

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TREND MICRO, INC.

Petitioner,

v.

OPEN TEXT INC.,

Patent Owner

Case IPR2024-00106

Patent No. 8,418,250

PATENT OWNER'S PRELIMINARY RESPONSE

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Patent Trial and Appeal Board
U.S. Patent & Trademark Office
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EXHIBIT LIST

Exhibit	Description
2001	<i>Webroot, Inc. and Open Text, Inc. 's v. Trend Micro Inc.</i> , Case No. 6:22-cv-0239-ADA-DTG, Defendants' Preliminary Invalidity Contentions, dated Sept. 13, 2022 (W.D. Tex)
2002	<i>Webroot, Inc. and Open Text, Inc. 's v. Trend Micro Inc.</i> , Case No. 6:22-cv-0239-ADA-DTG, Defendants' Final Invalidity Contentions, dated Nov. 1, 2023 (W.D. Tex)
2003	<i>Webroot, Inc. and Open Text, Inc. 's v. Trend Micro Inc.</i> , Case No. 6:22-cv-0239-ADA-DTG, Order to Amend the Scheduling Order, Dkt. 521, dated Dec. 7, 2023 (W.D. Tex)
2004	Email from B. Hansen to Trials@USPTO.gov, cc: B. Eutermoser et al. re Request for permission to file joint motions to terminate five IPRs: IPR 2023-01380, IPR 2023-01389, IPR 2023-01392, IPR 2023-01459, and IPR2024-00106, dated February 15, 2024
2005	Email from Trials@USPTO.gov to Bob Hansen et al. re Authorized to file joint motion to terminate and request to file settlement agreement as CBI, dated February 16, 2024
2006	<i>Trend Micro, Inc. v. Open Text, Inc.</i> , IPR2024-00106, Joint Motion to Terminate Proceedings (P.T.A.B. Feb. 19, 2024)

Open Text Inc. ("Patent Owner") submits this Preliminary Response to the Petition of Trend Micro, Inc. ("Petitioner") seeking inter partes review ("IPR") of U.S. Patent No. 8,418,250 ("the '250 patent").

I. STATEMENT OF PRECISE RELIEF REQUESTED

The instant IPR petition is the second attempt by Petitioner to institute an IPR on the same patent. Under the factors set forth in *General Plastic Industrial Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 9-10, (PTAB Sept. 6, 2017) (§ II.B.4.i precedential), the Board should deny the petition.

II. BACKGROUND AND RELATED PROCEEDINGS

A. District Court Litigation

Concurrent district court litigation between Patent Owner, Petitioner, and two additional co-defendants of Petitioner has been pending in a consolidated case in the United States District Court for the Western District of Texas. *Webroot, Inc. & Open Text, Inc. v. AO Kaspersky Lab*, Case No. 6:22-cv-00243 (W.D. Tex.). The district court litigation has progressed significantly. The court has held three claim construction hearings and entered nine claim construction orders. Dkt. Nos. 235, 236, 293, 295, 296, 297, 391, 392, and 393. Petitioner served Defendants' Preliminary Invalidity Contentions on September 13, 2022, (EX-2001), and served its Final Invalidity Contentions on November 1, 2023 (EX-2002). Trial is set to start

on November 12, 2024. Dkt. No. 521 (W.D. Tex.) (EX-2003). As discussed further below, however, Petitioner and Patent Owner have settled their dispute at issue in the district court litigation.

B. Petitioner’s First and Second Petitions

In its first petition, Petitioner challenged claims 1–30 of the ’250 patent on the grounds below. *See Trend Micro, Inc. v. Open Text, Inc.*, IPR2023-00655 (“First Petition”), Paper 2 at 20 (P.T.A.B. March 2, 2023).

<u>Ground</u>	<u>Claims</u>	<u>Prior Art</u>
1	1–5, 12–17, and 24	Halperin ¹ and Mankins ²
2	6 and 18	Halperin, Mankins, and Arnold ³
3	7–11, 19–23, and 25–30	Halperin, Mankins, Kirby ⁴ , and Carpentier ⁵
4	1–5, 12–17, and 24	Halperin and Inoue ⁶

¹ U.S. Published Patent Application No. 2004/0111632A1 (“Halperin”).

