

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC., WHATSAPP INC., and LG ELECTRONICS, INC.,
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

Case IPR2017-01427 (Patent 8,995,433 B2)

FACEBOOK, INC., WHATSAPP INC., LG ELECTRONICS, INC., and
HUAWEI DEVICE CO., LTD.,
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

Case IPR2017-01428 (Patent 8,995,433 B2)

Before JENNIFER S. BISK, MIRIAM L. QUINN, and
CHARLES J. BOUDREAU, *Administrative Patent Judges*.

QUINN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318

IPR2017-01427
IPR2017-01428
Patent 8,995,433 B2

I. INTRODUCTION

We instituted *inter partes* review pursuant to 35 U.S.C. § 314 to review claims 1–12, 14–17, 25, and 26 of U.S. Patent No. 8,995,433 B2 (“the ’433 patent”), owned by Uniloc 2017 LLC. We have jurisdiction under 35 U.S.C. § 6(c). This Final Written Decision is entered pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons discussed below, Petitioners have shown by a preponderance of the evidence that claims 1–12, 14–17, 25, and 26 of the ’433 patent are unpatentable.

II. CONSOLIDATION OF PROCEEDINGS

The two captioned proceedings (IPR2017-01427 and IPR2017-01428) involve the ’433 patent. Although each proceeding challenges the patentability of a different set of claims, there are disputed claim terms across the challenged claims and the primary prior art is identical. For instance, all the claims recite the term “instant voice message,” which we construe below, and the “Zydney” reference (identified with particularity below) is asserted as prior art in both proceedings. Consolidation is appropriate where, as here, the Board can more efficiently handle the common issues and evidence and also remain consistent across proceedings. Under 35 U.S.C. § 315(d) the Director may determine the manner in which these pending proceedings may proceed, including “providing for stay, transfer, consolidation, or termination of any such matter or proceeding.” *See also* 37 C.F.R. § 42.4(a) (“The Board institutes the trial on behalf of the Director.”). There is no specific Board Rule that governs consolidation of cases. But 37 C.F.R. § 42.5(a) allows the Board to determine a proper

IPR2017-01427
IPR2017-01428
Patent 8,995,433 B2

course of conduct in a proceeding for any situation not specifically covered by the rules and to enter non-final orders to administer the proceeding. Therefore, on behalf of the Director under § 315(d), and for a more efficient administration of these proceedings, we consolidate IPR2017-01427 and IPR2017-01428 for purposes of rendering this Final Written Decision in which we construe the term “instant voice message” and determine whether the asserted prior art teaches the properly construed “instant voice message.”

III. PROCEDURAL BACKGROUND

Facebook, Inc., and WhatsApp Inc. filed the Petitions in the captioned proceedings on the same day, May 11, 2017. IPR2017-01427, Paper 2 (“1427 Petition” or “1427 Pet.”); IPR201701428, Paper 2 (“1428 Petition” or “1428 Pet.”). Each proceeding challenges a different set of claims, as follows:

Proceeding	Claim Set of the '433 Patent
IPR2017-01427	1–8
IPR2017-01428	9–12, 14–17, 25, and 26

See 1427 Pet. 5; 1428 Pet. 5. After considering Patent Owner’s Preliminary Responses, the Board instituted trial in each of these proceedings. IPR2017-01427, Paper 8, Decision on Institution (“1427 Dec. on Inst.”); IPR2017-01428, Paper 8, Decision on Institution (“1428 Dec. on Inst.”). The Decision on Institution in IPR2017-01428 noted, in particular, that Patent Owner’s arguments raised an issue of claim construction of the term “instant

IPR2017-01427
IPR2017-01428
Patent 8,995,433 B2

voice message” that was underdeveloped at that stage of the proceeding.

1428 Dec. on Inst. 11–12.

During the pendency of the proceedings, LG Electronics, Inc., filed a Petition and Motion for Joinder requesting to join IPR2017-01427, which we granted. IPR2017-01427, Paper 9. Similarly, LG Electronics, Inc. and Huawei Device Oc., Ltd., filed a Petition and Motion for Joinder requesting to join IPR2017-01428, which we also granted. IPR2017-01428, Paper 9.

In each proceeding, Patent Owner filed a Response. IPR2017-01427, Paper 23 (“1427 PO Resp.”); IPR2017-01428, Paper 21 (“1428 PO Resp.”). And Petitioner filed a Reply. IPR2017-01427, Paper 33 (“1427 Reply”); IPR2017-01428, Paper 29 (“1428 Reply”). We held Oral Arguments in both proceedings on August 30, 2018, the transcripts of which are in the record. IPR2017-01427, Paper 40 (“1427 Tr.”); IPR2017-01428, Paper 34 (“1428 Tr.”).

At the hearing, we alerted the parties to continuing concerns about the construction for the term “instant voice message.” 1428 Tr. 9:12–12:13. Subsequent to the Oral Arguments we issued an order authorizing additional briefing on claim construction of the term “instant voice message” and its applicability to the asserted prior art. IPR2017-01427, Paper 41 (“1427 Order on Claim Constr.”); *see* IPR2017-01428, Paper 35 (identical order). The parties simultaneously filed initial claim construction briefs and responsive claim construction briefs, in accordance with that order.

A. Related Matters

The parties indicate that the ’433 patent is involved in *Uniloc USA, Inc. v. Facebook, Inc.* and *Uniloc USA, Inc. v. WhatsApp Inc.*, Case Nos.

IPR2017-01427
IPR2017-01428
Patent 8,995,433 B2

2-16-cv-00728-JRG (E.D. Tex.) and 2:16-cv-00645-JRG (E.D. Tex.), respectively. Pet. 1–2. The ’433 patent was also the subject of Case IPR2017-00225 (filed by Apple Inc.), in which we issued a Final Written Decision finding claims 1–6 and 8 not unpatentable. IPR2017-00225, slip op. at 2 (PTAB May 23, 2018) (Paper 29) (noting that Facebook, Inc. and WhatsApp, Inc. joined that proceeding).¹

IV. THE ’433 PATENT AND PRESENTED CHALLENGES

A. *The ’433 Patent, Exhibit 1001*²

The ’433 patent relates to Internet telephony, and more particularly, to instant voice over IP (“VoIP”) messaging over an IP network, such as the Internet. Ex. 1001, 1:19–23. The ’433 patent acknowledges that “instant text messaging is [] known” in the VoIP and public switched telephone network (“PSTN”) environments, with its server presenting the user a “list of persons who are currently ‘online’ and ready to receive text messages on their own client terminals.” *Id.* at 2:35–42. In one embodiment, such as

¹ The parties in IPR2017-01427 briefed the issue of estoppel under 35 U.S.C. § 315(e)(1) based on Facebook and WhatsApp obtaining a Final Written Decision of claims 1–6 and 8 of the ’433 patent in IPR2017-00225. *See* IPR2017-01427, Papers 11, 12. We issued an order dismissing Facebook and WhatsApp with regard to those claims. IPR2017-01427, Paper 30. We reiterate here that, although Facebook and WhatsApp are listed in the caption of IPR2017-01427, they are estopped under 35 U.S.C. § 315(e)(1) as to claims 1–6, and 8, but not as to claim 7. *Id.*

² Reference to the ’433 patent is always to the exhibit number in IPR2017-01427.

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