

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

KOSS CORPORATION,
Patent Owner.

IPR2021-00255
Patent 10,298,451 B1

Before DAVID C. MCKONE, GREGG I. ANDERSON,
and NORMAN H. BEAMER, *Administrative Patent Judges*.

BEAMER, *Administrative Patent Judge*.

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

I. INTRODUCTION

On November 25, 2020, Apple, Inc. (“Petitioner”) filed a Petition (“Pet.”) pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of claims 1–21 of U.S. Patent No. 10,298,451 B1 (“the ’451 patent”).

Paper 2. On March 8, 2021, Koss Corporation (“Patent Owner”) filed a Preliminary Response (“Prelim. Resp.”). Paper 6. Pursuant to our authorization, Petitioner and Patent Owner subsequently filed reply and sur-reply briefs, respectively, further addressing discretionary denial pursuant to 35 U.S.C. § 314. Papers 20, 21 (“Reply”; “Sur-Reply”).

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted unless the information presented in the Petition and any preliminary 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 explained below, we institute an *inter partes* review as to all challenged claims and on all grounds raised in the Petition.

II. BACKGROUND

A. The ’451 Patent

The ’451 patent, titled “Configuring Wireless Devices For A Wireless Infrastructure Network,” was filed on August 7, 2018, issued on May 21,

2019, and lists related continuation applications dating to March 15, 2013.¹
Ex. 1001, codes (54), (22), (45), (63).

The '451 patent is directed to “permit[ing] a wireless device to receive data wirelessly via an infrastructure wireless network, without physically connecting the wireless device to a computer in order to configure it, and without having an existing infrastructure wireless network for the wireless device to connect to.” Ex. 1001, Abstr. Figure 1 of the '451 patent is reproduced below.

¹ During prosecution, Applicant asserted an invention date of May 14, 2012, and, according to Petitioner, in the Texas litigation, Patent Owner asserts an invention date of July 10, 2010. Pet. 8–9 (citing Ex. 1002, 50–57). It is unnecessary to determine the applicability of these dates for purposes of this Decision, because the effective dates of the references are sufficiently early compared to the May 14, 2012, date, and no evidence has been provided in the record as to the July 10, 2010 date.

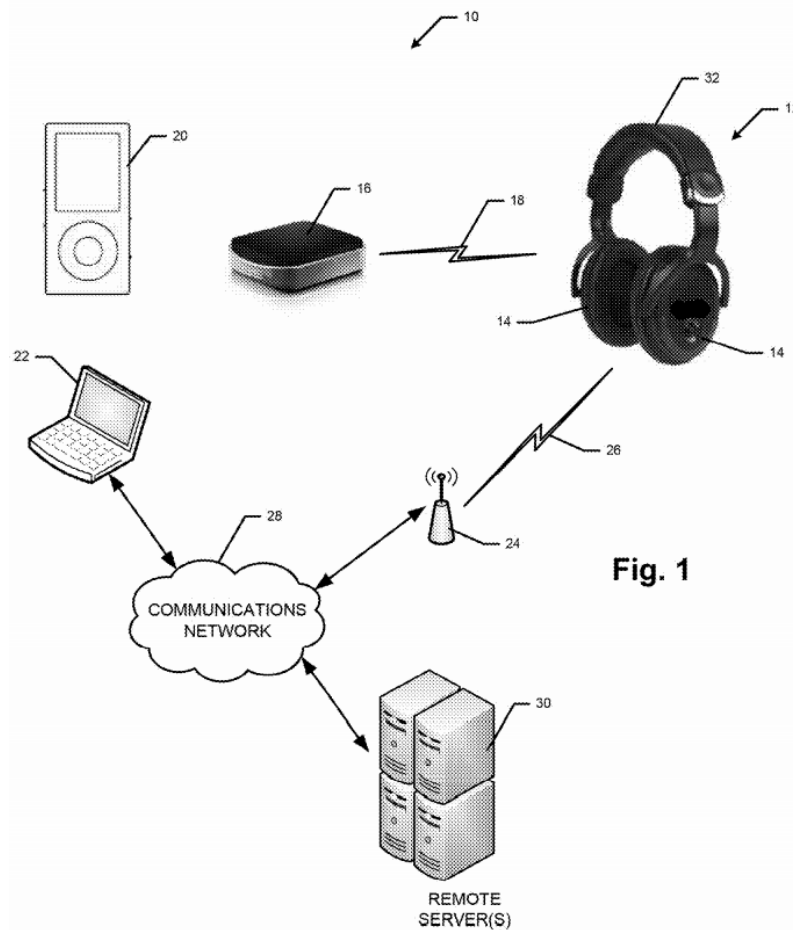


Fig. 1

Figure 1 is a block diagram depicting earphones 14 which can communicate wirelessly with content access point (CAP) 16 via ad hoc communications link 18, which can be, for example, a Wi-Fi link or Bluetooth. *Id.* at 3:1–10. The '451 patent explains that an ad hoc link is a point-to-point network that does not utilize preexisting structure such as wireless access points. *Id.* at 3:10–15. CAP 16 can be connected to digital audio player (DAP) 20, such as a personal MP3 player, or computer 22, such as a laptop, via a USB connector. *Id.* at 3:17–36. Earphones 14 can also connect to access point 24 via wireless infrastructure link 26. *Id.* at 3:36–40. The '451 patent explains that a wireless infrastructure link is part of a network that utilizes a wireless access point and connects to an Internet service provider, such as Internet

28. *Id.* at 3:40–44. Both computer 22 and access point 24 connect to Internet 28. *Id.* at 3:45–40. Remote servers 30 are also connected to Internet 28. *Id.* at 3:49–50.

In operation, a user, via computer 22, may connect to the remote server system 30 to provision or initialize CAP 16 and earphones 14 for initial use, and to otherwise manage CAP 16 and earphones 14. *Id.* at 3:51–54. Initial operation of earphones 14 involves plugging CAP 16 into DAP 20 or computer 22 (generally, “media devices”), enabling CAP 16 to transmit media content from the media devices to be played on earphones 14. *Id.* at 4:35–44. Earphones 14 can also be set up to receive content from server 30 via Internet 28 and access point 24, which is achieved by the user logging into a website via computer 22, with CAP 16 connected to the computer. *Id.* at 4:45–5:22. While logged in, the user enters access point credentials and information identifying CAP 16 and earphones 14, which is stored in the users account on the server, and the access point credentials are also transferring to the earphones 14. *Id.* As stated in the ’451 patent:

This process allows the earphones 14 to be configured for infrastructure network (and Internet) access without having to physically connect the earphones 14 to the computer 22 to configure them and without having an existing different infrastructure network that the earphones 14 need to connect to.

