UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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VMWARE, INC.,
Petitioner,

v.

INTELLECTUAL VENTURES I LLC,
Patent Owner.

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IPR2020-00470
Patent 7,949,752 B2

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Before THOMAS L. GIANNETTI, JENNIFER MEYER CHAGNON, and
JOHN R. KENNY, *Administrative Patent Judges.*

CHAGNON, *Administrative Patent Judge.*

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314, 37 C.F.R. § 42.4

I.   INTRODUCTION

VMware, Inc. ("Petitioner")[1] filed a Petition requesting *inter partes* review of claims 1–4, 6, 9–11, 13, 14, and 22–26 ("the challenged claims") of U.S. Patent No. 7,949,752 B2 (Ex. 1001, "the '752 patent"). Paper 1 ("Pet."). Intellectual Ventures I LLC ("Patent Owner") filed a Preliminary Response. Paper 7 ("Prelim. Resp."). Additionally, we granted Petitioner's request to file a reply to the Preliminary Response in order to address the factors laid out in our recent precedential Order in *Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv* Order") regarding the exercise of our discretion under 35 U.S.C. § 314(a). Paper 8. Petitioner filed a Reply (Paper 9) and Patent Owner, in turn, filed a Sur-reply (Paper 10).

We have authority to determine whether to institute an *inter partes* review under 35 U.S.C. § 314, which provides that an *inter partes* review may be instituted only upon a showing that "there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." 35 U.S.C. § 314(a). After considering the Petition, the Preliminary Response, and the evidence of record, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing with respect to at least one claim challenged in the Petition. Further, we decline to exercise discretion to deny institution under 35 U.S.C. § 314(a). Accordingly, we institute an *inter partes* review of all challenged claims of the '752 patent, based on all grounds identified in the Petition.

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[1] Petitioner states that VMware, Inc. is the real-party in interest in this proceeding. Pet. 1, 62. Petitioner also states that "VMware, Inc. is a majority-owned subsidiary of EMC Corporation which is a wholly-owned subsidiary of Dell Technologies Inc." *Id.*

The following findings of fact and conclusions of law are not final, but are made for the sole purpose of determining whether Petitioner meets the threshold for initiating review. Any final decision shall be based on the full trial record, including any response timely filed by Patent Owner. Any arguments not raised by Patent Owner in a timely-filed response may be deemed waived, even if they were presented in the Preliminary Response.

A. Related Proceedings

The parties identify *Intellectual Ventures I, LLC v. VMware, Inc.*, Case No. 1-19-cv-01075 (W.D. Tex.) (the "parallel proceeding") as a related matter involving the '752 patent. Pet. 62; Paper 4, 1.

The parties also identify *Intellectual Ventures I, LLC v. HCC Insurance Holdings, Inc.*, Case No. 6-15-cv-00660 (E.D. Tex.) as a dismissed matter involving the '752 patent. Pet. 62; Paper 4, 1. Additionally, the parties identify IPR2016-01431 as a dismissed *inter partes* review proceeding involving the '752 patent. Pet. 62; Paper 4, 1.

B. The '752 Patent

The '752 patent, titled "Network System Extensible by Users," was filed November 24, 2004,[2] and issued on May 24, 2011. Ex. 1001, codes (22), (45), (54). The '752 patent describes a "network system" that "users may extend or customize" through an agent system. *Id.* at 2:52–55. A

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[2] The '752 claims priority as a continuation of application No. 09/712,712, filed on Nov. 14, 2000, which is a continuation of application No. 09/178,366, filed on Oct. 23, 1998. Ex. 1001, code (63). The specific priority date of the challenged claims is not at issue in this proceeding, and we need not make any determination in this regard for purposes of this Decision.

network system provides, e.g., information technology services "such as electronic mail (e-mail), voice mail, electronic organizer (for appointments and/or addresses), online data retrieval (for, e.g., periodicals and stock quotes), and the like." *Id.* at 5:32–37, 43–45. The network system is extended or customized for a user such that "[e]ach service individually, or the network system as a whole, can be extended by adding agents." *Id.* at 2:54–59.

Figure 1, reproduced below, illustrates a network system that is customizable or extensible for users via agents. *Id.* at 3:51–52.

