

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

MASIMO CORPORATION,
Patent Owner.

IPR2022-01291
Patent 10,687,745 B1

Before JOSIAH C. COCKS, NEIL T. POWELL, and JAMES A. TARTAL,
Administrative Patent Judges.

TARTAL, *Administrative Patent Judge.*

DECISION

Granting-in-Part Patent Owner's Motion for Additional Discovery
37 C.F.R. § 42.51(b)(2)(i)

I. INTRODUCTION

With our prior authorization, Masimo Corporation (“Patent Owner”) filed a Motion for Additional Discovery (“Motion” or “Mot.”) seeking unredacted copies of certain documents, exhibits, and testimony identifiable from (and subject to a protective order in) *In re Certain Light-Based Physiological Measurement Devices and Components Thereof*, ITC Inv. No. 337-TA-1276 (the “ITC Investigation”) between the parties concerning U.S. Patent No. 10,687,745 B1 (Ex. 1001, “the ’745 patent”), the same patent at issue in this proceeding. Paper 20. Patent Owner argues that the materials sought generally pertain to whether there was a “reasonable expectation of success in modifying the prior art to measure oxygen saturation at the wrist”¹ and “objective indicia of nonobviousness,” including “evidence of industry skepticism, failure of others, copying, and commercial success.” Mot. 2. Apple Inc. (“Petitioner”) opposes the motion. Paper 21 (“Opposition” or “Opp.”). For the reasons that follow, we grant-in part the Motion, as set forth in our Order below.

II. DISCUSSION

Pursuant to 37 C.F.R. § 42.51(b)(2)(i), “[t]he parties may agree to additional discovery between themselves. Where the parties fail to agree, a party may move for additional discovery. The moving party must show that such additional discovery is in the interests of justice.”

In determining whether a request for additional discovery should be granted under the “interests of justice” standard, we consider the factors set forth in *Garmin International, Inc. v. Cuozzo Speed Technologies LLC*,

¹ Patent Owner explains that the prior art at issue in the ITC Investigation included references relied on by Petitioner in this proceeding. Mot. 2.

IPR2021-00001, Paper 26 (PTAB Mar. 5, 2013) (Decision on Motion for Additional Discovery) (precedential). *See, e.g.*, Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019), at 25–28.² The *Garmin* factors are as follows:

1. whether the requests are based on more than a possibility and mere allegation;
2. whether the requests seek litigation positions and underlying basis;
3. whether the requestor has the ability to generate equivalent information by other means;
4. whether the requests are easily understandable; and
5. whether the requests are overly burdensome to answer.

Id.

Patent Owner argues that granting its requests “is in the interests of justice because it ensures that the Board decides validity based on a more complete record, including evidence relied on by another government agency when upholding the validity of the ’745 [p]atent.” Mot. 4. Below we address each of the four document production requests presented in the Motion in view of the *Garmin* factors. *See* Mot. Appx. A.

A. Requests for Production Numbers 1 to 3

Patent Owner’s requests for production numbers 1 to 3 are all directed to specific documents identified in regard to the ITC Investigation, including unredacted copies of three briefs, thirty-two exhibits, hearing testimony from five witnesses, and the ITC’s Final Initial Determination (the “ITC ID”). *Id.*

We agree with Patent Owner that these requests are based on more than a mere possibility of uncovering something useful. In short, Patent

² Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

Owner argues that the publicly accessible information from the ITC Investigation demonstrates “beyond mere speculation that the requested discovery would produce useful evidence.” Mot. 5. Patent Owner further reasons that the evidence sought was considered during the ITC Investigation and “is necessary here to once again rebut [Petitioner’s] obviousness theories about the same combination of references.” *Id.* at 5–6. Patent Owner explains that “the discovery requests specifically target documents and testimony [Patent Owner] already relied on in the ITC investigation to uphold the validity of the ’745 patent.” *Id.* at 7. Patent Owner’s showing that the material sought would be “favorable in substantive value to a contention of the party moving for discovery” is supported by the fact that Patent Owner has relied upon the material in another forum for substantially similar purposes for which it is sought in this proceeding. *See Garmin*, Paper 26 at 7.

In further support of the Motion, Patent Owner shows that the requests are easily understandable and identify specific documents by their name, as filed in the ITC, including exhibit numbers and hearing testimony transcripts, and that the requests do not seek a litigation position. *Id.* at 12, 14. Patent Owner relatedly shows that the requests pose little burden to Petitioner as they are clearly identified documents in Petitioner’s possession that do not require any searching to locate. *Id.* at 14–15.

