

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

MOTION OFFENSE, LLC,
Patent Owner.

IPR2022-01311
Patent 10,303,353 B1

Before JEFFREY S. SMITH, JENNIFER S. BISK, and
NORMAN H. BEAMER, *Administrative Patent Judges*.

SMITH, *Administrative Patent Judge*.

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

I. INTRODUCTION

Google LLC (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting *inter partes* review of claims 1–7 and 16 of U.S. Patent No. 10,303,353 (Ex. 1001, “the ’353 patent”) pursuant to 35 U.S.C. § 311(a). Motion Offense, LLC (“Patent Owner” or “PO”) responded by filing: a Disclaimer in Patent, under 37 C.F.R. 1.321(a), disclaiming claims 1–7 (Ex. 2001); and a Preliminary Response (Paper 6, “Prelim. Response”), pursuant to 35 U.S.C. § 313, defending only claim 16. Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 9, “Prelim. Reply”) as “authorized . . . to address Patent Owner’s arguments regarding discretionary denial under 35 U.S.C. § 314(a)” (Ex. 1020 (Board’s email, December 29, 2022, to the parties)). Patent Owner filed a Sur-reply to that Reply (Paper 11 (“Prelim. Sur-reply”) as “authorized to . . . address[] the same issue” (Ex. 1020).

Pursuant to 35 U.S.C. § 314(a), the Director may not authorize an *inter partes* review unless the information in the petition and 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.” For the reasons that follow, we institute an *inter partes* review as to claim 16 of the ’353 patent on the sole ground of unpatentability asserted in the Petition (*see infra* § VI (asserted ground)).

II. REAL PARTIES-IN-INTEREST

Petitioner identifies itself (Google LLC) as its sole real party-in-interest and notes it “is a subsidiary of [entities that] are not real parties-in-interest to this proceeding.” Pet. 1 & n.1. Patent Owner identifies itself (Motion Offense, LLC) as its sole real party-in-interest. Paper 4, 2.

III. RELATED MATTERS

Petitioner states that the '353 patent is the subject of the following proceedings: *Dropbox, Inc. v. Motion Offense, LLC*, Case No. 6:20-cv-00251-ADA (W.D. Tex.); and *Motion Offense, LLC v. Google LLC*, Case No. 6:21-cv-00514-ADA (W.D. Tex.). Pet. 2. Petitioner further states they have concurrently filed: an IPR petition challenging U.S. Patent No. 10,613,737 ("the '737 patent") that is also at issue in the above actions and issued from a continuation application of the '353 patent's application (U.S. Patent Application No. 15/984,407); and an IPR petition challenging U.S. Patent No. 11,044,215 ("the '215 patent") that is also at issue in the second of the above actions (Case No. 6:21-cv-00514-ADA) and in *Motion Offense, LLC v. Dropbox, Inc.*, Case No. 6:21-cv-00758-ADA (W.D. Tex.). Pet. 2. PTAB records identify the above two petitions as IPR2022-01312 and IPR2022-01313. The above three patents identify their respective applications as being continuation applications of an in-common U.S. patent application (No. 14/274,623).

Patent Owner identifies each of the above actions and IPR proceedings as "judicial and/or administrative matters that may affect, or may be affected by, a decision in the *Inter Partes* Review." Paper 4, 2. Patent Owner describes the relatedness as "[t]wo parallel district court cases [that] involve the same patent, same claim[16,] and same art" and designates the two cases as (1) Dropbox litigation of Case Nos. 6:20-cv-00251-ADA and 6:21-cv-00758-ADA ("Dropbox Litigations") and (2) Google litigation of Case No. 6:21-cv-00514-ADA ("Google Litigation"). Prelim. Response 1, 20–24.

IV. THE '353 PATENT (EXHIBIT 1001)

The '353 patent relates to sharing the contents of a folder using an email message and a file explorer interface without an attachment included with the email message. Ex. 1001, Abstract. An example process is summarized by the steps of Figures 2A and 2B. *Id.* at 7:5–12. A first part of the process creates and transmits a message including a “mount descriptor.” *Id.* at 27:35–40; 28:44–48; 30:37–40; 31:8–15; Figs. 2B, 8A. A “second” communications agent represents a second user and, in a first step 212, receives data object information identifying a data object in a “second” data store of a “second” execution environment that includes the second communications agent. *Id.* at 27:35–40; Fig. 2B. In the next step 214, the mount descriptor is created and configured for accessing the data object by a “first” data store in a “first” execution environment that includes a “first” communications agent that represents a “first” user. *Id.* at 28:44–48. In the next step 216, the second communications agent places the mount descriptor in a “first” message addressed to the first user. *Id.* at 30:37–40. In the next step 218, the second communications agent sends the first message to the first communications agent. *Id.* at 31:8–11.

A second part of the process uses the mount descriptor to create a representation of the data object in the first data storage and provide access to the data object (from the second data store). Ex. 1001, 20:58–66; 22:15; 22:61–62; 25:6–9[?]; Fig. 2A. In the first step 202, the first communications agent receives the first message (which includes the mount descriptor) from the second communications agent. *Id.* at 20:58–66. In the next step 204, the first communications agent detects the mount descriptor. *Id.* at 22:15. In the next step 206, the first communications agent determines a “first” location of

the data object in the first data store. *Id.* at 22:61–62. In the next step 208, the first communications agent creates, based on the mount descriptor, the representation of the data object in the first data storage. *Id.* at 25:6–9.

V. ILLUSTRATIVE CLAIM

Challenged claim 16 of the '353 patent depends from disclaimed independent claim 5. We reproduce, below, disclaimed claim 5 and challenged claim 16¹ (with the Petitioner's identifiers of limitations in brackets).

5. [a] A method, comprising:

[b] at a first node:

[c] causing display of at least one first interface with a first user interface element, utilizing first hypertext markup language-equipped code,

[d] receiving an indication of at least one folder via the first user interface element, utilizing the at least one first interface,

[e] causing display of at least one second interface with a second user interface element, utilizing second hypertext markup language-equipped code,

[f] receiving indicia associated with at least one email address via the second user interface element, utilizing the at least one second interface, and

[g] receiving an indication to share the at least one folder for causing to be sent, to a second node via at least one network, at least one email message identifying the at least one folder and including a reference to the at least one folder, without including any file in the at least one folder as an attachment of the at least one email message; and

¹ Because only claim 16 was not disclaimed, only claim 16 is presently challenged and will be identified as such.

[h] at the second node:

[i] causing, via particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder in a location among one or more folders on the file explorer interface,

[j] causing display of the representation of the at least one folder in the location among the one or more folders on the file explorer interface,

[k] receiving an indication to open at least one file in the at least one folder, and

[l] in response to detection of the indication to open at least one file in the at least one folder, causing retrieval of the at least one file via the at least one network for permitting display of the at least one file.

16. The method of claim 5, wherein, in response to the creation of the representation of the at least one folder being caused, an additional representation on the file explorer interface is caused to be created that represents the at least one file, where the file explorer interface is displayed by a file explorer client application without a web page.

Ex. 1001, 44:24–61, 45:37–42 (formatting modified and Petitioner’s identification of limitations added in brackets).

VI. ASSERTED GROUND

Petitioner asserts that claim 16 is unpatentable on the following grounds.

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
16	103(a)	Houston ² , Garcia ³

² U.S. Patent No. 8,825,597 B1 (Ex. 1005).

³ U.S. Patent No. 9,633,125 B1 (Ex. 1006).

VII. LEVEL OF ORDINARY SKILL

Petitioner states a “person of ordinary skill in the art . . . (‘POSITA’) would have had a bachelor’s degree in electrical engineering, computer engineering, computer science, or a related field, or an equivalent technical degree or equivalent work experience, and at least two years of experience in the field of software development.” Pet. 4. Patent Owner “agrees with Petitioner’s definition of a POSITA with one exception”—arguing for removal of the qualifier “at least” from the Petitioner’s above statement. Prelim. Response 25.

The level of ordinary skill in the art usually is evidenced by the references themselves. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001); *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995); *In re Oelrich*, 579 F.2d 86, 91 (CCPA 1978). Petitioner’s description of a person of ordinary skill appears commensurate with the subject matter before us. We understand the “at least” phrase to indicate that a POSITA would have a minimum of 2 years of experience in the field of software development and do not agree with Patent Owner that including such minimum makes the proposed definition improperly indefinite. For purposes of this Decision, we apply Petitioner’s statement as our definition of a POSITA.

VIII. CLAIM CONSTRUCTION

We interpret claim terms using “the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. 282(b).” 37 C.F.R. § 42.100(b) (2019). In this context, claim terms “are generally given their ordinary and customary meaning” as understood by a person of ordinary skill in the art in question at the time of the

invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005) (citations omitted) (en banc). “In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution history, if in evidence.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005, 1014 (Fed. Cir. 2006) (citing *Phillips*, 415 F.3d at 1312–17). Extrinsic evidence is “less significant than the intrinsic record in determining ‘the legally operative meaning of claim language.’” *Phillips*, 415 F.3d at 1317 (citations omitted).

We construe only those claim terms that require analysis to determine whether to institute inter partes review. *See Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (holding that “only those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy”). Any special definition for a claim term must be set forth in the specification with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

Petitioner submits that “[n]o express constructions of any claim terms are necessary to resolve this Petition. (EX1002 ¶28.)” Pet. 6. Patent Owner does not propose any constructions. *See generally* Prelim. Response. For purposes of this Decision, we agree that no terms need be explicitly construed.

IX. ANALYSIS

A. Legal Standards

“In an [*inter partes* review], the petitioner has the burden from the onset to show with particularity why the patent it challenges is

unpatentable.” *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016) (citing 35 U.S.C. § 312(a)(3) (requiring *inter partes* review petitions to identify “with particularity . . . the evidence that supports the grounds for the challenge to each claim”)); *see also* 37 C.F.R. § 42.104(b) (requiring a petition for *inter partes* review to identify how the challenged claim is to be construed and where each element of the claim is found in the prior art patents or printed publications relied upon).

A claim is unpatentable under 35 U.S.C. § 103(a) if “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) when in evidence, objective evidence of obviousness or nonobviousness, i.e., secondary considerations. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966). An obviousness analysis “need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *KSR*, 550 U.S. at 418.

