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Paper 98
Date: November 19, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VENTEX CO., LTD.,
Petitioner,

v.

COLUMBIA SPORTSWEAR NORTH AMERICAN, INC.,
Patent Owner.

Case IPR2017-00651; Patent No. 8,424,119 B2
Case IPR2017-00789; Patent No. 8,453,270 B2[1]

Before JOSIAH C. COCKS, MITCHELL G. WEATHERLY, and RICHARD H. MARSCHALL, *Administrative Patent Judges.*

COCKS, *Administrative Patent Judge.*

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

[1] This Order is relevant to each of the noted proceedings. The Board exercises its discretion to issue a single Order for entry in each proceeding. The parties are not authorized to use this style heading for any subsequent papers.

1. Introduction

A conference call was held on November 16, 2018. Judges Cocks and Marschall were present for the call. Petitioner, Ventex Co., Ltd., ("Ventex"), was represented by David Garr, Daniel Cho, and Peter Chen. Patent Owner, Columbia Sportswear North America ("Columbia"), was represented by Nika Aldrich, Brenna Legaard.[2] Seth Sproul, counsel with Fish & Richardson, participated in an initial portion of the call on behalf of a third party, Seirus Innovative Accessories, Inc. ("Seirus"). Columbia requested the call to discuss matters concerning the accuracy of statements provided by declarant Mr. Paul Park in this proceeding in connection with a declaration (Ex. 1091), interrogatory responses (Ex. 2187), and deposition testimony (Ex. 2188).

2. Discussion

During the call, Columbia explained that throughout the course of these *inter partes* review proceedings, Mr. Park had repeatedly represented that a 2016 exclusivity agreement entered into by Seirus and Ventex had never been reduced to writing. Columbia, however, informed the panel that on Friday, November 9, 2018, Seirus had produced to Columbia an executed copy of a written agreement titled "Exclusive Manufacturing Agreement" made on October 21, 2016 between Seirus and Ventex. *See* Ex. 2189. Seirus had also produced e-mails between Mr. Park and a representative of Seirus in which Mr. Park expressed knowledge of the Exclusive Manufacturing Agreement. *See* Ex. 2190. Columbia actively is advocating in these proceedings that Ventex had failed to name all the real parties-in-

[2] Judge Weatherly was unavailable, and did not attend the conference call.

interest in its Petitions, and had based much of its case in that respect on the absence of a written document of the exclusivity agreement between Ventex and Seirus. Columbia, thus, urged that it has been prejudiced by the inaccuracies present in the record as to that written agreement, and sought to discuss the situation with the panel, including the possibility of additional discovery and sanctions.[3]

During the call, Columbia's counsel also represented that Seirus had permitted Ventex's counsel to disclose all relevant documents to Ventex's employees but refused to permit disclosure of the written exclusivity agreement, or even its existence, to employees of Columbia. As a result, Columba's counsel expressed that it could not consult with its client, Columbia, or disclose the content to Columbia of briefing that Columbia's counsel is set to file on behalf of Columbia on Monday, November 19, 2018. Columbia's counsel, thus, requested leave to discuss the issue with Columbia, including disclosing the written exclusivity agreement to in-house counsel of Columbia, who have signed the proposed Protective Order that has been filed in this proceeding (Paper 14, Appendix A). On behalf of Seirus, Mr. Sproul objected to permitting Columbia's counsel to disclose the written exclusivity agreement to any employee of Columbia. Mr. Sproul's

[3] Ventex's counsel expressed on the call that it, Ventex's CEO, Mr. Kyung Chan Go, and Mr. Park had engaged in supplemental search efforts but had not been able to locate any copies of the exclusivity agreement that had been produced by Seirus, or any of the e-mails referencing that agreement by Mr. Park.

objection in-part was based the Protective Order permitting in-house counsel for Columbia to view material subject to that Protective Order.[4]

A.

The record reflects that Ventex is in possession of the "Exclusive Manufacturing Agreement," as well as e-mails from and to Mr. Park referencing that agreement. Ventex represented that its briefing to be filed on November 19, 2018, would reference the "Exclusive Manufacturing Agreement" and discuss its contents. Ventex also noted that throughout these proceedings, although Ventex had represented that the exclusivity agreement was not in written form, its briefing had made reference to much of the content that actually was reduced to writing in the "Exclusive Manufacturing Agreement." Columbia's counsel also expressed that it's briefing will discuss content of the "Exclusive Manufacturing Agreement." It is untenable that Columbia be placed into a situation in which its counsel must submit briefing in these proceedings on Columbia's behalf without opportunity for Columbia to assess and approve the content of such briefing. Such circumstance, in and of itself, is suitable reason that Columbia's in-house counsel be made aware of the existence and content of the "Exclusive Manufacturing Agreement" and certain associated e-mail correspondence.

Furthermore, it is curious that Ventex did not maintain copies of business documents, such as the "Exclusive Manufacturing Agreement", in the normal course of business. Had it done so, Ventex would have been obligated to produce that agreement and any associated e-mails referencing

[4] On the call, Columbia's counsel, Mr. Aldrich, expressed that he had provided a copy of the proposed Protective Order to Mr. Sproul prior to document production by Seirus.

that agreement as a part of these proceedings. From a perspective of procedural fairness, Ventex should not somehow benefit from inadequate record keeping.

Accordingly, for the reasons set forth above and as requested by Columbia's counsel, we authorize Columbia's counsel to disclose the "Exclusive Manufacturing Agreement" (Ex. 2189), and particular e-mails from and to Mr. Park referencing that agreement (Ex. 2190) to Columbia's in-house counsel.

B.

During the conference call, Columbia also raised issues pertaining to authorization to: (1) depose Mr. Go; (2) file a motion for additional discovery relating to the underlying background surrounding the "Exclusive Manufacturing Agreement"; and (3) file a motion for sanctions in connection with Columbia's attorneys' fees that were spent based on Mr. Park's inaccurate testimony. Ventex indicated that, prior to any of the above-noted requested actions, it would file a corrected Declaration of Mr. Park that explains and corrects inaccuracies in his testimony, and also file a Declaration from Mr. Go explaining his knowledge of the "Exclusive Manufacturing Agreement." In the event that even after such filings, Columbia seeks additional authorization for depositions and filings, Columbia should provide to the Board, via e-mail, a short bulleted list of the authorizations that it seeks as well as proposed page lengths and timing of any such briefing.

DOCKET ALARM

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