UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TWITTER, INC., Petitioner,

v.

VIDSTREAM LLC, Patent Owner.

Case IPR2017-01133 Patent 8,601,506 B2

Before SALLY C. MEDLEY, CHARLES J. BOUDREAU, and JESSICA C. KAISER, *Administrative Patent Judges*.

MEDLEY, Administrative Patent Judge.

FINAL WRITTEN DECISION 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Twitter, Inc. ("Petitioner") filed a Petition for *inter partes* review of claims 1, 4–8, 11, 13–15, 23–26, 29, and 30 of U.S. Patent No. 8,601,506 B2 (Ex. 1001, "the '506 patent"). Paper 1 ("Pet."). Youtoo Technologies, LLC (the original "Patent Owner") did not file a Preliminary Response. Upon consideration of the Petition, we instituted an *inter partes* review pursuant to 35 U.S.C. § 314, as to claims 1, 4–8, 11, 13–15, 23–26, 29, and 30 of the '506 patent. Paper 8 ("Dec.").

Subsequent to institution, VidStream LLC (subsequent "Patent Owner") filed a Patent Owner Response (Paper 47, "PO Resp."), Petitioner filed a Reply to Patent Owner's Response (Paper 50, "Reply"), and Patent Owner filed a Sur-Reply to Petitioner's Reply (Paper 57, "Sur-Reply"). Petitioner filed a Motion to Exclude (Paper 54, "Pet. Mot. Exc."), Patent Owner filed an Opposition (Paper 61, "PO Opp. Mot. Exc."), and Petitioner filed a Reply (Paper 63). Patent Owner filed a Motion to Exclude (Paper 56, "PO Mot. Exc."), Petitioner filed an Opposition (Paper 60, "Pet. Opp. Mot. Exc."), and Patent Owner filed a Reply (Paper 61). An oral hearing was held October 19, 2018. A transcript of the hearing has been entered into the record. Paper 67 ("Tr.").

This Final Written Decision is entered pursuant to 35 U.S.C. § 318(a). For the reasons that follow, Petitioner has not shown by a preponderance of the evidence that any of the challenged claims are unpatentable.

A. Related Matters

The parties state that the '506 patent is the subject of a court proceeding styled *Youtoo Technologies, LLC v. Twitter, Inc.*, Case No. 3:16-cv-00764-N (N.D. Tex.). Pet. 1; Paper 4, 1.

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Patent Owner at the time, Youtoo Technologies, LLC ("Youtoo"), filed for bankruptcy on November 30, 2017. Ex. 2001. During the bankruptcy proceeding, the bankruptcy court approved an agreed order to sell certain of Youtoo's property, including the patent challenged in this proceeding. Ex. 1027; Ex. 1029. On May 1, 2018, the bankruptcy trustee filed a report of sale indicating the challenged patent had been sold to STI-ACQ LLC, as assignee of Arundel Ventures LLC. Ex. 1030. On May 7, 2018, and consistent with the report of sale, new mandatory notices were filed indicating STI-ACQ as Patent Owner. Paper 34. On May 18, 2018, new mandatory notices were filed indicating that VidStream LLC is the current Patent Owner. Paper 36; Paper 41.¹ Due to the unusual facts of this proceeding, and in accordance with 37 C.F.R. § 42.100(c), the Chief Administrative Patent Judge extended the one-year period for issuing a Final Written Decision in the present proceeding. Paper 38; Paper 39.

B. The '506 Patent

The '506 patent is directed to computer methods and systems for receiving and distributing user-generated video content. Ex. 1001, Abstract. Figure 2 is reproduced below.

¹ Except as otherwise noted, "Patent Owner" herein refers to VidStream LLC.

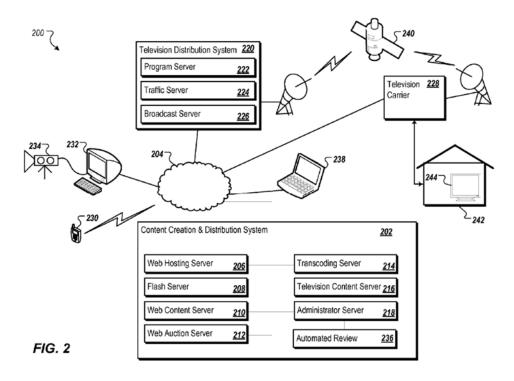


Figure 2 shows a content creation and distribution system (CCDS) 202. *Id.* at 13:66–67. System 200 can include several servers connected to one or more communications network(s) 204. *Id.* at 13:67–14:2. CCDS 202 includes a plurality of servers 206, 208, 210, 212, 214, 216, and 218. *Id.* at 14:6–11. CCDS 202 communicates with a television distribution system 220, that can include a network operations center for a television network and/or uplink facility from which a television network feed is distributed to carriers 228 that provide television services. *Id.* at 14:24–28. A user having a mobile device 230 capable of capturing SD or HD video or a computing device 232 having a video camera 234 can connect to the communications network(s) 204 and interface with CCDS 202. *Id.* at 14:37–43. Web hosting server 206 provides one or more web pages through which users can access services provided by CCDS 202. *Id.* at 14:43–45. Web hosting server 206 can host a registration web page that allows users to register with the CCDS 202 and a HD recorder web page that provides users with access to a thin

CKET LARM Find authenticated court documents without watermarks at <u>docketalarm.com</u>. client application (or web application) that supports video capture. *Id.* at 14:45–49. Web hosting server 206 also can allow fat client applications to be downloaded and installed on mobile device 230 or computing device 232. *Id.* at 14:51–53.

C. Illustrative Claim

Petitioner challenges claims 1, 4–8, 11, 13–15, 23–26, 29, and 30 of the '506 patent. Claims 1, 23, and 26 are independent claims. Claim 1, reproduced below, is illustrative of the claimed subject matter (highlighting added for emphasis):

1. A method performed by data processing apparatus, the method comprising:

receiving video data from a client computing device at a server system, wherein the video data is captured using a camera communicably connected to the client computing device in accordance with instructions executed on the client computing device, wherein the instructions are provided to the client computing device by the server system and cause the video data to be captured in accordance with predetermined constraints and the predetermined constraints include a video length defined by the instructions, with the video length predefined at the server system in accordance with a time slot in a linear television programming broadcast;

transcoding the video data, using a server included in the server system, into at least one different format, wherein at least one format of the transcoded video data defines a video file in a format appropriate for inclusion in the linear television programming broadcast; and

transferring the transcoded video data to a distribution server for distribution.

Id. at 27:63–28:17.

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