UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ZOLL LIFECOR CORPORATION,	Cases Nos.
Petitioner,	IPR2013-00609
	IPR2013-00612
v.	IPR2013-00613
	IPR2013-00615
PHILIPS ELECTRONICS NORTH AMERICA	IPR2013-00616
CORPORATION,	IPR2013-00618
Patent Owner.	

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TRANSCRIPT of Telephonic Conference, as reported by Nancy C. Bendish, Certified Court Reporter, RMR, CRR, RSA and Notary Public of the States of New York and New Jersey, on Tuesday, November 5, 2013, commencing at 1 p.m.

B E F O R E:

JUDGE SALLY MEDLEY

JUDGE QUINN

A P P E A R A N C E S: (Via Telephone)

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BY: J. MICHAEL JAKES, ESQ.
DENISE W. DeFRANCO, ESQ.
For the Patent Owner

ALSO PRESENT:
RANDALL BERMAN
Philips IP&S

JUDGE MEDLEY: Good afternoon, this is Judge Medley. I have with me on-line Judge Quinn. I'd like to take a roll call first.

This is in reference to IPR2013-00609, 612, 613, 615, 616 and 618. I'd like to begin with Petitioner.

MR. JAKES: Good afternoon, this is Mike Jakes for Philips. I think I jumped the gun there. I think you wanted the Petitioner first, but we had asked for the call.

JUDGE MEDLEY: Okay, Mr. Jakes, that's fine. Do you have anybody with you?

MR. JAKES: Yes, Denise DeFranco from my firm is with me and Randall Berman from Philips, the Patent Owner, is also on the line.

JUDGE MEDLEY: Okay. And they're -- but they are not listed as counsel?

MR. JAKES: No.

JUDGE MEDLEY: Okay. Petitioner?

MR. PHILLIPS: Petitioner, John Phillips, lead counsel for Fish & Richardson is here, along with John Dragseth, who I believe has made an appearance as well, from Fish & Richardson.

JUDGE MEDLEY: Okay. All right.

So we understand that Patent Owner

requested the call and just before we get started, do we have a court reporter?

THE REPORTER: Yes, we do. My name is Nancy Bendish.

JUDGE MEDLEY: Okay. Thank you, Nancy.

And I'd also like to clarify, we got the notification that this was in respect to just six of the cases? Because there are eight.

MR. JAKES: That's right. This is in respect to just six of them for this particular motion that we want to file.

JUDGE MEDLEY: Okay. Then we'll hear from Patent Owner, please.

MR. JAKES: This is Mike Jakes for the Patent Owner, Philips.

We're asking permission to file a motion to dismiss these six IPRs under 35 U.S.C. 315(b). There is another litigation that was not identified in the petition that involves these six patents. We identified it in our mandatory disclosures. That's a case that's pending in the District of Massachusetts and it involved these same six patents. The complaint in that case was filed and served in October of 2010.

The defendant in that case is Zoll Medical Corporation and that's the parent corporation of the Petitioner in this case, Zoll Lifecor. That complaint that was filed in October of 2010 alleged infringement of these six patents and we actually have a trial scheduled to begin next month.

As we understand the decisions of this Board, it doesn't matter that there was a later complaint filed against Zoll Lifecor, who is the Petitioner in this case. There was a case of like universal remote, which was decided in August of this year.

So the only issue that really appears to be is whether Zoll Medical, the parent of Zoll Lifecor, is a privy of the Petitioner since it was served with a complaint under 315(b). And so, in other words, if Zoll Medical, which is the defendant in the Massachusetts case, was a privy of Zoll Lifecor, the Petitioner, then there is no standing to bring these IPRs.

I understand that the privity issue can be a fact-dependant question, but the public record here is, I think, conclusive that Zoll Medical is a privy of Zoll Lifecor. It's the parent

corporation. Zoll Lifecor is a wholly-owned subsidiary. There is public information, such as a press release, that says that Zoll will operate the Lifecor business through its Zoll Lifecor subsidiary. There are SEC filings that say Zoll manufacturers and markets a wearable defibrillator system through its subsidiary, Zoll Lifecor. And there are the same, many of the same people involved, same law firms, same general counsel. The president and COO of Zoll Lifecor is an officer --

JUDGE MEDLEY: Okay, let me just interrupt you, please. This is Judge Medley. I just want to interrupt you.

Today we're just here to decide procedurally how to go forward. We don't really need to hear the merits of the case or what you plan to argue, so I just wanted to direct us back to, how do we proceed procedurally. What's the appropriate thing to do here.

And so I have a question for you before we turn it over to hear from Petitioner. Why can't we just run the one case just like we did the other case, in that you have an opportunity to file a preliminary response and in that response you can include why no inter parte review should be

instituted?

So you have every opportunity there to file your response and address the 315(b) issue in that context and, therefore, we're kind of at -- I guess puzzled a little bit that you'd want separate briefings and in the form of a motion to dismiss, as we see it as not necessary.

MR. JAKES: Your Honor, and for the benefit of the court reporter, this is Mike Jakes again on behalf of Philips.

The petitions are really facially deficient for failing to identify all the litigation. This really is a standing issue which we think can, for efficiency, be taken up before we have to file a preliminary response.

