

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TREND MICRO INC.,  
Petitioner,

v.

CUPP COMPUTING AS,  
Patent Owner.

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IPR2019-00764  
Patent 8,631,488 B2

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Before THOMAS L. GIANNETTI, GARTH D. BAER, and  
SHARON FENICK, *Administrative Patent Judges*.

GIANNETTI, *Administrative Patent Judge*.

ORDER  
Denying Patent Owner's Motion to Exclude  
*37 C.F.R. § 42.64(c)*

## I. INTRODUCTION

Trend Micro Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–3, 5, 6, 9–12, 14, 15, and 18–20 of U.S. Patent No. 8,631,488 B2 (Ex. 1001, the “’488 patent”). Paper 1 (“Pet”). Pursuant to 35 U.S.C. § 314, we instituted *inter partes* review as to all of the challenged claims and all grounds raised in the Petition. Paper 12.

After institution, Patent Owner, CUPP Computing AS, filed a Motion to Exclude certain exhibits and testimony. Paper 24 (“Motion”). Petitioner filed an Opposition to the Motion (Paper 26, “Opp.”), and Patent Owner, a Reply (Paper 28, “Reply”).

In a separate Decision, entered concurrently, we determine that Petitioner has demonstrated by a preponderance of the evidence that all challenged claims (claims 1–3, 5, 6, 9–12, 14, 15, and 18–20) of the ’488 patent are unpatentable.

In this Order, we consider Patent Owner’s Motion to Exclude. Our decision on the Motion follows.

## II. DISCUSSION

### A. Background

Patent Owner’s Motion to Exclude is directed broadly to four categories of evidence offered by Petitioner. First, Patent Owner moves to exclude certain portions the cross-examination testimony (Exhibit 1011) of Patent Owner’s expert, Dr. Nenad Medvidovic, and, in its entirety, Exhibit 1013, which Patent Owner describes as a “list of matters in which Dr. Medvidovic has worked with Patent Owner’s counsel.” Motion 2–7. Second, Patent Owner moves to exclude Exhibit 1014, the transcript of a November 19, 2019, deposition of Dr. Medvidovic in a related case, IPR

2019-00368. *Id.* at 7. Third, Patent Owner moves to exclude various dictionary definitions of “system” and “port” (Exhibits 1015, 1016, and 1019) and several hard drive installation guides (Exhibits 1020–1022) that Petitioner relies upon in connection with its contentions of unpatentability. *Id.* at 7–10. Finally, Patent Owner moves to exclude Exhibit 1023, a supplemental declaration of Dr. Jakobsson. *Id.* at 11–14.

For the reasons that follow, we *deny* Patent Owner’s Motion to Exclude this evidence.

### *B. Legal Principles*

With certain exceptions not applicable here,<sup>1</sup> trials under the America Invents Act follow the Federal Rules of Evidence. *See* 37 C.F.R. § 42.62(a) (2018) (“Except as otherwise provided in this subpart, the Federal Rules of Evidence shall apply to a proceeding.”). Two such rules are cited prominently in Patent Owner’s Motion and will therefore be separately discussed here.

1. *Fed. R. Evid. 401.* Rule 401 defines “relevance” as follows:

Evidence is relevant if: (a) it has *any tendency* to make a fact more or less probable than it would be without the evidence; and (b) the fact is of consequence in determining the action.

(emphasis added). The Advisory Committee to the Federal Rules indicates that the rule is to be construed liberally:

The fact to which the evidence is directed need not be in dispute. . . . Evidence which is essentially background in nature can scarcely be said to involve disputed matter, yet it

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<sup>1</sup> The exceptions are “[t]hose portions of the Federal Rules of Evidence relating to criminal proceedings, juries, and other matters not relevant” to AIA proceedings. 37 C.F.R. § 42.62(b). We note that this does not prevent us from relying on decisions in criminal proceedings, where pertinent, as Patent Owner asserts. Reply 2.

is universally offered and admitted as an aid to understanding.

Fed. R. Evid. 401 advisory committee's note. The liberal construction of this rule has been endorsed by the courts in such cases as *Daubert v. Merrell Dow Pharms., Inc.* 509 U.S. 579 (1993), where, referring to Rule 401, the Supreme Court said: "The Rule's basic standard of relevance thus is a liberal one." *Id.* at 587.

