

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

333 WEST WACKER DRIVE

SUITE 2600

CHICAGO, IL 60606

(312) 857-7070

FACSIMILE

(312) 857-7095

www.kelleydrye.com

STEVEN YOVITS

DIRECT LINE: (312) 857-7099

EMAIL: SYovits@kelleydrye.com

WASHINGTON, DC
LOS ANGELES, CA
CHICAGO, IL
HOUSTON, TX
AUSTIN, TX
PARSIPPANY, NJ
STAMFORD, CT
BRUSSELS, BELGIUM

AFFILIATE OFFICE
MUMBAI, INDIA

Patent Trial and Appeal Board
United States Patent and Trademark Office
Madison Building (East)
60 Dulany Street
Alexandria, VA 22313

I.M.L. SLU, Petitioner v. WAG ACQUISITION, LLC, Patent Owner
***Inter Partes* Review Cases No. IPR2016-01656 and IPR2016-01658**
U.S. Patent Nos. 8,122,141 and 8,364,839

Your Honors:

We represent petitioner I.M.L. SLU in the above-captioned, instituted *inter partes* review cases, set for oral argument the afternoon of November 30, 2017. We write to request discovery from the ostensible patent owner, WAG Acquisition, LLC (“WAG”) as a result of information we discovered last week that WAG may not have an ownership interest in the patents.

According to a letter submitted to the judge in the district court litigation over the same patents as those at issue in the IPRs, which is enclosed as Exhibit 1014,¹ discovery in the litigation revealed that:

¹ The letter was filed with the district court September 26, 2017, but since we are not parties to that litigation, we did not see it until November 15, 2017. WAG has an obligation to inform the Board, and the petitioner, of other parties-in-interest; it has not disclosed Woodsford or its relationship with Woodsford in any IPR filing.

Patent Trial and Appeal Board
Page Two

Woodsford Litigation Funding Limited and Woodsford Litigation Funding (US) (“Woodsford”) are funding WAG’s participation in the above actions. In exchange, WAG has ceded to Woodsford substantial rights in the patents-in-suit such that WAG lacks constitutional standing to sue; or at the very least, WAG lacks prudential standing to sue without joining Woodsford.

Letter from Justin T. Quinn, Esq., to the Honorable Esther Salas, U.S.D.J., *WAG Acquisition L.L.C. v. MultiMedia, LLC, et al.* (14-cv-02340).

Petitioner is not a party to that litigation, and has no access to its discovery or any confidential submissions or disclosures made in that litigation. In the past few days, by both email and telephone, we have asked WAG to give us copies of the agreements with Woodsford so that we can determine whether Woodsford has had sufficient control over the IPR proceedings or the patents such that it should have been disclosed in the IPR, and whether WAG has sufficient interest in the patents that it may make submissions to the Board and be heard in their defense. Information available in the media states that WAG’s law firm has had a litigation funding agreement with Woodsford since at least August of this year, but that according to their press release, the relationship with Woodsford was long-standing. Enclosed are copies of two of the relevant articles. (Law360, “Lewis Baach Inks \$20M Third-Party Funding Deal,” Aug. 16, 2017 (Exhibit 1015); Press Release, Aug. 16, 2017 (Exhibit 1016)).

Decisions by this Board hold that submissions from an entity without sufficient ownership interest should be expunged or disregarded. *See Bio-Rad Labs., Inc. v. Cal. Inst. Of Tech.*, IPR2015-00009 (Paper 9) and IPR2015-00010 (Paper 8) (March 6, 2015) (in absence of proof that Fluidigm’s license conveyed sufficient rights, its preliminary response would be expunged); *Motorola Mobility LLC v. Patent of Michael Arnouse*, IPR2013-00010 (Paper 27) (April 5, 2013) (inventor who assigned rights in the patent does not have the right to participate in proceedings before the Patent Office). In both cases, the Board stated that the question of the real party in interest when a patent has been assigned or licensed is

Patent Trial and Appeal Board
Page Three

analyzed in the context of standing to sue for patent infringement. *Bio-Rad Labs., Inc.* at 3; *Motorola Mobility* at 3. Therefore, the fact that WAG may not have standing to sue for infringement of the patents-at-issue is directly relevant to the question of whether WAG may be heard in the pending IPRs.

