

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Microsoft Corporation
Petitioner,

v.

SurfCast, Inc.
Patent Owner

Patent No. 6,724,403

Issued: April 20, 2004

Filed: October 30, 2000

Inventor: Ovid Santoro et al.

Title: SYSTEM AND METHOD FOR SIMULTANEOUS DISPLAY OF
INFORMATION SOURCES

Inter Partes Review Nos. IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

**PETITIONER MICROSOFT CORPORATION'S REPLY IN SUPPORT OF
ITS MOTION TO EXCLUDE**

A. SurfCast's Expert Did Not Use the Board's Claim Construction

Patent Owner suggests its testimony based on irrelevant claim constructions might be relevant in the future because the Board's constructions are only "interim." Opp. at 1-2.¹ But this trial includes only the grounds instituted by the Board, not what may happen in the future. Moreover, Patent Owner did not seek rehearing of the Board's constructions and has abandoned many of its claim constructions in its formal Response. *See* Paper 27 at 2-27. Therefore, paragraphs 29, 44, 54, 92, 103-104, 119-120, 136-137 of Ex. 2004 are irrelevant and should be excluded.²

B. Improper Objections and Redactions Due to Privilege

Patent Owner also contends that "the redactions in Exhibits 2035, 2049, and 2050 are unrelated to the portions documents [*sic*] upon which Patent Owner relies" and that it "placed no reliance on the redacted portions of any exhibit." *See* Opp. at 3-5. Both assertions are irrelevant. Petitioner was entitled to review the

¹ Patent Owner also complains that Petitioner's objections to its evidence should have been more extensive, Opp. at 1, 8, but the rules require only an identification of the grounds of the objection, which were provided. *See* 37 C.F.R. 42.64(b)(1).

² Patent Owner also incorrectly claims Petitioner's "sole" objection was Mr. Weadock's observation in Ex. 2004, ¶ 44 that he disagreed with the Board's constructions. In reality, Petitioner meticulously identified the paragraphs in Ex. 2004 that offer opinions based on non-adopted claim constructions. Motion at 1-2.

IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

entirety of each of the documents that were proffered as evidence and make its own decision about their possible relevance. *See, e.g.*, F.R.E. 106. In reality, Patent Owner is attempting to rely on Dr. Bone's extensively redacted log-book to establish diligence without permitting Petitioner to fairly and fully question Dr. Bone about that exhibit. This is precisely what the rule of completeness was intended to prevent. The exhibits and the related testimony should be excluded.

Patent Owner also argues the dates of documents used to establish conception need not be disclosed because Inventor Santoro in his declaration has stated the dates are prior to the filing of Duhault II. *See* Opp. at 5. Patent Owner relies on MPEP § 715.07(II) for this proposition, but that provision concerns *ex parte* proceedings, in which the Examiner has the statutory authority to test the evidence presented by the applicant. In contested proceedings, such as an IPR, the opposing party must be able to test the evidence directly through a deposition or additional discovery. Those efforts have been foreclosed by Patent Owner's decision to redact the documents. Patent Owner cannot simultaneously shield discovery about its conception evidence and use the same *untested* evidence to support its conception argument. Finally, Patent Owner makes the incredible argument that because these exhibits are in evidence in parallel litigation in the District of Maine, that somehow cures the deficiencies with this evidence in these proceedings. It does not; the record in Maine is not before the Board. The Board should exclude this evidence.

C. Uncorroborated and Speculative Diligence Testimony

Patent Owner insists Dr. Bone's testimony does not require corroboration

IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

because Dr. Bone was not an interested party at the time his log-book entries were made, *see* Opp. at 7. That is irrelevant – Patent Owner does not dispute Dr. Bone is an interested party *now*, or that his testimony was proffered when he was an interested party. Because of his financial interest in the outcome of these proceedings, Dr. Bone’s testimony required corroboration. *See Lacks Indus., Inc. v. McKechnie Vehicle Components USA, Inc.*, 322 F. 3d 1335, 1350 (Fed. Cir. 2003). There was none, and his testimony must therefore be excluded.

