

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMX, LLC.,
Petitioner,

v.

CHRIMAR SYSTEMS, INC.,
Patent Owner.

Case IPR2016-00573
U.S. Patent No. 9,019,838

**PATENT OWNER CHRIMAR SYSTEMS, INC.'S
MOTION FOR ADDITIONAL DISCOVERY UNDER 37 C.F.R. § 42.8(a)(2)**

I. BACKGROUND

Patent Owner Chrimar Systems, Inc. (“Chrimar”) requests that the Board authorize certain targeted discovery from Petitioner AMX, LLC (“Petitioner”) as set forth in Exhibit 2002 (Chrimar’s proposed discovery requests). *See* 37 C.F.R. §§ 42.51 (b)(2), 42.52(a). Chrimar expects that the requested discovery, together with additional information, will show that Petitioner is the proxy of unnamed third parties Hewlett-Packard Co. (“HP”) and/or Cisco Systems, Inc. (“Cisco”), thus establishing that the petition is time-barred under 35 U.S.C. § 315(b), or the proxy of another unnamed third party, which would affect the scope of estoppel in related litigation. This motion is filed in accordance with the Board’s April 14, 2016 Order (Paper No. 8).

II. ADDITIONAL DISCOVERY CONCERNING THE IDENTITY OF ALL REAL PARTIES IN INTEREST IS NECESSARY IN THE INTERESTS OF JUSTICE

The Board may authorize additional discovery if it is shown to be in the “interests of justice.” 37 C.F.R. § 42.51(b)(2). Chrimar requests discovery that is necessary in the interests of justice to determine whether Petitioner is a proxy for unnamed third parties here. Chrimar believes that it can show that HP, Cisco, and/or another entity is a real party-in-interest or privy, which is critical in determining whether the IPR proceeding is time-barred under § 315(b), or in determining the scope of the estoppel in litigation.

As shown below, Chrimar’s discovery requests satisfy the five *Garmin* factors applied by the Board. *See Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, Paper No. 26 at 6–7 (Mar. 5, 2013).

A. Chrimar is in possession of evidence that shows beyond speculation that the requested discovery will uncover useful information.

Chrimar satisfies the first *Garmin* factor, which requires more than a mere allegation or possibility that something useful will be discovered. *See id.* at 6–7. The following evidence tends to show that information favorable in substantive value to Chrimar on the issue of real parties-in-interest will be uncovered by the requested discovery:

- HP filed a declaratory-judgment action in the Eastern District of Michigan requesting a ruling of invalidity on U.S. Patent No. 9,049,019 (“the ’019 patent”). Ex. 2003.
- AMX then filed a petition for *inter partes* review of that same ’019 patent, even though AMX is not accused of infringing that patent. IPR2016-00572, Paper No. 1.
- AMX hired McDermott Will & Emery, which represents HP in the Eastern District of Michigan litigation, and in another action in the Northern District of California also involving Chrimar and Chrimar’s patents, to represent it in the IPR proceedings. Exs. 2003 and 2004.

- As counsel for AMX confirmed, it is undisputed that indemnity agreements exist between AMX and third parties. Ex. 2001 at 19:7–12.
- AMX sells certain products provided by another party accused of infringement in a Chrimar case—Ruckus Wireless. *See* Ex. 2005 at 5.
- Ruckus Wireless states publicly that it indemnifies its channel partners. *See* Ex. 2006 at 72.
- Chrimar believes that Ruckus was indemnifying AMX in litigation involving Chrimar and the same patents at issue in the IPR—as counsel for Ruckus, Matthew Yungwirth, represents Ruckus and was representing AMX—and may still be indemnifying AMX in such litigation. Exs. 2007 and 2008.

B. Chrimar’s requested discovery does not seek Petitioner’s litigation positions or the underlying basis for those positions.

Chrimar is not seeking discovery prohibited by the second *Garmin* factor.

See Garmin, IPR2012-00001, Paper 26 at 13. Instead, Chrimar seeks limited discovery concerning whether third parties are real parties-in-interest that should have been identified in the Petition pursuant to 35 U.S.C. § 312(a)(2) (or whether any third party is a “privy” of a petitioner under 35 U.S.C. § 315(b)). To that end, the requested discovery seeks only factual information regarding third parties’ relationships with Petitioner and their involvement with these proceedings, not

Petitioner's litigation positions or the underlying basis for those positions. For example, Request for Production No. 1 seeks indemnity agreements, which are not privileged, and all of the requested interrogatories seek factual, not privileged, information about third parties' involvement in the Chrimar Litigation and these IPRs. If, however, Petitioner contends otherwise for any discovery request, any allegedly privileged information or litigation positions can easily be redacted.

C. Chrimar cannot generate equivalent information by other means.

With respect to the third *Garmin* factor, Chrimar does not have the ability to generate equivalent discovery by any other means. Petitioner is the only one in possession of the discovery sought.

To be a real party-in-interest, a third party's participation with a petitioner need not be overt, and the evidence of an unnamed real party-in-interest may be circumstantial. *Zoll Lifecor Corp. v. Philips Elec. N. Am. Corp.*, Case IPR2013-00609, slip op. at 10 (PTAB Mar. 20, 2014) (Paper 15). With respect to privity, the Federal Circuit has stated an "indemnity agreement between" parties creates "a significant relationship between them," and that "[s]uch an indemnification agreement, in other cases, has alone been enough to find privity." *Intel Corp. v. U.S. Int'l Trade Comm'n*, 946 F.2d 821, 839 (Fed. Cir. 1995). Also, under controlling Federal Circuit law, *Aevoe Corp. v. AE Tech. Co.*, 727 F.3d 1375 (Fed. Cir. 2013), a reseller of accused infringing products is in privity with a party

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