² U.S. Patent No. 7,900,194 (“Mankins”).

³ U.S. Patent No. 5,440,723 (“Arnold”).

⁴ U.S. Patent 7,694,150 (“Kirby”).

⁵ U.S. Patent Publication 2004/0068652 (“Carpentier”).

⁶ Inoue et al., Anomaly Intrusion Detection in Dynamic Execution Environments, New Security Paradigms Workshop ’02, September 23-26, 2002 (“Inoue”).

In its petition (“Second Petition”) in this proceeding, Petitioner again challenges claims 1–30 of the ’250 patent and relies on a subset of the same references in its First IPR. IPR2024-00106, Paper 2.

<u>Ground</u>	<u>Claims</u>	<u>Prior Art</u>
1	1, 2, 12–14, and 24	Halperin and Mankins
2	1-30	Halperin, Mankins, and Kirby

Patent Owner filed its preliminary response to the First Petition on July 17, 2023. IPR2023-00655, Paper 6. On October 11, 2023, the Board denied institution of the First Petition. IPR2023-00655, Paper 7. On November 8, 2023—nearly a month after the Board’s institution decision concerning the First Petition—Petitioner filed its petition in this proceeding, *i.e.*, its Second Petition.

C. Replication of IPR2023-00699

On October 11, 2023, the Board instituted the petition for *inter partes* review (IPR2023-00699) filed by Sophos Ltd. And Sophos Inc. (collectively, “Sophos”) concerning the ’250 patent (the “Sophos Petition”). IPR2023-00699, Paper No. 9 (Oct. 11, 2023). On November 8, 2023—nearly a month after the Board’s institution decision on the Sophos Petition, Petitioner filed its Second Petition. By Petitioner’s own admission, the Second Petition “challenges the validity of the same claims of the ’250 patent on identical grounds to those in the Sophos Petition” and has “no material differences” in “substance” from the Sophos Petition. *See* Petitioner’s

Motion for Joinder, Paper 3 at 4. The two petitions rely on the same supporting evidence, down to the same expert witness. *Id.* In fact, apart from the substitution of Petitioner for Sophos, the petitions are identical.

D. Motion To Terminate

Since filing the Second Petition, Petitioner and Patent Owner have settled their dispute in the underlying U.S. District Court action, and the parties have filed motions to terminate this and other IPR proceedings. (EX-2004.) On February 16, 2024, the Board authorized the parties to file a joint motion to terminate this proceeding (IPR-2024-00106) and four other proceedings—IPR 2023-01380, IPR 2023-01389, IPR 2023-01392, and IPR 2023-01459. (EX-2005.) The parties filed those motions on February 19, 2024. (EX-2006.)

III. ARGUMENT

Petitioner does not address the *General Plastic* factors, but the Board has denied institution under *General Plastic* in circumstances nearly identical to those at issue here. As discussed below, the Board should do the same here.

A. The Board Has Repeatedly Denied Institution Of Serial Copycat Petitions Under *General Plastic*.

In *General Plastic*, the petitioner had filed a first set of petitions seeking *inter partes* review of two patents. *General Plastic*, IPR2016-01357, Paper 19 at 2-3. For each petition, the Board denied institution on the merits. *Id.* The petitioner then filed

follow-on petitions challenging the same patents nearly nine months after the filing of the first set of petitions. *Id.* For each of those follow-on petitions, the Board exercised its discretion not to institute trial pursuant to 35 U.S.C. § 314(a) and 37 C.F.R. § 42.108(a). *Id.* at 8. In denying the follow-on petitions, the Board considered seven factors:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

Id. at 9–10. Based on its evaluation of these factors, the Board in *General Plastic* denied institution of the follow-on petitions. *Id.* at 9–10.

