

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MACRONIX INTERNATIONAL CO., LTD., MACRONIX  
ASIA LIMITED, MACRONIX (HONG KONG) CO., LTD.,  
and MACRONIX AMERICA, INC.,  
Petitioner,

v.

SPANSION LLC,  
Patent Owner.

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Case IPR2014-00105  
Patent 6,731,536 B1

Before DEBRA K. STEPHENS, JUSTIN T. ARBES, and  
RICHARD E. RICE, *Administrative Patent Judges*.

STEPHENS, *Administrative Patent Judge*.

DECISION  
Patent Owner's Motion to Seal  
*37 C.F.R. §§ 42.14 and 42.54*

Spancion LLC (“Patent Owner”) filed an unopposed motion to seal portions of Patent Owner’s Response (Paper 24, unredacted; Paper 25, redacted), the Declaration of Sanjay Banerjee, Ph. D. (Ex. 2005), and Exhibits 2010-2021 (collectively, “Proposed Exhibits”). Paper 27. Patent Owner filed with the motion, a proposed protective order agreed to by the parties (Ex. 2007), a redline version (Ex. 2032) showing the changes between the parties’ proposed protective order and the Board’s default protective order, and an alternative proposed protective order (Ex. 2033) removing some of the changes from the original version.<sup>1</sup>

## I. BACKGROUND

Patent Owner indicates in the co-pending ITC proceeding<sup>2</sup> between Patent Owner and Macronix International Co., Ltd., Macronix Asia Limited, Macronix (Hong Kong) Co., Ltd., and Macronix America, Inc. (collectively “Petitioner”), Petitioner produced twelve “Confidential” documents to Patent Owner under a Protective Order entered in the proceeding. Paper 27, 2; Ex. 2006. Petitioner agreed to produce portions of these documents labeled “Confidential Business Information” (the Proposed Exhibits) to Patent Owner in this *inter partes* review under an agreed-upon protective order (Ex. 2007). *Id.* Patent Owner cites to these Proposed Exhibits in

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<sup>1</sup> Patent Owner’s original motion (Paper 26) was insufficient, as it did not explain how the parties’ proposed protective order differs from the Board’s default protective order. Patent Owner subsequently re-filed its motion (Paper 27).

<sup>2</sup> *In re Flash Memory Chips and Products Containing Same*, Inv. No. 337-TA-893, filed August 1, 2013, before the U.S. International Trade Commission (“ITC Proceeding”).

Patent Owner's Response (Paper 9) and the Declaration of Sanjay Banerjee,  
Ph.D. (Ex. 2005). *Id.*

The Proposed Exhibits include:

<b>Exhibit</b>	<b>Good Cause for Filing Under Seal</b>
2010	[MX89300003191] - Internal product proposal containing highly confidential and proprietary technical and business information.
2011	[MX89300004751] – Internal target specification containing highly confidential and proprietary technical information.
2012	[MX89300010735] – Internal design report containing highly confidential and proprietary technical information.
2013	[MX89300010962] – Internal design report containing highly confidential and proprietary technical information.
2014	[MX89300285157] – Internal document containing highly confidential and proprietary technical information.
2015	[MX89300286696] – Internal presentation containing highly confidential and proprietary technical information.
2016	[MX89300291288] – Internal spreadsheet containing highly confidential and proprietary technical information.
2017	[MX89300345872] – Internal presentation containing highly confidential and proprietary technical information.
2018	[MX89300345889] – Internal presentation containing highly confidential and proprietary technical information.
2019	[MX89300358571] – Internal presentation containing highly confidential and proprietary technical information.
2020	[MX89300339814] – Internal document containing highly confidential and proprietary technical information.
2021	[MX89300340482] – Internal document containing highly confidential and proprietary technical information.

Paper 27 at 4–5.

## II. DISCUSSION AND CONCLUSION

There is a strong public policy in favor of making information filed in an *inter partes* review open to the public, especially because the proceeding

determines the patentability of claims in an issued patent and, therefore, affects the rights of the public. Under 35 U.S.C. § 316(a)(1) and 37 C.F.R. § 42.14, the default rule is that all papers filed in an *inter partes* review are open and available for access by the public; a party, however, may file a concurrent motion to seal and the information at issue is sealed pending the outcome of the motion. It is, however, only “confidential information” that is protected from disclosure. 35 U.S.C. § 316(a)(7). In that regard, the Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,760 (Aug. 14, 2012) provides:

The rules aim to strike a balance between the public’s interest in maintaining a complete and understandable file history and the parties’ interest in protecting truly sensitive information.

