

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FLIR SYSTEMS, INC.,
Petitioner,

v.

LEAK SURVEYS, INC.,
Patent Owner.

Case IPR2014-00411 (Patent 8,426,813 B2)
Case IPR2014-00434 (Patent 8,193,496 B2)

Before FRED E. McKELVEY, JAMES T. MOORE, and
TREVOR M. JEFFERSON, *Administrative Patent Judges*.

McKELVEY, *Administrative Patent Judge*.

POST CONFERENCE CALL ORDER
Conduct of Proceedings
37 C.F.R. § 42.5

I. Background—First Conference Call

A first conference call was held on 20 January 2015 at approximately 1:00 p.m. (EST).

The conference call was recorded and a transcript has been made of record. Ex. 2043.

The conference call transcript reveals that cross-examination of various witnesses was discussed.

At the request of the Board, Patent Owner Leak Surveys, Inc., also has filed the following evidence:

Exhibit	Description
2044	Part 1 of deposition transcript of cross-examination of Roy Malmberg of 15 January 2015
2045	Deposition transcript of cross-examination of Dr. John Graff on 16 January 2015
2046	Deposition transcript of cross-examination of Austin Richards on 15 January 2015
2047	Part 2 of deposition transcript of cross-examination of Roy Malmberg on 15 January 2015
2048	Part 3 of deposition transcript of cross-examination of Roy Malmberg on 15 January 2015

Patent Owner raised several questions during the conference call.

First, and based on at least the cross-examination of Mr. Roy Malmberg, Patent Owner suggested that the authenticity as prior art has not been established for a Brochure (Ex. 1007) and a User Guide (Ex. 1011). The Brochure and User Guide are relied upon by Petitioner FLIR Systems, Inc., in support of obviousness.

Second, Patent Owner suggested that inappropriate witness coaching may have occurred after cross-examination and before re-direct. Counsel for Petitioner agreed that certain unexpected testimony came to light during

cross-examination of Mr. Malmberg. After, the conclusion of cross-examination, a recess was taken and off-the-record discussions took place between counsel for Petitioner and Mr. Malmberg. According to counsel for Patent Owner, the witness on redirect made an attempt to overcome, and possibly explain away, the unexpected testimony. Based on these and other events, counsel for Patent Owner suggested that sanctions might be appropriate.

We took the matter under advisement at the conclusion of the first conference call. Ex. 2043, page 24:1-5.

II. Analysis—First Conference Call

A.

The authenticity of the Brochure and User Guide are issues which can be addressed in a Motion to Exclude. 37 C.F.R. § 42.64(c).

To the extent that Patent Owner believes inappropriate witness coaching may have taken place during the recess between cross-examination and re-direct examination, the coaching may be addressed by:

- (1) a Motion to Exclude all or a portion (e.g., the redirect testimony of Mr. Malmberg) and, assuming the motion is denied,
- (2) an argument as to the weight, if any, to be given the direct and cross-examination testimony of Mr. Malmberg on the issue of authenticity of the Brochure and User Guide.

B. Sanctions

Upon review of the discussion during the conference call, we believe a motion for sanctions is not appropriate, or necessary.

Patent Owner can obtain complete relief if it is successful in excluding from evidence the Brochure and User Guide, or is successful in convincing the Board that no weight should be given to the Brochure and User Guide.

The Patent Owner also succeeds if it prevails on obviousness.

Based upon the facts as presented to us, we see no need to entertain a motion for sanctions which will involve expenditure of resources of the parties and has little chance of success. 37 C.F.R. § 42.1(b).

A motion for sanctions is not authorized.

III. Background—Second Conference Call

A second conference call was held on 2 February 2015 at approximately 1:00 p.m. (EST).

The principal purpose of the conference call was based on a request by Petitioner for leave to file supplemental information. 37 C.F.R. § 42.123(b).

After a conference call was requested, and at the request of the Board, the supplemental information was submitted to the Board as an attachment to an email. The supplemental information is a further declaration of Mr. Roy Malmberg.

A copy of a transcript of the second conference call has been made of record. Ex. 2049.

As discussion during the second conference call reveals, Petitioner sought an *inter partes* review trial based on a Brochure (Ex. 1007) and a User Guide (Ex. 1011), both mentioned earlier.

