

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIFECORE FITNESS, LLC
d/b/a ASSAULT FITNESS,
Petitioner,

v.

WOODWAY USA, INC.,
Patent Owner.

IPR2024-00083
Patent 11,465,005 B2

Before MEREDITH C. PETRAVICK, NEIL T. POWELL, and
AMEE A. SHAH *Administrative Patent Judges.*

PETRAVICK, *Administrative Patent Judge.*

ORDER
Conduct of the Proceeding
35 U.S.C. § 42.5

Patent Owner sent an email to the Board to request a conference call to seek authorization to file a motion for discovery of certain evidence and a motion for leave to use certain evidence in support of its sur-reply. Ex.

3002. Patent Owner sent an additional email to the Board requesting to file a substitute Exhibit 2071 to correct a missing “protective order material” marking. Ex. 3001.

A conference call was held at approximately 3:00 PM (ET) on August 26, 2024. Andrew Turner and Reza Esfahani were present for Petitioner, and Kadie Jelenchick was present for Patent Owner. Judges Petravick, Powell, and Shah were present on the conference call.

This Order memorializes the conference call.

During the conference call, Patent Owner indicated that, in light of the discussion of evidence of secondary considerations during the July 24, 2024 oral argument in related IPR2023-00836, -00843, and -00849, Patent Owner was seeking authorization to file a motion for additional discovery of certain documents from the related district court proceeding and authorization for leave to use certain documents in support of its sur-reply. At the time of the conference call, Patent Owner had filed its Patent Owner Response and Petitioner had not yet filed its reply.

The certain documents include: 1) sales data for Petitioner’s allegedly infringing products (identified as Deposition Exhibit 109 (# LCF035149), and Deposition Exhibit 87 (# LF007779)); 2) the corresponding deposition transcript, which Patent Owner indicated it would use for authentication purposes; and 3) third-party sales data of Patent Owner’s licensee.

As to the first set of documents, Patent Owner indicated that it possessed Petitioner’s sales data since late June 2024, but that Petitioner’s sales data is marked confidential in the related district court and is subject to

the district court's protective order, which precluded use of Petitioner's sales data in this *inter partes* review without Petitioner's agreement. Patent Owner argued that, when asked, Petitioner did not agree, and, thus, Patent Owner needs to seek additional discovery of Petitioner's sales data. After inquiry from the Board, Patent Owner indicated that it sought Petitioner's agreement a few days before the August 13, 2024 due date for the Patent Owner Response and that it had not sought modification of the district court's protective order.

As to the second document, Patent Owner indicated that discovery of the corresponding deposition transcript was necessary because Petitioner may object to the authenticity of the first set of documents.

During the call, Petitioner agreed that Patent Owner could use Petitioner's sales data (identified as Deposition Exhibit 109 (# LCF035149), and Deposition Exhibit 87 (# LF007779) in the related district court proceeding) in this *inter partes* review. Petitioner argues that its sales data did not support secondary considerations of non-obviousness. Upon inquiry from the Board, Petitioner indicated that it would not object to the authenticity of Petitioner's own sales data from the related district court proceeding.

Given Petitioner's agreement, the Board determined that there is not good cause for Patent Owner to file a motion for additional discovery as to the first and second documents.

The Board also was not persuaded that good cause exists to authorize Patent Owner to file a motion for leave to use Petitioner's sales data in Patent Owner's sur-reply. *See* 37 C.F.R. § 42.20(c) ("The moving party has the burden of proof to establish that it is entitled to the requested relief."). Rule 42.23 states: "A sur-reply may only respond to arguments raised in the

corresponding reply and may not be accompanied by new evidence other than deposition transcripts of the cross-examination of any reply witness.” 37 C.F.R. § 42.23. If Patent Owner raised new arguments and evidence in its sur-reply, Petitioner would have no opportunity to respond to those arguments and evidence during trial. The Board, thus, was not persuaded that Patent Owner should be authorized to file a motion for leave to use new evidence in Patent Owner’s sur-reply.

However, during the call, the Board inquired whether Petitioner would agree to allow Patent Owner to supplement its Patent Owner’s Response to include arguments concerning the first set of documents. Petitioner agreed.

Given Petitioner’s agreement, the Board authorized Patent Owner to file a one-page supplemental brief to its Patent Owner’s Response no later than August 30, 2024. The supplemental brief was limited to supplementing the Patent Owner’s Response’s arguments concerning secondary considerations with Petitioner’s sales data, identified as Deposition Exhibit 109 (# LCF035149), and Deposition Exhibit 87 (# LF007779) in the related district court proceeding. Additionally, the Board authorized a 500 word increase for Petitioner’s reply to address Patent Owner’s supplemental brief.

Petitioner’s sales data is confidential and subject to the district court’s protective order. The Board ordered Patent Owner to file Petitioner’s sales data and its supplemental brief under seal, marked as “Parties and Board Only” in the PTACT filing system. Because the confidential information belongs to Petitioner, if the information is to stay sealed, Petitioner should file a Motion to Seal within three-days of the filing of Patent Owner’s supplemental brief.

As to the third document — third-party sales data of Patent Owner’s licensee, Patent Owner did not request discovery of its licensee’s sales data, but requested authorization to file a motion for leave to use its licensee’s sales data in Patent Owner’s sur-reply.

Patent Owner indicated that it possessed its licensee’s sales data since early 2024. Patent Owner argued that it could not include the licensee’s sales data in the Patent Owner Response because Patent Owner did not obtain permission from its licensee to use the licensee’s sales data in this *inter partes* review until after the Patent Owner Response due date, August 13, 2024. Upon inquiry from the Board, Patent Owner indicated that it first asked its licensee for permission a few days before August 13, 2024.

Petitioner objected to Patent Owner’s request because Petitioner would have no opportunity to address the new evidence, including conducting necessary cross-examinations.

During the call, the Board was not persuaded that good cause existed to authorize Patent Owner to file a motion for leave to use its licensee’s sales data in Patent Owner’s sur-reply. Rule 42.23 limits the scope of a sur-reply to “only respond[ing] to arguments raised in the corresponding reply” and precludes “new evidence other than deposition transcripts of the cross-examination of any reply witness.” 37 C.F.R. § 42.23. Petitioner has not yet filed its reply. Petitioner would have no opportunity to respond to any new arguments and evidence that are outside the scope of a sur-reply.

The Board noted that Rule 42.123(b) addresses the submission of supplemental information more than one month after the date of institution of *inter partes* review. Under 37 C.F.R. § 42.123(b), a “motion to submit supplemental information must show why the supplemental information reasonably could not have been obtained earlier, and that consideration of

the supplemental information would be in the interests-of-justice.” Patent Owner did not request authorization to file a motion to submit supplemental information.

Additionally, during the conference call, the Board granted Patent Owner’s request to file a substitute Exhibit 2071 to correct a missing “protective order material” marking. Petitioner did not object to the correction.

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