Paper No. 28 Entered: February 23, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC., Petitioner,

v.

CHANBOND LLC, Patent Owner.

Case IPR2016-01744 Patent 7,941,822 B2

Before JONI Y. CHANG, JENNIFER S. BISK, and JACQUELINE T. HARLOW, *Administrative Patent Judges*.

HARLOW, Administrative Patent Judge.

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FINAL WRITTEN DECISION Determining Claims 1, 2, 5, 6, 19, 20, 23, and 29 Have Been Shown To Be Unpatentable 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Cisco Systems, Inc. ("Petitioner"), filed a Petition requesting an *inter partes* review of claims 1, 2, 5, 6, 19, 20, 23, and 29 of U.S. Patent No. 7,941,822 B2 (Ex. 1001, "the '822 patent"). Paper 1 ("Pet."). ChanBond LLC ("Patent Owner"), filed a Preliminary Response. Paper 8 ("Prelim. Resp."). We determined that the information presented in the Petition demonstrated a reasonable likelihood that Petitioner would prevail in challenging claims 1, 2, 5, 6, 19, 20, 23, and 29 as unpatentable under 35 U.S.C. § 103(a). Pursuant to 35 U.S.C. § 314, the Board instituted trial on March 3, 2017, as to those claims of the '822 patent. Paper 10 ("Institution Decision" or "Inst. Dec.").

Following our institution, Patent Owner filed a Response to the Petition (Paper 13, "PO Resp.") and Petitioner filed a Reply to the Patent Owner Response (Paper 17, "Reply").¹ An oral hearing was held on November 1, 2017. The transcript of the hearing has been entered into the record. Paper 27 ("Tr.").

We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. Based on the record before us, we conclude that Petitioner has demonstrated

¹ Petitioner filed a Reply to Patent Owner's Response to Petition on July 31, 2017. Paper 15. That same day, Petitioner filed a Corrected Reply to Patent Owner's Response to Petition. Paper 17. All references in this Decision to Petitioner's Reply are to Paper 17.

by a preponderance of the evidence that claims 1, 2, 5, 6, 19, 20, 23, and 29 of the '822 patent are unpatentable.

A. Related Matters

The '822 patent is asserted in several cases in the District of Delaware. Pet. 3; Paper 5, 1–3. In addition, Petitioner challenged, and we declined to institute *inter partes* review of, claims 13 and 14 of the '822 patent in IPR2016-01746. IPR2016-01746, Paper 10.

Petitioner also challenged, and we declined to institute *inter partes* review of, various claims of two patents related to the '822 patent: U.S. Patent No. 8,341,679 B2 ("the '679 patent") and U.S. Patent No. 8,984,565 B2 ("the '565 patent"). *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01889, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01890, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01890, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01890, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01891, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01898, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01899, Paper 10 (PTAB Mar. 29, 2017); *Cisco Sys., Inc. v. ChanBond LLC*, Case IPR2016-01900, Paper 10 (PTAB Mar. 29, 2017).

Separately, RPX Corporation challenged the patentability of claims 1– 31 of the '822 patent in IPR2016-00234. On May 25, 2017, we issued a Final Written Decision in IPR2016-00234 determining that claims 1–31 of the '822 patent had not been shown to be unpatentable over references distinct from those at issue here. *RPX Corp. v. ChanBond LLC*, Case IPR2016-00234, Paper 28 (PTAB May 25, 2017).

B. The '822 Patent

The '822 patent is titled "Intelligent Device System and Method for Distribution of Digital Signals on a Wideband Signal Distribution System." Ex. 1001, at [54]. The '822 patent is a division of U.S. Patent Application No. 09/749,258, filed on December 27, 2000, and now issued as U.S. Patent No. 7,346,918. *Id.* at [62].

The '822 patent is directed to systems and methods for the "distribution of digital signals onto, and off of, a wideband signal distribution system." Ex. 1001, 1:24–29. The '822 patent aims to address the difficulties created by adapting existing telephone and data networks to accommodate the greater demands of transmitting television and video data. *Id.* at 1:31–36. In particular, the '822 patent explains that "digital TV/video applications clog data networks, even with the use of available compression techniques," and "[a]nalog RF distribution may require special cables and infrastructure." *Id.* at 1:36–40. According to the '822 patent, one solution to this problem would be to transport digitized data on an analog carrier "in a format that would allow for greater amounts of data to be carried at one time, such as by modulated RF." *Id.* at 2:15–16. The '822 patent, therefore, discloses a "network of intelligent devices" that "enables digital video, IP voice/data/video, to be modulated and demodulated onto and off of" "a wideband signal distribution system." *Id.* at 2:30–34.

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The '822 patent describes, as a preferred embodiment, an "intelligent device" that receives an RF signal that has been modulated onto two or more RF channels, and combines that information back into a single stream. Ex. 1001, 10:55–11:31. Figure 5 of the '822 patent, depicting this intelligent device, is reproduced below.



Figure 5 of the '822 patent illustrates the signal path from intelligent device 502 to addressable devices 202. *Id.* at 10:55–11:31. As shown in Figure 5, RF splitter 214 splits the signal entering intelligent device 502, and sends information regarding the RF channels in use to RF system channel detector 239. *Id.* at 10:55–60. In addition, the modulated RF signal is differentiated into an IP portion and a non-IP portion, according to the information frequency on the incoming carrier. *Id.* at 10:60–64. The non-IP

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