

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PALO ALTO NETWORKS, INC. and
BLUE COAT SYSTEMS, INC.,
Petitioner,

v.

FINJAN, INC.,
Patent Owner.

Case IPR2016-00159¹
U.S. Patent No. 8,677,494

**PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION TO
EXCLUDE**

¹ Case IPR2016-01174 has been joined with this proceeding.

Patent Owner Finjan Inc. ("Patent Owner") opposes Petitioner Palo Alto Networks, Inc. and Blue Coat Systems, Inc.'s ("Petitioner") Motion to Exclude (Paper 31, "Motion"). The Board should deny Petitioner's request to exclude paragraph 159-166 of Dr. Medvidovic's Declaration (Ex. 2011) and Exhibits 2016, 2020, 2022, 2024 and 2025 because Petitioner has failed to meet its "burden of proof to establish that it is entitled to the requested relief." 37 C.F.R. § 42.20(c). Patent Owner has submitted two declarations from its experts, Drs. Medvidovic and Goodrich, which establish the relevance of these exhibits. Petitioner's objections as to hearsay are inapposite and, even if correct, an expert may rely on hearsay materials. Finally, Petitioner waived its remaining objections by failing to timely assert them. Accordingly, the Board should deny Petitioner's Motion.

I. Paragraphs 159-166 of the Medvidovic Declaration Are Admissible.

Paragraphs 159-166 of Dr. Medvidovic's Declaration (Exhibit 2011) are admissible. These paragraphs relate to Dr. Medvidovic's opinion of the secondary consideration of commercial success of the '494 Patent. Dr. Medvidovic's Declaration provides (1) an independent analysis for his opinion concerning licensing and (2) overwhelming evidence and ample analysis to establish nexus between the license agreements and the claims at issue. These paragraphs are, thus, admissible under Federal Rules of Evidence 702 and 703.

First, as a threshold issue, Petitioner's arguments relating to paragraphs 161-

166 must be rejected outright because Petitioner waived these objections by failing to timely assert them. Petitioner's Objections only identified 159-160 as subject to challenge. *See* Paper 18 at 2-3; 37 C.F.R. § 42.64; *Valeo N. Am., Inc. v. Magna Elecs., Inc.*, IPR2014-01204, Paper 52 at 12 (P.T.A.B. Jan. 25, 2016) (“Because Patent Owner did not timely object to [the subject exhibits] after they became evidence, [it] did not preserve its right to move to exclude [them].”).

Petitioner also waived its objections concerning nexus because it failed to object to Dr. Medvidovic's declaration on this basis in its Objections. Paper 18 at 2-3. When any objections to evidence are not filed within the required time period, they are waived and cannot be relied upon in a motion to exclude. 37 C.F.R. § 42.64; *see also Valeo*, IPR2014-01204, Paper 52 at 8-22. To the extent Petitioner attempts to point to a general, unspecified objection to the declaration, Petitioner failed to put Patent Owner on notice of its objections which is improper and a basis to deny its Motion outright. *See, e.g., Int'l Bus. Machines Corp. v. Intellectual Ventures II LLC*, IPR2015-00092, Paper 44 at 55 (P.T.A.B. Apr. 25, 2016) (rejecting an argument to exclude a reference as irrelevant because the “objection [in the motion to exclude] is not the same” as the initial relevance objection and, therefore, had been waived).

Second, Petitioner's objections fail on the merits. Contrary to Petitioner's position, Dr. Medvidovic performed an independent analysis concerning the Finjan

licenses. Dr. Medvidovic specifically explains how he “reviewed Finjan’s Infringement Contentions in *Finjan v. Websense, Inc.*” and “created infringement charts of the ‘494 Patent for Avast, F-Secure, Proofpoint and Armorize’s products” in discussing and developing his opinions regarding commercial success and Finjan’s various licenses. Ex. 2011 at ¶¶ 161-162. Moreover, he also reviewed and relied on publicly available information, regarding the third parties and their products, analyzed in the charts. *Id.*; *see also* Ex. 1100 at 73:24-74:1, 78:8-10. Dr. Medvidovic’s opinion that there is a nexus between the claimed invention and commercial success is grounded in his infringement analysis, and his testimony is *not* “based only on attorney-relayed facts.” Motion at 1.

Petitioner is incorrect to claim that Dr. Medvidovic is required, in his secondary consideration analysis, to “prove infringement.” *Id.* This is contrary to the law as the “legal inferences or subttests [of secondary considerations] do focus attention on *economic and motivational* rather than technical issues.” *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 35-36 (1966) (emphasis added). Nonetheless, as Dr. Medvidovic noted, “confidential information would be required to provide a *complete proof* of infringement” but his “infringement charts . . . using publicly available information” were the basis for his opinion that the various licensees “utilize[] the inventions disclosed in the ‘494 Patent.” Ex. 1100 at 78:4-6 (emphasis added); Ex. 2001 at ¶¶ 162-164. Thus, Dr. Medvidovic

performed an independent investigation and analysis and provided the facts underlying his opinions regarding the same and therefore, Petitioner's argument must be rejected.

Third, Petitioner's premise—that Dr. Medvidovic failed to provide adequate evidence and analysis regarding nexus—is incorrect. Petitioner's assertion that Dr. Medvidovic's licensing opinions are “deficient” is baseless in light of Dr. Medvidovic's reliance on substantial third party information, including factual information regarding Websense, Avast, F-Secure, Proofpoint and Armorize products. Dr. Medvidovic relied on this information, directly from each of the licensee's public information, in his analysis of the benefits of the patented technology to each of the third party's products and their respective revenues. Ex. 2001 at ¶¶ 161-166. Thus, again, Petitioner's argument must be denied.

Finally, to the extent Petitioner disagrees with the foregoing, it only demonstrates that Petitioner's challenges are improperly directed to the *weight* of Dr. Medvidovic's opinions and thus are not appropriate grounds to challenge the *admissibility* of his opinions in a Motion to Exclude. *See Valeo N. Am., Inc. v. Magna Elecs.*, IPR2014-00220, Paper 59 at 10-11 (P.T.A.B. May 28, 2015); 77 Fed. Reg. 48,756, 48,767 (Aug. 14, 2012) (“A motion to exclude...may not be used to challenge the sufficiency of the evidence to prove a particular fact.”). This is exemplified by Petitioner's statements in the Motion regarding “Dr.

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