Trials@uspto.gov
571-272-7822

Paper 7
Entered: March 29, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PALO ALTO NETWORKS, INC.,
Petitioner,

v.

FINJAN, INC.,
Patent Owner.

Case IPR2015-01999
Patent 7,058,822 B2

Before, THOMAS L. GIANNETTI, MIRIAM L. QUINN, and PATRICK M. BOUCHER *Administrative Patent Judges.*

QUINN, *Administrative Patent Judge.*

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108; 35 U.S.C. § 325 (d)

Palo Alto Networks, Inc. ("Petitioner") filed a Petition to institute *inter partes* review of claims 1, 4–6, 8, 9, 12, 16–20, 22, 24, and 27 of U.S. Patent No. 7,058,822 B2 ("the '822 patent") pursuant to 35 U.S.C. § 311–319. Paper 1 ("Pet."). Finjan, Inc. ("Patent Owner") timely filed a Preliminary Response. Paper 6 ("Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314.

For the reasons that follow, we *deny* the Petition.

I. BACKGROUND

A. RELATED MATTERS

Petitioner identifies the patent-at-issue as the subject matter of various district court cases filed in the U.S. District Courts for the Northern District of California (Case Nos. 3:14-cv-04908, 5:14-cv-02998, and 3:13-cv-05808) and District of Delaware (1:06-cv-00369). Pet. 2. Petitioner also states that petitions for *inter partes* review have been filed regarding patents at issue in the foregoing district court cases. *Id.*

More importantly, certain claims of the '822 patent are undergoing *ex parte* reexamination. *Id.* at 13; Ex. 1023. The final rejection of the claims undergoing reexamination was appealed to the Board, and the Board has issued a Decision on Appeal, dated December 30, 2015, reversing the Examiner's decision rejecting claims 1–8, 16–27, 37, and 40, and affirming the Examiner's decision rejecting claims 36, 38, and 39. *See* Ex. 2002. The details of the reexamination proceeding and subsequent appeal will be discussed in more detail below.

B. THE '822 PATENT (EX. 1001)

The '822 patent relates to a system and a method for protecting network-connectable devices from undesirable downloadable operation. Ex. 1001, 1:26–29. The patent describes that "Downloadable information comprising program code can include distributable components (e.g. Java™ applets and JavaScript scripts, ActiveX™ controls, Visual Basic, add-ins and/or others)." *Id.* at 1:57–61. Protecting against only some distributable components does not protect against application programs, Trojan horses, or zip or meta files, which are other types of Downloadable Information. *Id.* at 1:61–66. The '822 patent "enables more reliable protection." *Id.* at 2:25. According to the Summary of the Invention,

> In one aspect, embodiments of the invention provide for determining, within one or more network "servers" (e.g. fire[w]alls, resources, gateways, email relays or other devices/processes that are capable of receiving-and-transferring a Downloadable) whether received information includes executable code (and is a "Downloadable"). Embodiments also provide for delivering static, configurable and/or extensible remotely operable protection policies to a Downloadable-destination, more typically as a sandboxed package including the mobile protection code, downloadable policies and one or more received Downloadables. Further client-based or remote protection code/policies can also be utilized in a distributed manner. Embodiments also provide for causing the mobile protection code to be executed within a Downloadable-destination in a manner that enables various Downloadable operations to be detected, intercepted or further responded to via protection operations. Additional server/information-destination device security or other protection is also enabled, among still further aspects.

Id. at 2:37–55.

C. ILLUSTRATIVE CLAIM

Challenged claims 1, 4, 9, 12, and 16 are independent, and illustrative claim 4 is reproduced below.

> 4. A processor-based method, comprising:
> receiving downloadable-information;
> determining whether the downloadable-information includes executable code; and
> causing mobile protection code to be communicated to at least one information-destination of the downloadable-information, if the downloadable-information is determined to include executable code,
> wherein the causing mobile protection code to be communicated comprises forming a sandboxed package including the mobile protection code and the downloadable-information, and causing the sandboxed package to be communicated to at least one information-destination.

D. ASSERTED GROUNDS OF UNPATENTABILITY

Petitioner challenges claims 1, 4–6, 8, 9, 12, 16–20, 22, 24, and 27 on the following grounds:

Reference(s)	Basis	Challenged Claim(s)
Shin[1]	§ 102	4
Shin	§ 103	12
Shin and Chi[2]	§ 103	1 and 9

[1] Insik Shin, et al., *Java Bytecode Modification and Applet Security* (Technical Report, Computer Science Dept., Stanford University, 1998), https://web.archive.org/web/19980418130342/http://www-cs-students.stanford.edu/~ishin/reserach.html (Ex. 1034) ("Shin").
[2] U.S. Patent No. 6,006,329 (Ex. 1033) ("Chi").

