

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CODE200, UAB; TESO LT, UAB; METACLUSTER LT, UAB;
OXYSALES, UAB; AND CORETECH LT, UAB,
Petitioner,

v.

BRIGHT DATA LTD.,
Patent Owner.

IPR2022-00861
Patent 10,257,319 B2

Before THOMAS L. GIANNETTI, SHEILA F. McSHANE, and
RUSSELL E. CASS, *Administrative Patent Judges*

McSHANE, *Administrative Patent Judge*.

DECISION

Rehearing on Director Remand

Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

Granting Motion for Joinder
35 U.S.C. § 315(c); 37 C.F.R. § 42.122

I. INTRODUCTION

We address this case after a decision by the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office vacating our previous decision denying institution, remanding for further proceedings, and ordering us to reconsider joinder after reconsidering the decision denying institution. Paper 18 (“Remand Dec.”).

II. BACKGROUND

A. Background of Proceeding

Code200, UAB, Teso LT, UAB, Metacluster LT, UAB, Oxysales, UAB, and Coretech LT, UAB (“Petitioner” or “Code200”) filed a Petition for *inter partes* review of claims 1, 2, 12, 14, 15, 17–19, and 21–29 of U.S. Patent No. 10,257,319 B2 (Ex. 1001, “the ’319 patent”). Paper 1 (“Pet.”). Bright Data Ltd. (“Patent Owner”) filed a Preliminary Response. Paper 15 (“Prelim. Resp.”). With the Petition, Petitioner also filed a Motion for Joinder with *NetNut Ltd. v. Bright Data Ltd.*, IPR2021-01492 (“the 1492 IPR”). Paper 7 (“Mot.”). Patent Owner filed an Opposition to the Motion for Joinder. Paper 11 (“Opp.”). Petitioner filed a Reply to Patent Owner’s Opposition. Paper 13 (“Reply”).

The Petition in this proceeding asserts the same grounds of unpatentability as those upon which we instituted review in the 1492 IPR. Compare Pet. 11, with *NetNut Ltd. v. Bright Data Ltd.*, IPR2021-01492, Paper 12 at 7–8, 39 (PTAB Mar. 21, 2022) (“1492 Decision” or “1492 Dec.”). Consistent with this, Petitioner contends that the Petition “is substantially identical to the petition in the NetNut IPR [1492 IPR] and contains the same grounds (based on the same prior art and supporting

evidence) against the same claims, and differs only as necessary to reflect the fact that it is filed by a different petitioner.” Pet. 2 (citing Ex. 1022).

On July 25, 2022, we issued a Decision in this case exercising discretion to deny institution based on an assessment of factors set forth in *General Plastic Industrial Co. Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i) (*General Plastic*). Paper 17 (“Dec.”). The Board’s Decision also denied joinder of this case with the 1492 IPR. *Id.* at 17. The Director reviewed our Decision *sua sponte*, vacated the Decision, and remanded the case to the panel, with orders that our Decision denying institution and joinder be reconsidered consistent with the Remand Decision. Remand Dec. 7.

B. Director Decision and Scope of Remand

The Director considered our discretionary denial of institution under *General Plastic*, and clarified *General Plastic* by stating that, “[w]here the first-filed petition . . . was discretionarily denied or otherwise was not evaluated on the merits,” a finding favoring discretionary denial under *General Plastic*’s factors 1–3 is limited to “when there are ‘road-mapping’ concerns under factor 3 or other concerns under factor 2.” Remand Dec. 5. The Director noted that in this case, the Board had found “no evidence of road-mapping.” *Id.* at 5 (citing Dec. 13). The Director added that “‘road-mapping’ concerns are minimized when, as in this case, a petitioner files a later petition that raises unpatentability challenges substantially overlapping with those in the previously-filed petition and the later petition is not refined based on lessons learned from later developments.” *Id.* at 5. The Director agreed with the panel’s finding that *General Plastic*’s factors 2, 4, and 5 “have limited relevance.” *Id.* at 6. The Director similarly found factor 7 to

“have limited relevance” because the one-year statutory time period may be adjusted for a joined case under 35 U.S.C. § 316(a)(11). *Id.* (citing Dec. 16). Further, the Director disagreed with the panel’s determination on factor 6 in view of potential inefficiencies, with the Director determining that “the Board’s mission ‘to improve patent quality and restore confidence in the presumption of validity that comes with issued patents’ outweighs the impact on Board resources needed to evaluate the merits of a petition.” *Id.* In accordance with the evaluation of the factors, the Director found that “the Patent Owner’s concerns of fairness are outweighed by the benefits to the patent system of improving patent quality by reviewing the merits of the challenges raised in the petitions, which have not been addressed to date.” *Id.*

The Director remanded the case to the panel for further proceedings, with direction to reconsider the institution decision and joinder. Remand Dec. 7. The Director directed that the panel “consider the Patent Owner’s remaining arguments, including those for discretionary denial under *Fintiv* and against the merits of the Petitioner’s patentability challenges.” *Id.*

C. Related Proceedings

The ’319 patent has been the subject of numerous proceedings in district court and the Board. We summarized several related proceedings in the previous decision denying institution in this case. Dec. 3–5. The proceedings of most interest are the 1492 IPR, IPR2020-01266 (“the previously-filed 1266 IPR”), and *Bright Data Ltd. v. Teso LT, UAB*, 2:19-cv-00395-JRG (E.D. Tex.) (“the *Teso* litigation”).

In the 1492 IPR, the case to which Petitioner is seeking joinder, we instituted an *inter partes* review of claims 1, 2, 12, 14, 15, 17–19, and 21–29 of the ’319 patent on the following grounds:

Claim(s)	35 U.S.C. §	References/Basis
1, 19, 21–29 ¹	102 ²	Crowds ³
1, 2, 14, 15, 17–19, 21–29	103	Crowds, RFC 2616 ⁴
1, 12, 14, 21, 22, 24, 25, 27–29	102	Border ⁵
1, 12, 14, 15, 17–19, 21, 22, 24, 25, 27–29 ⁶	103	Border, RFC 2616
1, 17, 19, 21–29	102	MorphMix ⁷
1, 2, 14, 15, 17–19,	103	MorphMix, RFC 2616

¹ The Petition includes assertions for claim 23 under the Crowds anticipation ground. Pet. 36. Accordingly, we include this claim in the summary table, although not included in the Petition’s summary table. *Id.* at 11.

² Because the application from which the ’319 patent issued has an earliest effective filing date before March 16, 2013 (Ex. 1001, (60)), citations to 35 U.S.C. §§ 102 and 103 are to the pre-AIA versions. Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29.

³ Michael Reiter & Aviel Rubin, *Crowds: Anonymity for Web Transactions*, ACM Transactions on Information and System Security, Vol. 1, No. 1 (Nov. 1998) (Ex. 1006, “Crowds”).

⁴ Hypertext Transfer Protocol–HTTP/1.1, Network Working Group, RFC 2616, The Internet Society, 1999 (Ex. 1013, “RFC 2616”).

⁵ U.S. Patent No. 6,795,848 B1 (Sep. 21, 2004) (Ex. 1012, “Border”).

⁶ Although Petitioner’s listing of the asserted grounds does not identify claim 19 for this ground (*see* Pet. 11), Petitioner includes claim 19 in its analysis of obviousness based on Border (*see id.* at 57). Accordingly, we include claim 19 here.

⁷ Marc Rennhard, *MorphMix – A Peer-to-Peer-based System for Anonymous Internet Access* (2004) (Ex. 1008, “MorphMix”).

Claim(s)	35 U.S.C. §	References/Basis
21–29		

NetNut Ltd. v. Bright Data Ltd., IPR2021-01492, Paper 12 at 7–8, 39 (PTAB Mar. 21, 2022).

Patent Owner settled with NetNut in the 1492 IPR, and NetNut has been terminated as Petitioner in that action. 1492 IPR, Paper 20.

