UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.
Petitioner

v.

WINDY CITY INNOVATIONS, LLC
Patent Owner

U.S. Pat. No. 8,407,356
Issue Date: March 26, 2013
Title: REAL TIME COMMUNICATIONS SYSTEM

PATENT OWNER'S NOTICE OF APPEAL

Case No. IPR2016-01067[1]

[1] Case No. IPR2017-00624 has been joined with this proceeding.

Pursuant to 35 U.S.C. §§ 141 and 142 and 37 C.F.R. §§ 90.2 and 90.3, Patent Owner Windy City Innovations, LLC hereby provides notice that it appeals to the United States Court of Appeals for the Federal Circuit from the Final Written Decision entered December 6, 2017 (Paper 65) and from all underlying orders, decisions, rulings, and opinions regarding U.S. Patent No. 8,407,356 (the "'356 patent") in Case No. IPR2016-01067. This notice is timely under 37 C.F.R. § 90.3, having been filed within 63 days after the date of the Final Written Decision.

For the limited purpose of providing the Director with the information requested in 37 C.F.R. § 90.2(a)(3)(ii), Patent Owner anticipates that the issues on appeal may include, but are not limited to: the Board's decision to join IPR2017-00624 with IPR2016-01067 (Paper 33) with respect to only a subset of the claims for which the IPR2016-01067 petition sought invalidation; the Board's decision to maintain the IPR2016-01067 "in abeyance" without a petitioner (Paper 32); the Board's decision denying termination as to Patent Owner (Paper 34); the Board's decision denying Patent Owner's request for rehearing with respect to joinder and termination (Paper 55); the Board's prior art determinations, the Board's claim constructions, and the Board's determinations that claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent are unpatentable under 35 U.S.C. § 103 (Paper 65); the findings, rulings and conclusions supporting or relating to those determinations;

and any other issues decided adversely to Patent Owner in any orders, decisions, rulings, or opinions in IPR2016-01067 and IPR2017-00624.

Simultaneous with this submission, three (3) copies of this Notice of Appeal are being filed with the Clerk of the United States Court of Appeals for the Federal Circuit and being submitted electronically through the Court's CM/ECF system together with the requisite fee in the amount of $500. In addition, a copy of this Notice of Appeal is being filed with the Patent Trial and Appeal Board and served upon counsel of record for Facebook, Inc.

Respectfully submitted,

Dated: February 7, 2018 /Peter Lambrianakos/

Peter Lambrianakos (Reg. No. 58,279)
Lead Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800
Fax: 212-209-4801
Email: plambrianakos@brownrudnick.com

Alfred R. Fabricant (admitted *pro hac vice*)
Vincent J. Rubino, III (Reg. No. 68,594)
Shahar Harel (Reg. No. 73,203)
Enrique Iturralde (Reg. No. 72,883)
Back-Up Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800

Fax: 212-209-4801

Trials@uspto.gov
571-272-7822

Paper No. 65
Entered: December 6, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.
Petitioner,

v.

WINDY CITY INNOVATIONS, LLC,
Patent Owner.

Case IPR2016-01067[1]
Patent 8,407,356 B1

Before KARL D. EASTHOM, DAVID C. MCKONE, and MELISSA A. HAAPALA, *Administrative Patent Judges*.

EASTHOM, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

[1] The Board joined IPR2017-00624 with IPR2016-01067.

I. INTRODUCTION

Microsoft Corp. filed a Petition (Paper 2) to institute an *inter partes* review of claims 1–37 of U.S. Patent No. 8,407,356 B1 (Ex. 1001, the '356 Patent). The Board instituted this proceeding as to all challenged claims. Paper 10 ("1st Inst. Dec.").

In IPR2017-00624, Facebook, Inc. ("Petitioner") filed a Petition (IPR2017-00624, Paper 2, "Pet.") to institute an *inter partes* review of claims 1–9, 12, 14–28, 31, and 33–37 of U.S. Patent No. 8,407,356 B1 (Ex. 1001, "the '356 patent").[2] Windy City Innovations, LLC ("Patent Owner") filed a Preliminary Response (IPR2017-00624, Paper 7).

Joining Facebook to the instant proceeding as a party (*see* note 2), pursuant to 35 U.S.C. § 314, in our Second Institution Decision (Paper 33, "2nd Inst. Dec."), we instituted as to claims 1–9, 12, 14–28, 31, and 33–37 (the "challenged claims").[3] We also dismissed claims 10, 11, 13, 29, 30, and 32 from this proceeding (claims challenged by Microsoft, but not by Petitioner). 2nd Inst. Dec. 9.

---

[2] Petitioner Facebook filed the Petition and a motion for joinder in *Facebook, Inc. v. Windy City Innovs., LLC*, Case IPR2017-00624 (Papers 2 and 3, with that proceeding now terminated due to joinder with the instant proceeding).

[3] The Board terminated Microsoft Corp. as a party based on a settlement agreement with Patent Owner. *See* Paper 32. In the Second Institution Decision, the Board determined the two Petitions presented materially the same challenges "based on the same prior art and the same evidence, including the same declaration testimony," with the only exception being that Facebook challenged a subset of claims 1–37 that Microsoft challenged. *See* 2nd Inst. Dec. 8.

Prior to the Second Institution Decision, Patent Owner filed a Patent Owner's Response (Paper 22, "PO Resp."), and after the Second Institution Decision, Petitioner filed a Reply (Paper 45, "Pet. Reply").

Petitioner relies on two declarations of Christopher M. Schmandt: Ex. 1023 ("Schmandt Declaration"); Ex. 1100 ("Schmandt Reply Declaration"). Patent Owner relies on the Declaration of Jaime Carbonell, Ph.D.: Ex. 2006 ("Carbonell Declaration"). An Oral Hearing occurred on October 19, 2017 (Paper 64, "Tr.").

We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision issues under 35 U.S.C. § 318(a). Based on the record before us, Petitioner has demonstrated, by a preponderance of the evidence, that the challenged claims, claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent, are unpatentable.

A. Related Cases

The parties identify the following district court cases as related to this proceeding: *Windy City Innovations, LLC v. Microsoft Corp.*, 4:16-cv-01729-YGR (N.D. Cal.); *Windy City Innovations, LLC v. Facebook, Inc.*, 4:16-cv-01730-YGR (N.D. Cal.). Pet. 1; Paper 5, 1. The instant *inter partes* review relates to several other *inter partes* reviews challenging three other patents and the '356 patent that each have a common underlying original application: Terminated IPR2017-00655 joined with IPR2016-01141 (Patent 8,458,245 B1); terminated IPR2017-00622 joined with IPR2016-01155 (Patent 8,694,657 B1); terminated IPR2017-00709 joined with IPR2016-01156 (Patent 8,458,245 B1); IPR2016-01157 (Patent 8,407,356 B1); IPR2016-01158 (Patent 8,473,552 B1); and terminated IPR2017-00659 joined with IPR2016-01159 (Patent 8,694,657 B1).

B. The '356 Patent

The '356 patent describes connecting users with participator computers to an Internet "chat room" via a controller computer. *See* Ex. 1001, 2:33–35, 9:18–28, Fig. 1, Fig. 7 (showing "Login to Chat" button). According to the '356 patent, known prior art systems linked computers together to form chat rooms in which users communicated by text, graphics, and multimedia, for example, via a system on the Internet provided by the Internet service provider "America On Line." Ex. 1001, 1:46–63. The '356 patent acknowledges that chat rooms have been implemented on the Internet, albeit with "limited chat capability," but contends that the complex chat room communications capable with Internet service providers had not been developed on the Internet "at least in part because Internet was structured for one-way communications analogous to electronic mail, rather than for real time group chat room communications" and because "there is no particular control over the platform that would be encountered on the Internet." *Id.* at 1:54–56, 1:60–62. During the Oral Hearing, Patent Owner explained that a key distinction over prior art chat systems on the Internet involved providing security by using tokens, as known Internet chat systems were "closed" and did not require security. *See* Tr. 49:2–6 ("And so what Dr. Marks invented here, what he saw as a problem was security concerns over the Internet and doing the types of things you might want to do in a closed system like America Online or like potentially some BBS systems and to add those features to an Internet-capable system.").

To implement the chat room communications, "participator computers" operate in conjunction with a "controller computer" to "handle

multiplexing operations for communications involving groups of some of the participator computers." Ex. 1001, 1:23–30. Figure 1 of the '356 patent, reproduced below, depicts an embodiment of such a system.

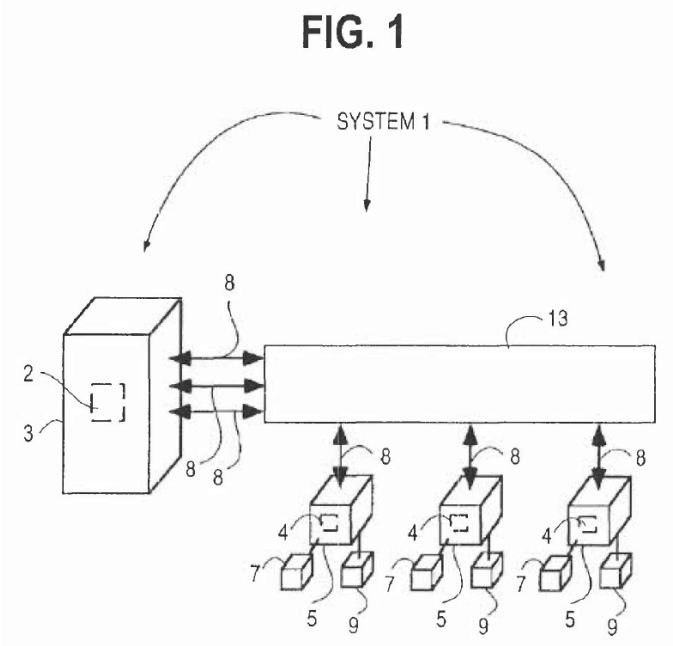
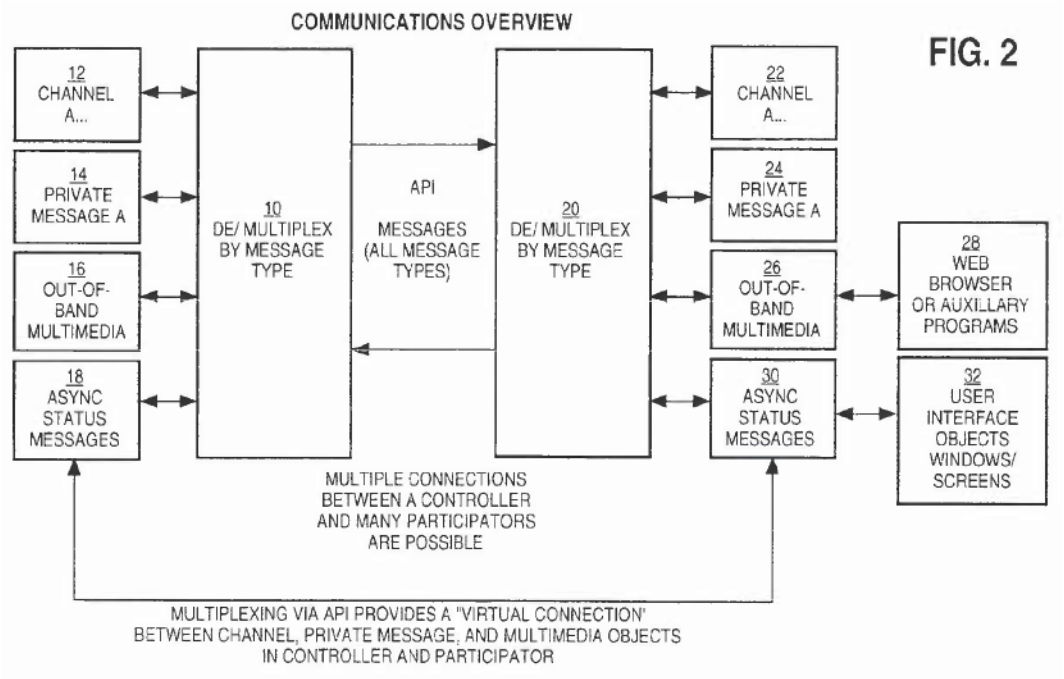


Figure 1 depicts computerized arbitrating and distributing system 1, which includes controller computer 3 and a plurality of participator computers 5. *Id*. at 4:67–5:6. Controller software 2 controls the operation of controller computer 3, and each participator computers 5 operates under the control of participator software 4. *Id.* at 5:21–29. Controller computer 3 and participator computers 5 connect via connection 13 (e.g., an Internet connection). *Id.* at 5:17–20. A user of one participator computer 5 may send multimedia information message 8 to controller computer 3, which arbitrates which participator computers 5 receive the message. *Id.* at 5:28–37. All multimedia information may be transmitted as pointers, such as URLs (Uniform Resource Locators), pointing to pre-stored audio and video communications that controller computer 3 can fetch to communicate to participator computers 5. *Id.* at 5:38–43.

Figure 2, reproduced below, represents an overview of the communications described in the ’356 patent.



Blocks 10, 12, 14, 16, and 18 in Figure 2 illustrate operations under controller software 2, and Blocks 20, 22, 24, 26, and 30 illustrate operations under participator software 4. *Id.* at 5:45–54, 5:58–6:2. For example, Block 14 represents the handling of a private message. *Id.* at 5:50–51.

Block 10 and Block 20 illustrate software multiplexing and demultiplexing of API messages by message type on the controller computer and a participator computer, respectively. *Id.*[4] Multiplexing and

[4] The ’356 patent does not specifically state what the acronym “API” represents, but the parties essentially agree that APIs represent messages of different types as discussed further below. *See id.*; Ex. 1023 ¶ 88 (discussing prosecution history, citing Ex. 1005); Ex. 1005 ¶ 8 (Patent Owner’s declarant asserting during prosecution that the ’356 patent “[S]pecification . . . never uses the term ‘application program interface’”).

demultiplexing the API messages, according to the ’356 patent, creates a “virtual connection” between different functions on the controller computer (e.g., a private message) and participator computer such that each function does not need to handle its own connection separately. *See id.* at 6:3–9.

In particular, the ’356 patent states “[d]e/multiplexing via API provides a ‘virtual connection’ between Channel, Private message, and Multimedia objects in the controller computer 3 and each participator computer 5.” *Id.* at 6:3–5. In essence, the API multiplexing system routes messages together, and a demultiplexor at the participator computer separates them according to message type in accordance with a particular function associated with that message type. *See id.* at Fig. 2, 5:44–54, 6:3–5. As background prior art, the ’356 patent states “corporations may link remote offices to have a conference by computer . . . . [with a] central computer . . . control[ling] the multiplexing of what appears as an electronic equivalent to a discussion involving many individuals,” but “[m]ultiplexing in multimedia is more complex.” *Id.* at 1:42–45.

The Specification further describes logging in to begin a chat session:

> Turning now to an illustration of using the invention, the session starts with verifying the user’s identity (at FIG. 7). The login/password screen is shown, and the user enters his/her assigned login/password combination and clicks the “Login To Chat” button. If the password was entered correctly, a confirmation box appears on the screen.

Ex. 1001, 9:18–23. Figure 7 follows:

FIG. 7

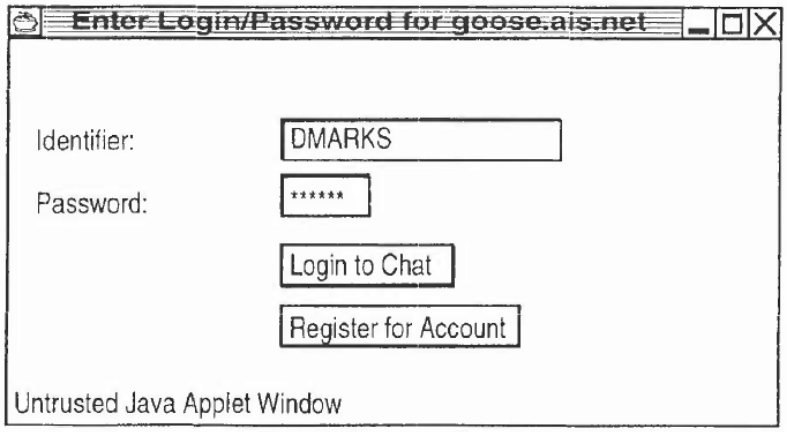


Figure 7 of the ’356 patent, reproduced above, illustrates an aspect of the invention as including a menu at a user’s computer for entering login and password information of a user. *See* Ex. 1001, 9:18–23. Such information, stored in a database, represents a token that controls access to the system. *See id.* at 8:9–53, 11:4–19.

Figure 28, reproduced below, is similar to Figure 7, but represents an “alternate embodiment using a text-based interface” (*id.* at 11:14–16):

FIG. 28

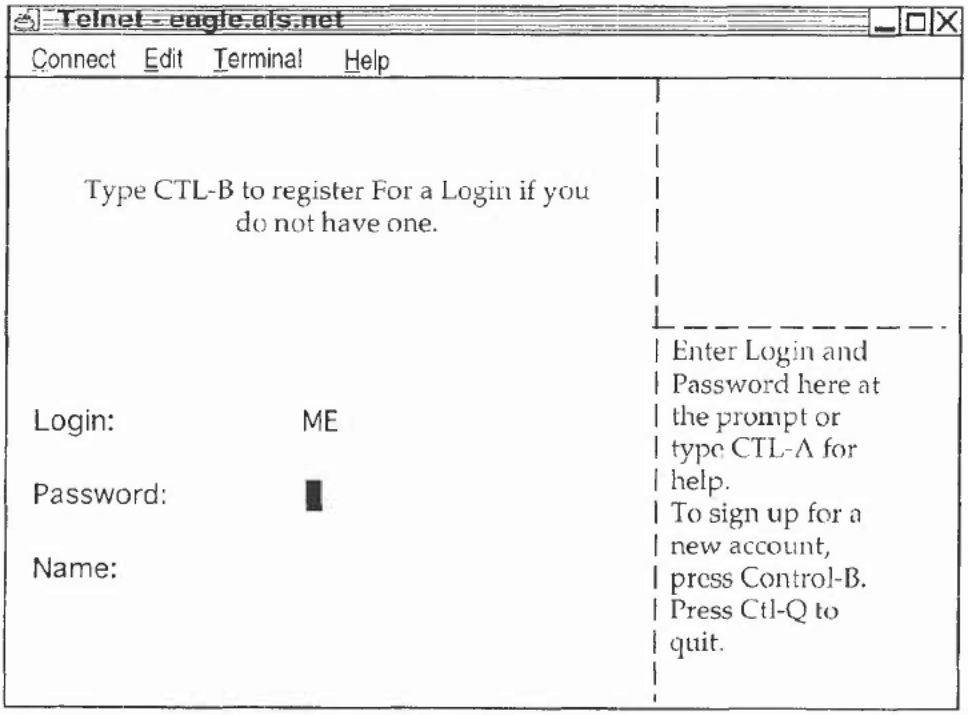


Figure 28 reveals a login interface using a Telnet feature (as indicated at the top of the figure). "The user must now enter his/her login and password to identify themselves." *Id.* at 11:18–19. Figure 27 represents a "Property Editor" interface that allows "a user with sufficient permissions (tokens)" to "change any of the tokens." *Id.* at 11:12–13.

C. Challenged Claims

Claims 1, 19, and 37 are independent. Challenged claims 1, 19, and 37 recite similar subject matter. Each of the remaining challenged claims depends directly or indirectly from claims 1 or 19. Illustrative claim 1 follows:

> 1. A method of communicating content among users using of [sic] a computer system including a controller computer and a database which serves as a repository of tokens for other programs to access, thereby affording information to each of a plurality of

> participator computers which are otherwise independent of each other, the method comprising:
>
> authenticating a first user identity and a second user identity according to permissions retrieved from the repository of tokens of the database;
>
> affording some of the information to a first of the participator computers via the Internet network, responsive to an authenticated first user identity;
>
> affording some of the information to a second of the participator computers via the Internet network, responsive to an authenticated second user identity;
>
> running controller software on the controller computer, in accordance with predefined rules, to direct arbitration of which ones of the participator computers interactively connect within a group of the participator computers;
>
> providing an API on the controller computer, the API multiplexing and demultiplexing API messages by type, creating a virtual connection and providing the virtual connection between channels, private messages, and multimedia objects in the controller computer and the participator computers; and
>
> communicating real-time messages within the group of the interactively connected said participator computers.

D. Asserted Grounds of Unpatentability

The Board instituted on the following grounds of unpatentability (2nd Inst. Dec. 3, 10):

References	Basis	Claims Challenged
Galacticomm References[5]	§ 103(a)	1–9, 12, 14–28, 31, and 33–37

[5] Petitioner refers to the combination of three references as the "Galacticomm References": (1) GALACTICOMM, INC., THE MAJOR BBS

References	Basis	Claims Challenged
Galacticomm References and Sociable Web[6]	§ 103(a)	6, 7, 17, 26, 36
Galacticomm References and Choquier[7]	§ 103(a)	1–9, 12, 14–28, 31, and 33–37
Galacticomm References, Choquier, and Sociable Web	§ 103(a)	6, 7, 17, 26, 36

II. ANALYSIS

A. Claim Construction

We interpret claim terms in an unexpired patent using the broadest reasonable construction in light of the specification of the patent in which they appear. *See* 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–45 (2016). In applying a broadest reasonable construction, claim terms generally carry their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007).

