

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VECTOR FLOW, INC.,
Petitioner,

v.

HID GLOBAL CORPORATION,
Patent Owner.

Case No. IPR2023-00353
U.S. Patent No. 8,234,704 B2

**PATENT OWNER'S PRELIMINARY RESPONSE
TO PETITION FOR *INTER PARTES* REVIEW OF
U.S. PATENT NO. 8,234,704 B2**

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Exhibit No.	Description of Document
Exhibit 2001	Claim Construction Order from district court proceeding: <i>HID Global Corp. v. Vector Flow, Inc.</i> , No. No. 1:21-cv-1769 (GBW), Dkt. 184 (D. Del. March 27, 2023).
Exhibit 2002	Revised Scheduling Order from district court proceeding: Dkt. 127 (D. Del. Dec. 22, 2022).
Exhibit 2003	Claim Construction Opinion from district court proceeding: Dkt. 183 (D. Del. March 27, 2023)
Exhibit 2004	Exhibit A-6 to Petitioner's Invalidity Contentions – Invalidity Contentions Claim Chart for challenged patent from district court proceeding
Exhibit 2005	U.S. Patent No. 7,437,755 B2 ("Farino II")
Exhibit 2006	Petitioner's Invalidity Contentions Cover Pleading from district court proceeding, served August 31, 2022.
Exhibit 2007	District of Delaware Judicial Caseload Profile, accessible at https://www.uscourts.gov/sites/default/files/data_tables/fcms_na_distpro_file1231.2022.pdf (last accessed April 25, 2023)
Exhibit 2008	Joint Claim Construction Chart from district court proceeding: Dkt. 85 (filed Oct. 13, 2022)
Exhibit 2009	Lex Machina Pending Patent Case Information for District of Delaware, accessible at https://law.lexmachina.com/court/ded/cases?status=open&case_types-include=27&pending-from=2009-01-01&filters=true&tab=summary&view=analytics&cols=475 (last accessed April 25, 2023)
Exhibit 2010	Vector Flow's Preliminary ID of Claim Terms for Construction, served September 15, 2022

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.107(a), Patent Owner hereby submits the following Preliminary Response to the Petition for *Inter Partes* Review (IPR) of claims 11-15 of U.S. Patent No. 8,234,704 (the “’704 patent”).

As summarized below, the Board should deny institution for any of three independent reasons: (i) because the Petition was filed far too late and the district court case is speeding ahead, (ii) due to substantive flaws in the analysis of limitations 11[e] and 11[f], and (iii) due to procedural flaws as to the Petition’s claim-construction positions.

First, the Board should discretionarily deny institution in view of the parallel district court proceeding, which is at an advanced stage and for which trial is anticipated to conclude more than six (6) months before the issuance of a Final Written Decision in this proceeding. The district court has also already issued its claim-construction ruling. And the parallel proceeding involves significant additional issues not addressed in this IPR, including claims for trade secret misappropriation, breach of contract, breach of fiduciary duty, and infringement of another patent that Petitioner did not challenge at the Patent Office. Therefore, a stay of the district court case is highly unlikely. Having waited until the last day before the one-year bar to initiate this proceeding, Petitioner’s late-filing decision ensured that *Fintiv* would apply, yet the Petition entirely failed to substantively

address its impact. Thus, as explained in more detail below (*infra* Section IV), all six of the *Fintiv* factors favor discretionary denial.

Second, the Petition fails to sufficiently demonstrate that two separate limitations of the sole-challenged independent claim—limitations 11[e] and 11[f]—would have been present in Petitioner's proffered combination of three references. As one example, Petitioner picks apart individual aspects of limitation 11[e]'s requirement of “generating unique physical access privileges and credentials to **exclusively map a defined user profile to a spatial hierarchy of physical sites along with security devices of the system,**” and never demonstrates that the limitation as a whole would have been present in the asserted three-reference combination. As such, Petitioner is left only with hollow speculation that a “user profile ... *could have been* mapped ... [to] particular facilities or buildings” (Pet. at 36-37), which falls short of the legal standard for establishing obviousness. *See Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1073 (Fed. Cir. 2015) (noting that “obviousness concerns whether a skilled artisan *not only could have made* but would have been motivated to make the combinations or modifications of prior art to arrive at the claimed invention”) (emphasis in original). For limitation 11[f], which requires “visual rules depicted by live objects that contain attributes to define their spatial relationship to the **actionable representations,**” the Petition argues that alleged visual rules are

depicted by actionable representations in its proposed combination. But limitation 11[f] requires that the live objects (not the separately-recited actionable representations) depict the visual rules, so Petitioner's analysis of 11[f] is hopelessly deficient. Due to these failings as to limitations 11[e] and 11[f], there is no reasonable likelihood of success as to independent claim 11 (nor for any of claims 12-15 depending therefrom).

Finally, the Petition fails to identify corresponding structure for the "integration module" limitation, which Petitioner has indicated in this proceeding and the district court may be subject to 112 ¶ 6. *See* Ex. 2010 at 1; Ex. 2008 at 3. Pursuant to 37 C.F.R. § 42.104(b)(3), Petitioner should have, but did not, identify corresponding structure for this potential means-plus-function limitation. For this, and for providing a mish-mash of possible claim interpretations for the Board to sift through (without affirmatively advocating for any particular interpretation), Petitioner has failed to comply with 37 C.F.R. § 42.104(b)(3). Denial of institution is warranted due to this additional deficiency.

For any (or all) of the three independent reasons summarized above, the Petition should be denied.

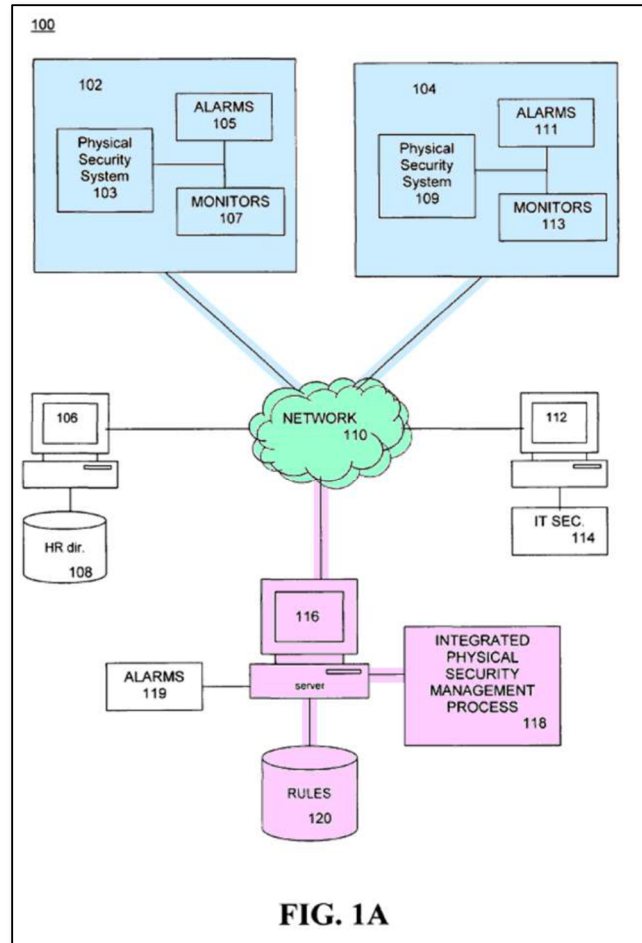
II. OVERVIEW OF THE '704 PATENT

The '704 patent generally relates "to physical security systems, and more specifically to a system for integrating disparate security systems using a rules-

based policy engine and normalized data format.” Ex. 1001 at 1:24-27.

