

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COMMSCOPE TECHNOLOGIES LLC,
Petitioner,

v.

DALI WIRELESS INC.,
Patent Owner.

Case IPR2018-00571
Patent No. 9,531,473 B2

Before KARL D. EASTHOM, MELISSA A. HAAPALA, and
SHARON FENICK, *Administrative Patent Judges*.

FENICK, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

On May 8, 2018, we issued an Order, *inter alia*, denying Petitioner's motion to disqualify Patent Owner's counsel in this proceeding. Paper 18 ("Order"). In the Order, we reviewed the facts and arguments in Petitioner's Motion to Disqualify (Paper 10 (filed under seal) ("DQ Mot."); Paper 12 (redacted version) ("Redacted DQ Mot.)) and denied Petitioner's Motion to Disqualify. Order 2–7.

On May 22, 2018, Petitioner requested rehearing of the Order. Paper 20 (filed under seal); Paper 21 ("Reh. Req.") (redacted version). Patent Owner filed an Opposition (Paper 23), which we expunged as an improper response. Paper 24.

For the reasons set forth below, Petitioner's Rehearing Request is *denied*.

II. STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). In particular, "[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply." *Id.* When considering a rehearing request, "[t]he burden of showing that the decision should be modified lies with the party challenging the decision." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012).

III. ANALYSIS

Petitioner argued in its Motion to Disqualify that the nature and extent of a prior relationship between the law firm of Kilpatrick Townsend and Petitioner was such that Kilpatrick Townsend should be disqualified from

representing Patent Owner in this proceeding. DQ Mot. 2–5; *see also* Redacted DQ Mot. One issue raised by Petitioner in support of its Motion was the inclusion in the Petition’s grounds of an allegation of unpatentability based on a combination of references including U.S. Patent No. 8,346,901 (“the ’091 patent”) and Kilpatrick Townsend’s representation of Petitioner in the prosecution of the ’091 patent family. DQ Mot. 1–2; *see also* Redacted DQ Mot.

After our review of the evidence and arguments, we were “not convinced that the subject matter of the prior representation of [Petitioner] CommScope by Kilpatrick Townsend is essentially the same as, or involves the same transaction or legal dispute as in this proceeding.” We found the record provided “no indication that [relevant] determinations [involved in the instant proceeding] were involved in the matters in which Kilpatrick Townsend represented CommScope” and similarly found “no reason CommScope’s confidential information would be relevant to this matter.” Order 5. We specifically addressed Petitioner’s concerns regarding Kilpatrick Townsend’s representation of Petitioner in prosecution of the ’091 patent family and did not find sufficient grounds to disqualify Kilpatrick Townsend. *Id.* at 5–6.

Petitioner requests rehearing, arguing that the Order was incorrect because

(1) extensive evidence was misunderstood in view of Federal Circuit precedent . . . and (2) the assessment of whether KT’s [(Kilpatrick Townsend)] is “substantially related” to this IPR under 37 C.F.R. § 11.109(a) is flawed in that, as measured against the Federal Circuit’s decisions, the extensive nature of KT’s representation of [Petitioner] . . . must lead to a finding that KT received confidential information that would materially advance

[Patent Owner's] position against its former client
[Petitioner] in this IPR.

Reh. Req. 1; *see also id.* at 2–6.

A. Item (1)

Regarding item (1), Petitioner argues “[t]he Board decision appears focused on the narrow issue of whether the prior art ‘091 patent involved the ‘same transaction or legal dispute’ as the IPR.” *Id.* at 2 (quoting Order, 6). Petitioner provides a list of seven facts and argues that we should apply the standard to these facts “which the Order apparently misunderstood.” *Id.*

Our decision was based on the entire “nature and extent of the prior relationship between the law firm of Kilpatrick Townsend and Petitioner CommScope.” Order 2. Our determination related to “the subject matter of the prior representation of CommScope by Kilpatrick Townsend” (*id.* at 5) and was based on all facts before us, and not the “narrow issue” Patent Owner alleges we focused on. Therefore, with respect to item (1), Petitioner has not raised any matters that were misapprehended or overlooked and has not shown that the decision should be modified.

