Trials@uspto.gov Paper 8
Tel: 571-272-7822 Entered: March 31, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

CEODE THE DATENT TOLLL AND ADDEAL DOADE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC. AND AMAZON WEB SERVICES, LLC, Petitioner,

V.

PERSONALIZED MEDIA COMMUNICATIONS, LLC, Patent Owner.

Case IPR2014-01532 Patent 7,801,304 B1

\_\_\_\_\_\_

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

WARD, Administrative Patent Judge.

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



#### **I.INTRODUCTION**

### A. Background

Amazon.Com, Inc. and Amazon Web Services, LLC ("Petitioner") filed a petition to institute an *inter partes* review of claims 1, 11, 16, 18, and 22–24 ("challenged claims") of U.S. Patent No. 7,801,304 B1 (Ex. 1004, "the '304 patent") pursuant to 35 U.S.C. §§ 311–319. Paper 1 ("Pet."). Personalized Media Communications, LLC ("Patent Owner") filed a preliminary response. Paper 6 ("Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted "unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition."

Upon consideration of the Petition, Patent Owner's Preliminary Response, and the associated evidence, we conclude Petitioner has established a reasonable likelihood it would prevail with respect to at least one of the challenged claims. Accordingly, for the reasons that follow, we institute an *inter partes* review.

## B. Additional Proceedings

Petitioner informs us that the '304 patent is the subject of a lawsuit: *Personalized Media Communications, LLC v. Amazon.com, Inc.*, No. 1:13-cv-1608-RGA (D. Del. filed Sept. 23, 2013). Pet. 1. Petitioner also informs us that six patents related to the '304 patent are the subject of concurrently-filed petitions for *inter partes* review. *Id.*; *see* IPR2014-01527, IPR2014-01528, IPR2013-01530, IPR2014-01531, IPR2014-01533 and IPR2014-01534.



IPR2014-01532 Patent 7,801,304 B1

C. The '304 Patent

The '304 patent is titled "Signal Processing Apparatus and Methods" and generally relates to a unified system of programming communication. Ex. 1004, Abstr. The challenged claims relate to methods of controlling the decryption of programming at a subscriber station or receiver station. Claim 1 is reproduced below:

1. A method for controlling the decryption of programming at a subscriber station, said method comprising the steps of:

receiving programming, said programming having a first encrypted digital control signal portion and an encrypted digital information portion;

detecting said first encrypted digital control signal portion of said programming;

passing said first encrypted digital control signal portion of said programming to a decryptor at said subscriber station;

decrypting said first encrypted digital control signal portion of said programming using said decryptor at said subscriber station;

passing said encrypted digital information portion of said programming to said decryptor;

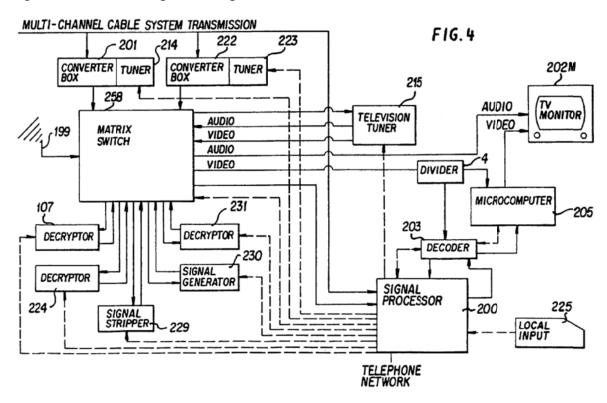
decrypting said encrypted digital information portion of said programming using said decryptor at said subscriber station based on the decrypted control signal portion; and

presenting said programming.

The Patent Owner describes claim 1 as directed to a method decrypting the encrypted digital information portion of programming using a decryptor at a subscriber station based on a decrypted control signal portion



of the programming. Prelim. Resp. 10. The '304 patent describes access control to transmitted content at a receiver station. Ex. 1004, 143:39–49. Figure 4 of the '304 patent, reproduced below, illustrates a receiver station:



As shown above in Figure 4, the '304 patent discloses a receiver station having signal processor 200 to control tuners 214, 215, and 223, the switching of matrix switch 258, and decrypting by decryptors 107, 224, and 231. *Id.* at 148:12–16. In one example described in the Specification, the "Wall Street Week" program is transmitted to the receiver station by a cable television head end. *Id.* at 149:5–8. Prior to transmission, the cable head end "encrypts the digital audio information of said transmission, in a fashion well known in the art, using particular cipher algorithm C and cipher key Ca, then transmits the information of said program on cable channel 13." *Id.* at 149:8–12. Furthermore, a SPAM message consisting of an "01" header, local-cable-enabling-message (#7), is transmitted with instructions that



enable the "Wall Street Week" programming. *Id.* at 150:5–14. Executing the instructions causes controller 20 to receive the cable channel transmission, select the information of a cipher key Ca from among the information portion, and transfer the cipher key to decryptor 107. Once the ciper key is received by decryptor 107, decryptor 107 then decrypts "using said key information and selected decryption cipher algorithm C, and output[s] the decrypted information of the audio portion of the 'Wall Street Week' program transmission." *Id.* at 151:58–63; 152:25–30.

Subsequently, a second SPAM message that consists of an "01" header provides "1<sup>st</sup>-stage-enable-WSW-program" instructions as the information segment information. *Id.* at 153:19–24. Executing the "1<sup>st</sup>-stage-enable-WSW-program" instructions causes controller 20 to affect a first stage of decrypting the video information of the "Wall Street Week" program transmission. *Id.* at 153:47–50. Controller 20 selects the decryption cipher key Ba and transfers it to selected decryptor 224. *Id.* at 153:47–65; 154:10–11. Controller 20 causes decryptor 224 to commence decrypting the received information using decryption cipher key Ba and decryption cipher algorithm B. *Id.* at 154:10–14.

A third SPAM message provides "2<sup>nd</sup>-WSW-program enabling-message" instructions, causing the controller to affect a second stage of decrypting the digital video information of "Wall Street Week." *Id.* at 156:44–56. The second stage of decrypting the video information of the "Wall Street Week" program transmission is completed using the decryption cipher key Aa. *Id.* at 158:4–10. Finally, controller 20 causes the receiver station to commence the transfer of the decrypted television information of



# 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.

