UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GOOGLE LLC

Petitioner v.

DDC TECHNOLOGY, LLC,

Patent Owner

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U.S. Patent No. 9,420,075

Case No.: IPR2023-00707

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**PETITIONER'S MOTION TO EXCLUDE**

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## I. Introduction

Pursuant to 37 C.F.R. § 42.64(c), Petitioner moves to exclude four of Patent Owner's exhibits in total, portions of another exhibit, and the sections of Patent Owner's briefing that cites to, discusses, or relies upon these exhibits. The following table identifies the exhibits Petitioner is moving to exclude.

| Exhibit | Description | Reasons to Exclude |
|---|---|---|
| Exhibit 2017 | Declaration of Timothy J. Haller | Violation of Mediation Agreement and F.R.E. 408 |
| Exhibit 2020 | Email Chain Between DDC and OPS | Violation of F.R.E. 408 |
| Exhibit 2033 (¶¶ 10, 12, 13, 15, 16) | Declaration of Patrick Buckley | Hearsay under F.R.E. 801 and 802 and violation of F.R.E. 408 |
| Exhibit 2037 | Email Chain Between Google and DODOcase | Violation of F.R.E. 408 |
| Exhibit 2047 | Email Chain Between Google and DODOcase | Violation of F.R.E. 408 |

Patent Owner relies on these exhibits in its Preliminary Response (Paper 14) ("POPR") and sur-reply in support of its POPR (Paper 20), and thus, Petitioner also moves to exclude those portions of the POPR and sur-reply. Petitioner timely objected to each of these exhibits on the grounds identified above on Nov. 8, 2023. *See* Paper 36.

## II. Exhibits 2017 and 2020 Should Be Excluded for Violating a Mediation Agreement and for Violating F.R.E. 408.

Exhibits 2017 and 2020 violate a mediation agreement signed by both parties because the exhibits include prohibited verbal and written communications made during the dispute resolution process. *See* Ex. 1019. Exhibit 2017 is a declaration that recounts verbal communications and Exhibit 2020 contains written communications. Both parties agreed "to the confidentiality of all verbal and written communications with the dispute resolution process, as provided by the Texas Alternative Dispute Procedures Act." Ex. 1019. Under that Act, Section 154.053 states that "all matters, including the conduct and demeanor of the parties and their counsel during the settlement process, are confidential and may never be disclosed to anyone, including the appointing court." In addition, Section 154.073 states that "a communication … is confidential, is not subject to disclosure, and may not be used as evidence against the participant in any judicial or administrative proceeding." Exhibits 2017 and 2020 violate these provisions and thus should be excluded.

Exhibits 2017 and 2020 also violate F.R.E. 408, which excludes evidence of conduct or statements made during the course of compromise negotiations either to prove or disprove the validity or amount of a disputed claim. DDC relies on these exhibits to assert OPS is a real-party-in-interest (RPI) or privy of Google, thus affecting the validity of this proceeding. *See e.g.,* POPR, pp. 10-12. Communications made during compromise negotiations that were made in

connection with a disputed claim can be excluded. *See Natl. Presto Industries, Inc. v. W. Bend Co.*, 76 F.3d 1185, 1197 (Fed. Cir. 1996) (upholding district court's decision to exclude negotiation communications made in connection with a disputed claim). Therefore, Exs. 2017 and 2020 should be excluded both for violating F.R.E. 408 and for violating the mediation agreement.

The following portions of DDC's POPR and sur-reply should be excluded for the same reasons:

- POPR: p. 11, l. 6 ("Despite….") – p. 12, l. 5 (entire line).
- POPR: fn 3.
- Sur-reply: p. 4, ll. 5 – 8 (end of sentence).

## III. Portions of Exhibit 2033 Should Be Excluded as Hearsay Under F.R.E. 801 and F.R.E. 802 and as Protected Information Under F.R.E. 408.

### A. Patrick Buckley's Declaration Paragraphs 10, 15, and 16 Contain Hearsay.

Exhibit 2033, ¶¶ 10 and 15-16 contain out-of-court statements offered for the truth of the matter asserted and are thus inadmissible hearsay under F.R.E. 801 and 802. These paragraphs contain statements about conversations with MerchSource, a third party, who is not part of this proceeding and were offered by DDC to support its assertion that MerchSource is an RPI or privy of Google based on communications between MerchSource and Google. *See* POPR, pp. 30-33; *see* Institution Decision, Paper 27, at fn 24 (The Board identifying ¶¶ 15-16 as "inadmissible hearsay.").

Paragraphs 10, 15, and 16 are inadmissible because MerchSource has not testified in this proceeding, and those statements were made out-of-court. *Super. Fireplace Co. v. Majestic Products Co.*, 270 F.3d 1358, 1366 (Fed. Cir. 2001) (finding out-of-court declaration of patent attorney that was offered to prove the truth of the matter was inadmissible hearsay). Paragraphs 10, 15, and 16 do not fall within any hearsay exception, and thus, they should be excluded as hearsay.

The following POPR sections should be excluded for the same reason.

- POPR: p. 30, ll. 8-10 (end of sentence).
- POPR: p. 31, ll. 12-18 (end of sentence).
- POPR: p. 33, ll. 3-7 (end of sentence).

### B. Patrick Buckley's Declaration Paragraphs 12 and 13 Contain Protected Information Under F.R.E. 408.

Ex. 2033, ¶¶ 12 and 13 should be excluded because they are protected statements describing a potential licensing agreement between Google and DDC's predecessor, constituting a "compromise negotiation" under F.R.E. 408. DDC cites these paragraphs to support its claim that MerchSource is an RPI of Google, attempting to invalidate this proceeding. *See* POPR, pp. 30-31. Because these statements were made in compromise negotiations between Google and Patent Owner's predecessor, they are protected under Rule 408 and should be excluded.

The following POPR section should be excluded for the same reason.

- POPR: p. 30, l. 12 ("Around….") - p. 31, 10 (end of "Ex. 2037"

citation).

## IV. Exhibits 2037 and 2047 Contain Protected Information and Should Be Excluded Under F.R.E. 408.

Exs. 2037 and 2047 contain email chains reflecting licensing discussions and negotiations between Google and Patent Owner's predecessor and thus should be excluded under F.R.E. 408. DDC cites these exhibits to support its claim that MerchSource is an RPI and/or Privy to Google in an attempt to invalidate this proceeding. *See e.g.,* POPR, pp. 30-31. However, similar to the email chain addressed in Section II, these statements were made during compromise negotiations and should be excluded under Rule 408.

The following POPR and sur-reply sections should be excluded for the same reason.

- POPR: p. 23, entire 2nd full paragraph.
- POPR: p. 30, l. 12 ("Around….") - p. 31, 10 (end of "Ex. 2037" citation).
- POPR: p. 37, l. 19 ("Furthermore….") – p. 38, l. 5 (end of sentence).
- Sur-reply: p. 5, entire 1st full paragraph.

## V. Conclusion

For the foregoing reasons, Petitioner respectfully requests that the Board grant this motion.

Dated: July 17, 2024

Respectfully submitted,

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## CERTIFICATE OF SERVICE

The undersigned certifies service pursuant to 37 C.F.R. §§ 42.6(e) of PETITIONER'S MOTION TO EXCLUDE by filing this document through the USPTO Patent Trial and Appeal Case Tracking System and by emailing a copy to the following email addresses:

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Respectfully Submitted,

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