

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NEXEON LTD.,
Petitioner,

v.

ONED MATERIAL, LLC,
Patent Owner.

Case IPR2017-00851
Patent 8,440,369 B2

Before JO-ANNE M. KOKOSKI, JON B. TORNQUIST, and
JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

KOKOSKI, *Administrative Patent Judge*.

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

On March 1, 2018, Petitioner filed its Reply (Paper 20) and its Opposition to Patent Owner’s Motion to Amend (Paper 21), along with exhibits related thereto. On that same day, Petitioner informed the Board via email (attached) that it “inadvertently publicly filed material deemed potentially confidential by third parties” in Exhibit 1061 and the Reply, and had filed a Motion to Expunge and Seal (Paper 22, “Motion”) “on realizing its error.” Petitioner further informed the Board that Exhibit 1067 and its Opposition contain “allegedly confidential information solely for the parties and the Board.” On March 2, 2018, the Board provisionally restricted access to Exhibit 1061 and the Reply from “public” to “parties and Board only.” Exhibit 1067 and the Opposition were designated for restricted access by Petitioner at the time of filing. Patent Owner did not file an opposition to Petitioner’s Motion.

Petitioner neither requested nor received authorization to file the Motion prior to its filing. *See* 37 C.F.R. § 42.20(b). We note that Petitioner styled its Motion as a motion to expunge and seal, and that a motion to seal does not require Board authorization prior to filing. Petitioner’s Motion, however, does not include a proposed protective order and does not request that any papers be sealed in accordance with 37 C.F.R. § 42.54, and therefore is not a motion to seal. Because the Motion to Expunge is unauthorized, we intend to expunge it.

Our rules require that “[a] party intending a document or thing to be sealed *shall file a motion to seal concurrent with the filing of the document or thing to be sealed.*” 37 C.F.R § 42.14 (emphasis added). Section 42.14 further states that the “[r]ecord of a proceeding, including documents and

things, shall be made available to the public, except as otherwise ordered.”

To this end, as set forth in the Board’s default protective order:

Where confidentiality is alleged as to some but not all of the information submitted to the Board, the submitting party shall file confidential and non-confidential versions of its submission, together with a Motion to Seal the confidential version setting forth the reasons why the information redacted from the non-confidential version is confidential and should not be made available to the public. The non-confidential version of the submission shall clearly indicate the locations of information that has been redacted. The confidential version of the submission shall be filed under seal.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,771 (Aug. 14, 2012). Additionally, as set forth in the Scheduling Order that governs this case, “[r]edactions should be limited strictly to isolated passages consisting entirely of confidential information. The thrust of the underlying argument or evidence must be clearly discernable from the redacted version.” Paper 8, 4. Thus, the default rule is that all papers filed in an *inter partes* review are open and available for access by the public; only “confidential information” may be protected from disclosure upon a showing of good cause. *See* 35 U.S.C. §§ 316(a)(1), 316(a)(7); 37 C.F.R. §§ 42.14, 42.54(a).

In order to establish “good cause” for sealing, a party must demonstrate adequately that (1) the information sought to be sealed is truly confidential, (2) a concrete harm would result upon public disclosures, (3) there exists a genuine need to rely in the trial on the specific information sought to be sealed, and (4) on balance, an interest in maintaining confidentiality outweighs the strong public interest in having an open record.

Argentum Pharmaceuticals LLC v. Alcon Research, Ltd., Case IPR2017-01053, slip op. at 4 (PTAB Jan. 19, 2018) (Paper 27) (citations omitted). A motion to seal will not be granted if it is based only on broad or generic

contentions of confidentiality.¹ Moreover, information subject to a protective order will become public if identified in a final written decision in this proceeding, and a motion to expunge information will not necessarily prevail over the public interest in maintaining a complete and understandable file history. *See* Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,761.

The Scheduling Order indicates that it is the responsibility of the party whose confidential information is at issue, not necessarily the proffering party, to file the motion to seal, unless the party whose confidential information is at issue is not a party to the IPR proceeding. Paper 8, 3. Exhibit 1061, which Petitioner identifies as containing information designated as confidential by a third party, is the Deposition Transcript of Dr. Walter Van Schalkwijk, who is Patent Owner's expert witness in this proceeding. Exhibit 1067, which Petitioner also identifies as containing information designated as confidential by a third party, is the Deposition Transcript of Dr. Warren Smith, who was retained by Patent Owner as a translator in this proceeding. For the avoidance of doubt, we determine that Patent Owner, therefore, is responsible for filing the motion to seal confidential information from Dr. Van Schalkwijk and Dr. Smith, and has

¹ To the extent further guidance is necessary, we make the following observations. Few, if any, exhibits, should ever be confidential in their entirety, without good cause to show that all of the information contained therein is truly sensitive. *See* 37 C.F.R. § 42.54(a). For example, deposition transcripts, declarations, and papers containing a party's arguments will generally contain substantial non-confidential portions. In all cases, the Motion to seal must *set forth the reasons why the information redacted from the non-confidential version is confidential and should not be made publicly available*. Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,771 (emphasis added).

the burden of proof to establish that it is entitled to the requested relief, i.e., sealing of the documents. *See* 37 C.F.R. § 42.20(c). To the extent that Petitioner's Reply and Opposition contain information confidential to Patent Owner, Dr. Van Schalkwijk, and/or Dr. Smith, Patent Owner is responsible for moving to seal those documents as well.

No later than May 1, 2018, Patent Owner shall file a motion to seal that contains a proposed protective order. 37 C.F.R. § 42.54; Paper 8, 3–4. The parties are encouraged to adopt the default protective order set forth in the Office Patent Trial Practice Guide. The motion must include a certification that the moving party has in good faith conferred or attempted to confer with other affected parties in an effort to resolve the dispute. *Id.*

No later than April 27, 2018, Patent Owner shall serve on Petitioner copies of Exhibit 1061, Exhibit 1067, Petitioner's Reply, and Petitioner's Opposition wherein Patent Owner has redacted information that is confidential to Dr. Van Schalkwijk, Dr. Smith, and/or Patent Owner. No other redactions or changes to the original documents are authorized. Patent Owner's redactions shall be based on a good faith belief that the information redacted is, in fact, confidential. After service of the redacted documents by Patent Owner on Petitioner, Petitioner shall file, no later than May 1, 2018, the redacted versions of Exhibit 1061, Exhibit 1067, its Reply, and its Opposition in PTAB E2E. The original, un-redacted versions of Exhibit 1061, Exhibit 1067, Petitioner's Reply, and Petitioner's Opposition shall remain provisionally sealed until such time as the motion to seal is decided. Any document filed with restricted public access not addressed in a motion to seal and not identified to be expunged by May 1, 2018 will be designated as public.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.