



Standard Operating Procedure 2

Designated: July 10, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ARGENTUM PHARMACEUTICALS LLC,  
Petitioner,

v.

ALCON RESEARCH, LTD.,  
Patent Owner.

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Case IPR2017-01053  
Patent 8,268,299 B2

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Before GRACE KARAFFA OBERMANN and SUSAN L. C. MITCHELL,  
*Administrative Patent Judges.*

OBERMANN, *Administrative Patent Judge.*

**ORDER**

*Denying without Prejudice Patent Owner's  
Motion to Seal and for Entry of Proposed Protective Order  
35 U.S.C. § 316; 37 C.F.R. §§ 42.14, 42.54*

On December 22, 2017, Patent Owner filed a Motion to Seal (directed to Exhibits 2008–2022, 2029, and 2040–2058) and for Entry of Proposed Protective Order. Paper 24 (“Motion” or “Mot.”). In response to a Board inquiry, Petitioner advised that it would file no opposition. *See* Ex. 3001 (email communication). For reasons set forth below, the Motion is *denied without prejudice* subject to the conditions explained in this Order.

#### *Motion for Entry of Protective Order*

Our rules provide for entry of a protective order when necessary to protect confidential information filed in a proceeding. *See* 37 C.F.R. §§ 42.14, 42.54. As explained in the next section, the Motion does not demonstrate “good cause” for sealing any of the exhibits that are the subject of the Motion. Accordingly, we *deny without prejudice* the request for entry of a protective order. The exhibits sought to be sealed in the Motion, however, shall continue to be provisionally sealed until such time as the Board resolves a second motion to seal, a request to unseal, or until the exhibits are expunged pursuant to the guidance in this Order. *See* 37 C.F.R. § 42.14 (discussing Board’s authority to provisionally seal information).

#### *Motion to Seal*

Patent Owner seeks to seal Exhibits 2008–2022, 2029, and 2040–2058. Mot. 2. 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 Garmin Int’l v. Cuozzo Speed Techs., LLC*, Case IPR2012-00001 (PTAB Mar. 14, 2013) (Paper 34) (“IPR001”) and *Corning*

*Optical Communications RF, LLC, v. PPC Broadband, Inc.*, Case IPR2014-00440 (PTAB April 6, 14, and 17, 2015) (Papers 46, 47, 49) (“IPR440”).

For reasons that follow, we determine that the Motion fails to show “good cause” for sealing Exhibits 2008–2022, 2029, and 2040–2058. 37 C.F.R. § 42.54(a). Accordingly, the Motion is *denied without prejudice* to file a second 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* IPR001, Paper 34, 3. We are mindful that, in district court, a party routinely will determine (by marking or stamping a document “confidential”) whether a document is produced under the terms of a district court protective order. By contrast, in an *inter partes* review, “the default rule is that all papers . . . are open and available for access by the public.” IPR001, Paper 34, 2; *see* IPR440, Paper 46, 3 (explaining that, unlike in a civil action in district court or an investigation before the U.S. International Trade Commission, motions to seal in an *inter partes* review are made “at trial”; therefore, information will be sealed by only upon a showing of “good cause”).

“Good cause” for sealing is established by a “sufficient explanation as to why” the “information sought to be sealed is confidential information” (IPR001, Paper 34, 3), a demonstration that the information is not “excessively redacted” (IPR440, Paper 46, 2), and a showing that, on balance, the strong “public[] interest in maintaining a complete and understandable record” is outweighed by “the harm to a party, by disclosure of information” and “the need of either party to rely specifically on the

information at issue.” IPR440, Paper 47, 3 (footnote omitted).

Consequently, a movant to seal must demonstrate adequately 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. 37 C.F.R. § 42.54(a); IPR440, Paper 47, 2–3; IPR440, Paper 49, 2.

