

No. 17-

IN THE
Supreme Court of the United States

ROTHSCHILD DIGITAL MEDIA INNOVATIONS, LLC,

Petitioner,

v.

SONY INTERACTIVE ENTERTAINMENT
AMERICA, LLC, GAMELOFT, S.A.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

Currently submitted for decision is this Court's review in *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, No. 16-712, 137 S. Ct. 2237 (Mem.), where the following question was presented:

Whether *inter partes* review - an adversarial process used by the Patent and Trademark Office (PTO) to analyze the validity of existing patents - violates the Constitution by extinguishing private property rights through a non-Article III forum without a jury?

Id. The present case likewise involves an *inter partes* review proceeding in which the Patent and Trademark Office (the "PTO") invalidated Petitioner's patent. Accordingly, this petition presents the same question as *Oil States*.

PARTIES TO THE PROCEEDING

Petitioner in this Court, patent owner and appellant below,
is Rothschild Digital Media Innovations, LLC.

Respondents in this Court, petitioners-appellees below,
are Sony Interactive Entertainment America, LLC and
Gameloft, S.A.

CORPORATE DISCLOSURE STATEMENT

Petitioner hereby states that it has no corporate parent, and that no publicly held company owns 10% or more of Petitioner's stock.

Rothschild Digital Media Innovations, LLC (“RDMI”) hereby petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit, which affirmed the final written decision of the Patent Trial and Appeal Board (“PTAB”) in an *inter partes* review (“IPR”) proceeding.

OPINIONS BELOW

The Federal Circuit’s summary order of affirmance is unreported, appears at 706 F. App’x 682 (Fed. Cir. Dec. 13, 2017) (Mem.), and is reprinted in the Appendix at 1a-2a. The PTAB’s final written decision is unreported and is reprinted in the Appendix at App. 3a-38a.

JURISDICTION

The judgment of the court of appeals was entered on December 13, 2017. No petition for rehearing was filed.

This Court’s jurisdiction is invoked under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, Section 8 of the United States Constitution authorizes Congress “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries[.]”

Article III of the Constitution vests federal judicial power in the judicial branch of the federal government.

The Seventh Amendment of the United States Constitution provides:

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

U.S. Const. amend. VII.

STATEMENT OF THE CASE

This petition follows a Federal Circuit appeal from the PTAB's final written decision on a petition for *inter partes* review on claims 1, 6-9 and 21-24 of the '591 Patent.

On June 9, 2015, Sony Computer Entertainment America, LLC, which subsequently changed its name to Sony Interactive Entertainment America, LLC ("Sony"), filed the IPR petition.

On December 15, 2015, the PTAB issued its decision instituting trial in the *inter parties* review, based on its opinion that Sony's *inter parties* review petition showed a reasonable likelihood of success with respect to the challenged claims.

On January 15, 2016, Gameloft filed an essentially identical *inter parties* review petition.

On March 15, 2016, RDMI filed its response to the Sony petition.

On June 22, 2016, the PTAB ordered the Sony and Gameloft petitions joined in the Sony proceeding.

On September 26, 2016, the PTAB issued its final written decision invalidating claims 1, 6-9 and 21-24 of the '534 Patent.

RDMI timely filed a notice of appeal. On March 24, 2017, RDMI filed its opening appeal brief in the Federal Circuit. Sony and Gameloft filed their responsive brief, and on May 31, 2017, RDMI filed its reply brief, at which point the parties' briefs were fully submitted.

On December 13, 2017, the Federal Circuit entered the judgment of which the present petition seeks review.

Throughout these proceedings, controlling law has stood as a barrier to RDMI's contesting the constitutionality of *inter partes* reviews. On December 2, 2015 — before the PTAB had instituted the *inter partes* review proceeding and well before RDMI filed its response to Sony's petition — the Federal Circuit issued its decision in *MCM Portfolio LLC v. Hewlett Packard Co.*, 812 F.3d 1284 (Fed. Cir. 2015). The appellant in *MCM* had raised precisely the same issues on which this Court has granted certiorari in *Oil States*. But the Federal Circuit in *MCM* rejected the appellant's arguments and held that *inter partes* reviews do not violate Article III or the Seventh Amendment.

In the wake of the Federal Circuit's decision in *MCM*, any challenge before the PTO to the constitutionality of *inter partes* reviews would have been futile. *Weinberger v. Salfi*, 422 U.S. 749, 767 (1975) (stating that agency has no authority to decide constitutionality); *Johnson v. Robison*,

415 U.S. 361, 368 (1974) (same). A party is not required to make a futile argument to preserve an issue except for a “known right or privilege.” *Curtis Publishing Co. v. Butts*, 388 U.S. 130, 142-43 (1967) (no waiver even where earlier cases hinted at potential change in law).

This Court did not grant certiorari in *Oil States* until June 12, 2017, long after the *inter partes* review proceeding was concluded and also after briefing in RDMI’s appeal to the Federal Circuit was fully submitted. And even then, any argument to the Federal Circuit would have been futile. MCM remains controlling law pending this Court’s decision in *Oil States*. Accordingly, the Federal Circuit has repeatedly and consistently denied appellants’ requests to stay appeals from *inter partes* reviews pending this Court’s decision in *Oil States*. See, e.g., *Senju Pharm. Co., Ltd. v. Akorn, Inc.*, No. 2017-1511, slip op. at 1-2 (Fed. Cir. July 27, 2017) (denying stay pending this Court’s decision in *Oil States*).

REASONS FOR GRANTING THE PETITION

This Court granted certiorari in *Oil States* to decide “[w]hether *inter partes* review, an adversarial process used by the Patent and Trademark Office (PTO) to analyze the validity of existing patents, violates the Constitution by extinguishing private property rights through a non-Article III forum without a jury.” *Oil States*, 137 S. Ct. 2237.

This petition presents the same question. The PTO, exercising its purported authority to conduct *inter partes* review proceedings, held claims 1, 6-9 and 21-24 of the ‘591 Patent invalid. The Federal Circuit affirmed.

Because the question presented here is identical to the question currently awaiting decision in *Oil States*, this Court should hold this petition pending the outcome of *Oil States*, and upon a decision in *Oil States* holding *inter partes* review proceedings unconstitutional, should grant this petition and vacate the decision below.

