

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FPUSA, LLC,
Petitioner,

v.

M-I LLC,
Patent Owner.

Case IPR2016-00213 (Patent 9,004,288 B2)
Case IPR2016-00295 (Patent 9,074,440 B2)

Before JAMES A. TARTAL, CARL M. DEFRANCO, and
TIMOTHY J. GOODSON, *Administrative Patent Judges*.

GOODSON, *Administrative Patent Judge*.

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

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IPR2016-00295 (Patent 9,074,440 B2)

On January 24, 2017, a conference call was held between the panel and counsel for the parties to discuss two issues: (1) Petitioner's request for an extension of its deadline to file a Reply, and (2) Patent Owner's request for authorization to file a motion to terminate these proceedings due to Petitioner's alleged failure to identify all of the real parties-in-interest.

Regarding the first issue, the Scheduling Order in these cases originally specified September 2, 2016 as Due Date 1 and December 2, 2016 as Due Date 2. Paper 15, 6.¹ The parties subsequently stipulated to an extension of Due Date 1 until October 21, 2016. Paper 31, 1. Petitioner argues that its deadline to file a Reply brief should be extended because it agreed to an extension of Patent Owner's deadline to file a Patent Owner Response, and because Petitioner's ongoing bankruptcy proceeding has increased the amount of time necessary for Petitioner to prepare its Reply. Petitioner stipulated that its Reply would not include any new evidence, such that no further adjustments to the schedules of these proceedings would be necessary. Petitioner stated that it could be prepared to file its Reply by February 3, 2017. Patent Owner argued that Petitioner waited too long to request an extension, and that permitting a Reply to be filed at this stage of the proceedings would be unfair to Patent Owner. When asked, during the conference call, how Patent Owner would be prejudiced if Petitioner were permitted to file a Reply with no new evidence by February 3, 2017, Patent Owner responded that it would have to prepare slides regarding the arguments in the

¹ Citations in this Order refer to the papers in IPR2016-00213. The same or substantially similar papers appear in IPR2016-00295.

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Reply by March 1, 2017, the date set for the hearing in these cases. In our view, a period of almost a month permits Patent Owner adequate time to review an argument-only Reply and prepare responsive remarks for the hearing. Although we agree with Patent Owner that Petitioner should have sought an extension at an earlier date, the Board can excuse late action when doing so is in the interests of justice. *See* 37 C.F.R. § 42.5(c)(3). Here, given Petitioner's stipulation that the Reply will contain only argument responding to the Patent Owner Response and will not contain any new evidence, we find that permitting Petitioner to file a Reply by February 3, 2017 would be in the interests of justice. The parties agreed during the conference call that, because the Reply will contain no new evidence, no further adjustments to the schedule of these proceedings are necessary.

With respect to the second issue, Patent Owner argued that it has taken discovery from Petitioner regarding the relationship between Petitioner and three other entities. According to Patent Owner, the information it has gathered shows that the boundaries between those three entities and Petitioner are sufficiently blurred that the three entities should have been named as real parties-in-interest in these proceedings. Petitioner argues that the identification of real parties-in-interest in Petitioner's Mandatory Notices is correct, and the information Patent Owner obtained through discovery is consistent with Petitioner's listing of the real parties-in-interest. During the conference call, we granted Patent Owner's request for authorization to file a motion to terminate. Specifically, we authorized Patent Owner to file a motion of no more than 10 pages by February 3, 2017. We also authorized Petitioner to file an opposition of no more than 10 pages by February 10, 2017. Given the advanced stage of these proceedings, we did not authorize a

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reply brief in connection with this motion, but we indicated that if Patent Owner believes that a reply brief is necessary after reviewing Petitioner's opposition, Patent Owner may request another conference call with the panel.

It is hereby:

ORDERED that Petitioner is permitted to file a Reply containing no new evidence by February 3, 2017;

ORDERED that Patent Owner is authorized to file a motion to terminate of no more than 10 pages by February 3, 2017; and

ORDERED that Petitioner is authorized to file an opposition to Patent Owner's motion to terminate of no more than 10 pages by February 10, 2017.

For PETITIONER:

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