

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

SCIENCE APPLICATIONS INTERNATIONAL CORP.,
Patent Owner.

Case IPR2019-01311 (Patent 7,787,012 B2)
Case IPR2019-01312 (Patent 8,817,103 B2)
Case IPR2019-01359 (Patent 9,229,230 B2)
Case IPR2019-01360 (Patent 9,229,230 B2)
Case IPR2019-01361 (Patent 9,618,752 B2)

Before, MIRIAM L. QUINN, KAMRAN JIVANI, and JASON M. REPKO,
Administrative Patent Judges.

QUINN, *Administrative Patent Judge.*

ORDER
Granting Patent Owner's Motion for Additional Discovery
37 C.F.R. § 42.51(b)(2)

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Upon authorization of the Board, Patent Owner filed a Motion for Additional Discovery (Paper 9, “Motion”). Petitioner filed an Opposition (Paper 11, “Opp’n”). Patent Owner responded to the Opposition with a Reply in further support of the Motion (Paper 12, “Reply”). After review of the Motion, Opposition, and Reply, we grant the Motion. The Motion seeks discovery of a contract and certain communications, each of which is discussed further below.

Contract

We grant Patent Owner’s request for discovery of the November 20, 2018 contract between Petitioner and the United States as identified in the Petition. Petitioner identified this contract as evidence supporting Petitioner’s certification that neither the petitioner, real party-in-interest, nor privy of petitioner has been served with a complaint alleging infringement of the patent-in-suit. Paper 1, 2–3.¹ The contract between Petitioner and the United States is for Petitioner to develop a system called the Integrated Visual Augmentation System that includes implementation of a feature that is alleged to infringe the patents-in-suit. *Id.* at 3. Patent Owner requests discovery of the contract to develop its theory that the United States is a real party in interest or privy of Petitioner. Motion 3–4. Petitioner responds that Patent Owner has not shown that discovery “would be favorable in proving a

¹ Citations to filed papers are with reference to IPR2019-01311. Similar content filed in the other captioned proceedings.

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relationship between Microsoft and the government that was much closer than the arms-length supplier/customer relationship that does exist.”

Opp’n 1. Petitioner points out the lack of evidence tending to show privity or real party in interest relationship, such as lack of funding, statements regarding the benefit of filing IPRs, and position to control the underlying litigation. *Id.* at 3, n.2. We are not persuaded by Petitioner’s arguments.

As the Federal Circuit has held, the Board may rely on Petitioner’s certification of real parties in interest and privies, if any exists. *See Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1245–46 (Fed. Cir. 2018). However, when Patent Owner raises the identification of Petitioner as the sole party in interest into dispute, the Board cannot rely on Petitioner’s identification of itself as the sole party in interest. *Id.* at 1246. The court held that “the Board was required to make any factual determinations necessary to evaluate whether [Petitioner] had satisfied its burden to demonstrate that its petition was not time-barred based on the complaints served upon . . . the alleged real party in interest.” *Id.* The court expressed “some concern that the Board may have relied on attorney argument as evidence that [the alleged real party in interest] was not controlling or funding these IPRs.” *Id.* The court faulted the Board for relying on no evidence to support the determination that petitioner was indeed the sole real party in interest. *Id.*

Here, Petitioner’s contentions of it being the sole real party in interest are attorney argument characterizing the relationship between Petitioner and the United States and the contract that evinces that relationship. As Patent Owner argues, and we agree, Petitioner’s arguments characterize the very

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document it seeks to shield from discovery. Reply 2. Whether the contract will eventually prove Patent Owner's contentions of privity and real party in interest is unknowable. But without the contract, Petitioner's assertions that it is the sole party in interest have no factual support. Under these circumstances, *Worlds* causes us to question whether the matter can be resolved by taking Petitioner's arguments at face value, without the benefit of the very document that gave rise to the relationship between Petitioner and the United States. Furthermore, we are informed by the parties that the contract at issue has been produced in the litigation between them pending in the Court of Federal Claims, and Petitioner has not provided adequate reasoning justifying shielding the contract from production in this proceeding. Although we are sympathetic to Petitioner's explanations of its limitations as a litigant in the Court of Federal Claims as a mere arms-length supplier to the government, we have no factual basis by which we can deny Patent Owner's request for the contract, especially when it is Petitioner's burden to prove its status as the sole real party in interest, and Patent Owner has raised a reasonable dispute. Therefore, we determine that the contract is germane to the issue of real party in interest and privity and the request for the contract is not burdensome and is narrowly tailored to cover a single document that exists, and that is not public. *See Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, IPR2012-00001, Paper 26, at 6–7 (PTAB Mar. 5, 2013) (Decision on Motion for Additional Discovery). Patent Owner's request for additional discovery of the contract is therefore granted.

