

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEL CORPORATION and CAVIUM, LLC,¹
Petitioner,

v.

ALACRITECH, INC.,
Patent Owner.

Case IPR2018-00226 (Patent 7,124,205 B2)
Case IPR2018-00234 (Patent 8,805,948 B2)

Before STEPHEN C. SIU, DANIEL N. FISHMAN, and
CHARLES J. BOUDREAU, *Administrative Patent Judges*.

Opinion for the Board filed by *Administrative Patent Judge* FISHMAN.

Opinion Dissenting filed by *Administrative Patent Judge* SIU.

FISHMAN, *Administrative Patent Judge*.

DECISION

¹ Cavium, Inc., which filed petitions in Cases IPR2018-00400 and IPR2018-00403 was joined as a petitioner in IPR2018-00226 and IPR2018-00234. According to updated mandatory notices filed in the captioned proceedings, Cavium, Inc. has now been converted to Cavium, LLC. *See, e.g.*, IPR2018-00226, Paper 28.

On Motion for Additional Discovery
37 C.F.R. §§ 42.20 and 42.51(b)(2)

I. INTRODUCTION

Alacritech, Inc. (“Patent Owner”) filed a Motion for Additional Discovery on October 11, 2018 in each of these cases. IPR2018-00226, Paper 31; IPR2018-00234, Paper 26 (collectively “Motion” or “Mot.”). Intel Corp. (“Petitioner”) filed an Opposition to Patent Owner’s Motion on October 19, 2018. IPR2018-00226, Paper 22; IPR2018-00234, Paper 28 (collectively “Opposition” or “Opp.”). As noted *supra*, Cavium, LLC has been joined as a party to these proceedings and, thus, Intel Corp. and Cavium, LLC are referred to herein jointly as either “Petitioner” or “Petitioners.”

For the reasons discussed below, we grant Patent Owner’s Motion.

A. *Additional Discovery*

Under the Leahy-Smith America Invents Act (“AIA”), discovery is available for the deposition of witnesses submitting affidavits or declarations and for “what is otherwise necessary in the interest of justice.” 35 U.S.C. § 316(a)(5). Our corresponding rules allow for routine discovery providing: “[c]ross examination of affidavit testimony prepared for the proceeding is authorized within such time period as the Board may set.” 37 C.F.R. § 42.51(b)(1)(ii).

In addition to routine discovery, our rules allow for additional discovery, further providing: “[t]he moving party must show that such additional discovery is in the interests of justice.” 37 C.F.R. § 42.51(b)(2)(i). As the movant, Patent Owner bears the burden of establishing that the request is in the interest of justice. We generally consider five factors (the “*Garmin* factors”) in determining whether the interests of justice would be served by granting additional discovery requests.

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See Garmin Int’l, Inc. v. Cuozzo Speed Techs. LLC, Case IPR2012-00001, slip op. at 6–7 (PTAB Mar. 5, 2013) (Paper 26) (precedential). In *Garmin*, we held that the following factors (the so-called “*Garmin* factors”) are important in determining whether additional discovery is necessary in the interest of justice:

1. More Than A Possibility And Mere Allegation — The mere possibility of finding something useful, and mere allegation that something useful will be found, are insufficient to demonstrate that the requested discovery is necessary in the interest of justice. The party requesting discovery should already be in possession of evidence tending to show beyond speculation that in fact something useful will be uncovered.
2. Litigation Positions And Underlying Basis — Asking for the other party’s litigation positions and the underlying basis for those positions is not necessary in the interest of justice. The Board has established rules for the presentation of arguments and evidence. There is a proper time and place for each party to make its presentation. A party may not attempt to alter the Board’s trial procedures under the pretext of discovery.
3. Ability To Generate Equivalent Information By Other Means — Information a party can reasonably figure out or assemble without a discovery request would not be in the interest of justice to have produced by the other party. In that connection, the Board would want to know the ability of the requesting party to generate the requested information without need of discovery.
4. Easily Understandable Instructions — The questions should be easily understandable. For example, ten pages of complex instructions for answering questions is prima facie unclear. Such instructions are counter-productive and tend to undermine the responder’s ability to answer efficiently, accurately, and confidently.
5. Requests Not Overly Burdensome To Answer — The requests must not be overly burdensome to answer, given the expedited nature of *Inter Partes* Review. The burden includes financial burden, burden on human resources, and burden on meeting the time schedule of *Inter Partes* Review. Requests should be sensible and responsibly tailored according to a genuine need.

Id.

B. Real Parties-In-Interest, Privies, And Time Bar

The AIA requires that “[a] petition filed under section 311 may be considered only if . . . the petition identifies all real parties in interest.” 35 U.S.C. § 312(a). In addition, “[a]n inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” 35 U.S.C. § 315(b). Our corresponding rules allow any “person who is not the owner of a patent” to file a petition unless “[t]he petition requesting the proceeding is filed more than one year after the date on which the petitioner, the petitioner’s real party-in-interest, or a privy of the petitioner is served with a complaint alleging infringement of the patent.” 37 C.F.R. § 42.101.

II. DISCUSSION

To simplify the discussion below we cite to papers in Case IPR2018-00226 unless otherwise identified. Similar or identical arguments are presented in Case IPR2018-00234.

A. Summary Of Patent Owner’s Position

Patent Owner’s Motion requests additional discovery “regarding the real parties in interest (‘RPIs’) to this petition—namely, Dell, Inc., and . . . the Wistron entities and the CenturyLink entities that PO sued for infringement in the Eastern District of Texas (collectively ‘Defendant Customers’).” Mot. 1. Patent Owner broadly characterizes the documents sought as “documents memorializing the

timing, nature and scope of the established indemnification and defense coordination relationships between the Petitioners and Defendant Customers.”

Mot. 6.

Patent Owner argues the documents sought are critical because the filing date of the Petition in these cases is more than a year after the Defendant Customers were served with a complaint alleging infringement. Mot. 5–6. Therefore, if the Defendant Customers are in fact RPIs or privies of Petitioner, this Petition may be barred under 35 U.S.C. § 315(b). Thus, Patent Owner contends additional discovery is needed because “[t]wo recent Federal Circuit cases² have changed the PTAB’s required RPI analysis.” Mot. 2. Patent Owner asserts that, in *AIT*, the Federal Circuit held that determining a real party in interest relationship “requires a ‘flexible approach’” and requires the Board to “consider . . . the entirety of the record” and “to ‘meaningfully examine’ the relationship between the entities.” Mot. 3.

Patent Owner argues all five *Garmin* factors weigh in favor of granting the motion. Mot. 5–10. We consider these arguments below.

B. Summary Of Petitioner’s Position

Petitioner opposes the Motion and argues: the Motion is untimely (Opp. 2–4); Dell, Inc. is not a real party-in-interest in these cases (Opp. 4–5); and the *Garmin* factors weigh against granting the Motion (Opp. 5–10). Petitioner further argues *AIT* and *Bungie* did not change the law to *require* the Board grant additional

² *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336 (Fed. Cir. July 9, 2018), *reh’g en banc denied*, Nos. 2017-1698, 2017-01699, 2017-1701 (Fed. Cir. Oct. 23, 2018) (“*AIT*”) and *Worlds, Inc. v. Bungie, Inc.*, 903 F.3d 1237 (Fed. Cir. Sept. 7, 2018) (“*Bungie*”).

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