

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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PALO ALTO NETWORKS, INC.,  
Petitioner,

v.

FINJAN, INC.,  
Patent Owner.

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Patent No. 8,141,154 B2

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*Inter Partes* Review No. IPR2016-00151

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**PETITIONER PALO ALTO NETWORKS, INC.'S BRIEF ON ESTOPPEL**

Petitioner Palo Alto Network (“PAN”) hereby submits this brief in response to the Board’s October 20, 2016 Order (Paper 24) requesting supplemental briefing on the potential impact of estoppel under 35 U.S.C. § 315(e)(1) on this proceeding in view of the earlier due date for a final written decision in IPR2015-01979.

If the Board issues a final decision in IPR2015-01979 prior to issuing a final decision in this case, no estoppel should apply. At the time of the first final decision, PAN’s role in the proceedings will have been completed, and thus PAN would not be taking further action “maintaining” this proceeding. Under its plain language, the provisions of § 315(e)(1) would therefore not be applicable.

Alternatively, to the extent that the Board determines there is an estoppel, the Board can and should proceed to render a final written decision in this case, furthering the PTAB’s policy goal of maintaining judicial economy. Finally, the Board in its discretion could issue a final decision on both IPR proceedings on the same day, so as to avoid the estoppel issue altogether.

## **I. ARGUMENT**

### **A. PAN Should Not Be Estopped Under 35 U.S.C. § 315(e)(1) Because It Would Not Be “Maintain[ing] a Proceeding Before the Office”**

Estoppel attaches only when an *inter partes* review reaches a final written decision. 35 U.S.C. § 315(e)(1). Thus, no estoppel effect could be triggered until the final written decision in Case IPR2015-01979, due by March 21, 2017, issues.

The estoppel provisions restrict a Petitioner from performing only two actions with respect to *inter partes* reviews: (1) requesting a proceeding, and (2) maintaining a proceeding on grounds that were raised or could have been raised in a prior petition for which a final written decision has been issued. A plain reading of the phrase “maintain a proceeding” means that the Petitioner must be actively participating in the proceedings in order for the estoppel provision to apply. The statute doesn’t state that a party cannot “remain a party to a proceeding.” It instead estops a Petitioner from performing actions that maintain the proceeding. Thus, a Petitioner cannot be said to be “maintaining” a proceeding where the evidentiary record has closed, the oral hearing has concluded, and the proceeding is simply awaiting the Board’s decision.

Given the current schedule, as of March 2017, when a final decision in IPR2015-01979 is due, the final hearing in this proceeding will have been completed approximately two months earlier, as it is currently set for January 24. Thus, if the PTAB issues a final decision in IPR2015-01979 in March 2017, the record will be complete, oral argument completed, and by that point PAN will need to take no additional action in this proceeding.

Here, by the time IPR2015-01979 reaches a final written decision, PAN’s role in the proceedings will have come to an end and the trial will have been completed. *See CBS Interactive Inc. v. Helferich Patent Licensing, LLC*, IPR2013-

00033, Paper 118 at 2-3 (Oct. 23, 2013) (holding that by time proceeding reaches final oral hearing, trial is complete). All that would remain is for the Board to issue a final written decision. Indeed, by that point, as discussed below, the Board may even continue the proceeding without any Petitioners. Petitioners cannot be said to be “maintain[ing]” the proceeding if the proceeding can continue without it.

The issue of what action constitutes “maintaining a proceeding” has been previously considered by other panels. In *Apple Inc. v. Smarthflash LLC*, CBM2015-00015, Paper 49 at 4-5 (Nov. 4, 2015), although the evidentiary record had closed, the oral hearing had not yet occurred. There, the Board found that ‘maintain[ing] a proceeding’ includes presenting argument at the hearing.” *Id.* at 5. Here, by contrast, the oral hearing, scheduled for January 24, 2017, will have already concluded. By the time a Final Written decision is issued in IPR2015-01979, there will be no further participation required of PAN in this proceeding—“presenting argument at the hearing” or otherwise. Thus, because there will be nothing more for PAN to do, PAN would not be “maintain[ing]” the proceeding and should thus not be estopped under Section 315(e)(1).

**B. The Board Should Proceed to a Final Written Decision Even If PAN Is Estopped from This Proceeding**

**1. Without PAN, the Petition Lives On Because Symantec Remains a Petitioner in This Proceeding**

The Board has discretion to terminate an *inter partes* review only “[i]f no Petitioner remains in the inter partes review.” 35 U.S.C. § 317(a). Here, PAN is not the sole Petitioner. On May 19, 2016, Symantec filed a petition requesting *inter partes* review of the same claims of U.S. Patent No. 8,141,154 and concurrently filed a motion for joinder to join this proceeding. *Symantec Corp. v. Finjan, Inc.*, IPR2016-01071, Paper 1 and 3 (May 19, 2016). On September 8, 2016, the Board granted that request.

The reasons set forth above for why Palo Alto Networks should not be estopped are equally applicable to Symantec. Symantec should not be estopped for one additional reason, that Symantec could not have raised the Ross-based grounds upon which trial was instituted in this proceeding in its petition in case no. IPR2016-00919 (which was subsequently joined to IPR2015-01979, *see* IPR2016-00919, Paper No. 10). Specifically, Symantec filed its petition in IPR2016-00919 more than one year after Finjan filed a complaint asserting the ‘154 patent against Symantec. Accordingly, absent joinder to another instituted petition, Symantec’s petition in IPR2016-00919 would have been time barred. However, if Symantec had attempted to raise grounds not raised in IPR2015-01979 in its petition in

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