

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RPX CORPORATION
Petitioner

v.

APPLICATIONS IN INTERNET TIME, LLC
Patent Owner

Case IPR2015-01750
Patent 8,484,111 B2

Case IPR2015-01751
Case IPR2015-01752
Patent 7,356,482 B2¹

Before MITCHELL G. WEATHERLY, and
JENNIFER MEYER CHAGNON, *Administrative Patent Judges*.

CHAGNON, *Administrative Patent Judge*.

DECISION
Granting Patent Owner's Motion for Additional Discovery
37 C.F.R. § 42.51(b)(2)

¹ This order addresses issues common to all cases; therefore, we issue a single order to be entered in each case.

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Pursuant to our Order, dated October 1, 2015 (Paper 7, “Order”), Patent Owner, Applications In Internet Time, LLC, filed a Motion for Additional Discovery (Paper 8, “Mot.”) and Petitioner, RPX Corporation, filed an Opposition (Paper 9, “Opp.”), in each of the three above-referenced proceedings.² Patent Owner seeks additional discovery from Petitioner to determine whether Salesforce.com, Inc. (“Salesforce”) should have been identified as a real party-in-interest (“RPI”) in the instant proceedings. Patent Owner filed a set of proposed discovery requests (Ex. 2001, “Requests”), and Petitioner filed a redlined version of the same indicating proposed changes thereto (Ex. 1016).

Additional discovery may be ordered if the party moving for the discovery shows “that such additional discovery is in the interests of justice.” 37 C.F.R. § 42.51(b)(2); *see also* 35 U.S.C. § 316(a)(5) (requiring discovery in *inter partes* review proceedings to be limited to “what is . . . necessary in the interest of justice”). The Board has identified five factors (“the *Garmin* factors”) important in determining whether additional discovery is in the interests of justice. *See Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26) (informative) (“*Garmin*”).

² The relevant Orders and papers filed in each of the three cases are identical. Citations are to the papers filed in IPR2015-01750 for convenience.

In its Opposition, Petitioner argues that, because Patent Owner fails to meet the first *Garmin* factor,³ discovery should be denied outright.

Opp. 1–9. Petitioner further argues that, if discovery were granted, it should be tailored more narrowly than set forth in Patent Owner’s Requests. *Id.* at 9–10. We address each of these arguments in turn.

Patent Owner alleges facts sufficient to persuade us that its request for discovery meets the first *Garmin* factor. We find that the following facts are most persuasive. First, Patent Owner’s evidence regarding Petitioner’s business model implies that Petitioner may act as an agent or proxy for third parties. *See, e.g.*, Mot. 1–2 (RPX “‘serve[s] as an extension of the client’s in-house legal team,’” and “represent[s] clients who are accused of patent infringement, acting as their proxy to ‘selectively clear’ liability for infringement as part of RPX’s ‘patent risk management solutions,’” including “attacking patents that are or will likely be asserted against its clients.”); Exs. 2006–2008. Second, Salesforce is a client of Petitioner. Mot. 5, 7. Third, Salesforce and Petitioner share a common member of their respective boards of directors. Mot. 7; Exs. 2009–2011. Lastly, Patent Owner has sued Salesforce for infringement of the patents-at-issue in these proceedings and, as of the date the instant Petitions were filed, Salesforce was time-barred under 35 U.S.C. § 315(b) from filing petitions requesting an *inter partes* review. Mot. 6; Exs. 2002–2003. Additionally, Salesforce previously filed petitions for covered business method patent review of the

³ The first *Garmin* factor requires more than the “mere possibility of finding something useful, and mere allegation that something useful will be found” and that the “party requesting discovery should already be in possession of evidence tending to show beyond speculation that in fact something useful will be uncovered.” *Garmin*, slip op. at 6.

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same patents challenged by the instant Petitions, each of which was denied. *See Salesforce.com, Inc. v. Applications in Internet Time LLC*, Case CBM2014-00162 (PTAB Feb. 2, 2015) (Paper 11); *Salesforce.com, Inc. v. Applications in Internet Time LLC*, Case CBM2014-00168 (PTAB Feb. 2, 2015) (Paper 10).

Petitioner argues that “[t]o the extent AIT suggests that Salesforce may be an RPI even if it did not fund, control or direct the IPRs and did not have RPX file them at its behest, that is not the law.” Opp. 3. Petitioner also asserts that much of Patent Owner’s evidence is merely “innocuous,” citing several Board decisions in which discovery was denied or a third party was found not to be an RPI. Opp. 4–9. Each of the cases cited by Petitioner, however, includes only a single one of the many factors present in this case. We are persuaded that the combination of factors present here justifies permitting additional discovery on the issue of whether Salesforce is an RPI.

The inquiry regarding whether Salesforce is an RPI in these proceedings is not limited to “control, ability to control, [or] direction of or function of the IPRs by Salesforce,” as asserted by Petitioner. Opp. 1–3. Whether a party constitutes an RPI to a proceeding is a “highly fact-dependent question,” and “whether the non-party exercised or could have exercised control over [the] proceeding” is merely one exemplary factor listed in the Trial Practice Guide. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759–60 (Aug. 14, 2012). As stated in the Trial Practice Guide, proper RPI identification is necessary “to assure proper application of the statutory estoppel provisions,” in order “to protect patent owners from harassment via successive petitions by the same or related parties,” and “to prevent parties from having a ‘second bite at the apple.’”

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Id. at 48,759. Further, 35 U.S.C. § 315(b) specifically prevents *inter partes* review if a “petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” Thus, details of the relationship between Petitioner and Salesforce and Petitioner’s reasons for filing the instant Petitions, particularly in view of the fact Salesforce is time-barred under 35 U.S.C. § 315(b), are certainly relevant to the RPI inquiry in these proceedings.

Regarding Petitioner’s arguments that Patent Owner’s requests are overbroad, overly burdensome, speculative, and directed to communications/relationships with third parties (Opp. 9–10), we agree with Petitioner with respect to Request Nos. 5, 9, and 10 and do not authorize discovery under those requests. As discussed above, however, we determine that Request Nos. 1–4 and 6–8 are tailored to seeking information pertaining to whether Petitioner should have identified Salesforce as an RPI in this proceeding.

Upon consideration of each of the *Garmin* factors, and for the foregoing reasons, we grant Patent Owner’s Motion for Additional Discovery as to Request Nos. 1–4 and 6–8 (as shown in Ex. 2001), but not as to Request Nos. 5, 9, and 10.

Accordingly, it is:

ORDERED that Patent Owner’s Motion for Additional Discovery is GRANTED as to Request Nos. 1–4 and 6–8 (as shown in Ex. 2001);

FURTHER ORDERED that Patent Owner’s Motion for Additional Discovery is DENIED as to Request Nos. 5, 9, and 10 (as shown in Ex. 2001);

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FURTHER ORDERED that Patent Owner shall serve the authorized Requests no later than October 21, 2015; and

FURTHER ORDERED that, following Patent Owner's service of its Requests, Petitioner shall produce and deliver to Patent Owner all responsive documents no later than November 3, 2015.

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