

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DELL TECHNOLOGIES INC.,
DELL INC.,
AND
CISCO SYSTEMS, INC.,

Petitioners,

v.

CORRIGENT CORPORATION,

Patent Owner.

IPR2023-00370

Patent No. 7,593,400

PATENT OWNER'S PRELIMINARY RESPONSE

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	CLAIM CONSTRUCTION	3
III.	ARGUMENT	4
A.	Ground 1 should be denied because Smith fails to teach “receiving a data packet on an ingress port of said network node from a MAC source address, said data packet specifying a MAC destination address on said Layer 2 data network” (claim limitations 1[d]/11[d]).....	6
B.	Ground 1 should also be denied because Smith fails to teach “if said MAC destination address does not appear in said FDB, flooding said data packet via one and only one LAG port of said plurality of LAG ports” (claim limitation 1[f]/11[d])	9
1.	Smith alone does not disclose or render obvious claim limitation 1[f]/11[d]	9
2.	Smith in combination with Petitioners’ expert also does not disclose or render obvious claim limitation 1[f]/11[d]	12
C.	The Board should use its discretion and deny institution under the <i>Fintiv</i> factors.....	14
1.	<i>Fintiv</i> Factor 1: The district courts have not granted a stay	15
2.	<i>Fintiv</i> Factor 2: The <i>Cisco</i> trial is expected to take place approximately 5 months before the projected statutory deadline for a final written decision.....	15
3.	<i>Fintiv</i> Factor 3: The parties will have invested significant resources in at least the <i>Cisco</i> trial.....	17
4.	<i>Fintiv</i> Factor 4: The issues in the petition and district court proceeding significantly overlap.....	19
5.	<i>Fintiv</i> Factor 5: Petitioners are defendants in the district court proceedings	20

6. *Fintiv* Factor 6: Petitioners’ grounds do not rise to the
level of “compelling evidence of unpatentability” 22

IV. CONCLUSION.....23

TABLE OF AUTHORITIES

Cases	Page(s)
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper No. 11 (P.T.A.B. March 20, 2020)	<i>passim</i>
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper No. 15 (P.T.A.B. May 13, 2020)	16
<i>CCS Fitness, Inc. v. Brunswick Corp.</i> , 288 F.3d 1359 (Fed. Cir. 2002)	3
<i>Commscope Techs. LLC v. Dali Wireless, Inc.</i> , IPR 2022-01242, Paper No. 23 (P.T.A.B. Feb. 27, 2023)	22, 23
<i>Dealertrack Inc. v. Huber</i> , 674 F.3d 1315 (Fed. Cir. 2012)	4
<i>EClinicalWorks, LLC v. Decapolis LLC</i> , IPR2022-00229, Paper No. 10 (P.T.A.B. Apr. 13, 2022)	16
<i>Google LLC v. Ikorongo Tech. LLC</i> , IPR2021-00204, Paper No. 13 (P.T.A.B. June 7, 2021)	16
<i>HP Inc. v. Slingshot Printing LLC</i> , IPR2020-01084, Paper No. 13 (P.T.A.B. Jan. 14, 2021)	21
<i>Nokia of Am. Corp. v. Good Kaisha IP Bridge I</i> , IPR2022-00755, Paper No. 9 (P.T.A.B. Nov. 2, 2022)	18, 20
<i>Phillips v. AWH Corp.</i> , 415 F.3d 1303 (Fed. Cir. 2005) (<i>en banc</i>)	3
<i>Sand Revolution II LLC v. Continental Intermodal Group – Trucking LLC</i> , IPR2019-01393, Paper No. 24 (P.T.A.B. June 16, 2020)	15, 19
 Statutes	
35 U.S.C. § 314	3, 5, 6, 14
 Other Authorities	
37 C.F.R. § 42.100(c)	15

EXHIBIT LIST

Exhibit Number	Description
2001	<i>Corrigent Corporation v. Cisco Systems, Inc.</i> , Case No. 6:22-cv-00396, Dkt. No. 69, Claim Construction Order (W.D.Tex., Mar. 21, 2023).
2002	Time to Trial for Western District of Texas (Docket Navigator) (5/10/2023)
2003	<i>Corrigent Corporation v. Cisco Systems, Inc.</i> , Case No. 6:22-cv-00396, Dkt. No. 1, Complaint (W.D.Tex., Apr. 19, 2022).
2004	<i>Corrigent Corporation v. Cisco Systems, Inc.</i> , Case No. 6:22-cv-00396, Cisco's Preliminary Invalidity Contentions (W.D.Tex., Sept. 28, 2022).
2005	<i>Corrigent Corporation v. Cisco Systems, Inc.</i> , Case No. 6:22-cv-00396, Plaintiff Corrigent Corporation's Preliminary Infringement Contentions (W.D.Tex., Aug. 3, 2022).
2006	<i>Corrigent Corporation v. Dell Technologies, Inc. et al.</i> , Case No. 1:22-cv-00496, Dkt. No. 1, Complaint (D.Del., Apr. 19, 2022).
2007	<i>Corrigent Corp. v. Cisco Systems, Inc.</i> , Case No. 6:22-cv-00396, Dkt. No. 37, Scheduling Order (W.D.Tex., Aug. 12, 2022).

