

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ZSCALER, INC.,  
Petitioner

v.

SEMANTEC CORPORATION,  
Patent Owner

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Case IPR2017-01342  
Patent 8,661,498 B2

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Before DANIEL N. FISHMAN and STACEY G. WHITE,  
*Administrative Patent Judges.*

FISHMAN, *Administrative Patent Judge.*

ORDER  
Trial Hearing  
*37 C.F.R. § 42.70*

Patent Owner requested oral argument pursuant to 37 C.F.R. § 42.70(a). Paper 29. Petitioner did “not specifically request oral argument,” but agreed to “be prepared and pleased to address at the hearing any questions the Board may have regarding Petitioners unopposed request for adverse judgment as to claims 1–2, 13, 28, and 39.” Paper 26, 1. Patent Owner’s request is *granted* and each party will be allotted sixty (60) minutes for argument.

**The hearing will commence at 9:00 AM ET, on Thursday, September 6, 2018, on the ninth floor of Madison Building East, 600 Dulany Street, Alexandria, Virginia.** The hearing will be open to the public for in-person attendance that will be accommodated on a first-come, first-served basis. The Board will provide a court reporter, and the reporter’s transcript will constitute the official record of the hearing.

The Board recently published an update to its Trial Practice Guide, which states the following regarding hearing procedures:

At the oral hearing, a petitioner generally will argue first, followed by the patent owner, after which a rebuttal may be given by the petitioner. . . . The Board may also permit patent owners the opportunity to present a brief sur-rebuttal if requested.

Trial Practice Guide August 2018 Update, p. 20, *available at* [www.uspto.gov/sites/default/files/documents/2018\\_Revised\\_Trial\\_Practice\\_Guide.pdf](http://www.uspto.gov/sites/default/files/documents/2018_Revised_Trial_Practice_Guide.pdf) (“TPG Update”).

Petitioner bears the ultimate burden of proof that Patent Owner’s patent claims at issue are unpatentable. Petitioner will proceed first to present its case with respect to the challenged patent claims and grounds with respect to which the Board instituted. Petitioner may reserve some of its argument time to respond to Patent Owner’s presentation. Thereafter,

Patent Owner will respond to Petitioner's arguments. In light of the guidance in the TPG Update, Patent Owner may reserve some of its argument time to respond to issues raised in Petitioner's response to Patent Owner's presentation. Petitioner may make use of the time it has reserved, if any, to rebut Patent Owner's opposing presentation regarding patentability. Lastly, Patent Owner may make use of the time it has reserved, if any, to present its sur-rebuttal to Petitioner's rebuttal.

**In view of the compressed revised schedule in this matter, demonstrative exhibits must be served on the opposing party, and filed at the Board, no later than Tuesday September 4, 2018.** We note that regarding demonstrative exhibits the TPG Update states:

Demonstrative exhibits used at the final hearing are aids to oral argument and not evidence, and should be clearly marked as such. For example, each slide of a demonstrative exhibit may be marked with the words "DEMONSTRATIVE EXHIBIT – NOT EVIDENCE" in the footer. Demonstrative exhibits cannot be used to advance arguments or introduce evidence not previously presented in the record.

*Id.* at 21. **Furthermore, in view of the compressed schedule in this matter, the parties are instructed to attempt to resolve any objections to demonstrative exhibits prior to the hearing in view of the above guidance in the TPG Update that demonstrative exhibits are not evidence in the trial. If the parties cannot resolve any such objections, the parties shall be prepared to discuss any such objections in their respective allotted time for arguments. The Board may reserve ruling on such objections until after completion of oral argument.** The parties are directed to *St. Jude Medical, Cardiology Division, Inc. v. The Board of Regents of the University of Michigan*, IPR2013-00041 (PTAB January 27,

2014) (Paper 65), for additional guidance regarding the appropriate content of demonstrative exhibits.

The parties should note that at least one member of the panel will be attending the hearing electronically from a remote location. The parties are reminded that each presenter must identify clearly and specifically each document, exhibit, or demonstrative exhibit (e.g., by slide or screen number) referenced during the hearing to ensure the clarity and accuracy of the reporter's transcript and for the benefit of judges participating electronically from remote locations.

**Patent Owner's Request for Oral Argument (Paper 29) included a request for audio-visual equipment. We remind both parties that such requests were to be sent to [Trials@uspto.gov](mailto:Trials@uspto.gov) or should be directed to the Board at (571) 272-9797.** If the request is not received timely, the equipment may not be available on the day of the hearing.

The Board expects lead counsel for each party to be present at the hearing, although lead or back-up counsel of record may make the presentation. If either party anticipates that its lead counsel will not attend the oral argument, the parties should initiate a joint telephone conference with the Board no later than two (2) business days prior to the oral hearing to discuss the matter.

The TPG Update provides further guidance regarding arguments at an oral hearing as follows:

No new evidence and arguments. During an oral hearing, a party may rely upon appropriate demonstrative exhibits as well as evidence that has been previously submitted in the proceeding, but may only present arguments relied upon in the papers previously submitted. Except in cases where the Board permits

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live testimony, no new evidence may be presented at the oral argument.

TPG Update 23.

In a pre-hearing conference call on Wednesday, August 30, 2018, the Board instructed the parties to be prepared to discuss, at least, the following issues:

1. Status of claims 1, 2, 13, 28, and 39 in view of Patent Owner's statutory disclaimer thereof and 37 C.F.R. § 42.73. *See Ex. 2007.*
2. The parties' mutual requests to terminate this proceeding in view of Patent Owner's statutory disclaimer of claims of claims 1, 2, 13, 28, and 39. *See Papers 14 ("PO Resp."), 15 ("Reply").*
3. Patent Owner's Motion to Strike Petitioner's Supplemental Reply and Petitioner's Opposition thereto. *See Papers 27, 32.*
4. Proper interpretation of "not revealing" in the claims at issue and any related teachings or suggestion of such in the prior art.

Accordingly, it is

ORDERED that oral argument will commence at 9:00 AM ET, on Thursday, September 6, 2018, on the ninth floor of Madison Building East, 600 Dulany Street, Alexandria, Virginia.

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