

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Duration Media LLC
Petitioner,

v.

Rich Media Club LLC
Patent Owner.

Case IPR2023-00953
U.S. Patent 11,443,329

PATENT OWNER'S MOTION TO EXCLUDE

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I. Introduction and Summary of Relief Requested

From the outset, the Petition’s evidence had an evidentiary hole. Although the Petition purported to rely on only the Badros reference to show that the “viewability test” claim elements were known and disclosed, Badros could not meet this claim element. Petitioner’s paid witness Smedley declined to provide any opinion that Badros met this claim element at the time of the Petition or at his deposition. Petitioner’s paid witness Smedley admitted this at deposition, as Petitioner’s Reply confirmed. In response to Smedley’s admissions at deposition, on Reply, Petitioner sought to backfill the hole in its Petition with eight new references purporting to disclose the “viewability test” and two new expert declarations presenting these new references. But Petitioner may not, in reply, present new references to teach a claim element. *Axonics, Inc. v. Medtronic, Inc.*, 75 F.4th 1374, 1383 (Fed. Cir. 2023). Petitioner also submitted new theories and opinions about Badros on reply that it chose not to include with the Petition. After making these Objections in Paper 51, Patent Owner moves to exclude this evidence that Petitioner filed with its Reply.¹

The “petitioner’s petition...is supposed to guide the life of the litigation [in

¹ On March 14, Patent Owner emailed a request for permission to file a motion to strike. The Board responded: “Patent Owner’s request to file a motion to strike is denied. Patent Owner should use its sur-reply to respond to Petitioner’s reply,

an IPR proceeding].” *SAS Inst. v. Iancu*, 138 S. Ct. 1348, 1356 (2018)

(emphasizing “focus on the *petitioner’s* contentions”). The statute requires a petition to identify “in writing and with particularity ... the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim.” 35 U.S.C. § 312(a)(3); accord *Intelligent Bio-Sys. v. Illumina Cambridge.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016). Petitioner also “may not submit new evidence or argument in reply that it could have presented earlier [in the petition], e.g., to make out a *prima facie* case of unpatentability.” Trial Practice Guide 73 (Nov. 2019).

II. Exhibit 1017, the Krassner Publication, Should Still be Excluded (as Should Exhibit 1018, Badros WIPO, If It Was Re-Filed)²

Petitioner’s Reply ignores and contravenes this panel’s prior Orders. On

including stating and explaining any objections to the evidence Petitioner relies on in its reply.” EX2070.

² Petitioner’s updated list of Exhibits (Paper 54), filed on April 23, 2024 lists two exhibits, 1017 (Krassner I) and 1018 (Badros WIPO), that do appear to have been filed with the Board. These un-filed exhibits have the same titles as the exhibits that were ordered expunged when they were filed under exhibit numbers 1015 and 1016 (adding to the confusion, the number 1015 was used twice). If Petitioner re-filed the Badros WIPO reference, also in direct defiance of the Board’s order, it also should be expunged. If Petitioner never filed exhibits 1017 and 1018 with the PTAB, Petitioner should file a corrected exhibit list.

September 20, 2023, Petitioner filed a Motion to Submit Supplemental Information, Paper 15. Patent Owner opposed at Paper 18. The panel denied Petitioner's Motion and explained, in a 7-page decision (Paper 21):

Petitioner's Motion seeks to add, as supplemental information, two published patent applications. The first is US 2007/0265923 A1, published November 15, 2007 ("Krassner publication," Ex. 1015), which is a publication of the application that later issued as Krassner..... The Motion is replete with ambivalence and ambiguity, leaving one to wonder what the effect of its Motion would be were it to be granted..... *Hulu* is unlike the situation here. Here, the references in the Petition, Krassner and Badros, are United States Patents, and there can be no question as to when they were patented. The supplemental information sought to be added by the Motion clearly was available to Petitioner before it filed its Petition. Allowing Petitioner to add it now post-institution would cut against the just, speedy, and inexpensive resolution of the proceeding.

The Order further held: "that the Supplemental Information be expunged."

