

1 RUSS AUGUST & KABAT

2 Marc A. Fenster, SBN 181067

3 Email: mfenster@raklaw.com

4 Andrew D. Weiss, SBN 232974

5 Email: aweiss@raklaw.com

6 12424 Wilshire Boulevard, 12th Floor

7 Los Angeles, California 90025

8 Telephone: (310) 826-7474

9 Facsimile: (310) 826-6991

10 Attorneys for Plaintiff

11 *Proxycorr, Inc.*

12 MITCHELL SILBERBERG & KNUPP LLP

13 Karin G. Pagnanelli, SBN 174763

14 Email: kgp@msk.com

15 11377 West Olympic Boulevard

16 Los Angeles, California 90064-1683

17 Telephone: (310) 312-2000

18 Facsimile: (310) 312-3100

19 KLARQUIST SPARKMAN, LLP

20 Stephen J. Joncus (*Pro Hac Vice*)

21 Email: stephen.joncus@klarquist.com

22 salumeh R. Loesch (*Pro Hac Vice*)

23 Email: salumeh.loesch@klarquist.com

24 John D. Vandenberg (*Pro Hac Vice*)

25 Email: john.vandenberg@klarquist.com

26 121 S.W. Salmon Street, Suite 1600

27 Portland, Oregon 97204

Telephone: (503) 595-5300

Facsimile: (503) 595-5301

Attorneys for Defendants

*Microsoft Corporation, Hewlett-Packard*

*Company, Dell Inc., and Acer America*

*Corporation*

MICROSOFT

EXHIBIT 1012

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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

PROXYCONN, INC.,  
  
Plaintiff,  
  
v.  
  
MICROSOFT CORPORATION, ET  
AL.,  
  
Defendants.

CASE NO. SA CV11-1681 DOC (JPRx)  
[Consolidated with Case Nos. SA CV11-1682  
DOC (JPRx), SA CV11-1683 DOC (JPRx),  
SA CV11-1684 DOC (JPRx), and SA CV12-  
0889 DOC (JPRx)]

The Honorable David O. Carter  
  
Courtroom: 9D

**JOINT STIPULATION REQUESTING  
STAY OF CASE PENDING INTER  
PARTES REVIEW**

1 Plaintiff Proxyconn, Inc. (“Proxyconn”) and Defendants Microsoft  
2 Corporation (“Microsoft”), Hewlett-Packard Company (“HP”), Acer America  
3 Corporation (“Acer”) and Dell Inc. (“Dell”) (collectively, “Defendants”)  
4 (Proxyconn and Defendants collectively, the “Parties”), by and through their  
5 undersigned counsel of record, have agreed to request that this Court stay this case<sup>1</sup>  
6 pending *inter partes* review (“IPReview”) of the patent-in-suit. As part of this  
7 stipulation, Microsoft and Proxyconn also have agreed to take certain steps to  
8 expedite that *inter partes* review proceeding.

9 WHEREAS,

10 A. This case is in its early stage, with minimal discovery conducted;

11 B. On September 18, 2012, just two days after the new Patent Office review  
12 procedures became available under the America Invents Act (35 U.S.C. §§ 311-19  
13 (2011)), Microsoft filed a Petition for IPReview with the U.S. Patent and  
14 Trademark Office’s Patent Trial and Appeal Board (“PTAB”). Microsoft’s petition  
15 challenges all nine claims of the patent-in-suit that Proxyconn had identified as  
16 being asserted in this action at the time the petition was filed;

17 C. Proxyconn has since identified two additional claims it intends to assert  
18 against Microsoft and may assert against the other defendants;

19 D. Microsoft responded that it had insufficient notice of that assertion of  
20 two additional claims to file a second inter partes review within the first statutory  
21 window for so doing, which closes November 4, 2012 (one-year from service of

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22 <sup>1</sup> This Joint Stipulation applies to both the above-captioned litigation and also to  
23 the following consolidated, co-pending cases: 1) *Proxyconn, Inc. v. Microsoft*  
24 *Corporation*, Case No. 8:11-cv-01681-DOC-JPRx; 2) *Proxyconn, Inc. v. Hewlett-*  
25 *Packard Company*, Case No. 8:11-cv-01682-DOC-JPRx; 3) *Proxyconn, Inc. v.*  
26 *Acer America Corporation*, 8:11-cv-01684-DOC-JPRx; and 4) *Proxyconn, Inc. v.*  
27 *Microsoft Corporation, et al.*, Case No. 8:12-cv-0889-DOC-JPRx, all pending  
before the Honorable David O. Carter.