ARGUMENT

**THE COURT SHOULD HOLD THIS PETITION
PENDING ITS FORTHCOMING DECISION
IN *OIL STATES*, AND IF *INTER PARTES*
REVIEW PROCEEDINGS ARE HELD
UNCONSTITUTIONAL, THE COURT SHOULD
GRANT THIS PETITION AND VACATE THE
DECISION BELOW**

This case involves the same legal issue as in *Oil States*, 137 S. Ct. 2237, in which the Court granted certiorari. In *Oil States*, the Court will decide whether *inter partes* proceedings before the PTO violate the Constitution by extinguishing private property rights through a non-Article III forum without a jury.

As in *Oil States*, this case arises from the PTO's review of the validity of an issued patent in an *inter partes* review proceeding, in which the PTO invalidated the patent without a jury proceeding and in a non-Article III court. Given that this Court will address the same substantive question in *Oil States* as in this case, this Court should hold this petition, consistent with its ordinary practice, pending the resolution of *Oil States*.

The same reasons for granting the petition in *Oil States* apply here. Those reasons include this Court's recognition in long-standing precedent that patents constitute private property and, therefore, that the deprivation of such private property through an administrative proceeding without a jury violates both Article III and the Seventh Amendment of the Constitution. The petitioner in *Oil States* also correctly argued other reasons the Court should accept review, including the negative economic impact of the *inter partes* review system of invalidating patents, and the substantial confusion and uncertainty created by the process in the patent arena. The Court found these arguments to warrant review in *Oil States*.

If this Court determines that *inter partes* review proceedings at the PTO are unconstitutional, this Court should grant certiorari here, vacate the decision below, and remand for further consideration.

CONCLUSION

RDMI respectfully requests that this Court hold the present petition pending this Court's resolution of *Oil States*, and upon a decision in *Oil States* holding the PTO's administrative *inter partes* review proceedings for adjudicating the validity of issued patents unconstitutional, RDMI respectfully requests that this Court grant this petition and vacate the decision below.

Respectfully submitted,

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APPENDIX

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**APPENDIX A — JUDGMENT OF THE UNITED
STATES COURT OF APPEALS FOR THE
FEDERAL CIRCUIT, FILED DECEMBER 13, 2017**

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

2017-1282

ROTHSCHILD DIGITAL MEDIA
INNOVATIONS, LLC,

Appellant,

v.

SONY INTERACTIVE ENTERTAINMENT
AMERICA, LLC, GAMELOFT, S.A.,

Appellees.

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2015-
01364.

JUDGMENT

THIS CAUSE having been heard and considered, it is

ORDERED and ADJUDGED:

PER CURIAM (PROST, *Chief Judge*, CLEVINGER
and DYK, *Circuit Judges*).

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AFFIRMED. *See* Fed. Cir. R. 36.

ENTERED BY ORDER
OF THE COURT

December 13, 2017
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

**APPENDIX B — FINAL WRITTEN DECISION
OF THE UNITED STATES PATENT AND
TRADEMARK OFFICE, PATENT TRIAL AND
APPEAL BOARD, DATED SEPTEMBER 26, 2016**

UNITED STATES PATENT
AND TRADEMARK OFFICE

Case IPR2015-01364
Patent 6,101,534

BEFORE THE PATENT TRIAL
AND APPEAL BOARD

SONY COMPUTER ENTERTAINMENT
AMERICA LLC AND GAMELOFT, S.A.,

Petitioners,

v.

ROTHSCHILD DIGITAL MEDIA
INNOVATIONS, LLC,

Patent Owner.

Before KALYAN K. DESHPANDE, MICHAEL
J. FITZPATRICK, and SHEILA F. McSHANE,
Administrative Patent Judges.

FITZPATRICK, *Administrative Patent Judge.*

*Appendix B***FINAL WRITTEN DECISION***35 U.S.C. § 318(A)***I. INTRODUCTION**

Co-Petitioner Sony Entertainment America LLC (“Sony”), filed a Petition to institute an *inter partes* review of claims 1, 6–9, and 21–24 of U.S. Patent No. 6,101,534, as amended by U.S. Patent Reexamination Certificate 6,101,534 C1, (Ex. 1001, “the ’534 patent”) pursuant to 35 U.S.C. § 311(a). Paper 3 (“Pet.”). Patent Owner, Rothschild Digital Media Innovations, LLC, filed a Preliminary Response pursuant to 35 U.S.C. § 313. Paper 7 (“Prelim. Resp.”). In a December 15, 2015, Decision, we granted the Petition, instituting trial on all claims on the following grounds:

claims 1, 6–9, 21, 23, and 24 being unpatentable under 35 U.S.C. § 103(a)¹ as obvious over Mages (Ex. 1005)² and Batchelor (Ex. 1004)³; and

claim 22 being unpatentable under 35 U.S.C. § 103(a) as obvious over Mages, Batchelor, and Hughes (Ex. 1008).⁴

1. The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, took effect on March 18, 2013. Because the application from which the ’534 patent issued was filed before that date, our citations to 35 U.S.C. § 103(a) are to its pre-AIA version.

2. U.S. Patent No. 5,892,825, filed Nov. 25, 1996, issued Apr. 6, 1999.

3. U.S. Patent No. 5,724,103, filed Nov. 13, 1995, issued Mar. 3, 1998.

4. U.S. Patent No. 5,736,977, filed Apr. 26, 1995, issued Apr. 7, 1998.

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Paper 8 (“Inst. Dec.”).

After institution, Patent Owner filed a Patent Owner Response (Paper 15, “PO Resp.”) to which Sony filed a Reply (Paper 17, “Reply”). On June 22, 2016, we joined Gameloft, S.A. (“Gameloft”), as an additional petitioner pursuant to 35 U.S.C. § 315(c). Paper 20. Gameloft has not sought to present its own arguments or evidence in this proceeding and is represented here by the same counsel as Sony. *See* Ex. 3001, 8; *see also* Paper 21 (Sony’s and Gameloft’s joint request for oral argument). We refer to Sony and Gameloft collectively as “Petitioner.”

A hearing for oral arguments was held on August 18, 2016, and a transcript of the hearing is included in the record. Paper 23 (“Tr.”).

As discussed below, Petitioner has shown by a preponderance of the evidence that all of the challenged claims are unpatentable.

