

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WESTERN DIGITAL CORPORATION,
TOSHIBA CORPORATION,
TOSHIBA AMERICA ELECTRONIC COMPONENTS, INC., and
APRICORN,
Petitioners,

v.

SPEX TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2018-00082¹
Patent 6,088,802

Before LYNNE E. PETTIGREW, DANIEL N. FISHMAN, and
CHARLES J. BOUDREAU, *Administrative Patent Judges*.

FISHMAN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

¹ Toshiba Corporation, Toshiba America Electronic Components, Inc., and Apricorn, which filed a Petition in Case IPR2018-01068, have been joined as petitioners in this proceeding.

I. INTRODUCTION

Western Digital Corporation (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1, 2, 6, 7, 11, 12, 23–25, 38, and 39 (the “challenged claims”) of U.S. Patent No. 6,088,802 (“the ’802 patent,” Ex. 1001) pursuant to 35 U.S.C. §§ 311 *et seq.* Paper 1 (“Petition” or “Pet.”). SPEX Technologies, Inc. (“Patent Owner”) filed a Preliminary Response. Paper 6. In response to Patent Owner’s Preliminary Response, Petitioner filed an authorized Reply to Patent Owner’s Preliminary Response, addressing Patent Owner’s arguments directed to claim construction issues and to discretionary denial issues. Paper 9. Responsive to Petitioner’s Reply to the Preliminary Response, Patent Owner filed an authorized Sur-Reply. Paper 10.

The Supreme Court held, on April 24, 2018, that a decision to institute under 35 U.S.C. § 314 may not institute on fewer than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018) (“SAS”). The day after the SAS decision issued, we issued a decision instituting trial on all claims and all grounds. Paper 11 (“Dec.” or “Decision”). However, our Decision made clear that, based on the preliminary record at that time, we found a reasonable likelihood of Petitioner prevailing *only* with respect to certain grounds addressing claims 38 and 39. Dec. 2, 26–42.

Patent Owner requested rehearing of our Decision (Paper 15) and we denied that request (Paper 21).

In view of our remarks in the Decision regarding challenged claims other than claims 38 and 39, Petitioner filed a Motion to Submit Supplemental Information. Paper 17. Patent Owner opposed this motion.

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Paper 18. For reasons discussed further below, we denied Petitioner's motion. Paper 22.

Patent Owner elected to waive its right to file a Patent Owner Response. Paper 23. Responsive to Patent Owner's waiver, Petitioner filed a Motion for Leave to File a Reply in the Absence of Patent Owner's Response. Paper 24. Patent Owner opposed that motion. Paper 25. For reasons discussed further below, we denied Petitioner's motion. Paper 32.

Petitioner filed a Motion to Exclude Evidence requesting that we exclude Patent Owner's Exhibit 2004. Paper 33. For the reasons discussed below, we dismiss Petitioner's motion as moot.

A telephonic hearing was conducted Thursday, January 24, 2019. A transcript of that hearing is in the record. Paper 39 ("Tr.").

Upon consideration of the complete record, we are persuaded by a preponderance of the evidence that claims 38 and 39 are unpatentable but are not persuaded that claims 1, 2, 6, 7, 11, 12, and 23–25 are unpatentable.

II. BACKGROUND

A. *Related Matters*

The parties inform us that the '802 patent is presently at issue in *SPEX Technologies, Inc. v. Western Digital Corp.*, Case No. 8:16-cv-01799 (C.D. Cal.). Pet. 67–68; Paper 5, 2.² In addition, Patent Owner further informs us that the '802 patent is or has been involved in Case Nos. IPR2017-00430 and IPR2017-00824 before the Board (institution denied in both cases);

² Paper 5, as filed, does not include page numbering as required by our rules. For purposes of this decision, we refer to the pages of Paper 5 sequentially with the caption page starting as page number 1.

SPEX Technologies, Inc. v. Kingston Technologies Co., Case No. 8:16-cv-01790 (C.D. Cal.); *SPEX Technologies, Inc. v. Toshiba America Electronic Components Inc.*, Case No. 8:16-cv-01800 (C.D. Cal.); *SPEX Technologies, Inc. v. CMS Products, Inc.*, Case No. 8:16-cv-01801 (C.D. Cal.); *SPEX Technologies, Inc. v. Integral Memory, PLC*, Case No. 8:16-cv-01805 (C.D. Cal.); and *SPEX Technologies, Inc. v. Apricorn*, Case No. 2:16-cv-07349 (C.D. Cal.). Paper 5, 2.

B. The '802 Patent

The '802 patent is directed to a peripheral device that may be connected to a host computer, where the peripheral device performs security operations such as encryption and decryption on data communicated between the peripheral device and the host computer. Ex. 1001, 1:17–27, 1:35–38, 4:49–5:4. Figures 1, 2, and 3A of the '802 patent are reproduced below.

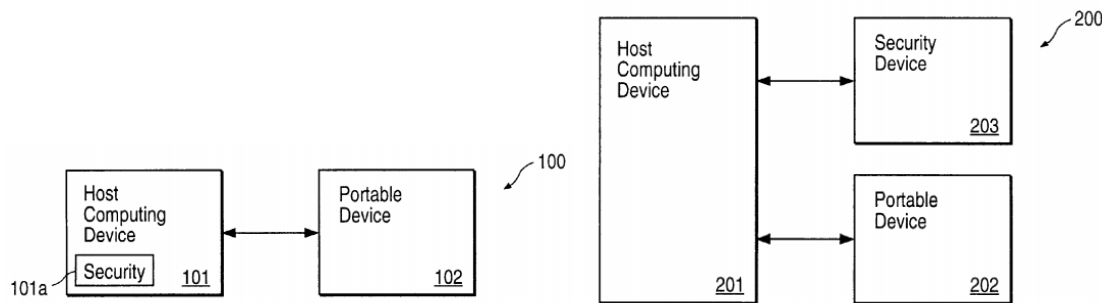


FIG. 1
(PRIOR ART)

FIG. 2
(PRIOR ART)

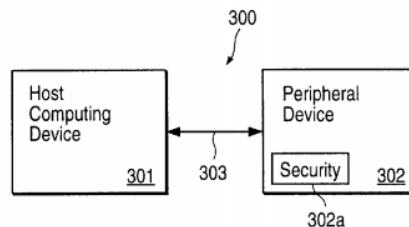


FIG. 3A

Figures 1 and 2 are block diagrams of prior art systems described in the '802 patent. *Id.* at 1:52–3:14, 4:14–19. Figure 3A is a block diagram of a system according to the claimed invention of the '802 patent. *Id.* at 4:20–21. The '802 patent explains that in the prior art, such security operations were either performed by the host computer, as illustrated in Figure 1 with security mechanism 101a included in host computing device 101, or by a standalone security device, as illustrated by security device 203 in Figure 2. *Id.* at 1:58–59, 2:22–32. According to the '802 patent, both of those arrangements were deficient in various ways. *Id.* at 2:10–21, 2:58–3:14.

The '802 patent purports to address these problems by integrating security operations into the peripheral device, as security mechanism 302a is integrated in peripheral device 302 of Figure 3A. *See id.* at 3:27–33, 4:56–62.

C. Illustrative Claim

Claims 1, 6, 11, 23, 24, 38, and 39 are the independent claims among the challenged claims. Claims 1, 6, 38, and 39, reproduced below, are illustrative of the claimed subject matter:

1. A peripheral device, comprising:
 - security means for enabling one or more security operations to be performed on data;
 - target means for enabling a defined interaction with a host computing device;
 - means for enabling communication between the security means and the target means;
 - means for enabling communication with a host computing device;

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