

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

BRIGHT DATA LTD.,
Patent Owner.

IPR2022-01109
Patent 10,257,319 B2

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

GIANNETTI, *Administrative Patent Judge.*

DECISION

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

Denying Motion for Joinder
35 U.S.C. § 315(c); 37 C.F.R. § 42.122

I. INTRODUCTION

Code200, UAB; Teso LT, UAB; Metacluster LT; UAB, Oxysales; UAB; and coretech LT, UAB (collectively, “Petitioner” or “Code200”) filed a Petition for *inter partes* review of claims 1–29 of U.S. Patent No. 10,257,319 B2 (Ex. 1001, “the ’319 patent”). Paper 1 (“Pet.”). Bright Data, Ltd. (“Patent Owner”) filed a Preliminary Response (Paper 16, “Prelim. Resp.”), Petitioner filed a Reply to the Preliminary Response (Paper 17), and Patent Owner filed a Sur-reply (Paper 19).

With the Petition, Petitioner filed a Motion for Joinder with *The Data Company. v. Bright Data Ltd.*, IPR2022-00135 (“the 135 IPR”). Paper 7 (“Joinder Mot.”). Patent Owner filed an Opposition to the Joinder Motion (Paper 13, “Joinder Opp.”) and Petitioner filed a Reply to Patent Owner’s Joinder Opposition (Paper 14, “Joinder Reply”).

In addition to opposing joinder, Patent Owner also presents arguments on the merits and for discretionary denial of the Petition under *Fintiv*¹ and *General Plastic*.² See, generally, Prelim. Resp. 5–11 (*General Plastic*), 12–17 (*Fintiv*), and 49–68 (merits).

We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” However, under 35 U.S.C. § 315(b),

¹ *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 (PTAB March 20, 2020) (precedential) (“*Fintiv*”).

² *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i) (“*General Plastic*”).

“[a]n inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.” Section 315(b) of 35 U.S.C. further provides that “[t]he time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).”

We have authority to consider Petitioner’s joinder motion under 35 U.S.C. § 315(c), which provides that “the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director . . . determines warrants the institution of an inter partes review under section 314.”

For the reasons described below, we deny Petitioner’s Motion for Joinder. Furthermore, we deny the Petition as time-barred under 35 U.S.C. § 315(b). We do not reach Patent Owner’s additional contentions including those based on *Fintiv* or *General Plastic*.

II. BACKGROUND

A. Related Matters

The ’319 patent is currently the subject of four proceedings pending before the USPTO and numerous proceedings in district court. We discuss those proceedings in Section III.A, *infra*.

B. Real Parties-in-Interest

Petitioner identifies Code200, UAB; Teso LT, UAB; Metacluster LT; UAB; Oxysales, UAB; and coretech LT, UAB as the real parties-in-interest. Pet. xiii.

Patent Owner identifies Bright Data Ltd. as the real party-in-interest.
Paper 12, 1.

C. The '319 Patent

The '319 patent is titled “System Providing Faster and More Efficient Data Communication.” Ex. 1001, (54). The '319 patent describes a system and method “for faster and more efficient data communication within a communication network.” *Id.* at 4:41–44; Fig. 3.

D. Prior Art References

Petitioner relies principally on Plamondon³ in all grounds of its challenge. Pet. 3.

III. PETITIONER’S MOTION FOR JOINDER

A. Introduction

The Petition in this proceeding is a “me-too” petition asserting the same grounds of unpatentability as those upon which we instituted review in the 135 IPR filed by The Data Company. Pet. 2. As noted *supra*, Petitioner has moved to join the 135 IPR. Joinder Mot. 1. Petitioner asserts that “[t]he present Petition concerns the same patent and the same claims as the [135 IPR].” *Id.* at 2. Petitioner further argues that “[t]he present Petition and supporting expert declaration are substantively identical to the [135 IPR] petition and expert declaration.” *Id.* Petitioner agrees to take an “understudy” role if joined, thus contending that “[j]oinder will not cause any delay in the resolution of the [135 IPR].” *Id.*

³ U.S. Patent Application Publication US 2008/0228938 A1, published September 18, 2008 (Ex. 1010).

Patent Owner opposes the joinder motion. *See* Joinder Opp. Patent Owner asserts that Petitioner was sued for infringement of the '319 patent in December 2019, and therefore, “[w]ithout joinder, the petition is time-barred under 35 U.S.C. § 315(b).” *Id.* at 1. Patent Owner argues that the Petition is “the [t]hird Code200 IPR Petition challenging the '319 Patent.” *Id.* Patent Owner asserts that “Petitioners have now filed three IPRs, requested 1 reexamination, and conducted 1 jury trial as to the '319 Patent.” *Id.* at 1–2.