A. The ’534 Patent

The ’534 patent relates to an interactive remote computer interface system. Ex. 1001, 1:6–7.⁵ In general, it describes a system in which local data and remote data are combined for local use. *Id.* at Abstract. The use of local data stored on, for example, a CD-ROM reduces

5. Our citations to the ’534 patent as issued are to “Ex. 1001,” whereas our citations to U.S. Patent Reexamination Certificate 6,101,534 C1 are to “Ex. 1001, C1.”

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the amount of data required to be downloaded in order to render a desired display of data, while the use of remote data allows for providing updated data from a centralized source. *Id.* at 6:41–46, 7:4–8.

The system includes a remote server, a local processor, and a data storage assembly associated with the local processor. Ex. 1001, 5:20–42. The remote server includes primary site data and at least one primary site address that includes at least a portion of the primary site data. *Id.* at 5:20–25. The data storage assembly may be a hard drive but is preferably a compact, portable, and interchangeable computer readable medium such as a CD-ROM. *Id.* at 5:40–45. The data storage assembly includes auxiliary site data associated with the primary site data and is encoded with a plurality of remotely accessible auxiliary site addresses, each of which includes select portions of auxiliary site data. *Id.* at 5:46–53.

Petitioner fairly describes operation of an embodiment of the '534 patent as follows:

a user at a local computer, having access to a CD-ROM or the like that has been previously distributed and stored at a local computer, is able to go online to access primary site information (e.g., through a website). *See, e.g.*, [Ex. 1001] at Col. 13:43–14:32. When the interaction calls for interactive video, downloading is not necessary because the system accesses the CD-ROM, and initiates utilization of auxiliary data stored thereon. *See id.* The auxiliary data is stored

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at specific auxiliary site addresses on the CD-ROM so that the data is readily accessible. *See id.*

Pet. 4. Additionally, it is clear from the specification that one focus of the '534 patent is application of the invention to a real estate context. Ex. 1001, 7:30–35 (“the present invention is directed towards a system for the display of a three dimensional space, generally 10, and preferably, a real state display system 10 structured to provide for the remote exhibition of real estate space”). But the challenged claims, discussed below, are not limited to such an application.

B. The Challenged Claims

Petitioner challenges claims 1, 6–9, and 21–24. Pet. 2–3. Claims 1, 23, and 24 are independent, and the remaining challenged claims (claims 6–9, 21, and 22) ultimately depend from claim 1. Claim 1 is illustrative and reproduced below.

1. An interactive, remote, computer interface system comprising:

a remote server assembly, said remote server assembly including a quantity of primary site data;

said remote server assembly including at least one primary site address, said primary site address including at least a portion of said

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primary site data and being distinct so as to identify a location thereof on a computer network;

a local processor assembly;

said local processor assembly being coupled in data transmitting and receiving communication with said remote server assembly;

said local processor assembly being structured to access said primary site address so as to achieve said data transmitting and receiving communication with said remote server assembly;

at least one data storage assembly associated with said local processor assembly and structured to contain a quantity of auxiliary site data thereon, said auxiliary site data being associated with said primary site data;

said data storage assembly including a compact, portable and interchangeable computer readable medium;

said compact, portable and interchangeable computer readable medium including a plurality of remotely accessible, auxiliary site addresses encoded therein, each of said remotely accessible, auxiliary site addresses including select portions of said quantity of auxiliary site data; and

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said remotely accessible, auxiliary site addresses being structured to be remotely accessed by said remote server assembly so as to initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly in conjunction with said primary site data.

Ex. 1001, 16:41–17:9.

II. ANALYSIS

A. Claim Construction

“A claim in an unexpired patent that will not expire before a final written decision is issued shall be given its broadest reasonable construction in light of the specification of the patent in which it appears.” 37 C.F.R. § 42.100(b). Pursuant to that standard, the claim language should be read in light of the specification, as it would be interpreted by one of ordinary skill in the art. *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010). Thus, we generally give claim terms their ordinary and customary meaning. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007) (“The ordinary and customary meaning is the meaning that the term would have to a person of ordinary skill in the art in question.”) (internal quotation marks omitted).

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1. The Remote Access Limitations

Independent claim 1 recites:

said remotely accessible, auxiliary site addresses being structured to be remotely accessed by said remote server assembly so as to initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly.

Ex. 1001, 17:5–10. Similarly, each of independent claims 23 and 24 recites:

said remotely accessible, auxiliary site addresses being structured to be remotely accessed by said remote server assembly;

said remote server assembly remotely accessing said auxiliary site data to initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly.

Ex. 1001, C1, 1:58–2:4, 2:41–48.

In the Petition, Sony proposed that these limitations of claims 1, 23, and 24 (the “*remote access limitations*”) mean that “[t]he remote server assembly accesses the auxiliary site data (either by accessing the data directly *or by directing the local processor assembly to access the data*) to initiate utilization of the auxiliary site data by the local processor assembly.” Pet. 15 (emphasis added).

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In the Preliminary Response, Patent Owner argued that the *remote access limitations* mean that “the auxiliary site addresses are formatted such that they are available to the local processor assembly while a remote server assembly is acting in network communication with the local processor assembly.” Prelim. Resp. 21. Thus, both parties proposed that the *remote access limitations* encompass the local processor assembly accessing the auxiliary site data under some circumstance.

Consistent with the parties’ proffered constructions, in the Institution Decision, we construed the *remote access limitations* as “encompass[ing] a remote server assembly accessing the auxiliary site data by directing the local processor assembly to access the data to initiate utilization of the auxiliary site data by the local processor assembly.” Inst. Dec. 11. Neither party has argued since that this construction is erroneous, and we maintain it in this Final Written Decision. *See* PO Resp. 21–30; Reply 4–6.

Nonetheless, a claim construction issue remains, as Patent Owner argues that certain statements in the Institution Decision, relating to the construction of the *remote access limitations*, create “semantic confusion” or are incorrect as they relate to the terms “direct” and “indirect.” *See* PO Resp. 21–23, 28–29. In that regard, Patent Owner argues the following:

There is no need for the Board to . . . label[] the claim construction in the Reexamination Decision as inconsistent with the claim construction in the Institution Decision. The

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decisions are consistent, and the appearance of contradictory Board decisions should not be created.

PO Resp. 30. Thus, although Patent Owner does not oppose our construction of the *remote access limitations*, it wants to avoid any suggestion that our construction is different than the one previously adopted by this Board. Yet, it is different.

