

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESO LT, UAB; CODE200, UAB; METACLUSTER LT, UAB;
AND OXYSALES, UAB,
Petitioner,

v.

LUMINATI NETWORKS LTD.,
Patent Owner.

IPR2021-00249
Patent 10,637,968 B2

Before THOMAS L. GIANNETTI, SHEILA F. McSHANE, and
RUSSELL E. CASS, *Administrative Patent Judges*.

McSHANE, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. *Background and Summary*

Teso LT, UAB, Code200, UAB, Metacluster LT, UAB, and Oxysales, UAB (“Teso” or “Petitioner”)¹ filed a Petition requesting *inter partes* review of claims 1, 2, 8, 9, 11–18, 24, and 26–28 of U.S. Patent No. 10,637,968 B2 (Ex. 1001, “the ’968 patent”), along with the supporting Declaration of Michael Freedman, Ph.D. Paper 5 (“Pet.”); Ex. 1011. Luminati Networks Ltd. (“Luminati” or “Patent Owner”) filed a Preliminary Response to the Petition. Paper 10 (“Prelim. Resp.”).

We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . the information presented in the petition . . . shows that 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.

B. *Related Matters*

The parties identify the related litigations, *Luminati Networks Ltd. v. Code200, UAB*, 2:19-cv-00396-JRG (E.D. Tex.) (“the 396 district court case”), *Luminati Networks, Ltd. v. NetNut, Ltd.*, 2:20-cv-00188-JRG (E.D. Tex.), and *Luminati Networks Ltd. v. Tefincom S.A. D/B/A NordVPN*, 2:19-cv-00414-JRG (E.D. Tex.). Pet. 2; Paper 7, 2–3.

The parties note that another petition was filed in IPR2020-01266 (now denied), directed to U.S. Patent No. 10,257,319, which claims the

¹ Petitioner additionally identifies coretech lt, UAB as a real party-in-interest. Pet. 1.

benefit of the same provisional application and is a continuation of the same application as the '968 patent. Pet. 1; Paper 7, 2. The parties note that another petition was filed in IPR2020-01358 (now denied) that asserted challenges to U.S. Patent No. 10,484,510, which claims the benefit of the same provisional application and is a continuation of the same application as the '968 patent. Pet. 1–2; Paper 7, 3. The parties additionally note that another petition was filed in IPR2021-00122 (now denied) that asserted challenges to U.S. Patent No. 10,484,511, which claims the benefit of the same provisional, and is a continuation of the same application as the '968 patent. Pet. 2; Paper 7, 3.

C. The '968 Patent

The '968 patent is titled “System Providing Faster and More Efficient Data Communication” and issued on April 28, 2010, from an application filed on April 28, 2019. Ex. 1001, codes (22), (45), (54). The application for the '968 patent is a continuation of several applications, and other related applications include a divisional application and a provisional application. *See id.* at code (60).

The '968 patent is directed to a system and method for increasing network communication speed for users, while lowering network congestion for content owners and internet service providers (ISPs). Ex. 1001, code (57). The system employs network elements including an acceleration server, clients, agents, and peers, where communication requests generated by applications are intercepted by the client on the same machine. *Id.* The IP address of the server in the communication request is transmitted to the acceleration server, which provides a list of agents to use for this IP address. *Id.*

The communication request is sent to the agents. Ex. 1001, code (57). One or more of the agents respond with a list of peers that have previously seen some or all of the content which is the response to this request (after checking whether this data is still valid). *Id.* The client then downloads the data from these peers in parts and in parallel, thereby speeding up the Web transfer, releasing congestion from the Web by fetching the information from multiple sources, and relieving traffic from Web servers by offloading the data transfers from them to nearby peers. *Id.*

Challenged claim 1 is the only independent claim of the '968 patent. Claim 1 is reproduced below.

1. A method for use with a requesting client device that comprises an Hypertext Transfer Protocol (HTTP) or Hypertext Transfer Protocol Secure (HTTPS) client, for use with a first web server that is a HTTP or HTTPS server that respectively responds to HTTP or HTTPS requests and stores a first content identified by a first content identifier, for use with a second server distinct from the first web server and identified in the Internet by a second IP address, and for use with a list of IP addresses, the method comprising:

identifying, by the requesting client device, an HTTP or HTTPS request for the first content;

selecting, by the requesting client device, an IP address from the list;

sending, by the requesting client device, to the second server using the second IP address over the Internet in response to the identifying and the selecting, the first content identifier and the selected IP address; and

receiving, by the requesting client device, over the Internet in response to the sending, from the second server using the selected IP address, the first content.

Ex. 1001, 19:16–35.

D. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims of the '968 patent on the following grounds:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 2, 13–17, 26–28	102(b) ²	MorphMix ³
1, 2, 8, 9, 11–18, 26–28	103(a)	MorphMix, RFC 2616 ⁴
1, 2, 8, 9, 11, 12, 15–18, 24, 26–28	103(a)	Cottrell ⁵ , RFC 2616

Pet. 5.

II. DISCRETIONARY DENIAL UNDER § 314(a)

A. Overview

Patent Owner requests that we exercise our discretion under 35 U.S.C. § 314(a) to deny the Petition under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). Prelim. Resp. 1–14.

In assessing whether to exercise such discretion, the Board weighs the following factors:

² The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. §§ 102 and 103, effective March 16, 2013. Because the '968 patent claims priority to a provisional application that was filed before this date, with Petitioner not contesting that priority, the pre-AIA versions of §§ 102 and 103 apply. *See* Ex. 1001, code (60); Pet. 10.

³ Marc Rennhard, MorphMix — A Peer-to-Peer-based System for Anonymous Internet Access (2004) (Ph.D. dissertation, published by ETH Zurich Research Collection) (Ex. 1013).

⁴ Hypertext Transfer Protocol—HTTP/1.1, Network Working Group, RFC 2616, The Internet Society, 1999 (Ex. 1012).

⁵ U.S. Patent Application No. 2008/0196098 A1, published August 14, 2008 (Ex. 1017).

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