Patent Owner contends that Petitioner continues to “harass” Patent Owner by “establishing a pattern of behavior where they are/will be attempting to join any instituted proceeding against any Bright Data patent without regard to justice.” *Id.* at 10–11.

For the reasons that follow, we deny the motion for joinder. We therefore do not reach the other issues raised by Patent Owner as we determine that absent joinder, the Petition is time-barred under 35 U.S.C. § 315(b).

B. Background

As noted *infra*, the '319 patent is currently the subject of several proceedings before the USPTO and in district court. All told, there are currently three IPRs, one *ex parte* reexamination, and one district court proceeding already pending involving challenges to the '319 patent.

Petitioner is involved in the pending district court proceeding and one of the three IPRs. Another of these proceedings is the 135 IPR, which Petitioner seeks to join as a party in the motion that is before us.

We summarize those proceedings in the following sections.

1. Teso District Court Litigation

The parties indicate that there are several related district court litigations involving the '319 patent, including, most particularly, *Bright Data Ltd. v. Teso LT, UAB*, 2:19-cv-00395-JRG (E.D. Tex.) (“the *Teso* Litigation”). Pet. xiv; Paper 12, 3.

In the *Teso* Litigation, Bright Data Ltd., Patent Owner, sued Teso LT, as well as other members of the petitioner group here (Metacluster LT, UAB, and Oxysales, UAB) for infringement of the '319 patent, among other patents. Joinder Mot. 2.

At trial, the issue of whether claims 1 and 26 of the '319 patent are invalid was presented to the jury. *Id.* at 3. On November 5, 2021, the jury found that that the defendants did not prove that these claims were invalid by clear and convincing evidence. *Id.*; Ex. 1080, 5. Currently, the *Teso* litigation is stayed. Joinder Mot. 3.

2. The Ex Parte Patent Reexamination

The '319 patent is the subject of an *ex parte* reexamination, Control No. 90/014,875, requested by Petitioner, which has been stayed. Joinder Mot. 4–5; Paper 18, 2.

3. 1492 IPR

On September 3, 2021, NetNut Ltd. filed a petition seeking *inter partes* review of the '319 patent. IPR2021-01492 (“the 1492 IPR”), Paper 2.

Petitioner’s principal references were Crowds,⁴ Border,⁵ and MorphMix.⁶ 1492 IPR, Paper 2 at 10.

On March 21, 2022, we instituted *inter partes* review of claims 1, 2, 12, 14, 15, 17–19, and 21–29 of the ’319 patent. 1492 IPR, Paper 12 at 7–8, 39.

The 1492 IPR petition was the first that we granted for *inter partes* review of the ’319 patent.⁷ After institution, Patent Owner reached a settlement with NetNut, and as a result, on May 27, 2022, NetNut was terminated as petitioner in the 1492 IPR. 1492 IPR, Paper 20. The 1492 IPR proceeding, however, was not terminated. Instead, as is discussed in the immediately following section, Code200 was joined as a party to the 1492 IPR and is now the only petitioner left in the case.

4. 861 IPR

On April 18, 2022, Petitioner filed a “me-too” petition in IPR2022-00861 (“the 861 IPR”), asserting the same grounds of unpatentability based on Crowds, Border, and MorphMix, the references upon which we instituted review in the 1492 IPR. *See* 861 IPR, Paper 1, 2–3. With the petition, Petitioner filed a motion to join the 1492 IPR. *Id.*, Paper 7.

⁴ Michael Reiter & Aviel Rubin, *Crowds: Anonymity for Web Transactions*, ACM Transactions on Information and System Security, Vol. 1, No. 1 (Nov. 1998) (Ex. 1006, “Crowds”).

⁵ U.S. Patent No. 6,795,848 B1 (Sep. 21, 2004) (Ex. 1012, “Border”).

⁶ Marc Rennhard, *MorphMix – A Peer-to-Peer-based System for Anonymous Internet Access* (2004) (Ex. 1008, “MorphMix”).

⁷ A previous petition filed by Petitioner challenging certain claims of the ’319 patent was denied on discretionary grounds. Joinder Mot. 4; Paper 18, 1; Joinder Opp. 4. IPR2020-01266, Paper 18.

On October 19, 2022, the panel in the 861 IPR issued a decision granting institution of *inter partes* review in the 861 IPR and granting Petitioner's motion to join the 1492 IPR. 861 IPR, Paper 19.⁸

Because NetNut, the sole petitioner in the 1492 IPR, had been terminated (*see supra*), the effect of this joinder was to place Petitioner in control of the 1492 IPR.

