

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.

IPR2020-01358
Patent 10,484,510 B2

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

McSHANE, *Administrative Patent Judge*.

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

Data Co Exhibit 1068 Data Co v. Bright Data
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I. INTRODUCTION

A. *Background and Summary*

Code200, UAB, Teso LT, UAB, Metacluster LT, UAB, and Oxysales, UAB (“Code200” or “Petitioner”)¹ filed a Petition requesting *inter partes* review of claims 1, 2, 6–11, 13, and 15–24 of U.S. Patent No. 10,484,510 B2 (Ex. 1001, “the ’510 patent”) pursuant to 35 U.S.C. §§ 311–319, along with the supporting Declaration of Michael Freedman, Ph. D. Paper 5 (“Pet.”); Ex. 1009. Luminati Networks Ltd. (“Luminati” or “Patent Owner”) filed a Preliminary Response to the Petition. Paper 9 (“Prelim. Resp.”).

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 exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

B. *Related Matters*

The parties identify the related litigations, *Luminati Networks Ltd. v. Teso LT, UAB et al.*, 2:19-cv-00395-JRG (E.D. Tex.) (“the 395 district court case”) and *Luminati Networks Ltd. v. Tefincom S.A. D/B/A NordVPN*, 2:19-cv-00414-JRG (E.D. Tex.). Pet. 2; Paper 6, 2.

The parties also note another petition has been filed in IPR2020-01266, which is directed to U.S. Patent No. 10,257,319, which claims the

¹ Petitioner additionally identifies coretech lt, UAB as a real party-in-interest. Pet. 2.

benefit of the same provisional application, and is a continuation of the same application, as the '510 patent. Pet. 2; Paper 6, 2.

C. The '510 Patent

The '510 patent is titled "System Providing Faster and More Efficient Data Communication" and issued on November 19, 2019, from an application filed on February 17, 2019. Ex. 1001, codes (22), (45), (54). The application for the '510 patent is a continuation of several applications, and other related applications include a divisional application and a provisional application. *See id.*, code (60). The '510 patent is subject to a terminal disclaimer. *Id.*, code (*).

The '510 patent is directed to a system and method for increasing network communication speed for users, while lowering network congestion for content owners and internet service providers (ISPs). Ex. 1001, code (57). The system employs network elements including an acceleration server, clients, agents, and peers, where communication requests generated by applications are intercepted by the client on the same machine. *Id.* The IP address of the server in the communication request is transmitted to the acceleration server, which provides a list of agents to use for this IP address. *Id.*

The communication request is sent to the agents. Ex. 1001, code (57). One or more of the agents respond with a list of peers that have previously seen some or all of the content which is the response to this request (after checking whether this data is still valid). *Id.* The client then downloads the data from these peers in parts and in parallel, thereby speeding up the Web transfer, releasing congestion from the Web by fetching the information

from multiple sources, and relieving traffic from Web servers by offloading the data transfers from them to nearby peers. *Id.*

Challenged claim 1 is the only independent claim. Claim 1 of the '510 patent is reproduced below.

1. A method for use with a web server that responds to Hypertext Transfer Protocol (HTTP) requests and stores a first content identified by a first content identifier, the method by a first client device comprising:

establishing a Transmission Control Protocol (TCP) connection with a second server;

sending, to the web server over an Internet, the first content identifier;

receiving, the first content from the web server over the Internet in response to the sending of the first content identifier; and

sending the received first content, to the second server over the established TCP connection, in response to the receiving of the first content identifier.

Ex. 1001, 19:18–31.

D. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims of the '510 patent on the following grounds:

Claims Challenged	35 U.S.C. §	Reference(s)
1, 2, 6, 7, 15, 16, 18–23	102(b) ²	Crowds ³

² The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. § 103, effective March 16, 2013. Because the '510 patent claims priority to a provisional application that was filed before this date, with Petitioner not contesting that priority, the pre-AIA versions of §§ 102, 103 apply. *See* Ex. 1001, code (60); Pet. 12.

³ Michael K. Reiter, *Crowds: Anonymity for Web Transactions*, ACM Transactions on Information and System Security, Vol. 1, No. 1, November 1998, at 66–92 (Ex. 1011).

Claims Challenged	35 U.S.C. §	Reference(s)
1, 2, 6–11, 13, 15, 16, 18–23	103(a)	Crowds, RFC 2616 ⁴
1, 6, 10, 15–20, 23, 24	102(b)	Border ⁵
1, 6, 8–11, 13, 15–20, 22–24	103(a)	Border, RFC 2616
1, 2, 6–8, 13, 15, 16, 18–23	102(b)	MorphMix ⁶
1, 2, 6–11, 13, 15, 16, 18–23	103(a)	MorphMix, RFC 2616

Pet. 15–16.

II. DISCRETIONARY DENIAL UNDER § 314(a)

A. Overview

Patent Owner requests that we exercise our discretion under 35 U.S.C. § 314(a) to deny the Petition under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). Prelim. Resp. 4–16.

In assessing whether to exercise such discretion, the Board weighs the following factors:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;

⁴ Hypertext Transfer Protocol—HTTP/1.1, Network Working Group, RFC 2616, The Internet Society, 1999 (Ex. 1018).

⁵ U. S. Patent No. 6,795,848, issued September 21, 2004 (Ex. 1017).

⁶ Marc Rennhard, MorphMix—A Peer-to-Peer-based System for Anonymous Internet Access (2004) (Ph.D. dissertation, Swiss Federal Institute of Technology) (Ex. 1013).

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