In the previously-filed 1266 IPR, Petitioner challenged claims of the '319 patent, and Crowds, Border, and MorphMix were the primary prior art asserted. *Code200, UAB v. Luminati Networks Ltd.*,⁸ IPR2020-01266, Paper 5. The previously-filed 1266 IPR was denied on discretionary grounds. *Id.*, Paper 18 (Dec. 23, 2020).

In the *Teso* litigation, Bright Data Ltd., the Patent Owner here, sued defendants, Teso LT, UAB, Metacluster LT, UAB, Oxysales, UAB, and Coretech LT, UAB, some of the petitioner group here, for infringement of the '319 patent, as well as for infringement of U.S. Patent Nos. 10,484,510 and 10,469,614. Mot. 2. The litigation was filed on December 6, 2019. *Id.* A jury trial was conducted in November 2021, and the issue of whether claims 1 and 26 of the '319 patent were invalid in view of the Crowds reference asserted here was presented by the defendants. *Id.* The jury found that the defendants did not prove that these claims were invalid by clear and convincing evidence. *Id.* (citing Ex. 1023, 5).

⁸ The case caption in the underlying litigation was later changed to identify plaintiff as Bright Data Ltd. Ex. 1020, 1.

Additionally, the parties indicate that the '319 patent is the subject of an *ex parte* reexamination, Control No. 90/014,875, which has been stayed. Mot. 5; Paper 16, 2.

D. The '319 Patent (Ex. 1001)

The '319 patent is titled “System Providing Faster And More Efficient Data Communication.” Ex. 1001, code (54). According to the '319 patent, there is a “need for a new method of data transfer that is fast for the consumer, cheap for the content distributor and does not require infrastructure investment for ISPs.” *Id.* at 1:54–56. The patent states that other “attempts at making the Internet faster for the consumer and cheaper for the broadcaster,” such as proxy servers and peer-to-peer file sharing, have various shortcomings. *Id.* at 1:58–59, 2:24–2:32, 2:59–3:3.

The '319 patent describes a system and method “for faster and more efficient data communication within a communication network,” such as in the network illustrated in Figure 3, reproduced below (Ex. 1001, 4:41–44):

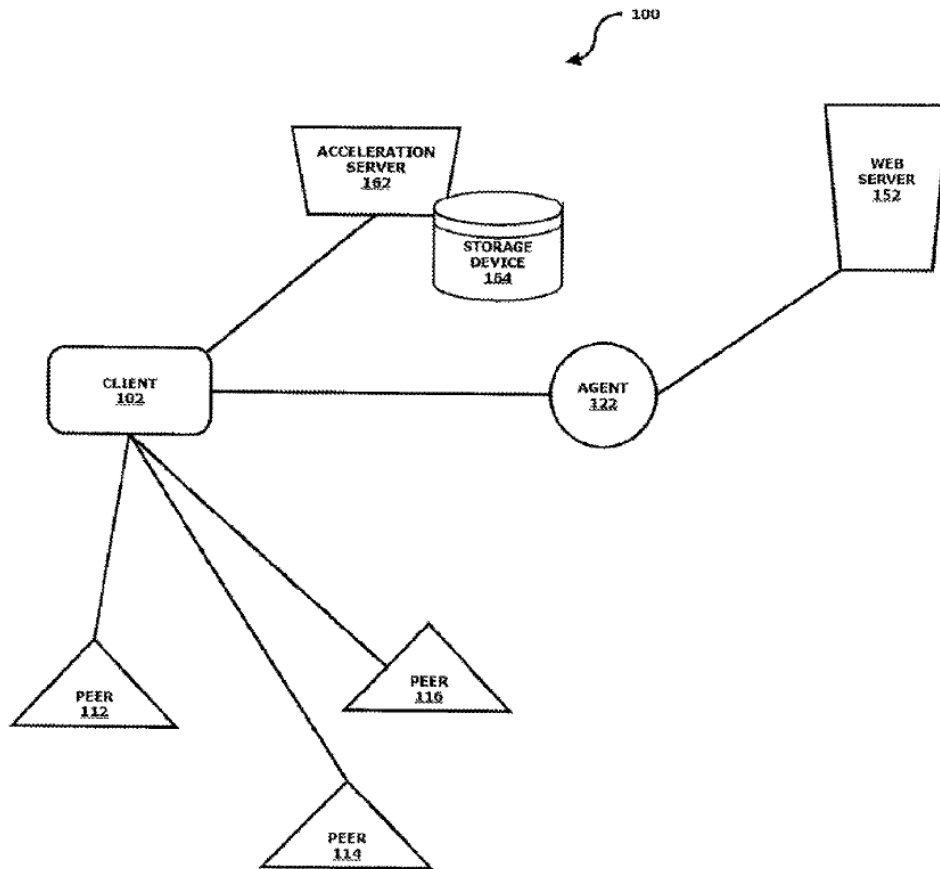


FIG. 3

Figure 3 is a schematic diagram depicting communication network 100 including a number of communication devices. Ex. 1001, 4:43–45. Due to the functionality provided by software stored within each communication device, “each communication device may serve as a client, peer, or agent, depending upon requirements of the network 100.” *Id.* at 4:46–50.

Client 102 is capable of communicating with peers 112, 114, and 116, as well as with one or more agents 122. Ex. 1001, 4:56–58. Web server 152 may be “a typical HTTP server, such as those being used to deliver content on any of the many such servers on the Internet.” *Id.* at 4:63–67.

Acceleration server 162 includes an acceleration server storage device 164

with an acceleration server database, which “stores Internet Protocol (IP) addresses of communication devices within the communication network 100 having acceleration software stored therein.” *Id.* at 5:8–14.

In operation, a client may request a resource on the network, for example, through the use of an Internet browser. Ex. 1001, 12:62–13:3. If server 152 is the target of the request, the client sends the IP address of server 152 to acceleration server 162. *Id.* at 13:8–15. Acceleration server 162 then prepares a list of agents that can handle the request, which includes communication devices “that are currently online, and whose IP address is numerically close to the IP of the destination Web server 152.” *Id.* at 13:19–29. The client then sends the original request to the agents in the list to find out which “is best suited to be the one agent that will assist with this request.” *Id.* at 13:31–36.

Each agent responds to the client with information which “can help the client to download the requested information from peers in the network.” Ex. 1001, 13:53–57. “Specifically, each agent responds with whether the agent has seen a previous request for this resource that has been fulfilled. In such a case, the agent may then provide the client with the list of peers and checksums of the chunks that each of them have.” *Id.* at 13:57–61.

The client selects an agent based on a number of factors, and the selected agent determines whether data stored in its memory or the memory of the peers “still mirrors the information that would have been received from the server itself for this request.” *Id.* at 13:62–14:1, 14:35–38. If the selected agent does not have the necessary information to service a request, it may “load the information directly from the server in order to be able to provide an answer to the requesting client.” *Id.* at 14:62–67.

Claim 1, the only independent claim of the '319 patent, is illustrative of the claimed subject matter and is reproduced below, with references added in brackets.

1. [Preamble] A method for use with a first client device, for use with a first server that comprises a web server that is a Hypertext Transfer Protocol (HTTP) server that responds to HTTP requests, the first server stores a first content identified by a first content identifier, and for use with a second server, the method by the first client device comprising:

[a] receiving, from the second server, the first content identifier;

[b] sending, to the first server over the Internet, a Hypertext Transfer Protocol (HTTP) request that comprises the first content identifier;

[c] receiving, the first content from the first server over the Internet in response to the sending of the first content identifier; and

[d] sending, the first content by the first client device to the second server, in response to the receiving of the first content identifier.

Ex. 1001, 19:16–32.

E. Asserted Grounds

Petitioner asserts the following grounds of unpatentability. Pet. 11.

Claim(s)	35 U.S.C. §	References/Basis
1, 19, 21–29 ⁹	102	Crowds

⁹ Although not noted in the grounds table (Pet. 11), Petitioner asserts an anticipation challenge to claim 23 (*id.* at 11).

