

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 No. IPR2023-00732

U.S. Patent No. 8,719,932

PETITIONERS' REQUEST FOR REHEARING
BY THE DIRECTOR¹

¹ This request is being filed pursuant to Revised Interim Director Review Process adopted on July 24, 2023.

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.71(d) and the Revised Interim Director Review Process adopted on July 24, 2023, Petitioners respectfully request rehearing of the Board’s decision denying institution of *inter partes* review (Paper 23).²

In determining whether or not to institute a petition, the Board is tasked with determining whether a petition, if instituted and litigated through trial, would be reasonably likely to result in a finding of invalidity of the challenged claims. That determination inherently requires the Board to consider whether a petitioner would be reasonably likely to overcome a patent owner’s evidentiary challenges to prior art status, including via the mechanisms for the submission of supplemental evidence available to a petitioner after institution. In other words, the likelihood of success analysis is meant to be *wholistic*, and to assess whether the petition is sufficiently strong on the *merits*—it is not meant to rise or fall on a non-substantive gotcha that would be easily cured with supplemental evidence in an instituted proceeding.

Here, the Board did not apply that standard. Instead, the Board focused myopically on a purported defect Patent Owner raised with Petitioners’ evidence of prior art status (specifically, a declaration from a qualified librarian testifying that

² Petitioners concurrently filed a Request for Rehearing by the Director with respect to No. IPR2023-00731 that sought IPR of claims of U.S. Patent No. 8,201,243.

Li was publicly available before the critical date), and refused to consider supplemental evidence that Petitioner would have had a right to submit post-institution. Indeed, the Board based its denial of this *inter partes* review *solely* on the basis that Petitioners purportedly had not sufficiently established a printed publication (Li) as prior art, and never considered or addressed—as it was required to do—supplemental evidence that would have easily cured that issue.

The Board thus never reached the merits of the invalidity grounds presented in the petition. In so doing, the Board disregarded the fact that statutorily-imposed mechanisms exist post-institution for supplementing the record to address ancillary evidentiary insufficiencies, such as insufficiencies in evidence establishing a printed publication as prior art. Consequently, here the Board never asked and never answered the fundamental question required by the law: whether, if institution were granted, Petitioner—who would then have had the right to submit the supplemental evidence the board declined to consider—would be reasonably likely to succeed.

For these reasons, the Board abused its discretion in denying institution of this IPR based on its conclusion that Petitioners had purportedly failed to meet its burden to establish Li as prior art to the '932 Patent. The librarian's declaration submitted with the petition was sufficient to show Li's prior art status, but in any case the additional evidence that the Board erroneously refused to allow Petitioner to submit conclusively establishes Li as prior art. That conclusion could not have been reached

if the Board had permitted Petitioners to submit the evidence Petitioners have conclusively establishing Li as prior art.

II. BACKGROUND & INTRODUCTION

On April 4, 2023, Petitioners filed the instant petition for *inter partes* Review of U.S. Patent No. 8,719,932 challenging claims 1-15 of the '932 Patent. On August 10, 2023, Patent Owner filed its Patent Owner Preliminary Response (“POPR”) disputing that the declaration of Petitioners’ librarian expert, Sylvia D. Hall-Ellis, Ph.D. (EX-1009) provided a sufficient evidentiary basis to show that Li (EX-1005) was publicly available as of January 31, 2005. Paper 13, pgs. 30-36.

On September 15, 2023, the Board requested that Petitioners submit as exhibits to the Hall-Ellis Declaration copies of the linked webpages cited in the declaration. *See* Ex. 3001. Although Petitioners believed the Hall-Ellis Declaration and cited evidence sufficiently established Li as prior art, in order to moot entirely Patent Owner’s arguments to the contrary, Petitioners responded to the Board’s request by seeking permission to file a Motion to Dismiss the petition, in order to re-file with additional evidence unquestionably establishing Li as a prior art reference. Ex. A, pg. 1. Following a conference call with the Board on September 29, 2023, the Board granted Petitioners’ request. *See* Paper 17. Petitioners’ Motion to Dismiss

was filed on October 10, 2023. Paper 19.³ Patent Owner filed an Opposition to Petitioners' Motion to Dismiss on October 13, 2023. Paper 20.