In the First Institution Decision, we preliminarily construed "token" and "censorship." 1st Inst. Dec. 7–10. In the institution decision in related

---

VERSION 6.2 SYSTEM OPERATIONS MANUAL (1994) (Ex. 1012, the "Major BBS Manual"); (2) Bob Stein, *Galacticomm Announces Internet Connectivity Option for the Major BBS*, BOARDWATCH MAG., Sept. 1994, at 38–39 (Ex. 1014, the "ICO Article"); (3) Jim Thompson, *Technology Front: Galacticomm Unveils Worldgroup: AOL on a PC*, BOARDWATCH MAG., Mar. 1995, at 56–60 (Ex. 1015, the "Worldgroup Article"). *See* Pet. 5.

[6] Judith S. Donath & Niel Robertson, *The Sociable Web*, 2ND INT'L WWW CONF., Oct. 1994 (Ex. 1019, the "Sociable Web").

[7] U.S. Patent No. 5,774,668, filed June 7, 1995, issued June 30, 1998 (Ex. 1010, "Choquier").

IPR2016-01158, Paper 7, 7–15, which involves a common ancestor application to the ’356 patent, we construed those terms in the same fashion, and other terms, as follows:

Claim Term	**Construction**
“token”	“piece of information associated with user identity”
“database”	“a collection of logically related data”
“censor” or “censorship”	“control what is said in a group”
“pointer”	“a link or reference to a file, data, or service”

Patent Owner accepts our construction of “token” but presents different constructions of “database” and “censorship.” *See* PO Resp. 12–18. Petitioner accepts all of our constructions and presents arguments supporting our constructions of “database” and “censorship.” Pet. Reply 1–7 (citing IPR2016-01158, Paper 7, 9–10).

We maintain our constructions of each term. In the final written decision in IPR2016-01158, we address the parties’ arguments regarding the construction of “database” (as recited in claims 1, 19, and 37) and “censorship” (as recited in claims 14, 15, 33, and 34 at issue here). *See* IPR2016-01158, Paper 47, Section II.A. Patent Owner presents materially the same evidence and arguments here that the Board addresses in IPR2016-01158, Paper 47, Section II.A. *See* PO Resp. 12–18 (citing Ex. 1001; Ex. 2002; Ex. 2003; Ex. 2004; Ex. 2006; Ex. 2012). We adopt and incorporate by reference the analysis in IPR2016-01158, Paper 47, Section II.A. Notwithstanding the parties’ different positions on the construction of “database” and “censorship,” Patent Owner’s Response does not present a

clear argument that turns on the construction as it relates to Petitioner's obviousness challenges.

No other terms require express construction for purposes of this Final Written Decision. *See Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (holding that terms need only be construed to the extent necessary to resolve the controversy at issue).

B. Alleged Unpatentability Under § 103(a)

A claim is unpatentable under § 103(a) if the differences between the claimed subject matter and the prior art are "such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including the following factors: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) objective evidence of nonobviousness, i.e., secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

Petitioner contends the challenged claims are unpatentable as obvious over the combination of Galacticomm References (i.e., the Major BBS Manual, ICO Article, and Worldgroup Article), and alternatively, the combination of the Galacticomm References and Choquier. *See* Pet. 5–6. Petitioner contends claims 6, 7, 17, 26, and 36 are unpatentable as obvious over the combination of the Galacticomm References and Sociable Web, and alternatively, the combination of the Galacticomm References, Sociable Web, and Choquier. *See id.* at 6.

1. Overview of Major BBS

The Major BBS Manual, a system operations manual, describes Galacticomm Inc.'s "The Major BBS" or "Major BBS" software for a bulletin board system ("BBS"). *See* Ex. 1012, 1–3. According to Robert Stein, a former employee of Galacticomm and the author of the Major BBS Manual, Galacticomm distributed the Major BBS Manual to customers (typically a "Sysop" who manages the BBS) who purchased the Major BBS software. Ex. 1011 ¶¶ 9, 11–12, 14–15. According further to Mr. Stein,

> Customers of The Major BBS bought the software to set up and manage their own bulletin board. The bulletin board owner was known as the "Sysop" for that particular bulletin board. The Sysop would need the System Operation's Manual to install and operate The Major BBS.

Id. ¶ 9.

The Major BBS Manual describes the software system as supporting a multi-user BBS for users simultaneously communicating over modems, serial connections, local area network ("LAN") circuits, and X.25 packet-switching networks. Ex. 1012, 2.

> A bulletin board system is a centralized service that users with computers and modems dial up over telephone lines. A user can download information, answer questionnaires, and exchange messages or files with other users.
>
> A BBS is usually a computer hooked up to a bunch of modems and telephone lines. Typically, the user's side is one computer and one modem on a phone line.

Id. at 1.

To join the Major BBS, a user calls into the BBS (controlled by the Sysop), signs up, answers questions, and picks a User-ID and password. *Id.* at 4, 293. Users can connect, for example, using a computer, a modem, and terminal emulation software. *Id.* at 293. The Sysop assigns all users a

key of a certain level that defines features available to the user. *Id.* at 107. The keys open locks such as "NORMAL," which gives "[a]ccess to most standard features." *Id.* at 107–108. At the formation of the BBS, the system grants a SYSOP key to the Sysop, which gives "[s]weeping powers across all BBS services." *Id.* at 108. The Sysop can assign multiple users the same key by class (a "class keyring"), thereby granting a class of users the same access privileges and restrictions (e.g., NORMAL or MODERATE (allows those users to moderate teleconferences)). *Id.*

After obtaining a User-ID and password (which the users chooses), the user can log on to the system. *Id.* at 301–02. Different users register different language preferences. *Id.* at 300 (for example, German). Once logged in, the user can participate in various electronic Forums.

> Forums are for gathering people and information. . . . In a Forum, lots of people write messages and lots of people read or search or scan messages. You can direct a message to all users or to a specific user. You can search for messages in many ways: chronologically, by topic, by conversation threads, by message content, by lists of keywords, or by the unique message number.

Id. at 324. In a Forum, users post public messages that many users can read. *Id.* at 304. A user optionally can attach and upload a file to a Forum message, which another user reading the message can download. *Id.* at 306. The system can assign different access levels to different users for accessing Forums, including "Read" access, in which a "user can read Forum messages, but not download files attached to the messages"; "Write" access, in which a "user can write Forum messages, but not upload files"; and "Forum-Op" access, in which a user "can approve uploads, maintain bulletins, and set the access levels of other users." *Id.* at 139.

Each Forum can have its own Teleconference channel, in which the topic of the channel is the topic of the Forum. *Id.* at 246, 315, 339. According to the Major BBS Manual, "[t]eleconferencing simply allows several users to converse with one another over their terminals. When you type something, that message goes out to all the other users in the same Teleconference channel, telling them what you typed." *Id.* at 315. The Major BBS Manual states "[t]eleconference channels have nothing to do with the communication channels that you use for your session on the BBS. Teleconference channels are just a method of keeping track of who is talking to whom." *Id.* In other words, a "channel" specifies a group of people sending messages on a Forum or during a chat. *See id.*

Users can view a list of the services provided by a particular BBS in the form of menus in a tree structure. *Id.* at 59–60. Menus can be presented using RIP*scrip*, enabling some presentation of graphics in the menus. *Id.* at 64, 92. The system can present different menus depending on the key assigned or communication channel assigned to the user. *Id.* at 107.

2. Overview of the ICO Article and Worldgroup Article

The ICO Article appears in the September 1994 issue of Boardwatch Magazine. The ICO Article describes an "Internet Connectivity Option" for Galacticomm's "The Major BBS" (or the "Major BBS") system, which "provides inbound and outbound telnet and ftp for The Major BBS." Ex. 1014, 6. According to the ICO Article, the Internet Connectivity Option enables users on the Major BBS system to access services on the Internet, and enables Internet users to access the BBS system. *Id*. Mr. Stein testifies he designed and programmed the Internet Connectivity Option, which

Galacticomm offered as an "add-on" for the Major BBS software. Ex. 1011 ¶¶ 20–21.

The Worldgroup Article appears in the March 1995 issue of Boardwatch Magazine, and discusses the "Worldgroup" system being developed by Galacticomm. Ex. 1015, 6–10. According to Mr. Stein, Galacticomm renamed The Major BBS software as Worldgroup. Ex. 1011 ¶ 22. The Worldgroup Article describes the Worldgroup system as a client/server system with a graphical user interface that retains compatibility for ANSI and RIP users so that BBS users reliant on ANSI and/or RIP can still access the system using a conventional text-based interface. Ex. 1015, 6. One of the enhanced features of the Worldgroup system includes a "multi-channel chat" feature that permits multiple users to be on a teleconference together. *Id.* at 7–8.[8] Participants in the multi-channel chat can exchange "[w]hispers or private chat requests" and exchange files "in the background" while still participating in the teleconference. *Id.* Participants can also draw on a "drawing board" such that users can "watch a picture appear as it is being drawn." *Id.* at 8. The Worldgroup Article states that the Worldgroup system includes the Internet Connectivity Option. *Id.* at 7.

3. Overview of Choquier

Choquier describes a distributed client-server architecture that employs replicated application servers to provide services to end users, e.g.,

---

[8] The Major BBS Manual describes the chat feature as allowing only "two users to enter chat mode where they can converse directly with one another. In chat mode, each keystroke from one user is immediately echoed to both users." Ex. 1012, 318.

on an on-line network. Ex. 1010, 4:39–44. The system includes a Microsoft Connection Protocol (MCP) layer that acts as a multiplexer and demultiplexor and supports simultaneous service sessions such that a client-user can access multiple services simultaneously. *Id.* at 8:36–63.

Figure 2, reproduced below, illustrates an MCP embodiment of Choquier:

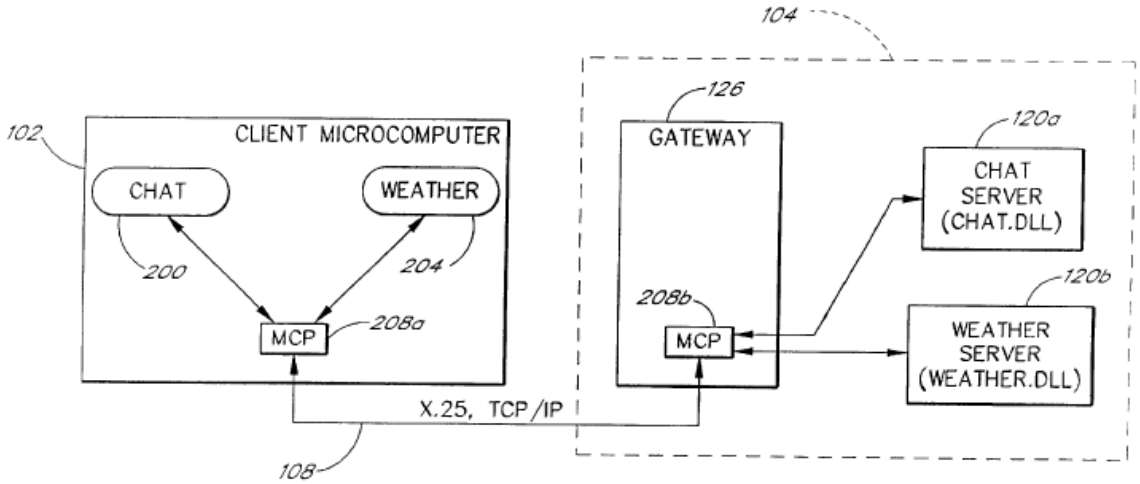


FIG. 2

Figure 2 of Choquier depicts client microcomputer 102 with two client applications (CHAT application 200, and WEATHER application 204) connected to server 104 via MCP 208a on the client side and MCP 208b on the server side. *Id.* at 8:45–58. These applications each generate a message stream (depicted as arrows) that the system passes to MCP (Microsoft Connection Protocol) layer 208a. *Id.* MCP layer 208a multiplexes those message streams and sends the multiplexed data to gateway 126 at host data center 104. *Id.* at 8:47–50. MCP layer 208b at gateway 126 demultiplexes the data and routes the message streams to CHAT server 120a and WEATHER server 120b, respectively. *Id.* at 8:50–53.

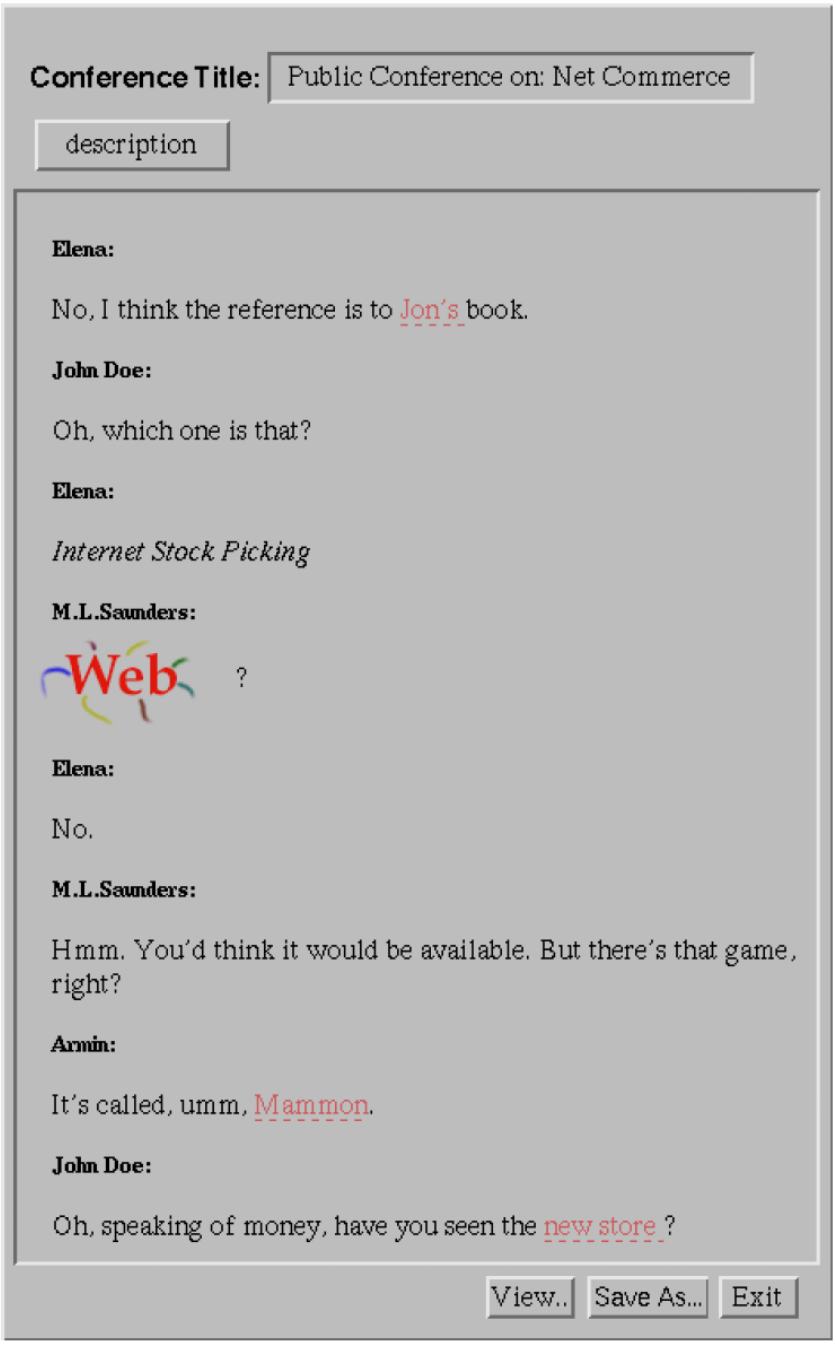
This process also flows in reverse to send multiplexed data from host servers 120a and 120b to client applications 200 and 204. *See id.* at 8:53–58. In one example, a user may download a weather satellite photo while simultaneously communicating in real time with another user via the CHAT application. *See id.* at 8:58–62.

4. Overview of Sociable Web

Sociable Web describes a modified Web browser and server. Ex. 1019, 2.[9] When the browser visits a Web page not served by a Sociable Web server, the browser behaves as a conventional browser. *Id.* On Web pages served by a Sociable Web server, however, the browser provides social and collaborative features, so users can have discussions with other visitors of those pages. *Id.* at 2–3.

Using a WebTalk feature, users can have live discussions such that that when a user types a message, it appears instantly on the screens of the intended recipients. *Id.* at 3. The figure on page 4 of Sociable Web, reproduced below, illustrates such a discussion:

[9] According to one author of Sociable Web, Exhibit 1019 is a version of Sociable Web archived by the Internet Archive at https://web.archive.org/web/19980111061831/http:/judith.www.media.mit.edu/SocialWeb/SociableWeb.html. *See* Ex. 1022 ¶¶ 6–7, 10.



Discussion window (try the buttons and links).

The figure reproduced represents a discussion window. According to Sociable Web,

> [i]mages, sounds, and links to other pages can all be integrated with the flow of words. The WebTalk client includes several tools for fluency in hypertext conversation. For instance, the user

> can highlight a phrase and then, simply by clicking on a picture (or link) on any Web page, attach the chosen object to the phrase. When the phrase is sent, the recipient sees it as highlighted text; if the recipient clicks on it, he or she will receive the picture (or follow the link).

Id. at 4.

5. Prior Art Status of the Sociable Web, the ICO Article, and the Worldgroup Article

i. Sociable Web

According to Petitioner, conference attendees at the Second International World Wide Web Conference in Chicago in October 1994 received the Sociable Web as a paper documenting the authors' project that the Internet Archive later archived. *See* Pet. 15. Dr. Judith Donath, one of the authors of Sociable Web, testifies that she presented the Sociable Web paper to conference attendees, made the paper available by the time of the conference to attendees, and also made it available on her web page at the Massachusetts Institute of Technology. *See* Ex. 1022 ("Donath Declaration") ¶¶ 6–10.

To support its assertion that Dr. Donath presented Sociable Web at the 1994 conference in Chicago, in addition to citing to the Donath Declaration, Petitioner cites to conference proceedings referring to the title of the paper and presenters (Ex. 1021, ix) and cites to emails discussing the Sociable Web in late 1994 to early 1995 (Ex. 1022 ¶ 11; Ex. 1020).

Patent Owner argues that Petitioner has not shown that Sociable Web is prior art. Specifically, Patent Owner argues that Sociable Web "is a web resource which, on its face, lists a date from the Web Archive in 1998—well after the priority date of the Patent." PO Resp. 11. Patent Owner further argues that Dr. Donath does not have copies or backups of Sociable Web

bearing a date prior to 1998. *Id.* According to Patent Owner, Dr. Donath testified in deposition that there was a time when the images on her web page were not working. *Id.* (citing Ex. 2009, 14:22–15:2). Patent Owner also asserts that Dr. Donath was paid by Microsoft and, accordingly, we should give little to no weight to her testimony. *Id.* at 10 (citing Ex. 2009, 10:19–21, 11:3–8).

According to the Federal Circuit, "[b]ecause there are many ways in which a reference may be disseminated to the interested public, 'public accessibility' has been called the touchstone in determining whether a reference constitutes a 'printed publication.'" *Kyocera Wireless Corp. v. Int'l Trade Comm'n*, 545 F.3d 1340, 1350 (Fed. Cir. 2008) (quoting *In re Hall*, 781 F.2d 897, 898–99 (Fed. Cir. 1986)). A reference is publicly accessible "upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art exercising reasonable diligence, can locate it." *SRI Int'l, Inc. v. Internet Sec. Sys., Inc.*, 511 F.3d 1186, 1194 (Fed. Cir. 2008) (citation omitted). Public accessibility must be assessed on a case-by-case basis. *See Kyocera*, 545 F.3d at 1350.

"[A] printed publication need not be easily searchable after publication if it was sufficiently disseminated at the time of its publication." *Suffolk Techs., LLC v. AOL Inc.*, 752 F.3d 1358, 1365 (Fed. Cir. 2014). In *Suffolk*, the Federal Circuit concluded that an internet newsgroup posting constituted sufficient dissemination to artisans of ordinary skill, rendering the posted document publically accessible, where the posting "elicited at least six responses over the week following its publication" and that "[m]any more people may have viewed the posts without posting anything

themselves." *Id.* at 1365. The court further noted "the record indicates that those of ordinary skill in the art actually were using [the] newsgroups." *Id.* at 1364. In another example, the Federal Circuit found that a paper presented orally at a technical conference and handed out afterward upon request was publicly accessible where "between 50 and 500 persons interested and of ordinary skill in the subject matter were actually told of the existence of the paper and informed of its contents by the oral presentation, and the document itself was actually disseminated without restriction to at least six persons." *Mass. Inst. of Tech. v. AB Fortia*, 774 F.2d 1104, 1108–09 (Fed. Cir. 1985) ("*MIT*"); *cf. In re Klopfenstein*, 380 F.3d 1345, 1347 (Fed. Cir. 2004) (a printed slide presentation displayed continuously for two and a half days at a meeting of a technical association and displayed for less than a day at a university held to be publicly accessible). Discussing *MIT*, *Klopfenstein* noted "[t]he key to the court's finding [in *MIT*] was that actual copies of the presentation were distributed. The court did not consider the issue of indexing." *Klopfenstein*, 380 F.3d at 1349 (citing *MIT*, 774 F.2d at 1108–10).