Lastly, Patent Owner shows that it attempted to obtain the evidence, which is subject to a protective order in the ITC, through a motion it filed in the ITC proceeding. *Id.* at 12–14. According to Patent Owner, Petitioner successfully opposed that ITC motion, representing to the ITC that Patent Owner “should pursue any relevant additional discovery through an established mechanism in the PTAB.” Mot. 13 (quoting Ex. 2013, 10).

Thus, Patent Owner reasons that it has sufficiently exhausted other means to obtain the information sought, thereby warranting the relief it now seeks through a motion for additional discovery here.

Petitioner's arguments in opposition do not refute Patent Owner's showing that granting the additional discovery sought in requests for production numbers 1 to 3 is in the interests of justice. First, Petitioner argues that the evidence sought by Patent Owner is "imbalanced" and "calibrated only to tell [Patent Owner's] story." Opp. 1. Petitioner, however, may seek to obtain evidence supporting its positions and we are aware of no obligation on Patent Owner to seek evidence to tell Petitioner's "story." Next, Petitioner argues the requests "implicate some 2,200 pages of documents," and will lead to "trials-within-trials." *Id.* It is unclear whether Petitioner is suggesting that the requests require the production of 2,200 pages, or merely "implicate" that number of pages. In any event, we do not find the number of documents sought to be unreasonable regardless of the number of pages implicated.

Petitioner also broadly argues that the requests cover multiple topics and include "testimony from Apple engineers with respect to features in patents wholly unrelated to" the '745 patent. *Id.* at 1–2. The mere fact that documents sought may include information related to other patents at issue in the ITC Investigation does not show that the requests are overly broad. Petitioner had the opportunity to reach agreement with Patent Owner on the additional discovery sought and chose to produce nothing voluntarily in

response to the requests.³ Now Petitioner suggests the Motion should be denied in the absence of parsing page-by-page what portions of the documents sought are most relevant to the issues here. We disagree such an approach is necessary where, as here, Patent Owner has more than sufficiently shown that the information sought pertains to arguments presented in the ITC Investigation in regard to the same patent at issue in this proceeding.

For similar reasons, Petitioner's assertion that Patent Owner has not shown how the documents would be useful rings hollow. Petitioner suggests that the documents are not useful because in the ITC Investigation some arguments advanced by Patent Owner were purportedly "soundly rejected" by the "ALJ's Initial Determination." *Id.* at 2 (citing Ex. 1033). We find no basis to support the notion that additional discovery is limited to evidence on issues that the party seeking the discovery prevailed on in another forum.

Petitioner's more particular arguments are not persuasive for substantially the same reasons. *Id.* at 3–12. For example, according to Petitioner, Patent Owner "offers nothing to confront the ALJ's findings"; however, there is no burden on Patent Owner to do so to show that the materials sought would be useful. *Id.* at 6. As Petitioner recognizes, we are

³ Petitioner further states it "remains willing to resume meetings" with Patent Owner "to explore whether the parties can resolve through good faith negotiations" the production of some limited set of documents sought by Patent Owner. Opp. 3, 15. We find no ambiguity in the documents sought by Patent Owner or the bases for the requests that necessitates further discussions between the parties as to requests for production numbers 1 to 3, particularly in light of Petitioner's refusal to voluntarily produce any document sought by Patent Owner in this regard, which would have potentially reduced the number of documents at issue in the Motion to the benefit of the parties and the efficiency of the Board.

not bound to reach the same conclusion as the ITC in the ITC ID on the full record presented in this proceeding. *Id.* at 6 (noting that the “Board does not defer to the ITC”). Petitioner further would have us preclude Patent Owner from presenting evidence of objective indicia of nonobviousness because “[discovery on commercial success would open the door” to issues “already litigated at the ITC.” *Id.* at 7; *see also id.* at 9 (arguing that Patent Owner fails to show how “the requested evidence of copying would be useful to lead the Board to a determination on this issue different than the ALJ’s determination in the ID”). There is simply no basis for Petitioner, having sought *inter partes* review, to now argue we should restrict Patent Owner from obtaining and asserting evidence that supports its positions, including evidence of objective indicia of nonobviousness, regardless of whether that evidence pertains to Petitioner’s “highly-sensitive technical, sales, and commercial data.” *See id.* at 8. A protective order may be sought in this proceeding to address confidentiality concerns raised by Petitioner.⁴

