Exhibit 2006
Zynga, Inc. v. Personalized Media Communications, LLC
Case IPR2013-00164 (SCM)

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZYNGA, INC.

Petitioner

V.

PERSONALIZED MEDIA COMMUNICATIONS LLC

Patent Owner

Case No. IPR2013-00162

U.S. Patent No. 7,908,638

PRELIMINARY PATENT OWNER RESPONSE TO PETITION FOR INTER PARTES REVIEW PURSUANT TO 37 C.F.R. 42

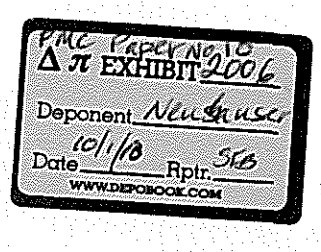

Table of Contents

I. INTRODUCTION

Patent Owner, Personalized Media Communications LLC ("PMC") submits the following preliminary response to the petition filed by Zynga, Inc. ("Petitioner") on February 26, 2013 requesting *inter partes* review of claims 1-3, 6, 11-13, and 15 of U.S. Patent No. 7,908,638 (the "'638 Patent") (Zynga Ex. 1001) (the "petition"). Petitioner has failed to establish that there is a reasonable likelihood that it will prevail as to at least one claim. Accordingly, PMC respectfully requests that the Patent Trial and Appeal Board (the "Board") decline to institute *inter partes* review of the '638 Patent pursuant to 37 C.F.R. § 42.108(b).

A. Personalized Media Communication LLC and the Zynga Litigation

PMC is the owner of a fundamental intellectual property portfolio developed over thirty years by inventor and founder John C. Harvey. During the last two years, fifty-eight (58) new patents from this portfolio have issued, including the '638 Patent. These patents cover numerous aspects related to the use of control and information signals in electronic media content to generate output for display. The inventions covered by these patents have a wide range of application across many fields and can be delivered via the Internet, cellular wireless, cable/satellite, and other networks and on any number of platforms including personal computers,

televisions and other electronic-media delivery systems. The PMC inventions enable publishers, advertisers, social networks, businesses and consumers to enjoy the benefit of new media content in a variety of ways and have been licensed to a wide range of technology companies including Sony Corporation, Motorola Mobility and Cisco Systems.

On February 13, 2012, PMC filed a patent infringement suit in the United States District Court for the Eastern District of Texas against Zynga, Inc., a developer and provider of social computer games, for the infringement four of PMC's patents, United States Patent Nos. 7,797,717; 7,908,638; 7,734,251; and 7,860,131, generally relating to the use of control and information signals in electronic media content to generate output for display that is personalized or customized and relevant to users. Zynga has filed a petition for *inter partes* review for each of these patents.

B. Overview of the '638 Patent

The claims of the '638 Patent are directed to a method of communicating subscriber station information from a subscriber station to one or more remote stations. The claims relate to multiple embodiments in the specification. In one example described in the '638 Patent, a signal processing system provides viewers of a cooking television show, "Exotic Meals of India," with a number of enhanced

features through the communication and processing of signals at subscriber stations. Ex. 1001 at Col. 24, ll. 25-45. In this example, subscriber specific information is stored at the subscriber station in the form of dietary preferences, family size, and geographic location. *Id.* at Col. 240, l. 60-Col. 241, l. 1. During the Exotic Meals program, the audience is invited to order recipes which can be delivered and tailored at individual subscriber stations. *Id.* at Col. 241, l. 65-Col. 243. l. 59. For instance, the subscriber station may receive a signal in the transmission that causes the generation and printing of a recipe that is tailored or customized based on the size, taste and dietary habits of the family members. *Id.* at Col. 241, l. 65-Col. 243. l. 59. At a later time, a transmission received at the subscriber stations contains a message that causes the output of a supermarket commercial containing an image overlay listing the cost of the ingredients for that consumer and the phone number for the nearest supermarket, as well as an audio message that states the specific amount of the discount available to that consumer. *See e.g.*, Ex. 1001 at Col. 249, ll. 6-Col. 250, l. 24; Col. 252, l. 40 – Col. 253, l. 32. Finally, the subscriber is invited to order the ingredients through an automatic phone call to the local supermarket providing the subscriber specific ingredients. *Id.* at Col. 262, l. 15-Col. 263, l. 44. Upon confirmation, the subscriber station transmits the ingredients to the local supermarket. *Id.* These various operations

are initiated through instructions that can be in the program transmission or in a separate transmission.