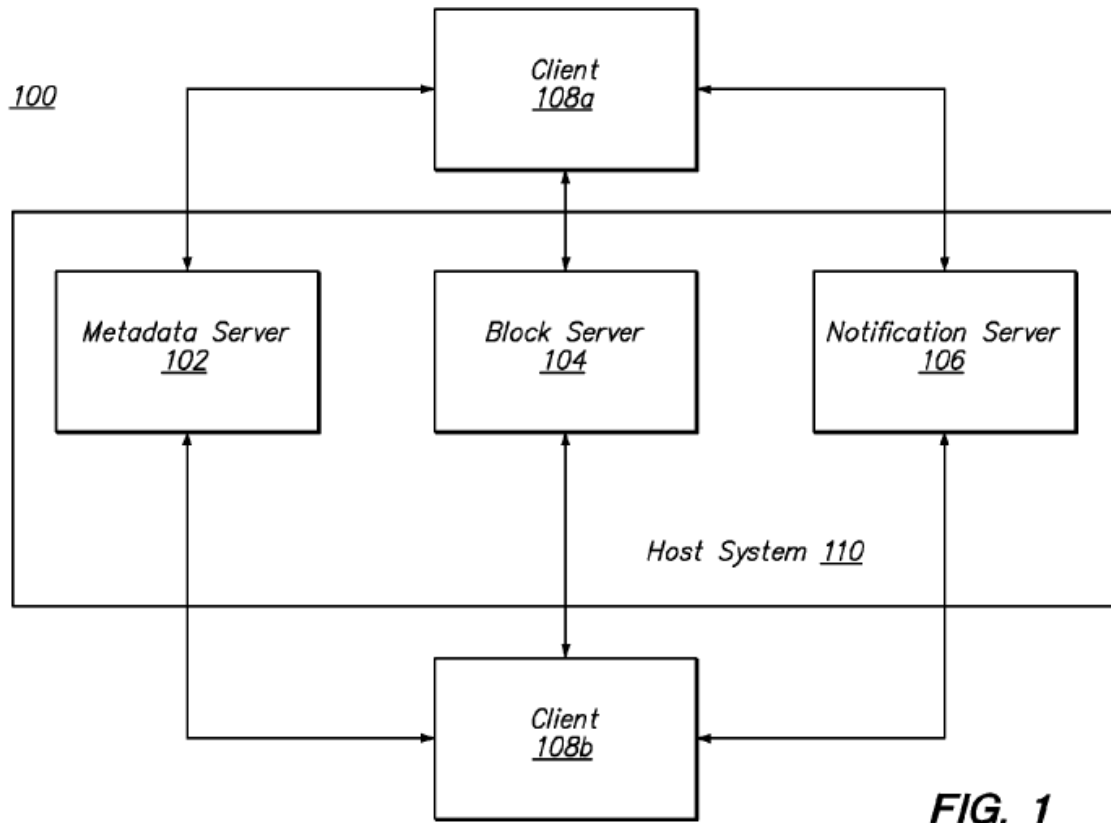
Additionally, the obviousness inquiry typically requires an analysis of “whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *KSR*, 550 U.S. at 418 (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2016) (requiring “articulated

reasoning with some rational underpinning to support the legal conclusion of obviousness’’)). Furthermore, Petitioner does not satisfy its burden of proving obviousness by employing “mere conclusory statements,” but “must instead articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness.” *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016).

B. Claim 16 As Obvious Over Houston and Garcia

1. Houston—Exhibit 1005

Houston “relates generally to sharing of data over a network” and “is directed to synchronization of a folder and its contents shared between multiple clients.” Ex. 1005, 1:15–18. Houston’s Figure 1, reproduced below, “is a block diagram of a host system and clients for maintaining synchronized shared folders.” *Id.* at 2:22–23. System 100 includes clients 108a, 108b and a host system 110, and further includes metadata server 102, block server 104, and notification server 106. *Id.* at 2:59–62.



Houston's Figure 1, reproduced above, "is a block diagram of a host system and clients for maintaining synchronized shared folders." *Id.*, 2:22–23.

Client 108 enables a user to create, modify and delete files on the client's local file system, and for those actions to be synchronized with versions of the same files on host system 110 and on one or more other client computers. Ex. 1005, 3:25–28. A user creates a folder and designates it as one that should be synchronized, and its contents are then managed by client 108 to maintain that synchronization. *Id.* at 3:29–31. A user can create a shared synchronized folder either through a user interface portion of client 108, or via a web server. *Id.* at 3:31–34.

Block server 104 receives, stores, and serves blocks of data constituting synchronized files. Ex. 1005, 2:66–67. Metadata server 102

receives requests from clients to update block server 104's copy of synchronized folders and provides clients with a list of metadata for files being synchronized. *Id.* at 2:63–65. Notification server 106 provides updates to clients when a synchronized folder has been updated on block server 104. *Id.* at 2:67–3:3.

Houston's Figure 3, reproduced below, "illustrates a user interface window for creating a shared synchronized folder" (Ex. 1005, 2:28–29), i.e., of existing folders to be shared. Houston's Figure 4, reproduced below, "illustrates a user interface window for sharing a folder." *Id.* at 2:31–33. Once the user has chosen or created the folder to be shared, and via the user interface window 400, the user can invite those people with whom he would like to share the folder. *Id.* at 3:40–43.

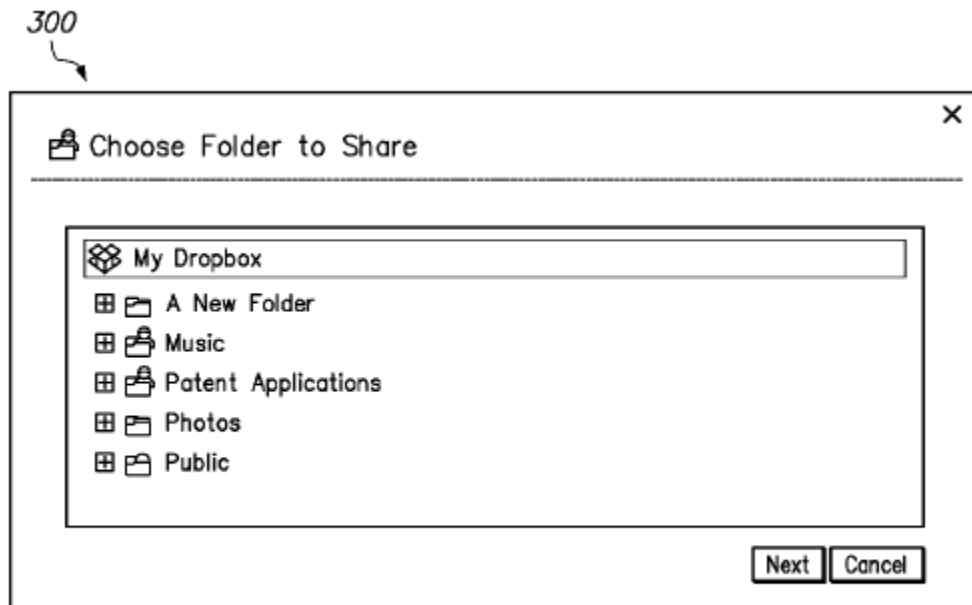


FIG. 3

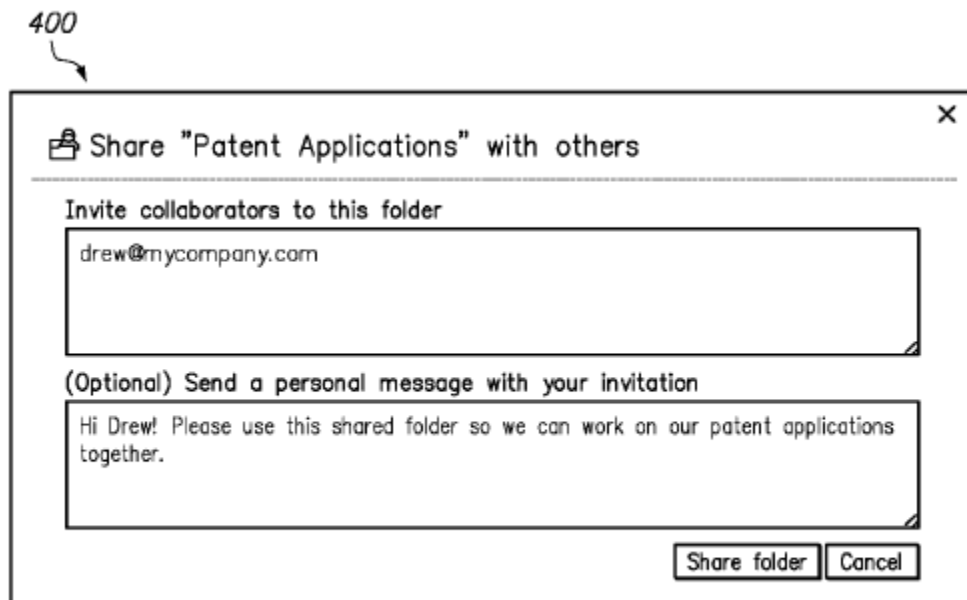


FIG. 4

Houston's Figure 3, reproduced above, "illustrates a user interface window for creating a shared synchronized folder" (*id.*, 2:28–29), that is, of existing folders to be shared. Houston's Figure 4, reproduced above, "illustrates a user interface window for sharing a folder." *Id.*, 2:31–33.

Houston's Figure 10, reproduced below, "illustrates an interface for interacting with shared folders." Ex. 1005, 2:48–49. A first user has "My Dropbox" folder 1002 synchronized with host system 110 that performs namespace mapping functions and allows users of system 100 to interact with shared folders through their operating system's standard user interface. *Id.* at 7:18–22.