In our preliminary response we would also have to address the merits of their petition and in view of the public record it seems very clear that there was a privity issue. They were in privity. The complaint was filed that for efficiency it would be better to just file these motions and dispose of the six IPRs on that ground before the Patent Owner is put to the burden and expense of having to respond on the merits in the preliminary response.

JUDGE MEDLEY: Okay. I'd like to hear from Petitioner now, please.

MR. PHILLIPS: Yes, this is John Phillips from Fish & Richardson. If we get into the factual history, I'd like to get help from John Dragseth, who knows the history better than I do.

But to respond to some of the points, I don't believe the petitions are facially deficient. They identify the relevant parties. Zoll Lifecor and Zoll Medical are separate corporate entities. Philips has treated them as separate corporate entities in the past by suing them as separate corporate entities on the same patents.

If there are multiple -- we don't oppose the filing of the motions. If the filing of the motions is granted, as opposed to putting forth the privity arguments in the preliminary response, we think it would be equitable for us patent owner -- I'm sorry, Petitioner, to get a response to the privy argument, because there are two sides to the position and we feel we're in the better position to respond.

If the preliminary response is filed, we would not get the -- absent a motion to respond to oppose that -- those arguments, we wouldn't get

an opportunity to present the other side of the argument.

JUDGE MEDLEY: Okay. Well, I think the Board on occasion has authorized a response to the preliminary filing, so I don't think it's necessarily, you know, that you would never get to respond to a preliminary response, which it is the status quo not to.

All right, do you have anything else, Mr. Phillips?

MR. PHILLIPS: I don't. John Dragseth, did you want to add any facts, relevant facts to this?

MR. DRAGSETH: I think you hit it well. I don't know that any more facts are relevant at this stage.

JUDGE MEDLEY: Okay. I will conference with my co-worker and then we'll get back with you in just a minute.

(Pause.)

JUDGE MEDLEY: Okay, this is Judge Medley. I'm back.

The panel has conferred and we are not persuaded that we need to deviate from the norm in this case. So we would prefer that these

arguments come in the form of a preliminary response. In that respect, you know, that you would be confined to the page limit but circumventing the page limit.

And I do appreciate and understand that Philips doesn't want to maybe address the merits of the case if this were to go away under the 315(b) issue. However, I will point out, a preliminary response is totally optional for the Patent Owner and so you can use that tool as you see fit (indiscernible), even address the merits of the case if you don't want to. So we're not persuaded by that argument either.

The Board will send out a short order memorializing the conference call approximately tomorrow. Any questions or comments?

MR. PHILLIPS: Your Honor, John Phillips for the Petitioner.

At what point -- if the preliminary response does include the 315(b) arguments, at what point would it be appropriate for us to seek a response to those arguments?

JUDGE MEDLEY: I think you should see what they say first.

MR. PHILLIPS: Fair enough.

JUDGE MEDLEY: All right. Any other questions or comments?

MS. DeFRANCO: Your Honor, this is Denise DeFranco. I'm going to ask for permission to make two further points to Your Honor.

JUDGE MEDLEY: Okay.

MS. DeFRANCO: On behalf of Philips.

I just would like to direct your attention to Section 312(a)(2) of the patent statute which says that the petition cannot even be considered unless the Petitioner identifies all real parties in interest. I think that that is what makes the petition facially deficient.

I'd also like to note for the record that the Petitioner did not oppose our request for an opportunity to file a motion.

JUDGE MEDLEY: Right, okay. I understand that and I understand 312(a)(2), but the way I understand it, Petitioner is under the impression that they did list all the real parties in interest. So this issue is controversial between the parties, correct?

MR. PHILLIPS: That's correct from Petitioner's view, yes.

JUDGE MEDLEY: So then we're back to

where we were earlier, and this has been raised in a couple of cases that the Board has had and this is a way to proceed it through the normal channels of briefing.

Any other questions or comments?

MR. JAKES: Not from the Patent Owner.

MR. PHILLIPS: Not from Petitioner. Thank you, Your Honor.

JUDGE MEDLEY: Okay. And who received the court reporting?

MS. DeFRANCO: Petitioner did -- excuse me, Patent Owner did.

JUDGE MEDLEY: Okay, Patent Owner, when would you be able to file that?

MS. DeFRANCO: We haven't consulted with the court reporter.

Ms. Court Reporter, can you help us answer that question.

THE REPORTER: It's not very lengthy. When do you need it? I can do it pretty quickly.

JUDGE MEDLEY: I don't think that the Board will hold up the order. Tomorrow would be great, file it tomorrow.

And it should be filed as a paper, a

quick paragraph or sentence that says transcript of the conference call.

Okay. Any other questions or comments? All right. Thank you very much.

(End of Phone Conference 1:14 p.m.)

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CERTIFICATE

I, NANCY C. BENDISH, a Certified Court Reporter and Notary Public of the States of New York and New Jersey, do hereby certify that the foregoing is a true and accurate transcript of the telephonic proceedings as taken stenographically by and before me at the time, place, and on the date hereinbefore set forth.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any party in this action and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the event nor outcome of this action.

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