

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WEATHERFORD INTERNATIONAL, LLC,
Petitioner,

v.

BAKER HUGHES OILFIELD OPERATIONS, LLC,
Patent Owner.

IPR 2019-00708 and IPR 2019-00768
Patent RE 46,137 E

Record of Oral Hearing
Oral Hearing Held: June 9, 2020

Before MITCHELL G. WEATHERLY, JON B. TORNQUIST and
RYAN H. FLAX, *Administrative Patent Judges.*

IPR 2019-00708 and IPR 2019-00768
Patent RE 46,137 E

APPEARANCES:

ON BEHALF OF THE PETITIONER:

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The above-entitled matter came on for hearing on Tuesday, June 9, 2020,
commencing at 10:00 a.m. EDT, by video/by telephone.

P R O C E E D I N G S

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JUDGE WEATHERLY: Good morning. Is the court reporter ready?

REPORTER: Yes, Your Honor, I'm ready --

JUDGE WEATHERLY: He probably has to unmute himself. All right, good. Thank you. Before we begin, I would ask the parties, please stay on the line at the conclusion of the hearing so that the court reporter may ask for clarification of any terms needed. I don't expect there'll be very many, but just in case. So, after we finish up, please stay on the line.

This is the hearing conducted by video conference for IPR 2019-00708 and IPR 2019-00768, relating to U.S. Patent RE 46,137.

Petitioner is Weatherford International Inc., and Patent Owner is Baker Hughes Oilfield Operations, LLC. I am Judge Weatherly and I am joined by Judges Tornquist and Flax. Each of us has a copy of both parties' demonstrative exhibits.

Because we're conducting the hearing by video conference, please modify your speech pattern to assist the court reporter and improve the clarity of the record. More specifically, please speak clearly and deliberately and take extra care to avoid speaking over others.

When referring to material appearing on a slide from your demonstrative exhibits, please refer to the slide number.

Pursuant to our Hearing Order, each party has 60 minutes to present its argument and may reserve up to 15 minutes solely to rebut the opposing parties' arguments. You may not use rebuttal to address an issue for the first time during the hearing.

Petitioner will proceed first because it bears the burden of proving unpatentability. I will keep time here and try to provide updates on the

1 remaining time during the hearing. Please feel free to ask about your
2 remaining time any time during the hearing.

3 For the record, please introduce yourselves and anyone listening to the
4 hearing who is associated with your client, beginning with counsel for the
5 Petitioner.

6 MR. WILSON: Your Honor, Douglas Wilson for Petitioner
7 Weatherford.

8 JUDGE WEATHERLY: Yes.

9 MR. WILSON: With me, participating in this conference today are
10 Bill Imwalle, David Morris, James Kurka, and Greg Koush, all of whom are
11 in-house counsel for Petitioner Weatherford. And also, with me is Jim
12 Baxter of Heim, Payne & Chorush, who is co-counsel.

13 JUDGE WEATHERLY: Thank you. And Patent Owner?

14 MR. GARRETT: Good morning, Your Honor. Mark Garrett for
15 Patent Owner. With me in the same conference room is Jeremy Albright.

16 I believe we may have Steven Spears, who is in-house litigation
17 counsel for Baker Hughes, on the line, but I don't know that for certain.

18 JUDGE WEATHERLY: Okay. Anyone who hasn't been mentioned,
19 who want to weigh in and identify themselves before we begin? Not hearing
20 any.

21 Petitioner, how much time would you like to reserve for rebuttal?

22 MR. WILSON: Ten minutes.

23 JUDGE WEATHERLY: Ten minutes, Okay. And you may begin
24 anytime you're ready.

25 MR. WILSON: Okay, I'm ready, Your Honor.

26 JUDGE WEATHERLY: Great, the floor is yours.

1 MR. WILSON: Thank you, Your Honor. I will begin with reference
2 to my demonstratives. And first of all, there are two IPRs at issue today, as
3 Your Honor mentioned. I will refer to them as the 708 and 768 IPRs.

4 And so, turning to Slide 2 of my demonstratives, first of all, what we
5 requested with the 708 Petition was three grounds. First of all, Anticipation
6 based on Giroux, and you can see the list of claims there at the top of that
7 slide.

8 There were (audio skip) to be Anticipated by Giroux. Giroux is a U.S.
9 Patent; there's no dispute that it's prior art.

10 Then there were two Obviousness grounds. Obviousness over Giroux
11 in view of the knowledge of a POSITA, and admitted prior art. And then
12 Obviousness over Ground 2 plus Patel 853, which is another U.S. Patent.

13 Both of those grounds attacked all 44 Claims in the 137 Patent.

14 JUDGE WEATHERLY: Okay, before you continue, I'll just let you
15 know -- I'll sort of let the cat out of the bag a little bit -- I am more interested
16 in the 768 Petition.

17 That doesn't mean that I'm not interested or that we were not going to
18 end up ruling on the 708; we certainly will. But there's a lot of overlap
19 between the two and I notice that your slide deck is arranged with discussing
20 the 768 Petition first.

21 So, it appears to me that you're probably going to focus first on that,
22 and I just wanted to let you know that's a good thing.

23 I think the Panel is relatively familiar with things like, what are the
24 challenges, what are the prior art references primarily that are being brought
25 to bear. So, we don't have use a lot of time for that.

26 I'm giving you permissions, essentially, to sort of skip into the meat of
27 the argument. I think that will be the way to use time most efficiently.

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