

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LEE SPECIALTIES, INC.,
Petitioner,

v.

FHE USA LLC,
Patent Owner.

IPR2019-01366
Patent 10,030,461 B2

Before JAMES A. TARTAL, MICHAEL L. WOODS, and
SEAN P. O'HANLON, *Administrative Patent Judges*.

O'HANLON, *Administrative Patent Judge*.

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

I. INTRODUCTION

A conference call in this proceeding was held on November 21, 2019, among counsel for Petitioner Lee Specialties, Inc. (Greg Webb), counsel for Patent Owner FHE USA LLC (Douglas Nemec), and Judges Tartal, Woods, and O’Hanlon. The purpose of the call was to address Petitioner’s request to file a Reply to the Preliminary Response to the Petition. During the conference call, we *granted* Petitioner’s request.

II. DISCUSSION

Our rules permit a petitioner to request a reply to a preliminary response; however, the request must make a showing of good cause. 37 C.F.R. § 42.108(c). During the conference call, Petitioner argued good cause exists to file a Reply to the Preliminary Response to address arguments raised therein regarding district court litigation¹ regarding the patent at issue in this *inter partes* review. Specifically, Petitioner indicated that it wished to present additional facts for the Board to consider when addressing Patent Owner’s arguments that the Board should exercise its discretion under 35 U.S.C. § 314(a) to deny institution in view of the district court litigation. Petitioner indicated that its Reply would be limited to this issue.

¹ *FHE USA LLC v. Lee Specialties, Inc.*, No. 5-18-cv-00715 (W.D. Tex. filed July 12, 2018) and *FHE USA LLC v. Express Supply & Rental LLC*, No. 6-18-cv-00913 (W.D. La. filed July 12, 2018) (collectively, “the district court litigation”).

Patent Owner argued that Petitioner did not make a good cause showing at least because Petitioner could have, but did not, present arguments in the Petition regarding the district court litigation.

Having considered Petitioner's and Patent Owner's contentions, and as we indicated during the conference call, we determine good cause exists supporting Petitioner's request to file a Reply to Patent Owner's Preliminary Response, limited to addressing the issues identified above. We also determine good cause exists for Patent Owner to file a Sur-Reply to Petitioner's Reply. As discussed during the call, Petitioner's Reply is limited to eight pages and is due by November 29, 2019, and Patent Owner's Sur-Reply is limited to eight pages and is due by December 6, 2019.

III. ORDER

Accordingly, it is:

ORDERED that Petitioner's request for leave to file a Reply to Patent Owner's Preliminary Response is *granted*;

FURTHER ORDERED that Petitioner's Reply is limited to eight pages, must be filed by Friday, November, 29, 2019, and may only respond to issues raised in Patent Owner's Preliminary Response regarding the district court litigation;

FURTHER ORDERED that Patent Owner may file a Sur-Reply to Petitioner's Reply; and

FURTHER ORDERED that the Sur-Reply is limited to eight pages, must be filed by Friday, December 6, 2019, and may only respond to issues raised in Petitioner's Reply.

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