Id. at 5:22–27. The ’451 patent also describes using devices such as video players, lighting systems, cameras, manufacturing equipment, medical devices, gaming systems, “or any other suitable controllable electronic equipment” in place of the earphones. *Id.* at Figs. 4, 5, 5:66, 6:10–15.

B. Illustrative Claim

Independent claim 1 is reproduced below.

1. A system comprising:

a wireless access point;

an electronic device;

a mobile computer device that is in communication with the electronic device via an ad hoc wireless communication link; and

one or more host servers that are in communication with the mobile computer device via the Internet, wherein the one or more host servers receive and store credential data for an infrastructure wireless network provided by the wireless access point,

wherein:

the mobile computer device is for transmitting to the electronic device, wirelessly via the ad hoc wireless communication link between the electronic device and the mobile computer device, the credential data for the infrastructure wireless network stored by the one or more host servers; and

the electronic device is for, upon receiving the credential data for the infrastructure wireless network from the mobile computing device, connecting to the wireless access point via the infrastructure wireless network using the credential data received from the mobile computer device.

Ex. 1001, 8:30–53.

C. References

Petitioner relies on the following references (Pet. 1–2):

- Brown et al., U.S. Pat. No. 9,021,108 B2. Ex. 1004 (“Brown”).
- Scherzer et al., US 2007/0033197 A1. Ex. 1005 (“Scherzer”).

- Baxter et al., US 2007/0245028 A1. Ex. 1008 (“Baxter”).
- Drader et al., US 2011/0025879 A1. Ex. 1009 (“Drader”).
- Ramey et al., US 2010/0307916 A1. Ex. 1010 (“Ramey”).
- Gupta et al., US 2010/0165879 A1. Ex. 1011 (“Gupta”).

Petitioner also filed the Declaration of Dr. Jeremy Cooperstock in support of the Petition. Ex. 1003 (“Cooperstock Decl.”).

D. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–14 of the ’451 patent on the following grounds (Pet. 1):

Claims Challenged	35 U.S.C. §	References
1, 6, 11–13, 15–20	103	Brown, Scherzer
2, 7–10, 21	103	Brown, Scherzer, Baxter
3–4	103	Brown, Scherzer, Drader
5	103	Brown, Scherzer, Ramey
14	103	Brown, Scherzer, Gupta

E. Real Parties in Interest

The parties identify themselves as the real parties in interest. Pet. 78; Paper 4, 2.

F. Related Proceedings

The parties identify *Koss Corporation v. Apple Inc.*, Case No. 6:20-cv-00665 (W.D. Tex.) and *Apple Inc. v. Koss Corporation*, Case No. 5:20-cv-05504 (N.D. Cal.) as related matters. Pet. 78; Paper 4, 2.

III. ANALYSIS

A. Discretionary Denial Under 35 U.S.C. § 314(a)

Patent Owner argues the Board should exercise its discretion and deny institution for all grounds pursuant to 35 U.S.C. § 314, given the co-pendency of the *Koss Corporation v. Apple Inc.* litigation in Texas, and Petitioner opposes this request. Prelim. Resp. 4–18; Pet. 10–16; Reply 1–2.

Institution of *inter partes* review is discretionary. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”); 35 U.S.C. § 314(a). The Board has held that the advanced state of a parallel district court action is a factor that may weigh in favor of denying a petition under § 314(a). *See NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential); Patent Trial and Appeal Board, Consolidated Trial Practice Guide, 58 & n.2 (Nov. 2019) (“Trial Practice Guide”), available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>. We consider the following factors to assess “whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding”:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;

5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). In evaluating these factors, we “take[] a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* at 6. As elaborated below, upon consideration of these factors, we decline to exercise our discretion to deny the Petition.

1. *Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted*

Fintiv indicated that, in previous Board decisions, the existence of a district court stay pending Board resolution of an *inter partes* review has weighed strongly against discretionary denial, while a denial of such a stay request sometimes weighs in favor of discretionary denial. *Fintiv*, Paper 11 at 6–8.

Petitioner asserts that a stay of the Texas case would be appropriate if we institute an *inter partes* review, but does not contend that it has filed a motion for a stay. Pet. 10. Patent Owner notes that Petitioner has not moved for a stay of the Texas case, and argues, based on what it contends are similar circumstances, that the Texas court would not grant a stay of the Texas case. Prelim. Resp. 5–7.

However, determining how the Texas court might handle a motion for stay that has not yet been filed invites conjecture. It would be improper to speculate, at this stage, what the Texas court might do regarding a motion to stay, given the particular circumstances of this case. Accordingly, this factor

is neutral to the exercise of our discretion. *Cf. Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 at 7 (PTAB June 16, 2020) (informative) (“In the absence of specific evidence, we will not attempt to predict how the district court in the related district court litigation will proceed because the court may determine whether or not to stay any individual case, including the related one, based on a variety of circumstances and facts beyond our control and to which the Board is not privy.”); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative) (“*Fintiv IP*”) (“We decline to infer, based on actions taken in different cases with different facts, how the District Court would rule should a stay be requested by the parties in the parallel case here. This factor does not weigh for or against discretionary denial in this case”).

2. *Proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision*

In a November 30, 2020 Scheduling Order, the Texas court indicated that it “expect[ed] to set” April 18, 2022, as the date for Jury Selection Trial “at the conclusion of the Markman Hearing.” Ex. 1016 (Texas case Agreed/Proposed Scheduling Order), 4; Ex. 2004, docket entry 30.² The *Markman* hearing took place on April 23, 2021, with a minute entry stating that “[t]he Court has set the jury trial date of April 18, 2022.” Ex. 3001, docket entry 72.

Assuming that April 18, 2022 is in fact the scheduled trial date, it would be less than two months prior to our statutory deadline for a final written decision. Both parties speculate as to the likelihood that a trial date

² See also Ex. 2001 entered in *Apple Inc. v. Koss Corporation*, IPR2021-00305.

set now would later be rescheduled in light of circumstances such as docket congestion and the global pandemic, with Petitioner arguing that a delay is likely and Patent Owner arguing the opposite. Pet. 11–12; Prelim. Resp. 9–12.