Figure 1A of the patent provides an overview of one embodiment. As shown in Figure 1A, a **network 100 (teal)** connects **facilities 102 and 104 (blue)** to a **server computer 116 (pink)**. *See* Ex. 1001 at 4:6-11 (“[A]s shown in FIG. 1A, **facility 102** contains a physical security system 102 that controls security elements, such as access control, alarms 105, and monitors and sensors 107.”).¹ **Facilities 102, 104** “may represent a house or office building, or any other type of structure that contains some level of physical security infrastructure.” *Id.* at 4:9-12; *see id.* at 4:40-42 (“**Facility 104** represents another possible facility that includes its own physical security system 109 that controls respective alarm 111 and monitoring 113 subsystems.”).

¹ Annotations in figures and emphasis in quotations added throughout unless otherwise noted.



The “**network server computer 116 [pink]** is coupled, directly or indirectly, to one or more network client computers or computer devices through **network 110.**” *Id.* at 3:61-64. **Server 116** is “a server computer that executes an **integrated physical security management process 118**. This process generally comprises hardware and/or software components to achieve integration, normalization, rules creation and processing of physical security systems data and events in different facilities, such as **facilities 102 and 104.**” *Id.* at 4:58-64.

III. CLAIM CONSTRUCTION

A joint claim-construction brief was submitted in the parallel district court proceeding in January 2023. The district court held a *Markman* hearing on March 7, 2023. On March 27, 2023, the district court issued a claim-construction opinion (Ex. 2003) and order (Ex. 2001).

The Board should find that Petitioner failed to comply with the PTAB's rules concerning claim construction—*e.g.*, regarding at least the potential means-plus-function term “integration module” as identified by Petitioner (*see* Pet. at 23; Ex. 2006 at 48-49) and the mish-mash of possible interpretations for certain other limitations in the Petition. This is explained in Section VI below.

IV. THE BOARD SHOULD DISCRETIONARILY DENY INSTITUTION BECAUSE THE PETITION WAS FILED LATE WHILE THE DISTRICT COURT CASE SPEEDS AHEAD

Petitioner filed its challenge at the eleventh hour but chose to provide only two conclusory sentences (*see* Pet. at 11) that do not substantively address the serious *Fintiv* concerns resulting in wasting the Board's resources. The parallel district court proceeding is in an advanced stage. Claim construction is already complete, with the district court issuing an order on March 27, 2023. By the time the Board issues an institution decision (expected in July 2023), fact discovery will be closed, and the parties will have exchanged their opening expert reports. Any Final Written Decision here (expected in July 2024), would come five to six

months after trial (*see* Ex. 2002 at 22)—a trial at which much more than just the validity and infringement of the single patent challenged here will be at issue, and at which Petitioner has reserved its ability to present the exact same unpatentability arguments it is advancing here. The Board should deny institution because continuing this proceeding will unnecessarily waste the Board's resources. *See Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00123, Paper 14 at 10 (PTAB May 15, 2020) (denying institution because “the parallel proceedings would duplicate effort. This is an inefficient use of Board, party, and judicial resources and raises the possibility of conflicting decisions”).

As shown below, each of the six *Fintiv* factors favors denying institution here.

A. Factor 1 Favors Discretionary Denial Because A Stay Will Almost Certainly Not Be Granted In The Parallel Proceeding

The district court case is at an advanced stage and includes myriad complex issues that are not at issue here. Of the four defendants named in the district court—Vector Flow, Inc. and three individuals—only Vector Flow is a named party to this IPR. Additionally, only one of the at least five causes of action in the district court case would be affected by a decision in this proceeding. The causes of action asserted in the district court and the respective defendants are shown below:

District Court Cause of Action	District Court Defendant(s)
Trade secret misappropriation	Vector Flow, Inc. (IPR Petitioner) Ajay Jain Vikrant Ghai Shailendra Sharma
Breach of contract	Ajay Jain Vikrant Ghai Shailendra Sharma
Breach of fiduciary duty	Vikrant Ghai Shailendra Sharma
Infringement of U.S. Patent No. 9,111,088 ²	Vector Flow, Inc. (IPR Petitioner)
Infringement of U.S. Patent No. 8,234,704	Vector Flow, Inc. (IPR Petitioner)

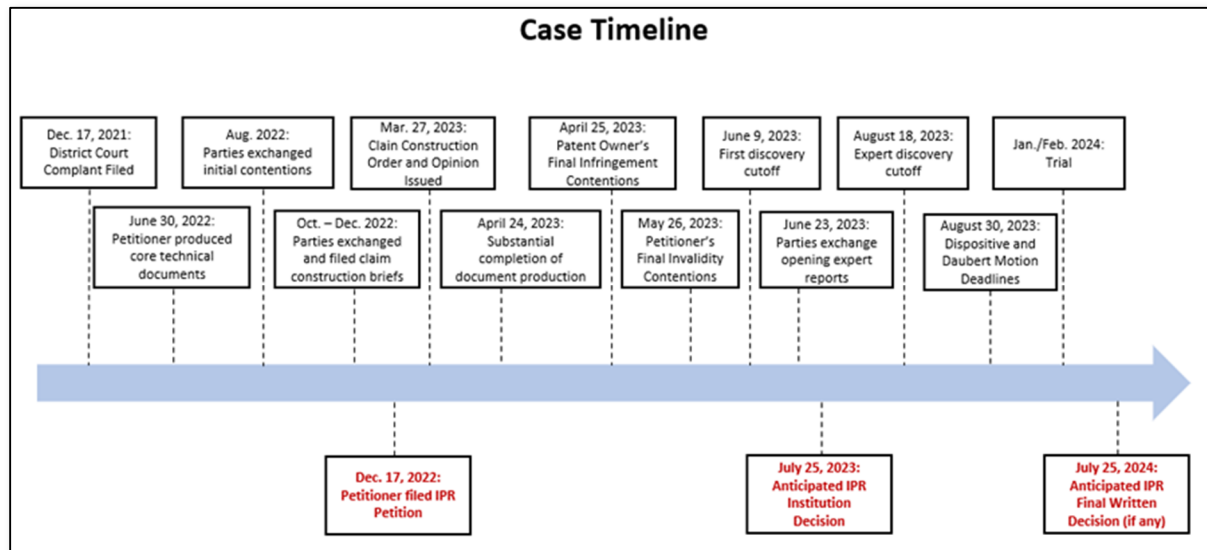
Aside from the additional causes of action and defendants that would be unaffected by a ruling in this proceeding, the timing and advanced stage of the litigation demonstrate that a stay of the district court case is highly unlikely. As noted above, the district court has already issued its claim-construction opinion and order. Exs. 2001, 2003. By the time an institution decision is expected (July 25, 2023), fact discovery will be closed (on June 9, 2023) and the parties will have exchanged opening (on June 23, 2023) and rebuttal (on July 21, 2023) expert reports. *See* Ex. 2002. Opening pretrial motions are due shortly thereafter on August 30, 2023, only about one month after the institution decision. *See id.* at 21.

