

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SOPHOS LTD. AND SOPHOS INC.

Petitioners

v.

WEBROOT INC.

Patent Owner

Case IPR2023-00731

Patent No. 8,201,243

**PATENT OWNER'S OPPOSITION TO PETITIONERS'
MOTION TO DISMISS PETITION**

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Patent Trial and Appeal Board
U.S. Patent & Trademark Office
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I. INTRODUCTION

Petitioners belatedly request a do-over for what they implicitly acknowledge is a deficient petition. But Petitioners’ trial-and-error approach is not consistent with the quick and cost-effective alternative to litigation Congress intended for *inter partes* review. Petitioners should not be allowed to submit a defective petition, wait for patent owners to point out certain flaws, and then claw it back and demand another shot—especially so close to an institution decision.

Terminating and re-filing the petition will increase Patent Owner’s burden. A second petition would negate Patent Owner’s investment in responding to the current petition and would require Patent Owner to respond to new arguments regarding the public availability of Petitioners’ prior art that could have been presented in the current petition. Petitioners also fail to justify their nearly two-month delay in seeking to remedy the defects in the petition.

II. STANDARD

Petitioners bear the burden of showing that their petition should be dismissed. 37 C.F.R. § 42.20(c). The Board has considered the following factors when evaluating a petitioner’s motion to dismiss: the petitioner’s reason for seeking dismissal, whether the petitioner intends to re-file, the burden on the patent owner and/or the Board, and the delay in seeking dismissal. *See, e.g., Unified Patents, LLC v. VL Collective IP LLC*, IPR2022-01086, Paper 30 at 2 (PTAB Aug. 31, 2023) (weighing “Petitioner’s reasons for seeking to terminate the proceeding”—i.e., “budget

constraints”); *General Electric Co. v. Siemens Gamesa Renewable Energy A/S*, IPR2021-00722, Paper 11 at 2 (PTAB Oct. 7, 2021) (crediting petitioner’s representation that it sought dismissal “to conserve its resources” and did not intend to file another petition on the same patent); *Fresenius Kabi USA, LLC v. AstraZeneca AB*, IPR2017-01910, Paper 7 (PTAB Nov. 2, 2017) (denying motion to dismiss where petitioner provided no assurances that it would not file follow-on petitions); *Trutek Corp. v. Regents of the Univ. of Michigan*, IPR2022-00674, Paper 9 at 3 (PTAB Sept. 27, 2022) (evaluating burden on the parties and the Board, as well as the timing of the request, when denying petitioner’s request to file motion to withdraw).

III. ARGUMENT

Congress intended *inter partes* review to be “an effective and efficient alternative to district court litigation.” *Edwards Lifesciences Corp. v. Evalve, Inc.*, IPR2019-01546, Paper 7 at 10 (PTAB Mar. 19, 2020). Serial proceedings in which a petitioner dismisses and re-files its petition to address a patent owner’s critiques runs contrary to that objective. Yet that is exactly what Petitioners seek to do here.

Petitioners’ stated reason for dismissal is that their current petition is “clouded by Patent Owner’s allegations that Li is not prior art.” (Paper 19 at 1.) If the current petition is dismissed, Petitioners intend to file a follow-on petition that includes at least three additional declarations addressing whether Li is prior art. (EX-2016, 2023-10-11 Email from Best to Eutermoser.) Petitioners’ belated desire to bolster their petition is not a sound reason to dismiss. On the contrary, Petitioners’ approach

would encourage gamesmanship through filing perfunctory placeholder petitions only to be dismissed and re-filed if necessary. Such tactics are inefficient and contrary to the petitioner's burden to show "from the onset" and "with particularity" why the patent it challenges is unpatentable. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016).

When the Board has allowed dismissal, it generally has been to conserve resources or as a result of a settlement agreement. *See, e.g., Unified Patents, LLC v. VL Collective IP LLC*, IPR2022-01086, Paper 30 at 2; *General Electric*, IPR2021-00722, Paper 11 at 2. In either circumstance, the dismissal reflects the end of the challenge to the patent at issue. These cases do not suggest that a petitioner may dismiss and file a follow-on petition merely to bolster its arguments. On the contrary, the potential for a follow-on petition is a reason to deny a motion to dismiss. *See, e.g., Fresenius Kabi*, IPR2017-01910, Paper 7 at 4-5.