In particular, Petitioner, pointing to a journal article, contends that the trial date is uncertain due to the propensity of the Texas court to reschedule trials once the PTAB has denied a related petition. Pet. 11 (quoting Ex. 1018, 2 (“In the WDTX, 70% of trial dates initially relied upon by the PTAB to deny petitions have slid.”)). The journal article also concludes that “with COVID-19 delaying trials scheduled for the last 4–5 months, delays will certainly increase further as the courts work through their growing backlog.” Ex. 1018, 2.

In response, Patent Owner cites the court’s statement in its “Order Governing Proceedings – Patent Case” that “[a]fter the trial date is set, the Court will not move the trial date except in extreme situations.” Prelim. Resp. 9 (citing Ex. 2001, 6). Patent Owner also responds that the Texas court has not rescheduled the trial in the Texas case (and has a policy against doing so), that the article Petitioner refers to was based on a small data set, and in any event indicates that relatively small changes in trial dates have occurred, that the Texas court has begun holding patent trials despite the global pandemic, and that availability of vaccines suggests that any current effects of the pandemic on trials will have abated by the trial date. *Id.* at 9–12 (citing Exs. 1018, 2003–2004, 2006–2008).

We ascribe some uncertainty to the April 18, 2022, trial date, given that it is over ten months from now and much can change during this time.

Whether the Texas court’s trial takes place before, contemporaneously with, or after our final written decision statutory deadline involves speculation.

The Board has assessed this second factor on a case-by-case basis. On one hand, *Fintiv* took the district court’s trial schedule at “face value” and declined to question it “absent some strong evidence to the contrary.” *Fintiv II*, Paper 15 at 12–13. On the other hand, *Sand Revolution* was persuaded by the uncertainty in the schedule (including that caused by the parties agreeing to jointly request rescheduling of the trial date on several occasions and the global pandemic) despite a scheduled trial date. *Sand Revolution*, Paper 24 at 8–9. Moreover, as recognized in *Sand Revolution*, “even in the extraordinary circumstances under which the entire country is currently operating because of the COVID-19 pandemic, the Board continues to be fully operational.” *Id.* at 9.

This factor looks at the *proximity* of the trial date to the date of our final decision to assess the weight to be accorded a trial date set earlier than the expected final written decision date. This proximity inquiry is a proxy for the likelihood that the trial court will reach a decision on validity issues before the Board reaches a final written decision. Unlike the facts here, a trial set to occur soon after the institution decision is fairly likely to happen prior to the Board’s final decision, even if the trial date were postponed due to intervening circumstances.

Given that the trial is currently scheduled for less than two months before the final decision, and that even then there is at least some persuasive evidence that delays are possible, the efficiency and system integrity concerns that animate the *Fintiv* analysis are not strong — this factor at most minimally weighs in favor of invoking our discretion to deny institution.

3. *Investment in the parallel proceeding by the court and the parties*

If, at the time of the institution decision, the district court has issued substantive orders related to the challenged patent, such as a claim construction order, this fact weighs in favor of denial. *See Fintiv*, Paper 11 at 9–10. On the other hand, if the district court has not issued such orders, this fact weighs against discretionary denial. *Id.* at 10. Moreover, in evaluating this factor, “[i]f the evidence shows that the petitioner filed the petition expeditiously, such as promptly after becoming aware of the claims being asserted, this fact has weighed against exercising the authority to deny institution under *NHK*.” *Id.* at 11 (footnote omitted).

Focusing on timeliness, Petitioner argues that it filed the Petition within three weeks of receiving Patent Owner’s infringement contentions in the Texas case. Pet. 12–13. According to Petitioner, at the time of the Petition, the Texas court had not issued any substantive orders and claim construction briefs had not been served. *Id.*

Patent Owner responds that the parties have begun *Markman* briefing, exchanged preliminary infringement and invalidity contentions, and that, by the time of the institution decision, the Texas court will have held a *Markman* hearing (on April 22, 2021) and fact discovery will have begun. Prelim. Resp. 12. (Indeed, the *Markman* Hearing took place as scheduled. Ex. 3001, docket entry 72.) Patent Owner disputes that Petitioner was timely, arguing that Petitioner waited several months from Patent Owner’s Complaint in the Texas case to file the Petition. *Id.* at 13. In any case, Patent Owner argues that investment is more important than timeliness in evaluating this factor. *Id.* (citing *Verizon Bus. Network Servs. LLC v.*

Huawei Techs. Co., IPR2020-01292, Paper 13 at 14, 15 (PTAB Jan. 25, 2021)).

We find that Petitioner was expeditious in filing its Petition. As Petitioner argues, it filed the Petition approximately three weeks after receiving Patent Owner’s preliminary infringement contentions in the Texas case. *See* Ex. 1014 (preliminary infringement contentions); Ex. 1016, 2 (Nov. 6, 2020, date for serving preliminary infringement contentions); Paper 3 (according Petition filing date of November 25, 2020). As Petitioner notes, Patent Owner’s preliminary infringement contentions asserted infringement of all but two claims of the ’451 patent along with claims of several other patents. Petition 13 n. 3; Ex. 1014, 4. Thus, it was reasonable for Petitioner to take three weeks to prepare its petitions. Although, as Patent Owner argues, Petitioner was aware of the ’451 patent when it was served with the complaint, Patent Owner’s Complaint merely alleged the infringement of “at least claim 1 of the ’451 patent.” *See* Ex. 2005 ¶ 90. “[I]t is often reasonable for a petitioner to wait to file its petition until it learns which claims are being asserted against it in the parallel proceeding. Thus, the parties should explain facts relevant to timing.” *Fintiv*, Paper 11 at 11. Indeed, Patent Owner is not expected to finally state which claims it is asserting until after January 20, 2022. Ex. 1016, 3 (Oct. 21, 2021, “Deadline for the first of two meet and confers to discuss significantly narrowing the number of claims asserted and prior art references at issue.”), 4 (January 20, 2022, “Deadline for the second of two meet and confers to discuss narrowing the number of claims asserted and prior art references at issue to triable limits.”). Thus, Petitioner has been

diligent in filing its Petition prior to learning which claims it will be facing in the Texas case.

On the current record, the Texas case is still in the early stages, with very little investment pertaining to the invalidity issues raised in the Petition. Although the Texas court has conducted a *Markman* hearing, Patent Owner does not indicate what relationship the parties' claim construction disputes in the Texas court have to the claim construction and validity issues they raise in this proceeding. Indeed, neither party has proposed any terms for construction in this proceeding. Fact discovery has just begun, final infringement and invalidity contentions are not yet due, and expert discovery is months away. Ex. 1016, 3. Patent Owner points to no other investment by the parties or the Texas court toward the patentability issues presented here. *Cf. Sand Revolution*, Paper 24 at 11 (“[W]e recognize that much work remains in the district court case as it relates to invalidity: fact discovery is still ongoing, expert reports are not yet due, and substantive motion practice is yet to come.”). On the current record, we see little evidence of risk that we will duplicate work performed in the Texas case, or render inconsistent results, should we proceed to a trial.