I. INTRODUCTION

The '400 Patent claims a novel and non-obvious method/node for receiving and sending packets in a network. The novel system requires the node's line cards to check both source and destination MAC addresses against their respective MAC address databases, referred to as forwarding databases (or FDBs) to make intelligent routing decisions. In particular, if a particular packet's destination MAC address is not located in a line card's respective FDB, then it performs an intelligent flooding operation. If ports of the line cards are grouped together, to appear as one port, which is call a link aggregation group (or LAG), only one port of a LAG is used during the intelligent flooding operation.

Petitioners present five grounds of unpatentability challenging every claim (1–20) of the '400 Patent. Only Grounds 1–3 challenge the '400 Patent's independent claims (1 and 11). There are at least two independent reasons why the Petition fails to disclose all the '400 Patent's independent claims' limitations.

First, the Petition fails to establish that Smith, the only reference the Petition relies on, discloses or renders obvious “receiving a data packet on an ingress port of said network node from a MAC source address, said data packet specifying a MAC destination address on said Layer 2 data network” (claim limitations 1[d]/11[d]). Specifically, Smith does not disclose that the received data packet “specifyi[es] a MAC destination address.” The Petition identifies Smith's

“destination logical identifier” but Smith’s “destination logical identifier” is not the received packets’ MAC destination address because (1) it is not a MAC address, just an identifier, (2) it is not the destination’s address but an identifier for a port on the network node, and (3) it is not included on the received packet, but is added to the packet by the network node after receipt. Each of these failures provides an independent basis for finding that Smith does not disclose claim limitations 1[d]/11[d].

Second, the Petition fails to establish that Smith, again the only reference the Petition relies on, discloses or renders obvious “if said MAC destination address does not appear in said FDB, flooding said data packet via one and only one LAG port of said plurality of LAG ports” (claim limitation 1[f]/11[d]). Specifically, Smith does not disclose the step of determining “if said MAC destination address does not appear in *said FDB*.” Petitioners assert that “said FDB” could refer to either: (1) the FDBs in the member line cards or (2) the line card associated with the ingress port. According to Petitioners, Smith’s line cards 304(2) and 304(3) are the member line cards and line card 304(1) is the line card associated with the ingress port. However, Petitioners fail to provide any evidence that any of the line cards 304(1), (2) or (3) check the MAC destination address against their respective FDB. Thus, the Petition fails to establish that claim limitation 1[f]/11[d] is disclosed or rendered obvious.

In addition to the Petition’s failure to establish unpatentability of the ’400 Patent’s independent claims, institution should be denied under 35 U.S.C. § 314 based on the *Fintiv* factors. As explained in detail below, four factors (2, 3, 5, and 6) weigh strongly in favor of discretionary denial, whereas one factor (1) is neutral and one factor (4) only marginally favors not exercising discretion to deny institution. Importantly, the district court trial is currently set to occur approximately 5 months before the projected statutory deadline for a final written decision in this IPR, which weighs heavily against institution. Accordingly, Patent Owner respectfully requests that the Board exercise its discretion and deny institution.

II. CLAIM CONSTRUCTION

A court “‘look[s] to the words of the claims themselves . . . to define the scope of the patented invention.’” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (*en banc*) (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)). A claim term is generally given its “ordinary and customary meaning,” which is “the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention.” *Id.* at 1312-13. While courts may deviate from the plain and ordinary meaning in some circumstances, there is a “heavy presumption that a claim term carries its ordinary and customary meaning.” *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359,

1366 (Fed. Cir. 2002) (internal quotations omitted). Under this “exacting” standard, any departure from a claim’s ordinary meaning must be based on language that is “so unmistakable as to be unambiguous.” *Dealertrack Inc. v. Huber*, 674 F.3d 1315, 1322 (Fed. Cir. 2012) (citations omitted).

Here, at this stage in the proceeding, Patent Owner will apply the ordinary and customary meaning to the ’400 Patent’s claim terms.