The “Reexamination Decision,” referred to by Patent Owner, is a Board decision on appeal from a final rejection in Reexamination Control No. 90/008,591 (“the ’591 reexamination”) of, among other claims and rejections, claim 1 of the ’534 patent as anticipated by Mages. Ex. 1003, 779. In that decision, the Board reversed the final rejection, stating:

Since the language of claim 1 requires that the *encoded auxiliary site addresses are structured to be accessed by the remote server*, we find, according to that claim, that the addresses are directly accessed by the remote server. The scope of claim 1 does not cover encoded auxiliary site addresses that are structured to be accessed by a local processor or any other intermediary, ultimately resulting in the addresses being *indirectly* accessed by the remote server.

[T]he broadest reasonable interpretation of claim 1 is limited to remotely accessible

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auxiliary site addresses encoded on a compact, portable and interchangeable computer readable medium being structured to be remotely accessed by the remote server assembly directly.

Ex. 1003, 787–87 (underlining added).⁶

In the Institution Decision, we acknowledged this prior Board construction, but we did not adopt it. Inst. Dec. 8–9. Our understanding was, and remains, that the prior Board construction would exclude the remote server indirectly accessing the auxiliary site addresses via the local processor. And, as so understood, the prior Board construction was at odds with both parties’ positions in this *inter partes* review. See Pet. 15 (arguing that the *remote access limitations* mean the “remote server assembly accesses auxiliary site data (either by accessing the data directly or by directing the local processor assembly to access the data) to initiate utilization of the auxiliary site data by the local processor assembly.”) (emphasis added); Prelim. Resp. 21 (arguing that the *remote access limitations* mean that “the auxiliary site addresses are formatted such that they are *available to the local processor assembly* while a remote server assembly is acting in network communication with the local processor assembly”) (emphasis added).

6. The quoted Board statements were expressly directed to the *remote access limitation* of claim 1, but they implicitly relate to the *remote access limitations* of claims 23 and 24 as well. Ex. 1003, 787.

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Our understanding of the prior Board construction is informed by considering Patent Owner’s arguments to the Board in obtaining the prior construction. Of particular import is the following such argument:

The Examiner’s third point evidences, yet again, the Examiner[’s] unreasonableness in considering the language of the claim. In this instance the Examiner somehow (without any evidence for support) believes that a remote server assembly accessing auxiliary site data (i.e., within the data storage assembly associated with the local processor assembly) is disclosed by sending some information that allows access. To “allow access” is not the same as “accessing.” A person, living in Maryland, sending a key to a person in California with the key opening a door to a room in California is not “accessing” the room by sending the key. Instead, the person in California that is adjacent to the door when the key is inserted into the lock and the door has been opened is “accessing” the room. Although the Examiner continues to set forth *broad* interpretations of the language at issue, these interpretations are *not* reasonable.

Ex. 1003, 760–61. Having considered this argument by Patent Owner, the Board construed the claims narrowly as including only auxiliary site addresses that “are directly accessed by the remote server” and not auxiliary site addresses that “are structured to be accessed by a local

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processor or any other intermediary, ultimately resulting in the addresses being indirectly accessed by the remote server.” Ex. 1003, 787.

The prior Board construction is different than the one we adopt here and, thus, we decline to clarify any “semantic confusion,” as argued by Patent Owner, because there is none.

2. Initiate Utilization

The *remote access limitations*, reproduced and discussed above, include the following language: “initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly.” Patent Owner argues that “initiate utilization” should be construed to mean “occasions or causes the initiation of utilization.” PO Resp. 30–31. Patent Owner’s proposed construction would convert the verb “initiate” to the noun “initiation” and introduce a new verb in its place (“occasions or causes”).

By doing this, Patent Owner’s construction changes the focus of what the remote accessing is required to do. Per the claim language, the remote accessing is required to initiate the utilization of auxiliary site data. Per Patent Owner’s construction, however, the remote accessing would be required to initiate the initiation of utilization of auxiliary site data. Patent Owner’s construction needlessly confuses the language of the claims. We do not adopt it. Further, an express construction is unnecessary, as the plain and ordinary meaning of “initiate utilization” is readily apparent.

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B. Obviousness in View of Mages and Batchelor

Petitioner contends that claims 1, 6–9, 21, 23, and 24 would have been obvious over Mages and Batchelor. Pet. 2. In assessing obviousness, “the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved.” *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966).⁷

1. Mages (Ex. 1005)

Mages states that there are “considerable drawbacks and deficiencies in transmitting video images and/or audio data over the Internet” from a remote server, including “considerable time delays.” Ex. 1005, 3:28–52. Mages, thus, teaches a networked computer system in which audio/video data is stored locally (e.g., on a CD-ROM), the use of which is controlled by a remote server. *Id.* at 4:15–17 (“Specific tracks on the CD-ROM can thereby be controlled by the remote server.”), Abstract (“A method of triggering video imaging and/or audio data on a ‘HyperCD’ (CD-ROM) via a trigger through a network for instant local access of encrypted data on local media.”). Mages states the following:

7. Additionally, secondary considerations such as “commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.” *Graham*, 383 U.S. at 17–18. Patent Owner, however, has not presented any such evidence.

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It is the primary objective of the present invention to separate keys and data by providing a CD-ROM having its informational data of video and/or audio that is crippled, which data may only be read after it has been “uncrippled” by receiving “uncrippling” triggering data over the Internet from a server of a host system, so that a company’s host computer serving the Internet may transmit the “uncrippling” data over the Internet to an end-user’s receiving computer in order to uncripple and, thereby, actuate the CD-ROM, so that the data thereon may be read by the end-user’s receiving computer only in volatile memory such as RAM.

It is another objective of the present invention to enable server control of the local media data by providing such a “crippled” CD-ROM with video and/or audio data thereon, whereby content by a company on the Internet may be better controlled, and whereby in conjunction with the content, video and/or audio playback may be combined with any updated, textual information, such as current price of a product or products, location of a store or stores in the vicinity of the end-user’s residence, etc. Specific tracks on the CD-ROM can thereby be controlled by the remote server.

Id. at 3:62–4:17. Also, “[s]ince the uncripping trigger is much smaller than the entire media file, it saves considerable amount of transmission time.” *Id.* at Abstract.

