

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GOOGLE LLC  
Petitioner

v.

PERSONALIZED MEDIA COMMUNICATIONS, LLC  
Patent Owner

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Case No. IPR2020-00723  
U.S. Patent No. 7,747,217

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**PERSONALIZED MEDIA COMMUNICATIONS, LLC'S  
AUTHORIZED SUR-REPLY TO PETITION**

**TABLE OF CONTENTS**

I.	<i>Fintiv</i> Mandates Denial of Institution.....	1
A.	Whether a stay is likely to be granted if a proceeding is instituted .....	1
B.	Proximity of the court’s trial date to the Board’s final written decision .....	1
C.	Investment in the parallel proceeding by the court and parties .....	2
D.	Overlap between issues in the petition and the parallel proceeding .....	3
E.	Other circumstances that impact the Board’s exercise of discretion .....	3
II.	Claim Construction of “Based On” .....	4
III.	Antedating.....	6

**TABLE OF AUTHORITIES**

**Cases**

<i>Arbor Global Strategies LLC v. Samsung Elec. Co., Ltd.</i> , 2020 U.S. Dist. LEXIS 69860 (E.D. Tex. Aug. 10, 2020) .....	1
<i>In re Google LLC</i> , 2018 U.S. App. LEXIS 31000 (Fed. Cir. 2019) .....	2
<i>NFC Tech., LLC v. Matal</i> , 871 F.3d 1367 (Fed. Cir. 2017).....	8
<i>Solas OLED Ltd. v. Samsung Display Co., Ltd. et al.</i> , 2020 U.S. Dis. LEXIS 125973 (E.D. Tex. 2020) .....	2, 3

**Statutes**

35 U.S.C. 314(a) .....	8
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Petitioner asks the Board to start the validity determination from scratch based on prior art of which Petitioner was aware for a year, and on Petitions that it delayed filing until the last possible moment. Even Petitioner's "stipulation" fails to avoid duplication of effort between the Board and the district court because: (1) both tribunals would *still* need to consider common references; (2) institution would result in two parallel validity proceedings; and (3) Petitioner's purported "stipulation" is effective only if its motion to transfer venue is denied.

**I. *Fintiv* Mandates Denial of Institution**

**A. Whether a stay is likely to be granted if a proceeding is instituted**

The district court recently indicated that Petitioner's hypothetical motion to stay would be denied at such a late stage, even if the Board institutes the IPR. The district court noted that "recent events have changed the stay analysis so that [Defendant] will need to do more than just show its petitions have been instituted." *Arbor Global Strategies LLC v. Samsung Elec. Co., Ltd.*, C.A. No. 2:19-cv-333, Dkt. 56, 5 (E.D. Tex. Aug. 10, 2020) (denying stay after IPR institution) (Ex. 2020). In almost identical circumstances, the court denied a motion to stay the trial even though IPRs were instituted for each of the three patents-in-suit. *Solas OLED Ltd. v. Samsung Display Co., Ltd. et al.*, 2020 U.S. Dis. LEXIS 125973 (E.D. Tex. 2020). Thus, Petitioner's hypothetical motion to stay will likely be denied.

**B. Proximity of the court's trial date to the Board's final written decision**

Although Petitioner argues that its Petition for Writ of Mandamus will delay trial, a transfer is far from a foregone conclusion since “[a] writ of mandamus is a ‘drastic and extraordinary remedy reserved for really extraordinary causes.’” *In re Google LLC*, 2018 U.S. App. LEXIS 31000 \*4 (Fed. Cir. 2019) (*reh’g en banc denied*) (“*In re Google I*”). Even if transfer is granted, trial will occur before the final written decision with all issues having been briefed. Further, Petitioner’s prior mandamus petition in *In re Google LLC*, 949 F.3d 1338 (Fed. Cir. 2020) (“*In re Google II*”) was not granted “in similar fashion” as argued by Petitioner. The issues before the Federal Circuit in *In re Google II*, (servers as a potential place of business), and the venue ruling in the current district court case (agency), are distinctly different. And, Petitioner fails to inform the Board that it also recently lost a bid for mandamus in *In re Google I*. Trials are also proceeding in the forum district court, with a patent jury verdict issued last week. (Ex. 2021).

