



# Additional discovery

Michael K. O'Neill at FITZPATRICK, CELLA, HARPER & SCINTO examines additional discovery in *inter partes* review proceedings. Part two looks at the *Garmin* factors two through five.

This is the second part of a two-part article exploring the US Patent Trial and Appeal Board's (PTAB) treatment of motions for additional discovery during *inter partes* review (IPR) proceedings. Part one explained that PTAB applies a five-factor test developed in *Garmin International, Inc. v Cuozzo Speed Technologies, LLC*, IPR 2012-00001, Paper number 26, March 5, 2013.<sup>1</sup> Those five factors are:

- 1) **“More than a possibility and mere allegation:** The mere possibility of finding something useful, and mere allegation that something useful will be found, are insufficient to demonstrate that the requested discovery is necessary in the interest of justice. The party requesting discovery should already be in possession of evidence tending to show beyond speculation that in fact something useful will be uncovered.
- 2) **“Litigation positions and underlying basis:** Asking for the other party's litigation positions and the underlying basis for those positions is not necessary in the interest of justice. The Board has established rules for the presentation of arguments and evidence. There is a proper time and place for each party to make its presentation. A party may not attempt to alter the Board's trial procedures under the pretext of discovery.
- 3) **“Ability to generate equivalent information by other means:** Information a party can reasonably figure out or assemble without a discovery request would not be in the interest of justice to have

produced by the other party. In that connection, the Board would want to know the ability of the requesting party to generate the requested information without need of discovery.

- 4) **“Easily understandable instructions:** The questions should be easily understandable. For example, ten pages of complex instructions for answering questions is *prima facie* unclear. Such instructions are counter-productive and tend to undermine the responder's ability to answer efficiently, accurately, and confidently.
- 5) **“Requests not overly burdensome to answer:** The requests must not be overly burdensome to answer, given the expedited nature of *Inter Partes* Review. The burden includes financial burden, burden on human resources, and burden on meeting the time schedule of *Inter Partes* Review. Requests should be sensible and responsibly tailored according to a genuine need.”

One of the cases discussed was *Corning v DSM*, IPR 2013-0004, in which DSM as the patent owner had requested additional discovery for three different categories of information. PTAB granted discovery for one category but denied it for the other two, relying most heavily on factor one (in other words, more than a mere possibility that something useful will be found).

Cases such as the *Corning* case make it clear that PTAB focuses most strongly on factor one of the five *Garmin* factors, requiring specificity in both the evidence demonstrating beyond speculation that the requested evidence actually exists, and specificity in demonstrating that the requested items are, in fact, useful. Failure to prove factor one is most likely fatal to a request for additional discovery, even if there is a strong showing for the remaining four factors. See *Redline v Star EnviroTech*, IPR 2013-00106, Paper 31 (August 27, 2013) at 5: Factor 1 was not satisfied, such that “even assuming [all four remaining] factors weigh in patent owner's favor, for the reasons provided above, patent owner has not met its burden to show that the additional discovery ... is necessary in the interest of justice”.

Conversely, a successful motion must satisfy factor one and as many of the remaining four factors as possible. It is therefore worthwhile to study the remaining four factors.

## Alternative arguments

Before doing so, however, it is also worthwhile to discuss a common strategy when requesting additional discovery: to present an alternative theory, by which the additional discovery is framed as nothing more than routine discovery. According to this alternative theory, the requested items are, in a sense, “inconsistent with a position advanced by the party.”<sup>2</sup>

If presented, such an alternative theory must be advanced carefully, since otherwise PTAB might apply circular reasoning to deny additional discovery.

One example is *Corning v DSM*, IPR 2013-00047. In this case, Corning had petitioned for invalidity of DSM's patent, relying on test results of certain prior art oligomers. DSM suspected that Corning had turned over only favorable test results, and had not turned over test results that supported validity of DSM's patents. It therefore requested test results that were inconsistent with the purported inherency of certain characteristics in the tested oligomers. According to DSM, it was entitled to inconsistent test results on the theory that inconsistent test results were nothing more than routine discovery, or in the alternative under the theory that the inconsistent test results should be turned over pursuant to its motion for additional discovery.

