

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS LLC,
Patent Owner.

Case IPR2016-01155¹
Patent 8,694,657 B1

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

McKONE, *Administrative Patent Judge*.

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

¹ Case IPR2017-00622 has been joined with this proceeding.

I. INTRODUCTION

A. Background

Microsoft Corporation filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1, 2, 18, 27, 35, 43, 51, 65, 79, 93, 100, 108, 114, 126, 138, 150, 156, 168, 170, 172, 176, 178, 180, 182–90, 202, 208, 214, 220, 226, 238, 250, 262, 268, 274, 280, 292, 304, 316, 322, 328, 334, 336, 340, 342, 344, 346, 348, 350, 352–54, 362, 366, 370, 374, 378, 386, 394, 402, 406, 410, 414, 422, 430, 438, 442, 450, 452, 454, 456, 458, 460, 462, 464–66, 476, 481, 486, 491, 496, 505, 515, 525, 530, 535, 545, 555, 565, 570, 580, 582, 584, 586, 588, 590, 592, 594, 596–98, 606, 607, 615–17, 619, 621, 622, 624–26, 628, 630, 632–34, 636, 638, 640–42, 644, 646, and 648–71 of U.S. Patent No. 8,694,657 B1 (Ex. 1001, “the ’657 patent”).

Windy City Innovations LLC (“Patent Owner”) filed a Preliminary Response (Paper 9, “Prelim. Resp.”).

Pursuant to 35 U.S.C. § 314, in our Institution Decision (Paper 12, “Dec.”), we instituted this proceeding as to each of these challenged claims.

Patent Owner filed a Patent Owner’s Response (Paper 27, “PO Resp.”), and Petitioner filed a Reply to the Patent Owner’s Response (Paper 44, “Reply”).

Between the PO Response and the Reply, Facebook, Inc. (“Petitioner”) filed a Petition (IPR2017-00622, Paper 2, “Joinder Pet.”) for *inter partes* review of claims 189 and 465 of the ’657 patent in IPR2017-00622 along with a Motion for Joinder with this proceeding (IPR2017-0622, Paper 3). Before we ruled on the Motion for Joinder, Microsoft and Patent Owner settled and moved to terminate this proceeding. Paper 29. We granted the Motion to Terminate as to Microsoft, but not as to Patent Owner.

Paper 31. Subsequently, we instituted an *inter partes* review of claims 189 and 465 in IPR2017-0622, granted Petitioner's motion for joinder, and dismissed all challenged claims except for 189 and 465. Paper 32 ("Joinder Dec."). We then denied the Motion to Terminate as to Patent Owner.

Paper 33. We also denied a Request for Rehearing of our decision denying the Motion to Terminate. Paper 53.

Petitioner relies on the Declarations of Christopher M. Schmandt (Ex. 1003, "Schmandt Decl."; Ex. 1100, "Schmandt Reply Decl."). Patent Owner relies on the Declaration of Jaime G. Carbonell, Ph.D. (Ex. 2006, "Carbonell Decl.").

An oral argument was held on October 19, 2017 (Paper 62, "Tr.").

We have jurisdiction under 35 U.S.C. § 6. This Decision is a final written decision under 35 U.S.C. § 318(a) as to the patentability of claims 189 and 465. Based on the record before us, Petitioner has proved, by a preponderance of the evidence, that claims 189 and 465 of the '657 patent are unpatentable.

B. Related Matters

The parties indicate that the '657 patent has been asserted in *Windy City Innovations, LLC v. Microsoft Corp.*, Civ. A. No. 15-cv-00103-GM (W.D.N.C.) (transferred to 16-cv-1729 (N.D. Cal.)), and *Windy City Innovations, LLC v. Facebook, Inc.*, Civ. A. No. 15-cv-00102-GM (W.D.N.C.) (transferred to 16-cv-1730 (N.D. Cal.)). Pet. 3; Paper 7, 1. The '657 patent also is the subject of an *inter partes* review petition in IPR2016-01159. Pet. 3; Paper 7, 1. Related U.S. Patent Nos. 8,458,245, 8,407,356, and 8,473,552 are subject to additional *inter partes* reviews. Pet. 3.

C. Asserted Prior Art References

Petitioner relies on the following prior art:

U.S. Patent No. 5,941,947, issued Aug. 24, 1999, filed Aug. 18, 1995
(Ex. 1012, “Brown”); and

Donath & Robertson, *The Sociable Web* (Ex. 1019, “Sociable Web”).²

D. The Instituted Ground

We instituted a trial on the ground of unpatentability of claims 189 and 465 as obvious, under 35 U.S.C. § 103(a), over Brown and Sociable Web. Dec. 36–37; Joinder Dec. 17–18.