III. ARGUMENT

Petitioners present five grounds of unpatentability challenging every claim (1–20) of the ’400 Patent. Only Grounds 1–3 challenge the ’400 Patent’s independent claims (1 and 11). As it pertains to this patent owner’s preliminary response, claim 1 (a method claim) is representative of claim 11 (an apparatus claim). Claim 1 recites:

[pre] A method for communication, comprising:

[a] configuring a network node having a plurality of ports, and at least first and second line cards with respective first and second ports, to operate as a distributed media access control (MAC) bridge in a Layer 2 data network;

[b] configuring a link aggregation (LAG) group of parallel physical links between two endpoints in said Layer 2 data network joined together into a single logical link, said LAG group having a plurality of LAG ports and a plurality of conjoined member line cards;

[c] providing for each of said member line cards a respective forwarding database (FDB) to hold records associating MAC addresses with ports of said plurality of ports of said network node;

[d] receiving a data packet on an ingress port of said network node

from a MAC source address, said data packet specifying a MAC destination address on said Layer 2 data network;

[e] conveying, by transmitting said data packet to said MAC destination address via said first port, said received data packet in said network node to at least said first line card for transmission to said MAC destination address;

[f] if said MAC destination address does not appear in said FDB, flooding said data packet via one and only one LAG port of said plurality of LAG ports;

[g] checking said MAC source address of the data packet against records in said FDB of said first line card; and

[h] if said FDB of said first line card does not contain a record of an association of said MAC source address with said ingress port, creating a new record of said association, adding said new record to the FDB of said first line card, and sending a message of the association to each member line card of said plurality of member line cards.

EX1001, 10:55–11:30 (bracketing added).

As demonstrated below, Ground 1 of the Petition fails to teach claim limitations 1[d] and 1[f]. Each failure is an independent basis for denying institution. Grounds 2 and 3 do not address these failures. Furthermore, the Petition’s failures with respect to claim 1 are repeated when addressing claim 11 in Grounds 1–3. Thus, none of the Petition’s grounds for unpatentability support institution because they all fail to establish a reasonable likelihood that Petitioner would prevail in showing the unpatentability of at least one claim. 35 U.S.C. § 314(a). Accordingly, the Board should deny institution.

In addition to the Petition’s failure to establish unpatentability of the ’400 Patent’s independent claims on the merits, institution should be denied under 35 U.S.C. § 314 based on the *Fintiv* factors, which weigh strongly in favor of discretionary denial. Accordingly, Patent Owner respectfully requests that the Board exercise its discretion and deny institution.

A. Ground 1 should be denied because Smith fails to teach “receiving a data packet on an ingress port of said network node from a MAC source address, said data packet specifying a MAC destination address on said Layer 2 data network” (claim limitations 1[d]/11[d])

Petitioners fail to identify the claimed “MAC destination address” in the received data packet. Petitioners rely exclusively on Smith for this claim limitation and point to Smith’s “destination logical identifier” as the claimed “a MAC destination address.” Petition at 23. Petitioner’s argument is incorrect for at least three reasons, and therefore Ground 1 should be denied.

First, Smith’s “destination logical identifier” is not the claimed “MAC destination address” because it is not a MAC address. As Petitioners’ expert admits, a media access control (MAC) address is a very specific address used in computer networking. EX1003, ¶¶42–45. Specifically, he describes it as an address that is specified in the applicable standard (*i.e.*, IEEE 802.3) and “is generally inserted into the device by its manufacturer.” EX1003, ¶¶42–45. While an “identifier” and an “address” may be similar in the abstract, the claim limitation

requires the received packet to have a very specific type of address – “a MAC destination address.” Smith does not describe the “destination logical identifier” as a MAC address.¹ EX1004, ¶60 (Paragraph 60 is the only portion of Smith that refers to a “destination logical identifier”). Nor does Petitioners’ expert. EX1003, ¶111. Accordingly, Smith’s “destination logical identifier” cannot be the claimed “MAC destination address” because it is not a MAC address.

Second, Smith’s “destination logical identifier” is not the claimed “MAC destination address” because it is not the destination network device’s address. As Petitioners and their expert admit, the claimed MAC destination address, if it were in Smith, would be the MAC address of the destination network device, *e.g.*, network device 120(3). Petition at 23 (asserting that Smith discloses this claim limitation because the “destination logical identifier” is “the MAC destination address of network device 120(3)”; EX1003, ¶111 (“The data packet’s MAC destination address (network device 120(3))”). Smith’s “destination logical identifier,” however, is not the address for network device 120(3).

¹ Smith expressly discloses the “sending device’s *MAC address*,” which Petitioners point to as the claimed “MAC source address.” Petition at 22 (quoting EX1004 ¶54).

Instead, Smith’s “destination logical identifier” is simply an “identifier” for a particular port (*e.g.*, port [320(9)]) of a line card (*e.g.*, line card [304(1)]) in Smith’s virtual network device [202]. Smith explains that “logical identifiers” are assigned to the virtual network device’s [202] interface ports: “Within virtual network device 202, each interface in the same interface bundle is assigned the same logical identifier. For example, interfaces 320(13), 320(9), and 320(16) are each assigned the same logical identifier.” EX1004, ¶53; *see also id.* at Claim 8. Accordingly, when Smith refers to a packet’s “destination logical identifier” it refers to the destination *interface* within the virtual network device [202]. *Id.* at ¶60. It does not refer to the destination network device, *e.g.*, network device 120(3), that Petitioners allege would be required for Smith to disclose this claim limitation.

