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IP Newsflash



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DISTRICT COURT CASES

Rule 11 Sanctions Warranted Due to Plaintiff's Objectively Unreasonable Claim Construction

A district court in Delaware has granted a defendant's motion for sanctions against a plaintiff that asserted an infringement claim based on a claim construction that the court determined lacked merit. In its original complaint, the plaintiff asserted infringement of two patents. The defendant responded with a motion to dismiss and a motion for sanctions, under Rule 11, with respect to one of the patents. The court denied the motions but noted that it would reconsider the issue once the claim construction record was more developed. Following the court's ruling, the plaintiff amended its complaint and removed the challenged patent. At the summary judgment stage, the court once again addressed the Rule 11 motion for sanctions and asked the parties to brief the issue. In its papers, the defendant urged the court to draw a much-needed line in patent infringement litigation and argued that the plaintiff's complaint epitomized the type of abuse that has clogged the courts and caused defense costs to skyrocket. In response, the plaintiff argued that it had conducted an objectively reasonable pre-suit investigation. Siding with the defendant, the court explained that while reasonable minds can differ as to claim construction positions, there is a threshold below which a claim construction is so unreasonable that no reasonable litigant could believe it would succeed. The court concluded that this was such a case and determined that the plaintiff's claim construction was so "astonishingly broad" that sanctions were warranted.

Author: [Rubén H. Muñoz](#)

Tech. Innovations LLC v. Amazon.com, Inc., 1-11-cv-00690 (D. Del. March 31, 2014) (Robinson)

PATENT TRIAL AND APPEAL BOARD

Impermissible Replies Stricken From Record in *Inter Partes* Review

A PTAB panel has stricken and expunged from the record several patent owner's ("owner") replies and accompanying expert declarations on its motions to amend claims in inter partes review (IPR) proceedings. Under 37 C.F.R. § 42.23(b), a reply may only respond to arguments raised in a corresponding opposition. A reply is not an opportunity to raise new issues or provide additional evidence that could reasonably have been provided in the motion. Here, the petitioner argued that the owner's replies and declarations go beyond the permissible scope because they are not limited to responding to arguments raised by petitioner's opposition. The Board agreed and expunged the owner's replies and accompanying declarations from the record. In reaching its decision, the Board found that one of the replies that contained claim charts used to identify written description support for claim amendments was, in effect, being used to supplement the contents of the owner's original Motion to Amend. For another reply, the Board pointed out that the expert's review of prior art and opinions regarding the patentability of the amended claims included an analysis of document and references that weren't previously addressed by either party. Since these replies and accompanying declarations raised new issues and went beyond the permissible scope, they were stricken and expunged from the record.

Author: [Matthew G. Hartman](#)

Veeam Software Corp. v. Symantec Corp., IPR2013-00141, IPR2013-00142, IPR2013-00143, IPR2013-150 (April 7, 2014) [Prats, Petravick, Giannetti (opinion), Ward]

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