

Filed on behalf of: Telefonaktiebolaget L. M. Ericsson

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BROADCOM CORPORATION

Petitioner

v.

TELEFONAKTIEBOLAGET L.M. ERICSSON

Patent Owner

Case IPR2013-00601
U.S. Patent Nos. 6,772,215

**PATENT OWNER'S MOTION FOR ADDITIONAL DISCOVERY UNDER 37
C.F.R. § 42.51(b)**

Patent Owner Ericsson (“Ericsson”) respectfully submits this motion to take additional discovery of Petitioner Broadcom, Inc. (“Broadcom”). Ericsson submits seven narrowly tailored Requests for Production relevant to whether Broadcom’s petitions are barred under 35 U.S.C. §315(b). (Ex. 2001).

These Petitions for IPR were filed shortly after Ericsson obtained a judgment for infringement of the subject patents against several of Broadcom’s customers in *Ericsson v. D-Link, et al* (“D-Link Lawsuit”). (Exs. 2002, 2003, 2004). Broadcom clearly had a substantial interest in that case because its “BCM4313 and BCM4321” chips formed the basis for some of the infringement allegations, (Petition at 2), and as Broadcom admits in its SEC filings, it is not uncommon for Broadcom to be “required to indemnify some customers and strategic partners under our agreements if a third party alleges or if a court finds that our products or activities have infringed upon, misappropriated or misused another party’s proprietary rights.” (Ex. 2005 at 46). To protect these interests, Broadcom “engage[s] in litigation to . . . determine the validity and scope of the proprietary rights of others, including [its] customers.” *Id.* These IPRs are one example of Broadcom filing litigation on behalf of its customers pursuant to its indemnity obligations.¹

For years, Broadcom has been working behind the scenes to help defeat Ericsson’s infringement claims against its customers. Indeed, as far back as July 2010, Broadcom assisted Acer, Inc., a D-Link Lawsuit defendant, (Ex. 2002), in analyzing the very patents that are now the subject of Broadcom’s petitions. When

¹ Another chip supplier, Intel, actually intervened in the case, stating it had a direct and substantial interest because of its indemnity agreements. (Ex. 2006 at 3).

discussing an upcoming meeting, Acer noted, “Main purpose is to discuss comments from Acer’s vendors, including Intel, Broadcom and Atheros.” (Ex. 2007). More recently, Ericsson provided notice to Acer that it was seeking relief from the Protective Order in the D-Link Lawsuit to obtain the requested information by all other means. (Ex. 2008). In response, Acer admitted that such information was “privileged and [was] inadvertently produced.” *Id.* This admission proves that a privilege exists that protects communications between Acer and Broadcom.

When its covert efforts failed to limit its indemnity obligations, Broadcom became more aggressive. [REDACTED]

[REDACTED]

Broadcom now attacks Ericsson by petitioning for review of the same claims found to have been infringed by Broadcom’s customers’ use of its chips. Broadcom admits that it supplied the “Wi-Fi compliant products, such as the BCM4313 and BCM4321” to the defendants that were found to infringe. (Petition at 2). As Broadcom is now forced to indemnify its customers for damages and an ongoing activity, the timing and coordination of Broadcom’s attacks is no coincidence. To be sure, Broadcom’s petitions rely heavily on” (1) Ericsson’s expert report on validity from the D-Link Lawsuit, a report that Broadcom could only have received from one

of the defendants, (Pet. Ex. 1010); and (2) a majority of the same references that the defendants relied upon for their invalidity claims in the D-Link Lawsuit. This level of coordination raises serious questions about whether Broadcom is in privity with the defendants and is likewise time barred from filing these petitions by §315(b).

Because the certain facts as to Broadcom's standing are not publicly available and because Ericsson has exhausted all efforts to obtain them voluntarily, Ericsson submits this Motion. The requests are useful and relevant to Broadcom's standing, which the PTO has expressly identified as a basis for obtaining discovery. Ericsson worked diligently to obtain this evidence, and Broadcom faces no undue burden in responding. As such, Ericsson meets the interests of justice standard.

I. The Discovery Request Is Relevant to Broadcom's Standing.

If Broadcom is a privy to any of the D-Link Defendants, it is barred from obtaining *inter partes* review under 35 U.S.C. § 315(b) because Ericsson served the "D-Link Defendants"² more than one year before these petitions were filed. (Ex. 2004). The discovery sought goes directly to Section 315(b)'s application.

The PTO specifically identified standing as an issue that warrants additional discovery. *See* 77 Fed. Reg. 48680, 48689 (Aug. 14, 2012) ("additional discovery may be authorized where patent owner raises sufficient concerns regarding the petitioner's certification of standing."). The PTO also allows the Board to "permit new testimonial evidence where it addresses issues relating to the petitioner's

²The "D-Link Defendants" include, collectively, D-Link Corp., D-Link Systems, Inc., Netgear, Inc., Acer Inc. ("Acer"), Acer America Corp. and Gateway Inc., Dell, Inc., Toshiba Corp., Toshiba America, Inc., Toshiba America Information Systems, Inc., Toshiba America Consumer Products, LLC, and Belkin International, Inc. (Exs. B, C)

standing, or where . . . the evidence demonstrates that the trial may not be instituted.” *Trial Practice Guide*, 77 Fed. Reg. 48756, 48764 (Aug. 14, 2012) (“TPG”). Thus, the PTO clearly intends to allow additional discovery for standing issues, like § 315.

Under § 315(b), IPR should be denied because Broadcom is in privity with at least one D-Link Defendant. The term “privity” describes a relationship between a litigant and a nonparty that is characterized by a “mutuality of interest,” *Black’s Law Dictionary*, 5th Ed. (1979), sufficient to justify applying principles of claim or issue preclusion to the nonparty, TPG at 48759. The PTO expanded the doctrine by noting its equitable and practical nature and stating it “should extend to parties to transactions and other activities relating to the property in question.” TPG at 48759 (quoting 157 Cong. Rec. S1376 (dial ed. Mar. 8, 2011) (statement of Sen. Kyl)).

Under this expanded doctrine,³ the Board must “evaluate what parties constitute ‘privies’ in a manner consistent with the flexible and equitable considerations established under federal caselaw.” TPG at 48759. For example, the TPG cites *Taylor v. Sturgell*, 553 U.S. 880, 893-95 (2008), as support for its interpretation. *Id.* In doing so, the Board must determine if the parties’ relationship is “sufficiently close such that both should be bound by the trial outcome and related estoppels.” *Id.*; see 154 Cong. Rec. S9987 (Sept. 27, 2008) (statement of Sen. Kyl). “A common consideration is whether the non-party exercised or could have exercised control over a party’s participation in a proceeding.” *Id.*

³ Section 315(b) under the AIA also expanded on former 35 U.S.C. § 317(b) by precluding real parties in interest in addition to privies. See former 35 U.S.C. § 317(b) (1999), amended by 35 U.S.C. § 317, Pub. L. No. 112-29, § 6(a), 125 Stat. 303 (2011).

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