U.S. Patent No. 10,257,319 *Inter Partes* Review Petitioners' Motion to Terminate and Dismiss Petition

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CODE200, UAB; TESO LT, UAB; METACLUSTER LT, UAB; OXYSALES, UAB; AND CORETECH LT, UAB, Petitioners,

v.

BRIGHT DATA LTD., Patent Owner.

Inter Partes Review No. IPR2023-00038 Patent No. 10,257,319

PETITIONERS' UNOPPOSED MOTION TO TERMINATE AND DISMISS *INTER PARTES* REVIEW OF U.S. PATENT 10,257,319

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I. INTRODUCTION

The Board authorized Petitioners Code200, UAB, Teso LT, UAB, Metacluster LT, UAB, Oxysales, UAB, and coretech LT UAB (collectively, "Petitioners") to file the present motion to dismiss the IPR petition and terminate IPR2023-00038 regarding U.S. Patent No. 10,257,319 (the "319 patent"). Patent Owner does not oppose this Motion.

The present petition is substantively identical to IPR2021-01492 (the "NetNut IPR") challenging the same patent on the same grounds, which the Board instituted and to which Petitioners were joined.¹ Patent Owner filed a Request for Rehearing of the Board's joinder decision, and the Board recently denied that request. IPR2022-00861, Paper 25.

As such, Petitioners and Patent Owner are presently parties to two IPRs challenging the same patent on the same grounds. The present petition is in its

¹ When Petitioners filed the instant petition, the Board had not joined Petitioners to the NetNut IPR. Once the Board joined Petitioners to the NetNut IPR, Petitioners advised Patent Owner of Petitioners' intention to seek dismissal of the instant IPR. Patent Owner originally opposed dismissal, in view of its Motion for Rehearing in the NetNut IPR. With its Motion for Rehearing in the NetNut IPR denied, Patent Owner no longer opposes the instant motion to dismiss.

preliminary phase. Patent Owner has not filed a Preliminary Response and the Board has yet to reach the merits and issue a decision on institution. In interest of judicial economy and to conserve the parties' and the Board's resources, Petitioners move to terminate the present petition and dismiss IPR2023-00038, as the present petition and IPR2023-00038 are no longer necessary in view of the NetNut IPR, in which Petitioners are now lead petitioners.

II. BACKGROUND AND PROCEDURAL HISTORY

A. Related Litigation

Patent Owner asserts claims 1 and 26 of the '319 patent against Teso LT, UAB, Metacluster LT, UAB, and Oxysales, UAB (collectively, "Oxylabs")² in a lawsuit styled *Bright Data Ltd. v. Teso LT, UAB et al.*, 2:19-cv-00395-JRG (E.D. Tex.) filed on December 6, 2019 (the "District Court Action"). The jury returned a verdict answering "no" to the question "[d]id Oxylabs prove by clear and convincing evidence any of the following Asserted Claims [1 and 26] are invalid?" *See* Ex. 1024, District Court Action, Jury Verdict Form, ECF No. 516 at 5.

² Certain of the Petitioners recently underwent a reorganization whereby Metacluster LT, UAB and Oxysales, UAB were merged into Teso LT, UAB and Teso LT, UAB changed its name to Oxylabs, UAB.

On December 15, 2021, the district court stayed the District Court Action to allow for mediation. Ex. 1026, ECF No. 543. On September 21, 2022, the district court lifted the stay after mediations ended in impasse. Ex. 1027, ECF No. 601. The district court has not yet entered a post-verdict scheduling order.

B. Inter Partes Reviews

Previously, Petitioners filed a petition styled *Code200, UAB, et al. v. Luminati Networks Ltd.* [now Bright Data Ltd.], IPR2020-01266 (the "First Code200 IPR") on July 14, 2020, challenging certain claims of the '319 patent. *See* First Code200 IPR, Paper 5. On December 23, 2020, the Board denied the First Code200 Petition solely based on discretionary grounds in view of the pending District Court Action. *See id.*, Paper 18 (citing *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020)).

Following the discretionary denial of the First Code200 Petition, on October 7, 2021, Teso LT, UAB requested *Ex Parte* Reexamination of the '319 patent, EPR No. 90/014,875 (the "'319 EPR"). On November 12, 2021, the Patent Office found a substantial new question of patentability with respect to the challenged claims. On March 25, 2022, the Patent Office issued a Non-Final Office Action rejecting those claims. Ex. 1029. On April 7, 2022, the PTAB stayed the '319 EPR pending the termination or completion of IPR2021-01492 (the "NetNut IPR," discussed directly below). *See* NetNut IPR, Paper 14.

On September 3, 2021, NetNut Ltd. filed the NetNut IPR, requesting cancellation of certain claims of the '319 patent. *See* NetNut IPR, Paper 2. On March 21, 2022, the Board instituted the NetNut IPR as to all challenged claims and entered a Scheduling Order. *Id.*, Papers 12 and 13. Petitioners in the present Petition filed a petition and motion for joinder to the NetNut IPR. *See* IPR2022-00861 ("Second Code200 IPR"), Paper 7.

On July 25, 2022, the Board denied institution of the Second Code200 IPR and denied joinder with the NetNut IPR. Second Code200 IPR, Paper 16. The Board determined that the factors articulated in *General Plastic* weighed in favor of exercising discretion to deny institution under 35 U.S.C. § 314(a). *Id.* at 10-11. On August 23, 2022, Director Vidal *sua sponte* vacated the Board's decision denying institution of the Second Code200 IPR and remanded to the Board for further proceedings. NetNut IPR, Paper 18 ("Vidal Dec."). The Board then granted Petitioners' Motion for Joinder and instituted the Petition on October 19, 2022. *See* Second Code200 IPR, Paper 19. Patent Owner filed a Request for Rehearing (Paper 22), which the Board recently denied. *Id.*, Paper 25.

On November 3, 2021, The Data Company Technologies Inc. filed a petition for IPR challenging certain claims of the '319 patent based on prior art not cited in the present IPR. *See* IPR2022-00135 ("TDC IPR"), Paper 2. The Board instituted the TDC IPR on June 1, 2022. *Id.*, Paper 12. Petitioners filed IPR2022-01109 (the

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