Claim(s)	35 U.S.C. §	References/Basis
1, 2, 14, 15, 17–19, 21–29	103	Crowds, RFC 2616 ¹⁰
1, 12, 14, 21, 22, 24, 25, 27–29	102	Border
1, 12, 14, 15, 17–19, 21, 22, 24, 25, 27–29	103	Border, RFC 2616
1, 17, 19, 21–29	102	MorphMix
1, 2, 14, 15, 17–19, 21–29	103	MorphMix, RFC 2616

III. DISCRETIONARY DENIAL

In accordance with the Remand Decision, we consider discretionary denial under *Fintiv*. Remand Dec. 7. Patent Owner contends the Board should deny the Petition under 35 U.S.C. § 314(a) because “the *Fintiv* factors overwhelmingly favor denial of institution.” Prelim. Resp. 16.

The Board’s precedential decision in *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”), identifies a non-exclusive list of factors parties may consider addressing where there is a related, parallel district court action to determine whether such action provides any basis for discretionary denial. *Fintiv*, Paper 11 at 5–16. Those factors include:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;

¹⁰ For the obviousness challenges under Crowds, Border, and MorphMix, Petitioner additionally refers to the basis “in view of the knowledge of a POSA.” Pet. 11. We understand this to refer to a person of ordinary skill in the art’s understanding of the applied references and not to supplying missing limitations or incorporating an unspecified disclosure by reference to supply missing claim limitations.

2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Id. at 5–6.

On June 21, 2022, the Director of the United States Patent and Trademark Office issued an *Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation* (“Memorandum”)¹¹ to clarify “the [Board’s] current application of *Fintiv* to discretionary institutions when there is parallel litigation” and to “confirm[] that the precedential import of *Fintiv* is limited to the facts of that case.”

Memorandum 2. In particular, the Memorandum states that the Board will not deny institution of an IPR or PGR under *Fintiv* (i) when a petition presents compelling evidence of unpatentability; (ii) when a request for denial under *Fintiv* is based on a parallel ITC proceeding; or (iii) where a petitioner stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition.

Id. at 9.

¹¹ Available at: https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf

Patent Owner asserts that the status of the *Teso* litigation, where a jury verdict has been reached, should be considered in the *Fintiv* evaluation.

Prelim. Resp. 16. Patent Owner contends that factors 2–6 of *Fintiv* favor denial and factor 1 is neutral. *Id.* at 16–24. Patent Owner argues that Crowds was the reference before the jury, and MorphMix is cumulative to Crowds. *Id.* at 19. Patent Owner also asserts that Border cannot apply as an invalidity reference because of the District’s Court’s claim construction. *Id.*

Petitioner contends that the *Teso* litigation concerned different claims, different prior art, and a different burden of proof compared to the *inter partes* review sought to be joined. Mot. 6–9. Petitioner asserts that Crowds was the only reference before the jury in that litigation. *Id.* at 7. Petitioner also asserts that the jury in the *Teso* litigation did not have the benefit of the District Court’s Supplemental Claim Construction Order (Ex. 1020), which is available here and which “the Board found persuasive” in the 1492 IPR. *Id.* at 9. Petitioner contends further that the *Teso* litigation has been stayed and, if and when the stay is lifted, the defendants intend to file post-judgment motions. *Id.* at 3.

We consider the Director’s Memorandum, which directs that “the PTAB will not rely on the *Fintiv* factors to discretionarily deny institution in view of parallel district court litigation where a petition presents compelling evidence of unpatentability.” Memorandum 2. The Memorandum explains that “where the PTAB determines that the information presented at the institution stage presents a compelling unpatentability challenge, *that determination alone* demonstrates that the PTAB should not discretionarily deny institution under *Fintiv*.” Memorandum, 4–5 (emphasis added). The Memorandum further explains that “[c]ompelling, meritorious challenges

are those in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.” Memorandum 4.

On the current record, we determine that Petitioner’s invalidity grounds present compelling unpatentability challenges. *See infra* Sections IV, D–H. In particular, in our view at this stage of the proceeding, the Petition presents compelling evidence that three prior art references, including Border, which was not before the jury in the *Teso* litigation, anticipate many of the claims of the ’319 patent. We determine that instituting *inter partes* review under these circumstances “strikes a balance among the competing concerns of avoiding potentially conflicting outcomes, avoiding overburdening patent owners, and strengthening the patent system by eliminating patents that are not robust and reliable.” Memorandum 5.

Accordingly, based upon our consideration of the evidence and arguments presented in the Petition, and pursuant to the directive in the Memorandum concerning compelling, meritorious challenges, we decline to exercise our discretion under § 314(a) to deny institution of *inter partes* review as Patent Owner requests.

IV. ANALYSIS

A. Level of Ordinary Skill in the Art

According to Petitioner, a person of ordinary skill in the pertinent art “would have at least a bachelor’s degree in Computer Science or related field (or equivalent experience), and two or more years’ experience working with and programming networked computer systems as of the Priority Date.” Pet. 17 (citing Ex. 1005 ¶¶ 25–27). Petitioner further states that “[s]uch a person would be familiar with the underlying principles of Web, Internet, or

network communication, data transfer, and content sharing across networks, including the HTTP and TCP/IP protocols.” *Id.*

Patent Owner submits that a person of ordinary skill in the art “had a Master’s Degree or higher in the field of Electrical Engineering, Computer Engineering, or Computer Science or as of that time had a Bachelor’s Degree in the same fields and two or more years of experience in Internet Communications.” Prelim. Resp. 35 (citing Ex. 2054 ¶ 18). Patent Owner states that this definition and Petitioner’s definition of a person of ordinary skill in the art “are not materially different, at least in terms of affecting an institution decision in this IPR.” *Id.* at 36.

For the purposes of this Decision, we adopt Petitioner’s proposed level of qualifications because it is consistent with the ’319 patent and the prior art at issue. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (prior art itself may reflect an appropriate level of skill).

B. Claim Construction

In this *inter partes* review, claims are construed using the same claim construction standard that would be used to construe the claims in a civil action under 35 U.S.C. § 282(b). 37 C.F.R. § 42.100(b) (2022). Under the principles set forth by our reviewing court, the “words of a claim ‘are generally given their ordinary and customary meaning,’” as would be understood by a person of ordinary skill in the art in question at the time of the invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc) (quoting *Vitronics Corp. v. Conceptor, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)). “In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution

history, if in evidence.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005, 1014 (Fed. Cir. 2006) (citing *Phillips*, 415 F.3d at 1312–17).

Petitioner asserts that the district court’s constructions in *Luminati Networks Ltd. v. Teso LT, UAB, et al.*, No. 2:19-cv-395 (E.D. Tex.) (*Teso* Litigation), are appropriate in this case. Pet. 18. In particular, Petitioner points to two claim construction orders in that case—the “*Teso* Order” (Ex. 1017) and the “*Teso* Supplemental Order” (Ex. 1020). *Id.* In the *Teso* litigation, the parties agreed to certain constructions adopted by the district court. Ex. 1017, 9. Accordingly, the district court construed the preamble of claim 1 of the ’319 patent to be limiting, and construed certain other terms to have their “plain and ordinary meaning.” *Id.* In addition, the district court construed certain disputed terms, including “client device” and “second server.” *Id.* at 12–14. The district court construed “client device” as “communication device that is operating in the role of a client.” *Id.* at 12. The district court initially construed “second server” as “server that is not the client device.” *Id.* at 14. Later, the court granted the defendants’ request for clarification as to the scope of this construction, and determined that a “second server” is “a device that is operating in the role of a server and that is not the first client device.” Ex. 1020, 8, 11.

Patent Owner proposes that “the correct construction for ‘second server’ is a ‘server that is not [] a client device.’” Prelim. Resp. 36 (citing Ex. 2054 ¶ 71). Patent Owner argues that the district court was incorrect and a person of ordinary skill would understand that a client device is not a server. *Id.* at 43–64.