According to Dr. Donath, she presented the Sociable Web at the 1994 conference, a premiere conference well-known to those of skill in the art, she made the document available to attendees prior to the conference on the conference's website. *See* Ex. 1022 ¶¶ 7–8. Dr. Donath also testifies that she posted Sociable Web on her MIT Media Lab webpage prior to the conference and that her webpage was a popular Internet resource. *Id.* ¶ 9. Dr. Donath also provides email copies showing interested persons remarking about the Sociable Web in late 1994 and early 1995. For example, Dr. Donath testifies she received an

> email from Jerry Maddox, dated November 15, 1994, [who] inquires about The Sociable Web and mentions the "presentation [he] read from the WWW conference in Chicago," confirming both that members of the public had access to The Sociable Web as of November 1994 and that the WWW Conference where I presented The Sociable Web was prior to November 1994.

Ex. 1022 ¶ 11 (citing Ex. 1020, 9). Dr. Donath testifies about another attached "email from Micha Reisel, dated January 19, 1995, [which] refers to The Sociable Web as well as the URL to which I posted the paper (http://judith.www.media.mit.edu/SocialWeb/SociableWeb.html)." *Id.* (citing Ex. 1020, 10).

The facts of dissemination here track the situations described in *MIT* and *Klopfenstein*, in which the court found papers presented at industry and academic conferences to be publicly accessible. Petitioner introduces uncontested evidence that a paper by the same name, and with the same authorship, was presented at the 1994 conference in Chicago. Ex. 1021, ix. Given, as discussed further below, that the testimony here shows that the version of Sociable Web presented in this proceeding (Ex. 1019) is the same as the document presented at the conference and posted on Dr. Donath's website in 1994, that document would have been publicly accessible as of the date of the conference.

Patent Owner correctly argues that Sociable Web does not bear a priority date to establish it as prior art and that the record does not include copies bearing such a date. PO Resp. 10. Nevertheless, Dr. Donath testifies that she reviewed the archived version of Sociable Web on her webpage and concluded that it is identical to the webpage that she posted in 1994. Ex. 1022 ¶ 10. She further testifies that she did not recall making any changes to the webpage between 1994 and the end of 1998. *Id.* After

examining the deposition testimony cited by Patent Owner (PO Resp. 9–11, citing Ex. 2009, 10:19–21, 11:3–8, 14:2–11, 14:22–15:2), including Dr. Donath's testimony that Microsoft compensated her, we find her testimony to be consistent and credible.

As to Patent Owner's argument that images on Dr. Donath's webpage were, at some point, not working, Dr. Donath further testifies that the text of Sociable Web remained the same and that the substance of the images did not change. Ex. 2009, 14:22–15:25. On the record evidence, Petitioner establishes by a preponderance of evidence that the copy of Sociable Web asserted in this proceeding (Ex. 1019) is identical to that posted on Dr. Donath's webpage in 1994 and presented at The Second International WWW Conference in Chicago in late October 1994. Accordingly, Petitioner has shown by a preponderance of evidence that Sociable Web was publicly accessible as of October 1994 and, thus, is prior art to the '356 patent.

ii. The ICO Article and the World Group Article

The Board in this proceeding initially determined that the Petition sufficiently established that the Major BBS Manual, the Worldgroup Article, and the ICO Article, each qualify as prior art printed publications. *See* 1st Inst. Dec. 18–19.

The Board initially determined as follows:

> Mr. Stein testified that [the] Major BBS [Manual] was widely distributed to customers of The Major BBS software at least as early as 1994. Ex. 1011 ¶¶ 9–19. His testimony further indicates that [the] ICO [Article] and Worldgroup [Article] were published in Boardwatch Magazine in September 1994 and March 1995, respectively. *Id.* ¶¶ 20–22. This evidence, along with the Galacticomm References themselves, demonstrates sufficiently

> for purposes of this Decision that each of the Galacticomm References was publicly accessible more than one year prior to the earliest priority date listed in the '356 Patent (April 1, 1996).

Id. at 18–19.

After reviewing the record anew and applying the preponderance of the evidence standard, we adopt and incorporate the same findings here. In addition, the industry articles in Boardwatch Magazine constitute the type of articles artisans of ordinary skill, interested in software advances, the Internet, and companies providing software over the Internet or otherwise, would have consulted. *See* Ex. 1014; Ex. 1015. The Boardwatch Magazine, a group of articles bound in a cover, presents indicia of an intent to distribute. For example, the cover of the September 1994 issue of Boardwatch Magazine presents a colorful display of a depiction of the earth from outer space, with light showing appreciable depth, and announcing "THE TOP 100 BBBs IN THE U.S." with a subtitle indicating an article about "1994 Boardwatch Readers' Choice BBS Contest Results," in addition announcing a "Plus" feature of "MAJOR BBS ON THE INTERNET." Ex. 1014, 1. The cover of the March 1995 issue portrays what appears to be a copy of a color photograph of Galacticomm employees, and features "GALACTICOM's NEW WORLDGROUP BBS Package – Windows Client/Server looks like AOL on a PC." Ex. 1015, 2. In addition to the dates on the magazine covers, both covers include a bar code, another indication of public accessibility. Ex. 1014, 1; Ex. 1015, 2.

Patent Owner argues "Mr. Stein's testimony corroborating the publication date of the [Worldgroup Article and ICO Article] should be given little to no weight and the Board should find that these articles do not qualify as prior art in this proceeding." PO Resp. 9 (citing Ex. 2006 ¶ 23).

Patent Owner presents the following reason Mr. Steins' testimony should be discounted: "Mr. Stein is a paid consultant of Microsoft, who, when asked why he was contacted by Microsoft in this case, stated that he was 'not at liberty to say.'" PO Resp. 9 (quoting Ex. 2008, 49:18–20). Reference to the Galacticomm article by Patent Owner apparently refers to the Worldgroup Article in Boardwatch Magazine. *See* PO Resp. 9; Ex. 1015.

Patent Owner, in attacking the veracity of the articles, states "Galacticomm was a sponsor for the magazine and regularly took out advertisements in that magazine." PO Resp. 8 (citing Ex. 2008, 27:11–28:5; 41:10–24). This argument, however, supports the finding of public dissemination, as without an expectation of wide public dissemination, no good reason would exist to continue to advertise.

Patent Owner's brief arguments that Petitioner paid Mr. Stein to be a consultant (PO Resp. 9) and Mr. Stein did not reveal why Petitioner "contacted [him] for [his] declaration" (Ex. 2008, 49:12–20), does not detract from or undermine his testimony regarding the publication of the two articles. *See* PO Resp. 9, 25 (asserting "Mr. Stein's status as a paid witness hiding behind privilege assertions should be disqualifying"). Patent Owner fails to explain why any of the circumstances noted by Patent Owner diminish Mr. Stein's credibility.

Moreover, the deposition transcript generally shows that Mr. Stein asserted confidentiality because Mr. Stein's attorney instructed him to do so with regard to a question about why Petitioner contacted him to provide a declaration, and Mr. Stein's attorney also invited Patent Owner to contact the Board to "see what they say" about asserting confidentiality (and also about Petitioner's counsel's explanation that Patent Owner's attempts to

question Mr. Stein went beyond the scope of his direct). *See* Ex. 2008, 49:5–50:12; *see also* Pet. Reply 8 (arguing "Mr. Stein explained on cross-examination that he was merely compensated for his time in preparing his declaration and supporting evidence" (citing Ex. 2008, 8:19–12:6)).

Accordingly, Petitioner has shown by a preponderance of evidence that the ICO Article and Worldgroup Article were publicly accessible prior to April 1, 1996, the earliest effective filing date of the '356 patent. *See* Ex. 1001 [63].

6. Petitioner's Obviousness Showing of Claim 1 Based on the Galacticomm References

Petitioner asserts that claim 1 of the '356 patent is unpatentable as obvious in view of the combined teachings of the Galacticomm References. The Petition sets forth detailed contentions and identifies specific evidence to support this asserted ground of unpatentability. Pet. 24–46. At the outset, Petitioner generally contends that an artisan of ordinary skill would have combined features described in the Galacticomm References because the ICO Article and Worldgroup Article describe improvements/add-ons, including Internet connectivity, different multimedia types, and Windows graphical interfaces, for the same Major BBS system that the Major BBS Manual describes, and Galacticomm itself combined the improvements/add-ons described in the references. *See* Pet. 12, 24–25 (citing Ex. 1023 ¶ 109).

Claim 1 recites "a controller computer and a database which serves as a repository of tokens for other programs to access, thereby affording information to each of a plurality of participator computers which are otherwise independent of each other." Petitioner contends the Major BBS Manual teaches these limitations. Pet. 25–34. The Major BBS Manual states that "The Major BBS is a multiuser bulletin board system that can be

licensed to support up to 256 users simultaneously . . . The Major BBS runs on an IBM PC or compatible." Ex. 1012, 2. A "User Account Database" includes, for example, the UserID, real name, password, and other personal information for users of The Major BBS. *Id.* at 381–82.

As construed above, a "token" is "a piece of information associated with user identity." Relying on the "User Account Database," Petitioner shows that the Major BBS Manual discloses tokens stored in the database with access by the Sysop (and Sysop programs), who in turn, specifies access thereto by the participator users on different computers or terminals, using *inter alia*, locks and keys to control their access. *See* Pet. 26–34 (citing Ex. 1012, 139, 241, 315–20, 381–82; Ex. 1023 ¶¶ 123–53).

The Major BBS Manual indicates users can access the information of other users as well as create and edit their own information. Ex. 1012, 367–77. According to Petitioner and Mr. Schmandt, "other programs" includes both the Sysop (systems operator) software of the controller computer and other software utilized by users to access account information. Pet. 28–31 (citing Ex. 1023 ¶¶ 126–42; Ex. 1012, 232, 373–77, 392–94); Ex. 1012, 4, 97–98, 121–22 (Sysop). As one example of user software, Petitioner points, *inter alia*, to code for "Editing Your Account Information," a "User Account Menu," and a "Account Display/Edit," which allows users to look up and edit their information and also to access other user's information. *See id.* at 31–32 (citing Ex. 1023 ¶¶ 126–42; Ex. 1012, 232, 369–370). The Major BBS Manual also discloses that user terminal computers may generally access information via services such as teleconferencing, forums, and file libraries. *See* Ex. 1012, 292–94; Pet. 31–32.

With respect to the limitation of "authenticating" users "according to permissions retrieved from the repository of tokens of the database," the Petition identifies specific teachings in the Major BBS Manual. Pet. 34–35. For example, as Petitioner contends, the Major BBS Manual indicates that each user has a User-ID and password tokens stored in the User Account Database (noted above) that each user must employ to login. *See id.* at 28 (User Account Database), 35 (citing Ex. 1023 ¶¶ 147–54; Ex. 1012, 4, 292–93, 301–02); Ex. 1012, 381–82 (User Account Database). Again, as noted, after a log in, Major BBS provides access to services such as teleconference forums, chat features, and file and message sharing. Pet. 34–36; Ex. 1012, 241, 301–02, 315–20; Ex. 1023 ¶¶ 143–46. As indicated above, the Sysop sets different access levels to these forums, files, and chats to different User-IDs using keys and locks predicated on authentication via the login User ID and password. *See* Ex. 1012, 4, 240–42, 292–93, 301–02, 315–20; Ex. 1023 ¶¶ 143–46.

Claim 1 further recites "affording some of the information . . . via the Internet network" to first and second participator computers responsive to first and second authenticated user identities. The Petition acknowledges that Major BBS does not explicitly disclose sending information over the Internet, but instead identifies disclosures in the ICO Article and the Worldgroup Article as teaching this limitation. Pet. 36–37 (citing Ex. 1014; Ex. 1015). Specifically, both the ICO Article and Worldgroup Article discuss the Internet Connectivity Option for The Major BBS/Worldgroup. Ex. 1014, 6; Ex. 1015, 7. According to Petitioner, these disclosures teach communicating information to BBS users via the Internet. Pet. 36–37 (citing Ex. 1023 ¶¶ 155–60). As quoted in the Petition, the ICO Article touts the

following advantages: "The Internet Connectivity Option provides inbound and outbound telnet and ftp for The Major BBS. This means callers to a Major BBS system can telnet or ftp out to other services on the Internet, and Internauts, conversely, can telnet or ftp into the bulletin board system." Pet. 36–37 (quoting Ex. 1014, 6).

With regard to the limitation, "controller software . . . to direct arbitration of which ones of the participator computers interactively connect within a group of the participator computers," the Petition relies on teachings in the Major BBS Manual about Sysop control over user access. Pet. 37–38. The Major BBS Manual describes locking features such that only users with the correct keys—assigned by the Sysop—can access designated features. Ex. 1012, 3. Keys can be assigned to "class keyrings," namely, a set of keys available to all users in a class (group) of users. *Id.* at 97–107. For example, the Sysop may grant specific user groups or individuals different levels of access to forums and teleconferences, including uploading and downloading files. *Id.* at 109, 240–42; Ex. 1023 ¶¶ 165–69.

Claim 1 also recites "providing an API on the controller computer" that multiplexes/demultiplexes API messages and creating a "virtual connection between channels, private messages, and multimedia objects in the controller computer and the participator computers." Petitioner identifies the set of teleconference commands described in Major BBS as the recited "API." Pet. 38–46. Major BBS describes a number of commands available in The Major BBS software, including "WHISPER TO <User-ID>" (sending a private message to another user), "CHANNEL <number>" (switching to another channel), and "SQUELCH <User-ID>" (moderator

command to silence a user). Pet. 39–41 (quoting Ex. 1012, 316–19). According to Petitioner and Mr. Schmandt, these commands create API messages that Sysop's computer multiplexes and sends over its single connection to particular users. *See id.* 41–42 (citing Ex. 1023 ¶¶ 174–189). The Petition identifies teleconference channels and "WHISPER" messages as the recited "channels" and "private messages." *Id.* at 44–45 (citing Ex. 1012, 316; Ex. 1023 ¶ 181). Petitioner points to different file uploading and downloading features as reading on multimedia objects, including .DTA or .DOC files, which may also be attached in email messages. *See id.* at 44–45 (citing Ex. 1012, 268).

Petitioner further relies on the Worldgroup Article, which describes, with more detail, and in the context of an Internet connection with respect to an updated Major BBS version (i.e., Worldgroup), how a teleconference channel includes whispers and multimedia file exchanges on the same telnet application employed in BBS as the users participate in the teleconference over the Internet. *Id.* at 42–46 (citing Ex. 1015, 7–9; Ex. 1023 ¶¶ 177–180). According to Petitioner and Mr. Schmandt, these teachings further suggest the multiplexing and a virtual connection between channels, private messages, and multimedia objects using the BBS system of a controller computer (Sysop) and several user computers. *See id.* at 41–44; Ex. 1023 ¶¶ 170–82; Ex. 1012, 316. The ability to send various types of multimedia according to the Worldgroup Article using various interfaces would have enhanced the capability of the Major BBS. *See* Ex. 1015, 8 ("During one session, I was downloading a file in the background, chatting with another user and using the drawing board all at the same time. That is what I call an intelligent use of resources.").

Finally, claim 1 recites "communicating real-time messages within the group of the interactively connected said participator computers." Petitioner asserts the Major BBS Manual describes groups of users that communicate in real time in the teleconference feature of the Major BBS. Pet. 46 (citing Ex. 1012, 9, 318). For example, Petitioner asserts the Major BBS discloses setting up a BBS is to "[m]oderate real-time debates on the latest hot topic in the news." *Id.* (quoting Ex. 1012, 9). Petitioner also relies on the Major BBS chat feature as providing real time communication: "The following is an example of two users entering and exiting Teleconference chat mode . . . . Notice how they both typed at the same time at one point." *Id.* (quoting Ex. 1012, 318).

Based on the foregoing discussion, and after considering Patent Owner's arguments discussed below in light of the record, Petitioner has shown by a preponderance of evidence claim 1 would have been obvious over the Galacticomm References.

7. Obviousness of Claim 1 in View of the Galacticomm References and Choquier

Petitioner asserts that claim 1 is unpatentable as obvious over the combination of Galacticomm References and Choquier. Pet. 64–67. For the majority of the limitations of claim 1, Petitioner relies on the same evidence and arguments as discussed above for the Galacticomm References. *See id.* at 65. Petitioner relies on Choquier to supplement the Major BBS Manual and ICO Article in terms of rendering obvious the API multiplexing and demultiplexing limitations of claim 1. *Id.* at 65–66.

Petitioner points to a description of multiplexing message streams from client applications 200 (CHAT) and 204 (WEATHER) by MCP layer 208a, and demultiplexing those streams at the host data center by MCP layer

208b, as pictured in Figure 2 of Choquier. *See* Pet. 65–67 (citing Ex. 1010, 8:45–53, Fig. 2; Ex. 1023 ¶¶ 256–58). Petitioner points generally to Figures 2 and 5b, which show multiplexing and demultiplexing on a client side and "[l]ikewise" (Ex. 1010, 8:53) on server side, using the same MCP layer 208a on the client and 208b on the Gateway server, and using the same single Internet connection 108 employing TCP/IP.[10] *See* Pet. 65–66 (citing Fig. 2, Fig. 5B, Ex. 1010, 8:45–53); Ex. 1010, 8:45–63. As the Petition notes, Choquier discusses implementing its teachings in a BBS system including real-time chat functionality. Pet. 65 (citing Ex. 1010, 6:1–6). According to Petitioner and Mr. Schmandt, a person of ordinary skill would have been motivated to combine the teachings of Choquier with the Galacticomm References because Choquier itself indicates its system can be applied to a BBS system using the API multiplexing system of Choquier. *See id.* at 66–67.

In other words, an ordinarily skilled artisan would have recognized the benefits of Choquier's multiplexing/demultiplexing technique as applied to the Major BBS system with the ICO Article's Internet teachings, based on the additional detail provided in Choquier's description of multiplexing and demultiplexing in the context of MPS implementing API on BBS and real-time chat system functionality for use on the Internet using TCP/IP. *See id.* at 64–67 (citing Ex. 1023 ¶¶ 253–60). For example, in the context of the MCP, Figures 5A and 5B, and column 12 as cited by Petitioner, Choquier

[10] Choquier describes connections 108 and wide area network 106 as complying, *inter alia*, with packet-switched interface standards and the "Transport Control Protocol/Internet Protocol ('TCP/IP'—a suite of protocols developed for use on the Internet)." *See* Ex. 1010, 4:66–5:8.

describes the MCP layer as a "high-level application programming interface (API)" that exists on both a client and server, with an "optimized remote procedure call (RPC) layer, optimized to permit efficient client-server communications over a relatively slow WAN." Ex. 1010, 12:15–23; *see* Pet. 66 (citing Ex. 1010, 12:15–29; Ex. 1023 ¶ 258).

Based on the foregoing discussion, and after considering Patent Owner's arguments discussed below in light of the record, Petitioner has shown by a preponderance of evidence claim 1 would have been obvious over the Galacticomm References and Choquier.

8. Obviousness of Independent Claims 19 and 37

Petitioner asserts that claims 19 and 37 of the '356 patent would have been obvious over (1) the combination of the Galacticomm References and (2) the combination of the Galacticomm References and Choquier. *See* Pet. 47–50. Claims 19 and 37 are apparatus claims whereas claim 1 is a method claim, but otherwise their limitations are similar in substance to those of claim 1. Consequently, Petitioner relies on the same evidence and arguments for claims 19 and 37 as for claim 1. *Id.* Likewise, Patent Owner raises no arguments particular to these claims and relies on arguments for claim 1. *See* PO Resp. 21–35.

For similar reasons discussed above for claim 1, and after considering Patent Owner's arguments discussed below in light of the record, Petitioner has shown by a preponderance of evidence, claims 19 and 37 would have been obvious over the combination of (1) the Galacticomm References, and (2) the Galacticomm References and Choquier.

9. Obviousness of Challenged Dependent Claims 2–9, 12, 14–18, 20–28, 31, and 33–36

Petitioner asserts that challenged dependent claims 2–9, 12, 14–18, 20–28, 31, and 33–36 would have been obvious over (1) the combination of the Galacticomm References, and (2) the combination of the Galacticomm References and Choquier. *See* Pet. 5–6, 50–62, 64–67. Petitioner asserts that challenged dependent claims 6, 7, 17, 26, and 36 would have been obvious over (1) the combination of the Galacticomm References and Sociable Web, and (2) the combination of the Galacticomm References, Choquier, and Sociable Web. *See* Pet. 6, 62–64, 67. The Petition sets forth detailed contentions and identifies specific evidence to support these asserted grounds of unpatentability. Pet. 50–67.

