

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMX, LLC and DELL INC.,

Petitioners,

v.

CHRIMAR SYSTEMS, INC.,

Patent Owner.

Case IPR2016-00569 (Patent 8,942,107 B2)

Case IPR2016-00574 (Patent 8,902,760 B2)

**PATENT OWNER CHRIMAR SYSTEMS, INC.'S
MOTION FOR ADDITIONAL DISCOVERY UNDER 37 C.F.R. § 42.51(b)(2)**

I. BACKGROUND

Patent Owner Chrimar Systems, Inc. (“Chrimar”) requests that the Board authorize certain targeted discovery from Petitioners AMX, LLC and Dell Inc. (“Petitioners”) 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 Petitioners are the proxies 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 proxies 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 Petitioners are proxies 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:

With respect to AMX:

- 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.

With respect to Dell:

- Dell is a reseller of a number of products made and provided by third parties, several of which are also defendants in various Chrimar cases and are currently being accused of infringement. Ex. 2009; *see also* Petitioners' identification of Related Matters under §42.8(b)(2).

- Aerohive’s February 26, 2016 Form 10K expressly identifies a written indemnification agreement with Dell.¹ Ex. 2010 at 41.
- Dell has a number of suppliers—including Microsemi Corporation, D-Link Systems, Startech.com, and Cisco Systems, Inc.—and has likely requested indemnification from each of them. *See* Ex. 2011.
- Aside from Aerohive, there is a high likelihood that other real parties-in-interest exist that could affect the scope of estoppel. Current litigants and defendants in Chrimar litigation, such as D-Link Inc. and Juniper Networks, all supply products to Dell and are currently being accused of infringing the patents at issue in the IPR. Exs. 2009, 2012, and 2013.
- Dell is a customer of Aerohive Networks, Inc. and is Aerohive’s co-defendant in the pending litigation between Patent Holder and Dell. Ex. 2014.

B. Chrimar’s requested discovery does not seek Petitioners’ 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

¹ Dell is the only party that is a co-defendant in the proceeding against Aerohive. *See* Civil Action No. 6:15-cv-639 pending in the United States District Court for the Eastern District of Texas.

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