

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PALO ALTO NETWORKS, INC.,
Petitioner,

v.

FINJAN, INC.,
Patent Owner.

Case IPR2016-00151¹
Patent 8,141,154 B2

Before THOMAS L. GIANNETTI, MIRIAM L. QUINN, and
PATRICK M. BOUCHER, *Administrative Patent Judges*.

QUINN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION ON REMAND
35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

¹ This case was joined with IPR2016-01071. Paper 21 (“Decision on Institution of *Inter Partes* Review and Grant of Motion for Joinder,” filed by Symantec Corp.). Symantec Corp., however, has been terminated as a petitioner because of settlement. *See* Paper 59.

Palo Alto Networks, Inc., and Symantec Corp. (collectively “Petitioner”) each filed petitions to institute *inter partes* review of claims 1–12 of U.S. Patent No. 8,141,154 B2 (“the ’154 patent”) pursuant to 35 U.S.C. § 311–319. Paper 2 (“Pet.”); IPR2016-01071, Paper 1. In response to the petition filed by Palo Alto Networks, Inc. (Paper 2), Finjan, Inc. (“Patent Owner”), filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). Upon consideration of the Petition and the Preliminary Response, we instituted trial as to challenged claims 1–8, 10, and 11. Paper 10 (“Institution Decision”). Our Institution Decision denied institution of dependent claims 9 and 12. *Id.*

During trial, Patent Owner filed a Patent Owner Response (Paper 19), and Petitioner filed a Reply (Paper 32). Patent Owner also filed a Motion for Observations of the December 20, 2016, cross-examination of Petitioner’s declarant, Dr. Aviel Rubin. Paper 40. Petitioner responded to Patent Owner’s Motion for Observations. Paper 43. Both parties also filed Motions to Exclude. Papers 38, 39. Both parties filed Oppositions and Replies concerning the Motions to Exclude. Papers 42, 44, 45, 46. An oral hearing was held on January 24, 2017.²

We issued a first Final Written Decision on March 15, 2017. Paper 51 (“FWD”). In that Final Written Decision, we determined that Petitioner had not shown by a preponderance of the evidence that claims 1–8, 10, and 11 of the ’154 patent were unpatentable. Petitioner filed a Request for Rehearing of our Final Written Decision, alleging error in our claim construction determination. Paper 52. We issued a Decision on Petitioner’s Request for Rehearing, modifying the Final Written Decision to align the wording of the

² A transcript of the oral hearing is entered in the record as Paper 49 (“Tr.”).

claim construction of a “call to a first function” with the construction of the same term in a related matter, IPR2015-01979. Paper 53. We did not modify further our Final Written Decision, and confirmed that, even with the revised wording of the construction, the outcome remained that Petitioner had not shown by a preponderance of the evidence that claims 1–8, 10, and 11 were unpatentable over Ross. *Id.* at 4–5.

Petitioner appealed our Final Written Decision. *See* Petitioner’s Notice of Appeal, Paper 54. While Petitioner’s appeal was pending, on April 24, 2018, the Supreme Court held that a decision to institute *inter partes* review under 35 U.S.C. § 314 may not institute on fewer than all claims challenged in the petition. *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1354 (2018). Accordingly, the Federal Circuit vacated our Final Written Decision in this proceeding and remanded “to allow the Board to issue a final written decision consistent with *SAS*.” *Palo Alto Networks, Inc., v. Finjan, Inc.*, 752 F. App’x 1017, 1021, 1024 (Fed. Cir. 2018) (“[W]e vacate the Board’s decision in the -00151 IPR and remand for proceedings consistent with the Supreme Court’s decision in *SAS Institute*.”).

In light of the Federal Circuit’s vacatur and remand, we modified our Institution Decision to institute *inter partes* review on all of the challenged claims and all of the grounds presented in the Petition. Paper 55. In particular, we modified the Institution Decision to include review of dependent claims 9 and 12 on the grounds set forth in the Petition. *Id.* We held a conference call with the parties to discuss the procedure on remand, and we issued a remand schedule that allowed for the parties to brief the challenge of claims 9 and 12. Paper 56. Petitioner filed an Opening Remand Brief (Paper 60) and a Reply Brief on Remand (Paper 62), and

Patent Owner filed a Patent Owner's Response on Remand (Paper 61) and a Sur-Reply (Paper 63). We held oral argument on the remand issues on March 26, 2019, the transcript of which is filed as Paper 67 ("Second Tr.").