As an example, claims 2–6 and 20–24 recite communicating content that includes one to five of the following types of content: sound, video, graphic, pointer, and multimedia. The Petition identifies teachings in the Worldgroup Article of multiple file types that the BBS, as modified, can exchange between users, including several image and photo types, video clips, sound files, drawings, and "interactive games which combine graphics, animation, video and sound." Pet. 51 (quoting Ex. 1015, 9), 50–54. In addition, the Major BBS Manual describes attaching files to e-mail and forum messages in the BBS system, and the Worldgroup Article describes similar functionality. Ex. 1012, 306; Ex. 1015, 8. Relying on Mr. Schmandt's testimony, Petitioner contends this functionality teaches communicating all manner of multimedia, including pointers. Pet. 53–54 (citing Ex. 1023 ¶¶ 191–97, 203–04).

Petitioner also relies on these teachings about file attachment functionality for the limitations of claims 7 and 26 requiring communicating

a pointer that "allows the content to be produced on demand." *See* Pet. 54–55. As the Petition notes, the Major BBS Manual describes a file-tagging feature that allows a user to tag files, including those attached to an e-mail or forum message, to download later when the user wishes. Pet. 55 (citing Ex. 1012, 306; Ex. 1023 ¶¶ 205–10). Further with respect to claims 17 and 36, which recite communicating content invoked with a URL, noting the similar tag naming features for files in emails or forum messages as disclosed in the Major BBS Manual, Petitioner relies on Mr. Schmandt's testimony that a person of ordinary skill would have known at the relevant time users could send URLs linked to content via any text-based message system, including those provided in the Major BBS system. Pet. 55–56 (citing Ex. 1023 ¶¶ 208–09; Ex. 1012, 306).

With respect to claims 16 and 35, which recite communicating "over the network, including the Internet," Petitioner relies on the teachings discussed above in the ICO Article and Worldgroup Article regarding the Internet Connectivity Option. *See* Pet. 60–61. For claims 18 and 25, Petitioner relies on Mr. Schmandt's testimony that a person of ordinary skill would have known, and would have had sufficient skill, to implement the claimed invention in the JAVA™ language. *See id.* at 61–62 (citing Ex. 1023 ¶¶ 249–52). Regarding claims 12 and 31, which recite "multiplexing and de-multiplexing operations carried out as a message type on API messages," Petitioner contends they are duplicative of the multiplexing/demultiplexing limitations of the independent claims and, in any event, relies on the same evidence and arguments as for those limitations of the independent claims. *Id.* at 58–59.

Claims 8, 9, 27, and 28 recite "API messages" and related limitations. The Petition provides detailed contentions and supporting evidence to demonstrate how the asserted prior art teaches and renders obvious these challenged claims. Pet. 56–58. Other than providing arguments with respect to claim 1, which are discussed further below, Patent Owner does not dispute the teachings identified by Petitioner.

Claim 14 recites "determining censorship of the content." Claims 15 and 34 recite "wherein the computer controller determines censorship." Claim 33 recites "wherein the computer system determines censorship of the content." In context, based on the Specification and recitations in claims 2 and 2 as discussed further below, "content" must be broad enough to include the type of data set forth in independent claims 1 and 19, from which claims 2, 14, and 15, and 20, 33 and 34, respectively depend.

Claim 1 recites "[a] method of communicating content," and claim 19 recites "[a]n apparatus to communicate content." Claims 2 and 20 depend from claims 1 and 19 and recite "wherein the communicating *content* includes communicating at least one of sound, video, pointer and multimedia *content*." (Emphasis added.) According to the Specification, "[c]ensorship also can use the tokens for real time control of data (ascii, text, video, audio) from and to users, as well as control over multimedia URLs—quantity, type, and subject." Ex. 1001, 8:45–47. Claims 2, 20 and the Specification, therefore, indicate censorship of the content must include censoring based on, for example, data type, quantity, or subject matter.

Censorship generally means "control what is said in a group" as set forth above. *Supra* Section II.A. Accordingly, determining censorship in claims 15 and 34 means determining whether to control what is said in a

group. And "determining" or "determines" censorship of the content" in claims 14 and 33 means determining whether to communicate content based on characteristics of the content, including characteristics such as data type, quantity, or subject.

Petitioner relies on teachings in the Major BBS Manual regarding Sysop control over the access rights of users. Pet. 59–60. For example, a Sysop can set different access privileges for different users such that a user may have "Zero Access" (cannot see the forums or any of their content), "Read Access," or "Download Access." Ex. 1012, 240–41; Pet. 59–60 (citing Ex. 1012, 240–241). Petitioner also asserts a user can be prevented from accessing certain files or downloading certain files. Pet. 60 (citing Ex. 1012, 3, 240–48; ¶ 245).

The Major BBS Manual discloses that "Download Access" means "[t]he user can download approved files, but not write messages to the Forum or upload file attachments." Ex. 1012, 241. With respect to "Read Access," "the user can read Forum messages, but not download files attached to the messages." *Id.* at 240. The Major BBS Manual also discloses "Upload Access," wherein "[t]he user can upload files, but the files require Forum-Op approval before other users can download them." *Id.* at 241. A Sysop assigns the Forum-Op (Forum Operator), who can approve uploaded files, maintain messages, etc. for a given Forum. *Id.*

Petitioner establishes by a preponderance of evidence that at least the Download Access level set by the Sysop satisfies the limitations of claims 14 and 33, because the Major BBS Sysop computer prevents the user from downloading certain files (i.e., the user may only download approved files). *See id.* at 241. The Sysop computer determines whether to communicate a

Library file based on its characteristics by assigning different users access to any type of file, including either to DOS files or text files. *See id.* at 240–242 (different access levels assigned including by messages or file access), 256 (messages appear in Forums but files can be uploaded) 248 (commands for locating files), 254 (disclosing a Sysop or can edit access "descriptions, features and access restrictions of a Library" and delete any of the files); 308 (disclosing files can be stored in two fundamentally different ways, as attachments, or as files in File Libraries, with 5 types of file protocols for downloading). Alternatively, claim 14 does not require a computer to censor content, so the Major BBS Manual's teaching of requiring Forum-Op approval also satisfies the claim. *Id.* The cited access levels satisfy broader claims 15 and 34, which only require controller computer censorship without specifying what, and the Sysop levels provide varying degrees of deciding who to censor, as the Petition shows. *See id.* at 240–41, 254–56; Pet. 59–60.

Petitioner also contends that Sociable Web teaches the "pointer" and "URL" limitations of claims 6, 7, 17, 26, and 36, relying on the combination of Sociable Web with (1) the Galacticomm References, and (2) the Galacticomm References and Choquier. Pet. 64–66. Sociable Web discusses "conference sessions in which the users can insert hypertext links, sounds and images amidst their normal conversational text." Ex. 1019, 1. In describing the "WebTalk" feature, Sociable Web states that "[i]mages, sounds, and links to other pages can all be integrated with the flow of words" in a chat. *Id.* at 4. Petitioner also articulates sufficient reasoning with rational underpinning as to why a person of ordinary skill would have combined Sociable Web with the other references. Pet. 65; Ex. 1023 ¶ 202.

Based on the foregoing discussion, and after considering Patent Owner's arguments discussed below in light of the record, Petitioner has shown by a preponderance of evidence that claims 2–9, 12, 14–18, 20–28, 31, and 33–36 would have been obvious over (1) the Galacticomm References, and (2) the Galacticomm References and Choquier, and that claims 6, 7, 17, 26, and 36 would have been obvious over (1) the Galacticomm References and Sociable Web, and (2) the Galacticomm References, Choquier, and Sociable Web.

10. Patent Owner's Arguments

Patent Owner initially summarizes Petitioner's showing as "purely hindsight based." PO Resp. 21. Patent Owner bases the assertion partly on testimony by Mr. Schmandt during deposition, contending that "Petitioner's analysis does not begin with the references." *See id.* (citing Ex. 2007, 125:12–126:3). Patent Owner's reliance on limited portion of Mr. Schmandt's deposition testimony does not support the argument and mischaracterizes his testimony. The testimony quoted by Patent Owner essentially shows Mr. Schmandt testifies he would have combined known desired features to create a desired system, and he believes the challenged claims would have been obvious. *See id.* Prior to the quoted testimony, Mr. Schmandt specifically answers "[n]o" to Patent Owner's question of whether he would start with the claims to create a system, and he also testifies he "already know[s] about BBS," "these [claimed] functions were well-known at the time from BBS systems," and he would start with "a bunch of that function described in Major BBS." Ex. 2007, 123:25–125:5.

Moreover, Mr. Schmandt relies on the references and the knowledge of a skilled artisan. As one example, by way of an outline, Mr. Schmandt

generally describes the Major BBS Manual as "the primary reference manual for installing and using the Major BBS," states the ICO Article "describes the Internet Connectivity Option that was a 1994 add-on option for The Major BBS," and states the Worldgroup Article describes "the next iteration of The Major BBS – a windows graphical user interface version for The Major BBS that Galacticomm renamed Worldgroup." Ex. 1023 ¶ 109. In essence, Petitioner shows that an artisan of ordinary skill would have combined the Galacticomm References in order to improve upon the Major BBS system, *inter alia*, to connect it to the Internet with updates to the same system, including drawing board, multimedia, and user interfaces (*see, e.g.*, discussion of claims 2–6 *supra* in Section II.B.9), according to the Boardwatch articles and other related reference teachings.

In opening its Response, Patent Owner generally contends

> [t]he cited art fails to teach or disclose one or more of (1) "database" that "affords," (2) "tokens" as construed by the Board, (3) "via the Internet network," (4) "an API on the controller computer" that "multiplexes and demultiplexes," and (5) "virtual connections" between "objects" on the controller computer and objects on the participator computers.

PO Resp. 2.

As Petitioner correctly contends, and as discussed in the next section, Patent Owner does not provide substantive arguments that respond to or rebut Petitioner's showing regarding the (1) database and (2) token limitations. *See* Pet. Reply 10 n.1. Rather, Patent Owner contends the following arguments highlight alleged deficiencies in Petitioner's showing. *See id.* at 21.

i. Database for Other Programs to Access

Independent challenged claim 1 recites, in its preamble, "[a] method of communicating content among users using of [sic] a computer system including a controller computer *and a database which serves as a repository of tokens for other programs to access*, thereby affording information to each of a plurality of participator computers." Ex. 1001, 21:30–34 (emphasis added). Independent challenged claim 19 similarly recites, in its body, "a controller computer system, including a controller computer and *a database which serves a repository of tokens for other programs to access*, thereby affording information to each of a plurality of participator computers." Ex. 1001, 22:34–38 (emphasis added). Claim 37 recites a similar limitation.

Patent Owner argues that "Petitioner loses sight of the requirement that the **database** allows other programs to access the tokens." PO Resp. 22 (citing Ex. 2006 ¶ 38). This argument, which emphasizes "database" without specifying a reason, fails to address Petitioner's showing with respect to the database in a meaningful manner.

Patent Owner does not dispute that the Major BBS Manual discloses a database that stores tokens. For example, Patent Owner points out that Petitioner relies on "the user authentication database of the Major BBS as allegedly satisfying the 'database' portion of this limitation" and "Mr. Schmandt argues that the 'database contains a UserID and a Password.'" PO Resp. 22 (citing Ex. 1023 ¶ 128). After pointing out the reliance by Petitioner, Patent Owner does not dispute it. *See id.* In addition, during the Oral Hearing, Patent Owner conceded that "the [Sysop as disclosed in the Major BBS Manual] would have to at least allow some

access to the database to modify user rights. Our contention is that it's just no different from the participator software itself, and you still just have participator software, the BBS. It's all the BBS." Tr. 68:4–7. At another point, Patent Owner asserted that the Major BBS Manual's Sysop "may behave as the controller computer software, and we would contend that it's not the participator computer module. There isn't any participator software at all." *Id.* at 63:11–13.

In other words, Patent Owner disputes that the Major BBS Manual teaches the "other programs" limitation as recited in the challenged claims. In its Response, similar to its Oral Hearing arguments that the Major BBS constitutes a single program, Patent Owner contends "Telnet is not another program within the context of the claims. Instead, it is merely a conduit to access software running on the server, thus in the context of Major BBS, there is only a single program, the Major BBS software on the server, and no other programs." PO Resp. 23 (citing Ex. 2006 ¶ 38).[11]

---

[11] Patent Owner asserted during the Oral Hearing "[t]hose other programs [in the '356 patent Specification] are, for example, the controller computer software and the participator computer software which is disclosed in our spec, throughout the spec as controller computer software and participator computer software." Tr. 58:10–11. Patent Owner asserted its written code includes "two distinct software modules running, a server software module and then the participator software module." *Id.* at 60:22–24. Patent Owner explained "we disclose it [i.e., separate controller and participator software modules] in our source code embodiment itself"–i.e., the source code attached as an appendix to the '356 patent application. *Id.* at 60:18–19; Ex. 1001, 4:55–57 ("Note that the appendix includes code for two different embodiments: Tel[]net embodiment and a JAVA embodiment."). On the other hand, Mr. Schmandt testifies "the source code provided in the appendix is only for the remote client or user computers" and "is incomplete." Ex. 1023 ¶ 179.

Even if the Major BBS helps to access the database and tokens, the ’356 patent Specification and the challenged claims do not require “other programs” to be separate from the underlying software (and Patent Owner does not make that assertion). *See supra* note 11 (Patent Owner asserting during the Oral Hearing that its software code includes “other programs” as part of the controller and/or participator software). In describing its Telnet feature per the ’356 patent Specification, Patent Owner contended “*Telnet is a separate thing* that interacts with the [disclosed] participator software module remotely.” Tr. 60:24–25 (emphasis added). When asked whether the ’356 patent’s disclosed software “use[s] Telnet as an underlying protocol to talk to these different modules,” Patent Owner answered “that’s essentially correct, Your Honor, with the option of the participator software running on a third remote computer that you can Telnet into.” *Id.* at 61:8–12. Thus, the Telnet feature of BBS is similar to disclosed embodiments in the ’356 patent, as described further below. *See supra* Section I.B (describing Figure 28, a Telnet menu embodiment for logging in).

Furthermore, as quoted by Mr. Schmandt, page 1 of the Major BBS Manual essentially describes the Major BBS system as a suite of programs: “In addition to the software that handles users who call in, you will use lots of special programs to install, set up, customize, and operate your BBS.” Ex. 1023 ¶ 114 (quoting Ex. 1012, 1). And Mr. Schmandt agrees with Patent Owner that Telnet represents a network standard or communication protocol. Ex. 1100 ¶ 25 (“[T]elnet was a universally accepted standard of network communication that ran on many operating systems”).

Accordingly, Petitioner shows the Telnet “conduit” (as Patent Owner characterizes it (PO Resp. 23)), and which runs on different participator and

Sysop computers as disclosed in the Major BBS Manual, constitutes "other programs." *See* Ex. 1023 ¶ 141 (testifying the Major BBS Manual "also discloses that the databases of the system can be remotely accessed by the Sysop using a terminal emulator or [T]elnet program" and citing, as an example of "other programs" using Telnet, the "Remote Sysop Menu" (citing Ex. 1012, 230)); Pet. Reply 10 (identifying Telnet client software as "other programs"); Ex. 2007, 74:3–19 (Mr. Schmandt testifying "other programs can be any set of programs that the participant computers are using, different [T]elnet software. And the program could also be remote access by the Sysop who has special privileges and can do things to the database that other people can't."); PO Resp. 22–23 (quoting Ex. 2007, 74:3–19).

In other words, the term "other programs" reads on different Major BBS participator or Sysop computers each running the same (or different) Telnet software, especially where the Telnet software supports different users communicating with different Major BBS features, for example login or menu application features provided to different users. *See, e.g.*, Ex. 1023 ¶¶ 139–141, 149–150; 1100 ¶ 25; Ex. 1012, 301–02 (login).

In similar fashion, as described above in Section I.B, Figure 28 of the '356 patent represents using a Telnet login/password menu, and it represents "an alternate embodiment using a text-based interface. . . . The user must now enter his/her login and password to identify themselves." Ex. 1001, 11:14–19. Figure 28 specifies "Telnet eagle.ais.net" at the top of the screen. This menu represents an example of "other programs" that access tokens (e.g., the login/password information) in a database using Telnet at least indirectly through the menu. *See id.* at 11:14–19, Fig. 28; Ex. 1100

¶¶ 21–22 (testifying the Figure 28 embodiment represents a Telnet embodiment, "the patent specifically supports the use of Telnet as an 'other program'").

Petitioner cites to several forms of user software employing Telnet and accessible from different user computers to access databases in the controller Sysop computer. *See* Pet. at 31 (citing Ex. 1012, 123, 232, 379–86, 392–94 (User Account Database, Editing Your Account Information, User Account Menu, Account Display/Edit, Forum Access Report, User Key Report, Remote Access Report, and User Class Report); Ex. 1023 ¶ 133). At the cited pages, the Major BBS Manual discloses some of these reports may be accessed via a Report Menu, a screen with menu tree functionality for accessing the various reports. *See* Ex. 1012, 380. Petitioner also shows a user of the Major BBS must log in using the user's credentials (i.e., password, user ID). *See* Pet. 33 (citing Ex. 1012, 4); Ex. 1023 ¶¶ 136, 150–152. At pages cited by Petitioner, the Major BBS Manual explains how a user must use his or her password and User-ID to log on, and further explains that the Sysop gets account information about users (after they log on) to set Forum access levels, switch user classes, and generally control user access to channels, information, etc. *See* Pet. 27–29 (showing Sysop has significant control over user access by using, *inter alia*, information including tokens in the User Account Database, citing Ex. 1012, 3, 107, 138, 241, 315–20, 381–82, 372; Ex. 1023 ¶¶ 126–53); Ex. 1012, 4–5 (control and login); Ex. 1023 ¶ 136 (testifying User-ID, passwords, class, locks, and keys represent tokens stored in databases all required for access to information); Pet. 33 (citing Ex. 1012, 4).

Patent Owner does not address this cited software, but argues "even assuming [T]elnet would be considered an 'other program' in the context of the claims, Mr. Schmandt does not sufficiently explain how it could access the tokens in the database." PO Resp. 23 (citing Ex. 2006 ¶ 38). Patent Owner argues "Mr. Schmandt admitted that he does not believe that the Telnet software 'knows' the association between the user and the data." *Id.* at 24 (citing Ex. 2007, 86:21–87:12). These arguments are not persuasive. The "other programs," according to the challenged claims, do not need to "know" any argued association. The record shows the various Telnet Major BBS software applications cited by Petitioner correspond to programs that access (directly or indirectly) a database with tokens, and the Telnet application at least indirectly accesses database tokens in a manner similar to the Telnet application referenced with respect to Figure 28 of the '356 patent. *See* Ex. 1023 ¶ 141; 1100 ¶¶ 21–22.

Mr. Schmandt agreed with Patent Owner during his deposition that Telnet accesses the database: Q. "So the association between the information and the user identity is at least done in the Major BBS software on the server; right?" A. "Yes. It's stored in the user account database." Ex. 2007, 86:11–15. He also testified "[t]he [T]elnet information is just giving you the token." *Id.* at 87:19–20. This testimony further shows that "other programs" read on a Telnet application with various Major BBS menus employing that Telnet protocol at multiple user computers to access tokens in a database. Furthermore, the claim limitation, "a database which serves as a repository of tokens for other programs to access," does not necessarily require that the database itself be accessed by the "other

programs," but rather requires the "other programs" to access the *tokens* (either directly in the database or indirectly).

Petitioner also relies on, as "other programs," Sysop controller software that controls a database on the controller computer, including a database that stores access to keys and locks, and including the ability to set forum access levels in the database. *See* Pet. 28–31 (citing Ex. 1012, 3, 107, 139, 241, 315–20; Ex. 1023 ¶¶ 136–153). Further addressing the control software, Mr. Schmandt testifies that the Major BBS Manual discloses a "Remote Sysop Menu," which includes SEARCH (Account Database) and DETAIL (User ID) features so that "the databases of the system can be remotely accessed [and searched] by the Sysop using a terminal emulator or telnet program." Ex. 1023 ¶ 141 (citing Ex. 1012, 230; *see* also PO Resp. 22–23 (quoting Ex. 2007, 74:3–19 (Mr. Schmandt's assertion of "remote access" Sysop software)). The Major BBS Manual describes "The Remote Sysop Menu" as follows: "dozens of powerful online commands and utilities that you [the Sysop] can make available to trusted assistants or Co-Sysops." Ex. 1012, 97.

Accordingly, Petitioner shows persuasively that the "other programs" limitation of the challenged claims additionally reads on the Sysop controller software and remote Sysop controller software, including "The Remote Sysop Menu," because that menu (a collection of "online commands" with sub-menus (*id.* at 97–98)) provides different Sysop and Co-Sysop computers access to user database information including access levels and other information control features, "thereby affording information to each of a plurality of participator computers" (claims 1 and 19, with a similar limitation in claim 37). *See* Pet. 28–30 (citing Ex. 2012, 3, 107, 139, 241,

315–20; Ex. 1023 ¶¶ 136–53); Ex. 1012, 97–98 ("The "User-ID Sysop has broad sweeping powers online, especially in the Remote Sysop Menu. . . . You could also appoint Co-Sysops and grant them similar powers, by switching them to the SYSOP class (using SWITCH command from the Remote Sysop's ACCOUNT submenu, page 121).").