D. Outside the Scope of a Proper Reply

Because a motion to amend side-steps the usual examination process, *see* IPR2013-00033, Paper No. 122 at 54, it is imperative that any evidence proffered in support of claim amendments be presented in the initial motion to enable Petitioner to respond. By not timely presenting its evidence, Patent Owner seeks to avoid the usual examination process and also the process substituting for such examination in these proceedings. That prejudices both the Board and Petitioner. Accordingly, the belatedly provided evidence should be excluded.³

E. Additional Irrelevant Evidence

Patent Owner’s remaining arguments are without merit. First, Patent Owner has failed to show that Ex. 2004, ¶ 114 and Ex. 2081, ¶ 65, relating to some unknown version of Active Desktop software, is relevant to what is literally described in the MSIE Kit publication. Opp. at 11-12. Patent Owner dismisses

³ *See* note 1, *supra*. Petitioner also notes that it has not “dropped” any allegations relating to the deficiencies of the Motion to Amend. *See* Opp. at 10 n.2.

IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

this point, and then for first time in this proceeding contends MSIE Kit is not an enabling reference. Opp. at 12. Patent Owner's belated and baseless challenge to MSIE Kit must be disregarded, and its failure to demonstrate the relevance of Ex. 2004, ¶ 114 and Ex. 2081, ¶ 65 mandates exclusion of these exhibits.

Next, Patent Owner objects to the exclusion of Exhibits 2004, 2063 and 2081 relating to "desktop replacement" concepts. Opp. at 12. What is required (or not) for a "desktop replacement" or to "run" an application is not relevant to any issue in these proceedings, since neither the claims nor the claim constructions include or rely on these concepts.

Petitioner also objected to Ex. 2081 ¶ 68 (stating MSIE Kit "would sacrifice many of the benefits of the invention") as being irrelevant. In response, Patent Owner argues that what a reference may teach about how to "practice in a way that is distinct for [*sic*] what is required by Patent Owner's claims" is somehow relevant to obviousness. Opp. at 13. Because the claims at issue do not require the putative benefits described in Ex. 2081, ¶ 68, not realizing those "benefits" would not distinguish the prior art from the claimed invention. Patent Owner's argument that Ex. 2088 is relevant because it "corroborates" its views about MSIE Kit similarly fail; MSIE Kit as a reference stands on its own, and the testimony in Ex. 2088 does not relate to MSIE Kit.

As to Patent Owner's suggestion that its expert's belated testimony that one sentence in the specification "indicates" written description support for calling an application program, Opp. at 14, Petitioner observes that the expert agreed that the cited sentence "doesn't say anything about how an application program is called."

IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

Ex. 2077 at p. 18 (63:4-7). His testimony that it “indicates” as much can therefore only be interpreted to mean that the claim language would have been obvious from the specification, which is irrelevant. *See Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1571-72 (Fed. Cir. 1997).

Finally, Patent Owner has failed to show that Exs. 2051, 2052, and 2065 are anything but hearsay or were not created by SurfCast counsel for purposes of this proceeding. They should be excluded.

F. Daubert

Petitioner reiterates that Mr. Weadock’s testimony does not meet the standard set for expert testimony by F.R.E. 702, and Patent Owner’s response does not even attempt to show that Mr. Weadock’s testimony is the result of “the same level of intellectual rigor that characterizes the practice of an expert in the relevant field.” *See Kumho Tire Co. v. Carmichael*, 526 U.S. 137, 152 (1999). His testimony should therefore be excluded.

CONCLUSION

Based on the reasons provided above, the Board should grant Microsoft’s Motion to Exclude.

Dated: June 13, 2014

Respectfully Submitted,

/Jeffrey P. Kushan/
Jeffrey P. Kushan (Reg No. 43,401)
Sidley Austin LLP
1501 K Street NW
Washington, DC 20005
jkushan@sidley.com
Attorney for Petitioner

IPR2013-00292, IPR2013-00293,
IPR2013-00294, and IPR2013-00295

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of June, 2014, a copy of **Petitioner Microsoft Corporation's Reply in Support of its Motion to Exclude** has been served in its entirety by e-mail on the following counsel of record for Patent Owner, per 37 C.F.R. § 42.6(e)(4)(ii):

Richard G. A. Bone (Lead Counsel)

RBone@VLPLawGroup.com;

Patents@VLPLawGroup.com

James M. Heintz (Backup Counsel)

292_IPR_DLAteam@dlapiper.com

Dated: June 13, 2014

Respectfully submitted,

/Jeffrey P. Kushan/

Jeffrey P. Kushan

Reg. No. 43,401