

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HTC CORPORATION and HTC AMERICA, INC.,
Petitioner,

v.

NFC TECHNOLOGY, LLC,
Patent Owner.

Case IPR2014-01198
Patent 6,700,551 B2

Before JAMES B. ARPIN, NEIL T. POWELL, and
BART A. GERSTENBLITH, *Administrative Patent Judges*.

ARPIN, *Administrative Patent Judge*.

ORDER

Granting-in-Part Petitioner's Motion to Strike
37 C.F.R. §§ 42.5(a) and 42.51(b)(1)(ii)

BACKGROUND

NFC Technology, LLC ("Patent Owner") submitted the Declaration of Francois Lepron (Ex. 2025, the "Lepron Declaration") with the Patent Owner Response (Paper 18) to support Patent Owner's alleged, earlier invention date of the challenged claims of Patent No. US 6,700,551 B2.

Mr. Lepron is a French citizen residing in France (Paper 22, 1; *see* Ex. 2031, 13), and a deposition of Mr. Lepron in France would be subject to the provisions of the French Blocking Statute (Paper 30, 4–5). Pursuant to 37 C.F.R. § 42.51(b)(1)(ii), HTC Corporation and HTC America, Inc. (collectively, “Petitioner”) sought to cross-examine Mr. Lepron as provided under our Rules and, consistent with French law, under the provisions of the Hague Convention. *See* Paper 36. Initially, Patent Owner indicated that Mr. Lepron was willing to be deposed in France.¹ *See* Ex. 2031, 32:14–23. Nevertheless, on October 12, 2015, Mr. Lepron informed Patent Owner, and Patent Owner ultimately informed Petitioner, that Mr. Lepron refused “for personal reasons” to be deposed by Petitioner. Ex. 1023 (English translation of e-mail from Mr. Lepron to Murielle Greusard, France Brevets). On October 19, 2015, the parties informed the panel of Mr. Lepron’s refusal to be deposed. Paper 38, 2. In view of Mr. Lepron’s refusal to be deposed regarding his declaration (Ex. 2025), we issued an Order (Paper 38) authorizing Petitioner to file a Motion to Strike the Lepron Declaration (*see* Paper 39) and for Patent Owner to file an Opposition to Petitioner’s Motion to Strike (*see* Paper 40).

In its Motion to Strike, Petitioner requested that we “(1) remove or expunge the Lepron Declaration in its entirety from the record of this proceeding, and (2) strike portions of Patent Owner’s Response filed on

¹ *See also* Ex. 2040, 10:1–23 (Patent Owner informed the panel that “the reason we don’t need [a Letter Rogatory] in this case is because we don’t need to compel the witness, whereas with the Letter Rogatory, you use that in an instance where the witness might need to be compelled to provide evidence.”).

May 20, 2015 (Paper 18) that cite to the Lepron Declaration.” Paper 39, 1. In particular, Petitioner argues that we should grant the requested relief because of Patent Owner’s failure to comply with our rules governing Routine Discovery (*see* 37 C.F.R. § 42.51(b)(1)(ii)) and under our powers to expunge papers and exclude evidence (*see* 37 C.F.R. § 42.12(a)(7) and (b)). Paper 39, 3–4.

Patent Owner responds that, despite its best efforts to persuade him, Mr. Lepron refused to travel to the United States for a deposition by Petitioner, and, “for personal reasons,” Mr. Lepron, ultimately refused to be deposed by Petitioner in France under the provisions of the Hague Convention. Paper 40, 1–2. Patent Owner further contends that Patent Owner has no control over Mr. Lepron, a non-party witness (*see id.* at 5), that Petitioner is responsible for Petitioner’s inability to conduct a timely deposition of Mr. Lepron (*see id.* at 2–4), and that Petitioner’s allegations of misconduct by Patent Owner are “extreme and unwarranted” (*see id.* at 4–5).