Reference(s)	Basis	Challenged Claim(s)
Poison Java[3]	§ 102	16–20, 22, 24, and 27
Poison Java and Shin	§ 103	4–6, 8, and 12
Poison Java, Shin, and Chi	§ 103	1 and 9

II. ANALYSIS

Petitioner acknowledges that claims 1–8 and 16–27 of the '822 patent are (or have been) subject to *ex parte* reexamination (Control No. 90/013,017), which resulted in a Final Office Action rejecting the claims over (at least in part) Ji.[4] Pet. 13–15. According to Patent Owner, Ji discloses the "same applet instrumentation prior art" that Petitioner asserts as prior art in this Petition, namely Poison Java. Prelim. Resp. 14–15. Patent Owner also asserts that the same techniques described in Ji are disclosed in Shin. Prelim. Resp. 18. Consequently, Patent Owner argues that the Board should deny the Petition under 35 U.S.C. § 325(d) because the Petition relies on the same or substantially the same prior art already presented to the Office. *Id.* at 14–21.

Section 325(d) states that "[i]n determining whether to institute . . . the Director may take into account whether . . . the same or substantially the same prior art or arguments previously were presented to the Office." Thus, the threshold issue is whether the grounds presented in the Petition present the same or substantially the same prior art or arguments as those presented in the reexamination.

[3] Eva Chen, *Poison Java*, IEEE SPECTRUM, August 1999 at 38 (Ex. 1031) ("Poison Java").
[4] U.S. Patent No. 5,983,348 (Ex. 2005) ("Ji").

Petition Grounds Based, at Least in Part, on Poison Java

Poison Java is an article that describes, among many Java-related features, a "hybrid solution" called "InterScan AppleTrap," released by Trend Microsystems. Ex. 1031, 42.[5] The article states, "AppleTrap first weeds out unwanted applets as HTML pages are downloaded." *Id.* The article also describes running a "certificate check on the applets and block[ing] any that are unsigned." *Id.* Further, Poison Java describes a "preparation process [] referred to as instrumentation[, in which] AppleTrap wraps monitoring code around the applet and attaches the security policy that determines what system resources it can access." *Id.* "The HTML page, along with the instrumented applets, is then delivered to the client and displayed on its Web browser." *Id.* at 43. Petitioner relies on these disclosures to assert that Poison Java anticipates claims 16–20, 22, 24, and 27. Petitioner also relies on these disclosures to assert that claims 1, 4–6, 8, 9, and 12 would have been obvious over the AppleTrap system in combination with one or both of the following: (1) a filtering technique disclosed in Shin; and (2) Chi's virus signature evaluation. *See* Pet. 48, 55–56.

The above-described subject matter is the same as the subject matter disclosed in Ji, which formed the basis for anticipation and obviousness rejections (over Ji and Liu[6] and Ji and Golan[7]) of claims 1–8 and 16–27 in

[5] Page number references use the original pagination.
[6] U.S. Patent No. 6,058,482, relied upon in reexamination for disclosing analysis of the downloadable information, e.g., scanning to find an applet tag.
[7] U.S. Patent No. 5,974,549.

the reexamination proceeding. *See* Ex. 1023, 9–10.[8] We are further persuaded by Patent Owner's side-by-side comparison showing the overlap of the disclosures in Poison Java and the corresponding disclosures in Ji—which on its face shows assignment to Trend Micro, the source of AppleTrap (*see* Ex. 2004) and Poison Java. Prelim. Resp. 15–17. This side-by-side comparison makes abundantly clear that the applet filter and instrumentation process disclosed in Poison Java is the same in all material respects as the process described in Ji. *See id.* (both describing filtering by verifying the signature, instrumenting the applet, wrapping monitoring code or creating a monitoring package, downloading the instrumented applet at the client, and checking the instrumented instructions against a security policy). To be sure, Ji provides more detail of the disclosed system than Poison Java. This fact, however, weighs in favor of concluding that the Office has considered the relevant applet instrumentation techniques disclosed in Ji, which are more detailed than Poison Java's description.

Furthermore, the Board considered the disclosures of Ji in the context of the appeal from the reexamination. *See* Ex. 2002. In particular, the Board considered Ji's detection of applets with respect to the recited "determining" limitation.[9] *Id.* at 5. The Board also considered Ji's instrumented applet file with respect to the recited "sandboxed package" limitation.[10] *Id.* at 6–7. We find there is substantial overlap between the prior-art techniques and arguments previously presented to the Office, and

[8] Page number references use the original pagination.
[9] For example, independent claims 1, 4, and 9 recite "determining whether the downloadable-information includes executable code."
[10] For example, independent claims 4, 12, and 16 recite "forming a sandbox[ed] package."

the issues presented in this Petition. Therefore, we find that in addition to the reexamination proceeding, the Board has considered the same or substantially the same prior art or arguments presented in this Petition.

In conclusion, the same or substantially the same prior art or arguments were presented to the Office in the *ex parte* reexamination of the '822 patent and to the Board on appeal of the final rejection of claims 1–8 and 16–27.[11] Although the Office considered the same subject matter in combination with references different from those presented in the Petition, we do not find those differences material. For example, Liu, in the reexamination proceeding, was relied on for the disclosure of detecting applet "tags" in HTML pages. *See* Ex. 1023, 27–28. Petitioner in the instant proceeding relies on Shin for substantially the same disclosure, "detecting applets . . . by looking for <applet> tags." Pet. 36–37. Therefore, we are persuaded that the subject matter presented in the Petition in the Poison Java grounds is the same in all material respects to the information presented in the rejections over Ji and considered by the Office during reexamination and on appeal to the Board.