Based on the foregoing discussion, we determine and find by a preponderance of evidence that the Major BBS Manual teaches the disputed phrase in claims 1, "a computer system including a controller computer and a database which serves as a repository of tokens for other programs to access," and the similar phrases in claims 19 and 37.

ii. Communicating Via an Internet Network

Challenged independent claim 1 recites a method that includes "affording some of the information . . . via the Internet network." Challenged independent claims 19 and 37 do not recite the Internet feature. Challenged dependent claim 2 recites "wherein the communicating content includes communicating at least one of sound, video, graphic, pointer, and multimedia content," but claim 2 does not require "the communicating content" to be over the Internet, especially where claim 1 only requires "some of the information" to be "afford[ed] . . . via the Internet network." Claims 3–6 recite similar limitations to claim 2, albeit in narrower form, as discussed above. *See supra* Section II.B.9.

Patent Owner contends "Petitioner takes for granted the motivation to combine the Internet with a BBS system." PO Resp. 25 (citing Ex. 2006 ¶¶ 40–41). Patent Owner contends that "[t]he [ICO Article] does not establish that Internet connectivity was known to work with the Major BBS. Instead, it only describes a product that was, at the time of the article, still in

development with a 'big development curve.'" PO Resp. 25 (citing Ex. 1014, 7). Patent Owner also contends "[t]he Internet Connectivity Option does not support an obviousness position for dependent Claims 2–6 and 20–24," but Patent Owner provides no clear explanation of what it relies upon within these dependent claims apart from what it argues with respect to claim 1. *See* PO Resp. 25–26. Although claims 20–24 track limitations recited in claims 2–6, nothing in challenged dependent claims 20–24, which depend from challenged claim 19, recite an Internet limitation.

Patent Owner also contends "[a]t least because of the perceived shortcomings of the BBS systems, and because of the failures in the industry, one of ordinary skill in the art would not have been motivated to develop the claimed system based on a BBS." *Id.* at 27 (citing Ex. 2006 ¶ 43). Patent Owner points out that "Robert Metcalfe, the inventor of the Ethernet protocol," predicted in late 1995 "that the Internet would go 'spectacularly supernova' and catastrophically collapse in 1996." *Id.* at 28 (citing Ex. 2010 (an article titled "Predicting the Internet's Catastrophic Collapse and Ghost Sites Galore in 1996")). Patent Owner further argues that the Internet TCP/IP protocol caused packets to arrive at different times so that they "need to be re-assembled," and "users were not guaranteed certain bandwidth for their traffic." PO Resp. 27 (citing Ex. 2006 ¶ 44). Dr. Carbonell similarly testifies that video traffic on the Internet would experience unpredictable delay and require reassembly of video streams at the receiving end in real time. *See* Ex. 2006 ¶ 45. Dr. Carbonell also testifies "Galacticomm attempted to bring their Major BBS product to the Internet, yet the company failed spectacularly." *Id.* ¶ 43 (citing Ex. 2010).

The Metcalfe article spans a half-page and predicts the Internet's collapse at the end of 1995 due to reasons such as low user measurements, telecom company monopolies, security, and capacity concerns. *See* PO Resp. 28–29 (discussing Ex. 2010).[12] Patent Owner offers no persuasive evidence showing skilled artisans widely shared Mr. Metcalfe's view in 1995 or that Galacticomm tried and failed to employ Internet for technical reasons or otherwise. Furthermore, the '356 patent itself shows Internet was being employed by artisans of ordinary skill, at least with respect to Internet Service providers, and the challenged claims do not preclude using the system via an Internet Service provider. *See* Ex. 1001, 1:40–67.

Citing Mr. Metcalfe's article, Dr. Carbonell testifies that other technologies such as Integrated Services Digital Network (ISDN) and Asynchronous Transfer Mode (ATM) would have been better suited than the Internet to handle video conferencing in the mid-1990s. Ex. 2006 ¶ 46. Nevertheless, Patent Owner does not explain persuasively why Mr. Metcalfe's magazine article represented the views of an artisan of ordinary skill. The article indicates others did not share the author's views. *See* Ex. 2010 ("Almost all of the many predictions now being made about 1996 hinge on the Internet's continuing exponential growth." "Investors poured a log of money into the Internet during 1995"). Furthermore, the

[12] Patent Owner also points to "Roseman and Vetter" to support its argument that "a person of ordinary skill in the art . . . would be motivated to lease a private network" instead of using the Internet. *See* PO Resp. 29 (Ex. 2006 ¶ 47). But this appears to be an oversight by Patent Owner, because Petitioner does not rely on Roseman and Vetter in this trial, and Patent Owner does not provide any specific citations to that prior art in this case to support its argument.

article shows the Internet carried large amounts of traffic, and if anything, would collapse, according to Mr. Metcalfe, due to *too much traffic* (although the statement appears to be "tongue-in-cheek"): "The Internet traffic carrying arguments about pornography on the Internet will during 1996 swamp the actual pornography . . . . What quicker road to collapse?" *Id.* ("I hope I'm not being too negative. Tell me if you think so.") Further investments and growth, as the article states, indicate the Internet would grow to accommodate the increasing traffic. *See id.*

Thus, the record does not show the Internet would have been an inferior technology for videoconferencing in 1995. Moreover, the challenged claims do not require videoconferencing. Claim 19 does not require an Internet connection. Only dependent claim 6 requires some type of video (by reciting "at least five" types of communication and referring back to dependent claim 2, wherein one of the five types includes video), but none of the claims specify a required bandwidth for video or specify video streaming, for example. Furthermore, claim 6, which depends from claims 2 and 1, does not even clearly specify that the "video" "communicating content" of claim 2 relates to "some of the information" provided via the Internet of claim 1.

In other words, Patent Owner's arguments regarding problems regarding video and bandwidth, and alleged better alternatives for video, are not commensurate in scope with the challenged claims. *See* PO Resp. 27–28. In any case, even if the claims require some type of video over the Internet, "just because better alternatives exist in the prior art does not mean that an inferior combination is inapt for obviousness purposes." *In re Mouttet*, 686 F.3d 1322, 1334 (Fed. Cir. 2012). The Worldgroup Article

discloses that programs for sending JPEG files, TIFF files, video clips, and sound clips were well-known and contemplated for BBS on the Internet. *See* Ex. 1015, 7 (discussing TCP/IP and the Internet Connectivity Option), 9 (graphics and video features); Ex. 1023 ¶¶ 202–04. And Patent Owner's arguments and evidence indicate artisans of ordinary skill would have known how to reassemble video packets that may have been delayed, even if the network could not be "guaranteed certain bandwidth." *See* PO Resp. 28 (citing Ex. 2006 ¶ 45). The challenged claims do not require any explicit bandwidth of video, and no evidence of record or argument suggests an implied bandwidth—at least one that renders the claims unobvious.

In other words, as Petitioner explains, "both the Worldgroup [Article] and . . . ICO [Article] . . . expressly disclose use of Internet connectivity in the context of the Major BBS system." Pet. Reply 13 (citing Pet. 33–34; Ex. 1023 ¶¶ 155–60); Pet. 52–54 (discussing video in the context of dependent "content" claims). As Petitioner also argues, whether or not the Major BBS system actually employed the Internet option prior to April 1996 does not detract from the reference teachings. *See* Pet. Reply 14. Mr. Schmandt's testimony credibly shows that the figure cited in the ICO Article (page 7) "provides a technical 'roadmap' for how to perform the integration with the Internet" and "[t]he figure clearly shows a connection to the Internet running through a router to the BBS computer via an Internet connection and interface." Ex. 1100 ¶ 26 (citing Ex. 1014, 7).

Contrary to Patent Owner's related arguments that the ICO Article shows a product "still in development with 'a big development curve'" (PO Resp. 25 (quoting Ex. 1014, 7)), Mr. Schmandt testifies "the article expressly . . . describe[s] that the authors 'did telnet and ftp to Bob Stein's

test system, which was running on a 14.4 kbps SLIP [Serial Line Internet Protocol] connection at the time.'" Ex. 1100 ¶ 29 (citing Ex. 1014, 7). Furthermore, the ICO Article describes "a big development curve for SMTP, NNTP, domain name service, and routing issues, *but for basic telnet/ftp access into and out of a Major BBS system, the ICO seems to fill the ticket with a minimum amount of other hardware and software*." Ex. 1014, 7 (emphasis added). Therefore, even if some aspects of the described BBS product in the ICO Article may have been in development, Mr. Schmandt's testimony shows skilled artisans would have recognized the Internet Connectivity Option as providing advantageous telnet/ftp access and a BBS using minimal hardware and software with standard protocols available at the time of the invention. *See Leapfrog Enterprises, Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007); *cf. Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1326–27 (Fed. Cir. 2008) ("The record in this case demonstrates that adapting existing electronic processes to incorporate modern internet and web browser technology was similarly commonplace at the time the '099 patent application was filed.").

As discussed above, Patent Owner also describes and alleges certain challenges encountered in implementing videoconferencing on the Internet. Nevertheless, "a given course of action often has simultaneous advantages and disadvantages, and this does not necessarily obviate motivation to combine." *Medichem, S.A. v. Rolabo, S.L.*, 437 F.3d 1157, 1165 (Fed. Cir. 2006).

Addressing the challenges discussed by Patent Owner would have been well within the skill of an ordinarily skilled artisan, an engineer experienced in computer networking. The record evidence indicates an

ordinary artisan reasonably would have expected successfully combining the related teachings of the similar systems described as the Galacticomm References. *See* Ex. 1015, 6 (commenting that the pre-beta version of Worldgroup was "remarkably stable"); Ex. 1023 ¶¶ 109, 156–60 (Mr. Schmandt testifying that combining the teachings would have been obvious to a person of ordinary skill). In addition, Patent Owner concedes, as Petitioner notes, that the Internet contained "overwhelming amount of traffic" implemented using the "TCP/IP protocol." *See* PO Resp. 28; Pet. Reply 23. This argument itself demonstrates skilled artisans already were using the Internet employing the same TCP/IP protocol as the Major BBS software.

Patent Owner also contends features of FTP (file transfer protocol) and Telnet that the ICO Article describes with respect to the figure on page 7 of that article reveal that video and other multimedia capabilities would not have worked with the Internet option, because Telnet could not support multimedia and "because the FTP can be accessed 'anonymously.'" PO Resp. 26 (citing Ex. 2006 ¶¶ 42–43). Patent Owner also indicates file transfer over FTP requires a separate connection. *See id.*

Patent Owner's arguments are not clear and not supported. As Petitioner points out, "[t]he figure is a schematic illustrating the ability to telnet and FTP, bidirectionally, over a single physical connection." Pet. Reply 23 (citing Ex. 1100 ¶¶ 56–57). As the ICO Article expressly states, "[t]he telnet out, ftp out, and ftp in functions of the ICO are really just applications added to the BBS." *Id.* (quoting Ex. 1014, 6). The article also states "[t]he Internet Connectivity Option provides inbound and outbound

telnet and ftp for The Major BBS. This means callers to a Major BBS system can telnet or ftp out to other services on the Internet, and Internauts, conversely, can telnet or ftp into the bulletin board system." *Id.* (quoting Ex. 1014, 6).

Mr. Schmandt explains persuasively that the ICO Articles adds the FTP option to allow connection to other FTP servers, the FTP feature could be used by non-BBS users, the claims do not require the new Worldgroup FTP option, and even if they do, FTPs could have been anonymous or not by simply providing password access (like the other teleconferencing and file features disclosed in the Major BBS Manual), depending on the application. *See* Ex. 1100 ¶¶ 31–34. Mr. Schmandt also explains that with respect to his original declaration, he noted that the Major BBS software supported well-known file transfer protocols within a telnet session for the transfer of various forms of multimedia in the Major BBS, where the '356 patent merely refers to transferring URLs as multimedia. *Id.* ¶¶ 31–34 (citing Ex. 1012, 308–15).

Based on the foregoing discussion, we find and determine by a preponderance of evidence that the Galacticomm references teach "affording some of the information to a first of the participator computers via the Internet network" as recited in challenged claim 1, and those references also teach the recited limitations of dependent claims 2–6 and 20–24.

iii. API Multiplexing and Virtual Connection

Independent claim 1 requires "providing an API on the controller computer, the API multiplexing and demultiplexing API messages by type, creating a virtual connection and providing the virtual connection between channels, private messages, and multimedia objects in the controller

computer and the participator computers." Independent claims 19 and 37 recite a materially similar limitation. Relying on Figure 2 of the '356 patent (reproduced above), Patent Owner states "[t]his figure depicts multiplexing messages to provide a virtual connection between controller and participator computers. The virtual connection is established by connecting the objects on the controller computer to the objects on the participator computers, i.e., channel 12 on the controller, which is 'connected' to channel 22 on a participator computer." PO Resp. (citing Ex. 2006 ¶ 28).

According to Patent Owner, the Major BBS Manual does not disclose "channel objects" as allegedly required by claims 1, 19, and 37:

> The Major BBS manual does not disclose any software on the users' computers that could qualify as corresponding participator software that includes the claimed channel objects, private messaging objects, or multimedia objects. Petitioner's expert, Mr. Schmandt, admitted that the Telnet implementation described in the Major BBS manual did not include modules of code corresponding to the claimed "objects" – instead the Major BBS described Telnet, which is merely communication software that conveys text, and according to Mr. Schmandt, "all you have is telnet." (Ex. 2007 at 133:8–134:3.) Moreover, Mr. Schmandt's reading of the claims was overly narrow and he did not identify "objects" corresponding to channel or private messages. (*Id.* at 138:17–34; 147:1–13.) Accordingly, neither Mr. Schmandt, nor Petitioner, identify any support for an API that links channel objects or private message object. (Ex. 2006 at ¶ 48.)

PO Resp. 31.

Patent Owner also contends "the Board found that the claims require an API *on the controller computer* that multiplexes and demultiplexes," and that "Petitioner and Mr. Schmandt . . . describe multiplexing as occurring on the participator computers." *Id.* at 31–32.

Patent Owner's arguments are not persuasive. The challenged claims do not require "participator software," but even if they do, Petitioner identifies "multiplexing . . . on the participator computers," as Patent Owner notes. *Id.* at 32 (citing Pet. 40).[13] Patent Owner similarly notes that the Petition identifies the "process where 'the user sends a WHISPER (private message) command or a CHANNEL command to switch to a different channel . . . , the API messages will be multiplexed and sent over the same single IP connection between the user's computer and the controller computer.'" *Id.* (quoting Pet. 40). Such multiplexing of API WHISPER and CHANNEL messages constitutes software that corresponds at least to the claimed channel and private messages.

Patent Owner concedes the BBS participator (user) computers include multiplexing software and the controller (Sysop) includes demultiplexing software: "Thus, the user is responsible for multiplexing the WHISPER and CHANNEL commands and the host demultiplexes the commands when it receives them." *Id.* This participator software that Patent Owner describes as existing in the disclosed Major BBS participator computers further supports the finding of a virtual connection as recited in the challenged claims, i.e., a virtual connection of channel and private messages between participator and controller computers, because, as explained further below, the BBS participator computers process messages and connect to each other for chat and teleconference channels, private whisper messages, and multimedia object downloads, via the Sysop controller computer. *See id.*

---

[13] Patent Owner's Response cites to the Microsoft Petition (Paper 2), but the citations closely track those in the Facebook Petition (IPR2017-00624, Paper 2). *See supra* notes 2–3.

On one hand, the ’356 patent Specification describes demultiplexing and multiplexing on both participator and controller computers to create the disclosed virtual connection between channel, message, and multimedia objects: “De/multiplexing via API provides a ‘virtual connection’ between Channel, Private Message, and Multimedia objects in the controller computer 3 and each participator computer 5.” Ex. 1001, 6:3–5. On the other hand, the caption at the bottom of Figure 2 implies that merely multiplexing API messages creates a “virtual” connection. *See id.* at Fig. 2 (“MULTIPLEXING VIA API PROVIDES A ‘VIRTUAL CONNECTION’ BETWEEN CHANNEL, PRIVATE MESSAGE, AND MULTIMEDIA OBJECTS IN CONTROLLER AND PARTICIPATOR.”).

In any event, claims 1, 19, and 37 specifically define how to create a virtual connection. In essence, the claims define a “virtual” connection as one created by multiplexing and demultiplexing messages by type on the controller computer. For example, claim 19 recites “the API multiplexes and demultiplexes API messages by type, *to create a virtual connection and provide the virtual connection between channels, private messages, and multimedia objects in the controller computer and the participator computers*.” (Emphasis added.) Claims 1 and 19 recite materially the same language.

In context, although the ’356 patent presents different generic or functional descriptions about what it means by a “virtual” connection, as Petitioner argues, the disclosure reveals a virtual connection is not “a separate connection between each object,” which is “[a]n alternate architecture” to a “virtual connection.” *See* Ex. 1001, 6:3–9; Pet. Reply 14

(arguing the disclosure criticizes, and the challenged claims do not require, an "object-to-object" connection (citing Ex. 1001, 6:3–9)).

In context to challenged claims 1, 19, and 37 in view of the '356 patent Specification, a "virtual" connection "between channels" means that the controller computer connects participators to the same "channel" via the controller computer—meaning users in a group on that "channel" can chat or teleconference.[14] In similar fashion, a "virtual" connection for the claimed "private message" and "multimedia object" simply means a connection through the controller computer and between different users exists so that participators on a "channel" each may see a "private message" and a "multimedia object" (e.g., via a download or URL connection) sent by another participator user. *See* Ex. 1001, Fig. 2, 5:38–43 (describing multimedia as sent by URL links), 5:44–6:9 (discussing private messages, channels, multimedia objects, and virtual connections).

By way of example, the Specification describes in general terms how *participator computer* Block 20, which "is *illustrative* of demultiplexing and multiplexing operations carried out by message type on API messages of all types," "links to Block 24, which *illustrates* handling private message A," and "also links to Block 26, *illustrative* of handling out-of-band media." *See* Ex. 1001, 5:58–68 (emphases added). These *illustrations* using different "Blocks" simply describe in functional software terms connecting users on "channels" (so users can chat and/or send messages) and transferring private

[14] According to the '356 patent, "a group is sometimes known as a channel in multiplexing terminology." Ex. 1001, 8:28–29. The Major BBS Manual employs the same concept of a "channel": "Teleconference channels are just a method of keeping track of who is talking to whom." Ex. 1012, 315.

messages and multimedia objects between users via the controller computer. *See id.* at 5:43–67. Another feature of a "virtual" connection implied by Figures 1 and 2 is that no direct connection between users exists, rather, an indirect connection routed through the controller computer exists. *See* Ex. 1001, Figs. 1, 2.

Petitioner also explains that the Major BBS Manual discloses the claimed demultiplexing and multiplexing, "as indeed it must because Major BBS otherwise would not be able to handle its different message types and different commands such as moving between forums, sending private messages, or posting messages." Pet. Reply 14 (citing Pet. 14–16, 36–41; Ex. 1100 ¶¶ 36–37; Ex. 1023 ¶ 181). Petitioner shows persuasively that the Major BBS Manual's IBM controller computer, as combined with the ICO Article's Internet connection, teaches multiplexing API messages, because in that combination, the system transmits multiple message types over a single connection in both directions between the IBM Sysop controller computer and each participator computer, including chat and "whisper" messages routed through the Sysop computer between participators. *See* Pet. 43 ("the API messages will be multiplexed and sent over the same single IP connection between the user's computer and the controller computer" (citing Ex. 1023 ¶¶ 177–80)); Pet. Reply 17 (citing Pet. 39–41; Ex. 1023 ¶¶ 177–181, 253); Ex. 1023 ¶ 176 (citing Ex. 1012, 302, explaining the Major BBS Manual discloses a system originally built for modem connections over telephone lines, with, for example, "T" and "F" commands that "constitute (part of) an API . . . sent over the same channel, so they are multiplexed"), ¶ 177 (discussing Telnet as providing a "single connection over the Internet using the TCP/IP (Transmission Control

Protocol over Intent Protocol, the standard packet protocol which may be said to define 'Internet') to establish a 'socket' which is again a serial connection between computers."), ¶ 180 (citing Ex. 1014, 6–7 as teaching connection over a single TCP connection using Telnet protocols).

As Petitioner similarly contends, the Major BBS Manual describes a channel as "[a] single data communications port on the computer running The Major BBS, connected to one modem or serial port, supporting one user a time." Pet. 41 (quoting Ex. 1012, 400). Petitioner also points to API commands as part of a server software invoked by users entering the commands at their user work stations. *See* Pet. 38–40 (listing Enter (to see who is on each channel), Whisper (to send a private message), Channel (to show your current channel number), Scan (to see a directory of users in Teleconference and the channels they are using), Channel <number> (to switch to another channel)).

Patent Owner does not rebut Petitioner's showing, supported by the record according to the discussion above, that the Major BBS Manual discloses using a single data port on a controller computer, or that the ICO Article similarly describes a single port for an Internet connection, thereby necessitating demultiplexing and multiplexing in the manner described by the '356 patent. *See also* Ex. 1012, 400 (defining "channel" as "[a] single data communications port on the computer running The Major BBS, connected to one modem or serial port, supporting one user at a time").

