

Director Iancu:

I write on behalf of Motion Offense, LLC, a small business which owns ~5 patents and several continuations. These patents are directed to, among other things, online file/data-sharing systems. All of these patents were issued post-Alice and post-AIA and therefore subjected to increased scrutiny during patent prosecution.

One of these patents, 10,013,158 was recently subjected to an IPR which was filed by Unified Patents, LLC ("Unified") (see IPR2020-00705). Unified has a business model in which it acts as a proxy for its members, filing IPRs against patents in a manner that protects the entities from statutory bars, such as a time bar or rejection due to a real party in interest ("RPI") filing a prior declaratory judgment for invalidity. It also protects its members from potential statutory estoppel.

On information and belief, Dropbox is an unnamed RPI that is barred from challenging the subject patent because it brought an action for declaratory judgment of invalidity.

Despite what Motion Offense believes to be a clear violation of the statute by Unified, Motion Offense was nevertheless required to spend considerable time and expense responding to this unlawful petition. In its Patent Owner Preliminary Response ("POPR"), Motion Offense outlined the gross deficiencies of the petition as well as the statutory bar precluding Petitioner from filing.

Shortly after filing our POPR, Unified reached out to us and said that "for business reasons" they intend to withdraw the Petition. We objected so that the PTAB could settle the RPI issue and deter Petitioner and others from attempting to serve as patent-challenging avatars for paying members who would otherwise be statutorily barred.

Ultimately, the PTAB granted Unified request so as not to "impose an unnecessary 'administrative burden' on the Board's finite resources."

On Oct 28, 2020, the PTAB granted Unified Patent's request for a refund of their \$15,000 filing fee.

This sort of abuse at the PTAB by Unified and others subverting the statute and legislative intent creates an unfair burden on patent owners. Not only must we respond to unlawful petitions, but Petitioners can receive a refund from the PTAB if they dismiss prior to institution!

Respectfully, the following issues need to be addressed:

I: PREDICTABILITY

Regulations must provide predictability. Stakeholders must be able to know in advance whether a petition is to be permitted or denied for policy reasons. To this end regulations should favor objective analysis and eschew subjectivity, balancing, weighing, holistic viewing, and individual discretion. The decision-making should be procedural based on clear rules. Presence or absence of discrete factors should be determinative, at least in ordinary circumstances. If compounded or weighted factors are absolutely necessary, the number of possible combinations must be minimized and the rubric must be published in the Code of Federal Regulations.

II: MULTIPLE PETITIONS

- a) A petitioner, real party in interest, and privy of the petitioner should be jointly limited to one petition per patent.
- b) Each patent should be subject to no more than one instituted AIA trial.
- c) A petitioner seeking to challenge a patent under the AIA should be required to file their petition within 90 days of an earlier petition against that patent (i.e., prior to a preliminary response). Petitions filed more than 90 days after an earlier petition should be denied.
- d) Petitioners filing within 90 days of a first petition against the same patent should be permitted to join an instituted trial.
- e) These provisions should govern all petitions absent a showing of extraordinary circumstances.

III: PROCEEDINGS IN OTHER TRIBUNALS

- a) The PTAB should not institute duplicative proceedings.
- b) A petition should be denied when the challenged patent is concurrently asserted in a district court against the petitioner, real party in interest, or privy of the petitioner and the court has neither stayed the case nor issued any order that is contingent on institution of review.

c) A petition should be denied when the challenged patent is concurrently asserted in a district court against the petitioner, real party in interest, or privy of the petitioner where a trial is scheduled to occur within 18 months of the filing date of the petition.

d) A petition should be denied when the challenged patent has been held not invalid in a final determination of the ITC involving the petitioner, real party in interest, or privy of the petitioner.

IV: PRIVY

a) An entity who benefits from invalidation of a patent and pays money to a petitioner challenging that patent should be considered a privy subject to the estoppel provisions of the AIA.

b) Privy should be interpreted to include a party to an agreement with the petitioner or real party of interest related to the validity or infringement of the patent where at least one of the parties to the agreement would benefit from a finding of unpatentability.

V: ECONOMIC IMPACT

Regulations should account for the proportionally greater harm to independent inventors and small businesses posed by institution of an AIA trial, to the extent it harms the economy and integrity of the patent system, including their financial resources and access to effective legal representation.

Petitioners should NOT be allowed a refund on their petition after a Patent Owner Preliminary Response is filed.

Respectfully submitted,

Andrew Gordon

Manager, Motion Offense, LLC

APPENDIX C

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Unified Patents, LLC
Petitioner

v.

Motion Offense, LLC
Patent Owner

Case IPR2020-00705
Patent No. 10,013,158

PATENT OWNER'S PRELIMINARY RESPONSE

Under 37 C.F.R. § 42.107

Mail Stop PATENT BOARD
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
Submitted Electronically via PTAB E2E

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Exhibit	Description
2002	[REDACTED]
2003	FAQ page on Unified Patents website
2004	[REDACTED] First Amended Complaint for Declaratory Judgement of Patent Noninfringment and Invalidity

Through the undersigned Counsel, Patent Owner, Motion Offense, LLC (“Motion Offense”) submits the following Patent Owner Preliminary Response pursuant to 37 C.F.R. § 42.107 (a). *See also* 37 C.F.R. § 42.107 (b).

I. INTRODUCTION

Petitioner Unified Patents, LLC (“Petitioner” or “Unified”) filed a Petition for *Inter Partes* Review of U.S. Patent No. 10,013,158 (“the ’158 patent”, Ex. 1001) on April 3, 2020. (IPR2020-00705, Paper No. 2 (“Petition”).) Motion Offense respectfully requests that the Board deny the Petition because Petitioner is statutorily barred from bringing this Petition, and because Petitioner has failed to show that there is a reasonable likelihood that it would prevail with respect to at least one of the challenged claims.

First, Petitioner is barred from bringing the Petition under 35 U.S.C. § 315(a)(1) which states “[a]n inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or *real party in interest* filed a civil action challenging the validity of a claim of the patent.”¹ Specifically, Petitioner has failed to identify all real parties in interest (“RPI”) as required by 35 U.S.C. § 312(a)(2). Petitioner failed to identify at least [REDACTED] [REDACTED] one of two companies against which the ’158 patent has been

¹ All emphases are added in this Patent Owner Preliminary Response unless indicated otherwise.

asserted. [REDACTED] will directly benefit from the Petition² [REDACTED]
[REDACTED] [REDACTED] also filed a civil action challenging
the validity of the patent at issue prior to the filing of the Petition. Therefore,
because this civil action challenging the validity of a claim of the patent was
brought by an RPI before Unified filed the Petition, it is statutorily barred by 35
U.S.C. § 315(a)(1) and should be denied.

² [REDACTED]

[REDACTED] *See Unified Patents, LLC et al. v. Verify Smart Corp. et al.*, IPR2016-00836, Paper 1 (PTAB Apr. 13, 2016); *Unified Patents, LLC et al. v. FO2GO LLC et al.*, IPR2016-00454, Paper 1 (PTAB Jan. 11, 2016); *Unified Patents, LLC et al. v. Elia Data of Texas, LLC et al.*, IPR2015-01607, Paper 1 (PTAB July 22, 2015); *Unified Patents, LLC et al. v. Hall Data Sync Technologies LLC et al.*, IPR2015-00874, Paper 1 (PTAB Mar. 11, 2015); *Unified Patents, LLC et al. v. Vantage Point Technology, Inc. et al.*, IPR2015-00732, Paper 1 (PTAB Feb. 13, 2015); *Unified Patents, LLC et al. v. PanTaurus LLC et al.*, IPR2014-01425, Paper 1 (PTAB Aug. 29, 2014); and *Unified Patents, LLC et al. v. Clouding IP LLC et al.*, IPR2013-00586, Paper 1 (PTAB Sep. 16, 2013).