In its decision denying DSM's motion, PTAB relied on Corning's representation that it had already produced all information covered by routine discovery. Based on this representation, the Board reasoned that in view of DSM's repeated characterization of the information as “routine discovery”, the request had already been fulfilled by Corning, such that there was nothing left to compel.

Alternative arguments are nothing new, but in view of the *Corning* decision, it behooves a moving party to frame the alternative arguments carefully, lest PTAB apply similar circular reasoning to deny the motion, based on the conclusion that all routine discovery has already been produced.

## Factor two

Turning to the remaining four of the five *Garmin* factors, factor two provides as follows:

- 2) **“Litigation positions and underlying basis:** Asking for the other party's litigation positions and the underlying basis for those positions is not necessary in the interest of justice. The Board has established rules for the presentation of arguments and evidence. There is a proper time and place for each party to make its presentation. A party may not attempt to alter the Board's trial procedures under the pretext of discovery.”
- “Litigation” in this context refers to the IPR proceedings, and not necessarily to related proceedings or litigations. Nevertheless, it should come as no surprise that IPR proceedings often occur as an adjunct to litigation over the patent, and it should further come as no surprise that discovery in one can often aid the conduct of proceedings in the other.

“Failure to prove factor one is most likely fatal to a request for additional discovery, even if there is a strong showing for the remaining four factors.”



Factor two thus emphasizes that IPR proceedings are regulated by specific timing requirements set out in the rules and in the initial scheduling order issued by PTAB. This is consistent with the statutory mandate to complete IPR proceedings within 12 months (or 18 months for complex cases). PTAB will not grant motions under the guise of additional discovery, where the result is to force one party to deviate from this timeline, and to reveal litigation positions before they are required to.

One example is the *Garmin* case itself. In *Garmin*, patentee Cuozzo had requested “documents [Garmin] intends to rely upon at trial or have provided or intend to provide to an expert witness or declarant”. PTAB denied this motion for additional discovery, reasoning that Cuozzo's request altered PTAB's trial procedures.

“If and when Garmin presents Affidavit or Declaration testimony to support any position it maintains, Cuozzo has an opportunity to cross-examine the affiant or declarant with regard to the basis of the testimony. Garmin is not obligated to keep Cuozzo informed of its positions on substantive issues before Garmin is ready to present them in this review.”<sup>3</sup>

## Factor three

Factor three relates to the ability to obtain the requested information independently, outside a motion for additional discovery, by other means:

- 3) **“Ability to generate equivalent information by other means:** Information a party can reasonably figure out or assemble without a discovery request would not be in the interest of justice to have produced by the other party. In that connection, the Board would want to know the ability of the requesting party to generate the requested information without need of discovery.”

Factor three thus requires the moving party to be industrious, and to explain how it has attempted to generate the requested information on its own, and how those attempts have failed or would be a failure, thus necessitating additional discovery. As with factor one, specifics are important.

One example is found in *Corning v DSM*, where patentee DSM had requested actual samples of oligomers fabricated by Corning in support of Corning's petition for invalidity. DSM stated that it needed actual samples fabricated by Corning, for the reason that fabrication was time-consuming and thus inconsistent with the short schedule of IPR proceedings.

## Résumé

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Michael is managing partner of the Orange County, California office, of Fitzpatrick, Cella, Harper & Scinto. He has extensive experience in preparation and prosecution of patent applications, complex prosecution, licensing transactions and portfolio management, and client counseling particularly in the implementation of corporate systems for invention management and strategic innovation. His technological areas focus on Internet, computer and software related inventions, networks and business methods, and also optics, semiconductors and electronic devices.