Claims 1 and 6 are set forth below:

1. A method of communicating subscriber station information from a subscriber station to one or more remote stations, said method comprising the steps of:

(1) storing first data which are subscriber specific data at said subscriber station;

(2) receiving and detecting at said subscriber station, in an information transmission received from said one or more remote stations, one or more instruct signals;

(3) computing second data at said subscriber station by processing said first data in accordance with said one or more instruct signals;

(4) processing said one or more instruct signals to cause at least a portion of a combined medium presentation to be outputted at an output device at said subscriber station, wherein said outputted portion of combined medium presentation includes (i) at least one of an image and a sound received at said subscriber station from a remote transmitter station and (ii) a portion of said second data;

(5) receiving a subscriber input in response to said outputted portion of a combined medium presentation; and

(6) transferring said portion of second data from said subscriber station to said one or more remote stations based on said subscriber input.

6. A method of communicating subscriber station information from a subscriber station to one or more remote stations, comprising the steps of:

receiving an information transmission at a transmission station, wherein said transmission station comprises a programmable controller, a switch, a computer, a memory, a receiver and a transmitter;

generating one or more instruct signals at said transmission station, said one or more instruct signals being effective to cause said subscriber station to compute second subscriber specific data by processing first subscriber specific data stored at said subscriber station and transfer said second subscriber specific data to said one or more remote stations based on a subscriber response to a combined medium presentation output at an output device at said subscriber station, said combined medium presentation including (i) at least one of an image and a sound received at said subscriber station from a remote source and (ii) a portion of said second subscriber specific data; and

transmitting said information transmission and said one or more instruct signals from said transmission station to said subscriber station.

II. THE PETITION SHOULD BE DENIED

The Board should deny the Petition and decline to institute a trial. The petition has failed to meet the minimum threshold requirement required under 35 U.S.C. § 314 for the institution of *inter partes* review. *See also* 37 C.F.R. § 42.108. In particular, "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 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." 35 U.S.C. §314(a) (2013). This

requirement, instituted with the passing of the America Invents Act, is a heightened standard.[1]

The Petitioner challenges claims 1-3, 6, 11-13, and 15 of the '638 Patent over a convoluted combination of three markedly distinct references, U.S. Patent No.4,572,509 to Sitrick ("Sitrick") (Zynga Ex. 1008); U.S. Patent No. 4,204,206 to Bakula et al. ("Bakula") (Zynga Ex. 1009); and U.S. Patent No. 5,270,922 to Higgins ("Higgins") (Zynga Ex. 1010). As shown below, the Petitioner fails to

---

[1] The "reasonable likelihood" standard was intended by Congress to be a substantially higher barrier to patent validity challenges than the former "substantial new question of patentability" test used for *inter partes* reexamination proceedings. *See* H.R. Rep. No. 112-98 (part 1) at 47 (2011) ("The threshold for initiating an inter partes review is elevated from 'significant new question of patentability' – a standard that currently allows 95% of all requests to be granted – to a standard requiring petitioners to present information showing that their challenge has a reasonable likelihood of success."). Accordingly, *inter partes* review is available only in exceptional cases where serious doubts about the patent's validity are raised and where a prima facie case has been established by the petitioner. See 157 Cong. Rec. S1375 (Mar. 8, 2011) (statement of Sen. Kyl (D-Ariz)).

establish that there is a reasonable likelihood that it will prevail as to at least one challenged claim and therefore the petition should be rejected.

A. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 1-3, 6, 11-13 and 15 is Anticipated by Sitrick

The Petitioner challenges claims 1-3, 6, 1-13 and 15 of the '638 Patent under 35 U.S.C. § 102(b) over Sitrick. Petition at 7-25.

The petition fails to demonstrate that the claims are anticipated by Sitrick. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987), see also MPEP § 2131.02. "The identical invention must be shown in as complete detail as is contained in the . . . claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236 (Fed. Cir. 1989). Accordingly, "there must be no difference between the claimed invention and the reference disclosure, as viewed by a person of ordinary skill in the field of the invention." *Scripps Clinic & Research Found. V. Genentech, Inc.*, 927 F.2d 1565, 1576 (Fed. Cir. 1991). Thus, in order to determine whether a reference anticipates a claim one must look to the elements of the claim and see whether they are disclosed by the reference.

