

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC.,
Petitioner,

v.

FINJAN, INC.,
Patent Owner.

Case IPR2017-02155
U.S. Patent No. 8,677,494

PATENT OWNER'S CORRECTED SUR-REPLY

The Board should deny Petitioner's Petition because Petitioner fails to offer any relevant facts in support of the *General Plastics* factors in its Reply (Paper No. 8). Finjan, on the other hand, has offered substantial analysis that establishes that the Petition should be denied. However, rather than address Finjan's application of the factors, Petitioner instead relies on irrelevant facts, such as previous litigations and infringement contentions. Thus, despite being given the opportunity to file a Reply, Petitioner still fails to explain why its Petition should be instituted, especially in light of the fact that Finjan already has been subject to seven IPRs related to the U.S. Patent No. 8,677,494 (the "494 Patent"). Granting the Petition would be highly prejudicial to Finjan, as Petitioner now has the benefit of these prior IPRs in order to strategize its position.

I. The Board Should Deny the Petition Under 35 U.S.C. § 314(a)

A. The *General Plastics* Factors Weigh in Favor of Denying Institution

Factor 2. Factor 2 weighs in favor of denying institution because Petitioner knew of or should have known of the prior art references at the time the earlier Petitions were filed. Patent Owner's Preliminary Response, Paper 6 ("POPR") at 13–14. Petitioner instead lumps three distinct factors together and argues that they are not relevant because "[it] had no reason to challenge the '494 Patent until after it was accused of infringement." Reply at 4. Despite the fact that the PTAB in *General Plastics* stated that "a petitioner is free to explain why a reasonably diligent search could not have uncovered the newly applied prior art," Petitioner's Reply makes no effort to rebut that it knew or should have known of the prior art

references at the time the earlier Petitions were filed. *General Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 20 (P.T.A.B. Sept. 6, 2017). Indeed, Petitioner has known about Finjan's Patents since 2014—three years before Finjan served the complaint in January 2017. Corrected Ex. 2018 at ¶¶ 47–52. Accordingly, under Petitioner's own rationale, it had reason to challenge the '494 Patent for nearly three years before it filed the Petition. Thus, there should be no dispute that Factor 2 weighs in favor of denying institution.

Factor 3. Factor 3 weighs in favor of denial under § 314(a) because at the time Petitioner filed the instant Petition, Petitioner had already had the opportunity to review five Preliminary Responses, five Institutions Decisions, two Patent Owner Responses, and two Final Written Decisions regarding the '494 Patent. POPR at 14–16. Petitioner provides no valid explanation as to why it waited until September 22, 2017, to file the Petition. Rather, Petitioner merely states that it filed its Petition "upon receiving Finjan's infringement contentions, at which time, all previous IPRs had been concluded." Reply at 5. Petitioner fails to cite any authority for its proposition or explain why infringement contentions might account for its delay, especially since Petitioner had every opportunity to receive the same information earlier in the litigation through written discovery. Further, Finjan identified the claims it was asserting in its Complaint, and any subsequent identification of claims is subject to change throughout the litigation upon a showing of good cause. Ex. 2019 at 7-8 (Patent Local Rule 3-6, Amendment to Contentions). Accordingly, Cisco did not need to wait until after Finjan served its infringement contentions to file its Petition. Even if infringement

contentions were relevant, which they are not, Petitioner fails to explain why it delayed its filing until three months after receiving Finjan's infringement contentions on June 22, 2017. Thus, this factor weighs in favor of denying institution.

Factor 4. The timing of the Petition weighs strongly against institution because Petitioner waited nearly nine months from the date of Finjan's complaint to file its Petition. POPR at 16–17. As Patent Owner filed its Complaint in January 2017, Petitioner had no reason for an extended delay, and Petitioner still offers no explanation for its delay in its Reply. Accordingly, this factor weighs in favor of denying institution.

Factor 5. Factor 5 weighs in favor of denying institution because Petitioner provides no justification for its delayed filing and fails to explain why this Petition is necessary. Reply at 4; POPR at 17–18. Rather, Petitioner merely points out that it was accused of infringement in January 2017. Petitioner's decision to wait to file its Petition after receiving the benefit of all of the briefings of the 7 prior IPRs along with the Federal Circuit briefings is highly prejudicial to Finjan, as granting the Petition would “impose inequities on [Finjan],” who is subject to “[t]he filing of sequential attacks against the same claims, with the opportunity [for Petitioner] to morph positions along the way.” *General Plastics*, Paper 19 at 11; *see also* POPR at 18. Indeed, as the Board recognized:

[m]ultiple, staggered petitions challenging the same patent and same claims raise the potential for abuse. The absence of any restrictions on follow-on petitions would allow petitioners the

opportunity to strategically stage their prior art and arguments in multiple petitions, using our decisions as a roadmap, until a ground is found that results in the grant of review.

General Plastics, Paper 19 at 17.

Petitioner fails to explain what might account for its delayed filing until nine months after receiving Finjan's complaint. Thus, factor 5 weighs in favor of denying institution.

Factors 6 and 7. Factors 6 and 7 weigh in favor of denying institution because here the Board has already expended resources on seven IPRs and two separate trials regarding the '494 Patent. POPR at 18–19. Petitioner does not dispute this. Instead, Petitioner argues that these factors weigh in favor of institution because all previous IPRs have concluded and because it is asserting different prior art. Reply at 5. However, that Petitioner is relying on new prior art for institution actually favors denying the Petition. Petitioner has had the advantage of reviewing all the prior IPRs, and accordingly, could tailor its Petition so that it could advance new arguments, which would result in the Board having to expend additional, significant resources to consider this IPR.

Further, Petitioner misunderstands the law. As Finjan stated in the POPR, “Factors 6 and 7 addresses [sic] the finite resources of and ***incremental burden*** to the Board in conducting the requested *inter partes* review.” POPR at 18–19 (emphasis added) (citation omitted). Here the incremental burden of conducting an eighth IPR is incredibly high in light of the fact that the Board has already “expended previously resources on a trial” and “resources issuing a decision on the

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