2. Fed. R. Evid. 403. Rule 403 provides a counterpoint to Rule 401, and provides as follows:

The court may exclude relevant evidence if its probative value is substantially outweighed by a danger of one or more of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, wasting time, or needlessly presenting cumulative evidence.

Several aspects of Rule 403 bear noting. First, it is permissive: "The court *may* exclude relevant evidence." (emphasis added). Also, the rule protects against two separate categories of "danger[s]": (1) those that might lead to unfairness in the trial process, *viz.*, "unfair prejudice," "confusing the issues," "misleading the jury;" and (2) those that might lead to inefficiencies in the trial process, *viz.*, "undue delay," "wasting time," "needlessly presenting cumulative evidence." As recognized by the Advisory Committee: "These circumstances entail risks which range all the way from inducing decision on a purely emotional basis, at one extreme, to nothing more harmful than merely wasting time, at the other extreme." Fed. R. Evid. 403 advisory committee's note.

The application of Rule 403 to non-jury trials has been questioned. *See, e.g., Schultz v. Butcher*, 24 F.3d 626, 632 (4th Cir. 1994) ("[I]n the context of a bench trial, evidence should not be excluded under 403 on the

ground that it is unfairly prejudicial.”); *Gulf States Utilities Co. v. Ecodyne Corp.*, 635 F.2d 517, 519 (5th Cir. 1981) (“[E]xclusion of this [relevant] evidence under Rule 403’s weighing of probative value against prejudice was improper” and is a “useless procedure” because “[t]his portion of Rule 403 has no logical application to bench trials”). It has been recognized that in a non-jury setting, the risk that a decision by the trier of fact will be unfairly affected by the admission of improper evidence is far less than in a jury trial. *See E.E.O.C. v. Farmer Bros. Co.*, 31 F.3d 891, 898 (9th Cir. 1994). Here, where the Board is acting as factfinder, the risk of unfair prejudice is diminished.

As the factfinders, we are able to consider the evidence offered by Petitioner and Patent Owner, in light of the parties’ arguments, and give it the appropriate weight, without risk of unfair prejudice. *See Wright & Miller*, 22A *Fed. Prac. & Proc. Evid.* § 5213 (2d ed.) (“In bench trials . . . , appellate courts have said that exclusion of evidence on grounds of ‘prejudice’ makes little sense because the judge has to see the putatively prejudicial evidence in order to rule.”); *see also Schultz*, 24 F.3d at 632 (court should not exclude evidence under Rule 403 in non-jury trial on grounds of unfair prejudice).

As discussed *infra*, Patent Owner’s assertion of Rule 403 in support of its Motion invokes the first branch of this analysis, namely, unfairness in the trial process, and not the second branch, undue delay. We see no basis in Patent Owner’s submissions or in the facts of record for an argument that the second branch is applicable.

### III. PATENT OWNER'S MOTION TO EXCLUDE

#### A. Exhibits 1011 and 1013

As discussed *supra*, Patent Owner seeks to exclude portions of the transcript of the cross-examination of Patent Owner's expert, Dr. Nenad Medvidovic (Ex. 1011), and a purported list of matters on which Dr. Medvidovic has worked with Patent Owner's counsel (Ex. 1013). Motion 2–7. Patent Owner contends “[p]ortions of Exhibit 1011 are inadmissible under FRE 401–FRE 403 as not relevant and unfairly prejudicial because it uses citations that are misleading and bases arguments thereupon.” *Id.* at 2.

The transcript portions relate to Dr. Medvidovic's retention by Patent Owner's counsel in other proceedings. Patent Owner contends: “Patent Owner does not contest the relevance of Exhibit 1011 in its entirety. However, whether an expert has been working with Patent Owner's counsel on just one case or for ‘a reasonably continuous[]’ duration bears no relevance to the instant case before the Board.” *Id.* at 2–3 (alteration in original). Patent Owner complains also about Petitioner's counsel allegedly “badgering” Dr. Medvidovic at his deposition, and counsel's alleged use of “improper leading questions.” *Id.* at 3–4.

