

UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD

TV MANAGEMENT INC., D/B/A GPS NORTH AMERICA
Petitioner,

v.

PERDIEM CO., LLC.

Patent Owner

Case IPR2016-01278

U.S. Patent 9,071,931

PETITIONER'S SUR SUR REPLY

Mr. Diem's Declaration (Ex. 2009, "Declaration") lacks evidence of prior conception of every limitation of the '931 patent claims, including, for example, claim elements relating to first and second levels of administrative privileges. The words "privilege," "administrative privileges, or "level of administrative privileges" appear nowhere in the Declaration. Patent Owner uses its Sur Reply to argue for the first time that levels of administrative privileges mean "access codes." By waiting to raise this claim construction argument until now, Patent Owner has waived it. (See Scheduling Order, p.3). Even if the argument is considered, the specification differentiates between "various levels of *administrator* privileges" and "*access* privileges." (Ex. 1001, 5:39-42 and 5:51-57). "Access codes," (such as a passcode, *id.*, 7:61-64) are even further removed from "administrative privileges." Mr. Diem also fails to show how a server "defines" and "checks" administrative privileges; something Patent Owner likewise fails to explain.

Neither does the Declaration establish that Mr. Diem conceived of the claimed comparison occurring at the server. Patent Owners admits the deficiency by asking the Board to make a "logical inference." First, it is telling that Patent Owner produced source code allegedly showing a server that stores information without source code showing a server performing the claimed calculations. The Declaration demonstrates that Patent Owner has access to numerous source code

files, and still this pertinent source code was not produced. Second, the “logical inference” that Patent Owner asks of the Board equally applies to Mr. Diem’s PDA performing the required calculation. Ex D of the Declaration shows how a PDA includes all the information (*e.g.*, zone, location, user ID, etc.) and application software to make the comparison. Mr. Diem’s PDA software even has a “contact list” for sending location links. (Ex. 2009, Ex. D, p.2). Third, Patent Owner cannot establish prior conception using Mr. Diem’s uncorroborated testimony in 2017 about what his servers allegedly did circa 2005. (Institution Dec. at p.19 (“Proof of conception cannot turn on the inventor’s own testimony.”)).

The Declaration also fails to establish the claim elements relating to a “group.” Although Mr. Diem identifies a “group” variable in his source code, nothing of record shows that a server is configured to “receive a request to set” a “zone”, an “event”, and an “alert” “for the group,” as required by claim 1 (Elements H, I and J of claim 1). When arguing patentability, Patent Owner stated that “[t]he ‘group’ recited by claim 1 of the ’931 Patent must be associated with a single unified event and a single unified alert.” (POR, paper 20, p.12). Applying that logic here, nothing in Ex A of the Declaration shows a data structure or code that unifies an event and an alert under a group. Rather, Ex A merely writes several variables that may or may not be related. The group variable alone does not show a server that organizes an event and alert under the group. Also, setting a

zone/event for a device in a group is not the same as setting a zone/event for the actual group.

Patent Owner's Sur Reply for the first time alleges diligence and reduction to practice. Accordingly, Patent Owner waived these arguments. Even if considered, Mr. Diem said he "continued to work to implement and commercialize [his] system throughout 2005." (Ex. 2009, ¶13). But this testimony is sufficiently ambiguous and cannot sustain diligence and reduction to practice. It could refer to any one of 11 patents sharing the same specification as the '931 Patent; or even be limited to unclaimed aspects of the system.

Patent Owner asks the Board to consider file names as evidence of reduction to practice. Patent Owner apparently has these files but chose to conceal them from Petitioner and the Board. Their contents could be incomplete or inaccurately reflect their title. The file names could have been renamed without affecting the file's metadata. Accordingly, these file names should be given no weight. Even if they are considered, the file "grouptrack.asap" dated September 2005 suggests that Mr. Diem was not in possession of the "group" feature in May 2005. Lastly, Patent Owner falsely stated that Mr. Diem "testified that he diligently worked on 'his system.'" (Sur Reply, p.3). Mr. Diem never said he was diligent. Based on file names only, it is unclear what aspects of "his system" he was developing, as it may not even relate to the claims.

Respectfully submitted,

Date: August 7, 2017

/Vivek Ganti/

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