

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CANFIELD SCIENTIFIC, INC.,
Petitioner,

v.

MELANOSCAN, LLC,
Patent Owner.

Case IPR2017-02125
Patent 7,359,748

Before MICHAEL W. KIM and SCOTT C. MOORE,
Administrative Patent Judges.

KIM, *Administrative Patent Judge.*

ORDER

Denying Petitioner's Motion to Seal and Patent Owner's Motions to Seal
35 U.S.C. § 316; 37 C.F.R. §§ 42.14, 42.54

On October 2, 2018, Petitioner filed a Motion to Seal, seeking to seal Petitioner's Reply (Paper 33), Exhibit 1039 (Deposition Transcript of Dr. Rhett Drugge), and Exhibit 1036 (Third Declaration of Jan-Peter Muller, Ph.D.). Paper 36 ("First Motion"). Petitioner states that Patent Owner has designated portions of Exhibit 1039 as confidential information pursuant to an Agreed Proposed Protective Order (Paper 29), and that Petitioner's Reply and Exhibit 1036 reference the information designated as confidential. Patent Owner has not filed an opposition.

On October 31, 2018, Patent Owner filed a Motion to Seal, seeking to seal the Patent Owner Sur-Reply in its entirety. Paper 44 ("Second Motion"). Patent Owner states that the Patent Owner Sur-Reply contains or reflects portions of the transcript of the deposition of Dr. Rhett Drugge, taken September 20, 2018 (Exhibit 1039), that have been designated as confidential information pursuant to an Agreed Proposed Protective Order (Paper 29). Petitioner has not filed an opposition.

On November 14, 2018, Patent Owner filed a Motion to Seal, seeking to seal the Patent Owner's Opposition to Petitioner's Motion to Exclude (Paper 42) in its entirety. Paper 48 ("Mot."; "Third Motion"). Patent Owner states that the Patent Owner Opposition to Petitioner's Motion to Exclude contains or reflects portions of the transcript of the deposition of Dr. Rhett Drugge, taken September 20, 2018 (Exhibit 1039), that have been designated as confidential information pursuant to an Agreed Proposed Protective Order (Paper 29). Petitioner has not filed an opposition.

For reasons set forth below, the Motions are *denied* without prejudice, with further instructions provided.

In an *inter partes* review, the moving party bears the burden of showing that the relief requested should be granted. 37 C.F.R. § 42.20(c). A party moving to seal must show “good cause” for the relief requested. 37 C.F.R. § 42.54(a).

We direct the parties to prior Board decisions for guidance on how to establish “good cause” to seal a document or thing in an *inter partes* review. *See Argentum Pharms. LLC v. Alcon Research, Ltd.*, Case IPR2017-01053 (PTAB Jan. 19, 2018) (Paper 27) (informative); *Garmin Int’l v. Cuozzo Speed Techs., LLC*, Case IPR2012-00001 (PTAB Mar. 14, 2013) (Paper 34); *Corning Optical Communications RF, LLC, v. PPC Broadband, Inc.*, Case IPR2014-00440 (PTAB April 6, 14, 17, 2015) (Papers 46, 47, 49).

For reasons that follow, we determine that the Motions fail to show “good cause” for sealing their respective papers and exhibits. 37 C.F.R. § 42.54(a). Accordingly, the Motions are denied without prejudice, but we do authorize the filing of a single supplementary motion, subject to the conditions set forth below.

1. The “Good Cause” Standard

The “good cause” standard for granting a motion to seal reflects the strong public policy for making all information in an *inter partes* review open to the public. 37 C.F.R. § 42.54; *see Argentum*, slip op at 3. Unlike in district court, where a party routinely will determine whether a document is produced under the terms of a district court protective order, in an *inter partes* review, “the default rule is that all papers . . . are open and available for access by the public.” *Garmin*, slip op at 2. Thus, to demonstrate “good cause,” the moving party must demonstrate that:

(1) the information sought to be sealed is truly confidential, (2) a concrete harm would result upon public disclosure, (3) there exists a genuine need to rely in the trial on the specific information sought to be sealed, and (4), on balance, an interest in maintaining confidentiality outweighs the strong public interest in having an open record.

Argentum, slip op at 3–4; *see also Corning Optical*, Paper 46 at 2 (requiring a demonstration that information is not “excessively redacted”).

2. Analysis of Patent Owner’s Third Motion to Seal

As noted above, the Third Motion requests that the Patent Owner’s Opposition to Petitioner’s Motion to Exclude be sealed in its entirety.