Because the Texas case is in its early stages and Petitioner demonstrated diligence in filing its Petition, this factor weighs against exercising discretion to deny the Petition.

4. *Overlap between issues raised in the petition and in the parallel proceeding*

“[I]f the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, this fact has favored denial.” *Fintiv*, Paper 11 at 12. “Conversely, if the

petition includes materially different grounds, arguments, and/or evidence than those presented in the district court, this fact has tended to weigh against exercising discretion to deny institution under *NHK*.” *Id.* at 12–13.

As Petitioner notes (Pet. 13, n. 3), Patent Owner asserts all but two claims of the ’451 patent against Petitioner in the Texas case (Ex. 1014, 4), but is expected, pursuant to the Texas court’s scheduling order, to “significantly narrow[] the number of claims asserted” (Ex. 1015, 10). As a result, Petitioner argues, “the number of claims adjudicated at the district court will likely be significantly less than the number of claims addressed here.” Pet. 14. Petitioner asks us to address claims that might be dropped from the Texas case because of the “likelihood of these unaddressed claims being reasserted against future products.” *Id.* at 14–15.

Patent Owner responds that this narrowing will not take place until January 2022, before which there will be significant opportunity for duplication between the Texas case and this proceeding. Prelim. Resp. 14 (citing Ex. 1016, 3–4). Moreover, Patent Owner argues, there may still be overlapping issues even if there are less overlapping claims. *Id.*

In the Texas case, Petitioner:

stipulates that if the PTAB institutes the petition filed on November 25, 2020 (IPR2021-00255) on the grounds presented, which are directed against the same patent in suit, Apple will not seek resolution within the litigation of any ground of invalidity that utilizes, as a primary reference, US Patent No. 9,021,108 (“Brown”), which is the primary reference in the grounds asserted in the November 25, 2020 petition.

Ex. 2009, 2. Petitioner acknowledges that the extent of any overlap will be difficult to ascertain until the Texas case has progressed further. Reply 1.

Nevertheless, with this stipulation, Petitioner argues, “the stipulation sufficiently ‘reduces the risks posed by the overlap between the Proceedings.’” *Id.* at 2 (quoting *Tide Int’l (USA), Inc. v. UPL NA Inc.*, IPR2020-01113, Paper 12, 19) (PTAB).

Patent Owner argues that Petitioner’s stipulation is not as broad as that addressed in *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, 18–19 (PTAB) (finding that “a stipulation that, if IPR is instituted, they will not pursue in the District Court Litigation any ground raised or that could have been reasonably raised in an IPR,” weighed strongly in favor of not exercising discretion to deny institution). Prelim. Resp. 15; Sur-Reply 2. Patent Owner further argues that Petitioner’s stipulation is “illusory” because:

It applies only when either Brown or Scherzer is used as the “primary reference” in the district court. However, “characterization . . . of prior art as ‘primary’ and ‘secondary’ is merely a matter of presentation with no legal significance.” *In re Mouttet*, 686 F.3d 1322, 1333 (Fed. Cir. 2012).

Sur-Reply 1. Moreover, Patent Owner argues, a stipulation that requires the Texas court to interpret its meaning, including the meaning of primary reference, invites side litigation. *Id.*, at 1.

According to *Fintiv*,

weighing the degree of overlap is highly fact dependent. For example, if a petition involves the same prior art challenges but challenges claims in addition to those that are challenged in the district court, it may still be inefficient to proceed because the district court may resolve validity of enough overlapping claims to resolve key issues in the petition. . . . The existence of non-overlapping claim challenges will weigh for or against exercising discretion to deny institution under *NHK* depending

on the similarity of the claims challenged in the petition to those at issue in the district court.

Fintiv, Paper 11 at 13.

We agree with both parties (Prelim. Resp. 14; Reply 1) that ascertaining the degree of overlap between this proceeding and the Texas case is speculative given the early stage of the Texas case. As the Scheduling Order in the Texas case makes clear, Patent Owner is not obligated to focus its asserted claims until January 2022, and Petitioner is not obligated to focus the asserted prior art until then. Ex. 1016, 4 (January 20, 2022, “Deadline for the second of two meet and confers to discuss narrowing the number of claims asserted and prior art references at issue to triable limits.”). However, given that the Texas court has ordered Patent Owner to discuss “significantly narrowing the number of claims asserted” (Ex. 1015, 10), it is likely that this proceeding will address claims ultimately not asserted in the Texas case, reducing the overlap between this proceeding and the Texas case.

In any case, Petitioner’s stipulation allays at least some of Patent Owner’s concerns of duplication. *See Sand Revolution*, Paper 24 at 11–12 (A stipulation that “if the IPR is instituted, Petitioner will not pursue the same grounds in the district court litigation” “mitigates to some degree the concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions.”). We agree with Patent Owner that a stipulation closer to that in *Sotera* would make overlap even less likely. As the *Sand Revolution* case stated,

A broader stipulation of that nature, not at issue here, might better address concerns regarding duplicative efforts and potentially conflicting decisions in a much more substantial way. Likewise, such a stipulation might help ensure that an

IPR functions as a true alternative to litigation in relation to grounds that could be at issue in an IPR. Further still, Petitioner could have expressly waived in the district court any overlapping patentability/invalidity defenses. Doing so might have tipped this factor more conclusively in its favor.

Sand Revolution, Paper 24, at 12 n.5. Nevertheless, as it did in *Sand Revolution*, this factor “weighs marginally in favor of not exercising discretion to deny institution under 35 U.S.C. § 314(a).” *Id.* at 12; *see also Tide Int’l*, Paper 12 at 17 (“We agree with Petitioner that its stipulation . . . , and subsequent clarification that it will also not pursue ‘iterations . . . that treat CN ’588 and JP ’902 as primary references’ . . . , reduces the risk of duplicative efforts and potentially conflicting decisions to a degree.”); *Samsung Elecs. Am., Inc. v. Snik LLC*, IPR2020-01428, Paper 10, 12 (PTAB Mar. 9, 2021) (A stipulation that the petitioner would “not rely on . . . the primary prior-art reference in this proceeding . . . as its primary reference in the district-court litigation . . . will likely help to streamline the issues somewhat.”).

