

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAP AMERICA, INC.,
Petitioner,

v.

CYANDIA, INC.,
Patent Owner.

IPR2024-01432
Patent 8,751,948 B2

Before JEFFREY S. SMITH, MITCHELL G. WEATHERLY, and
JASON W. MELVIN, *Administrative Patent Judges*.

MELVIN, *Administrative Patent Judge*.

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

I. INTRODUCTION

SAP America, Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting institution of *inter partes* review of claims 1–7, 10, 11, 13, 18, 19, 23, 29, 35, and 36 (“the challenged claims”) of U.S. Patent No. 8,751,948 B2 (Ex. 1001, “the ’948 patent”). Patent Owner, Cyandia, Inc. (“Patent Owner”) timely filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). With our authorization, Petitioner filed a Preliminary Reply (Paper 8, “Prelim. Reply”) and Patent Owner filed a Preliminary Sur-reply (Paper 9, “Prelim. Sur-reply”).

An *inter partes* review may not be instituted unless “the information presented in the petition . . . and any response . . . 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.” 35 U.S.C. § 314(a) (2018). “When instituting *inter partes* review, the Board will authorize the review to proceed on all of the challenged claims and on all grounds of unpatentability asserted for each claim.” 37 C.F.R. § 42.108(a) (2021).

For the reasons that follow, we discretionarily deny review in light of copending district-court litigation.

A. REAL PARTIES IN INTEREST

Petitioner identifies itself and SAP SE as the real parties in interest. Pet. viii. Patent Owner identifies itself as the real party in interest. Paper 5.

B. RELATED MATTERS

Petitioner and Patent Owner identify *Cyandia, Inc. v. SAP America, Inc. et al.*, Case No. 2:24-cv-00096-JRG (E.D. Tex. Feb. 12, 2024) (“Texas litigation”) as a related matter involving the ’948 patent. Pet. viii; Paper 5.

Patent Owner also identifies U.S. Patent No. 8,578,285 (“the ’285 patent”), and U.S. Patent No. 8,595,641 (“the ’641 patent”) as challenged in IPR proceedings. Paper 5. Those proceedings are: IPR2024-01433 (U.S. Patent No. 8,751,948); IPR2024-01495 (U.S. Patent No. 8,578,285); and IPR2024-01496 (U.S. Patent No. 8,595,641).

C. THE ’948 PATENT (EX. 1001)

The ’948 patent is titled “Methods, Apparatus and Systems for Providing and Monitoring Secure Information via Multiple Authorized Channels and Generating Alerts Relating to Same” and relates “generally to monitoring secure sources of information to determine particular aspects, trends, and/or values associated with the information, and providing one or more alerts in connection with same.” Ex. 1001, code (54), 1:66–2:3. The Specification describes an information-delivery system that uses a “channel grid framework” to present information to a user. *Id.* at 5:42–50. “The channel grid framework includes multiple user-selectable items that provide access to corresponding ‘channels’ by which respective portions of user-centric information are delivered to a user.” *Id.* at 5:50–53. Figure 3 of the ’948 patent is reproduced below.