The Order further held, in footnote 1:

Because we are denying the Motion and expunging the supplemental information including the second-filed Exhibit 1015, the Krassner publication need not -- and indeed may not -- be re-filed under a new exhibit number.

Petitioner then filed a Request For Rehearing at Paper 25. In a 5-page decision and Order (Paper 26), the Board denied Petitioner's Request for

Rehearing, explaining:

The scope of prior art that can be asserted in inter partes reviews is limited to “prior art consisting of patents or printed publications.” 35 U.S.C. § 111(b). The Petition asserted two patents, Krassner and Badros. The Petition did not assert the Krassner publication.... The Krassner publication is a different document with a different publication date than Krassner.

Despite the Board’s Order at Paper 21, Petitioner’s counsel used the expunged document in its re-direct examination of its own paid witness Smedley at deposition, over Patent Owner’s objections. EX2050, 183-187. This deposition testimony, too, should be excluded. 37 CFR § 42.64(a).

Undeterred—and acting as though the Orders never issued—Petitioner’s Reply cites to, and discusses, the expunged exhibit and improper testimony: “The invention of Krassner also published more than a year before Krassner’s priority date. EX1017. Dr. Smedley testified that he confirmed that the Krassner patent and earlier publication contain the same disclosure. EX2050, 127:8-15.” Petitioner’s Reply’s argues that this case is like *Hulu* despite the Board’s express prior Order finding that Petitioner’s choices make this case unlike *Hulu*.

Petitioner should not be entitled to defy the Board’s Orders and rely on the same document the Board ordered expunged and instructed Petitioner not to re-file. Allowing Petitioner to swap references in Reply, after the Response, is more

prejudicial to Patent Owner than it was when the Board last rejected it.

III. Those Portions of EX1020, EX1021, and EX1022 (Deposition Transcripts of Patent Owner Witnesses) Should be Excluded to the Extent They Introduced New References

During their depositions, Petitioner asked Patent Owner's witnesses questions about references that the Petition had not disclosed. EX1020 (Tchibriev) at 33-49 (discussing EX1028 ("Himmel")); EX1021 (Edwards) at 15-21 (discussing EX1028) and 23-30 (discussing EX1025 ("Koeppel")). Patent Owner objected to the questions as each exhibit was introduced at deposition. *E.g.* EX1020, 41; EX1021, 15 and 23; EX1022. To the extent the new references are excluded (see below), questions and answers about the new references should also be excluded.

IV. New Reply References (EX1025, EX1028-1030, EX1034-1040) Must Be Excluded

The Federal Circuit "held that a petitioner may not in reply rely on new prior art to teach a claim limitation." *Axonics*, 75 F.4th at 1383; *Intelligent Bio-Sys.*, 821 F.3d at 1369 (reply and declaration excluded where they cited "a number of non-patent literature references which were not relied upon to support unpatentability in the Petition"). In defiance of these rules, Petitioner's Reply attempts to rewrite the Petition by presenting 8 new references. Submitting new evidence and theories on Reply is not permitted. 35 U.S.C. § 312(a)(3) ("the petition identifies, in writing and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge

to each claim”); 37 CFR § 42.104(b) (Petition must identify “the patents or printed publications relied upon for each ground”).

The TPG, page 73, states that on Reply, “Petitioner may not submit new evidence or argument that it could have presented earlier, e.g., to make out a prima facie case of unpatentability.” Nowhere does Petitioner explain why it did not file the references in the Petition. Petitioner was aware of most of the new references before it filed the Petition. Four of the new references were of record in the ’329 file history. Petitioner included 3 of them in an IDS in its “copy patent” in 2021. Each “new” reference was either actually known or could have been discovered by Petitioner before filing the Petition. There is no reason Petitioner could not have presented them in its Petition.

