

2015 WL 981677 (Patent Tr. & App. Bd.)

Patent Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

VTECH COMMUNICATIONS, INC., AND UNIDEN AMERICA CORPORATION, PETITIONERS,

v.

SHPERIX INCORPORATED, PATENT OWNER.

Case IPR2014-01431

Patent 5,581,599

March 3, 2015

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Before HOWARD B. BLANKENSHIP, JONI Y. CHANG, and BEVERLY M. BUNTING

Administrative Patent Judges

CHANG

Administrative Patent Judge

DECISION

Institution of *Inter Partes* Review

37 C.F.R. § 42.108

I. INTRODUCTION

Petitioners VTech Communications, Inc. and Uniden America Corporation (collectively, “VTech”) filed a Petition requesting an *inter partes* review of claims 1-13 and 17-19 of U.S. Patent 5,581,599 (Ex. 1001, “the ‘599 patent”). Paper 2, “Pet.” In response, Patent Owner Spherix Incorporated (“Spherix”) filed a Preliminary Response. Paper 11, “Prelim. Resp.” We have

jurisdiction under 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

Upon consideration of the Petition and Preliminary Response, we conclude that there is a reasonable likelihood that VTech would prevail in challenging claims 1-7 and 18 of the '599 patent as unpatentable under 35 U.S.C. § 103(a), but not with respect to claims 8-13, 17, and 19. Pursuant to 35 U.S.C. § 314, we hereby authorize an *inter partes* review to be instituted as to claims 1-7 and 18 of the '599 patent.

*A. Related Matter*

The parties indicate that the '599 patent has been asserted in *Spherix Incorporated v. VTech Telecommunications, Ltd.*, No. 3:13-cv-3494-M (ND.Tex.) and *Spherix Incorporated v. Uniden Corp.*, No. 3:13-cv-3496-M. (ND.Tex.). Pet. 58; Prelim. Resp. 2-3.

*B. The '599 Patent*

\*2 The '599 patent discloses a telephone system having an interactive cordless telephone handset and an associated base station. Ex. 1001, Abstract. Figure 1 of the '599 patent is reproduced below.

