Trials@uspto.gov
571-272-7822

Paper: 10
Date: February 16, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CODE200, UAB; TESO LT, UAB; METACLUSTER LT, UAB; AND OXYSALES, UAB,
Petitioner,

v.

LUMINATI NETWORKS LTD.,
Patent Owner.

IPR2020-01506
Patent 10,469,614 B2

Before THOMAS L. GIANNETTI, SHEILA F. McSHANE, and RUSSELL E. CASS, *Administrative Patent Judges.*

CASS, *Administrative Patent Judge.*

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Petitioner (collectively, Code200, UAB; Teso LT, UAB; Metacluster LT, UAB; and Oxysales, UAB) filed a Petition (Paper 5, "Pet.") requesting *inter partes* review of claims 1, 2, 4–13, 15–20, 22, 23, 25, 26, 28, and 29 ("the challenged claims") of U.S. Patent No. 10,469,614 B2 (Ex. 1001, "the '614 patent"). Patent Owner, Luminati Networks, LTD., filed a Preliminary Response (Paper 9, "Prelim. Resp.").

The Board has authority to determine whether to institute an *inter partes* review. *See* 35 U.S.C. § 314; 37 C.F.R. § 42.4(a). Under 35 U.S.C. § 314(a), we may not authorize an *inter partes* review unless the information in the petition and the preliminary response "shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." The Board, however, has discretion to deny a petition even when a petitioner meets that threshold. *Id.*; *see, e.g.*, *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) ("[T]he agency's decision to deny a petition is a matter committed to the Patent Office's discretion."); *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential).

Both the Petition and Preliminary Response address the issue of whether we should exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review. Pet. 5–8; Prelim. Resp. 4–13.

For the reasons that follow, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

II. BACKGROUND

A. Real Parties in Interest

Petitioner identifies the following as the real parties in interest: Code200, UAB; Teso LT, UAB; Metacluster LT, UAB; Oxysales, UAB, and coretech lt, UAB. Pet. 1.

Patent Owner identifies Luminati Networks LTD as the real party in interest. Paper 7, 2.

B. Related Proceedings

The parties identify the following litigations in the Eastern District of Texas involving the '614 patent: *Luminati Networks Ltd. v. Teso LT, UAB et al.*, 2:19-cv-00395-JRG (E.D. Tex.) ("the 395 district court case"), *Luminati Networks Ltd. v. BI Science*, 2-19-cv-397 (E.D. Tex.), and *Luminati Networks Ltd. v. Tefincom S.A. D/B/A NordVPN*, 2:19-cv-00414-JRG (E.D. Tex.). Pet. 1; Paper 7, 3.

The parties also identify two additional *inter partes* review proceedings filed by some or all of the entities of Petitioner against Patent Owner's patents: IPR2020-01266, which is directed to U.S. Patent No. 10,257,319, and IPR2020-01358, which is directed to U.S. Patent No. 10,484,510. Pet. 1–2; Paper 7, 2–3.

C. The '614 Patent

The '614 patent is titled "System and Method for Improving Internet Communication by Using Intermediate Nodes" and issued on November 5, 2019, from an application filed on December 10, 2018. Ex. 1001, codes (22), (45), (54). The application for the '614 patent is a continuation of several applications, and other related applications include a divisional application and a provisional application. *See id.*, code (60).

The '614 Patent is directed to a system for fetching content from a web server to a client device using tunnel devices serving as intermediate devices. Ex. 1001, code (57). The client device accesses an acceleration server to receive a list of available tunnel devices. *Id.* The requested content is partitioned into slices, and the client device sends a request for the slices to the available tunnel devices. *Id.* The tunnel devices in turn fetch the slices from the data server, and send the slices to the client device, where the content is reconstructed from the received slices. *Id.*

A client device may also serve as a tunnel device, serving as an intermediate device to other client devices. *Id.* Similarly, a tunnel device may also serve as a client device for fetching content from a data server. *Id.* The selection of tunnel devices to be used by a client device may be in the acceleration server, in the client device, or both. *Id.* The partition into slices may be overlapping or non-overlapping, and the same slice (or the whole content) may be fetched via multiple tunnel devices. *Id.*

D. Illustrative Claim

Claim 1 is the only independent claim, and is illustrative of the challenged claims. Claim 1 recites:

> 1. A method for use with a resource associated with a criterion in a client device that communicates with a first server over the Internet, the client device is identified in the Internet using a first identifier and is associated with first and second state according to a utilization of the resource, the method comprising:
>
> initiating, by the client device, communication with the first server over the Internet in response to connecting to the Internet, the communication comprises sending, by the client device, the first identifier to the first server over the Internet;

when connected to the Internet, periodically or continuously determining whether the resource utilization satisfies the criterion;

responsive to the determining that the utilization of the resource satisfies the criterion, shifting to the first state or staying in the first state;

responsive to the determining that the utilization of the resource does not satisfy the criterion, shifting to the second state or staying in the second state;

responsive to being in the first state, receiving, by the client device, a request from the first server; and

performing a task, by the client device, in response to the receiving of the request from the first server,

wherein the method is further configured for fetching over the Internet a first content identified by a first content identifier from a web server that is distinct from the first server, and the task comprising:

receiving, by the client device, the first content identifier from the first server;

sending, by the client device, the first content identifier to the web server;

receiving, by the client device, the first content from the web server in response to the sending of the first content identifier; and

sending, by the client device, the received first content to the first server.

Ex. 1001, 172:44–173:13.

E. Prior Art

Petitioner relies on the following prior art:

1. Mithyantha, United States Patent No. 8,972,602 B2 (Ex. 1011, "Mithyantha");

2. Marc Rennhard, *MorphMix – A Peer-to-Peer-based System for Anonymous Internet Access* (2004) (Doctoral Thesis) (Ex. 1012, "MorphMix");

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.