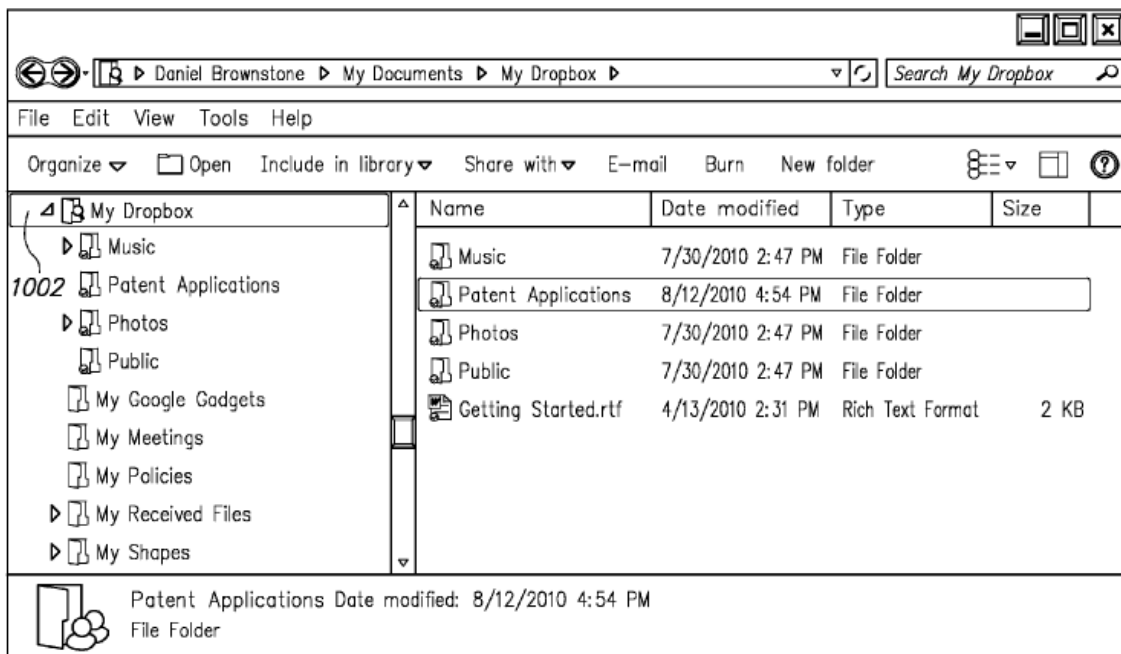


FIG. 10

Houston's Figure 10, reproduced above, "illustrates an interface for interacting with shared folders." *Id.*, 2:48–49.

Houston's Figure 11, reproduced below, "illustrates a selection menu for sharing a folder." Ex. 1005, 2:51–52. By right-clicking on the folder name and selecting "Share This Folder ..." option 1102, a user indicates that they wish to share the "Patent Applications" folder. *Id.* at 7:32–36. Alternatively, the user can use a web interface to communicate the share instructions to host system 110. *Id.* at 7:37–38. In either event, the user also

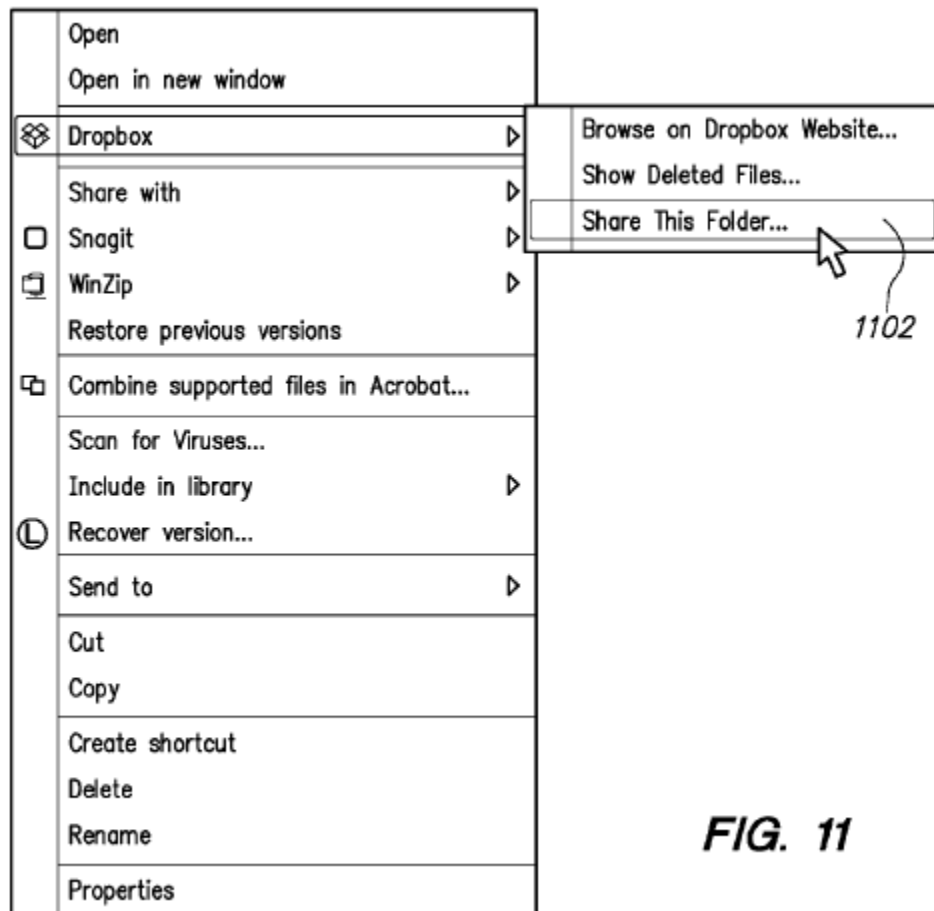


FIG. 11

Houston’s Figure 11, reproduced above, “illustrates a selection menu for sharing a folder.” *Id.*, 2:51–52.

specifies the account identifier of the user(s) with whom the folder is to be shared. *Id.* at 7:38–40.

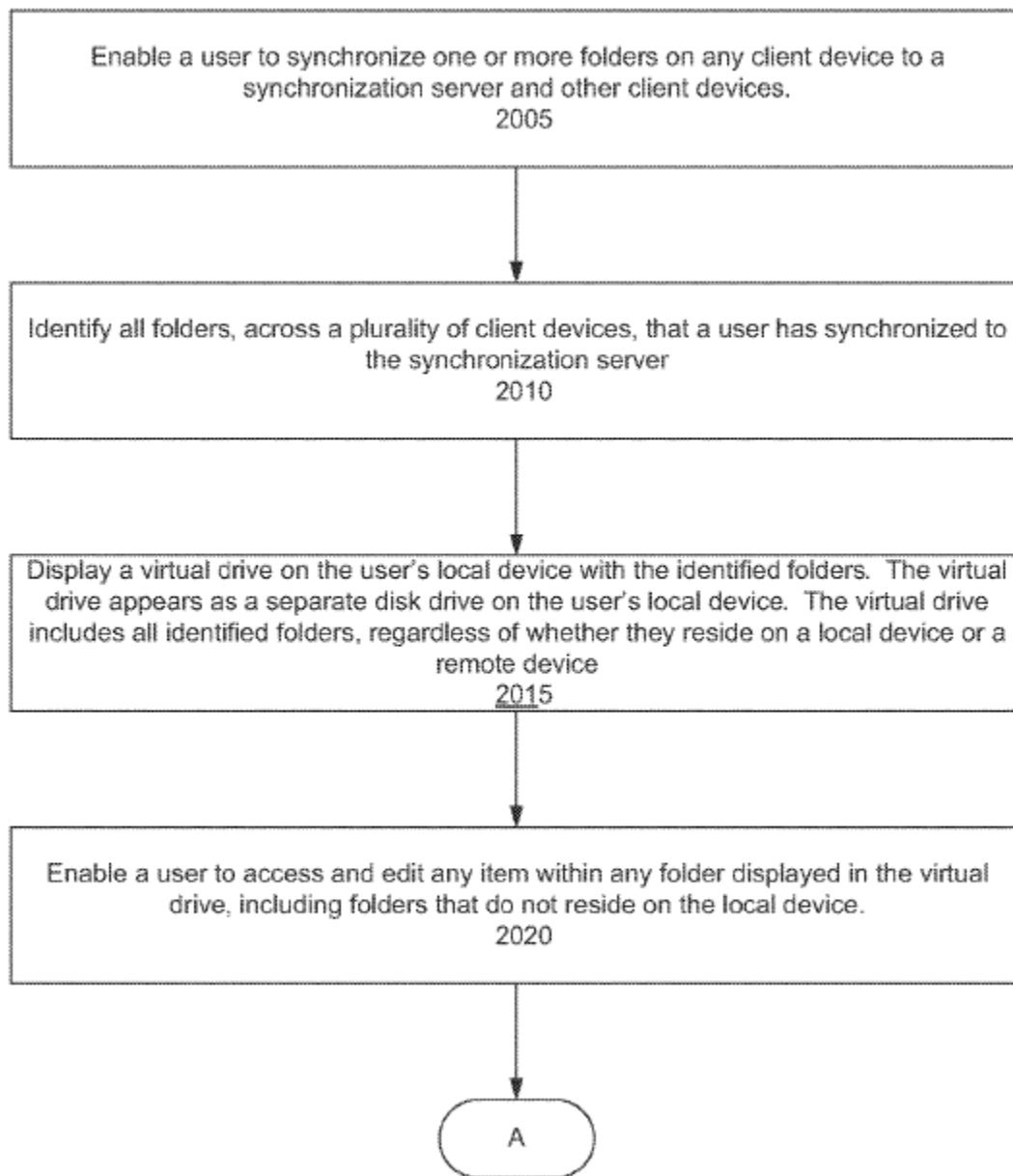
2. *Garcia—Exhibit 1006*

Garcia “relates generally to a synchronization system and, more particularly, to a system and method for enabling a user to synchronize, manage, and share folders across a plurality of client devices and a synchronization server.” Ex. 1006, 1:11–15. Garcia’s Figures 20a–b are, collectively, “a flowchart that illustrates a method . . . for enabling a user to access and edit, via a virtual drive, local and remote objects, including

objects synchronized to a plurality of synchronization software clients.” *Id.* at 2:66–3:1. Figure 20a is reproduced below. In step 2005, a user is enabled to synchronize one or more folders on any synchronization client to the synchronization server and other synchronization clients. *Id.* at 5:14–17.

In step 2010, all folders, across a plurality of synchronization clients that a user has backed up or synchronized to the synchronization server, are identified, as well as any folders that the user shares with other users. Ex. 1006, 5:17–20. Each of the synchronization clients stores metadata with information on all folders shared with or by the user and all folders that the user has backed up or synced to the synchronization server (including the contents of the folder). *Id.* at 5:20–24. The synchronization client on the client device uses this metadata to generate the virtual drive and the user interface. *Id.* at 5:24–26.

In step 2015, a virtual drive is displayed on the user’s local client device with the identified folders. Ex. 1006, 5:27–28. The virtual drive appears as a separate disk drive on the user’s local client device. *Id.* at 5:28–30. The virtual drive includes all of the user’s synced folders, regardless of whether a folder resides on the local client or only on a remote client. *Id.* at 5:30–32.

