

Patent No. 8,323,060
IPR2013-00342

Filed on behalf of Patent Owner PPC Broadband, Inc.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CORNING OPTICAL COMMUNICATIONS RF, LLC
Petitioner

v.

PPC BROADBAND, INC.
Patent Owner

Case IPR2013-00342
Patent 8,323,060

**PATENT OWNER'S STATEMENT REGARDING
THE ISSUES ON REMAND**

As requested by the Board’s Order (Paper 51), Patent Owner, PPC Broadband, Inc. (“PPC”), submits this statement regarding the issues on remand. Since the parties conferred but were not able to reach agreement on the identification of all of the matters that must be reconsidered or reassessed before the Board on remand (*i.e.*, item (1) of the Board’s Order), the parties are submitting separate statements as directed by the Board.

I. IDENTIFICATION OF ALL MATTERS TO BE RECONSIDERED OR REASSESSED ON REMAND (ITEM (1))

PPC identifies the following matters that must be reconsidered/reassessed before the Board on remand as requested by item (1) of the Board’s Order (Paper 51):

1. The patentability of claims 10-25 of U.S. Patent No. 8,323,060 (“the ‘060 Patent”) in view of the asserted combination of Matthews and Tatsuzuki in light of the Federal Circuit’s reversal of the Board’s claim construction of the limitation “reside around” in independent claim 10. *See PPC Broadband, Inc. v. Corning Optical Communications RF, LLC*, 815 F.3d 747, 756 (Fed. Cir. 2016). In addition to independent claim 10, the Federal Circuit’s construction of “reside around” to mean “encircle or surround” also affects the analysis of claims 13, 14, and 22-25 that are directed to the location of the continuity member.

2. Petitioner's failure to identify Corning Incorporated ("Corning Inc.") and Corning Optical Communications LLC ("Corning NC") as real parties-in-interest, requiring dismissal of the petition and termination of the proceeding based on the new filing date that would be accorded any corrected petition. On August 18, 2015, in related *inter partes* reviews involving the parties (IPR2014-00440 (Paper 68), IPR2014-00441 (Paper 66), and IPR2014-00736 (Paper 59)), the Board determined that Petitioner had failed to identify all of the real parties-in-interest. More specifically, the Board found that Corning Inc. and Corning NC should have also been named as real parties-in-interest since they funded and/or controlled those related proceedings based on evidence obtained by PPC from Petitioner in discovery in those related proceedings after the Final Written Decision in this proceeding. The evidence obtained regarding the funding and control of those related proceedings demonstrates that Corning Inc. and Corning NC also funded and/or controlled this proceeding and, therefore, should have been identified as real parties-in-interest in this earlier proceeding. And since the Board now must reconsider the patentability of the claims in view of the petition, it must also reassess whether Petitioner complied with the requirements to name all real parties-in-interest in the petition as required by 35 U.S.C. § 312(a)(2).

This statutory requirement is a "threshold issue" for substantive review of

the merits of the challenges presented in the Petition.” *Galderma S.A. v. Allergan Industrie, SAS*, IPR2014-01422 (Paper 14) at 5 (quoting *Zoll Lifecor Corp. v. Philips Elec. N. Am. Corp.*, IPR2013-606 (Paper 13) at 8); *see also Zerto, Inc. v. EMC Corp.*, IPR2014-01254 (Paper 35) at 6); *Atlanta Gas Light Co. v. Bennett Regular Guards, Inc.*, IPR2013-00453 (Paper 88) at 7). “[W]hen, as here, a patent owner provides sufficient rebuttal evidence that reasonably brings into question the accuracy of a petitioner’s identification of the real parties-in-interest, the burden remains with the petitioner to establish that it has complied with the statutory requirement to identify all the real parties-in-interest.” *Galderma* at 6-7; *see also Askeladden LLC v. McGhie*, IPR2015-00122 (Paper 30) at 8; *Zerto* at 7; *Atlanta* at 8. “[T]he statutory provision is clearly an ongoing requirement that must be complied with during the pendency of the petition.” *GEA Process Eng’g, Inc. v. Steuben Foods*, IPR2014-00041 (Paper 135) at 12.

II. ADDITIONAL BRIEFING AND/OR SUBMISSION OF NEW EVIDENCE THAT IS REQUIRED OR SHOULD BE PERMITTED (ITEM (2)).

In response to item (2) of the Board’s Order (Paper 51) regarding additional briefing, PPC responds that additional briefing should be permitted on both of the matters identified above in section I for the reasons discussed below. In response to item (2) of the Board’s Order (Paper 51) regarding new evidence, PPC responds

that the submission of new evidence (i) should not be permitted for the first matter identified above in section I (*i.e.*, patentability of claims 10-25 of the ‘060 Patent), but (ii) should be permitted for the second matter identified in section I (*i.e.*, the real party-in-interest matter) for the reasons discussed below.

