

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAP AMERICA, INC.
Petitioner

v.

PI-NET INTERNATIONAL, INC.
Patent Owner

Case CBM2013-00013
Patent 8,037,158

Before, KARL D. EASTHOM, JONI Y. CHANG, and
BRIAN J. McNAMARA, *Administrative Patent Judges*

McNAMARA, *Administrative Patent Judge.*

INITIAL CONFERENCE SUMMARY AND ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

On October 16, 2013, the Board conducted an initial conference with the parties in the following related proceedings: IPR2013-00194, IPR2013-00195, and CBM2013-00013. Issues raised by SAP America, Inc. (Petitioner) and Pi-Net International, Inc. (Patent Owner), in correspondence to the Board requesting a conference, were also addressed. Petitioner was represented by Michael Lee and Lori Gordon, and Patent Owner was represented by Bryan Boyle, Gerard Dodson and Lawrence Goodwin.

Matters Common To All The Proceedings

Patent Owner requested that the Board consider extending the Scheduling Order by 6 months. During the conference, the Board advised the parties that the proceedings are not so extraordinary that the Board would consider extending Dates 4-7 of the current Scheduling Order. Patent Owner then suggested a one month extension to the date for filing the Patent Owner Response. Petitioner responded that it would consider Patent Owner's request depending upon its impact on other dates. The Board reminded the parties that they can stipulate to changes in Dates 1-3 of the Scheduling Order, provided that no date is later than Date 4, and suggested that the Patent Owner and Petitioner cooperate with each other concerning Dates 1-3. The parties are authorized to file a Stipulated Motion adjusting Dates 1-3 only. The parties are not authorized to stipulate to extensions of Dates 4-7. If the parties are unable to agree to an extension sought by another party, the party seeking the extension should request a conference with the Board.

The parties also indicated that a Protective Order has been entered in the related district court litigation and that they had not negotiated a separate order in this proceeding. The Board reminded the parties of the default Protective Order. The parties agreed that there are no protective order matters to be addressed in

these proceedings at this time. The parties have indicated that one or more motions to seal may be required during these proceedings. At this time, no such motions are pending. The Board encourages the parties to work together to avoid disputes concerning the designation of material as confidential.

The parties have not agreed to any initial discovery? disclosures in any of the proceedings at this time. The parties indicated that they may seek additional discovery as these matters proceed. The parties are required to obtain authorization from the Board before filing any motion for discovery. The Board encourages the parties to cooperate with each other to avoid discovery disputes.

Patent Owner has indicated that it has not determined whether it will file any motions to amend. Patent Owner was reminded of the requirement to confer with the Board before filing a motion to amend and the requirements of 37 C.F.R. § 42.121 concerning motions to amend. *See also, Idle Free Systems v. Bergstrom, Inc.*, IPR2013-00027, Decision On Motion To Amend Claims, Paper No. 26.

The following matters specific to certain of the proceedings were also addressed:

IPR2013-00194

On October 2, 2013, Petitioner filed a Request for Rehearing of the Board's Decision To Institute. Paper No. 16. On October 10, 2013, Patent Owner, without obtaining prior authorization from the Board, filed an Opposition to Petitioner's Request for Rehearing (Opposition). Paper No. 19. Petitioner now seeks authorization to file a motion to expunge Patent Owner's Opposition. The Board decided the Request for Rehearing without considering Patent Owner's Opposition, because Patent Owner had not sought the Board's authorization to file the Opposition. The matter is now moot and Patent Owner's Opposition,

Paper No. 19, will be expunged. There is no need for Petitioner to file a Motion to Expunge.

Patent Owner requested authorization to file a motion to supplement to “swear behind” the Chelliah reference, which is a basis for a challenge on which this trial has been instituted. The Board advised the Patent Owner that such an argument should be raised in the Patent Owner’s Response, rather than by motion. Patent Owner is not authorized to file a motion to supplement to “swear behind” the Chelliah reference.

CBM2013-00013

On October 2, 2013, Petitioner filed a Request for Rehearing of the Board’s Decision To Institute. Paper No. 17. On October 10, 2013, Patent Owner, without obtaining prior authorization from the Board, filed an Opposition to Petitioner’s Request for Rehearing (Opposition). Paper No. 20. Petitioner now seeks authorization to file a motion to expunge Patent Owner’s Opposition. The Board decided Petitioner’s Request for Rehearing without considering Patent Owner’s Opposition, because Patent Owner had not sought the Board’s authorization to file the Opposition. The matter is now moot and Patent Owner’s Opposition, Paper No. 20, will be expunged. There is no need for Petitioner to file a Motion to Expunge.

Petitioner has requested authorization to file supplemental information relevant to its challenge under 35 U.S.C. § 103 based on the Standard Federal Credit Union (SFCU) publication. Ex. 1005. However, it is unclear exactly what information would be the subject of Petitioner’s proposed Motion to Supplement. During the conference Petitioner stated that it has reason to believe that information concerning SFCU, beyond that available when it filed the petition, exists. Petitioner stated that the information it seeks may concern the operation of

the SFCU system and may be useful in rebutting issues likely to be raised in the Patent Owner Response or by a Motion to Amend. According to Petitioner, the Patent Owner Preliminary Response has already raised the issue of whether the Patent Owner was the first to implement certain features on the web and further discovery of SFCU would help rebut that contention. First, we note that the Board has already instituted a trial based on SFCU, notwithstanding the contentions in the Patent Owner's Preliminary Response. Second, Petitioner's request is aimed more at discovery than a Motion to Supplement. Petitioner has not identified any information it currently possesses that Petitioner would use to supplement the record. Instead, Petitioner has identified areas in which it seeks discovery. Therefore, Petitioner's request for authorization to file a motion to supplement is denied.

This leads us to Petitioner's Request to file a Motion to Compel Discovery from SFCU. During the conference, Patent Owner suggested that Petitioner may have obtained some SFCU information through improper discovery in the district court litigation. Petitioner stated it needs the Board to compel discovery because SFCU has refused Petitioner's request for a declaration. At this stage of these proceedings, however, Petitioner's request to compel discovery is both insufficiently specific and premature. Petitioner speculates that Patent Owner will file a Motion to Amend or take certain positions during the proceeding that will require discovery of certain, as yet unidentified, information for rebuttal purposes. Petitioner seeks to discover information from SFCU that it may use to rebut expected assertions that the Patent Owner was the first to develop certain features of web banking. It is not known at this time whether the Patent Owner will amend the claims or make such assertions in the Patent Owner Response. It is also not known whether Petitioner could rebut such assertions with other publicly available

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