UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SAP AMERICA, INC. ET AL.
Petitioner
v.

Patent of VERSATA DEVELOPMENT GROUP, INC.
Patent Owner

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Case CBM2012-00001
Patent 6,553,350

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OPPOSITION TO MOTION TO EXPUNGE UNDER 37 C.F.R. § 42.56

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I. STATEMENT OF RELIEF REQUESTED

The Board should deny Petitioner's motion to expunge Versata Exhibits ("VX") 2045, 2046, 2047 and 2086 from the record because Petitioner's motion did not identify *any* confidential information that would cause harm to Petitioner if made public (let alone assert that each of the entire documents Petitioner seeks to expunge from the record is confidential). Additionally, all of these exhibits were relied on by Versata and at least one of the exhibits was relied on by the Board in its institution decision. Accordingly, Petitioner's motion should be denied.[1]

II. REASONS FOR THE RELIEF REQUESTED

Petitioner's motion to expunge seeks to misuse 37 C.F.R. § 42.56 as a sword to expunge four *entire* documents from the record before the Board – documents on which Versata relied in its Patent Owner Preliminary Response (Paper 29) and/or its Patent Owner Response (Paper 52), presumably because Petitioner wants to argue that this should prevent Patent Owner Versata from relying on these exhibits on appeal.

37 C.F.R. § 42.56 provides that "[a]fter denial of a petition to institute a trial or after judgment in a trial, a party may file a motion to expunge confidential *information* [not entire documents] from the record." The Office Patent Trial

[1] With respect to Petitioner's alternative requested relief of filing redacted documents, neither the Board nor Versata is in a position to assess Petitioner's request since Petitioner did not identify what purported confidential information Petitioner would redact from these exhibits.

Practice Guide (the "Practice Guide") explains that the rule was intended to be used as a shield, not a sword, to protect parties disclosing confidential information from having such information made part of the public record. 77 Fed. Reg. 48761. If, 45 days after denial of a petition to institute a trial or 45 days after final judgment in a trial, confidential information is not expunged, such information becomes part of the public record. *Id*. ("The rule balances the needs of the parties to submit confidential information with the public interest in maintaining a complete and understandable file history for public notice purposes."). *See also* 37 C.F.R. § 42.14 ("The record of a proceeding, including documents and things, shall be made available to the public, except as otherwise ordered … ").

Rule 42.56 does not recite any standards for evaluating motions to expunge; however, several sources provide insight. The Practice Guide, for example, provides that there is a particular expectation that information will be made public where the existence of the information is referred to in a decision to grant or deny a request to institute a review or is identified in a final written decision following a trial. 77 Fed. Reg. 48761. The Practice Guide also states that "[t]he rule encourages parties to redact sensitive information, where possible, rather than seeking to seal entire documents." *Id*.

The Rules of Practice shed further light *via* the rule-making history. For example, it is clear that the default should *not* be to grant a motion to expunge

because a proposal that "petitions to expunge should be granted in all but extraordinary circumstances," was rejected. 77 Fed. Reg. 48644. A proposal that submitted information remain confidential was similarly rejected. *Id*.

MPEP § 724.05 (Petition to Expunge Information or Copy of Papers in Application File) also sheds light on the evaluation of a motion to expunge under Rule 42.56, by analogy. MPEP § 724.05 concerns the evaluation of petitions to expunge under 37 C.F.R. § 1.59 ("[e]xpungement of information or copy of papers in application file"), which is similar to Rule 42.56 but concerns petitions to expunge information in application files rather than post-grant review exhibits. MPEP § 724.05(I) provides the requirements for such a petition. The requirements include, *inter alia*, "a clear identification of the information to be expunged without disclosure of the details thereof" and "a clear statement that the information to be expunged is trade secret material, proprietary material, and/or subject to a protective order, and that the information has not been otherwise made public." MPEP § 724.05(I).

Keeping the above policies in mind, and balancing the interests of the parties and the public, for the reasons set forth below Petitioner's motion to expunge should be denied.

A. The Exhibits at Issue Should Not be Expunged in Their Entirety

Petitioner's motion to expunge Versata Exhibits 2045, 2046, 2047 and 2086 in their entirety should be denied. Rule 42.56 does not provide for the expungement of confidential *documents* or *exhibits*. It provides only for the expungement of confidential *information*. Petitioner has failed to identify *any* information it purports to be confidential. *Compare* 37 C.F.R. § 42.56 ("[e]xpungement of confidential *information*") with 37 C.F.R. § 1.59 ("[e]xpungement of *information or copy of papers* in application file").

Also, SAP might argue that if Versata Exhibits 2045, 2045, 2047 and 2086 are expunged in their entirety, then Versata should not be able to cite these exhibits on appeal. The law provides that this is not the case; the entire record, including all exhibits, should be available for the Federal Circuit to consider on appeal. *See, e.g., W.L. Gore & Assocs., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1547 (Fed. Cir. 1983) ("careful, time-consuming study of all exhibits and each page of the [2000 page] record has been required"); *Glossip v. Trammell*, No. 10-6244, 2013 U.S. App. LEXIS 15290, at *106 (10th Cir. July 25, 2013) ("[t]his court has reviewed the entire seventeen-volume trial transcript, along with all exhibits admitted at trial and those Glossip asserts should have been adduced at trial") (*see* Exhibit 2107); *U.S. v. Huckaby*, 698 F.2d 915, 921 (8th Cir. 1982) ("[a]fter carefully reviewing the record, including the trial transcript and all exhibits, we affirm the judgment");

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