

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SQUARE, INC.,
Petitioner,

v.

PROTEGRITY CORPORATION,
Patent Owner.

CBM2014-00182 (Patent 8,402,281 B2)
CBM2015-00014 (Patent 6,321,201 B1)¹

Before KEVIN F. TURNER, MEREDITH C. PETRAVICK, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

PETRAVICK, *Administrative Patent Judge*.

DECISION

Granting Petitioner's Motions to Expunge
Patent Owner's Motions for Observations
37 C.F.R. § 42.7(a)

¹ This Decision addresses an issue that is identical in the two cases. We, therefore, exercise our discretion to issue one Decision to be filed in each of the cases. The parties are not authorized to use this style heading.

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INTRODUCTION

Patent Owner filed a motion for observation in each of the above proceedings. Paper 46 (“Observations”).² Patent Owner’s Observations comment on the cross-examination testimony of Petitioner’s declarant Dr. Michael Shamos in connection with these proceedings. *See* Ex. 2049 (transcript of deposition of Dr. Shamos on May 6, 2015); CBM2015-00014, Ex. 2070 (transcript of deposition of Dr. Shamos on June 30, 201). Patent Owner’s Observations also comment on the cross-examination testimony of Dr. Shamos, given on June 10, 2015, in connection with related proceeding *Informatica Corporation v. Protegrity Corporation*, CBM2015-00010 (Ex. 2081; CBM2015-00014, Ex. 2064).

After receiving authorization (Paper 49), Petitioner filed a Motion to Expunge Patent Owner’s Observations. Paper 50 (“Mot.”). Patent Owner filed an Opposition to Petitioner’s Motion. Paper 54 (“Opp.”). For the reasons discussed below, we grant Petitioner’s Motion.

DISCUSSION

In the Motion to Expunge, Petitioner argues that the Observations are improper because the purpose of such observations is to call attention to relevant cross-examination testimony that “occurs *after* a party has filed its last substantive paper on an issue.” Mot. 2 (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48767–78 (Aug. 145, 2012)). Petitioner filed no reply declarations in these proceedings and there was no cross-examination of a reply witness. Mot. 2. Petitioner argues that the

² For clarity and expediency, we refer to the papers filed in proceeding CBM2014-00182, unless otherwise noted.

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Observations comment on testimony that was either taken prior the filing of Patent Owner's last substantive briefing or taken in the context of a different proceeding involving a different petitioner. *Id.* Petitioner argues that Patent Owner "is using the Motion for Observations as an unauthorized sur-reply to arguments made in Petitioner's Reply," and that this prejudices the Petitioner and the Board by having to address an unauthorized, unnecessary, and improper filing. *Id.* at 2–3.

In the Opposition, Patent Owner argues that Dr. Shamos is a reply witness because Petitioner relies on Dr. Shamos' declaration testimony of May 6, 2015 in the Petitioner's Reply and, thus, Patent Owner may make observations regardless of whether Dr. Shamos' cross-examination occur prior to the filing of the Patent Owner's Response on May 29, 2015. *Opp.* 1. Patent Owner also argues the observations are proper because Dr. Shamos is allegedly a reply witness in these proceeding, and these proceedings and proceeding CBM2015-00010 are "intrinsically related." *Id.* at 1–2. Dr. Shamos' cross-examination in CBM2015-00010 occurred on June 10, 2015, after the filing of the Patent Owner's Response. *Id.* Patent Owner further argues that Petitioner has not shown prejudice, sufficient to warrant expunging the Observations. *Id.* at 3.

We are persuaded by Petitioner that the Observations are improper. The scheduling orders state "[a] motion for observations on cross-examination provides the parties with a mechanism to draw the Board's attention to relevant cross-examination testimony of a reply witness because no further substantive paper is permitted after the reply" and refers to the Office Patent Trial Practice Guide. Paper 17, 3–4. The Trial Practice Guide states:

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In the event that *cross-examination occurs after a party has filed its last substantive paper on an issue*, such cross-examination may result in testimony that should be called to the Board's attention, but the party does not believe a motion to exclude the testimony is warranted. The Board may authorize the filing of observations to identify such testimony and responses to observations, as defined below.

77 Fed. Reg. at 48768 (emphasis added). The scheduling order authorizes the filing of such a motion for observations regarding cross-examination of a reply witness by Due Date 4. Paper 17, 6.

Dr. Shamos' cross-examination in these proceedings did not occur after Patent Owner filed its last substantive paper. Dr. Shamos' cross-examination in proceeding CBM2014-00182 was on May 6, 2015, prior to Patent Owner filing its Patent Owner Response on May 29, 2015. Likewise, Dr. Shamos' cross-examination in proceeding CBM2015-00014 was on June 30, 2015, prior to Patent Owner's filing of its Patent Owner Response on July 27, 2015. As set out in the Office Patent Trial Guide, the purpose of the Observations should be to call attention to cross-examination testimony that occurs after a party has filed its last substantive paper on an issue. The Observations, thus, are improper as to the cross-examination testimony of Dr. Shamos in these proceedings.

The Observations are also improper as to Dr. Shamos' cross-examination testimony from proceeding, CBM2015-00010. This cross-examination did not occur in connection with these proceedings. In these proceedings, Dr. Shamos was not cross-examined as a reply witness after Patent Owner filed its last substantive paper on an issue. The Observations, thus, are improper as to the cross-examination testimony of Dr. Shamos from proceeding, CBM2015-00010.

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The Scheduling Orders authorize a motion for observations regarding cross-examination of a reply witness as set out in the Office Trial Practice Guide. The Scheduling Orders did not authorize Patent Owner to file Observations as to cross-examination testimony that was either taken prior to the filing of Patent Owner's last substantive briefing or taken in the context of a different proceeding involving a different petitioner, and Patent Owner did not seek other authorization for such. The improper Observations are akin to an unauthorized sur-reply to argument made in Petitioner's Reply, and Petitioner should not have to respond to the improper Observations. We, thus, expunge Patent Owner's unauthorized Observations from the record in these proceedings. *See* 37 C.F.R. § 42.7(a).

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's Motion for Observation (Paper 46) is expunged from the record in proceeding CBM2014-00182; and

FURTHER ORDER that Patent Owner's Motion for Observation (Paper 29) is expunged from the record in proceeding CBM2015-00014.

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PETITIONER:

Michael T. Rosato
Matthew A. Argenti
WILSON SONSINI GOODRICH & ROSATI
mrosato@wsgr.com
margenti@wsgr.com

PATENT OWNER:

Woodrow H. Pollack
GRAYROBINSON, P.A.
woodrow.pollack@gray-robinson.com

Stephen McNamara
ST. ONGE STEWARD JOHNSTON & REENS LLC
smcnamara@ssjr.com