[REDACTED]

[REDACTED]

Second, to the extent the Board decides to review Petitioner’s arguments on the merits, Petitioner has failed to show a reasonable likelihood that it would prevail with respect to the sole asserted ground. Ground I of the Petition alleges that claims 3-11 and 13 are unpatentable under 35 U.S.C. § 103. Notably, only one of these claims, claim 3, is an independent claim from which the remaining challenged claims rely.

Petitioner’s arguments for Ground I rely on two references: *Do* and *Shapiro*. But Petitioner has failed to provide evidence that the combination of *Do* and *Shapiro* would have taught “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder” Thus, Petitioner has failed to make a prima facie showing of obviousness and not met its burden.

For the above reasons, and those set forth below, the Petition should be denied.

II. APPLICABLE LEGAL PRINCIPLES

A. Statutory Bars to Inter Partes Review and Real Party in Interest

A petition must identify each RPI. 35 U.S.C. § 312(a)(2); *see also* 37 C.F.R. § 42.8(b)(1). RPIs can trigger various estoppel provisions, which exists in order “to protect patent owners from harassment via successive petitions by the same or

related parties, to prevent parties from having a ‘second bite at the apple,’ and to protect the integrity of both the USPTO and Federal Courts by assuring that all issues are promptly raised and vetted.” Trial Practice Guide, 77 Fed. Reg. 48759 (Aug. 14, 2012) (“Trial Practice Guide”). One of these estoppel provisions states that where a petitioner or its RPIs has previously filed a declaratory judgement action seeking to invalidate claims of a patent, the petitioner and its RPIs are statutorily barred from challenging the claims of that patent in *inter partes* review. 35 U.S.C. § 315(a)(1).

When a patent owner wishes to dispute a petitioner’s identification of RPIs, “a patent owner must produce some evidence to support its argument that a ***particular third party*** should be named a real party in interest.” *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1242 (Fed. Cir. 2018). When there is such a dispute, the Board must then weigh the produced evidence to determine whether the petitioner has properly satisfied its burden to show a correct identification of the RPIs. *Id.* at 1246. Additional discovery may, and frequently is, allowed on this subject. *See RPX Corp. v. Applications in Internet Time, LLC*, 2015 Pat. App. LEXIS 11561 (P.T.A.B., Oct. 20, 2015)

When evaluating the evidence, the term RPI is given its common-law meaning. *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1351 (Fed. Cir. 2018) (addressing meaning of same term in context of 35 U.S.C.

§ 315(b)) (“*AIT*”). In the context of an IPR, “at a general level, the ‘real party in interest’ is the party that desires review of the patent,” which may be a party “at whose behest the petition has been filed.” Trial Practice Guide at 48759; *see also AIT*, 897 F.3d at 1347–50.

There is no “bright line test” for determining an unnamed RPI. Trial Practice Guide at 48,759 (citing *Taylor v. Sturgell*, 553 U.S. 880, 893–95 (2008.)) As such, “[d]etermining whether a non-party is a ‘real party in interest’ demands a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining *whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner.*” *AIT*, 897 F.3d at 1351.

B. Petitioner’s Burden

In Ground 1, the sole ground at issue, Petitioner asserts that Do (Ex. 1008) in view of Shapiro (Ex. 1009) render obvious claims 3-11 and 13 of the ’158 patent. Petitioner has the burden to show that it is likely to prevail on this Ground as to at least one claim of the ’158 patent. 35 U.S.C. § 314; *SAS Institute Inc. v. Iancu*, 138 S. Ct. 1348, 1363 (2018.) However, even then, “the decision whether to institute an *inter partes* review is discretionary.” *Unified Patents Inc. v. C-Cation*

Techs., LLC, IPR2015-01045, Paper 15 at 3 (PTAB Oct. 7, 2015) (citing 37 C.F.R. § 42.108 (a)).

To make a prima facie showing of obviousness under 35 U.S.C. § 103, the Petition must, among other requirements, fulfill the requirements set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966), including demonstrating that the cited references disclose each element of a challenged claim. *In re Magnum Oil Tools Int'l.*, 829 F.3d 1364, 1376 (Fed. Cir. 2016); *see also Apple Inc. v. Contentguard Holdings, Inc.*, IPR2015-00442, Paper 9 at 12-13 (PTAB July 13, 2015).

As discussed in more detail below, Petitioner has not made that threshold showing required by *Graham*.

III. TECHNOLOGY BACKGROUND

The '158 patent describes the state of the art at the time of invention as related to the means for sharing files, folders, and other data over a network. According to the Background of the Invention, a problem existed in that each user must know how to configure and/or setup the sharing of these files or folders. (Ex. 1001 at 1:58-60.) As a result, users would experience confusion and difficulty because, for example, sharing a Samba file system is different than sharing a file via cloud-based storage.

As the '158 patent describes, many users were familiar with sharing files, folders, and other data through communications, like sending an attachment in an email. (*Id.* at 63- 67.) Therefore, the '158 patent set out to solve this problem by teaching a method and apparatus for sharing a data object in a data store via a communication. (*Id.* at 2:1-3.)

IV. THE '158 PATENT

A. Brief Description of the '158 Patent Disclosure

The '158 patent is directed to an apparatus and method for sharing a folder and any contents of these folders, such as a file or files, via at least one communication. The '158 patent teaches that through a combination of capabilities or operations involving an email message and a file explorer interface, the folder and any contents of the folder may be shared without an attachment included with the email message. (Ex. 1001 at Abstract.)

The '158 patent describes that, at the time of invention, a problem existed in related copy-sharing technologies: each user must know how to configure and/or setup the sharing of these files or folders. (*Id.* at 1:58-60.) As a result, users would experience confusion and difficulty because, for example, sharing a Samba file system is different than sharing a file via cloud-based storage. Though many users were familiar with sharing files, folders, and other data through communications, like sending an attachment in an email, these earlier systems required specialized

knowledge that was not as well-known. (*Id.* at 63- 67.) The '158 patent, thus, aims to overcome this problem by allowing for the “sharing [of] a data object in a data store via a communication,” making data sharing more rapid and efficient. (158 patent, Ex. 1001 at 2:2-3.)

To accomplish the above, the '158 patent discloses an apparatus that allows for the sharing of folders and files between a first and second node over a network. (*See* FIG. 5 of '158 patent, reproduced below.)

