

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

I.M.L. SLU, and DUODECAD IT SERVICES LUXEMBOURG S.A R.L.,
ACCRETIVE TECHNOLOGY GROUP, INC., ICF TECHNOLOGY, INC.,
and RISER APPS LLC.,¹
Petitioner,

v.

WAG ACQUISITION, LLC
Patent Owner.

Case IPR2016-01656
Patent 8,122,141 B2
Case IPR2016-01658
Patent 8,364,839 B2

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

McNAMARA, *Administrative Patent Judge*.

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

¹ DUODECAD IT SERVICES LUXEMBOURG S.À R.L, et al. are present
by virtue of the joinder of IPR2017-01179 to IPR2016-01658.

Based on Petitions filed by I.M.L. SLU (“IML”), a trial in IPR2016-01656 and IPR2016-01658 was instituted on February 27, 2016. Paper 11 in each proceeding (“Decision to Institute”). On October 5, 2017, IPR2017-01179 brought by Duodecad IT Services Luxembourg S.À R.L., Accretive Technology Group, Inc., ICF Technology, Inc., and Riser Apps LLC (“Duodecad”) was terminated and joined to IPR2017-01658. As a result, IML and Duodecad are Petitioners in IPR2016-01658. IML is the sole Petitioner in IPR2016-01656.

On November 15, 2017, we entered a Trial Hearing Order in which we indicated that, consistent with our previously entered Scheduling Order, we would conduct a consolidated hearing on the merits of each *inter partes* review on November 30, 2017. Papers 31 and 29 (“Trial Hearing Order”), 2². We also stated that we would conduct a separate hearing to address an outstanding Motion for Discovery on information concerning Petitioner’s real parties-in-interest. *Id.* at 3.

On November 20, 2017, without requesting a conference to seek prior authorization, counsel for IML filed a five page “Letter” advising the panel of developments in a separate district court litigation in which Petitioner is not a party. Papers 32 and 30 (“Letter Motion”). IML requested that we authorize discovery of information about the relationship between WAG Acquisition LLC (“Patent Owner”) and Woodsford Litigation Funding Limited and Woodsford Litigation Funding (US) (“Woodsford”) to allow IML to address whether Patent Owner had ceded rights, such that Patent Owner is stripped of its constitutional standing. Letter, 3. On November 21, 2017, we authorized Patent Owner to file a response to Petitioner’s Letter Motion and stated we would hear argument at the November 30, 2017 discovery motion hearing. Papers 33 and 31.

² Unless paper numbers are the same in each proceeding, paper numbers are provided for IPR2017-01656 and IPR2016-01658, respectively.

On November 29, 2017, IML sent the Board e-mail correspondence with a proposed motion attached seeking to withdraw the Petitions in IPR2016-01656 and IPR2016-01658. We responded by e-mail that the hearing would take place on November 30, 2017 and that we would take up the matter of withdrawal at the discovery hearing.

The first issue addressed at the discovery hearing on November 30, 2017 was IML's Motion to Withdraw. As the sole Petitioner in IPR2016-01656, IML indicated it is seeking to withdraw the Petition and end IPR2016-01656; having not objected to the joinder of Duodecad in IPR2016-01658, IML clarified that it seeks only to withdraw its participation in IPR2016-01658.³ Transcript of Discovery Hearing held on Nov. 30, 2017 Papers 36 and 34 ("Discovery Hr'g. Tr.") 7:1–12, 8:1–11. We noted that, other than in the context of a settlement, the statutory scheme and our implementing rules do not have explicit provisions for withdrawing a petition. Discovery Hr'g. Tr. 9:9–12:16. *See*, 35 U.S.C. §313; 37 C.F.R. § 42. We also noted that our rules allow a petitioner to request adverse judgment, although adverse judgment could have estoppel implications. *Id.* at 10:15–11:16, *see* 35 U.S.C. § 315(e), 37 C.F.R. 42.73(b), (d). In addition, we heard argument from Duodecad's counsel concerning the implications for Duodecad of terminating IML's involvement in IPR2016-01658, including the possible determination that on the current record IML failed to demonstrate that it has named all real parties-in-interest. Discovery Hr'g. Tr. 14:7–15:17, 18:12–17. We also heard responsive argument from Patent Owner. *Id.* at 15:18–18:9.

