

Cywee Group Ltd. v. ZTE (USA), Inc., 2021-1855 (Fed. Cir. 1/18/2024).

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This is a decision on an appeal from PTAB case PR2019-00143. The PTAB held certain claim unpatentable and denied Cywee's revised motion to amend its claims. Cywee appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 315(c), Joinder, motion to amend, new issues, rights of the joined party.

The Federal Circuit held that when the petitioner's representations indicated that there were no adversarial proceedings regarding the ultimate outcome of a revised motion to amend, then the Board did not err in allowing the joined party to oppose the revised motion to amend.

We first address CyWee's argument that, by allowing LG to oppose the revised motion to amend, the Board allowed LG to violate the terms of its joinder. We find this argument unpersuasive. LG stated in its joinder motion that "as long as ZTE remains an active participant in the IPR, [LG] will take a passive 'understudy' role and work with ZTE to avoid procedural disruptions" and that LG "will assume the primary role only if ZTE ceases to participate in the IPR." J.A. 5454. LG also agreed that it "shall not be permitted to raise any new grounds not already instituted by the Board in the ZTE IPR, or introduce any argument or discovery not already introduced by the original petitioner." J.A. 5456. In the order granting LG's joinder motion, the Board allowed LG to participate as a passive understudy "so long as ZTE remains active in the [IPR]." J.A. 5605.

When the Board allowed LG to oppose CyWee's revised motion to amend, the Board concluded that although ZTE still participated in the IPR, the proceeding "no longer appear[ed] to be meaningfully adversarial" as to the revised motion to amend. J.A. 1438. We see no error in this conclusion; ZTE itself stated that it withdrew "all objections to the revised amended claims" and therefore that it did not "challenge the patentability of the revised amended claims" or "oppose [CyWee's] revised motion to amend." J.A. 1401-02. ZTE's own representations indicated that there were no adversarial proceedings regarding the ultimate outcome of the revised motion to amend. And, given the substantive importance of a motion to amend in the context of an IPR (in that it can lead to the issuance of new, otherwise unexamined claims), and that the terms of LG's joinder relegated it to understudy status only insofar as ZTE "remain[ed] active in the [IPR]," see J.A. 5605, we see no error in the Board's allowing LG to oppose the revised motion to amend.

CyWee next argues that LG could not raise Withanawasam in opposing the revised motion to amend because ZTE did not raise Withanawasam in opposition to the initial motion to amend. CyWee grounds this argument in two legal principles: (1) that the IPR statutory provisions prohibit LG, an otherwise time-barred party, from introducing new issues into the proceeding, and (2) that

the procedures governing a revised motion to amend prohibit LG from raising arguments in opposition to a revised motion to amend that were not raised in opposition to the initial motion to amend. As we explain below, both arguments are unavailing.

We first address the argument that LG cannot introduce new issues into the proceeding as an otherwise timebarred party. CyWee observes that 35 U.S.C. § 315(c), the statutory provision governing IPR joinder, “does not authorize the joined party to bring new issues . . . into the existing proceeding.” *Facebook*, 973 F.3d at 1335. But that limitation exists because, among other reasons, “[t]he already-instituted IPR to which a person may join as a party is governed by its own petition and is confined to the claims and grounds challenged in that petition.” *Id.* at 1336 (citing *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018)).

A motion to amend is different. The principle that the IPR statutory provisions permit consideration of only the grounds in the petition does “not apply in the context of motions to amend where the patent owner has introduced new claims into the proceedings.” *Nike, Inc. v. Adidas AG*, 955 F.3d 45, 51 (Fed. Cir. 2020) (concluding that “the Board should not be constrained to arguments and theories raised by the petitioner in its petition or opposition to the motion to amend”). We therefore fail to see why the § 315(c)-based limitation we articulated in *Facebook* is relevant to this issue. [*Cywee Group Ltd. v. ZTE (USA), Inc.*, 2021-1855 (Fed. Cir. 1/18/2024).]

Legal issue: "the extent to which the Board may permit evidence or arguments not raised in an opposition to an initial motion to amend to be raised in opposition" by a joined party "to a revised motion to amend that does not modify the proposed claims," in circumstances in which the petitioner's representations indicated that there were no adversarial proceedings regarding the ultimate outcome of a revised motion to amend.

The Federal Circuit identified this issue, but declined to address this issue because it was not raised below.

CyWee also offers a more focused argument: that LG could not raise *Withanawasam* to demonstrate that proposed revised claim 22 is unpatentable because CyWee did not modify claim 22 between the initial and revised motion to amend. CyWee failed to raise this argument before the Board, so we decline to consider it. *In re Baxter Int'l, Inc.*, 678 F.3d 1357, 1362 (Fed. Cir. 2012).⁴ We do not address the extent to which the Board may permit evidence or arguments not raised in an opposition to an initial motion to amend to be raised in opposition to a revised motion to amend that does not modify the proposed claims. [*Cywee Group Ltd. v. ZTE (USA), Inc.*, 2021-1855 (Fed. Cir. 1/18/2024).]