Motion 1. The Third Motion states that the Opposition “includes or reflects designated portions of the transcript. In order to maintain the confidentiality of Patent Owner’s information, sealing of the Patent Owner’s Opposition is necessary.” Motion 1–2. As an initial matter, this is a conclusory assertion that, essentially, the information should be sealed because the parties say so. We are unpersuaded this alone is sufficient to meet a good cause standard.

Even accepting the conclusory assertion concerning the confidential nature of the designated portions of the Drugge transcript, the Third Motion fails to describe, in any manner, any concrete harm that will result, in the event of disclosure. *Id.* Additionally, the Third Motion fails to specify a genuine need to rely on the information contained in the Patent Owner’s Opposition. The Third Motion does not explain why the particular information is relevant or necessary to any disputed issue of fact or to any position taken by a party. *Id.*

Finally, having failed to identify either a harm incident to disclosure, or a reason why the information is necessary in this trial, the Third Motion fails also to balance “the public’s interest in maintaining a complete and

understandable record” against a “harm to a party” incident to “disclosure of information” or “the need of either party to rely specifically on the information at issue.” *Corning Optical*, Paper 47 at 3.

3. Other Motions to Seal

The above analysis for the Third Motion is also applicable to the First and Second Motions for their corresponding papers and exhibits.

4. Authorizing a Revised Motion to Seal and/or a Request to Unseal

“The Board has limited resources” to deal with repeated motions to seal. *See Argentum*, slip op. at 7 (citing *Corning Optical*, Paper 47 at 2 (“[T]here is not an unlimited number of tries to get the motion granted.”)). However, we authorize Patent Owner to file a single revised motion to seal all of the above papers, accompanied by a request for entry of a protective order.¹ If filed, the revised motion to seal is limited to fifteen (15) pages and must be filed within seven (7) business days of entry of this Order. As discussed herein, the revised motion to seal must more thoroughly address why the “good cause” standard is met. In addition, the revised motion to seal must include a certification that Patent Owner has conferred with Petitioner pursuant to 37 C.F.R. § 42.54(a).²

¹ On November 19, 2018, the Board received a request for authorization to file a motion to seal Petitioner’s Motion to Exclude (Paper 42). Patent Owner may address that paper in the revised motion to seal as well.

² Not all the Motions are at Patent Owner’s request. Given, however, that the papers sought to be sealed appear to only include information Patent Owner considers confidential, and also given the late stage of the proceeding, we exercise our discretion and permit Patent Owner to address all of the relevant papers and exhibits to be sealed in the revised motion to seal. Should this be unsatisfactory, the parties are to immediately request a conference call with the Board.

Within seven (7) business days of the filing of the revised motion to seal, Petitioner may file an opposition addressing any issues raised therein. Petitioner's opposition is limited to fifteen (15) pages.³

In addition, Patent Owner is authorized to file, within seven (7) business days of entry of this Order, a one-page paper (a "Motion to Unseal") requesting the Board to unseal any or all of the exhibits or papers referenced in the First, Second, or Third Motions, which shall result in their public disclosure and will permit both parties to rely on the unsealed exhibit(s) in this case.

5. Notice of Possible Disclosure

The parties are reminded that a movant to seal in this proceeding shall assume the risk that its confidential information will become public if relied upon in a final written decision. Rules of Practice, 77 Fed. Reg. No. 157, Part V at Section I.E.6. (Aug. 14, 2012) ("There is an expectation that information will be made public where the existence of the information . . . is identified in a final written decision following a trial.").

In consideration of the foregoing, it is hereby:

ORDERED that the Motions to Seal (Papers 36, 44, and 48) are *denied* without prejudice;

FURTHER ORDERED that Patent Owner is authorized to file a single revised motion to seal, subject to the conditions set forth in this Order, for the purpose of requesting to seal, in whole or in part, the relevant papers and exhibits;

³ If applicable, Patent Owner may indicate in the revised motion to seal that its motion is unopposed.

FURTHER ORDERED that the revised motion to seal is limited to fifteen (15) pages, shall be filed within seven (7) business days of entry of this Order, shall address why the “good cause” standard is met, shall be accompanied by a request for entry of a protective order, and shall include a certification pursuant to 37 C.F.R. § 42.54(a);

FURTHER ORDERED that Petitioner is authorized file a single opposition to the revised motion to seal, limited to fifteen (15) pages and to be filed within seven (7) business days of the filing of the revised motion to seal;

FURTHER ORDERED that Patent Owner is authorized to file, within seven (7) business days of entry of this Order, a one-page Motion to Unseal requesting to unseal any or all of the papers or exhibits referenced herein, which shall result in their public disclosure and permit any party to rely on the unsealed exhibit(s) in this proceeding; and

FURTHER ORDERED that no other briefing is authorized at this time.

IPR2017-02125
Patent 7,359,748 B1

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