5. *Whether the petitioner and the defendant in the parallel proceeding are the same party*

If the petitioner here was unrelated to the defendant in the parallel proceeding, that might weigh against discretionary denial. *See Fintiv*, Paper 11 at 13–14. Here, however, Petitioner is the defendant in the parallel proceeding. This fact could weigh either in favor of, or against, exercising discretion to deny institution, depending on which tribunal was likely to address the challenged patent first. Given the current information concerning the relative timing of the proceedings, we accord this factor as neutral.

6. *Other circumstances that impact the Board’s exercise of discretion, including the merits.*

Additional factors we can consider include the merits.

For example, if the merits of a ground raised in the petition seem particularly strong on the preliminary record, this fact has favored institution. In such cases, the institution of a trial may serve the interest of overall system efficiency and integrity because it allows the proceeding to continue in the event that the parallel proceeding settles or fails to resolve the patentability question presented in the PTAB proceeding.

Fintiv, Paper 11 at 14–15 (footnotes omitted).

As explained below, on the preliminary record, we are persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail with respect to its challenge of claims, albeit we have some reservations concerning Patent Owner’s argument that Petitioner is relying on improper hindsight in its obviousness analysis. Thus, this factor is neutral.

7. *Holistic Assessment of Fintiv Factors*

We consider the above factors and take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Fintiv*, Paper 11 at 6.

In particular, trial is currently scheduled less than two months prior to our expected final written decision, and whether the Texas court will issue a stay upon our institution decision is speculative. Petitioner has been diligent in filing its Petition before Patent Owner has finally indicated which claims it will assert in the Texas case. Although the Texas court has held a claim construction hearing, Patent Owner has not alleged that any matters decided during that hearing have any bearing on invalidity. Otherwise, the Texas court has yet to invest significantly in validity issues that might overlap with

the patentability disputes presented to us. Thus, we are unlikely to duplicate work performed by the Texas court or issue inconsistent results. At this early stage of the Texas case, it is speculative to determine the degree of overlap between this proceeding and the Texas case. Nevertheless, Petitioner's stipulation mitigates this risk to some degree. After considering the factors outlined in the precedential order in *Fintiv*, we decline to exercise discretion to deny institution

B. Obviousness: Legal Standards

A claim is unpatentable for obviousness if, to one of ordinary skill in the pertinent art, “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007) (quoting 35 U.S.C. § 103(a)). The question of obviousness is resolved on the basis of underlying factual determinations, including “the scope and content of the prior art”; “differences between the prior art and the claims at issue”; and “the level of ordinary skill in the pertinent art.” *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

Additionally, secondary considerations, such as “commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.” *Graham*, 383 U.S. at 17–18.

A patent claim “is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *KSR*,

550 U.S. at 418. Rather, an obviousness determination requires finding “both ‘that a skilled artisan would have been motivated to combine the teachings of the prior art references to achieve the claimed invention, and that the skilled artisan would have had a reasonable expectation of success in doing so.’” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367–68 (Fed. Cir. 2016) (citation omitted); *see KSR*, 550 U.S. at 418 (for an obviousness analysis, “it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements [in the way the claimed] new invention does”). “Although the *KSR* test is flexible, the Board ‘must still be careful not to allow hindsight reconstruction of references . . . without any explanation as to *how* or *why* the references would be combined to produce the claimed invention.’” *TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1066 (Fed. Cir. 2016) (citation omitted).

Further, an assertion of obviousness “cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *KSR*, 550 U.S. at 418 (quoting *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006)); *accord In re NuVasive, Inc.*, 842 F.3d 1376, 1383 (Fed. Cir. 2016) (stating that “‘conclusory statements’” amount to an “insufficient articulation[] of motivation to combine”; “instead, the finding must be supported by a ‘reasoned explanation’” (citation omitted)); *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016) (“To satisfy its burden of proving obviousness, a petitioner cannot employ mere conclusory statements. The petitioner must instead articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness.”).

The motivation to combine must be “accompanied by a reasonable expectation of achieving what is claimed in the patent-at-issue.” *Intelligent Bio-Sys*, 821 F.3d at 1367. “The reasonable expectation of success requirement refers to the likelihood of success in combining references to meet the limitations of the claimed invention.” *Id.*

C. Level of Skill in the Art

Petitioner’s expert Dr. Cooperstock, testifies:

[A] person of ordinary skill in the art at the time of the ’451 patent’s Critical Date (“POSITA”) would have had at least a Bachelor’s Degree in an academic area emphasizing electrical engineering, computer science, or a similar discipline, and at least two years of experience in wireless communications across short distance or local area networks.

Cooperstock Decl. ¶ 26. Patent Owner does not offer an alternative. Petitioner’s proposal is consistent with the level of ordinary skill in the art reflected by the prior art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001); *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995). On this record, the level of ordinary skill is neither in dispute nor dispositive of any challenge. For purposes of this Decision, we apply Petitioner’s articulation.

D. Claim Construction

The Petition was accorded a filing date of November 25, 2020. Paper 3, 1. In an *inter partes* review for a petition filed on or after November 13, 2018, a claim “shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. 282(b).” 37 C.F.R. § 42.100(b) (2019). We apply

the claim construction standard from *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005) (*en banc*).

Under that standard, claim terms are generally given their ordinary and customary meaning, as would be understood by one with ordinary skill in the art in the context of the specification, the prosecution history, other claims, and even extrinsic evidence including expert and inventor testimony, dictionaries and learned treatises, although extrinsic evidence is less significant than the intrinsic record. *Phillips*, 415 F.3d at 1312–17. Usually, the specification is dispositive, and it is the single best guide to the meaning of a disputed term. *Id.* at 1315.

“Importantly, the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Id.* at 1313. “In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution history, if in evidence.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005, 1014 (Fed. Cir. 2006) (*citing Phillips*, 415 F.3d at 1312–17). However, in construing the claims, care should be taken to avoid improperly importing a limitation from the specification into the claims. *See Cont’l Circuits LLC v. Intel Corp.*, 915 F.3d 788, 797–98 (Fed. Cir. 2019) (“[U]se of the phrase ‘present invention’ or ‘this invention’ is not always . . . limiting, such as where . . . other portions of the intrinsic evidence do not support applying the limitation to the entire patent.” (Citations omitted)). An inventor may provide a meaning for a term that is different from its ordinary meaning by defining the term in the specification

with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

Claim terms need only be construed to the extent necessary to resolve the controversy. *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017).