Third, Smith’s “destination logical identifier” is not the claimed “MAC destination address” because Smith’s virtual network device does not “receiv[e] a data packet ... specifying” the destination logical identifier. Instead, Smith’s virtual network device adds the logical identifier *after* it is received: “packets received via one of these interfaces can be tagged or otherwise associated with the logical identifier to indicate that those packets were received via the virtual link bundle coupling virtual network device 202 to network device 120(1).” *Id.* at ¶53. Accordingly, even if Smith’s “destination logical identifier” is a “MAC destination

address,” which it is not, then it still does not satisfy this claim limitation because Smith’s system does not receive a packet that specifies the destination logical identifier.

Because Smith does not disclose claim limitation 1d, Ground 1 fails to establish that claim 1 is obvious.

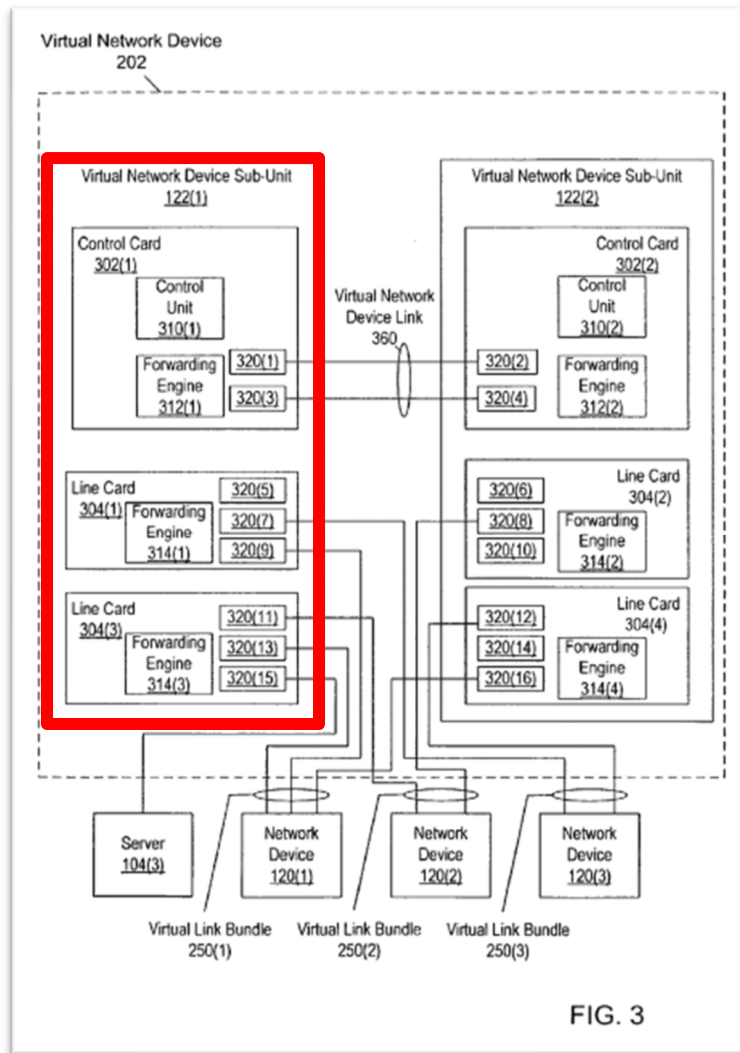
B. Ground 1 should also be denied because Smith fails to teach “if said MAC destination address does not appear in said FDB, flooding said data packet via one and only one LAG port of said plurality of LAG ports” (claim limitation 1[f]/11[d])

Petitioners’ argument for this claim limitation fails because Smith does not disclose the step of determining “if said MAC destination address does not appear in said FDB.” Petition at 24–26. Petitioners assert that “said FDB” could refer to either: (1) the FDBs in the member line cards or (2) the line card associated with the ingress port. *Id.* at 25. According to Petitioners, Smith’s line cards 304(2) and 304(3) are the member line cards and line card 304(1) is the line card associated with the ingress port. *Id.* at 20, 25. As explained below, neither Smith alone nor in combination with Petitioners’ expert establish that these line cards are checked to determine if the packet’s alleged MAC destination address appears on the FDB.

