Paper 11 Entered: July 25, 2013

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZYNGA INC. Petitioners,

v.

PERSONALIZED MEDIA COMMUNICATIONS, LLC Patent Owner.

Case IPR2013-00156 (SCM) Patent 7,860,131 B1

Before SALLY C. MEDLEY, KARL D. EASTHOM, and JONI Y. CHANG, *Administrative Patent Judges*.

MEDLEY, Administrative Patent Judge.

DECISION Institution of *Inter Partes* Review 37 C.F.R. § 42.108

I. INTRODUCTION

Zynga Inc. ("Zynga") filed a petition requesting an *inter partes* review of claims 1, 3, 4, 6, 9, and 11 of U.S. Patent 7,860,131 (Ex. 1001, "the '131 patent"). (Paper 1, "Pet.") In response, Personalized Media Communications, LLC ("PMC") filed a patent owner preliminary response on May 10, 2013. (Paper 9, "Prelim. Resp.") We have jurisdiction under 35 U.S.C. § 314.

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a) which provides as follows:

THRESHOLD -- The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 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.

Upon consideration of the petition and patent owner preliminary response, we determine that the information presented in the petition establishes that there is a reasonable likelihood that Zynga would prevail with respect to claims 1, 3, 4, 6, 9, and 11 of the '131 patent. Accordingly, pursuant to 35 U.S.C. § 314, we authorize an *inter partes* review to be instituted as to claims 1, 3, 4, 6, 9, and 11 of the '131 patent.

A. Related Proceedings

Zynga indicates that the '131 patent is involved in co-pending litigation captioned *Personalized Media Communications, LLC v. Zynga Inc.*, Case No. 2:12-cv-68-JRG (ED.Tex.). (Pet. 56.) Zynga also filed three other petitions seeking *inter partes* review of the following related patents: Patent 7,908,638

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(IPR2013-00162), Patent 7,797,717 (IPR2013-00164), and Patent 7,734,251 (IPR2013-00171). (Paper 10.)

The '131 patent claims the benefit of various U.S. patent applications under 35 U.S.C. § 120. (Ex. 1001, 1.) Zynga asserts that PMC has conceded in the related District Court litigation that the earliest effective priority date for the challenged claims of the '131 patent is September 11, 1987, the filing date of U.S. patent application No. 07/096,096, issued as U.S. Patent 4,965,825. (Pet. 3-4, citing to Ex.1005, 3.) PMC does not contest that assertion in its preliminary response. Therefore, on this record, the Board assumes that the effective filing date of the challenged claims of the '131 patent is no earlier than September 11, 1987.

B. The '131 Patent

The '131 patent is related to a system for transmitting conventional broadcast programming simultaneously with relevant user specific information to a subscriber station. (Ex. 1001, 6:61-67.) Figure 1, below, is illustrative.

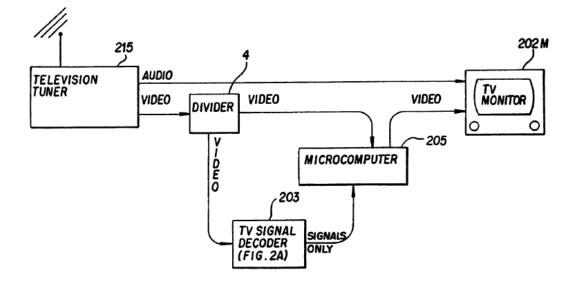


FIG. 1

Fig. 1 shows a "video/computer combined medium subscriber station." (Ex. 1001, 10:41-42.) The subscriber station includes a television tuner 215 for receiving a broadcast transmission, a divider 4, a TV signal decoder 203, a microcomputer 205 and a TV monitor 202M. The tuner 215 receives embedded control signals, which are decoded by decoder 203. The video signal from the tuner 215 is split by divider 4 into two copies. One copy is sent to the decoder 203 and the other is sent to microcomputer 205. The decoder extracts the embedded data into "signals only." (Ex. 1001, 10:53-63.) Microcomputer 205 can generate graphics that can be combined or overlaid on the video signal to produce an output signal that is sent to the monitor 202M. (Ex. 1001, 11:15-18.)

The '131 patent provides an example of how the system might work with respect to "Wall Street Week" program. The show, "Wall Street Week" may be displayed at a monitor at the same time information is displayed that is specific to a

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user's stock portfolio. (Ex. 1001, 11:23-14:37.) The microcomputer (microprocessor) 205 contains a floppy disk that holds a data file containing information on the portfolio of financial instruments owned by the subscriber and identifies specific information related to the subscriber's stock portfolio. Microcomputer 205 is programmed to receive an input of signals from the decoder and also from divider 4 and responds in a predetermined way to instruction signals embedded in the "Wall Street Week" programming transmission. (Ex. 1001, 11:42-60.) The embedded signals include control instructions that are addressed to and control the microcomputer 205 of each subscriber station. (Ex. 1001, 12:4-12.)

In response to the embedded signals, the microcomputer 205 calculates the performance of the subscriber's stock portfolio (based on the information previously stored at the microcomputer based on the individual's stock portfolio) and enters information at the video RAM of the graphics card for graphing results of the subscriber's portfolio changes. (Ex. 1001, 13: 26-46.) A subsequent instruction signal (embedded in the signal sent to the microcomputer from the broadcast), instructs the microcomputer to overlay the graphic information in its graphics card onto the received composite video information and transmits the combined information to TV monitor 202M, showing the subscriber's own portfolio performance overlaid on the studio generated graphic. (Ex. 1001, 14:1-17.)

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