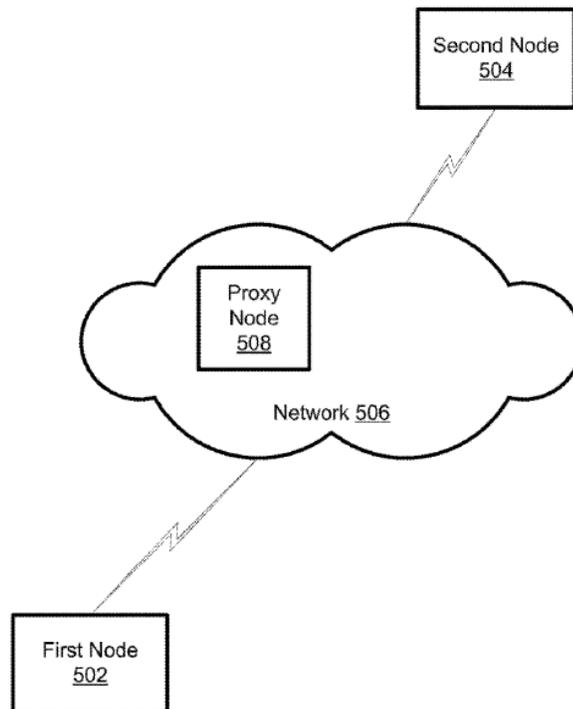


FIG. 5

This apparatus comprises at least one non-transitory memory storing instructions and at least one processor that can execute these instructions. (Ex. 1001 at 2:15-19.) When the apparatus executes these instructions, it causes, at a first node, the display of a first interface with a first user interface element. (*Id.* at 2:19-22.) An example of this first user interface is seen in FIG. 6A of the '158 patent, copied below:

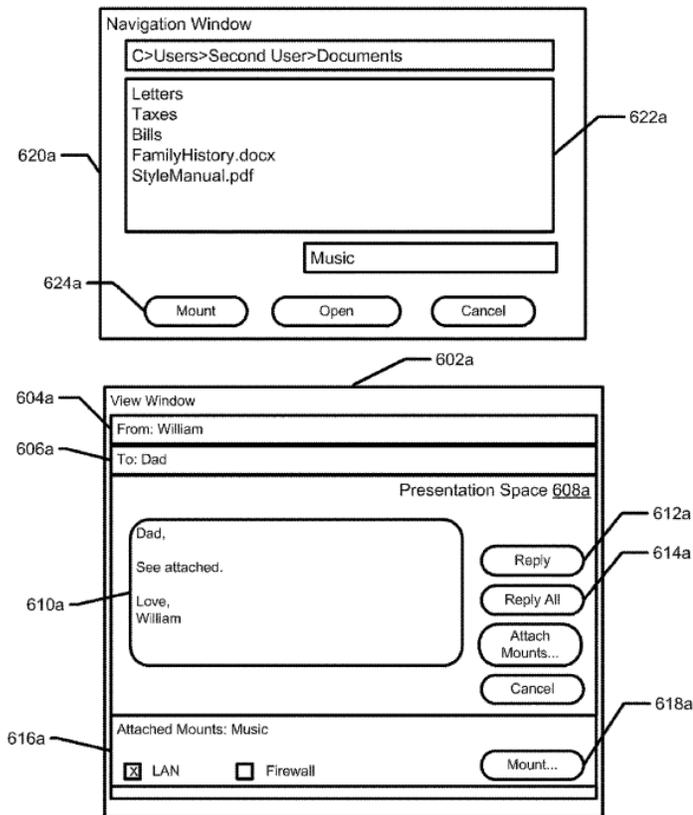


FIG. 6A

Then, from the first node, an indication of a folder may be received by the apparatus. (*Id.* at 2:23-24.) The instructions also cause a display of a second

interface with a second user element to be displayed. (*Id.* at 2:25-28.) Both an indicia associated with at least one email address and an indication to share the folder are received from the first node, along with an indication to share the folder. (*Id.* at 2:29-33.) Based on the indicia and the indications received, an email message identifying the folder and including a reference to the folder is generated. This generated message does not include the contents of the identified and referenced folder as attachments to the email. The email message generated thus far is then sent to a second node via a network, still without the files of the folder as an attachment. (*Id.* at 2:34-44.)

Once received by the second node, the generated message causes creation of a representation of the folder in a location among one or more folders in a file explorer interface. This creation of the representation of the folder is put into motion utilizing code stored *at the second node* configured to cooperate with the file explorer interface. (*Id.* at 2:4-52.) At this time, when the representation of the folder is created, the second node does not store the files, which were not sent as attachments within the generated email message, within the folder. (*Id.* at 2:53-55.)

This representation of the folder is then displayed at the second node among other possible folders in the file explorer interface. An indication to open a file within the represented folder may be detected which, at that point, causes retrieval

of the file over the network to allow display of the file at the second node. (*Id.* at 2:55-64.)

B. Person of Ordinary Skill in the Art

Patent Owner agrees with Petitioner that the level of a person of ordinary skill in the art (“POSITA”) needed to have the capability of understanding the scientific and engineering principles applicable to the ’158 patent is (i) a Bachelor of Science in Electrical Engineering, Computer Engineering or Computer Science, or the equivalent or (ii) one to two years of work experience in file storage, directory mounts, and file transmission in a distributed network environment, or a related field. A higher level of education (e.g., a Master’s degree) may make up for less work experience, and additional work experience (e.g., 5-6 years) may make up for less education. (Decl. of Dr. Peter Alexander as Ex. 1002.)

V. CLAIM CONSTRUCTION

In an *inter partes* review proceeding, “a claim of a patent . . . shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. § 282(b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent.” 37 C.F.R. § 42.100(b).

Patent Owner submits that Petitioner’s arguments rely on a flawed construction of the limitation “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder. . . .” This limitation requires, among other things, that particular code is: (i) configured to be stored at the second node; (ii) configured to cooperate with a file explorer interface; and (iii) is utilized to **cause creation** of a representation of the at least one folder. Petitioner’s implicit construction, however, does not take into account the full weight of the above claimed phrase. Nor is it consistent with the plain and ordinary meaning of “creation” and instead conflates the term “creation” with the separately claimed “display.”

Regarding the latter, under a plain and ordinary meaning, “creation” would have been understood to mean “the act of creating,” Merriam Webster Online Dictionary, *available at* <https://www.merriam-webster.com/dictionary/creation> (last accessed July 15, 2020), and “creating” in turn would have been understood to mean “to bring into existence.” Merriam Webster Online Dictionary, *available at* <https://www.merriam-webster.com/dictionary/creating> (last accessed July 15, 2020), Thus, “cause . . . creation” would have been understood to mean “cause to bring into existence.”

With this plain meaning in mind, as described in detail below, it is clear that neither *Do* nor Petitioner describe that an alleged particular code at the second node in *Do* causes the creation of a representation or, in other words, brings such representation into existence. Instead, Petitioner only offers evidence that the particular code at the second node in *Do* may **display** a representation. (*E.g.*, Pet. at 39-40 (“[*Do*] discloses that a web file explorer (the file explorer interface) at the second node **displays** the shared folder (creation of a representation of the at least one folder) . . .”).) For this reason alone, Petitioner has failed to meet its burden.

Moreover, even if the plain and ordinary meaning of “cause . . . creation” is interpreted to include “display” or otherwise presenting the folder representation, the ’158 patent makes clear that “creation,” as used within the ’158 patent, excludes these additional interpretations. More specifically, the term “cause . . . creation of a representation of the at least one folder,” as recited within claim 3 of the ’158 patent cannot be interpreted or construed to mean “display a representation of the at least one folder,” because this term is claimed as a **separate and subsequent claim element** within claim 3. (*See* Pet. at 45 (reciting Element 3.k: “cause, at the second node, **display of the representation of the at least one folder** in the location among the one or more folders on the file explorer interface.”).) Any attempt to improperly construe the term “creation” so as to conflate the term with the separately claimed term “display” would be

inappropriate, as it would render the term superfluous. Therefore, for the above reasons, the term “causing . . . creation” cannot be construed to include “display.” Thus, in the Petition, Unified has relied on a flawed construction of “creation” and accordingly failed to meet its burden when the entire limitation is given its proper meaning.

