

## Tips On Objections To Evidence In Post-Grant Proceedings

*Law360, New York (March 04, 2014, 12:13 PM ET)* -- This is the final article in our six-part series on inter partes review. Previous articles included: "Lessons From PTAB Decisions on Real Parties-In-Interest," "How To ID Real Parties-In-Interest In Inter Partes Review," "What We've Learned from PTAB Decisions On Institution," "How PTAB Applies 'Interests Of Justice' Discovery Standard" and "The Intersection Of District Court And Inter Partes Review."

The Federal Rules of Evidence apply to post-grant proceedings at the Patent Trial and Appeal Board. 37 C.F.R. § 42.62(a).[1] The board has indicated that parties should treat evidentiary issues in a post grant proceeding "just as they would in a case pending before a U.S. district court, keeping in mind the applicability of the USPTO Duty of Candor." [2] 37 C.F.R. § 42.11.

This article covers objections to evidence at the U.S. Patent and Trademark Office, types of responses to objections that have been made and the motion practice requesting the exclusion of evidence.

### Objections to Evidence

A party seeking to oppose the introduction of an exhibit must object within five days of the introduction of the exhibit into the record. 37 C.F.R. § 42.64(b)(1). An exception to the five days is that a patent owner must make any objection to evidence submitted with the petition within 10 business days of trial institution. *Id.* The objections are served on the opposing party and are not filed with the board.

The objections should be sufficiently specific to put the party seeking to introduce the exhibit on notice of the basis for a possible motion to exclude and to allow them to respond. The board has counseled that "parties should keep in mind that they are subject to the duty of candor and to sanctions for advancing a frivolous argument, misrepresenting a fact, engaging in dilatory tactics, and abuse of discovery." [3] 37 CFR § 42.12(a)(2-5). Thus, each party should avoid frivolous objections. Similarly, the objections should be specific enough so that an opposing party can understand the basis of the objection. A call with opposing counsel, and perhaps even the board, may be needed to ensure that the objections are clear enough so that a party can evaluate what kind of response may be warranted.

The board has instructed that the parties should confine their objections to evidence pertaining to the trial as instituted. That is, a patent owner should not object to evidence relating solely to a ground on which the board did not institute a trial. One objection which may be made on evidence not related to a challenged ground is relevance. A party should consider whether the evidence is appropriately relied upon for another reason before making a relevance objection. More broadly, even if the evidence is relevant to another proceeding in another forum, such as a U.S. district court, it can still be the subject of an objection at a USPTO proceeding.

Objections to relevance may be appropriate for some information introduced. For example, if a petitioner seeks to include infringement contentions by a patent owner, a relevance objection may be appropriate. Because the board does not determine issues of infringement and the board's application of the broadest reasonable interpretation for claim construction is different from the standard applied by U.S. district courts the material may be argued as irrelevant to the proceeding. The trial schedule provides an opportunity for the board to consider the relevance of such evidence in a motion to exclude.

As an example of the types of objections being raised at the USPTO, in one inter partes review the patent owner objected to petitioner's reliance on documents such as instruction manuals, data sheets, application notes and textbooks. The patent owner objected to the documents as not authenticated and as hearsay. The patent owner had also objected to certain evidence as not relevant.[4]

In another IPR, the patent owner objected to the publication status of a document used in the petition.[5] The board has encouraged dialogue with opposing counsel in these proceedings and has suggested that parties should seek to resolve objections to evidence: "Petitioner and Patent Owner should attempt to resolve such issues [about objections to evidence] themselves." [6]

### **Responding to Objections to Evidence**

The rules provide the party offering the evidence 10 business days to respond to the challenger's objections with supplemental evidence. 37 C.F.R. § 42.64(a)(2). The party offering the evidence must determine the appropriate response to each objection. There are a number of options for responding to objections under the Federal Rules of Evidence.

For example, a party could in response to an objection to authenticity of a book or a manual, make originals of books and manuals available to the objecting party for inspection and copying. Other times, it may be appropriate to consider negotiating a protective order that would permit one or both parties to rely on documents that have been produced and authenticated in the co-pending litigation.

Sometimes, the subject documents, e.g., a manual, may belong to the other party which has produced it in the course of another proceeding. The board has indicated that when the documents are in the possession and control of the objecting party, the offering party may ask that the objection be withdrawn as inappropriate.[7] Also, a party may at an appropriate time seek discovery of the documents in the possession and control of the other party.[8]

The offering party also may provide (or offer to provide) affidavit testimony or other evidence that the documents are authentic and were available publicly prior to the critical date and offer the declarant or affiant for cross examination. Sometimes copies of theses in a library can be shown to have been catalogued by producing the catalogue entry and the day that the reference was put at a specific location in the library. Internet webpages can be authenticated by documents or even a declaration from the company that sponsors the "way back machine." A party responding to an objection should consider the ability to respond as an opportunity to gather evidence in support of an opposition to a motion to exclude.

### **Motions to Exclude**

A motion to exclude evidence must be filed to preserve any objection. 37 C.F.R. § 42.64(c). The board

need not resolve objections to evidence until a party files a motion to exclude under 37 C.F.R. § 42.64. The board does not provide advisory rulings on issues and evidence that are not before it.

The trial scheduling order issued with the decision on institution provides authorization to file a motion to exclude after the merits briefing cycle and before the oral hearing. The burden of proof to establish entitlement to requested relief is on the moving party. For a motion to exclude, the party moving to exclude evidence has the burden of proof. 37 C.F.R. § 42.20(c).

