

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SCHOTT GEMTRON CORPORATION,
Petitioner,

v.

SSW HOLDING COMPANY, INC.,
Patent Owner.

Case IPR2014-00367
Patent 8,286,561 B2

Before JUSTIN T. ARBES, PHILIP J. HOFFMANN, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

ARBES, *Administrative Patent Judge*.

ORDER

Conduct of the Proceeding
Patent Owner's Motion to Seal
37 C.F.R. §§ 42.5, 42.14, and 42.54

A conference call in the above proceeding was held on January 15, 2015, among respective counsel for Petitioner and Patent Owner, and Judges Arbes, Hoffmann, and Braden. The call was requested by Patent Owner to seek authorization to file certain exhibits that were filed in related Case IPR2013-00358 (“the -358 Case”) involving the same challenged patent, but not filed in this proceeding. During the call, we also discussed Patent Owner’s “corrected” Response (Paper 43). Finally, we decide herein Patent Owner’s pending motion to seal (Paper 47, “Mot.”).

Exhibits

Patent Owner stated during the call that it mistakenly failed to file Exhibits 2004, 2014–2016, 2018, 2022–2025, 2050, and 2051 with its Response on September 5, 2014. According to Patent Owner, the materials were filed in the -358 Case to support Patent Owner’s assertion of commercial success as a secondary consideration of non-obviousness, and include, for example, declarations from Bradley M. Nall, Richard Bruce Mills, and Paul Saunders submitted in the prior proceeding, news articles, and advertising materials. Patent Owner argued that Petitioner should have been aware of the materials by virtue of the prior proceeding and because the exhibits were listed on Patent Owner’s exhibit list and cited in the Response. *See* Paper 28, v–xi, 25–26, 28, 32–34.

Petitioner responded that it would be prejudiced significantly if the exhibits were to be filed now because Petitioner filed its Reply (Paper 44, unredacted; Paper 45, redacted) and Motion to Exclude (Paper 50) based on the existing record at the time, i.e., only those exhibits that had been filed in this proceeding. Petitioner further argued that it did not question Mr. Nall

and Mr. Mills about the unfiled exhibits during their depositions in this proceeding because the materials were not part of the record. We took the matter under advisement.

After considering the parties' arguments further, we do not authorize Patent Owner to file the exhibits. Petitioner cross-examined certain witnesses, and filed its Reply and Motion to Exclude, in reliance on what evidence Patent Owner actually filed in this proceeding. *See* 37 C.F.R. §§ 42.6(c) (“[e]ach exhibit must be filed with the first document in which it is cited”), 42.63(a) (“All evidence must be filed in the form of an exhibit.”). Adding new evidence to the record at this point in the proceeding, when Petitioner already has filed its responsive papers, would unduly prejudice Petitioner. Further, although this proceeding involves the same challenged patent as the -358 Case, the evidence and arguments presented by the parties are not identical. Thus, we are not persuaded by Patent Owner's position that Petitioner should have responded to exhibits that were not made of record in this proceeding simply because they were filed in the prior proceeding or listed on Patent Owner's exhibit list.¹

Patent Owner's delay in seeking relief also weighs against granting its request. Petitioner argued in its Reply, filed on December 19, 2014, that “[t]he Board should disregard any arguments that rely on non-record evidence that Patent Owner cited from the first IPR, but did not file in this proceeding,” citing the exhibit numbers at issue. Paper 45, 11 n.1. Thus, Patent Owner was aware of the issue at least as early as December 19, 2014,

¹ We note that Exhibits 2001–2003, 2064, and 2069–2075 also were listed on Patent Owner's exhibit list, *see* Paper 28, v–xi, but not filed in this proceeding. Patent Owner does not seek authorization to file those exhibits.

but did not request a conference call until January 13, 2015—after the deadline for filing motions to exclude and less than a month before the oral hearing. Given the potential prejudice to Petitioner, Patent Owner’s delay in seeking relief, and the late stage of this proceeding, we are not persuaded that adding the exhibits to the record is justified.

Patent Owner’s Response

Patent Owner originally filed redacted and unredacted versions of its Response (Papers 26 and 27) along with a motion to seal, but subsequently withdrew its request to seal the Response and filed a non-confidential version (Paper 28). We expunged the original versions of the Response. *See* Paper 32, 5.

