

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GROUP III INTERNATIONAL, INC. and EVERKI USA, INC.,
Petitioner,

v.

TARGUS INTERNATIONAL LLC,
Patent Owner.

IPR2021-00371
Patent 8,567,578 B2

Before JAMES J. MAYBERRY, FREDERICK C. LANEY, and
SEAN P. O'HANLON, *Administrative Patent Judges*.

O'HANLON, *Administrative Patent Judge*.

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

I. INTRODUCTION

On January 20, 2022, we authorized Patent Owner to file a motion to submit supplemental information under 37 C.F.R. § 42.123(b). Ex. 3007, 1. On January 27, 2022, Patent Owner filed its Motion to Submit Supplemental Information. Paper 61 (“Motion” or “Mot.”). On February 3, 2022, Petitioner filed an Opposition to the Motion. Paper 64 (“Opp.”). For the reasons set forth below, we *grant* the Motion.

II. DISCUSSION

A. Patent Owner’s Contentions

Patent Owner seeks to submit as supplemental information Exhibits 2211 and 2217 (collective, the “New Exhibits”). Mot. 1. Patent Owner asserts that the New Exhibits are “from the cross-examination of Petitioner’s expert Mr. Godshaw” and that, “[w]hen confronted with [the New Exhibits] during cross-examination on January 17, 2022, Mr. Godshaw impeached himself.” *Id.* Patent Owner asserts that “[Exhibit 2217] is Mr. Godshaw’s own patent” and “[Exhibit 2211] is a webpage from Mr. Godshaw’s company Travelon.” *Id.* at 2, 4. Patent Owner argues that the New Exhibits “show[] that the prior art could, contrary to Mr. Godshaw’s reply declaration, include metal that would disrupt a scanner even though it included a zipper.” *Id.* at 4; *see also id.* at 2 (“Mr. Godshaw testified for the first time on reply that the sides of the Hollingsworth and Miller cases ‘are not and *cannot be made of a metal*’ because they include zippers.” (citing Ex. 1040 ¶¶ 101, 105)).

B. Petitioner's Contentions

Petitioner argues that we should deny entry of the New Exhibits because “they are irrelevant.” Opp. 1. Petitioner asserts that in both Mr. Godshaw’s original declaration (Exs. 1001, 1014) and supplemental declaration (Ex. 1040), Mr. Godshaw opined that, in order to be configured to allow a scanning device to scan through a bag, the bag must be made of “a non-metallic material” but “did not require the absence of any metallic material whatsoever.” *Id.* at 2–4. Petitioner asserts that “Mr. Godshaw never said, at any time, that just the ‘inclusion’ of a piece of metal could disrupt a scanner, let alone that it ‘would’ do so.” *Id.* at 5.

C. Analysis

As the moving party, Patent Owner bears the burden of proving that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). Under 37 C.F.R. § 42.123(b), a party seeking to submit supplemental information later than one month after the date on which the trial was instituted must show: (1) why the supplemental information reasonably could not have been obtained earlier, and (2) consideration of the supplemental information would be in the interests of justice.

1. Whether the New Exhibits Reasonably Could Not Have Been Obtained Earlier

With respect to the first requirement of § 42.123(b), Patent Owner asserts that Mr. Godshaw “submitted new unpatentability opinions” in his supplemental declaration filed on December 23, 2021. Mot. 1 (citing Ex. 1040 ¶¶ 101–106). Patent Owner asserts that it presented the New Exhibits to Mr. Godshaw during a deposition on January 17, 2022, and

sought authorization to file the New Exhibits as supplemental information in this proceeding on January 18, 2022. *Id.*

We agree with Patent Owner that the New Exhibits reasonably could not have been obtained earlier. The New Exhibits are directed to bags having zippers and security features in the form of a mesh or matrix of cut-resistant material such as wires. Ex. 2211, 2; Ex. 2217, code (57). The first instance of argument regarding whether or not a material is metallic based on the presence of zippers appears to be in Mr. Godshaw's supplemental declaration filed on December 23, 2021. *See* Ex. 1040 ¶¶ 101–103, 105–106. Petitioner does not apprise us of an earlier instance of such argument in this proceeding. *See generally* Opp. Accordingly, we do not think it is reasonable to have expected Patent Owner to foresee the specific issues raised here prior to December 23, 2021, and to submit the New Exhibits before now.

2. Whether Consideration of the New Exhibits Would Be in the Interests of Justice

With respect to the second requirement of § 42.123(b), Patent Owner asserts that entry of the New Exhibits into the record is in the interests of justice because the New Exhibits contradict Mr. Godshaw's testimony in the supplemental declaration that the Hollingsworth and Miller cases cannot be made of metal because they include zippers and, thus, the New Exhibits would allow us to weigh the credibility of such testimony. Mot. 2. We agree. The New Exhibits also provide a more complete record, as they were discussed during the deposition of Mr. Godshaw. *See* Ex. 2218, 11–31. Petitioner's arguments that the New Exhibits are not relevant (Opp. 4–5) fail

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to persuade us that entry of the New Exhibits would not be in the interests of justice.

III. ORDER

In consideration of the foregoing, it is ORDERED that Patent Owner's motion to submit supplemental information under 37 C.F.R. § 42.123(b) is *granted* with respect to Exhibits 2211 and 2217.

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For PETITIONER:

Scott D. Smiley
Robert Kain
THE CONCEPT LAW GROUP, P.A.
scott@conceptlaw.com
rkain@conceptlaw.com
IPR@conceptlaw.com

Marc Karish
Karish & Bjorgum, PC
marc.karish@kb-ip.com

For PATENT OWNER:

Michelle E. Armond
Douglas R. Wilson
Joseph Li
Forrest M. McClellen
ARMOND WILSON LLP
michelle.armond@armondwilson.com
doug.wilson@armondwilson.com
forrest.mcclellen@armondwilson.com