UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., SAMSUNG ELECTRONICS AMERICA, INC., and APPLE INC., Petitioner,

v.

IXI IP, LLC, Patent Owner.

Case IPR2015-01444 Patent 7,039,033 B2

Before KRISTINA M. KALAN, ROBERT J. WEINSCHENK, and JOHN A. HUDALLA, *Administrative Patent Judges*.

HUDALLA, Administrative Patent Judge.

FINAL WRITTEN DECISION 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

Samsung Electronics Co., Ltd., Samsung Electronics America, Inc., and Apple Inc. (collectively "Petitioner") filed a Petition ("Pet.") (Paper 2) to institute an *inter partes* review of claims 1, 4–7, 12, 14, 15, 22, 23, 25, 28, 34, 39, 40, 42, and 46 of U.S. Patent No. 7,039,033 B2 ("the '033 patent") (Ex. 1001) pursuant to 35 U.S.C. §§ 311–319. Patent Owner, IXI IP, LLC ("IXI"), filed a Preliminary Response ("Prelim. Resp.") (Paper 6) to the Petition. Taking into account the arguments presented in IXI's Preliminary Response, we determined that the information presented in the Petition established that there is a reasonable likelihood that Petitioner would prevail in challenging claims 1, 4–7, 12, 14, 15, 22, 23, 25, 28, 34, 39, 40, 42, and 46 of the '033 patent under 35 U.S.C. § 103(a). Pursuant to 35 U.S.C. § 314, we instituted this proceeding on December 30, 2015, as to these claims of the '033 patent. Paper 7 ("Dec. on Inst.").

During the course of trial, IXI filed a Patent Owner Response (Paper 14, "PO Resp."), and Petitioner filed a Reply to the Patent Owner Response (Paper 18, "Pet. Reply"). An oral hearing was held on September 15, 2016, and a transcript of the hearing is included in the record. Paper 26 ("Tr.").

Petitioner proffered a Declaration of Dr. Sayfe Kiaei (Ex. 1003) with its Petition, and IXI proffered a Declaration of Dr. Narayan Mandayam (Ex. 2301) with its Response. The parties also filed transcripts of the depositions of Dr. Kiaei (Exs. 2303–2305) and Dr. Mandayam (Exs. 1018, 1019).

IXI filed a Motion to Exclude (Paper 21) certain exhibits submitted by Petitioner. Petitioner filed an Opposition (Paper 24) and IXI filed a Reply (Paper 25).

We have jurisdiction under 35 U.S.C. § 6. This decision is a Final Written Decision under 35 U.S.C. § 318(a) as to the patentability of claims 1, 4–7, 12, 14, 15, 22, 23, 25, 28, 34, 39, 40, 42, and 46 of the '033 patent. For the reasons discussed below, Petitioner has demonstrated by a preponderance of the evidence that these claims are unpatentable under § 103(a).

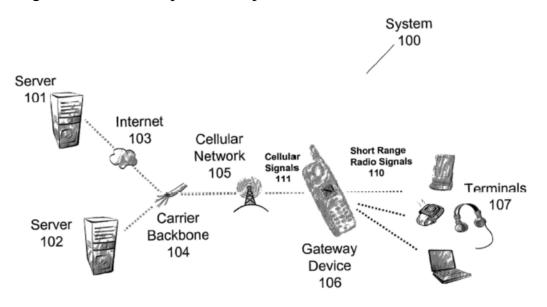
I. BACKGROUND

A. Related Proceedings

The parties identify the following proceedings related to the '033 patent: *IXI Mobile (R&D) Ltd. v. Samsung Electronics Co.*, Case No. 3:15-cv-03752-HSG (N.D. Cal.); *IXI Mobile (R&D) Ltd. v. Apple, Inc.*, Case No. 4:15-cv-03755-PJH (N.D. Cal.); and *IXI Mobile (R&D) Ltd. v. Blackberry Ltd.*, Case No. 3:15-cv-03754-RS (N.D. Cal.). Pet. 1–2; Paper 5, 1–2; Paper 7, 1–2.

B. The '033 Patent

The '033 patent issued from an application filed on May 7, 2001. Ex. 1001, at [22]. The '033 patent is directed to "a system that accesses information from a wide area network ('WAN'), such as the Internet, and local wireless devices in response to short-range radio signals." *Id.* at 4:8– 11. Figure 1 of the '033 patent is reproduced below:





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Figure 1 illustrates an exemplary system 100 having a personal area network (PAN) and a wide area network. *Id.* at 4:8–19. The PAN is made up of gateway device 106 and one or more terminals 107, such as, for example, a laptop computer, a personal digital assistant (PDA), or a printer. *Id.* at 4:17–25. Gateway device 106 is coupled to cellular network 105, which in turn connects to Internet 103 through carrier backbone 104. *Id.* at 4:36–39, 49–55.

Software architecture 400 for gateway device 106 may include network management software 404 including, *inter alia*, PAN application server 404a. *Id.* at 5:61–6:5, 6:36–42; 6:58–63, Figs. 4, 5a. In turn, PAN application server 404a includes service repository software component 704, which "allows applications 406, which run on a gateway device 106 or terminals 107, to discover what services are offered by a PAN, and to determine the characteristics of the available services." *Id.* at 10:1–9, 12:9– 14, Fig. 7; *see also id.* at 12:33–67 (enumerating the many functions of service repository software component 704).

C. Illustrative Claim

Claims 1, 25, 34, and 42 of the '033 patent are independent. Claims 4–7, 12, 14, 15, 22, and 23 depend from claim 1; claim 28 depends from claim 25; claims 39 and 40 depend from claim 34; and claim 46 depends from claim 42. Independent claim 1 is illustrative of the challenged claims and is reproduced below:

1. A system for providing access to the Internet, comprising:

a first wireless device, in a short distance wireless network, having a software component to access information from the Internet by communicating with a cellular network in response to a first short-range radio signal, wherein the first wireless device communicates with the cellular network and receives the first short-range radio signal; and,

a second wireless device, in the short distance wireless network, to provide the first short-range radio signal,

wherein the software component includes a network address translator software component to translate between a first Internet Protocol ("IP") address provided to the first wireless device from the cellular network and a second address for the second wireless device provided by the first wireless device,

wherein the software component includes a service repository software component to identify a service provided by the second wireless device.

Ex. 1001, 15:40-59.

DOCKET

Petitioner relies on the following prior art:

PCT Publication No. WO 01/76154 A2 to Marchand, published Oct. 11, 2001 (Ex. 1005, "Marchand"), which claims priority to U.S. Application No. 09/541,529, filed Apr. 3, 2000 (Ex. 1006, "Marchand Priority");

Handley et al., *Request For Comments 2543 SIP: Session Initiation Protocol*, THE INTERNET SOCIETY, March 1999 (Ex. 1007, "RFC 2543");

U.S. Patent No. 6,836,474 B1 to Larsson, filed Aug. 31, 2000, issued Dec. 28, 2004 (Ex. 1008, "Larsson");

K. Arnold et al., *The Jini™ Specification*, Addison-Wesley, June 1, 1999 (Ex. 1009, "JINI Spec.");

U.S. Patent No. 6,560,642 B1 to Nurmann, filed Oct. 23, 1999, issued May 6, 2003 (Ex. 1010, "Nurmann"); and

U.S. Patent No. 6,771,635 B1 to Vilander, filed Mar. 27, 2000, issued Aug. 3, 2004 (Ex. 1011, "Vilander").

D. The Prior Art

DOCKET A L A R M



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