UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC.,
Petitioner,

v.

PERSONALIZED MEDIA COMMUNICATIONS, LLC,
Patent Owner.

Case No.: IPR2016-01520: U.S. Patent No. 8,559,635

PATENT OWNER'S CONTINGENT MOTION TO AMEND UNDER 37 C.F.R. § 42.121

I. INTRODUCTION

U.S. Patent 8,559,635 ("the '635 patent"), which issued from U.S. Patent Appl. No. 08/449,413 ("the '413 application"), is a continuation of U.S. Patent Appl. No. 07/096,096, filed September 11, 1987, which is a continuation-in-part application of, and claims priority to, U.S. Patent Appl. No. 06/317,510 ("the '510 application"), filed on November 3, 1981. Despite this proper claim of priority, Petitioner has based its patentability challenge on prior art that was published well after November 3, 1981, asserting that the '635 patent is only entitled to claim priority to September 11, 1987.

Patent Owner maintains its positions discussed in the Patent Owner Response that the challenged claims of the '635 patent are fully supported by the '510 application and are entitled to the 1981 priority date, and that the challenged claims are not obvious over the cited prior art even if priority is based only on the '413 application. However, in the event that the Board accepts Petitioner's arguments regarding priority and obviousness and deems the claims unpatentable, Patent Owner now contingently moves to substitute the canceled claim(s) with corresponding proposed amended claims 41-48 ("Substitute Claims"). Patent Owner herein demonstrates that the Substitute Claims are all supported by the '413 application and are patentable over the grounds that have been instituted in this IPR. Patent Owner herein also demonstrates that the Substitute Claims are drawn

to patentable subject matter and are neither anticipated by nor obvious over any prior art of which Patent Owner is aware. The Board has authorized Patent Owner to file a Contingent Motion to Amend any claim found to be unpatentable. (Ex. 2214 at 17-20; *See* 37 C.F.R. §§ 42.22(a)(2); 42.121; 35 U.S.C. § 316(d)). This motion is supported by the declaration of Dr. Timothy Dorney (Ex. 2223; "the Dorney Dec.") and Dr. Alfred Weaver (Ex. 2213; "the Weaver Dec.").

II. THE PROPOSED AMENDMENTS NARROW THE ISSUED CLAIMS

Original claims 3, 4, 7, 13, 18, 20, 32, and 33 ("Original Claims") are directed to the receipt of encrypted content, which requires a key for decryption, where the key is delivered in an encrypted message. The Substitute Claims retain all of the limitations of the original claims and add further requirements such as (1) the encrypted content is digital; (2) unique digital data is received and decrypted by the receiver station, and then communicated to a remote site; and (3) encrypted content is decrypted, and then customized based on subscriber specific digital data that is stored at the receiver station prior in time to receipt of the encrypted content. Individual Substitute Claims include further limitations.

Because the Substitute Claims retain all of the limitations found in the Original Claims and add further limitations, they are narrower in scope than the Original Claims. Substitute claim 43, proposed as a replacement for claim 7, is exemplary:

> The method of claim 2, wherein said subscriber station detects, in a transmission channel including said programming, a second control signal portion used to decrypt the first control signal portion, wherein said programming further includes unique digital data, said subscriber station communicating said unique digital data to a remote site through a digital information transmission automatically initiated by said subscriber station, said second decryptor decrypts, absent any descrambling, using one of a plurality of cipher algorithms preprogrammed at said subscriber station chosen based on said decrypted control signal portion.

Patent Owner provides a complete listing of Substitute Claims with a correlation to the Original Claims in Appendix A. One substitute claim is proposed for each original claim. 37 C.F.R. §§ 42.24(a)(1), 42.121 (a)(3). The Substitute Claims are not broader than the Original Claims. 37 C.F.R. §42.221 (a)(2)(ii). The amendments add features to the claims in a manner that is consistent with the description of the inventions in the '413 application. The amendments are responsive to a ground of unpatentability involved in the proceeding. 35 U.S.C. § 316(d)(3).

III. CLAIM CONSTRUCTION

Patent Owner adopts the Board's claim construction set forth in the Institution Decision for the purposes of this Motion only. (Paper 7 at 19-22).

Patent Owner clarifies the following further limitations relevant to the Substitute Claims.

a. "customized"

Substitute claims 44-48 recite the term "customized," which should be understood by its plain and ordinary meaning as "altered according to individual specifications." (Ex. 2211). As explained below, the new limitations are directed to "customized" information, such as a shopping list, or computer information, based on (unique) subscriber specific digital data.

b. "unique"

The substitute claims recite the term "unique," which should be understood by its plain and ordinary meaning as "being the only one." (Ex. 2212). The claims include subscriber specific unique digital data, such as, for example, a street address. Per substitute claims 46-47, information is customized dependent on a computer file containing unique subscriber specific information. The claims also include programming specific unique digital data, such as, for example, unique identifier codes for each programming unit. Per substitute claims 42-48, "unique" programming specific digital data may be received at a subscriber station and communicated to a remote site.

IV. THE AMENDED CLAIMS ARE DIRECTED TO STATUTORY SUBJECT MATTER

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