² This other patent has not, and cannot, be challenged in an IPR by Petitioner, because the statutory one-year deadline has passed. *See* 35 U.S.C. § 315(b).

As shown in the case timeline below, and discussed further with respect to *Fintiv*

Factor 3 below, trial is scheduled for January 2024—over six months before a

Final Written Decision in this proceeding is expected in July 2024.



A stay is even more unlikely in view of the presiding district court judge's previous statements concerning stays pending IPR. Judge Williams recently explained that he will not stay a case when a trial involves multiple issues not addressed in the IPR (as is the case here) and the pretrial proceedings are to occur "mere months" after institution (as also is the case here). *See CAO Lighting, Inc. v. Gen. Elec. Co.*, No. CV 20-681-GBW, 2022 WL 17752270, at *2 (D. Del. Dec. 19, 2022) (denying motion for a stay after institution of all asserted patents because "the issues before the PTAB [were] not the only defenses asserted by Defendants")

and “pretrial proceedings [were to occur] in mere months”). Furthermore, the Petitioner does not even assert that they will file a motion to stay.³

B. Factor 2 Heavily Favors Discretionary Denial Because Both the Scheduled and Median Times to Trial Fall 5-6 Months Before the Deadline For A Final Written Decision

The trial in the parallel proceeding is currently set for January 19, 2024, **more than six months before** the expected date for the Final Written Decision in this proceeding (July 25, 2024). *See* Ex. 2002 at 22. The Board has routinely found this factor to weigh in favor of denial when the anticipated trial date precedes the Final Written Decision by a similar (or even much shorter) amount of time. *See e.g., Satco Products, Inc. v. The Regents of the University of California*, IPR2021-00794, Paper 14 at 19 (PTAB Nov. 10, 2021) (five months); *Maxlite, Inc. v. Jiaxing Super Lighting Electric Appliance Co., Ltd.*, IPR2020-00208, Paper 32 at 5 (PTAB Oct. 12, 2021) (four months); *Stanley Black & Decker, Inc., et al. v. Zircon Corp.*, IPR2020-01572, Paper 10 at 12 (PTAB April 19, 2021) (three months); *Next Caller, Inc. v. TrustID, Inc.*, IPR2019-00961, Paper 10 at 14-15

³ To the extent that the Board may decline to speculate about the possibility of a stay, this factor is, at most, neutral. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020); *Cisco Sys., Inc. v. Monarch Networking Sols. LLC*, IPR2020-01678, Paper 9 at 6 (PTAB Mar. 31, 2021).

(PTAB Oct. 16, 2019) (three months); *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16 at 6 (PTAB May 15, 2019) (one month).

The precedential *Fintiv* decision found that a district court's scheduled trial date could be taken at face value for the Factor 2 analysis, absent significant evidence to the contrary. *Fintiv*, IPR2020-00019, Paper 11 at 9 ("If the court's trial date is earlier than the projected statutory deadline, the Board generally has weighed this factor in favor of exercising authority to deny institution under *NHK.*"). Director Vidal recently issued guidance concerning the application of *Fintiv*, explaining that parties "may present evidence regarding the most recent statistics on median time-to-trial for civil actions in the district court in which the parallel litigation resides." See Katherine K. Vidal, *Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation* (June 21, 2022)⁴ ("Vidal Memo") at 8-9. The Federal Circuit, however, has found that such evidence considered in isolation is unreliable. See *In re Google LLC*, No. 2021-178, 2021 WL 5292267 at *3 (Fed. Cir. 2021) ("And where, as here, the district court has relied only on time to trial to support its

⁴ Available at

https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf

conclusion as to court congestion, we have characterized this factor as ‘speculative.’ [] However, the time to trial statistics provided in this case, unsupported by additional facts such as the number of cases per judge and the speed and availability of other case dispositions, cannot alone weigh ‘heavily against transfer.’”) (internal citations omitted). Therefore, Director Vidal explained that “the PTAB will also consider additional supporting factors such as the number of cases before the judge in the parallel litigation and the speed and availability of other case disposition.” Vidal Memo at 8-9.

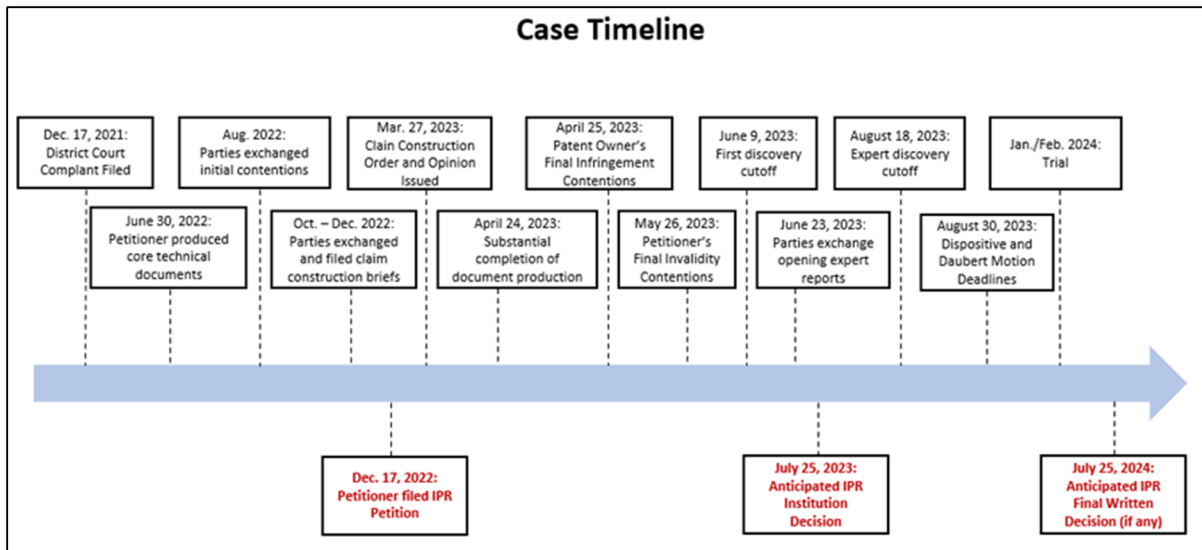
In the District of Delaware, the median time-to-trial is 33.7 months. Ex. 2007. Judge Williams was recently confirmed to the bench, and he currently presides over approximately 24% fewer patent cases than the average number of patent cases for the other judges in the district. Ex. 2009. Adjusting the time to trial based on Judge Williams’ case load (from 33.7 months to 25.6 months), the expected trial date would occur in February 2024, which is still more than five months before a Final Written Decision is expected here.