Sitrick does not disclose or teach the presently claimed inventions including many key limitations and features. The flaw of the Petitioner's proposed rejection

can ultimately be traced to an unsupportable and often contradictory reading of Sitrick, which describes the function of a video game network system at a distinctly high level. The Petitioner consistently relies on the broad assertions of functional capabilities provided in Sitrick (*e.g.*, that stations can communicate game data with one another) to teach specifically articulated claimed steps involving particular components (*e.g.*, the receiving and detecting of at least one instruct signal in an information transmission that causes additional computation). Such a reading results in a proposed rejection of the claims of the '638 Patent that is vague, difficult to decipher, and ultimately fails to demonstrate that the cited reference teaches each limitation of the claims.

Sitrick is generally directed to a networked interactive game system containing a number of linked video game stations, each having a joystick and keyboard input. Ex. 1008 at Abstract. The reference lists a number of features that the video game stations can perform. For instance, the reference states that each game station can display a composite view of a global game involving a plurality of game stations, or in an alternative embodiment, each game station can display individual peer game information. *Id.* at Col. 4, ll. 1-28. The reference describes that a master controller can control displays at selected user game stations. *Id.* at Col. 4, l. 68-Col. l. 14. The reference then goes on to describe that individual user game stations can communicate directly and/or through a master controller to

facilitate the display at the individual consoles and/or at the master display. *Id.* at Col. 5, ll. 1-18. In one portion, the reference discusses that the individual stations can communicate data including game ID, game type, and game data with each other so that the composite game information can be updated. *Id.* at Col. 8, ll. 19-29.

Sitrick also describes that players can create a user image or icon that can be used to represent him or her within the video game output presentation. *Id.* at Col. 11, ll. 15-51. Petitioner's proposed rejection is centered around this user-created user image feature. *See* Petition at 8-10. In essence, Petitioner argues that Sitrick's process of outputting a video game image containing the user-created user image corresponds to the claimed invention. However, a general process of displaying a user image within a video game display does not disclose or suggest the present invention regarding instruct signals causing the generation and output of subscriber specific data through the processing of stored subscriber specific data, thereby causing the output of a generated data with remotely-originated audio or video content in a combined presentation.

Sitrick fails to teach a number of limitations of the claims. The petition, accordingly, is unable to demonstrate that the reference anticipates the claims, as alleged.

Petitioner opens its analysis alleging that the claimed "first subscriber specific data" is the user image (user icon) created by a user. Petition at 8 ("The first subscriber specific data includes an image, color, or shape used to represent a user . . .").

Sitrick does not disclose the step of *computing second subscriber specific data by processing first subscriber specific data stored at the first subscriber station*, as recited in independent claim 6, and similarly claimed in independent claim 1. Petitioner refers to "data used to form the overall image that is displayed at the subscriber station, which includes the user's image, color or shape within the global gaming environment" as teaching this step. Petition at 8. It is difficult to understand what that statement means and, importantly, how it relates to the claim limitation at issue. There is no disclosure of "data used to form the overall image." Referring to the cited portion of Sitrick does little to clarify the Petitioner's position as this section generally describes exemplary displays (*e.g.*, radar) that can be shown by the master controller.

Not only is there no reference to any generated "data used to form the overall image," but there is no description in Sitrick related to specific operations at an individual video game station to support Petitioner's assertion. Indeed, the reference describes in the cited portions that the various exemplary displays (*e.g.*, radar) can be provided by the master control, rather than being *computed at a*

receiver station. *See* Ex. 1008 at Col. 5, ll. 36-44 ("The master controller can provide . . . audiovisual imagery . . ."). Even if one assumed, *arguendo*, that Sitrick teaches the generating of a "data used to form the overall image," Petitioner fails to explain how this "data" constitutes the computed second subscriber data, as claimed.

The petition also fails to demonstrate that Sitrick teaches that the computing of the second subscriber data is *in accordance with the one or more instruct signals* received, as recited in independent claim 1, and similarly in claim 6. Petitioner argues that the claimed instruct signal is taught by Sitrick's "game data . . . that are processed at the subscriber station in order to synchronize the game data at the subscriber station." Petition at 8. However, Petitioner fails to demonstrate that computing of the "data used to form the overall image" (the alleged second subscriber data in claim 1) is in accordance with this "game data." Tellingly, Petitioner asserts that the "game data" are communicated "to synchronize game data at the subscriber station," rather than to cause a subscriber station to compute any second subscriber data as claimed. Petition at 8. Thus, even if the "game data" could be interpreted as instruct signals, as Petitioner argues, there is no showing that the game data has the claimed capabilities.