B. Item (2)

With respect to item (2), we determined if two matters involve the same transaction or legal dispute, or if there is “a substantial risk that confidential factual information as would normally have been obtained in the prior representation [in a first matter] would materially advance the [new] client’s position in [a] subsequent matter” then the two matters may be deemed substantially related and the practitioner may be disqualified from the representation under Rule 109(a) of the USPTO Rules of Professional Conduct (37 C.F.R. § 11.109(a)). Order 4–5.

Petitioner argues that we did not correctly apply Federal Circuit precedent, and our decision “does not appear to address the second prong [relating to substantial risk relating to confidential factual information] of the analysis or the facts that are relevant to that inquiry.” Reh. Req. 4. Petitioner argues that our review was inconsistent with the Federal Circuit’s determinations in *In re Apeldyn Corp.*, 391 F. App’x 873 (Fed. Cir. 2010) (unpublished); and *In re Riles*, 2000 WL 1062086 (Fed. Cir. 2000) (unpublished). *Id.* at 4–6.

Contrary to Petitioner’s contention, we did review and address the “second prong” of the required analysis (Order 2–6). Therefore, Petitioner’s contention that our decision “does not appear to address” the second prong does not raise any matters that were misapprehended or overlooked. With respect to the two cases cited in Petitioner’s Motion for Disqualification (Reh. Req. 4–6 (citing DQ Mot. 3)), they were used at most to support the “second prong” discussion generally (DQ Mot. 3) and the Motion included no discussion of the specific facts of these cases that Petitioner now raises. Thus, we did not misapprehend or overlook any matter previously addressed with respect to the facts of these cases. Additionally, in both cases the Federal Circuit explicitly applies the precedent of the regional circuit court for the district from which the case arises and the analysis relates to a writ of mandamus. *Apeldyn Corp.*, 391 Fed. App’x at 875 (applying Third Circuit precedent and “the principles and rules set forth in the ABA Model Rules of Professional Conduct” to determine whether the “exacting” mandamus standard of “so clearly an abuse of discretion that it amounted to an unlawful exercise of judicial authority” had been met); *Riles*, 2000 WL 1062086 at *1–2 (applying Fifth Circuit precedent and determining whether the right to issuance of a writ of mandamus is shown to be “clear and indisputable”).

Turning briefly to the facts in order to clarify the record, *Riles* and *Apeldyn Corp.* do not support Petitioner's contention that we have misunderstood or misapprehended them. With respect to *Apeldyn Corp.*'s criticism of a focus merely on the technical issues involved in two matters as "too narrow," see *Apeldyn Corp.*, 391 Fed. App'x at 875, we focused on the entirety of the determination before us and Kilpatrick Townsend's prior representation of Petitioner and not merely on technical issues. Order 2, 5. With respect to *Riles*, in that case the district court below had determined that specific confidential subject matters had been divulged to counsel, and that "reasonable persons would understand it important that the [three attorneys] of [Riles'] present counsel formerly represented [Shell] in the same type of litigation and [were] privy to [Shell's] strategies and practices in this type of litigation." *Riles*, 2000 WL 1062086 at * 1. While Petitioner argues that "extensive confidential information" was received and that it is "of obvious value" (Req. Reh. 6), we based our decision on "both the descriptions provided by the Petitioner of the confidential information possessed by Kilpatrick Townsend and our conclusions based on the nature of the services described" (Order 6). Accordingly, neither *Apeldyn Corp.* nor *Riles* supports Petitioner's attempt to show that we erred.

IV. ORDER

In consideration of the foregoing, it is hereby

ORDERED that Petitioner's Rehearing Request is *denied*.

IPR2018-00571
Patent 9,531,473 B2

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