*Appendix B**2. Batchelor (Ex. 1004)*

Batchelor describes combining information received from a broadcast transmission with information locally stored on a local CD-ROM and displaying the combined information together. Ex. 1004, 4:7–17. A broadcaster has a data source and a video source, which are inputted to a vertical blanking interval (VBI) inserter. *Id.* at 2:14–22, 3:1–25. “The video signal and accompanying inserted data are transmitted by a transmitter.” *Id.* at 2:26–28. After receipt of the transmission, a VBI decoder separates the combined signal into (1) a video signal, which is further processed by an NTSC decoder, and (2) a data signal. *Id.* at 2:29–34. The data is sent to a local CPU which it instructs, via “command and address information” to retrieve specific text and graphic information from an optical disk (e.g., a CD-ROM) and display the text and graphic information on a display, along with the NTSC video signal. *Id.* at 2:49–54.

*3. Petitioner’s Application of the Art
to the Challenged Claims*

Petitioner relies on Mages as teaching all of the subject matter of claims 1, 6–9, 21, 23, and 24, except that it additionally relies on Batchelor for the *remote access limitations* of claims 1, 23, and 24. Pet. 18–35. In that regard, Petitioner notes that both references recognize the desirability of locally storing data on a CD-ROM and remotely directing access to that data. Pet. 19–20 (citing Ex. 1005, 4:15–17; Ex. 1004, 1:30–58). Petitioner persuasively argues that one of ordinary skill would have

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found it obvious to modify the operation of the remote server of Mages to access and control the specific data on a local CD-ROM, as taught by Batchelor. Pet. 20. “In other words, the uncripling or triggering data [of Mages] could include specific command and address information as provided in Batchelor.” *Id.*; *see also* Tr. 58:16–17 (counsel for Patent Owner describing Batchelor as teaching “a direct command to the auxiliary”).

Patent Owner argues against the unpatentability challenge based on the intertwined reasons of claim construction and prior consideration of Mages during the ’591 reexamination. PO Resp. 39–41. Those arguments, however, were considered and rejected in the Institution Decision and again above. Patent Owner additionally argues that: (1) Batchelor is non-analogous art, (2) the proposed combination fails to disclose all limitations of the challenged claims, and (3) a person of ordinary skill in the art would not have combined the teachings as asserted by Petitioner. *Id.* at 33–39, 41–48. We address these additional arguments below.

a) Batchelor is Analogous Art

Patent Owner argues that Batchelor is not analogous art. PO Resp. 33–39. Whether it is presents a question of fact. *In re Clay*, 966 F.2d 656, 658 (Fed. Cir. 1992) (“Whether a reference in the prior art is ‘analogous’ is a fact question.”). “Two criteria have evolved for determining whether prior art is analogous: (1) whether the art is from the same field of endeavor, regardless of the problem addressed, and (2) if the reference is not within

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the field of the inventor's endeavor, whether the reference still is reasonably pertinent to the particular problem with which the inventor is involved." *Id.* at 658–59.

(1) Batchelor Is From The Same Field of Endeavor

Patent Owner argues that Batchelor does not meet the first criterion because it is from the field of “broadcast television” whereas the challenged claims are in the field of “interactive computer networks.” PO Resp. 33–35. We are not persuaded that the '534 patent or Batchelor are limited to such narrowly defined fields.

The '534 patent involves interactive computer networks as Patent Owner argues, but it additionally and explicitly contemplates the use of broadcast transmission within the scope of its invention. In particular, it describes and claims using broadcast transmission to send auxiliary site data, for example, from a remote server assembly to a storage medium at a local processor assembly for the purpose of updating auxiliary site data stored on the local storage medium. Ex. 1001, 15:45–16:13 (description of same), 18:10–11 (claim 13); *see also In re Bigio*, 381 F.3d 1320, 1326 (Fed. Cir. 2004) (“the scope of the field of endeavor” is found “in the application’s written description and claims, including the structure and function of the invention”). Petitioner argues that the “field of endeavor should be defined here to include at least interactive remote computer interface systems that utilize Internet or broadcast television transmissions.” Reply 9. Based on the written description and claim 13 of the '534 patent, we agree.

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Batchelor, likewise, is not as limited as Patent Owner argues. It involves broadcast television as Patent Owner argues, but it also involves computers. For example, according to its “Field of Invention,” Batchelor “relates to a method and apparatus for inserting database address information into the vertical blanking interval of a video signal that is received by a personal computer.” Ex. 1004, 1:11–15. It describes a system that “includes a personal computer 10 that receives video signals and other information from a broadcaster 12 [that] includes a vertical blanking interval (VBI) inserter 16 that has one input connected to a video source 18 and another input connected to a data source 20.” *Id.* at 2:15–24. Further, its claims are directed to “systems” reciting common computer-related features, including “data signal,” “non-volatile storage,” “monitor,” and “central processing unit.” *Id.* at 4:28–46, 4:54–5:5. We find that Batchelor is from the same field of endeavor as the ’534 patent.

(2) Batchelor Is Reasonably Pertinent To
The Particular Problem With Which
The Inventor Is Involved

Even if Batchelor were from a different field than the ’534 patent, it nonetheless would meet the second criterion set forth in *Clay*. Batchelor is reasonably pertinent to the particular problem with which the ’534 patent was involved, i.e., how to provide and control a presentation (for example, a presentation of animated three dimensional images, video content, or audio content) from a remote location while avoiding the time-consuming step of transmitting all of the data used to generate the presentation. *See, e.g.,*

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Ex. 1001, 3:20–25 (“A significant problem associated with the use of such on-line technology, however, involves the substantial amount of time required to download various images and information. Such is particularly the case with any kind of animated three dimensional images or with video and/or audio information.”).

Because Batchelor discloses a system in which a remote source controls a local display of data without transmitting all of the data to be displayed, it is reasonably pertinent to the problem involved in the ’534 patent.

b) Petitioner Presents Adequate Reasoning
To Support The Combination

A claimed invention “is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). To prove obviousness, there must have been, at the time of invention, “an apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *Id.* Such reason cannot be provided by the very patent being challenged as obvious. *Id.* at 421 (“A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning.”); *Cheese Sys. v. Tetra Pak Cheese & Powder Sys.*, 725 F.3d 1341, 1352 (Fed. Cir. 2013) (“Obviousness cannot be based on the hindsight combination of components selectively culled from the prior art to fit the parameters of the patented invention.”) (quotation marks omitted).

