

Filed on behalf of: Versata Development Group, Inc.

Paper \_\_\_\_\_

By: Nancy J. Linck, Lead Counsel  
Martin M. Zoltick, Backup Counsel  
Rothwell, Figg, Ernst & Manbeck, P.C.  
607 14<sup>th</sup> St., N.W., Suite 800  
Washington, DC 20005  
Phone: 202-783-6040  
Facsimile: 202-783-6031  
E-mail: [nlinck@rfem.com](mailto:nlinck@rfem.com)  
[mzoltick@rfem.com](mailto:mzoltick@rfem.com)

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

SAP AMERICA, INC. ET AL.  
Petitioner

v.

VERSATA DEVELOPMENT GROUP, INC.  
Patent Owner

---

Case CBM2012-00001 (MPT)  
Patent 6,553,350

---

**VERSATA'S OPPOSITION TO PETITIONER'S REQUEST**

1 Patent Owner Versata Development Group, Inc. (“Versata”) opposes  
2 Petitioner’s Request for Expedited Determination of Invalidity under 35 U.S.C. §  
3 101 (“Request”).

4 **I. Petitioner Has Not Justified Further Expediting the Schedule Beyond**  
5 **That Provided in the Scheduling Order**

6  
7 The PTAB requested petitioner to “set forth the specific reasons we need to  
8 expedite this case on 101.” Tr. at 28. Petitioner has provided no adequate  
9 explanation as to why expedited treatment beyond that provided in the PTAB’s  
10 Scheduling Order is warranted.

11 In essence, to support its Request, Petitioner merely relies on the rationale  
12 for establishing post-grant review under the AIA. That rationale was not intended  
13 to disrupt the speedy, fair, and orderly procedures established under the AIA rules.

14 Further, Petitioner has not demonstrated that the granting of its request  
15 would likely lead to any meaningful saving of resources.<sup>1</sup> In fact, SAP suggests  
16 that if it were to lose the expedited determination on § 101 on appeal, then the case  
17 would return to the PTAB and discovery, briefing and determination of the § 102  
18 issue would take place. Notably, such a procedure would require second  
19 depositions of the *same* witnesses, further discovery through the *same* channels,  
20 and unnecessarily prolong this review proceeding.

---

<sup>1</sup> Given that Petitioner had every opportunity to litigate the § 101 issue years ago before the district court, but made the decision not to, it is incongruous for Petitioner to now assert that its primary concern is efficiency.

1 **II. Expediting the Current Schedule Will Severely Prejudice Versata By**  
2 **Denying It Relevant Discovery and Adequate Briefing Time**

3  
4 SAP's position that, because "[p]atentability under 35 U.S.C. § 101 is a legal  
5 issue[,] the Board may properly decide [that issue] now," is wrong. While the  
6 ultimate determination of whether a claim is directed to statutory subject matter is  
7 a question of law, "determination of this question may require findings of  
8 underlying facts specific to the particular subject matter and its mode of claiming  
9 ...." *Arrhythmia Research Tech., Inc. v. Corazonix Corp.*, 958 F.2d 1053, 1055-56  
10 (Fed. Cir. 1992); *see also* Br. for United States as Amicus Curiae, *CLS Bank*  
11 *International v. Alice Corp. Pty. Ltd.*, Appeal No. 2011-1301 (*reh'g en banc*) at 18  
12 (Fed. Cir.) ("[T]he abstract idea question may turn on whether persons skilled in  
13 the art would necessarily employ the claimed steps in order to make use of a  
14 particular abstract idea. In addition, claim construction can have underlying  
15 factual elements."). Here, facts material to determination of the claim  
16 interpretation and § 101 issues are in dispute.

17 In addition to the voluminous record that Versata is dealing with in this  
18 CBM review, there are hundreds, if not thousands, of pages of documents, expert  
19 reports and testimony from the record in the '350 patent infringement case that are  
20 directly related to SAP's factual assertions in this case regarding claim  
21 interpretation and the § 101 issue. SAP's proposed schedule will frustrate

1 meaningful discovery on these issues and, effectively, exclude from this trial  
2 relevant evidence.

3 SAP attempts to justify denying Versata certain discovery on the § 101 issue  
4 by telling the Board, “[n]o expert witnesses testified *at trial* on section 101 in the  
5 underlying litigation.” Request at 4 n.1 (emphasis added). But, there was no such  
6 testimony “*at trial*” only because SAP dropped its challenge under § 101 after  
7 extensive, costly discovery was taken on the issue. For example, prior to SAP  
8 abandoning its § 101 defense, (1) SAP’s expert Dr. Boyd issued an expert report in  
9 which he set forth his opinion regarding unpatentability under § 101 (and § 102);  
10 and (2) SAP’s other expert Dr. Tygar provided an extensive analysis explaining the  
11 meaning of technical “terms of art” and his opinion as to how one of ordinary skill  
12 in the art would have applied the relevant technology to the disputed claim  
13 language. The testimony of these experts is directly related to the factual  
14 assertions by SAP in this case regarding claim interpretation and § 101 issues.

15 Conducting discovery of SAP, Dr. Boyd and Dr. Tygar, preparing for and  
16 cross-examining Dr. Siegel, evaluating the evidence obtained, and preparing an 80  
17 page response in a period of about 3 weeks is unfair and would result in severe  
18 prejudice to Versata, particularly given Versata’s reliance on the PTAB’s  
19 Scheduling Order, which should be maintained.

20

1 **III. Bifurcating the § 101 and § 102 Issues is Unwarranted**

2 SAP, as the party requesting such bifurcation, has the burden to establish  
3 that bifurcation is warranted. Such bifurcation does not make sense in this case for  
4 several reasons.

5 First, the evidence on the § 101 and § 102 issues is not wholly distinct. *See*  
6 *Mayo Collaborative Servs. v. Prometheus Labs*, 132 S. Ct. 1289, 1304 (2012)  
7 (recognizing that the § 101 and § 102 issues may “overlap”). Petitioner implicitly  
8 admits as much by arguing that the claims at issue are unpatentable under § 101  
9 because the claimed features are “routine [and] conventional.” Request at 3. Thus,  
10 if Versata establishes that its claims are to new and nonobvious software  
11 implemented on a computer (as it believes it can do), that determination would  
12 impact the § 101 issue.

13 Second, under SAP’s scenario on page 5, bifurcation may prolong this  
14 proceeding significantly and increase costs rather than serve the purposes of the  
15 AIA. See Request at 5. If the Federal Circuit reversed a determination that the  
16 claims were not patent eligible under § 101 and the case were to return to the  
17 PTAB, the increase in time to final decision would increase by years (considering  
18 two appeals). SAP’s assertion that the PTAB would still satisfy its statutory  
19 obligation under 35 U.S.C. § 326(11), *id.* at 5 n. 2, ignores the underlying purpose

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.