

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VALEO NORTH AMERICA, INC., VALEO S.A., VALEO GMBH,
VALEO SCHALTER UND SENSOREN GMBH, and
CONNAUGHT ELECTRONICS LTD.,
Petitioner,

v.

MAGNA ELECTRONICS INC.,
Patent Owner.

Case IPR2015-01410¹
Patent 8,643,724 B2

Before JUSTIN T. ARBES, MICHAEL J. FITZPATRICK, and
ROBERT J. WEINSCHENK, *Administrative Patent Judges*.

ARBES, *Administrative Patent Judge*.

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

¹ Case IPR2015-01414 has been consolidated with this proceeding.

A conference call in the above proceeding was held on May 26, 2016, among respective counsel for Petitioner and Patent Owner, and Judges Arbes, Fitzpatrick, and Weinschenk.² The purpose of the call was to discuss Petitioner’s Reply (Paper 17) and five exhibits cited in the Reply.

Petitioner notified the Board by email on May 24, 2016, that it inadvertently had not filed Exhibits 1045, 1046, 1054, 1055, and 1060 with its Reply on May 23, 2016. Petitioner stated that it previously served the exhibits on Patent Owner as supplemental evidence in response to an evidentiary objection from Patent Owner, and sought authorization to file the exhibits. Patent Owner indicated by email that it did not object to the exhibits being filed late, and we authorized Petitioner to file the exhibits. *See* 37 C.F.R. § 42.5(c)(3).

During the call, Patent Owner explained that it objected to the exhibits, and Petitioner’s discussion of the exhibits at pages 11–12 of the Reply, as improper new argument. *See, e.g.*, 37 C.F.R. § 42.23(b) (a reply “may only respond to arguments raised in the corresponding . . . patent owner response”); Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763–67 (Aug. 14, 2012) (“The petition lays out the petitioner’s grounds for review and supporting evidence, on a claim-by-claim basis, for instituting the requested proceeding. . . . While replies can help crystalize issues for decision, a reply that . . . belatedly presents evidence will not be considered and may be returned. Examples of indications that a new issue has been raised in a reply include new evidence necessary to make out a *prima facie* case for the patentability or unpatentability of an original or

² A court reporter was present on the call. Petitioner filed a transcript of the call as Exhibit 1071.

proposed substitute claim, and new evidence that could have been presented in a prior filing.”). Patent Owner argued that Petitioner should have filed the exhibits with its Petition or filed a motion to submit them as supplemental information so that Patent Owner would have an opportunity to respond to Petitioner’s arguments about the exhibits in Patent Owner’s Response. Patent Owner argued that the exhibits and portions of the Reply referencing the exhibits should be stricken.

Petitioner responded that the exhibits and Reply properly are responsive to Patent Owner’s argument in its Response that one of the prior art references at issue in this proceeding, G. Wang et al., *CMOS Video Cameras*, IEEE TH0367 3/91/0000/0100, 1991 (Ex. 1009, “Wang”), is not a prior art printed publication. Petitioner further argued that it submitted evidence that Wang is prior art with its Petition, and later uncovered additional evidence purportedly showing Wang’s prior art status, such as a certified copy from the Library of Congress (Ex. 1060).

As explained during the call, a motion to strike the exhibits and portions of the Reply is not appropriate under the circumstances. A motion to strike is not, ordinarily, a proper mechanism for raising the issue of whether a reply or reply evidence is beyond the proper scope permitted under the rules. Should either party request a hearing in this proceeding (by DUE DATE 4 in the Scheduling Order), the parties may address the propriety of the exhibits and Petitioner’s Reply during oral argument. If the parties choose not to request a hearing, Patent Owner may request another conference call and we will determine whether additional briefing or any other action may be appropriate at that time.

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In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner is not authorized to file a motion to strike portions of Petitioner's Reply and Exhibits 1045, 1046, 1054, 1055, and 1060.

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