

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DROPBOX, INC.,
Petitioner,

v.

WHITSERVE LLC,
Patent Owner.

IPR2019-01018
Patent 8,812,437 B2

Before KALYAN K. DESHPANDE, MICHELLE N. WORMMEESTER,
and SCOTT RAEVSKY, *Administrative Patent Judges*.

WORMMEESTER, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Dropbox, Inc. (“Petitioner”) filed a Petition (Paper 3, “Pet.”) requesting *inter partes* review of claims 1–20 of U.S. Patent No. 8,812,437 B2 (Ex. 1001, “the ’437 patent”). WhitServe LLC (“Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). Under 35 U.S.C. § 314(a), an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” For the reasons that follow, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

II. BACKGROUND

A. *Related Matters*

The parties identify one related district court case, which Petitioner asserts has been dismissed. Paper 6, 2 (Patent Owner’s Submission of Mandatory Notice Information); Paper 7, 1 (Petitioner’s Updated Mandatory Notices). The parties also identify a second petition (*see* IPR2019-1019, Paper 2) requesting *inter partes* review of the same claims challenged here. Paper 7, 1; Prelim. Resp. 33.

B. *Asserted Grounds of Unpatentability*

Petitioner challenges claims 1–20 of the ’437 patent on the following grounds. Pet. 6, 17–61.

Claims Challenged	35 U.S.C. §	Reference(s)
1–5, 8, 10, 11, 13, 15, 16, 18–20	103	Amstein ¹
6, 7, 12, 14	103	Amstein, Chang ²
9, 17	103	Amstein, Elgamal ³

In support of its arguments, Petitioner relies on a Declaration of Dr. Todd Mowry (Ex. 1002). *See id.*

III. DISCUSSION

Discretionary Denial under 35 U.S.C. § 314(a)

In its Preliminary Response, Patent Owner argues that we should exercise our discretion under 35 U.S.C. § 314(a) to deny the instant Petition “because it is redundant to IPR2019-01019 in that the grounds in the other petition rely on the same primary reference (i.e., Amstein) as those presented herein.” Prelim. Resp. 34.

We subsequently issued an order in each proceeding, requiring that Petitioner provide a ranking of the two petitions that identifies the order in which it wishes the Board to consider the merits. Paper 10, 4–5. We further requested that Petitioner provide a succinct explanation of the differences between the petitions, why the differences are material, and why the Board should exercise its discretion to consider institution on both petitions. *See id.* Additionally, we authorized Patent Owner to respond. *Id.* Pursuant to our order, Petitioner filed a Notice Ranking Petitions (Paper 11, “Notice”), and Patent Owner filed a Response (Paper 12, “Response”).

¹ Amstein, U.S. Patent No. 5,793,966, issued Aug. 11, 1998 (Ex. 1013).

² Chang, U.S. Patent No. 6,219,700 B1, issued Apr. 17, 2001 (Ex. 1015).

³ Elgamal, U.S. Patent No. 5,657,390, issued Aug. 12, 1997 (Ex. 1016).

In its Notice, Petitioner ranks the petition in IPR2019-01019 first. Notice 5. In IPR2019-01019, we institute an *inter partes* review of claims 1–20 of the ’437 patent based on our conclusion that Petitioner has established a reasonable likelihood of prevailing in demonstrating the unpatentability of at least one challenged claim. Accordingly, all the challenged claims in both proceedings are subject to an *inter partes* review in IPR2019-01019.

Under § 314(a), the Director has discretion to deny institution of an *inter partes* review. See 37 C.F.R. § 42.4(a) (“The Board institutes the trial on behalf of the Director.”); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“[Section] 314(a) invests the Director with discretion on the question whether to institute review” (emphasis omitted)); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). In this context, the Office Patent Trial Practice Guide, July 2019 Update (“Trial Practice Guide Update”),⁴ states,

There may be other reasons besides the “follow-on” petition context where the “effect . . . 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,” 35 U.S.C. § 316(b), favors denying a petition even though some claims meet the threshold standards for institution under 35 U.S.C. §§ 314(a), 324(a).

Trial Practice Guide Update 25.

⁴ Available at <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trial-practice-guide-july-2019-update>.

Here, Petitioner argues that we should institute *inter partes* review on a second petition, namely, the instant Petition, because there are material differences between the two petitions. According to Petitioner, (1) the number and specificity of the claims require multiple petitions; (2) Patent Owner may dispute certain teachings of Amstein, the asserted primary reference in both cases; and (3) Patent Owner may dispute whether Mantha and Glenn, the asserted secondary references in IPR2019-01019, qualify as prior art. Notice 1–4. Petitioner further argues that denial of either petition based on the July 2019 Trial Practice Guide Update, which provides for the ranking of multiple petitions, would be unfair. *Id.* at 4–5; Trial Practice Guide Update 27–28. We address these arguments in turn.

A. Number and Specificity of Claims

Petitioner argues that “the number and specificity of the claims require multiple petitions to sufficiently address non-duplicative grounds.” Notice 2 (emphasis and capitalization omitted). Petitioner also asserts that “[t]he ’437 Patent includes 20 claims totaling 1418 words,” and further argues that, “[d]ue to the length and complexity of the claims, two petitions were required to sufficiently address the relevant issues.” *Id.* Patent Owner responds that this “justification is merely an unsupported conclusion and should be rejected” because “Petitioner does not give any explanation or analysis regarding the ‘[s]pecificity’ or ‘complexity’ of the claims.” Response 2. Patent Owner adds that “the ‘totaling 1418 words’ does not

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