

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CAPTIONCALL, L.L.C.,
Petitioner,

v.

ULTRATEC, INC.,
Patent Owner.

Cases¹

IPR2015-00636 (Patent 8,917,822) IPR2015-00637 (Patent 8,908,838)
IPR2015-01355 (Patent 5,974,116) IPR2015-01357 (Patent 6,934,366)
IPR2015-01358 (Patent 7,006,604) IPR2015-01359 (Patent 6,493,426)
IPR2015-01889 (Patent 9,131,045)

Before WILLIAM V. SAINDON, BARBARA A. BENOIT, and
LYNNE E. PETTIGREW, *Administrative Patent Judges*.

BENOIT, *Administrative Patent Judge*.

ORDER

Denying Patent Owner's Motion to Dismiss
37 C.F.R. § 42.72

¹ This Order addresses issues that are substantially similar in the cases. We exercise our discretion to issue one order to be filed in each case.

IPR2015-00636 (Patent 8,917,822) IPR2015-00637 (Patent 8,908,838)
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IPR2015-01358 (Patent 7,006,604) IPR2015-01359 (Patent 6,493,426)
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I. INTRODUCTION^{2,3}

As authorized by the Board, Patent Owner (Ultratec, Inc.) filed a Motion to Dismiss the Petition for Failure to Name All Real Parties-in-Interest in each of the proceedings at issue here. Paper 45 (“Mot.” or “Motion”), Paper 48 (redacted version). In its Motion, Patent Owner indicated that it “is in possession of two documents . . . which unequivocally establish” the existence of an undisclosed real party-in-interest having “direct control over IPR proceedings between the parties.” *Id.* at 14. These two documents, however, were not submitted with Patent Owner’s Motion. Patent Owner represents that these two documents could not have been submitted with its Motion because protective orders covering the documents had been entered in litigation matters in district court. *Id.* Shortly thereafter, Patent Owner requested relief from the protective order, which the District Court granted. *See* Paper 51, 2. As authorized by the Board, Patent Owner filed the documents, along with the District Court order. *See* Paper 51, 4; Exs. 2106, 2107 (Sorenson Holdings financial documents); Ex. 2108 (District Court order). After Patent Owner filed these documents, Petitioner (CaptionCall, L.L.C.) filed an opposition to Patent Owner’s Motion

² Unless otherwise indicated, paper numbers refer to IPR2015-00636.

³ This Order is a public version of Paper 95 (confidential version of “Order Denying Patent Owner’s Motion to Dismiss”), issued Aug. 30, 2016. Paper 95 requested that the parties file a joint notice identifying what, if any, protective order material or confidential information is mentioned in that Order. The Joint Notice confirms “that no protective order material or confidential information is mentioned in the August 30, 2016 Order denying Patent Owner’s Motion to Dismiss.” Paper 96, 2.

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(Paper 57, “Opposition” or “Opp.”), and Patent Owner filed a reply to Petitioner’s opposition (Paper 67; Paper 68 (redacted version), “Reply”). Both Petitioner’s Opposition and Patent Owner’s Reply substantially address in detail the two documents. *See* Opp. 11–12; Reply 6.

The proceedings at issue here are on three different trial schedules. First, petitions for two of the proceedings—IPR2015-00636 and IPR2015-00637—were filed more than a year ago on January 29, 2015, trial was instituted for each petition on September 8, 2015, and oral hearings were held for those proceedings on April 6, 2016. A transcript of the hearing in relation to the Motion to Dismiss has been entered into the record. Paper 88 (Sealed Transcript).

Second, petitions in four proceedings at issue here—IPR2015-01355, IPR2015-01357, IPR2015-01358, and IPR2015-01359—were filed in June 2015, trials were instituted in mid-December 2015, and oral hearings are scheduled for September 28, 2016. Third, a petition in IPR2015-01889 was filed in September 2015, a trial was instituted in March 2016, and an oral hearing, if requested, is scheduled for November 22, 2016.

