

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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FACEBOOK, INC. and INSTAGRAM, LLC,  
Petitioner,

v.

SKKY, LLC,  
Patent Owner.

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Case CBM2017-00006  
Patent 9,215,310 B2

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Before KARL D. EASTHOM, WILLIAM V. SAINDON, and  
CHRISTOPHER G. PAULRAJ, *Administrative Patent Judges*.

EASTHOM, *Administrative Patent Judge*.

DECISION

*Denying Institution of Covered Business Method Patent Review*  
37 C.F.R. § 42.208

## I. INTRODUCTION

Petitioner, collectively Facebook, Inc. and Instagram, LLC, filed a Petition (Paper 1, “Pet.”) requesting covered business method (“CBM”) patent review of claims 1–14 of U.S. Patent No. 9,215,310 B2 (Ex. 1001, the “’310 patent”) under Section 18 of the Leahy-Smith America Invents Act, Pub. L. No. 112–29, 125 Stat. 284, 329 (2011) (“AIA”). Patent Owner, Skky, LLC, filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). With its Preliminary Response, Patent Owner provided evidence (Ex. 2001) that it filed with the Office a statutory disclaimer of claims 2, 4, 11, and 14 of the ’310 patent pursuant to 37 C.F.R. § 1.321(a). Prelim. Resp. 2 (citing Ex. 2001). After the Preliminary Response, Petitioner filed a Preliminary Reply to Patent Owner’s Preliminary Response, as authorized by the panel pursuant an e-mail request by Petitioner, to address the consequences of Patent Owner’s disclaimer of claims 2, 4, 11, and 14. Paper 7 (“Pet. Prelim. Reply”). In response to the Preliminary Reply, Patent Owner filed a Preliminary Sur-Reply, also as authorized by the panel. Paper 8 (“PO Sur-Reply”).

We have jurisdiction under 35 U.S.C. § 324(a).

Section 18(a)(1) of the AIA provides that a covered business method patent review “shall be regarded as, and shall employ the standards and procedures of, a post-grant review” with certain exceptions not relevant here. Under 35 U.S.C. § 324(a), a post-grant review cannot be “instituted unless the Director determines that the information presented in the petition . . . would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.”

Upon consideration of the record, we determine that the '310 patent is not a covered business method patent and accordingly deny the Petition.

*A. Related Matters*

Petitioner states that Patent Owner asserted the '310 patent against Petitioner in pending litigation, namely *Skky, LLC v. Facebook, Inc.*, No. 16:cv-00094 (D. Minn.) (filed Jan. 15, 2016). *See* Pet. 3. Petitioner lists related PTAB proceedings as follows: CBM2016-00091 (challenging U.S. Pat. No. 9,037,502, a continuation of the same application to which the '310 patent also claims priority); and IPR2014-01236 (challenging U.S. Patent No. 7,548,875, the grandparent to the '310 patent). *Id.* at 1–2. In addition to CBM2016-00091, Patent Owner lists several related PTAB proceedings and other related matters. *See* Paper 4, 2–3. Listed PTAB proceedings involving the instant parties include the following: CBM2017-00002; CBM2017-00003; CBM2017-00007; IPR2017-00088; IPR2017-00089; and IPR2017-00092; IPR2017-00097. *Id.* at 2.

*B. The '310 Patent*

The '310 patent describes a method for delivering audio and/or visual media files, including recordings of songs, musical compositions, ringtones, video, films, television shows, and personal recordings, wirelessly or non-wirelessly to devices for playback of the content, with or without an Internet connection. Ex. 1001, Abstract, 1:19–21.