### **C. Investment in the parallel proceeding by the court and parties**

Petitioner erroneously argues that “institution would allow the district court to avoid the ‘most burdensome parts of the case.’” Reply at 2. But pre-trial motions, including “*Daubert* and other dispositive motions,” will have been briefed—which the district court has found “weighs against granting a stay” “due to the extremely advanced stage of [the] case.” *Solas*, 2020 U.S. Dis. LEXIS 125973 at \*7. If Petitioner were interested in preserving judicial resources, it

would have filed its Petition when it became aware of the references and it would not have left itself an opening to try the same grounds in district court.

**D. Overlap between issues in the petition and the parallel proceeding**

Petitioner mischaracterizes its purported “stipulation” to drop instituted IPR grounds from the district court case. Petitioner’s stipulation applies *only* to the pending district court action in E.D. Tex. Ex. 1028 (“...then Google will not pursue those same instituted grounds in the above-captioned litigation, 2:19-cv-00090.”) (emphasis added). Thus, if the case is transferred to a different district, Petitioner will try to relitigate validity for a *third* time. And, the obviousness combinations not covered by the stipulation would still require the court to analyze the *Millar* and *Thonnart* references (used in grounds 1-2 in the Petition) for *every claim*. Ex. 2016 at 2 (“Obviousness ... Based on *Millar*”) and 4 (“...*Thonnart*.”).

**E. Other circumstances that impact the Board’s exercise of discretion**

Petitioner’s argument that Patent Owner somehow “subvert[s] the quid-pro-quo of limited exclusivity through perpetual continuations” lacks merit. It is well known that the U.S. patent term changed from 17 years from the date of issuance to 20 years from the date of filing, effective June 8, 1995, and that the USPTO expected a surge in patent applications in 1995. Ex. 2022. A similar statement was made in other PMC applications, and the statement was withdrawn by the PTO. Ex. 2023 at 4. The PTO also apologized for the examiner’s actions. *Id.*

## II. Claim Construction of “Based On”

Patent Owner identified a controversy requiring claim construction. When applying the prior art to the claims, Petitioner took the position that the claim phrase “based on” means “after,” while Patent Owner submits that “based on,” requires a causal (as opposed to merely temporal) relationship between two events. The parties are in agreement that the *Phillips* “plain meaning” standard applies, but disagree as to the plain meaning of “based on,” which necessitates the Board’s consideration of this dispute. And Patent Owner not asking the Court to construe this term is not acquiescence to Petitioner’s implicit construction, especially here.

Contrary to Petitioner’s position, Patent Owner does not attempt to limit the construction of “based on” to a single embodiment. Petitioner presupposes that its implied construction of “based on” (i.e., one that can include “merely after”) is the correct one. But if the correct construction *requires* a causal connection, then it is Petitioner who seeks to *broaden* it. In the 2009 Decision (Ex. 1012), as its rationale for the broader construction, the Board pointed to an example in the ’490 Patent that, according to the Board, set forth *only* a temporal relationship between “determining” and “coordinating.” However, additional review has shown that the Board’s decision omitted pertinent portions of the embodiment, which would have led to a different conclusion. In its POPR pp. 35-39, Patent Owner identified an oversight in the rationale set forth in the 2009 Decision and asked the Board to

reconsider its conclusion as to the proper claim scope. Moreover, Patent Owner's position is supported by a contemporary dictionary that defines "based" to mean "to use as a base or foundation or as evidence for a forecast." Ex. 2024. And the suggestion that the transition to Phillips is "inconsequential" is simply incredible.

Finally, Petitioner attempts to explain its statement in the Petition that "coordinating" occurring after determining somehow means that it occurs "based on" determining. In the *Campbell-Millar* combination: (1) *Millar* discloses overlying caption text on the program; and (2) *Campbell* discloses enabling video/audio output based on one or more matches. Petitioner states: "Campbell therefore provides the picture and sound portion of a multimedia presentation only after it has determined the content and deemed it appropriate for the audience." Petition 31-32. While this statement may be technically true—a program is output after the eligibility determination—it does not establish that "coordinating" of captions with video borrowed from *Millar* occurs "based on" (or even after) determining. Petitioner failed to establish that in the *Campbell-Millar* combination, *Millar's* overlay of captions has any relationship to *Campbell's* "determining of content," let alone a causal one.



