

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

IRONSOURCE LTD.,
Petitioner,

v.

DIGITAL TURBINE INC.,
Patent Owner.

PGR2021-00096
Patent 10,782,951 B2

Before MONICA S. ULLAGADDI and IFTIKHAR AHMED,
Administrative Patent Judges.

AHMED, *Administrative Patent Judge.*

ORDER
Conduct of the Proceeding
37 U.S.C. §§ 42.5, 42.53

With our authorization, Patent Owner filed a Motion to Quash the Notice of Second Deposition of Dr. Mao, and Petitioner filed an Opposition. Papers 32 (“Motion” or “Mot.”), 35 (“Opp.”). Patent Owner contends that Petitioner’s Deposition Notice (Paper 30) is improper because it was untimely under 37 CFR § 42.53 (d)(6). Mot. 1.

Patent Owner states that it filed its expert Dr. Zhouqing Morley Mao’s Supplementary Declaration (Ex. 2013) along with Patent Owner’s Reply in support of its Motion to Amend on August 5, 2022. Mot. 1; *see also* Papers 19 (Patent Owner’s Motion to Amend), 27 (Reply in support of Motion to Amend). On August 16, 2022, the parties agreed to schedule Dr. Mao’s deposition on September 1, 2022. *Id.* Petitioner, however, did not file a notice of the deposition until August 26, 2022, four business days before the scheduled deposition date. *Id.* Petitioner does not dispute these facts, but instead explains that delay in filing the notice resulted from a calendaring error. Opp. 1–2 (citing Ex. 1026¹).

Rule 42.53(d)(4) requires that “[t]he party seeking the deposition must file a notice of the deposition at least ten business days before a deposition.” “A late action will be excused on a showing of good cause or upon a Board decision that consideration on the merits would be in the interests of justice.” 37 C.F.R. § 42.5(c)(3).

Patent Owner argues that Petitioner has not shown good cause to excuse its late action, nor explained adequately why excusing the action would be in the interests of justice. Mot. 3. Patent Owner contends that Petitioner would not be prejudiced if we grant the Motion because this

¹ Exhibit 1026 is a Declaration from Paul D. Ackerman, which is improperly filed as Paper 34. Petitioner is directed to file the Declaration as an exhibit along with an updated exhibit list.

would be Dr. Mao's second deposition in this case, and even without the deposition, Petitioner would have opportunity to state its position in its Sur-reply to Patent Owner's Motion to Amend. *Id.* Patent Owner further argues that it did not seek a second deposition of Petitioner's expert, and therefore, Petitioner would not be prejudiced by an inequitable outcome in which its expert was deposed a second time in the proceeding and Patent Owner's was not. *Id.*

Patent Owner argues that although the Board has excused non-compliance with 37 CFR § 42.53 (d)(4) in other cases, the facts here are distinguishable. *Id.* at 3–4 (citing *Great West Casualty Co. v. Intellectual Ventures II LLC*, IPR2015-01706, Paper 50, at 3 (PTAB May 31, 2019) (“*GWC*”). Patent Owner contends that unlike in *GWC*, a standard Motion to Amend schedule and briefing are in place to allow Petitioner to present a complete record, and Petitioner here was six business days late as compared to the two days in *GWC*. Mot. 4.

Patent Owner further argues that it is prejudiced by Petitioner's late action because its counsel and Dr. Mao were faced with the uncertainty regarding the deposition, causing logistical difficulties in planning for the deposition. *Id.* at 4. Patent Owner also argues that as a policy matter, the Board should not excuse Petitioner's late action in order to set expectations that parties will be held to the rule for a minimum of ten business days' notice of deposition. *Id.* at 5.

Petitioner responds that although the docketing error that resulted in noncompliance may not qualify as good cause to excuse its non-compliance, Patent Owner's motion to quash should be denied in the interests of justice. Opp. 2. Petitioner contends that we should excuse Petitioner's non-compliance and waive the ten day rule in this case because “(1) Petitioner

agreed to a date and time for the deposition of Dr. Mao that was proposed by Patent Owner, (2) Patent Owner had actual written notice of the time, place and manner of the deposition since August 16, 2022, (3) Dr. Mao remains available to be deposed on this agreed upon date and time specified in the Notice, and (4) because the deposition of Dr. Mao will enable Petitioner to present a complete record to the Board to decide the issues presented, it would be in the interest of justice to excuse Petitioner's late notice and permit the deposition of Dr. Mao as specified in Petitioner's Notice of Deposition." *Id.* at 4 (citing *GWC*, Paper 50, at 3) (quotations omitted).

