UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TIKTOK INC.
Petitioner,

v.

CELLSPIN SOFT, INC.,
Patent Owner

IPR2024-00759
Patent 8,862,757

PETITIONER'S REPLY
TO PATENT OWNER'S PRELIMINARY RESPONSE

I. PETITIONER'S *SOTERA* STIPULATION RENDERS PATENT OWNER'S *FINTIV* ANALYSIS MOOT

The *Sotera* stipulation filed by Petitioner, and notified to Patent Owner, is controlling to obviate a *Fintiv* analysis. TTI-1026. Director Vidal's Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation is dispositive, stating "the PTAB will not discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB." TTI-1025. Petitioner's stipulation makes precisely that representation, and "[u]nder the mandatory *Fintiv* guidance discussed above, this stipulation is dispositive." *BMW v. Northstar*, IPR2023- 01017, Paper 12, 10 (PTAB Dec. 8, 2023).

The POPR points out that a reexamination was subsequently filed for the '757 patent but points to no authority to support denial based on *Fintiv* applied in the context of a reexamination. POPR, 11. Indeed, the Board has granted institution under similar facts. *See Google LLC v. Proxense, LLC*, IPR2024-00234, Paper 10, 32 (PTAB July 23, 2024); *Netnut Ltd. v. Bright Data Ltd.*, IPR2021-01493, Paper 11, 15 (PTAB Mar. 21, 2022). Here, the reexamination was recently granted and thus is not likely to be completed by the time the final written decision issues in this proceeding. Additionally, there is no overlap between issues raised in the petition

and the reexamination. Further, the *Sotera* stipulation is conditional on institution, and if institution is granted, Petitioner will abide by its stipulation. TTI-1026 ("if the PTAB institutes"). Accordingly, the Board should grant institution.

II. CELLSPIN'S §316(b) ARGUMENTS SHOULD BE REJECTED

In the parallel District Court lititgation, Cellspin is asserting a patent that should never have been granted. As the unwilling defendant in a patent lawsuit, TikTok availed its right as a member of the public to petition the Board to review and cancel the asserted claims on the basis that they are unpatentable. Cellspin now seeks to avoid Board review of a meritorious challenge to its patent under 35 U.S.C. §316(b) on the basis that TikTok should be barred from access to the PTAB. POPR, 19-29. Cellspin's argument should be rejected for multiple reasons.

First, the petition does not implicate §316(b), which concerns the Director's prescribing of regulations: "In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter." 35 U.S.C. §316(b). And yet, the §316(b) argument takes root in a single petition against the asserted Cellspin patent. Nothing about the implicated petition is inconsistent with the intent of Congress in making the same available to members of the public that seek to challenge the patentability of a granted patent. It therefore

cannot be credibly disparaged as negatively affecting the "economy," the "integrity of the patent system," or the "efficient administration of the Office." At bottom, the petition concerns **Cellspin's** patent and demonstrates that **Cellspin's** asserted patent claims are unpatentable. More, **nothing** in this petition implicates TikTok's intellectual property, nor does the petition ask the Board to take any action concerning TikTok. Cellspin has no basis to assert that TikTok is (or should be) barred from seeking review of patent claims that have been asserted against it.

Second, even assuming that §316(b) applies to institution decisions (rather than regulation promulgation), Cellspin asks this Board to extend §316(b) to considerations of "foreign policy" and "national security." POPR, 19-29. There is no justification for such an expansion, and Cellspin's theory clearly goes beyond the statutory text. The evaluation of foreign policy and national security concerns would involve an evidentiary review that is not provided for in the IPR procedures. Even Cellspin admits that "such analysis is impossible to achieve at the case-by-case adjudication level, and should rather occur through formal rulemaking to involve the expertise of policy experts on all sides" and "national security and related policy issues are unfamiliar in the Board's day-to-day activities." *Id*., 23-25. Moreover, IPR proceedings benefit the domestic economy by clearing out invalid patents. That public benefit is not affected by a *bona fide* petition by a party being sued for patent infringement—regardless of who that party is. Cellspin alleges no ill intent on the

part of TikTok, nor that TikTok is trying to game the system. On the contrary, Cellspin is asserting patent claims that TikTok alleges are clearly unpatentable, and the public interest is clearly served by the PTAB considering TikTok's petition.