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The Petition offers the following reasons for why a person of ordinary skill in the art would have made the proposed combination:

Mages and Batchelor both recognize the desirability of locally storing data on a CD-ROM and a remote server directing access to that data. Ex. 1005, Mages at 4:15–17; Ex. 1004, Batchelor at 1:30–58. Upon reading the disclosure of Batchelor, one of ordinary skill in the art would have recognized and appreciated that the remote server of Mages could access and control the specific tracks of the local CD-ROM as specifically provided by Batchelor. Ex. 1009, Madisetti Decl., at ¶¶22–49. In other words, the uncrippling or triggering data could include specific command and address information as provided in Batchelor. *Id.* This would have been desirable because, as taught by Batchelor, it would enable the remote facility to directly control the utilization of specific tracks on the local CD-ROM such that two complementary pieces of information are displayed simultaneously. *Id.*; Ex. 1004, Batchelor at 1:30–39.

Pet. 19–20 (Petitioner’s italicization of references and bolding of exhibit numbers removed). In short, Petitioner argues that Batchelor expressly provides a reason to modify Mages to provide remote access and control of specific data portions on a local CD-ROM.

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Patent Owner argues that Petitioner has failed to demonstrate a sufficient reason for the proposed combination of prior art teachings from Mages and Batchelor. PO Resp. 44–47. However, Patent Owner’s specific arguments in that regard do not rebut the actual reasoning offered by Petitioner, and they are otherwise not persuasive, as discussed below.

Patent Owner first argues that “the challenge is based on a hindsight combination of references from the disparate fields of computer systems and broadcast television.” PO Resp. 45. The reasoning offered by Petitioner, however, is based on explicit teachings of the prior art, not on the claimed invention. *See* Pet. 19–20. Also, and as discussed above, the references are not from disparate fields, as Batchelor is analogous art.

Patent Owner next argues that the “allegedly obvious combination was sufficiently nonobvious that it never before occurred to anyone in the ‘534 Patent’s lengthy history of prosecution, reexamination and litigation.” PO Resp. 45. Patent Owner, however, does not cite any law, and we are aware of none, that holds that a patent’s claims are nonobvious based on any ground or rejection of obviousness not previously raised during prosecution, reexamination, and litigation of that patent.

Patent Owner also argues that “the system of Mages requires a software program to govern the reception and retention of the key,” “[r]eplacement of the software-governed key system of Mages with a VBI-type command as in Batchelor would fundamentally change the essential

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nature of Mages,” and “[t]he ‘proposed substitution would destroy the basic objective’ of the central elements of Mages.” PO Resp. 46 (citing Ex. 1005, 6:60–65; Ex. 2008 ¶ 40 and quoting

Trivascular, Inc. v. Samuels, 812 F.3d 1056, 1068 (Fed. Cir. 2016)). This argument is not persuasive because it is based on the false premise that Petitioner proposes that the person of ordinary skill in the art would have completely replaced the Mages system with a VBI system. Petitioner does not. Rather, Petitioner proposes that the skilled person would have used the command and address information from Batchelor as the “trigger data” already included in Mages. Pet. 20; *see also* Reply 16 (“No systems are being replaced, and no operations are being changed. Rather the data being transmitted from the host computer in Mages is merely ‘command and address’ information, such as a command to display specific data residing at a specific place on the CD-ROM, as described in Batchelor.”) (internal citations omitted).

Petitioner provides sufficient reasoning for why a person of ordinary skill in the art would have made the proposed combination.

c) The Proposed Combination of Mages and
Batchelor Discloses the Subject Matter
of Claims 1, 6–9, 21, 23, and 24

Petitioner shows how its proposed combination of Mages and Batchelor (discussed above) renders obvious the subject matter of claims 1, 6–9, 21, 23, and 24, including

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with a claim chart mapping the relied-upon prior art teachings to the limitations of each of those claims. Pet. 18–35. Petitioner’s evidence and analysis is persuasive, and we adopt it as our own.

Patent Owner argues that the proposed combination does not disclose all of the limitations of these claims. PO Resp. 39–43 (addressing claims 1, 6–9, and 21), 48–50 (addressing claim 23), 52–55 (addressing claim 24). We address Patent Owner’s arguments below.

(1) Claims 1, 6–9, and 21

With respect to claims 1, 6–9, and 21, Patent Owner’s arguments are inapposite. First, Patent Owner reargues that, during reexamination, claim 1 was found not to be anticipated by Mages. *Id.* at 39–41. The outcome of the reexamination is not controlling, either legally or logically, over the present dispute between the parties. It is not legally controlling because there is no estoppel based upon it. *See* 35 U.S.C. § 325(d) (“In determining whether to institute or order a proceeding under . . . chapter 31 [*inter partes* reviews], the Director *may* take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.”) (emphasis added). The reexamination outcome is also not logically controlling because, unlike in the ’591 reexamination, we construe the *remote access limitations* differently and Petitioner’s ground of unpatentability, which incorporates teachings from a second reference (Batchelor) into Mages, is different.

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Next, Patent Owner argues that Batchelor alone does not disclose the *remote access limitations*. However, this argument is not persuasive because Petitioner’s ground of unpatentability is based on a combination of Mages and Batchelor. *See In re Merck & Co.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986) (“Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references.”). For example, Patent Owner argues that Batchelor does not disclose “auxiliary site addresses encoded or structured to be accessed *by the remote server*.” PO Resp. 41 (emphasis added); *see also id.* at 42 (“Even assuming the existence of ‘auxiliary site addresses’ in Batchelor, they plainly cannot be structured to be accessed by the remote server when the remote server does not exist.”). Patent Owner’s argument is inapposite because the proposed combination does not rely on Batchelor for a remote server; it relies on Batchelor for its “specific command and address information.” Pet. 20; *see also id.* (“Upon reading the disclosure of Batchelor, one of ordinary skill in the art would have recognized and appreciated that *the remote server of Mages* could access and control the specific tracks of the local CD-ROM as specifically provided by Batchelor.”) (emphasis added).

We determine that the proposed combination teaches the subject matter of claims 1, 6–9, and 21, including the *remote access limitation* of claim 1: “said remotely accessible, auxiliary site addresses being structured to be remotely accessed by said remote server assembly so as to initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly.”

