

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Omega Liner Company, Inc.,

Petitioner

v.

Buergofol GmbH,

Patent Owner

Case IPR2023-01372

U.S. Patent 9,657,882

**PATENT OWNER’S MOTION TO STRIKE PORTIONS OF
PETITIONER’S REPLY AND TO EXPUNGE
PETITIONER’S REPLY EVIDENCE**

As authorized (Paper 30), Patent Owner (PO) moves to expunge Petitioner's new Exhibits 1070-1072 and to strike Petitioner's Reply's discussion of, reliance on, quotes of, and cites to such exhibits. These exhibits are German attorney correspondence confidentially forwarding a draft declaration to Dr. Stark (EX1071), a translation of EX1071 (EX1070), and a copy of the Draft Declaration, including markings from Dr. Stark, forwarded to Counsel Neustel in this matter on June 24, 2024 (EX1072).

EXs. 1070-1072 are at least protected by attorney work product, are confidential, and PO did not waive any privilege or protection accorded these documents. The Draft Declaration on its face is attorney work product.

Twitter, Inc. v. Palo Alto Research Center Inc., IPR2021-01398, paper No. 33, page 5 (holding a draft declaration prepared by counsel is privileged, protected, and not discoverable, citing 37 C.F.R § 42.51(b)(1)(iii)). The work product doctrine prevents opposing counsel from obtaining free access to an attorney's thought processes. *Hickman v. Taylor*, 329 U.S. 495, 511, (1947); *In the Matter of Grand Jury Subpoenas*, 959 F.2d 1158, 1166-67 (2d Cir. 1992); *United States v. Nobles*, 422 U.S. 225, 238 (1975); *In re Six Grand Jury Witnesses*, 979 F.2d 939, 944 (2d Cir. 1992); FRCP Rule 26(b)(3).

Courts have found “‘that work product protection is not as easily waived as the attorney-client privilege’ based on the distinct purposes of the two privileges.”

U.S. v. Sanmina Corp., 968 F.3d 1107, 1120 (9th Cir. 2020). “[W]ork-product protection ‘is provided against ‘adversaries,’” and thus, work product protection may only be waived when a party voluntarily discloses work product to an adversary or by selective waiver. *See Nobles*, 422 U.S. at 239; *In re John Doe Corp.*, 675 F.2d 482, 489 (2d Cir. 1982); and *In re Steinhardt Partners, L.P.*, 9 F.3d 230, 236 (2d Cir. 1993).

Neither of these exists here, as the disclosure was the result of (1) a violation of the district court Order (EX2018) precluding Petitioner’s counsel from discussing or obtaining EXs.1070-1072 (*See supra* at pg. 3), and (2) a violation of Dr. Stark’s employment (EX2025, pp. 8 and 9, discussing sections of the employment agreement¹), and inventor assignment agreements. EX2023 – Dr. Stark agreed to “testify in any legal proceeding, sign all lawful papers, . . . , and generally do everything possible to. . . enforce proper protection for said invention”. This is essentially a situation in which a former (or rogue) employee steals corporate documents, including work product privileged documents, and turns them over to a third party, as in *In re Grand Jury Proceedings Involving Berkeley & Co.*, 466 F. Supp. 863 (D. Minn. 1979); *In re Dayco Corp. Sec. Litig.*, 102 F.R.D. 468, 469-470 (S.D. Ohio 1984).

¹ That agreement cannot be produced due to District Court use restrictions.

PO took adequate steps to preserve the work product protection, given Dr. Stark's obligations, and PO's careful forwarding the Draft Declaration to Dr. Stark through its attorneys and reminding Dr. Stark of those obligations. Receipt by Petitioner's Counsel was clearly not PO's voluntary or intended action, and it directly violated a District Court Order.