Alternatively, Petitioner asks that the requirement of 37 C.F.R. § 42.53(d)(2), that Dr. Mao's deposition occur more than a week before the filing date for Petitioner's Sur-reply to the Motion to Amend, be waived and Petitioner be permitted to depose Dr. Mao on September 9, 2022.² *Id.* at 4–5 (citing Paper 33 (Petitioner's contingent notice of deposition)).

We agree with Petitioner that although it has not shown good cause to excuse its non-compliance with the Rule 42.53(d)(4)'s requirement to file the deposition notice ten business days before Dr. Mao's deposition, waiving that requirement is in the interests of justice here. Dr. Mao's Supplemental Declaration addresses patentability of Patent Owner's proposed amended claims and Patent Owner relies on that Declaration in its Reply in support of its Motion to Amend. *See generally* Paper 28; Ex. 2013. Although Dr. Mao has been deposed once in this case, that deposition relates to her original Declaration. *See* Ex. 1024. The opportunity for Petitioner to cross-examine Dr. Mao regarding her Supplemental Declaration will allow Petitioner to

² Rule 42.53(d)(2) requires that a deposition should ordinarily take place "more than a week before the filing date for any paper in which the cross-examination testimony is expected to be used."

present a more complete record and may help us identify issues relevant in determining the patentability of any proposed amendments. We therefore excuse Petitioner's non-compliance with Rule 42.53(d)(4) in the interests of justice.³ *See* 37 C.F.R. § 42.5(c)(3).

Patent Owner asks that if we do allow Dr. Mao's deposition to proceed, we apply the same remedy as in *GWC* and limit the deposition time to two hours. Mot. 5. We do not agree that such a remedy is necessary here. Unlike in *GWC*, any prejudice to Patent Owner here is minimal since it had actual written notice of the deposition on August 16, 2022, more than ten business days prior to the deposition. *See Micron Tech. v. Bd. of Trustees of U. of Ill.*, IPR2013-00005, Paper 40, at 2 (PTAB Nov. 1, 2013) ("It is not clear that there is any prejudice to Micron due to the late service since Micron had actual notice of the deposition."). Petitioner has noticed Dr. Mao's deposition for only four hours (Opp. 3), and further limiting the deposition time may not allow for a meaningful cross-examination.

Although we deny Patent Owner's requested relief, Petitioner has filed a contingent notice offering to take Dr. Mao's deposition on September 9, 2022. *See* Paper 33. To the extent Petitioner's delay in filing of the deposition notice and Petitioner's failure to further communicate with Patent Owner regarding the scheduled deposition resulted in Patent Owner's counsel and Dr. Mao being unprepared for a deposition on September 1, 2022, that prejudice can be remedied by allowing the deposition to take

³ We note also that schedule for the Motion to Amend briefing is somewhat compressed, allowing parties less time to prepare evidence than during the regular trial proceeding.

place on September 9, 2022 instead of September 1, 2022.⁴ We therefore waive the requirements of 37 C.F.R. §§ 42.53(d)(2), 42.53(d)(4) to allow Dr. Mao's deposition to occur per Petitioner's contingent deposition notice, less than one week before the due date of Petitioner's Sur-reply to the Motion to Amend. *See* Papers 15, 33.

If Dr. Mao is prepared for the deposition, Patent Owner may present Dr. Mao for deposition on September 1, 2022. If not, Patent Owner shall present Dr. Mao for deposition on September 9, 2022.

ORDER

It is, therefore,

ORDERED that Patent Owner's Motion to Quash the Notice of Second Deposition of Dr. Mao is denied; and

FURTHER ORDERED that the deposition of Dr. Mao shall proceed either on September 1, 2022 or September 9, 2022, according to the parties' mutual agreement.

⁴ Dr. Mao is available for a deposition on September 9, 2022. *See* Opp. 2 (citing Ex. 1026, Tab C).

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