

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EBAY ENTERPRISE, INC. AND EBAY, INC.
Petitioners

v.

LAWRENCE B. LOCKWOOD
Patent Owner

Case CBM2014-00025
U.S. Patent No. 7,010,508

**OPPOSITION TO PETITIONER'S MOTION TO EXPUNGE
NEWTON DECLARATION**

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U.S. Patent and Trademark Office
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Alexandria, VA 22313-1450

In accordance with the Board's Order of July 23, 2014, (Paper 30), Patent Owner opposes Petitioner's Motion to Expunge the Newton Declaration (Paper 31) and files this Opposition.¹

Time and again the Board has stated that "there is a strong public policy for making all information filed in an administrative proceeding available to the public, especially in a covered business method patent review, which determines the patentability of claims in an issued patent. It is better to have a complete record of the evidence submitted by the parties than to exclude particular pieces of evidence." CBM2013-00002, Paper 59 at 62; *see also* CBM2012-00002, Paper 66 at 60; IPR2012-00005, Paper 68 at 59. Here, Petitioner seeks to suppress evidence that it voluntarily submitted and that Patent Owner has explained is germane to the only issue at trial – *i.e.*, whether the claims meet the definiteness requirement of § 112, ¶ 2. Ex. 2017 at 6:3-11.

The thrust of Petitioner's argument is that "Dr. Newton does not opine on indefiniteness in her declaration. Therefore, neither Petitioner nor the Board relied on Dr. Newton's declaration for indefiniteness." Paper 31 at 2. Regardless, she

¹ Any tentative agreement on behalf of Patent Owner to expunge the Newton declaration was contingent on the Board terminating this proceeding. Ex. 2017 at 12:8-17. Since the Board denied Patent Owner's request to terminate, Paper 30 at 4, Patent Owner opposes Petitioner's Motion to Expunge.

construed the claims and applied the cited art from the perspective of a person of skill in the art (“POSA”), demonstrating that a POSA would understand the meets and bounds of the claims. Ex. 1008 at ¶ 19. Moreover, she provided a definition of relevant claim terms, *id.* at 14 (“A [POSA] would also have been conversant with the concepts of backward-chaining and forward-chaining. Backward-chaining is Forward-chaining is”), and presented claim charts that show where she believes each claim element is supported in the disclosure of the ’508 Patent, *id.* at 27-174. Patent Owner – and the public – should not be deprived of this evidence, especially before Patent Owner is able to formally respond to the merits of Petitioner’s attack on its patent.

Moreover, Patent Owner is entitled to receive and then can submit to the Board “relevant information that is inconsistent with a position advanced by [eBay] during the proceeding.” 37 C.F.R. 42.51(b)(1)(iii). So Patent Owner appears to have the right to submit the Newton Declaration as evidence as being inconsistent with Petitioner’s indefiniteness argument.

But if Petitioner’s motion is granted, the Board should hold Petitioner to its position that no evidence is required to carry its burden of proving by a preponderance of the evidence that the claims are indefinite. Petitioner requested institution of trial on the basis that the specification provides no disclosure of an algorithm of certain claim elements. Paper 1 at 21-24. The Board has done so. In support of expunging its own expert’s declaration, Petitioner has unequivocally

stated that the only evidence it needs to show the claims are indefinite is the patent and the prosecution history. Ex. 2017 at 12 (“Your Honor, I don’t agree that we have no evidence. We have the evidence that we cited in the petition, which would include the patents, the file history, the other exhibits that we submitted in the petition, the prior art.”). Accordingly, Petitioner does not need to, nor should be allowed to, provide further evidence in the form of a new declaration directed to indefiniteness for at least two reasons.

First, any new declaratory evidence from Petitioner could only result in them asserting new arguments on the sufficiency of disclosure of the ’508 Patent. But Petitioner had an opportunity to provide evidence on this issue the day it filed the Petition; but it chose not to. Petitioner must now live with that strategic decision – regardless if a new law firm has taken over the proceeding.

Second, the Board has stated in many IPR and CBM proceedings that the Petitioner is bound by the arguments and evidence in the Petition to meet their burden of proving their case. Further, the Trial Practice Guide explicitly forbids new arguments and evidence with the Reply. 77 Fed. Reg. 157 at 48,767 (“a reply that raises a new issue or belatedly presents evidence will not be considered and may be returned.”), 48,620 (“Reply evidence . . . must be responsive and not merely new evidence that could have been presented earlier . . .”). Patent Owner would be unduly prejudiced by any new arguments and evidence presented *after* Patent Owner files its brief on the merits.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX P.L.L.C.

/Robert Greene Sterne/

Date: August 1, 2014

Robert Greene Sterne, Reg. No. 28,912
Attorney for Patent Owner

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