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Paper No. 10
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

UNILOC LUXEMBOURG S.A.,
Patent Owner.

Case IPR2017-02041
Patent 8,239,852 B2

Before MIRIAM L. QUINN, KERRY BEGLEY, and CHARLES J. BOUDREAU, *Administrative Patent Judges*.

BEGLEY, *Administrative Patent Judge*.

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

Apple Inc. ("Petitioner") filed a Petition requesting *inter partes* review of claims 1–8 and 16–18 ("challenged claims") of U.S. Patent No. 8,239,852 B2 (Ex. 1001, "'852 patent"). Paper 2 ("Pet."). Uniloc Luxembourg S.A. ("Patent Owner") filed a Preliminary Response. Paper 7 ("Prelim. Resp.").

Pursuant to 35 U.S.C. § 314(a), an *inter partes* review may not be instituted unless "the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." For the reasons given below, we determine that the information presented in the Petition and the Preliminary Response does not show that there is a reasonable likelihood of Petitioner prevailing as to any of the challenged claims of the '852 patent, and we deny institution of *inter partes* review.

I. BACKGROUND

A. RELATED MATTERS

The parties represent that Patent Owner has asserted the '852 patent against Petitioner in an ongoing action before the U.S. District Court for the Eastern District of Texas, *Uniloc USA, Inc. v. Apple Inc.*, No. 2:17-cv-00258. Pet. 2; Paper 5, 2. In addition, before the Office, the '852 patent is the subject of IPR2017-02202, which was filed by Petitioner and in which the Board has not yet issued an institution decision. *Apple Inc. v. Uniloc Luxembourg S.A.*, Case IPR2017-02202 (PTAB), Paper 1.

B. THE '852 PATENT

The '852 patent is directed to a system, method, and apparatus for remotely updating a program configuration of a client device. Ex. 1001, [57], 1:26–28, 2:55–58. The client device generates unique identifiers for the device, such as a device identifier and a software identifier, and sends the identifiers to an update server. *Id.* at [57], 3:4–15, 6:58–63, 9:16–27, 9:55–57. The update server analyzes the identifiers to determine an updated program configuration for the client device and delivers the updated program configuration to the device. *Id.* at [57], 4:35–39.

In disclosed embodiments, client device 100 features software "that requires a license to be authorized for use," as well as a computer program for performing a remote update. *Id.* at 2:58–60, 3:4–7, 6:3–5. Client device 100 performs "[p]hysical device recognition" to determine "machine parameters" that are "expected to be unique to" the device. *Id.* at [57], 3:7–10, 5:36–41, Fig. 2; *see id.* at 7:1–32. The machine parameters may include, for example, "user account information, program information (e.g., serial number)," "and features of the software/hardware the user is entitled to use." *Id.* at 5:36–41, 5:51–55. "An application . . . running on the client device 100" uses the machine parameters to "generate a device identifier." *Id.* at 6:58–67; *see id.* at 3:10–13. In addition, the application on client device 100 "collects [a] software identifier" for software on the device by "collect[ing] or receiv[ing] information" that "is expected to be unique to software, for example," "the software serial number, product identification number, [or] product key." *Id.* at 9:16–27, 9:34–35.

The application on client device 100 sends the unique identifiers to update server 120. *Id.* at 3:12–15, 9:55–57. Update server 120 analyzes the identifiers to determine an updated program configuration for client device 100. *Id.* at [57], 4:35–38, Fig. 4. Update server 120 then delivers the updated program configuration to client device 100. *Id.* at [57], 4:38–39.

C. Illustrative Claim

Challenged claims 1 and 18 are the only independent claims of the '852 patent. Ex. 1001, 12:2–40, 14:1–27. Claim 18, reproduced below, is illustrative of the recited subject matter:

> 18. A client device configured to execute a computer program to perform a remote update of a program configuration on the client device, the client device comprising:
>
> a processor;

a memory coupled to the processor and storing the computer program which, when executed by the processor,

(i) performs physical device recognition on the client device to determine machine parameters including account information for a user of the client device and features of software that the user of the client device is entitled to use,

(ii) generates a unique device identifier for the client device, the unique device identifier is generated based at least in part on the determined machine parameters, and

(iii) collects a unique software identifier for the software on the client device, the unique software identifier being unique to a particular copy of the software and to a particular user of the software; and

a transceiver configured to

(i) send the unique device identifier and the unique software identifier to an update server via the Internet to determine, based on analyzing the unique device identifier and the unique software identifier, an updated program configuration, and

(ii) receive, from the update server, the updated program configuration if the user associated with the unique device identifier is entitled to use features of the updated program configuration according to a license associated with the unique software identifier.

Id. at 14:1–27 (line breaks added for readability).

D. EVIDENCE OF RECORD

The Petition relies upon the following asserted prior art references:

U.S. Patent No. 6,134,659 (issued Oct. 17, 2000) (Ex. 1007, "Sprong");

U.S. Patent Application Publication No. 2002/0004785 A1 (published Jan. 10, 2002) (Ex. 1006, "Schull");

U.S. Patent Application Publication No. 2004/0059938 A1 (published Mar. 25, 2004) (Ex. 1010, "Hughes");

U.S. Patent Application Publication No. 2007/0113090 A1 (published May 17, 2007) (Ex. 1008, "Villela");

U.S. Patent Application Publication No. 2008/0120195 A1 (published May 22, 2008) (Ex. 1009, "Shakkarwar");

PCT International Publication No. WO 2007/001394 A2 (published Jan. 4, 2007) (Ex. 1005, "Eisen"); and

PCT International Publication No. WO 2007/107905 A2 (published Sept. 27, 2007) (Ex. 1004, "Michiels").

In addition, Petitioner supports its contentions with the Declaration of Mr. James Geier (Ex. 1003, "Geier Declaration").

E. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability. Pet. 3.

Challenged Claim(s)	Basis	References
1, 5, 6, 18	§ 103	Michiels and Eisen
2–4	§ 103	Michiels, Eisen, and Villela
7, 8, 16	§ 103	Michiels, Eisen, and Shakkarwar
17	§ 103	Michiels, Eisen, and Hughes
1, 18	§ 103	Schull and Sprong
2–4	§ 103	Schull, Sprong, and Villela
5, 6	§ 103	Schull, Sprong, and Eisen
7, 8, 16	§ 103	Schull, Sprong, and Shakkarwar
17	§ 103	Schull, Sprong, and Hughes

II. ANALYSIS

A. Claim Construction

The Board interprets claim terms of an unexpired patent using the "broadest reasonable construction in light of the specification of the patent." 37 C.F.R. § 42.100(b); *see Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016). We presume a claim term carries its "ordinary and customary meaning," which is the meaning "the term would have to a person of ordinary skill in the art" at the time of the invention. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007) (citation omitted).

Neither Petitioner nor Patent Owner proffers a construction for any claim term. Pet. 7; Prelim. Resp. 16. Based on our review of the record and the dispositive issues in our determination of whether to institute *inter partes*

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