Figure 5 of the '801 patent follows:

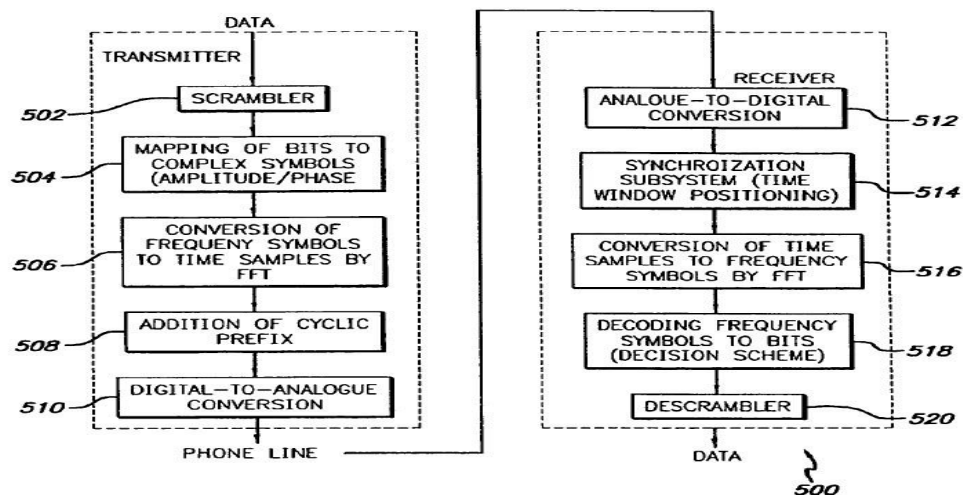


FIG. 5

According to the Specification, Figure 5 depicts a flow chart for delivering data content by transmitting data over an audio channel of a wireless telephone. *See* Ex. 1001, 16:29–36. Data transmission method 500 includes transferring data from a server by converting stored digital information to analog information (i.e., D/A conversion, step 510) wherein the server transmits the signal to a receiver using an orthogonal frequency-division multiplex scheme (OFDM). *See id.* at 16:29–17:46; Ex. 1002 ¶¶ 42–45, 93–95. Prior to the D/A conversion, the transmitter scrambles data representing a data file (502), maps that to complex frequency symbols (504), converts that to time samples using a Fast Fourier Transform (FFT) (506), and adds a cyclic prefix (508). Ex. 1001, 16:37–41. After the D/A conversion and OFDM modulation, a telephone receiver decodes the modulated symbols by a reverse conversion process (i.e., an analog to digital (A/D) conversion process) to recover the transmitted audio or video file to be stored as digital information (512–520). *See id.* at 16:41–46, 18:5–11.

*C. Challenged Claim 1*

Claim 1, the sole independent challenged claim of the '310 patent, follows:

1. A method for wirelessly transmitting over a cellular network a data file between a cellular phone and a server, the server comprising a non-transitory virtual storage locker, the method comprising:

creating the virtual storage locker associated with the cellular phone;

receiving a data file from the cellular phone, said cellular phone including a receiver and a digital signal processor configured for receiving and processing data files transmitted by orthogonal frequency-division multiplex modulation;

storing, in the virtual storage locker, the data file received from the cellular phone;

receiving a request for the data file; and providing for the transmission of the data file to the cellular phone using orthogonal frequency-division multiplex (OFDM) modulation in response to the received request from the cellular phone.

Ex. 1001, 32:62–33:13.

*D. The Alleged Grounds of Unpatentability*

The Petition asserts the unpatentability of claims 1–14 for failure to recite patent-eligible subject matter under 35 U.S.C. § 101, for failure to correspond in scope with that which the inventor regards as the invention under 35 U.S.C. § 112(b) (pre-AIA 35 U.S.C. § 112 ¶ 2), and for lack of written description under 35 U.S.C. § 112(a) (pre-AIA 35 U.S.C. § 112 ¶ 1). Pet. 35. Based on Patent Owner's disclaimer of claims 2, 4, 11, and 14, only challenges to claims 1, 3, 5–8, 12 and 13 remain. To support its challenges, Petitioner relies on the Declaration of William H. Beckmann, Ph.D. Ex. 1002.

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