

U.S. PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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RIOT GAMES, INC. And VALVE CORP.,  
Petitioner

v.

PALTALK HOLDINGS, INC.,  
Patent Owner.

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Case IPR 2018-00129 (Patent 5,822,523)  
Case IPR 2018-00130 (Patent 5,822,523 C1)  
Case IPR 2018-00131 (Patent 6,226,686)  
Case IPR 2018-00132 (Patent 6,226,686 C1)

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Record of Oral Hearing  
Held: February 13th, 2019

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Before THU A. DANG, KARL D. EASTHOM, NEIL T. POWELL,  
*Administrative Patent Judges.*

APPEARANCES:

ON BEHALF OF THE PETITIONER RIOT GAMES:

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The above-entitled matter came on for hearing on Wednesday, February 13, 2019, commencing at 10:05 a.m. at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.

Case IPR 2018-00129 (Patent 5,822,523)  
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P-R-O-C-E-E-D-I-N-G-S

10:05 a.m.

JUDGE EASTHOM: Okay, welcome, everybody.

Riot Games, Inc. and Valve Corp. v. Paltalk Holdings, Inc. We have four cases here and four other cases are joined to those: Cases IPR 2018-00129 with IPR 2018-0242 joined to that, and IPR 2018-00130 with IPR 2018-01241 joined to that. Those cases collectively challenge all the claims in Patent 5,822,523. Then we have IPR 2018-00131 with IPR 2018-01238 joined to that, and IPR 2018-00132 with IPR 2018-1243 joined to that. And those cases collectively challenge the claims in Patent 6,226,686. Petitioner -- the parties have asked for an hour for the four cases collectively. And Petitioner has the burden of proof. So, Petitioner will proceed first and then, if you want to reserve rebuttal time, let me know.

Patent Owner will go after Petitioner's first showing and then, if you want to reserve rebuttal time, you can reserve that also.

Give me a second to see if I can figure this clock out again.

Patent Owner -- Petitioner, will you want to reserve time?

MR. HOWISON: Your Honor, we'd like to reserve 20 minutes for rebuttal.

JUDGE EASTHOM: Okay. Okay, why don't we have the parties introduce themselves for the record?

Case IPR 2018-00129 (Patent 5,822,523)  
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1           MR. MICALLEF: Joe Micallef for Petitioner, Riot Games, and  
2           Sidley Austin. And these are my partners, Scott Border, who will be  
3           making the argument for Petitioners; my colleague, Sam Dillon; my partner  
4           John McBride. And also with us is counsel for Valve Corporation, Sharon  
5           Israel.

6           JUDGE EASTHOM: Okay.

7           MR. BORDER: Good morning, Your Honors.

8           Your Honor, as you mentioned, there are four proceedings that we  
9           are discussing today, but there are only a handful of contested issues. My  
10          presentation intends to focus on those contested issues.

11          Go to slide 2, please?

12          And I'd like to start first with a brief overview of the contested  
13          patents. I then want to go into our main combination of prior art which the  
14          Aldred and RFC 1692 reference.

15          And, next, I plan on handling the independent claim disputes and  
16          there are two, and they are essentially the same across all four proceedings.

17          The first dispute is whether Petitioner displayed an express  
18          motivation combined RFC 1692 with Aldred. Patent Owner has challenged  
19          our showing, but as I'll discuss, we think it's based on an unsupported  
20          hypothetical and is unsupported by the record.

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1           The second dispute is over claim construction. Patent Owner has  
2           litigated these patents for over a decade and only until this proceeding did  
3           they argue this transport layer everywhere.

4           My colleague, Sam Dillon, will address the dependent claim disputes  
5           when I'm done discussing the independent claims case.

6           Can we go to slide 4, please?

7           Two patents involved, each with the same priority date, February 1st,  
8           1996. All of our prior art is 102B prior art and Patent Owner no longer  
9           contests the prior art status of those references.

10          Slide 5, please?

11          This is a depiction of Patent Owner's invention that they submitted in  
12          a ex parte re-exam. They described it as essential server that communicates  
13          with multiple clients.

14          The central server has group messaging capabilities. You can create  
15          and join groups. Clients can send messages to servers and the server then  
16          distributes those messages to the clients.

17          There's no dispute that Aldred discloses each of those features. It  
18          also has the feature of aggregating message payloads prior to distributing to  
19          each of the clients. That is central to this queue here. We show that RFC  
20          1692 shows that aggregated by maintenance.

21          Slide 8, please?

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