

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS INC.,
Petitioners,

v.

DYNAMIC DATA TECHNOLOGIES, LLC,
Patent Owner.

Case IPR2019-01085
Patent 8,135,073 B1

Before PATRICK M. BOUCHER, MINN CHUNG, and NORMAN H.
BEAMER, *Administrative Patent Judges*.

BEAMER, *Administrative Patent Judge*.

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

INTRODUCTION

On September 24, 2019, a conference call was held among the parties and the Panel. A court reporter was not present on the conference call. The purpose of the conference call was to discuss Petitioner's request for authorization to file a Reply to Patent Owner's Preliminary Response (Paper 6).

This proceeding involves obviousness challenges to Shen United States Patent 8,135,073 ("the Shen patent"), filed December 12, 2003, and claiming priority based on a Provisional Application filed December 20, 2002. Paper 2, 7; Ex. 1001, [22], [60].

During the call, Petitioner sought authorization to respond to Patent Owner's contention that Pre-AIA 35 U.S.C. § 103(c)(1) disqualifies the use of Yang et al. United States Patent 6,873,657 (Ex. 1004, "the Yang patent") patent in Petitioner's obviousness challenges. Petitioner argued, *inter alia*, that Patent Owner's introduction of declaration testimony of the inventor of the Shen patent provides good cause for allowing its request.

During the call, Patent Owner argued that there is insufficient showing of good cause given that the issue of the prior art status of Yang was evident from public documents, including Petitioner's exhibits, and Petitioner failed to properly investigate the issue before filing its Petition.

ANALYSIS

A petitioner seeking leave to file a reply to a preliminary response must show good cause for filing a reply. 37 C.F.R. § 42.108(c). Here, to demonstrate good cause, Petitioner primarily relies on the fact that Patent Owner has submitted testimonial evidence in the form of the inventor's

declaration in support of Patent Owner's Section 103(c) disqualification of the Yang patent as prior art.

Pre-AIA Section 103(c)(1) provides:

Subject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the claimed invention was made, owned by the same person or subject to an obligation of assignment to the same person.

35 U.S.C. § 103(c)(1). The Yang patent was filed on December 27, 2001. Ex. 1004, [22]. Petitioner is offering the Yang patent as prior art pursuant to Section 102(e). At least at this point in the proceeding, the parties are treating “the time the claimed invention was made” as December 20, 2002, the filing date of the provisional application referenced in the Shen patent. Paper 2, 5 n. 1; Paper 6, 13–14. As of that date, the Yang patent was assigned to Koninklijke Philips Electronics N.V. (“Philips”). Paper 6, 19; Ex. 2002.

Therefore, the pertinent issue at hand is whether the Shen patent was also owned by, or subject to an obligation of assignment to, Philips as of December 20, 2002.¹ The earliest assignment on record for the Shen patent is signed February 26, 2004, recorded June 7, 2005, with Philips as assignee. Ex. 2006. In asserting that Shen had an obligation to assign the invention to Philips (or its subsidiaries) on December 20, 2002, Patent Owner relies on the inventor's declaration to that effect, along with other facts that, Patent

¹ As Patent Owner points out, ownership by, or obligation of assignment to, an entity sufficiently related to Philips also satisfies the requirements of Section 103(c). Paper 6, 31–33.

Owner argues, lead to an inference of such obligation. Paper 6, 19–30; Ex. 2004. However, Patent Owner has not provided an employment agreement executed to by Chen to that effect, although it has entered a 2002-era agreement by another into the record. *See* Ex. 2011.

When a patent owner submits declaration testimony with its preliminary response, “a genuine issue of material fact created by such testimonial evidence will be viewed in the light most favorable to the petitioner solely for purposes of deciding whether to institute an inter partes review.” 37 C.F.R. § 42.108(c). To fully explore whether a genuine issue of material fact is presented on this record, we determine that there is good cause at this juncture to permit limited additional briefing addressing Patent Owner’s evidence of Section 103(c) disqualification, including the inventor’s declaration. Petitioner could not have addressed this declaration in the Petition because it was not of public record.

ORDER

Accordingly, it is:

ORDERED that Petitioner may file a seven (7) page reply to Patent Owner’s Preliminary Response by October 9, 2019;

FURTHER ORDERED that Patent Owner may file a seven (7) page sur-reply to Petitioner’s reply by October 16, 2019; and

FURTHER ORDERED that no additional evidence shall be submitted with these papers, and no additional discovery is permitted at this time.

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