Patent Owner also asserts that in the *Teso* litigation the term “client device” was construed as a “communication device operating in the role of a client,” and asserts that a “‘communication device’ in the context of the specification is not simply any device that communicates over the Internet.” *Id.* at 38 (citing Ex. 2054 ¶ 38). Patent Owner argues that “the Court has repeatedly emphasized that a client device is not merely a general-purpose computer.” *Id.* Patent Owner contends that “in the context of the specification, a client device would be understood to be, more specifically, a consumer computer like a smartphone, tablet, laptop, or personal computer.” *Id.* at 40. Patent Owner presents further arguments on this issue, noting disagreements with the district court, and referring to the prosecution history and extrinsic evidence. *Id.* at 40–43.

For the purposes of this decision, we adopt the district court’s construction for the “second server” as clarified in the *Teso* Supplemental Order. Ex. 1020, 11. Thus, we adopt the district court’s original construction, with the clarification that the second server is “a device that is operating in the role of a server and that is not the first client device.” *Id.* at 8. Specifically, we adopt the district court’s clarification that “a component can be *configured* to operate in different roles—so long as it does not simultaneously serve as more than one of: the client device, the first server/second server, and the web server.” Ex. 1020, 10 (internal quotation marks omitted). Additionally, we adopt the district court construction of “client device” as “communication device that is operating in the role of a client.” Ex. 1017, 12.

We only construe terms that are necessary to resolve disputes. *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013,

1017 (Fed. Cir. 2017); *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (“[O]nly those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy.”). At this stage, no other terms require explicit construction. To the extent we need to interpret any other terms, we will do so in the context of the analysis of the prior art that follows.

C. Principles of Law

A claim is unpatentable under 35 U.S.C. § 102 if a prior art reference discloses each and every limitation of the claimed invention, either explicitly or inherently. *Glaxo Inc. v. Novopharm Ltd.*, 52 F.3d 1043, 1047 (Fed. Cir. 1995); *see MEHL/Biophile Int'l Corp. v. Milgraum*, 192 F.3d 1362, 1365 (Fed. Cir. 1999) (“To anticipate, a claim a prior art reference must disclose every limitation of the claimed invention . . .”, any limitation not explicitly taught must be inherently taught and would be so understood by a person experienced in the field); *In re Baxter Travenol Labs.*, 952 F.2d 388, 390 (Fed. Cir. 1991) (the dispositive question is “whether one skilled in the art would reasonably understand or infer” that a reference teaches or discloses all of the limitations of the claimed invention).

A patent claim is unpatentable under 35 U.S.C. § 103 if “the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective date of the claimed invention to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103 (2011); *see also KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including: (1) the scope and content of the prior art; (2) any differences

between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when in evidence, objective indicia of nonobviousness.¹² *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

D. Description of the Principal Prior Art References

1. Crowds (Ex. 1006)

Crowds is an article that “introduce[s] a new approach for increasing the privacy of web transactions.” Ex. 1006, 2.¹³ In this approach, a user joins a “crowd” of other users, wherein the user’s request to a web server is passed to a random member of the crowd, and possibly forwarded to one or more other members, prior to being submitted to the end server. *Id.* In this way, “[w]hen the request is eventually submitted, it is submitted by a random member, thus preventing the end server from identifying its true initiator.” *Id.* In Crowds, “[a] user is represented by a process on her computer called a *jondo* (pronounced ‘John Doe’ and meant to convey the image of a faceless participant).” *Id.* at 8. “When the jondo is started, it contacts a server called the *blender* to request admittance to the crowd.” *Id.* Exemplary paths for web requests from crowd users are shown in Figure 2 (*id.* at 9), reproduced below:

¹² No evidence relating to objective indicia of nonobviousness is presented by the parties.

¹³ Unless otherwise stated, citations to exhibits use the page numbers assigned by the parties and not the original page numbers.

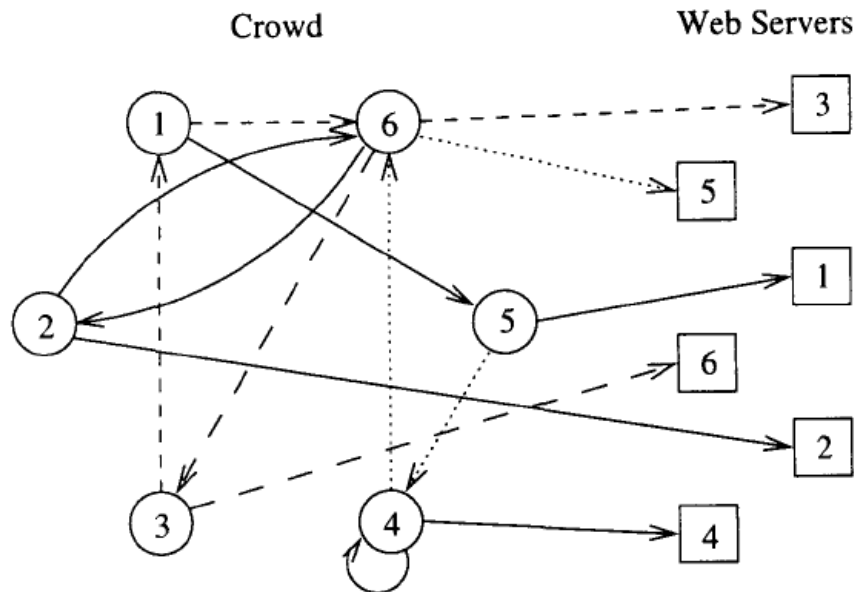


Fig. 2. Paths in a crowd (the initiator and web server of each path are labeled the same).

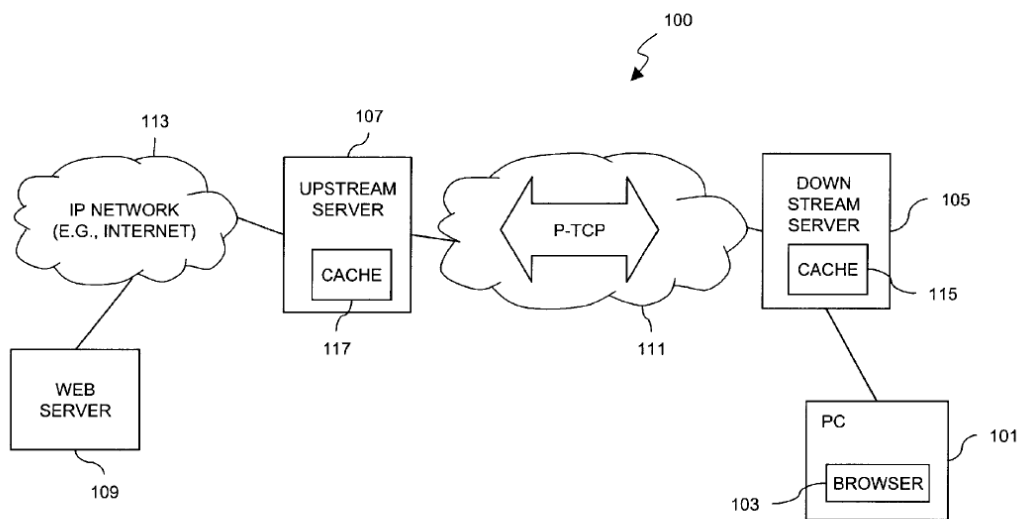
In Figure 2 of Crowds, above, when a jondo receives a user request from a browser, it “initiates the establishment of a random *path* of jondos that carries its users’ transactions to and from their intended web servers.” Ex. 1006, 8. For example, the paths in Figure 2 among the jondos labeled 1 to 6 are as follows: “1 → 5 → server; 2 → 6 → 2 → server; 3 → 1 → 6 → server; 4 → 4 → server; 5 → 4 → 6 → server; and 6 → 3 → server.” *Id.* “[S]erver replies traverse the same path as the requests, only in reverse.” *Id.* at 9.