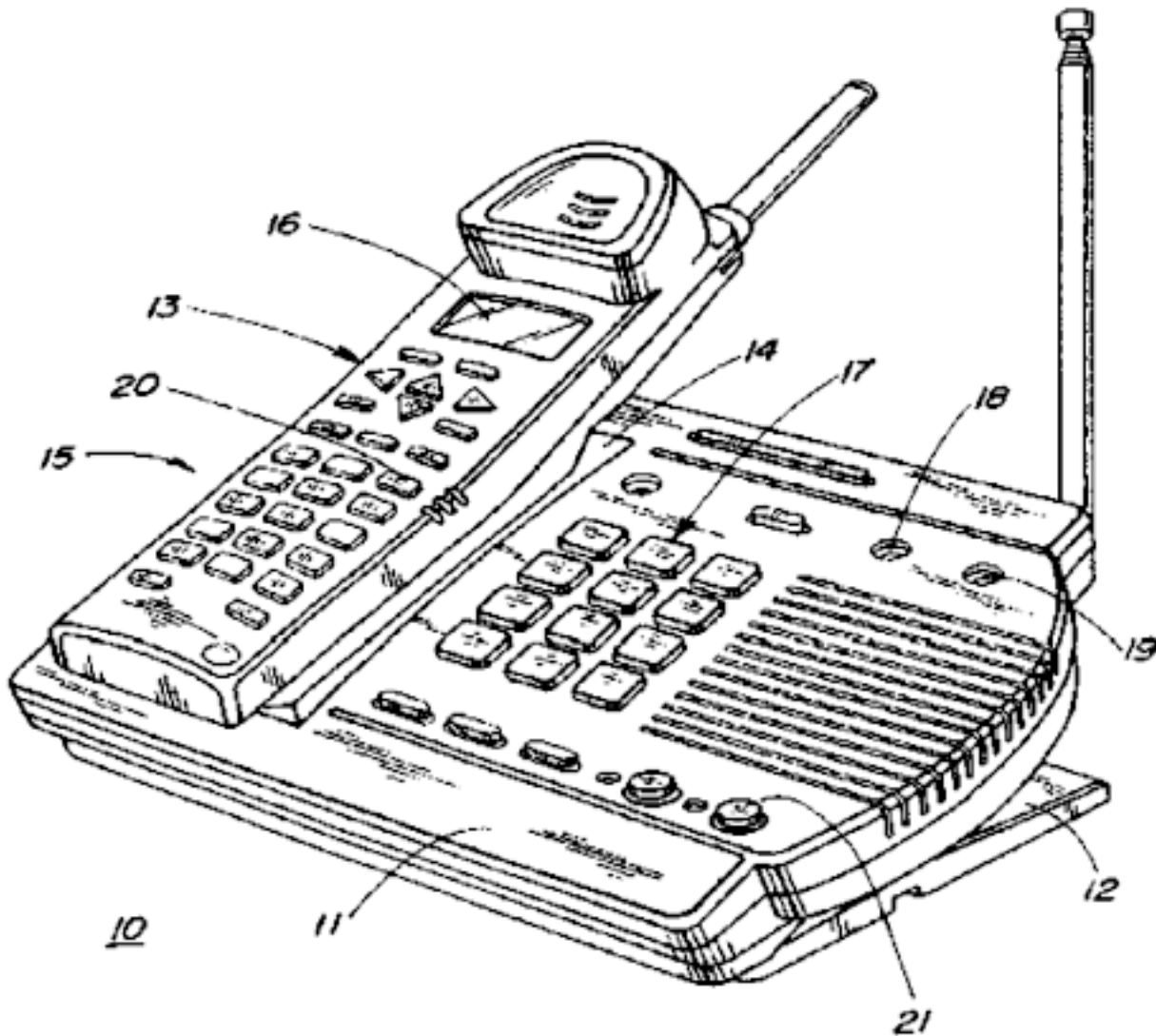


Figure 1 of the '599 patent illustrates a telephone system 10 that includes base station 11 and cordless handset 13. *Id.* at 2:54-64. Cordless handset 13 includes dial pad 15 and display screen 16. *Id.* Base station 11 includes dial pad 17 and function keys. *Id.* at 2:65-3:1.

### C. Illustrative Claim

Of the challenged claims, claims 1 and 17-19 are the only independent claims. Claims 2-13 depend, either directly or indirectly, from claim 1. Claim 1 is illustrative of the claimed subject matter of the '599 patent, and is reproduced below:

1. A method for displaying data and processing appearances thereof from *an alphanumeric display screen of a cordless handset in user-interactive radio communication with an associated base station* of a cordless telephone terminal in onhook communication with a telephone exchange, wherein said base station comprises a memory device, and wherein said memory device comprises first and second submemories, said method comprising the steps of:

generating predetermined command and alphanumeric data from selected ones of key operations at the handset;

enabling first processor means at the handset for displaying keyed alphanumeric data on the screen and *concurrently transmitting the alphanumeric data and commands to the base station*;

enabling second processor means at the base station for receiving the alphanumeric data and commands, retrievably storing the data in a first submemory of the base station and operably responding to the commands;

capturing service data from an incoming telephone call received at the base station;

*testing the service data at the base station to confirm its validity*;

retrievably storing the valid data in a second submemory of the base station and concurrently transmitting the valid data to the handset for display on the screen;

*generating a set of user-interactive prompts having predetermined appearances on the display screen*; and

accessing individual ones of the first and second submemories via key operations at the handset corresponding to the user-interactive prompts for selectively processing and editorially revising the alphanumeric data stored in the submemories while under display screen observation.

Ex. 1001, 12:56-13:23 (emphases added).

### D. Prior Art Relied Upon

\*3 VTech relies upon the following prior art references:

Martensson	US 6,349,212 B1	Feb. 19, 2002	(Ex. 1002)
Schneyer	US 5,388,150	Feb. 7, 1995	(Ex. 1003)
Figa	US 4,924,496	May 8, 1990	(Ex. 1004)
Nishihara	US 5,561,712	Oct. 1, 1996	(Ex. 1008)
Obata	US 5,251,250	Oct. 5, 1993	(Ex. 1010)

Silver

US 4,882,745

Nov. 21, 1989

(Ex. 1015)

Bell Communication Research, *SPCS Customer Premises Equipment Data Interface*, BELLCORE TECHNICAL REFERENCE TR-TSY-000030 Issue 1 (1988) (Ex. 1012, "Bellcore I").