In addition, the Board noted that “[T]he same claims of the same patent were at issue in the follow-on petitions as in the first-filed petitions,” and that petitioner provided no explanation for the nine-month delay between petitions. *Id.* The PTAB found that its “resources would be more fairly expanded on initial petitions, rather than follow-on petitions.” *Id.* The Board recognized that failing to place any restrictions on follow-on petitions would allow petitioners to “strategically stage their prior art and arguments in multiple petitions, using [the PTAB] decisions as a roadmap.” *Id.* at 17.

The Board has also denied institution when a petitioner copies a third party’s petition to correct its deficiencies in a second petition on the same claims on the same prior art. *Videndum Prod. Sols., Inc. v. Rotolight Ltd.*, IPR2023-01220, Paper No. 9 (P.T.A.B. Jan. 24, 2024). In *Videndum*, the Board denied the petitioner’s first petition and granted a third party’s petition on the same patent. *Id.* That petitioner then did what Petitioner has done here—filed a second petition that replicated the third party’s petition when the third party settled the underlying district court litigation. *Id.* The Board identified the *Videndum* petitioner’s actions as the

“roadmapping” that factor 3 of *General Plastic* sought to avoid and denied the second petition. *Id.*

B. The Board Should Deny Institution Of Petitioner's Follow-On Petition.

As discussed in more detail below, the *General Plastic* factors weigh against institution here, just as they did in *General Plastic*.

1. Petitioner previously filed a petition directed to the same claims of the same patent.

There is no dispute that Petitioner has filed two petitions, each of which challenges all claims of the '250 patent. The Board denied institution of the First Petition because Petitioner failed to demonstrate a reasonable likelihood of prevailing with respect to any challenged claims. This factor weighs in favor of denying institution.

2. When Petitioner filed the First Petition, Petitioner knew or should have known of the prior art asserted in the Second Petition.

In the first petition, Petitioner asserted the three references it then asserted again in the second petition (Halperin, Mankins, and Kirby). Petitioner knew of the prior art asserted in the Second Petition because it asserted that same art in the First Petition on March 2, 2023 (IPR2023-00655, Paper 2) and in its September 13, 2022 Preliminary Invalidity Contentions in the district court proceedings (EX-2001.) Because Petitioner knew of the art asserted in the Second Petition at the time of filing

the First Petition—indeed, it had known of the prior art for at least six months *before* filing that First Petition—this factor weighs in favor of denying institution.

3. When Petitioner filed the Second Petition, Petitioner had already received Patent Owner's preliminary response to the First Petition and the Board's decision denying institution.

As discussed above, by the time Petitioner filed the Second Petition, Patent Owner had already filed its preliminary response to the First Petition on July 17, 2023. IPR2023-00655, Paper No. 6. And on October 11, 2023, the Board denied institution of the First Petition because Petitioner failed to demonstrate a reasonable likelihood of prevailing with respect to any challenged claim. IPR2023-00655, Paper No. 7. In addition, on October 11, 2023, the Board instituted the *Sophos* Petition. *Sophos*, IPR2023-00699, Paper No. 9. On November 8, 2023—nearly a month after the Board's institution decision in the *Sophos* Petition and denial of the initial petition, Petitioner filed its Second Petition. By Petitioner's own admission, the Second Petition uses "identical grounds to those in the *Sophos* Petition. There are no material differences between the substance of *Sophos*'s and Trend Micro's Petitions." *See*, Petitioner's Motion for Joinder, Paper 3 at 4. The two petitions even rely on the same supporting evidence, down to the same expert witness. *Id.*

In other words, Petitioner filed the First Petition; received Patent Owner's preliminary response and the Board's decision denying institution; received the

Sophos Petition and the Board's decision to institute; and then filed the Second Petition using the exact same grounds and evidence in the instituted Sophos Petition. This is the exact fact pattern *General Plastic* seeks to avoid: Petitioner used Patent Owner's preliminary response and the Board's analysis to develop a roadmap for future petitions in hopes of finding a ground that results in the grant of review. *General Plastic*, IPR2016-01357, Paper No. 19 at 17. *See also, Videndum*, IPR2023-01220, Paper No. 9 (denying institution when petitioner's Second Petition sought to cure the deficiencies of its previously denied petition by copying a third party's petition that was instituted but later terminated).