WAG has refused to provide any discovery or information, other than to deny that it has assigned sufficient rights to affect its standing to sue. WAG's counsel told us in a telephone call on Friday, November 17 (the earliest day WAG's counsel was available) and in an email received Sunday, November 19, that the letter filed with the district court should be disregarded because it was a statement from a litigation adversary; therefore, despite the fact that it was filed with the district court, it was not a sufficient basis to believe that "something useful [to the proceeding] will be found."² See *Garmin Int'l, Inc. v. Cuozzo Speed Techs LLC*, IPR2012-00001, Paper 26 at 6-7 (March 5, 2013). WAG's counsel also refused to provide copies of the agreements with Woodsford or any information concerning Woodsford's connection to the patents-at-issue or the IPR. Finally, WAG's counsel claimed that we should have realized this information earlier, and that our concern was merely a ploy because WAG has raised real-party-in-interest questions about petitioner.

Of course, whether petitioner should have disclosed an additional party is not relevant to the question of whether WAG is an appropriate party to appear before this Board. Since this question goes to whether the Board can consider pleadings submitted by WAG or whether WAG can appear at oral argument, it is of sufficient importance that this Board should order information to be discovered

² WAG's position is in stark contrast to its arguments to this Board, where it argued that an article published in a salacious gossip sheet was sufficient basis to support discovery into confidential ownership and corporate information, and to this Board's holding that additional discovery should be provided. See *Petitioner I.M.L. SLU's Brief in Opposition to Patent Owner's Motion for Discovery* (December 9, 2016) (Paper No. 9) and *Conduct of the Proceedings* 37 C.F.R. § 42.5 (April 27, 2017) (Paper No. 13).

Patent Trial and Appeal Board
Page Four

promptly, despite the timing of the request. WAG of course knew that it had ceded “substantial rights” in the patents to Woodsford and knew that Woodsford was funding its defense of these patents; had it made proper mandatory disclosures, the issue could have been explored earlier.

Petitioner respectfully requests that this Board order WAG to produce to petitioner’s counsel, no later than Friday, November 24, 2017, copies of all agreements between Woodsford and WAG or its counsel concerning (directly or indirectly) the IPRs or the patents-at-issue; documents sufficient to show any interest of Woodsford in either of the patents-in-suit and the dates those interests were acquired; documents sufficient to show the full extent of WAG’s interest in both of the patents-in-suit and any conditions or limitations on those interests, together with dates; and documents or a statement disclosing in full any role Woodsford has played in funding, supervising, consulting, controlling or participating in any way in the pending IPRs.

Given the potential significance of this information, and the possibility that, as indicated by the filing with the district court, WAG is not a proper party to have appeared in these proceedings or that WAG has failed to identify a significant real party in interest, petitioner respectfully requests a brief adjournment of the upcoming oral argument now scheduled for November 30, 2017. A brief adjournment will, with the Board’s permission, allow petitioner to obtain this necessary discovery and, if warranted, to request permission to move to dismiss

KELLEY DRYE & WARREN LLP

Patent Trial and Appeal Board
Page Five

WAG from the proceedings and to expunge all improper WAG filings, potentially including the Patent Owner's Response.

Dated: November 20, 2017

/Steven Yovits/

Steven Yovits
Reg. No. 48,055

Lead Counsel for Petitioner
Kelley Drye & Warren LLP
333 W Wacker Dr # 2600
Chicago, IL 60606
syovits@kelleydrye.com
Phone: 312-857-7099
Fax: 312-857-7095

Beth D. Jacob (*pro hac vice*)
Kelley Drye & Warren LLP
101 Park Ave
New York, NY 10178
bjacob@kelleydrye.com
Phone: 212-808-7624
Fax: 212-808-7897

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.