

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ADOBE SYSTEMS INCORPORATED
and
LEVEL 3 COMMUNICATIONS, LLC,
Petitioners,

v.

AFLUO, LLC,
Patent Owner.

Case IPR2014-00153
Case IPR2014-00154
Patent 5,995,091¹

Before MICHAEL W. KIM, WILLIAM V. SAINDON, and
TINA E. HULSE, *Administrative Patent Judges*.

HULSE, *Administrative Patent Judge*.

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

¹ This order addresses issues that apply to both cases. We, therefore, exercise our discretion to issue a single order to be entered in each case. The parties, however, are not authorized to use this style heading.

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A conference call was held on September 17, 2014, among Christopher Kelley, counsel for Adobe Systems Incorporated and Level 3 Communications, LLC (“Petitioners”), Lori Gordon, counsel for Afluo, LLC (“Patent Owner”), and Judges Kim, Saindon, and Hulse. Patent Owner requested the conference call to seek authorization to file a motion to strike portions of Petitioners’ Reply and the accompanying declaration testimony in each proceeding.

Specifically, Patent Owner asserted that Petitioners raised new issues and evidence in the Reply that Petitioners could have presented in the Petition. For example, Patent Owner contended that Petitioners raised new issues regarding the Azadegan reference that should have been included as part of the prima facie case set forth in the Petition. Patent Owner also argued that it should be permitted to file a motion to strike as a matter of fundamental fairness, because it does not have an opportunity to respond to the new issues raised by the Reply. In response, Petitioners asserted that the arguments regarding Azadegan were not new, that they were raised in the Petition, and that Patent Owner had notice of these alleged new issues.

Upon considering both parties’ arguments, the panel denied Patent Owner’s request for authorization to file a motion to strike. We explained that, generally speaking, as long as the Reply is in response to arguments raised in the Patent Owner’s response, then it is within the proper scope of a Reply. 37 C.F.R. § 42.23. Moreover, we explained that the panel can determine for itself whether the Reply raises new issues or evidence that should have been submitted with the Petition, and can discount any such arguments accordingly. Indeed, Patent Owner agreed that there was nothing

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particular about this case that would prevent the panel from making that determination.

We further explained that Patent Owner can file a motion for observations after the cross-examination of the declarant, and that it can note during the oral hearing which arguments and evidence it believes are new. In doing so, Patent Owner can create a record and notify the panel of the alleged new issues and evidence. While reviewing the parties' papers and preparing the final written decision, we can consider Patent Owner's assertions (and any response by Petitioners) and determine what weight, if any, to give the alleged new arguments and evidence.

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's request for authorization to file a motion to strike portions of Petitioners' Reply and the accompanying declaration is DENIED.

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