New Reply Reference	Of Record in ’329 (EX1001)	Batkin ’210 2021 References (EX2005)
EX1025,Koeppel (or 2005/0177401 version)	Yes	Yes
EX1028, Himmel	Yes	Yes
EX1035,Blumenau	Yes	Yes
EX1037, Callaghan	Yes	No

The Petition did not rely on, or anywhere present, any of the 8 references. Petitioner’s Reply attempts to use the new references to make out its prima facie unpatentability case and to backfill a key claim element missing from the Petition

and Badros. Part (a) of '329 claim 1 recites, for example, “(a) determining whether a predefined area of an ad content display page that is used to display an advertisement is in view within a visible area of a browser window of a browser configured to be operated by a remote computing device,” i.e. a “viewability test.” Petitioner’s Reply argues a new theory with new evidence: that the eight new references disclose the “viewability test” claim element. *See* Reply, 9.

Petitioner’s Reply does not use any of the 8 new references as additional support for any argument in the Petition that Badros disclosed the claim elements, nor could these references expand on Petitioner’s Badros argument, given that there was none and none of these new references are related to Badros. This portion of Petitioner’s Reply does not purport to respond to any opinion from Patent Owner’s expert Sherwood but rather is presented to backfill the hole in the Petition’s evidence. The 8 references respond to Smedley’s deposition admissions; Petitioner is now arguing that the new non-Badros references disclosed the “viewability test” claim element.

Confirming that Petitioner is using the new references to advance new theories, Smedley’s Reply Declaration relies on these new references to opine that “Several prior art references I reviewed disclosed various viewability tests.” EX1027, ¶17; see also ¶15. In discussing these new references, Smedley’s declaration nowhere suggests that he is responding to any statement in Patent

Owner's expert's declaration. Indeed, these portions of Smedley do not mention Sherwood at all, or any argument in the Patent Owner's Response. Instead of expanding on any argument about Badros in the Petition, Smedley discusses these new prior art references for the purpose of backfilling the hole in the evidence that he admitted at deposition: arguing instead that the new references disclosed the "viewability test" claim element. This is a prima facie showing that could only have been included with the Petition. If anything, these prior art references respond to Smedley's own admission at deposition that he never gave an opinion that the reference actually in the Petition, Badros, discloses the viewability test.

Petitioner also offers Exhibit 1026, the Madansky declaration, with opinions that also respond to Smedley's own deposition admissions. Madansky also argues that these eight references disclose the missing claim element, the "viewability test." In Section 4 of her declaration, entirely separate from her section 5 about Badros, she discusses "Prior Art in Viewability Measurement." *See* EX1026, ¶¶ 10-19. Madansky's Section 4 nowhere mentions Sherwood (or the Patent Owner's Response) and does not respond to any of Sherwood's opinions. Instead, she discusses the new references to plug the hole in the Petition that Smedley acknowledged at deposition.

Allowing Petitioner to submit these references for the first time on Reply, and to allow Petitioner to argue that they disclose the key claim element, is

prejudicial to Patent Owner, whose surreply could not submit any expert declaration about them, for example.

V. Exhibits 1026 and 1027, the Reply Declarations from Madansky and Smedley, Should Be Excluded

A. Smedley's and Madansky's New Invalidity Theories about the 8 New References Should Be Excluded

Petitioner's Reply included a new 21-page declaration from a new expert, Madansky at Exhibit 1026. As discussed above, the Madansky declaration's main point is introducing the many new references and arguing that a viewability test was well-known because of these new non-Badros references. The portions of Madansky's opinion proffering the new references to show the missing "viewability test" claim element (EX1026, Section 4) should be excluded for the reasons set forth above. Petitioner's Reply also included a new 19-page declaration from Petitioner's paid witness Smedley at Exhibit 1027. As discussed above, the portions of Smedley's second declaration opining that other non-Badros prior art references demonstrate that viewability tests were well known should be excluded for the same reasons. (EX1027, ¶¶15, 17).

B. New Opinions that Badros Discloses a "Viewability Test" To Make Out A Prima Facie Case Of Unpatentability

The "viewability test" claim element was always part of the '329 patent claims and Petitioner always had the burden to meet it with prior art and to present and explain this in its Petition that it chose to file. Smedley and Petitioner decided

not to proffer any expert opinion on the issue of whether Badros disclosed a

“viewability test” with its Petition. This decision was entirely within their control.

