

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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COMMUNICATIONS TEST DESIGN, INC.,  
Petitioner,

v.

CONTEC, LLC,  
Patent Owner.

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IPR2019-01670  
Patent 8,209,732 B2

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Before KEVIN F. TURNER, TREVOR M. JEFFERSON, and  
JOHN P. PINKERTON, *Administrative Patent Judges*.

PINKERTON, *Administrative Patent Judge*.

DECISION  
Granting Institution of *Inter Partes* Review  
35 U.S.C. § 314

## I. INTRODUCTION

Communications Test Design, Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–25 of U.S. Patent No. 8,209,732 B2 (Ex. 1001, “the ’732 patent”). Paper 1 (“Pet.”). Contec, LLC (“Patent Owner”) filed a Preliminary Response (Paper 6, “Prelim. Resp.”), Petitioner filed a Reply (Paper 7, “Reply”), and Patent Owner filed a Sur-Reply (Paper 8, “Sur-Reply”).

Institution of an *inter partes* review is authorized by statute when “the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (2018). Having considered the Petition, the Preliminary Response, the Reply, and the Sur-Reply, and the associated evidence, we conclude that the information presented in the Petition demonstrates a reasonable likelihood that Petitioner would prevail in showing the unpatentability of at least one of the challenged claims. Accordingly, we institute an *inter partes* review on all grounds presented in the Petition.

### A. Related Proceedings

Patent Owner has asserted the ’732 patent against Petitioner in *Contec, LLC v. Communications Test Design, Inc.*, No. 1:18-cv-1172 (N.D. N.Y.). Pet. 1; Paper 5, 1. In addition, Petitioner filed a declaratory judgment action seeking a declaration of non-infringement of the ’732 Patent in *Communications Test Design, Inc. v. Contec, LLC*, No. 2:18-cv-4077 (E.D. Pa.), which was dismissed; the dismissal is presently under

appeal to the United States Court of Appeals for the Federal Circuit in Appeal No. 19-1672. Pet. 1; Paper 5, 1.

*B. The '732 Patent*

The '732 patent is titled “Arrangement and Method for Managing Testing and Repair of Set-Top Boxes” and issued on June 26, 2012, from U.S. Application No. 11/904,347, filed September 27, 2007. Ex. 1001, codes (21), (22), (45), (54). The '732 patent relates generally to an arrangement and method of managing diagnostic testing of television set-top boxes for different operational errors, and coordinating repair of defective set-top boxes. *Id.* at 1:7–14.

The '732 patent discloses one or more remote location screening (“RLS”) tester(s) 12, each of which is “designed for installation at a content service provider’s warehouse or other facility where set-top boxes, which customers believe to be malfunctioning, are gathered.” *Id.* at 5:45–48, Fig. 1. The tester “includes a processor and associated electronic or computer hardware and software to enable the processor to communicate with the set-top boxes 14 and run one or more computer programs designed to perform diagnostic testing of the set-top boxes 14.” *Id.* at 5:48–52, Fig. 1.

The '732 patent also discloses that, for overall monitoring, there is “main server 16 which is coupled through the network to all of the RLS testers 12” and which could be programmed to provide the computer programs to the testers for testing the different models and makes of set-top boxes. *Id.* at 6:6–8, 6:12–16, Fig. 1. Main server 16 “preferably includes a master remote location screening database which filters, i.e., collects, validates and retains, data” sent to main server 16 by RLS testers 12. *Id.* at

6:20–23, Fig. 1. The '732 patent explains that main server 16 also “includes one or more computer programs which process the information being provided” by RLS testers 12, “e.g., sorts or categorizes the information, and stores this information” at main server 16 or another location linked through a network to main server 16. *Id.* at 6:31–35, Fig. 1.

In addition, the '732 patent discloses billing system 18 “is preferably coupled to the main server 16 and manages fees for using” RLS testers 12. *Id.* at 6:47–48, Fig. 1. The '732 patent explains that this may involve “invoicing the content service providers” for testing the set-top boxes, repairing malfunctioning set-top boxes, and possibly also shipping charges for shipping set-top boxes from one location to another to be repaired. *Id.* at 6:48–52.

