

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*.

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

¹ 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 counsel² 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 1.³ In its

² 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.

³ Citations are to IPR2015-00133.

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)

preliminary responses, Patent Owner argues that The Clearing House⁴ 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

⁴ 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.

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)

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).

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)

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.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.