

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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UNIFIED PATENTS INC.,  
Petitioner,

v.

UNILOC LUXEMBOURG S.A.  
Patent Owner.

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Case IPR2016-01271  
Patent 8,566,960 B2

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Before DAVID C. MCKONE, BARBARA A. PARVIS, and  
MICHELLE N. WORMMEESTER, *Administrative Patent Judges*.

MCKONE, *Administrative Patent Judge*.

DECISION  
Denying Institution of *Inter Partes* Review  
*37 C.F.R. § 42.108*

## I. INTRODUCTION

### *A. Background*

Unified Patents Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1–25 of U.S. Patent No. 8,566,960 B2 (Ex. 1001, “the ’960 patent”). Uniloc Luxembourg S.A. (“Patent Owner”) filed a Preliminary Response (Paper 5, “Prelim. Resp.”). Upon consideration of the Petition and Preliminary Response, we conclude, under 35 U.S.C. § 314(a), that Petitioner has not established a reasonable likelihood that it would prevail with respect to any of the challenged claims. Accordingly, we do not institute an *inter partes* review of the ’960 patent.

### *B. Related Matters*

The parties indicate that the ’960 patent has been asserted in several lawsuits in the United States District Court for the Eastern District of Texas. Pet. 1–2; Paper 3, 2.

### *C. Evidence Relied Upon*

Petitioner relies on the following prior art:

Ex. 1002 (“Abhuri”)	US 7,203,966 B2	Apr. 10, 2007
Ex. 1003 (“Gilder”)	US 2008/0148363 A1	June 19, 2008
Ex. 1004 (“Hu”)	US 7,752,139 B2	July 6, 2010
Ex. 1005 (“Goringe”)	US 7,707,115 B2	Apr. 27, 2010

Petitioner also relies on the Declaration of Ivan Zatkovich (Ex. 1031, “Zatkovich Decl.”).

*D. The Asserted Grounds*

Petitioner asserts the following grounds of unpatentability (Pet. 21, 45–68):

Reference(s)	Basis	Claims Challenged
Abburi	§ 102(a) and (e)	1, 3–5, 8, 18–22, and 25
Gilder and Hu	§ 103(a)	1–8, 18, 19, 22, and 25
Gilder, Hu, and Goringe	§ 103(a)	9–17, 23, and 24

*E. The '960 Patent*

The '960 patent describes techniques for monitoring and adjusting software usage under software licenses. Ex. 1001, 1:16–20. The '960 patent discusses problems with existing software licensing schemes, including that “consumers of software have normal patterns of use that include the installation and use of digital products on multiple devices” and that “computers are also bought, sold and replaced so over time maybe two or three times this number of computers may be used by the user over time with a legitimate need to install and use the software on every computer.” *Id.* at 1:31–41. The '960 patent addresses these problems with “an improved technique for allowing for a changing number of device installations on a per license basis over time.” *Id.* at 1:67–2:2.

Figure 2, reproduced below, illustrates an example:

