

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NetApp, Inc.
Petitioner,

v.

PERSONALWEB TECHNOLOGIES, LLC
Patent Owner.

Case IPR2013-00319 (JYC)
Patent 5,978,791

Before KEVIN F. TURNER, JONI Y. CHANG, and
MICHAEL R. ZECHER, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108

INTRODUCTION

NetApp, Inc. (“NetApp”) filed a petition requesting an *inter partes* review of claims 1-3, 29, and 35 of U.S. Patent 5,978,791 (“the ’791 patent”) (Paper 2, “Pet.”), and a motion for joinder with IPR2013-00082 (Paper 5, “Mot.”).¹ In response, PersonalWeb Technologies LLC (“PersonalWeb”) filed a patent owner preliminary response. (Paper 17, “Prel. Resp.”)

We have jurisdiction under 35 U.S.C. § 314. For the reasons set forth below, the Board, acting on behalf of the Director, denies the petition filed by NetApp.

A. Related Proceedings

NetApp indicates that its petition is a second petition for *inter partes* review of the ’791 patent, and the first petition was filed by EMC Corporation and VM Ware, Inc. (collectively “EMC”) on December 15, 2012 (IPR2013-00082). (Pet. 1.)

Five other related *inter partes* reviews are currently pending before the Board—namely IPR2013-00083, IPR2013-00084, IPR2013-00085, IPR2013-00086, and IPR2013-00087.

NetApp also identifies nineteen related district court litigations. (Pet. 1-3.) For instance, the ’791 patent is the subject of litigation styled *PersonalWeb Technologies LLC v. EMC Corporation and VMware, Inc.*, No 6:11-cv-00660-LED (E.D. Tex.). (IPR2013-00082, Pet. 1.)

¹ The motion for joinder has been decided in a separate decision. (Paper 18.)

B. The '791 Patent

The invention of the '791 patent relates to a data processing system that identifies data items using substantially unique identifiers, otherwise referred to as True Names, which depend on all the data in the data item and only on the data in the data item. Ex. 1001, Spec. 1:14-18, 3:29-32, and 6:6-10. According to the '791 patent, the identity of a data item depends only on the data and is independent of the data item's name, origin, location, address, or other information not directly derivable from the data associated therewith. Ex. 1001, Spec. 3:33-35. The invention of the '791 patent also examines the identities of a plurality of data items in order to determine whether a particular data item is present in the data processing system. Ex. 1001, Spec. 3:36-39.

C. Illustrative Claim

Independent claim 35 is illustrative:

35. A method for determining whether a particular data item is present in a data processing system, the method comprising:

(A) for each data item of a plurality of data items present in the system,

(i) determining a substantially unique identifier for the data item, the identifier depending on and being determined using all of the data in the data item and only the data in the data item, whereby two identical data items in the system will have the same identifier; and

(ii) making and maintaining a set of identifiers of the plurality of data items; and

(B) for the particular data item,

(i) determining a particular substantially unique identifier for the data item, the identifier depending on and being determined using all of the

data in the data item and only the data in the data item, whereby two identical data items in the system will have the same identifier; and
(ii) determining whether the particular identifier is in the set of data items.

D. Prior Art Relied Upon

NetApp relies upon the following prior art reference:

Woodhill et al. US 5,649,196 July 15, 1997 Ex. 1002

E. Alleged Grounds of Unpatentability

NetApp seeks to have claims 1-3, 29, and 35 of the '791 patent cancelled based on the following alleged grounds of unpatentability:

1. Claims 1-3, 29, and 35 as anticipated under U.S.C. § 102(e) by Woodhill.
2. Claims 1-3, 29, and 35 as unpatentable under 35 U.S.C. § 103(a) over Woodhill.

DISCUSSION

NetApp argues that the one-year bar under 35 U.S.C. § 315(b) does not apply to its petition because the petition was filed with a request for joinder under 35 U.S.C. § 315(c). (Pet. 4.) In response, PersonalWeb contends that NetApp's petition and request for joinder should be denied because, according to PersonalWeb, "an IPR petition filed more than one year after the petitioner was served with a complaint alleging infringement of the patent is barred" and "not properly filed as required by § 315(c)." (Prel. Resp. 3-7;) PersonalWeb points out that NetApp was served with a complaint alleging infringement of the '791 patent on December 16, 2011, which is more than one year before NetApp filed its petition. (Prel. Resp. 3 citing to Ex. 1014, ¶ 3 and Ex. 2001.)

As an initial matter, we decline to adopt PersonalWeb’s statutory interpretation, as it would render the last sentence of 35 U.S.C. § 315(b) meaningless. Indeed, PersonalWeb’s statutory construction erroneously incorporates the one-year bar set forth in the first sentence of 35 U.S.C. § 315(b) into the statutory language of 35 U.S.C. § 315(c)—“any person who properly files a petition under *section 311*” (emphasis added). Under PersonalWeb’s interpretation, no party served with a complaint more than one year beforehand, even one who files an identical petition as the first petition, accompanied by a request for joinder, could ever join with an instituted review. Such an interpretation ignores the last sentence of 35 U.S.C. § 315(b) and the legislative history. *See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (“The Office anticipates that joinder will be allowed as of right—if an *inter partes* review is instituted on the basis of a petition, for example, a party that files an identical petition will be joined to that proceeding. . .”).

In any event, we decide not to institute an *inter partes* review based on NetApp’s petition, which introduces a new challenged claim, independent claim 35, and additional unpatentability issues beyond those in IPR2013-00082. Accompanying its petition, NetApp filed a motion requesting joinder of the instant proceeding with IPR2013-00082. (Mot. 2.) Upon consideration of NetApp’s motion for joinder and PersonalWeb’s opposition, the Board, in a separate decision, denies NetApp’s motion for joinder. (Paper 18.) Notably, as we discussed in that decision, NetApp has not demonstrated that its need for a cost-effective alternative to district court litigation outweighs the impact of joinder, including the burden and prejudice to the other parties in light of the new

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challenged claim and additional substantive issues. (*Id.* at 5-9.) NetApp also fails to establish that joinder would promote efficient resolution of the unpatentability issues without substantially affecting the schedule for IPR2013-00082 and the five related *inter partes* reviews. (*Id.* at 7-9.)

Based on the record before us, exercising our discretion under 35 U.S.C. § 314 and 37 C.F.R. § 42.108(b), we decline to institute an *inter partes* review in the instant proceeding.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that NetApp's petition is *denied* as to all challenged claims and no trial based on NetApp's petition is instituted.

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