UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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DROPBOX, INC.,
Petitioner,

v.

WHITSERVE LLC,
Patent Owner.

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IPR2019-01019
Patent 8,812,437 B2

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

RAEVSKY, *Administrative Patent Judge.*

JUDGMENT
Final Written Decision
Determining Some Challenged Claims Unpatentable
35 U.S.C. § 318(a)

I.   INTRODUCTION

Dropbox, Inc. ("Petitioner") filed a Petition (Paper 2, "Pet.") requesting an *inter partes* review of claims 1–20 (the "challenged claims") of U.S. Patent No. 8,812,437 B2 (Ex. 1101, "the '437 patent"). WhitServe LLC ("Patent Owner") filed a Preliminary Response. Paper 8 ("Prelim. Resp."). In view of those submissions, we instituted an *inter partes* review of claims 1–20. Paper 13 ("Decision"). Subsequent filings include a Patent Owner Response (Paper 18, "PO Resp."), a Petitioner Reply (Paper 20, "Pet. Reply" or "Reply"), and a Patent Owner Sur-Reply (Paper 23, "Sur-Reply"). An oral hearing was held on July 30, 2020, and a copy of the transcript was entered into the record. Paper 27.

We have jurisdiction over this proceeding under 35 U.S.C. § 6(b). After considering the evidence and arguments of the parties, we determine that Petitioner has proven by a preponderance of the evidence that claims 1, 3–10, and 12–20 of the '437 patent are unpatentable. *See* 35 U.S.C. § 316(e) (2018). We also determine that Petitioner has not proven by a preponderance of the evidence that claims 2 and 11 are unpatentable. We issue this Final Written Decision pursuant to 35 U.S.C. § 318(a).

II.   BACKGROUND

A. *Related Proceedings*

Petitioner and Patent Owner identify a related litigation involving the '437 patent: *WhitServe LLC v. Dropbox, Inc.*, No. 1:18-cv-00665 (D. Del.), filed May 1, 2018. Pet. 4; Paper 6, 2; Ex. 2102, 1. Petitioner also concurrently filed another *inter partes* review petition challenging claims of the '437 patent in IPR2019-01018, for which we denied institution. Pet. 4;

Dropbox, Inc. v. Whitserve LLC, IPR2019-01018, Paper 13 (PTAB Nov. 1, 2019).

B. *The '437 patent (Ex. 1101)*

The '437 patent concerns a system for onsite backup of internet-based data. Ex. 1101, Abstr. Figure 1 of the '437 patent is reproduced below.
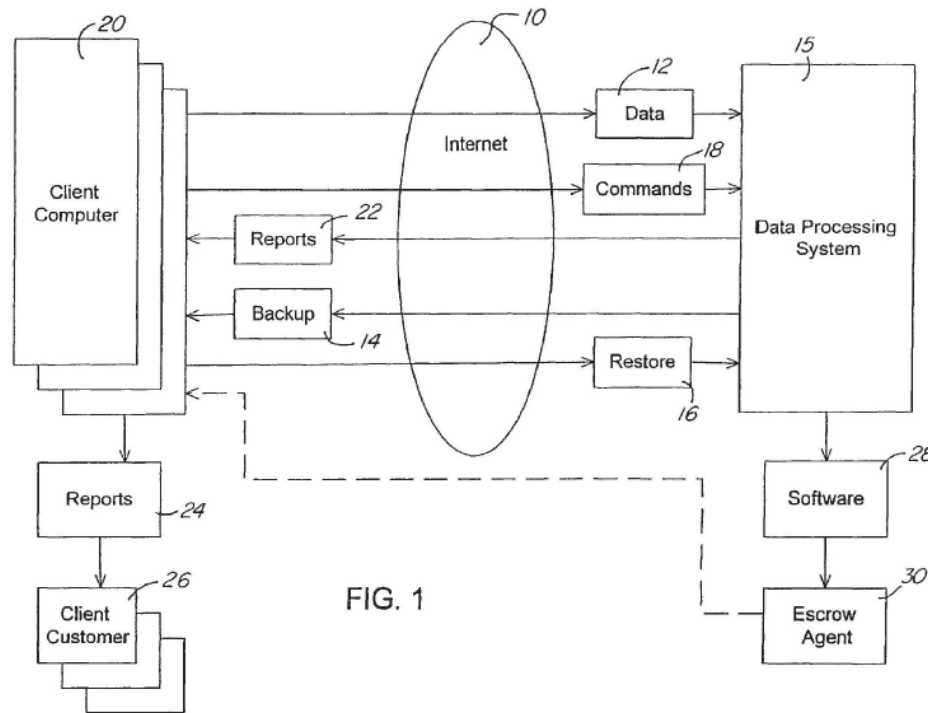

