

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

UNIFIED PATENTS INC.,  
Petitioner,

v.

DIGITAL AUDIO ENCODING SYSTEMS, LLC,  
Patent Owner.

---

Case IPR2017-00212  
Patent 7,490,037 B2

---

Before MICHAEL J. FITZPATRICK, STACEY G. WHITE, and  
MICHELLE N. WORMMEESTER, *Administrative Patent Judges*.

Opinion of the Board filed by Administrative Patent Judge  
WORMMEESTER.

Opinion Concurring filed by Administrative Patent Judge FITZPATRICK.

WORMMEESTER, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review  
37 C.F.R. §§ 42.107(e), 42.108

## I. INTRODUCTION

RPX Corporation (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 5, 6, 8, 22, 23, 26–28, and 30 of U.S. Patent No. 7,490,037 B2 (Ex. 1201, “the ’037 patent”). Digital Audio Encoding Systems, LLC (“Patent Owner”) did not file a Preliminary Response. We have jurisdiction under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). For the reasons that follow, we decline to institute an *inter partes* review.

## II. BACKGROUND

### A. *Related Proceedings*

The parties identify three other pending requests for *inter partes* review involving the ’037 patent, including *Unified Patents Inc. v. Digital Audio Encoding Systems, LLC*, Case IPR2016-01710 (“the 1710 IPR”). Pet. x; Paper 6, 1.

Petitioner also identifies more than twenty federal district court cases involving the ’037 patent. Pet. viii–x.

### B. *The ’037 Patent*

The ’037 patent, titled “Method and Apparatus for Encoding Signals,” relates to encoding digitized audio signals and processing the encoded signals. Ex. 1201, [54], [57]. Given the procedural posture of this proceeding, we need not discuss further the substance of the patent.

### III. ANALYSIS

In the 1710 IPR, which also involves the '037 patent, Patent Owner represented that it “believes that the patent claims of the subject patent, U.S. Patent No. 7,490,037 (the ‘037 patent’) are invalid in light of recently-developed information, specifically, a break in the continuity in the chain of priority applications due to failure to pay an extension fee,” and that it therefore “expect[s] to take steps to seek an adverse judgment on the above-identified IPR, and/or dedicate the patent to the public.” *Unified Patents Inc. v. Digital Audio Encoding Sys., LLC*, Case IPR2016-01710, slip op. at 1 (PTAB Dec. 20, 2016) (Paper 15). Since making those representations, Patent Owner filed in the instant case both a Request for Adverse Judgment (Paper 7) and a statutory disclaimer (Paper 8) disclaiming all thirty-two claims of the '037 patent. In addition, during a conference call between the panel and respective counsel for the parties held on January 24, 2017, counsel for Patent Owner indicated that it did not believe that any continuing prosecution associated with the '037 patent exists.

The Director has delegated to the Board authority to determine whether to institute an *inter partes* review. 37 C.F.R. § 42.4(a). The Director has determined that:

The patent owner may file a statutory disclaimer under 35 U.S.C. 253(a), in compliance with § 1.321(a) of this chapter, disclaiming one or more claims in the patent. No *inter partes* review will be instituted based on disclaimed claims.

37 C.F.R. § 42.107(e). Pursuant to 35 U.S.C. § 253(a), “[s]uch disclaimer shall be in writing, and recorded in the Patent and Trademark Office; and it shall thereafter be considered as part of the original patent.” Given the phrase “considered as part of the original patent,” “[a] statutory disclaimer

under 35 U.S.C. § 253 has the effect of canceling the claims from the patent and the patent is viewed as though the disclaimed claims had never existed in the patent.” *Vectra Fitness, Inc. v. TNWK Corp.*, 162 F.3d 1379, 1383 (Fed. Cir. 1998); *Guinn v. Kopf*, 96 F.3d 1419, 1422 (Fed. Cir. 1996); see also *Altoona Publix Theatres v. American Tri-Ergon Corp.*, 294 U.S. 477, 492 (1935) (“Upon the filing of the disclaimers, . . . the public was entitled to manufacture and use the device originally claimed as freely as though [the claim] had been abandoned.”).

As discussed above, Patent Owner here disclaimed all thirty-two claims of the ’037 patent under section 253. Accordingly, Patent Owner “effectively eliminated those claims from the original patent.” See *Vectra*, 162 F.3d at 1383. In light of such elimination of all thirty-two claims from the ’037 patent, as well as Patent Owner’s belief that all those claims were already invalid and that no continuing prosecution associated with the ’037 patent exists, we deny as moot the Petition, which requests *inter partes* review of claims 5, 6, 8, 22, 23, 26–28, and 30 of the ’037 patent. In addition, we also dismiss as moot Patent Owner’s Request for Adverse Judgment.

#### IV. CONCLUSION

For the foregoing reasons, we decline to institute an *inter partes* review of U.S. Patent No. 7,490,037 B2.

IPR2017-00212  
Patent 7,490,037 B2

V. ORDER

For the reasons given, it is

ORDERED that the Petition is *denied* as moot and no trial is instituted; and

FURTHER ORDERED that Patent Owner's Request for Adverse Judgment (Paper 7) is *dismissed* as moot.

# 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.