Smedley’s Reply declaration, EX1027 ¶9, admits again what he admitted during his deposition: that Smedley had not formed an opinion about whether Badros disclosed the viewability test by the time of the Petition (and his first declaration): “I stated that I had not yet formed an opinion on whether Badros disclosed any “make a determination...” limitation. EX2050, 50:22-52:19. *See also* Reply, 19 (acknowledging “The fact that Dr. Smedley testified that he had not formed an opinion on various questions....”).

Attempting to fill the evidence admittedly missing from the Petition, Smedley’s new Reply declaration now offers a new opinion about Badros that he chose not to give with the Petition or at deposition: “other disclosure[s] in Badros discloses Patent Owner’s ‘viewability test.’” EX1027, ¶11. After quoting from the Badros specification, Smedley now offers a new opinion: a “person of ordinary skill in the art would have understood this plain language in Badros as disclosing viewable impressions.” EX1027, ¶11. Given that Smedley provided no opinion on the issue of whether Badros disclosed a viewability test in his first declaration—as Smedley and the Reply admit— this is not an expansion on any argument in the Petition or in Smedley’s original declaration. There is no reason why Petitioner or Smedley could not have provided it at the time of the Petition.

Similarly, Petitioner chose not to offer any declaration from Madansky, or anyone else with any digital advertising experience, with its Petition. On Reply, Petitioner offers a new expert, Madansky, to offer new opinions that Badros discloses a “viewability test.” EX1026, ¶¶4, 20-21. Again, Petitioner could have presented these opinions earlier to make out a *prima facie* case of unpatentability. According to Trial Practice Guide, a petitioner “may not submit new evidence or argument in reply that it could have presented earlier, e.g. to make out a *prima facie* case of unpatentability.” There is no reason why Petitioner could not have presented these opinions earlier.

37 CFR § 42.104(b) required that the Petition identify:

(2) The specific statutory grounds under 35 U.S.C. 102 or 103 on which the challenge to the claim is based ***and the patents or printed publications relied upon for each ground;.....***

(5) The exhibit number of the supporting evidence relied upon to support the challenge and the relevance of the evidence to the challenge raised, including ***identifying specific portions of the evidence that support the challenge.***

The Federal Circuit has rejected similar attempts to introduce new theories and evidence. For example, in *Intelligent Bio-Sys.*, 821 F.3d at 1369, Petitioner argued on appeal that the PTAB was required to “consider whether it is within the skill of the ordinary artisan to modify the cleavage conditions to satisfy the alleged

cleavage requirements.” “The Board did not consider this argument, however, because it was raised for the first time in IBS’s reply brief and expert declaration.” The Petitioner had “supported its new theory of invalidity by reference to new evidence, citing a number of non-patent literature references which were not relied upon to support unpatentability in the Petition.” The Federal Circuit explained:

IBS chose which grounds of invalidity to assert in its petition and it chose not to assert this new one. Unlike district court litigation—where parties have greater freedom to revise and develop their arguments over time and in response to newly discovered material—the expedited nature of IPRs bring with it an obligation for petitioners to make their case in their petition to institute. While the Board's requirements are strict ones, they are requirements of which petitioners are aware when they seek to institute an IPR.

See also, Wasica Fin. GmbH v. Cont'l Auto. Sys., Inc., 853 F.3d 1272, 1286–87 (Fed. Cir. 2017) (“Rather than explaining how its original petition was correct, Continental’s subsequent arguments amount to an entirely new theory of *prima facie* obviousness absent from the petition. Shifting arguments in this fashion is foreclosed by statute, our precedent, and Board guidelines. We therefore see no error in the Board declining to engage such an argument here.”); *Henny Penny Corp. v. Frymaster LLC*, 938 F.3d 1324, 1330 (Fed. Cir. 2019) (“We agree with Frymaster that the Board did not abuse its discretion by holding HPC to the obviousness theory in its petition.”)

C. Smedley's Opinion That The '329 Patent's Does Not Disclose Code For Implementing a Viewability Test

Smedley's Reply declaration offered the new opinion, Ex1027 ¶23:

It is my opinion that the '329 patent does not disclose code for implementing a viewability test. POR, 3 (citing Ex-1001, cols. 65-66). I reviewed this "correlator code"; without additional information it is gobbledygook.... This correlator code makes very little sense without additional explanation or at least meaningful object and function names.