In addition, Patent Owner does not rebut Petitioner's showing, which the record supports, that API messages listed by Petitioner represent messages that Major BBS sorts by message type. For example, Major BBS necessarily sorts a "WHISPER TO" message as one intended for only one

party on a channel and sends that message to the appropriate party. *See* Ex. 2012, 316 (“WHISPER TO <User-ID>: <message> Send a private message to just one other user. No one else on your channel will even know this is happening, much less know what you say in the message.”); Pet. 38–40 (quoting Ex. 1012, 316 (citing “WHISPER TO <User-ID>:,” “CHAT <User-ID>,” and “SQUELCH <User-ID>” commands as API messages that the BBS controller computer multiplexes and demultiplexes); Tr. 88:13–14 (Patent Owner arguing multiplexing and demultiplexing means sorting by message type: “And that’s exactly what’s claimed, [API multiplexing or demultiplexing] is by message type. Not by address.”).

As discussed above, the ’356 patent states that using “[d]e/multiplexing via API provides a ‘virtual connection’ between Channel, Private Message, and Multimedia objects in the controller computer 3 and each participator computer 5.” Ex. 1001, 6:3–5. As Petitioner explains with respect to multiple users, a virtual connection simply means “a single connection simulating multiple distinct connections,” in other words, for example, a single port provides multiple connections to different users at the same time during a chat or other teleconference session as described in the Major BBS Manual. *See* Pet. 22 (comparing Ex. 1001, 6:3–5 (virtual connection), *with id.* at 6:6–8 (“a separate connection between each object”)); Ex. 1012, 400; Ex. 1023 ¶¶ 92–93.

Stated differently, the Major BBS Manual describes sending and routing API messages over a single connection (including a single Internet connection), creating the illusion of having multiple users connected together (i.e., virtual connections) either in different chat sessions, a whisper mode in a channel, or a Forum session, with the ability to download attached

multimedia files. *See* Pet. 44 (citing Ex. 1012, 268, 343–44 (uploading .DTA and .DOC files, and attaching files to e-mail messages as multimedia); Ex. 1023 ¶ 181); Ex. 1012, 399 ("ATTACHMENT"), 402 ("DOWNLOAD").

The WorldGroup Article enhances the Major BBS Manual's teachings by providing additional details regarding channels, messages and multimedia, implicitly suggesting a reason to apply the Worldgroup system updates—i.e., the updates improve existing features described in the Major BBS Manual. *See* Pet. 44–46 (citing Ex. 1015, 7–8 for its "additional detail" on the virtual connections between the claimed objects); *supra* Section II.B.9. As another example of multimedia, the Petition points to Worldgroup Article disclosures of available programs for downloading images and photos of all types, an icon for a drawing board, and an icon for a scrollback buffer, each used with other downloaded files during a teleconference whereby all users can see the drawing, images or other files. *See* Pet. 44–45 (citing and quoting Ex. 1015, 7–9).

For the foregoing reasons, Petitioner persuasively shows that the Major BBS Manual discloses connecting channels via chat and teleconference commands, sending private messages through either chat, email, or whisper messages, and similarly sending multimedia messages, thereby providing a virtual connection of channels, private messages, and multimedia objects between those items in the controller computer and participator computers, as those items traverse or connect through the Sysops controller computer to one or more participator computers. *See* Pet. 41–43; Pet. Reply 16–17 (citing Ex. 1023 ¶ 181; Ex. 1100 ¶ 40; Pet. 41–43).

Patent Owner also argues "Choquier does not remedy the deficiency of the Major BBS [M]anual or other references" regarding "multiplexing on the host/server." PO Resp. 32–33 (citing Ex. 2006 ¶ 49). Patent Owner contends Petitioner "identifies multiplexing on the participator computers and not on the servers." *Id.* at 32.

Patent Owner's argument that Petitioner only relies on multiplexing on the client side does not address the combination as proposed by Petitioner. Petitioner relies on Choquier to provide more specifics with respect to API and multiplexing, citing the benefits of multiplexing with an Internet connection, to supplement the teachings of the Major BBS Manual's implicit disclosure of API multiplexing on the controller (and participator) computers. *See* Pet. 66–67 ("In particular, as BBS systems transitioned from older telephone-based dialup systems to include Internet connectivity (such as the Major BBS Internet Connectivity Option), the teachings of Choquier would further that advantage by allowing the internet connection to more easily access the APIs for various functionality to be provided by the BBS." (citing Ex. 1010, 12:15–29; Ex. 1023 ¶¶ 253–60)).

The Petition also cites to Figure 2 of Choquier and points to the MCP (Microsoft Connection Protocol) layer, which by inspection of Figure 2, exists at both the client and the host sides, immediately conveying to an artisan of ordinary skill that the Gateway server and client computer each have mirror multiplexing and demultiplexing functions via the MCP on each respective side. *See* Pet. 65–66 (citing and discussing the MPC in Figure 2).

A reproduction of Figure 2 of Choquier follows:

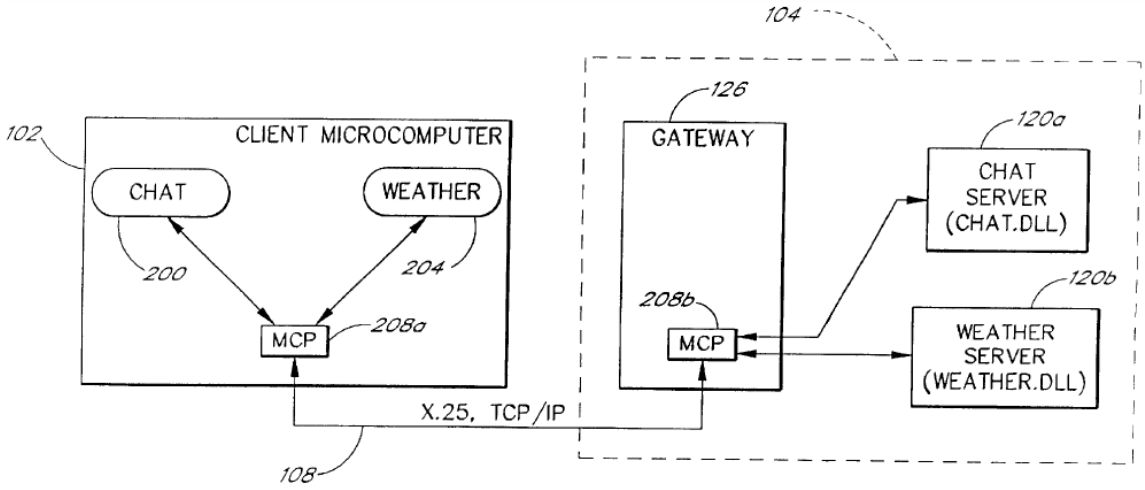


FIG. 2

Figure 2 shows MCP 208a in client computer 102 and MCP 208b in host computer 104. *See* Ex. 1010, 8:36–63. Figure 2 shows TCP/IP connection 108. The Petition draws attention to the "single connection" as follows:

> These messages are multiplexed together over the single connection. (Ex. 1010 at Fig. 12, 19:42–20:12; Ex. 1023, ¶ 257.) The single connection allows different messages within and between different applications to be sent sequentially over the single connection. (*Id.*, ¶ 258.) These messages constitute an API to the remote application, referred to as the MPC (Microsoft Procedure Call) layer. (Ex. 1010 at 12:15–29, Figures 5A and 5B; Ex. 1023, ¶ 258.)

Pet. 66 (citing Ex. 1010, 8:45–55).

Patent Owner's argument that Petitioner merely shows that multiplexing only applies on the client side, instead of the server side, not only ignores Petitioner's challenge based on the combination of the Galacticomm references and Choquier, but also ignores the thrust of Petitioner's showing, based on a "single connection" in Figure 2. That

connection (108) implies multiplexing goes both ways by symmetry of the bi-directional single TCP/IP connection between MCPs using API on both server and client sides. *See* Ex. 1010, Fig. 2, 8:36–64. Mr. Schmandt describes the single connection, MPC, and API in general terms as "between different applications":

> Essentially the single connection allows different messages within and between different applications to be sent over the single connection, sequentially. These messages constitute an API to the remote application, referred to as the MPC or Microsoft Procedure Call (which is a modified form of remote procedure call) layer.

Ex. 1023 ¶ 258 (citing Ex. 1010, 12:15–29, Figures 5A and 5B).

Furthermore, as discussed above, Petitioner specifically cites to Figures 5A and 5B, and to column 12, lines 15–29, wherein Choquier describes the MCP layer as a "high-level application programming interface (API)" that exists "within the client microcomputer 102 *and the server* 120," with an "optimized remote procedure call (RPC) layer, optimized to permit efficient client-server communications over a relatively slow WAN." Ex. 1010, 12:15–23 (emphasis added); *see* Pet. 66 (citing Ex. 1010, 12:15–29; Ex. 1023 ¶ 258).

Beginning on line 53 of column 8, which Petitioner also cites (Pet. 66 (citing Ex. 1010, 8:45–53)), Choquier explicitly describes what Figure 2 and Mr. Schmandt's testimony implies about a server (i.e., Gateway server 126 "[l]ikewise . . . multiplexes" messages sent to the client):

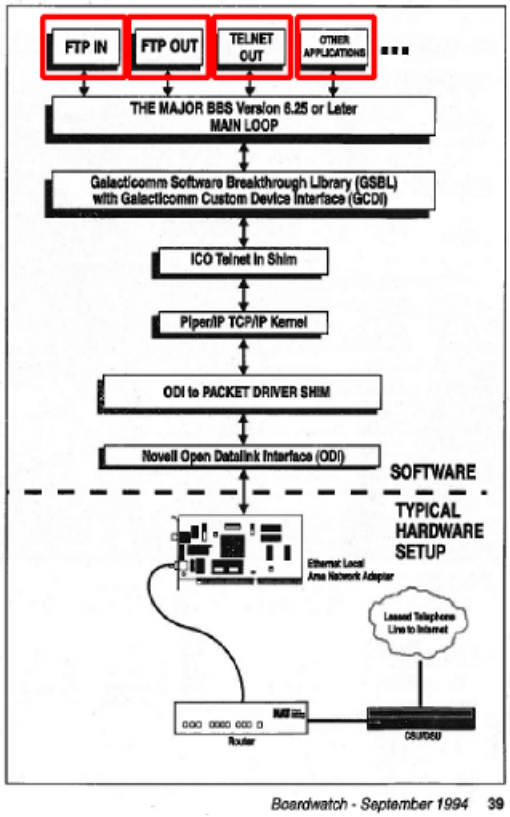
> Likewise, the MCP layer 201b on the Gateway 126 multiplexes the message streams that are generated by the CHAT and WEATHER servers 120a and 120b, and the MCP layer 208a on the client microcomputer 102 demultiplexes these message streams and passes them to the respective client applications 200 and 204.

Ex. 1010, 8:53–58. In addition, Mr. Schmandt testifies "Choquier is more sophisticated than the 356 Patent, because not only are the commands for each application multiplexed over a single connection, there is also provision for *multiplexing these commands between multiple client applications and remote servers*." Ex. 1023 ¶ 255 (emphasis added). Mr. Schmandt explains that Choquier provides "details" in a chat environment that the Major BBS Manual does not specify. *See id.* ¶ 259. These details enhance and render more predictable an Internet connection that the ICO Article also suggests, such that using API multiplexing in view of Choquier's more explicit teachings on the Galacticomm Sysop computer would have provided an advantage of "allowing the internet connection to more easily access the APIs for various functionality to be provided by the BBS." *See id.*

Based on the foregoing discussion, we find and determine by a preponderance of evidence that the Galacticomm References alone and the Galacticomm References with Choquier teach the disputed claim phrase, "providing an API on the controller computer, the API multiplexing and demultiplexing API messages by type, creating a virtual connection and providing the virtual connection between channels, private messages, and multimedia objects in the controller computer and the participator computers."

D. Teaching Away from API Multiplexing and Virtual Connection

Patent Owner reproduces the following figure from the ICO Article:



PO Resp. 34. The figure above, from the ICO Article, shows a single line to a "Leased Telephone Link to Internet" on the bottom of the figure. Ex. 1014, 7. It also shows software at the top, including FTP IN, FTP OUT, TELNET OUT, and OTHER APPLICATIONS. Based on the figure, Patent Owner contends "[o]ne of ordinary skill in the art would have understood that each of the FTP In, FTP Out, Telnet Out, and Other Applications would have been a separate data connection and not a single virtualized connection." PO Resp. 34.

According to Patent Owner, the ICO Article and the Sociable Web "teach away from APIs that multiplex/demultiplex and provide a virtual

connection." *Id.* at 33. Patent Owner explains the articles teach that different types of data transmissions should prompt the utilization of separate physical data connections as opposed to a shared data channel with virtual connections. *Id.* (citing Ex. 2006 ¶¶ 50–51).

Patent Owner's arguments are not persuasive. The ICO Article's figure shows a single Internet telephone connection. Ex. 1004, 7; Ex. 1100 ¶ 26 ("This [ICO] article provides a technical 'roadmap' for how to perform the integration with the Internet" and "the figure clearly shows a connection to the Internet running through a router to the BBS computer via an Internet connection and interface card."). Mr. Schmandt credibly contends "[t]he blocks above the card near the top of the figure show how the TCP packets can be extracted from the Novell network packet format that Galacticomm had already been using." Ex. 1100 ¶ 26; *see also id.* ¶ 28 (further explaining, *inter alia*, that the BBS Manual informs a skilled artisan that BBS was "ready made to be connected to the Internet"). Neither reference discourages a virtual connection as suggested by the Major BBS Manual. In other words, as Petitioner argues, "[n]othing in the disclosures of ICO or Sociable Web amounts to even mild criticism or discouragement" of an API virtual connection. Pet. Reply 25 (citing Ex. 1100 ¶¶ 58–60).

Based on the foregoing discussion, we find and determine by a preponderance of evidence that the Galacticomm References and the Galacticomm References with Sociable Web do not teach away from "providing an API on the controller computer, the API multiplexing and demultiplexing API messages by type, creating a virtual connection and providing the virtual connection between channels, private messages, and

multimedia objects in the controller computer and the participator computers."

11. Patent Owner's Motion to Exclude

Patent Owner filed a paper styled as "Motion to Exclude Evidence," seeking to exclude certain portions of the Schmandt Reply Declaration (Ex. 1100) that it argues exceeds the proper scope of a reply. Paper 53 ("Motion"), 1. Specifically, Patent Owner seeks to exclude portions of paragraphs 21–23, 26–35, 42, and 45 of the Schmandt Reply Declaration. *Id.* at 1–7.

Petitioner opposes the Motion on the ground that it is not directed to the admissibility of evidence and, therefore, is procedurally improper. Paper 57, 1–2 ("Opposition"). Patent Owner replies that arguments that exceed the scope of a reply are irrelevant, prejudicial, confusing, or misleading under Fed. R. Evid. 401, 402, and 403. Paper 59, 1–2. Petitioner asserts the Schmandt Reply Declaration properly responds to Patent Owner's evidence and arguments. *See* Opposition 2–3.

As movant, Patent Owner has the burden on its Motion. 42 C.F.R. § 20(c) ("The moving party has the burden of proof to establish that it is entitled to the requested relief."). Patent Owner alleges improper scope of Petitioner's Reply as a violation of the Federal Rules of Evidence 401, 402, and 403. *See* Motion 1. As Petitioner points out, the Board repeatedly has denied, as improper, motions to exclude that merely argue that evidence is outside the proper scope of a reply. Opposition 1–3. Despite the invocation of Fed. R. Evid. 401, 402, and 403, we agree with Petitioner that Patent Owner's Motion constitutes an argument that Petitioner's Reply exceeds its

proper scope; in other words, the Patent Owner filed an unauthorized Motion to strike certain paragraphs of the Schmandt Reply Declaration (Ex. 1100).

Even if we treat the Motion as an authorized Motion to strike paragraphs 23, 42, and 45, the Motion is moot with respect to those paragraphs, because we do not rely on them in the Final Written Decision.

With respect to paragraphs 26–35 of the Schmandt Reply Declaration, as Petitioner argues, they properly respond to arguments raised in Patent Owner's Response and the Carbonell Declaration. *See* Opposition 5–6. Addressing paragraph 26, Patent Owner contends Petitioner presents "new arguments to allege the disclosure of 'via the Internet' limitations," by citing "the Figure" of Exhibit 1014 at page 7 and providing "new citations to and excerpts from Ex. 1012 at 34–39, 308–15 and Ex. 1014 at 2, 3, 6, and 7." Motion 4. These arguments are not persuasive. Mr. Schmandt properly responds to Patent Owner's arguments that Exhibit 1014 does not disclose or suggest connecting a BBS to the Internet, *inter alia*, by citing to portions of Exhibit 1014 that show it does. *See* Ex. 1100 ¶¶ 26–35. As Petitioner notes, "Patent Owner's objection to Mr. Schmandt's discussion of the figure from Ex. 1014 shown in ¶ 26 is puzzling, given that this same figure was presented and discussed in Dr. Carbonell's declaration." Opposition 5–6 (citing Ex. 2006 ¶ 42). The Petition reproduces, cites, and discusses the same figure. Pet. 43 (citing Ex. 1023 ¶¶ 177–80; Ex. 1014, 7); Ex. 1023 ¶¶ 155–160). For example, Mr. Schmandt's testimony directly responds to Dr. Carbonell's testimony, which it cites, as Mr. Schmandt's testimony explains how the figure clearly shows an Internet connection. *See* Ex. 1100 ¶ 26.

Patent Owner lumps paragraphs 26–35 together and does not provide specific reasons for excluding paragraphs 27–35. *See* Motion 4. Therefore, Patent Owner does not meet its burden on its Motion with respect to those paragraphs. *See* Motion 4; Opposition 5–6. In any event, as indicated above, Mr. Schmandt's testimony generally responds to Patent Owner's assertions and testimony by Dr. Carbonell asserting the Internet would not have been obvious as an option for a BBS system, including for example using existing telnet ftp or adding newer FTP functionality based on the ICO Article. *See* Ex. 1100 ¶¶ 26–35; PO Resp. 25–27. The testimony, for example, reveals that Exhibit 1014 specifies a "SLIP [Serial Line Internet Protocol] connection at the time," Ex. 1014, 7, showing BBS was "ready-made to be connected to the Internet by the ordinarily skilled artisan." Ex. 1100 ¶ 28. Mr. Schmandt's testimony directly addresses Patent Owner's argument and Dr. Carbonell's testimony that the ICO Article presented Galacticomm products with "a big development curve" and the ICO Article provides "no technical detail" to establish Internet connections of a BBS. *See* PO Resp. 25; Ex. 2006 ¶ 22; Ex. 1100 ¶ 28.

Addressing paragraphs 21 and 22, Patent Owner contends Petitioner cites to new sections of the patent, including Figure 28, to alter its showing as to "other programs." Motion 3. Patent Owner asserts Petitioner only relied on "commands typed on the controller and executed at the controller computer." *Id.* (citing Microsoft Petition 28–29). The record does not support that contention. Petitioner also cited user computer software, as discussed above. *See* Pet. 31 ("<u>Major BBS</u> also discloses that other programs could access the user account information (tokens). In addition to the controller computer maintaining and accessing user information, each

user was also able to access and edit her account information."); *accord* Microsoft Petition 28. Mr. Schmandt's testimony fairly responds to Dr. Carbonell's testimony that the "other programs" limitation does not read on the Major BBS Manual's Telnet application software as run by different computers, which Patent Owner also raises in its Response, as discussed above. *See* Ex. 1023 ¶¶ 137–41 (telnet and other programs); Ex. 1100 ¶¶ 21–22 (discussing Ex. 2006 ¶ 38); PO Resp. 23.

As Petitioner also explains, Patent Owner mischaracterizes the scope of the Schmandt Declaration and the Petition as they relate to discussing the obviousness of an Internet connection to the BBS as disclosed by the Major BBS Manual, the ICO Article, and the Worldgroup Article. *See* Opposition 6; Pet. 36–40 (discussing Internet); Ex. 1023 ¶¶ 156–160 (discussing Internet).

Accordingly, the Motion is *denied* with respect to striking paragraphs 21, 22, and 26–35 and *moot* with respect to striking paragraphs 23, 42, and 45.

III. CONCLUSION

Petitioner has established by a preponderance of the evidence that claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent are unpatentable.

IV. ORDER

For the reasons given, it is

ORDERED, based on a preponderance of the evidence, that claims 1–9, 12, 14–28, 31, and 33–37 are unpatentable;

FURTHER ORDERED that Patent Owner's Motion to Exclude is denied in part and dismissed as moot in part; and

FURTHER ORDERED, because this is a final written decision, the parties to this proceeding seeking judicial review of the Final Written Decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

PETITIONER:

Heidi Keefe
hkeefe@cooley.com

Phillip Morton
pmorton@cooley.com

Andrew Mace
amace@cooley.com

Daniel Knauss
dknauss@cooley.com

Mark Weinstein
mweinstein@cooley.com

PATENT OWNER:

Peter Lambrianakos
plambrianakos@brownrudnick.com

Alfred R. Fabricant
afabricant@brownrudnick.com

Vincent J. Rubino, III
vrubino@brownrudnick.com

Trials@uspto.gov
571.272.7822

Paper No. 55
Entered: August 14, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS, LLC,
Patent Owner.

