

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARISTOCRAT TECHNOLOGIES, INC.,
Petitioner,

v.

IGT,
Patent Owner,

Case IPR2016-00252
Patent 7,303,469

Before JOSIAH C. COCKS, MICHAEL W. KIM, and RICHARD E. RICE,
Administrative Patent Judges.

KIM, *Administrative Patent Judge.*

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

On July 28, 2016, a conference call was held between counsel for Patent Owner, counsel for Petitioner, and Judges Kim, Cocks, and Rice. A court reporter was also on the call. The subject matter of the conference call was concerning the Declaration of Mr. Derek James (Ex. 1007), the same subject matter on which a conference call was held previously between the parties and the Board on July 25, 2016, which was memorialized in our Order of July 27, 2016 (Paper 17; “Order”).

Petitioner requested the call to inform the Board concerning a change in circumstances subsequent to the previous call and Order. In particular, Petitioner brought to the attention of the Board the following in its e-mail requesting the call:

As explained during the July 25 conference, despite the multiple emails and voice mails left with Mr. James in response to Patent Owner’s June 30 request for a deposition, Petitioner had not received a response from Mr. James. Today, [July 26, 2016] at 11:15 AM EDT, Petitioner received a response from Mr. James stating: “I understand you have been trying to reach me. I was in South Florida for the past several weeks, dealing with a death in the family and estate issues.”

Petitioner also indicated during the call that Mr. James would be made available for cross-examination by Patent Owner. In our previous Order, we indicated expressly that “unless Mr. James is made available for cross-examination, Petitioner is not permitted to rely on the Declaration of Mr. James (Ex. 1007).” At its most basic, because Mr. James is now available for cross-examination, per the express language in our previous Order, Petitioner is now permitted to rely on the Declaration of Mr. James.

Of course, the availability of Mr. James for cross-examination only came to light one day before Due Date 1, which is clearly after Patent Owner’s discovery period closed on July 21, 2016, and after Patent Owner filed its Patent Owner Response on July 28, 2016 (“original Patent Owner Response”). Primarily for those reasons, Patent Owner asserts that to allow Petitioner to now be permitted to

rely on the Declaration of Mr. James, after the expiration of these time periods, is manifestly unfair because it was Petitioner's burden to make Mr. James available for cross-examination within the requisite time period, unjust because Patent Owner did not actually have time to depose Mr. James prior to Due Date 1, and contrary to the rules, which Patent Owner has scrupulously followed. We agree, and based on their actions, it appears Petitioner does as well.

Specifically, Petitioner has offered to accommodate Patent Owner's concerns by providing additional time to Patent Owner to both cross-examine Mr. James and file substantive papers taking into account Mr. James's testimony. Specifically, Petitioner requests that Due Date 1 be extended to August 25, 2016, and that Due Date 2 to be extended to November 17, 2016. 37 C.F.R. § 42.5(c)(2) reads that "[a] request for an extension of time must be supported by a showing of good cause." In support of that showing, Petitioner advances essentially two factors.

The first factor is that Petitioner diligently attempted to contact Mr. James via multiple e-mails and voicemails following Patent Owner's request on June 30th, and that Mr. James's delay in response to those multiple requests due to a family emergency is an unforeseeable situation for which some accommodation should be provided, especially since Mr. James has indicated that he is now available for cross-examination. We agree that this first factor weighs in favor of Petitioner.

The second factor is that given that Patent Owner has indicated that they would not be filing a motion to amend, effectively rendering superfluous Due Date 3, Petitioner has essentially proposed providing the entirety of the now superfluous time period between Due Date 2 and Due Date 3 to Patent Owner, and has even shortened its own time period between Due Date 1 and Due Date 2 by one week. We agree that this second factor also weighs in favor of Petitioner.

Against these factors, Patent Owner asserts that the Board should consider that Petitioner was not accommodating when Patent Owner previously requested extensions to facilitate settlement negotiations. While we acknowledge that this factor weighs against Petitioner, we are unpersuaded that it outweighs the first two factors in a manner sufficient to take it out of the realm of good cause.

Patent Owner asserts further that the Board should also consider that Petitioner's conduct here could be construed as "sandbagging." On these facts, however, we are unpersuaded that Petitioner's conduct was unreasonable, in that we are unclear as to how Mr. James's family emergency was something that could have been controlled by Petitioner.

Of course, Patent Owner has already filed a Patent Owner Response. Petitioner represents that 43 of the 52 pages of the original Patent Owner Response have nothing to do with the Declaration of Mr. James. To that end, Petitioner has offered to either allow Patent Owner to file a completely new Patent Owner Response or allow Patent Owner to file a three-page paper addressing the Declaration only. We are cognizant, however, that permitting Petitioner to rely on the Declaration of Mr. James may alter Patent Owner's overall strategy concerning the Patent Owner Response. Accordingly, we will allow Patent Owner the option of filing either (1) a completely new Patent Owner Response or (2) a Supplement to the original Patent Owner Response. With either option, Patent Owner may set forth arguments and submit evidence that differ from those in the original Patent Owner Response. Furthermore, if it chooses to file a Supplement to the original Patent Owner Response, Patent Owner is permitted to use 20 pages, reflecting the fact that Patent Owner used 43 pages in the original Patent Owner Response to discuss issues other than whether or not the "Let's Make a Deal" is prior art,

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leaving 17 pages of the approximate 60 page limit, and the three additional pages offered by Petitioner.

It is

ORDERED that Due Date 1 is moved to August 25, 2016 and Due Date 2 is moved to November 17, 2016;

FURTHER ORDERED that Patent Owner is permitted either (1) to file a completely new Patent Owner Response in lieu of the original Patent Owner Response, or (2) to file a 20 page Supplement to the original Patent Owner Response that will be considered in conjunction with the original Patent Owner Response. With either option, Patent Owner is permitted expressly to set forth arguments and submit evidence that differ from those in the original Patent Owner Response; and

FURTHER ORDERED that a transcript of the conference call will be filed as an exhibit in this proceeding within 10 business days.

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