On December 19, 2014, Patent Owner filed a “corrected” Response (Paper 43) along with an “errata” (Paper 42) stating that the newly filed version corrects three typographical errors on the first page of the Response where the words “broader” and “narrower” mistakenly were interchanged. The “corrected” Response includes both the original first page and the corrected first page. Petitioner subsequently filed its Reply on the same day (Paper 44, unredacted; Paper 45, redacted).

As explained during the call, the Board’s rules do not provide for automatically correcting a paper filed by a party via an errata sheet. The proper course of action for Patent Owner, upon discovering the error, was to seek authorization to file a motion to file a corrected Response. *See* 37 C.F.R. § 42.20. Nevertheless, after reviewing the remainder of Patent Owner’s Response and Petitioner’s Reply, we determine that the interchanging of “broader” and “narrower” on the first page of the Response

was merely a typographical error and that Patent Owner's underlying argument was clear. Accordingly, we see no prejudice to Petitioner in permitting the change. Patent Owner's "corrected" Response will be entered, the original version will be expunged, and Patent Owner's purported "errata" will be considered part of the Response. *See* 37 C.F.R. § 42.5(a). We advise the parties to follow the correct procedures when filing future papers.

Patent Owner's Motion to Seal

After receiving authorization to do so by email on December 19, 2014, Patent Owner filed a motion to seal the following documents in this proceeding:

- (1) executed copies of two agreements (Exhibits 1122 and 1123) that previously were filed under seal in the -358 Case;
- (2) deposition transcripts of Mr. Nall and John P. Driver from the -358 Case (Exhibits 1124 and 1125, unredacted; Exhibits 1126 and 1127, redacted), previously filed under seal in that proceeding, that "include testimony regarding the contents of [the two agreements], as well as testimony regarding [Patent Owner's] customer names and highly confidential . . . business plans and strategies";
- (3) deposition transcripts of Mr. Nall and Mr. Driver from this proceeding (Exhibits 1142 and 1143, unredacted; Exhibits 1139 and 1141, redacted) that include the same allegedly confidential information; and
- (4) Petitioner's Reply (Paper 44, unredacted; Paper 45, redacted), which discusses the agreements.

Mot. 1–4. Patent Owner states that the parties have agreed to treat the materials as "Highly Confidential–Protective Order Material" under the

terms of the protective order previously entered in this proceeding, which is the same as the protective order entered in the -358 Case. *Id.* at 2–3; *see* Paper 32, 5 (entering the protective order filed as Exhibit 1113).

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, and must explain why the information sought to be sealed constitutes confidential information. *See* 35 U.S.C. § 316(a)(7); 37 C.F.R. § 42.20(c); Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,760 (Aug. 14, 2012). For the same reasons explained in the -358 Case, we are persuaded that good cause exists to seal the requested materials. *See* IPR2013-00358, Paper 97, 2–6. We also note that the redacted portions of the materials appear to be tailored narrowly to only confidential information.

The motion to seal will be 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 any sealed document contains no information substantively relied on in the final written decision, the document may be expunged from the record by an Order of the Board.

Finally, Patent Owner requests that it be allowed to provide modified redacted copies of the sealed materials if any particular portion is substantively relied on in the final written decision in this proceeding. Mot. 2–3. As in the -358 Case, we conclude that the request is premature because we have not yet made that determination. We will take into account Patent Owner’s request, and Patent Owner’s arguments regarding the confidential

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nature of the documents, in preparing the final written decision. *See* IPR2013-00358, Paper 97, 5–6.

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner’s request to file Exhibits 2004, 2014–2016, 2018, 2022–2025, 2050, and 2051 is *denied*;

FURTHER ORDERED that Papers 42 and 43 are entered, and Paper 28 is expunged from the record of this proceeding;

FURTHER ORDERED that Patent Owner’s motion to seal (Paper 47) is *conditionally granted*;

FURTHER ORDERED that Paper 44, and Exhibits 1122–1125, 1142, and 1143, shall remain under seal in their entirety as “Board Only” in the Patent Review Processing System (PRPS), and will be kept under seal unless and until we refer to material in the papers or exhibits in a final written decision; and

FURTHER ORDERED that redacted Paper 45, and redacted Exhibits 1126, 1127, 1139, and 1141, are entered.

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