

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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J SQUARED, INC. d/b/a UNIVERSITY LOFT COMPANY,  
Petitioner,

v.

SAUDER MANUFACTURING COMPANY,  
Patent Owner.

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Cases<sup>1</sup>

IPR2015-00774 (Patent 8,585,136 B2)

IPR2015-00958 (Patent 8,585,136 B2)

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Before LINDA E. HORNER, JOSIAH C. COCKS, and  
JAMES A. WORTH, *Administrative Patent Judges*.

HORNER, *Administrative Patent Judge*.

ORDER  
Conduct of the Proceedings  
*37 C.F.R. § 42.5*

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<sup>1</sup> This order addresses issues raised in both cases. We exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in subsequent papers.

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IPR2015-00958 (Patent 8,585,136 B2)

## I. INTRODUCTION

On November 21, 2015, Patent Owner, Sauder Manufacturing Company (“Patent Owner”) filed a Patent Owner Response (Paper 13) in IPR2015-00774, accompanied by direct testimony in the form of declarations by Philip Bontrager (Exhibit 2008), David Harting (Exhibit 2039), and Anthony Warncke (Exhibit 2046). Patent Owner also filed a Patent Owner Response (Paper 13) in IPR2015-00958, accompanied by direct testimony in the form of declarations by Philip Bontrager (Exhibit 2072), David Harting (Exhibit 2039), and Anthony Warncke (Exhibit 2046).

Petitioner, J Squared, Inc. d/b/a University Loft Company (“Petitioner”), cross-examined these witnesses by depositions conducted in January, 2016, and subsequently filed a Reply to Patent Owner’s Response on February 16, 2016 in each case (Paper 21), accompanied by complete transcripts of the depositions of each witness (Exhibits 1025, 1027, and 1028). Petitioner’s Reply to Patent Owner’s Response filed in these cases did not introduce direct testimony of any reply witnesses.

On March 28, 2016, Patent Owner filed motions for observations in each case on the cross-examination testimony of its own witnesses Philip Bontrager, David Harting, and Anthony Warncke (Papers 25, 26, and 27, respectively).

Petitioner, through its counsel Scott McKeown, contacted the Board by email on March 29, 2016, to object to Patent Owner’s motions for observations, noting:

Petitioner has no Reply witnesses, and as such, Patentee has not conducted any cross-examination whatsoever in these proceedings. The Scheduling Order in these proceedings, like all such Orders,

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only authorizes observations on cross examination of Reply witnesses. [Patent Owner's] observations of its own witnesses constitute unauthorized sur-replies.

Email by Petitioner's Counsel to Board, copied to Patent Owner's counsel of record, dated March 29, 2016. Petitioner requests expungement of these motions. *Id.*

## II. ANALYSIS

The Office Patent Trial Practice Guide describes the use of observations on cross-examination as follows:

In the event that cross-examination occurs after a party has filed its last substantive paper on an issue, such cross-examination may result in testimony that should be called to the Board's attention, but the party does not believe a motion to exclude the testimony is warranted. The Board may authorize the filing of observations to identify such testimony and responses to observations, as defined below.

The party taking the cross-examination files the observations. The opposing party may file a response to an observation. The opposing party may not file observations without express prior authorization.

77 Fed. Reg. 48,756, 48,767–68<sup>2</sup> (Aug. 14, 2012). Thus, it is the party taking the cross-examination that typically files observations, and the reason for permitting observations is that the cross-examination takes place after the party has filed its last substantive paper, such that the party has no way to

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<sup>2</sup> Counsel for the parties were directed to this specific portion of the Office Patent Trial Practice Guide in the Board's Scheduling Order in each case (Paper 8, at 6).

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bring relevant testimony to the Board's attention. The rationale for observations does not apply in the instant situation, because it is Patent Owner that seeks to file observations on the cross-examination testimony of its own witnesses.

Although the Office Patent Trial Practice Guide provides that authorization for motions for observations on cross-examination is automatically granted, such is the case only for motions filed by the party taking the cross-examination. 77 Fed. Reg. at 48,762–63. A proponent of direct testimony must seek prior authorization from the Board prior to filing a motion for observations on cross-examination of its own direct witness. Patent Owner did not seek prior authorization for these motions, as is required by our rules. 37 C.F.R. § 42.20(b). The motions are, therefore, dismissed and the papers will be expunged.

### III. ORDER

It is therefore

ORDERED that Patent Owner's Motions for Observations on Cross Examination (Papers 25, 26, and 27) filed in IPR2015-00774 and IPR2015-00958 are dismissed and will be expunged.

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