Dismissing the current petition would prejudice Patent Owner for multiple reasons. First, Patent Owner has completed its pre-institution decision work on the current petition. Allowing Petitioners to dismiss and file a follow-on petition will require Patent Owner to prepare another preliminary response. Petitioners argue that the effort to respond to the follow-on petition "will be minimal." (Paper 19 at 3.) On the contrary, Petitioners have stated that they intend to submit at least three additional declarations on whether Li is prior art. (EX-2016). Patent Owner will therefore

have to address Petitioners’ new arguments on Li, as well as new serial petition arguments under *General Plastics* (which also creates more work for the Board).¹ Second, dismissal would further delay final resolution of the challenge to Patent Owner’s patents. Dismissing a first petition to bolster arguments in a follow-on petition extends the time when the patent is facing a pending challenge. This causes any question over the challenged patent to linger.

Petitioners’ reliance on *Wavetamer* is misplaced. There the petitioner merely sought to correct a mistake in its petition. *See Wavetamer Gyros, LLC v. Seakeeper, Inc.*, IPR2017-01931, Paper 13 at 2 (PTAB Jan. 9, 2018) (noting request “to file corrected petitions”); *see also id.* Paper 9 at 2 (stating in motion to dismiss that “Petitioner’s counsel mistakenly cited...the Adams patent...rather than identical text in...the Adams publication”). Here, Petitioners do not suggest they made a “mistake” in the current petition. Nor do Petitioners identify any reason why the materials they would present in a follow-on petition could not have been included in the current petition. The cloud over the petition is of Petitioners’ own making.

¹ Contrary to Petitioners’ argument (Paper 19 at 4), prejudice to Patent Owner based on Petitioners’ reason for dismissal is relevant *both* to Petitioners’ motion to dismiss and to any follow-on petition under *General Plastics*. *See, e.g., Fresenius Kabi*, IPR2017-01910, Paper 7 at 4-5.

Nor does *Samsung* support Petitioners' argument. The petitioner in that case was time-barred from filing a new petition. *Samsung Elecs. Co. et al. v. Nvidia Corp.*, IPR2015-01270, Paper 12 at 3-4 (PTAB Dec. 9, 2015). Thus, unlike in this case, where Petitioners seek dismissal only so they can file new petitions, the patent owner in *Samsung* was not prejudiced by dismissal because there would be no follow-on petitions requiring a response. *See id.* Similarly, in *Unified Patents, LLC v. Motion Offense, LLC*, the Board granted a motion to dismiss because doing so would decrease the burden on the patent owner. IPR2020-00705, Paper 14 at 3 (PTAB Sept. 23, 2020). The Board credited the petitioner's representation that it would not file another patent challenge against the same patent or any related patents. *Id.*

And although Petitioners attempt to distinguish *Apple* because the Board instituted trial on a different petition that raised the same grounds, the Board's reasoning in that case applies with equal force here. In particular, the Board accepted the patent owner's argument that dismissal would "conserve[] no appreciable resources" since "the parties [had] already incurred all of the expenses associated with this proceeding." *Apple Inc. v. Papst Licensing GmbH & Co. KG*, IPR2017-00670, Paper 11 at 2 (P.T.A.B. May 22, 2017).

In short, Petitioners fail to show good cause for dismissing the current petition, particularly in view of the impending institution decision and the prejudice to Patent Owner. Petitioners' motion to dismiss should therefore be denied.

Date: October 13, 2023

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER OP-POSITION TO PETITIONERS' MOTION TO DISMISS PETITION** and new **EXHIBITS 2016** were served by filing the documents through the Patent Trial and Appeal Case Tracking System (P-TACTS) on October 13, 2023 and courtesy copies were also served via electronic mail, in their entireties on the following:

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