A motion to exclude must explain why the evidence is not admissible (e.g., relevance or hearsay). Office Patent Trial Practice Guide, 77 Fed. Reg. 48765, 48767 (Aug. 14, 2012)[9]. A motion to exclude evidence also must:

- (a) Identify where the objection originally was made;
- (b) Identify where in the record the evidence sought to be excluded was relied upon by an opponent;
- (c) Address objections to exhibits in numerical order; and
- (d) Explain each objection.[10]

A scheduling order provides an opportunity for the moving party to file a motion to exclude and then about two weeks later the other party may file an opposition to the motion and then a few days later the moving party may file a reply to the opposition.

A motion to exclude should be targeted. Before a party files a motion to exclude, the board has instructed that both parties should attempt to reduce the number of issues and perhaps eliminate the need for such a motion.[11] While not in the rules, per se, it may be helpful to evaluate if there is a possibility to reduce the scope of the issues which will be the subject of the motion to exclude and discuss such possibilities with opposing counsel.

In any motion to exclude the board will rely on the parties to state what authentication is required for each document type under the Federal Rules of Evidence. Thus, to the extent that a party moves to exclude a document or prevent the other party's reliance on a document, the moving party should support the proposed exclusion with case law demonstrating that similar documents have been excluded in the past for similar reasons. The opposing party should respond with case law that would support the admissibility of the evidence.

If evidence that is not being relied upon is the subject of a party's motion to exclude for a reason other than relevancy, the opposing party should point out that the objection is moot because the evidence is not being relied on in the proceeding. Similarly, if a party moves that evidence being relied upon by an opposing party should be excluded as irrelevant, the opposing party should explain how that evidence is relevant to the proceeding.[12]

The board has addressed motions to exclude in several IPRs and covered business method reviews. To date, the board has decided that the evidence should not be excluded or the motion is moot in view of other grounds for the decision. The board is not using the motions to exclude as a way to narrow the evidence that it should consider in each proceeding.

### **Motion to Exclude Is Not Another Reply on the Merits**

The board does not want additional briefing on the merits in a motion to exclude. A motion to exclude may not be used to challenge the sufficiency of the evidence to prove a particular fact.[13] Some discussion of the weight of the evidence sought may be needed but the board has indicated any extended discussion about the weight of the evidence (rather than its admissibility) is inappropriate.

The board has also explained that a motion to exclude evidence is not intended as the vehicle for use by a party to raise the issue of a paper (e.g., reply) exceeding the proper scope of a particular paper. Additionally, it is not a vehicle to challenge that the evidence submitted with reply exceeds the proper scope of reply evidence. If an issue arises on the proper scope of a reply or reply evidence, the parties should contact the board and not use a motion to exclude evidence as a vehicle for addressing the issue.[14]

### **Motions to Expunge and Motions to Strike**

Some parties have tried to remove evidence from the record by requesting a motion to expunge or a motion to strike. However, a motion to exclude is typically the proper vehicle to remove evidence from a post-grant proceeding.

In one circumstance where a petitioner introduced another declarant as evidence in a reply the patent owner sought to exclude the testimony because it was similar to another expert's testimony submitted with the petition.[15] The patent owner also alleged that new testimony was, at least in part, an attempt by petitioner to remedy deficiencies in earlier testimony by providing testimony that should have been presented as part of its case-in-chief. The patent owner argued that the new testimony was untimely and prejudicial, and sought authorization to file a motion to strike the testimony and supporting exhibits.

The board declined to authorize a motion to strike at the time, informing the patent owner that the proper vehicle for addressing these issues was as part of a motion to exclude evidence submitted pursuant to 37 C.F.R. § 42.64(c).[16]

In another IPR, a party asked that a declaration of an opposing party's witness, and certain paragraphs of a responsive declaration of another witness, be expunged.[17] The board dismissed the party's request noting that the appropriate mechanism would be a motion to exclude evidence.

### **Concluding Observations**

Evidence offered by an opposing side should be evaluated considering a possible motion to exclude and preserving it with an objection because objections to evidence necessarily precede a motion to exclude. Additionally, when identifying particular objections to evidence, one consideration should be how a possible motion to exclude would be drafted in view of the objection. Another consideration should be how the opposing party can supply additional evidence to respond to an objection. Objections to evidence should be narrowly focused so that the opposing party can understand the objection and consider filing supplemental evidence in response to the objection.

Pursuing a motion to exclude should be carefully considered by weighing the merits of the objection to the evidence and the reasons why it should be excluded. Working with opposing counsel to narrow issues on the evidence may be helpful to resolving evidentiary challenges. A clear-headed understanding of the likelihood that evidence will be excluded is also helpful. Thus far, the board has not excluded

evidence in any of the final decisions that have been issued.

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[1] The portions of the Federal Rules of Evidence that do not apply to USPTO proceedings include those relating to criminal proceedings and juries. 37 C.F.R. § 42.62(b).

[2] IPR2013-00285, Paper 15, p. 2.

[3] Id.

[4] Id.

[5] IPR2013-00082.

[6] IPR2013-00285, Paper 15, p. 2.

[7] Id. Of course, some evidence may be in the possession of a party and still be objectionable on other grounds. It is important that parties carefully consider the source and the status of the documents before lodging an objection.

[8] Id. Discovery requests which are not agreed upon by the parties is evaluated by the board under an “interests of justice” standard.

[9] 77 Fed. Reg. 48765, 48767 (Aug. 14, 2012).

[10] Id.

[11] Id.

[12] IPR2013-000285, Paper 15, p. 2.

[13] 77 Fed. Reg. 48765, 48767 (Aug. 14, 2012).

[14] IPR2013-00346

[15] IPR2013-00041, paper 44

[16] Id.

[17] IPR2013-00043