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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

Case IPR2019-00973
Patent 7,075,917 B2

Before SALLY C. MEDLEY, KALYAN K. DESHPANDE, and ROBERT J. WEINSCHENK, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Microsoft Corporation ("Petitioner") filed a Petition for *inter partes* review of claims 1–3, 9, and 10 of U.S. Patent No. 7,075,917 B2 (Ex. 1001, "the '917 patent"). Paper 2 ("Pet."). Uniloc 2017 LLC ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp."). Institution of an *inter partes* review is authorized by statute when "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." 35 U.S.C. § 314(a). Upon consideration of the Petition and Preliminary Response, we institute review of claims 1–3, 9, and 10 of the '917 patent.

A. Related Matters

The parties indicate that the '917 patent is the subject of several court proceedings, including *Uniloc 2017 LLC v. Microsoft Corporation*, 8:18-cv-002053 (C.D. Cal.), filed November 17, 2018. Pet. vii; Paper 3, 2; Prelim. Resp. 14–15; *see also* Ex. 1011.[1] The '917 patent also was the subject of IPR2019-00259, where a decision to not institute *inter partes* review was rendered. *Apple Inc. v. Uniloc 2017 LLC*, IPR2019-00259 ("IPR259"), Paper 7 (PTAB June 27, 2019)(Decision Denying Institution)("IPR259 Dec."). In IPR259, Apple Incorporated ("Apple"), filed a petition asserting that claims 1–3, 9, and 10 of the '917 patent are unpatentable under

[1] Petitioner further lists case *Uniloc 2017 LLC v. Microsoft Corporation*, 8:18-cv-001279 (C.D. Cal.), filed July 24, 2018, but Patent Owner does not. Pet. vii; Prelim. Resp. 14–15. We assume that case was dismissed. The parties are reminded that within 21 days of a change of information listed in mandatory notices, to update such information. 42 C.F.R. § 42.8.

35 U.S.C. § 103(a) as obvious over Decker[2] and Abrol.[3] In the IPR259 proceeding, we did not institute review because Apple failed to show that a claim limitation present in all of the challenged claims was met by Decker. *Id.* at 7–12.

B. The '917 Patent

The Specification of the '917 patent describes a wireless network comprising a radio network controller (RNC) and a plurality of assigned terminals, which are each provided for exchanging data and which form a receiving and/or transmitting side. Ex. 1001, 1:6–9. The '917 patent describes data transmitted using the hybrid Automatic Repeat Request (ARQ) method. *Id.* at 1:10–15. The '917 patent explains that an object of the invention is "to provide a wireless network in which error-affected data repeatedly to be transmitted . . . are buffered for a shorter period of time on average." Ex. 1001, 1:64–67. This is done by storing abbreviated sequence numbers whose length depends on the maximum number of coded transport blocks to be stored, and transmitting coded transport blocks that include a packet data unit and an assigned abbreviated sequence number. *Id.* at 2:8–16. The use of abbreviated sequence numbers reduces the extent of information that is required to be additionally transmitted for managing transport blocks and packet data units and simplifies the assignment of the received acknowledge command to the stored transport blocks. *Id.* at 2:45–49. The '917 patent further describes that a receiving physical layer checks whether a coded transport block has been transmitted correctly, and, if so, a positive acknowledge signal ACK is sent to the sending physical layer over

[2] US 5,946,320, issued Aug. 31, 1999 ("Decker").
[3] US 6,507,582 B1, issued Jan. 14, 2003 (Ex. 1007, "Abrol").

a back channel. *Id.* at 6:9–13. If the coded transport block has not been received error-free, a negative acknowledge command NACK is sent to the sending physical layer. *Id.* at 6:13–15.

C. Illustrative Claim

Petitioner challenges claims 1–3, 9, and 10 of the '917 patent. Claims 1, 9, and 10 are independent claims, and claims 2 and 3 depend directly from claim 1. Claim 1 is reproduced below, which includes changes made per a Certificate of Correction.

> 1. A wireless network comprising a radio network controller and a plurality of assigned terminals, which are each provided for exchanging data according to the hybrid ARQ method and which form a receiving and/or transmitting side, in which a physical layer of a transmitting side is arranged for
>
> storing coded transport blocks in a memory, which blocks contain at least a packet data unit which is delivered by an assigned radio link control layer and can be identified by a packet data unit sequence number,
>
> storing abbreviated sequence numbers whose length depends on the maximum number of coded transport blocks to be stored and which can be shown unambiguously in a packet data unit sequence number, and for
>
> transmitting coded transport blocks having at least an assigned abbreviated sequence number and
>
> a physical layer of a receiving side is provided for testing the correct reception of the coded transport block and for sending a positive acknowledge command to the transmitting side over a back channel when there is correct reception and a negative acknowledge command when there is error-affected reception.

Ex. 1001, 7:62–8:17, 10.

D. Asserted Ground of Unpatentability

Petitioner asserts that claims 1–3, 9, and 10 are unpatentable based on the following ground (Pet. 3):

Claims Challenged	35 U.S.C. §	References
1–3, 9, and 10	103(a)[4]	TR25.825[5] and Abrol

II. DISCUSSION

A. 35 U.S.C. § 314(a) and 35 U.S.C. § 325(d) Contentions

Patent Owner argues that the factors presented in *General Plastic Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential as to Section II.B.4.i), "militate in favor of the Board exercising its discretion under 35 U.S.C. 314(a) and 37 C.F.R. 42.108(a) to deny institution." Prelim. Resp. 16. Patent Owner also argues that we should exercise discretion under 35 U.S.C. § 325(d) to deny institution "on the grounds that the cited prior art and the arguments overlap with the cited prior art and arguments already presented to the Board in IPR2019-00259." *Id.* at 18.

1. 35 U.S.C. § 314(a)

Institution of an *inter partes* review may be denied as a matter of discretion. *See* 35 U.S.C. § 314(a). *General Plastic* sets forth seven factors

[4] The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) ("AIA"), amended 35 U.S.C. §§ 102 and 103. Because the '917 patent has an effective filing date before the effective date of the applicable AIA amendments, we refer to the pre-AIA versions of 35 U.S.C. §§ 102 and 103.

[5] 3G TR 25.835 V1.0.0 (2000-09) – 3rd Generation Partnership Project; Technical Specification Group Radio Access Network; Report on Hybrid ARQ Type II/III (Release 2000) (Ex. 1005, "TR25.835").

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