

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TWILIO INC.,
Petitioner,

v.

TELESIGN CORPORATION,
Patent Owner.

Case IPR2016-00360
Patent 7,945,034 B2

Before SALLY C. MEDLEY, JUSTIN T. ARBES, and KIMBERLY
McGRAW, *Administrative Patent Judges*.

PER CURIAM.

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

On January 4, 2017, a conference call was held between counsel for the parties and Judges Medley and Arbes in response to Patent Owner's email request of December 29, 2016 that the Board rule now to expunge or otherwise indicate (1) Petitioner's Reply (Paper 37) and (2) declaration by Petitioner's declarant David H. Williams (Exhibit 1039) will be disregarded or, alternatively, that the Board authorize Patent Owner to submit a paper detailing the alleged contradictions or material contained in the Reply and

declaration that go beyond the scope of Patent Owner's Response. Patent Owner provided a court reporter and a transcript of the call was filed as Exhibit 2035 ("Tr.").

During the call, Patent Owner provided two reasons for requesting that the Reply and Exhibit 1039 be stricken in their entirety. Tr. 4:18–25. First, Patent Owner states that paragraph 15 of Exhibit 1039 presents a new proposed definition of the level of ordinary skill in the art and that such a change "reaches back in time and revises all of the former references" to the level of ordinary skill in the art "throughout the Petition, the original expert Declaration, and arguably even [Patent Owner's] response." *Id.* at 6:11–7:5; *see also id.* at 7:6–8:17, 15:11–16:1. Second, Patent Owner states that the Reply introduces new evidence and Exhibit 1039 provides testimony about arrival of location information during a 911 call that is contradictory to testimony provided by Petitioner's original declarant. *See, e.g., id.* at 20:17–22:18 (discussing Ex. 2025, 65:4–10, 72:17–20; Ex. 1039 ¶¶ 43, 44). Patent Owner's email request of December 29, 2016 for the conference call also provided two examples, reproduced below, to support their requests:

- 1) Level of skill in the art. Compare the level of skill in the art described in the Petition and by Petitioner's first expert (Pet. § IV and Ex. 1002 at ¶ 20) to that of its new expert (Ex. 1039 at ¶ 15).
- 2) Location Information automatically arriving at a PSAP (emergency dispatcher) during a 911 call. Compare:
 - a. Ex. 2025 at 65:4-10, 72:17-20 (Petitioner's first expert), and

- b. Ex. 1039 at ¶¶ 10, 24, 42, 43, 44 (Petitioner’s new expert); in view of
- c. Ex. 1003 at 12:39-41 (the primary reference).

Patent Owner does not seek leave to file a sur-reply. Tr. 15:4–10.

Petitioner responds that only four sentences in the Reply are at issue, that these sentences cite to only a few paragraphs of the declaration, and that these sentences are “pure Reply material in that they are directly challenging the assertion made by Patent Owner and Patent Owner’s expert in their Brief.” *Id.* at 10:6–11:17. Petitioner further states that these sentences are not necessary to establish its prima facie case, but rather confirm testimony from Petitioner’s original declarant and therefore are relevant to determining the credibility of the various declarants. *Id.* at 11:18–23, 12:3–24.

Petitioner also states the Reply does not raise a new issue regarding the level of ordinary skill in the art and that the declarant is merely addressing a subissue in one of the asserted references about how to use geolocation technology. *Id.* at 12:25–13:12. Petitioner also responds that the majority of Exhibit 1039 is directed to opposing Patent Owner’s Motion to Amend and that striking the entire Declaration is unnecessary. *Id.* at 9:8–14, 10:17–11:5.

Upon considering both parties’ arguments, Patent Owner’s request that the Board rule now to strike or expunge the Reply (Paper 37) and Exhibit 1039 in their entirety is denied.

A reply may only respond to arguments raised in the patent owner’s response. 37 C.F.R. § 42.23(b). Patent Owner has identified the material

that it alleges is new or contradictory to material provided in the Petition. The panel will determine for itself whether this material is outside the proper scope of a reply when the parties' briefs are reviewed and the final written decision is prepared, and can discount any such evidence or arguments accordingly.

Counsel for Patent Owner also requested that if reasons provided by Patent Owner during the conference call were "not enough" for the Board to strike the Reply and Exhibit 1039 "right now," Patent Owner should be authorized to submit a paper setting forth in writing why the material should be stricken. Tr. 18:3–9. As explained during the conference call, this request is denied. *Id.* at 18:10–14. The conference call itself provided Patent Owner an opportunity to identify the material that it believes is outside the proper scope of a reply and explain why the material should be stricken. *Id.* Further, the parties can address the issue during the oral hearing, should a hearing be requested.

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's request that the Board rule now to expunge or otherwise indicate that Petitioner's Reply (Paper 37) and Exhibit 1039 will be disregarded as improper is DENIED; and

FURTHER ORDERED that Patent Owner's request for authorization to file a paper setting forth in writing its position regarding the Reply and Exhibit 1039 is DENIED.

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