VI. OVERVIEW OF CITED PRIOR ART

A. *Do* (Ex. 1008)

Do teaches an online service allowing multiple users to share electronic documents over a computer network. Each user of this service may access a user interface specific to that user on the system after entering the user’s credentials. This specific user interface may have multiple panes, such as navigation and work panes. The navigation pane may list files owned by the user as well as a list of files shared with that user by other users. The user may select a file in the navigation pane to view the contents of the file within the work pane or may select files to share with other users. These shared files will then automatically appear in the other users’ interfaces. Additionally, a user may share the file with users who are not registered with the system, who will then be able to access the file through a generic interface or register and view the file on their own interface. (Ex. 1008 at Abstract.)

B. *Shapiro* (Ex. 1009)

Shapiro teaches that a user's personal computer can be used as a personal network server for easily sharing digital information with other people using assorted devices. (Ex. 1009 at Abstract.) The invention of *Shapiro* relates to systems and methods that facilitate easy sharing of the digital information while dynamically transforming the digital information based on desired formats linked to the requested party. (*Id.* at [0001].) In this system, a viewer of another's digital information may request access to said information. The described system may comprise a communication interface, a permission manager module, and a connection manager module. The communications interface receives a viewer's request for the personal digital information maintained on the user computer. The permission manager module operates by authenticating the viewer's request. The connection manager module is coupled to the communication interface and the permission manager module, and maintains a connection to the user computer and receives the personal digital information from the user computer via the connection in response to a client request associated with the viewer's request. The connection manager module also provides the personal digital information in a predetermined format to the communication interface. (*Id.* at [0014].)

VII. THE PETITION SHOULD BE REJECTED BECAUSE PETITIONER IS STATUTORILY BARRED FROM BRINGING THE PETITION UNDER § 315(A)(1)

A. The Petition Fails to Name All Real Parties in Interest

Based on evidence available at this time, Unified has failed to name all RPIs in its Petition. The Federal Circuit has explained that the term “RPI” is given an “expansive” common law meaning, to “ascertain who, from a ‘practical and equitable standpoint, will benefit from the redress that the chosen tribunal might provide.” *AIT*, 897 F.3d at 1349. In determining whether a party is an RPI, such an inquiry requires “a flexible approach that takes into account both equitable and practical considerations, with an eye toward determining *whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner.*” *Id.* at 1351.

Based on the information available at this time and belief, it is clear that:

(i) Petitioner’s membership business model is analogous to that of RPX, the petitioner in *AIT*;

(ii) [REDACTED]

(iii) [REDACTED] benefits from the Petition and thus should be named an RPI in this proceeding; and

(iv) [REDACTED] and is precluded from filing a petition for *inter partes* review along with its RPIs, such as Unified.

1. Petitioner’s Membership Business Model Is Analogous to That of RPX

Unified’s business model relies on collecting subscription fees from its members to fund its filing of IPRs. These fees are used to fund petitions in particular sectors of technology, or “Zones” as identified by the subscriber members. As such, the members can control or direct what “Zones” their fees are used to fund, thereby controlling the types of petitions funded by their fees, i.e., technologies relevant to their businesses.

This business model is analogous to that of RPX, the petitioner in *AIT*. In *AIT*, the Federal Circuit concluded RPX acted as a proxy for its members. In the *AIT* analysis, the Federal Circuit highlighted these facts, among others: (1) “RPX, unlike a traditional trade association, is a for-profit company whose clients pay for its portfolio of ‘patent risk solutions’”; (2) one of RPX’s strategies “for transforming the patent market is ‘the facilitation of challenges to patent validity’”; and (3) the fact that RPX opts not to discuss specific IPRs with clients may be for the purpose of circumventing the RPI requirement. *Id.* at 1351-52 & n.4. The court repeatedly emphasized that RPX had advertised that its “interests are 100% aligned with those of [its] clients.” *Id.* at 1340, 43, 57; *see also id.* at 62, 64 (Reyna, J., concurring).

The Federal Circuit concluded that these facts collectively “imply that RPX can and does file IPRs to serve its clients’ financial interests, and that a key reason

clients pay RPX is to benefit from this practice in the event they are sued by an NPE.” *Id.* at 1352.

Unified’s business model is strikingly similar to the above. As discussed above, Unified is a subscription and membership-based organization that collects fees from its members in exchange for protecting the members. The members receive this protection by declaring “Zones” to be funded by their subscriptions. Upon information and belief, a member selects the “Zone” that would best provide protection for itself. This protection is provided by Unified’s stated goal to “improve patent quality and deter unsubstantiated or invalid patent assertions in defined technology sectors (Zones) through its activities.” (Ex. 2003 [FAQ – Unified Patents – Current], *available at* <https://www.unifiedpatents.com/faq> (last accessed July 15, 2020).)

Unified alleges that it performs its work completely separate from its members; stating that “Unified . . . does not discuss details with its members concerning the preparation and prosecution of any patentability or validity challenge before the USPTO, including whether Unified will (or will not) file.” (*Id.*) In addition, Petitioner states that “Unified retains sole and absolute discretion regarding all aspects of any challenge,” including “preparing a petition or request.” (*Id.*) These self-serving statements and actions are clear attempts to avoid a finding that its members are RPIs. But they are not sufficient. At the outset,

members of Unified's business model subscribe and pay fees with the understanding that Unified will bring IPR petitions against patents that are asserted against them within the selected "Zones."

Indeed, Unified is not a trade association, but rather a for-profit company that collects the above-described fees in order to provide protection to its members within its various zones. These members are also typically for-profit organizations, not charitable associations aimed towards the protection of another entity's patents. As such, it is obvious members only subscribe to Unified's membership program with the anticipation that *their own organization will be protected* within its defined "Zones." To assume otherwise implies that these large, for-profit organizations that maintain large internal accounting and financial groups, [REDACTED] are paying fees to Unified for nothing in return other than a hope that Unified will decide to protect it. If that were the case, these large, complex organizations would be better served by saving the fees paid for the mere possibility of IPR assistance and instead, paying for legal services when needed. As such, these intelligent and business savvy entities only agree to pay these fees because it is known that Unified will take the steps to file IPRs to protect and benefit its members who have paid funds into a particular "Zone."

For the above reasons, it is clear that Unified's members have a preexisting, established relationship, and receive a clear benefit in exchange for the payment of

subscription fees. *See AIT*, 897 F.3d at 1351. Unified’s business structure is purposefully designed to try to protect its members from being deemed RPIs in its petitions. In doing so, Unified attempts to circumvent the stated goal of “protect[ing] patent owners from harassment via successive petitions by the same or related parties,” and “prevent[ing] parties from having a ‘second bite at the apple,’ and to protect the integrity of both the USPTO and Federal Courts by assuring that all issues are promptly raised and vetted.” 77 Fed. Reg. 48,759. As such, Unified acts as a proxy for its members, filing IPRs against patents in a manner that protects the entities from statutory bars, such as a time bar or rejection due to an RPI filing a prior declaratory judgment for invalidity.