With respect to the first matter, briefing should be permitted to demonstrate that the “reside around” limitation, when properly construed by the Federal Circuit and as proposed by PPC in the original proceeding, would not have been obvious in view of the combination of Matthews and Tatsuzuki to a person of ordinary skill in the art. Since this matter was already at issue in the original proceeding and both parties were already provided an opportunity to present evidence on the matter, no new evidence should be permitted beyond the existing evidentiary record.

With respect to the second matter, briefing should be permitted to demonstrate that Corning Inc. and Corning NC funded and/or controlled this proceeding and, therefore, should have been identified as real parties-in-interest in this proceeding, requiring dismissal of the petition and termination of the proceeding. Since the evidence that Corning Inc. and Corning NC should have been named as real parties-in-interest in this proceeding was only discovered after the Final Written Decision, the existing evidentiary record does not yet include

evidence on the funding and control of the proceeding by Corning Inc. and Corning NC. Accordingly, the submission of new evidence is required to demonstrate that Corning Inc. and Corning NC funded and/or controlled this proceeding, as they did in the later proceedings, which were dismissed based on Corning's failure to identify all real parties-in-interest. To the extent that Petitioner is unwilling to simply stipulate that the funding and control of this proceeding was the same as the funding and control of the related proceedings (IPR2014-00440, IPR2014-00441, and IPR2014-00736), PPC requests that it be permitted in this remand proceeding to obtain the same limited discovery it obtained in the related proceedings and repeated here:

- Identify and produce documents sufficient to identify any and all entities to which counsel for Petitioner in the IPR has directed its invoices for preparing the Petition and for services rendered in the IPR (*e.g.*, which entities are named on the actual invoices sent by counsel and received by the entities), and the dates during which invoices were directed to those entities.
- Identify and produce documents sufficient to identify any and all entities that have sent payment to counsel for Petitioner in the IPR for preparing the Petition and for services rendered in the IPR (*e.g.*, which entities are named on the actual check or money transfer receipt received by counsel for

Petitioner), and the dates during which payments were made by the entities.

- Identify and produce any agreements between or involving Petitioner, Corning Optical Communications LLC, and/or Corning Inc. regarding payment, or reimbursement for payment, of invoices made to counsel for Petitioner in the IPR for preparing the Petition and for services rendered in the IPR.
- Identify the titles of the following individuals at Petitioner, Corning Optical Communications LLC, and Corning Inc., and identify any and all entities that paid their compensation (*e.g.*, which entity is named on the actual check or money transfer receipt received by the individual) during the time the Petition was being prepared, and on and after the filing date of the Petition in this IPR, and the dates during which those entities paid their compensation: Tim Aberle, Michael Bell, Dan Hulme, Jack Vynalek, and Steve Morris.
- Identify the individuals and their titles at Petitioner, Corning Optical Communications LLC, and Corning Inc. who provided direction to counsel for Petitioner in the IPR, including review and/or approval of any of the papers filed by counsel for Petitioner in the IPR, including the Petition, and identify and produce any retention agreements or engagement letters between counsel for Petitioner and Petitioner, Corning Optical

Communications LLC, and Corning Inc. covering services for preparing the Petition and for services rendered in the IPR.

III. REQUEST FOR ADDITIONAL BRIEFING AND/OR SUBMISSION OF NEW EVIDENCE (ITEM (3)).

In response to item (3) of the Board's Order (Paper 51) regarding whether additional briefing is requested, PPC requests additional briefing on both of the matters identified above in section I for the reasons discussed in section II. PPC proposes that the parties simultaneously submit opening briefs limited to a total of 15 pages, and simultaneously submit opposition briefs limited to a total of 10 pages to address both issues.

In response to item (3) of the Board's Order (Paper 51) regarding whether the submission of new evidence is requested, PPC requests the submission of new evidence on the second matter identified in section I (*i.e.*, the real party-in-interest matter) for the reasons discussed in section II.

Date: June 9, 2016

Respectfully submitted,

/ Denis J. Sullivan /

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing PATENT OWNER'S STATEMENT REGARDING THE ISSUES ON REMAND and any exhibits cited therein were served pursuant to 37 C.F.R. § 42.6(e) via electronic mail on June 9, 2016, in their entirety, on the following:

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