1. Smith alone does not disclose or render obvious claim limitation 1[f]/11[d]

Regardless of the interpretation of “said FDB,” Smith alone does not disclose that line cards 304(1), 304(2), or 304(3) are checked to determine if the

packet's alleged MAC destination address appears on the FDB. Petitioners' only citation to Smith's system checking an alleged FDB does not disclose checking the alleged FDBs in Smith's line cards 304(1), 304(2), or 304(3). *Id.* at 25 (citing EX1004, ¶61). Instead, Smith broadly states that "virtual network device sub-unit 122(1) looks up the destination address of the packet in a lookup table." EX1004, ¶61. Smith's virtual network device sub-unit 122(1) includes three cards, each with its own forwarding engine, which Petitioners allege to be the claimed FDBs: (1) Control card 302(1), (2) line card 304(1), and (3) line card 304(3). *Id.* at Figure 3. Smith does not explicitly state which, if any, of these three line cards "looks up the destination address of the packet in a lookup table." *Id.* at ¶61.



However, based on the context of the whole paragraph, it is clear that it would be control card 302(1)'s alleged FDB that is checked. As Smith explains, the packet is received on virtual network device sub-unit 122(1) via virtual network device link 360. *Id.* Specifically, sub-unit 122(1) receives the packet through interface 320(1) or 320(3), which are located in control card 302(1). *Id.* As discussed above, Petitioners do not identify control card 302(1) as any of the potential cards with "said FDB." Accordingly, Smith does not disclose the step of

determining “if said MAC destination address does not appear in said FDB.”

2. Smith in combination with Petitioners’ expert also does not disclose or render obvious claim limitation 1[f]/11[d]

Petitioners’ additional reliance on their expert also fails to render obvious this claim limitation. Petitioners cite to their expert’s declaration at paragraphs 114–116 to support their argument. Petition at 24–26. However, none of these paragraphs render obvious this claim limitation.

First, Petitioners’ reliance on their expert’s declaration at paragraph 114 does not render obvious this claim limitation. *Id.* at 25–26. Petitioners assert that “A POSITA would have understood that any one of Smith’s FDBs could be checked,” including “the FDB associated with the member line cards” and the “FDB associated with the ingress port.” *Id.* at 25. Petitioners’ only support for these assertions is their expert’s declaration at paragraph 114. *Id.* However, paragraph 114 of the expert’s declaration does not support Petitioners’ assertion because it is merely three large block quotes from Smith with no analysis or supporting testimony. EX1003, ¶114. Even if the quoted sections of Smith were considered, none of them disclose Smith’s alleged member line card (304(2) and 304(3)) or line card associated with the ingress port (304(1)) performing the step of determining “if said MAC destination address does not appear in said FDB.” *Id.* (citing EX1004, ¶¶66, 67, 69). Instead, like the Petition’s cited portion of Smith discussed above (EX1004, ¶61), the quoted portions of Smith only disclose at a

high level that it is “the virtual network device sub-unit” that is checking an alleged FDB. EX1004, ¶¶66, 67, 69. Accordingly, Petitioners’ reliance on their expert’s declaration at paragraph 114 fails to render obvious this claim limitation.

Second, Petitioners’ general citation to their expert’s declaration at paragraphs 115 and 116 also fails to render obvious this claim limitation. Petitioners’ expert’s declaration at paragraph 115 does not support Petitioners’ argument that this claim limitation is obvious. In paragraph 115, Petitioners’ expert repeats, nearly verbatim, the Petition’s assertion regarding Smith paragraph 61, which, as discussed above, does not disclose this claim limitation. EX1003, ¶115 (citing EX1004, ¶61). Their expert then cites to Smith’s disclosure regarding sharing entries of the FDB with all the member line cards. *Id.* (citing EX1004, ¶63). However, Smith’s disclosure regarding sharing entries of the FDB with all the member line cards does not disclose or even mention that member line cards check their alleged FDBs to determine if the packet’s MAC destination address appears in its alleged FDB. EX1004, ¶63. Lastly, the rest of paragraph 115 simply describes, again nearly verbatim, the potential meaning of the claimed “said FDB.” This discussion includes nothing about how Smith’s system may allegedly disclose member line cards checking their alleged FDBs to determine if the packet’s MAC destination address appears in its alleged FDB. Accordingly, Petitioners’ reliance

on their expert's declaration at paragraph 115 also fails to render obvious this claim limitation.

Petitioners' expert declaration at paragraph 116 fares no better. Paragraph 116 addresses only the second portion of this claim limitation, *i.e.*, "flooding said data packet via one and only one LAG port of said plurality of LAG ports." EX1003, ¶116. This portion of the expert declaration does not even relate to Petitioners' argument that Smith's system allegedly discloses, or even renders obvious, the step of determining "if said MAC destination address does not appear in said FDB."

Accordingly, for all the reasons discussed above, Petitioners have not established that Smith discloses or renders obvious the step of determining "if said MAC destination address does not appear in said FDB."