2. Border (Ex. 1012)

Border is a patent titled “System and Method of Reading Ahead of Objects for Delivery to an HTTP Proxy Server.” Ex. 1012, code (54). Border describes “a system for retrieving web content.” *Id.* at code (57). In Border, “[a] downstream proxy server receives a URL request message from a web browser. *Id.* at 3:35–36. Thereafter, “[a]n upstream proxy server receives the URL request message from the downstream proxy server” and

“selectively forwards the URL request message to a web server and receives the URL content from the web server.” *Id.* at 3:38–42. Then, “[t]he upstream proxy server forwards the URL content to the downstream proxy server.” *Id.* at 3:42–43. An exemplary system employing downstream and upstream proxy servers for accessing a web server is shown in Figure 1, reproduced below:

FIG. 1



As depicted in Border’s Figure 1, user station 101, for example, a personal computer, uses standard web browser 103. Ex. 1012, 3:55–61. User station 101 is connected to downstream proxy server 105, which communicates over network 111 with upstream proxy server 107. *Id.* at 3:61–66. Proxy servers 105 and 107 are HTTP proxy servers with HTTP caches 115 and 117. *Id.* at 4:8–11. Upstream proxy server 107 is connected to web server 109 through IP network 113, for example, the Internet. *Id.* at 4:5–7. In this system, proxy servers 105 and 107 “act as an intermediary between one or more browsers and many web servers (e.g., server 109).” *Id.* at 4:30–31.

3. *MorphMix (Ex. 1008)*

MorphMix is a doctoral thesis that identifies the lack of anonymity on the Internet as a problem that “limits the privacy protection of Internet users.” Ex. 1008, Abstract. Accordingly, MorphMix is focused on “achieving anonymous Internet access for low-latency applications such as web browsing.” *Id.* MorphMix describes “a peer-to-peer-based mix network” where “[e]very node joining the system can itself establish circuits via other nodes to access a server anonymously, but can also be part of circuits established by other nodes and relay data for them at the same time.” *Id.* at 118. An exemplary system is illustrated in Figure 5.1, reproduced below:

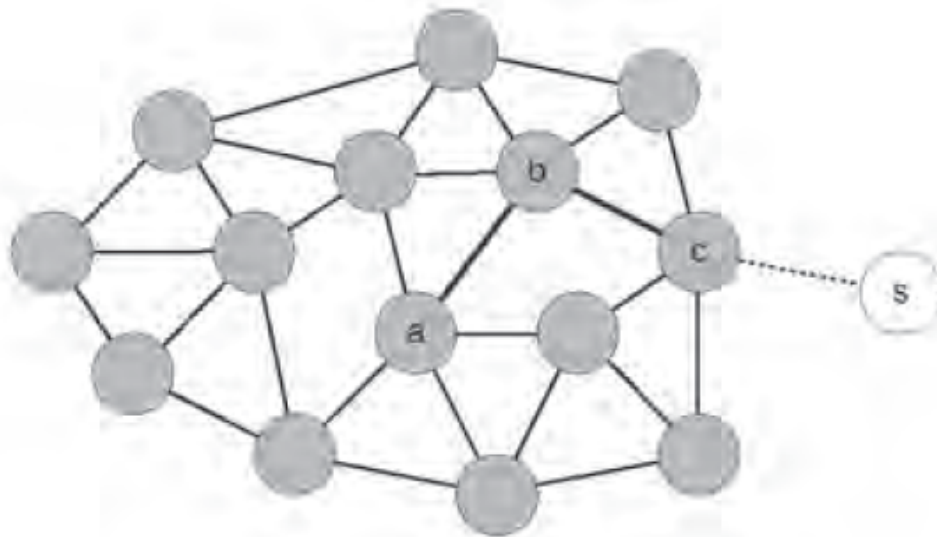


Figure 5.1: *Basic idea of MorphMix.*

As depicted in Figure 5.1 of MorphMix, above, participating nodes have a virtual link to one or more other nodes at any time. Ex. 1008, 119. This “means that (1) there is a TCP [Transfer Control Protocol] connection

between the two nodes and (2) they share a symmetric key that is only known to these two nodes.” *Id.* at 119. In Figure 5.1, node *a* has five neighbors with which it has established virtual links. *Id.* In the example shown, “node *a* has established an anonymous tunnel via *b* and *c*.” *Id.* “Within an anonymous tunnel, anonymous connections can be set up to anonymously communicate with a server.” *Id.* at 120.

4. RFC 2616 (Ex. 1013)

This RFC (Request for Comments) documents version 1.1 of the HTTP protocol, which is “foundational to the World Wide Web.” Pet. 27; Ex. 1005 ¶ 53.

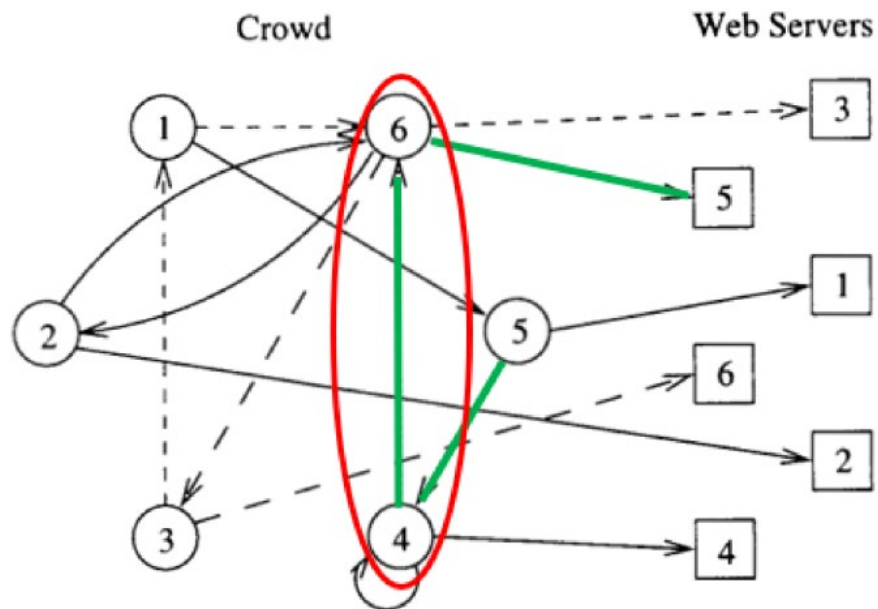
E. Asserted Anticipation Based on Crowds

Petitioner asserts that claims 1, 19, and 21, 22, and 24–29 are anticipated by Crowds. Pet. 25–37. Petitioner provides an element-by-element claim analysis, supported by expert testimony, in relation to Crowds. *Id.*; Ex. 1005 ¶¶ 55–89.

1. Claim 1

i. Preamble

Petitioner contends the preamble of claim 1 is disclosed in Crowds. Pet. 26–28. Petitioner asserts “Crowds discloses a layout in which (*e.g.*, in one instance) jondo 6 serves as the first client device, jondo 4 serves as the second server, and Web Server 5 is the first server.” *Id.* at 26. Petitioner provides an annotated version of Crowds’s Figure 2, below, to illustrate the correspondences between Crowds’s disclosure and certain preamble elements recited in claim 1. *Id.* at 27. This annotated figure is reproduced below:



Id. Annotated Figure 2 of Crowds, above, is a diagram showing multiple paths between jondos and Web servers. Pet. 27. Figure 2 has been annotated by Petitioner to show the elements in Crowds corresponding to the “first client device,” “first server,” and “second server” recited in claim 1. *Id.* at 26–27. Specifically, Petitioner identifies the recited “first client device” with jondo 6. *Id.* at 26. Petitioner identifies the “first server” with Web server 5. *Id.* Petitioner identifies the “second server” with jondo 4. *Id.* Petitioner explains that “[j]ondo 4 may be regarded as a server (and thus the second server) for at least the reason that jondo 4 provides a service to requesting jondo 5.” *Id.* at 27.

