UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,
Petitioner,

v.

PERSONALIZED MEDIA COMMUNICATIONS LLC,
Patent Owner.

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Case IPR2016-01520
Patent 8,559,635 B1

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Before KARL D. EASTHOM, TRENTON A. WARD, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

WARD, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Personalized Media Communications, LLC ("Patent Owner") filed a Request for Rehearing under 37 C.F.R. § 42.71(d). Paper 9 ("Reh'g Req."). Patent Owner's Request for Rehearing seeks reconsideration of our Decision on Institution (Paper 7, "Dec.") with respect to claims 3, 4, 7, 18, 20, 32 and 33 ("instituted claims") of U.S. Patent No. 8,559,635 B1 (Ex. 1003, "the '635 patent").[1] Patent Owner generally challenges our determination in the Decision on Institution regarding the priority date of claims 3, 4, 7, 18, 20, 32 and 33 of the '635 patent. Reh'g Req. 1. First, Patent Owner contends that the Board failed to consider all relevant embodiments in reaching its determination that claims 18, 20, 32, and 33 of '635 patent are not entitled to a 1981 filing date. *Id.* Second, Patent Owner contends that the Board's determination that claims 3, 4, and 7 of the '635 patent are also not entitled to a 1981 filing date is founded upon a legally-incorrect analysis of a parent application's disclosure. *Id.* at 1–2.

We have considered Patent Owner's arguments regarding what it alleges the Board misapprehended or overlooked under 37 C.F.R. § 42.71(d). For the reasons provided below, we *deny* Patent Owner's request for rehearing.

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[1] We note that the Board also instituted review of claim 13 of the '635 patent (Dec. 58), but that claim was not addressed in Patent Owner's Request for Rehearing.

II. ANALYSIS

A request for rehearing "must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply." 37 C.F.R. § 42.71(d). The party challenging a decision bears the burden of showing the decision should be modified. *Id.*

A. Arguments Regarding "Unaccompanied By Any Non-Digital Information Transmission"

1. Effective Priority Date for the Challenged Claims of the '635 Patent

Our Decision on Institution made certain initial determinations as to the effective priority date for the instituted claims of the '635 patent. Dec. 7–19. As set forth in our Decision on Institution, the prior art status of the asserted prior art hinges on the effective priority date for the '635 patent with respect to support for the instituted claims. *See* Dec. 7. Petitioner contends that the earliest effective priority date for the instituted claims of the '635 patent (through a series of continuation patents) is the filing date of U.S. Patent No. 4,965,825 ("'825 patent") on September 11, 1987. *See* Pet. 5. The '635 patent claims Continuation-in-Part ("CIP") status from September 11, 1987 to a chain of continuing applications purportedly having a priority date of November 3, 1981—the filing date of the earliest-filed ancestor patent in the chain, U.S. Patent No. 4,694,490 ("'490 patent"). *See* Ex. 1003 [63]. Patent Owner contends that the effective priority date of the instituted claims of the '635 patent is the filing date of the '490 patent on November 3, 1981. Prelim. Resp. 7. We determined for purposes of the Decision on Institution, that Patent Owner failed to rebut sufficiently Petitioner's contention that the 1981 '490 patent does not support the

instituted claims of the '635 patent, and that the earliest effective priority date for these claims is no earlier than that of the '825 patent on September 11, 1987.

Patent Owner argues in its Request for Rehearing, that the '490 patent provides written description support for the "unaccompanied by any non-digital information transmission" recited in claims 18, 20, 32, and 33.[2] Reh'g Req. 3. Specifically, Patent Owner argues that "the '490 Patent describes that the receiver stations receive, via telephone link 22, one or more all-digital information transmissions that include digital instructions and information." Reh'g Req. 4 (citing Ex. 1004, 8:50–55, 15:20–25, Fig. 5 ("Signal processor 130 directly connected to 'telephone or other data transfer network'), Fig. 6F (same); Prelim. Resp. 24–25; Ex. 2001 ¶ 109). We note that Figures 5 and 6F of the '490 patent were not relied upon or cited at pages 24–25 of the Preliminary Response. *See* Prelim. Resp. 24–25. Patent Owner did, however, reproduce the following disclosure in the '490 patent in its Preliminary Response: "[t]he controller, 20, also controls the automatic telephone dialing device, 24, which can automatically output the digital information on the digital recorder, 12, to a remote site through a telephone connection, 22." Prelim. Resp. 24 (citing Ex. 1004, 8:50–55).[3]

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[2] Claim 18 of the '635 Patent recites a "method of processing signals at a receiver station" including "receiving at least one encrypted digital information transmission, wherein the at least one encrypted digital information transmission is *unaccompanied by any non-digital information transmission*" (claims 20, 32, and 33 provide similar recitations).

[3] We note that Patent Owner's citation to column 8 is inaccurate and that this language from the '490 patent actually occurs in column 10. *See* Ex. 1004, 10:4–8.

As noted in our Decision on Institution, we determined that Patent Owner failed to describe sufficiently how the cited embodiments from the 1981 '490 patent provide support for the limitations in claim 18. Dec. 10–15. For example, Patent Owner fails to describe sufficiently how the above cited embodiment regarding the automatic telephone dialing device, 24, provides support for the recitation in claim 18. *See supra* note 2 (claim 18). The automatic telephone dialing device 24, an embodiment described in the '490 patent and relied upon by Patent Owner, allows recorder 16 to free up its memory. *See* Ex. 1004, 9:8–13. Specifically, the '490 patent discloses that the "[d]igital recorder, 16, can tell the controller, 20, when it *reaches predetermined levels of fullness* to permit the controller, 20, to instruct auto dialer, 24, to contact an appropriate remote site allowing the recorder, 16, to output its data *making memory available*." *Id*. (emphasis added). Accordingly, Patent Owner fails to establish sufficiently how this disclosure in the '490 patent provides the necessary support for the limitation regarding receiving "at least one encrypted digital information transmission" that is "unaccompanied by any non-digital information transmission," as recited in claim 18.

Patent Owner also identifies disclosure in the '490 patent that receiver stations may "operate in a predetermined fashion and telephone a remote site to get an additional signal or signals necessary for the proper decryption and/or transfer of incoming programing transmissions." Reh'g Req. 4 (citing Ex. 1004, 15:20–25). Our Decision on Institution determined generally that the disclosures relied upon by Patent Owner failed to establish sufficiently for purposes of the Decision on Institution that the '490 patent provides sufficient support for "unaccompanied" limitation in claims 18, 20,

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