

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ASKELADDEN LLC,  
Petitioner,

v.

SEAN I. MCGHIE and BRIAN BUCHHEIT,  
Patent Owner.

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Cases IPR2015-00122 (Patent 8,523,063)  
IPR2015-00123 (Patent 8,523,063)  
IPR2015-00124 (Patent 8,540,152)  
IPR2015-00125 (Patent 8,540,152)  
IPR2015-00133 (Patent 8,297,502)  
IPR2015-00137 (Patent 8,297,502)<sup>1</sup>

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Before SALLY C. MEDLEY, JONI Y. CHANG, and  
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

ORDER  
Conduct of the Proceeding  
37 C.F.R. § 42.5

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<sup>1</sup> This order addresses issues that are the same in the identified cases. We exercise our discretion to issue one order to be filed in each case. The parties are not authorized to use this style heading.

IPR2015-00122 (Patent 8,523,063)  
IPR2015-00123 (Patent 8,523,063)  
IPR2015-00124 (Patent 8,540,152)  
IPR2015-00125 (Patent 8,540,152)  
IPR2015-00133 (Patent 8,297,502)  
IPR2015-00137 (Patent 8,297,502)

On February 11, 2015, a conference call was held involving counsel<sup>2</sup> for the respective parties and Judges Medley, Chang, and Braden. The purpose of the call was to discuss the real party-in-interest issue raised in the Patent Owner Preliminary Response, filed in each proceeding.

### *Real Party-In-Interest*

Section 312(a) of Title 35 of the United States Code provides that a petition filed under Section 311 may be considered only if, among other things, the petition identifies all real parties-in-interest. The identification of all real parties-in-interest helps identify potential conflicts of interest for Office officials, and, in *inter partes* review proceedings before the Office, helps identify any potential estoppel issue as set forth in 35 U.S.C.

§ 315(e)(1). Whether a third party is a real party-in-interest or privy of a petitioner is a highly fact-dependent question. The petitioner is more likely to be in possession of, or have access to, evidence that is relevant to the issue than is a patent owner. Moreover, the ultimate burden of proof on the issue lies with the Petitioner. *See, e.g., Atlanta Gas Light Company v. Bennett Regulator Guards, Inc.*, Case IPR2013-00453, slip op. at 6–8 (PTAB Jan. 6, 2015) (Paper 88).

The Petitions in these proceedings name Askeladden LLC as Petitioner's real party-in-interest. *See, e.g., IPR2015-00133*, Paper 1.<sup>3</sup> In its

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<sup>2</sup> Patent Owner is represented by Mr. Brian Buchheit, one of the named inventors of the involved patents, who is registered to practice before the Office.

<sup>3</sup> Citations are to IPR2015-00133.

IPR2015-00122 (Patent 8,523,063)  
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preliminary responses, Patent Owner argues that The Clearing House<sup>4</sup> is also a real party-in-interest. Paper 10 at 54. According to Patent Owner, The Clearing House is comprised of various financial institutions that also may be real parties-in-interest. *Id.* Patent Owner relies on a press release (Ex. 2034), an article from iam-magazine (Ex. 2027), and several webpages from <http://www.patentqualityinitiative.com> in support of its argument that “the boundary between Askeladden and the Clearing House has been a legal fiction based on the evidence available.” *Id.* at 55. We have reviewed these exhibits, along with others filed by the Patent Owner, and determine that Patent Owner has shown sufficiently that the boundary lines are blurred between The Clearing House and Askeladden with respect to whether The Clearing House exercised or could have exercised control over these proceedings. *See, e.g., Atlanta Gas Light Company v. Bennett Regulator Guards, Inc.*, Case IPR2013-00453, slip op. at 8–9 (PTAB Jan. 6, 2015) (Paper 88).

For example, and based on the record before us, Askeladden LLC is a subsidiary of The Clearing House Payment Co. L.L.C. Ex. 2028, 3. Patent Quality Initiative (PQI), described as an “organization” (Ex. 2028, 1) and “under the Askeladden L.L.C., is the product of thought-leadership provided by The Clearing House Payments Company L.L.C.” (Ex. 2028, 2), filed six

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<sup>4</sup> Patent Owner refers to The Clearing House and The Clearing House Payments Company L.L.C. interchangeably. Accordingly, reference to The Clearing House in this decision refers likewise to The Clearing House Payments Company L.L.C.

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*inter partes* reviews against Loyalty Conversion Systems, presumably the proceedings we have before us. Ex. 2034. Patent Owner directs attention to evidence that describes Sean Reilly, who is General Counsel of Askeladden L.L.C., as directing the Patent Quality Initiative. He also is Senior Vice President and Associate General Counsel for The Clearing House Payments Company L.L.C. which is described as supporting PQI. Ex. 2033, 1. Such exemplary evidence tends to support Patent Owner's argument that the boundary between Askeladden and The Clearing House with respect to control over these proceedings is not clear.

Based on the evidence before us, we authorize Petitioner to file a reply to Patent Owner's Preliminary Response for the sole purpose of addressing the real party-in-interest issue. Petitioner may present evidence to support its apparent position that Askeladden is the sole real party-in-interest. Such evidence may include, but is not limited to, a declaration from an officer of Askeladden testifying to the events that led up to the filing of the petitions, such as funding, who decided to file the petitions, and whether any party other than Askeladden controlled, or could have controlled, the petitions in any aspect. Petitioner is directed to the following Board decisions that address real party-in-interest, and for ascertaining the type of evidence it may want to submit: *GEA Process Engineering, Inc. v. Steuben Foods, Inc.*, Case IPR2014-00041 (PTAB Dec. 23, 2014) (Paper 140); and *Atlanta Gas Light Company v. Bennett Regulator Guards, Inc.*, Case IPR2013-00453 (PTAB Jan. 6, 2015) (Paper 88).

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Alternatively, if upon review of Petitioner's records, Petitioner determines that there are other real parties-in-interest to these proceedings, Petitioner may forgo a reply and instead file an updated notice under 37 C.F.R. § 42.8(a)(3). We would consider such updated notification to be a correction to incomplete petitions filed and adjust the filing dates accorded the petitions. *See* 37 C.F.R. § 42.106. Correcting a petition after institution may not be feasible. *See, e.g., Atlanta Gas Light Company v. Bennett Regulator Guards, Inc.*, Case IPR2013-00453, slip op. at 13–14 (PTAB Jan. 6, 2015) (Paper 88). Lastly, to minimize burden on the Board and unnecessary delay, Petitioner is encouraged to correct its Petitions at the early stage of the proceedings, and should not submit the request for correction as a contingency relief.

### *Order*

It is

ORDERED that Petitioner is authorized to file a reply to Patent Owner's Preliminary Responses by February 23, 2015 in accordance with this order;

FURTHER ORDERED that Petitioner alternatively, may file an updated notification in accordance with 37 C.F.R. § 42.8(a)(3) and this order, for the purpose of updating Petitioner's real party-in-interest.

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