

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner,

v.

CALIFORNIA INSTITUTE OF TECHNOLOGY,  
Patent Owner.

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Case IPR2017-00701  
Patent No. 7,421,032

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**PATENT OWNER'S MOTION FOR SANCTIONS**

**I. INTRODUCTION AND STATEMENT OF PRECISE RELIEF REQUESTED**

Pursuant to 37 CFR §42.12 and the Order dated Feb 10, 2018 (Paper 41), Patent Owner (“Caltech”) requests sanctions against Petitioner. The Order followed a conference call on Feb 6, and additional communications. EX2036.

Cross-examination in an *inter partes* review proceeding is trial testimony and strictly limited in scope, unlike expansive discovery depositions.

§42.53(d)(5)(ii). During cross-examination of Caltech’s witnesses, Dr.

Mitzenmacher and Dr. Divsalar, Petitioner repeatedly failed to stay within the proper scope. Petitioner’s conduct violated numerous Board rules and orders, and was an abuse of the discovery process. Indeed, Petitioner’s unauthorized questioning amounts to “additional discovery” which Petitioner did not, and could not, demonstrate was necessary “in the interests of justice.” §42.51(b)(2)(i).

**II. LEGAL STANDARD**

Under §42.12(a) & (b), the Board may “impose a sanction against a party for misconduct.” Acts of misconduct include, *inter alia*, “failure to comply with an applicable rule or order,” “abuse of discovery,” and “actions that harass” or cause “unnecessary increase in the cost of the proceeding.” *Id.*; 35 U.S.C. §316(a)(6).

“[T]he scope of the examination is limited to the scope of the direct testimony.” 37 CFR §42.53(d)(5)(ii); *see also* FRE 611(b) (“Cross-examination should not go beyond the subject matter of the direct examination and matters

affecting the witness's credibility.”). In addition to a violation of Rule 53, “excessive questioning beyond the scope of a witness's direct testimony may be considered an abuse of discovery.” IPR2013-00043, Paper 36 (July 16, 2013).

Moreover, discovery during *inter partes* review is strictly limited, and the Board's rules delineate between “routine discovery” and “additional discovery.” A party seeking additional discovery must do so by motion, and must show that such additional discovery is “necessary in the interest of justice.” 35 U.S.C. §316(a)(5); *see* 37 CFR §42.51(b)(2)(i). Unauthorized additional discovery is a violation of the Board's rules and subject to sanctions. 37 CFR §42.12(a); *see also Apple Inc. v. Smartflash LLC*, CMB2014-00102, Paper 20 at 2-4 (“The Board may impose an appropriate sanction for abuse of discovery, including failure to adhere to the Board's rules governing taking testimony and the Testimony Guidelines. 37 C.F.R. § 42.12... Patent Owner now attempts to elicit information through deposition that was denied to it as additional discovery.”).

### **III. ARGUMENT**

As identified in Ex 2037 (and examples discussed below), an extraordinary amount of Dr. Divsalar's and Dr. Mitzenmacher's cross-examination testimony was beyond the scope of their respective declarations, and on many occasions, beyond the scope of the six pending IPR proceedings between the parties.

**A. Dr. Divsalar**

Dr. Divsalar provided a short declaration addressing only a few discrete points relating specifically to the Divsalar reference (EX2031). In particular, Dr. Divsalar explained that the reference related to an “extremely simple” code designed for the limited research purpose of mathematically assessing the “IGE conjecture” relating to Berrou’s code. EX2031, ¶¶19, 23, 24, 29. Dr. Divsalar explained that while the RA code was good for that limited exercise, the code still performed “rather poor[ly]” compared to other correcting codes at the time. *Id.* at ¶ 32. Dr. Divsalar expressed his view that modifying an RA code to include irregular repetition of information bits would not make sense on the basis that it would add unnecessary difficulty and complexity at odds with the stated objective in the paper, with no expectation of a corresponding benefit. *Id.* at ¶¶ 33-36. Dr. Divsalar was also asked to address the hypothetical modification suggested by Petitioner, which he explained was nonsensical and at odds with a key conclusion in the Divsalar paper. *Id.* at ¶ 37. Dr. Divsalar did not address, nor was he asked to address, any reference other than the Divsalar reference.

Despite the limited scope of Dr. Divsalar’s 16-page declaration (about 13 pages excluding qualifications, *etc.*), Petitioner’s district court counsel (appearing *pro hac vice*) embarked upon a discovery campaign of generating over 280 transcript pages on a wide range of topics not addressed in Dr. Divsalar’s direct

testimony. *Tucker v. Peiler*, 297 F. 570, 574-75 (2d Cir. 1924) (Comparing

“...approximately 109 questions on direct examination and 700 questions on cross-examination” to conclude “the cross-examination has been unduly prolonged.”).

The improper scope of questioning could not have been lost on Petitioner’s counsel, as Dr. Divsalar reminded counsel over 100 times that questions were being directed to subject matter not discussed in his declaration. *See, e.g.*, EX1064, 141:28-12 (“I haven’t considered this exhibit in my declaration and I have not prepared anything regarding this evidence here so since I’m not well prepared to answer the specifics, I cannot really, you know, answer accurately your questions.”); *see also, e.g.*, 64:24-65:1; 78:9-11; 87:14-18; 95:13-17; 99:15-18; 115:4-7; 128:19-22; 134:2-5; 147:18-24; 156:12-17; 158:5-11; 159:2-14; 159:21-160:3; 178:4-7; 184:24-185:2; 186:14-15; 188:11-12; 201:23-202:4; 243:7-9. (Citations are to Ex 1064 of IPR2017-00210, which corresponds with Ex 1264 (-219), Ex 2039 (-700, -701, -728)).

Nevertheless, counsel on multiple occasions expressed utter disregard for the limited scope of Dr. Divsalar’s direct testimony. *See, e.g.*, EX1064, 64:24-65:3 (“THE WITNESS: We haven’t talked about that, my declaration I didn’t mention anything how to do, you know, [irregular] repetition in any way. Q. *Whether it is in your declaration or not, ...*”); 92:17-21 (“Q. So let me just give you the question. We have Exhibit 1057. A. Which I haven’t discussed in my declaration. Q. I will

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