Paper No. 17 Filed: August 28, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC., INSTAGRAM LLC, Petitioner,

v.

TLI COMMUNICATIONS, LLC, Patent Owner.

Case IPR2015-00778 Patent 6,038,295

Before JAMESON LEE, BART A. GERSTENBLITH, and JO-ANNE M. KOKOSKI, *Administrative Patent Judges*.

LEE, Administrative Patent Judge.

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



I. INTRODUCTION

A. Background

Facebook, Inc. and Instagram LLC ("Petitioner") filed a Petition (Paper 1, "Pet.") to institute *inter partes* review of claims 17–24 of U.S. Patent No. 6,038,295 (Ex. 1001, "the '295 patent"). TLI Communications LLC ("Patent Owner") filed a Preliminary Response (Paper 6, "Prelim. Resp.").

Upon consideration of the Petition and Preliminary Response, we are persuaded, under 35 U.S.C. § 314(a), that Petitioner has demonstrated a reasonable likelihood that it would prevail in showing the unpatentability of claims 17–24 of the '295 patent. Accordingly, we institute an *inter partes* review of claims 17–24 of the '295 patent.

B. Related Matters

The '295 patent has been asserted in multiple lawsuits in the United States District Court for the Eastern District of Virginia, including *TLI Communications LLC v. AV Automotive, L.L.C. et al.*, No. 14-CV-00142 (E.D. Va.). Pet. 1. On February 6, 2015, the district court entered an order finding all claims of the '295 patent invalid under 35 U.S.C. § 101, and claims 1–16, 25, and 26 of the '295 patent invalid under 35 U.S.C. § 112(f). *Id.* Patent Owner has appealed from that determination of the district court.

The '295 patent also is the subject of *inter partes* reviews IPR2014-00566 (petition denied on Sept. 15, 2014) and IPR2015-00283 (trial instituted on June 1, 2015). Petitioner misidentified IPR2015-00283 as IPR2015-00285. Pet. 2.



C. References Relied Upon

Petitioner relies on the following references:¹

| Reference | | Date | Exhibit |
|-----------|---|----------------|----------|
| Parulski | U.S. Pat. No. 5,506,617 | Apr. 9, 1996 | Ex. 1004 |
| Sharma | U.S. Pat. No. 5,452,289 | Sept. 19, 1995 | Ex. 1006 |
| Goldhor | U.S. Pat. No. 5,231,670 | July 27, 1993 | Ex. 1007 |
| Lichty | Tom Lichty, The Official America Online for Macintosh Membership Kit & Tour Guide 1–48, 75–163, 479– 92, 501–24 (2d ed. 1994) | 1994 | Ex. 1003 |
| Coffin | STEPHEN COFFIN, UNIX SYSTEM V RELEASE 4: THE COMPLETE REFERENCE 1–44, 411–40 (1990) | 1990 | Ex. 1005 |
| Sadler | WILL SADLER, USING INTERNET E-MAIL 9–44 (1995) | 1995 | Ex. 1008 |



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¹ Petitioner also relies on the Declaration of David Klausner, dated February 19, 2015 (Ex. 1002).

D. The Asserted Grounds

Petitioner asserts the following grounds of unpatentability:

| References | Basis | Claims Challenged | |
|--|----------|-------------------|--|
| Lichty, Sharma, Parulski, and Coffin | § 103(a) | 17, 23, and 24 | |
| Lichty, Sharma, Parulski, Coffin, and Goldhor | § 103(a) | 18, 19, and 20 | |
| Lichty, Sharma, Parulski, Coffin, and Sadler | § 103(a) | 21 and 22 | |

II. ANALYSIS

A. The '295 Patent

The '295 patent relates generally to recording, transmitting, and storing digital images. Ex. 1001, Abstr. It discloses a communication system including a telephone unit, a transmission system for communicating from the telephone unit, and a server for receiving information from the transmission system. *Id.* The telephone unit includes a digital pick up unit by which the images are recorded. *Id.* The recorded images are transmitted to a server for storage on the basis of classification information that are associated with the images. *Id.* The '295 patent states:

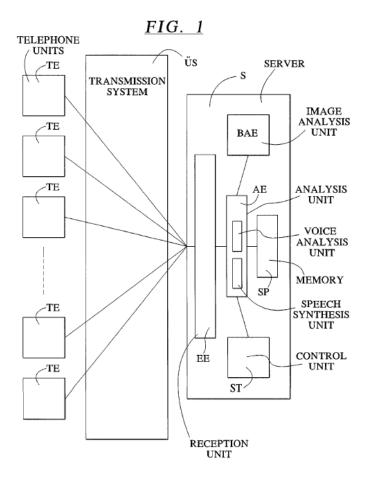
These problems [of the prior art] are solved by a communication system for recording and administering the digital images which includes at least one telephone unit that in addition to a telephone function has a digital image pick up unit for recording images, a telephone memory for storing the digital images, and a processor for processing the digital images. The telephone unit may associate classification



information with the digital images. A transmission system is coupled to the telephone unit and to a server for transmitting of the data which includes the digital images and potentially the classification information from the telephone unit to the server.

Id. at 2:5-14.

The '295 patent describes a communication system that includes "an arbitrary number of telephone units TE, a server S, and a transmission system US that is coupled to the telephone units TE as well as to the server S and that is used for transmitting data between the telephone units and the server S." *Id.* at 4:62–67. Figure 1 of the '295 patent is reproduced below:





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