The '732 patent discloses “numerous advantages of placing the RLS tester 12 at the warehouse or other facility of the content service provider at which set-top boxes 14 are gathered after being returned by customers on the grounds of the presence of a malfunction,” such as testing “faster, simultaneously and more accurately” than manual tests. *Id.* at 7:14–24, Fig. 1. Also, because a warehouse-located tester “provides an immediate indication when a set-top box 14 passes testing, the set-top box can be immediately processed for redeployment to a customer,” rather than traveling to and from a testing facility. *Id.* at 7:35–44, Fig. 1. Further, with “an indication of the problem with the set-top box 14, it now becomes possible to fix certain problems at the warehouse dispensing with the need to ship the set-top boxes 14 to the repair facility.” *Id.* at 7:7:49–53, Fig. 1.

Figure 2 of the '732 patent is reproduced below.

## Product Flow Chart

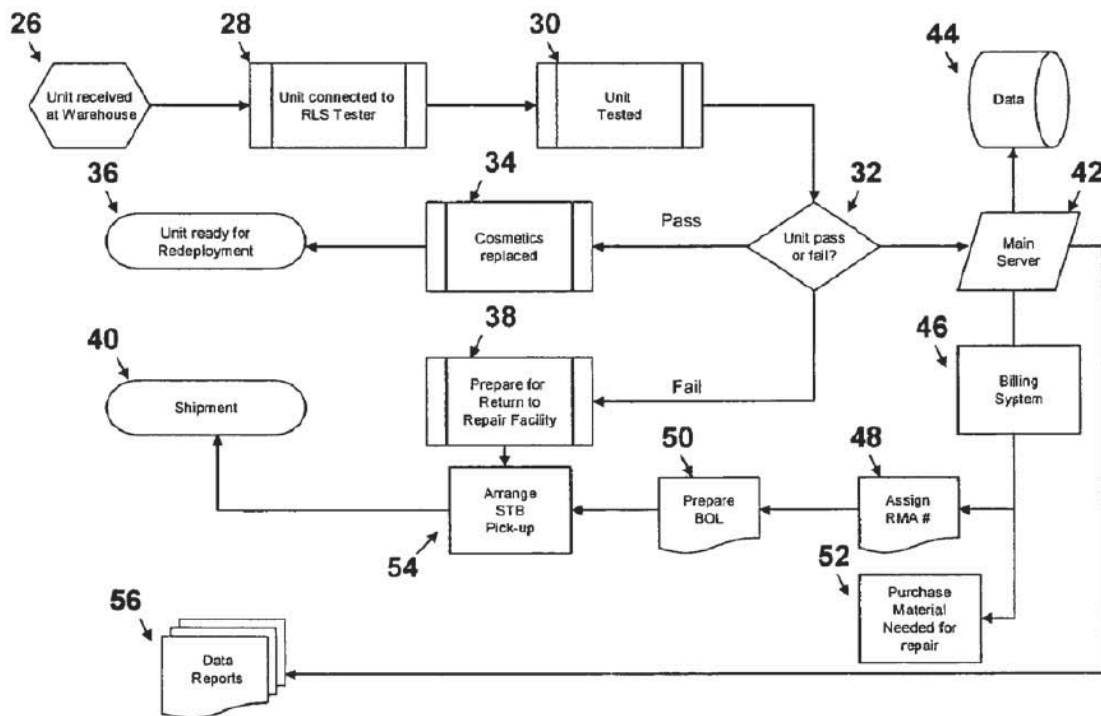


Figure 2 depicts a flow chart of an exemplifying process by which a set-top box is tested and scheduled for repair if needed. *Id.* at 10:21–23. Once a set-top box is received at a facility at which the content service provider gathers set-top boxes returned from customers, it is connected to RLS tester 12 and a determination is made if it passed or failed the test. *Id.* at 10:23–30, Fig. 2. If the unit passed the test, it is cleaned and any damaged parts are replaced, and it is then considered ready for re-deployment; if it failed, the unit is prepared for shipment to a central facility for repair and then shipped. *Id.*, 10:30–36, Fig. 2. Main server 16 is notified by RLS tester 12 of whether the set-top box passed or failed the test, “preferably with particular results of the test and data about the set-top box 14,” which information may be directed to “data storage facility at 44, and also to the

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