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(2) Claim 23

With respect to claim 23, Patent Owner argues that the proposed combination does not disclose “said select portions of said quantity of auxiliary site data at the auxiliary site addresses accessible only while the local processor assembly is interactively online connected to the remote server assembly” (the “*only while limitation*”). PO Resp. 48; *see also id.* at 53 (pointing out that claim 24 also recites the *only while limitation*). As noted in the Institution Decision, to meet the *only while limitation*, Petitioner relies on various excerpts from Mages, including the following:

[S]ince the key 5 is being sent via Internet 6, the end-user’s computer 7 must be equipped with the requisite software which is capable of receiving data from the server 7 and which will ensure that the received encoded key 5 is placed safely in RAM 12, and not allowed to be otherwise saved in hard drive 11 where it may be captured and used in a way not authorized by the server 7.

Inst. Dec. 17 (citing Pet. 33 and quoting Ex. 1005, 6:58–65). In response, Patent Owner argues that, in Mages, “[n]othing would prevent the local processor from using the key after being disconnected from the remote server, as long as the key has not been cleared from the memory in which it was stored.” PO Resp. 49 (citing Ex. 2008 ¶ 53). But, Patent Owner does not establish the premise of its argument—that the key is not cleared from RAM. Patent

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Owner cites the testimony of its declarant, Michael C. Brogioli, Ph.D., but it is not persuasive. It reads:

As an example, in the case of Mages, the key in question could be downloaded onto the local processor before an interactive online connection is permanently severed. Nothing disclosed in Mages would prevent the local processor from using the key after being disconnected from the remote server, so long as the key has not been cleared from the memory system in which it is stored. In the case of a non-volatile hard disk drive, this could include power cycling the machine without resuming an online connection, and the local processor still possessing the ability to use the key.

Ex. 2008 ¶ 53. Dr. Brogioli repeats the same premise without providing citations to any evidence supporting it or any of his other statements in paragraph 53. Even if were to accept Dr. Brogioli's testimony at face value, it would not be probative of the fact for which Patent Owner cites it. This is so because the testimony does not address using an uncrippling key that is stored, specifically and only, in RAM. *Id.* Rather, it addresses instead a situation in which "the memory system in which [the key] is stored" is "a non-volatile hard disk drive," which is prohibited in the embodiment of Mages on which Petitioner relies. *Compare id.*, with Ex. 1005, 6:58–65.

Moreover, and in response to Patent Owner's arguments, Petitioner draws our attention to additional

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teachings by Mages, for example, that “[a]s soon as the encoded key 5 arrives and is stored in RAM,” it is decoded, and “as soon as the key has been decoded, the video and/or audio data is *immediately* ‘played’ back.” Ex. 1005, 7:47–8:5 (emphasis added); Reply 21 (citing overlapping excerpt of Mages); *see also* Ex. 1005, 1:30–32 (“The CD-ROM will only allow the end-user access to the video/and or [sic] audio on it by logging onto the host’s server via a network such as the Internet.”), 5:50–58 (describing “a CD-ROM 3 having stored thereon crippled data 4 that is unreadable without first having received a trigger or uncrippling key 5” and that “[t]he end-user’s computer 1 is connected via the Internet 6 to a host-computer server 7 which has stored thereat the uncrippling or triggering key 5 for the information stored on the end-user’s CD-ROM 3”), 6:36–38 (“[T]he only way to access the [CD] data is a socket-to-socket connection with the server of the web page of the host.”).

We determine that the proposed combination teaches the subject matter of claim 23, including the *only while limitation*: “said select portions of auxiliary site data at the auxiliary site addresses being accessible only while the local processor assembly is interactively online connected to the remote server assembly.”

(3) Claim 24

With respect to claim 24, Patent Owner argues that the proposed combination does not disclose “said remotely accessible auxiliary site addresses being encoded so as to restrict access by said local processor assembly unless

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said access is directed by said remote server assembly” (the “*directed by limitation*”). PO Resp. 53. The *directed by limitation* is set forth in claim 24 in addition to what we have termed the *remote access limitation* of claim 24.⁸

By arguing patentability of claim 24 separately from claim 1, and by doing so explicitly based on the *directed by limitation*, Patent Owner implies that it requires something beyond the *remote access limitation*. *Id.* at 53–54. It likely does. *See Cardiac Pacemakers, Inc. v. St. Jude Medical, Inc.*, 296 F.3d 1106, 1115 (Fed. Cir. 2002) (proposed construction that rendered a portion of the claim language meaningless held improper). Patent Owner’s ultimate argument, however, assumes erroneously that we construe the *remote access limitation* of claim 24 (as well as that of claims 1 and 23) as *requiring* a remote server assembly accessing the auxiliary site data *by directing* the local processor assembly to access the data to initiate utilization of the auxiliary site data by the local processor assembly. We do not. Instead, we construed it as *encompassing* the same.

The same facts that support our finding that the *remote access limitation* of claim 24 is met by the proposed combination of Mages and Batchelor also support a finding that the *directed by limitation* of claim 24 is met.

8. The *remote access limitation* of claim 24 reads: “said remotely accessible, auxiliary site addresses being structured to be remotely accessed by said remote server assembly; said remote server assembly remotely accessing said auxiliary site data to initiate utilization of said select portions of said quantity of auxiliary site data by said local processor assembly.”

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We determine that the proposed combination teaches the subject matter of claim 24, including the *directed by limitation*: “said remotely accessible auxiliary site addresses being encoded so as to restrict access by said local processor assembly unless said access is directed by said remote server assembly.”

C. Obviousness in View of Mages,
Batchelor, and Hughes

Petitioner contends that claim 22 would have been obvious over Mages, Batchelor, and Hughes. Pet. 3. Claim 22 depends from claim 21, and adds further limitations directed to generating a floor plan display of a three dimensional space and a three dimensional, walk through display of that space. Claim 22 is reproduced below:

22. A system as recited in claim 21 wherein said local processor assembly includes an overlay processor and a direct view processor;

said operating instructions on said compact, portable and interchangeable computer readable medium are structured to direct said overlay processor to generate a floor plan display of a three dimensional space at least partially from said quantity of auxiliary site data; and

said operating instructions on said compact, portable and interchangeable computer readable medium are structured to direct said direct view processor to generate a three

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dimensional, walk through display of the three dimensional space at least partially from said quantity of auxiliary site data.

Ex. 1001, 18:34–47. Petitioner relies on Mages and Batchelor as applied against claim 21 and additionally on Hughes (Ex. 1008) for teaching the limitations added by claim 22. Pet. 53.