Petitioner addresses each step of claim 1 in relation to Crowds as follows:

ii. (a) receiving, from the second server, the first content identifier

Petitioner contends this step is disclosed by the path “5→ 4→ 6→ server” in Figure 2 of Crowds. Pet. 28. Petitioner explains that “Crowds

discloses that jondo 6 (first client device) receives a ‘request’ (first content identifier or ‘FCI’) from jondo 4 (the second server).” *Id.* Petitioner further explains that “[t]he arrows in Fig. 2 of Crowds each represent ‘requests,’ *i.e.*, requests for content residing on a web server, originating from one of the jondos and forwarded over a randomized path of jondos to the web server.” *Id.* (citing Ex. 1006, 8; Ex. 1005 ¶¶ 58–59).

iii. (b) sending, to the first server over the Internet, a Hypertext Transfer Protocol (HTTP) request that comprises the first content identifier

Petitioner contends that this step is disclosed when “[j]ondo 6, having received the FCI per step (a), then sends it in an HTTP request to the web server, according to step (b).” Pet. 31. Petitioner explains that the jondos “operate as HTTP proxies.” *Id.* at 31–33. Petitioner explains further, “[i]n the example ‘5→4→6→server’ path discussed above, the ‘first client device’ (jondo ‘6’) sends the web request via HTTP to the target web server, or ‘first server.’” *Id.* at 32.

iv. (c) receiving, the first content from the first server over the Internet in response to the sending of the first content identifier

Petitioner contends this step is disclosed by Crowds: “Having made the content request of the web server per step (b), jondo 6 now receives the requested content in response, per step (c).” Pet. 33. Petitioner explains further, “the ‘first client device’ (jondo ‘6’ above) sends the FCI to the first

server, or target web server ‘5’. The last jondo in the path then receives the ‘first content,’ such as the user specified web page.” *Id.* at 34.

v. (d) sending, the first content by the first client device to the second server, in response to the receiving of the first content identifier

Petitioner contends this step is met in Crowds when “[a]s discussed regarding step (c) above, the first client device (jondo 6) receives the first content from the web server. In response, it then sends the content on to the requester, jondo 4, per step (d).” Pet. 34.

Patent Owner disputes Petitioner’s arguments based on Crowds. Prelim. Resp. 64–66. Patent Owner argues that Crowds “discloses a traditional peer-to-peer system that uses only client devices.” *Id.* at 64. According to Patent Owner, “[a]ll of jondos 1–6 are identical user computers, which a POSA^[14] would understand to be client devices.” *Id.* at 65. Patent Owner asserts that Petitioner “failed to distinguish jondos 4 and 6 other than the role being performed at a given moment in time. Jondo 4 is a client device and . . . a client device is not a server.” *Id.* Patent Owner contends that jondo 4 cannot “be equated to the ‘second server’ of the claims,” and Crowds does not disclose the second server—first client device—web server architecture of the claimed methods. *Id.* at 66.

We do not agree with Patent Owner’s arguments. The district court’s claim construction for the “server” terms, which we adopted, makes it clear that a server is defined by its function, not its structure. Ex. 1020, 7–11. Thus, the district court clarified that the second server is “a device that is operating in the role of a server and that is not the first client device.” *Id.* at

¹⁴ Person of ordinary skill in the art.

11; *see also* discussion *supra*, Section IV.B. Patent Owner’s arguments are unavailing because they are focused on the alleged need for devices that are not identical or interchangeable, *i.e.*, on differences in structure between the server and the client device. This same argument was dismissed by the district court as “an oversimplification of the issue.” Ex. 1020, 10. As noted *supra*, the district court went on to state that “a component can be *configured* to operate in different roles—so long as it does not simultaneously serve as more than one of: the client device, the first server/second server, and the web server.” *Id.* (internal quotation marks omitted).

Petitioner’s anticipation analysis is persuasive because it is based on the operation of jondos 4 and 6, and whether this operation meets the steps of the claimed method. In contrast, Patent Owner’s opposition is based on a construction rejected by us and the district court.

In summary, we have considered Petitioner’s showing that each step of claim 1 is disclosed by Crowds and Patent Owner’s response. For the reasons given by Petitioner, and those summarized *supra*, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing on its challenge to claim 1 as anticipated by Crowds.

2. *Claims 19, 21–29*

Claims 19 and 21–29 depend, directly or indirectly, from claim 1. Petitioner provides a claim-by-claim analysis for each of these claims in relation to Crowds. Pet. 35–37. Petitioner’s analysis shows that Crowds discloses the additional limitations of these claims. For example, Petitioner demonstrates that Crowds discloses (and states how a user could download from the Internet for installation) a software package that implements a

jondo, whose operation meets the limitations of claims 19, 28, and 29. *See* Ex. 1006, 26; Ex. 1005 ¶¶ 76–77. Patent Owner does not respond separately to Petitioner’s analysis of these dependent claims. At this stage, we are persuaded by Petitioner’s analysis that Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claims 19 and 21–29 as anticipated by Crowds.

F. Obviousness Based on Crowds and RFC 2616

Petitioner contends that the claims anticipated by Crowds (claims 1, 19, and 21–29), as well as claims 2, 14, 15, 17, and 18, would have been obvious in light of Crowds and RFC 2616. Pet. 37–42.

Petitioner refers to RFC 2616 and contends that “[s]ince Crowds was directed at improving the same types of communications, a [person of ordinary skill in the art] developing software for like applications would have had a powerful motivation to combine its disclosure with knowledge of Internet standards governing HTTP.” Pet. 38.

Regarding Patent Owner’s proposed claim construction, Petitioner contends that “[e]ven if the Board were to construe ‘second server’ as requiring a specialized data-center class device, such an adaptation would have been obvious.” Pet. 39 (citing Ex. 1006, 15–20). Petitioner contends “[a person of ordinary skill] would have been aware, in 2009, of equipment commonly used as ‘servers,’ including workstation computers and computers running UNIX and Microsoft operating systems as disclosed by Crowds.” *Id.* (citing Ex. 1006, 17). For support, Petitioner relies on testimony from Mr. Teruya. Ex. 1005 ¶¶ 98–99.

Patent Owner does not respond separately to Petitioner’s analysis of this claim. At this stage, we are persuaded by Petitioner’s analysis that

Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claim 1.

Similarly, Petitioner presents analyses of claims 2, 14, 15, 17–19, and 21–29 in light of Crowds and RFC 2616. Pet. 40–42. Petitioner relies on RFC 2616 for disclosures such as the validity check in claims 14 and 15. *See id.* at 40–41.

Patent Owner does not respond separately to Petitioner’s analysis of these claims. At this stage, we are persuaded by Petitioner’s analysis that Petitioner has demonstrated reasonable likelihood of prevailing on this challenge to claims 2, 14, 15, 17–19, and 21–29.

G.. Anticipation Based on Border

Petitioner asserts that claims 1, 12, 14, 21, 22, 24, 25, and 27–29 are anticipated by Border. Pet. 42–54. Petitioner provides an element-by-element claim analysis, supported by expert testimony. *Id.* at 42–54; Ex. 1005 ¶¶ 107–123.

1. Claim 1

Petitioner contends that Border anticipates claim 1. Pet. 45–50. Petitioner asserts that the preamble is disclosed by Border. *Id.* at 45. For example, Petitioner identifies the first client device recited in the preamble as upstream server 107 in Border. *Id.* Petitioner identifies the recited second server as downstream server 105. *Id.* Petitioner identifies the recited first server as web server 109. *Id.* Petitioner identifies the recited first content identifier as the requested URL. *Id.* And Petitioner identifies the recited first content as the requested web page at the requested URL. *Id.* (citing Ex. 1005 ¶¶ 107–108).