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Communications

We grant Patent Owner’s request for communications as alleged in the Motion. Specifically, Patent Owner requests certain communications as follows:

Any communications between the United States and Microsoft: (i) from August 1, 2018 (the month in which solicitation for the Contract was posted) to July 23, 2019 (the last filing date of the IPR Petitions), relating to the preparation and filing of any IPR petitions concerning the Subject Patents; and (ii) from July 24, 2019 to September 20, 2019, concerning the status of the IPR Petitions.

Motion 4. Patent Owner argues that the requested communications between Petitioner and the United States “will go to the extent of [Petitioner’s] coordination and common efforts with the United States, which again goes to several of the *Taylor* Factors, including the proxy factor.” *Id.* at 8. Patent Owner also argues that Petitioner’s statements to the court of claims about the impact of that court’s action on Petitioner show proof of the *Taylor* factor that involves whether there is an agreement between the parties to be bound by the judgement. *Id.* Petitioner responds that Patent Owner’s “belief” of discovering some information is insufficient to satisfy *Garmin*.
Opp’n 9. Petitioner further states that there is no “bound” factor described in *Taylor*. *Id.* at 9, n.4.² And Petitioner objects to the scope of the requested

² We disagree with Petitioner. *Taylor v. Sturgell*, 553 U.S. 880 (2008), states that a nonparty may be *bound* in accordance with the terms of an

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communications. *Id.* at 1, n.1 (stating that in the email from Patent Owner the requested communications concerned the *filing* of petitions, but in the Motion the requested communications now include *preparation* and *filing* and *status*, thereby enlarging the scope that was discussed in conference).

We agree with Petitioner that the request seems speculative. Patent Owner has not presented any scenario, real or plausible, in which Patent Owner and the United States have collaborated or coordinated efforts sufficient to show more than a probability that communications concerning the filing or status of the IPRs have occurred. However, as stated above, Petitioner has the burden in this matter. Of particular concern is the fact that Petitioner has not conclusively stated that no such communications exist. Notwithstanding Petitioner’s concern that Patent Owner changed the discovery request to now include additional communications, the request we have reviewed in the Motion is narrowly tailored to reasonable and specific time periods and covers only the instant proceedings. If there are no such communications, then there is nothing to produce. If there are communications, then those would be useful to show the extent, if any, of a coordination germane to Patent Owner’s contentions regarding real party in

agreement concerning the action. *Id.* at 893. For instance, *Taylor* explains “if separate actions involving the same transaction are brought by different plaintiffs against the same defendant, all the parties to all the actions may agree that the question of the defendant’s liability will be definitely determined, one way or the other, in a ‘test case.’” *Id.* (internal citations omitted).

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interest and privity between Petitioner and the United States. Thus, on balance, we are discharging our duty to engage in a flexible approach to discovering the facts and issues surrounding the real party in interest and privity allegations in the current legal landscape. *See Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1351 (Fed. Cir. 2018) (explaining that determining whether a party is a real party in interest “demands a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner”); *Wi-Fi One, LLC v. Broadcom Corp.*, 887 F.3d 1329, 1336 (Fed. Cir. 2018) (noting that the Board, in rendering § 315(b) determinations, “seeks to determine whether some party other than the petitioner is the ‘party or parties at whose behest the petition has been filed’” (citing Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012))). There is no other manner for Patent Owner to seek the requested communications, and there is no allegation or evidence in the record before us that the request would be overly burdensome. Therefore, we grant Patent Owner’s request for additional discovery of the requested communications.

In conclusion, we determine that Patent Owner’s requested additional discovery is in the interests of justice pursuant to 37 C.F.R. § 42.51(b)(2).

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ORDER

Based on the foregoing, and consistent with our analysis above, it is
ORDERED, that Patent Owner's Motion for Additional Discovery is
granted.

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