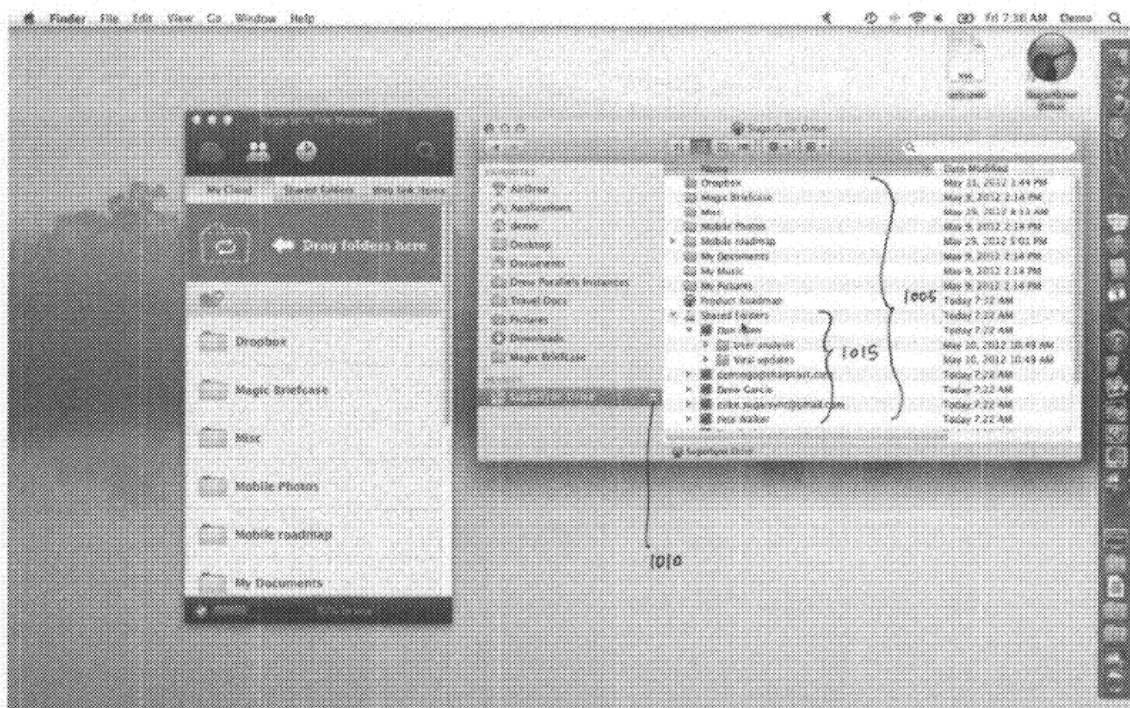


Garcia’s Figure 20a, reproduced above, is “a flowchart that illustrates a method . . . for enabling a user to access and edit, via a virtual drive, local and remote objects, including objects synchronized to a plurality of synchronization software clients.” *Id.*, 2:66–3:1.

In step 2020, a user is enabled to access and edit any item within any folder displayed in the virtual drive, including folders that do not reside on the local client. Ex. 1006, 5:32–35. When a user double clicks on a file or

item in a remote folder in the virtual drive, the server downloads its copy of the file/item to the local synchronization software client (i.e., the client currently being used by the user). *Id.* at 5:35–39. The user can then edit the file/item as desired. *Id.* at 5:39–40. In one embodiment, when a user double clicks on a local folder, the user is taken to the folder in the local file system view. *Id.* at 5:40–42. In another embodiment, the server downloads its copy of the item/file in the local computer. *Id.* at 5:42–43.

Garcia’s Figures 3–14 “are screenshots of an exemplary user interface in a synchronization system.” Ex. 1006, 2:60–61. Figure 10, reproduced below, “illustrates one way in which a user may access items in objects displayed in the client sync application.” *Id.* at 2:60–62.

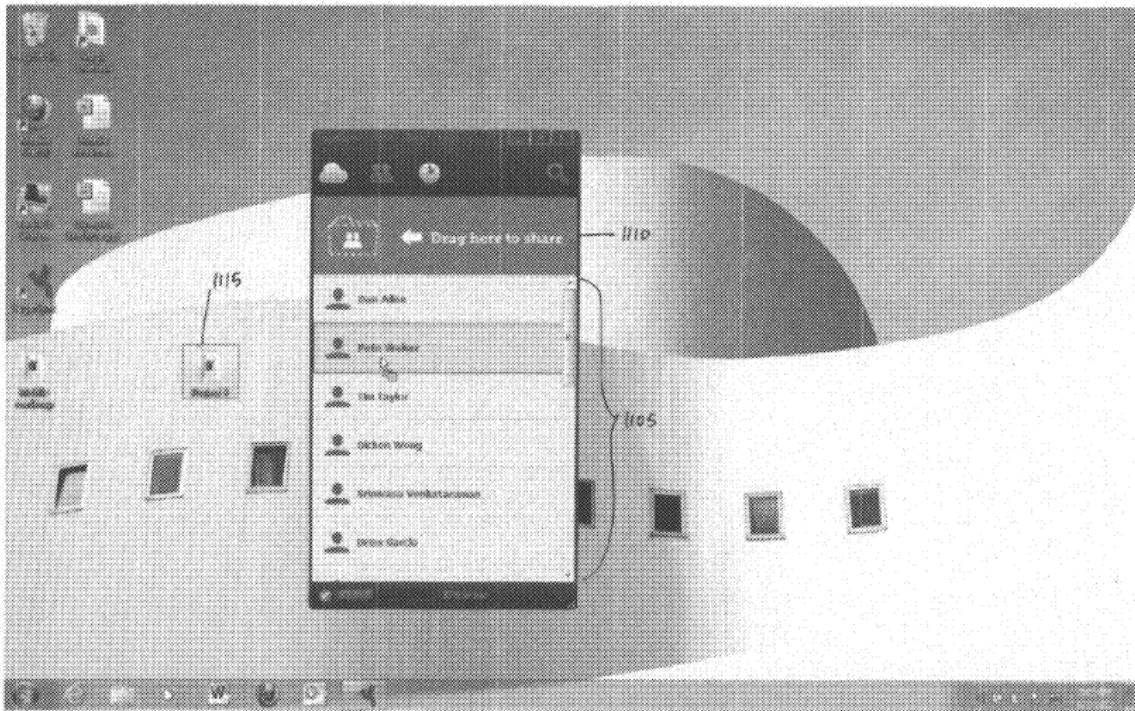


Garcia’s Figure 10, reproduced above, is a “screenshot[] of an exemplary user interface in a synchronization system” (*id.*, 2:60–61) and “illustrates one way in which a user may access items in objects displayed in the client sync application” (*id.*, 2:60–62).

In this particular example, the items are files and the objects are folders. Ex. 1006, 10:53–55. Items may not necessarily reside across a file or folder system, but also across an alternate organizational scheme. *Id.* at 10:57–59. Any file in folders 1005 in the synchronization system may be accessed through a virtual drive 1010, including folders located only on a remote device (e.g., work computer 240) or folders located only on the synchronization server 220. *Id.* at 10:60–64. A virtual drive is a file representation view of non-file system data. *Id.* at 10:64–65. That means that the folders 1005 may be viewed as if they resided on the hard drive of the local device (e.g., home computer 230) and the user may open, add, edit, delete, and move files within these folders, including files that reside on a remote device. *Id.* at 10:65–11:2. Changes made via the virtual drive are automatically synchronized with the synchronization server and applicable client devices. *Id.* at 11:2–4. In one embodiment, a user double clicks on a folder in the user interface of the client sync application, and the virtual drive is displayed. *Id.* at 11:4–7. Not only are all of the user's folders that have been synchronized to or stored on server 220 accessible through the virtual drive, but also all of the folders 1015 shared with the user by other users. *Id.* at 11:7–10.

Garcia's Figures 11 and 12 illustrate the functionality of the sharing view 310. Ex. 1006, 11:11–12. Figure 11, reproduced below, has a list of contacts 1105, each of which is a drop-target zone, and a separate dedicated drop-target zone 1110. *Id.* at 11:12–14. The list of contacts 1105 may be compiled from the user's MICROSOFT OUTLOOK contacts, mobile device contacts, or any other contacts. *Id.* at 11:14–16. In one embodiment, when a user drags a folder to a particular contact, the folder or a link to folder 1115

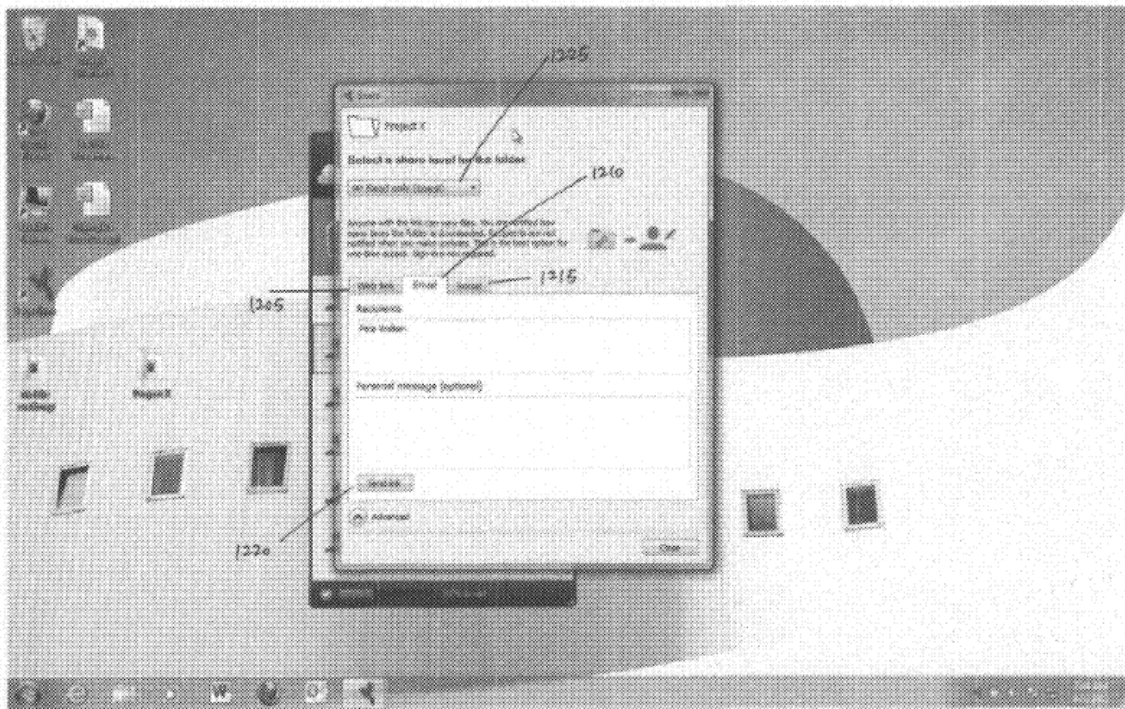
is automatically sent (via email, text, or other means) to the contact. *Id.* at 11:16–19. In the preferred embodiment, when the user drags folder 1115 to a particular contact in the contact list, a dialog box is automatically displayed that provides a user with options for sharing the folder with the contact. *Id.* at 11:19–23.