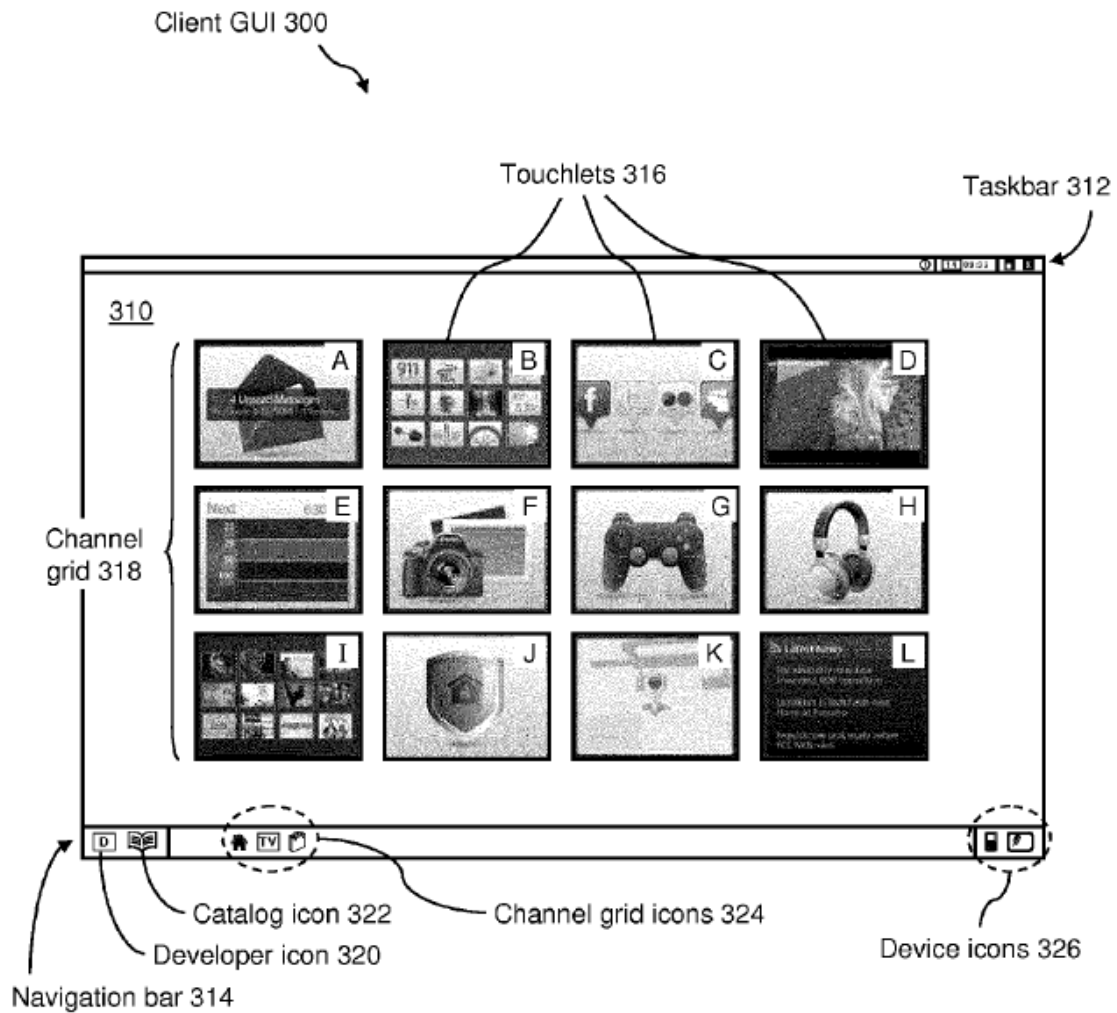


FIG. 3

Figure 3 illustrates an example client GUI 300 with channel grid 318 with multiple touchlets 316A through 316L, each representing a channel 200. *Id.* at 11:13–44.

D. PRIOR ART AND ASSERTED GROUNDS

Petitioner asserts the following unpatentability grounds:

Claim(s) Challenged	35 U.S.C. § ¹	Reference(s)/Basis
1–7, 10, 11, 13, 18, 19, 23, 29, 35, 36	103	WebSphere-Portal ² , Ben-Natan, ³ WebSphere-Everyplace-1 ⁴ , WebSphere-Everyplace-2 ⁵ , WebSphere-Everyplace-3 ⁶ , WebSphere-Everyplace-4 ⁷ , Austin-Lane ⁸

Pet. 2. Petitioner refers to Exhibits 1004–1009 as the “WebSphere references.” *Id.* Petitioner characterizes them as “books describing aspects of

¹ The ’948 patent claims priority to a May 13, 2008, provisional application. Ex. 1001, codes (60), (63); *see* Pet. 12. Therefore, the pre-AIA statutes apply.

² *IBM Rational Application Developer V6 Portlet Application Development and Portal Tools* (August 2005) (Ex. 1004).

³ Ron Ben-Natan et al., *Mastering IBM WebSphere Portal* (2004) (Ex. 1005).

⁴ *IBM WebSphere Everyplace Access V5 Handbook for Developers and Administrators Volume I: Installation and Administration* (May 2005) (Ex. 1006).

⁵ *IBM WebSphere Everyplace Access V5 Handbook for Developers and Administrators Volume II: Application Development* (March 2005) (Ex. 1007).