To authenticate the Brochure and User Guide, Petitioner relied on declaration testimony of Mr. Roy Malmberg. Ex. 1016.

An *inter partes* review trial was instituted.

Thereafter, Patent Owner timely objected to the admissibility of the Brochure and User Guide, principally on grounds of a lack of authentication. 37 C.F.R. § 42.64(b)(1).

Petitioner, as the rules authorize, served supplemental evidence. 37 C.F.R. § 42.64(b)(2).

Patent Owner then cross-examined Mr. Malmberg. Ex. 2044, Ex. 2047, and Ex. 2048.

As noted earlier, after cross was concluded a recess was taken which we are told lasted about 30 minutes.

Redirect then took place.

Patent Owner believes that inappropriate witness coaching may have taken place during the recess, because in Patent Owner's opinion Mr. Malmberg was able to address cross testimony which even Petitioner's counsel concedes was unexpected.

Attempts to obtain further testimony by Petitioner on the nature of any conversations taking place during the recess were not allowed by Patent Owner, principally on privilege grounds.

At the deposition, Petitioner did not place a call to the Board seeking a ruling on whether further testimony concerning the recess discussions could take place.

Patent Owner, in both the first and second conference calls, in essence now seeks leave to obtain further information concerning the off-the-record recess discussions.

IV. Analysis—Second Conference Call

A. Petitioner’s Request

We deny Petitioner’s request for leave to file a motion to rely on supplemental information.

As expressed during the conference call, the normal procedure is for evidence to be served followed by cross-examination.

Redirect is permitted.

However, if a patent owner is surprised by cross-examination testimony of its witness and after conclusion of the deposition wants to supplement the cross testimony via a declaration, it follows that a petitioner should be allowed to cross-examine.

One can immediately appreciate that there could be no end to relying on supplemental information followed by cross-examination.

There will come a time when Patent Owner files its merits response. 37 C.F.R. § 42.120(a).

In that merits response (also called an “opposition”), Patent Owner, if it be so advised, may discuss the weight to be given Petitioner’s evidence related to the authenticity of the Brochure and User Guide.

Petitioner then has an opportunity to file a reply.

Likewise, Patent Owner, if it be so advised, may file a motion to exclude to test the admissibility of (not the weight to be given to—which should be set on in the merits response) the Brochure and User Guide.

The matter would then be before a panel for entry of a final written decision.

The request for leave to file a motion to rely on supplemental information is *denied*.

B. Patent Owner's Concerns

In general, there are problems associated with off-the-record discussions between counsel for a party and a witness testifying on behalf of a party taking place during any recess after conclusion of cross-examination and before any redirect. If redirect takes place immediately follow cross-examination, there is no recess and therefore there probably can be no inappropriate witness coaching.

There are inherent difficulties for an opponent to uncover the nature of any conversation during a recess. As a result, when recess conversations occur a party runs a risk that the Board may find that there was witness coaching and may exclude or give little, or no, weight to the testimony of a coached witness.

If a recess is requested and a party believes a recess is not appropriate, a conference call may be placed to the Board for a determination of whether a recess should occur and, if a recess is authorized, the conditions under which the recess is to occur.

In our view, any possibility of developing further information or evidence relating to what occurred during Petitioner's off-the-record recess conference with the deponent was waived when the Patent Owner did not seek the assistance of the Board when Petitioner declined to permit its witness to answer Patent Owner's questions during the deposition.

Developing further information and/or evidence at this time suffers from essentially the same objection as Petitioner's request for leave to rely on supplemental information.

If further information or evidence were to be authorized at this time, Petitioner would need an opportunity to respond.

Our concern in both instances is: When would it end?

ORDER

Upon consideration of the requests made during the conference calls, and for the reasons given, it is

ORDERED that Petitioner's request to file a motion to rely on supplemental information is *denied*.

FURTHER ORDERED that Patent Owner's request to file a motion seeking sanctions is *denied*.

FURTHER ORDERED that all other requests for relief made by the parties made during the conference calls are *denied*.

IPR2014-00411, -00434
Patents 8,426,813 B2 and 8,193,496 B2

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