Accordingly, this factor weighs in favor of denying institution.

4. Petitioner waited more than a year after learning of the asserted prior art before filing its Second Petition.

As discussed above, more than a year passed—from September 13, 2022, until November 8, 2023—between Petitioner's learning of the prior art and filing the Second Petition. Indeed, given that Petitioner *served* its district court Preliminary Invalidity Contentions citing Halperin, Mankins, and Kirby on September 13, 2022, (EX-2001), Petitioner must have known about those references even before that service date. Yet, Petitioner waited more than thirteen months—until November 8, 2023—to file its Second Petition. Petitioner offers no explanation for this delay. This factor therefore weighs in favor of denying institution.

5. Petitioner provides no explanation for the time elapsed between the filings of its multiple petitions.

Factor 5 examines why Petitioner delayed “between the filings of multiple petitions directed to the same claims of the same patent.” *General Plastic* at 9-10. The First Petition—relying on the same primary references—was filed in March 2023. Nearly eight months then passed before Petitioner filed the Second Petition. Petitioner failed to provide any explanation at all for the time elapsed between these two filings. The plain explanation is that the First Petition was not instituted, and only afterward did Petitioner seek to try again, piggybacking on the Sophos Petition. Accordingly, this factor weighs in favor of denying institution.

6. The finite resources of the Board favor denial.

The Board has explained that “[i]n general, having multiple petitions challenging the same patent, especially when not filed at or around the same time ... is inefficient and tends to waste resources.” *Valve Corp. v. Elec. Scripting Prods., Inc.*, IPR2019-00062, Paper 11, 15 (P.T.A.B. Apr. 2, 2019) (precedential). Petitioner had its chance to file petitions citing prior art it knew about in September 2022. It chose not to. This Board should not expend its finite resources on a petitioner who filed a follow-on petition after its first bite at the apple failed to demonstrate a reasonable likelihood of prevailing with respect to any challenged claim based on the same references. As in *Valve*, Petitioner has filed serial and repetitive attacks

against the same patent relying on the same prior art. “These serial and repetitive attacks implicate the efficiency concerns underpinning *General Plastic* and, thus, favor denying institution.” *Valve*, IPR2019-00062, Paper 11, 15.

Further, as noted above, the parties have settled the district court litigation and have filed a Joint Motion to Terminate this and other IPR proceedings. (EX-2004) Instituting IPR when the parties no longer have an active dispute would be particularly wasteful.

This factor weighs in favor of denying institution.

7. The one-year final determination deadline does not support institution.

Like the sixth *General Plastic* factor, the seventh factor, “the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than one year after the date on which the Director notices institution of review,” implicates efficiency. This factor is neutral because it is an inefficient use of the Board’s time to review multiple petitions based on the same claims and the same prior art and to draft decisions on the same issues multiple times within a year.

IV. CONCLUSION

A holistic review of the *General Plastic* factors results in six of the seven factors weighing in favor of denying institution of these proceedings. Patent Owner respectfully requests that the Board deny the Petition.

Patent Owner's Preliminary Response to
Petition for *Inter Partes Review*
Patent No. 8,418,250

Date: February 22, 2024

Respectfully submitted,

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CERTIFICATION OF WORD COUNT

The undersigned hereby certifies that the portions of the above-captioned **PATENT OWNER'S PRELIMINARY RESPONSE** specified in 37 C.F.R. § 42.24 have 2,389 words, in compliance with the 14,000 word limit set forth in 37 C.F.R. § 42.24. This word count was prepared using Microsoft Word 365 v.2022.

Date: February 22, 2024

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S PRELIMINARY RESPONSE** and all supporting **EXHIBITS 2004-2006** were served by filing the documents through the Patent Trial and Appeal Case Tracking System (P-TACTS), and courtesy copies were also served via electronic mail, in their entireties on the following:

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