Furthermore, Petitioner fails to demonstrate that Sitrick teaches the processing of the one or more instruct signals to cause a combined presentation

that includes *(i) at least one of an image and a sound received at said subscriber station from a remote transmitter station and (ii) a portion of said second data.* Petitioner, in fact, refers to a presentation that includes the alleged first subscriber specific data (user image) rather than any portion of the alleged second subscriber specific data. *See* Petition at 9 ("the combined medium presentation can include . . . "(1) image, color, or shape associated with the user within the global game environment"); Petition at 8 ("Sitrick discloses storing first 'subscriber specific data' . . . [t]he first subscriber specific data includes an image, color, or shape used to represent a user of the console in global gaming environment."). Petitioner applies the reference in a manner that contradicts the claim language so that the argument collapses onto itself.

Claim 1 further recites a step of *transferring the second subscriber data to one or more remote stations based on the subscriber input received.* Claim 6 includes a similar limitation. Petitioner here fails to demonstrate that Sitrick teaches these limitations at all. Petitioner, in particular, contends that based on the input at a joystick during game play, "signals including game data, game type game ID, game visuals and game score are transferred to other consoles." Petition at 9 (citing to Ex. 1008 at Col. 8, ll. 15-29). PMC first notes that Sitrick does not teach the transferring of "game visuals" to other video game stations. The cited portion of *Sitrick* describes that the communication is limited to "signals

representing . . . game I.D., game type and game data." Ex. 1008 at Col. 8, ll. 15-29.

Furthermore, such signals do not include the generated second subscriber data. When a player makes a move using a joystick, the output at the game station would change in response, and accordingly, the game station would communicate to the other game stations data describing the updated movement. Sitrick does not disclose, nor would it make sense, that the game station communicates the "data used to form the overall image" (which is what Petitioner asserts is the claimed second subscriber data) generated prior to the player's movement of the joystick (to the extent any such data exist at all) as such alleged data would not be useful to update the other players of the latest state of the game. In other words, the game station does not communicate the generated second subscriber specific data to a remote station since the second subscriber specific data, under the petitioner's reading of a second subscriber specific, is effectively outdated and/or redundant game information.

Dependent claims 2-3, 11-13 and 15 further limit independent claims 1 and 6 and the petition fails to demonstrate that there is a reasonable likelihood that it would succeed as to these claims for at least the same reasons as discussed above with regard to the independent claims.

Petitioner further fails to demonstrate that Sitrick discloses the limitations of dependent claim 2, which further provides that the "instruct signals include one or more of a software module and a data module" and "subsequently presenting a combined or sequential output of mass medium programming and one or more of data generated in accordance with said software module and data included in said data module." Petitioner contends that the claimed software module and a data module are "game data" and "audiovisual works that define the presentation of *information on the video display unit VDU" respectively. Petition at 13-14.*

Petitioner does not explain what are "audiovisual works that define the presentation of information on the video display unit VDU." The cited passage in Sitrick refers to "predetermined audiovisual works . . . responsive to data," not a software data module.[2] The "game data" and the "audiovisual works that define the presentation" in Sitrick are one and the same. That is, the "game data" are utilized to create the audio visual presentation at the individual video game station. *See e.g.*, Sitrick at Col. 8, ll. 19-23 (describing communication between consoles as

---

[2] Sitrick's description is not entirely clear, but apparently "audiovisual works that define the presentation" refers to software running on the user stations. That could not meet the claim limitation which provides that the claimed "instruct signals" are *in an information transmission received at the subscriber station.*

including signals representing, "*game data, etc., representing changes to its I/O structure affecting game visuals . . .*").

Claim 3 further recites "identifying . . . a software module and a data module" in the instruct signals from the transmission. Petitioner fails to make a showing that a software data module in a transmission is identified at a receiver station. Petitioner only states that "master controller 3100 transfers requested audio visual works and related data . . . to the connected consoles (Petition at 15).

The petition further fails to demonstrate that Sitrick teaches dependent claim 15, which claims the method of claim 13, further comprising the step of "incorporating into the modified one or more of a software module and a data module an identifier which enables said subscriber station to initiate communications with at least one of said one or more remote stations associated with said identifier." Petitioner contends that Sitrick teaches that the master controller 3200 incorporates an "identifier" into communications sent to consoles. Petition at 24 (citing to Sitrick at Col. 10, ll. 28-33). However, the cited portion does not reference any such "identifier" that is incorporated into communications from the master controller. The cited portions of Sitrick vaguely describes that a communications manager can provide functions of interfacing between "individual games and the master control." Not only is there no identification of an identifier that is incorporated into communications, but the referenced communications

manager's functionality is limited to the interfacing between games, rather than any initiation of communication with at least one or more remote stations.