Petitioner further suggests that Patent Owner’s requested discovery should be denied because Patent Owner has not shown “how the individual requested documents would each be useful for proving reasonable expectation of success.” *Id.* at 13. Petitioner then seeks to substantively dispute what particular documents show, arguing again that they have “no discernible usefulness” as to proving specific issues. *Id.* at 14. Under the particular circumstances presented here, where the documents sought were produced and relied upon by the parties in the ITC Investigation pertaining to the same patent challenged here, we find sufficient Patent Owner’s

⁴ As an example, the parties previously agreed to a protective order in another pending proceeding. *Apple Inc. v. Masimo Corp.*, IPR2022-01299, Exhibit 2094.

articulation of the usefulness of the documents sought for purposes of allowing additional discovery.

Lastly, Petitioner argues that the production of unredacted versions of “the parties’ briefs and ID from the ITC proceeding” is improper because the material sought is not “factual evidence,” and, therefore, “would not be useful to substantiating claims of either objective indicia of non-obviousness or reasonable expectation of success.” *Id.* at 10–12. We need not resolve whether these materials are “factual evidence” for purposes of allowing discovery as Petitioner identifies no support for the notion that unredacted briefs and the ITC DI are necessarily precluded from discovery because they are “not themselves evidence.” *See id.* Under the particular circumstances presented here, we find reasonable Patent Owner’s request to obtain unredacted versions of these documents to clarify what additional evidence presented during the ITC Investigation supports its contentions in this proceeding as to the same patent challenged here.

Upon consideration of all arguments advanced by both parties, for the reasons provided above, we find that Patent Owner has shown that all five *Garmin* factors support our determination that granting the additional discovery sought in production requests numbers 1 to 3 is in the interests of justice.

B. Request for Production Number 4

Patent Owner’s request for production number 4 is directed to “any exhibits or testimony” cited on certain pages redacted in the public versions of two briefs filed by Patent Owner in the ITC Investigation and in the ITC ID. Mot. Appx. A, 2–3. Patent Owner reasons that the documents and testimony sought “should be zero if no citations were inadvertently redacted in the public version,” thereby conceding that it does not know

whether any responsive documents exist. Mot. 10. Patent Owner reasons that if such documents exist, they “would be useful to demonstrating no reasonable expectation of success or objective indicia of nonobviousness because they were cited and discussed in sections of [Patent Owner’s] briefing and the Initial Determination specifically addressing reasonable expectation of success or objective indicia.” *Id.* (citing Ex. 1033, 116).

Petitioner argues that the request “targets documents whose identity and existence are unknown from the public ITC record.” Opp. 12. According to Petitioner, Patent Owner “offers no evidence or explanation for why anything useful would be uncovered” by the request and that Patent Owner is responsible for any inadvertent redactions. *Id.* at 12–13.

We find that Patent Owner’s request for production, at this stage of the proceeding, is too speculative to show more than a possibility that something useful will be obtained.⁵ However, as explained above, we are ordering the production of unredacted versions of the briefs and ITC ID at issue. After production and upon review of that material, the parties may meet and confer to determine whether agreement can be reached, pursuant to 37 C.F.R. § 42.51(b)(2)(i), on any additional discovery sought, consistent with this Decision. Our expectation is that the parties will seek to resolve the issue without the need for further motions practice. If agreement cannot be reached, Patent Owner may request leave to file a motion for additional discovery.

⁵ We do not find the issue of whether a redaction was “inadvertent,” much less who is responsible for redacting material in the ITC proceedings, to be pertinent to our determination in this case.

IV. CONCLUSION

For the foregoing reasons, we grant Patent Owner's request for production numbers 1–3 and deny Patent Owner's request for production number 4, recognizing that materials addressed by request for production number 4 may again be the subject of a motion for additional discovery depending upon further developments.

III. ORDER

Upon consideration of the record before us, it is:

ORDERED that Patent Owner's Motion for Additional Discovery is *granted-in-part*, and that Petitioner shall produce, no later than March 24, 2023, documents responsive to Patent Owner's Requests for Production Numbers 1–3, as set forth in Appendix A to Patent Owner's Motion for Additional Discovery (Paper 20), and

FURTHER ORDERED that Patent Owner's Request for Production Number 4, as set forth in Appendix A to Patent Owner's Motion for Additional Discovery (Paper 20), is *denied*.

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