Paper No. _____
Filed: September 15, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBAL TEL*LINK CORP.,
Petitioner
v.

SECURUS TECHNOLOGIES, INC.,
Patent Owner

IPR2015-01223
Patent No. 7,961,860

PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION TO EXCLUDE EXHIBITS 2006 and 2011

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Securus's evidence is not barred by Rule 408 because it is not offered for either of the two enumerated purposes to which the rule applies: to prove a claim or to impeach. And "[t]he rule specifically permits such evidence . . . *for any other purpose*." *In re MSTG*, 675 F.3d 1337, 1344 (Fed. Cir. 2012) (emphasis added). Securus did not—and could not have—offered this evidence to impeach, as GTL asserts, because there was no *testimony* in the record before Securus offered its evidence, and "[i]t is axiomatic that there *must be testimony* in the trial at hand with which the prior statement is inconsistent *before [impeachment can occur]*." *U.S. v. Colombo*, 869 F.2d 149, 153 (2d Cir. 1989) (emphases added). Instead, Securus offered this evidence for a purpose not prohibited by Rule 408—to demonstrate that GTL held itself out as being controlled by American Securities. Because Securus's evidence is not barred by Rule 408, the Board should not exclude it.

I. FRE 408 bars admissibility of settlement evidence only if offered for one of two enumerated purposes—to prove a claim or to impeach

GTL turns Rule 408 on its head by suggesting that Rule 408 broadly prohibits evidence except when offered for "a narrow set of purposes," and then arguing here that "no exception to Rule 408 applies." Paper No. 14 at 3, 5. That is the opposite of how Rule 408 works. Rule 408 excludes evidence only if offered for one of two specific purposes: "Evidence . . . is not admissible . . . either [1] to prove or disprove the validity or amount of a disputed claim or [2] to impeach by a prior inconsistent statement or a contradiction." FRE 408(a). Rule 408 does not exclude evidence

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offered for any other purpose: "The court may admit this evidence for *another purpose*, such as [examples]." FRE 408(b) (emphasis added). The examples listed in Rule 408(b) are not exclusive, as evidenced by the prefatory use of "such as." Indeed, as the Federal Circuit has explained, "[R]ule [408] specifically permits such evidence, however, *for any other purpose*, including, *but not limited to*, [the exceptions listed in FRE 408(b)]." *In re MSTG*, 675 F.3d at 1344 (emphases added).

According to Rule 408's commentary, evidence is excluded only if offered for one of the two enumerated purposes. The commentary explains that the 2006 version of the rule "provided that evidence was not excluded if offered for a purpose not explicitly prohibited by the Rule," and that while the wording was changed in 2011, "[t]here is no intent to change," how the rule operates. FRE 408, 2011 Advisory Committee Note. "It remains the case that if offered for an impermissible purpose, it must be excluded, and if offered for a purpose not barred by the Rule, its admissibility remains governed by the general principles of Rules 402, 403, 801, etc." *Id.*

II. Securus did not offer evidence for either purpose excluded by Rule 408

It is undisputed that Securus's evidence was not offered to prove the validity or amount of a claim. And, Securus could not have offered its evidence "to impeach by a prior inconsistent statement or a contradiction" because there was no *testimony* in this proceeding when Securus offered its evidence.

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As a first principle, one cannot "impeach by a prior inconsistent statement or a contradiction"[1] without testimony. "It is axiomatic that there must be testimony in the trial at hand with which the prior statement is inconsistent before [impeachment can occur]." *Colombo*, 869 F.2d at 153. The 2006 Advisory Committee Note to Rule 408 confirms that testimony is required because it discusses "impeach[ing] *the testimony* of a party." The leading evidence treatise makes this requirement clear: "[T]he most widely used impeachment technique is proof that the witness made a pretrial statement inconsistent with her trial testimony. . . . The statement need[s to] be . . . inconsistent with the testimony." McCormick on Evidence § 34. Even GTL's two "impeachment" cases, *Eid* and *Park*, both involve impeaching witness *testimony*.

There was no testimony in this record when Securus sought to introduce its evidence. Testimony can only be submitted in this proceeding in the form of an affidavit, declaration, or deposition. 37 C.F.R. § 42.53(a); Trial Practice Guide, 77 Fed. Reg. 48756, 48772 (Aug. 14, 2012). Mr. Oliver's declaration followed Securus's declarations, and thus Securus's declarations could not have been offered to impeach Mr. Oliver's statements. GTL recognizes this problem and asserts that

[1] GTL's motion uses the phrase "impeach or contradict." This shorthand casts impeachment and contradiction as alternatives for excluding evidence. That is not what the rule says. The rule proscribes "impeach[ment] by a prior inconsistent statement or a contradiction." Impeachment is required in both instances.

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Securus instead offered the evidence to impeach "GTL's prior statement that it is the sole RPI." Paper No. 14 at 4. That statement in GTL's petition, however, is not testimony. It was not made in the form of an affidavit, declaration, or deposition. In fact, the rules distinguish between "a paper"—like GTL's petition—and "testimony." 37 C.F.R. § 42.51(b)(1)(i). Nor does the petition qualify as "testimony" under its commonly-accepted definition—"Evidence that a competent witness under oath or affirmation gives at trial or in an affidavit or deposition." Black's Law Dictionary 1514 (8th ed. 2004). There was no testimony to impeach when Securus filed its declarations, so Rule 408's impeachment exclusion cannot apply.

GTL's claim that Securus offered its evidence to impeach GTL's RPI identification fails for yet another reason: GTL's RPI identification was not based on whether GTL had sole authority to settle, which is the subject of Securus's evidence. GTL's counsel admitted as much when, months after filing its petition, it could not say who had the authority to settle the proceeding. "Counsel, does GTL have sole authority to settle these cases? [Counsel:] That is something that we would need to confirm . . . ." Ex. 2001 14:19-15:1.

III. Securus's evidence is offered for a purpose not prohibited by Rule 408

Securus offered the declarations as proof that GTL held itself out as being controlled by American Securities, in order to demonstrate that its requested additional discovery would likely uncover useful information related to American

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