Additionally, “[a] key reason clients pay RPX is to benefit from this practice [of filing IPR petitions] in the event they are sued by an NPE.” *See AIT*, 897 F.3d at 1351-52. From “a practical and equitable standpoint,” Unified’s *members* are the parties who “will benefit from the redress” that would flow from grant of the IPR. *AIT*, 897 F.3d at 1349. As in *AIT*, this evidence is more than sufficient to show that at least one of Unified’s members in the “Zones” relevant to the ’158 patent [REDACTED] Nor does it matter that Unified may provide other services to its members. In *AIT* the Federal Circuit noted that RPX provided a variety of *services*—i.e., plural—to its members. *AIT*, 897 F.3d at 1340-41, 1351-52 (discussing RPX’s “patent risk

solutions” and IPRs as “one of its ‘*strategies*’”), 1353 (“Given that *one of RPX’s publicly stated business solutions is to file IPRs . . .*”). Thus, Unified cannot hide behind the argument that it does more than file IPRs for its members.

Furthermore, Petitioner’s “Responses to Voluntary Interrogatory” (Ex. 1012) are noteworthy for what they do not say rather than what they do say. For example, No. 1 limits the subject of the communications, omitting things such as whether a member requested Unified to file an IPR (which may not fall under “input” from a member). Indeed, Petitioner’s responses indicate that it *does* receive communications from members but allegedly does not “consider” such communications even where the member recommends a particular patent to challenge or prior art to use. (Ex. 1012 at 3.)

2. Unified failed to name at least [REDACTED] as an RPI

[REDACTED]

Unified has identified two ongoing cases involving the challenged patent in its Petition. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED] Is a Beneficiary of the Petition

[REDACTED] [REDACTED] has agreed to indemnify the Defendants in the first action and is contesting validity in the second action and therefore stands to benefit directly from this Petition regarding the patentability of the '158 patent.

[REDACTED]
[REDACTED]
[REDACTED] with a direct benefit that depends on the Petition as it is the only party that is responsible for the two cases in which the '158 patent is asserted. Notably, in both litigations the accused activity is the use of [REDACTED]
[REDACTED]. Thus, [REDACTED] is in a unique position to benefit directly from the Petition—yet it is not named as an RPI.

Presumably, [REDACTED] is not named because it has brought an action for declaratory judgment of invalidity, and therefore, cannot file its own petition for IPR against the '158 patent. 35 U.S.C. § 315(a)(1) (“An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.”) As such, [REDACTED] is receiving the specific benefit of the Petition even though [REDACTED] itself, is barred from challenging the '158 patent in an IPR. Such benefit is distinct from the circumstances in IPR2019-00482 as

[REDACTED]

C. The Petition Presents an Example of Unified’s Ongoing Practice of Filing IPR Petitions when Parties that will Directly Benefit are Barred from Filing a Petition

As described above, this Petition is an attempt by Unified to circumvent statutory bars [REDACTED]. In this case, Unified has filed this Petition in [REDACTED] [REDACTED] [REDACTED] [REDACTED]. Though [REDACTED] is the only beneficiary, it cannot bring forward its own petition because it is barred from such a request under 35 U.S.C. § 315(a)(1).

This is an example of Unified’s ongoing practice of filing petitions to benefit [REDACTED] parties that are barred from filing their own petition. Specifically, based on publicly available information, Unified has filed petitions that [REDACTED] [REDACTED] [REDACTED].⁴ In all 5 instances, the petitions were

⁴ See *Unified Patents, LLC et al. v. Beacon Navigation GmbH et al.*, IPR2018-01024, Paper 1 (PTAB May. 4, 2018); *Unified Patents, LLC et al. v. C-Cation Technologies, LLC et al.*, IPR2015-01045, Paper 1 (PTAB Apr. 13, 2015); *Unified Patents, LLC et al. v. Level 3 Communications, LLC et al.*, IPR2014-00702, Paper 1 (PTAB Apr. 28, 2014); *Unified Patents, LLC et al. v. Parallel Iron LLC et al.*, IPR2013-00639, Paper 1 (PTAB Sep. 30, 2013); and *Unified Patents, LLC et al. v. Clouding IP LLC et al.*, IPR2013-00586, Paper 1 (PTAB Sep. 16, 2013.)

allowed. Unified [REDACTED] should not be allowed to skirt the clear statutory bars that Congress put in place to protect Patent Owners from such abusive practices.

Therefore, for at least the above reasons, the Petition should be rejected.

VIII. THE PETITION SHOULD BE REJECTED UNDER § 314(a) BECAUSE PETITIONER IS UNLIKELY TO PREVAIL WITH RESPECT TO ANY CHALLENGED CLAIM

The Board should decline review under 35 U.S.C. § 314 (a) because as set forth in more detail below, there is no reasonable likelihood that Petitioner will prevail with respect to any challenged claim.

A. Ground 1 of the Petition Fails: Claims 3-11 Are Not Rendered Obvious by *Do* in view of *Shapiro*

- 1. *Do* Fails to Teach or Suggest “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder” of Independent Claim 3**

Do fails to teach or suggest the claim element “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder. . . .” recited by independent claim 3 of the ’158 patent.

Petitioner argues that the terms “utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explore interface” and “creation of a representation of the at least one folder in

a location among one or more folders on the file explore interface” are taught by *Do*, but fails to acknowledge the link between the terms and the actual features of the challenged claim element. In particular, Petitioner fails to describe how *Do* teaches or suggests that the “particular code” is: (i) configured to be stored on a storage at the second node; (ii) configured to cooperate with a file explorer interface; and (iii) is utilized to **cause creation** of a representation of the at least one folder, as recited within independent claim 3. In fact, as established below, *Do* actually **teaches away** from the abovementioned claim requirements.

Specifically, in the Petition, Unified begins by alleging that *Do* discloses “creation of a representation of the at least one folder” because it allegedly discloses that a “web file explorer (the file explorer interface) at the second node **displays** the shared folder (creation of a representation of the at least one folder.)” (Pet. at 39-40.) This argument is flawed. First, the “display” of a folder representation does **not** meet the claimed “creation” of the folder representation. In fact, Patent Owner separately and subsequently claims the “display” of the folder representation in Element 3.k, which requires a technique to “cause, at the second node, **display** of the representation of the at least one folder in the location among the one or more folders on the file explorer interface.” Notably, Petitioner relies on the **same** disclosures in *Do* (Fig. 5) to meet **both** the **separately** claimed “cause creation” and “display” of the folder representation. The fact alone that

Petitioner is relying on the *same* “display”-related evidence to meet *both* the separately claimed “display” and “creation” (of a folder representation) dooms the Petition. “Where a claim lists elements separately, ‘the clear implication of the claim language’ is that those elements are ‘distinct component[s]’ of the patented invention.” *Gaus v. Conair Corp.*, 363 F.3d 1284, 1288 (Fed. Cir. 2004); *see also CAE Screenplates, Inc. v. Heinrich Fiedler GmbH & Co.*, 224 F.3d 1308, 1317 (Fed. Cir. 2000) (“In the absence of any evidence to the contrary, we must presume that the use of . . . different terms in the claims connotes different meanings.”)

