

**UNITED STATES PATENT AND TRADEMARK OFFICE**

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**BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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APPLE INC.,  
VISA INC., and VISA U.S.A. INC.,  
*Petitioners,*

v.

UNIVERSAL SECURE REGISTRY LLC  
*Patent Owner*

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Case CBM2018-00025<sup>1</sup>  
U.S. Patent No. 8,577,813

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**PATENT OWNER'S MOTION TO STRIKE  
IMPROPER REPLY EVIDENCE**

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<sup>1</sup> Visa Inc. and Visa U.S.A. Inc., which filed a petition in CBM2019-00026, have been joined as a party to this proceeding.

As authorized by the Board on June 5, 2019, Patent Owner Universal Secure Registry, L.L.C. (“Patent Owner”) moves to strike belatedly proffered evidence that Apple Inc. (“Petitioner”) waited to file with its Reply (Paper 26, “Reply”). In particular, Patent Owner moves to strike the declaration of a newly proffered expert, Dr. Ari Juels (Ex. 1126), and all references to Dr. Juels’ declaration in the Reply. Both governing law and PTAB practice prohibit Petitioner from submitting evidence in reply that it could have presented earlier, and failure to strike this new evidence would prejudice Patent Owner because Patent Owner cannot submit additional expert testimony or any other evidence to rebut this improper new evidence.

**I. THE BOARD SHOULD STRIKE APPLE’S BELATED DECLARATION AND ALL REFERENCES IN THE REPLY**

The governing statute requires a petition to identify “*with particularity*...the evidence that supports the grounds for the challenge to each claim, including...affidavits or *declarations of supporting evidence and opinions*, if the petitioner relies on expert opinions.” 35 U.S.C. § 312(a)(3)(B) (emphasis added).

The Trial Practice Guide (Aug. 2018 Update) is in accord, stating that a “Petitioner *may not submit new evidence* or argument in reply that *it could have presented earlier*, e.g. to make out a prima facie case of unpatentability.” *Id.* at 14.

In fact, “a reply...that raises a new issue or belatedly presents evidence *may not be*

*considered.*” *Id.* at 15 (emphasis added). Indeed, the Guide expressly provides that, “[i]t is also improper to present in reply new evidence (including new expert testimony) that could have been presented in a prior filing....” *Id.* See also *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“*the petitioner’s petition*, not the Director’s discretion, *is supposed to guide the life of the litigation.*”) (emphasis added); cf. *Dexcom, Inc. v. Waveform Techs., Inc.*, IPR2016-01680 (Paper 46) at 30 (PTAB Feb. 28, 2018) (excluding evidence raised for first time in a reply brief), *aff’d Dexcom, Inc. v. Waveform Technologies, Inc.*, 760 Fed. Appx. 1023 (Fed. Cir. Apr. 3, 2019) (per curiam).

Apple started this proceeding on May 3, 2018, relying solely upon a declaration from Dr. Victor Shoup (Ex. 1102). Now, over a year later (May 17, 2019), and on the eve of trial, Petitioner introduces a brand new expert, Dr. Ari Juels in its Reply. There is no reason Apple could not have presented such evidence in its petition. The rules are clear; this tardy evidence should be stricken from the proceeding. Indeed, the trial practice guide states that striking is the appropriate course here. See Trial Practice Guide (Aug. 2018 Update) at 18.

Further, striking this new evidence is especially important here, as Patent Owner cannot rebut this improper new evidence with a responsive declaration from

Patent Owner's expert.<sup>2</sup> Hence, failure to strike in this case would be highly prejudicial to Patent Owner. *Cf. Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1373 (Fed. Cir. 2019) (“[T]he Board may not rely on a basis for a decision unless the party adversely affected by such reliance had notice of the basis and an adequate opportunity to address it.”); *Dexcom, Inc.*, IPR2016-01680 at 30 (“Under the circumstances of this case, it would violate the Administrative Procedures Act (‘APA’)’s requirement for notice and opportunity to respond, if we were to rely upon [evidence first submitted in reply].”). Moreover, absent the requested relief, this prejudice will be compounded by the fact that Petitioner will be permitted to raise this new evidence at the hearing while Patent Owner will be left without any rebuttal. Accordingly, Patent Owner requests that the Board grant this motion.

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<sup>2</sup> The Guide prohibits Patent Owner from submitting additional evidence with its sur-reply. Trial Practice Guide (Aug. 2018 Update) at 14 (“The sur-reply may not be accompanied by new evidence other than deposition transcripts of the cross-examination of any reply witness.”). On June 3, Patent Owner attempted to mitigate the prejudice here by requesting permission to file rebuttal evidence to Petitioner’s newly submitted declaration. That request was denied. *See* June 5, 2019 Order Authorizing Patent Owner to File Motion to Strike (Paper 28).

## II. CONCLUSION

The Guide expressly states that “a reply...that...belatedly presents evidence may not be considered.” Trial Practice Guide (Aug. 2018 Update) at 15. There can be no dispute that Dr. Juels’ declaration is new evidence. The Board should therefore strike Petitioner’s impermissible expert declaration of Dr. Ari Juels (Ex. 1126) and those portions of the Reply relying upon Dr. Juels’ declaration for support (on pages 5, 7, 11, 12, 14-16, 20-23, and 28)

Date: June 11, 2019

Respectfully submitted,

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