

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RIOT GAMES, INC.,
Petitioner,

v.

PALTALK HOLDINGS, INC.,
Patent Owner.

Case IPR2018-00132¹
Patent 6,226,686 & 6,226,686 C1²

Before THU A. DANG, KARL D. EASTHOM, and NEIL T. POWELL,
Administrative Patent Judges.

DANG, *Administrative Patent Judge.*

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

¹ The panel joined Petitioner Valve Corp. and Case IPR2018-01243 to the instant proceeding. *See* Paper 34.

² The Petition challenges original claims and claims issued pursuant to an ex parte reexamination.

I. INTRODUCTION

A. Background

Riot Games Inc. (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1, 3, 7, 12, 18, 22–27, 36, 41–46, 55, and 58–63 of U.S. Patent No. 6,226,686 (Ex. 1002, “the ’686 patent”). Paper 1 (“Pet.”). PalTalk Holdings, Inc. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). Pursuant to our prior authorization (Paper 8, “Order”), Petitioner filed a Reply to the Patent Owner Preliminary Response (Paper 9, “Reply to Prelim. Resp.”) as to the issue of Patent Owner’s claim constructions, and Patent Owner filed a Preliminary Sur-Reply (Paper 10, “Prelim. Sur-Reply”).

We instituted trial to determine whether claims 1, 3, 7, 12, 18, 22–27, 36, 41–46, 55, and 58–63 are unpatentable under 35 U.S.C. § 103 based on the combination of Aldred and RFC 1692 either alone or in combination with Ulrich or Denzer. *See* Paper 11 (“Institution Decision” or “Inst. Dec.”). After institution of trial, Patent Owner filed a Request for Rehearing. Paper 14 (“Reh’g. Req.”). We denied Patent Owner’s Request for Rehearing. Paper 18 (“Rehearing Decision” or “Reh’g Dec.”).

Patent Owner then filed a Response. Paper 22 (“PO Resp.”). Petitioner filed a Reply to Patent Owner’s Response. Paper 25 (“Pet. Reply”). Pursuant to our prior authorization (Paper 26, “Order”), Patent Owner filed a Sur-Reply to Petitioner’s Reply (Paper 30, “PO Sur-Reply”).

Oral argument was conducted on February 13, 2019.

We have jurisdiction under 35 U.S.C. § 6. This decision is a Final Written Decision under 35 U.S.C. § 318(a) as to the patentability of

IPR2018-00132
Patent 6,226,686

claims 1, 3, 7, 12, 18, 22–27, 36, 41–46, 55, and 58–63 of the '686 patent. For the reasons discussed below, we hold that Petitioner has demonstrated by a preponderance of the evidence that claims 1, 3, 7, 12, 18, 22–27, 36, 41–46, 55, and 58–63 of the '686 patent are unpatentable under 35 U.S.C. § 103(a).

B. Related Proceedings

Petitioner states that the '686 patent is related to the following U.S. Patents: 5,822,523 (“the '523 patent”) and 6,018,766. Pet. 1. According to Petitioner, *ex partes* reexamination No. 90/011,036 (Ex. 1006) involved a reexamination of the '686 patent. Pet. 1.

A concurrent request for *inter partes* review, IPR2018-00131, challenges claims of the '686 patent. Pet. 1. Two other concurrent requests for *inter partes* review, IPR2018-00129 and IPR2018-00130, challenge claims of the '523 patent. Pet. 1.

Petitioner also states that the following cases involve the '523 and '686 patents: *PalTalk Holdings, Inc. v. Valve Corp.n*, No. 16-cv-1239-JFB-SRF (D. Del.) (filed Dec. 16, 2016); *PalTalk Holdings, Inc. v. Riot Games, Inc.*, No. 1:16-cv-1240-JFB-SRF (D. Del.) (filed Dec. 16, 2016); *PalTalk Holdings, Inc. v. Sony Computer Entertainment America, Inc. et al.*, No. 2:09-cv-00274-DF-CE (E.D. Tex.) (filed Sept. 14, 2009); *PalTalk Holdings, Inc. v. Microsoft Corp.*, No. 2:06-cv-00367-DF (E.D. Tex.) (filed Sept. 12, 2006); and *Mpath Interactive v. Lipstream Networks, Inc., et al.*, No. 3:99-cv-04506-WHA (N.D. Cal.) (filed Oct. 7, 1999). Pet. 1–2.

C. The '686 Patent

The '686 patent issued on May 1, 2001, from an application filed September 28, 1999, and claims priority to parent application

No. 08/896,797, filed on July 18, 1997, now US 6,018,766, which in turn is a continuation of application No. 08/595,323, filed on February 1, 1996, now US 5,822,523. Ex. 1002, [45], [22], and [63].