More importantly, the evidence cited by the Petition fails to meet and actually *teaches away* from Patent Owner’s claimed “*caus[ing]*”, utilizing *particular code* . . . *stored* on a storage *at the second node* . . . , *creation* of a representation of the at least one folder” Specifically, Petitioner does *not* describe how *Do*’s alleged particular code stored at the second node, the web-based file explorer, causes the *creation* of a representation of the at least one folder. Instead, the cited excerpts from *Do* merely teach that “. . . the *online service* may automatically add the shared artifact to the recipient’s navigation pane” But by virtue of being “on-line,” the cited “on-line service” that “automatically add[s] the shared artifact,” cannot meet the claimed “particular code . . . *stored on a storage at the second node*,” which is specifically claimed to be utilized to *cause creation of the folder representation*.

To provide more context as to the paramount importance of this distinction, *Do* specifically discloses, at paragraphs [0038] and [0042], that the aforementioned “*[o]nline service* is hosted *on server 150* connected to computer network 110” and a “*web browser* that displays HTTP pages and server 150 [which] may *render the interface as one or more HTTP pages*. Using a *browser-based interface* may allow a user to *access* artifacts *on server 150* from any computer that supports such a *browser*.” Thus, it is clear, from *Do*’s disclosure, that any creation of the folder representation is caused by *the server 150* (or the *first node 120*), but, in *no case*, is there any creation of the folder representation by the browser. This is shown, for example, in Figure 5, where the browser is the only software code disclosed at the second node. Further, any argument that the HTTP pages themselves, when displayed via the aforementioned browser, constitutes the claimed “particular code ... stored on a storage at the second node” similarly fails. Specifically, *Do* teaches that “... *the online service may automatically add* the shared artifact” and such artifact (on the server 150) is merely *rendered* as HTTP pages by the browser. There is simply *no* disclosure that the HTTP pages themselves include code at the second node to cause creation of the folder representation. Again, as evidenced by the *Do* excerpts cited above, it is not the HTTP pages (nor the client browser that displays the HTTP pages), but rather the *on-line service* hosted by *server 150* that automatically adds the shared artifact.

It should be noted that the Petitioner’s expert declaration specifically avoids this issue by *only* stating, in connection with the “creation” claim term at paragraphs 151 and 153, that “Do discloses the creation of a representation in a file explorer interface.” See excerpts below:

151. Do discloses the creation of a representation of a file or folder “in a location among one or more folders on the file explorer interface.”

[0072] An example of an interface is shown in FIG. 5, where the shared artifact is "School year 06/07" 542, but any suitable interface could be used. If the second user is viewing the second user's interface at the time that the first user shares the artifact with the second user, then the shared artifact may be automatically added to the second user's interface while the second user is viewing it. If the second user is not viewing the second user's interface at the time that the first user shares the artifact with the second user, then the shared artifact may automatically appear in the second user's interface the next time the second user accesses his or her interface. At block 1130, the second user selects the shared artifact to view the contents of the shared artifact in the context of the second user's interface. An example of an interface is shown in FIG. 5, but any suitable interface could be used.

Id. at [0072] (emphasis added).

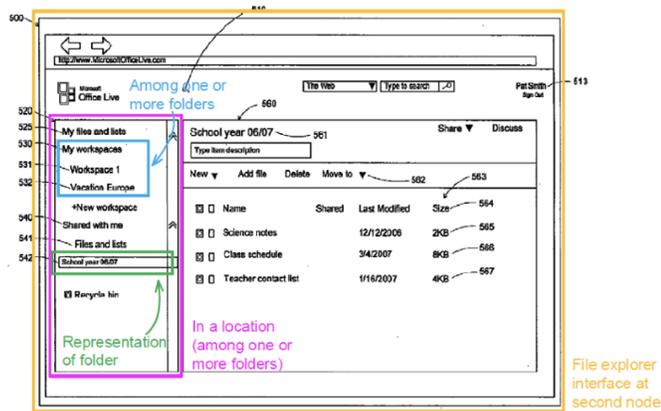
153. Do discloses the creation of a representation in a file explorer interface:

[0031] In comparison, the online service may automatically add the shared artifact to the recipient's navigation pane, and further, the online service may allow the recipient to organize the shared artifacts to his or her liking. Further, the shared artifact may appear without distractions caused by accessing the artifact in the context in which it is stored. For example, an artifact may be stored in a folder within a directory structure that contains other folders and other artifacts. The other folders and files may be irrelevant to the recipient. Presenting a representation of an artifact in the context of the recipient's interface allows the artifact to be presented without distractions that could be caused by presenting the artifact in the context in which the artifact is stored.

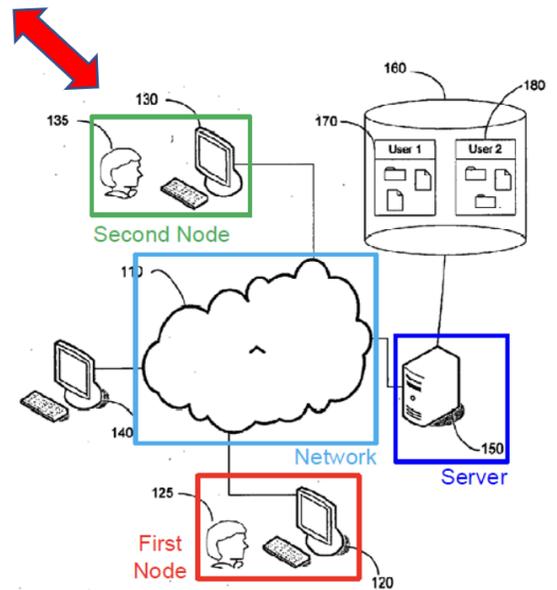
It is noteworthy that the Petitioner's expert does not argue *what* code is responsible for "the creation of a representation in a file explorer interface." Indeed, the reason for this silence is that the highlighted evidence cited by Petitioner's expert relates to what the "*online service*" (server 150) creates and *not* what, if anything, any code (the browser) on the computer 130 (second node) creates. As noted above, paragraph [0031] specifically discloses that "the *online service* may automatically *add* the shared artifact to the recipient's navigation pane" in connection with the highlighted disclosure that the added "artifact may be stored in a folder within a directory structure that contains other folders and other artifacts."

Thus, borrowing from the annotated *Do* excerpts in the Petition that are assembled and annotated below, *Do* clearly teaches a browser (at computer

130/second node) that merely *displays* artifacts, where such artifacts are added at the server 150, and *not* at computer 130/second node. In sharp contrast, the claimed invention is clearly directed to code *stored on the second node* that is utilized to “*cause . . . creation*” of the folder representation, as opposed to just the “display” of a folder representation that was created elsewhere.



Ex. 1008, Fig. 5 (annotated)



Ex. 1008, Fig. 1 (annotated)

Here, Patent Owner’s invention departs from *Do* by *not* relying *exclusively* on a server (server 150) for the *creation* of folder representations. Instead, Patent Owner specifically claims code stored *on the second node* that is utilized for creation of the folder representation. This significant feature is simply *not* taught or suggested by *Do*. Further, by no means is this a contrived or strained argument, as these claim limitations purposefully distinguish art such as *Do*. While not necessary to distinguish *Do*, the specification and dependent claims expand on this feature by, for example in Claim 16 (which depends on Claim 3), requiring that “the *particular code* ... takes the form of an *extension* for being executed by the at least one second processor in connection with other code associated with the file explorer interface.”

