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.

DIGITAL STREAM IP, LLC,
Patent Owner.

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Case IPR2016-01749
Patent 6,757,913 B2

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Before MICHAEL J. FITZPATRICK, STACEY G. WHITE, and
MICHELLE N. WORMMEESTER, *Administrative Patent Judges.*

WORMMEESTER, *Administrative Patent Judge.*

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

I. INTRODUCTION

Unified Patents Inc. ("Petitioner") filed a Petition (Paper 3, "Pet.") requesting *inter partes* review of claims 1–4, 6–13, 20, and 22 of U.S. Patent No. 6,757,913 B2 (Ex. 1001, "the '913 patent"). We instituted an *inter partes* review of all the challenged claims because Petitioner demonstrated a "reasonable likelihood" of prevailing on "at least 1 of the claims challenged in the petition." Paper 10 ("Inst. Dec."); *see* 35 U.S.C. § 314(a).

After institution of trial, Digital Stream IP, LLC ("Patent Owner") filed a Patent Owner Response (Paper 15, "PO Resp."), and Petitioner filed a Reply (Paper 19, "Pet. Reply").

We have jurisdiction under 35 U.S.C. § 6(b). For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 4, 6–13, 20, and 22 of the '913 patent are unpatentable. Petitioner has not, however, made such a showing with respect to claims 2 and 3. This final written decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73.

II. BACKGROUND

A. Related Proceedings

Patent Owner identifies one pending federal district court case involving the '913 patent: *Digital Stream IP LLC v. Sirius XM Radio Inc.*, No. 1:18-cv-00087 (D. Del.). Paper 21, 2.

The parties previously identified four other federal district court cases involving the '913 patent. Pet. 1; Paper 5, 2. According to Patent Owner, those "litigations have been terminated." Paper 21, 2.

B. The '913 Patent

The '913 patent describes a system for local wireless transmission and reception of digital audio and program information. Ex. 1001, at [54], 4:67–5:1. Figure 1, which is reproduced below, illustrates such a system.
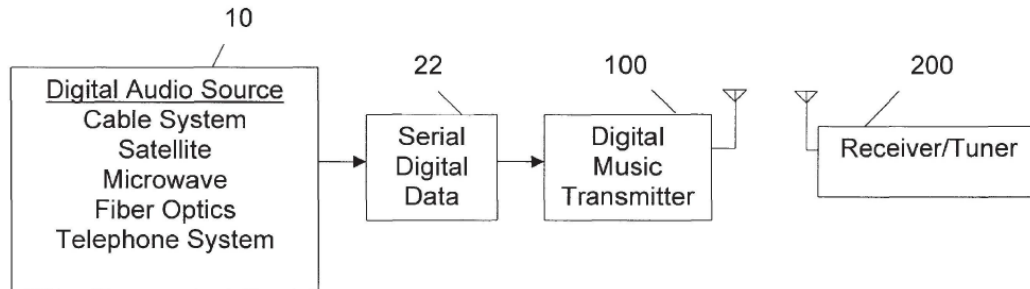

Fig. 1

In particular, Figure 1 is a schematic representation of a transmitter and receiver/tuner system. *Id.* at 3:48–50. Digital data distribution system 10 outputs to transmitter 100 serial digital data stream 22, which contains a plurality of digital audio and program information signals. *Id.* at 4:16–20, 5:1–5. The digital audio signal may be encoded with music, while the program information signal may be encoded with information about the composer, the track title, the artist, and the associated album. *Id.* at 2:60, 8:9–12. Transmitter 100 converts the digital audio and program information signals into digital RF carrier frequencies and broadcasts them to multiple devices, including receiver/tuner 200. *Id.* at 5:5–12.