⁶ *IBM WebSphere Everyplace Access V5 Handbook for Developers and Administrators Volume III: E-Mail and Database Synchronization* (April 2005) (Ex. 1008).

⁷ *IBM WebSphere Everyplace Access V5 Handbook for Developers and Administrators Volume IV: Advanced Topics* (March 2005) (Ex. 1009).

⁸ U.S. Patent Application Publication No. 2004/0044736 (Ex. 1010).

the same IBM system: WebSphere.” *Id.* at 18. Petitioner relies also on the Declaration of Christopher Schmandt. Ex. 1003.

II. DISCRETIONARY DENIAL UNDER § 314(a)

Patent Owner urges us to exercise our discretion to deny institution under 35 U.S.C. § 314(a) in view of the Texas litigation and *Apple Inc. v. Fintiv, Inc.*, No. IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential). The *Fintiv* order identifies several factors when considering whether to deny institution in view of related litigation, with the goal of balancing efficiency, fairness, and patent quality:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

Fintiv, Paper 11, 5–6.

We allowed the parties additional briefing to address the *Fintiv* factors. Paper 9 (“Pet. Supp.”); Paper 10 (“PO Supp.”). Additionally, Petitioner provided a stipulation (Ex. 1045) similar to the one in *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A)).

A. *FINTIV* FACTOR 1: LIKELIHOOD OF STAY

Petitioner contends that it “plans to file a motion to stay in the district court.” Pet. 3; *accord* Pet. Supp. 1.

Patent Owner argues that this factor “weighs in favor of discretionary denial because no motion to stay the case is pending, and Petitioner has presented no evidence that Judge Gilstrap would grant a stay if a trial is instituted.” Prelim. Resp 7. Additionally, Patent Owner submits that Judge Gilstrap “recently denied a motion to stay under nearly identical circumstances.” PO Supp. 1.

We conclude this factor is neutral because Petitioner has not requested a stay and the district court has not ruled on a potential stay. We will not speculate on the likelihood of a stay.

B. *FINTIV* FACTOR 2: DISTRICT COURT TRIAL DATE

Petitioner contends that, although trial is scheduled for about six months before our final written decision is expected, that timing is in question because Petitioner plans to file the aforementioned motion for stay, and because “there is a pending motion and a cross-motion to transfer the case.” Pet. 3; *accord* Pet. Supp. 1.

Patent Owner argues that this factor “weighs in favor of discretionary denial because trial is scheduled to begin in the co-pending litigation on October 6, 2025, six months before a final written decision is due in the case.” Prelim. Resp. 8 (citing Ex. 2006, 1); *accord* PO Supp. 1. Patent Owner notes that statistics on median time to trial in the district-court forum indicate a trial roughly four months before our final written decision. Prelim. Resp. 8.

After the parties' briefing, the district court denied both transfer motions. Ex. 2016. Thus, we have little reason to doubt the scheduled trial date, though the record regarding usual timing in the district court reflects it may be slightly later than scheduled. We conclude that this factor favors discretionary denial.

C. *FINTIV* FACTOR 3: INVESTMENT IN RELATED DISTRICT COURT LITIGATION

Petitioner contends that “the district court case is still in its early stages (only infringement and invalidity contentions have been exchanged).” Pet. 3. Petitioner submits that this factor is, at best, neutral, because the *Markman* hearing has not yet occurred and opening invalidity expert reports are not due until mid-May, with expert discovery finishing near the end of June. Pet. Supp. 1–2. Additionally, Petitioner notes that it filed the Petition diligently, about four months after receiving infringement contentions. *Id.* at 2.

Patent Owner contends that “[t]he parties have already expended a significant amount of investment in the parallel litigation, having served infringement and invalidity contentions and claim construction terms.” Prelim. Resp. 9–10. Patent Owner asserts the *Markman* hearing will have been held before institution. PO Supp. 2. Further, in Patent Owner's view, the four-month time between receiving infringement contentions and filing the Petition is a “substantial” delay. *Id.*

Although the *Markman* hearing was scheduled for April 2, 2025, the district court has delayed it until April 24, 2025. Ex. 3001, 9. Thus, the district court has not substantively addressed issues regarding the '948 patent. Initial expert reports are due May 12, 2025, and expert discovery closes June 23, 2025. Pet. Supp. 2 (citing Ex. 2015, 2–3).