Bell Communication Research, *CLASS Feature: Calling Number Delivery*, BELLCORE TECHNICAL REFERENCE TR-TSY-000031 Issue 2 (1998) (Ex. 1013, "Bellcore II").<sup>1</sup>

### *E. The Asserted Grounds of Unpatentability*

VTech asserts the following asserted grounds of unpatentability:

<b>Claims</b>	<b>Basis</b>	<b>References</b>
1-7 and 18	§ 103(a)	Figa in view of Martensson or Nishihara <sup>2</sup>
8-13, 17, and 19	§ 103(a)	Figa in view of Martensson or Nishihara and Obata
1-7 and 18	§ 103(a)	Martensson, alone, or in view of Figa or Schneyer
8-13, 17, and 19	§ 103(a)	Martensson in view of Figa or Schneyer and Obata
1-7 and 18	§ 103(a)	Schneyer, alone, or in view of Martensson or Silver
8-13, 17, and 19	§ 103(a)	Schneyer in view of Martensson or Silver and Obata

## II. ANALYSIS

### *A. Claim Construction*

\*4 As a first step in our analysis for determining whether to institute a review, we determine the meaning of the claims. The '599 patent issued from U.S. Patent Application No. 08/175,534, filed on December 30, 1993. Ex. 1001, at [22]. VTech indicates that the '599 patent has expired, and Spherix does not dispute this assertion. Pet. 7-10; *see generally* Prelim. Resp. For claims of an expired patent, the Board's claim interpretation analysis is similar to that at district court. *See In re Rambus Inc.*, 694 F.3d 42, 46 (Fed. Cir. 2012). Specifically, claim terms are given their ordinary and customary meaning, as would be understood by a person with ordinary skill in the art, at the time of the invention, having taken into consideration the language of the claims, the specification, and the prosecution history of record. *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). We are mindful, however, that there still would be no presumption of validity, and, therefore, we will not be applying a rule of construction with an aim to preserve the validity of claims.

In its Petition, VTech adopts the claim constructions submitted previously by Spherix in the related district court proceeding for several claim elements, and agrees with Spherix to give the claim terms their ordinary and customary meanings. Pet. 8-10

(citing Ex. 1009; Ex. 1021). VTEch also does not contend, in the instant proceeding, that any of the claim elements recited in the challenged claims should be construed as a mean-plus-function limitation under § 112, ¶ 6.<sup>3</sup> *Id.*

For purposes of this Decision, we find it necessary to construe only the claim term “service data” expressly. No other term requires an express construction at this time. Only those terms, which are in controversy, need to be construed, and only to the extent necessary to resolve the controversy. *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999).

*“service data”*

Claim 1 recites “testing the service data at the base station to confirm its validity.” Ex. 1001, 13:11-12. In its Preliminary Response, Spherix asserts that “caller [identification] information constitutes service data.” Prelim. Resp. 36.

We observe that Spherix's proposed construction is consistent with the intrinsic evidence before us, including other claim language and the Specification. For example, claim 2, which depends directly from claim 1, recites “wherein the service data comprises digitally encoded calling line identification data including a caller's name, a directory number sequence, date and time of call.” *Id.* at 13:24-27. According to the Specification, caller identification data includes the caller's name and number, as well as the time and date of the call. *Id.* at 4:10-11. As another example, claim 13 recites “wherein *the service data* is captured between first and second ringing signals of the incoming telephone call.” *Id.* at 14:33-35 (emphasis added). The Specification discloses that the transfer of *the caller identification data* is received between the first and second ringing signals on the line. *Id.* at 4:11-13.

\*5 For the foregoing reasons, we construe the claim term “service data,” as “caller identification information” for purposes of this Decision, as proposed by Spherix.

*B. Principles of Law*

A patent claim is unpatentable under 35 U.S.C. § 103(a) if the differences between the claimed subject matter and the prior art are such that the subject matter, as a whole, would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) objective evidence of nonobviousness. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966).

We analyze the asserted grounds of unpatentability in accordance with the above-stated principles.

*C. The Level of Ordinary Skill in the Art*

Spherix argues that VTEch does not articulate the knowledge and skill of a person with ordinary skill in the art. Prelim. Resp. 24-25. In particular, Spherix asserts that it is impossible to conduct an obviousness analysis when the Petition is silent as to the knowledge and skill of a person of ordinary skill in the art. *Id.*

We observe, however, that VTEch's Petition provides a description of the technology in the relevant art at the time of the claimed invention of the '599 patent, including a discussion regarding caller identification and cordless telephone systems in general with supporting factual evidence. Pet. 2-7. For instance, VTEch explains that caller identification technology dates back to the late 1960's and early 1970's, and that, by the time of the '599 patent filing date, caller identification standards and protocols were adopted and set forth in Bellcore Technical References. Pet. 2 (citing Exs. 1012, 1013). Indeed, according to the '599 patent, the feature of calling number identification “refers to a contemporary method and protocols of data transfers which are defined in Bellcore Technical References” (Exs. 1012, 1013). Ex. 1001, 4:4-8.

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