2. Exhibits 2008–2022

The Motion avers that Exhibits 2008–2022 are “confidential laboratory notebooks” and “adjunctive data used by [Patent Owner’s] employees to record their research and development work.” Mot. 2. The Motion, however, lacks explanation of how these exhibits relate to any disputed issue of fact, much less why they are necessary to a specific position taken by a party in this proceeding. On that point, Patent Owner incongruously asserts that “the data on which [Patent Owner] relies in this proceeding are disclosed in public patent specifications.” Mot. 2.

Even if we accept that the information reflected in these exhibits has never been disclosed to the public, the Motion fails to describe adequately a harm that will result in the event of disclosure. In that regard, the Motion stops short of stating that public disclosure of Exhibits 2008–2022 will result in any concrete injury. Instead, the Motion avers that disclosure “has the potential to cause” competitive harm. *Id.* at 3.

Having failed to identify sufficiently either a harm incident to disclosure or a reason why the information is necessary in this trial, the 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.” IPR440, Paper 47, 3 (footnote omitted). In addition, no corresponding public redacted versions of these exhibits were filed with the Motion. The Motion is silent on that point, providing no reason why the exhibits should be sealed in their entirety.

3. Exhibit 2029

Patent Owner seeks to seal portions of Exhibit 2029, which is the declaration of Dr. Henry Grabowski. Mot. 4. In an attempt to make out the “good cause” standard, the Motion refers us to arguments made in connection with Exhibits 2040-2058. For reasons that follow, however, the Motion fails to make out “good cause” for sealing Exhibits 2040–2058. Our analysis below applies with equal force to Exhibit 2029.

4. Exhibits 2040–2058

The Motion avers that Exhibits 2040–2058 “summarize data provided to [Patent Owner] by IMS Health/IQVIA and Encuity Research”; namely, two entities that are non-parties in this proceeding. Mot. 3. Patent Owner asserts no ownership interest in the information sought to be sealed, and the Motion advances no other information sufficient to show that Patent Owner is competent to establish that the exhibits reflect truly confidential information. Nor does the Motion establish that Patent Owner is competent to address any harm that would inure to the owners of the information, in the event that the exhibits are disclosed to the public. *See generally* Mot.

The Motion suggests that the owners of the information freely permit disclosure to members of the public who pay a fee. Mot. 3–4 (reflecting “undersigned counsel’s understanding that” the owners of the information

“charge customers for these data”). Although counsel purports to understand that the owners “would be harmed by the public disclosure of these data without a confidentiality agreement,” the Motion sets forth no objective evidence sufficient to substantiate that bare attorney argument. *Id.* at 4. Consequently, the Motion fails to show sufficiently that any harm would result from disclosure. Nor does the Motion detail any genuine need to use the information in this proceeding, much less explain how any interest in maintaining the alleged confidentiality outweighs the strong public policy that favors an open record in this *inter partes* review. *See generally* Mot. In addition, no corresponding public redacted versions of these exhibits were filed with the Motion. The Motion is silent on that point, providing no reason why the exhibits should be sealed in their entirety.

#### 5. Certification of Counsel

“A motion to seal is required to include a proposed protective order and a certification that the moving party has in good faith conferred or attempted to confer with the opposing party in an effort to come to an agreement as to the scope of the proposed protective order for this *inter partes* review.” IPR001, Paper 34, 3 (citing 37 C.F.R. § 42.54). The Motion states that Patent Owner “wrote to” Petitioner’s counsel regarding “consent to the entry of the proposed protective order, but did not receive a response before filing this motion.” Mot. 5. That lack of response is unsurprising, given that Patent Owner wrote to Petitioner “on December 22, 2017,” the very same day that the Motion was filed. *Id.*

The Motion was due under no time deadline that made impractical a good faith effort to secure a conference with counsel. Yet the Board was burdened to ascertain on its own whether Petitioner planned to file an

opposition to the Motion. *See* Ex. 3001. Any Second Motion shall include a certification that provides the details of Patent Owner’s good faith efforts to confer with Petitioner pursuant to 37 C.F.R. § 42.54(a).

