

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MICROSOFT CORPORATION,  
Petitioner,

v.

Patent of PROXYCONN, INC.,  
Patent Owner.

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Case No. IPR2012-00026

Case No. IPR2013-00109

Patent 6,757,717 B1

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Held: November 18, 2013

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Before SALLY G. MEDLEY, THOMAS L. GIANNETTI, and MITCHELL  
G. WEATHERLY, *Administrative Patent Judges*.

1 ON BEHALF OF THE PETITIONER:

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JOHN D. VANDENBERG, ESQUIRE

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Klarquist Sparkman, LLP

5

One World Trade Center

6

121 Southwest Salmon Street, Suite 1600

7

Portland, Oregon 97204-2988

8

9 ON BEHALF OF THE PATENT OWNER:

10

1 GREG W. MEYER, ESQUIRE  
2 BRYAN K. WHEELOCK, ESQUIRE  
3 Harness, Dickey & Pierce, P.L.C.  
4 7700 Bonhomme, Suite 400  
5 St. Louis, Missouri 63105  
6  
7

8 The above-entitled matter came on for hearing on Monday, November  
9 18, 2013, commencing at 10:00 a.m., at the U.S. Patent and Trademark  
10 Office, 600 Dulany Street, Alexandria, Virginia.  
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14 P R O C E E D I N G S

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16 JUDGE GIANNETTI: Okay, good morning,  
17 everyone. We're here for our final hearing in these cases,  
18 and, Counsel, may I have your appearances, first for the  
19 petitioner?

20 MR. VANDENBERG: Yes, good morning, Your  
21 Honor, John Vandenberg of Klarquist Sparkman for  
22 petitioner Microsoft Corporation, and with me is in-house  
23 counsel, Stacey Kwan, from Microsoft Corporation.

24 JUDGE GIANNETTI: Good morning and  
25 welcome. Patent owner?

26 MR. CUTLER: Good morning, Your Honor,  
27 Matthew Cutler for patent owner ProxyConn, Inc., and  
28 with me is my colleague, Bryan Wheelock from Harness  
29 Dickey, and Greg W. Meyer from Harness Dickey as well.

1           JUDGE GIANNETTI: Good morning. And we  
2 put out an order about the order of proceeding today. The  
3 petitioner will start first. You each have an hour. The  
4 petitioner will start first, followed by patent holder. You  
5 can each reserve time for rebuttal. The rebuttal of the  
6 patent owner will be limited to the motion to amend, but  
7 you are expected to address in your initial time.

8           Anything further, any questions before we  
9 proceed?

10           MR. VANDENBERG: No, Your Honor, if I may,  
11 I would like to hand up, I have color printouts of our  
12 demonstrative Exhibit 1028, which is basically the slide  
13 deck that I hope to go through today, if I could hand up  
14 three copies.

15           JUDGE GIANNETTI: That's fine, we've already  
16 seen it, we have looked at it from your submission, but if  
17 you want to hand up copies, that's fine.

18           MR. VANDENBERG: I don't plan on projecting  
19 on the screen, so I wanted you to have the paper copy.  
20 Three copies.

21           JUDGE GIANNETTI: Thank you,  
22 Mr. Vandenberg.

1 MR. VANDENBERG: And counsel for patent  
2 owner has copies of the same. I would like to reserve 30  
3 minutes.

4 JUDGE GIANNETTI: So, you're starting at  
5 10:05. So, that will bring you to 10:35, Mr. Vandenberg,  
6 and you may proceed when you're ready.

7 MR. VANDENBERG: Thank you. May it please  
8 the Board, I plan on going through verbally the points that  
9 we have outlined in our slide deck, but, of course, I'm  
10 happy to address any questions the Board has on any of the  
11 grounds that we have asserted, any of the claims, any of  
12 the prior art assertions.

13 Turning to our slide deck, which is Exhibit 1028,  
14 and slide number 2, just an overview, the prior art that we  
15 are asserting here really does address the same problem  
16 and provides the same solution. So, what was the  
17 problem?

18 So, the problem is, if you have some sort of data  
19 object, could be a file, could be something else, and you  
20 have a local copy of that stored, perhaps cached, so you  
21 have a local copy cached of the data object, but this data  
22 object is dynamic. It's an object that could change in some  
23 remote location.

1           Take, for instance, my slide deck. I'm from  
2 Oregon; my slide deck master version of the slide deck is  
3 back in our offices in Portland. Let's say I'm working on  
4 it in the hotel here in D.C., and let's say changes are being  
5 made to it. I have a local copy of it on my laptop, and the  
6 question is, you know, has it changed? How do I know  
7 that the copy I have on my laptop in the hotel is up to  
8 date?

9           And, of course, one could just download it again  
10 every time you want to use it, but that could risk  
11 redundant transmissions of the exact same data. So, that  
12 was the problem. Locally cached copy of dynamic data,  
13 you want to know how do I know it's up to date, without  
14 having unnecessary redundant transmissions.

15           The solution, as set forth in slide 2, was the  
16 same in Perlman, in Yohe, in DRP, and in Santos, and then  
17 in the '717, and I've listed those in chronological order.  
18 And the solution was for the sender, say my office back in  
19 Portland, to, instead of sending the entire data object, the  
20 entire slide deck, it sends a digest.

21           For instance, an MD5 hash. It sends that to me  
22 in my hotel. My laptop, my receiver, in D.C., the local  
23 receiver, then compares that digest of the slide deck to the  
24 digest of the slide deck that I have on my local copy. If

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