UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD

ONE WORLD TECHNOLOGIES, INC., D/B/A TECHTRONIC INDUSTRIES POWER EQUIPMENT,
Petitioner,

v.

CHERVON (HK) LIMITED,
Patent Owner.

Case IPR2020-00886
Patent 9,826,686

PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION FOR SANCTIONS

I. FACTUAL BACKGROUND

On January 19, 2021, Patent Owner took the deposition of Petitioner's Mr. Lee Sowell. (EX2034, ¶ 2.) On February 3, 2021, Patent Owner's counsel produced Mr. Sowell's deposition transcript to Petitioner's counsel on a "Highly Confidential-Attorneys' Eyes Only" basis in the parallel district court litigation involving the same parties and the same counsel (the "Litigation").[1]

On February 10, 2021, per Petitioner's counsel's request, Patent Owner's counsel deleted its previous February 3, 2021 production of the Sowell deposition transcript and produced a replacement redacted version of the Sowell deposition transcript. (*Id*., ¶ 7.) Patent Owner's counsel had previously indicated its willingness to do just that provided Petitioner's counsel produce the unredacted Sowell deposition transcript in the Litigation, but Petitioner's counsel refused. (*Id*., ¶ 6.) On February 15, 2021, before Petitioner filed its motion for sanctions ("Motion"), Patent Owner's counsel identified to Petitioner's counsel all persons and entities who had access to or viewed the originally-produced Sowell deposition transcript in the Litigation and again requested that Petitioner's counsel produce the unredacted Sowell deposition transcript. (*Id*., ¶ 8.) To-date, Petitioner's counsel has refused to produce an unredacted version of the Sowell deposition

[1] Petitioner's counsel in the Litigation and Petitioner's IPR counsel is the law firm, DLA Piper LLP. (EX2034, ¶ 4.)

transcript even though the unredacted transcript is responsive to at least several of Patent Owner's outstanding document requests. (*Id*., ¶ 10.)

II. LEGAL STANDARDS

A sanctions motion should address three factors: (i) whether a party has performed conduct that warrants sanctions; (ii) whether the moving party has suffered harm from that conduct; and (iii) whether the sanctions requested are proportionate to the harm suffered. *RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper 58 at 2 (PTAB May 6, 2016). The movant bears the burden of persuading the Board that sanctions are warranted. *Id*.

III. ARGUMENT

A. Petitioner's Motion Should Be Denied Because Petitioner Has Failed To Meet Its Burden Of Showing That Patent Owner's Conduct Warrants Sanctions.

Petitioner's Motion should be denied because Patent Owner's conduct does not warrant sanctions. According to Petitioner, Patent Owner's conduct warrants sanctions because "Patent Owner unquestionably 'had an obligation under the Protective Order to keep the [Sowell deposition transcript] ***confidential***…'" (Paper 31 at 3.) But Patent Owner has always kept the Sowell deposition transcript confidential and protected from third parties. Pursuant to the parties' Protective Order in the Litigation, Patent Owner produced the Sowell deposition transcript to Petitioner's counsel on a "Highly Confidential-Attorneys' Eyes Only" basis in

response to Petitioner's document requests. (EX2034, ¶ 3.) Patent Owner's production of Petitioner's own confidential information back to Petitioner's counsel and not to any third party cannot be a breach of confidentiality or sanctionable conduct.[2]

B. Petitioner's Motion Should Be Denied Because Petitioner Has Failed To Meet Its Burden Of Showing That It Suffered Harm.

Petitioner's Motion should also be denied because Petitioner has suffered no harm. *Apple Inc. v. California Inst. of Tech.*, IPR2017-00423, Paper 18 at 33 (PTAB June 29, 2018) (denying motion for sanctions where movant "suffered no harm"). The harm alleged in Petitioner's Motion is completely speculative. (Paper 31 at 4 ("the transcript was at least ***potentially*** made available to Patent Owner's outside litigation counsel who are not of record in this proceeding"); *id*. ("Patent Owner ***may*** also have experts and other outside counsel who have access"); *id*. ("the harm lies in the fact that confidential information ***can be*** reviewed"); *id*. at 5 ("untethered confidential information ***can be*** improperly cited or quoted") (emphases added).) Of course, Petitioner cannot demonstrate that it has been harmed or prejudiced by having its own confidential information produced back to

