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Paper No. 7
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.,
Petitioner,

v.

WINDY CITY INNOVATIONS, LLC,
Patent Owner.

Case IPR2016-01159
Patent 8,694,657 B1

Before KARL D. EASTHOM, DAVID C. MCKONE, and J. JOHN LEE, *Administrative Patent Judges*.

MCKONE, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background

Facebook, Inc. ("Petitioner") filed a Petition (Paper 1, "Pet.") to institute an *inter partes* review of claims 189, 334, 342, 348, 465, 580, 584, and 592 ("the challenged claims") of U.S. Patent No. 8,694,657 B1 (Ex. 1001, "the '657 patent"). Windy City Innovations, LLC ("Patent Owner") filed a Preliminary Response (Paper 6, "Prelim. Resp."). Upon consideration of the Petition and Preliminary Response, we conclude, under 35 U.S.C. § 314(a), that Petitioner has established a reasonable likelihood that it would prevail with respect to claims 189, 334, 342, 348, 465, 580, 584, and 592. Accordingly, we institute an *inter partes* review of claims 189, 334, 342, 348, 465, 580, 584, and 592 of the '657 patent.

B. Related Matters

The parties indicate that the '657 patent has been asserted in *Windy City Innovations, LLC v. Microsoft Corp.*, Civ. A. No. 15-cv-00103-GM (W.D.N.C.) (transferred to 16-cv-1729 (N.D. Cal.)), and *Windy City Innovations, LLC v. Facebook, Inc.*, Civ. A. No. 15-cv-00102-GM (W.D.N.C.) (transferred to 16-cv-1730 (N.D. Cal.)). Pet. 1; Paper 4, 1. The '657 patent also is the subject an *inter partes* review petition in IPR2016-01155, Paper 4, 1.

C. Evidence Relied Upon

Petitioner (Pet. 3) relies on the following prior art:

U.S. Patent No. 6,608,636 B1, issued Aug. 19, 2003, filed May 13, 1992 (Ex. 1003, "Roseman");

Published European Pat. App. No. 0 621 532 A1, published Oct. 26, 1994 (Ex. 1004, "Rissanen");

Ronald J. Vetter, *Videoconferencing on the Internet*, IEEE COMPUTER SOCIETY 77–79 (Jan. 1995) (Ex. 1005, "Vetter");

MARY ANN PIKE ET AL., USING MOSAIC (1994) (Ex. 1006, "Pike");

TOM LICHTY, THE OFFICIAL AMERICA ONLINE FOR MACINTOSH MEMBERSHIP KIT & TOUR GUIDE (2nd ed. 1994) (Ex. 1007, "Lichty").

Petitioner also relies on the Declaration of Tal Lavian, Ph.D. (Ex. 1002, "Lavian Decl."). Patent Owner relies on the Declaration of Chandrajit Bajaj, Ph.D. (Ex. 2001, "Bajaj Decl.").

D. The Asserted Ground

Petitioner asserts that the challenged claims would have been obvious over Roseman, Rissanen, Vetter, Pike, and Lichty. Pet. 3.

E. The '657 Patent

The '657 patent describes an Internet "chat room." According to the '657 patent, it was known to link computers together to form chat rooms in which users communicated by text, graphics, and multimedia, giving the example of "America On Line." Ex. 1001, 1:33–37. The '657 patent contends, however, that "[t]he Internet was structured for one-way communications analogous to electronic mail, rather than for real time group chat room communications" and that "there is no particular control over the platform that would be encountered on the Internet." *Id.* at 1:38–46.

Figure 1, reproduced below, illustrates an embodiment of the invention:

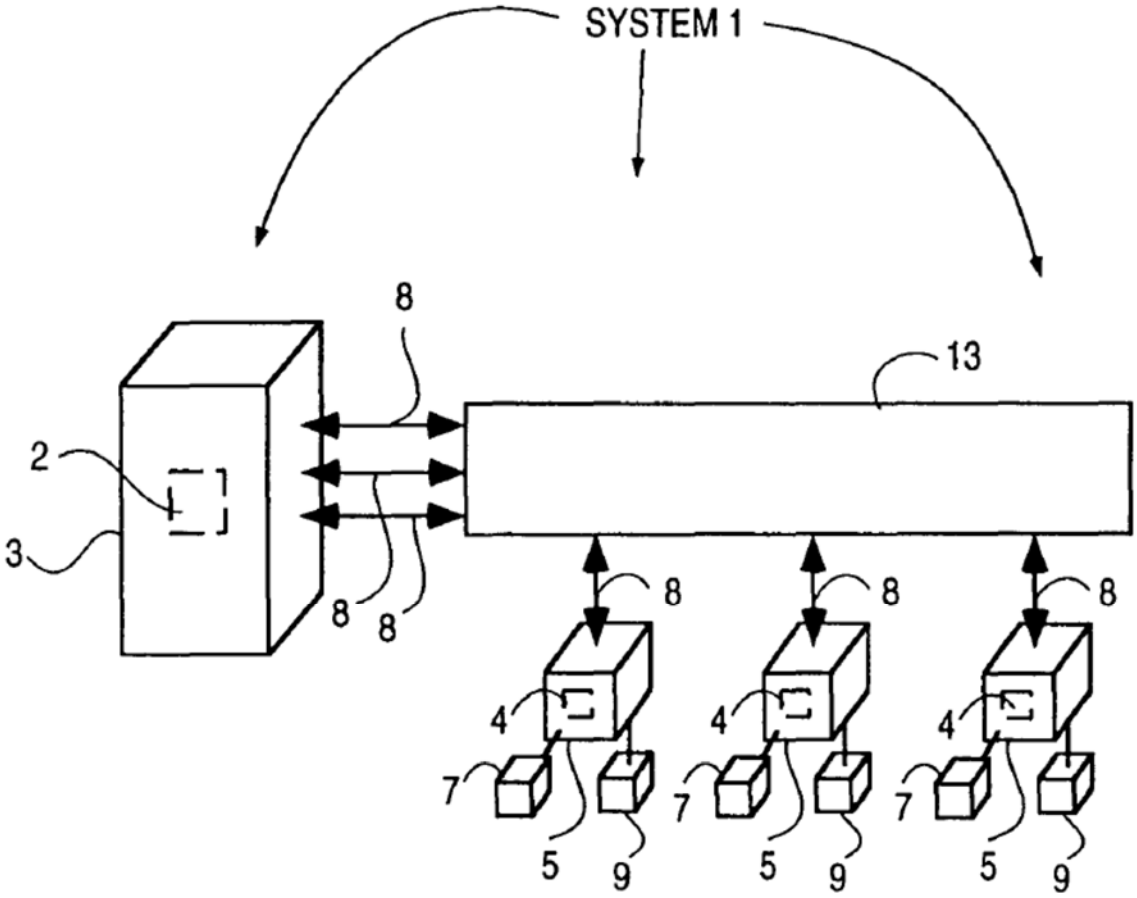

Figure 1 is a block diagram showing the components and data flow of a computerized human communication arbitrating and distributing system. *Id.* at 4:36–40. The system includes controller computer 3 in communication with several participator computers 5 (e.g., IBM-compatible personal computers) over connection 13 (e.g., an Internet connection or a World Wide Web connection). *Id.* at 4:41–60.

Controller computer 3 runs under the control of controller software 2, and the software arbitrates, in accordance with predefined rules (including user identities), which participator computers 5 can interact in a group

through the controller computer, and directs real-time data to the members of the group. *Id.* at 4:61–67. The software uses "identity tokens," or pieces of information associated with user identity, in the arbitration. *Id.* at 7:49–52. The tokens are stored in a memory in a control computer database along with personal information about the users. *Id.* at 7:52–57.

The arbitration can be used to control a user's ability to join or leave a group of participator computers, to moderate communications involving the group, and to see other users in the group. *Id.* at 7:62–8:6. Arbitration using tokens also can be used to perform censorship:

> Censorship, which broadly encompasses control of what is said in a group, is also arbitrated by means of the tokens. Censorship can control of access [sic] to system 1 by identity of the user, which is associated with the user's tokens. By checking the tokens, a user's access can be controlled per group, as well as in giving group priority, moderation privileges, etc.
>
> Censorship also can use the tokens for real time control of data (ascii, text, video, audio) from and to users, as well as control over multimedia URLs [Uniform Resource Locators]—quantity, type, and subject.

Id. at 8:11–19.

According to the Specification, "[t]he present invention comprehends communicating all electrically communicable multimedia information as Message 8, by such means as pointers, for example, URLs. URLs can point to pre-stored audio and video communications, which the Controller Computer 3 can fetch and communicate to the Participator Computers 5." *Id.* at 5:9–16.

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