For the foregoing reasons, the Petitioner has failed to demonstrate that there is a reasonable likelihood that it will prevail as to at least one claim based on its proposed rejection over Lockwood under 35 U.S.C. § 102(b).

B. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 1-3, 6, and 11-13 is Anticipated by Higgins

The petitioner challenges claims 1-3, 6 and 11-13 of the '638 Patent under 35 U.S.C. 102(e) over Higgins. Petition at 39-55.

Higgins is directed to a financial system made up of regional computers, branch computers, and trader work station computers that receive stock information as it is generated by the various markets. Ex. 1010 at Col. 2. 2, ll. 27-57. The trader work stations include a display that can provide multiple windows of financial information to be displayed based on user control. For example, a trader can set a ticker window to display only specific stocks of interest by inputting stock identifiers, a list of which is stored in local RAM. *Id.* at Col. 4, l. 60-Col. 5, l. 5. A window may also be configured to display stocks that have exceeded an upside or downside limit. *Id.* at Col. 5, ll. 7-15. The trader work station may also include a RAM that automatically stores updated stock

information for the 300 stocks most recently queried by the trader (called the "LRU list"). *Id.* at Col. 5, ll. 16-21, 48-64.

Petitioner contends that the claims of the '638 Patent are taught by Higgins's filtering of stock information received at the trader work station and the subsequent display of such information to the traders. Petitioner, for instance, relies on the stocks-of-interest list and the upside/downside limits set by the trader as teaching the claimed "first subscriber specific data" and contends that such data are processed to compute information that is displayed to the user (i.e., screen containing stock name and price). The Petitioner contends that this displayed information teaches the computed second subscriber specific data. Petition at 40. The Petitioner's position does not withstand scrutiny.

The petition fails to identify any instruct signal that is *detected in an information transmission by the trader work stations*. Petitioner contends that "stock symbol, price, volume and related information" are instruct signals without any support that such information teaches the claimed instruct signals. Unlike the stock information of Higgins, the claimed instruct signals are *effective at the subscriber station to cause the computing of second subscriber data, and are processed to cause the output of a combined medium presentation including some second subscriber data*. The petition fails to show Higgins disclosing stock information being detected and processed as instruct signals that compute second

subscriber data. Higgins simply describes that this stock information requested is stored and then displayed in the user's display window. Ex. 1010 at Col. 6, l. 61-Col. 7, l. 2; Col. 7, ll. 8-24.

In fact, the Petitioner fails to demonstrate that in Higgins there is any *computing of second subscriber data in accordance with one or more instruct signals*. That is, Petitioner fails to explain how the mere outputting of the very stock information received at the trader work station teaches any *computing* of a second subscriber data. Even if the stock information received is filtered such that only some of the stock information is displayed, Petitioner fails to show that such filtering teaches computing of a second subscriber data. For example, if a current price for stock X meets an up/down limit setting, there is no second subscriber data that is computed and displayed—stock X is displayed. Petitioner acknowledges as much in stating that "the display is updated with a stock symbol and price for a security that was above or below a user-specified limit." Petition at 40.

Petitioner's basic argument is that received stock price data acts as an instruct signal causing processing of existing user specific data and outputting of a combined media presentation. But Petitioner only makes a generalized assertion. Petitioner fails to show computed second subscriber data in Higgins. Petitioner fails to show the next link in the chain, i.e., that at least some of the computed

second subscriber data is displayed in the combined presentation, as the claim provides.

Petitioner does not demonstrate Higgins discloses the *outputting of a combined medium presentation that contains (i) at least one of an image and a sound received at the subscriber station from a remote transmitter station and (ii) a portion of the computed second subscriber data.* Petitioner contends that this limitation is taught by the multi-window display containing (i) a non-user specific stock ticker and (ii) and the stock information of interest to the user (i.e., alleged second subscriber specific data). Petition at 40-41. But each window in the multi-window display of Higgins is displaying the same thing—stock name & price—and Petitioner does not explain how stock name & price can be "at least one of an image and a sound received . . . from a remote transmitter station" in one instance and "a portion of the computed second subscriber data" in the other.

According to the claim, a subscriber input is received in response to the combined medium presentation. Based on this input, independent claims 1 and 6 recite that *the second subscriber data are transferred to one or more remote stations*. Petitioner contends that Higgins teaches that a user viewing the window display "may wish to receive historical price information for stock included in the display," whereupon the user will input the stock symbols for the security of interest." Petition at 41. This entry of the desired stock symbol, according to the

petition, "causes the stock symbol included in the combined medium presentation (*e.g.*, a portion for the second data) to be transferred to an area-serving or branch computer." *Id.* Higgins, however, does not teach this.