1 the first complaint). But, Microsoft agreed to file such second inter partes review,  
2 challenging the two newly asserted claims, promptly if and when the second  
3 statutory window opens for so filing, as set forth below;

4 E. The Petition for IPReview asserts that the asserted claims are invalid in  
5 view of certain printed publication prior art. If instituted, the IPReview likely will  
6 substantially simplify or outright resolve the issues in this case. Under 35 U.S.C. §  
7 315(e)(2) (2011), after a final written decision from an IPReview, a petitioner  
8 "may not assert...in a civil action...that the claim is invalid on any ground that the  
9 petition raised or reasonably could have raised during the inter partes review."  
10

11 NOW, THEREFORE, to conserve both the parties and the Court's resources,  
12 the parties have stipulated as follows:

- 13 1. Proxyconn and Defendants each consent to and agree to jointly  
14 request the Court for a complete stay of the pending litigations  
15 throughout the pendency of the two '717 patent IPReview proceedings  
16 identified below;
- 17 2. Proxyconn agrees to file in the PTAB, within two weeks of this  
18 stipulation, a waiver of its "preliminary response" to Microsoft's  
19 September 2012 IPReview petition;
- 20 3. Contingent on the Court granting and maintaining such stay up to at  
21 least the PTAB resolution of the IPReview proceedings (such as a  
22 denial to institute proceedings or a "written decision"), the parties  
23 further agree as follows:
  - 24 a. Microsoft shall file an IPReview petition challenging at least  
25 claims 6 and 9 of the asserted '717 patent within three weeks of  
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- the PTAB instituting an IPReview trial based on Microsoft’s September 2012 petition;
- b. With that second petition, Microsoft shall file a motion to join that second petition with the IPReview trial instituted on the September 2012 petition;
  - c. Within two weeks of the filing of the second petition, Proxyconn shall file a consent to that motion for joinder and a waiver of its preliminary response to that second petition;
  - d. For each pending action and for any future Proxyconn patent infringement cause of action based on Microsoft’s Remote Differential Compression (RDC) and/or Microsoft’s BranchCache functionality, Dell, Acer and HP each voluntarily agrees to be deemed estopped to the same extent that Microsoft becomes estopped by a PTAB “written decision” arising from the first or second IPReview petitions under 35 U.S.C. § 315(e);
  - e. For the sake of clarity, it is agreed that, although the OEM Defendants have agreed to be estopped as set forth in the immediately preceding Paragraph 3(d), nothing in this stipulation shall be argued to represent an admission (barring a voluntary agreement) by Dell, Acer and HP that they would or would not be estopped under 35 U.S.C. § 315(e).
- 4. If the PTAB declines to institute an IPReview trial, the parties agree to jointly move to lift the stay.
  - 5. If the PTAB agrees to institute an IPReview trial on less than all claims challenged by Microsoft in the September 2012 petition, then Proxyconn shall have two weeks from that decision to terminate this

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stipulation in which case no party shall be further bound by any agreement herein and any party will be free to request lifting the stay or to oppose lifting the stay.

6. The parties jointly request that the Court enter the proposed order filed concurrently herewith.

DATED: November 2, 2012

RUSS AUGUST & KABAT

MITCHELL SILBERBERG & KNUPP LLP

By: /s/ Andrew D. Weiss

By: /s/ Karin G. Pagnanelli

Andrew D. Weiss

Karin G. Pagnanelli

Marc A. Fenster, SBN 181067

Karin G. Pagnanelli, SBN 174763

Andrew D. Weiss, SBN 232974

11377 West Olympic Boulevard

12424 Wilshire Blvd., 12th Floor

Los Angeles, California 90064-1683

Los Angeles, California 90025

Telephone: (310) 312-2000

Telephone: (310) 826-7474

Facsimile: (310) 312-3100

Facsimile: (310) 826-6991

kgp@msk.com

mfenster@raklaw.com

Stephen J. Joncus (*Pro Hac Vice*)

aweiss@raklaw.com

Salumeh R. Loesch (*Pro Hac Vice*)

*Attorneys For Plaintiff*

John D. Vandenberg (*Pro Hac Vice*)

*Proxycorn, Inc.*

KLARQUIST SPARKMAN, LLP

121 S.W. Salmon Street, Suite 1600

Portland, Oregon 97204

Telephone: (503) 595-5300

Facsimile: (503) 595-5301

stephen.joncus@klarquist.com

salumeh.loesch@klarquist.com

john.vandenberg@klarquist.com

*Attorneys for Defendants*

*Microsoft Corporation, Hewlett-*

*Packard Company, Dell Inc., and*

*Acer America Corporation*