Petitioner’s analysis also shows that each step of claim 1 is disclosed in Border. Pet. 45–50. For example, Petitioner asserts that the “receiving” step (step a) is met when “[w]eb content is retrieved from a web server that stores the web content by forwarding a ‘URL request message to a web server and receiv[ing] the URL content from the web server.’” *Id.* at 45–46 (citing Ex. 1012, 2:52–54). The “sending” step (step b) is met when “[u]pstream server 107 (the first client device) issues a GET request to web server 109 for the content at a specified URL.” *Id.* at 48 (citing Ex. 1012, Fig. 2, 5:33–36) (footnote omitted). For step (c), Petitioner relies on Border’s disclosure of upstream server 107 “issu[ing] the GET URL HTML request the web server 109 for the HTML page . . . the web server 109 transmits the requested HTML page to the upstream server.” *Id.* at 49 (citing Ex. 1012, Fig. 2, 5:34–37). For step (d), Petitioner refers to Border’s disclosure that after receiving the web page at the requested URL from web server 109, upstream server 107 “forwards the HTML page to the downstream server 105.” *Id.* at 50 (citing Ex. 1012, Fig. 2, 5:38–40).

Patent Owner’s response to this challenge is similar to the challenges based on Crowds. *See* Prelim. Resp. 66–68. Patent Owner contends Border does not disclose a “first client device” because “upstream server 107 cannot be equated to the ‘first client device’ of the claimed methods” because “a server is not a client device.” *Id.* at 68. Patent Owner further argues that “the Court maintained that a ‘client device’ is a communication device and that a server is not a communication device regardless of the role being performed at a given moment in time.” *Id.*

We do not agree with Patent Owner’s assertions because, as discussed *supra* Section IV.B, we adopted the district court’s construction of “client

device” as “communication device that is operating in the role of a client,” with the clarification that “a component can be *configured* to operate in different roles,” and Border’s components operate in the claimed roles. Ex. 1017, 12; Ex. 1020, 10.

For the reasons given by Petitioner, including those summarized *supra*, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing on its challenge to claim 1 as anticipated by Border.

2. Claims 12, 14, 21, 22, 24, 25, and 27–29

Claims 12, 14, 21, 22, 24, 25, and 27–29 depend, directly or indirectly, from claim 1. Petitioner provides an analysis for each of these claims in relation to Border. Pet 51–54; Ex. 1005 ¶¶ 124–134. Petitioner’s analysis shows that Border discloses the additional limitations of these claims. For example, Petitioner demonstrates that Border discloses storing the received content in claim 12: “In response to receiving the web page at the requested URL from web server 109, upstream server 107 stores the first content in HTTP cache 117.” *Id.* at 51 (citing Ex. 1012, 5:36–38).

Patent Owner does not respond separately to Petitioner’s analysis of these dependent claims. At this stage, for the reasons given we are persuaded by Petitioner’s analysis that Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claims 12, 14, 21, 22, 24, 25, and 27–29.

H. Obviousness Based on Border and RFC 2616

Petitioner contends that the claims anticipated by Border alone (claims 1, 12, 14, 19, 21, 22, 24, 25, and 27–29), as well as claims 15 and 17–19, would have been obvious in light of Border and RFC 2616. Pet. 54–58.

Petitioner contends claim 1 would have been obvious in light of Border and RFC 2616: “Since Border is also directed at improving those communications . . . within the same standards-defined environment, a [person of ordinary skill in the art] developing software for like applications would have had a powerful motivation, for the same reasons, to combine its disclosure with other knowledge of Internet standards and/or RFC 2616 governing HTTP.” Pet. 55 (citing Ex. 1005 ¶¶ 135–137).

Addressing claim 1, Petitioner contends “[t]here is no question that down-stream server 105 (the ‘second server’) is disclosed as a ‘server’ and that the GET request disclosed in Border transmits a content identifier (URL).” Pet. 55. Petitioner explains further that “[a]s for the ‘first client device’—Border expressly discloses that its proxy servers can be implemented on personal computers.” *Id.* Furthermore, Petitioner contends “[t]o the extent that is deemed insufficient disclosure of a consumer computer (should that even be required), it would have been obvious to a [person of ordinary skill in the art], based on general Internet knowledge, that any computing device capable of operating a ‘proxy’ as defined in RFC 2616, could serve as a first client device, and that this would include most consumer computers with a network interface.” *Id.* at 55–56 (citing Ex. 1005 ¶¶ 140–142).

Addressing dependent claims 12, 14, 15, 17–19, 21, 22, 24, 25, and 27–29, Petitioner demonstrates that Border and RFC 2616 disclose the additional limitations of those claims. Pet. 56–58; Ex. 1005 ¶¶ 143–151.

Patent Owner does not specifically address this obviousness ground besides the arguments raised for the anticipation challenge. Prelim. Resp. 66–68. At this stage, for the reasons given, we are persuaded by Petitioner’s

analysis that Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claims 1, 12, 14, 15, 17–19, 21, 22, 24, 25, and 27–29.

I. Anticipation Based on MorphMix

Petitioner asserts that claims 1, 17, 19, and 21–29 are anticipated by MorphMix. Pet. 58–71. Petitioner provides an element-by-element claim analysis, supported by expert testimony. *Id.*; Ex. 1005 ¶¶ 152–193.

1. Claim 1

Petitioner contends claim 1 is disclosed by MorphMix. Pet. 58–67. For example, Petitioner identifies the claimed first client device as last node (c) in MorphMix. *Id.* at 61. Petitioner identifies the claimed second server as intermediate node (b). *Id.* Petitioner identifies the claim’s first server as server (s). *Id.* Petitioner identifies the claimed first content identifier as “the ‘application data’ or the requested URL it contains.” *Id.* Petitioner identifies the first content as the “requested web page at the requested URL.” *Id.* (citing Ex. 1005 ¶¶ 159–160).

Petitioner’s analysis continues by showing that each step of claim 1 is disclosed in MorphMix. Pet. 62–67. For example, the “receiving” step (step a) is met because “Figure 5.4 of MorphMix shows that in the course of servicing a request from node a, ‘application data’ (for the request) is passed from node b (second sever) to node c (first client device), which then connects with the web server.” *Id.* at 62. Further, the “sending” step (step b) is met because “[n]ode c (first client device) sends a HTTP request comprising the FCI (AD and/or the URL within the AD) to the first server(s).” *Id.* at 65. Petitioner provides analyses for the additional steps

(steps c and d) of claim 1. *Id.* at 66–67. Mr. Teruya provides supporting testimony. Ex. 1005 ¶¶ 152–180.

Patent Owner presents arguments that are similar to those presented for Crowds. Prelim. Resp. 68–70. Patent Owner alleges that MorphMix is a peer-to-peer network, where “nodes (a), (b), and (c) of MorphMix are identical user computers,” which a person of ordinary skill in the art “would understand to be client devices.” *Id.* at 68–69. Patent Owner argues that although Petitioner argued that “node (c) corresponds to the ‘first client device’ and node (b) corresponds to the ‘second server,’” Petitioner “failed to distinguish nodes (c) and (b) other than the role being performed at a given moment in time.” *Id.* at 69. We do not agree with Patent Owner’s arguments for the reasons discussed above for Crowds.

For the reasons presented by Petitioner, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing on its challenge to claim 1 as anticipated by MorphMix.

2. Claims 17, 19, and 21–29

Petitioner provides an analysis for claims 17, 19, and 21–29 in relation to MorphMix. Pet. 67–71; Ex. 1005 ¶¶ 181–193. Petitioner’s analysis shows that MorphMix discloses the additional limitations of these claims. For example, Petitioner demonstrates that MorphMix discloses the periodically communication step in claim 17: “The ‘second server’ and ‘first client device’ of MorphMix are nodes, and each communicates via the MorphMix protocol for establishing and maintaining virtual tunnels. Each sends HTTP protocol messages through this tunnel to handle web requests.” *Id.* at 67–68 (citation omitted).

Patent Owner does not separately argue Petitioner’s analysis of these dependent claims. At this stage, for the reasons given, we are persuaded by Petitioner’s analysis that Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claims 17, 19, and 21–29.

J. Obviousness Based on MorphMix and RFC 2616

Petitioner contends that the claims anticipated by MorphMix alone (claims 1, 17, 19, and 21–29), as well as claims 2, 14, 15, and 18, would have been obvious in light of MorphMix and RFC 2616. Pet. 71–76.