Garcia's Figure 11, reproduced above, illustrates the functionality of the sharing view 310. *Id.*, 11:11–12.

An example of such a dialog box is shown in Figure 12, reproduced below. Ex. 1006, 11:23–24. In the illustrated example, sharing folder 1115 may be by web link 1205, by email 1210, or by social networking 1215. *Id.* at 11:24–26. The user contact information is automatically populated into the "Recipients" field. *Id.* at 11:26–27. When the user clicks on send link button 1220, a link to folder 1115 is sent to the contact. *Id.* at 11:27–29. When the contact clicks on the link to folder 1115, the contents of the folder

are shared with 30 the contact. *Id.* at 11:29–31. The user can control sharing level 1225 of the folder being sent to the contact (e.g., add and edit access or read-only access). *Id.* at 11:31–33. The user may also create groups of contacts and share folders with a designated group(s). *Id.* at 11:33–34.



Garcia's Figure 12, reproduced above, illustrates the functionality of the sharing view 310. *Id.*, 11:11–12.

Garcia's Figure 13, reproduced below, illustrates the web interface 1305 for the synchronization system. Ex. 1006, 11:44–45. The web interface 1305 has a content view 1310, sharing view 1315, activity view 1320, and search field 1325. *Id.* at 11:45–48. In a My Cloud tab 1330 (of the content view 1310) is a list of folders 1345 from all synchronized client devices and a filter drop-down menu 1350 for filtering by client device. *Id.*

at 11:50–53.



Garcia’s Figure 13, reproduced above, illustrates the corresponding web interface 1305 for the synchronization system. *Id.*, 11:44–45.

3. *Reasons to Combine the Teachings of Houston and Garcia*

As further explained below, Petitioner argues that “Houston teaches or suggests all but a few of the features recited in the challenged claims . . . , Garcia teaches the features that are not explicitly disclosed in Houston, and it would have been obvious . . . to modify Houston to incorporate these features[] as described in Garcia.” Pet. 6.

Petitioner contends:

Houston discloses a user inputting into client 108a one or more email addresses identifying the user(s) with whom to

share a folder and a host system 110 communicating invitations to share the folder to the invited user(s) via an open network connection, but does not explicitly disclose “receiving” / “causing to be sent,” “via the at least one network,” “at least one email message identifying the at least one folder and including a reference to the at least one folder, without including [a file attachment / any file . . . as an attachment],” as recited in claims 1 and 5. . . . These features, however, would have been obvious to a POSITA, based on the combined teachings of Houston and Garcia. (EX1002 ¶¶41-45, 47-58.)

Pet. 6–7 (original bracketing; emphases omitted). Petitioner further contends:

Additionally, to the extent PO argues that Houston does not disclose “creating” / “creation of” and “displaying” / “display of” “a representation of the at least one folder in a location among one or more folders on the file explorer interface,” . . . these features would have also been obvious based on the combined teachings of Houston and Garcia. (*Id.*, ¶¶46-47, 54-58.)

Id. at 8 (emphases omitted). Petitioner contends that a person of ordinary skill would have modified Houston’s system such that

(i) an invitation involves sending an email to identified recipients identifying and referencing (e.g., a link) any shared folders, (ii) shared folders and files are stored virtually instead of locally and represented for display among other folders and files within a client’s file explorer interface, (iii) selecting the link causes the display of the shared folder in a web page, and (iv) selecting a shared file causes the retrieval of the at least one file via a network for display, because the inclusion of such features would have had the benefit of “enabling greater control and file management by the user” by allowing the user to “easily synchronize, manage, and share folders across a plurality of client devices.”

Id. at 19. Petitioner contends that, with this modification, “there would be no need to email folders or files or locally store such folders or files, which may be large.” *Id.* at 20. Petitioner contends that “by storing folders and files virtually on a server, a user may have access to the server’s greater storage capacity compared to the limited storage capacity of the user’s client, improving the user’s ability to share and access larger volumes of folders and files from any location.” *Id.* Petitioner contends that the combination “would have better overcome the problems identified in Houston, including that ‘attaching files [is] cumbersome for many computer users’ and, ‘where multiple iterations are involved, it is not difficult to end up with multiple versions of the same document.’” *Id.* at 20–21 (original bracketing).

For purposes of this Decision, we find Petitioner cites sufficient evidence to support its contention that a person of ordinary skill would have had reason to combine the teachings of Houston and Garcia as described above.

4. *Independent Claim 5*
(*Disclaimed Base Claim of Challenged Claim 16*)

a) *Preamble 5.a*

The preamble of claim 5 recites “A method, comprising.” Petitioner contends that Houston discloses the preamble in describing a method for synchronizing a shared folder. Pet. 65 (citing Pet. 22); Ex. 1005, Abstract. Based on the evidence and arguments currently of record, for purposes of

institution, we find that Petitioner has demonstrated that Houston discloses the features recited in the preamble of claim 5.⁴

b) Claim Element 5.b

Claim element 5.b recites that a first set of steps is performed “at a first node.” Petitioner contends that Houston discloses this limitation in describing that Figure 1 of Houston shows client 108a, which is a first node. Pet. 65 (citing Pet. 22–23); Ex. 1005, 2:60, 3:22–24, 5:42–51, Abstract; Ex. 1002 ¶¶ 61–62 (Houh declaration). Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston discloses this limitation of claim 5.

c) Claim Element 5.c

Claim element 5.c recites, at the first node, “causing display of at least one first interface with a first user interface element, utilizing first hypertext markup language-equipped code.” Petitioner contends that Houston discloses this limitation in describing that Figures 3 and 10 of Houston show a user interface window, accessed via a web server, that allows a user to select a folder to share. Pet. 65 (citing Pet. 23–30); Ex. 1005, 3:35–46, 7:18–40, Figs. 3–4, 10–11; Ex. 1002 ¶¶ 63–74). Petitioner contends that Houston discloses that the window can be implemented via a web interface, and that a person of ordinary skill would have known that the web interface requires the use of HyperText Markup Language (HTML). Pet. 66–67 (citing Ex. 1005, 2:10–12, 2:28–30, 3:31–46, 7:18–21, 7:37–40, 8:33–36;

⁴ Based on the present record, we make no determination at this stage of the proceeding that the preamble of claim 5 is limiting.

Figs. 2–4, 10, 11; Ex. 1002 ¶¶ 138–141). Petitioner further contends that a person of ordinary skill would have implemented HTML code for the benefit of enabling users to access folders over the Internet using the standard language for web browsers. *Id.* at 67 (citing Ex. 1002 ¶ 140). Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston teaches this limitation of claim 5.

d) Claim Element 5.d

Claim element 5.d recites, at the first node, “receiving an indication of at least one folder via the first user interface element, utilizing the at least one first interface.” Petitioner contends that Houston discloses this limitation in describing that the user interfaces illustrated in Figures 3, 10, and 11 allow a user to select a folder for sharing, which results in information associated with the selected folder being received by the client. Pet. 67–68 (citing Pet. 30–35); Ex. 1005, 3:35–45, 7:18–58, Figs. 3, 10, 11; Ex. 1002 ¶¶ 75–82. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston discloses this limitation of claim 5.

e) Claim Element 5.e

Claim element 5.e recites, at the first node, “causing display of at least one second interface with a second user interface element, utilizing second hypertext markup language-equipped code.” Petitioner contends that Houston discloses this limitation in describing that Figures 4, 10, and 11 each show a user interface window including a text entry field that allows a user to input information identifying a user with whom a folder may be

shared. Pet. 68 (citing Pet. 23–30; Ex. 1005, 3:35–46, 7:18–40, Figs. 3–4, 10–11; Ex. 1002 ¶¶ 63–74, 143–145). Petitioner also contends that a person of ordinary skill would have understood that the user interface windows would have been implemented on a client using either the standard interface of the client’s operating system, or via a web interface. *Id.* at 68–69 (citing Ex. 1005, 2:31–33, 3:31–35, 3:40–46; Figs. 4, 10, 11; Ex. 1002 ¶¶ 143–145). Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston teaches this limitation of claim 5.

f) Claim Element 5.f

Claim element 5.f recites, at the first node, “receiving indicia associated with at least one email address via the second user interface element, utilizing the at least one second interface.” Petitioner therein contends that Houston discloses this limitation in describing that Figures 4, 10, and 11 each disclose a user interface window with a display area including a text box that allows a user to input, and therefore causing the client to receive, a text string that contains one or more account identifiers such as email addresses of a user with whom a folder may be shared. Pet. 69–70 (citing Pet. 39–41); Ex. 1005, 2:31–33, 3:41–43, 7:18–40, Figs. 4, 10, 11; Ex. 1002 ¶¶ 87–91, 146. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston discloses this limitation of claim 5.

g) Claim Element 5.g

Claim element 5.g recites, at the first node, “receiving an indication to share the at least one folder for causing to be sent, to a second node via at

least one network, at least one email message identifying the at least one folder and including a reference to the at least one folder, without including any file in the at least one folder as an attachment of the at least one email message.” Petitioner contends that the combination of Houston and Garcia teaches a share folder button, shown for example in Figure 4 of Houston, that is received by the client and sent to the host system, which then sends an email to the users identified as those with whom the folder is shared that identifies and includes a web link to the shared folder. Pet. 70–71 (citing Pet. 43–52); Ex. 1005, 1:29–32, 1:39–45, 1:53–54, 1:59–2:2, 2:31–33, 2:56–3:46, 5:42–44, 5:52–60, 6:5–8, 7:1–3, 7:32–40, Abstract, Figs. 1, 4, 10, 11; Ex. 1006, 10:32–40, 11:11–43, claim 3, Figs. 11, 12; Ex. 1002 ¶¶ 47–51, 54–57, 97–113, 147. In particular, Petitioner contends that although Houston discloses this limitation, “Houston does not, however, explicitly disclose that the second node receives an email message identifying and referencing (e.g., a link) the shared folder without including a file attachment.” Pet. 51. Petitioner contends that Garcia discloses the second node receiving an email message with a link to the shared folder without including a file attachment in the message. *Id.* at 48–51. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that the combination of Houston and Garcia teaches this limitation of claim 5.

