

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner,  
v.  
SMARTFLASH LLC,  
Patent Owner.

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Cases

CBM2014-00102 (Patent 8,118,221 B2)<sup>1</sup>  
CBM2014-00106 (Patent 8,033,458 B2)  
CBM2014-00108 (Patent 8,061,598 B2)  
CBM2014-00112 (Patent 7,942,317 B2)

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Before JENNIFER S. BISK, RAMA G. ELLURU,  
JEREMY M. PLENZLER, and MATTHEW R. CLEMENTS,  
*Administrative Patent Judges.*

CLEMENTS, *Administrative Patent Judge.*

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

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<sup>1</sup> This order addresses issues that are the same in all identified cases. We exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in subsequent papers.

CBM2014-00102 (Patent 8,118,221 B2)  
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On December 11, 2014, a conference call was held between counsel for Petitioner, counsel for Patent Owner, and Judges Bisk and Clements. Petitioner requested the call during the deposition of its expert, Mr. Anthony J. Wechselberger, because it objected to the scope of questioning by Patent Owner's counsel.

Specifically, Petitioner asked the Board to order Patent Owner to not ask questions involving the operation of Petitioner's products. Petitioner argued that (1) the operation of Petitioner's products is outside the scope of these proceedings; (2) Mr. Wechselberger has not opined on the operation of Petitioner's products in these proceedings; and (3) secondary considerations is not yet an issue in this proceeding.

Patent Owner argued that it is entitled to inquire into the operation of Petitioner's products because (1) it believes they embody the claims challenged in this proceeding; (2) Mr. Wechselberger has submitted in the co-pending litigation expert reports opining on Petitioner's products; and (3) the operation of Petitioner's products is relevant to the commercial success of Patent Owner's patents, as Patent Owner intends to argue in its Patent Owner Response.

“For cross-examination testimony, the scope of the examination is limited to the scope of the direct testimony.” 37 C.F.R. 53(d)(5)(ii). Here, Mr. Wechselberger's direct testimony is in the form of a declaration filed with the Petition. The parties are reminded that the Testimony Guidelines appended to the Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,772 (Aug. 14, 2012) (Appendix D), also apply to this proceeding. The Board may impose an appropriate sanction for abuse of discovery, including

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failure to adhere to the Board's rules governing taking testimony and the Testimony Guidelines. 37 C.F.R. § 42.12. For example, reasonable expenses and attorneys' fees incurred by any party may be levied on a person who impedes, delays, or frustrates the fair examination of a witness.

We declined to order Patent Owner's counsel to cease its questioning with respect to the operation of Petitioner's products. As we explained during the call, however, the Board is extremely reluctant to broaden the scope of the instant proceedings significantly and delay the trial schedule by permitting discovery into the operation of Petitioner's products. In order to be relevant to our analysis of commercial success, the discovery would require a trial within a trial on the issue of infringement, with associated evidence, arguments, and (potentially) declarants from Patent Owner, and then the same from Petitioner in response. This is contrary to the goal of covered business method review to be an efficient, streamlined alternative to litigation, completed within one year of institution. *See* 35 U.S.C. § 326(a)(11). With these issues in mind, we denied Patent Owner's request for authorization to file a Motion for Additional Discovery on Petitioner's products. CBM2014-00102, Paper 14.<sup>2</sup> Patent Owner now attempts to elicit information through deposition that was denied to it as additional discovery.

In view of the foregoing, we authorize Petitioner to file a Motion to Strike in which Petitioner should identify questions and answers in the transcript of the deposition, and explain why those questions are outside the proper scope of this proceeding. As we explained during the call, if we are

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<sup>2</sup> CBM2014-00102 is representative. An identical Order was filed in CBM2014-00106, CBM2014-00108, and CBM2014-00112.

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persuaded that Patent Owner's counsel sought information outside the proper scope of this proceeding, sanctions may include striking the questions and answers that are not relevant, and ordering Patent Owner to pay the costs associated with the deposition.

#### ORDER

Accordingly, it is

ORDERED that Petitioner is authorized to file a Motion to Strike; and  
FURTHER ORDERED that Petitioner is authorized to file the deposition transcript of Mr. Wechselberger as confidential, accompanied by a public, redacted, version of the transcript, and a motion to seal (37 C.F.R. § 42.14) containing a proposed protective order (37 C.F.R. § 42.54).

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