## UNITED STATES PATENT AND TRADEMARK OFFICE

## BEFORE THE PATENT TRIAL AND APPEAL BOARD

## NETNUT LTD., Petitioner,

v.

BRIGHT DATA LTD.,<sup>1</sup> (f/k/a LUMINATI NETWORKS, LTD.) Patent Owner.

> IPR2021-00465 Patent 9,742,866 B2

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

McSHANE, Administrative Patent Judge.

RM

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

Find authenticated court documents without watermarks at docketalarm.com.

<sup>&</sup>lt;sup>1</sup> Patent Owner filed updated disclosures on May 19, 2021 indicating that it changed its name from Luminati Networks, Ltd. to Bright Data Ltd. *See* Paper No. 7, 1.

## I. INTRODUCTION

A. Background and Summary

NetNut Ltd. ("NetNut" or "Petitioner") filed a Petition requesting *inter partes* review of claims 15–20, 23, 24, 27, and 28 of U.S. Patent No. 9,742,866 B2 (Ex. 1001, "the '866 patent"), along with the supporting Declaration of Keith J. Teruya. Paper 2 ("Pet."); Ex. 1003. Bright Data Ltd. ("Bright Data" or "Patent Owner") filed a Preliminary Response to the Petition, along with the supporting Declaration of Dr. V. Thomas Rhyne. Paper 8 ("Prelim. Resp."); Ex. 2001. With the Board's allowance, Petitioner also filed a Pre-Institution Reply (Paper 9, "Pet. Pre-Inst. Reply"), with Patent Owner filing a Pre-Institution Sur-Reply (Paper 10, "PO Pre-Inst. Sur-Reply"), which further address discretionary denial under 35 U.S.C. § 314(a).

We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted "unless . . . the information presented in the petition . . . 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."

For the reasons that follow, we determine that Petitioner has demonstrated that there is a reasonable likelihood that it would prevail in showing the unpatentability of at least one of the challenged claims. For the reasons set forth below, and pursuant to 35 U.S.C. § 314, we institute *inter partes* review of claims 15–20, 23, 24, 27, and 28 of the '866 patent.

## B. Related Matters

The parties identify several district court litigations concerning the '866 patent that are terminated or are entering the appeal stage. Pet. 3–4;

## IPR2021-00465 Patent 9,742,866 B2

Paper 4, 2–3. The parties also identify a district court case, *Luminati Networks Ltd. v. NetNut Ltd.*, No. 2:20-cv-00188 (E.D. Tex.), involving patents other than the '866 patent. Pet. 3; Paper 4, 3.

## C. The '866 Patent

The '866 patent is titled "System And Method For Improving Internet Communication By Using Intermediate Nodes" and issued on August 22, 2017, from an application filed on November 3, 2015. Ex. 1001, codes (22), (45), (54). The patent is subject to a terminal disclaimer. *Id.* at code (\*). The application for the '866 patent claims priority to U.S. Provisional Application No. 61/870,815, filed August 28, 2013. *Id.* at code (60).

The '866 patent is directed to a method 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.* Requested content may be partitioned into slices, with the client device sending a request for the slices to the available tunnel devices. *Id.* The tunnel devices may, in turn, fetch 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, which serves as an intermediate device to other client devices. Ex. 1001, code (57). The selection of tunnel devices to be used by a client device may be made in the acceleration server, in the client device, or in both. *Id*. Partitions into slices may be overlapping or non-overlapping, and the same slice, or the whole content, may be fetched via multiple tunnel devices. *Id*.

Claim 15 is the only independent challenged. This claim of the '866 patent is reproduced below.

15. A method for fetching a content over the Internet from a first server identified in the Internet by a second identifier via a group of multiple devices, each identified in the Internet by an associated group device identifier, the method comprising the step of partitioning the content into a plurality of content slices, each content slice containing at least part of the content, and identified using a content slice identifier, and for each of the content slices, comprising the steps of:

(a) selecting a device from the group;

(b) sending over the Internet a first request to the selected device using the group device identifier of the selected device, the first request including the content slice identifier and the second identifier;

(c) in response to receiving the sent first request by the selected device, receiving over the Internet the content slice from the selected device; and

wherein the method further comprising the step of constructing the content from the received plurality of content slices,

and wherein each of the devices in the group is a client device.

Ex. 1001, 173:41–174:14.

D. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims of the '866 patent on the following grounds:

Claim(s)	35 U.S.C. §	References/Basis
15–17, 23, 24	$102(a)^2$	Sharp KK <sup>3</sup>
18	103	Sharp KK, MPEG DASH <sup>4</sup>

<sup>&</sup>lt;sup>2</sup> The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), which amended 35 U.S.C. §§ 102 and 103, was effective on March 16, 2013 and applies here.

<sup>&</sup>lt;sup>3</sup> EP 2 597 869 A1, published on May 29, 2013 (Ex. 1018, "Sharp KK").

<sup>&</sup>lt;sup>4</sup> Information technology–Dynamic adaptive streaming over HTTP (DASH)–Part 1: Media Presentation Description and Segment Formats, ISO/IEC JTC 1/SC 29, January 5, 2012 (Ex. 1027, "MPEG DASH").

Claim(s)	35 U.S.C. §	References/Basis
19, 20, 27, 28	103	Sharp KK, Shribman <sup>5</sup>
15, 17, 18	103	Luotonen <sup>6</sup> , RFC 2616 <sup>7</sup>
15, 17, 18	103	Luotonen, RFC 2616, RFC 3040 <sup>8</sup>

Pet. 10.

## II. DISCRETIONARY DENIAL

Patent Owner requests that the Board exercise its discretion pursuant to 35 U.S.C. § 314(a) and deny institution. Prelim. Resp. 4–20; PO Pre-Inst. Sur-Reply 1–5. Patent Owner urges that institution should be denied based on the factors identified in *General Plastic*, as well as the consideration of additional factors. Prelim. Resp. 4–20; PO Pre-Inst. Sur-Reply 1–5; *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i, pages 15–19) ("General *Plastic*").

As background, *General Plastic* identifies factors to be considered by the Board in evaluating whether to exercise discretion, under § 314(a), to deny a petition that challenges a patent that was previously challenged before the Board, which are:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;

<sup>&</sup>lt;sup>5</sup> U.S. Patent Application No. 2011/0087733 A1, filed July 14, 2010, published April 14, 2011 (Ex. 1017, "Shribman").

<sup>&</sup>lt;sup>6</sup> Ari Luotonen, WEB PROXY SERVERS, Prentice Hall Web Infrastructure Series, 1998 (Ex. 1014, "Luotonen").

 <sup>&</sup>lt;sup>7</sup> Hypertext Transfer Protocol–HTTP/1.1, Network Working Group, RFC 2616, The Internet Society, 1999 (Ex. 1007, "RPC 2616").
<sup>8</sup> Internet Web Replication and Caching Taxonomy, Network Working

Group, RFC 2616, The Internet Society, 2001 (Ex. 1020, "RPC 3040").

## DOCKET A L A R M



# 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.