As to Exhibit 1013, Patent Owner contends the listing of matters “lacks foundation; is inadmissible under FRE 801 as hearsay and it does not fall within a hearsay exception under FRE 802 or 803; and it is inadmissible as an attorney created document and thus is not relevant under FRE 401 and inadmissible under FRE 402 and FRE 403.” *Id.* at 5.

Petitioner's argument for the relevance of this evidence lies in its claim that Dr. Medvidovic is “bias[ed].” Opp. 1 (“Dr. Medvidovic's current

hourly rate is \$650 per hour . . . and his longstanding working relationship with Patent Owner’s counsel therefore establishes his bias in favor of Patent Owner.”). *Id.*

We do not find this bias argument by Petitioner persuasive. We see nothing untoward or unusual in the fact that Dr. Medvidovic is being compensated for his work on this case, or that he has worked on cases with Patent Owner’s counsel in the past or will do so in the future. In assessing the merits of this case, we have considered the expert testimony from both parties on its merits and accorded it proper weight, based on the testimony’s substantive persuasiveness, not the circumstances of the expert’s retention. *See, e.g., NuVasive, Inc. v. Iancu*, 752 F. App’x. 985, 996 (Fed. Cir. 2018) (“While the Board can and should weigh the credibility of any expert testimony, it should not outright disregard expert testimony from a witness simply because that individual is compensated for his time and expense in testifying.”).

However, we do not see a basis for excluding Dr. Medvidovic’s testimony concerning his engagement by Patent Owner’s counsel under Federal Rules of Evidence 401 or 403. As discussed *supra*, the threshold for relevance under Rule 401 is whether the evidence has “any tendency to make a fact more or less probable.” While the Petitioner’s argument of alleged “bias” is not convincing, we cannot say the evidence offered has no relevance to the issue of Dr. Medvidovic’s credibility. We therefore decline to exclude the testimony under Rule 401.

Nor does Rule 403, even if it were applicable in a non-jury setting, compel exclusion of Dr. Medvidovic’s testimony. We find that Patent Owner has not shown prejudice that substantially outweighs even the limited

probative value of the offered evidence. As discussed *supra*, we have already been exposed to the evidence in considering this Motion and have not been unfairly prejudiced by our exposure.

The same is true of Exhibit 1013, the list of matters on which, according to Petitioner, Dr. Medvidovic participated with Patent Owner's counsel. For much the same reasons as given for the testimony, neither Rule 401 nor 403 compels exclusion of this exhibit. Also, Patent Owner's hearsay objection to Exhibit 1013 is unavailing, as is the assertion that the document is "an attorney created document." Motion 5. The Federal Rules of Evidence permit the use of use such summaries to prove the content of voluminous writings. Fed. R. Evid. 1006. The proviso is that the proponent must make the originals or duplicates available for examination or copying. That disclosure has occurred here.<sup>2</sup> Moreover, Dr. Medvidovic has testified as to the accuracy of the summary at his deposition, and Patent Owner does not dispute its accuracy. *See* Opp. 4–5. We, therefore, see no merit in Patent Owner's hearsay or other objections to these exhibits.

Finally, we see nothing improper in counsel's cross-examination of Dr. Medvidovic, including the use of leading questions.

For the foregoing reasons, Patent Owner's Motion to Exclude portions of Exhibit 1011 and Exhibit 1013 in its entirety is denied.

#### *B. Exhibit 1014*

Exhibit 1014 is the deposition transcript of Dr. Medvidovic from IPR2019-00368, a proceeding in which both Petitioner and Patent Owner are

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<sup>2</sup> Petitioner states that the underlying documents (Exhibits 1024–1085) were served on Patent Owner's counsel on March 24, 2020. Opp. 3 n.1.

parties. Petitioner relies on portions of this exhibit to support its argument that the term “system” is not limited to a device. Opp. 5.

Patent Owner objects on the grounds of relevance, “as such testimony is of no consequence in this matter.” Motion 7. We disagree, as the term “system” appears in the challenged claims and its meaning is disputed. *See, e.g.*, Paper 18, 3–4. We therefore deny Patent Owner’s Motion to Exclude Exhibit 1014.