h) Claim Element 5.h

Claim element 5.h recites that a second set of steps is performed “at the second node.” Petitioner therein contends that Houston discloses this limitation. Pet. 71 (citing Pet. 47–48); Ex. 1005, 2:60, 3:22–24, 5:42–44,

Abstract; Ex. 1002, ¶¶ 105, 148. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that Houston discloses this limitation of claim 5.

i) Claim Element 5.i

Claim element 5.i recites, at the second node, “causing, via particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder in a location among one or more folders on the file explorer interface.” Petitioner contends that the combination of Houston and Garcia teaches this limitation. Pet. 71–72 (citing Pet. 53–65); Ex. 1005, 1:53–2:2, 2:10–12, 2:25–33, 2:48–52, 2:57–62, 3:5–8, 3:11–20, 3:22–45, 3:55–59, 5:37–6:4, 6:20–22, 7:18–58, 8:33–36, Figs. 1–4, 10, 11; Ex. 1002 ¶¶ 115–117, 119, 149). In particular, Petitioner contends that, based on Houston’s teachings, one client can utilize web-based interfaces while another client can utilize client software-based interfaces. Pet. 72. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that the combination of Houston and Garcia teaches this limitation of claim 5.

j) Claim Element 5.j

Claim element 5.j recites, at the second node, “causing display of the representation of the at least one folder in the location among the one or more folders on the file explorer interface.” Petitioner contends that the combination of Houston and Garcia teaches this limitation. Pet. 72 (citing Pet. 57–58); Ex. 1002 ¶¶ 124, 150. In particular, Petitioner contends that the

combination of Houston and Garcia teaches that a shared folder may be created through the standard user interface of the local file system of a user's client with whom the folder is shared, and that such a shared folder is displayed through the standard user interface of the local file system of a user with whom the folder is shared. Pet. 57–58. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that the combination of Houston and Garcia teaches this limitation of claim 5.

k) Claim Element 5.k

Claim element 5.k recites, at the second node, “receiving an indication to open at least one file in the at least one folder.” Petitioner contends that Houston discloses this limitation in describing that the users with whom the folder is shared are able to access and modify files contained within shared folders. Pet. 72–74; Ex. 1005, 3:25–45, 6:3–4, 6:20–22, 6:38–40, 7:10–14, 7:18–58, 8:14–21, Figs. 10, 11; Ex. 1002 ¶¶ 151–154. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that the combination of Houston and Garcia teaches this limitation of claim 5.

l) Claim Element 5.l

Claim element 5.l recites, at the second node, “in response to detection of the indication to open at least one file in the at least one folder, causing retrieval of the at least one file via the at least one network for permitting display of the at least one file.” Petitioner contends that the combination of Houston and Garcia teaches this limitation. Pet. 75–76 (citing Pet. 35–37, 62–63); Ex. 1002 ¶¶ 155–158. In particular, Petitioner

contends that Houston discloses that users may access and modify files contained within a shared folder by obtaining copies of the file and storing it locally. Pet. 75; Ex. 1005, 3:25–28, 6:3–4, 6:20–28, 6:38–40, 7:11–14, 7:50–58. Petitioner contends that Garcia discloses that when a user double-clicks a file within a shared folder, the file is downloaded so that it can be viewed by a user. Pet. 76; Ex. 1006, 2:66–3:3, 5:4–13, 5:32–43, 6:5–27, 10:52–11:10, claim 4, Fig. 20a. Petitioner contends that a person of ordinary skill would have modified Houston’s system such that the client retrieves files when selected as taught by Garcia to yield the benefit of not storing files locally until needed. Pet. 76; Ex. 1002 ¶¶ 54–57, 158. Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that the combination of Houston and Garcia teaches this limitation of claim 5.

m) Conclusion for Claim 5

Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that a person of ordinary skill would have had reason to combine the teachings of Houston and Garcia and that their combined teachings would have taught or suggested the features recited in claim 5 to an ordinarily skilled artisan.

5. Claim 16

Claim 16 depends from claim 5 and recites that “in response to the creation of the representation of the at least one folder being caused, an additional representation on the file explorer interface is caused to be created that represents the at least one file, where the file explorer interface is displayed by a file explorer client application without a web page.”

Petitioner contends that the combination of Houston and Garcia teaches this limitation. Pet. 77–78 (citing Pet. 36–37, 59–61). In particular, Petitioner contends that Houston discloses that shared folders contain files presented to a user with whom a folder is shared via the operating system of the user’s client through a standard local interface on the local file system of the client. Pet. 78; Ex. 1005, Abstract, 1:53–2:18, 3:5–34, 3:25–28, 7:26–28, 7:49–53, 7:56–58, 8:16–18, 8:64–9:4, Fig. 10; Ex. 1002 ¶¶ 162–165. Petitioner contends that Garcia discloses accessing a file within a shared folder. Pet. 80; Ex. 1006, 2:19–22, 2:37–41, 2:66–3:3, 4:53–62, 5:4–13, 5:27–43, 6:5–27, 10:52–55, 10:59–65, Figs. 10, 20. Petitioner contends that a person of ordinary skill would have modified Houston such that a representation of a file within a shared folder is also displayed as taught by Garcia to yield the benefits of greater control and file management. Pet. 80–81; Ex. 1002 ¶¶ 54–57, 167.

Patent Owner contends that Houston teaches that its synchronization engine enables synchronization of folders shared among multiple clients over a network, and maintains synchronized shared folders accessed by multiple clients. Prelim. Response 44. Patent Owner contends that, in contrast, Garcia is directed to actions taken by a single user at a single client device. *Id.* According to Patent Owner, modifying Houston from a system intended to synchronize files across multiple clients to one that merely provides a single user a file would have frustrated Houston’s system to allow a plurality of users to collaborate on a shared folder. *Id.* at 45. Patent Owner’s contention that Garcia is directed to actions taken by a single user at a single client device is inconsistent with Garcia’s description of a system “for enabling a user to synchronize, manage, and share files and folders

across a plurality of client devices and a synchronization server.” Ex. 1006, Abstract.

Patent Owner contends that Petitioner’s proposed modification would render Houston inoperable for its intended purposes of allowing the contents of shared folders to be automatically synchronized immediately, so as to enable the user to work on a file that is at all times local to its client.

Prelim. Response 45. According to Patent Owner, modifying the system of Houston to make synchronizing depend instead on manual retrieval, only when requested by a user, would render Houston inoperable. *Id.* at 47.

Patent Owner’s contention that Garcia is confined to manual synchronization is inconsistent with Garcia’s description of a synchronization server that, in response to a user changing the content of an item within a folder, automatically updates the content on remote clients that have a corresponding folder. Ex. 1006, 6:5–20.

Based on the evidence and arguments currently of record, for purposes of institution, we find that Petitioner has demonstrated that a person of ordinary skill would have had reason to combine the teachings of Houston and Garcia and that their combined teachings would have taught or suggested the features recited in claim 16 to an ordinarily skilled artisan.

X. EXERCISE OF DISCRETION

In the Preliminary Response, Patent Owner contends that we should exercise our discretion to deny the Petition in favor of the Dropbox Litigation and Google Litigation taking place in the U.S District Court for the Western District of Texas (“the Texas court”). *See generally* Prelim. Response. The Board has held that the advanced state of a parallel district court action is a factor that may weigh in favor of denying a petition

under § 314(a). *See NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential); Patent Trial and Appeal Board Consolidated Trial Practice Guide, 58 & n.2 (Nov. 2019) (“Consolidated Trial Practice Guide”). We consider the following factors to assess “whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding”:

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. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). In evaluating these factors, we “take[] a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* at 6. We consider each of these factors below.

On June 21, 2022, the Director of the USPTO issued several clarifications concerning the application of the *Fintiv* Factors. *See Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with*

Parallel District Court Litigation, issued June 21, 2022 (“Guidance Memo”)⁵.

The Guidance Memo states that “the precedential impact of *Fintiv* is limited to the facts of that case.” Guidance Memo 2. Under the Guidance Memo “the PTAB will not rely on the *Fintiv* factors to discretionarily deny institution in view of parallel district court litigation where a petition presents compelling evidence of unpatentability.” *Id.*

Compelling, meritorious challenges will be allowed to proceed at the PTAB even where district court litigation is proceeding in parallel. Compelling, meritorious challenges are those in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.

Id. at 4.

The Guidance Memo further states,

[c]onsistent with *Sotera Wireless, Inc.*, the PTAB will not discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB.

Guidance Memo 7–8; *see Sotera Wireless, Inc. v. Masimo Corp.*,

IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A).

The Guidance Memo also states,

when considering the proximity of the district court’s trial date to the date when the PTAB final written decision will be due, the PTAB will consider the median time from filing to disposition of the civil trial for the district in which the parallel litigation resides.

⁵ Available at https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621.pdf.

Guidance Memo 8–9.⁶ With these factors and guidance in mind, we consider the parties’ contentions.

A. Factor 1: whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted

Petitioner contends that (a) the Google Litigation will remain stayed while a respective motion of Patent Owner to the Federal Circuit remains pending (Prelim. Reply 1 (citing Exs. 2037, 2038)); (b) “to the extent the stay concludes before institution, Petitioner intends to file a motion to stay pending resolution of Petitioner’s IPRs” (*id.*); and (c) “[i]f the [venue] transfer . . . is complete [before institution], the likelihood of a stay will only increase” (*id.*).

Patent Owner contends that the *Dropbox* Litigation is unlikely to be stayed (Prelim. Resp. 2), but for the reasons given in our analysis of factor 4 below, we do not accord weight to Patent Owner’s reliance on the *Dropbox* litigation because we do not agree that there is significant overlap in the issues between it and the *Google* litigation.