Therefore, the trial date according to both the scheduled (January 2024) and median-time-to-trial statistics (February 2024) would occur five to six months before any Final Written Decision in this proceeding. Thus, Factor 2 also heavily favors denial.

C. Factor 3 Heavily Favors Discretionary Denial Because The Parties Have Invested Significant Amounts Of Time And Money In The Parallel Proceeding, Which Has Been Pending For Over 16 Months

The Board finds this factor to weigh against institution and regularly exercises its discretion to deny institution where there is evidence of significant investment in the parallel proceeding. *See Supercell OY v. Gree, Inc.*, PGR2020-00039, Paper 14 at 14 (PTAB Sept. 14, 2020) (“We understand that fact discovery closed on September 3, 2020, and expert discovery is schedule[ed] to close on October 2, 2020. [] These activities demonstrate that the district court and the parties have made some investments in the parallel proceeding, **which weighs in favor of denying institution.**”).

Here, Petitioner's assertions that “[t]he pending litigation against Petitioner is in early stages, and no claim construction rulings and no significant discovery have occurred,” is incorrect. As shown in the case timeline below, the parallel proceeding has been pending for over 16 months, claim construction is over, document production is substantially complete, and fact discovery is set to close in just over a month.



A significant investment into the district court proceedings has already taken place. This alone warrants weighing this factor in favor of exercising discretion to deny institution. If the Board institutes (it should not), the district court is highly unlikely to grant a stay and the Parties are highly likely to continue to invest significant amounts of time and money to litigate these same issues as a part of expert discovery, pre-trial motions and proceedings, and trial well before any Final Written Decision. Additionally, the fact that the Petitioner **waited until the last day** to file an IPR petition, challenging only one of the two patents asserted in the district court proceeding, further weighs in favor of denying institution. *Compare Samsung Electronics Co., Ltd. et al v. Ancora Tech. Inc.*, IPR2020-01184, Paper 11 at 17 (PTAB Jan. 5, 2021) (exercising its discretion to deny institution where “the record does not show that Petitioner acted expeditiously in filing this Petition. ... Petitioner served its preliminary invalidity contentions ... in early February

2020, yet chose to wait until the very last day of the one-year period in late June 2020 to file the Petition”) (quotation omitted), *with* Ex. 2002 at 20-21 (Petitioner served invalidity contentions in August and filed its Petition four months later in December on the very last day before expiration of the statutory one-year bar). Moreover, Petitioner chose to do nothing to limit its ability to raise the exact same unpatentability arguments during the district court case, and the Board is likely to waste its resources considering arguments that could be addressed in the district court before any Final Written Decision.

D. Factor 4 Favors Discretionary Denial Because The Petition Challenges The Same Claims Using Substantially The Same Prior Art That Petitioner Asserts In The Parallel Proceeding

“[I]f the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, th[at] fact has favored denial.” *Fintiv*, IPR2020-00019, Paper 11 at 12. Further, “[t]he parties should indicate whether all or some of the claims challenged in the petition are also at issue in district court.” *Id.* at 13.

In the parallel proceeding, Petitioner challenges the same claims of the ’704 patent as in this Petition. *See* Ex. 2004. For both asserted grounds, Petitioner fully

charted both its primary reference (Farino)⁵ and the main secondary reference (Richman) in its invalidity contentions and identified the same or nearly identical disclosures that are relied on in the Petition. *Compare, e.g.,* Pet. at 25, *with* Ex. 2004 at 13.

Petitioner's third (Wiegel) and fourth (Moore) references cited in the Petition are relied on for only a few limitations. Wiegel is used solely as a supporting reference for a few limitations of claim 11, and dependent claims 14 and 15. *See* Petition 45-81. Moore is used, as Petitioner admitted, solely for a purported disclosure of a "drag and drop graphical user interface component." *See* Pet. at 73.

Thus, the Petition asserts **substantially the same claims** using **substantially the same evidence**. This factor weighs in favor of denying the Petition.

E. Factor 5 Favors Discretionary Denial Because Petitioner Is The Sole Defendant Against Whom Patent Infringement Has Been Alleged In The Parallel Proceeding

Factor 5 favors denial of institution because "the petitioner and the

⁵ Petitioner's invalidity contentions rely on the Farino Patent (Ex. 2005, U.S. Pat. No. 7,437,755 B2) while the Petition relies on the Farino Publication (Ex. 1003, U.S. Pat. Pub. No. 2007/0094716 A1) that resulted in the Farino Patent. The Farino Publication and the Farino Patent have substantially identical disclosures.

defendant in the parallel proceeding are the same party.” *See Fintiv*, IPR2020-00019, Paper 15 at 15.

F. Factor 6 Heavily Favors Discretionary Denial Because The Petition Is Uniquely Weak On The Merits, As It Does Not Analyze Several Claim Limitations

The Vidal Memo established that “*Fintiv* factor six reflects that the PTAB considers the merits of a petitioner’s challenge when determining whether to institute a post-grant proceeding.” Vidal Memo at 4. Only a compelling invalidity challenge is sufficient to outweigh the preceding *Fintiv* factors. *Id.* at 5. A “compelling challenge” is rare and can only be found when a Petition “would plainly lead to a conclusion that one or more claims are unpatentable.” *Id.* at 5 n.6 (citing *Illumina Inc. v. Trs. Of Columbia Univ.*, IPR2020-00988, Paper 20 (PTAB Dec. 8, 2020)). Given that the Petitioner did not meet the reasonable likelihood of success standard for institution (as explained below), it certainly cannot meet the significantly higher standard for a compelling invalidity challenge. *Id.* at 4. Indeed, Petitioner never even asserts that its Petition presents a compelling challenge when discussing § 314(a) or otherwise. *See* Pet. at 11.