See also ¶26. This opinion was not in the Petition, or Smedley's first declaration, and cannot be presented for the first time on Reply. Petitioner's decision to hold this opinion until its Reply is contrary to the IPR rules and is unfairly prejudicial as an attempt to prevent Patent Owner from demonstrating that this Smedley opinion is objectively false because the disclosed code in the '329 patent functions as a viewability test.

VI. Exhibits 1038-1040 about the Alenty System Should Be Excluded

Exhibits 1038, 1039, and 1040 about the Alenty system should be excluded for additional reasons. Petitioner has not met its burden to demonstrate that these exhibits are authentic (FRE 901). For example, Exhibit 1038 appears to be blog post from an unknown author with a known knowledge base and unknown biases. Exhibit 1038 appears to have been translated to English in a process that Petitioner nowhere explained. Petitioner has nowhere explained what Exhibit 1039 is. It is

from something unknown called “JDN.” Petitioner has not shown any publication information. Exhibit 1040 is something from the internet with no author listed. These exhibits are hearsay (FRE 801) because Petitioner offers the out-of-court statements to prove the truth of the statements in the documents. Petitioner has not met any of the hearsay exceptions. They are also irrelevant to an IPR because Petitioner relies on them to show how a *system* operates but IPRs are limited to printed publications; systems cannot be used as IPR references. 37 CFR § 42.104(b)(2). Cf Reply, 21 and EX1026, ¶11 (both stating: “Alenty was a company that had a prior-art viewability product on the market.”).

In response to Patent Owner’s objections, Petitioner provided an April 2 declaration from Petitioner’s counsel, Mr. Greenleaf, which is limited to stating that the exhibits are true and correct copies of internet webpages that Mr. Greenleaf downloaded in 2024. This does not address or cure any of the issues.

VII. Other Objections

A. Uncited Exhibits

Petitioner submitted 16 exhibits that the Reply nowhere cited or discussed: EX1023 (listed as “EMPTY” on Reply’s exhibit list, not filed with Reply, later added to the list and filed, but nowhere discussed in the Reply); EX1041 (not on exhibit list at all, but apparently submitted, but nowhere discussed in the Reply); EX1042; EX1043; EX1044; EX1045; EX1046; EX1047; EX1048; EX1049;

EX1050; EX1051; EX1052; EX1054; EX1055; EX1056. To the extent any of the uncited exhibits are discussed with any submission, it is only in the new, objectionable, declarations of Smedley (EX1026) and Madansky (EX1027) if they are discussed at all. For example, some of exhibits uncited in the Reply are referenced in single-line entries in her declaration. See EX1026, ¶8 (EX1049); ¶9 (EX1041); ¶31 (EX1055); ¶32 (EX1051, EX1052); ¶33 (EX1044, EX1045, EX1050); ¶35 (EX1054, EX1056); ¶37 (EX1048); ¶38 (EX1042); and ¶41 (EX1046). As such, it is improper incorporation by reference under 37 C.F.R. § 42.6 (a)(3) and all exhibits submitted with the Reply but not cited or discussed in it should be excluded. Many of them (including EX1032, EX1033, EX1041, EX1042, EX1043, EX1044, EX1045, EX1046, EX1048, EX1049, EX1050, EX1051, EX1052, EX1054, EX1055, EX1056) are or contain hearsay. To the extent they are relied upon by Madansky, and her opinions are admissible, that does not make the underlying hearsay documents admissible. 37 C.F.R. § 42.6 (a)(3). The Reply then cites to the indicated paragraphs, thus attempting, it appears, to incorporate the underlying uncited references by incorporation by reference.

VIII. Conclusion

Based on the rules governing IPR proceedings, the Board should grant Patent Owner's Motion to Exclude the evidence discussed above.

Dated: May 8, 2024

Respectfully submitted,

/Ragnar Olson/

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on May 8, 2024, a complete and correct copy of the foregoing PATENT OWNER'S MOTION TO EXCLUDE was served via electronic mail on the following counsel of record for Petitioner:

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