For the *Google* Litigation, Patent Owner contends:

The district court rarely grants stays. (Ex2056.) It is less likely here. Three of the five granted [stays] involved instituted IPRs on all asserted claims. *Sonrai Memory Ltd. v. Western Digital Techs. Inc.*, No. 21-cv-1168, Dkt. 104 (W.D. Tex. Aug. 04, 2022); *Kirsch R&D. LLC v. IKO Indus.*, No. 20-cv-317, Dkt. 81 (W.D. Tex. Oct. 5, 2021); *Kirsch R&D LLC v. Tarco Spec. Prods., Inc.*, No. 20-cv-318, Dkt. 62 (W.D. Tex. Oct. 4, 2021). In the Google Litigation, three patents were never challenged. (Ex2021.) At most this factor is neutral for the Google Litigation.

⁶ See <https://www.uscourts.gov/statistics-reports/analysis-reports/federal-court-management-statistics>.

Prelim. Sur-reply 2.

Because the earliest that the *Google* litigation will proceed to trial is April 2024, after the date of any Final Written Decision in this IPR, and given that the district court has granted a motion to transfer the *Google* litigation, has vacated all deadlines in that case, and has stayed the case pending Federal Circuit review (Ex. 2037; Ex. 2038), we find that factor 1 weighs against exercising discretion to deny institution.

B. Factor 2: proximity of the court's trial date to the Board's projected statutory deadline for a final written decision

Petitioner contends:

If the district court transfers the case pursuant to its order, the NDCA trial date will almost certainly come after any FWD.

...

Even if the case is not transferred, trial in WDTX would likely be after any FWD. As it stands, because of the motion to transfer and the stay order, the district court case has been delayed four months since this IPR was filed. (EX1011; EX1023; EX2038.) And if the case is not transferred, the district court will need to lift the stay, reschedule and conduct the Markman hearing, and issue a claim construction order. Thus, assuming (1) the court moves quickly and issues a claim construction order by April 2023, and (2) a twelve-month average time to trial from claim construction in WDTX, the earliest that the case would likely proceed to trial is April 2024, after any FWD in this IPR. (EX1024.)

Prelim. Reply 2–3.

Patent Owner responds that Patent Owner's contentions are based only on the *Google* litigation, and not on the *Dropbox* litigation. Prelim. Sur-Reply 2–3.

Again, Patent Owner’s reliance on the *Dropbox* litigation is based on the premise that there is significant overlap in the issues between it and the *Google* litigation. We disagree with Patent Owner for the reasons given in our analysis of factor 4 below. We agree with Petitioner, that the earliest that the *Google* litigation will proceed to trial is April 2024, after the date of any Final Written Decision in this IPR. Under these circumstances, we find that factor 2 weighs against exercising discretion to deny institution.

*C. Factor 3: investment in the parallel proceeding
by the court and the parties*

Petitioner contends that “the district court case remains in its early, pre-*Markman* stages and is stayed. . . . [A]nd as explained in the context of Factor 4 below, there is no overlap in the issues between the Dropbox litigations and this proceeding.” Prelim. Reply 3–4.

Patent Owner contends that “Petitioner still omits any explanation why it waited until the very last day to file the Petition despite having served contentions 7 months before with both references. [I]POP, 34 (Petitioner never explains delay); Reply, 3–4 (still never explains delay).” Prelim. Sur-Reply 3.

We find that Petitioner waiting until the last day to file the Petition without explaining the delay is neutral. We agree with Petitioner, that much work remains in the district court case as it relates to invalidity, because fact discovery is in its early stages and a *Markman* hearing has not yet occurred. Further, as we stated above in our analyses of factors 1 and 2, the district court has granted a motion to transfer the *Google* litigation, has vacated all deadlines in that case, and has stayed the case pending Federal Circuit

review, and the earliest that the *Google* litigation will proceed to trial is April 2024.

Under these circumstances, we find that factor 3 weighs against exercising discretion to deny institution.

*D. Factor 4: overlap between issues raised
in the petition and in the parallel proceeding*

Petitioner contends:

The fourth factor (overlap) weighs against discretionary denial. Given the early stage of the *Google* litigation, it is unclear how much overlap, if any, there will be between the two proceedings. For example, this Petition may challenge claims that are not at issue in the litigation, because Judge Albright’s standing orders require multiple meet and confers to discuss “significantly narrowing the number of claims asserted and prior art references at issue.” (EX1013, 13–14.)

Pet. 84 (emphasis omitted).

Patent Owner responds: “Petitioner’s argument is baseless speculation. Petitioner also *omits* that it is asserting the same art against the same claim in its contentions in the *Google* Litigation.”

Prelim. Response 35; *see also id.* at 34 (“The Petition and the *Google* Litigation also reference Houston and Garcia expressly.” (emphasis omitted)). Patent Owner also contends that the Petition “is asserting two Dropbox patents in the Petition” (*id.* at 27) and:

Claim 16 is the only claim of the ’353 patent that PO is asserting in both of the parallel district court cases[—the Dropbox Litigation and *Google* Litigation—]after its statutory disclaimer. The Petition and the two parallel district court cases are all challenging claim 16 using Dropbox art from the 2009-2012 period. All three reference Houston expressly. (Ex2030; Ex2017; Pet.) . . .

. . . Garcia is a patent owned by Dropbox that was filed in 2012. . . . PO submits the issues raised by the Petition are identical to issues raised in the district court cases. The subject matter of claim 16 is involved. To the extent Dropbox’s Garcia patent presents different issues than what is covered by Dropbox’s own prior systems, they are still substantially the same.

Id. at 34–35 (emphasis omitted).

Petitioner contends that “Petitioner has stipulated that, if the Board grants institution, Petitioner will not pursue the same ground raised in its Petition in the district court case. (EX1026.) As a result, no overlap exists between the issues in this IPR and in the district court.” Prelim. Reply 4. Petitioner further contends that, although Houston is identified in the *Dropbox* litigation, the *Dropbox* litigation does not rely on the Garcia reference at all. *Id.*

In the Sur-Reply, Patent Owner responds:

Petitioner *deliberately* decided not to do a full *Soltera* stipulation. It cannot say no overlap exists. (Reply, 4.) It also waited until *after* seeing the POPR. (Ex1026.) . . . PO submits *NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 13 ([PTAB] September 7, 2022) does not allow stipulations after the Petition is filed. *Id.* at 4; Director Guidance at 7–8 (“[W]here a petitioner stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition.”). . . . The need to file a stipulation was reasonably foreseeable when Petitioner filed the Petition.

Prelim. Sur-reply 3–4 (third alteration in original). Patent Owner also contends that the fact that Houston is included in the *Dropbox* litigation is evidence of overlap. *Id.* at 4. Patent Owner contends that Petitioner “cannot credibly argue that any issues relevant to *Garcia* – a Dropbox patent – are

not involved.” *Id.* We find that the unpatentability issue raised here, which is based on the combination of Houston and Garcia, does not overlap with those raised in the *Dropbox* litigation, because Garcia is not included in that litigation.

With respect to Patent Owner’s contention that “Petitioner deliberately decided not to do a full *Sotera* stipulation⁷,” we highlight that in *Sand Revolution II*, the panel found Petitioner’s stipulation that it would not pursue in district court litigation the same grounds as those asserted in the IPR “mitigates to some degree the concerns of duplicative efforts” and “weighs marginally in favor of not exercising discretion to deny institution.” *Sand Revolution II, LLC v. Continental Intermodal Group Trucking LLC*, IPR201901393, Paper 24 at 11–12 (June 16, 2020) (informative). Also, we disagree with Patent Owner’s contention that *NXP USA* does not allow stipulations after the Petition is filed. *NXP USA* states that “the only appropriate time for a petitioner to offer a stipulation . . . is prior to the Board’s decision of whether to institute review” (*NXP USA*, Paper 13, 4), which is the case here.

Under these circumstances, we find that factor 4 weighs against exercising discretion to deny institution.

E. *Factor 5: whether the petitioner and the defendant in the parallel proceeding are the same party*

As to factor 5, Petitioner contends:

For the fifth factor (parties), Petitioner is the defendant in the related litigation. But under the “holistic view of whether

⁷ In a conference call with the parties and the Board on December 28, 2022, Petitioner said that it would submit “a Sand-Revolution-type stipulation” in its Preliminary Reply. Ex. 2042, 12:19–20; *see* Prelim. Reply 4.

the efficiency and integrity of the system are best served,” the factors here indicate that institution is proper. *Samsung Elecs. Co. Ltd. v. Dynamics Inc.*, IPR2020-00505, Paper 11 at 15 (Aug. 12, 2020).

Pet. 84 (emphasis omitted).

Patent Owner contends that Petitioner waived the right to address the Dropbox litigation because the issues there are the same as the issues in this Petition and Petitioner had the opportunity to address the Dropbox litigation in the Petition. Prelim. Resp. 35–36; Prelim. Sur-reply 1. Patent Owner contends that “[i]t does not matter whether Dropbox and Petitioner are different parties. . . . Both are coordinating activities.” Prelim. Resp. 36. Patent Owner also contends that Dropbox is a real party-in-interest in the *Google* litigation. Prelim. Sur-reply 4–5.

We disagree with Patent Owner. As discussed above, the issues in the *Dropbox* litigation do not overlap with the issues raised in the Petition, therefore, Petitioner did not waive its right to provide evidence related to the *Dropbox* litigation. Further, Petitioner and Dropbox are not the same party. With respect to Patent Owner’s contentions regarding real-party-in-interest, we address this issue separately, because it relates to whether the Petition is time-barred by statute, not to whether the Board has discretion to deny institution.

Under these circumstances, we find that factor 5 weighs against exercising discretion to deny institution.

F. Factor 6: other circumstances that impact the Board’s exercise of discretion, including the merits

Patent Owner contends that Petitioner inexplicably delayed filing its Petition until one day before the statutory deadline. Prelim. Response 38.

We find this timing to be neutral, as we discussed above in our analysis of factor 3.

Patent Owner contends that Dropbox and Petitioner are in privity and the Petition is time-barred. Prelim. Response 41; Prelim. Sur-reply 5. We address the issue of privity separately, because it relates to whether the Petition is time-barred by statute, not to whether the Board has discretion to deny institution.

Patent Owner contends that Petitioner's unpatentability theory lacks merit. Prelim. Response 41–49. We disagree with Patent Owner's contention, for the reasons given in the unpatentability analysis in Section IX above.

Under these circumstances, we find that factor 6 weighs against exercising discretion to deny institution.

G. Conclusion

Having weighed the factors above, including the relative timing of the proceedings, the amount of effort that has been and is yet to be expended in the above-discussed litigations and in this proceeding, Petitioner's stipulation, and the relative merits of Petitioner's challenge, we find that, taken as a whole, the factors do not favor exercising discretion to deny institution. In consideration of the above, we decline to exercise discretion to deny institution.