*C. Exhibits 1015, 1016, and 1019–1022*

Exhibits 1015, 1016, and 1019 represent dictionary definitions of “system” and “port.” Petitioner relies on these definitions in its reply to Patent Owner’s Response to support its argument for invalidity of the ’488 patent by showing “why Patent Owner’s interpretations of these claim terms are incorrect.” Opp. 5. The sources for these definitions include such well-known references as Oxford University Press’s *A Dictionary of Computing* (Ex 1015), *Microsoft Internet & Networking Dictionary* (Ex. 1016), and *McGraw-Hill Dictionary of Electrical and Computer Engineering* (Ex. 1019).

Exhibits 1020, 1021, and 1022 are guides for installing hard drives by Seagate, Western Digital, and Hitachi, respectively. Petitioner relies on them to support its argument that the plain meaning of “port” includes internal interfaces connected to internal components. Paper 18 (Petitioner’s reply on the merits), 12–13. Petitioner provides a declaration of a research librarian attesting to the source of these documents. Ex. 1086.

The Federal Circuit has approved the use of dictionaries for guidance in claim construction, “so long as the extrinsic evidence does not contradict the meaning otherwise apparent from the intrinsic record.” *Helmsderfer v.*

*Bobrick Washroom Equip., Inc.*, 527 F.3d 1379, 1382 (Fed. Cir. 2008); *see also Comaper Corp. v. Antec, Inc.*, 596 F.3d 1343, 1348 (Fed. Cir. 2010) (approving of “consult[ing] a general dictionary definition of [a] word for guidance” in determining ordinary meaning); *Praxair, Inc. v. ATMI, Inc.*, 543 F.3d 1306, 1325 (Fed. Cir. 2008) (“[O]ur decisions, including *Phillips*, do not preclude the use of general dictionary definitions as an aid to claim construction.”) (citation omitted).

In fact, Patent Owner relies on a dictionary definition of “port” as evidence of the meaning of that term to a person of ordinary skill. Paper 16 (Patent Owner Response) 32–33 (quoting *Microsoft Computer Dictionary*, Ex. 2008). In light of these circumstances, we do not find persuasive Patent Owner’s argument that we should exclude these exhibits under Rule 401 or under Rule 403. Motion 8.

Nor are we persuaded that either the dictionary definitions or the installation guides should be excluded as hearsay under Federal Rule of Evidence 801. *Id.* at 9. The definitions and installation instructions are offered as evidence of the meaning of the terms “system” and “port” to a person of ordinary skill. They are not being offered for the truth of any statement or assertion. *See* Rule 801(c) (defining hearsay as “a statement that: . . . a party offers in evidence to prove the truth of the matter *asserted in the statement.*”) (emphasis added). A similar rule is applied to prior art, which is not considered hearsay when offered to prove what it describes as the state of the art. *See Joy Techs., Inc. v. Manbeck*, 751 F.Supp. 225, 233 n. 2 (D.D.C. 1990), *aff’d*, 959 F.2d 226 (Fed. Cir. 1992); *see also EMC Corp. v. Personal Web Techs., LLC*, IPR2013–00085, Paper 73 at 66 (PTAB May 15, 2014) (final written decision) (“[A] prior art document submitted as a

‘printed publication’ under 35 U.S.C. § 102(b) is offered simply as evidence of what it described, not for proving the truth of the matters addressed in the document.”); 37 C.F.R. § 42.61(c) (“A specification or drawing of a United States patent application or patent is admissible as evidence only to prove what the specification or drawing describes.”); Fed. R. Evid. 801(c) 1997 advisory committee note (“If the significance of an offered statement lies solely in the fact that it was made, no issue is raised as to the truth of anything asserted, and the statement is not hearsay.”).

