

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YMAX CORPORATION,
Petitioner,

v.

FOCAL IP, LLC,
Patent Owner.

Case IPR2016-01256
Patent 8,155,298 B2

Before SALLY C. MEDLEY, JONI Y. CHANG, and
BARBARA A. PARVIS, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*.

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

I. INTRODUCTION

YMax Corporation (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1 and 20 of U.S. Patent No. 8,155,298 B2 (Ex. 1001, “the ’298 patent”) and a Declaration of Tal Lavian, Ph.D. (Ex. 1002). Paper 1 (“Pet.”). Focal IP, LLC (“Patent Owner”) filed a Preliminary Response and a Declaration of Mr. Regis J. Bates Jr. (Ex. 2001). Paper 7 (“Prelim. Resp.”). Upon consideration of the parties’ contentions and supporting evidence, we instituted an *inter partes* review pursuant to 35 U.S.C. § 314, as to claims 1 and 20 of the ’298 patent. Paper 13 (“Dec.”).

Subsequent to institution, Patent Owner filed a Patent Owner Response (Paper 25, “PO Resp.”) and a second Declaration of Mr. Bates (Ex. 2022). Petitioner filed a Reply. Paper 30, “Reply.” A transcript of the oral hearing held on September 19, 2017, has been entered into the record as Paper 65 (“Tr.”).¹

This Final Written Decision is entered pursuant to 35 U.S.C. § 318(a). For the reasons that follow, we determine that Petitioner has demonstrated by a preponderance of the evidence that claims 1 and 20 of the ’298 patent are unpatentable.

¹ The oral arguments in the following cases were consolidated: Cases IPR2016-01256, IPR2016-01258, and IPR2016-01260. Paper 47.

A. Related Matters

The parties indicate that the '298 patent is involved in *Patent Asset Licensing LLC v. Bright House Networks, LLC*, No. 3:15-cv-00742-J-32MCR (M.D. Fla.), and identify other related proceedings. Pet. 1–2; Paper 4, 2–3. There are other petitions challenging the '298 patent (IPR2016-01259 and IPR2016-01263) and two related patents: (1) U.S. Patent No. 7,764,777 B2 (“the '777 patent”), which issued from a divisional application of the '298 patent’s parent application; and (2) U.S. Patent No. 8,457,113 B2 (“the '113 patent”), which issued from a continuation application of the '777 patent. A final written decisions is entered currently in each of the following proceedings: IPR2016-01259 and IPR2016-01263.

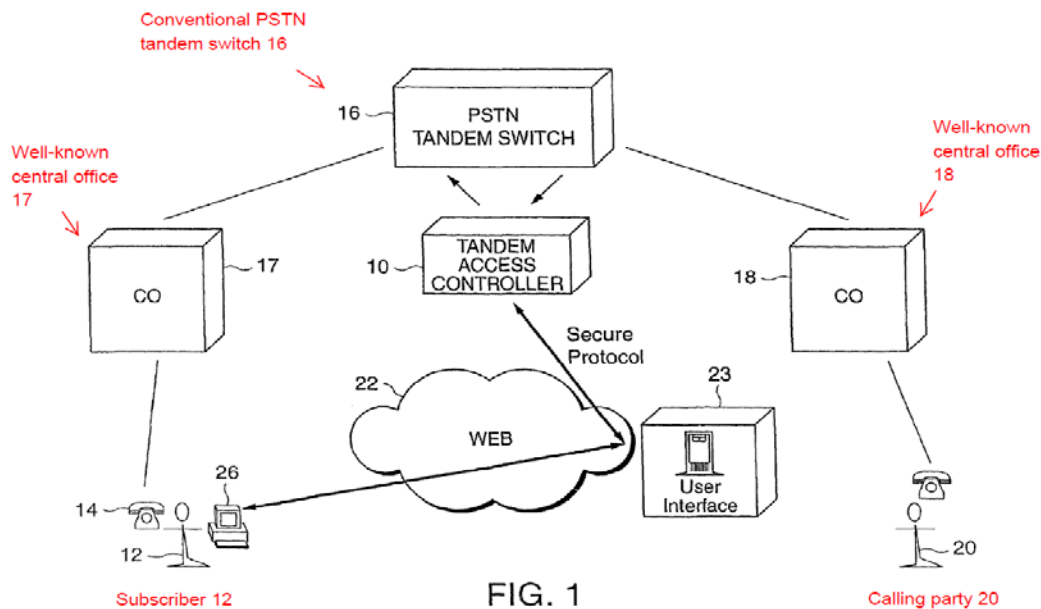
B. The '298 Patent

The '298 patent relates to telephone services. Ex. 1001, 1:20. In the background section, the '298 patent explains that the Public Switched Telephone Network (PSTN) consists of a plurality of edge switches connected to telephones on one side and to a network of tandem switches on the other. *Id.* at 1:42–44. The tandem switch network allows connectivity between all of the edge switches, and a signaling system is used by the PSTN to allow calling and to transmit both calling and called party identity. *Id.* at 1:44–48; Ex. 2022 ¶ 36; Ex. 1002 ¶¶ 36–43.

According to the '298 patent, at the time of the invention, there were “web-based companies managing 3rd-party call control, via the toll-switch

network, which allow users to enter call control information through a web portal.” Ex. 1001, 1:31–34. “Edge devices such as phones and PBXs that include voice mail, inter-active voice response, call forwarding, speed calling, etc., have been used to provide additional call control.” *Id.* at 2:38–41.

The ’298 patent discloses a system for allowing a subscriber to select telephone service features. *Id.* at 1:20–23. Figure 1 of the ’298 patent is reproduced below (with annotations).



Annotated Figure 1 illustrates tandem access controller 10 connected to conventional PSTN tandem switch 16. *Id.* at 4:60–64. According to the ’298 patent, “[d]etails of the operation of the existing phone network,” including directing of phone calls by “existing” PSTN tandem switch 16 to central offices 17, 18 are further described in a publication incorporated by

reference, as well as “numerous books describing the PSTN.” *Id.* at 4:60–5:4. The call flow in the network illustrated in Figure 1 with tandem access controller 10 remains the same as that in a conventional network, “except that additional 3rd-party features are applied to the call.” *Id.* More specifically, in the network illustrated in Figure 1, a call from calling party 20 to subscriber’s phone 14 is directed to tandem access controller 10, which places a second call, subject to 3rd party control information to subscriber 12. *Id.* at 5:5–20. The second call is placed “to the subscriber’s ‘private’ phone number,” without terminating the first call. *Id.* When subscriber 12 answers the call, tandem access controller 10 connects the first call to the second call so as to connect calling party 20 to subscriber 12. *Id.*

Figure 1 also shows web server 23 within World Wide Web 22, which is connected to tandem access controller 10. *Id.* at Fig. 1. Subscriber 12 specifies 3rd-party call control features via web server 23 and these features are then relayed via World Wide Web 22 to tandem access controller 10. *Id.* at 5:33–41.

C. Illustrative Claim

Petitioner challenges independent claims 1 and 20 of the ’298 patent in this proceeding. Claim 1 is reproduced below.

1. A method for providing user control selections for routing of one or more communications between users of one or more communications networks, wherein the users either 1) initiate a communication, 2) receive a communication, or 3) control a communication, the user control selections provided by a user via access to *a web server of a web-enabled processing system*

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