and therefore not available for PGR), not whether the Petition should be denied under *General Plastic.*” *Id.* at 4–5 (citing *Align Tech.*, 2019 WL 2120939, at **4–5). For these reasons, Patent Owner contends “[f]actor 5 therefore favors denying institution.” *Id.* at 5.

Patent Owner still further contends that “[t]he resources of the Board and Patent Owner will be unnecessarily taxed by addressing the same issues in two different Petitions.” *Id.* (citing *General Plastic*, Paper 19 at 21 (“multiple, staggered petition filings [] are an inefficient use of the inter partes review process and the Board’s resources.”)).

Finally, Patent Owner contends that “[t]his follow-on Petition does not appear likely to impact the Board’s ability to issue a[n] FWD within a year from institution” and “[t]hus, factor 7 is neutral.” *Id.* at 5. Patent Owner further argues that “[t]here is a clear policy preference against a Patent

Owner having to defend a PGR proceeding and IPR proceeding on the same patent at the same time” because “concurrent trials on duplicative grounds would be manifestly prejudicial to Patent Owner.” *Id.* (citing 37 C.F.R. § 42.102(a)(3)).

3. *Analysis of General Plastic Factors*

We determine that Patent Owner has the better position. We recognize that Petitioner challenges the priority date of the '341 patent. *See* PGR2022-00009, Paper 1 at 16–23; CTPG 59 (indicating a priority date dispute could justify multiple petitions). Petitioner does not, however, differentiate its Petitions based on this issue—both Petitions apply the same prior art combinations (albeit with respect to different sets of claims), none of which turns on a determination as to the priority date of the challenged claims. Although the priority issue is raised by the Petition in PGR2022-00009, Petitioner is not proposing alternate grounds based on different priority dates for the challenged claims at issue. As noted above, both Petitions raise the same grounds and have the same exact prior art combinations.

To institute trial in both the PGR and the IPR would mean identical prior art challenges with potentially different records. Petitioner contends it would be easy enough for us to consolidate trial. *See* Pet. Ranking 4. We disagree. Petitioner’s argument for consolidation misses the point of the Trial Practice Guide’s admonition that “multiple petitions by a petitioner are not necessary in the vast majority of cases.” CTPG 59. In effect, Petitioner proposes consolidation as an efficiency, only *after* multiplying the parties’ expenses and expending Board resources with an *identical* subset of challenges. Petitioner also overlooks that consolidation does not completely eliminate inefficiencies, as it has been the Board’s experience that

consolidated cases inevitably expend more Board resources than a single case.

In the non-binding decision in *Align Tech*, the Board had already instituted *inter partes* review in IPR2019-00118, and was considering whether to also institute post-grant review in PGR2018-00104. The Board ultimately determined that it would be appropriate to also institute post-grant review in PGR2018-00104 because, in that case, petitioner “presented evidence, including expert testimony, that certain claims in the [challenged] patent do not have support in the provisional application and thus have an effective filing date after March 16, 2013” and because “[t]his argument and evidence was not before the examiner.” *Align Tech*, Paper 8 at 12. In the present proceeding, the circumstances are reversed—PGR2022-00009 has already been instituted and as such, the challenges in the present IPR proceeding constitute a subset of the challenges presented in the already-instituted PGR.

We further distinguish *Align Tech* on the basis that Petitioner’s merits arguments in the PGR are compelling. For instance, Petitioner argues in its PGR petition that dependent claims 4, 11 and 18 recite limitations that contradict limitations recited in the independent claims from which they depend and, therefore, are directed to impossible subject matter. PGR2022-00009, Paper 1, 20–21. Because we found this argument to be particularly strong in our PGR institution decision, we view the identical prior art challenges here as potentially wasting judicial resources.

In view of the above, factors 5 and 6 weigh in favor of exercising our discretion to decline to institute trial.

With regard to factor 7, based on the timing considerations discussed above, we determine that this factor is neutral and does not weigh in favor of or against exercising discretion to deny institution.

B. Conclusion as to General Plastic Factors

After a holistic review of the *General Plastic* factors and the arguments presented for and against the exercise of discretionary denial, we conclude that the factors weigh in favor of denying institution of this proceeding. On balance and in view of the policy goals articulated in *General Plastic*, we conclude that it is appropriate here to exercise our discretion under 35 U.S.C. § 314(a) to deny the Petition.

IV. ORDER

Upon consideration of the record before us, it is:

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

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