

1 RUSS AUGUST & KABAT
2 Marc A. Fenster, SBN 181067
3 Email: mfenster@raklaw.com
4 Andrew D. Weiss, SBN 232974
5 Email: aweiss@raklaw.com
6 12424 Wilshire Boulevard, 12th Floor
7 Los Angeles, California 90025
8 Telephone: (310) 826-7474
9 Facsimile: (310) 826-6991
10 Attorneys for Plaintiff
11 *Proxyconn, Inc.*

12 MITCHELL SILBERBERG & KNUPP LLP
13 Karin G. Pagnanelli, SBN 174763
14 Email: kgp@msk.com
15 11377 West Olympic Boulevard
16 Los Angeles, California 90064-1683
17 Telephone: (310) 312-2000
18 Facsimile: (310) 312-3100

19 KLARQUIST SPARKMAN, LLP
20 Stephen J. Joncus (*Pro Hac Vice*)
21 Email: stephen.joncus@klarquist.com
22 salumeh R. Loesch (*Pro Hac Vice*)
23 Email: salumeh.loesch@klarquist.com
24 John D. Vandenberg (*Pro Hac Vice*)
25 Email: john.vandenberg@klarquist.com
26 121 S.W. Salmon Street, Suite 1600
27 Portland, Oregon 97204
Telephone: (503) 595-5300
Facsimile: (503) 595-5301
Attorneys for Defendants
*Microsoft Corporation, Hewlett-Packard
Company, Dell Inc., and Acer America
Corporation*

MICROSOFT
EXHIBIT 1012

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

PROXYCONN, INC.,
Plaintiff,

v.

MICROSOFT CORPORATION, ET
AL.,
Defendants.

CASE NO. SA CV11-1681 DOC (JPRx)
[Consolidated with Case Nos. SA CV11-1682
DOC (JPRx), SA CV11-1683 DOC (JPRx),
SA CV11-1684 DOC (JPRx), and SA CV12-
0889 DOC (JPRx)]

The Honorable David O. Carter

Courtroom: 9D

**JOINT STIPULATION REQUESTING
STAY OF CASE PENDING INTER
PARTES REVIEW**

1 Plaintiff Proxyconn, Inc. (“Proxyconn”) and Defendants Microsoft
2 Corporation (“Microsoft”), Hewlett-Packard Company (“HP”), Acer America
3 Corporation (“Acer”) and Dell Inc. (“Dell”) (collectively, “Defendants”)
4 (Proxyconn and Defendants collectively, the “Parties”), by and through their
5 undersigned counsel of record, have agreed to request that this Court stay this case¹
6 pending *inter partes* review (“IPReview”) of the patent-in-suit. As part of this
7 stipulation, Microsoft and Proxyconn also have agreed to take certain steps to
8 expedite that *inter partes* review proceeding.

9 WHEREAS,

10 A. This case is in its early stage, with minimal discovery conducted;

11 B. On September 18, 2012, just two days after the new Patent Office review
12 procedures became available under the America Invents Act (35 U.S.C. §§ 311-19
13 (2011)), Microsoft filed a Petition for IPReview with the U.S. Patent and
14 Trademark Office’s Patent Trial and Appeal Board (“PTAB”). Microsoft’s petition
15 challenges all nine claims of the patent-in-suit that Proxyconn had identified as
16 being asserted in this action at the time the petition was filed;

17 C. Proxyconn has since identified two additional claims it intends to assert
18 against Microsoft and may assert against the other defendants;

19 D. Microsoft responded that it had insufficient notice of that assertion of
20 two additional claims to file a second inter partes review within the first statutory
21 window for so doing, which closes November 4, 2012 (one-year from service of

22 _____
23 ¹ This Joint Stipulation applies to both the above-captioned litigation and also to
24 the following consolidated, co-pending cases: 1) *Proxyconn, Inc. v. Microsoft*
25 *Corporation*, Case No. 8:11-cv-01681-DOC-JPRx; 2) *Proxyconn, Inc. v. Hewlett-*
26 *Packard Company*, Case No. 8:11-cv-01682-DOC-JPRx; 3) *Proxyconn, Inc. v.*
27 *Acer America Corporation*, 8:11-cv-01684-DOC-JPRx; and 4) *Proxyconn, Inc. v.*
Microsoft Corporation, et al., Case No. 8:12-cv-0889-DOC-JPRx, all pending
before the Honorable David O. Carter.

1 the first complaint). But, Microsoft agreed to file such second inter partes review,
2 challenging the two newly asserted claims, promptly if and when the second
3 statutory window opens for so filing, as set forth below;

4 E. The Petition for IPReview asserts that the asserted claims are invalid in
5 view of certain printed publication prior art. If instituted, the IPReview likely will
6 substantially simplify or outright resolve the issues in this case. Under 35 U.S.C. §
7 315(e)(2) (2011), after a final written decision from an IPReview, a petitioner
8 "may not assert...in a civil action...that the claim is invalid on any ground that the
9 petition raised or reasonably could have raised during the inter partes review."

10
11 NOW, THEREFORE, to conserve both the parties and the Court's resources,
12 the parties have stipulated as follows:

- 13 1. Proxyconn and Defendants each consent to and agree to jointly
14 request the Court for a complete stay of the pending litigations
15 throughout the pendency of the two '717 patent IPReview proceedings
16 identified below;
- 17 2. Proxyconn agrees to file in the PTAB, within two weeks of this
18 stipulation, a waiver of its "preliminary response" to Microsoft's
19 September 2012 IPReview petition;
- 20 3. Contingent on the Court granting and maintaining such stay up to at
21 least the PTAB resolution of the IPReview proceedings (such as a
22 denial to institute proceedings or a "written decision"), the parties
23 further agree as follows:
 - 24 a. Microsoft shall file an IPReview petition challenging at least
25 claims 6 and 9 of the asserted '717 patent within three weeks of
26
27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

- the PTAB instituting an IPReview trial based on Microsoft's September 2012 petition;
- b. With that second petition, Microsoft shall file a motion to join that second petition with the IPReview trial instituted on the September 2012 petition;
 - c. Within two weeks of the filing of the second petition, Proxyconn shall file a consent to that motion for joinder and a waiver of its preliminary response to that second petition;
 - d. For each pending action and for any future Proxyconn patent infringement cause of action based on Microsoft's Remote Differential Compression (RDC) and/or Microsoft's BranchCache functionality, Dell, Acer and HP each voluntarily agrees to be deemed estopped to the same extent that Microsoft becomes estopped by a PTAB "written decision" arising from the first or second IPReview petitions under 35 U.S.C. § 315(e);
 - e. For the sake of clarity, it is agreed that, although the OEM Defendants have agreed to be estopped as set forth in the immediately preceding Paragraph 3(d), nothing in this stipulation shall be argued to represent an admission (barring a voluntary agreement) by Dell, Acer and HP that they would or would not be estopped under 35 U.S.C. § 315(e).
- 4. If the PTAB declines to institute an IPReview trial, the parties agree to jointly move to lift the stay.
 - 5. If the PTAB agrees to institute an IPReview trial on less than all claims challenged by Microsoft in the September 2012 petition, then Proxyconn shall have two weeks from that decision to terminate this

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.