E. The '657 Patent

The '657 patent describes an Internet “chat room.” According to the '657 patent, it was known to link computers together to form chat rooms in which users communicated by text, graphics, and multimedia, giving the example of “America On Line.” Ex. 1001, 1:33–37. The '657 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 because “[t]he 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

² Petitioner also submitted Exhibit 1030, which Petitioner contends 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>. Pet. 18.

the platform that would be encountered on the Internet.” *Id.* at 1:38–44, 1:50–52.

Figure 1, reproduced below, illustrates an embodiment of the invention:

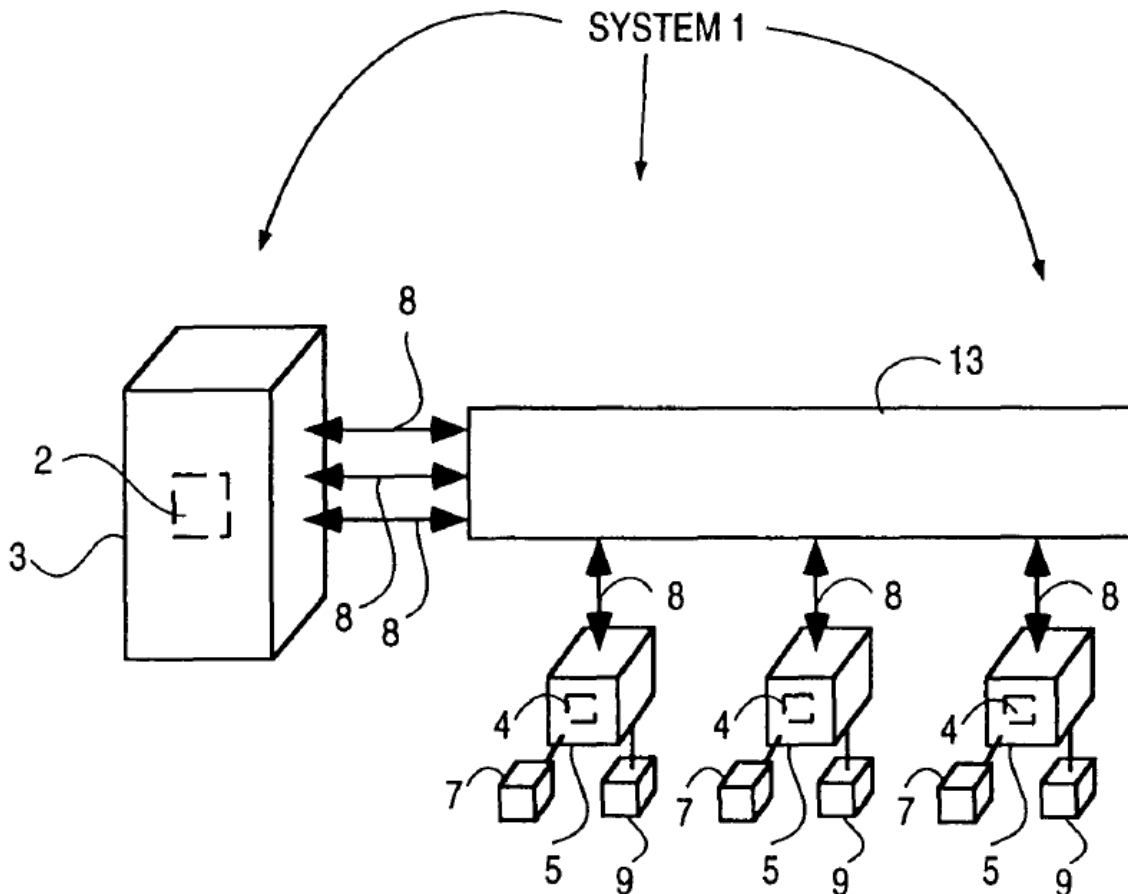


Figure 1 is a block diagram showing the components and data flow of a computerized human communication arbitrating and distributing system. *Id.* at 4:36–40. The system includes controller computer 3 in communication with several participator computers 5 (e.g., IBM-compatible personal computers) over connection 13 (e.g., an Internet connection or a World Wide Web connection). *Id.* at 4:41–60.

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