

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BLUE COAT SYSTEMS, INC.,
Petitioner,

v.

FINJAN, INC.,
Patent Owner.

Case IPR2016-01443
Patent 8,677,494

**PATENT OWNER'S SUR-REPLY REGARDING
35 U.S.C. §§ 315(e)(1), 325(d), AND 312**

Pursuant to the Board's November 10, 2016, authorization, Finjan, Inc., ("Patent Owner") submits this sur-reply regarding petitioner estoppel under 35 U.S.C. §§ 315(e)(1), 325(d), and 312, in response to Petitioner's Reply. Paper 7 ("Petitioner Reply"). As set forth below, the Board should exercise its discretion to deny institution under 35 U.S.C. § 325(d) and/or terminate the proceedings pursuant to 35 U.S.C. § 312. Petitioner is involved in two other IPR proceedings involving U.S. Patent No. 8,677,494, each of which is based on the same primary reference at issue in this petition. Petitioner cannot maintain a proceeding with respect to any ground that Petitioner raised or reasonably could have raised previously, as is the case here.

I. THE PETITION SHOULD BE REJECTED AS INCOMPLETE UNDER 35 U.S.C. § 312

Petitioner did not comply with the requirements of 35 U.S.C. § 312 by failing to identify (1) claims 1 and 10 as challenged claims or (2) the "grounds on which the challenge to each claim is based." *See* Paper 6 ("Prelim. Resp.") at 15–16. Indeed, Petitioner explicitly recognizes that "[p]arent claims must be considered to the extent the challenged claims incorporate their limitations," as is the case here. Petitioner Reply at 5. Petitioner's omission of the independent claims in the current proceeding thus appears to be nothing more than an attempt to evade the estoppel of 35 U.S.C. §§ 315 and 325 which, as discussed below, are fatal to this Petition. The Board should not permit such gamesmanship and should

dismiss the Petition based on Petitioner's failure to meet its statutory obligation under 35 U.S.C. § 312(a)(3).

II. THE PETITION SHOULD BE REJECTED UNDER 35 U.S.C. § 325(D)

The Board should also exercise its discretion to deny the Petition under 35 U.S.C. § 325(d) because the Petition reargues substantially the same prior art and substantially the same arguments that Petitioner previously presented in Case Nos. IPR2016-00890 and IPR2016-01174.¹ *See* Prelim. Resp. at 9–10; *see also* 35 U.S.C. § 325(d). Specifically, Petitioner's challenge of dependent claims 7–9 and 16–18 requires the additional challenge of independent claims 1 and 10, which are at issue in those cases. If Petitioner had intended all along to challenge dependent claims 7–9 and 16–18 based on Ji, Luotonen, Apperson, and Lo—notably, Petitioner does not argue that these references were not readily available at the time it filed its first two petitions—Petitioner should have done so in its earliest petition, rather than file serial petitions concerning the '494 Patent.

Petitioner, however, fails to acknowledge that the Board has granted joinder in cases where the grounds differed from the grounds at issue in the underlying proceeding. *See* Prelim. Resp. at 13 (citing *Oxford Nanopore Techs. LTD. v. University of Washington*, Case IPR2015-00057, Paper 10 (PTAB Apr. 27, 2015)).

¹ As discussed below, Petitioner is essentially challenging claims 1 and 10 of the '494 Patent.

Instead, Petitioner attempts to justify its piecemeal petitions by stating that its petitions were only three months apart. Petitioner Reply at 4. This is irrelevant to § 325 analysis and only bolsters Patent Owner's argument because Patent Owner is forced to respond to substantially the same arguments in a shorter timeline.

The cases that Petitioner cites are inapposite because those cases concerned claims that were substantively different, as Petitioner acknowledges. Petitioner Reply at 3–4; *Koito Mfg. Co. v. Adaptive Headlamp Techs., Inc.*, IPR2016-00079, Paper 11 at 38 (PTAB May 5, 2016) (concerning claims that were ***amended*** during *inter partes* reexamination). *Am General* is similarly inapplicable because the basis of Patent Owner's § 325(d) argument was that the prior art was presented ***during prosecution***. *Am Gen. LLC v. UUSI, LLC*, IPR2016-01050, Paper 17 at 4 (PTAB Nov. 14, 2016). *Westlake Services* turned on the “unique circumstances” of a material intervening change in law. *Westlake Servs., LLC v. Credit Accept. Corp.*, CBM2014-00176, Paper 28 at 7 (PTAB May 14, 2015). Moreover, here, the Petition concerns ***dependent claims*** in the ***same patent***, implicitly challenging the independent claims for which the Board has already instituted review.

Additionally, Petitioner's argument that “the rules contemplate multiple co-pending reviews over subsets of claims as a consequence of the page limits” is a blatant mischaracterization of the USPTO's response to comment 85 found at 77 Fed. Reg. 48612, 48634 (2012). In particular, in response to a ***concern*** that “page

limits impact the rights of the parties and the ability of the parties to fully present arguments,” the USPTO indicated that its “modification to the proposed rules regarding page limits... permit a party to have a great deal of flexibility in presenting its case and responding to the opposing party.” Accordingly, far from encouraging this type of behavior, the USPTO explicitly indicated that such concerns were unfounded.

Therefore, the Board should reject the Petition under 35 U.S.C. § 325(d).

III. PETITIONER WILL BE ESTOPPED UNDER 35 U.S.C. § 315(e)(1)

35 U.S.C. § 315(e)(1) will estop Petitioner from maintaining this IPR.

Petitioner's grounds raised in the current Petition either were raised or “reasonably could have been raised” in either of Petitioner's two previous petitions concerning the '494 Patent, mandating dismissal of this proceeding. *See* Prelim. Resp. at 6–8; Petitioner's Reply at 2. In particular, the unnumbered ground, which proposes that “Swimmer Discloses or Renders Obvious Each Element of Independent Claims 1 and 10” was explicitly raised in IPR2016-00890, and the numbered grounds 1–4— involving Ji, Lo, Luotonen, and Apperson—reasonably could have been raised in either of those proceedings. *See* Petition at 18–29.

Petitioner is now challenging the dependent claims of independent claims for which the Board has already instituted review and for which a final written decision will issue no later than March 18, 2017. Although Petitioner challenges a

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