

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETFLIX, INC.,
Petitioner,

v.

LAURI VALJAKKA,
Patent Owner.

IPR2023-00423
Patent 10,726,102 B2

Before GREGG I. ANDERSON, CHARLES J. BOUDREAU, and
RUSSELL E. CASS, *Administrative Patent Judges*.

BOUDREAU, *Administrative Patent Judge*.

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

The Board on February 10, 2023, issued a “Notice of Filing Date Accorded,” which provided that “Patent Owner may file a preliminary response to the petition no later than three months from the date of this notice.” Paper 5, 1. On May 11, 2023, counsel for Patent Owner sent an email message to the Board, acknowledging that the due date for any preliminary response was May 10, 2023, but contending that although “[t]he Response was ready for filing,” “the paralegal in charge did not make the filing, thinking it was due on Friday” and that “[t]he missed filing was by accident and not done intentionally or with any intent to deceive”; and “request[ing] permission to submit the Preliminary Response late, either today, or as soon the Board grants leave for the late filing.” Ex. 3001. Without awaiting such leave, Patent Owner followed up on May 12, 2023, with a further email message, representing that “Patent Owner received e-mail notification from Petitioner that they are unopposed to the late filing of the Preliminary Response” and stating that “[t]he Preliminary Response was filed today.” Ex. 3002.

The Board’s rules provide that 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). While Patent Owner contends that “[t]he Response was ready for filing” but that “the paralegal in charge did not make the filing, thinking it was due on Friday,” presumably referring to Friday, May 12, 2023 (*see* Ex. 3001), Patent Owner does not provide any basis for the paralegal’s alleged mistaken belief or explanation why it was necessary to wait until the due date to file if the Preliminary Response was ready for filing earlier. Accordingly, we are

not persuaded, on the basis of Patent Owner's representations, that good cause has been shown to excuse the late filing.

Notwithstanding our determination that Patent Owner has not shown good cause to excuse its late filing, 37 C.F.R. § 42.5(c)(3), as quoted above, further provides that a "late action [also] will be excused" upon a determination that "consideration on the merits would be in the interests of justice," and we are persuaded in this case that consideration of the late-filed Preliminary Response would be in the interests of justice. First, it is unclear to us that there will be any significant prejudice to Petitioner from Patent Owner's late filing. Petitioner does not have a right to respond to the Preliminary Response, and the late filing accordingly shortens only the time the Board has to consider the merits of the Preliminary Response before issuing its decision on the Petition. Indeed, Patent Owner represents that Petitioner does not oppose the late filing. *See* Ex. 3002. Second, the potential prejudice to Patent Owner from striking the late-filed Preliminary Response would be significant because "Patent Owner would lose any opportunity to argue against the institution of an *inter partes* review," and "striking the Preliminary Response would cost the Board the opportunity to consider the merits of Patent Owner's arguments" before rendering a decision on whether to institute *inter partes* review. *FormLabs Inc. v. Envisiontec, Inc.*, IPR2017-01258, Paper 11, 4 (PTAB Sept. 22, 2017).

Accordingly, we excuse Patent Owner's late action and Patent Owner's Preliminary Response (Paper 6) will be accepted and considered in this proceeding.

It is SO ORDERED.

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FOR PETITIONER:

Lori A. Gordon
Jassiem Moore
PERKINS COIE LLP,
gordon-ptab@perkinscoie.com
moore-ptab@perkinscoie.com

FOR PATENT OWNER:

William P. Ramey, III
Jacob B. Henry
RAMEY LLP
wramey@rameyfirm.com
jhenry@rameyfirm.com