At a minimum, the Petition’s challenge—with its three-reference and four-reference obviousness combinations and failure to properly address at least limitations 11[e] and 11[f] (*infra* Section V)—is certainly not sufficient to warrant a plain conclusion that one or more claims are unpatentable. *See Ericsson Inc. v.*

Godo Kaisha IP Bridge 1, IPR2022-00725, Paper 10 at 29 (PTAB Nov. 2, 2022)

(“If we find that Classon does not teach the claimed control information, TR 25.858 itself does not expressly teach such control information. ... [E]ven if it is sufficient to go forward on a theory that a skilled artisan would have modified Classon in view of TR 25.858's teaching, the evidence Petitioner advances for this position is not compelling.”).

G. Petitioner Should Not be Allowed to Employ Post-Petition Tactics to Belatedly Address Foreseeable *Fintiv* Issues

When the Petition was filed in December 2022, Petitioner knew that it was filing on the last day before the one-year statutory bar, and also knew of the advanced stage of the parallel litigation and the impending claim construction and discovery deadlines. Instead of addressing those concerns, Petitioner provided nothing more than the conclusory assertion that:

Nor do the *Fintiv* factors support discretionary denial under §314(a). The pending litigation against Petitioner is in early stages, and no claim construction rulings and no significant discovery have occurred.

Pet. at 11. The Petition did not provide any actual analysis concerning an issue that the Petitioner had good reason to believe was to be raised by Patent Owner. Any late-stage tactics to attempt to address the serious *Fintiv* issues would be inappropriate and prejudicial to Patent Owner. Patent Owner's *Fintiv* arguments were entirely foreseeable. Having declined to substantively address such

foreseeable issues in the Petition, Petitioner made an affirmative choice to utilize its available words on other issues and it should be stuck with that strategic choice and not given an opportunity to impart prejudice onto the Patent Owner while also circumventing the word-count limit for its Petition. *See* Pet. at 82 (Certificate of Word Count indicating Petition contains 13,968 words). Allowing Petitioner to address this issue now would also prejudice Patent Owner at least because Patent Owner has devoted resources to developing its arguments concerning discretionary denial and allowing Petitioner to belatedly attempt to moot those issues would be improper, as other Boards have found in similar circumstances. *See, e.g., Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot Corp.*, IPR2018-00897, Paper 9 at 8 n.9 (PTAB Oct. 1, 2018) (denying request for a preliminary reply brief, explaining that “Petitioner’s failure to foresee the applicability of § 314(a) does not demonstrate good cause to file a reply brief because Petitioner should have been aware that § 314(a) would be at issue”) (internal citations, quotations, and alterations omitted); *Ontel Products Corp. v. Guy A. Shaked Investments Ltd.*, IPR2020-01703, Paper 10 at 2 (PTAB Feb. 4, 2021) (“[T]he points Petitioner seeks to make in its proposed Reply are either subjects that Petitioner should have developed in its Petition or issues that the Board is equipped to assess without further briefing during the preliminary phase of this proceeding.”).

The Board should exercise its discretion under 35 U.S.C. § 314 and deny

institution.

V. THE BOARD SHOULD DENY INSTITUTION BECAUSE OF THE PETITION'S DEFICIENT ANALYSIS CONCERNING LIMITATIONS 11[E] AND 11[F]

The Petition is doomed by insufficient showings as to limitations 11[e] and 11[f]. These are discussed in turn below.

A. The Petition's Failings as to Limitation 11[e]

Limitation 11[e] recites:

“generating unique physical access privileges and credentials to **exclusively map a defined user profile to a spatial hierarchy of physical sites along with security devices of the system**, wherein the unique physical access credentials maintain a common representation of the user's identity across the plurality of sites and to associate specific user identities with respective actionable events.”

The Petition fails to sufficiently explain how its proposed combined method renders obvious the above-emphasized portion of limitation 11[e], which further limits the “generating [of] unique physical access privileges and credentials” to also require “exclusively map[ing] a defined user profile to a spatial hierarchy of physical sites along with security devices of the system.” *First*, the Petition fails to identify any disclosure in its asserted references of the claimed “exclusive map[ping],” or that any purported “exclusive mapping” is to a spatial hierarchy of a plurality of physical sites. *Second*, the Petition's conclusory assertions

concerning what changes a POSITA “could have” made do not demonstrate a factually-sufficient reason why a POSITA would have been motivated to implement any such changes.

i. **The Petition Fails to Identify Any “Generating ... to Exclusively Map a Defined User Profiles to A Plurality of Physical Sites” in its Three-Reference Combination**

The Petition does not sufficiently analyze how a defined user profile is generated to “exclusively map” such a defined user profile to a spatial hierarchy of physical sites.

The Petition apparently (and in piecemeal fashion) addresses limitation 11[e] by alleging that “it is possible that ‘unique’ and ‘exclusively’ may be interpreted to require that a defined user profile have access privileges and credentials that are unique and exclusive to the underlying user.” Pet. at 40 (emphasis in original). The Petition goes on to address “unique and exclusive credentials” and “unique and exclusive physical access privileges.” *Id.* at 40-41. But ***the claim does not recite*** the individual elements of “exclusive *credentials*” or “exclusive *physical access privileges*.”⁶ Instead, the claim recites that “a defined user profile” is

⁶ Aside from musing about the fictional “Fortress of Solitude,” Petitioner’s only apparent factual support concerning exclusive credentials and physical access privileges is Vivadelli (Ex. 1008). Pet. at 41 (citing Ex. 1008 ¶ 120). But Vivadelli

generated to “*exclusively map* a defined user profile to a spatial hierarchy of physical sites.”

Petitioner only asserts that some exclusive “credentials” or “physical access privileges” may be granted (Pet. at 41), not that those privileges and credentials would “exclusively map a defined user profile to a spatial hierarchy of physical sites” as required by limitation 11[e]. Thus, the Petition focuses on individual claim elements—losing sight of their context in the claim as a whole—and does not analyze how a defined user profile is “exclusively” mapped to a spatial hierarchy of physical sites, as required by the plain claim language.

