

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MEXICHEM AMANCO HOLDINGS S.A. de C.V.
Petitioner

v.

HONEYWELL INTERNATIONAL, INC.
Patent Owner

Case IPR2013-00576
Patent 8,444,874 B2

Before LINDA M. GAUDETTE, FRANCISCO C. PRATS, and
JACQUELINE WRIGHT BONILLA, *Administrative Patent Judges*.

BONILLA, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

A conference call was held on August 21, 2014, among Joseph Berghammer, representing Patent Owner; Patrick Fleis and Joseph Kromholz, representing Petitioner; and Judges Bonilla, Gaudette, and Prats. A court reporter was present on the call, and a transcript is to be filed in due course by Patent Owner as an exhibit.¹

As a follow-up to our Order of August 15, 2014 (Paper 29), Patent Owner requested the call to seek authorization to file a motion for additional discovery in the form of depositions of Petitioner's Declarants, Dr. Takashi Shibamura and Robert E. Low, who provided previously prepared testimony relied on by Petitioner in its Reply to Patent Owner's Response (Paper 27). During the call, Patent Owner indicated that the parties had reached an agreement regarding Mr. Low's testimony, and that Patent Owner now only requested to file a motion for additional discovery in relation to a deposition of Dr. Shibamura.

The testimony on which Patent Owner seeks discovery is the Declaration of Dr. Takashi Shibamura (Ex. 1076), originally submitted in Reexamination Control Nos. 95/002,189 and 95/002,204 on July 26, 2014, in relation to U.S. Patent No. 7,534,366. As discussed in our previous Order, because that Declaration is not new testimony prepared for purposes of this *inter partes* review, cross-examination of Dr. Shibamura is not provided as routine discovery under § 42.51(b)(1)(ii). Paper 29 at 2-3.

The Board applies a "necessary in the interest of justice" standard when deciding whether to grant additional discovery in *inter partes* reviews. 35 U.S.C. § 316(a)(5); 37 C.F.R. § 42.51(b)(2). We also consider factors outlined in the *Garmin* case, such as whether the request proposes more than a mere possibility of

¹ This order summarizes the statements made during the conference call. A more detailed record may be found in the transcript.

finding something useful. *Garmin Int'l Inc. et al. v. Cuozzo Speed Techs. LLC*, Case IPR2012-00001, Paper 26, slip op. at 6-7 (PTAB March 5, 2013). In relation to this factor, a party requesting discovery already should be in possession of a threshold amount of evidence or reasoning tending to show beyond speculation that something useful will be uncovered. *Id.* at 7. “Useful” does not mean merely “relevant” or “admissible,” but rather means favorable in substantive value to a contention of the party moving for discovery. *Id.*

During the call, Patent Owner indicated that Petitioner relied on Dr. Shibamura’s Declaration in the Reply in support of the contention, in response to an argument by Patent Owner to the contrary, that Daikin (owner of the Inagaki reference) stated “that it was a business decision to pursue R-134a instead of the refrigerants disclosed in Inagaki because R-134a was [] viewed to be more versatile and cost effective.” Paper 27 at 14 (citing Ex. 1076 ¶¶11, 12, 16, 17). Patent Owner indicated during the call that Dr. Shibamura’s Declaration failed to address certain aspects of unsaturated refrigerants (e.g., R-134a), as compared to saturated refrigerants, as relevant to whether the Declaration provides evidence of obviousness. Patent Owner indicated that it wishes to depose Dr. Shibamura on this topic, and specifically as it relates to Petitioner’s contentions in its Reply based on Dr. Shibamura’s Declaration. Patent Owner also indicated that it wishes to file observations on Dr. Shibamura’s cross-examination.

After hearing from the parties, the Board determined that briefing on the matter is warranted. Thus, Patent Owner is authorized to file a motion for additional discovery in relation to a deposition of Dr. Shibamura, and Petitioner is permitted to file an opposition to the motion. Patent Owner, in its motion, should identify specifically what information it hopes to obtain in the deposition, and explain why it believes discovery in this regard is “necessary in the interest of

justice” in view of factors outlined in *Garmin*. 35 U.S.C. § 316(a)(5); 37 C.F.R. § 42.51(b)(2); *Garmin*, Case IPR2012-00001, Paper 26, slip op. at 6-7. The request for discovery will not be granted if it is unduly broad or requests information that is irrelevant to either the subject matter addressed in Petitioner’s Reply as it relates to Dr. Shibnuma’s Declaration, or the Declaration itself.

Patent Owner also requested guidance from the panel about whether a motion to exclude is the sole avenue for Patent Owner to raise objections to Petitioner’s Reply and exhibits filed with the Reply. We indicated that, in the event we grant Patent Owner’s motion for additional discovery, and a deposition of Dr. Shibnuma takes place, Patent Owner will have an opportunity to file observations on Dr. Shibnuma’s cross-examination by Due Date 4. In this regard, we pointed the parties to guidance on observations on cross examination, as discussed in the Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48767-68 (Aug. 14, 2012), which states, *inter alia*, that cross-examination occurring after a party has filed its last substantive paper “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.” *Id.* We also indicated to the parties, regardless of whether the cross-examination of Dr. Shibnuma takes place, each party is authorized to file a motion to exclude by Due Date 4. When considering the Reply, we will take into consideration whether Patent Owner has had an opportunity to cross-examine Dr. Shibnuma, as well as any motion to exclude evidence cited in the Reply.

In relation to Due Dates in this proceeding, particularly as it relates to a possible deposition of Dr. Shibnuma and observations due by DUE DATE 4, we indicated to the parties that they may stipulate to different dates for DUE DATES 4-6 by filing an appropriate notice with the Board, as long as DUE DATE 6

(currently set for October 2, 2014) does not extend beyond Friday, October 10, 2014.

Lastly, during the call, Petitioner requested authorization to file a motion to expunge in order to remove and replace Exhibits 1033, 1049, 1067, and 1076 filed with Petitioner's Reply. Petitioner stated that those exhibits were either inadvertently uploaded with clerical errors, or the incorrect document was uploaded in the case of Exhibit 1033. During the call, Patent Owner did not object to Petitioner filing that motion, and we authorized Petitioner to file the motion, which Petitioner filed soon thereafter, on the same day. Paper 30.

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner is authorized to file a motion for additional discovery under 37 C.F.R. § 42.51(b)(2) by Thursday, August 28, 2014, limited to five pages; Petitioner is authorized to file an opposition by Tuesday, September 2, 2014, also limited to five pages; and no reply is authorized;

FURTHER ORDERED that the parties may stipulate to different dates for DUE DATES 4-6 by filing an appropriate notice with the Board, as long as DUE DATE 6 does not extend beyond October 10, 2014; and

FURTHER ORDERED that Petitioner is authorized to file a motion to expunge to remove and replace Exhibits 1033, 1049, 1067, and 1076.

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