On November 1, 2023, the Board denied Petitioners' Motion to Dismiss. Paper 22. The Board concluded that "Petitioner should set forth its best evidence in a petition and not plan to dismiss and refile that petition when a preliminary response exposes its weaknesses." *Id.*, pg. 3. The Board did not address or consider that Patent Owner's challenge to the sufficiency of the evidence of prior art status in Petitioner's petition was not foreseeable.

On October 13, 2023, Petitioners further requested, as alternative relief to the Motion to Dismiss, permission to file a Reply to the POPR "to address Patent Owner's arguments concerning availability of Li . . . as a prior art reference, and to supplement the record with additional evidence establishing Li as prior art[.]" Ex. 3002. In making this request, Petitioners identified the additional evidence that they planned to submit; including a declaration of a co-author of Li "testifying as to her knowledge of the publication and public availability of Li," along with the declaration of a co-author of a publication that cites to Li prior to the critical date of the '932 Patent. *Id.*, 2.

³ Paper 19 is a re-filed Motion to Dismiss, after Petitioners' originally-filed Motion to Dismiss was expunged by the Board. Paper 18.

On October 16, 2023, the Board denied Petitioners’ request for leave to submit the evidence with a reply, noting that “Petitioner’s [sic] proposed new declarations . . . plainly exceed the proper scope of a reply. Any argument in the Replies pertaining to the new declarations would likely be improper new argument, not a response to Patent Owner’s arguments against Petitioner’s [sic] existing public accessibility declaration.” *Id.*, pg. 1. The Board again re-iterated, as it did in its denial of Petitioners’ Motion to Dismiss, that Petitioners should be incentivized to “put forth their best evidence in their petitions”—as Petitioners believed they did when initially submitting the petition—but did not address whether Patent Owner’s evidentiary challenges were foreseeable. *Id.*, 1.

Petitioners were thus categorically excluded by the Board from ever substantively responding to Patent Owner’s evidentiary challenge, when Petitioners had and were prepared to submit evidence conclusively establishing Li as prior art to the ’932 Patent.

III. ARGUMENT

A. The Institution Denial Highlights Important Legal and Policy Flaws in IPR Procedure

The Board’s decision was manifestly unjust in refusing to allow supplemental evidence of prior art status pre-institution that would have been considered as of right post-institution, thus denying institution based on an evidentiary technicality, rather than considering the *actual* “likelihood that [Petitioners] would prevail” with

respect to at least one challenged claim, as required under 35 U.S.C. § 314(a). That a petitioner to an IPR may be wholly foreclosed from submitting evidence to respond to an evidentiary challenge raised in a POPR pre-institution, but not foreclosed if that same challenge is raised by Patent Owner post-institution, highlights a fundamental legal and policy issue with the Board's institution denial.

At the time Petitioners filed for *inter partes* review, Petitioners reasonably believed the evidence they submitted to establish Li as prior art to the '932 Patent was sufficient. But whether or not that evidence was in fact sufficient should have been irrelevant to the Board's institution analysis, in view of Petitioners' requests to submit supplemental evidence conclusively establishing Li as prior art. Because Petitioners' additional evidence would have been submitted and considered as of right in an instituted *inter partes* review, the Board's analysis of the "reasonable likelihood that [Petitioners] would prevail with respect to at least 1 of the claims challenged in the petition" should have included the supplemental evidence of Li's prior art status.