[2] Petitioner has also failed to establish a violation of the Default Protective Order because Petitioner has not shown that Patent Owner's production of the Sowell deposition transcript in the Litigation was a "use" of confidential information.

its own counsel on a "Highly Confidential-Attorneys' Eyes Only" basis. Notably, Petitioner has failed to support its Motion with a declaration from Petitioner or its counsel testifying that Petitioner has suffered specific harm, which further confirms that Petitioner cannot meet its burden of showing harm.[3]

C. Petitioner's Motion Should Be Denied As Moot.

Petitioner's Motion should also be denied because it is moot. Petitioner seeks an order requiring Patent Owner to (1) withdraw the Sowell deposition transcript from the Litigation and (2) identify each person who had access to or viewed the unredacted Sowell deposition transcript. (Paper 31 at 5.) But Petitioner already obtained the relief it seeks before it filed its Motion. (EX2034, ¶¶ 7-8.) Thus, Petitioner's Motion is moot. *Blackberry Corp. v. Zipit Wireless, Inc.*, IPR2014-01507, Paper 50 at 11 n. 1 (PTAB Mar. 29, 2016) (finding request for sanctions moot where petitioner had already obtained its requested relief).

D. Petitioner's Motion Is Frivolous And Harassing.

Petitioner's Motion and request for relief is frivolous and harassing because Patent Owner corrected any alleged misconduct, Petitioner suffered no harm, and Petitioner obtained the relief it seeks several days before Petitioner filed its

[3] Petitioner also cannot show that it has been harmed because no information in the Sowell deposition transcript is actually confidential. (*Compare* EX2029, Unredacted Sowell Transcript *with* EX1039, Redacted Sowell Transcript.)

Motion. (EX2034, ¶¶ 7-8.) ***Curiously, Petitioner failed to tell the Board that in its Motion.*** (*See generally* Paper 31.)[4] Petitioner has also improperly used the Default Protective Order in this proceeding as a shield to avoid producing an unredacted version of the Sowell deposition transcript in the Litigation, even though the unredacted transcript is responsive to at least several of Patent Owner's outstanding document requests. (EX2034, ¶ 10; *see also Sanofi-Aventis U.S. LLC v. Immunex Corp.*, IPR2017-01879, Paper 22 at 3 (PTAB Mar. 2, 2018) ("We are not persuaded that Patent Owner can use the protective order in this proceeding as a shield to evade discovery in the related proceedings, as Petitioner asserts.").)[5]

Accordingly, for at least the foregoing reasons, Petitioner's Motion should be denied.

---

[4] The Board may impose a sanction against a party for misconduct, including advancing a frivolous request for relief or any other improper use of the proceeding, including actions that harass. 37 CFR § 42.12(a); *see also* 37 CFR § 42.11(d)(2) ("A motion for sanctions must not be filed or be presented to the Board if the challenged paper … is withdrawn or appropriately corrected").

[5] In view of Petitioner's refusal to produce the unredacted Sowell transcript, the Board should modify the D.P.O. to permit a party's reliance on the transcript in the Litigation or simply adopt the parties' Protective Order. *MasterImage 3D, Inc. v. RealD Inc.*, IPR2015-00040, Paper 85 at 69 (PTAB Apr. 14, 2016).

Respectfully submitted,

Dated: February 25, 2021

By: /s/ James J. Lukas, Jr.

James J. Lukas, Jr.
GREENBERG TRAURIG, LLP
77 W. Wacker Dr., Suite 3100
Chicago, IL 60601
Phone: (312) 456-8400
Fax: (312) 456-8435

Counsel for Patent Owner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the below date, I caused the forgoing to be served by electronic mail to the following:

Edward H. Sikorski
Tiffany Miller
DLA Piper LLP (US)
401 B Street, Suite 1700
San Diego, CA 92101-4297
Ed.Sikorski@us.dlapiper.com
Tiffany.Miller@us.dlapiper.com

James M. Heintz
DLA Piper LLP (US)
One Fountain Square, Suite 300
Reston, VA 20190-5602
James.Heintz@us.dlapiper.com

Dated: February 25, 2021

By: /s/ James J. Lukas, Jr.
James J. Lukas, Jr.
GREENBERG TRAURIG, LLP
77 W. Wacker Dr., Suite 3100
Chicago, IL 60601
Phone: (312) 456-8400
Fax: (312) 456-8435

Counsel for Patent Owner