XI. REAL-PARTY-IN-INTEREST

Patent Owner contends Petitioner is collaborating with the complainant—Dropbox—and therefore the Petition is time-barred by the Dropbox Litigation. *See generally* Prelim. Response.

Under 35 U.S.C. § 315(b), an *inter partes* review may not be

instituted “if the petition requesting the proceeding [wa]s filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner [wa]s served with a complaint alleging infringement of the patent.” It is “the IPR petitioner [who] bears the burden of persuasion to demonstrate that its petitions are not time-barred under § 315(b) based on a complaint served on a real party in interest more than a year earlier.”

Worlds Inc. v. Bungie, Inc., 903 F.3d 1237, 1242 (Fed. Cir. 2018). The same logic requires placing the burden on IPR petitioners to demonstrate that their petitions are not time-barred under § 315(b) based on a complaint served on a real party in interest or a privy more than a year before a petition is filed. *See Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.*, IPR2017-00651, Paper 152, 4–5 (PTAB Jan. 24, 2019) (precedential) (citing *Worlds*, 903 F.3d at 1242).

Whether a non-party is a real party in interest is a “highly fact-dependent question.” *Ventex*, Paper 152 at 6 (quoting Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012)); *see also* Consolidated Trial Practice Guide 13 (“Whether a party who is not a named participant in a given proceeding nonetheless constitutes a ‘real party-in-interest’ or ‘privy’ to that proceeding is a highly fact-dependent question.”). In *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336 (Fed. Cir. 2018) (“*AIT*”), the Federal Circuit held that “Congress intended that the term ‘real party in interest’ have its expansive common-law meaning.” 897 F.3d at 1351. According to the Federal Circuit:

Determining whether a non-party is a “real party in interest” demands a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner. Indeed, the Trial Practice Guide . . . suggests that the agency understands the “fact-dependent” nature of this inquiry, explaining that the two questions lying at its heart are whether a non-party “desires review of the patent” and whether a petition has been filed at a nonparty’s “behest.”

Id. (quoting Trial Practice Guide, 77 Fed. Reg. at 48,759); *accord* Consolidated Trial Practice Guide 13–14.

We must ask “who, from a ‘practical and equitable’ standpoint, will benefit from the redress” that the *inter partes* review might provide. *AIT*, 897 F.3d at 1349 (quoting Trial Practice Guide, 77 Fed. Reg. at 48,759); *accord* Consolidated Trial Practice Guide 14–15. In addition, we must “inquire whether [Petitioner] can be said to be representing [the asserted RPI’s] interest after examining its relationship with [the asserted RPI].” *AIT*, 897 F.3d at 1353; *see also Ventex*, Paper 152 at 8 (determining that Seirus was a real party in interest, in part because the petitioner “Ventex represents Seirus’s interests in this proceeding”).

As *AIT* explained, there is extensive support in the legislative history for the traditional expansive common-law meaning of RPI, noting that there is “nothing that suggests Congress intended for the term ‘real party in interest’ to have a meaning that departs from its common-law origins. Instead, it reveals that Congress intended for it to have an expansive formulation.” 897 F.3d at 1350. To that end, a 2011 House Report on the AIA explains that the RPI and privity requirements are designed to prevent parties “from improperly mounting multiple challenges to a patent

or initiating challenges after filing a civil action challenging the validity of a claim in the patent.” *Id.* (quoting H.R. Rep. No. 112-98, at 48 (2011), reprinted in 2011 U.S.C.C.A.N. 67, 78). The report also “makes clear that Congress ‘recognizes the importance of quiet title to patent owners to ensure continued investment resources.’” *Id.* (quoting H.R. Rep. No. 112-98, at 48 (2011)). Likewise, the RPI and privity requirements are designed to ensure that AIA trials “are not to be used as tools for harassment” of patent owners or to permit “repeated litigation and administrative attacks on the validity of a patent.” *Id.* (quoting H.R. Rep. No. 112-98, at 48).

AIT concluded that the legislative history reveals “two related purposes” for the RPI and privity requirements:

(1) to ensure that third parties who have sufficiently close relationships with IPR petitioners would be bound by the outcome of instituted IPRs under § 315(e), the related IPR estoppel provision; and (2) to safeguard patent owners from having to defend their patents against belated administrative attacks by related parties via § 315(b).

AIT, 897 F.3d at 1351 (quoting Senators Kyl and Schumer). In other words, the RPI and privity requirements were designed to avoid harassment and preclude parties from getting “two bites at the apple” by allowing such parties to avoid either the estoppel provision or the time-bar.⁸

Patent Owner presents the real-party issue, in addressing *Fintiv* factor 6, by contending:

⁸ The Federal Circuit analogized to Federal Rule of Civil Procedure 17(a), titled “Real Party in Interest,” which was codified to: “protect the defendant against a subsequent action by the party actually entitled to recover, and to ensure generally that the judgment will have its proper effect as res judicata.” *Id.* at 1348.

Petitioner's actions suggest gamesmanship and improper use of the IPR process. . . . Petitioner's discussion in its Petition includes no discussion of the Dropbox Litigations. . . . The lack of candor is consistent with Petitioner failing to mention Dropbox's arguments regarding invalidity or even discuss the Dropbox Litigations in any meaningful way. Adding the fact that PO has been stonewalled regarding any communications shared between Dropbox and Petitioner concerning this IPR, the totality of the circumstances points firmly towards Petitioner and Dropbox coordinating for some improper tactical advantage.

Prelim. Response 37. Patent Owner further contends:

Petitioner and Dropbox appear to be coordinating their activities. Petitioner filed for IPR even though a FWD would issue 4-5 months after trial. (Pet. at 82 ("the FWD in this IPR is expected in January 2024, less than five months after the scheduled trial date").) Institution would be around the end of fact discovery at the earliest. Petitioner also only filed Petitions against the asserted patents that overlap with Dropbox. With three other unrelated patents remaining unchallenged, and the case that far advanced, it could be difficult to obtain a stay.

While the benefit of the IPR challenges is less clear for Petitioner, it could provide Dropbox a strategic advantage. The Petitions were filed at a time when the schedule in the Dropbox Litigations would have likely resulted in the POPRs being due around the same time as dispositive motions. The Petitions all challenge PO's patents using Garcia, which has an August 10, 2012 priority date. Both Petitioner and Dropbox are aware that PO is asserting a July 25, 2012 priority date. (Ex. And Confirm.)

[The Petition challenges] the '353 patent using two Dropbox patents. (Ex1005; Ex1006.) PO has requested Dropbox provide communications with third parties, such as Petitioner, but Dropbox objects and claims they are privileged.

This is improper. Dropbox is barred from filing petitions

for IPR. That suggests Dropbox and Petitioner are in privity and the petitions are barred. At a minimum, it implicates the Board's concerns regarding abuse and strategic advantage between significantly related parties that warrants denial under § 314(a).

Dropbox attempted to . . . circumvent the rules before. Early in the Dropbox Litigation, Dropbox was similarly barred because it filed a declaratory judgment claim of invalidity against PO. It had Unified Patents LLC file a petition on its behalf that omitted it as a real party-in-interest. When PO challenged them, Unified Patents withdrew the petition.

It appears there is more collusion. PO has requested Dropbox provide communications with third parties, such as Petitioner, but Dropbox objects and claims they are privileged. That suggests Dropbox and Petitioner are in privity and the petitions are barred. At a minimum, it implicates the Board's concerns regarding abuse and strategic advantage between significantly related parties that warrants denial under § 314(a).

Prelim. Response 40–41 (first alteration in original).

Petitioner contends:

PO also alleges that Petitioner coordinated its activities with Dropbox, yet provides no supporting evidence. (POPR, 40-41.) Nor could it, as there has been no such coordination. Any and all communications between Petitioner and Dropbox are unrelated to this IPR, as Petitioner has represented to PO. As for the Unified Patents IPR referenced by PO, it involved a patent not asserted against Petitioner and was dismissed long before PO sued Petitioner. (EX2011; EX2020.) PO's allegation of Dropbox coordinating with Unified Patents does not evidence or indicate similar coordination with Petitioner.

Prelim. Reply 5.

In the Sur-Reply, Patent Owner contends:

Petitioner does not deny it and Dropbox are claiming common interest privilege on communications pre-dating the Petition by a year. (Ex2050.)[] Both asserted patents are owned by Dropbox. Out of six patents, Petitioner only filed petitions on the three also asserted against Dropbox. Petitioner and Dropbox are also business partners on the *same* subject matter accused in the litigations. (Ex2059; Ex2060.) Petitioner never mentioned that. Both know PO claims priority to July 25, 2012. (Ex2049; Ex2029.) *Garcia* appears deliberately chosen to elicit PO's litigation positions—swearing behind—for Dropbox's benefit.

Prelim. Sur-reply 5 (emphasis omitted; footnote omitted (stating that “PO can provide redacted communications once Petitioner and Dropbox agree”)).

We agree with Patent Owner that discovery is warranted to determine whether Petitioner has met its burden to establish that the Petition is not time barred under 35 U.S.C. § 315(b). Prelim. Response 37–38. Accordingly, we enter an order for discovery concurrently with this Decision. Paper 16. Because discovery has not yet been completed, we will not resolve this issue before institution.

XII. CONCLUSION

Based on the arguments presented in the Petition, we conclude that Petitioner has demonstrated a reasonable likelihood of prevailing with respect to at least one claim of the '353 patent challenged in the Petition. Accordingly, we institute a trial on all claims and all grounds asserted in the Petition. The Board has not made a final determination under 35 U.S.C. § 318(a) with respect to the patentability of the challenged claims.

XIII. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claim 16 of the '353 patent is instituted with respect to all grounds set forth in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4(b), *inter partes* review of the '353 patent shall commence on the entry date of this Decision, and notice is hereby given of the institution of a trial.

IPR2022-01311
Patent 10,303,353 B1

FOR PETITIONER:

Naveen Modi
Joseph Palys
Phillip Citroen
PAUL HASTINGS LLP
naveenmodi@paulhastings.com
josephpalys@paulhastings.com
phillipcitroen@paulhastings.com

FOR PATENT OWNER:

Timothy Devlin
DEVLIN LAW FIRM LLC
tdevlin@devlinlawfirm.com

George Gordon
ANDRW GORDON LAW FIRM, PLLC
andrew@agordonlawfirm.com