Petitioner states, “[n]o formal claim constructions are necessary.”
Pet. 9. Patent Owner does not address claim construction. For purposes of this Decision, we do not construe any claim terms.

E. Ground 1A: Obviousness of Claims 1, 6, 11–13, and 15–20 Over Brown and Scherzer

Petitioner challenges claims 1, 6, 11–13, and 15–20 as obvious over the combination of Brown and Scherzer. Pet. 16–59.

1. Brown

Brown, titled “Method, System And Apparatus For Enabling Access Of A First Mobile Electronic Device To At Least One Network Accessible By A Second Mobile Electronic Device,” was filed February 25, 2011, and issued April 28, 2015, with a related provisional application filed September 27, 2010.³ Ex. 1004, codes (54), (22), (45), (60). Brown is directed to automatically enabling access of a first mobile electronic device to a network accessible by a second mobile electronic device that has stored on it

³ Petitioner asserts that Brown is entitled to the benefit of the provisional filing date of September 27, 2010. Pet. 2–4 (citing Ex. 1012; Cooperstock Decl. ¶ 35). It is unnecessary to determine whether Brown is entitled to this earlier priority date for purposes of this Decision, because the February 15, 2011, application date is sufficient to establish the prior art status of Brown, given the current record.

the configuration data for accessing the network. *Id.* at Abstr. Figure 1 of Brown is reproduced below.

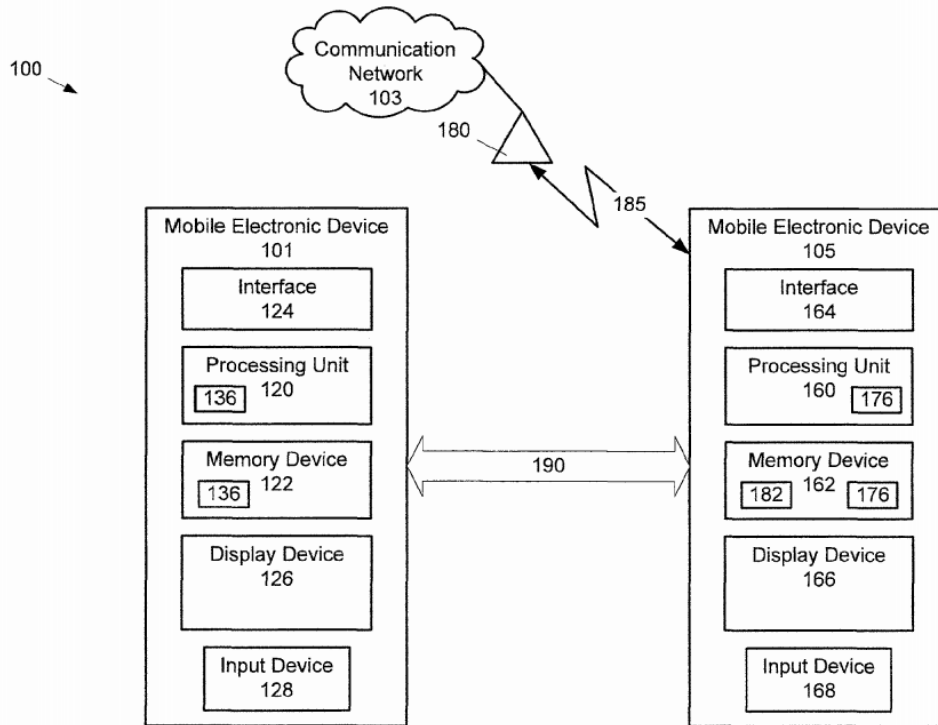


Fig. 1

Figure 1 is a block diagram depicting mobile electronic device 101 and 105, which can be, for example, tablets or personal digital assistants (PDAs). *Id.* at 4:10–17, 5:57–6:5. Device 105 is set up to communicate with network 103 (e.g., the Internet) via wireless link 185 connecting to access point 180, based on configuration data 182 stored in memory 162. *Id.* at 4:39–49.

Initially, device 101 is not configured to communicate with access point 180. Ex. 1004, 4:64–67. However, device 101 is paired with device 105 via link 190, which can be, for example, a Bluetooth connection. *Id.* at 5:1–9. In operation, when in close proximity, communication between device 101 and device 105 is automatically established via link 190, and configuration data 182 is transferred to device 101 so that it can wirelessly communicate with access point 180. *Id.* at Figs. 2–4, 1:58–2:5, 7:28–8:15.

This exchange is handled by applications 136 and 176 installed in devices 101 and 105, respectively. *Id.* at 4:24–25, 4:34–36, 7:23–27.

Brown describes an example, in which device 105 is a PDA which is typically carried by the user to multiple locations, and thus is configured to connect with multiple access points, while device 101 is a tablet that is less travelled. *Id.* at 5:18–56. Using the method of Brown, when devices 101 and 105 are proximate to an access point already accessible by device 105, rather than manually configuring device 101 with the required credential, the credentials can be transferred from device 105. *Id.* Brown states that this approach avoids the alternative of manually configuring device 101, which is “inconvenient, inefficient and a waste of computing resources.” *Id.* at 5:54–56.

2. *Scherzer*

Scherzer, titled “Providing And Receiving Network Access,” was filed May 25, 2006, and published February 8, 2007. Ex. 1005, codes (54), (22), (43). Brown is directed to a collaborative arrangement providing wireless network access for a number of users to a number of separate wireless access points. *Id.* ¶ 14. Figure 1 of Scherzer is reproduced below.