It should be noted that no proper construction of the term “creation” can save Unified’s petition. As established earlier, under a plain and ordinary meaning, the term “create” is understood to mean “to bring into existence.” Merriam Webster Online Dictionary, *available at* <https://www.merriam-webster.com/dictionary/create> (last accessed July 15, 2020.) With this plain meaning in mind, it is clear that neither *Do* nor Petitioner describe that the alleged particular code at the second node in *Do* causes the creation of the representation or, in other words, brings such representation into existence. Rather, evidence has only been proffered that an *online service* on *server 150* automatically adds the

shared artifact, for being simply *rendered* as HTTP pages by a browser on computer 130. Indeed, in *Do*, neither the browser, nor the HTTP pages rendered by the browser, are disclosed to do anything other than display what the *online service* on *server 150* automatically *adds*.

Additionally, even if the plain and ordinary meaning of “creation” is interpreted to include “display” or otherwise presenting the folder representation, the ’158 patent makes clear that “creation,” as used within the ’158 patent, excludes these additional interpretations. As mentioned earlier, the term “creation of a representation of the at least one folder,” as recited within claim 3 of the ’158 patent cannot be interpreted or construed to mean “display a representation of the at least one folder,” because this term is claimed as a separate and subsequent claim element within claim 3. (*See* Petition at 45) (reciting Element 3.k: “cause, at the second node, *display of the representation of the at least one folder* in the location among the one or more folders on the file explorer interface.”) Any attempt to improperly construe the term “creation” so as to conflate the term with the separately claimed “display” term would be inappropriate, as it would render the term “creation” superfluous and non-limiting. *Becton, Dickinson and Co. v. Tyco Healthcare Group, LP*, 616 F.3d 1249, 1257 (Fed. Cir. 2010) (interpretation rendering term superfluous strongly disfavored). Therefore, for the above reasons, the term “creation” cannot be construed to include “display.” Again, in the

Petition, Unified has failed to describe how *Do* teaches or suggests a particular code, stored at the second node, that causes the creation of a representation of a folder, that conforms to a proper construction.

In conclusion, Petitioner has, thus, not provided any evidence that *Do* teaches or suggests “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder . . .” To the contrary, the *Do* excerpts cited by the Petitioner evidence the opposite; namely, that *Do* teaches adding an artifact utilizing an on-line service *at server 150* (and *not* computer 130). Further, there is no proper construction of “causing . . . creation” that would save the Petitioner’s arguments. Therefore, the sole ground of the Petition fails.

2. *Shapiro* Fails to Teach or Suggest “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder . . .” of Independent Claim 3

Petitioner does not provide any evidence that *Shapiro* teaches or suggests “caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder . . .” As such, Petitioner has not shown that *Shapiro* corrects the above-described deficiencies of *Do*.

3. *Do* and *Shapiro* Do Not Render Obvious Dependent Claims 3-11 and 13 of the '158 Patent

Do does not anticipate or render obvious dependent claims 4-11 and 13, because (at a minimum) they depend from independent claim 3, which is not rendered obvious, for all the reasons set forth above. Because independent claim 3 is not rendered obvious, each dependent claim likewise would not have been obvious.

Nor does the combination of *Do* and *Shapiro* render obvious dependent claims 4-11 and 13. At a minimum they depend from independent claim 3, which is not rendered obvious, for all the reasons set forth above. Because independent claim 3 is not rendered obvious, each dependent claim likewise would not have been obvious.

Therefore, Petitioner has not met its burden to show that it is likely to prevail as to at least one claim of the '158 patent and the Petition should be rejected.

IX. CONCLUSION

For the foregoing reasons, the Petition to institute *inter partes* review of any claim of the '158 patent should be denied.

Dated: July 15, 2020

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that there are 8,056 words in this paper, excluding any table of contents, table of authorities, mandatory notices under 37 C.F.R. § 42.8, certificate of word count, certificate of service, or appendix of exhibits. This certification relies on the word count of the word-processing system used to prepare this paper.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on July 15, 2020, I caused a true and correct copy of the foregoing materials to be served via the Patent Office electronic filing system, and electronic service via email to the following attorneys of record pursuant to Petitioners' consent.

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS, LLC,
Petitioner,

v.

MOTION OFFENSE, LLC,
Patent Owner.

IPR2020-00705
Patent 10,013,158 B1

Before PATRICK M. BOUCHER, KIMBERLY McGRAW, and
NABEEL U. KHAN, *Administrative Patent Judges*.

BOUCHER, *Administrative Patent Judge*.

DECISION
Dismissal Prior to Institution of Trial
35 U.S.C. § 314

With our authorization, Petitioner filed a Motion to Dismiss and Terminate this proceeding, and Patent Owner filed an Opposition. Papers 12 (“Mot.”), 13 (“Opp.”). Petitioner requests that the Petition be dismissed and the proceeding terminated because “this proceeding is in a preliminary stage,

prior to institution, and [Petitioner] has recently sought to reallocate its budgets and resources, including, in light of the COVID-19 pandemic.”

Mot. 1. In making such a motion, Petitioner asserts that “termination will achieve a just, speedy, and inexpensive resolution of the dispute” and that “[w]ithdrawal is also in the interest of justice, as the parties have no other dispute, and dismissal will resolve all matters.” *Id.*; *see also id.* at 2–3 (stating that dismissal of the Petition in this proceeding is appropriate because the proceeding is at an early stage, with no decision having yet been made whether to institute a proceeding, and because dismissal will “reduce the parties’ expenses, conserve Board resources, and promote efficiency”). Petitioner also contends Patent Owner will not be prejudiced by termination at this preliminary proceeding stage but rather will benefit from preserving its own resources.

Patent Owner opposes Petitioner’s motion, arguing that termination of the proceeding before the Board has an opportunity to determine whether Petitioner failed properly to identify all real parties in interest (“RPIs”) is prejudicial to Patent Owner. Opp. 1. Patent Owner contends that a finding that Petitioner failed to identify Dropbox, Inc. as a RPI would deter Petitioner and others from “attempting to serve as patent-challenging avatars for paying members who would otherwise be statutorily barred.” *Id.*

We agree with Petitioner that dismissal is appropriate under the present circumstances. Our “regulations expressly provide the Board with broad authority to dismiss a petition where appropriate.” *Facebook, Inc. v. EveryMD.com*, IPR2018-00050, Paper 19 at 4 (PTAB Oct. 9, 2018); *see* 37 C.F.R. § 42.71(a) (“The Board . . . may grant, deny, or dismiss any petition or motion.”). The proceeding is at an early stage and it is

appropriate to dismiss the Petition and terminate the proceeding to promote efficiency and unnecessary costs.

We agree with Petitioner that denying the Motion to dismiss the Petition and terminate the proceeding would impose an unnecessary “administrative burden” on the Board’s finite resources. *See* Mot. 3–4. We also determine that dismissing the Petition will decrease the burden on Patent Owner. In doing so, we make specific note of the “added reassurance[s]” provided by Petitioner in its Motion. In particular, “Petitioner confirms that there are no side or other agreements with any other party in relation to this proceeding.” Mot. 5. In addition, “Petitioner has confirmed to Patent Owner, telephonically, and confirms to the Board that it does not intend to file another patent challenge against this patent or known related patents.” *Id.* Given these representations, Patent Owner will not incur additional burden or expense in defending any later-filed petition by Petitioner challenging this patent or known related patents.

