

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TELESIGN CORPORATION,
Petitioner,

v.

TWILIO INC.,
Patent Owner.

Case IPR2017-01976 (Patent 8,837,465 B2)
Case IPR2017-01977 (Patent 8,755,376 B2)¹

Before ROBERT J. WEINSCHENK, KIMBERLY McGRAW, and
SCOTT C. MOORE, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

DECISION
Motion for Discovery
37 C.F.R. § 42.51

¹ This Decision pertains to both of these cases. Therefore, we exercise our discretion to issue a single Decision to be filed in each case. The parties are not authorized to use this style heading for any subsequent papers.

I. INTRODUCTION

On May 23, 2018, we held a conference call with the parties to discuss Twilio Inc.’s (“Patent Owner”) request for authorization to file a motion for routine or additional discovery of evidence alleged to be related to the objective indicia of nonobviousness. We authorized Patent Owner to file a motion for discovery under 37 C.F.R. § 42.51. Paper 16, 4.² Patent Owner filed a motion for discovery on May 25, 2018. Paper 18 (“Motion” or “Mot.”). TeleSign Corporation (“Petitioner”) filed an opposition to the Motion on June 1, 2018. Paper 21 (“Opposition” or “Opp.”). For the following reasons, the Motion is *granted-in-part*, subject to the limitations set forth herein.

II. ANALYSIS

Patent Owner requests discovery regarding several objective indicia of nonobviousness, namely, copying, long-felt but unmet need, and failure by others. Mot. 1–2. Specifically, Patent Owner seeks to serve the following document requests:

- 1) Documents showing Stacy Stubblefield’s and other Petitioner agents’ or employees’ access of Patent Owner’s patented technology, including documents showing how that information was used by Petitioner or Stacy Stubblefield; and
- 2) Documents showing customer requests that led to Petitioner’s development of its products accused of infringement in the related district court proceeding.

Id. at 4. Patent Owner represents, though, that it “could identify a small number of specific documents that would satisfy its request . . . (e.g., by district court Bates number).” *Id.* at 2. We understand Patent Owner’s

² We cite to the record of IPR2017-01976, unless otherwise noted.

IPR2017-01976 (Patent 8,837,465 B2)

IPR2017-01977 (Patent 8,755,376 B2)

reference to “a small number of specific documents” to mean the four documents, which include Petitioner’s internal emails, that Patent Owner mentioned during the conference call with the Board on May 23, 2018. Ex. 2039, 8:4–8, 8:16–20.

Patent Owner argues that it is entitled to the requested discovery as either routine or additional discovery. Mot. 5–10. As discussed below, we determine that Patent Owner is entitled to discovery under the standard for additional discovery. Therefore, we do not address whether the discovery also would be considered routine discovery.

A. *Additional Discovery*

We may order additional discovery if the moving party shows “that such additional discovery is in the interests of justice.” 37 C.F.R.

§ 42.51(b)(2)(i). The Board has identified several factors (“the Garmin factors”) that are important in determining whether additional discovery is in the interests of justice. *Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26)

(informative). Those factors include: 1) whether there is more than a mere possibility or allegation that something useful will be found; 2) whether the requesting party seeks the other party’s litigation positions and the underlying basis for those positions; 3) the requesting party’s ability to generate equivalent information by other means; 4) whether the instructions are easily understandable; and 5) whether the requested discovery is overly burdensome. *Id.*

1. *First Factor*

Patent Owner argues that there is more than a mere possibility or allegation that something useful will be found regarding the objective indicia

IPR2017-01976 (Patent 8,837,465 B2)

IPR2017-01977 (Patent 8,755,376 B2)

of nonobviousness. Mot. 5–8. Specifically, Patent Owner points out that the complaint it filed against Petitioner in a related district court case includes allegations of copying by Petitioner. *Id.* at 5 (citing Ex. 2017 ¶¶ 20–27).

Patent Owner also asserts that Petitioner had access to Patent Owner’s patented technology, including pursuant to a non-disclosure agreement and by opening accounts for Patent Owner’s products allegedly using false identities. Mot. 5. Further, according to Patent Owner, one of Petitioner’s press releases indicates that Petitioner developed its products in response to customer demand. *Id.* at 7 (citing Ex. 2028).

Petitioner responds that Patent Owner has not shown more than a mere possibility or allegation that something useful will be found. Opp. 4–12. Specifically, Petitioner argues that: 1) Petitioner’s alleged access to some of Patent Owner’s information does not show that Petitioner copied a specific product (*id.* at 4–6); 2) Petitioner’s press release does not show a long-felt but unmet need or failure by others (*id.* at 10–12); 3) Patent Owner fails to identify any novel aspects of the challenged claims (*id.* at 6–9, 11); and 4) Patent Owner fails to identify a nexus between any novel aspects of the challenged claims and the alleged copying, long-felt but unmet need, and failure by others (*id.*).

We are persuaded by Patent Owner’s assertions in the Motion that there is more than a mere possibility or allegation that something useful will be found regarding the objective indicia of nonobviousness. Petitioner’s arguments in the Opposition are directed to whether Patent Owner ultimately will prevail in showing any of the objective indicia of nonobviousness. However, we are not persuaded that Patent Owner must demonstrate that it will succeed on the merits in order to obtain additional discovery. Further,

IPR2017-01976 (Patent 8,837,465 B2)

IPR2017-01977 (Patent 8,755,376 B2)

Petitioner will have an opportunity to address the merits of Patent Owner's assertions regarding the objective indicia of nonobviousness in the reply to Patent Owner's response.

2. *Second Factor*

Petitioner argues that "Patent Owner's first request is worded such that producing documents would tend to lend credibility that the accused acts occurred, such as Petitioner purportedly gaining access to Patent Owner's information and then using it at all and in the first place." Opp. 9. Petitioner's argument is not persuasive. The second factor addresses whether the requesting party is attempting to alter the Board's trial procedures by requesting the other party's litigation positions under the pretext of additional discovery. *Garmin*, Case IPR2012-00001, slip op. at 6 (Paper 26). Here, Patent Owner requests Petitioner's documents, not Petitioner's litigation positions. Mot. 4. Further, as discussed above, Petitioner will have an opportunity to address the merits of Patent Owner's assertions regarding the objective indicia of nonobviousness in the reply to Patent Owner's response.

3. *Third Factor*

Petitioner argues that "Patent Owner's second request alleges that customers made requests and that those requests purportedly led to the development of Petitioner's products and services," but "because Patent Owner contends that its products embody the challenged patents, it could obtain customer requests on its own if they existed." Opp. 12. Petitioner's argument is not persuasive. The third factor addresses whether the requesting party can generate the requested information without the need for discovery. *Garmin*, Case IPR2012-00001, slip op. at 6 (Paper 26). Here,

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