Filed on behalf of TQ Delta, LLC

By: Peter J. McAndrews

Thomas J. Wimbiscus

Scott P. McBride

Christopher M. Scharff

McAndrews, Held & Malloy, Ltd.

500 W. Madison St., 34th Floor

Chicago, IL 60661

Tel: 312-775-8000 Fax: 312-775-8100

E-mail: pmcandrews@mcandrews-ip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC. and DISH NETWORK, LLC, Petitioners

V.

TQ DELTA, LLC Patent Owner

Case No. IPR2016-01006 Patent No. 7,835,430

PATENT OWNER'S RESPONSE UNDER 37 CFR §42.120



TABLE OF CONTENTS

I.	INTRODUCTION	1	
II.	THE '430 PATENT	4	
III.	LAIM CONSTRUCTION6		
IV.	PETITIONERS HAVE NOT SHOWN UNPATENTABILITY BASED ON THE SINGLE GROUND INSTITUTED	6	
	A. The Asserted References Do Not Render Obvious Transmitting/Receiving a Test Message Comprising "Idle Channel Noise"—Petitioner' Theory Violates Several Legal Tenets	8	
	Milbrandt Teaches Away From Using Chang's "Circuitry" For Measuring Background Noise	9	
	2. Petitioners Did Not Establish a Reasonable Expectation of Success in Just Using Chang's Overall "Concept" of Measuring Background Noise in Some Other Manner	.16	
	3. Incorporating Chang's Background Noise Measurement Would Have Improperly Changed Milbrandt's Fundamental Principle of Operation	.19	
	4. Adding Any Method of Measuring Background Noise to Milbrandt Would Have Been Redundant and Unnecessary	.22	
A.	No Weight Should Be Given to Unqualified Opinions of Petitioners' Expert	.26	
V.	CONCLUSION	.29	
CED	TIEICATE OF WORD COLINT	20	



EXHIBIT LIST

Ex. 2001	Declaration of Douglas Chrissan, PhD for Inter Partes Review Nos. IPR2016-01006, -01007, -01008, -01009
Ex. 2002	Hargrave's Communications Dictionary (2001) at pp. 404, 485
Ex. 2003	U.S. Pat. Pub. No. 20050190826
Ex. 2004	Webster's Unabridged Dictionary of the English Language (1989 ed.) at p. 1217
Ex. 2005	Transcript of 2/8/17 Deposition of Sayfe Kiaei
Ex. 2006	ITU-T G.992.1 (6/99) Series G: Transmission Systems and Media, Digital Systems and Networks – Asymmetric Digital Subscriber Line (ADSL) Transceivers



I. INTRODUCTION

Patent Owner TQ Delta, LLC ("Patent Owner") submits this Response under 37 CFR §42.120 to the Petition filed by Cisco, Inc. requesting *inter partes* review of claims 1-6 of U.S. Pat. No. 7,835,430 ("the '430 patent"). Dish Network LLC joined this proceeding pursuant to an order in 2017-00251 (Paper 10). Also pending in IPR2017-00420 is a Motion for Joinder to this proceeding filed by Comcast Cable Communications (which Patent Owner does not oppose); that Motion does not have a ruling.

The Board has instituted *inter partes* review in this proceeding based on a single Ground—alleged obviousness in view of a combination of Milbrandt, Chang, Hwang, and ANSI T1.413. Patent Owner, however, respectfully submits that for purposes of institution (1) the Board misapprehended or overlooked Patent Owner's rebuttal arguments on non-obviousness and the controlling law with respect to those arguments, and (2) the Board accepted as true several unsupported factual statements by Petitioner's expert that are wholly incorrect and contradicted by the asserted references themselves. Indeed, as shown by his testimony at his deposition, Petitioners' expert (Dr. Kiaei) is unknowledgeable and unqualified regarding the technical issues in this proceeding. Therefore, Patent Owner provides additional detail, technical explanations from its own qualified expert (Dr. Chrissan), and further legal support to clarify these issues.



First, the Board misapprehended one of Patent Owner's arguments as to why it would not have been obvious to combine Chang's measurement of background noise with Milbrandt. Namely, the Petition itself specifically argued only that it allegedly would have been obvious to apply Chang's actual "background noise test circuitry" for measuring background noise to Milbrandt. (See Pet. at 15-17.) But Milbrandt specifically taught away (i.e., criticized and disparaged) any circuitry that required a technician visit and "truck roll"—which was the only type of circuitry disclosed in Chang. Milbrandt's disclosure in this regard falls squarely within the Federal Circuit's controlling law for a "teaching away"—the law does not require Milbrandt to expressly call out Chang by name in order to teach away from its undesirable technique.

Second, the Board overlooked and did not address in its Institution Decision several other reasons raised by Patent Owner for why it would not have been obvious to combine Chang's background noise measurement technique with Milbrandt. These reasons, which are explained and supported more fully in this Response by Patent Owner's expert, include that:

- (a) applying Chang's only disclosed "circuitry" for measuring background noise (circuitry that required a technician visit and truck roll) would have improperly changed the <u>fundamental principle of operation</u> of Milbrandt;
 - (b) to the extent that Petitioners were somehow arguing that it would have



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