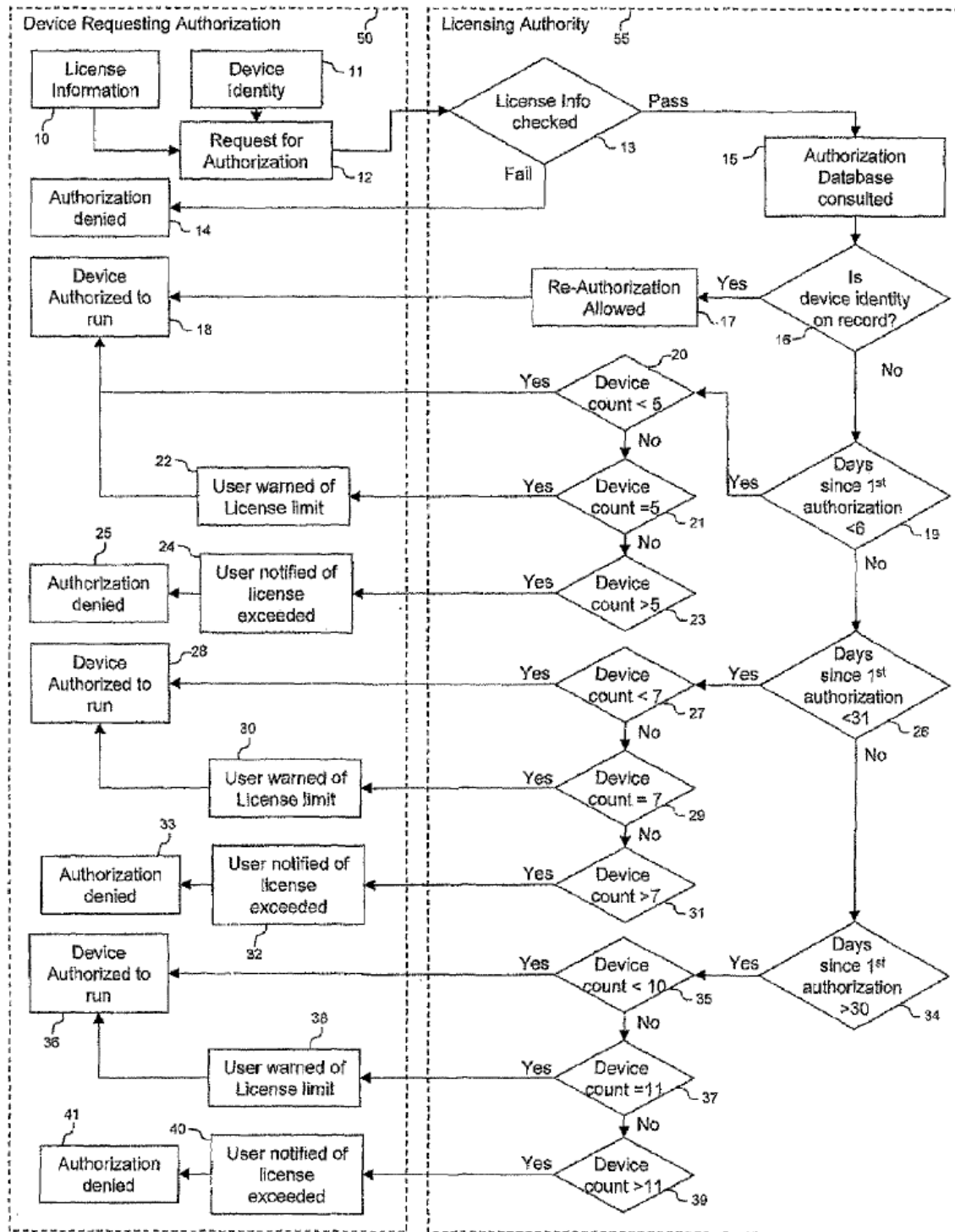


Figure 2

Figure 2 is a flowchart for an approach to adjusting a license for a digital product. *Id.* at 3:20–21. In Figure 2, device 50 requests authorization from

licensing authority 55 (e.g., a publisher or distributor) to use a copy of a software license. *Id.* at 4:50–55.

Device 50 gathers information about itself, including license related information 10 and unique device identifying information 11, and sends a request for authorization 12 to licensing authority 55. *Id.* at 4:56–59.

Licensing authority 55 checks whether the requesting device's unique identifying information 11 exists in its database of prior authorizations 15 and, if so, reauthorizes device 50 and allows the software to run on the device. *Id.* at 5:1–12 (steps 13–18).

If unique identifying information 11 is not in its database of prior authorizations 15, and if the request comes within the first five days of the licensing period, licensing authority 55 determines a device count of the number of successful authorizations for new devices (including device 50) that have been allowed and, if the device count is less than a device count limit of five, licensing authority 55 sends device 50 a message allowing the software to be used. *Id.* at 5:13–26 (steps 18–19). If the device count is equal to five, licensing authority 55 can send a message to device 50 allowing the device to run, but informing the user that the limit on available devices has been reached and that subsequent requests may be denied. *Id.* at 5:26–32 (step 22). If the device count is greater than five (step 23), licensing authority 55 sends a message to device 50 denying authorization (step 24). *Id.* at 5:33–40.

If request 12 comes between six and thirty-one days from the first successful authorization, licensing authority 55 performs similar tests, this time with a device count limit of seven. *Id.* at 5:41–60 (steps 19–33).

Likewise, if request 12 comes after thirty-one days, licensing authority 55

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