

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COMCAST CABLE COMMUNICATIONS, LLC,
Petitioner,

v.

VEVEO, INC.,
Patent Owner.

Case IPR2019-00291 (Patent 7,937,394 B2)
Case IPR2019-00293 (Patent 7,937,394 B2)

Before KALYAN K. DESHPANDE, SHEILA F. McSHANE, and
KARA L. SZPONDOWSKI, *Administrative Patent Judges*.

SZPONDOWSKI, *Administrative Patent Judge*.

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

I. INTRODUCTION

On November 12, 2018, Comcast Cable Communications, LLC (“Petitioner”) filed four petitions requesting *inter partes* review of claims 1–11 of U.S. Patent No. 7,937,394 B2 (Ex. 1121, “the ’394 patent”). This Decision addresses the Petitions filed in IPR2019-00291 and IPR2019-00293 (IPR2019-00291, Paper 2; IPR2019-00293, Paper 2; collectively, “the Petitions”). IPR2019-00290 and IPR2019-00292 are addressed separately. Veveo, Inc. (“Patent Owner”) filed Preliminary Responses to the Petitions. IPR2019-00291, Paper 10; IPR2019-00293, Paper 10.

Institution of an *inter partes* review is authorized 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). For the reasons below, upon consideration of the Petitions, the Preliminary Responses, and the supporting evidence, we exercise our discretion under 35 U.S.C. § 314 and deny institution of an *inter partes* review.

II. BACKGROUND

A. *Real Party-in-Interest*

Petitioner identifies the following as real parties-in-interest: Comcast Corporation; Comcast Business Communications, LLC; Comcast Cable Communications Management, LLC; Comcast Cable Communications, LLC; Comcast Financial Agency Corporation; Comcast Holdings Corporation; Comcast Shared Services, LLC; Comcast STB Software I, LLC; Comcast of Massachusetts I, Inc.; Comcast of Milton, Inc.; Comcast of Southern New England, Inc.; Comcast of Massachusetts/New Hampshire,

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LLC; Comcast of Needham, Inc.; Comcast of Massachusetts/Virginia, Inc.; Comcast of Boston, Inc.; Comcast of Brockton, Inc.; Comcast of California/Massachusetts/Michigan/Utah, LLC; Comcast of Connecticut/Georgia/Massachusetts/New Hampshire/New York/North Carolina/Virginia/Vermont, LLC; Comcast of Massachusetts II, Inc.; and Comcast of Massachusetts III, Inc. *See, e.g.*, IPR2019-00291, Paper 2, 1.

B. Related Proceedings

As required by 37 C.F.R. § 42.8(b)(2), each party identifies a judicial matter that would affect, or be affected by, a decision in this proceeding.

Both parties identify *Veveo Inc. v. Comcast Corporation, et al.*, Case No. 1:18-cv-10056-GAO (D. Mass) and *In the Matter of Certain Digital Receivers and Related Hardware and Software Components*, Investigation No. 337-TA-1103 (“ITC Investigation”). *See, e.g.*, IPR2019-00291, Paper 2, 2; Paper 4, 1.

Patent Owner additionally identifies *Veveo Inc. v. Comcast Corporation, et al.*, Case No. 1:13-cv-11885-GAO (D. Mass) and *Veveo, Inc. v. Verizon Services Corp. et al.*, Case No. 1-10-cv-06709 (D. Mass), as related proceedings. *See, e.g.*, IPR2019-00291, Paper 4, 1.

Additionally, Petitioner filed IPR2019-00290 and IPR2019-00292 (collectively with IPR2019-00291 and IPR2019-00293, “the ’394 proceedings”) also requesting *inter partes* review of claims 1–11 of the ’394 patent. Petitioner also filed IPR2019-00237, IPR2019-00238, and IPR2019-00239 (“the ’011 proceedings”) requesting *inter partes* review of claims 1–24 of U.S. Patent No. 7,779,011 B2 (“the ’011 patent”). The ’394 patent is a

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continuation of the '011 patent. *See, e.g.*, IPR2019-00291, Ex. 1221, 1:9–23.

C. Challenged Claims

Petitioner challenges claims 1–11 of the '394 patent. *See, e.g.*, IPR2019-00291, Paper 2, 9.

D. Discretionary Denial Under 35 U.S.C. § 314(a)

Patent Owner argues we should exercise our discretion under 35 U.S.C. § 314(a) to deny all four petitions in the '394 proceedings. *See, e.g.*, IPR2019-00291, Paper 10, 39, 45–54.

On April 26, 2019, we issued an Order requiring that Petitioner provide a Notice ranking the four petitions in the '394 proceedings in the order in which Petitioner wishes the panel to consider the merits in the event that the Board uses its discretion to institute any of the petitions. *See, e.g.*, IPR2019-00291, Paper 11 (“Order”). The Order also required Petitioner to provide a succinct explanation of the differences between the petitions in each set of proceedings, why the differences are material, and why the Board should exercise its discretion to consider instituting more than one petition. *See, e.g., id.* at 4. We also provided Patent Owner the opportunity to respond. *Id.*

Pursuant to our Order, on May 10, 2019, Petitioner filed its Notice Ranking Petitions. *See, e.g.*, IPR2019-00291, Paper 12 (“Notice”). On May

24, 2019, Patent Owner filed its Response to Petitioner’s Notice Ranking Petitions. *See, e.g.*, IPR2019-00291, Paper 13 (“Response”).¹

In its Notice, Petitioner requests we consider IPR2019-00290 first and IPR2019-00292 second. Notice, 1. For the reasons given in our decisions instituting *inter partes* review in IPR2019-00290 and IPR2019-00292, we concluded that Petitioner had established a reasonable likelihood of prevailing in demonstrating the unpatentability of claims 1–11 of the ’394 patent. Accordingly, all of the challenged claims in IPR2019-00291 and IPR2019-00293 are subject to an *inter partes* review in IPR2019-00290 and IPR2019-00292.