ANALYSIS

Under 35 U.S.C. § 316(a)(5), Congress tasked the Director with prescribing regulations “setting forth standards and procedures for discovery of relevant evidence including that such discovery shall be limited to . . . *the deposition of witnesses submitting affidavits or declarations.*” (Emphasis added.) As a guiding principle of *routine discovery*, as defined by our Rules, if a party proffers a witness’s testimony, that party must make that witness available for cross-examination by the other party. *See* 37 C.F.R. §§ 42.51–42.53. Our Office Patent Trial Practice Guide further makes clear that

The burden and expense of producing a witness for redirect or cross-examination should normally fall on the party presenting the witness. Thus, a party presenting a witness's testimony by affidavit should arrange to make the witness available for cross-examination. *This applies to witnesses employed by a party as well as experts and non-party witnesses.*

Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48761 (Aug. 14, 2012) (emphasis added); *see* 37 C.F.R. § 42.53(g). Consequently, “[u]nder our Rules governing routine discovery, in order for us to consider Mr. Lepron’s testimony, Patent Owner *must* make Mr. Lepron available for cross-examination by Petitioner.” Paper 30, 7–8 (emphasis added); *see* 37 C.F.R. §§ 42.53(b)(2) and (3). To the extent that our Rules governing routine discovery do not cover specifically striking a declaration, where cross-examination is unavailable, we exercise our authority to strike such a declaration under 37 C.F.R. § 42.12(a) and (b). *Cf. John’s Lone Star Distrib., Inc. v. Thermolife Int’l, Inc.*, Case IPR2014-01201, slip op. at 3 (PTAB May 13, 2015) (Paper 31) (citing 37 C.F.R. § 42.12(a)(1) and (b)(2)); *see also* 37 C.F.R. § 42.5(a) (“The Board may determine a proper course of conduct in a proceeding for any situation not specifically covered by this part . . .”).

Despite Patent Owner’s efforts, Mr. Lepron, a non-party witness, refused to participate in a scheduled deposition by Petitioner. Ex. 1023. Nevertheless, Patent Owner is responsible for the availability of its chosen declarants, regardless whether or not they are employed by Patent Owner. *See* Paper 40, 5 (“NFCT never employed, does not employ, and has no control over Lepron. NFCT has never refused to make Lepron available.”). The parties and the panel spent considerable time and effort trying to arrange for the deposition of Mr. Lepron. *See, e.g.*, Papers 22, 29–31, 34, 36;

Ex. 2031, 2033, 2040. Moreover, the efforts to obtain the deposition of Mr. Lepron resulted in a considerable delay in the schedule for this review and placed a significant burden on the panel, as well as the parties, to complete the review prior to the statutory deadline. *See* Paper 38, 2–3. On this record, we are persuaded that responsibility for its declarant’s refusal to participate in the deposition ultimately must rest with Patent Owner, the party proffering the witness.² *See* Office Patent Trial Practice Guide, 77 Fed. Reg. at 48761; 37 C.F.R. § 42.53(g). Therefore, we *grant-in-part* Petitioner’s Motion to Strike and *expunge* Exhibit 2025, pursuant to 37 C.F.R. § 42.12(a) and (b).

Although we expunge Exhibit 2025, we *deny* the request in Petitioner’s Motion to Strike to “strike portions of Patent Owner’s Response filed on May 20, 2015 (Paper 18) that cite to the Lepron Declaration.” Paper 39, 1. Instead, to the extent that Patent Owner relies on Exhibit 2025, wholly or in part, as evidence to support argument in the Patent Owner Response, we give no weight to that reliance on expunged Exhibit 2025.

² Patent Owner also argues that Mr. Lepron’s refusal to submit to cross-examination goes to the weight to be given his declaration testimony, not to its admissibility. Paper 40, 4 (“The lack of a deposition goes to the weight of Lepron’s corroboration testimony, not its admissibility.”). However, the parties disagree on whether, absent cross-examination, the Lepron Declaration may be inadmissible as hearsay. Ex. 2033, 27:4–28:12; see 37 C.F.R. § 42.62(a); Fed. R. Evid. 801, 802. Although that may have been another vehicle to seek exclusion of the Lepron Declaration, the parties do not address that issue here, and, thus, we do not decide that issue.

ORDER

Accordingly, it is:

ORDERED that Petitioner's Motion to Strike is *granted* with respect to Petitioner's request that Exhibit 2025 be expunged and *denied* with respect to Petitioner's request that portions of Patent Owner's Response (Paper 18) that cite to the Lepron Declaration be stricken; and

FURTHER ORDERED that Exhibit 2025 is *expunged*.

IPR2014-01198
Patent 6,700,551 B2

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