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Paper 52
Entered: June 23, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ASKELADDEN LLC,
Petitioner,

v.

SEAN I. MCGHIE and BRIAN BUCHHEIT,
Patent Owner.

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)[1]

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

MEDLEY, *Administrative Patent Judge.*

DECISION
Denying Patent Owner's Motion for Additional Discovery
37 C.F.R. § 42.51(b)(2)

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[1] This Decision addresses issues that are the same in the identified cases. We exercise our discretion to issue one Decision to be filed in each case. The parties are not authorized to use this style heading.

I. INTRODUCTION

Patent Owner, Sean I. McGhie and Brian Buchheit, filed a Motion for Additional Discovery in each proceeding, relating to whether owning banks ("Member Banks") of The Clearing House Payments Company, L.L.C. ("PayCo") and The Clearing House Association ("The Association") are real parties-in-interest. Paper 47[2] ("Mot." or "Motion"). Petitioner filed an opposition. Paper 49 ("Opp." or "Opposition"). Patent Owner filed a reply. Paper 53 ("Reply").

Patent Owner contends that Petitioner failed to name the Member Banks and The Association as real parties-in-interest. *Id.* at 2. To support the contention, Patent Owner seeks additional discovery as follows (*id.* at 2, 5–7):

> Production Request No. 1: Names and roles of each individual employee/committee member/officer/director of Petitioner's real parties-in-interest who is an employee/committee member/officer/director of Member Banks or The Association between September 2014 and May 2015.
>
> Production Request No. 2: Relative percentage or level of funding, either directly or indirectly, towards the *inter partes* reviews provided by Member Banks.
>
> Production Request No. 3: Timelines associated with the *inter partes* reviews, including the exact date that the Executive committee of Askeladden approved challenging each patent involved in each *inter partes* review; start date the Petitioner's law firm was hired to prepare each petition for the *inter partes* reviews; a date prior art to be used in the proceedings was determined; a date an initial draft of the claims in each

[2] Citations are to IPR2015-00122.

> proceeding was mapped to prior art by the law firm; a date a draft including a claim mapping to challenged art was submitted to expert witness for analysis; a date the expert witness finalized his analysis; a date the final petition was submitted to Askeladden for approval; and disclosure of any payment instances over $1000 for work utilized in the proceedings that was performed by Petitioner's firm or by Petitioner's expert that was paid for by any entity other than Askeladden.

II. ANALYSIS

Discovery is available for the deposition of witnesses submitting affidavits or declarations and for "what is otherwise necessary in the interest of justice." 35 U.S.C. § 316(a)(5); *see also* 37 C.F.R. § 42.51(b)(2)("The moving party must show that such additional discovery is in the interest of justice . . . ."). Clear from the legislative history is that discovery should be limited, and that the PTO should be conservative in its grant of additional discovery in order to meet time imposed deadlines. 154 Cong. Rec. S9988-89 (daily ed. Sept. 27, 2008) (statement of Sen. Kyl).

As explained in the order authorizing Patent Owner's Motion for Additional Discovery, the factors set forth in *Garmin International, Inc. v. Cuozzo Speed Technologies. LLC*, Case IPR2012-00001 (PTAB Mar. 13, 2013) (Paper 26) are important factors in determining whether a discovery request meets the statutory and regulatory necessary "in the interest of justice" standard. Paper 39. Patent Owner argues that each discovery request complies with the *Garmin* factors. Mot. 2–8.

Production Request 1

Patent Owner argues that the requested additional discovery is more than a mere allegation, is useful, and is not overly burdensome. Mot. 2–5. Patent Owner, however, does not explain how that is so. As pointed out by Petitioner, Patent Owner's request for all of the names and roles of each individual of Petitioner's real parties-in-interest who is also an employee/committee member/officer/director of Member Banks or The Association is broad and potentially would yield information that would not be useful at all to these proceedings. Opp. 2–3. As explained by Petitioner (*id.*), the request is so broad that it would include, for example, the name of an employee of a Member Bank who is a "committee member" and participates in a PayCo committee concerning banking regulatory matters, which would have nothing to do with the proceedings before us. Such a request would not be useful, is overly broad, and would place an undue burden on Petitioner. We are not persuaded that Production Request 1 is necessary in the interest of justice.

Production Request 2

Patent Owner argues that record evidence indicates that funding for the proceedings was provided from Member Banks, directing attention to IPR2015-00122, Paper 14, 15. Mot. 6. If Patent Owner believes it already has evidence that tends to support its position, then there would be no occasion to grant additional discovery with respect to production request 2. As set forth in *Garmin*, information a party can reasonably assemble or figure out without a discovery request would not be in the interest of justice to have produced by the other party. In any event, and as explained by

Petitioner (Opp. 5–6), evidence tending to show that Member Banks did not fund any of the proceedings has been of record in these proceedings before the filing of the Motion for Additional Discovery. Patent Owner, however, does not discuss or explain such evidence. Thus, we are not persuaded that Production Request 2 is necessary in the interest of justice.

Production Request 3

Patent Owner does not explain cogently why it seeks all of the timelines it requests, and how such timelines are in the interest of justice, to any real party-in-interest inquiry. For example, Patent Owner requests the date an initial draft of the claims in each proceeding was mapped to prior art by Petitioner's law firm, but does not explain how such information, if provided, would be useful. We have reviewed each of the timeline requests, but because Patent Owner does not explain why each such request would be useful, and we do not see how any would be useful, we will not grant such requests.

Patent Owner also requests the disclosure of any payment instances over $1000 for work utilized in the proceedings that was performed by Petitioner's firm or by Petitioner's expert that was paid for by any entity other than Askeladden. Mot. 7. This request appears to us to be similar to Production Request 2. For reasons provided above with respect to Production Request 2, we are not persuaded that discovery of the requested payment instances is necessary in the interest of justice. For all of the above reasons, we are not persuaded that Production Request 3 is necessary in the interest of justice.

DOCKET ALARM

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