

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VOLUSION, INC.
Petitioner

v.

VERSATA SOFTWARE, INC. and
VERSATA DEVELOPMENT GROUP, INC.
Patent Owner

CBM2013-00018
Patent 7,426,481

Before HOWARD B. BLANKENSHIP and KEVIN F. TURNER,
Administrative Patent Judges.

TURNER, *Administrative Patent Judge.*

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

On April 3, 2014, a conference call was held between counsel for the respective parties and Judges Blankenship and Turner. The call was requested by Patent Owner to seek authorization to file a revised motion to amend. Patent Owner's motion to amend (Paper 19) was filed on January 9, 2014. Petitioner filed an opposition (Paper 28) on March 19, 2014.

Patent Owner stated that its revised motion to amend would only change proposed substitute claims 74, 75, and 76 to correct inadvertent errors. With respect to substitute claim 74, Patent Owner acknowledges that the limitation "product," (Paper 19 at 2:9), should not have been underlined, indicating an addition to language of claim 1, and that limitation "the," *id.* at 4:14, was added immediately preceding the limitation "two different types of product identification" but was not underlined to indicate an addition to claim 26. Lastly, Patent Owner indicates that the limitation "in the memory" was omitted between the recitations of "product" and "based" in claim 76. *Id.* at 6:7. Patent Owner argues that the changes to the substitute claims would not substantially change the claims, and indicated that good cause existed to allow the changes to be made.

Petitioner argues that no good cause existed for the changes to be made, and that the last change, to claim 76, would alter the scope of the claim, where the lack of the limitation found in claim 50, being made to substitute claim 76 would impermissibly broaden that claim. However, as pointed out by Patent Owner, Petitioner's opposition made no mention of this broadening. Petitioner also argued that allowing Patent Owner to cure the defects raised by Petitioner in their opposition would create a disincentive for other petitioners to note such

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deficiencies. However, the Board indicated on the conference call that allowing for minor revisions would allow for a reduction in the number of issues to be considered with respect to the motion to amend. Lastly, Petitioner indicated that the changes to the claim could possibly delay the deposition of Petitioner's expert to allow for supplemental declaration. Upon further discussion, it appears that schedule would not need to be adjusted if Patent Owner is allowed to make its additional motion to amend.

A patent owner in a covered business method patent review is permitted one motion to amend. 37 C.F.R. § 42.221(a). An additional motion to amend may be authorized by the Board, but only when "there is a good cause showing or a joint request of the petitioner and the patent owner to materially advance a settlement." 37 C.F.R. § 42.221(c). Factors that the Board considers in determining whether to authorize an additional motion to amend include "whether a petitioner has submitted supplemental information after the time period set for filing a motion to amend," "the time remaining for the trial, the degree to which the additional evidence impacts the patentability of the claims being sought to be amended, and whether the additional evidence was known to the patent owner before the time period [for filing the motion to amend]." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,766 (Aug. 14, 2012).

Under the particular factual circumstances of this case, we are persuaded that good cause exists for permitting Patent Owner to revise its proposed substitute claims. Patent Owner's proposed revisions are limited to making changes to the claims such that the new proposed claims underlined, or failed to underline, aspects

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of the claims added or not added, and left out a phrase that was contained in the claim for which the new claim was being substituted.

While Petitioner argued during the call that the last change, to substitute claim 76, would substantively change that claim, we are persuaded that the omission from claim 50 to claim 76 was inadvertent. We are not persuaded, however, that argument from Patent Owner is warranted under the circumstances. Again, Patent Owner's contention is that the changes are non-substantive, which requires no further explanation. We also note that Patent Owner delayed in seeking its requested relief until April 1, 2014—after briefing on the original motion to amend was completed and well after Petitioner raised the issues in its opposition on March 19, 2014. See Paper 28 at 9-10. Patent Owner is permitted to file a supplemental paper listing its proposed substitute claims with the changes discussed during the call. The supplemental paper may not include any argument regarding the revised claims.

Petitioner's opposition pertained to Patent Owner's original proposed substitute claims. Should Patent Owner file a supplemental paper revising the claims as discussed, Petitioner may file a supplemental opposition directed to the revised proposed substitute claims. No reply from Patent Owner is authorized. All arguments presented by the parties in the original motion to amend and opposition (Papers 19 and 28) will be considered as if based on the revised proposed substitute claims in Patent Owner's supplemental paper, and any reply to the opposition filed by Patent Owner will also only address the revised proposed substitute claims in Patent Owner's supplemental paper.

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In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner is authorized to file a supplemental paper, under the terms set forth above, by April 7, 2014; and

FURTHER ORDERED that Petitioner is authorized to file a supplemental opposition, limited to five pages, by April 11, 2014.

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