FIG. 1
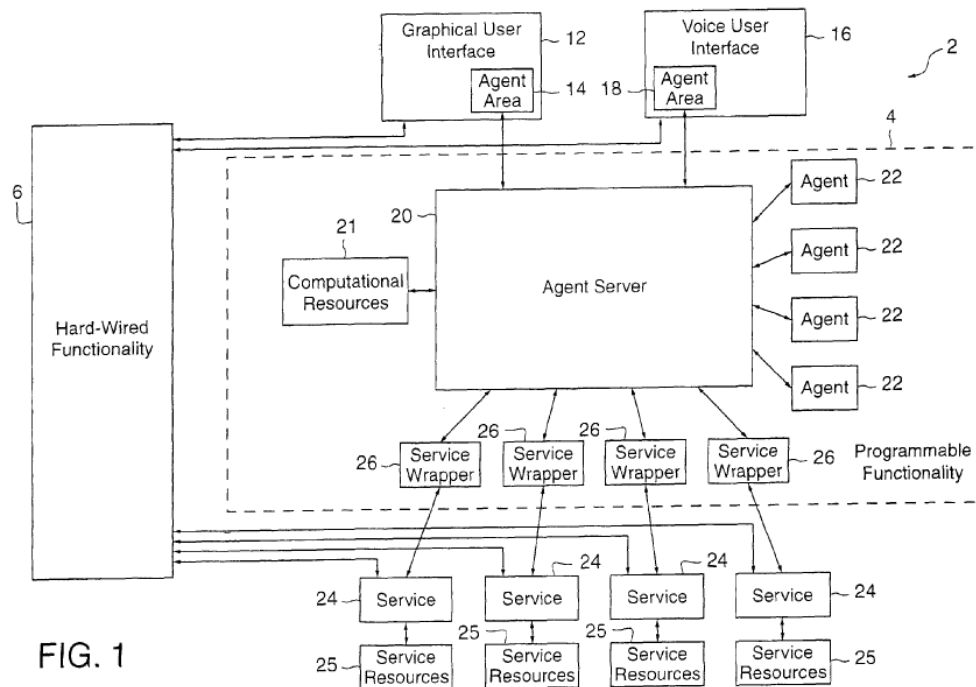
As shown in network system 2 of Figure 1, above, "agent server 20 controls, coordinates, and otherwise manages the overall operation of programmable functionality component 4" and, further, "may invoke, initiate, or execute various routines, processes, objects, and the like." *Id.* at 7:51–55. "For example, when a user wishes to interact with network system 2 via graphical user interface 12, agent server 20 may cause web pages to be downloaded to

an electronic user device." *Id.* at 7:55–58. Agent server 20 also "execut[es] agent objects," i.e., agents. *Id.* at 7:62–63; *see also id.* at 15:33–37 ("Agent objects 46 each correspond to a particular agent 22 of network system 2 (FIG. 1). Each agent object 46 can be an internal representation within agent server 20 for the corresponding agent 22. Agent objects 46 comprise software objects.").

Further, "each agent 22 is responsible for performing a particular task or set of tasks on behalf of the respective principal," e.g., "answering telephone calls, taking voice mail messages, placing telephone calls, notifying the user of recently received messages (voice mail and/or e-mail), delivering messages, setting up meetings/appointments, gathering information, negotiating deals, transacting electronic commerce, etc." *Id.* at 8:56–64. During execution of the agent, the agent "begins to receive events [and can] handle these events." *Id.* at 10:9–11. The agent includes event handlers component 58; an event handler includes "a routine for handling an event of a specified type," e.g., "events can be the lapse of a previously specified amount of time or the delivery of an e-mail message." *Id.* at 18:22–28. An event can be "identified by a uniform resource locator (URL) which . . . specifies both the event's type and the agent 22 which is [the] event's intended recipient." *Id.* at 18:29–32.

In an "exemplary operation for agent server 20," an agent "is responsible for waking up its principal at a certain time each weekday morning," the wake up time constituting an event. *Id.* at 16:9–14. Upon the event's occurrence, agent server 20 includes an "engine 42 [which] executes the particular agent object 46." *Id.* at 16:13–15; *see id.* at 15:14–19. "When this agent object 46 is executed, the corresponding agent 22 (using the

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