Additionally, in its recent order denying the transfer motions, the district court stated that its “case is still in its early stages.” Ex. 2006, 9. We agree with that assessment and conclude that the facts here show that neither the parties nor the district court have invested substantially in the Texas litigation. “If, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution.” *Fintiv*, 10. We conclude that this factor favors institution.

D. *FINTIV* FACTOR 4: OVERLAP OF ISSUES

Petitioner stipulates that, if we institute review, it “will not pursue in the E.D. Tex. district court litigation any ground of unpatentability that is raised or reasonably could have been raised in any instituted IPR.” Ex. 1045. Petitioner argues that the stipulation strongly favors institution. Pet. Supp. 2.

Patent Owner argues that there is substantial overlap of the claims challenged and the grounds, arguments, and evidence involved in both forums. Prelim. Resp. 10–11. Patent Owner points out that “Petitioner has asserted the WebSphere product” in the Texas litigation, along with the same WebSphere references here, and Austin-Lane. *Id.* at 10; *accord* PO Supp. 2.

Although Petitioner has filed a *Sotera* stipulation, we agree with Patent Owner that the stipulation has limited practical effect in reducing the overlapping efforts here and in the Texas litigation. Petitioner’s *Sotera* stipulation would not prevent Petitioner from asserting invalidity based on public use or sale of the WebSphere system. Although such an invalidity challenged would be based on the system rather than publications about the system, the same publications asserted here describe how that system

operated. As noted above, Petitioner describes the primary references here as “books describing aspects of the same IBM system: WebSphere.” Pet. 18. Thus, regardless of the stipulation, the evidence asserted here will still likely be at issue in the Texas litigation.

Accordingly, Petitioner’s *Sotera* stipulation here would not ensure that *inter partes* review would be a “true alternative” to the Texas litigation. We conclude that this factor favors discretionary denial.

E. *FINTIV* FACTOR 5: DEFENDANT IN DISTRICT COURT

There does not appear to be any dispute that Petitioner is the defendant in the district court litigation. Thus, this factor favors discretionary denial.

F. *FINTIV* FACTOR 6: OTHER CIRCUMSTANCES, INCLUDING THE MERITS

Petitioner contends that the Petition presents “compelling merits” and thus justifies institution. Pet. 3; *accord* Pet. Supp. 2 (arguing that Patent Owner presents “strained claim constructions that contradict its infringement contentions” and fails to consider the asserted combination as a whole).

Patent Owner contests that evaluation. Prelim. Resp. 11. Additionally, Patent Owner argues that the Texas litigation will resolve “the entire four-patent dispute between the parties” and thus is a better way to proceed. PO Supp. 2.

We decline to characterize the merits as sufficiently strong to overcome the other factors. That is not to say we view Petitioner’s case as marginal or close, rather we determine that the other factors are more persuasive here. Although Petitioner’s challenge is straightforward and definitely satisfies the institution standard, even when balanced against

Patent Owner's counterarguments, we do not find the challenge to be sufficiently strong to outweigh the evidence discussed above in connection with *Fintiv* factors 1–5. When reviewing all other circumstances, we find that factor 6 is neutral.

G. OVERALL DETERMINATION

Factor 3 is the only factor that weighs against a discretionary denial under § 314(a). Factors 1 and 6 are neutral, and factors 2, 4, and 5 weigh in favor of a discretionary denial. We find particularly significant that, if we were to institute review and trigger Petitioner's *Sotera* stipulation, Petitioner would remain free to pursue a system-based invalidity challenged in the district court based on essentially the same prior art relied upon here.

On balance, we find that a holistic weighing of all six *Fintiv* Factors warrants our exercise of discretion under § 314(a) to deny institution of review so that the parties' entire dispute regarding the WebSphere system may be resolved in the Texas litigation

III. ORDER

Accordingly, it is

ORDERED that, pursuant to 35 U.S.C. § 314(a), *inter partes* review of claims 1–7, 10, 11, 13, 18, 19, 23, 29, 35, and 36 of the '948 patent is not instituted.

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