Apparently recognizing the gaps in its prior-art references, Petitioner is left only with speculation. In particular, the Petition alleges that a “user profile ... *could have been* mapped ... [to] particular facilities or buildings.” Pet. at 36-37. But, even assuming for the sake of argument that such speculation suffices in an obviousness analysis (it does not, as explained in the next section), the Petition’s analysis states that any relationship would be for “user privilege and credential

is not a reference upon which the Petition relied for its asserted grounds, and the cited passage from Vivadelli is about a corporate vice president having access to a workplace, not about any generating of user profiles to exclusively map those user profiles to a spatial hierarchy of physical sites (plural sites).

information across *the site* [singular].” Pet. at 37. An allegation that information is maintained across a single site location is not a disclosure of mapping a defined user profile to a spatial hierarchy for a plurality of “physical sites” as required by the claim.⁷ By failing to demonstrate that its three-reference combination would have included limitation 11[e]—as a whole—the Petition fails and the Board should appropriately deny institution.

ii. **The Petition Fails to Explain How the Prior Art “Could” Perform the Claimed “Generating ... to Exclusively Map”**

Aside from the above failures, the Petition’s conclusory speculation leaves it without an explanation as to how the claimed mapping “could have been” implemented in the proposed combined apparatus, nor why a POSITA would have been sufficiently motivated to pursue such unexplained steps to achieve the claimed mapping. See Pet. at 36-37 (“It thus would have been obvious that the user profile (with its associated access privileges and credentials) *could have been*

⁷ Likewise, Petitioner’s assertion that Farino “implements access policy that regulates user access to multiple facilities” (Pet. at 38 (citing Ex. 1003 (Farino) ¶ 0083)) does not remedy the deficiencies as to limitation 11[e]. Like Petitioner’s other assertions, this one also fails to show that Farino discloses “generating ... to exclusively *map a defined user profile to a spatial hierarchy of physical sites.*”

mapped ‘to a spatial hierarchy ...’). This is legally insufficient in an obviousness analysis. *See Belden*, 805 F.3d at 1073 (noting that “obviousness concerns whether a skilled artisan *not only could have made* but would have been motivated to make the combinations or modifications of prior art to arrive at the claimed invention”) (emphasis in original).

Furthermore, the Petition’s assertion that Farino “records user privilege and credential information across the site” does not explain how (1) that user privilege and credential information would be used for “a defined user profile” or (2) how the user privilege and credential information could be “exclusively map[ped] ... to a spatial hierarchy of physical sites.” Petitioner’s failure to provide anything more than speculation renders the Petition deficient. *See, e.g., Wirtgen Am., Inc. v. Caterpillar Inc.*, IPR2022-01396, Paper 7 at 23, 26 (PTAB Mar. 9, 2023) (denying institution where “Petitioner resorts to speculation to support its assertion” that the prior art discloses the claimed invention).

The Petition’s citation to Dr. Madisetti’s declaration (Ex. 1002) does not save the Petition’s deficiencies. Paragraph 98 of the declaration is nothing more than a conclusory, near-verbatim repetition of conclusory assertions appearing in the Petition. *Compare* Pet. at 37, *with* Ex. 1002 ¶ 98. As Director Vidal noted in a recent precedential decision affirming the denial of institution, “the Board giv[es] little weight to Petitioner’s expert [where] the expert declaration merely offer[s]

conclusory assertions without underlying factual support and repeated, verbatim, Petitioner's conclusory arguments." *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 12 at 5 (PTAB Feb. 10, 2023). The Board should do just that here—Dr. Madisetti's conclusory and unsupported assertions should be given the little weight they deserve. *See Pers. Web Techs., LLC v. Apple, Inc.*, 848 F.3d 987, 994 (Fed. Cir. 2017) ("[T]he Board nowhere clearly explained, or cited evidence showing, **how the combination of the two references was supposed to work**. At least in this case, such **a clear, evidence-supported account of the contemplated workings of the combination is a prerequisite** to adequately explaining and supporting a conclusion that a relevant skilled artisan would have been motivated to make the combination and reasonably expect success in doing so."); *see also ActiveVideo Networks, Inc. v. Verizon Commc'ns, Inc.*, 694 F.3d 1312, 1327-28 (Fed. Cir. 2012) ("The expert **failed to explain how specific references could be combined, which combination(s) of elements in specific references would yield a predictable result, or how any specific combination would operate or read on** the asserted claims. Rather, the expert's testimony on obviousness was essentially a conclusory statement that a person of ordinary skill in the art would have known, based on the 'modular' nature of the claimed components, how to combine any of a number of references to achieve the claimed inventions. **This is not sufficient** and is fraught with hindsight bias.").

The Board should deny institution due to the Petition's deficient showings as to limitation 11[e].

B. The Petition Fails to Sufficiently Analyze Elements of Limitation 11[f]

Limitation 11[f] recites:

“defining physical security policies of the site in the context of user profiles at all sites through actionable representations of physical, network and information technology resources of the site, wherein the security policies define standardized rule definitions through **visual rules depicted by live objects that contain attributes to define their spatial relationship to the actionable representations...**”

As discussed in detail below, the Petition fails to demonstrate obviousness of “visual rules depicted by **live objects that contain attributes** to define their spatial relationship to the actionable representations.”

*i. **The Petition Fails to Establish that the Prior Art Discloses “Live Objects that Contain Attributes”***

The plain language of limitation 11[f] is clear that “live objects” are not the same as “actionable representations.” In particular, limitation 11[f] recites “visual rules depicted by **live objects that contain attributes** to define their spatial relationship **to the actionable representations.**” The Petition needed to show that the claimed “live objects” were disclosed and that there were “visual rules” that are

“depicted by [the] live objects.” It did not. The Petition presents two arguments potentially related to these aspects of limitation 11[f], each of which is deficient for the reasons discussed below.

First, the Petition asserts that that this limitation is disclosed by Petitioner's third reference, Wiegel, because “***the visual rules*** that define the security policies under the proposed combination are associated with the icons (***‘actionable representations’***) for the physical, network and information technology resources of the site.” Pet. at 54. Thus, the Petition expressly equates Wiegel's “icons” with the “actionable representations” of limitation 11[f]. But the claim language requires that the “visual rules be depicted *by live objects*” (not the separately-recited actionable representations) and that the live objects (and not the actionable representations) “contain attributes to define their spatial relationship to the actionable representations.” The Petition thus fails to even attempt to demonstrate that visual rules are depicted “by live objects” in its three-reference combination, and institution should therefore be denied. *See Unified Patents Inc. v. SMTM Techs., LLC*, IPR2019-00434, Paper 6 at 19 (PTAB July 30, 2019) (denying institution because “Petitioner entirely fails to address this limitation”).

Second, the Petition asserts that:

Wiegel ***does not disclose*** how the system internally organizes security policies and their associations with resources as displayed in network tree 720, **but it would**

have been obvious to any ordinarily skilled artisan **that**
the system would have included data (attributes) such
as metadata to record that security policies have been
applied to such resources, to ensure that the system has a
way of knowing which security policies have been applied
to which resources.

