Paper No. 47
Filed: February 27, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,

Petitioner

v.

CALIFORNIA INSTITUTE OF TECHNOLOGY,

Patent Owner.

Case IPR2017-00728
U.S. Patent No. 7,421,032

PETITIONER'S OPPOSITION TO MOTION FOR SANCTIONS

I. Introduction

Caltech's request for sanctions is entirely without basis. Every one of Petitioner's deposition questions that underlie Caltech's request was unequivocally targeted at the direct testimony of Caltech's witnesses. The premise of Caltech's motion – that deposition questions went "outside the scope" of the direct testimony, and were motivated by the district court litigation – is false. The deposition questions posed by Petitioner's counsel consistently identified clear flaws and inconsistencies within the declarations offered by Caltech's witnesses, and, when Caltech's counsel did not interfere with the questions, often yielded admissions that undermined the direct testimony. However, rather than allow its witnesses to face fair and direct cross-examination, Caltech's counsel repeatedly coached its witnesses that questions were "outside the scope" and instructed them that they "should not feel obligated to answer." That conduct by Caltech's counsel was plainly improper and obstructionist.

Beyond its utter lack of merit, Caltech's motion should be denied because it can show no harm and is untimely, and the proposed sanctions would be grossly disproportionate, particularly in light of Caltech's own deposition violations.

As discussed below, the factors for assessing a motion for sanctions are "(i) whether a party has performed conduct that warrants sanctions; (ii) whether the moving party has suffered harm from that conduct; and (iii) whether the sanctions

requested are proportionate to the harm suffered by the moving party." *Square, Inc. v. Think Computer Corp*., CBM 2014-00159, Paper 48 at 2 (citation omitted). Caltech's motion fails on all three factors.

II. Argument

A. Sanctions Are Unwarranted Because Petitioner's Questions Were Properly Directed To The Witnesses' Direct Testimony.

The right to cross-examine witnesses regarding their direct testimony is fundamental to IPR proceedings. 37 C.F.R. § 42.53(d)(5)(D)(ii). Further, "[t]he Board generally allows some leeway as to questions seemingly out of the scope of the direct testimony," *Corning Inc. v. DSM IP Assets B.V*., IPR2013-00043, Paper 31 at 2 (PTAB July 8, 2013), and "anything that is reasonably related to the declarant's direct testimony would not be considered outside the scope of the direct." *Aker Biomarine AS v. Neptune Techs. & Bioressources Inc*., IPR2014-00003, Paper 62 at 3 (PTAB June 6, 2014). As detailed in Exhibit 1274, Petitioner's questions were entirely directed to topics addressed and opinions given in Dr. Divsalar's and Dr. Mitzenmacher's declarations. In fact, Caltech did not even object to many of the questions cited in its charts.[1] There is no basis for

[1] *See, e.g*., Ex. 2038 at 30:8-30:14; 32:12-33:8; 44:24-45:10; 46:8-46:15; 47:16-48:3; 48:18-48:21; 49:10-49:23; 77:16-78:4; 131:12-132:2; 133:24-135:5; 148:9-149:16; 204:24-205:6; 205:23-206:7; 228:21-229:16; 232:11-233:22; 260:12-

Caltech to retroactively apply objections to these questions now. Indeed, its lack of contemporaneous objection highlights just how meritless the present motion is.

B. Petitioner's Questions During Dr. Divsalar's Deposition Directly Address Topics And Opinions In His Declaration.

Without exception, each question posed by Petitioner's counsel during Dr. Divsalar's deposition related to topics from his declaration. For example, in his declaration, Dr. Divsalar discussed having submitted a paper "in connection with the Allerton conference in 1998." Ex. 2031 at ¶ 19. Petitioner thus properly asked questions about what "in connection with the Allerton conference" means. Similarly, Dr. Divsalar's declaration addressed message passing decoders (*see, e.g.*, Ex. 2031 at ¶ 32), systematic codes (*see, e.g.*, Ex. 2031 at ¶ 29), and other topics, yet Caltech alleges that questions directed to these same topics are out of scope. *See* Exhibit 1274.

Likewise, although Dr. Divsalar opined about what a POSA would or would not have done (*see, e.g.*, Ex. 2031 at ¶¶ 9-11, 28-30, 33-36), Caltech's motion suggests that Petitioner was not permitted to pose questions about the foundation and validity of such opinions – a position wholly at odds with the purpose of cross-

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261:22; 264:14-265:13; 267:8-270:3; 277:14-278:2; 278:9-278:19; 280:3-280:14; 283:14-283:21; 284:24; 404:16-405:7; 405:16-406:3; Ex. 2039 at 29:1-18; 58:22-59:7; 82:13-83:4; 228:1-22; 229:10-230:7.

examination. For example, as Caltech admits, Dr. Divsalar's direct testimony asserts that he "did not consider Tanner graph representation useful or applicable to concatenated convolutional codes." Ex. 2031 at ¶ 26; Mot at 5. Therefore, it was entirely appropriate for Petitioner to ask questions about Dr. Divsalar's knowledge of Tanner graphs, including whether concatenated convolutional codes and RA codes can be represented as a Tanner graph. *See* Exhibit 1274.

Further, Dr. Divsalar testified on direct that a POSA would have been "deterred" from making the RA code irregular because doing so "would drastically reduce the coding rate." Ex. 2031 at ¶ 36. To challenge this testimony, Petitioner rightly asked whether a regular RA code can be modified to an IRA code without changing the code rate. Dr. Divsalar not only conceded that it could, but that there were a multitude of ways to do so, thus undermining his declaration. Ex. 2039 at 102:2-105:13. Exhibits 1257 and 1258,[2] which are Tanner graphs of RA codes, demonstrate the errors in Dr. Divsalar's testimony; these exhibits show how the coding rate stays the same despite a change from regular to irregular repetition.

Dr. Divsalar also opined about "contemporaneous technical literature" on direct. Ex. 2031 at ¶ 10. It was therefore entirely proper for Petitioner to ask him

[2] Exhibits 1057 and 1058 (discussed in the Divsalar Deposition Ex. 2039) correspond to Exhibits 1257 and 1258. *See* Ex. 2039 at 72:13-17; 94:13-16.

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