

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COASTAL INDUSTRIES, INC.,
Petitioner,

v.

SHOWER ENCLOSURES AMERICA, INC.,
Patent Owner.

Case IPR2017-00573
Patent 7,174,944 B1

Before MICHAEL W. KIM, CARL M. DEFRANCO, and
ALYSSA A. FINAMORE, *Administrative Patent Judges*.

FINAMORE, *Administrative Patent Judge*.

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

I. INTRODUCTION

Petitioner requested a conference call to seek guidance as to how Petitioner should proceed in view of Patent Owner's Motion to Amend Claims (Paper 52) and Patent Owner's Further Response (Paper 53, "Further Response"). In particular, Petitioner seeks guidance from the Board concerning how to respond to portions of Patent Owner's papers Petitioner deems improper in view of an earlier Board Order (Paper 49, "Order") that restricted the scope of Patent Owner's supplemental briefing. Petitioner further requested authorization to file a motion for sanctions against Patent Owner in view of Patent Owner's purportedly dilatory tactics.

On July 9, 2018, counsel for the parties and Judges Kim, DeFranco, and Finamore participated in a conference call. A court reporter was also on the call. The Board provided guidance during the call. This Order summarizes that guidance, and provides further elaboration.

II. ANALYSIS

A. *Patent Owner's Motion to Amend Claims*

Our Order explains that "the additional briefing and evidence is restricted to that which the parties did not have an opportunity to respond." Paper 49, 3. Patent Owner's Motion to Amend Claims does not fall within the scope of that portion of the Order.

B. *Patent Owner's Further Response*

Petitioner argues that certain portions of Patent Owner's Further Response improperly reiterates Patent Owner's prior arguments regarding Van Weelden (second full paragraph on page 6 and continuing through the

only full paragraph on page 11) and a POSITA (beginning with the heading “The Impact of Petitioner’s POSITA Assertions” on page 24 and continuing to the end of the paragraph bridging pages 29–30). Patent Owner responds that it repeated these arguments from the Patent Owner Response because those arguments are relevant to dependent claims 4, 6, 10, and 15, and the Board’s Rules, namely 37 C.F.R. § 42.6(a)(3), prohibit incorporation by reference.

As a practical matter, the Board considers Patent Owner’s Further Response and Patent Owner’s Response (Paper 13) as a single document, and, thus, does not implicate incorporation by reference. Given that clarification, Patent Owner agreed to withdraw the redundant portions of the Further Response.

The parties are further free to work together to determine whether any other portion of the Further Response is similarly repetitive, and can be omitted.

C. Request for Sanctions

During the call, Petitioner requested that the Board authorize a motion for sanctions against Patent Owner for its purported dilatory tactics, for example, refusing to work with Petitioner in a timely manner to resolve disputes such as these. Among other harms, Petitioner asserts that Patent Owner’s actions have effectively truncated their time period for responding to the Further Response, and, thus, Petitioner requests, among other remedies, further time to respond. We decline to do so. Only one week has elapsed, and the result is that Petitioner now has to only respond to a fraction of what Patent Owner filed previously. Furthermore, Patent Owner did not

include declarations or evidence with its filings, obviating the need for filing evidentiary objections or depositions. Should, however, Petitioner find that, as they approach the next due date, they are short on time for filing responses, Petitioner is encouraged to work with Patent Owner to stipulate to later due dates or contact the Board.

D. Arguments on Pages 22–23 of the Further Response

On these pages, Petitioner identifies Patent Owner’s apparent disagreement with our prior determinations that “Patent Owner was previously on notice . . . and had an opportunity to file objections . . . prior to our SAS Order” (Paper 53, 22), and that the SAS Order is not a new Decision on Institution (*id.* at 23). A party is certainly free to disagree with the Board’s prior determinations, and memorialize such disagreement, for example, to preserve it for appeal. The parties are, nevertheless, bound by, and must follow, those determinations, unless indicated otherwise. As always, should any party request alterations to, or clarifications of, those determinations, the parties are free to contact the Board with such a request. And should a party provide the Board with a persuasive basis for doing so, such alterations and clarifications will, of course, be made.

III. CONCLUSION

The Board has provided the guidance requested by Petitioner. Petitioner’s request for authorization to file a motion for sanctions is denied.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the transcript for the conference call shall be filed as an Exhibit no later than ten (10) business days from the entry date of this Order;

FURTHER ORDERED that Patent Owner shall re-file its Further Response, omitting any portions that are redundant of its Patent Owner Response within five (5) business days from the entry date of this Order;

FURTHER ORDERED that Petitioner's request for authorization to file a motion for sanctions is *denied*; and

FURTHER ORDERED that, should any interim issues arise, the parties are reminded to jointly contact the Board immediately in order to request a conference call.

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