Filed on behalf of TQ Delta, LLC
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC.,
Petitioner,
v.

TQ DELTA, LLC,
Patent Owner.

Case IPR2016-01760
Patent No. 9,094,268

PATENT OWNER'S REPLY IN SUPPORT OF ITS MOTION TO EXCLUDE

I. PARAGRAPHS 1-10, 14, AND 16-25 OF EXHIBIT 1012 AND 1016 SHOULD BE EXCLUDED

Paragraphs 1-10, 14, and 16-25 of Exhibit 1012 and Exhibit 1016 should be excluded under Fed. R. Evid. 402 and 403. Exhibit 1012 is the declaration of Dr. Kiaei, and Exhibit 1016 is a copy of U.S. Patent No. 5,909,463. Both were submitted for the first time with Petitioner's Reply.

A. Paragraphs 1-4, 7, 24, and 25 of Exhibit 1012 Are Not Relevant

Petitioner takes the position that Paragraphs 1-4, 7, 24, and 25 of Exhibit 1012 are relevant to this proceeding even though the Reply does not even cite to those paragraphs. Paper No. 32 at 2-3. As a general matter, it goes without saying that evidence that is not relied upon by a party in its papers is not relevant to the proceeding. *See SK Innovation Co. v. Gelgard, LLC*, IPR2014-00679, Paper No. 58 at p. 49 (P.T.A.B. Sept. 25, 2015) (excluding exhibits under Fed. R. Evid. 402 "[b]ecause Patent Owner did not cite [to the exhibits] in this proceeding").

Moreover, Petitioner's argument that Paragraphs 1-4, 7, and 24 are relevant because they are "responsive to certain assertions made by Dr. Chrissan in his Declaration, thus providing context for his testimony" is a non-starter. *Id*. at 3. If the "context" of Dr. Kiaei's testimony is significant, Petitioner should have cited to Paragraphs 1-4, 7, and 24 of Exhibit 1012 in its Reply.

In addition, Petitioner argues that Paragraphs 1-4, 7, and 24-25 should not be excluded because there is a strong public policy for making information filed in an administrative proceeding available to the public. *Id*. Under this logic, however, no exhibit a petitioner files with its papers should ever be excluded from an IPR – no matter how unrelated to the IPR. That cannot be the case. Moreover, excluded exhibits are not removed from the publicly accessible record – they just are not considered by the Board in rendering a final decision. For example, in *Toshiba Corp. v. Optical Devices, LLC*, IPR2014-01447, Paper No. 34, at 43-47 (P.T.A.B. Mar. 9, 2016) the Board excluded Exhibits 1015 and 1016 and stated that it would not consider those exhibits, yet those exhibits can still be accessed by the public on Docket Navigator for that proceeding. As such, Paragraphs 1-4, 7, and 24-25 should be excluded from this proceeding as irrelevant.

Lastly, the cases Petitioner relies on in support of its argument regarding the relevance of Paragraphs 1-4, 7, 24, and 25 are inapposite. In *Liberty Mutual*, the party opposing exclusion actually relied on the exhibits being challenged – unlike Petitioner here. *See Liberty Mut. Ins. Co. v. Progressive Cas. Ins. Co*., CBM2012-00010, Paper No. 35 at 14 (reply citing to challenged Exhibits 1033 and 1034). Moreover, in *CoreLogic* the Board merely said that, because it did not rely on testimony challenged as inadmissible by the petitioner, the petitioner's motion to

exclude was moot. The Board did not say that a party can include any testimony it wants as an exhibit – even if the party does not rely on it – just because the Board may end up not relying on the testimony in its Final Written Decision. *See CoreLogic, Inc. v Boundary Sols., Inc.*, IPR2015-00219, Paper No. 48 at 12 (P.T.A.B. May 19, 2016).

B. Paragraphs 5-6, 8-10, 14, and 16-23 of Exhibit 1012 and Exhibit 1016 Are Not Relevant

As an initial matter, Petitioner mistakenly argues that Patent Owner failed to explain how and why the "newness" of the evidence found at Paragraphs 5-6, 8-10, 14, and 16-23 and Exhibit 1016 renders it irrelevant. Paper No. 32 at 4. As stated in Patent Owner's Motion, "[r]eply evidence . . . must be responsive and not merely new evidence that could have been presented earlier to support" the petition. Paper No. 26 at 3-4. For the many reasons provided in Patent Owner's Motion, Paragraphs 5-6, 8-10, 14, and 16-23 of Exhibit 1012 constitute such improper "new evidence," and, thus, those paragraphs are not relevant to this proceeding. *See* 77 Fed. Reg. 48612, 48620; 77 Fed. Reg. 48,756, 48,767; 37 C.F.R. 42.23(b); *The Scotts Company LLC v. Encap, LLC*, IPR2013-00110, Paper No. 79 at 5-6 (P.T.A.B. June 24, 2014) (declarations submitted with reply that included material that supported petition considered untimely); *Baxter Healthcare Corp. v. Millennium Biologix, LLC*, IPR2013-00590, Paper No. 40, at 3 (refusing

to consider evidence that did "not merely rebut points made in Patent Owner's Response" but was "instead new evidence that could have been presented earlier").

Moreover, Petitioner's only response to Patent Owner's argument that the testimony found in Paragraphs 5-6, 8-10, 14, and 16-23 of Exhibit 1012 and Exhibit 1016 should have been submitted with the Petition is a non sequitur quotation from a Federal Circuit case that "[t]he purpose of the trial in an inter parties review proceeding is to give the parties an opportunity to build a record by introducing evidence." *See* Paper No. 32 at 4. That quote does not explain why Paragraphs 5-6, 8-10, 14, and 16-23 and Exhibit 1016 should not have been submitted with the Petition. Moreover, nothing in that quote suggests that Petitioner can fill gaps in its Petition by introducing new evidence at any time it wants to in the proceeding – especially when Patent Owner does not have an opportunity to reply to that new evidence.

At pages 4-5 of its Opposition, Petitioner purports to provide reasons why Paragraphs 5-6 and 8-10, Paragraph 14 and Exhibit 1016, Paragraphs 16-18, Paragraphs 19-21, and Paragraphs 22-23 are relevant. *See* Paper No. 31 at 4-5. In doing so, however, Petitioner just repeats a variation of the generic statement that "Dr. Kiaei's testimony at Paragraphs X [or Exhibit 1016] is relevant to TQ Delta's argument regarding Y" and that "This testimony evidences what persons of

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