FIG. 1

Figure 1 illustrates an Internet-based data processing system providing backup on clients' sites. *Id.* at 2:34–35. In the system, client computer 20 and data processing system 15 are connected by Internet communications link 10. *Id.* at 2:35–37. Client computer 20 executes software, residing on data processing system 15, for storing data on the data processing system. *Id.* at 2:37–40. This software is for displaying, updating, and deleting data 12 stored on central data processing system 15. *Id.* at 2:40–43. Data processing system 15 transmits a copy 14 of stored data to client computer 20, which issues commands 18 for transmitting (restoring) data 16 back to data processing system 15. *Id.* at 2:43–46.

The '437 patent also discloses format conversion and encryption features with respect to Figure 4. *Id.* at 3:4–5. Figure 4 is reproduced below:
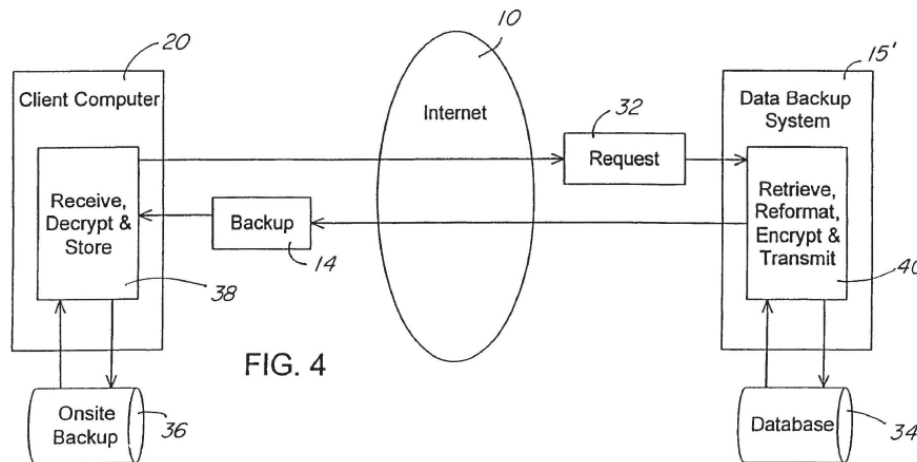

FIG. 4

Figure 4 illustrates format conversion and encryption features. *Id.* These features allow a client to back up data on-site that is securely stored in a plurality of formats the client may require. *Id.* at 3:6–8. Client computer 20 transmits request 32 to data backup system 15'. *Id.* at 3:8–9. Data backup system 15' accesses data stored on data backup system 34, reformats the data, encrypts the data, and transmits the data to client computer 20. *Id.* at 3:9–12. Client computer 20 receives, decrypts, and stores 38 the data onsite 36. *Id.* at 3:12–13.

C. Challenged Claims

The Petition challenges claims 1–20. Pet. 3. Claim 1 is illustrative of the challenged claims and is reproduced below.[1]

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[1] The numbering of the claim limitations in brackets are those that are provided in the Petition. *See* Pet. 17–39.

1.   [p] A system for onsite backup for third party internet-based data processing systems, comprising:

[a] a central computer managed by a third party and accessible by at least one client computer at a client site via the Internet for outsourced data processing;

[b] at least one database containing a plurality of data records accessible by said central computer, the data records including internet-based data modifiable over the Internet from the at least one client computer;

[c] a plurality of client identifiers, wherein each of the plurality of data records is associated with at least one of said client identifiers;

[d] data processing software executing on said central computer and managed by the third party for outsourcing data processing to the Internet from the at least one client computer, said data processing software displaying, updating and deleting the internet-based data in the plurality of data records according to instructions received over the Internet from the at least one client computer;

[e] software executing on said central computer to receive, via the Internet from the at least one client computer, a request for a backup copy of at least one of the plurality of data records including the internet-based data in the at least one of the plurality of data records that has been updated or deleted by said data processing software; and

[f] software executing on said central computer to transmit the backup copy of the at least one of the plurality of data records including the internet-based data in the at least one of the plurality of data records that has been updated or deleted by said data processing software to the client site for storage of the internet-based data from the at least one of the plurality of data records in an onsite location accessible via the at least one client computer.

Ex. 1101, 3:20–52.

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