Case IPR2016-01067[1]
Patent 8,407,356 B1

Before KARL D. EASTHOM, DAVID C. McKONE, and J. JOHN LEE, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

DECISION
Request for Rehearing
37 C.F.R. § 42.71

[1] IPR2017-00624 has been joined with this proceeding.

INTRODUCTION

On June 3, 2016, Microsoft Corporation ("Microsoft") filed a petition (Paper 2) in the present case seeking *inter partes* review of claims 1–37 of U.S. Patent No. 8,407,356 B1 (Ex. 1001, "the '356 patent"). An *inter partes* review was instituted on claims 1–37 on December 8, 2016. Paper 10.

One month later, on January 7, 2017, Facebook, Inc. ("Facebook") filed a petition in IPR2017-00624 ("624 IPR") seeking *inter partes* review of claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent. 624 IPR, Paper 2. Along with that petition, Facebook filed a motion requesting joinder with the present proceeding. 624 IPR, Paper 3. On April 17, 2017, Windy City filed a preliminary response in the 624 IPR. 624 IPR, Paper 7. Windy City did not, however, file an opposition to Facebook's joinder motion or argue that joinder with the present proceeding would be inappropriate if an *inter partes* review was instituted on Facebook's petition.

While Facebook's petition and joinder motion were pending, Microsoft and Patent Owner Windy City Innovations, LLC ("Windy City") reached a settlement agreement and filed a Joint Motion to Terminate the present proceeding on April 24, 2017. Paper 30. The Joint Motion did not mention Facebook's joinder motion or the 624 IPR.

In a May 10, 2017, decision, we granted the Joint Motion to Terminate in the present proceeding, but only with respect to Microsoft. Paper 32 ("1st Term. Dec."). Noting Facebook's pending joinder motion, we did not decide at that time whether to grant the motion with respect to the entire proceeding, indicating we would do so after deciding whether Facebook would be joined as a party to this proceeding. *Id.* at 2–3.

On May 31, 2017, we granted Facebook's joinder motion. Paper 33 ("Joinder Inst. Dec."). We noted that Facebook challenged claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent on the same asserted grounds of unpatentability, based on the same arguments and evidence, as in Microsoft's petition with respect to those claims in the present proceeding. *Id.* at 3, 8. Further, we clarified that, after joinder, Facebook is "the petitioner" in this proceeding for purposes of 35 U.S.C. § 318(a), which in relevant part requires the Board to "issue a final written decision with respect to the patentability of any patent claim challenged by *the petitioner*" (emphasis added). *Id.* at 9. Thus, we made clear that all claims formerly challenged by Microsoft prior to its termination, but which were not challenged by Facebook, were no longer part of this proceeding. *Id*.

After joining Facebook as a party to the present proceeding, we issued a second decision on June 7, 2017, to address the remaining issues with the Joint Motion to Terminate. Paper 34 ("2nd Term. Dec."). In that decision, we denied the Joint Motion to Terminate with respect to Windy City because Facebook remained as an active petitioner. *Id.* at 2–3. On June 14, 2017, Windy City filed a Request for Rehearing. Paper 40 ("Req. Reh'g").

DISCUSSION

A party requesting rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). The party must identify all matters it contends were misapprehended or overlooked by the Board. *Id*. Windy City requests rehearing of two decisions, each of which it contends was an abuse of discretion. First, Windy City contends our decision to terminate as to Microsoft, but not as to the entire proceeding, exceeded our

statutory authority. Req. Reh'g 6–9. Second, Windy City contends we exceeded our statutory authority by joining Facebook to this proceeding despite that Facebook challenges only a portion of the claims originally challenged by Microsoft. *Id.* at 9–12. As explained below, neither contention is supported by the relevant authorities, and the Request for Rehearing is *denied*.

A. Termination As To Microsoft But Not As To Entire Proceeding

As an initial matter, our decision to terminate as to Microsoft but not as to the entire proceeding was entered on May 10, 2017. *See* 1st Term. Dec. Windy City's Request for Rehearing was not filed until June 14, 2017. *See* Req. Reh'g. Thus, with respect to this termination decision, Windy City's Request was not timely filed. *See* 37 C.F.R. § 42.71(d)(1). For that reason alone, the Request for Rehearing should be denied as to this issue.

Moreover, even had the Request been timely filed, Windy City's arguments fail to establish that our decision was improper. It argues that our decision exceeded our statutory authority under 35 U.S.C. § 317(a). Req. Reh'g 6–9. Section 317(a) states the following:

> An inter partes review instituted under this chapter shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed. . . . If no petitioner remains in the inter partes review, the Office may terminate the review or proceed to a final written decision under section 318(a).

Pursuant to the statute, we "terminated [the *inter partes* review] with respect to any petitioner upon the joint request of the petitioner and the patent owner" by granting the Joint Motion to Terminate as to Microsoft. *See*

35 U.S.C. § 317(a); 1st Term. Dec. 2. Windy City does not contest that aspect of our decision. Rather, it argues our decision failed to follow the portion of § 317(a) that states, "[i]f no petitioner remains in the inter partes review, the Office may terminate the review or proceed to a final written decision." Req. Reh'g 6–8.

According to Windy City, once Microsoft was terminated, the Board was obligated to either terminate the entire review or proceed to a final written decision. *Id*. Indisputably, we did not terminate the entire review. Thus, Windy City contends the only other permissible option was to proceed to a final written decision. *Id*. Windy City asserts that our decision to hold in abeyance our ruling as to whether the entire proceeding should be terminated (until after deciding Facebook's joinder motion) constituted a "suspension of the [*inter partes*] review," which exceeded our authority under § 317(a) because the Board was obligated instead to "proceed to a final written decision." *Id*.

Windy City misconstrues the statute and our decision. First, the statute does not mandate that the Board either terminate the entire review or proceed to a final written decision. Rather, it states explicitly that the Board "may" do so. In contrast, as noted above, the same statutory provision states that an *inter partes* review "shall" be terminated with respect to a petitioner upon a joint request. We further note that when, as here, there are multiple cases before the Board involving the same patent, the Board is explicitly granted discretion to "enter any appropriate order," including "the stay, transfer, consolidation, or termination" of such cases. *See* 37 C.F.R. § 42.122(a); *see also* 35 U.S.C. § 315(d) (granting discretion to "determine the manner in which the inter partes review or other proceeding or matter

may proceed"). Consistent with this statutory framework, we considered Facebook's pending petition challenging the same patent and motion for joinder with this proceeding, and concluded that we would first decide Facebook's joinder motion (which was filed before the motion to terminate) before deciding whether to terminate the entire proceeding. 1st Term. Dec. 2–3; *see also* 37 C.F.R. § 42.71(a) (providing that "[t]he Board may take up petitions or motions for decisions in any order").

Second, Windy City is incorrect that "proceed[ing] to a final written decision" under § 317(a) precludes our decision here. Windy City appears to argue that once Microsoft was terminated, "proceed to a final written decision" meant that the Board should have proceeded *immediately* to issue a final written decision. *See* Req. Reh'g 7–8. In particular, Windy City argues that our decision incorrectly indicated the Board could "proceed with the trial" because doing so is inconsistent with "proceed[ing] to a final written decision" under § 317(a). *See id*. Section 317(a), however, does not specify when the final written decision should issue, much less require it to be issued immediately without further trial.[2] The applicable deadline for the final written decision remains one year from institution, as specified in 35 U.S.C. § 316(a)(11) and 37 C.F.R. § 42.100(c). Thus, our decision to proceed with the trial without immediately issuing a final written decision was consistent with the applicable statutory provisions and regulations.

Third, Windy City is mistaken that our decision "suspend[ed] indefinitely" this *inter partes* review. *See* Req. Reh'g 6–7; *see also id.* at 9

[2] We note that Windy City's interpretation of the statute could conflict with other statutory provisions. For example, proceeding immediately to issue a final written decision could circumvent patent owners' rights to an oral hearing under 35 U.S.C. § 316(a)(10).

("[T]he Board had no statutory authority to suspend [this proceeding] without a petitioner for three weeks . . . ."). To the contrary, our decision made clear that trial was to proceed. 1st Term. Dec. 3. Our decision did not state that the review was suspended, nor did it alter the case schedule in any way.[3] As explained above, proceeding with trial was consistent with § 317(a). It also was consistent with 37 C.F.R. § 42.74(a), contrary to Windy City's arguments. *See* Req. Reh'g 8–9. Rule 42.74(a) provides that "the Board is not a party to the settlement and may independently determine any question of jurisdiction, patentability, or Office practice." As explained in our decision (1st Term. Dec. 3), this provision indicates that the Board has the authority to proceed with the trial—i.e., "independently determine . . . patentability"—even when the petitioner has exited the case due to settlement. *See, e.g.*, *Blackberry Corp. v. MobileMedia Ideas LLC*, Case IPR2013-00016, slip op. at 2–3 (PTAB Dec. 11, 2013) (Paper 31) (granting termination as to all petitioners, but denying termination of the *inter partes* review and instead proceeding without a petitioner).

For the reasons explained above, our decision on May 10, 2017, to terminate as to Microsoft, but not the entire proceeding, was consistent with the applicable statutory provisions and Board rules. Thus, Windy City has not established that we misapprehended the law, or that our decision should be modified. Moreover, the Request for Rehearing with respect to this decision was not timely filed.

[3] The only changes to the case schedule since our decision on the Joint Motion to Terminate were either jointly stipulated by the parties, including Windy City (Paper 38), or requested by Windy City (Paper 43).

B. Joinder of Facebook

Windy City contends our decision granting Facebook's joinder motion was an abuse of discretion because 35 U.S.C. § 315(c) does not "provide authority or discretion to join a party to a **portion** of an *inter partes* review." Req. Reh'g 10. As noted above, however, Windy City did not oppose Facebook's joinder motion. Despite having an opportunity to file an opposition, Windy City did not do so, nor did it otherwise present any arguments that granting joinder would be improper under § 315(c). We could not have misapprehended or overlooked an argument that was never made. *See* 37 C.F.R. § 42.71(d). A request for rehearing cannot be used to advance new arguments not previously presented, and Windy City has waived this argument as a result. *See, e.g.*, *Sophos, Inc. v. Finjan, Inc.*, Case IPR2015-01022, slip op. at 5, 7–10 (PTAB Jan. 28, 2016) (Paper 9) (denying a request for rehearing because the arguments had not been previously made).

Even were we to consider Windy City's untimely argument, however, Windy City does not demonstrate that our decision was an abuse of discretion or inconsistent with applicable law. Section 315(c) states in relevant part, "the Director, in his or her discretion, may join as a party [to an instituted *inter partes* review] . . . any person who properly files a petition under section 311 that the Director . . . determines warrants the institution of an inter partes review." *See also* 37 C.F.R. § 42.122 (delegating the Director's authority over requests for joinder to the Board).

According to Windy City, § 315(c) does not "provide authority or discretion" to join a party that challenges fewer than all of the claims challenged by the original petitioner(s). *See* Req. Reh'g 10. Indeed, Windy

City argues that joinder is only permissible in two scenarios: (1) "joining a party with an 'identical petition' to an instituted review in full," and (2) "allowing a party to present additional validity challenges." *Id.* at 10–11. Windy City's position, however, is not supported by the relevant authorities.

First, § 315(c) does not recite any limitations on the challenges presented by the party seeking joinder. To the contrary, § 315(c) states that "any person who properly files a petition under section 311" may be joined, requiring only that the petition "warrants the institution of an inter partes review." The statute does not address the specifics of challenged claims, asserted grounds of unpatentability, evidence relied upon, etc. Rather, such considerations are left to the Director's "discretion" (and, thus, the Board's discretion by delegation). 35 U.S.C. § 315(c) (stating "the Director, in his or her discretion, may join"); 37 C.F.R. § 42.122. Thus, far from failing to provide authority or discretion (Req. Reh'g 10), § 315(c) expressly provides for such discretion.

Second, Windy City's argument that joinder is only permissible in "two scenarios" is not supported by any cited authority. *See* Req. Reh'g 10–11. Windy City relies on the following statement in the legislative history of the Leahy-Smith America Invents Act:

> Sections 315(c) and 325(c) allow joinder of inter partes and post-grant reviews. The Office anticipates that joinder will be allowed as of right—if an inter partes review is instituted on the basis of a petition, for example, a party that files an identical petition will be joined to that proceeding, and thus allowed to file its own briefs and make its own arguments. If a party seeking joinder also presents additional challenges to validity that satisfy the threshold for instituting a proceeding, the Office will either join that party and its new arguments to the existing proceeding, or institute a second proceeding for the patent. The

> Director is given discretion, however, over whether to allow joinder.

157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl).[4] Although the above statement mentions, "for example," a circumstance where "a party that files an identical petition" or "presents additional challenges to validity" (*id.*), Windy City does not identify any statement in the legislative history—or, indeed, any other authority—indicating that these examples are the *only* scenarios in which joinder is permissible. Moreover, to the extent that it provides guidance in understanding § 315(c), the above statement refutes Windy City's contention that the Board lacks discretion with regard to joinder. *Id.* ("The Director is given discretion, however, over whether to allow joinder.")

Finally, the two cases cited by Windy City also do not support its arguments. First, Windy City cites *ZTE Corporation v. Adaptix, Inc.*, Case IPR2015-01184, slip op. 4–7 (PTAB July 24, 2015) (Paper 10), noting that the panel denied joinder in that case "even when an otherwise identical petition was filed merely because the parties relied on a different expert." Req. Reh'g 11–12. The decision in *ZTE* did not, however, hold that the Board lacks discretion over joinder or that joinder is impermissible per se if the joinder petition is not identical. Rather, the panel in ZTE weighed multiple factors, including that joinder in that case would have required the patent owner to depose multiple experts and would have raised "new issues" for the patent owner to address. *ZTE*, slip op. at 4–5. In fact, the panel in *ZTE* recognized that "the decision to grant joinder is discretionary." *Id.* at 6. We note that Windy City does not identify in its Request for Rehearing any

[4] Windy City filed a copy of this legislative history, but it was misnumbered as Exhibit 2015. Windy City may refile it as Exhibit 2017.

error in our determination that joinder with the present case would not involve any new evidence, or raise new issues or arguments. *See* Joinder Inst. Dec. 8.

Windy City also relies on *Dell Inc. v. Electronics and Telecommunications Research Institute*, Case IPR2015-00549, slip op. 7–8 (PTAB Mar. 26, 2015) (Paper 10) (representative). Req. Reh'g 12. The facts of *Dell*, however, are very different from those of the present case. In *Dell*, the petitioners sought joinder with an earlier-instituted *inter partes* review, IPR2014-00901, and challenged the same claims on the same grounds. *Id.* at 2–3. The panel held that the petitioners were estopped under 35 U.S.C. § 315(e)(1) from challenging all but two of the challenged claims based on a third, still-earlier *inter partes* review, IPR2013-00635, in which the Board had issued a final written decision. *Id.* at 4–6. Although the petitioners were not estopped from challenging the two remaining claims, the panel determined that joinder would "unnecessarily complicate" the earlier proceeding, which already had been subject to joinder and already had two petitioners, by adding new petitioners challenging a different set of claims than the existing petitioners (i.e., a subset), thereby imposing additional burdens on the patent owner. *Id.* at 7–8. Unlike *Dell*, the 624 IPR did not have an existing petitioner challenging a different set of claims because Microsoft had been terminated from the case, and joinder did not impose additional burdens on Windy City to respond to multiple petitioners with different challenges. Moreover, the panel in *Dell* made clear that its denial of joinder was an exercise of *discretion* based on the facts and circumstances of that case. *Id.* at 7–8. Thus, Windy City's assertions of

inconsistency with *Dell* are unfounded, and *Dell* does not support its arguments on rehearing.

For the reasons set forth above, we conclude that our decision to join Facebook to the present proceeding was consistent with applicable law. Moreover, Windy City presents arguments that were not previously made, which is improper for a rehearing request.

CONCLUSION

As explained above, Windy City has not identified any matter that we misapprehended or overlooked, nor has Windy City established that our decisions were improper under governing law or an abuse of discretion. *See* 37 C.F.R. § 42.71. Therefore, Windy City has not carried its burden to show that our decisions should be modified. *Id*.

ORDER

It is

ORDERED that Windy City's Request for Rehearing is *denied*.

PETITIONER:

Heidi Keefe
Phillip E. Morton
Andrew C. Mace
Mark R. Weinstein
Daniel J. Knauss
COOLEY LLP
hkeefe@cooley.com
pmorton@cooley.com
amace@cooley.com
dknauss@cooley.com
mweinstein@cooley.com

PATENT OWNER:

Peter Lambrianakos
Alfred R. Fabricant
Brown Rudnick LLP
plambrianakos@brownrudnick.com
afabricant@brownrudnick.com

Trials@uspto.gov
571-272-7822

Paper No. 34
Entered: June 7, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS LLC,
Patent Owner.

Case IPR2016-01067 (Patent 8,407,356 B1)[1]
Case IPR2016-01141 (Patent 8,458,245 B1)[2]
Case IPR2016-01155 (Patent 8,694,657 B1)[3]

Before KARL D. EASTHOM, DAVID C. McKONE, and J. JOHN LEE, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

DECISION
Motion to Terminate
37 C.F.R. § 42.74

[1] Case IPR2017-00624 has been joined with IPR2016-01067.

[2] Case IPR2017-00655 has been joined with IPR2016-01141.

[3] Case IPR2017-00622 has been joined with IPR2016-01155.

Microsoft Corporation ("Microsoft") initiated each of the above-captioned cases. *See*, *e.g.*, Paper 2 (original petition filed by Microsoft).[4] Following institution of trial in these cases, Facebook, Inc. ("Facebook" or "Petitioner") filed petitions in IPR2017-00622, IPR2017-00624, and IPR2017-00655, with accompanying motions for joinder to the above-captioned cases. *See*, *e.g.*, Paper 33, 2. After Facebook filed its motions for joinder, Microsoft and Patent Owner, Windy City Innovations LLC, reached a settlement agreement and filed a Joint Motion to Terminate Proceeding in each of the present cases ("Motions to Terminate"). *See*, *e.g.*, Paper 30. On May 10, 2017, we granted the Motions to Terminate but only as to Microsoft; we exercised our discretion under 35 U.S.C. § 317(a) and 37 C.F.R. § 42.74(a) to hold in abeyance our ruling on the Motions as to Patent Owner and each proceeding as a whole in light of Facebook's pending joinder motions. *E.g.*, Paper 32, 3. Ultimately, we granted the joinder motions and joined Facebook to the above-captioned cases. *E.g.*, Paper 33. As a result, Facebook is now the sole Petitioner in each proceeding. *See*, *e.g.*, *id.* at 9.

We now return to the Motions to Terminate. As we have previously recognized, 35 U.S.C. § 317(a) provides that "[a]n inter partes review instituted under this chapter shall be terminated *with respect to any petitioner* upon *the joint request of the petitioner* and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed" (emphases added). Pursuant to § 317(a), the present

[4] All citations herein are to IPR2016-01067. Similar filings were made in all of the above-captioned cases.

inter partes reviews have been terminated with respect to then-petitioner Microsoft upon the joint request of Microsoft and Patent Owner. The current Petitioner (Facebook), however, has not requested termination. In light of the fact that an active petitioner remains in each of these cases, we determine that termination of these proceedings is not warranted. Therefore, the Motions to Terminate are *denied* as to Patent Owner, and, as a result, each proceeding as a whole will not be terminated at this juncture.

ORDER

It is

ORDERED that the Motions to Terminate are *denied* as to Patent Owner, and each proceeding as a whole is not terminated at this time.

IPR2016-01067 (Patent 8,407,356 B1)
IPR2016-01141 (Patent 8,458,245 B1)
IPR2016-01155 (Patent 8,694,657 B1)

PETITIONER:

Heidi L. Keefe
Phillip E. Morton
Andrew C. Mace
COOLEY LLP
hkeefe@cooley.com
pmorton@cooley.com
amace@cooley.com

PATENT OWNER:

Peter Lambrianakos
Vincent J. Rubino, III
Alfred R. Fabricant
BROWN RUDNICK LLP
plambrianakos@brownrudnick.com
vrubino@brownrudnick.com
afabricant@brownrudnick.com

Trials@uspto.gov
571.272.7822

Paper No. 8
Entered: May 31, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS, LLC,
Patent Owner.

Case IPR2017-00624
Patent 8,407,356 B1

Before KARL D. EASTHOM, DAVID C. McKONE, and J. JOHN LEE, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108

Motion for Joinder
37 C.F.R. § 42.122(b)

INTRODUCTION

On January 7, 2017, Facebook, Inc. ("Facebook") filed a Petition (Paper 2, "Pet.") requesting *inter partes* review of claims 1–9, 12, 14–28, 31, and 33–37 ("the challenged claims") of U.S. Patent No. 8,407,356 B1 (Ex. 1001, "the '356 patent"). Concurrently with the Petition, Facebook filed a Motion for Joinder (Paper 3, "Mot."), requesting that this proceeding be joined with *Microsoft Corp. v. Windy City Innovations, LLC*, Case IPR2016-01067 ("1067 IPR"). Mot. 1. Patent Owner Windy City Innovations, LLC ("Windy City") filed a Preliminary Response (Paper 7, "Prelim. Resp.") but did not file an opposition to the Motion for Joinder.

