

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DISNEY MEDIA & ENTERTAINMENT DISTRIBUTION LLC,
Petitioner,

v.

DIGITAL MEDIA TECHNOLOGY HOLDINGS, LLC,
Patent Owner.

IPR2024-00736
Patent 7,574,725 B2

Before JAMESON LEE and LISA A. MURRAY, *Administrative Patent Judges*.

MURRAY, *Administrative Patent Judge*.

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

On February 22, 2025, Patent Owner emailed the Board requesting a conference call “respecting the undersigned’s inadvertently not having filed a further petition for an extension of time to file the Respondent’s response [to the Petition.]” Ex. 3003. The email indicated that Petitioner was copied on the email and opposed it. *Id.* The email further stated that “Petitioner also opposes Patent Owner’s request for any further late filings.” *Id.*

On February 26, 2025, Judges Lee and Murray conducted a conference call with counsel for the parties to discuss Patent Owner's email, which the Board interprets as a request for a further extension of time to file the Patent Owner Response. Patent Owner's request is granted for the reasons discussed below.

DISCUSSION

The Patent Owner's Response was originally due on January 3, 2025. Paper 16. The Scheduling Order allows the parties to stipulate to different dates for certain deadlines, including the deadline for the Patent Owner's Response to the Petition:

This Order sets due dates for the parties to take action after institution of the proceeding. The parties may stipulate different dates for DUE DATES 1, 5, and 6, as well as the portion of DUE DATE 2 related to Petitioner's reply (earlier or later, but no later than DUE DATE 3 for Patent Owner's sur-reply) and the portion of DUE DATE 3 related to Patent Owner's sur-reply (earlier or later, but no later than DUE DATE 7). The parties may not stipulate to a different date for the portion of DUE DATE 2 related to Petitioner's opposition to a motion to amend, or for the portion of DUE DATE 3 related to Patent Owner's reply to an opposition to a motion to amend (or Patent Owner's revised motion to amend) without prior authorization from the Board.

Id. at 8. Patent Owner filed a Joint Stipulation on December 27, 2024, which extended by six weeks the due date for the Patent Owner Response, to February 14, 2025. (Paper 17).

No Patent Owner Response was filed on or before the revised due date. Patent Owner did not contact the Board on or prior to February 14th to seek a further extension of time. The next communication that the Board received from Patent Owner was the email of February 22, 2025. Thereafter,

Patent Owner filed the Response on February 25, 2025, eleven days after the Response was due.

Under 37 C.F.R. § 42.5(c)(3) (2023), “[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.” We find an absence of good cause to grant Patent Owner’s request for approval of the late filing of the Patent Owner Response. When asked to identify any good cause for granting the request, lead counsel for Patent Owner explained that based on his experience in the federal courts, he believed that as soon as a motion for extension of time is filed, including a stipulated extension, that filing tolls all due dates sought to be extended until the tribunal issues further communication regarding a new due date, which may or may not be the same as the date requested. In short, lead counsel for Patent Owner thought that until the Board issued an order in response to the Joint Stipulation, there was no deadline for Patent Owner to file its Response. We find no reasonable basis for counsel’s belief based on any rule governing *inter partes* review proceedings or on the PTAB Consolidated Trial Practice Guide.¹ This argument does not support a showing of good cause.

Lead counsel for Patent Owner further explained that lead counsel’s age, low energy due to health issues, and work on an appellate argument before the Court of Appeals for the Federal Circuit had interfered with his ability to pursue this matter vigorously. These arguments do not support a showing of good cause, particularly since counsel stated during the

¹ Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019), *available at* <http://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>.

conference call that he did not seek the assistance of Patent Owner's two backup counsel of record to complete the Patent Owner Response.

Nevertheless, we find that consideration of Patent Owner's late Response on the merits would be in the interests of justice. *See* 37 C.F.R. § 42.5(c)(3). The consequences of failing to file a Response to the Petition in an *inter partes* review are severe. If the Patent Owner does not respond to Petitioner's allegations, the Board must base its patentability decision entirely on the allegations in the Petition, which may well lead to a conclusion of unpatentability. Further, at bottom, Patent Owner filed its Response just eleven days late, albeit without justification. We do not see much prejudice, if any, to the Petitioner, if Petitioner is still given the same amount of time to prepare and file its Reply.

Accordingly, Patent Owner's Response to the Petition and accompanying exhibits, as filed on February 25–26, 2025, will be accepted into the record. The trial schedule is hereby modified as set forth below in order to accommodate the late filing without causing unfair prejudice to Petitioner's interests. For the remainder of the trial, we encourage lead counsel to call upon the services of backup counsel as needed in order to ensure that all remaining deadlines in this proceeding are met.²

² We expect that no further motions for extension of time will be needed in this proceeding. If such a motion is filed, to avoid any ambiguity we stress that it is *not* the practice of the Board to automatically toll due dates following the filing of any motion. We also note that a stipulated extension entered pursuant to the Scheduling Order is self-executing, and no answer is required from the Board. *See* Paper 16.

ORDER

We conclude that despite the lack of good cause shown, it is in the interests of justice to consider Patent Owner's Response to the Petition on the merits. Accordingly, it is:

ORDERED that Patent Owner's request for an additional extension of time to file a Response to the Petition to February 26, 2025 is retroactively *granted*;

FURTHER ORDERED that Petitioner's Reply to Patent Owner's Response is due on May 20, 2025;

FURTHER ORDERED that Patent Owner's Sur-Reply is due on May 30, 2025;

FURTHER ORDERED that Due Date 4 is extended to June 2, 2025;

FURTHER ORDERED that Due Date 5 is extended to June 18, 2025;

FURTHER ORDERED that Due Date 6 is extended to June 25, 2025;

FURTHER ORDERED that Due Date 7 is extended to July 2, 2025;

and

FURTHER ORDERED that Due Date 8 is unchanged from the July 9, 2025 date set forth in the Scheduling Order (Paper 16).

IPR2024-00736
Patent 7,574,725 B2

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