C. The Board should use its discretion and deny institution under the *Fintiv* factors

Efficiency, fairness, integrity of the system, and the merits support the Board's exercise of its discretionary denial authority under 35 U.S.C. § 314(a). Seeking to minimize duplication of work, the Board has set forth a set of non-exclusive factors for determining whether to deny a petition in view of parallel litigation (*i.e.*, the "*Fintiv* factors"). *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper No. 11 (March 20, 2020) ("*Fintiv I*"). As explained in detail below, the *Fintiv* factors weigh heavily in favor of discretionary denial in this case.

1. *Fintiv* Factor 1: The district courts have not granted a stay

Patent Owner agrees with Petitioners that this factor is neutral because no motion to stay has been filed, so the Board should not infer the outcome of such a motion. *Sand Revolution II LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper No. 24 at 7 (June 16, 2020) (informative).

2. *Fintiv* Factor 2: The *Cisco* trial is expected to take place approximately 5 months before the projected statutory deadline for a final written decision

Fintiv Factor 2 weighs heavily against institution because the *Cisco* case² is set to occur approximately 5 months before the projected statutory deadline for a final written decision. The projected statutory deadline for a final written decision in this IPR is August 15, 2024. 37 C.F.R. § 42.100(c). Meanwhile, the *Cisco* case is set for trial on March 18, 2024. *See* EX2007 at 4 (trial beings 52 weeks after Markman Hearing); EX2001 at 1 (Markman hearing held on March 17, 2023). The timeframe set by the district court is consistent with the statistical median time to trial for the Western District of Texas. *See* EX2002. Those statistics indicate that, over the past two years, despite the COVID pandemic, the median time to trial for the district was 23 months after filing. *Id.* Here, trial is also set approximately 23

² *Corrigent Corporation v. Cisco Systems, Inc.*, Case No. 6:22-cv-00396 (W.D.Tex.).

months after the case was filed. *See* EX2007 at 4; EX2001 at 1; EX2003 (case filed April 19, 2022). Thus, the district court trial is set to occur approximately 5 months before the projected statutory deadline for a final written decision. This weighs heavily against institution. *See Fintiv I*, IPR2020-00019, Paper No. 11 at 9 (“If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.”)

Indeed, the Board has denied institution on account of similar, or even smaller, gaps between the final written decision and trial. *See, e.g., EClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper No. 10 at 9 (Apr. 13, 2022) (finding this factor weighed in favor of discretionary denial and denying institution where “the beginning of the jury trial in the WDTX Cases is roughly **one or two months** before any final decision would have been due had *inter partes* review been instituted”) (emphasis added); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper No. 15 at 13 (May 13, 2020) (informative) (finding this factor weighed in favor of discretionary denial and denying institution where the district court trial was scheduled to occur **two months** before the deadline for the Board to reach a final written decision) (emphasis added); *Google LLC v. Ikorongo Tech. LLC*, IPR2021-00204, Paper No. 13 at 7 (June 7, 2021) (denying institution of IPR and finding this factor weighed in favor of denial when “the [district court] trial is

now scheduled for approximately *three months* prior to the final determination date”) (emphasis added).

In asserting that the Western District of Texas has a “median time-to-trial for patent cases of 28.8 months,” Petitioners wrongly cite to the “average” time-to-trial and not “median.” See Petition at 64 (citing EX1023 at 37). This is directly contrary to the Director’s guidance, which dictates that the median time-to-trial is used when analyzing *Fintiv* Factor 2. Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation at 7–8. (June 21, 2022) (“Guidance Memo”). If you look to the median time-to-trial statistics, the median for a jury trial is 24.3 months, which is consistent with Patent Owner’s median time-to-trial evidence and the trial date in the *Cisco* case.

Because the district court trial is currently set to occur approximate 5 months before the projected statutory deadline for a final written decision in this IPR, this factor weighs heavily against institution.

3. *Fintiv* Factor 3: The parties will have invested significant resources in at least the *Cisco* trial

Fintiv factor 3, which considers the resources invested in the parallel district court proceeding, weighs strongly in favor of the Board’s exercising its discretionary denial authority.

Petitioners wrongly limit their analysis of the parties’ investment in the district court proceedings to the stage of those proceedings at the time the petition

was filed. Petition at 65. However, *Fintiv* dictates that the proper timeframe for this factor is the investment in the parallel proceeding at the time of the institution decision. *Fintiv I*, IPR2020-00019, Paper No. 11 at 9–10.