Since the filing of Facebook's Motion for Joinder, Windy City and the petitioner in the 1067 IPR ("Microsoft") have settled and, on April 24, 2017, moved to terminate the 1067 IPR. 1067 IPR, Paper 30. We granted the motion to terminate as to Microsoft, but held the motion in abeyance as to Windy City pending the outcome of Facebook's Motion for Joinder in the present case. 1067 IPR, slip op. at 3–4 (PTAB May 10, 2017) (Paper 32).

For the reasons discussed below, we institute an *inter partes* review of all challenged claims and grant Facebook's Motion for Joinder.

INSTITUTION OF *INTER PARTES* REVIEW

In the 1067 IPR, we instituted an *inter partes* review of claims 1–37 of the '356 patent as allegedly unpatentable based on the following asserted grounds under 35 U.S.C. § 103(a):

Claims	Asserted Prior Art
1–37	Galacticomm References[1]
6, 7, 17, 26, 36	Galacticomm References and Sociable Web[2]
1–37	Galacticomm References and Choquier[3]
6, 7, 17, 26, 36	Galacticomm References, Choquier, and Sociable Web

1067 IPR, slip op. at 32–33 (PTAB Dec. 8, 2016) (Paper 10) ("1067 Inst. Dec."). Facebook represents that the Petition in this proceeding challenges claims 1–9, 12, 14–28, 31, and 33–37 on the same grounds of unpatentability, relying on the same evidence and arguments, as presented in the 1067 IPR. Mot. 1. According to Facebook, the only substantive difference between its Petition and the petition in the 1067 IPR is that Facebook does not challenge claims 10, 11, 13, 29, 30, and 32. *See* Mot. 1. In addition, Facebook asserts it is not barred from filing the Petition because the one-year deadline to file a petition seeking *inter partes* review after being served with a complaint alleging infringement of the challenged patent

[1] Facebook refers to the combination of three references as the "Galacticomm References": (1) GALACTICOMM, INC., THE MAJOR BBS VERSION 6.2 SYSTEM OPERATIONS MANUAL (1994) (Ex. 1012, "Major BBS"); (2) Bob Stein, *Galacticomm Announces Internet Connectivity Option for the Major BBS*, BOARDWATCH MAG., Sept. 1994, at 38–39 (Ex. 1014, "Galacticomm ICO"); (3) Jim Thompson, *Technology Front: Galacticomm Unveils Worldgroup: AOL on a PC*, BOARDWATCH MAG., Mar. 1995, at 56–60 (Ex. 1015, "Worldgroup"). For consistency in the record, we adopt this terminology for this Decision.
[2] Judith S. Donath & Niel Robertson, *The Sociable Web*, 2ND INT'L WWW CONF., Oct. 1994 (Ex. 1019, "Sociable Web").
[3] U.S. Patent No. 5,774,668, filed June 7, 1995, issued June 30, 1998 (Ex. 1010, "Choquier").

does not apply when the petition is accompanied by a request for joinder. Pet. 4; *see* 35 U.S.C. § 315(b); 37 C.F.R. § 42.122(b).

Windy City does not dispute that the present Petition is substantively the same as the petition in the 1067 IPR with respect to the challenged claims, but argues that institution is not warranted because the Petition nonetheless fails to establish a reasonable likelihood of prevailing on any of its asserted grounds of unpatentability. *See* Prelim. Resp. 4; *see also* 35 U.S.C. § 315(c) (authorizing joinder only after a determination that the petition "warrants institution of an inter partes review under section 314"); 35 U.S.C. § 314(a) (prohibiting institution absent a determination that the information presented in the petition "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"). Specifically, Windy City advances three arguments against the Petition: (1) the asserted prior art fails to teach or suggest the multiplexing/demultiplexing limitations of the challenged claims; (2) the Petition fails to articulate a sufficient motivation to combine the three Galacticomm References; and (3) a person of ordinary skill would not have had a reasonable expectation of success in combining the asserted teachings of the prior art. *See* Prelim. Resp. 3–4.

Based on the evidence currently of record and the arguments presented in the Petition, we determine Facebook has demonstrated a reasonable likelihood of prevailing on each of its asserted grounds of unpatentability for essentially the same reasons as explained in our Decision on Institution in the 1067 IPR. *See* 1067 Inst. Dec. 18–32. In reaching this determination, we consider the information presented in Windy City's Preliminary Response, which includes arguments it did not present in the

1067 IPR prior to institution in that case, but Windy City's positions are not persuasive on this record, as explained below.

As noted above, Windy City first argues the asserted prior art fails to teach or suggest the multiplexing/demultiplexing limitations of the challenged claims. Prelim. Resp. 12–16. According to Windy City, none of the Galacticomm References "recite the processes of 'multiplexing' or 'demultiplexing'" and, moreover, Major BBS lacks a "discussion about *how* data is processed and/or sent over communication lines." *Id.* at 12–14. Windy City also faults the Petition for insufficiently supporting the contention that Major BBS teaches multiplexing/demultiplexing *by the controller computer* and a "virtual connection" created by the API, as recited in the challenged claims. *Id.* at 14–15.

Although Windy City dismisses the testimony of Facebook's declarant, Christopher M. Schmandt, as "unsupported and conclusory" (*id.* at 15), we disagree at this stage of the case and determine that the evidence provides sufficient support on the present record. In his Declaration, Mr. Schmandt testifies that multiplexing and demultiplexing were well-known operations on client/server systems, and explains that the Galacticomm References teach multiplexing/demultiplexing of API messages by a BBS server (i.e., the controller computer) "by necessity" because all of the BBS commands had to be communicated over a single connection. Ex. 1023 ¶¶ 174–178. Further, Mr. Schmandt testifies that the Galacticomm References teach forums, "whisper" messages, and multimedia files (i.e., the recited "channels, private messages and multimedia objects") exchanged between BBS users and the BBS system, and explains that these must be communicated via a "virtual connection" because the Galacticomm

References teach such communications over single "TCP/IP" connections using "Telnet" programs, similar to the "Tellnet [sic]" embodiment disclosed in the specification of the '356 patent. *Id.* ¶¶ 179–181.

With respect to the asserted grounds based in part on Choquier, Windy City also contends Choquier does not teach multiplexing *by the controller computer* and refers only to multiplexing by the remote user computer. Prelim. Resp. 15–16. This argument, however, is belied by the record. Facebook and Mr. Schmandt identify specific teachings in Choquier describing multiplexing data both by Microsoft Connection Protocol (MCP) 208a at the client computer (*see* Ex. 1010, Fig. 2, 8:45–53) *and* by the MCP layer at gateway 126, which multiplexes data from connected servers to send to the client computer (*see id.* at Fig. 12, 19:42–20:12). Pet. 65–66; Ex. 1023 ¶¶ 256–258.

Windy City's arguments questioning the motivation to combine the Galacticomm References, and whether a person of ordinary skill would have had a reasonable expectation of success, are essentially the same arguments it advanced on those issues in the 1067 IPR. *See* Prelim. Resp. 16–18; 1067 IPR Paper 7, 12–14. In addition, Windy City argues Facebook's contentions are "conclusory" and insufficiently explained. *See* Prelim. Resp. 16–18. We disagree and conclude the Petition sufficiently addresses these issues for purposes of institution for the same reasons explained in our Decision on Institution in the 1067 IPR. *See* 1067 Inst. Dec. 24–25. Further, the assertion that Facebook relies on an improper and conclusory "common-sense" rationale is inaccurate. Rather, Facebook relies on specific disclosures from the Galacticomm References as well as testimony regarding the facts underlying those disclosures (*see* Ex. 1011 ¶¶ 20–21) and the

understanding of a person of ordinary skill in the art (*see* Ex. 1023 ¶ 109). Pet. 12, 24–25. Windy City's position also relies on factual allegations for which no evidence is cited in support. *See* Prelim. Resp. 17–18 (alleging, for example, that "the Internet Connectivity Option [for Major BBS] never worked" without citing supporting evidence).

For the above reasons, in particular the fact that the present Petition advances materially the same arguments based on the same evidence as the petition in the 1067 IPR, we determine Facebook has demonstrated sufficiently under 35 U.S.C. § 314 that an *inter partes* review should be instituted in this proceeding on the same grounds of unpatentability as the grounds on which we instituted *inter partes* review in the 1067 IPR with respect to claims 1–9, 12, 14–28, 31, and 33–37 of the '356 patent.

MOTION FOR JOINDER

An *inter partes* review may be joined with another *inter partes* review, subject to certain statutory provisions:

> (c) JOINDER.—If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter parties review under section 314.

35 U.S.C. § 315(c); *see also* 37 C.F.R. § 42.122. As the moving party, Facebook bears the burden of proving that it is entitled to the requested relief. 37 C.F.R. § 42.20(c).

As an initial matter, the Motion for Joinder meets the requirements of 37 C.F.R. § 42.122(b) because the Motion was filed on January 7, 2017,

which is not later than one month after the 1067 IPR was instituted on December 8, 2016.

Additionally, the present Petition challenges the same patent as is under *inter partes* review in the 1067 IPR, and asserts the same grounds of unpatentability based on the same prior art and the same evidence, including the same declaration testimony. Mot. 5–6. The Petition challenges only claims that are already the subject of the *inter partes* review instituted in the 1067 IPR. Moreover, the Petition does not assert any other grounds of unpatentability, or present any new evidence not already of record in the 1067 IPR.

Facebook further asserts that granting joinder would not require any material delay or modifications to the existing schedule in the 1067 IPR because joinder would not introduce any new issues or arguments. *Id.* at 7. We agree. For similar reasons, the scope of briefing and discovery in the joined proceeding would not be significantly different than the anticipated scope of the 1067 IPR prior to the termination of Microsoft—in fact, the burden on the parties and the Board may be reduced because the present Petition raises only a subset of the challenges raised in the petition in the 1067 IPR. As noted above, Windy City did not file an opposition to the Motion for Joinder and has not identified any undue prejudice or harm it might suffer should joinder be granted.

Based on the facts and circumstances discussed above, we determine Facebook has established good cause for joining this proceeding with the 1067 IPR. We determine that granting the Motion for Joinder under these circumstances would help "secure the just, speedy, and inexpensive

resolution" of these proceedings. *See* 37 C.F.R. § 42.1(b). For the above reasons, we conclude that the Motion for Joinder should be granted.

To guide the parties in conducting discovery and presenting arguments, we make clear that the parties should pursue only claims 1–9, 12, 14–28, 31, and 33–37 in the joined proceeding. "If an inter partes review is instituted and not dismissed under this chapter, the Patent Trial and Appeal Board shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added under section 316(d)." 35 U.S.C. § 318(a). Thus, in the joined proceeding, we must issue a final written decision regarding the patentability of "any patent claim challenged by the petitioner." *Id.*

Although Microsoft challenged several claims in addition to the claims specified above, the 1067 IPR has been terminated as to Microsoft under 35 U.S.C. § 317, which dictates that "[a]n inter partes review instituted under this chapter shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed." Thus, Microsoft no longer challenges any claims of the '356 patent in the joined proceeding. Facebook now is "the petitioner" for purposes of § 318(a). Accordingly, we are required by § 318(a) to issue a final written decision only as to the claims challenged by Facebook, i.e., claims 1–9, 12, 14–28, 31, and 33–37. For the avoidance of doubt, we dismiss from the joined proceeding and, for purposes of § 318(a), will not consider the patentability of claims 10, 11, 13, 29, 30, and 32.

ORDER

It is

ORDERED that pursuant to 35 U.S.C. § 314, an *inter partes* review in IPR2017-00624 is hereby instituted for claims 1–9, 12, 14–28, 31, and 33–37 of the ’356 patent on the grounds of unpatentability set forth above, and no other grounds are authorized;

FURTHER ORDERED that Facebook’s Motion for Joinder is *granted*;

FURTHER ORDERED that IPR2017-00624 is hereby joined with IPR2016-01067;

FURTHER ORDERED that the Scheduling Order entered in IPR2016-01067 (Paper 11), as modified by joint stipulation (Papers 19 and 24), is unchanged and shall govern the schedule of the joined proceeding;

FURTHER ORDERED that IPR2017-00624 is terminated under 37 C.F.R. § 42.72, and all further filings in the joined proceeding are to be made in IPR2016-01067;

FURTHER ORDERED that challenges to claims 10, 11, 13, 29, 30, and 32 of the ’356 patent are dismissed from the joined proceeding;

FURTHER ORDERED that a copy of this Decision will be entered into the record of IPR2016-01067; and

FURTHER ORDERED that the case caption in IPR2016-01067 shall be modified to reflect joinder with this proceeding in accordance with the attached example.

PETITIONER:

Heidi L. Keefe
Phillip E. Morton
Andrew C. Mace
COOLEY LLP
hkeefe@cooley.com
pmorton@cooley.com
amace@cooley.com

PATENT OWNER:

Peter Lambrianakos
Vincent J. Rubino, III
Alfred R. Fabricant
BROWN RUDNICK LLP
plambrianakos@brownrudnick.com
vrubino@brownrudnick.com
afabricant@brownrudnick.com

Trials@uspto.gov
571.272.7822

Example Case Caption for Joined Proceeding

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS, LLC,
Patent Owner.

Case IPR2016-01067[1]
Patent 8,407,356 B1

[1] Case IPR2017-00624 has been joined with this proceeding.

Trials@uspto.gov
Tel: 571-272-7822

Paper 32
Entered: May 10, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

WINDY CITY INNOVATIONS LLC,
Patent Owner.

Case IPR2016-01155 (Patent 8,694,657 B1)
Case IPR2016-01067 (Patent 8,407,356 B1)
Case IPR2016-01141 (Patent 8,458,245 B1)

Before KARL D. EASTHOM, DAVID C. MCKONE, and J. JOHN LEE, *Administrative Patent Judges*.

MCKONE, *Administrative Patent Judge*.

DECISION
Motion to Terminate
37 C.F.R. § 42.74

On April 24, 2017, Petitioner Microsoft Corporation and Patent Owner Windy City Innovations, LLC, filed a Joint Motion to Terminate Proceeding in each of the above-captioned proceedings (Paper 29[1]) and a Joint Motion to Treat Settlement Agreement as Business Confidential Information in each proceeding (Paper 30). The parties represent that they have reached a Settlement Agreement, which is in writing and a true copy of which has been filed in conjunction with the above motions as required under 37 C.F.R. § 42.74(b). Paper 28, 2; Ex. 2015. The parties also certify that no other agreements exist between the parties concerning these cases or the patents at issue. Paper 28, 2.

"An *inter partes* review instituted under this chapter shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed." 35 U.S.C. § 317(a). Pursuant to Section 317(a), we grant the Motions to Terminate as to Petitioner Microsoft.

Prior to the settlement between Microsoft and Windy City, Facebook, Inc., filed Petitions for *inter partes* review of U.S. Patent Nos. 8,694,657 B1, 8,407,356 B1, and 8,458,245 B1, along with corresponding Motions for Joinder with IPR2016-01155, IPR2016-01067, and IPR2016-01141, respectively. *See Facebook, Inc. v. Windy City Innovations LLC.*, Case IPR2017-00622, Papers 2, 3; *Facebook, Inc. v. Windy City Innovations LLC.*, Case IPR2017-00624, Papers 2, 3; *Facebook,*

[1] Unless otherwise specified, we refer to the paper and exhibit numbering in IPR2016-01155. Similar filings were made in each of the above-captioned cases.

Inc. v. Windy City Innovations LLC, Case IPR2017-00655, Papers 2, 3. Windy City filed its Preliminary Responses to Facebook's Petitions in IPR2017-0622 and IPR2017-00624 on April 17, 2017, and its Preliminary Response to Facebook's Petition in IPR2017-00655 on May 2, 2017. We have not yet ruled on Facebook's Petitions or its Motions for Joinder.

Under Section 317(a), if, after termination as to Microsoft, "no petitioner remains in the *inter partes* review, the Office may terminate the review or proceed to a final written decision under section 318(a)." Our rules echo our discretion to terminate as to Patent Owner or to proceed with the trial. *See* 37 C.F.R. § 42.74(a) ("[T]he Board is not a party to the settlement and may independently determine any question of jurisdiction, patentability, or Office practice."). In exercise of this discretion, we hold in abeyance our rulings on the Motions to Terminate as to Windy City until we have ruled on Facebook's Petitions and Motions for Joinder in IPR2017-00622, IPR2017-00624, and IPR2017-00655.

We further determine that the Settlement Agreement filed by the parties constitutes business confidential information. Therefore, the parties' Joint Motions to Treat Settlement Agreement as Business Confidential Information are granted.

ORDER

It is

ORDERED that the parties' Joint Motions to Terminate Proceedings are *granted* as to Petitioner Microsoft Corporation; and

FURTHER ORDERED that the parties' Joint Motions to Treat Settlement Agreement as Business Confidential Information are *granted*,

and Exhibit 2015 of IPR2016-01155, Exhibit 2015 of IPR2016-01067, and Exhibit 2011 of IPR2016-01141, shall be kept separate from the pertinent file consistent with 37 C.F.R. § 42.74(b).

PETITIONER:

Joseph Micallef
jmicallef@sidley.com

Todd Siegel
Todd.siegel@klarquist.com

PATENT OWNER:

Peter Lambrianakos
plambrianakos@brownrudnick.com

Vincent Rubino
vrubino@brownrudnick.com

CERTIFICATE OF FILING

Pursuant to 37 C.F.R. §§ 90.2(a)(1) and 104.2(b), the undersigned hereby certifies that on February 7, 2018, the original of the foregoing Notice of Appeal was filed with the Director of the United States Patent and Trademark Office by hand-delivery, at the following address:

Director of the United States Patent and Trademark Office
c/o Office of General Counsel
10B20, Madison Building East
600 Dulany Street
Alexandria, VA 22314-5793

In addition, pursuant to 37 C.F.R. § 90.2(a)(1) and 37 C.F.R. §42.6(b), the undersigned certifies that on February 7, 2018, a copy of the foregoing Notice of Appeal was filed electronically with the Board through the Board's Patent Review Processing System.

In addition, pursuant to 37 C.F.R. § 90.2(a)(2) and Federal Circuit Rule 15(a)(1), the undersigned certifies that on February 7, 2018, the requisite fee for the appeal and a true and correct copy of the foregoing Notice of Appeal were electronically filed with the Clerk of Court of the United States Court of Appeals for the Federal Circuit at the following address http://ecf.cafc.uscourts.gov.

Dated: February 7, 2018

/Peter Lambrianakos/

Peter Lambrianakos (Reg. No. 58,279)
Lead Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800
Fax: 212-209-4801
Email: plambrianakos@brownrudnick.com

Alfred R. Fabricant (admitted *pro hac vice*)
Vincent J. Rubino, III (Reg. No. 68,594)
Shahar Harel (Reg. No. 73,203)
Enrique Iturralde (Reg. No. 72,883)
Back-Up Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800
Fax: 212-209-4801

CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e)(4) and 37 C.F.R. § 90.2(a)(3)(ii), the undersigned certifies that on February 7, 2018, a true and correct copy of the foregoing the PATENT OWNER'S NOTICE OF APPEAL was served **via email** on the Petitioner by serving the correspondence email addresses of record below:

By Email: Heidi L. Keefe (Reg. No. 40,673) hkeefe@cooley.com zpatdcdocketing@cooley.com COOLEY LLP ATTN: Patent Group 1299 Pennsylvania Ave., NW, Suite 700 Washington, DC 20004	**By Email:** Phillip E. Morton (Reg. No. 57,835) pmorton@cooley.com zpatdcdocketing@cooley.com COOLEY LLP ATTN: Patent Group 1299 Pennsylvania Ave., NW, Suite 700 Washington D.C. 20004
By Email: Andrew C. Mace (Reg. No. 63,342) amace@cooley.com zpatdcdocketing@cooley.com COOLEY LLP ATTN: Patent Group 1299 Pennsylvania Ave., NW, Suite 700 Washington, DC 20004	**By Email:** Daniel J. Knauss (Reg. No. 56,393) dknauss@cooley.com zpatdcdocketing@cooley.com COOLEY LLP ATTN: Patent Group 1299 Pennsylvania Ave., NW, Suite 700 Washington, DC 20004

Dated: February 7, 2018

/Peter Lambrianakos/

Peter Lambrianakos (Reg. No. 58,279)
Lead Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800

Fax: 212-209-4801
Email: plambrianakos@brownrudnick.com

Alfred R. Fabricant (admitted *pro hac vice*)
Vincent J. Rubino, III (Reg. No. 68,594)
Shahar Harel (Reg. No. 73,203)
Enrique Iturralde (Reg. No. 72,883)
Back-Up Counsel for Patent Owner
Brown Rudnick LLP
7 Times Square
New York, NY 10036
Tel: 212-209-4800
Fax: 212-209-4801