United States Court of Appeals for the Federal Circuit

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PARUS HOLDINGS, INC.,
Appellant

v.

GOOGLE LLC,
Appellee

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2022-1269, 2022-1270

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Appeals from the United States Patent and Trademark Office, Patent Trial and Appeal Board in Nos. IPR2020-00846, IPR2020-00847.

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Decided: June 12, 2023

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JOHN BRUCE CAMPBELL, McKool Smith, P.C., Austin, TX, argued for appellant. Also represented by JOEL LANCE THOLLANDER.

NATHAN R. SPEED, Wolf Greenfield & Sacks, PC, Boston, MA, argued for appellee. Also represented by GREGORY F. CORBETT, RICHARD GIUNTA, ELISABETH H. HUNT; GREGORY S. NIEBERG, New York, NY.

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Before LOURIE, BRYSON, and REYNA, *Circuit Judges*.

LOURIE, *Circuit Judge*.

Parus Holdings, Inc. ("Parus") appeals from two final written decisions of the United States Patent and Trademark Office Patent Trial and Appeal Board ("the Board") holding claims 1, 2, 4–7, 10, 13, and 14 of U.S. Patent 7,076,431 ("the '431 patent") and claims 1, 2, 4–7, 10, and 14 of U.S. Patent 9,451,084 ("the '084 patent") unpatentable as obvious. *Parus Holdings, Inc. v. Google LLC*, IPR2020-00846, Paper 31 (P.T.A.B. Oct. 19, 2021) ("*Decision*"), J.A. 1–67; *Parus Holdings, Inc. v. Google LLC*, IPR2020-00847, Paper 31 (P.T.A.B. Oct. 19, 2021), J.A. 68–95.[1] For the reasons provided below, we affirm.

BACKGROUND

The challenged patents are directed to an interactive voice system that allows a user to request information from a voice web browser. '431 patent, Abstract. Their shared specification discloses two preferred embodiments: a voice-based web browser system and a voice-activated device controller. *See, e.g.*, '431 patent, col. 4 ll. 30–34, col. 17 ll. 36–46. Claim 1 of the '084 patent, reproduced below, is representative.

> 1. A system for acquiring information from one or more sources maintaining a listing of web sites by receiving speech commands uttered by users into a voice-enabled device and

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[1]   The two final written decisions in the *inter partes* reviews ("IPRs") consolidated on appeal are largely similar for the purposes of this appeal. The decision in *Parus Holdings, Inc. v. Google LLC*, IPR2020-00846, Paper 31 (P.T.A.B. Oct. 19, 2021), J.A. 1–67 is cited throughout as representative of both decisions unless specified otherwise. Because the challenged patents share a specification, citations of the '431 patent specification are likewise representative, unless otherwise stated.

for providing information retrieved from the web sites to the users in an audio form via the voice-enabled device, the system comprising:

. . .

the computing device further configured to access at least one of the plurality of web sites identified by the instruction set to obtain the information to be retrieved, *wherein the computing device is further configured to periodically search via the one or more networks to identify new web sites and to add the new web sites to the plurality of web sites*, the computing device configured to access a first web site of the plurality of web sites and, if the information to be retrieved is not found at the first web site, the computer configured to access the plurality of web sites remaining in an order defined for accessing the listing of web sites until the information to be retrieved is found in at least one of the plurality of web sites or until the plurality of web sites have been accessed;

. . . .

'084 patent, col. 24 ll. 2–59 (emphasis added). The challenged patents are continuations of and claim priority from an application filed on February 4, 2000, which eventually was published as U.S. Published Patent Application 2001/0047262 ("Kurganov-262"). Appellant's Br. at 16. Kurganov-262 and the challenged patents share a specification. *Id.*

Google LLC, Samsung Electronics Co., Ltd., Samsung Electronics America, Inc., LG Electronics Inc., and LG Electronics USA, Inc. (collectively, "Appellees") petitioned for *inter partes* review of the '431 and '084 patents, asserting that the challenged claims would have been obvious

based on a number of asserted prior art references, including WO 01/050453 to Kovatch ("Kovatch") and Kurganov-262 under pre-AIA 35 U.S.C. § 103(a).

The parties disputed whether or not Kovatch qualified as prior art to the challenged patents. Kovatch was filed on July 12, 2001 and had an earliest possible priority date of January 4, 2000. J.A. 1827. Parus argued that Kovatch was not prior art because the claimed inventions had been conceived at least by July 12, 1999, and reduced to practice at least by December 31, 1999, prior to Kovatch's earliest priority date. To the extent that the Board found that the invention had not been reduced to practice prior to that date, Parus argued that the inventors had diligently worked on reducing it to practice until then. In support of its contentions, Parus submitted approximately 40 exhibits totaling 1,300 pages, in addition to claim charts exceeding 100 pages. Appellant's Br. at 15. However, despite submitting that material as record evidence, Parus only minimally cited small portions of that material in its briefs without meaningful explanation. *See, e.g.*, J.A. 1333–36 (Patent Owner Response), J.A. 1435–41 (Patent Owner Sur-Reply).

The Board declined to consider Parus's arguments and evidence that the challenged patents were conceived and reduced to practice prior to Kovatch's priority date because it found that Parus had failed to comply with 37 C.F.R. § 42.6(a)(3), which prohibits incorporation by reference. Specifically, the Board found that

> Patent Owner has not presented its arguments regarding prior conception and reduction to practice in its Response or Sur-reply; rather, Patent Owner presents its arguments in several declarations and improperly incorporates those arguments by reference into its Response and Sur-reply, in violation of Rule 42.6(a)(3).

Decision, J.A. 16. The Board noted that Parus did not provide any "meaningful explanation in the Response," *id.* at J.A. 13, did "not cite [] any [] evidence or testimony with specificity," *id.* at 13–14, and did "not explain the basis for [its] conclusion or cite [] any evidence to support it," *id.* at 14. The Board therefore concluded that Parus had failed to meet its burden of production and that Kovach was prior art to the challenged patents.

Appellees also argued that Kurganov-262, the publication of the application from which the challenged patents claim priority, is prior art because the common specification failed to provide written description support for all the challenged claims of the '084 patent and claim 9 of the '431 patent. According to Appellees, those claims were not entitled to the earlier effective filing date. Parus responded that the claims were fully described in Kurganov-262 and therefore entitled to its February 4, 2000 priority date.

The Board found that the evidence demonstrated that the challenged claims were not entitled to the February 4, 2000 priority date and Kurganov-262 therefore qualified as prior art. Specifically, the Board found that the claim limitations requiring a computing device "configured to periodically search via one or more networks to identify new web sites and to add the new web sites to the plurality of web sites" were not supported by the earlier application. *Decision*, J.A. 58. The Board did not dispute that the common specification disclosed a device browsing server that operated similarly to the web browsing server, and that the device browsing server could detect and incorporate new devices. *Id.* at J.A. 59–61 (citing '431 patent at col. 17 ll. 59–62, col. 19 ll. 19–28). But the Board concluded that that teaching was inapplicable to the web browsing server because the specification "indicates that the devices 'appear as "web sites"' connected to the network," but were not "web sites," and the teachings were not interchangeable. *See id.* (citing '431 patent at col. 17 ll. 50–52).

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