. . . .

*Confidential Information:* The rules identify confidential information in a manner consistent with Federal Rule of Civil Procedure 26(c)(1)(G), which provides for protective orders for trade secret or other confidential research, development, or commercial information. § 42.54.

The standard for granting a motion to seal is “for good cause.” 37 C.F.R. § 42.54(a). Patent Owner, as movant, bears the burden of proof in showing entitlement to the requested relief (*see* 37 C.F.R. § 42.20(c)) – Patent Owner must explain why the information sought to be sealed constitutes confidential information.

Both Patent Owner and Petitioner are in agreement in requesting that the Proposed Exhibits and portions of the Patent Owner’s Response and Declaration of Sanjay Banerjee which refer to information in the Proposed Exhibits be sealed. *See* Ex. 2006, 2007. Patent Owner restates Petitioner’s position that the Proposed Exhibits are internal documents of Petitioner

containing highly confidential and proprietary technical information. Ex. 2007. We have reviewed the Proposed Exhibits and determine, at this juncture, based on the record before us, the documents contain confidential and proprietary technical information pertaining to Petitioner's business. We further determine each of Patent Owner's Response (Paper 25) and Declaration of Sanjay Banerjee, Ph.D. (Ex. 2005) is redacted in sections referring to specific confidential information from the Proposed Exhibits.

Accordingly, we are persuaded the materials sought to be sealed should continue to be treated as "PROTECTIVE ORDER MATERIAL."

With respect to the terms of the submitted Protective Order (Ex. 2007), we determine the following.

We are persuaded by the arguments in the Motion to Seal and determine that proposed changes 1-4 and 6-8 to the Board's default protective order are acceptable under the circumstances. Paper 27, 6-8; *see also* Ex. 2032, 1-3 (illustrating the specific suggested changes).

With respect to requested changes 5, 10, and 11 (Paper 27, 7-8; Ex. 2032, 2, 4-5), as no reason for these changes has been given, we are not persuaded that the changes are necessary.

With respect to requested change 9, no justification is given aside from "for clarity purposes." Paper 27, 8; *see also* Ex. 2032, 4 (illustrating the requested change). We are not persuaded the change is necessary.

Lastly, with respect to change 12, Patent Owner has not proffered sufficient justification for making the change. Paper 27, 8; *see also* Ex. 2032, 5 (illustrating the proposed change). Instead, Patent Owner only has indicated Petitioner "*wishes* for the protective order to be subject to the jurisdiction of the Northern District of California, which is home to a

pending action between the parties involving the same patent at issue in this IPR.” *Id.* (emphasis added). We determine Patent Owner has not proffered sufficient justification for this change.

Therefore, we accept proposed changes 1-4 and 6-8 and deny changes 5 and 9-12.

**We conditionally grant the Motion to Seal contingent on the parties submitting a new, signed Protective Order, which is revised in accordance with our determination set forth above, within five (5) business days of the entry date of this Decision.** If the new Protective Order is not received within the five (5) business days, this grant will be revoked.

Furthermore, the Motion to Seal is conditionally granted for the duration of this proceeding. If the final written decision substantively relies on any information in a sealed document, the document will be unsealed by an Order of the Board. If no information of a sealed document is substantively relied on in the final written decision, the document may be expunged from the record by an Order of the Board.

### III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner’s original motion to seal (Paper 26) is *dismissed*;

FURTHER ORDERED that Patent Owner’s re-filed motion to seal (Paper 27) is *granted*;

FURTHER ORDERED that the parties may file a new Protective Order, consistent with this decision and signed by counsel for both parties, within five (5) business days of the entry date of this Decision;

FURTHER ORDERED that, if and when filed, the new Protective Order shall govern the treatment and filing of confidential information in this proceeding;

FURTHER ORDERED that the copies of Exhibits 2010-2021 shall remain under seal in their entirety; and

FURTHER ORDERED that the redacted copies of Patent Owner's Response (Paper 25) and Declaration of Sanjay Banerjee, Ph. D. (Ex. 2005) be entered.

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