Hughes “relates to combining images with other information of real estate presented on the same screen, storing and filing all the information centrally or locally, and providing the combined information over a communications network.” Ex. 1008, 1:5–10. The Petition cites numerous Hughes teachings that disclose the limitations added by claim 22 and provides reasoning for why one of ordinary skill in the art would have applied those teachings with Mages and Batchelor. Pet. 53–55; *see also id.* at 56–58 (claim chart mapping Hughes teachings to the limitations added by claim 22).

For example, and with respect to meeting the additional limitations of claim 22, the Petition notes that Hughes teaches the following:

According to one aspect of the invention, video images of portions of a property are combined with other information, including text descriptions of each room and a floor plan of the property on a single display screen in a manner to create a “feel” of a walk through the property. One area of the screen, or one window, presents a video image of what the

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client would see if the client were walking through the property, while another area of the display screen (window) shows a floor plan of the entire property and indicates the room being shown in the video image. The client is able to stop and replay images, obtain more detailed information about the property or office space, or skip to other properties. Audio descriptions are also available to provide both verbal descriptions and other sounds that help the viewer “experience” a simulated visit.

Pet. 56 (quoting Ex. 1008, 2:16–30) (Petitioner’s underlining removed).

One aspect of this display is shown in FIG. 2, representing items of information simultaneously in a format easily understood by a real estate agent or client. This display appears on the screen of the computer 11. A video image made by a camera that has been carried through the property is shown in the center window 21 and may be manipulated by the user, who can stop, zoom, reverse, slow, and perform other operations on the image. Below this is a text window 22 which provides a text description of the room being shown in the center window 21, and gives detailed information on features of the location. Descriptions of the room are included. Also shown in FIG. 2 is a floor plan window 23 for displaying a floor plan of the property and indicating where the images are being taken.

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Id. at 57 (quoting Ex. 1008, 3:47–61). (Petitioner’s underlining removed); *see also id.* at 57–58 (quoting Ex. 1008, 4:49–5:7).

With respect to the reason to combine Hughes’s teachings with those of Mages and Batchelor, the Petition offers the following:

Upon reading Hughes, a skilled artisan would have recognized that a system formed by combination of Mages and Batchelor could have been advantageously utilized to provide prospective real estate purchasers with a “feel” of visiting a property remotely as described by Hughes by using a remote server to direct the display of larger files, such as videos and floorplans, from a local CD-ROM, as described by Mages and Batchelor. Ex. 1008, Hughes at 1:63–2:10; 3:37–43; Ex. 1009, Madisetti Decl., at ¶¶22–40, 71–76. This would have been consistent with Mages’ desire to reduce costs and delay associated with transmission of large files, as described above. *See supra* at V.1. Similar to Mages and Batchelor, Hughes combines video walk through information and floorplans with other information on the display, such as text descriptions, maps, schools and shopping areas. *Id.* at 2:16–38; *see also* Ex. 1005, Mages at 4:7–17; Ex. 1003, Batchelor at 2:55–60; Ex. 1009, Madisetti Decl., at ¶¶71–76.

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Upon reading Hughes, a skilled artisan would have recognized that modifying the combination of Mages and Batchelor to use the CD-ROM of Mages/Batchelor to locally store the walk through video files and floor plans of Hughes would have been desirable and advantageous. Ex. 1009, Madisetti Decl., [] at ¶¶71–76. This combination would have been readily accomplished by one of ordinary skill in the art by merely storing the video files and floorplans of Hughes on a local CD-ROM and using a remote server to trigger display of a specific track of the CD-ROM, as taught by Batchelor and Mages. *Id.* Thus, it would have been natural and an application of ordinary skill for a skilled artisan to utilize the local CD-ROM of Mages and Batchelor to store the floor plan and walk through instructions described by Hughes and present them in combination with other, related data received from a remote server. To that end, the remote server of Batchelor or Mages would be adapted to provide the additional data of Hughes, such as maps, schools and shopping, associated with a property. Indeed, Mages contemplates a remote server providing similar, related information. *See* Ex. 1005, Mages at 4:7–15. Based on the foregoing, it would have been obvious to one of ordinary skill in the art to combine these references and claim 22 should be canceled. Ex. 1009, Madisetti Decl., at ¶¶71–76.

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Pet. 54–55 (Petitioner’s italicization of references and bolding of exhibit numbers removed).

Patent Owner argues that Hughes does not disclose the limitations added by claim 22 and that the Petition lacks an adequate reason for the proposed combination. PO Resp. 57. However, we reach different findings and conclude that claim 22 is obvious over the asserted references.

With respect to the limitations added by claim 22, Patent Owner argues that Hughes fails to teach them because “Hughes fails to teach an interactive, continuously updating system for creating and navigating a three-dimensional environment.” *Id.* at 59. But, claim 22 does not recite (or incorporate) such a limitation. The additional limitations of claim 22 require merely that the operating instructions be structured to direct: (1) the “overlay processor to generate a floor plan display of a three dimensional space at least partially from said quantity of auxiliary site data;” and (2) the “direct view processor to generate a three dimensional, walk through display of the three dimensional space at least partially from said quantity of auxiliary site data.”⁹ There is no recitation

9. There is no requirement in claim 22 that the recited “overlay processor” and “direct view processor” be separate processors. Also, the specification states that these two structures are preferably a single processor. Ex. 1001, 8:33–35 (“Of course, it is noted that a single processor assembly 25 is preferably utilized and is structured to perform the function of both the overlay and the direct view processor.”). Accordingly, we construe claim 22 to encompass separate processors as well as a unitary processor, as argued by Petitioner and not opposed by Patent Owner. *See* Pet. 55; PO Resp. 19–32, 57–60.

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in claim 22 (or claims 1 and 21 from which it depends) that the system be “continuously updating,” and Patent Owner has not proposed, let alone supported, an express construction that would require the same.

With respect to the reasoning offered for combining the prior art teachings, we find Petitioner’s explicit reasons, quoted above, sufficient. Patent Owner’s argument that “Petitioner offers no ‘articulated reasoning with . . . rational underpinning’” (*see* PO Resp. 59 (quoting *KSR*, 550 U.S. at 418)) is not supported by the record presented.

III. CONCLUSION

Petitioner has shown by a preponderance of the evidence that all of the challenged claims of the ’534 patent are unpatentable.

IV. ORDER

Accordingly, it is

ORDERED that claims 1, 6–9, and 21–24 of U.S. Patent No. 6,101,534 are held unpatentable; and

FURTHER ORDERED that, because this Decision is final, a party to the proceeding seeking judicial review of the Decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.