³ Although we instituted on Duodecad's petition in IPR2017-01179, which was substantially identical to that filed by IML in IPR2016-01658, Duodecad's petition would have been time barred under 35 U.S.C. § 315(b), but for the joinder provisions of 35 U.S.C. § 315(c).

We also heard argument on Patent Owner’s Motion for Additional Discovery. Papers 23 and 21 (“PO Mot. For Add. Discovery”). Although Patent Owner’s discussion of its Motion for Additional Discovery delved, to some extent, into the merits of the issues, the discussion of the relationship between IML and at least one other entity, CoolVision, was necessary to put the discovery sought into context. Discovery Hr’g. Tr. 22:4–29:8. Counsel for Patent Owner also stated that he had been advised by “e-mail yesterday . . . that there’s not going to be any discovery.” *Id.* at 29: 15:21). Arguing that Patent Owner’s “[discovery] motion is moot if we are not here” (*id.* at 30:21), IML’s counsel stated that she was not authorized to answer specific questions (Discovery Hr’g. Tr. 34:1) about the subject matter and that IML’s further actions depend upon what options are open to IML in light of this order (*id.* at 32:6–12).⁴

Initially Patent Owner stated that it does not oppose Petitioner’s withdrawal. *Id.* at 13:18–20. However, on December 1, 2017, Patent Owner sent an e-mail to the Board requesting (i) a conference to seek authorization to file a written opposition to Petitioner’s request for leave to withdraw, (ii) to move to require Petitioner to respond to discovery with items we identified at page 7 of the transcript of our conference call on November 3, 2017⁵ including “who has been directing the proceedings, who participated in preparing the petition, who has been funding it, how it has been funded, are the same lawyers involved, who the Petitioner's counsel is in this case taking direction from,” and (iii) to renew its

⁴ In this Order we avoid discussing specific discovery details because this portion of the hearing was held in closed session and is sealed. As indicated in this Order, the parties are instructed to review the transcript and advise us of any subject matter should be redacted before the transcript is made public.

⁵ The transcript of our call on November 3, 2017 has not been made of record in either IPR2016-01656 or IPR2016-01658.

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request for authorization to file a motion to terminate IPR2016-01656 and IPR2016-01658 as time barred as to all Petitioners.

IML availed itself of the procedures of this Board and has therefore consented fully to its jurisdiction. Our earlier orders make clear that Patent Owner has established a threshold need for additional discovery on the issue of whether IML has disclosed all real parties-in-interest to these proceedings. *See*, Papers 13 and 12. IML acknowledged during the discovery hearing that Patent Owner’s description of the relationship between IML and CoolVision is basically correct. Discovery Hr’g. Tr. 35:13–36:5. Patent Owner’s Motion for Additional Discovery contends that the redacted documents produced thus far, the stipulation filed as confidential Exhibit 2007, and a retracted offer for an additional stipulation are insufficient to satisfy the requirements of identifying all parties that control and direct IML in this proceeding or have other important interests in its outcome. PO Mot. For Add. Discovery, 2–4. Patent Owner has proposed a request for admission and a number of multi-part interrogatories (Ex. 2008) that IML contends seek far reaching discovery into claims of ownership of companies that are neither IML nor the purported real parties-in-interest, as well as other details, including the locations of employees, for periods including several years before the IPR was filed and before IML was served in related litigation. Papers 24 and 22 (“Opp. to Mot. For Add. Discovery”). IML also states that most of the information sought in interrogatories 7(a)–7(c) and 8(a)–8(c) has already been provided. *Id.* at 5. We agree that some of Patent Owner’s interrogatories are over-reaching and seek information that is not targeted to the real parties-in-interest issues before us. Others of Patent Owner’s discovery requests, in particular those directed to establishing the chain of ownership and the roles played by certain personnel, are within the appropriate scope of this proceeding.

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