Indeed, had the Board granted institution of the instant petition and Patent Owner then raised "[a]ny objection to evidence submitted during [the pre-institution] proceeding"—including evidence establishing Li as prior art—the regulations expressly allow for the submission of supplemental evidence to respond to that objection. *See* 37 C.F.R. § 42.64(b)(1)-(2). Specifically, § 42.64(b)(2) states that

“[t]he party relying on evidence to which an objection is timely served may respond to the objection by serving *supplemental evidence* within ten business days” The regulation is clear, and places no barrier on a petitioner’s ability to rebut any objection or argument raised by a patent owner. In fact, the Board has denied a patent owner’s motion to exclude evidence where a petitioner had properly served supplemental evidence to correct a deficiency in previously submitted evidence. *See, e.g., Duke Mfg. Co. v. Low Temp Indus., Inc.*, IPR2021-00415, Paper 58 at 56 (PTAB July 15, 2022) (“[O]ur rules allow for supplemental evidence, timely served in response to a timely objection, to correct a deficiency[.]”).⁴

In addition to § 42.64, the Board has acknowledged that petitioners are permitted post-institution to submit new evidence in a reply to a patent owner response. The Board has expressly stated, for example, that “Petitioners are not prohibited from relying on new evidence and arguments in a reply, if the evidence and arguments are responsive to arguments made in a patent owner response.” *Microsoft Corp., et. al. v. Uniloc 2017 LLC*, IPR2019-00973, Paper 20 at 16 (PTAB Nov. 13, 2020) (*citing* 37 C.F.R. § 42.23(b)). There is simply no question that *after*

⁴ *See also* PTAB Consol. Trial Prac. Guide (November 2019), at 79 (“Supplemental evidence [to a challenge of admissibility under § 42.64(a)] . . . is filed . . . in support of an opposition to a motion to exclude.”).

institution, “[i]f the patent owner challenges a reference’s status as a printed publication, a petitioner may submit a supporting declaration with its reply to further support its argument that a reference qualifies as a printed publication.” *Hulu, LLC v. Sound View Innovations, LLC*, IPR2018-01039, Paper 29 at 15 (PTAB Dec. 20, 2019) (precedential); *see also Juniper Networks, Inc. v. Swarm Tech. LLC*, IPR2021-01445, Paper 62 at 12-13 (PTAB Feb. 7, 2023).

The Board did not cite any statute, regulation, or guidance that precludes the service of supplemental evidence pre-institution to cure evidentiary challenges to prior art status, because none exists. The absence of any such guidance indicates that precluding such evidence is not contemplated—yet the Board nevertheless unilaterally excluded Petitioners’ evidence without authority.

The Board’s preclusion of supplemental evidence to cure a challenge raised by a patent owner runs contrary not only to the express statutory requirement that the Board consider, at the pre-institution stage, the reasonable likelihood that the challenged claims would be unpatentable under §§ 102 or 103, but also to previous Board decisions granting institution of a petition lacking any evidence establishing a reference as prior art *at all*. *See, e.g., Analog Devices, Inc. v. Xilinx, Inc., et al.*, IPR2020-01596, Paper 52 at 9-11 (PTAB Apr. 13, 2022) (granting institution despite “question[ing] whether Petitioner would be able to sufficiently establish the public availability of [a prior art printed publication] because no evidence for it was

provided in the petition,” and permitting petitioner to submit additional evidence of public availability as supplemental evidence.) (internal citations omitted). The Board here should have considered the reasonableness of Petitioners’ invalidity arguments raised in its petition, and reserved, as in *Analog Devices*, its determination of the status of Li as prior art for the post-institution phase, as the statutes and regulations expressly permit. Alternatively, and at a minimum, if the Board was so concerned with Petitioners’ ability to establish Li as prior art, the Board should have permitted Petitioners to submit the additional evidence Petitioners had conclusively establishing Li as prior art to the ’932 Patent.

The Board’s determination in this Proceeding is therefore manifestly unjust, as it categorically precluded Petitioners from rebutting a challenge made by Patent Owner at one phase of the Proceeding, when Petitioners could have conclusively responded to the identical challenge had it been made post-institution. And for the same reason that the Board is concerned with, for example, “limiting the scope of a [reply] . . . to promote procedural fairness and prevent sandbagging,” it should be concerned with fairness to the petitioner who diligently prepares and files an IPR petition, only to have it denied on the basis of an objection raised by patent owner to any evidentiary issue which petitioner was categorically excluded from responding to. *See Trane U.S., Inc. v. SEMCO, LLC*, IPR2018-00514, Paper 36 at 7 (PTAB Apr. 17, 2019).