5. 135 IPR

On November 3, 2021, The Data Company Technologies Inc. filed a petition in the 135 IPR, challenging certain claims of the '319 patent based on the Plamondon reference. *See supra*, Section I. On June 1, 2022, we granted the petition and instituted a second *inter partes* review of the '319 patent. 135 IPR, Paper 12.

7. 915 IPR

Major Data UAB filed a petition challenging the '319 patent on April 21, 2022. IPR2022-00915, Paper 1. Major Data also sought joinder with the 1492 IPR. *Id.*, Paper 3. On July 29, 2022, we denied the motion for joinder. *Id.*, Paper 14. However, as Major Data was not time-barred under 35 U.S.C. § 315(b), on September 15, 2022, we granted the petition and instituted a third *inter partes* review of the '319 patent. *Id.*, Paper 18.

⁸ The Director of the U.S. Patent and Trademark Office, *sua sponte*, vacated the panel's initial decision denying institution and remanded the proceeding to the panel for reconsideration. 861 IPR, Paper 18. On remand, the panel granted the motion for joinder and instituted *inter partes* review. *Id.*, Paper 19. The panel has denied Patent Owner's request for rehearing of that decision. *Id.*, Paper 25.

C. Discussion

Joinder may be authorized when warranted, but the decision to grant joinder is discretionary. *Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper 15 at 3 (PTAB Apr. 24, 2013); *Consolidated Trial Practice Guide* 76 (Nov. 2019) (“TPG”).⁹ For the reasons that follow, we determine that Petitioner has not shown that joinder is warranted under the circumstances of this case and we therefore exercise our discretion to deny Petitioner’s Motion for Joinder.

In considering Petitioner’s joinder motion, Patent Owner urges us to consider the fact that, absent joinder, Petitioner is time-barred from this challenge. Joinder Opp. 7. Our *Trial Practice Guide* cautions that “when an otherwise time-barred petitioner requests same party and/or issue joinder, the Board may exercise its discretion to permit joinder, but will do so only where fairness requires it and to avoid undue prejudice to a party.” TPG, at 75–76 (citing *Proppant Express Invs. v. Oren Techs.*, IPR2018-00914, Paper 38 at 3–4 (PTAB Mar. 13, 2019) (precedential)).

Patent Owner asserts also that Petitioner has “missed [the] opportunity to challenge the ’319 patent based on Plamondon.” Joinder Opp. 7–9. Patent Owner argues that Petitioner “should have been aware of the Plamondon reference before the First Code200 IPR Petition was filed on 7/14/20.” *Id.* at 9.

Patent Owner opposes joinder also on the ground that Petitioner has taken “inconsistent positions” on Plamondon, and that Petitioner’s actions “continue to harass” Patent Owner. *Id.* at 9–11. In support of its

⁹ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

“harassment” argument, Patent Owner points to the *Teso* Litigation, and to previous requests for *inter partes* reviews filed by Petitioner where joinder was denied as “unduly prejudicial and not in the interest of justice.” *See* IPR2021-01502, Paper 13, 9; *see also* IPR2021-01503, Paper 13, 8.

Petitioner does not deny its previous activities challenging the ’319 patent. Joinder Reply 1–2. Petitioner acknowledges also the pendency of other challenges to the ’319 patent including the 1492 IPR (involving Crowds, Border, and MorphMix) brought by NetNut, and the 135 IPR (involving Plamondon), brought by The Data Company. *Id.* at 1.

Petitioner responds by repeating that Petitioner seeks only an “understudy role” in this case. *Id.* at 3. Petitioner explains it has not used the prior decisions to craft new arguments (“no roadmap exists”) because the Petition here copies the petition filed by The Data Company and therefore “does not introduce any new arguments and evidence.” *Id.*

Petitioner responds further that it “could not have reasonably learned of [Plamondon’s] existence” before filing of the 135 IPR by The Data Company. *Id.* Petitioner denies that its position on claim construction has been inconsistent, and contends that granting joinder would not “risk inconsistent outcomes” because the primary prior art (i.e., Plamondon) does not overlap with Petitioner’s prior petitions or the Texas litigation. *Id.* at 4–5.

But Petitioner’s main argument is that if joinder is granted and *inter partes* review is instituted, “it will represent Petitioner’s *first and only* IPR directed to the ’319 patent that will have been instituted.” Joinder Reply 2.