The reference does not disclose that any data computed for display is subsequently forwarded to the area or branch computers in response to a user's stock price inquiry. After all, to retrieve stock information, only the requested stock symbol is needed to be provided. Higgins at Col. 6, ll. 46-52. In other words, only the stock symbol, as entered by the trader using keyboard 112, would be needed for stock information retrieval. *Id.*

Dependent claims 2, 3, and 11-13 further limit the independent claims analyzed above and are not rendered unpatentable for at least the reasons discussed above. In addition, Petitioner fails to demonstrate that Higgins teaches the limitation of dependent Claim 2, which provides that the "instruct signals include one or more of a software module and a data module." Petitioner contends that second subscriber specific data is generated in accordance with the stock information. However, no such generation takes place, but rather, the stock information that is received at the trader work station is described to be directly stored in RAM and then displayed on the user's display window. Higgins at Col. 6, l. 61-Col. 7, l. 2; Col. 7, ll. 8-24 (operation 227 stores the securities information just obtained in the user's work station variable memory 111 . . . As before, the

quotation information is displayed . . ."). Also, Petitioner makes no showing regarding the software module recited in claim 2.

In addition, petitioner fails to demonstrate that Higgins teaches the limitations of dependent claim 13, which claims the method of claim 6, wherein said one or more instruct signals include one or more of a software module and a data module, said method further comprising the steps of: modifying said one or more of a software module and a data module at said transmission station by incorporating data that serve as a basis for outputting said combined medium presentation at said subscriber station; and transmitting the modified one or more of a software module and a data module to said subscriber station.

Petitioner, in particular, contends that Higgins teaches that its branch computer "selects between two signals received at the antennas 80 and 81 based on which of the two signals has the least amount of noise." Petition at 53. However, claim 13 recites two distinct elements: (1) one or more of a software module and a data module and (2) data to be incorporated (into element (1)). The petitioner identifies a single element as teaching both limitations: the signal received from the ticker plant 35 containing stock information. *Id.* No incorporation or modifying of a software module takes place as the Petitioner contends. At best, Higgins discloses that the data received at the branch computers are subsequently forwarded to the trader work stations for display.

For the foregoing reasons, the Petitioner has failed to demonstrate that there is a reasonable likelihood that it will prevail as to at least one claim based on its proposed rejection over Higgins under 35 U.S.C. § 102(e).

C. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 1-3, 6, 11-13 and 15 is Rendered Obvious by Higgins in view of Sitrick

Recognizing that Higgins does not teach the step of processing one or more instruct signals to cause at least a portion of a combined medium presentation to be outputted including not only a portion of the second data but also *at least one of an image and a sound received at said subscriber station from a remote transmitter station*, the petition cites to Sitrick to make up for the deficiency of Higgins and challenges claims 1-3, 6, 11-13 and 15 under 35 U.S.C. § 103(a) over Higgins in view of Sitrick. Petition at 56-58.

Here, the Petitioner does not contend that Sitrick makes up for all of the deficiencies of Higgins identified in Section II.B. Hence, even if the teachings of Sitrick asserted in the Petition are true, it remains the case that the combined teachings of Higgins and Sitrick still would not yield the subject matter recited in claims 1-3, 6, 11-13 and 15 and therefore, these claims remains patentable over Higgins and Sitrick for at least this reason.

In addition, the petitioner has failed to set forth a prima facie case of obviousness as required under 35 U.S.C. 103(a). Petitioner contends that it would have been obvious to a person of ordinary skill in the art to combine the stock distribution and display system of Higgins with the video game network system described in Sitrick and, in particular, contends that a person of ordinary skill in the art would have combined the multi-window stock information display of Higgins with the alleged teaching of Sitrick of outputting an image that is applicable to all users such as an image of a race track (as described in Sitrick,. Petition at 56). However, Higgins is directed to the display of financial market information, including trading information such as execution prices and volume, and quotations. As seen in the exemplary user interface of the trader work station display in Fig. 3, the user's multi-window display contains outputs of stock information including the stock symbols, prices, quotations, tickers, etc., all of which are in text form. This is consistent with a trader's essential need for rapid access to stock data, as described for Higgins:

> The composite apparatus of FIGS. 1A and 1B operates flexibly to monitor and display only that information which each work station 110 user **wishes stored and displayed and to provide rapid access to a limited portion of the very large mass of securities data** which serves the particular user pattern and personality of each work station operator, **providing rapid access to information which that user is most likely to require.**

Ex. 1010 at Col. 9, ll. 43-50 (emphasis added). Modifying the multi-window stock display to include pictures, as the petitioner contends, would not deliver a "more rich viewing experience," but rather would run counter to an underlying principle under which Higgins's system was designed to operate. *In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959). Accordingly, a person of ordinary skill in the art at the time of the invention of the '638 Patent would not combine Higgins with Sitrick in the manner alleged.