The Board’s determination here is further unjust because while Petitioners undoubtedly had an obligation to put forth the best arguments they could in their petition, this Board has acknowledged on numerous occasions that “[a] petitioner . . . cannot be expected to anticipate every argument that may be raised by a patent owner[.]” See, e.g., *Google LLC v. Valtrus Innovations, Ltd.*, IPR2022-01197, Paper 12 at 5 (PTAB Mar. 29, 2023). Petitioners here in good faith filed this petition challenging the claims of the ’932 Patent, and included the evidence Petitioners reasonably thought necessary to support both its merits and contentions concerning the availability of Li as prior art, which included a declaration of a qualified librarian testifying that Li was publicly available before the critical date. A petitioner should not be required to submit, or be penalized for not submitting, in its initial filing evidence that it did not reasonably or foreseeably know would be necessary to prove its contentions or obtain institution. And as demonstrated in the *Analog Devices* case, the Board *has* looked past alleged evidentiary deficiencies such as those pointed out by Patent Owner here, knowing that such deficiencies could be corrected post-institution. *Analog Devices*, IPR2020-01596, Paper 52 at 9-11.

The Board’s Rulings in this Proceeding have denied Petitioners the opportunity to present evidence to respond to Patent Owner’s argument at the pre-institution phase, when such evidence could have clearly been presented at the post-institution phase. Petitioners therefore request rehearing of the Board’s decision

denying institution of this IPR, and the opportunity to introduce evidence establishing Li as prior art to the '932 Patent.

B. The Board Abused its Discretion by Denying Institution

The Board abused its discretion in two ways: by denying without authority Petitioners' two requests to respond to Patent Owner's arguments concerning the sufficiency of the evidence establishing Li as prior art, and by then denying institution on the basis of an evidentiary challenge to which Petitioners were never allowed to respond.

The Board should have considered the petition on the substantive question of patentability, and presumably instituted, or should have granted one of Petitioners' two requests: either Petitioners' Motion to Dismiss the instant petition to re-file with the additional evidence of public availability, or Petitioners' Request for a Reply to submit additional evidence. The Board abused its discretion by excluding Petitioners from submitting their supplemental evidence establishing Li as prior art, when that evidence would have been considered as a matter of right in an instituted proceeding, and the Board cited no authority precluding the same pre-institution. Notably, in denying institution, the Board did not actually find that Li was not available prior to the critical date—indeed, Patent Owner never presented any affirmative evidence demonstrating that Li was not publicly available. Instead, the Board wrongly based its denial on a finding that the evidence presented only in the

four corners of the petition did not conclusively establish Li as prior art, and a refusal to consider any additional evidence Petitioners could have presented.

The Board has in other instances granted institution of IPR petitions, even when a Patent Owner has raised evidentiary concerns over the sufficiency of public availability of prior art. *See, e.g., Analog Devices*, IPR2020-01596, Paper 52 at 9-11. That the Board would deny Petitioners' *inter partes* review request, while granting institution to another petitioner who had presented even less evidence of the public availability of a prior art printed publication, further demonstrates the Board's abuse of discretion in this instance.

IV. CONCLUSION

For the foregoing reasons, Petitioners respectfully request that the Director grant this request for rehearing and institute IPR.

Dated: December 4, 2023

Respectfully submitted:

/s/ Benjamin Hershkowitz
Benjamin Hershkowitz
(Reg. No. 41,833)
Gibson, Dunn & Crutcher LLP
300 Park Avenue
New York, NY 10019
Tel: (212) 351-2410
BHershkowitz@gibsondunn.com

CERTIFICATE OF SERVICE

In accordance with 37 C.F.R. § 42.6(e), the undersigned certifies that on the 4th day of December, 2023, the foregoing was served via electronic mail upon the following counsel for Patent Owner:

- Brian J. Eutermoser, beutermoser@kslaw.com;
- Mikaela M. Stone, mikaela.stone@kslaw.com;
- Russell E. Blythe, rblythe@kslaw.com.