Under § 314(a), the Director has discretion to deny institution of an *inter partes* review. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“[Section] 314(a) invests the Director with discretion on the question whether to institute review” (emphasis omitted)); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”).

Our discretionary determination of whether to institute review takes into consideration guidance in the Office Patent Trial Practice Guide, August 2018 Update, 83 Fed. Reg. 39,989 (August 13, 2018) (hereinafter “Trial

¹ The Order instructed the parties to file the same paper in each of the ’394 proceedings. Order 4. Our reference herein to “Notice” and “Response” is to the same paper filed in the ’394 proceedings by Petitioner and Patent Owner, respectively.

Practice Guide Update”), <https://go.usa.gov/xU7GP>. In particular, the Trial Practice Guide Update states

[t]here may be other reasons besides the “follow-on” petition context where the “effect . . . on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings,” 35 U.S.C. § 316(b), favors denying a petition even though some claims meet the threshold standards for institution under 35 U.S.C. §§ 314(a), 324(a).

Trial Practice Guide Update 10–11. We also are mindful to construe our rules to “secure the just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b); *Deeper, UAB v. Vexilar, Inc.*, Case IPR2018-01310, slip op. at 42 (PTAB Jan. 24, 2019) (Paper 7) (informative).

In considering a balanced assessment of all relevant circumstances in these proceedings, we are not persuaded by Petitioner that institution of additional, concurrent proceedings would promote the efficient administration of the Office or the integrity of the system. *See* Trial Practice Guide Update 10. Specifically, Petitioner contends additional proceedings are necessary due to its concerns relating to potential arguments Patent Owner may raise regarding, among other things, priority date and specific claim limitations. *See generally* Notice. In addition, Petitioner explains that the Howard reference in IPR2019-00290 and the Zigmond reference in IPR2019-00291, which are the primary references asserted in those proceedings, qualify as prior art under 35 U.S.C. § 102(e). Notice 3. Petitioner, therefore, argues Patent Owner “could potentially try to antedate [them],” whereas the references in IPR2019-00292 qualify as prior art under 35 U.S.C. § 102(b) and, therefore, cannot be antedated. *Id.* Patent Owner

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does not take a position on the relative strength of the petitions beyond what is set forth in the Preliminary Responses. Response 5. Nor did Patent Owner assert in its Response that it would not try to antedate the Howard or Zigmond references. *See generally id.*

We have considered the Petitions, Preliminary Responses, asserted art, and other evidence, as well as other submissions by the parties. We also have considered Petitioner's contentions and Patent Owner's preliminary responses in IPR2019-00290 and IPR2019-00292, in accordance with Petitioner's preference that those proceedings be considered first and second. We note that the IPR2019-00290 petition and the IPR2019-00292 petition each includes only one obviousness challenge for each independent claim. IPR2019-00290, Paper 2, 9; IPR2019-00292, Paper 2, 8. We further note that there is overlap in the references at issue in these four petitions. For example, the Payne reference at issue IPR2019-00291 is also raised in IPR2019-00290, the Smith reference at issue in IPR2019-00291 is also raised in IPR2019-00292, and the Sanders reference at issue in IPR2019-00291 and IPR2019-00293 is also raised in IPR2019-00290 and IPR2019-00292. As set forth in the decision on institution in IPR2019-00290 and IPR2019-00292, *inter partes* review of claims 1–11 of the '394 patent is instituted with respect to all grounds set forth in those petitions.

As explained above and in our Order, in exercising our discretion, we consider the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings. *See* Trial Practice Guide Update 10. We determine that the integrity of the system is sufficiently served here by our institution of *inter partes* review of all challenged claims of the '394 patent in IPR2019-00290 and IPR2019-

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00292. *See also Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, Case IPR2016-01357, slip op. at 16 (PTAB Sept. 6, 2017) (Paper 19)

(precedential as to § II.B.4.i) (“[W]e are mindful of the goals of the AIA—namely, to improve patent quality and make the system more efficient.”).

On the other hand, we do not find the asserted differences between the petitions in those proceedings and the Petitions addressed here are sufficiently material and in dispute to support the inefficiencies and costs associated with instituting an additional two *inter partes* reviews. *Cf. id.* at 16–17 (recognizing the “potential for abuse of the review process by repeated attacks on patents”).

Accordingly, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of review in IPR2019-00291 and IPR2019-00293.

III. CONCLUSION

For the foregoing reasons, based on a balanced assessment of the circumstances of this case, we exercise our discretion under 35 U.S.C. § 314(a), and deny the instant Petitions requesting institution of *inter partes* review of the ’394 Patent in IPR2019-00291 and IPR2019-00293.

IV. ORDER

In consideration of the foregoing, it is hereby

ORDERED that the Petitions are *denied* as to all challenged claims of the ’394 Patent in IPR2019-00291 and IPR2019-00293 and no trial is instituted in those cases.

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