Other petitions challenging Patent Owner’s patents also have been filed by Petitioner. For example, Petitioner filed eight other petitions⁴ challenging Patent Owner’s patents in August 2013 for which trials were instituted in March 2014 and final written decisions issued in March 2015. *See, e.g.*, IPR2013-00540, Papers 2, 78. An appeal to the United States

⁴ IPR2013-00540, IPR2013-00541, IPR2013-00542, IPR2013-00543, IPR2013-00544, IPR2013-00545, IPR2013-00549, and IPR2013-00550.

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Court of Appeals for the Federal Circuit is pending for each of those *inter partes* reviews (collectively, “the appealed *inter partes* reviews”). *See, e.g.*, IPR2013-00540, Paper 81.

In addition to *inter partes* reviews, the parties are engaged with one another in various proceedings in district court, and Petitioner has been involved in bankruptcy proceedings. *See, e.g.*, IPR2015-00636, Paper 1, 2; Opp. 2 (referring to bankruptcy documents).

II. DISCUSSION

The Petitions in each of the proceedings at issue here name CaptionCall, L.L.C. (“CaptionCall”) and Sorenson Communications, Inc. (“Sorenson Communications”) as real parties-in-interest. *See, e.g.*, IPR2015-00636, Paper 1, 2; IPR2015-01355, Paper 1, 3; IPR2015-01889, Paper 1, 2. Patent Owner’s Motions to Dismiss contends that Petitioner’s parent company, Sorenson Holdings, LLC (“Sorenson Holdings”) is a real party-in-interest to these proceedings, should have been named in the Petitions, and, therefore, the Petitions should be dismissed. Mot. 1; *see* 35 U.S.C. § 312(a)(2) (requiring a petition to identify all real parties-in-interest). Petitioner opposes, contending that Sorenson Holdings is not a real party-in-interest and Patent Owner’s Motions are untimely. Opp. 2, 4.

As movant, Patent Owner bears the burden of showing by a preponderance of evidence that Sorenson Holdings is a real party-in-interest and, therefore, the proceeding should be terminated because Sorenson Holdings is a real party-in-interest not named in the Petition. 37 C.F.R. §§ 42.1(d) (evidentiary standard), 42.20(c) (“The moving party has the burden of proof to establish it is entitled to the requested relief.”).

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The allocation of burden here reflects the posture in which the issue is raised—in a motion in which the movant bears the burden of proof. This is consistent with determinations by other panels of the Board. *See, e.g., Corning Optical Commc'ns RF, LLC v. PPC Broadband, Inc.*, Case IPR2014-00440 slip op. at 13–14, 25 (PTAB Aug. 18, 2015) (Paper 68) (granting motion to dismiss after institution because “Patent Owner has established by a preponderance of the evidence that Petitioner is not the sole [real party-in-interest] as stated in the Petition”); *First Quality Baby Products, LLC v. Kimberly-Clark Worldwide, Inc.*, Case IPR2014-01021, slip op. at 12 (PTAB July 16, 2015) (Paper 42) (denying motion to vacate institution decision because “Patent Owner has not shown sufficiently that the Petition failed to name all real parties-in-interest”).

The Board has allocated the burden for establishing whether an unnamed party is a real party-in-interest to the proceeding differently where the issue was raised by the patent owner in its preliminary response, which is not the case in any of the proceedings here. *See, e.g., Galderma S.A. v. Allergan Industrie, SAS*, Case IPR2014-01422, slip op. at 6–7, 14 (PTAB Mar. 5, 2015) (Paper 14) (denying institution); *Zerto, Inc. v. EMC Corp.*, Case IPR2014-01254, slip op. at 6–7 (PTAB Mar. 3, 2015) (Paper 35) (denying institution).

For the reasons discussed below, we determine that Patent Owner has not shown that Sorenson Holdings is an unnamed real party-in-interest, and we deny Patent Owner’s Motion on that basis. Accordingly, we need not reach the issue whether Patent Owner’s Motions are untimely.

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