Paper 9 Entered: March 24, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ACTIVISION BLIZZARD, INC.,
ELECTRONIC ARTS INC.,
TAKE-TWO INTERACTIVE SOFTWARE, INC.,
2K SPORTS, INC., and
ROCKSTAR GAMES, INC.,
Petitioner,

v.

ACCELERATION BAY, LLC, Patent Owner.

Case IPR2015-01970 Patent 6,701,344 B1

Before SALLY C. MEDLEY, LYNNE E. PETTIGREW, and WILLIAM M. FINK, *Administrative Patent Judges*.

PETTIGREW, Administrative Patent Judge.

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



I. INTRODUCTION

Activision Blizzard, Inc., Electronic Arts Inc., Take-Two Interactive Software, Inc., 2K Sports, Inc., and Rockstar Games, Inc. (collectively, "Petitioner") filed a Petition for *inter partes* review of claims 1–19 of U.S. Patent No. 6,701,344 B1 (Ex. 1001, "the '344 patent"). Paper 2 ("Pet."). Acceleration Bay, LLC ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp."). Institution of an *inter partes* review is authorized by statute when "the information presented in the petition . . . and any response . . . 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); *see* 37 C.F.R. § 42.108. Upon consideration of the Petition and Preliminary Response, we conclude the information presented shows there is a reasonable likelihood that Petitioner would prevail in establishing the unpatentability of claims 1–12 and 16–19 of the '344 patent.

A. Related Matters

Petitioner and Patent Owner identify the following pending judicial matters as relating to the '344 patent: *Acceleration Bay LLC v. Activision Blizzard, Inc.*, Case No. 1:15-cv-00228-RGA (D. Del., filed Mar. 11, 2015); *Acceleration Bay LLC v. Electronic Arts Inc.*, Case No. 1:15-cv-00282-RGA (D. Del., filed Mar. 30, 2015); and *Acceleration Bay LLC v. Take-Two Interactive Software, Inc.*, Case No. 1:15-cv-00311-RGA (D. Del., filed Apr. 13, 2015). Pet. 4; Paper 5, 1.

Petitioner and Patent Owner also identify five other petitions for *inter* partes review filed by Petitioner challenging the '344 patent and similar patents:



IPR2015-01951	U.S. Patent No. 6,714,966 B1
IPR2015-01953	U.S. Fatelit No. 0,714,900 B1
IPR2015-01964	U.S. Patent No. 6,829,634 B1
IPR2015-01996	U.S. Patent No. 0,829,034 B1
IPR2015-01972	U.S. Patent No. 6,701,344 B1

Pet. 4; Paper 5, 1.

B. The '344 Patent

The '344 patent relates to a "broadcast technique in which a broadcast channel overlays a point-to-point communications network." Ex. 1001, 4:3–5. The broadcast technique overlays the underlying network system with a graph of point-to-point connections between host computers or nodes through which the broadcast channel is implemented. *Id.* at 4:23–26. Figure 1 of the '344 patent is reproduced below:

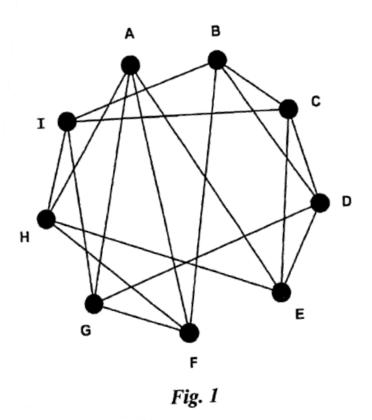




Figure 1 illustrates a broadcast channel represented by a "4-regular, 4-connected" graph. *Id.* at 4:48–49. The graph of Figure 1 is "4-regular" because each node is connected to exactly four other nodes (e.g., node A is connected to nodes E, F, G, and H). *Id.* at 4:38–39, 4:49–53. A node in a 4-regular graph can only be disconnected if all four of the connections to its neighbors fail. *Id.* at 4:39–42. Moreover, the graph of Figure 1 is "4-connected" because it would take the failure of four nodes to divide the graph into two separate sub-graphs (i.e., two broadcast channels). *Id.* at 4:42–47.

To broadcast a message over the network, an originating computer sends the message to each of its four neighbors using the point-to-point connections. *Id.* at 4:30–32. Each computer that receives the message sends it to its other neighbors, such that the message is propagated to each computer in the network. *Id.* at 4:32–38. The minimum number of connections needed to traverse any two computers in the network is known as the "distance" between them, while the maximum of the distances in the network is called the "diameter" of the broadcast channel. *Id.* at 4:57–5:3. In Figure 1, the diameter is 2 because a message originating at any node (e.g., A) traverses no more than 2 connections to reach every other node. *Id.* at 5:3–6.

In one embodiment described in the '344 patent, a distributed game environment is implemented using broadcast channels. *Id.* at 16:30–31. Each player's computer executes a game application program, and a player joins a game by connecting to the broadcast channel on which the game is played. *Id.* at 16:31–36. Each time a player takes an action in the game, a



IPR2015-01970 Patent 6,701,344 B1

message representing that action is broadcast on the game's broadcast channel. *Id.* at 16:36–38.

C. Illustrative Claim

Petitioner challenges all claims, i.e., claims 1–19, of the '344 patent. Claims 1, 13, 16, and 18 are independent, and claim 1, reproduced below, is illustrative of the claimed subject matter:

1. A computer network for providing a game environment for a plurality of participants, each participant having connections to at least three neighbor participants, wherein an originating participant sends data to the other participants by sending the data through each of its connections to its neighbor participants and wherein each participant sends data that it receives from a neighbor participant to its other neighbor participants, further wherein the network is m-regular, where m is the exact number of neighbor participants of each participant and further wherein the number of participants is at least two greater than m thus resulting in a non-complete graph.

Id. at 29:26–37.

D. Asserted Grounds of Unpatentability

Petitioner asserts that claims 1–19 are unpatentable based on the following grounds (Pet. 6–7):



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