The '686 patent, titled "Server-Group Messaging System for Interactive Applications," describes a "method for deploying interactive applications over a network containing host computers and group messaging servers." *Id.* at [54], [57]. Figure 5, reproduced below, illustrates a unicast network over which the interactive applications may be deployed.

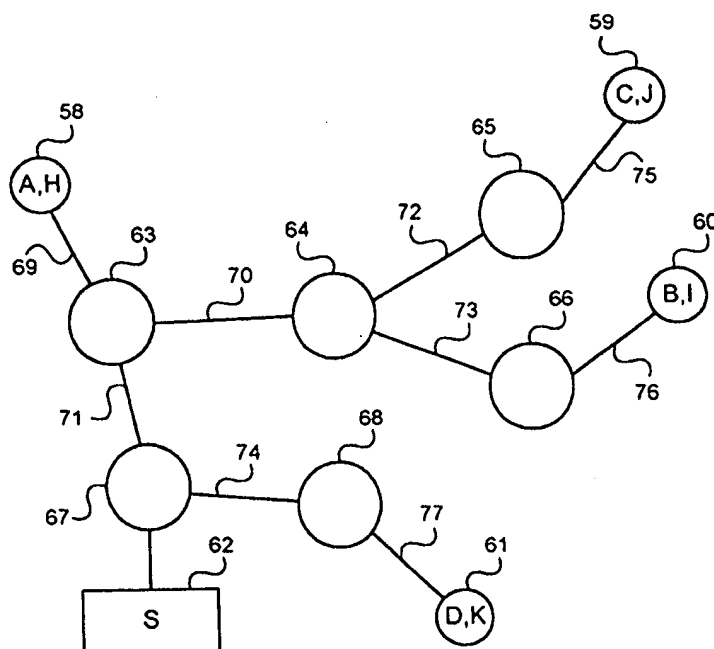


Figure 5

Figure 5 depicts a wide area network with hosts 58, 59, 60, and 61, and a group messaging server ("GMS") 62. *Id.* at 8:65–66. Host 58 has Transport Level Protocol (TLP) address A and Upper Level Protocol (ULP) address H. *Id.* at 8:66–67. Host 59 has TLP address C and ULP address J, host 60 as

TLP address B and ULP address I, host 61 has TLP address D and ULP address K, and GMS 62 has TLP address S. *Id.* at 8:67–9:2. “The network is a conventional unicast network of network links 69, 70, 71, 72, 73, 74, 75, 76, and 77 and unicast routers 63, 64, 65, 66, 67, and 68.” *Id.* at 9:2–5. GMS “62 receives messages from the hosts addressed to a message group and sends the contents of the messages to the members of the message group.” *Id.* at 9:5–8.

Figure 7, reproduced below, depicts ULP datagrams with payload aggregations for implementing an interactive gaming application between the four hosts in Figure 5.

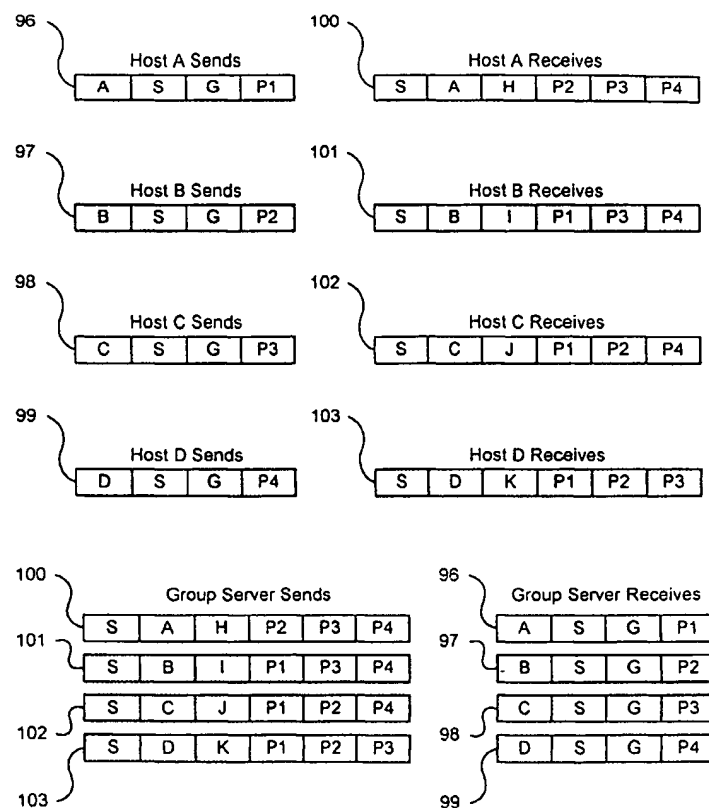


Figure 7

Figure 7 shows GMS (“Group Server”) 62 receiving multiple messages 96, 97, 98, and 99 before sending them to hosts within message group G.

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.