

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNITED SERVICES AUTOMOBILE ASSOCIATION,
Petitioner,

v.

NADER ASGHARI-KAMRANI and KAMRAN ASGHARI-KAMRANI,
Patent Owner.

Cases CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2¹

Before JONI Y. CHANG, JUSTIN T. ARBES, and
FRANCES L. IPPOLITO, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*.

ORDER
Conduct of the Proceedings
37 C.F.R. § 42.5

¹ This Order addresses the same issues in the above-identified covered business method patent review (“CBM”) proceedings. Therefore, we exercise our discretion to issue one Order to be entered in both cases. The parties, however, are not authorized to use this style heading in any subsequent papers.

Patent Owner sent an email to the Board on June 24, 2016, requesting authorization to file a motion for a 45-day extension of time to file its preliminary responses. On June 29, 2016, the following individuals participated in a conference call:

- (1) Messrs. Jae Youn Kim and Sang Ho Lee, counsel for Patent Owner, and Mr. Nader Asghari-Kamrani, one of the named inventors;
- (2) Messrs. Thomas Rozylowicz and W. Karl Renner, counsel for Petitioner; and
- (3) Joni Y. Chang, Justin T. Arbes, and Frances L. Ippolito, Administrative Patent Judges.

For the reasons set forth below, Patent Owner's request is *denied*.

Improper email communications

As an initial matter, Patent Owner's email sent on June 24, 2016, as well as Petitioner's initial email sent on July 27, 2016, were improper because each email included attachments and substantive arguments. The parties are directed to the instructions (reproduced below) provided on the Board's Web site at <http://www.uspto.gov/ip/boards/bpai/prps.jsp> regarding the proper use of email communication to the Board.

To request a conference call for a particular case (e.g., to request authorization to file a motion), contact the Board at Trials@uspto.gov (link sends e-mail). The email should copy the other party or parties to the proceeding, indicate generally the relief being requested or the subject matter of the conference call, state whether the opposing party or parties oppose the request, and include times when all parties are available. Unless otherwise authorized, do not include attachments in the email and

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

do not use the Trials@uspto.gov (link sends e-mail) email address for substantive communications to the Board. Parties may also contact the Board by telephone at (571) 272-7822.

In addition, neither party followed these instructions, even after the Board's administrative staff repeatedly requested the parties to confer and jointly propose several dates and times when *both* parties are available for a conference call. For the future, we strongly encourage the parties to confer and attempt to resolve issues among themselves first before emailing the Board. The parties are directed to 37 C.F.R. § 42.1(c), which provides that “[e]very party must act with courtesy and decorum in all proceedings before the Board, including in interactions with other parties.” Each party should be responsive to communications from the opposing party and the Board, including its administrative staff. Parties should be mindful that, because the Board has limited resources, actions that cause unnecessary delay or increase the cost of the proceedings would have a negative impact on the Board's efficiency and ability to timely complete the proceedings.

Request for an extension of time

Under 37 C.F.R. § 42.5(c)(2), a request for an extension of time must be supported by a showing of good cause. The Board's trial rules are “construed to secure the just, speedy, and inexpensive resolution of every proceeding.” *See* 37 C.F.R. § 42.1(b).

In each CBM proceeding challenging U.S. Patent No. 8,266,432 B2 (“the '432 patent”), Patent Owner filed a Power of Attorney, appointing Mr. Jae Youn Kim, as the lead counsel, as well as Messrs. Harold L. Novick

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

and Sang Ho Lee, as the back-up counsel. Paper 4, 2.² The parties indicate that the '432 patent has been asserted in *Asghari-Kamrani et al. v. United Services Automobile Association*, Case No. 2:15-cv-00478-RGD-LRL (E.D. Va.). Paper 2, 2; Paper 5, 2.

During the conference call, Patent Owner indicated that it wishes to appoint its district court litigation counsel, Mei & Mark, LLP, as new counsel for the instant CBM proceedings, and argued that it has a right to appoint its own counsel. Patent Owner filed a motion in the district court on June 3, 2016, seeking confirmation that the protective order entered in the district court proceeding does not bar its litigation counsel from participating in the instant CBM proceedings. Patent Owner explained that its litigation counsel could not participate in the instant CBM proceedings for *at least 45 days* because of the pending motion. Therefore, Patent Owner is requesting authorization to file a motion for a 45-day extension of time, extending the due date for filing its preliminary responses in the instant CBM proceedings to September 25, 2016.

Patent Owner's request is based on the speculation that the district court would grant its motion, permitting its litigation counsel, to participate in the instant CBM proceedings within 45 days. Notably, as Patent Owner noted, its litigation counsel's participation in the instant CBM proceedings would be delayed for *at least 45 days*. That delay could possibly be longer,

² All citations are to CBM2016-00063, as representative, unless otherwise noted.

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

and whether the district court would grant Patent Owner's motion is uncertain at this time.

In addition, Patent Owner's current counsel in the instant CBM proceedings, Messrs. Kim, Novick, and Lee, also represented Patent Owner in other related proceedings before the Office. For example, Messrs. Kim, Novick, and Lee, on the behalf of Patent Owner, filed a Preliminary Response on December 10, 2015, in a related *inter partes* review proceeding, IPR2015-01842 (Paper 7), which likewise challenged the '432 patent. Patent Owner indicated that there is substantial overlap between IPR2015-01842 and the instant CBM proceedings, but nevertheless did not provide meaningful explanation why its current counsel, Messrs. Kim, Novick, and Lee, could not prepare and file the preliminary responses in the instant CBM proceedings.

Nor did Patent Owner explain why it reasonably could not have filed its motion in the district court earlier. The IPR2015-01842 Petition was filed on September 1, 2015, the related lawsuit was filed in the district court on October 30, 2015, and the instant CBM Petitions were filed on May 2, 2016. Yet, Patent Owner did not file its motion in the district court until June 3, 2016, and did not seek relief from the Board until June 24, 2016.

In addition, although 37 C.F.R. § 42.207(b) provides a three-month time period for filing a preliminary response, a preliminary response is optional. In fact, the rule provides that a patent owner may expedite the proceeding by filing an election to waive the preliminary response. Even without a preliminary response, the Board will review each petition and

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.