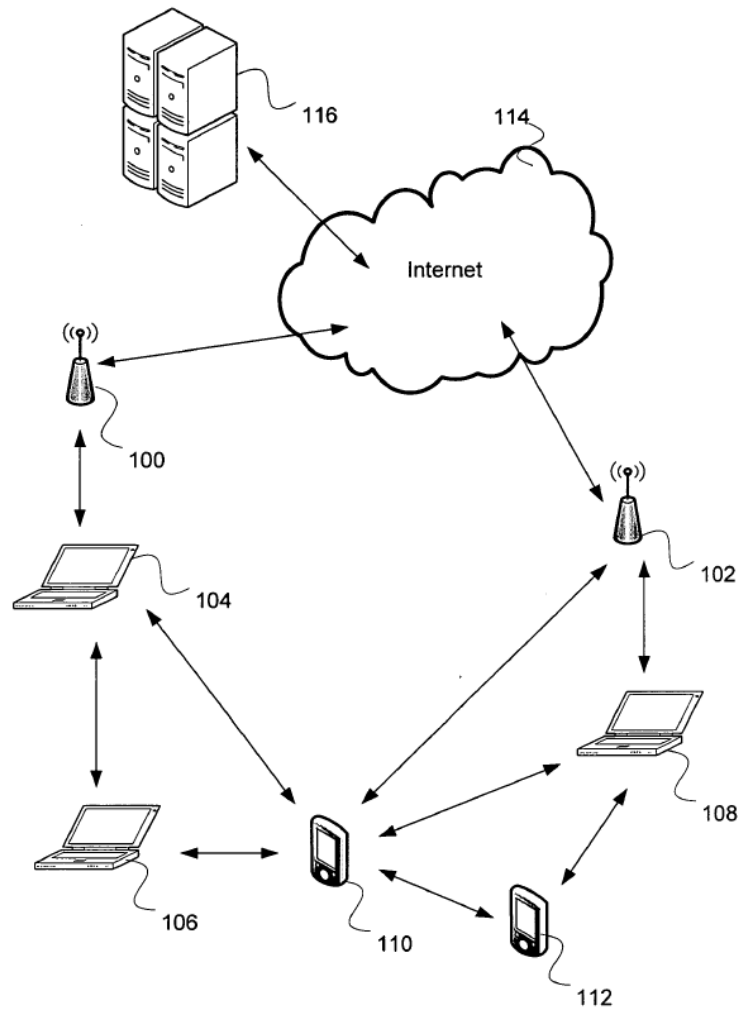


FIG. 1

Figure 1 depicts wireless access points 100 and 102, accessing Internet 114, to which can be connected user devices such as laptops 104, 106, and 108, and personal digital assistants (PDAs) 110 and 112. *Id.* ¶ 20. Application server 116 is also connected to Internet 114. *Id.* In operation, a user registers with the application server, provides credentials for that user's access point, and in return for allowing other users to receive those credentials, can receive credentials for other access points that have been provided to the application server by other users. *Id.* An accounting system

on application server 116 keeps track of usage and can control the extent and manner in which the users can share each other's usage of the access points.

Id.

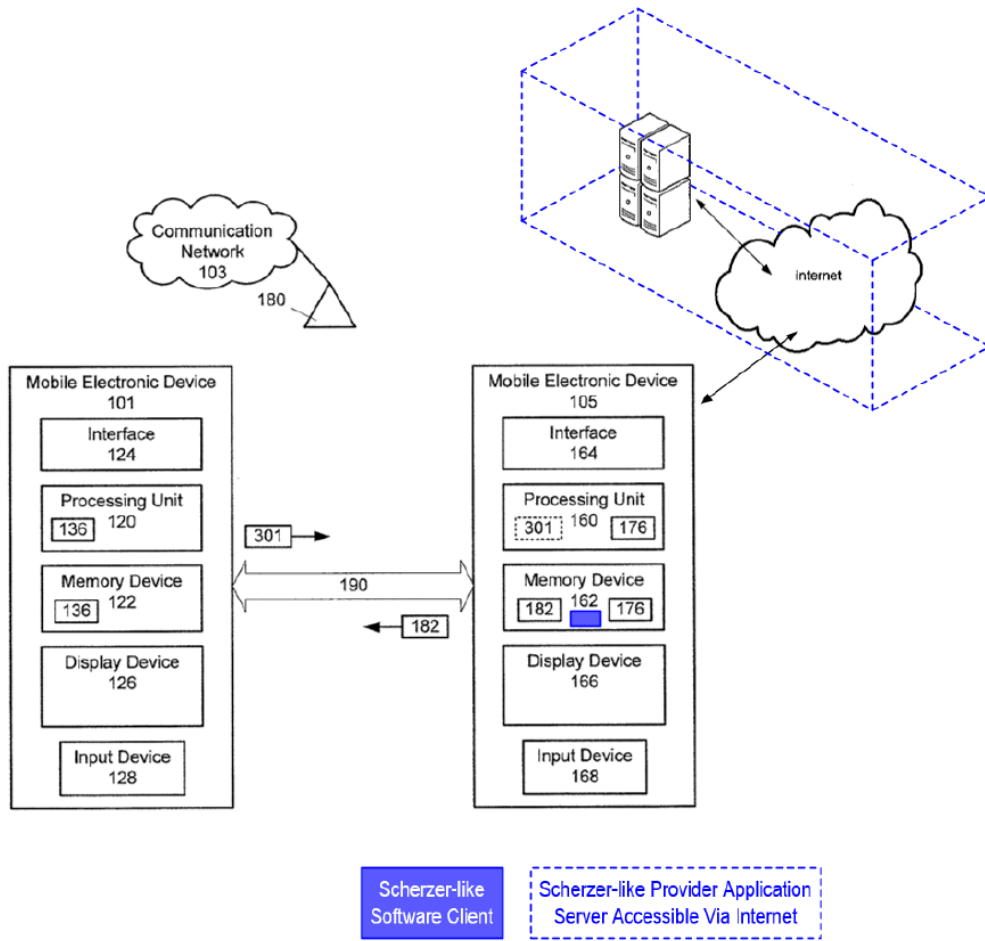
Each user device is provided with a software client, which enables the user to access another user's access point either directly or by relaying information through another registered user's device. Ex. 1005 ¶ 20. As stated in Scherzer:

Access point information . . . can be provided to a user via a wired network by preloading the user's device, a cell phone network, a Wi-Fi network, or any other appropriate network. In some embodiments, access information is provided to a user not in real time — for example, the user down loads access information [from] server while connected to his own access point before going to a new location where user desires to use[] other user's access points.

Id. Thus, “a collaborative community of users allows a percentage of bandwidth of the user's access point to be accessed by one or more other users in order to be able to use other access points when in locations not within range of the user's own access point.” *Id.* ¶ 15.

3. *The Combination of Brown and Scherzer*

Petitioner argues that one of ordinary skill would have been motivated to combine the user devices of Brown with the application server of Scherzer in the manner depicted in the figure reproduced below, provided by Petitioner.



Brown-Scherzer Combination

The above figure, entitled “Brown-Scherzer Combination,” depicts Figure 1 of Brown modified to include “Scherzer-like Software Client” in the memory of device 105, and showing device 105 communicating via the Internet with a “Scherzer-like Provider Application Server.” Pet. 27.

