

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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I.M.L. SLU,  
Petitioner  
v.

WAG ACQUISITION, LLC  
Patent Owner.

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Case IPR2016-01656  
Patent 8,122,141 B2  
Case IPR2016-01658  
Patent 8,364,839 B2<sup>1</sup>

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TREVOR M. JEFFERSON, BRIAN J. McNAMARA, and  
PATRICK M. BOUCHER, *Administrative Patent Judges*.

McNAMARA, *Administrative Patent Judge*.

CONDUCT OF THE PROCEEDING  
*37 C.F.R. § 42.5*

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<sup>1</sup> This Order is to be filed in each case. The parties are not authorized to use this style heading in any subsequent papers

*Introduction*

On November 18, 2016, we conducted a telephone conference with counsel for I.M.L. SLU (“Petitioner”) and WAG Acquisition, LLC (“Patent Owner”) concerning Patent Owner's request for authorization to file a Motion for Discovery of certain information related to whether Petitioner had identified all real parties-in-interest in this proceeding. According to Patent Owner, Petitioner failed to identify Coolvision, Ltd. (“Coolvision”) and Muly Litvak, alleged to be the majority owner of both Petitioner and Coolvision, as real parties-in-interest. During the teleconference, we understood that there was agreement as to production of some documents, i.e., a document identified as an “Operating Agreement,” but not others. Therefore, we ordered the parties to confer again and, if no agreement could be reached, we authorized Patent Owner to file its motion by November 30, 2016.

Pursuant to our order, Patent Owner moves for the following discovery: (1) the ability to use 77 pages of documents previously produced under protective order restricting its use to litigation in the United States District Court for the District of New Jersey (“the 77 pages”), and (2) documents sufficient to show the chain of ownership of both Petitioner and Coolvision. Paper 7, Motion for Discovery (“Mot.”) 4, 7. Petitioner filed an Opposition to Patent Owner’s Motion on December 9, 2016. Paper 9, (“Opp.”). On December 12, 2016, Petitioner filed a Letter Concerning Petitioner’s Brief In Opposition To Patent Owner Motion For Discovery seeking to clarify statements in its Opposition concerning proof of

service on Coolvision. Paper 10 (“Letter”).<sup>2</sup> On February 27, 2017, we entered a Decision to Institute a trial. Paper 11.

*Confidentiality*

The cover page of Patent Owner’s Motion and Petitioner’s Opposition state “Filed Under Seal – References Information Subject To Protective Order.” Petitioner’s Letter contains no such designation, but was filed electronically as available to Board and Parties Only. Exhibits 2001 and 2002 that accompanied the Motion are English translations of a publically available news article and chart concerning the purported ownership of Petitioner, Sobnito Investments, and Coolvision by Muly Litvak. Ex. 2001, 2002. Exhibits 2001 and 2002 were not filed under seal and are available to the public.

Neither Patent Owner nor Petitioner complied with our requirements for filing a Motion to Seal with a Proposed Protective Order. 37 C.F.R. § 42.54. Thus, there is no protective order currently in place in this proceeding. Petitioner contends that we should not condone Patent Owner’s violation of the District Court’s Protective Order by Patent Owner’s use of restricted pages 1–17 and 30–77 of the 77 pages. Opp. 5. Neither Patent Owner nor Petitioner filed a copy of any Protective Order that may have been entered by any U.S. District Court. Neither Patent Owner nor Petitioner filed a redacted Motion or Opposition that would permit us to identify what, if any, subject matter in the Motion and

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<sup>2</sup> Citations herein are to papers in IPR2016-01656. In IPR2016-01658, Patent Owner’s Motion for Discovery (Paper 7) and Petitioner’s Opposition to Patent Owner’s Motion for Discovery (Paper 9) present the same arguments discussed in the similarly numbered papers for IPR2016-01656. However, Patent Owner’s Letter Concerning Petitioner’s Brief in In Opposition To Patent Owner Motion For Discovery filed in IPR2016-01656 was not filed in IPR2016-01658.

Opposition the parties consider to be information that should not be available to the public. Neither party filed a copy of the restricted pages in this proceeding.

The Protective Order filed in the District Court “allows Coolvision and IML to designate as confidential certain material information being produced or deposition testimony taken during limited personal jurisdiction discovery.” *WAG Acquisition, LLC v. Sobonito Investments, Ltd. et al.*, Case No. 2:14-cv-1661 (D.N.J.), Doc. 82 at 2 (Aug. 26, 2014) (“District Court Protective Order”).

Paragraph 15 of the District Court Protective Order states that “No information that is in the public domain or which is already known by the receiving party through proper means or which is or becomes available to a party from a source other than the party asserting confidentiality, rightfully in possession of such information on a non-confidential basis, shall be deemed or considered to be Confidential material under this Protective Order.” *Id.* ¶ 15. The identities of Petitioner, Coolvision and Mr. Litvak are disclosed in the publicly available news articles in Exhibits 2001 and 2002 and are not confidential. We do not consider the existence of the 77 pages to be confidential information because Petitioner states that pages 18–29 of the 77 pages are unrestricted. Opp. 5. We are unable to identify any other information in the Motion and Opposition that could be considered confidential, and, as noted above, neither party has identified specific confidential information. Therefore, we make this Order available to the public.

#### *Discussion*

In its Motion, Patent Owner states that during their meet and confer Petitioner initially consented to Patent Owner’s use of the 77 pages in this proceeding and to a stipulation as to the percentages of ownership of Coolvision and Petitioner by one individual (“the stipulated ownership percentages”) for purposes of addressing real party-in-interest and privity. Mot. 5. Patent Owner

states that the 77 pages, includes the Operating Agreement and two asset purchase agreements that reflect the relationship between Coolvision and Petitioner. *Id.* Patent Owner also states the ability to use the 77 pages and the stipulated ownership percentages would satisfy its discovery requests. *Id.* However, Patent Owner reports that Petitioner conditioned use of the 77 pages and the stipulated ownership percentages on Patent Owner's waiver of further fact discovery, a condition Patent Owner states is over-reaching and unacceptable. *Id.* at 6.

We agree that Petitioner's attempt to preclude follow-on discovery is over-reaching. However, to the extent that this is the remaining discovery dispute between the parties, it is irrelevant. The panel, not the parties, will determine whether additional discovery is warranted. To the extent that parties do not agree on additional discovery in proceedings before the Patent Trial and Appeal Board we are guided by the following principles ("the *Garmin* factors") first articulated in *Garmin Int'l., Inc. v. Cuozzo Speed Techs LLC*, Case IPR2012-00001, slip op. 6–7 (PTAB Mar. 3, 2015): (1) whether there are more than a mere possibility and a mere allegation that something useful might be found, (2) whether the discovery merely seeks early identification of an opponent's litigation position, (3) whether the party requesting the discovery can obtain the information through other means, (4) whether the discovery requests and instructions are clear, and (5) whether the discovery requests are overly burdensome.

In this case, the discovery requests are clear and do not impose an undue burden on Petitioner's resources because they are drawn to information already produced in the case pending in the U.S. District Court. Petitioner does not argue that the 77 pages and documents sufficient to show the chain of ownership between Petitioner and Coolvision are available from any other source. To the extent that the chain of ownership request is satisfied by the stipulated ownership percentages,

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