DATED: December 4, 2023

By: /s/ Benjamin Hershkowitz

Benjamin Hershkowitz
(Reg. No. 41,833)
Gibson, Dunn & Crutcher LLP
300 Park Avenue
New York, NY 10019
Tel: (212) 351-2410
BHershkowitz@gibsondunn.com

EXHIBIT A

Brzozowski, David

From: Best, Timothy P.
Sent: Tuesday, September 26, 2023 8:35 PM
To: trials@uspto.gov
Cc: Brian Eutermoser; Mikaela Stone; Russell Blythe; *** Webroot-Sophos
Subject: IPR2023-00731 and IPR2023-00732

Dear Honorable Board:

To follow-up on our previous correspondence below sent on Friday, September 22nd, Petitioners request, pursuant to 37 C.F.R. § 42.72, permission to file a Motion to Dismiss both IPR2023-00731 and -00732 without prejudice. Petitioners seek such permission so as to enable Petitioners to re-file their petitions challenging U.S. Patent Nos. 8,201,243 and 8,719,932 to include new declarations supporting the public availability of a printed publication cited as invalidating prior art in the foregoing petitions.

Petitioners believe that 5 pages suffice for their Motion, should this request be granted.

The parties have conferred, and Patent Owner opposes Petitioners' request.

Should a conference call be required to discuss Petitioners' request, the parties are available at the below times/dates (all in ET):

1. 1PM - 2PM and 3PM – 3:30 PM ET on 09/27
2. 11 AM – 12:30 PM ET on 09/29
3. 1 PM – 3 PM ET on 10/02.

Sincerely,

Timothy P. Best

Partner

T: +1 213.229.7659 | M: +1 510.325.8884
TBest@gibsondunn.com

GIBSON DUNN

Gibson, Dunn & Crutcher LLP
333 South Grand Avenue, Los Angeles, CA 90071-3197

From: Best, Timothy P. <TBest@gibsondunn.com>
Sent: Friday, September 22, 2023 12:05 PM
To: trials@uspto.gov
Cc: Brian Eutermoser <BEutermoser@kslaw.com>; Mikaela Stone <Mikaela.Stone@kslaw.com>; Russell Blythe <RBlythe@kslaw.com>
Subject: IPR2023-00731 and IPR2023-00732

Dear Honorable Board:

In response to your below communication requesting that we file copies of the linked webpages as exhibits to the Declaration of Sylvia D. Hall-Ellis, Petitioners intend to seek permission from the Board to withdraw the petitions instead. Specifically, Petitioners intend to request, pursuant to 37 C.F.R. § 42.72, permission to file a Motion to Dismiss both IPR2023-00731 and -00732 without prejudice. Petitioners have asked Patent Owner whether it opposes such a motion and we are waiting to hear from it on its position. As soon as Patent Owner provides its position, Petitioners will email the Board to seek permission to file a motion to withdraw.

Sincerely,
Timothy Best
Counsel for Petitioners

From: Trials <Trials@USPTO.GOV>
Sent: Friday, September 15, 2023 1:27 PM
To: Hershkowitz, Benjamin <BHershkowitz@gibsondunn.com>
Cc: Brian Eutermoser <BEutermoser@KSLAW.com>; Russell Blythe <RBlythe@KSLAW.com>; Mikaela Stone <Mikaela.Stone@KSLAW.com>; Trials <Trials@USPTO.GOV>
Subject: IPR2023-00731, 732

[WARNING: External Email]

Counsel,

From the Board –

In IPR2023-00731 and 732, Petitioner supplies a Declaration of Sylvia D. Hall-Ellis (Exhibit 1009) that cites several hyperlinks as evidence. *See, e.g.* Ex. 1009 nn.1-28. Our rules require that “[a]ll evidence must be filed in the form of an exhibit.” 37 C.F.R. § 42.63(a).

To comply with this rule, Petitioner must file copies of the linked webpages as exhibits no later than one week from today. Failure to do so will result in the Board not considering these hyperlinked webpages as evidence in these proceedings. Apart from filing an updated exhibit list, Petitioner should not file any briefing or further explanation of these exhibits.

Regards,

Esther Goldschlager
Supervisory Paralegal Specialist
Patent Trial & Appeal Board
U.S. Patent & Trademark Office