The petition further contends that it would have been obvious for a person of ordinary skill in the art to make use of Sitrick's teaching the use of an identifier to modify Higgins as to render claim 15 unpatentable. Dependent claim 15 claims the method of claim 13, further comprising the step of incorporating into the modified one or more of a software module and a data module an identifier which enables said subscriber station to initiate communications with at least one of said one or more remote stations associated with said identifier.

The petitioner alleges that Sitrick teaches that the master controller 3200 incorporates an "identifier" into communications set to consoles. Petition at 24 (citing to Sitrick at Col. 10, ll. 28-33). However, the cited section does not reference any such "identifier" that is incorporated into communications from the master controller. The cited portions vaguely describe that a communications manager can provide functions of interfacing between "individual games and the

master control." Not only is there no identification of an identifier that is incorporated into communications, but the referenced communications manager's functionality is limited to the interfacing between games, rather than any initiation of communication with at least one or more remote stations.

For the foregoing reasons, the petitioner has failed to demonstrate that there is a reasonable likelihood that it will prevail as to at least one claim based on its proposed rejection over Higgins in view of Humble under 35 U.S.C. § 103(a).

D. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 2-3, 13 and 15 is Rendered Obvious by Higgins in view of Sitrick and Bakula

Petitioner challenges claims 2-3, 13 and 15 based on Higgins in view of Sitrick and Bakula under 35 U.S.C. 103(a). Petition at 58.

The petitioner, in particular, proposes this rejection as an attempt to make up for the deficiency of Higgins regarding the modifying and transmitting of a one or more software modules at a transmitter station and the receiving and processing of one or more software modules at a subscriber station. Higgins and Sitrick are deficient for a number of additional reasons, as described above in Section II.A and II.B. Therefore, for at least those reasons recited, the combination of Higgins, Sitrick, and Bakula also fails to render claims 2, 3, 13 and 15 unpatentable.

E. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 1-3, 6, and 11-12 is Anticipated by Bakula

Petitioner challenges claims 1-3, 6 and 11-12 under 35 U.S.C. 102(b) over Bakula. Petition at 24-39.

Bakula is directed to a "video display system," where a central host computer may provide an editor terminal with a program to allow a newspaper editor to perform word processing. Ex. 1009 at Abstract. After the word processor program is loaded at the terminals, the editor terminal can request from the host processor one or more specific news stories for editing. *Id.;* Ex. 1009at Col. 5, ll. 10-14. In one embodiment, the editor terminal can display two articles using a dual window display feature. *Id.* at Col. 1, ll. 50-61.

The Petitioner's challenge is centered around Bakula's display and editing of the news story. *See* Petition at 25-27. In particular, Petitioner contends that Bakula discloses a word processor program loaded at a terminal allowing for the editing of a news story in a dual screen mode. If that is what Bakula teaches, it does not correspond to the claimed invention, which is directed to the processing of subscriber specific data to compute additional subscriber data at a subscriber station that are displayed in a combined medium presentation containing not only the locally-computed subscriber data, but also image or sound received from a remote system.

As a result, the petition is unable to demonstrate that the limitations of claims 1-3, 6 and 11-12 are disclosed by the reference. For instance, the petition fails to demonstrate that Bakula teaches the *computing of second subscriber data by processing the first subscriber specific data in accordance with one or more instruct signals*. Petitioner alleges that Bakula teaches the generating of a second subscriber specific data in the form of an "edited version of the news story" where the first user specific data is an unedited version of the news story. Petition at 26. However, the Petitioner does not explain how either news story can be considered subscriber specific data or the result of processing subscriber specific data, as presently claimed.

