

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBAL TEL*LINK CORPORATION,
Petitioner,

v.

SECURUS TECHNOLOGIES, INC.,
Patent Owner.

Cases¹

CBM2015-00145 (Patent 7,860,222) IPR2015-01219 (Patent 8,626,118)
IPR2015-01220 (Patent 7,494,061) IPR2015-01221 (Patent 8,489,068)
IPR2015-01222 (Patent 8,750,486) IPR2015-01223 (Patent 7,961,860)
IPR2015-01225 (Patent 8,886,663) IPR2015-01226 (Patent 8,135,115)
PGR2015-00013 (Patent 8,885,280) PGR2015-00014 (Patent 8,929,525)

Before KEVIN F. TURNER, BARBARA A. BENOIT, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

BRADEN, *Administrative Patent Judge*.

¹ This Order addresses issues that are the same in all ten cases. Therefore, we exercise our discretion to issue one Decision to be filed in each case.

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ORDER

Denying Patent Owner's Motion for Additional Discovery Regarding Real Parties-in-Interest and Dismissing Petitioner's Motion to Exclude Exhibits 2006 and 2010

*35 U.S.C. § 316(a)(5), 37 C.F.R. § 42.51(b)(2), 37 C.F.R. § 42.224,
37 C.F.R. §§ 42.64(c)*

I. INTRODUCTION

Upon authorization from the Board (Paper 7),² Patent Owner filed a Motion for Additional Discovery from Petitioner of documents relevant to identifying all real parties-in-interest. Paper 10 ("Discovery Motion"). Along with its Discovery Motion, Patent Owner submitted 4 proposed Requests for Production ("RFPs"). Patent Owner also submitted the Declarations of Richard A. Smith (Ex. 2006) and Dennis J. Reinhold (Ex. 2011) in support of its Discovery Motion. Petitioner opposes Patent Owner's Motion. Paper 12 ("Discovery Opposition"). Petitioner also submitted the Declaration of Brian D. Oliver (Ex. 1022) in support of its Opposition. Petitioner then filed a Motion to Exclude Exhibits 2006 and 2011 (Paper 15), to which Patent Owner filed an Opposition (Paper 17).

² All citations are to CBM2015-00145 unless otherwise stated.

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In its Discovery Motion, Patent Owner seeks additional discovery regarding Petitioner’s representations regarding the real parties-in-interests identified in the pending Petitions for the above listed cases. According to Patent Owner, Petitioner is owned by American Securities and it is American Securities that “controls disputed intellectual property matters.” Discovery Motion, 1. Patent Owner contends that during the course of settlement negotiations between the parties, Petitioner’s CEO, Brian D. Oliver, stated “that he could not accept any settlement offer without American Securities’ prior approval.” *Id.* Patent Owner then contends that “American Securities calls the shots,” which “strongly suggest[s] that American Securities ‘could have exercised control’ over these proceedings.” *Id.* at 2–3. Therefore, Patent Owner concludes that additional discovery is necessary to determine if American Securities should have been identified as a real party-in-interest in the Petition *Id.* at 5.

Petitioner opposes Patent Owner’s Discovery Motion, arguing that the motion is based on “mere speculation, hearsay, and an inexcusable breach of confidentiality by its executives who disclose statements made during settlement negotiations. [Patent Owner’s] speculative statements do not suggest that [Patent Owner] will uncover any evidence that [American Securities] funded and controlled these proceedings.” Discovery Opposition, 2. Petitioner then contends that (1) the declarations submitted

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by Patent Owner violate Fed. R. Evidence 408, which prevents the offering into evidence of statements made during settlement, and (2) the declarations are incorrect because Mr. Oliver, the CEO of Petitioner, stated he could not settle any dispute without Petitioner’s Board approval, not American Securities’ Board approval. *Id.* at 3. Petitioner argues that Patent Owner’s Discovery Motion fails to meet the “the Garmin/Bloomberg factors” and should be denied. *Id.* at 2.

For the reasons stated below, Patent Owner’s Discovery Motion is denied and Petitioner’s Motion to Exclude Exhibits 2006 and 2011 is dismissed as moot.

II. DISCUSSION

A. *Motion for Additional Discovery*

Certain discovery is available in *inter partes* review proceedings. 35 U.S.C. § 316(a)(5); 37 C.F.R. §§ 42.51–53 (*inter partes* review); 37 C.F.R. § 42.224 (post grant review and covered business method review). Such discovery, however, is less than what is normally available in district court patent litigation, as Congress intended *inter partes* review to be a quick and cost-effective alternative to litigation. *See* H. Rep. No. 112-98, at 45–48 (2011). A party seeking discovery beyond what is expressly permitted by rule must do so by motion, and must show that such additional discovery is “necessary in the interest of justice.” 35 U.S.C. § 316(a)(5); 37 C.F.R. §

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42.51(b)(2)(i); 37 C.F.R. § 42.224 (additional discovery for post grant review and covered business method review “may be granted upon a showing of good cause. . . .”). As the movant, Patent Owner bears the burden of establishing it is entitled to additional discovery. 37 C.F.R. §§ 42.20(c), 42.224.

The legislative history of relevant statutes clarifies that additional discovery should be confined to “particular limited situations, such as minor discovery that PTO finds to be routinely useful, or to discovery that is justified by the special circumstances of the case.” 154 Cong. Rec. S9988 (daily ed. Sept. 27, 2008) (statement of Sen. Kyl). In light of this, and given the statutory deadlines required by Congress for *inter partes* review proceedings, we are conservative in authorizing additional discovery.

We generally consider five factors (the “*Garmin/Bloomberg* factors”) in determining whether a discovery request meets the statutory and regulatory necessary “in the interests of justice” standard. *See Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26) (informative); as modified for Covered Business Method Patent Reviews by *Bloomberg, Inc. v. Market-Alerts Pty, Ltd.*, Case CBM2013-00005, slip op. at 4 (PTAB May 29, 2013) (Paper 32). These factors are: (1) there must be more than a mere possibility of finding something useful; (2) a party may not seek another party’s litigation

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