The District Order, doc. 56, January 27, 2023, pg. 10 (the "Order" – EX2018), required Counsel to terminate any discussion with Dr. Stark if it appeared that Dr. Stark may "reveal privileged or confidential matters." It did not. Rather than notifying PO when these materials were received on June 24, 2024, as Counsel was ethically obligated to do, (PTO Rule 11.404(b); ABA Model Rule 4.4; DC Bar Ethics Opinions 256 and 318 (EXs. 2021, 2022), and ABA Formal Opinion 06-44 (EX2024)), Counsel purposefully concealed them from PO and then published them in Petitioner's Reply. When PO counsel first reviewed Petitioner's Reply (October 10, 2024), PO counsel immediately informed Petitioner's counsel of this violation and that it had improperly received privileged and confidential information (EX2026 – letter to Petitioner's counsel).

Petitioner introduced new Exhibits 1070-1072 and quoted and relied on them in its Reply. Paper 24 at 1, 15, 21, which should be stricken. Exhibits 1070-1072 are confidential, privileged, and work product, as they contain the mental impressions, legal conclusions and advice by PO's counsel in these proceedings, as

well as disclose highly sensitive business information. *Cuozzo*, paper 34, pg. 2; 37 C.F.R. §42.2. Exhibits 1070-1072 should be expunged and stricken from the record, and the arguments that rely upon them should be struck because: (1) they represent unlawfully obtained privileged and confidential information; (2) Petitioner breached its ethical obligations under PTO Rule 11.404(b) every day since it received the documents in June (irrelevant whether the documents were privileged or confidential); (3) it is “beyond dispute” that they were “belatedly presented” (Trial Practice Guide p. 81); (4) PO is harmed by the dissemination of its confidential and privileged information (e.g., the potential of losing current and prospective clients); and (5) not striking the Reply and expunging the exhibits encourages others to ignore the PTAB’s procedural and ethical obligations with expected impunity. *See* CTPG, p. 81. Petitioner’s reliance on and need for these exhibits is not germane to any of the Grounds of Unpatentability, and is entirely irrelevant to this IPR. Accordingly, any need for EXs.1070-1072 to remain in this IPR is far outweighed by the considerable harm to PO, and consequently, they should be expunged. IPR001, Paper 34, 3; *Argentum Pharmaceutical LLC v. Alcon Research, Ltd.*, IPR2017-01053, paper 27, pg. 3 (Jan. 19, 2018).

No waiver existed after Petitioner published EXs.1070-1072 because once published, the proverbial cat was already out of the bag. PO took immediate steps once it became aware of its publication on October 10, 2024, by informing

Petitioner's Counsel (EX2026), and accorded Petitioner the opportunity to comply with its ethical obligations and withdraw the exhibits. When Petitioner failed to fulfill its ethical obligations and withdraw them, (*see, e.g.*, VA LEO 1871 – EX2027), PO phoned the PTAB clerk on October 22, 2024 (not the morning of the conference call on Oct. 24, 2024), and the Clerk temporarily disabled public access to the documents until resolution. Even if PO took no remedial action after their publication, there is no waiver. *Dayco Corp.*, 102 F.R.D at 469-470.

Waiver at any point in time does not, however, absolve Petitioner's counsel from its violation of the District Court's Order or relieve it from its ethical obligations to: (a) inform PO, (PTO Rule 1.404(b) does not require the document to be confidential or privileged); and (b) sequester the documents until a decision on the matter. Virginia Legal Ethics Opinion 1871 (July 24, 2013 – EX2027); Virginia Rule 4:1(b)(6)(ii); PTO Rule 11.404(b); and Virginia Legal Ethics Opinion 1702 (1997):

In this hypothetical, ***plaintiff's lawyer should have promptly notified defendant's lawyer of his possession of the memo, in accord with LEO 1702, and then either sequestered or destroyed his copy*** of the memo pending a judicial determination.

EX2027, pg. 1, emphasis added. Petitioner's counsel took none of these actions. Petitioner's unlawful and unethical conduct should not be rewarded by permitting disclosure or reliance upon EXs1070-1072 in this proceeding, regardless of waiver.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S MOTION TO STRIKE PORTIONS OF PETITIONER'S REPLY AND TO EXPUNGE PETITIONER'S REPLY EVIDENCE** was served by filing with Patent Trial and Appeal Case Tracking System (P-TACTS) and electronically via e-mail on November 8, 2024, in its entirety on the following:

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