Patent Owner’s opposition to the Motion is best understood in the context of the two principal arguments made in its Preliminary Response. *See* Opp. 3 (referring to arguments detailed in its Preliminary Response). First, in its Preliminary Response, Patent Owner attacks Petitioner’s business model as one in which Petitioner “acts as a proxy for its members, filing IPRs against patents in a manner that protects the entities from statutory bars, such as a time bar or rejection due to [a real party in interest (‘RPI’)] filing a prior declaratory judgment for invalidity.” Paper 8, 20. Patent Owner specifically alleges that Dropbox is an unnamed RPI that is itself barred from challenging the subject patent in an *inter partes* review. *Id.* at 23 (“Presumably, Dropbox is not named because it has brought an

action for declaratory judgment of invalidity, and therefore, cannot file its own petition for IPR against the '158 patent.”). Notably, Patent Owner characterizes these facts as “an example” of Petitioner’s wider “ongoing practice of filing petitions to benefit member parties that are barred from filing their own petition.” *Id.* at 25.

Second, Patent Owner argues in its Preliminary Response that a specific limitation of the only challenged independent claim is not taught or suggested by the prior art Petitioner’s relies upon. *See id.* at 26 (“*Do* fails to teach or suggest the claim element ‘caus[ing], utilizing particular code configured to be stored on a storage at the second node and further configured to cooperate with a file explorer interface, creation of a representation of the at least one folder. . . .’ recited by independent claim 3 of the '158 patent.”). Because the remaining challenged claims all depend from claim 3, thereby incorporating that specific limitation, Patent Owner contends that Petitioner’s arguments directed at those claims are also insufficient. *Id.* at 36 (“Because independent claim 3 is not rendered obvious, each dependent claim likewise would not have been obvious.”).

Although Patent Owner indicates in its Opposition to the Motion to Dismiss and Terminate that it “will also benefit to the extent the decision on institution addresses the merits,” the clear emphasis of its Opposition is directed at the RPI issue. *See Opp.* 2. In particular, Patent Owner opposes primarily on the basis that the Motion “is a thinly-veiled attempt to avoid a finding that [Petitioner] improperly omitted its members as real-parties-in-interest (‘RPIs’) and protect its business model built on exploiting the patent system against patent owners.” *Opp.* 1. “If the Motion is granted,” Patent Owner tells us, it “would be deprived of the benefit of a finding as to

whether [Petitioner] has misused the patent system by omitting its members as RPIs.”

We agree with Petitioner that Patent Owner is thus requesting an advisory opinion with respect to how Petitioner’s business model implicates the statutory mandates regarding real parties in interest to *inter partes* reviews. *See* Mot. 3–4. Several considerations caution against denying the Motion in order to do so.

First, it is not apparent that we would ever reach the real party-in-interest issue in a Decision on Institution, particularly in light of Patent Owner’s argument in its Preliminary Response that the Petition is deficient on the merits.

Second, the nature of real-party-in-interest inquiries is “highly fact-dependent.” *See Ventex Co., Ltd. v. Columbia Sportswear N. Am., Inc.* IPR2017-00651, Paper 152 at 6 (PTAB Jan. 24, 2019) (precedential) (quoting Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 14, 2012)); *see also* Patent Trial and Appeal Board Consolidated Trial Practice Guide 13 (Nov. 2019) (“Whether a party who is not a named participant in a given proceeding nonetheless constitutes a ‘real party-in-interest’ or ‘privy’ to that proceeding is a highly fact-dependent question.”). We are not persuaded by Patent Owner’s argument that a decision on the RPI issue under the specific facts in this proceeding could necessarily be widely generalized. *See* Opp. 5 (“all patent owners[] will be prejudiced by such abusive practices if the Motion is granted”); *see also id.* (asserting that “[o]ne loss on this RPI issue jeopardizes [Petitioner’s] entire practice”).

Although we have considered Patent Owner’s suggestion that Petitioner’s explanation of budget realignment is “nothing more than an

illusory basis” for seeking dismissal of the Petition, we accord that suggestion little weight. *See* Opp. 2. Patent Owner implies that Petitioner’s explanation is concocted, meant to evade “expos[ing] that *this petition* was the only one of many candidates selected for termination due to the risk it poses to [Petitioner’s] business model built of exploiting the patent system.” *Id.* at 3. Patent Owner suggests that a number of facts support its inference, including that Petitioner “provided no declaration discussing its decision to select this particular case, its financial status or other means being taken to cut costs.” *Id.* at 2. In the context of the various considerations discussed herein, we are not persuaded that such details are necessary to support Petitioner’s representation, made by a registered practitioner subject to the Office’s Rules of Professional Conduct. *See* 37 C.F.R. § 11.303(a)(1) (“A practitioner shall not knowingly . . . [m]ake a false statement of fact or law to a tribunal.”).

The parties also draw our attention to other (nonprecedential) proceedings in which panels have granted or denied a motion for dismissal before institution. *See, e.g., Samsung Elecs. Co. v. NVIDIA Corp.*, IPR2015-01270, Paper 11 (PTAB Dec. 9, 2015) (granting opposed motion to dismiss before institution); *LG Electronics, Inc. v. Koninklijke KPN N.V.*, IPR2018-00551, Paper 10 (PTAB Aug. 1, 2018) (denying opposed motion to dismiss before institution); *Fresenius Kabi USA, LLC v. AstraZeneca AB*, IPR2017-01910, IPR2017-01912, and IPR2017-01913, Paper 7 (PTAB Nov. 2, 2017) (denying opposed motion to dismiss before institution). We find the circumstances here most akin to those in *Samsung*, in which the panel there granted the motion to dismiss because of the “early juncture” of the proceeding, as well as “to promote efficiency and minimize unnecessary

costs,” rather than to the proceedings in which the panels denied the opposed motions to dismiss. *Samsung*, Paper 11 at 3–4. For example, in *LG Electronics*, the decision denying institution issued shortly after the order denying the petitioner’s request to withdraw, suggesting that the panel in that proceeding had already expended significant resources on the matter. In contrast to the circumstances presented here, the petitioner in the *Fresenius Kabi* proceedings did not provide any assurances that it would not file any follow-on petitions challenging the patents at issue. There, the Board agreed that the patent owner would be prejudiced by its need to defend against any such follow-on petitions.

In light of these considerations, we grant Petitioner’s Motion and terminate the proceeding.

It is

ORDERED that Petitioner’s Motion to Dismiss and Terminate this proceeding is *granted*;

FURTHER ORDERED that the Petition (Paper 2) is *dismissed*; and

FURTHER ORDERED that this proceeding is *terminated*.

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Patent 10,013,158 B1

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS, LLC,
Petitioner

v.

MOTION OFFENSE, LLC,
PATENT Owner

IPR2020-00705
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Mailed: October 28, 2020

NOTICE OF REFUND

Petitioner's request for a refund of certain post-institution fees paid on April 3, 2020 in the above proceeding is hereby granted. The amount of \$15,000.00 has been refunded to Petitioner's deposit account.

The parties are reminded that unless otherwise permitted by 37 C.F.R. § 42.6(b)(2), all filings in this proceeding must be made electronically in the Patent Trial and Appeal Board End to End (PTAB E2E), accessible from the Board Web site at <http://www.uspto.gov/PTAB>.

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If there are any questions pertaining to this notice, please contact the
Patent Trial and Appeal Board at 571-272-7822.

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