Third, Cellspin relies on Declarations submitted by two alleged "experts" in an unrelated IPR—two experts that Cellspin has not retained and that Cellspin has not made available for deposition. POPR, 24-29 (citing IPR2021-00476, Paper 8). Further, the "experts" do not purport to provide an analysis of foreign policy or economics that the Board may find helpful, but instead provide unique and subjective theories concerning how they believe the Patent Office should conduct itself. *Id*. It would be improper for the Board to embrace such theories outside of rulemaking after public notice and a comment period have been provided.

Fourth, assuming *arguendo* that these flawed theories are applied, *Cellspin fails their own "test"* because, despite what Cellspin contends, the patent at issue is not related to "Data Science and Storage." POPR, 27-28. In fact, Cellspin admits elsewhere that they abandoned their "mobile blogging service" for "host[ing] … media" in January 2013. *See* http://www.cellspin.net/mplatform/. Cellspin's "test" requires technology relevant to the "Critical and Emerging Technologies list" to deny institution, which they cannot demonstrate. POPR, 27-28.

III. THE POPR'S CONSTRUCTION OF "USER IDENTIFIER"

A. The POPR's construction should be rejected

As primary supporting evidence for its construction of "user identifier," Cellspin cites to the incorporated by reference disclosure of Application 11/901,802. POPR, 31-34. Cellspin's reliance on the '802 application fails, and thus Cellspin's interpretation should be rejected.

First, the '802 application is not properly incorporated by reference. The '757 patent incorporates *only* the the '802 application, not Publication 2008/0103906 (EX2009). Because Cellspin relies on incorporated disclosure to support its understanding of "user identifier," this is "essential material" necessary to satisfy 35 U.S.C. §112. 37 C.F.R. §1.57(d)(1)-(3). Essential material may only be incorporated by reference "by way of… a U.S. patent or U.S. patent application publication," not by incorporation of an unpublished application like the '802 application. *See id*. §1.57(d) (emphasis added). As such, the incorporation of the '802 application ineffective as regards to essential material. *Id*. §1.57(h); *see SharkNinja Operating LLC v. iRobot Corp.*, IPR2020-00733, Paper 31, 19 (PTAB Oct. 4, 2021).

Second, the '802 application does not use the term "user identifier," and Cellspin fails to demonstrate that the '802 application's cited disclosures are pertinent to the construction of "user identifier" that is applied to "each data segment." The cited disclosures do not describe that "user preferences" or "authentication credentials" are applied to each data segment.

B. Takahashi and Na satisfy the POPR's construction

Cellspin does not dispute that Takahashi's user ID is "a text string that identifies uniquely a user of a web service." The petition (pp. 58-59) showed that Takahashi's user ID is acquired "**from the server after logging-in,**" and the server determines "the storage location in the storage means of the received image data based on the user ID" so that "image data can be stored for each user." TTI-1016, (0010), (0013), (0032), (0035), (0064), (0066), (0070), (0073). Because Takahashi requires the user to log into the server to acquire the user ID for storing data, the user ID "contains sufficient information to authenticate a user of the web server."

Also established in the petition (pp. 72-73), Na's message ID, that includes the terminal number, is in a similar format as Takahashi's file name that includes the user ID. TTI-1006, [0063], [0078]; TTI-1016, (0056), (0084), (0087); TTI-1003, ¶ 236; Pet., 59 citing TTI-1003, ¶208. Cellspin contends, without supporting evidence, that "the phone MMS-based 'terminal number' inside the X-Msg-ID is not a unique user identifier of the web service." POPR, 58. But Dr. Traynor provides multiple references that corroborate a POSITA's understanding that a terminal number uniquely identifies a particular user of the web service. Pet., 59; TTI-1003, ¶208 (citing TTI-1020-1022). Because Takahashi's file name and Na's message ID are similarly formatted, the petition (pp. 58-59, 72-73) established that a POSITA would have found obvious that Na's teachings regarding the message ID and terminal number would apply to Takahashi's file name and user ID, and vice versa.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e)(4), the undersigned certifies that on August 16, 2024, a complete and entire copy of this Petitioner's Reply to Patent Owner's Preliminary Response was provided by email to Patent Owner by serving the email correspondence addresses of record as follows:

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