An example of a receiver/tuner is shown in Figure 3, which is reproduced below.
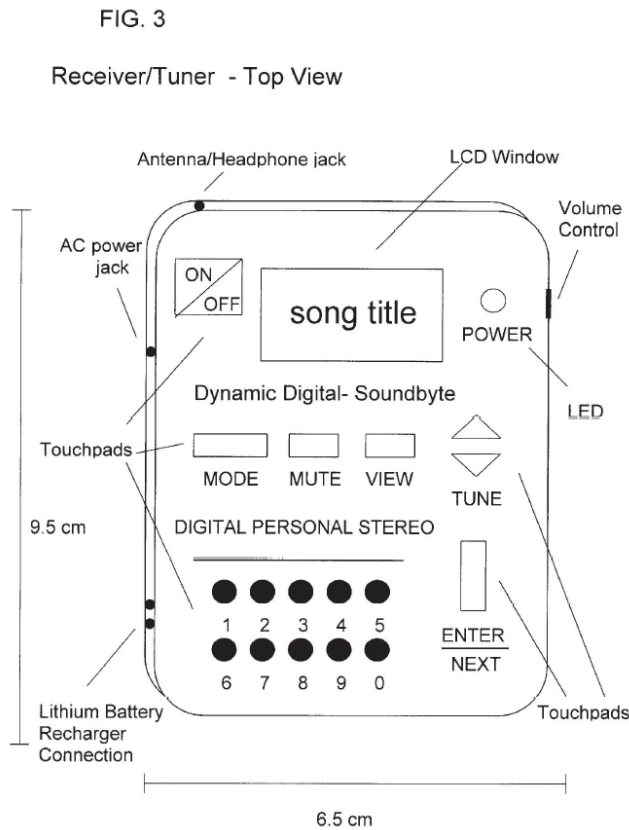
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FIG. 3

Receiver/Tuner - Top View

Figure 3, above, is a top plan view of a receiver/tuner. *Id.* at 3:54–56. A user can press the number keys to select one of the digital audio and program information channels transmitted by transmitter 100. *Id.* at 7:29–33. Once the user makes a selection, the receiver/tuner electronically outputs the selected audio and displays the corresponding program information for the selected audio track. *Id.* at 5:13–15.

C. Illustrative Claim

Claims 1 and 20 are independent claims. Each of claims 2–4, 6–13, and 22 depends from one of claims 1 and 20. Claim 1 is illustrative of the subject matter at issue, and is reproduced below.

> 1. A wireless digital audio transceiver for receiving a locally broadcast digital audio signal wherein the digital audio signal

comprises a plurality of carrier waves to carry digital audio data and audio program information, the transceiver comprising:

a user interface to enable a user to select digital audio data from a plurality of digital audio data within the digital audio signal;

a tuner operably coupled to the user interface to tune to a frequency associated with a carrier wave containing the selected digital audio data;

a demodulator coupled to the tuner to extract the selected digital audio data and the audio program information from the carrier wave; and

a digital to analog converter to convert the selected digital audio data into an analog signal and to send the analog signal to an output for playback to the user.

D. The Instituted Grounds

Petitioner asserts in its Petition two grounds based on obviousness under 35 U.S.C. § 103. Pet. 3, 10, 46. We instituted *inter partes* review on all the challenged claims and on both asserted grounds. Inst. Dec. 6, 11, 15. The instituted grounds are as follows.

References	Basis	Claims Challenged
Schotz[1] and Rovira[2]	§ 103	1–3, 6–13, 20, and 22
Kostreski[3] and Streck[4]	§ 103	1, 2, 4, 6, 7, 9, and 10

In support of the instituted grounds, Petitioner relies on two declarations of Daniel Stark (Exs. 1006, 1013).

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[1] Schotz, U.S. Patent No. 5,491,839, issued Feb. 13, 1996 (Ex. 1002).
[2] Rovira, U.S. Patent No. 5,406,558, issued Apr. 11, 1995 (Ex. 1003).
[3] Kostreski, U.S. Patent No. 5,651,010, issued July 22, 1997 (Ex. 1004).
[4] Streck, U.S. Patent No. 5,101,499, issued Mar. 31, 1992 (Ex. 1005).

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