UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RPX CORPORATION, Petitioner,

v.

APPLICATIONS IN INTERNET TIME, LLC, Patent Owner.

Case IPR2015-01750 Patent No. 8,484,111 B2

Case IPR2015-01751 Case IPR2015-01752¹ Patent 7,356,482 B2

SECOND DECLARATION OF WILLIAM W. CHUANG

The word-for-word identical paper is served in each proceeding identified in the heading.



RPX Exhibit 1073 RPX v. AIT IPR2015-01751

I, William W. Chuang, declare:

- 1. I have reviewed the opinion of the United States Court of Appeals for the Federal Circuit in *Applications in Internet Time, LLC v. RPX Corporation*, 897 F.3d 1336 (Fed. Cir. 2018) (hereafter "the Federal Circuit opinion") concerning IPR2015-01750, IPR2015-01751, and IPR2015-01752 ("the AIT IPRs") challenging U.S. Patents Nos. 7,356,482 and 8,484,111 ("the AIT Patents") owned by Applications in Internet Time, LLC ("AIT").
- 2. In my current capacity as Executive Vice President of Client Services, and in my former capacities as Senior Vice President of Client Services and Vice President of Client Relations at RPX Corporation ("RPX"), I have at various times been RPX's primary contact for client Salesforce.com ("Salesforce"). I am familiar with the services RPX provides Salesforce, with the services RPX provides to clients generally, and with what Salesforce and clients generally expect to receive from RPX.

I. RPX'S BUSINESS MODEL

3. RPX's core business model is defensive patent aggregation, which involves acquiring patents and licensing those patents to RPX's members. This is explained, for example, in RPX's 2013 Form 10-K Annual Report: "The core of our solution is defensive patent aggregation, in which we acquire patent assets that are being or may be asserted against our current and prospective clients. We then



provide our clients with a license to these patent assets to protect them from potential patent infringement assertions." (Ex. 2008 at 3.) The license rights to the patent assets that RPX has acquired is the primary reason clients become RPX members and pay membership fees to RPX.

	4.	As of		when Sa	alesforce	becam	e an RP	X client	, RPX
had a s	standa	rd form (hei	reafter the	e "Form l	Members	ship Ag	reemen	t") on w	hich S
		member	rship and	license a	greemer	nts for R	PX's c	lients we	ere based,
									. A
		version o	of the For	m Memb	ership A	greeme	nt is pro	ovided a	s Exhibit
1074.	The F	orm Memb	ership Ag	greement	sets fort	h the te	rms and	conditi	ons of the
"Licer	nse and	d Membersh	nip Rights	s" that a c	lient rec	eives as	s an RP	X memb	er ,
as wel	l as th	e "Fees, Pay	ment Te	rms and A	Audit" to	which	the clie	nt agree	s in
return	for th	e License ar	nd Membe	ership Ri	ghts	.			
	5.	As set forth	n in					the t	ypical
RPX n	nembe	ership provi	des the cl	ient a "Pa	atent Lic	ense"	, a	ınd "Dei	Tensive
Rights	s" to p	urchase RPX	X-owned	patents f	or defen	sive ass	ertion	. 7	Γhe
Patent	Licen	se involves							
							l [in t	he Form	



Membership Agreement]." (Ex. 1074 at 2.) In a typical year of membership, the
Patent License would include various rights (including the right not to be sued for
infringement) over thousands of patents. Pursuant to
, the Defensive Rights provide
(Ex. 1074 at 4.)
6. As set forth in
RPX client pays RPX an "Annual Membership and License Fee" in return for the
Patent License and Defensive Rights that the client receives as an RPX member.
The Annual Membership and License Fee is due on the anniversary of the
agreement's execution,
. Pursuant to, the amount of the Annual
Membership and License Fee is calculated annually based upon the Rate Card
. The Rate Card
bases the amount of the Annual Membership and License Fee on
percentage of the client's Normalized Operating Income ("NOI").
7. As of 2015 when RPX filed the petitions for the AIT IPRs, RPX
continued to base clients' membership agreements on a version of



the standard Form Membership Agreement. Provided as Exhibit 1075 is a version of the Form Membership Agreement dated 2015. Consistently between the and 2015 versions of the Form Membership Agreement, the typical RPX membership provided the client a Patent License and Defensive Rights to purchase RPX-owned patents for defensive assertion, for which the client agreed to pay RPX an Annual Membership and License Fee calculated based on a percentage of the client's NOI using the Rate Card

8. An aspect of RPX's core business model of defensive patent aggregation is information gathering. In the course of RPX's core business of acquiring "patent assets that are being or may be asserted against our current and prospective clients" (Ex. 2008 at 3), RPX closely monitors the patent market and patent assertions to identify potential acquisitions and gather pricing data. RPX thus gathers extensive and valuable market intelligence and data as part of its core acquisition business, and shares that intelligence and data with RPX's members. RPX's 2013 Form 10-K Annual Report explains this under the "Defensive Patent Aggregation" heading, making clear this information sharing is part of RPX's core solution of defensive patent aggregation: "As a part of our solution, we provide extensive patent market intelligence and data to our clients. Clients can access this market intelligence and data through our proprietary web portal and through

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