Pet. at 56. The Petition's assertion that the proposed combined "system" would have included "attributes" ignores the claim language, which requires that the "live objects"—and not just some aspect the entire "system"—"contain attributes." Furthermore, even if the Board finds that metadata is disclosed or rendered obvious,⁸ Petitioner presents no analysis or argument as to how the identified "data

⁸ Petitioner itself apparently omits identifying where or how metadata is taught in any of its three references (Farino, Richman, and Wiegel). This lack of particularity—found here and in many places in the Petition's piecemeal arguments—demonstrates a lack of compliance with 35 U.S.C. § 312(a)(3). *See Intelligent BioSys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016) (quoting 35 U.S.C. § 312(a)(3)) ("It is of the utmost importance that petitioners in the IPR proceedings adhere to the requirement that the initial petition identify 'with particularity' the 'evidence that supports the grounds for the challenge to each claim.'").

... such as metadata” (Pet. at 56) would either satisfy the claimed “attributes” or be utilized in the proposed combined system such that the metadata would “define their spatial relationship to the actionable representations,” as required by limitation 11[f]. For example, the Petition fails to explain what purported “metadata” would be used to define a “spatial relationship to the actionable representations” or how such metadata could be used in the disclosed system to accomplish this claimed method. *See Pers. Web Techs.*, 848 F.3d at 994 (“[T]he Board nowhere clearly explained, or cited evidence showing, **how the combination of the two references was supposed to work**. At least in this case, such a **clear, evidence-supported account of the contemplated workings of the combination is a prerequisite** to adequately explaining and supporting a conclusion that a relevant skilled artisan would have been motivated to make the combination and reasonably expect success in doing so.”).

In sum, due to the Petition’s failings as to limitations 11[e] and 11[f], which are present in the sole-challenged independent claim, the Petition’s challenges to claims 11-15 consequently fail and the Board should deny institution.

VI. INSTITUTION SHOULD BE DENIED BECAUSE THE PETITION DOES NOT IDENTIFY HOW THE CHALLENGED CLAIMS ARE TO BE CONSTRUED

When it is possible that a challenged claim includes a means-plus-function limitation, a petition for *inter partes* review must identify any such terms and

further identify “the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.” 37 C.F.R. § 42.104(b)(3). Petitioner has indicated that the term “integration module” may be a means-plus-function limitation, yet the Petition failed to identify any corresponding structure as required by the rules.

Petitioner also inconsistently asserts that no claims require construction, but then identifies interpretative options for at least five terms. The Petition does not, however, identify what the purportedly correct constructions are or analyze why such a construction should be adopted. Petitioner’s failure to identify “[h]ow the challenged claim is to be construed” impermissibly shifts the analytical burden to the Board or Patent Owner.

Each of these flaws is discussed below.

A. The Petition Fails to Identify Corresponding Structure for the term “Integration Module” that Petitioner Has Indicated May Be Subject to 112 ¶ 6

With respect to the Board’s rules concerning claim construction and means-plus-function limitations articulated in 37 C.F.R. § 42.104(b)(3), the Trial Practice Guide explains that:

Where claim language **may be construed** according to 35 U.S.C. § 112(f), **a petitioner must provide a construction** that includes both the claimed function and the specific portions of the specification that describe the

structure, material, or acts corresponding to each claimed function. **A party may choose to elaborate why § 112(f) should or should not apply** to the limitation at issue. *A petitioner who chooses not to address construction under § 112(f) risks failing to satisfy the requirement of 37 C.F.R. § 42.104(b)(3).*

Patent Trial and Appeal Board Consolidated Trial Practice Guide 45 (November 2019) (available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>) (citations omitted) (“Trial Practice Guide”). Thus, if a petitioner believes that a certain term “may” invoke 112 ¶ 6, the petitioner “must” provide a construction for that term, and any petitioner who does not “risks failing to satisfy the requirement of 37 C.F.R. § 42.104(b)(3).” *Id.*

Petitioner has twice indicated that the phrase “integration module” may be a means-plus-function limitation. First, the Petition specifically identifies this term as a potential means-plus-function term when Petitioner asserted that “neither Patent Owner nor Petitioner have taken the position that ‘integration module’ is a means-plus-function term.” Pet. at 23. Second, Petitioner’s invalidity contentions in the district court case also identified “integration module” as a potential means-plus-function term. *See* Ex. 2006 at 48-49 (“[T]o the extent construed as a **means-plus-function element**, the ‘integration module’...”). Although Petitioner’s claim-construction briefing did not pursue this means-plus-function construction,

Petitioner has not amended its invalidity contentions or otherwise explicitly dropped its arguments based on a potential means-plus-function construction.

Regardless, 37 U.S.C. § 42.104(b)(3) and the Trial Practice Guide confirm that the Petition needed to identify corresponding structure for the term “integration module,” because Petitioner itself has indicated that this may be a means-plus-function limitation. The Board has denied institution in similar cases where, like here, the Petition failed to follow the rules by identifying corresponding structure for potential means-plus-function limitations. For example, in *HP Inc. v. Memjet Tech. Ltd.*, IPR2016-00356, Paper 7 (PTAB June 16, 2016), “[n]either party construe[d] ... the term ‘web-feeding mechanism for advancing the web past the printhead’” *Id.* at 7. The Board nevertheless found that “the ‘web-feeding mechanism’ limitation recited in claim 1 is a means-plus-function limitation that is subject to construction pursuant to 35 U.S.C. § 112, ¶ 6.” *Id.* “Petitioner [did] not proffer[] a construction for the ‘web-feeding mechanism’ limitation,” and the Board denied institution because Petitioner failed “to set forth ‘a statement of the precise relief requested for each claim challenged,’ including ‘[h]ow the challenged claim is to be construed’” and also “failed to identify the specific portions of the [challenged] patent, if any, describing the structure, material, or acts corresponding to the function.” *Id.* (quoting 37 C.F.R. § 42.104(b)).

The Petition could have, but did not, identify corresponding structure. The specification describes the integration module and the structure associated therewith. *See, e.g.*, Ex. 1001 at 12:44-46, 6:26-31, 10:1-5. Petitioner needed to satisfy its obligations pursuant to 37 C.F.R. § 42.104(b). It did not. The Board should deny institution on this basis.

B. The Petition Fails to Identify What it Believes to be the Correct Constructions for Multiple Terms

Petitioner asserts that it “does not believe express claim construction is necessary at this time for this IPR.” Pet. at 14.⁹ In its analysis, however, the Petition identifies several terms whose constructions are relevant to this proceeding, but Petitioner fails to actually identify its proposed construction or provide any analysis as to why one construction should be adopted. These inconsistencies constitute additional bases for denying institution.

