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Paper 29
Entered: April 25, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC. and INSTAGRAM LLC,
Petitioner,

v.

SKKY, LLC,
Patent Owner.

Case IPR2017-00088
Patent 9,124,718 B2

Before JUSTIN T. ARBES, CARL M. DEFRANCO, and ROBERT J. WEINSCHENK, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

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

I. INTRODUCTION

Facebook, Inc. and Instagram LLC ("Petitioner") filed a Petition (Paper 8, "Pet.") requesting an *inter partes* review of claims 1–11 of U.S. Patent No. 9,124,718 B2 (Ex. 1001, "the '718 patent").[1] Skky, LLC ("Patent Owner") filed a Preliminary Response (Paper 6, "Prelim. Resp.") to the Petition. On April 26, 2017, we instituted an *inter partes* review of claims 1–11 ("the challenged claims") of the '718 patent on the following grounds:

Claims	**Statutory Basis**	**Applied References**
1, 3, 5, 6, and 8	35 U.S.C. § 103(a)[2]	Rolf, U.S. Patent No. 7,065,342 B1 (filed Nov. 22, 2000, issued June 20, 2006) (Ex. 1003, "Rolf"); Alan Gatherer et al., *DSP-Based Architectures for Mobile Communications: Past, Present and Future*, 38:1 IEEE COMMUNICATIONS MAGAZINE 84–90 (2000) (Ex. 1005, "Gatherer"); and Frodigh et al., U.S. Patent No. 5,726,978 (filed June 22, 1996, issued Mar. 10, 1998) (Ex. 1006, "Frodigh")
2, 7, 10, and 11	35 U.S.C. § 103(a)	Rolf; Gatherer; Frodigh; and Ben Forta et al., WAP DEVELOPMENT WITH WML AND WMLSCRIPT: THE AUTHORITATIVE SOLUTION (Matt

[1] We authorized Petitioner to add a clarifying statement to the original petition (Paper 2) regarding claim 8. Paper 7, 2–4; *see* Pet. 40.

[2] The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, which was enacted on September 16, 2011, made amendments to 35 U.S.C. §§ 102, 103. AIA § 3(b), (c). Those amendments became effective on March 16, 2013. *Id.* at § 3(n). Because the challenged claims of the '718 patent have an effective filing date before March 16, 2013, any citations herein to 35 U.S.C. §§ 102, 103 are to their pre-AIA versions.

Claims	Statutory Basis	Applied References
		Purcell et al. eds., 2000) (Ex. 1004, "Forta")
4 and 9	35 U.S.C. § 103(a)	Rolf; Gatherer; Frodigh; and Scot Hacker, MP3: THE DEFINITIVE GUIDE (Simon Hayes et al. eds., 2000) (Ex. 1058, "Hacker")

Paper 9 ("Dec. on Inst."), 18.

After institution, Patent Owner filed a Response (Paper 19, "PO Resp.") to the Petition, and Petitioner filed a Reply (Paper 20, "Pet. Reply") to the Response. An oral hearing was held on January 11, 2018, and a transcript of the hearing is included in the record. Paper 28 ("Tr.").

We issue this Final Written Decision pursuant to 35 U.S.C. § 318(a). For the reasons set forth below, Petitioner has shown by a preponderance of the evidence that claims 1–11 of the '718 patent are unpatentable.

A. *Related Proceedings*

The parties indicate that the '718 patent is at issue in the following district court case: *Skky, LLC v. Facebook, Inc.*, No. 0:16-cv-00094 (D. Minn.). Pet. 1; Paper 4, 2. The parties also indicate that the following petitions for *inter partes* review or covered business method review are related to this case:

Case No.	Involved U.S. Patent No.
IPR2014-01236[3]	U.S. Patent No. 7,548,875
IPR2017-00089	U.S. Patent No. 9,118,693
IPR2017-00092	U.S. Patent No. 9,124,717
IPR2017-00097	U.S. Patent No. 8,892,465

[3] The U.S. Court of Appeals for the Federal Circuit affirmed the Board's decision in IPR2014-01236, finding claims 1–3, 5, and 15–23 of U.S. Patent No. 7,548,875 B2 unpatentable. *Skky, Inc. v. MindGeek, s.a.r.l.*, 859 F.3d 1014, 1016 (Fed. Cir. 2017).

IPR2017-00550	U.S. Patent No. 9,037,502
IPR2017-00602	U.S. Patent No. 9,219,810
IPR2017-00685	U.S. Patent No. 9,203,870
IPR2017-00687	U.S. Patent No. 9,215,310
CBM2016-00091	U.S. Patent No. 9,037,502
CBM2017-00002	U.S. Patent No. 9,203,870
CBM2017-00003	U.S. Patent No. 9,219,810
CBM2017-00006	U.S. Patent No. 9,215,310
CBM2017-00007	U.S. Patent No. 9,203,956

Pet. 1–2; Paper 4, 2. Petitioner filed a second petition challenging claims 1–11 of the '718 patent in IPR2017-00689, and we denied institution of an *inter partes* review in that case. *Facebook, Inc. v. Skky, LLC*, Case IPR2017-00689, slip op. at 8 (PTAB July 26, 2017) (Paper 9).

B. *The '718 Patent*

The '718 patent relates to delivering an audio or audio-visual file to an electronic device. Ex. 1001, Abstract. Specifically, the '718 patent explains that the audio or audio-visual file is delivered wirelessly from one or more servers to the electronic device. *Id.* According to the '718 patent, the file is transmitted in a compressed format, and the electronic device is able to receive and playback the file on demand by a user. *Id.*

C. *Illustrative Claim*

Claims 1, 6, and 10 are independent. Claim 1 is reproduced below.

> 1. A method of wirelessly delivering compressed digital audio or audio-visual data file to a cell phone, the method comprising:
>
> providing a compressed digital audio or audio-visual data file for access over the Internet;
>
> receiving a request from the cell phone, said cell phone including a receiver and digital signal processor configured for receiving and processing files transmitted by orthogonal frequency-division multiplex modulation (OFDM); and

> providing for the transmission of the compressed digital audio or audio-visual data file to the cell phone by orthogonal frequency-division multiplex modulation based on the received request, wherein the transmission of the compressed digital audio or audio-visual data file is by a cellular data channel.

Ex. 1001, 33:2–17.

II. ANALYSIS

A. *Level of Ordinary Skill in the Art*

Petitioner's declarant, Tal Lavian, Ph.D., states that a person of ordinary skill in the art would have had "at least a bachelor's degree in computer science, computer engineering, or electrical engineering (or equivalent degree or experience) with at least four years of experience with wireless communications systems and at least two years of experience with the communication of digital media." Ex. 1002 ¶ 15. Patent Owner does not provide its own definition of the level of ordinary skill in the art. Patent Owner also does not dispute Dr. Lavian's definition. Based on the evidence of record, including the types of problems and solutions described in the '718 patent and the asserted prior art, we agree with and adopt Dr. Lavian's definition of the level of ordinary skill in the art. *Id.* ¶¶ 15–17.

B. *Claim Construction*

The claims of an unexpired patent are interpreted using the broadest reasonable interpretation in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–45 (2016). "Under a broadest reasonable interpretation, words of the claim must be given their plain meaning, unless such meaning is inconsistent with the specification and prosecution history." *TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1062 (Fed. Cir. 2016). An applicant may provide a different definition of the term in the specification with reasonable

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