While we are not persuaded that Petitioner’s actions were intended to “harass” Patent Owner, or that Petitioner has engaged in “road-mapping,”

we recognize that the timing of Petitioner’s challenges to the ’319 patent, and our rulings on those challenges, impact our decision on whether to grant joinder here. Since the filing of the Petition, we have granted the petition in the 861 IPR and joined Code200 to the 1492 IPR, where it is now the sole petitioner. Thus, Petitioner’s principal argument for joinder, that this *inter partes* review, if instituted, “will represent Petitioner’s *first and only* IPR directed to the ’319 patent that will have been instituted,” is now incorrect, because we have granted Petitioner’s request to join the 1492 IPR, which Petitioner will now control due to the NetNut settlement.

Our *Consolidated Trial Practice Guide* provides guidance on handling situations involving multiple petitions by a single petitioner challenging the same patent claims:

Based on the Board’s experience, *one petition should be sufficient* to challenge the claims of a patent in most situations. . . . In addition, *multiple petitions by a petitioner are not necessary in the vast majority of cases*. To date, a substantial majority of patents have been challenged with a single petition.

TPG 59 (emphasis added). The *Trial Practice Guide* continues: “Further, based on prior experience, the Board finds it *unlikely* that circumstances will arise where *three or more* petitions by a petitioner with respect to a particular patent will be appropriate.” *Id.* (emphases added).

While recognizing that multiple petitions by the same petitioner will be “rare,” the *Trial Practice Guide* provides a set procedure to follow when more than one petition is deemed necessary. *Id.* at 59–60. That procedure involves the petitioner providing “(1) a ranking of the petitions in the order in which it wishes the Board to consider the merits, if the Board uses its discretion to institute any of the petitions, and (2) a succinct explanation of

the differences between the petitions, why the issues addressed by the differences are material, and why the Board should exercise its discretion to institute additional petitions if it identifies one petition that satisfies petitioner's burden under 35 U.S.C. § 314(a).” *Id.* at 60.

While not specifically referring to a joinder request,¹⁰ the *Trial Practice Guide* instructs us that a party seeking to maintain multiple challenges to the same patent claims carries a heavy burden of establishing that multiple petitions are necessary. Petitioner contends that Patent Owner has not carried that burden. Joinder Opp. 1. We agree. Petitioner has not explained why the 1492 IPR is an insufficient challenge.

It is true that the 135 IPR involves Plamondon, another reference. But Petitioner has not explained how Plamondon differs from Crowds, Border, or MorphMix, or why granting joinder with the 135 IPR would be in the interest of justice, given Petitioner's involvement managing the 1492 IPR challenging substantially the same claims. In the words of our *Trial Practice Guide*, Petitioner fails to show “why the Board should exercise its discretion to institute additional petitions if it identifies one petition that satisfies petitioner's burden under 35 U.S.C. § 314(a).” TPG 60.

We see no evidence in the record suggesting that The Data Company is unqualified to manage the 135 IPR, or that Petitioner would add anything significant to that proceeding in its understudy role.

As for the possibility that The Data Company, like NetNut, might reach a settlement with Patent Owner and move to terminate the 135 IPR,

¹⁰ By joining the 1492 IPR, Petitioner is deemed to have filed a petition previously directed to the same patent. *Valve Corp. v. Elect. Scripting Prods. Inc.*, IPR2019-00064, Paper 10 at 10 (PTAB May 1, 2019).

we regard this as speculation. In any case, if such a settlement were to occur and the Board were to terminate the 135 IPR, Petitioner would still control the 1492 IPR, and Petitioner does not explain why the 1492 IPR would not be sufficient to assure that the merits of the '319 patent were properly tested. *See* 861 IPR Paper 18, 6 (Director's Decision, stressing "the Board's mission 'to improve patent quality and restore confidence in the presumption of validity that comes with issued patents,'" quoting *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 272 (2016)).

D. Conclusion

For the foregoing reasons, we deny Petitioner's Motion for Joinder. We determine that Petitioner has not demonstrated that the interest of justice would be served by permitting Petitioner to join the 135 IPR.

III. DENIAL OF INTER PARTES REVIEW

It is undisputed that Petitioner was served with a complaint alleging infringement of the '319 patent more than one year prior to filing the Petition in this proceeding. *See* Joinder Mot. 2; Joinder Opp. 1. Accordingly, in view of the denial of the requested relief of joinder with the 135 IPR, institution of *inter partes* review as requested by Petitioner is barred by statute. *See* 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b).

IV. CONCLUSION

For the foregoing reasons, we deny Petitioner's Motion for Joinder. Because Petitioner is barred under 35 U.S.C. § 315(b) from seeking *inter partes* review of the '319 patent, we deny the Petition and do not institute review as to any of the challenged claims.

V. ORDER

Accordingly, it is:

ORDERED that the Motion for Joinder is *denied*; and

FURTHER ORDERED that the Petition is *denied* as to all challenged claims and grounds and no trial is instituted.

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