

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FUJIFILM CORPORATION,
Petitioner,

v.

SONY CORPORATION,
Patent Owner.

Cases IPR2017-01267
IPR2017-01268¹
Patent 7,029,774 B1

Before JO-ANNE M. KOKOSKI, JON B. TORNQUIST, and
JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

KOKOSKI, *Administrative Patent Judge*.

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

¹ This Order addresses identical issues in two related cases. We exercise our discretion to issue one Order to be entered in each case. The parties are not authorized to use this style heading in their papers.

At the request of Sony Corporation (“Patent Owner”), a telephone conference was held on June 9, 2017, among respective counsel for FUJIFILM Corporation (“Petitioner”) and Patent Owner, and Judges Kokoski, Tornquist, and Abraham. Patent Owner requested the conference to discuss a purported conflict of interest involving Ryosuke Isobe, a witness for Petitioner.

During the call, Patent Owner stated that Mr. Isobe previously was retained by Patent Owner’s counsel Wolf Greenfield² in connection with an action against Petitioner before the U.S. International Trade Commission (“ITC”). According to Patent Owner, the ITC proceeding is one in a series of cases between Petitioner and Patent Owner pending in various courts regarding a number of patents directed to electronic recording media, and that there is therefore overlap between the subject matter of the ITC proceeding and the patent at issue in the instant proceedings. Patent Owner further stated that Wolf Greenfield considered Mr. Isobe to be an active consultant at the time Petitioner submitted Mr. Isobe’s declaration (Ex. 1003, “the Isobe Declaration”) with its Petitions. Patent Owner argued that Mr. Isobe, as a litigation consultant, presumably had access to Patent Owner’s confidential information and that he could rely on that information to Patent Owner’s detriment in these proceedings.

Petitioner responded that Mr. Isobe was a non-testifying consultant in the ITC proceeding, and that his work for Patent Owner was limited to searching for prior art. Petitioner represented that Mr. Isobe understood that

² Wolf Greenfield does not represent Patent Owner in these *inter partes* review proceedings.

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his work for Patent Owner had ended. Petitioner also argued that the technology and patents at issue in the ITC proceeding were different than those involved in the instant proceedings, although both proceedings are generally related to magnetic tape. Petitioner stated that there is no overlap in the prior art asserted in these proceedings and that asserted in the ITC proceeding. Petitioner further stated that Patent Owner did not identify the confidential information that was disclosed by Patent Owner to Mr. Isobe that is relevant here.

Patent Owner requested authorization to strike the Isobe Declaration and disqualify Mr. Isobe from participating in these proceedings. Disqualification of an expert is a drastic measure we hesitate to impose except when absolutely necessary. *See LaCroix v. BIC Corp.*, 339 F. Supp. 2d 196, 199 (D. Mass 2004) (noting that “courts are generally reluctant to disqualify expert witnesses”). To resolve a motion to disqualify an expert, district courts generally apply a two-prong test to determine (1) whether it is objectively reasonable for the moving party to believe that it had a confidential relationship with the expert; and (2) whether the moving party disclosed confidential information to the expert that is relevant to the current proceeding. *Id.* at 199–200. A court is compelled to disqualify an expert only when the answers to both inquiries is affirmative. *Wang Labs., Inc. v. Toshiba Corp.*, 762 F. Supp. 1246, 1248 (E.D. Va. 1991); *see Agila Specialties Inc. v. Cephalon, Inc.*, Case IPR2015-00503, slip. op. at 4 (PTAB Aug. 19, 2015) (Paper 13).

Given the extremely fact-specific nature of this inquiry, we authorize Patent Owner to file a motion to disqualify Mr. Isobe and strike the Isobe Declaration. As the party seeking disqualification, Patent Owner bears the

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burden of establishing that both prongs of the test are met. *See* 37 C.F.R. § 42.20(c). Patent Owner must support its motion with specific evidence and applicable legal authority, as we will not disqualify an expert based on conclusory statements. For example, Patent Owner must explain the nature of the confidential information disclosed to Mr. Isobe and how it is relevant to the issues in these proceedings, i.e., whether claims 1–13 and 15–20 of U.S. Patent No. 7,029,774 B1 are anticipated by, or would have been obvious over, the prior art as identified by Petitioner. *See* IPR2017-01267, Paper 1, 1; IPR2017-01268, Paper 1, 12. Patent Owner must also explain why it believes it has a confidential relationship with Mr. Isobe, including demonstrating the existence of any confidentiality agreements.

The parties are reminded that there is no protective order in place in these proceedings. The parties are directed to 37 C.F.R. § 42.54 and the Office Trial Practice Guide regarding protective orders and motions to seal, should either party choose to file anything that includes confidential information.

ORDER

In consideration of the foregoing, it is:

ORDERED that Patent Owner is authorized to file a motion to disqualify Mr. Isobe, and strike the Isobe Declaration, on the basis of conflict of interest;

FURTHER ORDERED that Patent Owner must limit its motion to ten pages and must file the motion within five business days of the date of this Order;

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FURTHER ORDERED that Petitioner is authorized to file an opposition to the motion within five business days of Patent Owner's filing of the motion;

FURTHER ORDERED that Petitioner's opposition to the motion is limited to ten pages; and

FURTHER ORDERED that no reply is authorized at this time.

PETITIONER:

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