Paper No. 14 December 30, 2014

## UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WAVEMARKET, INC. D/B/A LOCATION LABS Petitioner

v.

LOCATIONET SYSTEMS, LTD. Patent Owner

> Case IPR2014-00920 Patent 6,771,970

Before KRISTEN L. DROESCH, GLENN J. PERRY, and SHERIDAN K. SNEDDEN, *Administrative Patent Judges*.

PERRY, Administrative Patent Judge.

DOCKET

ORDER Conduct of Proceeding 37 C.F.R. § 42.5 At the request of Patent Owner, a conference call in the above proceeding was held on December 24, 2014 among respective counsel for Petitioner and Patent Owner, and Judges Droesch, Snedden, and Perry. Patent Owner seeks authorization to file a motion for additional discovery pursuant to 37 C.F.R. §42.51(b)(2).

The additional discovery sought relates to potential privies. According to Patent Owner's counsel, Petitioner Location Labs is an indemnitor of AT&T, T-Mobile, and Sprint. Patent Owner alleges that documents subject to a protective order in the related District Court litigation establish that privity exists between Petitioner Location Labs and at least one of its customers (AT&T, T-Mobile, and Sprint) accused of infringement.

During a previous conference call involving this issue in IPR2014-00199, Petitioner's counsel argued to us that the appropriate forum for the discovery requested by Patent Owner is the District Court. We are now told that the District Court judge has denied discovery on this issue stating that the appropriate forum for this discovery is the Patent Trial and Appeal Board.

In view of the facts disclosed during the conference call, and the potential significance of a bar under 35 U.S.C. § 315(b) based on privity, Patent Owner is authorized to file a motion within the next 10 days for additional discovery related to the potential privy relationships. Petitioner may oppose in accordance with our rules within 10 days after the motion is filed.

This authorization does not mean that any such motion will be granted. Patent Owner is cautioned that such motions are only granted if

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they are targeted and specific (e.g., particular agreements, communications related to particular agreements). We will not grant a motion that casts too wide a net. We consider various factors in determining whether requested additional discovery meets the standard of "necessary in the interest of justice" under 35 U.S.C. § 316(a)(5), including the following factors set forth in *Garmin Int'l, Inc. v. Patent of Cuozzo Speed Techs. LLC*, Case IPR2012-00001 slip. op. at 6-7 (PTAB Mar. 5, 2013) (Paper No. 26): (1) the request is based on more than a mere possibility of finding something useful; (2) the request does not seek the litigation positions of the other party; (3) the information is not reasonably available through other means; (4) the request is easily understandable; and (5) the request is not overly burdensome to answer.

It is strongly suggested that Patent Owner consider the scope of its request. Wide-ranging discovery requests are not likely to be granted.

## ORDER

Accordingly, it is hereby

**ORDERED** that Patent Owner's request for authorization to file a motion for additional discovery is granted.

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