Petitioner contends that claim 1 would have been obvious in light of MorphMix and RFC 2616. Pet. 71–73. Petitioner explains, because MorphMix is also directed at improving communications (in this case, providing anonymity) using standard protocols such as TCP/IP, “within the same-standards defined environment, a [person of ordinary skill in the art] developing software for like applications would have had a powerful motivation, for the same reasons, to combine its disclosure with other knowledge of Internet standards and/or RFC 2616 governing HTTP.” *Id.* at 71–72 (citing Ex. 1005 ¶¶ 194–195).

Addressing claim 1, Petitioner contends that “Patent Owner sought to construe ‘client device’ as a ‘consumer computer.’” Pet. 72. Petitioner continues, “[t]here is no § 102 issue with MorphMix on that score, as MorphMix (expressly called a ‘peer-to-peer’ based system) clearly contemplates the use of consumer-class computers.” *Id.* Petitioner further explains that “[a]s for the ‘second server,’ . . . node b acts in the role of a server to node a.” *Id.* Additionally, addressing the claimed “first content identifier,” Petitioner points out that MorphMix discloses a “continuous series of user activity via URL requests.” *Id.* at 72–73 (citing Ex. 1008 at

74). Furthermore, “the [person of ordinary skill in the art] would know from RFC 2616 § 5.1.2 that a URL includes a content identifier.” *Id.* at 73. We find that this evidence and argument is sufficient for demonstrating obviousness at this juncture.

Addressing dependent claims 2, 14, 15, 18, 19, and 21–29, Petitioner demonstrates that MorphMix and RFC 2616 disclose the additional limitations added by those claims. Pet. 73–76; Ex. 1005 ¶¶ 200–211.

Patent Owner does not separately address this obviousness ground. Prelim. Resp. 68–70. At this stage, for the reasons given, we are persuaded by Petitioner’s analysis that Petitioner has demonstrated a reasonable likelihood of prevailing on this challenge to claims 1, 2, 14, 15, 17–19, and 21–29.¹⁵

V. MOTION FOR JOINDER

Under 35 U.S.C. § 315(c), the Board, acting on behalf of the Director, has the discretion to join an *inter partes* review with another *inter partes* review:

If the Director institutes an *inter partes* review, the Director, in his or her discretion, may join as a party to that *inter partes* review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a

¹⁵ Petitioner does not directly address claim 17 in this analysis of obviousness, but does address claim 18, from which claim 17 depends. *See* Pet. 75. Previously, we determined that claim 17 is reasonably likely to be anticipated by MorphMix. *See* Section IV.G *supra*. Based on the anticipation showing, and because claim 17 depends from claim 18 which Petitioner has demonstrated is reasonably likely to be determined obvious, we conclude that Petitioner has sufficiently demonstrated that claim 17 is also reasonably likely to be obvious also over MorphMix and RFC 2616.

response, determines warrants the institution of an inter partes review under section 314.

The Petition in this case was accorded a filing date of April 18, 2022, and therefore satisfies the joinder requirement of being filed within one month of institution of trial date of March 21, 2022, in the 1492 IPR. *See* 37 C.F.R. § 42.122(b).

There is a one-year bar from the date of service of a complaint alleging infringement for requesting *inter partes* review, but the bar does not apply to a request for joinder under Section 315(c). Section 315(b) reads (emphasis added):

PATENT OWNER'S ACTION. - An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. *The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).*

Further, in the case of joinder, the Board has the discretion to adjust the time period for issuing a final determination in an *inter partes* review. 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c).

The decision to grant joinder is discretionary. 35 U.S.C. § 315(c). Factors considered in joinder are: (1) the reasons why joinder is appropriate; (2) whether the petition raises any new grounds of unpatentability; (3) any impact joinder would have on the cost and trial schedule for the existing review; and (4) whether joinder will add to the complexity of briefing or discovery. *Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper 15 at 4 (PTAB Apr. 24, 2013); Consolidated Trial Practice Guide, 76.

Petitioner asserts that the grounds proposed in the Petition are the same as those proposed in the 1492 IPR. Mot. 4. Petitioner argues that the

joinder is appropriate because the motion is “routine,” and the Board “often grants motions for joinder in view of pending litigations involving the same patent and the same parties.” *Id.* at 9–10; Reply 1. Petitioner contends that its previously-filed 1266 IPR was not considered on the merits. Mot. 10–11. Petitioner argues that “[i]f the Board grants joinder, it would represent Petitioners’ first opportunity before the Board to obtain a merits-based decision regarding the validity of the ’319 patent.” Reply 2. Petitioner contends that “[a]llowing Petitioner[s] the opportunity to pursue a decision on the merits from the Board at this time” is in the interests of justice, particularly “the desires to improve patent quality and patent-system efficiency.” *Id.* at 1 (quoting *Intel Corp. v. VLSI Tech. LLC*, IPR2022-00366, Paper 14 at 9 (PTAB June 8, 2022)).

Patent Owner opposes the Motion for Joinder. Patent Owner argues that the burden is on Petitioner to justify joinder and that burden has not been met. Opp. 1. Patent Owner contends that, absent joinder, the Petition would be time-barred under 35 U.S.C. § 315(b). *Id.* at 11. Patent Owner argues that it should be able to rely on the jury verdict against Petitioner in the *Teso* litigation, and that “Petitioner’s actions undermine the integrity of the judicial process.” *Id.*

Additionally, Patent Owner contends that Patent Owner has settled its disputes with NetNut, and Petitioner should not be allowed to continue a proceeding that would otherwise be terminated. Opp. 2 (citing *Apple Inc. v. Uniloc 2017 LLC*, IPR2020-00854, Paper 9, 12 (PTAB Oct. 28, 2020) (precedential) (“*Uniloc*”)).

Petitioner is correct that its previously-filed 1266 IPR was not considered on the merits, and we note that this previous IPR challenged claims of the '319 patent based on the same primary prior art—Crowds, Border, and MorphMix—as that asserted in the instant action. *See Code200, UAB v. Luminati Networks Ltd.*, IPR2020-01266, Paper 5, 5–6. We agree with Petitioner that *Uniloc* is distinguishable from this case here because *Uniloc* addressed a situation after a denial of an earlier petition on the merits. Reply 2; *Uniloc*, 6.

As discussed above, we determine that the merits of this action present a compelling unpatentability challenge. Absent joinder, a one-year bar would apply to Petitioner, and, again, the merits presented in this challenge would not be reached by the Board in a final written decision. Under these specific circumstances, we determine joinder is appropriate in the interests of justice.

Because NetNut has been dismissed from the 1492 IPR, there are no longer issues of cooperation and duplication that would have to be addressed between petitioners. Additionally, pursuant to 35 U.S.C. § 316(11), maintaining the previously-set trial schedule in the 1492 IPR is not necessary when joinder is granted. *See also* 37 C.F.R. § 42.100(c). Thus, the schedule will be adjusted in accordance with a Revised Scheduling Order, entered concurrently with this Decision.

VI. ORDER

Accordingly, it is:

ORDERED that pursuant to 35 U.S.C. § 314(a), an *inter partes* review is hereby instituted as to claims 1, 2, 12, 14, 15, 17–19, and 21–29 of the '319 patent on the grounds set forth in the Petition;

FURTHER ORDERED that the Motion for Joinder is *granted*;

FURTHER ORDERED that IPR2022–00861 is joined to IPR2021-01492, pursuant to 37 C.F.R. §§ 42.72, 42.122, with IPR2022-00861 terminated;

FURTHER ORDERED that the Revised Scheduling Order entered concurrently shall govern the joined proceedings;

FURTHER ORDERED that all future filings in the joined proceeding are to be made only in IPR2021-01492;

FURTHER ORDERED that Petitioner shall be the named petitioner in the case caption in IPR2021-01492 for all further submissions in that case; and

FURTHER ORDERED that a copy of this Decision and the Revised Scheduling Order shall be entered into the record of IPR2021-01492.

IPR2022-00861
Patent 10,257,319 B2

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