Here, the parties will have expended significant resources by the time the Board issues an institution decision in case. The district court conducted a *Markman* hearing on March 17, 2023 and issued its final claim construction order on March 21, 2023. EX2001. As other panels have found, this fact alone makes this factor weigh in favor of denial: “If, at the time of the institution decision, the district court has issued substantive orders related to the challenged patent, ***such as a claim construction order, this fact weighs in favor of denial.***” *Nokia of Am. Corp. v. Good Kaisha IP Bridge 1*, IPR2022-00755, Paper No. 9 at 11 (Nov. 2, 2022) (citing *Fintiv I*, Paper No. 11 at 9–10) (emphasis added). Additionally, the parties have exchanged invalidity and infringement contentions for the ’400 patent, in August 2022 and September 2022, respectively. *See* EX2004; EX2005. Fact discovery on the ’400 Patent has already begun under the district court’s schedule and will conclude a mere 2 months after the institution decision is projected to issue in this case. *See* EX2007 (fact discovery opened on March 20, 2023 and fact discovery is set to close on Oct. 13, 2023). Furthermore, the parties will have to serve final infringement and invalidity contentions a mere 2 months after the

projected institution decision date. *See id.* (contentions will be due on Sept. 15, 2023).

Accordingly, because the parties will have expended *significant* resources by the time the Board issues an institution decision in case, this factor weighs heavily against institution.

4. *Fintiv* Factor 4: The issues in the petition and district court proceeding significantly overlap

Fintiv Factor 4 only marginally favors not exercising discretion to deny institution because the issues in the Petition and the parallel district court proceeding overlap and Petitioners have not provided a *Sotera*-style stipulation. *Fintiv* Factor 4 considers the overlap between issues raised in the petition and in the parallel proceeding. *Fintiv I*, IPR2020-00019, Paper No. 11 at 6. The prior art Petitioners assert in their petition with respect to their arguments regarding the independent claims are identical to the prior art being litigated to trial in the *Cisco* Case. EX2004 at 23–25. In a half-hearted attempt to address the redundancy of this proceeding, Petitioners provide only a limited stipulation, rather than a *Sotera*-style stipulation, stating they will not rely on the same prior art in the district court. Petition at 65. The PTAB has previously held that, at most, narrower stipulations weigh only “marginally in favor of not exercising discretion to deny institution.” *Sand Revolution II*, IPR2019-01393, Paper No. 24 at 9–10. Accordingly, based on

Petitioners' *Sand Revolution*-style stipulation, this factor only marginally favors not exercising discretion to deny institution.

5. *Fintiv* Factor 5: Petitioners are defendants in the district court proceedings

Fintiv Factor 5 favors denial of institution because Petitioners are defendants in the parallel district court proceedings. *Fintiv* Factor 5 considers whether the petitioners and the defendants in the parallel proceeding are the same party.

Fintiv I, IPR2020-00019, Paper No. 11 at 6. Petitioner Cisco is a defendant in the *Cisco* case in which Patent Owner asserts infringement of the '400 patent.

EX2003. Petitioner Dell is a defendant in the *Dell* case³ in which Patent Owner also asserts infringement of the '400 patent. EX2006. Thus, Factor 5 weighs in favor of denial.

Petitioners argue that even if they are the same parties that are defendants in the parallel litigation, this factor should only be neutral. Petition at 66. Petitioners' argument is without merit for numerous reasons. First, Petitioners' argument is contrary to numerous other Board decisions. For example, in *Nokia*, the Board unequivocally held that "Petitioner is the defendant in the parallel proceeding. Thus, this factor weighs in favor of exercising our discretion to deny the Petition."

³ *Corrigent Corporation v. Dell Technologies, Inc. et al.*, Case No. 1:22-cv-00496 (D.Del.).

Nokia, IPR2022-00755, Paper No. 9 at 13. Accordingly, consistent with Board decisions in other proceedings, this factor favors denial of institution because Petitioners are defendants in the parallel district court proceedings.

Second, the only case Petitioners cite does not support their argument. Petition at 66 (citing *HP Inc. v. Slingshot Printing LLC*, IPR2020-01084, Paper No. 13 (Jan. 14, 2021)). In *HP Inc.*, the Board held that “Factors 1 (likelihood of stay), 2 (district court’s trial date as compared to final written decision date), and 5 (same parties as parallel proceeding) **collectively are neutral.**” *HP Inc.*, IPR2020-01084, Paper No. 13 at 9 (emphasis added). Thus, *HP Inc.* does not support Petitioners’ argument that *Fintiv* Factor 5 is neutral even if the parties are the same in both the IPR and parallel proceeding.

Lastly, Petitioners’ argument that this factor should be neutral despite the Petitioners being the same as the defendants fails a simple logic test. Specifically, if Petitioners’ argument were true, then this factor could **never** favor denial. Factors by their very nature lie along a scale of: weighing in favor, being neutral, or weighing against. Petitioners would have this Board remove this factors ability to weigh in favor of Patent Owners entirely and only provide potential benefits to Petitioners. Such a determination is contrary to the very nature of factors, is bad public policy, and likely only a power available to the Director.

