

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 IPR2017-00689  
Patent 9,124,718 B2

---

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

WEINSCHENK, *Administrative Patent Judge*.

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

## I. INTRODUCTION

Facebook, Inc. and Instagram LLC (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting an *inter partes* review of claims 1–11 of U.S. Patent No. 9,124,718 B2 (Ex. 1001, “the ’718 patent”). Skky, LLC (“Patent Owner”) filed a Preliminary Response (Paper 6, “Prelim. Resp.”) to the Petition. For the reasons set forth below, the Petition is denied, and no trial is instituted.

### 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. 16-cv-00094 (D. Minn.). Pet. 1; Paper 3, 2. The parties also indicate that the following petitions for *inter partes* review or covered business method review are related to this case:

<b>Case No.</b>	<b>Involved U.S. Patent No.</b>
IPR2014-01236	U.S. Patent No. 7,548,875
IPR2017-00088	U.S. Patent No. 9,124,718
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
IPR2017-00550	U.S. Patent No. 9,037,502
IPR2017-00602	U.S. Patent No. 9,219,810
IPR2017-00641	U.S. Patent No. 9,203,956
IPR2017-00685	U.S. Patent No. 9,203,870
IPR2017-00687	U.S. Patent No. 9,215,310
IPR2017-00688	U.S. Patent No. 9,124,717
IPR2017-00690	U.S. Patent No. 9,118,693
IPR2017-00691	U.S. Patent No. 8,892,465
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 3, 2–3.

B. *The '718 Patent*

The '718 patent relates to delivering audio and/or visual files to an electronic device. Ex. 1001, Abstract, col. 1, ll. 19–21. Specifically, the '718 patent explains that the audio or visual files, such as songs or films, are delivered wirelessly from one or more servers to the electronic device. *Id.* at Abstract. The files are transmitted in a compressed format, and the electronic device is able to receive and playback the files 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, col. 33, ll. 2–17.

D. *Evidence of Record*

Petitioner submits the following references and declaration (Pet. 3–4):

Reference or Declaration	Exhibit No.
Declaration of Tal Lavian, Ph.D. (“Lavian Declaration”)	Ex. 1002

Rolf, U.S. Patent No. 7,065,342 B1 (filed Nov. 22, 2000, issued June 20, 2006) (“Rolf”)	Ex. 1003
Ben Forta et al., WAP DEVELOPMENT WITH WML AND WMLSCRIPT: THE AUTHORITATIVE SOLUTION (Matt Purcell et al. eds., 2000) (“Forta”)	Ex. 1004
Alan Gatherer et al., <i>DSP-Based Architectures for Mobile Communications: Past, Present and Future</i> , 38:1 IEEE COMMUNICATIONS MAGAZINE 84–90 (2000) (“Gatherer”)	Ex. 1005
Tagg, U.S. Patent No. 8,996,698 B1 (filed Nov. 3, 2000, issued Mar. 31, 2015) (“Tagg”)	Ex. 1060
Bob O’Hara & Al Petrick, IEEE 802.11 HANDBOOK: A DESIGNER’S COMPANION (1999) (“O’Hara”)	Ex. 1061
Pinard et al., U.S. Patent No. 5,815,811 (filed Oct. 27, 1995, issued Sept. 29, 1998) (“Pinard”)	Ex. 1070
Scot Hacker, MP3: THE DEFINITIVE GUIDE (Simon Hayes et al. eds., 2000) (“Hacker”)	Ex. 1073

E. *Asserted Grounds of Unpatentability*

Petitioner asserts that the challenged claims are unpatentable on the following grounds (Pet. 3–4):

<b>Claim(s) Challenged</b>	<b>Basis</b>	<b>References</b>
1, 3, and 5	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, Tagg, and Pinard
2	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, Tagg, Pinard, and Forta
4	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, Tagg, Pinard, and Hacker
6 and 8	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, and Tagg
7, 10, and 11	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, Tagg, and Forta
9	35 U.S.C. § 103(a)	Rolf, Gatherer, O’Hara, Tagg, and Hacker

## II. ANALYSIS

On October 14, 2016, Petitioner filed a petition in IPR2017-00088 (“-88 Case”) requesting an *inter partes* review of claims 1–11 of the ’718 patent. IPR2017-00088, Paper 2 (“-88 Pet.” or “-88 Petition”). Patent Owner subsequently filed a preliminary response on February 1, 2017. IPR2017-00088, Paper 6. We instituted an *inter partes* review of claims 1–11 of the ’718 patent in the -88 Case on April 26, 2017. IPR2017-00088, Paper 9 (“-88 Dec. on Inst.”). Petitioner filed its Petition in the instant proceeding on January 15, 2017.

Pursuant to 35 U.S.C. § 325(d), in determining whether to institute an *inter partes* review, “the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.” In other words, 35 U.S.C. § 325(d) provides authority to deny a petition on the basis that the same or substantially the same prior art or arguments were presented previously to the Office, but does not require that result. Based on the parties’ arguments and the particular facts of this proceeding, we conclude that it is appropriate to exercise our discretion to deny the Petition under 35 U.S.C. § 325(d).

Petitioner relies on substantially the same prior art in the present Petition and the -88 Petition. Prelim. Resp. 35–36. Four of the asserted prior art references, namely Rolf, Gatherer, Forta, and Hacker, are the same in both proceedings. *Compare* -88 Pet. 3, *with* Pet. 3–4. Petitioner also presents substantially the same arguments in the present Petition and the -88 Petition. Prelim. Resp. 35–36. Petitioner’s discussion of Rolf, Gatherer, Forta, and Hacker, the vast majority of Petitioner’s analysis of claims 1–11,

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.