**III. Antedating**

Petitioner argues that it has not had an opportunity to take discovery of the exhibits or declarants related to antedating, which is simply false. In the district court litigation, Patent Owner produced the same documents and identified the same fact witnesses.

- On June 17, 2019, Patent Owner identified to Petitioner the June 23, 1981 conception date of the '217 Patent as part of its Patent Local Rule 3-1 disclosures;
- On September 17, 2019, in response to Petitioner's written discovery, Patent Owner identified the named inventors as the persons involved in conception/reduction to practice and identified pertinent documents from a previously-made production;
- Throughout Fall 2019—Winter 2020, Patent Owner and Petitioner had various communications about priority of the Patents-in-Suit;
- In April and May 2020, Petitioner deposed both named inventors, including John Harvey, who submitted an antedating declaration in the Preliminary Response (Ex. 2003) and Thomas J. Scott, who also submitted an antedating declaration in the POPR (Ex. 2008);
- On May 18, 2020, Petitioner's expert provided a report on invalidity addressing the June 23, 1981 priority date for the '217 Patent; with the

Patent Owner's expert providing his expert report on June 15, 2020  
with claim-by-claim antedating analysis; with both experts being  
deposed shortly thereafter.

Ultimately, it was Petitioner's tactical choice not to depose the fact witnesses before filing the Petition, but it was fully aware of the conception dates and all related facts at the time of filing. And, as a result of the Petitioner's illusory stipulation, the priority date of the '217 patent's claims will now be tried in district court this fall. Ironically, even crediting Petitioner's willful blindness to discovery in district court, Petitioner *expected* the antedating arguments here, which was the reason for filing this petition based on *Millar* in the first place. *See* Notice Ranking Petitions (Paper 4 at 3 “. . . Petitioner believes that Patent Owner may attempt to antedate *Campbell* . . .”). As discussed above, the Board should not condone such do-overs of the invalidity defense, litigated for more than a year and about to be tried, by instituting a parallel proceeding.

Petitioner also asks the Board to ignore the conception chart (Ex. 2015), which excerpts contemporaneous and detailed records from 1981 created by the inventors to support their conception and reduction to practice. But conception and reduction to practice was properly addressed in the POPR at 22-26.

Further, Petitioner's challenges to corroboration are contrary to the law. “Corroboration of every factual issue contested by the parties is not a requirement

of the law. On these facts, and particularly considering the amount of time that has passed [less than 20 years], we determine that [inventor's] account was adequately corroborated.” *NFC Tech., LLC v. Matal*, 871 F.3d 1367, 1374 (Fed. Cir. 2017).

More fundamentally, Petitioner's contention that Patent Owner's antedating argument does not address all challenged claims across all grounds, and is an improper incorporation by reference, misses the mark. At the POPR stage, rather than focusing on dependent claims, Patent Owner's presentation of antedating evidence speaks to the lack of “a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” *See* 35 U.S.C. 314(a). Thus, even assuming the Board is unpersuaded to exercise its discretion to not institute this IPR in view of (1) the impending trial in the parallel district court case and (2) same and/or cumulative art having been considered by the Office, it should still deny institution because (3) *Campbell, Millar*, and *Thonnart's* failure to disclose, teach, or suggest multiple limitations of the challenged claims; **and** (4) *Campbell and Thonnart* not even qualifying as prior art with respect to key independent claims reciting the majority of claim limitations. All of these factors, including antedating, which Petitioner was well aware of, amount to a lack of reasonable likelihood of success for the Petitioner and weigh against institution.

Case No.: IPR2020-00723  
Patent No: 7,747,217

Patent Owner's Sur-Reply To Petition

Respectfully submitted,

Date: August 17, 2020

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**CERTIFICATE OF SERVICE**

I hereby certify that on August 17, 2020, a true and correct copy of the foregoing Patent Owner's Sur-Reply to Petition for Inter Partes Review of U.S. Patent No. 7,747,217 was served via e-mail upon Erika H. Arner, Daniel C. Cooley, Joshua L. Goldberg, Cory C. Bell, Sydney R. Kestle, and A. Grace Mills at erika.arners@finnegan.com, daniel.cooley@finnegan.com, joshua.goldberg@finnegan.com, cory.bell@finnegan.com, sydney.kestle@finnegan.com, and gracie.mills@finnegan.com.

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