Paper 72

Date: December 26, 2013

### UNITED STATES PATENT AND TRADEMARK OFFICE

## BEFORE THE PATENT TRIAL AND APPEAL BOARD

# MICROSOFT CORPORATION, Petitioner,

v.

Patent of PROXYCONN, INC., Patent Owner.

Case No. IPR2012-00026 Case No. IPR2013-00109 Patent 6,757,717 B1

Held: November 18, 2013

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Before SALLY G. MEDLEY, THOMAS L. GIANNETTI, and MITCHELL G. WEATHERLY, *Administrative Patent Judges*.

1	ON BEHALF OF THE PETITIONER:
2	
3	JOHN D. VANDENBERG, ESQUIRE
4	Klarquist Sparkman, LLP
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8	
9	ON BEHALF OF THE PATENT OWNER:



10

1	GREG W. MEYER, ESQUIRE
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3	Harness, Dickey & Pierce, P.L.C.
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7	
8	The above-entitled matter came on for hearing on Monday, November
9	18, 2013, commencing at 10:00 a.m., at the U.S. Patent and Trademark
10	Office, 600 Dulany Street, Alexandria, Virginia.
11	
12 13	
14	PROCEEDINGS
15	
16	JUDGE GIANNETTI: Okay, good morning,
17	everyone. We're here for our final hearing in these cases,
18	and, Counsel, may I have your appearances, first for the
19	petitioner?
20	MR. VANDENBERG: Yes, good morning, Your
21	Honor, John Vandenberg of Klarquist Sparkman for
22	petitioner Microsoft Corporation, and with me is in-house
23	counsel, Stacey Kwan, from Microsoft Corporation.
24	JUDGE GIANNETTI: Good morning and
25	welcome. Patent owner?
26	MR. CUTLER: Good morning, Your Honor,
27	Matthew Cutler for patent owner ProxyConn, Inc., and
28	with me is my colleague, Bryan Wheelock from Harness
29	Dickey, and Greg W. Meyer from Harness Dickey as well.



- 1 JUDGE GIANNETTI: Good morning. And we
- 2 put out an order about the order of proceeding today. The
- 3 petitioner will start first. You each have an hour. The
- 4 petitioner will start first, followed by patent holder. You
- 5 can each reserve time for rebuttal. The rebuttal of the
- 6 patent owner will be limited to the motion to amend, but
- 7 you are expected to address in your initial time.
- 8 Anything further, any questions before we
- 9 proceed?
- 10 MR. VANDENBERG: No, Your Honor, if I may,
- 11 I would like to hand up, I have color printouts of our
- demonstrative Exhibit 1028, which is basically the slide
- deck that I hope to go through today, if I could hand up
- 14 three copies.
- 15 JUDGE GIANNETTI: That's fine, we've already
- seen it, we have looked at it from your submission, but if
- 17 you want to hand up copies, that's fine.
- MR. VANDENBERG: I don't plan on projecting
- 19 on the screen, so I wanted you to have the paper copy.
- 20 Three copies.
- 21 JUDGE GIANNETTI: Thank you,
- 22 Mr. Vandenberg.



- 1 MR. VANDENBERG: And counsel for patent
- 2 owner has copies of the same. I would like to reserve 30
- 3 minutes.
- 4 JUDGE GIANNETTI: So, you're starting at
- 5 10:05. So, that will bring you to 10:35, Mr. Vandenberg,
- 6 and you may proceed when you're ready.
- 7 MR. VANDENBERG: Thank you. May it please
- 8 the Board, I plan on going through verbally the points that
- 9 we have outlined in our slide deck, but, of course, I'm
- 10 happy to address any questions the Board has on any of the
- 11 grounds that we have asserted, any of the claims, any of
- 12 the prior art assertions.
- Turning to our slide deck, which is Exhibit 1028,
- 14 and slide number 2, just an overview, the prior art that we
- are asserting here really does address the same problem
- 16 and provides the same solution. So, what was the
- 17 problem?
- So, the problem is, if you have some sort of data
- 19 object, could be a file, could be something else, and you
- 20 have a local copy of that stored, perhaps cached, so you
- 21 have a local copy cached of the data object, but this data
- 22 object is dynamic. It's an object that could change in some
- 23 remote location.



- Take, for instance, my slide deck. I'm from
- 2 Oregon; my slide deck master version of the slide deck is
- 3 back in our offices in Portland. Let's say I'm working on
- 4 it in the hotel here in D.C., and let's say changes are being
- 5 made to it. I have a local copy of it on my laptop, and the
- 6 question is, you know, has it changed? How do I know
- 7 that the copy I have on my laptop in the hotel is up to
- 8 date?
- 9 And, of course, one could just download it again
- 10 every time you want to use it, but that could risk
- 11 redundant transmissions of the exact same data. So, that
- was the problem. Locally cached copy of dynamic data,
- 13 you want to know how do I know it's up to date, without
- 14 having unnecessary redundant transmissions.
- The solution, as set forth in slide 2, was the
- same in Perlman, in Yohe, in DRP, and in Santos, and then
- in the '717, and I've listed those in chronological order.
- 18 And the solution was for the sender, say my office back in
- 19 Portland, to, instead of sending the entire data object, the
- 20 entire slide deck, it sends a digest.
- For instance, an MD5 hash. It sends that to me
- 22 in my hotel. My laptop, my receiver, in D.C., the local
- 23 receiver, then compares that digest of the slide deck to the
- 24 digest of the slide deck that I have on my local copy. If



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