Petitioner's Inconsistent Claim-Construction Positions. The Petition identifies three terms—“visual rule,” “live objects,” and “transformation and routing rules”—about which the Parties have disagreed on the appropriate

⁹ Petitioner identified sixteen (16) terms for construction in the district court (*see* Ex. 2008, Ex. 2010), but here argued that no terms required construction (Pet. at 14).

constructions in district court. *See* Pet. at 53, 59-60.¹⁰ Petitioner's general identification of a pending district-court dispute fails to explain how the terms should be construed in this proceeding and does not provide any analysis as to why one construction is purportedly correct. Additionally, the Petition identifies two more terms that were not proposed for construction in the district court that the Petition indicates might require construction here—"unique" and "exclusive"—about which the Petition states that ***"it is possible that 'unique' and 'exclusively' may be interpreted to require that*** a defined user profile have access privileges and credentials that are unique and exclusive to the underlying user" Pet. at 40. Similarly, for "unique" and "exclusive," Petitioner's proposal that "possible" alternative interpretations "may" apply to these terms does not actually identify a construction that should apply. For all five terms, Petitioner asserts that the prior art renders the claim obvious under various interpretative options. *See id.* at 53, 59-60, 40-41. Petitioner's identification of a dispute (or potential dispute) without any analysis as to the proper construction is not an identification of "[h]ow the challenged claim is to be construed" as required by 37 C.F.R. § 42.104(b)(3). *See Mentor Graphics Corp. v. In-Depth Test LLC*, IPR2017-02094, Paper 8 at 9

¹⁰ The "transformation and routing rules" term was not construed by the district court after Petitioner dropped this term from its top-ten-terms list.

(PTAB March 14, 2018) (“**Petitioner’s failure to take a clear position on the term ‘outlier’ is grounds alone for denying the Petition.**”) (citing 37 C.F.R. § 42.104(b)(3)); *ZTE Corp. v. Maxwell, Ltd.*, IPR2018-00235, Paper 9 at 11 (PTAB June 1, 2018) (“Petitioner has not satisfied the claim construction requirement set forth in 37 C.F.R. § 42.104(b)(3) Based on this deficiency in the Petition, which affects all of the challenged claims, we deny institution of inter partes review.”).

Petitioner’s Failures Prejudice the Board and Patent Owner. Petitioner’s decision to throw out various interpretative options as to the five different terms noted above, without providing any analysis as to which interpretation it believes to be correct, shifts the analytical claim-construction burden to the Board and Patent Owner. But that burden lies with the Petitioner. *See* 37 C.F.R. § 42.104(b)(3) (“[T]he **petition must set forth** ... [h]ow the challenged claim is to be construed.”). Petitioner proposes potential alternative constructions and leaves it to the Board to determine which constructions to apply and what construction is correct. This burden shifting is improper and yet another reason to deny institution. *See ams AG v. 511 Innovations, Inc.*, IPR2016-01792, Paper 15 at 6, 8, 13 (PTAB Mar. 16, 2017) (denying institution because Petitioner’s attempt to have the Board “construe [a] term after considering the observations by Petitioner ... improperly attempts to shift the burden of construing the claim term ‘minimal

height' to the Board"); *Ford Motor Co. v. Mass. Inst. Of Tech.*, IPR2020-00010, Paper 9 at 15 (PTAB Mar. 26, 2020) ("In order for Petitioner to prevail at this stage, we would have to draft a claim construction analysis without any help from Petitioner[.]").

Petitioner's failures also prejudice and impermissibly force Patent Owner to respond to multiple different potential claim constructions and combinations of claim constructions. If the Board grants institution (it should not), the Petition does not provide fair notice as to the claim constructions that the Petition is adopting and relying on and that Patent Owner must defend against. This failure to provide adequate notice constitutes grounds to deny the petition. *See Avant Tech., Inc. v. Anza Tech., Inc.*, IPR2018-00828, Paper 7 at 13-14 (PTAB Oct. 16, 2018) ("***[I]t is not clear which particular theory or theories Petitioner actually is asserting.*** This lack of clarity means that if Patent Owner were to defend against fewer than all of these theories, Petitioner could shift its position to one of the unchallenged combinations. ... ***We, therefore, do not institute an IPR.***"); *see also Cisco Sys. Inc. v. Centripetal Networks, Inc.*, IPR2018-01559, Paper 7 at 6 (PTAB Apr. 2, 2019) ("[I]t was incumbent upon Petitioner to provide a proposed construction for 'operator,' or at least to explain what the 'plain and ordinary

meaning' of the term is in the relevant field. *Petitioner's failure to do so weighs in favor of denying the Petition.*").¹¹

VII. CONCLUSION

Denial of institution is warranted due to at least (i) discretionary-denial issues based on duplicating efforts while the parallel district court case speeds ahead, (ii) substantive deficiencies in the obviousness analysis for limitations 11[e] and 11[f] (present in independent claim 11 from which claims 12-15 depend), and (iii) a procedural deficiency arising from Petitioner's failure to identify how the challenged claims should be construed.

For any (or all) of these three independent reasons, Patent Owner respectfully requests that the Board deny the Petition in full.¹²

¹¹ At a minimum, Petitioner's claim-construction failings further demonstrate why the Board should exercise its discretion to deny institution.

¹² Patent Owner reserves the right to address additional deficiencies that are not identified in this Patent Owner Preliminary Response ("POPR"). For example, Patent Owner disagrees with Petitioner's assertion that "Patent Owner's contentions regarding assignor estoppel have no applicability to IPR." Pet. at 8. The opinion on which Petitioner relies—*Arista Networks, Inc. v. Cisco Sys., Inc.*,

Dated: April 25, 2023

Respectfully Submitted,

/ Alexander B. Stein /

Alexander B. Stein, Reg. No. 71,397

908 F.3d 792 (Fed. Cir. 2018)—was not appealed and the law remains unsettled on whether the inventors of the '704 patent can challenge the validity of the patent.

CERTIFICATION OF COMPLIANCE WITH TYPE-VOLUME LIMITS

This PATENT OWNER PRELIMINARY RESPONSE to Petition includes 7,832 words, as counted by Microsoft Word, and is therefore in compliance with the 14,000-word limit established by 37 C.F.R. § 42.24(b)(1). Accordingly, pursuant to 37 C.F.R. § 42.24(d), lead counsel for Patent Owner hereby certifies that this paper complies with the applicable type-volume limits.

Dated: April 25, 2023

Respectfully Submitted,

/ Alexander B. Stein /

Alexander B. Stein, Reg. No. 71,397

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), lead counsel for Patent Owner hereby certifies that on April 25, 2023, a copy of this PATENT OWNER'S PRELIMINARY RESPONSE and the accompanying exhibits was served to the email correspondence address of record for Petitioner's counsel of record:

Andrew Mace (amace@cooley.com)
Lowell Mead (lmead@cooley.com)
Mark Weinstein (mweinstein@cooley.com)
David Murdter (dmurdter@cooley.com)
Heidi L. Keefe (hkeefe@cooley.com)

Dated: April 25, 2023

Respectfully Submitted,

/ Alexander B. Stein /
Alexander B. Stein, Reg. No. 71,397