In lieu of reproducing our previous Final Written Decision here, we adopt and incorporate by reference, in its entirety, our previous Final Written Decision that Petitioner has not shown by a preponderance of the evidence that claims 1–8, 10, and 11 of the '154 patent are unpatentable. FWD. We also reinstate, and hereby incorporate by reference, the Decision on Petitioner's Request for Rehearing. Paper 53. In this Decision, we augment our earlier decision to address the challenge of newly instituted claims 9 and 12 of the '154 patent.

I. ANALYSIS

Claim 9 depends from independent claim 1, and claim 12 depends from claim 10. In our Final Written Decision, we determined that Petitioner had not shown by a preponderance of the evidence that claims 1 and 10 were obvious over Ross.³ The Petition asserts obviousness of claims 9 and 12 over the combination of Ross and Calder.⁴ Pet. 37–41. That is, for the newly challenged claims, Petitioner relies on the evidence proffered as to independent claims 1 and 10 (obviousness over Ross). *Id.* Petitioner does not point to any teachings in Calder that teach the elements we found missing in Ross in reaching our decision that Ross did not render claims 1 and 10 obvious.

³ Patent Application Pub. No. US 2007/0113282 A1 (Exhibit 1003) ("Ross").

⁴ Patent Application Pub. No. US 2002/0066022 A1 (Exhibit 1004) ("Calder").

Petitioner urges that we decide on the merits the challenge to claims 9 and 12, and argues that “the evidence and arguments presented in the Petition show that claims 9 and 12 are invalid over Ross in view of Calder.” Paper 60, 1; Second Tr. 5:22–6:19. Patent Owner urges that the Board terminate the proceeding because the Board has issued a Final Written Decision on the merits of all the challenged claims in IPR2015-01979 (addressing claims 1–8, 10, and 11 of the ’154 patent), and therefore, Patent Owner argues, Petitioner is estopped from requesting or maintaining the instant proceeding under 35 U.S.C. § 315(e)(1). Paper 61, 1–6; *see also* Second Tr. 21:14–23:8. Patent Owner also argues that our Institution Decision correctly decided that Petitioner’s challenge of claims 9 and 12 was deficient. *Id.* at 6–10; *see also* Second Tr. 15:24–16:10.

We do not agree with Petitioner that we can determine on the merits that claims 9 and 12 are unpatentable over Ross and Calder. We have determined that Petitioner did *not* show by a preponderance of the evidence that claims 1 and 10, from which claims 9 and 12 depend, are unpatentable over Ross. FWD 22. Further, we do not need to address Patent Owner’s argument that Petitioner is estopped from maintaining this remand proceeding, because the Board is not estopped from rendering a decision under 35 U.S.C. § 315(e)(1). Thus, the Board may proceed to issue this Decision on remand pursuant to the specific instruction of the Federal Circuit. To the extent Patent Owner contends that Petitioner’s briefs and arguments on remand are improper because of estoppel under § 315(e)(1), that contention is moot, because in rendering this Decision we are not relying on any argument or evidence proffered by Petitioner subsequent to the remand.

Therefore, because independent claims 1 and 10 have not been shown to be unpatentable over Ross, we determine that Petitioner has not shown by a preponderance of the evidence that claims 9 and 12 are unpatentable over Ross and Calder.

II. CONCLUSION

We adopt and incorporate by reference, in their entirety, our previous Final Written Decision and Decision on Petitioner's Request for Rehearing that Petitioner has not shown by a preponderance of the evidence that claims 1–8, 10, and 11 of the '154 patent are unpatentable. FWD and Paper 53. As explained above, we augment our Final Written Decision to include our determination that, by virtue of their dependency from claims 1 and 10, claims 9 and 12 have not been shown to be unpatentable over Ross and Calder.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that claims 1–12 of the '154 patent have not been shown to be unpatentable;

FURTHER ORDERED that, because this is a Final Written Decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

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Patent 8,141,154 B2

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