Petition Grounds Based at Least on Shin

Shin is an article titled "Java Bytecode Modification and Applet Security." Ex. 1034. Petitioner asserts several grounds with Shin as primary reference. In particular, Petitioner relies on Shin for its disclosure of detecting "applets, which include executable code" and inserting bytecode instructions into applets. *See* Pet. 23–25. Shin describes the bytecode modification as "put[ting] restrictions on applets by inserting additional

[11] The Board's Decision (Ex. 2002) addressed also claims 37 and 40, but we do not discuss those here as they have not issued at the time of this Decision.

bytecode instructions that will perform the necessary run-time tests." Ex. 1034, 2. According to the Petition, Shin describes a proxy server that,

> Inserts "safeguarding code" in the applet before passing the applet on to a client's browser. The safeguarding code can be implemented as a class-level or method-level modification of the applet. When an instrumented applet runs on a client computer, the safeguarding code can monitor and control resource usage and limit the functionality of the applet.

Pet. 21–22 (internal citations omitted). Petitioner's description of Shin is consistent with Patent Owner's contention that Shin and Poison Java both modify the received applet into instrumented applets. Prelim. Resp. 18, 24. Upon review of Shin and comparison of its disclosure to that which the Office considered in the reexamination proceeding, we are persuaded that the technology for which Shin is relied upon in the Petition is substantially the same as that which was considered relevant in Ji during the reexamination proceeding and during the appeal at the Board.

For example, as stated above, Petitioner relies on the detection of applets (by looking for <applet> tags) and forwarding the "transformed" or "instrumented" applet to the client. *See* Pet. 24–25. Petitioner also relies on an encapsulated Java class file as a "sandboxed package." *See* Pet. 27–28. In comparison, in the reexamination and on appeal to the Board, the Ji reference (or Liu) was considered for its disclosure of detecting applets and instrumenting the applet by inserting monitoring functions and delivering the instrumented applet code in a file to the client (*see* Ex. 2002, 3; Ex. 1021, 7–9). "Applet" detection, therefore, was given full consideration during the reexamination and the appeal. As stated above, the Office has previously

considered the arguments regarding (1) whether detecting an applet satisfies the "determining" limitation; and (2) whether a Java file consisting of the instrumented applet code meets the "sandboxed package" limitations. These or substantially the same arguments are presented again in the instant proceeding. Accordingly, we are persuaded that the grounds based on Shin as a primary reference present the same or substantially the same prior art or arguments that were presented previously to the Office.

Claims 9 and 12

Claims 9 and 12 were not part of the reexamination proceeding. These claims, however, recite the same "determining" and "sandbox package" limitations that were addressed previously by the Board. Because the Board has rendered a decision regarding these same claims limitations, and in light of the same or substantially the same prior art already considered, we determine that, for these claims, the same or substantially the same prior art or arguments have already been presented to the Office.

Exercise of Discretion to Deny Institution of Trial

We have found that the instant Petition raises the same or substantially the same prior art or arguments that were presented previously to the Office. We now decide whether to exercise our discretion to deny institution under § 325(d).

We deny the Petition for three reasons. First, the patent-at-issue has undergone a full reexamination and an appeal of that proceeding. The same subject matter and arguments were presented in both the reexamination proceeding and on appeal. Petitioner, essentially, asks the Board to undertake a second post-grant assessment on issues that have been decided by the Office previously and in a matter inconsistent with the previous

findings and conclusions of the Board. Second, although the references themselves are not identical to the prior art already considered, the same subject matter was considered thoroughly in the reexamination proceeding. We are not persuaded that the addition of a witness declaration, by itself, is sufficient to persuade us that the thorough evaluation the claims underwent in reexamination in light of a more detailed disclosure of the same technology as that alleged in the Petition should be set aside.

Finally, although we acknowledge that Petitioner has a direct interest in pursuing the instant Petition, we also acknowledge the burden and expense to Patent Owner in having to defend another challenge of the patent-at-issue based on substantially the same prior art or arguments already considered. *See* Prelim. Resp. 13. Further, in view of the fact that the Board has already thoroughly considered these issues in deciding the appeal, we determine that the resources of the Board should not be expended revisiting them again here.

III. CONCLUSION

For the foregoing reasons, we conclude that the instant Petition raises the same or substantially the same prior art or arguments as those previously presented to the Office. In light of the circumstances of the present case, we exercise our discretion not to institute *inter partes* review of the ’822 patent.

IV. ORDER

It is ORDERED that the Petition is *denied*, and no trial is instituted.

PETITIONER:

Orion Armon
Jennifer Volk
Brian Eutermoser
oarmon@cooley.com
mcolice@cooley.com
jvolkfortier@cooley.com
beutermoser@cooley.com

PATENT OWNER:

James Hannah
Jeffrey H. Price
Michael Kim
jhannah@kramerlevin.com
jprice@kramerlevin.com
mkim@finjan.com