Paper 12

Entered: August 23, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

QUALCOMM INCORPORATED, Petitioner,

v.

BANDSPEED, INC., Patent Owner.

Case IPR2016-00620¹ Patent 8,873,500 B2

Before THOMAS L. GIANNETTI, JAMES B. ARPIN, and MATTHEW R. CLEMENTS, *Administrative Patent Judges*.

ARPIN, Administrative Patent Judge.

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

¹ Case IPR2016-00623 has been consolidated with the instant proceeding.



I. BACKGROUND

In Case IPR2016-00620, Qualcomm Incorporated ("Petitioner") filed a Petition pursuant to 35 U.S.C. §§ 311–19 to institute an *inter partes* review of claims 1–31 of U.S. Patent No. 8,873,500 B2 (Ex. 1001, "the '500 patent").² IPR2016-00620, Paper 2 ("620 Pet.").³ In Case IPR2016-00623, Petitioner filed a Petition pursuant to 35 U.S.C. §§ 311–19 also to institute an *inter partes* review of claims 1–31 of the '500 patent. IPR2016-00623, Paper 1 ("623 Pet."). Bandspeed, Inc. ("Patent Owner") did not file a Preliminary Response in either case.⁴

On August 24, 2016, we issued decisions in Case IPR2016-00620 and Case IPR2016-00623 (1) granting institution of *inter partes* review of claims 1–5, 8–20, and 23–31 of the '500 patent and (2) denying institution of *inter partes* review of claims 6, 7, 21 and 22 of the '500 patent. IPR2016-00620, Paper 6 ("620 Dec. on Inst."), 34; IPR2016-00623, Paper 6 ("623 Dec. on Inst."), 34. Further, we consolidated the *inter partes* reviews of Case IPR2016-00620 and Case IPR2016-00623. *E.g.*, IPR2016-00620, Paper 7, 2–3.

After consolidation, the parties only made filings for the consolidated cases in Case IPR2016-00620. In the consolidation order, we ordered that

⁴ Patent Owner identifies only Bandspeed, Inc., as a real party-in interest. IPR2016-00620, Paper 5 ("620 Paper 5"), 2.



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² Because the '500 patent was filed as Exhibit 1001 in each case, we refer to this exhibit number without identifying the case in which it was filed.

³ Petitioner identifies Qualcomm Incorporated, Qualcomm Atheros, Inc., and Qualcomm Innovation Center, Inc., as real parties-in-interest. *See, e.g.*, 620 Pet. 2.

"each Party shall file any exhibits previously filed only in IPR2016-00623 in IPR2016-00620 within ten (10) business days of the entry of this Order." IPR2016-00620, Paper 7, 3; see 37 C.F.R. § 42.63(a). Petitioner did not comply with our order. In addition, we ordered that "each Party shall file an exhibit list in IPR2016-00620 identifying (1) the exhibits previously filed in IPR2016- 00620 and (2) the exhibits previously filed only in IPR2016-00623, but newly filed IPR2016-00620, within ten (10) business days of the entry of this Order." IPR2016-00620, Paper 7, 3; see 37 C.F.R. § 42.63(e). Petitioner again did not comply with our order. We also ordered that "the case caption in IPR2016-00620 shall be changed to reflect the consolidation of IPR2016-00623 with IPR2016-00620, in accordance with the attached example." IPR2016-00620, Paper 7, 3. Petitioner yet again did not comply with our order. See Paper 11; cf. Paper 10. The purpose of these orders was to facilitate the creation of a clear record in the consolidated proceedings and the efficient presentation of the parties' arguments and evidence and our efficient review of such arguments and evidence in preparation of this Final Written Decision. Petitioner's failure to comply with our orders in this proceeding placed unnecessary burdens on Patent Owner and on us. See PO Resp. vi–v; infra Section I.D. Consequently, we now cite to papers filed after consolidation only by their paper numbers and exhibit numbers and identify the particular case for papers and exhibits filed before consolidation. We strongly caution Petitioner that it disregards our orders at its peril. See 37 C.F.R. § 42.12(a) ("The Board may impose a sanction against a party for misconduct, including: (1) Failure to comply with an applicable rule or order in the proceeding").



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After institution and consolidation, Patent Owner filed a Patent Owner Response to the Petition (Paper 10, "PO Resp."), and Petitioner replied (Paper 11, "Reply"). Neither party requested a hearing in the consolidated case; consequently, no hearing was held.

We have jurisdiction under 35 U.S.C. § 6, and this Final Written Decision, issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73, addresses issues and arguments raised during the review. For the reasons discussed below, we determine that Petitioner has met its burden to prove, by a preponderance of the evidence, that claims 1–5, 8–12, 14–20, 23–27, and 29–31 of the '500 patent are unpatentable on the grounds upon which we instituted *inter partes* review.

A. The '500 Patent (Ex. 1001)

The '500 patent is entitled "Approach for Managing the Use of Communications Channels Based on Performance." Ex. 1001, [54]; *see id.* at 1:1–3, 60–62. Figure 2 of the '500 patent is reproduced below.



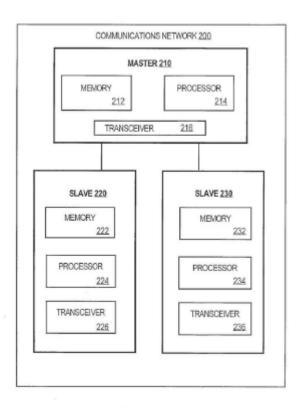


FIG. 2

Figure 2 depicts a communications network having communications devices or mechanisms labeled master 210, slave 220, and slave 230. *Id.* at 9:51–10:9; *see id.* at 2:5–18 (describing "participants" as "a device or mechanism that communicates with other devices or mechanisms," including "a master participant" or "master" and "slave participants" or "slaves"). Each communication device or mechanism includes a memory, a processor that may execute instructions stored in memory, and a transceiver configured to transmit and receive communications with other devices of the communications network. *Id.* at 10:3–9.

To manage the communications channels, the methods and devices of the '500 patent communicate between communication devices over a plurality of communication channels, test the plurality of communication



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