

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CONOPCO, INC. d/b/a UNILEVER
Petitioner

v.

THE PROCTER & GAMBLE COMPANY
Patent Owner

Case IPR2013-00509
Patent 6,451,300

PATENT OWNER'S MOTION TO EXCLUDE EVIDENCE

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

Pursuant to the Scheduling Order (Paper 11) and Notice of Stipulation (Paper 22), the undersigned, on behalf of Patent Owner, The Procter & Gamble Company (“P&G” or “Patent Owner”), hereby submits this Motion to Exclude Exhibits 1034, 1040, 1045-1047, 1051-1055, 1060, and 1061, attached to Conopco, Inc. d/b/a Unilever’s (“Petitioner”) Reply to Patent Owner’s Response (“Reply”). See IPR2013-00509, Paper 45 (and exhibits thereto). Pursuant to 37 C.F.R. § 42.62, Patent Owner’s Motion applies the Federal Rules of Evidence (“F.R.E.”).

I. EXCLUSION OF EXHIBITS 1034, 1040, 1045, 1047, 1052-1055, AND 1061 AND ANY REFERENCE TO/RELIANCE THEREON

Patent Owner hereby submits that the Board should exclude the Second Declaration of Arun Nandagiri (Exhibit 1034) (“the Second Nandagiri Declaration”), and Exhibits 1040, 1045, 1047, 1052-1055, and 1061 on the following Grounds: 37 C.F.R. § 42.6(a)(3) (Impermissible Incorporation by Reference), 37 C.F.R. § 42.23(b) (Outside Scope of Response and Petition), and/or *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48767, I. (Aug. 14, 2012) (Raises New Issue or Belatedly Presents Evidence).

Petitioner’s Reply to Patent Owner’s Response relies on the Second Nandagiri Declaration. The Board should exclude the Second Nandagiri Declaration because it contains copious arguments and discussion of references not included in the Reply. The Board should also exclude the declaration because it

contains material outside the proper scope of the Reply. Similarly, the Board should exclude certain exhibits that are discussed only in the Second Nandagiri Declaration and/or are outside the proper scope of the Reply.

A. The Board Should Exclude Exhibits 1034, 1045, 1047, 1052, 1054, And 1055 Based On Improper Incorporation By Reference

The Board has excluded and declined to consider arguments presented in an expert declaration, but not included in the party's paper itself. *See, e.g., The Scotts Co. LLC v. Encap LLC*, IPR2013-00110, Paper 79, Final Written Decision at 8 (P.T.A.B. June 24, 2014) (excluding a declaration because of improper incorporation by reference); *Bae Sys. Info. And Elec. Sys. Integration, Inc. v. Cheetah Omni, LLC*, IPR2013-00175, Paper 45, Final Written Decision at 23 (P.T.A.B. June 19, 2014) ("It is improper for any argument to be fully developed and presented, not in the party's paper itself, but in the declaration of an expert.").

Indeed, in its decision denying institution of *inter partes* review of Petitioner's related petition in IPR2013-00510, this Panel rejected Petitioner's attempt to rely on testimony of Mr. Nandagiri, discussed nowhere in the petition. *Conopco, Inc. v. The Procter & Gamble Co.*, IPR2013-00510, Paper 9, Decision Denying *Inter Partes* Review at 8-9 (P.T.A.B. Feb. 12, 2014). The Panel found that considering such information "would encourage the use of declarations to circumvent the page limits that apply to petitions." *Id.* at 8. Further, the Panel

held that 37 C.F.R. § 42.6(a)(3) prohibits arguments made in supporting declarations from being incorporated by reference into a petition. *Id.* at 8-9.

Petitioner chose to ignore this Panel's instructions and filled the Second Nandagiri Declaration with arguments and discussion not included in the text of the Reply. For example, the Second Nandagiri Declaration contains extensive discussion of the level of skill in the art in paragraphs 8-24, covering approximately nine pages. None of these paragraphs are cited in the Reply.

A reply to a patent owner response is limited to 15 pages, 37 C.F.R. § 42.24(c)(1), and, in this case, the Reply concludes right at the 15-page limit. Petitioner's inclusion of additional arguments and information in the Second Nandagiri Declaration is an improper attempt to circumvent the page limit.

Petitioner also improperly incorporates by reference Exhibits 1045, 1047, 1052, 1054, and 1055. These references are cited in the Second Nandagiri Declaration, but not in the Reply. For example, the only citation to Exhibit 1045 in the Second Nandagiri Declaration is in paragraph 21. This paragraph cites Exhibit 1045 for various propositions relating to formulating conditioning shampoos, but neither Exhibit 1045, nor paragraph 21 of the Second Nandagiri Declaration is discussed or cited in the Reply. Likewise, the Reply contains no reference to Exhibits 1047, 1052, 1054, or 1055. The Board has held that it should not consider Exhibits not sufficiently supported by arguments in a party's paper. *See Intelligent*

Bio-Systems, Inc. v. Illumina Cambridge Ltd., IPR2013-00517, Paper 56, Order Conduct of the Proceeding at 2 (P.T.A.B. July 29, 2014).

Petitioner circumvents the IPR page limit rules by including additional arguments and discussion in the Second Nandagiri Declaration. The Board should, therefore, exclude the Second Nandagiri Declaration and any exhibits discussed exclusively therein.

B. The Board Should Exclude Exhibits 1034, 1040, 1045, 1047, 1052-1055, And 1061 As Raising Issues Outside The Proper Scope Of The Reply

The Board should also exclude the Second Nandagiri Declaration and Exhibits 1040, 1045, 1047, 1052-1055, and 1061 because they raise new issues and/or present evidence that Petitioner should have raised in the Petition. Reply submissions may only respond to arguments raised in the corresponding patent owner's response. *See* 37 C.F.R. § 42.23(b). Furthermore, according to Patent Office guidelines, "a reply that raises a new issue or belatedly presents evidence will not be considered..." *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48,756, 48767, I. (Aug. 14, 2012). The guidelines explain that a new issue is raised when the reply includes "new evidence necessary to make out a *prima facie* case for the patentability or unpatentability of an original or proposed substitute claim, and new evidence that could have been presented in a prior filing." *Id.*

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