Furthermore, Petitioner fails to show that the first story is processed in "computing" the edited story at all. Petitioner refers to a portion of Bakula that describes that the news story is stored in random access memory M and further refers to another portion of Bakula that describes operations taken in outputting a news story on the cathode ray tube (CRT). Petition at 26 (citing to Bakula at Col. 4, ll. 10-13, Col. 5, ll. 14-40). Neither of these cited portions of Bakula, however, describes that the news story, as stored in the random access memory M, is processed to compute a modified version of the story. Rather, Bakula describes that changes to the story, such as those made during the editing phase, may be stored in other portions of memory. For instance, Bakula describes that "[a]s the

terminal is used, data . . . in the line vectors change." Ex. 1009 at Col. 16, ll. 3-15. As described by Bakula, the line vectors "refers to the starting RAM address of a line of character." *Id.* at Col. 15, 38-39. Thus, as the characters of the text change, the line vectors are changed to refer to the new portions of text within memory. Therefore, the original news story as stored in memory is not accessed, much less processed.

The petition further fails to demonstrate that Bakula teaches a combined medium presentation including *at least one of an image and a sound received at the subscriber station from a remote transmitter station and a portion of the computed second data.* Petitioner asserts, but fails to make a proper showing, that the dual display feature of Bakula where an edited version of the news story is shown with another news story received from a news source teaches such a combined medium presentation. Petition at 26-27. Each window in the dual display of Bakula would be displaying a story, and Petitioner does not explain how the one story is "at least one of an image and a sound received . . . from a remote transmitter station" and the other story is "a portion of the computed second subscriber data" in the other.

Moreover, Petitioner's position is not consistent across the claim. Petitioner's assertion that Bakula's news story and the edited version of the news story teach the "first subscriber specific data" and the computed "second subscriber

data" of the claim, but then a third news story would teach at least one image or sound part of a combined medium presentation, is wholly inconsistent.

Dependent claims 2, 3, and 11-12 further limit the independent claims analyzed above and are not rendered unpatentable for at least the reasons discussed above. The Petitioner further fails to demonstrate that Bakula teaches claim 11, which further includes "receiving generally applicable information in respect of said combined medium presentation at said transmission station; processing a first portion of said generally applicable information in order to generate or assemble at least some of said one or more instruct signals at said transmission station; and transmitting a second portion of said generally applicable information from said transmission station to said subscriber station." The Petitioner contends that the reference teaches the "processing by the host computer necessary to transfer the terminal program from the data base system DBS to the system multiplexer MX and finally to the editing terminal." Even if taken as true, however, such processing does not include processing of a news story (the alleged first portion of the generally applicable information as presently claimed). The news stories are not processed *in order to generate at least some* of the word processing terminal program.

For the foregoing reasons, the petitioner has failed to demonstrate that there is a reasonable likelihood that it will prevail as to at least one claim based on its proposed rejection over Bakula under 35 U.S.C. § 102(b).

F. The Petition Fails to Establish a Reasonable Likelihood that at Least One of Claims 2-3, 13 and 15 is Rendered Obvious by Sitrick in view of Bakula

Petitioner further challenges claims 2, 3, 13 and 15 under 35 U.S.C. 103(a) over Sitrick in view of Bakula. Petition at 55-56. The proposed rejection is an attempt to make up for the deficiency of Sitrick regarding the modifying and transmitting of a one or more software modules at a transmitter station and the receiving and processing of one or more software modules at a subscriber station. Sitrick is deficient for a number of additional reasons, as described above in Section II.A. Therefore, for at least those reasons recited, the combination of Higgins and Bakula also fails to render claims 2 3, 13 and 15 unpatentable.

III. CONCLUSION

In view of the above remarks, PMC respectfully submits that the Petitioner has failed to establish that there is a reasonable likelihood that it will prevail as to at least one claim. Accordingly, PMC respectfully requests that the Patent Trial and Appeal Board (the "Board") decline to institute *inter partes* review of the '638 Patent.

Dated: May 10, 2013

Respectfully submitted,

By /Thomas J. Scott, Jr./
Thomas J. Scott, Jr.
Registration No.: 27,836
Stephen T. Schreiner
Registration No.: 43,097
GOODWIN PROCTER LLP
901 New York Avenue, NW
Washington, DC 20001
(202) 346-4000
Attorneys for Patent Owner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the:

PRELIMINARY PATENT OWNER RESPONSE TO

PETITION FOR INTER PARTES REVIEW

PURSUANT TO 37 C.F.R. 42

filed herewith was served on:

David B. Cochran at dcochran@jonesday.com
and
Joseph M. Sauer at jmsauer@jonesday.com

pursuant to 37 C.F.R. § 42.6(e)(1) and the consent found in Section VI.C of the Petition (Paper No. 3) and repeated in the Section VI.C of the Supplemental Petition (Paper No. 6).

Dated: May 10, 2013 By: /Thomas J. Scott, Jr./