6. Authorizing a Second Motion and a Request to Unseal

“The Board has limited resources” to deal with repeated motions to seal. IPR440, Paper 47, 2 (“there is not an unlimited number of tries to get the motion granted”). Nevertheless, in the interests of fairness, we authorize Patent Owner to file a second motion to seal, accompanied by a request for entry of a protective order, directed to Exhibits 2008–2022, 2029, and 2040–2058 (“Second Motion to Seal”) subject to the following conditions.

The Second Motion to Seal shall be limited to five (5) pages and must be filed within five (5) business days of entry of this Order. Further, the Second Motion to Seal shall address the “good cause” standard as explained in this Order. In addition, the Second Motion to Seal shall include a certification that provides details of Patent Owner’s good faith efforts to confer with Petitioner pursuant to 37 C.F.R. § 42.54(a). At minimum, the Board would appreciate an indication whether Petitioner plans to file an opposition to the Second Motion to Seal.

Within five (5) business days of the filing of any Second Motion to Seal, Petitioner is authorized file an opposition limited to addressing issues raised in the Second Motion to Seal. Petitioner’s opposition is limited to five (5) pages.

In addition, Patent Owner is authorized to file, within five (5) business days of entry of this Order, a one-page paper (“Motion to Unseal”) requesting the Board to unseal any or all of Exhibits 2008–2022, 2029, and

2040–2058, which shall result in their public disclosure and will permit both parties to rely on the unsealed exhibit(s) in this case.

In the event that Patent Owner fails to file a timely Second Motion to Seal or Motion to Unseal with respect to any of Exhibits 2008–2022, 2029, or 2040–2058, then the exhibit(s) shall be expunged from the record. To the extent that any argument or evidence in a substantive brief relies on an expunged exhibit, that argument or evidence shall be accorded no weight in any final written decision entered in this proceeding.

7. Notice of Possible Disclosure

This Order shall place both parties on notice 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.”).

ORDER

It is

ORDERED that Patent Owner’s Motion to Seal and for Entry of Protective Order is *denied without prejudice*;

FURTHER ORDERED that all parties are placed on notice 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;

FURTHER ORDERED that Patent Owner is authorized to file a Second Motion to Seal subject to the conditions set forth in this Order for the purpose of requesting to seal Exhibits 2008–2022, 2029, and 2040–2058;



FURTHER ORDERED that the Second Motion to Seal is limited to five (5) pages;

FURTHER ORDERED that the Second Motion to Seal shall be filed within five (5) business days of entry of this Order;

FURTHER ORDERED that the Second Motion to Seal shall address the “good cause” standard as explained in this Order;

FURTHER ORDERED that the Second Motion to Seal shall be accompanied by a request for entry of a protective order;

FURTHER ORDERED that the Second Motion to Seal shall include a certification that provides details of Patent Owner’s good faith efforts to confer with Petitioner pursuant to 37 C.F.R. § 42.54(a); and

FURTHER ORDERED that Petitioner is authorized file an opposition to the Second Motion to Seal that is limited to addressing issues raised in the Second Motion to Seal;

FURTHER ORDERED that any opposition shall be limited to five (5) pages;

FURTHER ORDERED that any opposition shall be filed within five (5) business days of the filing of a Second Motion to Seal pursuant to this Order,

FURTHER ORDERED that Patent Owner is authorized to file, within five (5) business days of entry of this Order, a one-page paper (titled “Motion to Unseal”) requesting to unseal any or all of Exhibits 2008–2022, 2029, and 2040–2058, which shall result in their public disclosure and permit any party to rely on the unsealed exhibit(s) in this proceeding;

FURTHER ORDERED that, in the event Patent Owner fails to file a timely Second Motion or Motion to Unseal with respect to any of

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Exhibits 2008–2022, 2029, and 2040–2058, then the exhibit(s) shall be expunged from the record;

FURTHER ORDERED that, to the extent any argument or evidence relies on an expunged exhibit, that argument or evidence shall be accorded no weight in any final written decision entered in this proceeding; and

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

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