For all the reasons above, *Fintiv* Factor 5 favors denial of institution.

6. *Fintiv* Factor 6: Petitioners’ grounds do not rise to the level of “compelling evidence of unpatentability”

Factor 6 weighs against institution because, as shown above, the merits of the petition are weak and include numerous deficiencies, which cannot meet the high compelling merits standard needed to overcome *Fintiv* Factors 1–5 strongly favoring denial of institution.

To meet the standard for a compelling unpatentability challenge, the Petition must present challenges “‘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.’” *Commscope Techs. LLC v. Dali Wireless, Inc.*, IPR 2022-01242, Paper No. 23 at 3 (Feb. 27, 2023) (citing Guidance Memo at 4). “[T]he compelling merits standard is a higher standard than the standard for institution set by statute.” *Commscope Techs.*, IPR 2022-01242, Paper No. 23 at 3 (citing Guidance Memo at 4–5). Under the compelling merits standard, “[a] challenge can only ‘plainly lead to a conclusion that one or more claims are unpatentable’ if it is **highly likely** that the petitioner would prevail with respect to at least one challenged claim.” *Id.* at 3–4 (quoting *OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper No. 102 at 49–50 (Oct. 4, 2022) (precedential)) (emphasis added).

The compelling merits determination does not replace a *Fintiv* analysis; rather, “PTAB panels ... only consider compelling merits if they first determine[]

that *Fintiv* factors 1-5 favor[] a discretionary denial.” *Commscope Techs, LLC*, IPR2022-01242, Paper No. 23 at 4 (Feb. 27, 2023). Where the Board finds compelling merits, it “must provide reasoning to explain and support its determination as to compelling merits sufficient to allow the parties to challenge that finding and sufficient to allow for review of that decision.” *Id.* at 5–6. Here, *Fintiv* Factors 1–5 plainly favor discretionary denial thus requiring Petitioners to show compelling merits, which they cannot do.

As discussed above, Petitioners’ prior art grounds contain critical deficiencies and do not demonstrate a reasonable likelihood of—let alone plainly lead to—a conclusion that at least one claim is unpatentable. *See supra* Sections III.A & B.

In sum, four factors (2, 3, 5, and 6) weigh strongly in favor of discretionary denial, whereas one factor (1) is neutral and one factor (4) only marginally favors not exercising discretion to deny institution. Accordingly, Patent Owner respectfully requests that the Board exercise its discretion and deny institution.

IV. CONCLUSION

As discussed above, Petitioners have failed to establish a reasonable likelihood that they would prevail in showing the unpatentability of the challenged claims. Accordingly, the Board should deny institution.

Date: May 15, 2023

Respectfully submitted,

/James R. Nuttall, Reg. No. 44,978/

James R. Nuttall, Reg. No. 44,978

STEPTOE & JOHNSON LLP

227 West Monroe, Suite 4700

Chicago, Illinois 60606

Tel: (312) 577-1260

Fax: (312) 577-1370

Katherine D. Cappaert, Reg. No. 71,639

Thomas Yebernetsky, Reg. No. 70,148

Christopher A. Suarez, Reg. No. 72,553

STEPTOE & JOHNSON LLP

1330 Connecticut Avenue, NW

Washington, DC 20036-1795

Tel: (202) 429-3000

Fax: (202) 429-3902

Counsel Corrigent Corporation

CERTIFICATION UNDER 37 C.F.R. § 42.24

Under the provisions of 37 C.F.R. § 42.24, the undersigned hereby certifies that the foregoing document contains 5,260 words, and thus complies with the word-count limits of 37 C.F.R. § 42.24.

Date: May 15, 2023

By: /James R. Nuttall, Reg. No. 44,978/

James R. Nuttall, Reg. No. 44,978

STEPTOE & JOHNSON LLP

227 West Monroe, Suite 4700

Chicago, Illinois 60606

Tel: (312) 577-1260

Fax: (312) 577-1370

Counsel for Corrigent Corporation

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing PATENT OWNER'S PRELIMINARY RESPONSE was served on May 15, 2023 by filing this document through the P-TACTS platform as well as by delivering a copy via the delivery method indicated to the attorneys of record for the Petitioners as follows:

Via Email:

Stuart Rosenberg
SRosenberg@gibsondunn.com
Brian Rosenthal
BARosenthal@gibsondunn.com
Ryan Iwahashi
RIwahashi@gibsondunn.com

Date: May 15, 2023

By: /James R. Nuttall, Reg. No. 44,978/

James R. Nuttall, Reg. No. 44,978
STEPTOE & JOHNSON LLP
227 West Monroe, Suite 4700
Chicago, Illinois 60606
Tel: (312) 577-1260
Fax: (312) 577-1370

Counsel for Corrigent Corporation