We have considered Patent Owner’s remaining challenges to these exhibits and do not find them persuasive. For example, we are not convinced that the dates appearing on these documents are insufficient to establish public dissemination or that there is insufficient proof of their authenticity. Motion 9–10. Especially when dealing with documents from recognized sources, such as these, and following the lead of the Federal Circuit, we consider the external indicia of publication as proof on those issues. “[T]he indicia on the face of a reference, such as printed dates and stamps, are considered as part of the totality of the evidence.” *Hulu, LLC, v. Sound View Innovations, Inc.*, IPR2018-01039, Paper 29 at 17–18 (PTAB Dec. 20, 2019) (precedential); *see also Nobel Biocare Servs. AG v. Instradent USA, Inc.*, 903 F.3d 1365, 1376 (Fed. Cir. 2018) (“Although the ABT Catalog’s date is not dispositive of the date of public accessibility, its date is relevant evidence that supports the Board’s finding of public accessibility at the March 2003 IDS Conference.”).

The offered references bear “conventional markers of publication,” including copyright dates, publication by commercial publishers or recognized manufacturers, assignment of ISBN numbers, printed dates, and

library stamps. In *Hulu*, these were among the indicia that the Board considered. *Hulu*, Paper 29 at 17. We also factor into our analysis the fact that Patent Owner itself has relied on dictionary definitions here and in other cases (including the *Microsoft Computer Dictionary*). See Ex. 2008; IPR2019-00368, Exs. 2005, 2006.

Likewise, we are not persuaded by the argument that the documents “easily could have been presented” earlier and therefore should be excluded. Motion 7–8. We agree with Petitioner that submitting the documents was a timely rebuttal to Patent Owner’s claim construction arguments presented for the first time in the Patent Owner’s response. Opp. 9–10.

Patent Owner’s assertion that Exhibits 1015, 1016 and 1019–1022 are being used to “gap-fill instituted grounds” (Reply 3–4) is a new argument that Patent Owner did not raise in the Motion. In any event, the argument lacks merit. The meanings of “system” and “port” are pertinent to understanding what is meant by the claims and to rebut Patent Owner’s contentions. See Opp. 9–10 and discussion *supra*. Moreover, Patent Owner had the opportunity to respond to these exhibits in its sur-reply and has not been prejudiced.

For the foregoing reasons, Patent Owner’s Motion to Exclude Exhibits 1015, 1016, and 1019–1022 is denied.

#### *D. Exhibit 1023*

This exhibit is a supplemental declaration of Petitioner’s expert, Dr. Jakobsson, submitted with Petitioner’s Reply to Patent Owner’s Response. Paper 18.

Patent Owner complains that the supplemental declaration “should either be excluded or given no weight because Dr. Jakobsson’s opinions are

conclusory.” Motion 11. This argument is unconvincing because it goes to the weight of the testimony, not its admissibility.

Patent Owner objects to certain statements in the supplemental declaration as hearsay, apparently because they “merely mirror the content of Petitioner’s Reply.” *Id.* at 12. Patent Owner seeks to exclude paragraphs 18, 19, and 32 of the supplemental declaration because they “cite to and rely upon” exhibits which Patent Owner seeks to exclude, *viz.*, Exhibits 1014–1016, and 1019–1022. *Id.* This argument is unavailing in light of our decision not to exclude those exhibits, *supra*.

We are not persuaded by Patent Owner’s other arguments to exclude the supplemental declaration. At best, they go to the weight of Dr. Jakobsson’s testimony, not its admissibility. Patent Owner does not object to Dr. Jakobsson’s qualifications, and has cross-examined him “at length” on the supplemental declaration. Opp. 15. Moreover, under Federal Rule of Evidence 703, Dr. Jakobsson would be permitted to rely on information from standard dictionaries and established companies such as Exhibits 1015, 1016 and 1019–1022, even if they were considered hearsay. *Id.*<sup>3</sup> Nor are we persuaded by Patent Owner’s claims of alleged prejudice resulting from the scope and timing of the declaration. Motion 13–14. As Petitioner points out, Patent Owner has had an opportunity to address the supplemental declaration through its deposition of Dr. Jackobsson and in its sur-reply (Paper 20). Opp. 15.

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<sup>3</sup> As Petitioner points out, Federal Rule of Evidence 703 permits an expert to rely on evidence that experts in the field “would reasonably rely on” in forming an opinion, even if inadmissible. Fed. R. Evid. 703.

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For the foregoing reasons, Patent Owner's Motion to Exclude this exhibit is denied.

#### IV. ORDER

Upon consideration of the record before us, it is:

ORDERED that Patent Owner's Motion to Exclude is *denied*.

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