

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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CYANOTECH CORPORATION

Petitioner

v.

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

Patent Owner

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Case IPR2013-00401<sup>[1]</sup>

Patent 5,527,533

Before SCOTT E. KAMHOLZ, SHERIDAN K. SNEDDEN, and  
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

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**PETITIONER'S MOTION TO EXCLUDE EVIDENCE**  
**PURSUANT TO 37 C.F.R. § 42.64(c)**

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Submitted: June 9, 2014

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<sup>[1]</sup> Consolidated with Case IPR2013-00404

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**I. Statement of the Precise Relief Requested**

Pursuant to 37 C.F.R. § 42.64(c), Cyanotech Corporation (“Petitioner”) hereby moves to exclude Exhibits 2033-2036, submitted by the Board of Trustees of the University of Illinois (“Patent Owner”) in support of its Response (“Resp.”) (Paper No. 32).

Petitioner objects to the licensing agreements submitted as Patent Owner's Exhibits 2033-2036 because they have been offered in an attempt to prove that others objectively valued the challenged claims. Petitioner served timely objections to evidence for the licensing agreements originally submitted as Exhibits 2028-2031 on March 21, 2014 with Paper No. 32. On April 11, 2014, Patent Owner submitted a response to Petitioner's Exhibits (Paper No. 34) and Exhibits 2033-2036 as replacement exhibits for Exhibits 2028-2031. Petitioner now moves to exclude the replacement exhibits because they are irrelevant (Federal Rules of Evidence (“FRE”) 402), and also highly confusing, misleading and would lead to an unnecessary waste of time to address (FRE 403).

**II. Basis for Exclusion of Licensing Exhibits (Ex. 2033-2036)****A. Statement of Material Facts**

Patent Owner has offered four licensing agreements (Ex. 2033-2036) in support of its argument that the challenged claims are not obvious because of the “strong licensing history” of the patent in issue. (Resp. at 49). Patent Owner

originally licensed U.S. Patent No. 5,527,533 (“the Tso Patent”) to LaHaye Laboratories, Inc. (“LaHaye”). In 2002, U.S. Nutraceuticals, LLC d/b/a Valensa International (“Valensa”) purchased the assets of LaHaye, including LaHaye’s rights in the Tso Patent. (*Id.*) The four licensing agreements at issue were between Valensa and Futurebiotics, LLC (“Futurebiotics”) (Ex. 2033), Quality Supplements and Vitamins, Inc. d/b/a Life Extension (“Life Extension”) (Ex. 2034), NOW Health Group, Inc. (“NOW”) (Ex. 2035), and Swanson Health Products, Inc. (“Swanson”) (Ex. 2036). Patent Owner has not proffered any evidence establishing a nexus between the licenses and the challenged claims. (*See Resp.* at 49.)

**i. Futurebiotics License (Ex. 2033)**

The Futurebiotics license (Ex. 2033) (Resp. at 49) is identified as a “Product Use and Trademark License,” not a patent license agreement. It grants “trademark rights and patent rights,” “Product related trade secrets and know-how” and rights to manufacture and sell the “Product,” which is defined as the “Zanthin™ brand of natural astaxanthin oleoresin derived from *Haematococcus pluvialis*.” (Ex. 2033 at 1 and Exhibit A). The Grant of License (Section I) is limited to trademarks rights and manufacturing rights for “products that embody or contain the Product of Exhibit A” and makes no mention of any of the challenged

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