Petitioner argues that Brown does not “consider the challenges of obtaining the credentials needed to access WiFi connections at different locations,” and that therefore one of ordinary skill would have been motivated to incorporate into Brown’s device the software client of Scherzer. Pet. 24–25 (citing Cooperstock Decl. ¶¶ 42–43). Petitioner points out that Brown describes device 105 as connecting to networks in multiple

locations, and that use of a Scherzer-like software application would have increased the number of available locations, given that both Brown and Scherzer use the same types of credentials (such as SSIDs and passwords) to access networks. *Id.* at 25–26 (citing Cooperstock Decl. ¶¶ 44–46).

Petitioner’s expert Dr. Cooperstock testifies that “a POSITA would have been motivated to combine Brown and Scherzer given advantages to network connectivity provided by the combination to the types of devices described in Brown.” *Id.* at 27–28 (citing Cooperstock Decl. ¶ 47).

Petitioner describes an example of how this combination improves the functionality of Brown, in which a user is at a new location and wishes to stream video from the Internet, and has a smartphone that has cellular connection capabilities, but which is not suited for viewing streaming video, and a tablet which is better suited for video viewing but does not have cellular access, and neither the smartphone nor the table have the local access point credentials. Pet. 30 (citing Cooperstock Decl. ¶ 55). Petitioner argues that one of ordinary skill would have been motivated to use the Scherzer approach to load the necessary credentials for the access point from the Scherzer-like server into the smartphone via the cellular connection, and then use the Brown capability to transfer those credentials into the tablet for viewing video content via the access point. *Id.* at 30–33 (citing Cooperstock Decl. ¶¶ 56–61).

Patent Owner argues that Petitioner has not articulated an explicit rationale and meaningful explanation for combining Brown and Scherzer. Prelim. Resp. 24–31. Patent Owner asserts that Petitioner’s rationale is based on conclusory statements, including “conclusory and unsupported” expert testimony, and the fact that Brown and Scherzer both relate to

wireless connectivity is not sufficient grounds on which to base the combination. *Id.* at 25, 30. Patent Owner also argues Petitioner fails to specify “a particular *KSR* rationale” for the combination, and does not explain whether the combination yields a predictable result, and has a reasonable likelihood of success. *Id.* at 26.

Patent Owner further argues that Petitioner fails to account for the fact that the Brown credentials are shared by a single user, whereas the Scherzer credentials are shared between multiple users and a service provider, with associated usage-tracking and other controls. Prelim. Resp. 27. Patent Owner submits that, in view of the collaboration constraints imposed by a Scherzer-like provider, “the sharing of a third party’s access credentials across multiple devices could be problematic,” introducing difficulties in tracking usage and controlling access. *Id.* at 28–29.

Patent Owner also argues that the examples provided by Petitioner are motivated by hindsight reconstruction based on the claimed subject matter. Prelim. Resp. 31–34. For example, argues Patent Owner, rather than using the Brown approach to transfer credentials from one device to another, it would be more straightforward for a user to directly obtain credentials from the Scherzer server for each device, allowing the Scherzer system to track usage as expected by the Scherzer approach — thus removing any motivation for the asserted combination. *Id.* at 32–34.

Although we have some concerns about Petitioner’s proposed combination along the lines of Patent Owner’s arguments asserting that the combination is based on hindsight, for purposes of this Decision, we determine that Petitioner has articulated a sufficient rationale for the combination. We are not persuaded that combining Brown with a Scherzer-

like provider application client and server necessarily would involve the tracking and control provisions that Patent Owner refers to in its arguments. The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference.” *Keller*, 642 F.2d at 425. Instead, the relevant issue is “what the combined teachings of the references would have suggested to those of ordinary skill in the art.” *Id.* “Combining the *teachings* of references does not involve an ability to combine their specific structures.” *In re Nievelt*, 482 F.2d 965, 968 (CCPA 1973).

In addition, the teachings of Brown are not limited to a single user sharing credentials between devices, nor does the Scherzer system require multiple users, and thus the recited difficulties in combining the references relied on by Patent Owner are less persuasive. *See* Ex. 1004, 5:13–14 (“[D]evice 101 and device 105 *can each be* associated with the same user” (emphasis added)); Ex. 1005 ¶ 15 (“*In some embodiments*, a collaborative community of users allows a percentage of bandwidth of the user’s access point to be accessed by one or more other users” (emphasis added)).

Also, given that one of the mechanisms disclosed in Scherzer for obtaining credentials from the server involves using a cellular phone connection, Petitioner’s example whereby one device makes use of this

capability, and a second device, not having cellular access, makes use of the Brown transfer technique, appears to be realistic and appropriate.⁴

4. *Independent Claims 1 and 18*

For the “wireless access point” requirement of claim 1, Petitioner relies on wireless access point 180 of Brown. Pet. 34–35 (citing Ex. 1004, 4:39–67, 4:47–51; Cooperstock Decl. ¶ 82). For the “electronic device” requirement of claim 1, Petitioner relies on device 101 of Brown. Pet. 35–36 (citing Ex. 1004, 5:57–64; Cooperstock Decl. ¶ 83). For the “mobile computer device that is in communication with the electronic device via an ad hoc wireless communication link” requirement of claim 1, Petitioner relies on device 105 of Brown, which communicates with device 101 via link 190, which can be a Bluetooth link. Pet. 36–37 (citing Ex. 1004, 5:65–6:4, 7:28–31; Cooperstock Decl. ¶ 84).

For the fourth limitation of claim 1,

one or more host servers that are in communication with the mobile computer device via the Internet, wherein the one or more host servers receive and store credential data for an infrastructure wireless network provided by the wireless access point,

Petitioner relies on the Scherzer-like server of the Brown-Scherzer combination, which communicates via the Internet with the Scherzer-like

⁴ Patent Owner also argues that the Petition should be dismissed because Petitioner failed to “identify[] the differences between the claimed subject matter and either Brown or Scherzer, *i.e.*, without consideration to *Graham*’s second factor.” Prelim. Resp. 21–24. Patent Owner further argues that Petitioner’s failure to comply with *Graham* and *KSR* places an undue burden on the Board. *Id.* at 35–36. We are not persuaded by either of these arguments. Petitioner’s presentation is adequate for our purposes.

software client of device 105, and which receives and stores access credentials for access points provided by users of the system. Pet. 37–41 (citing Ex. 1005, ¶¶ 15–16, 20–25; Cooperstock Decl. ¶¶ 85–89).

For the fifth limitation of claim 1,
the mobile computer device is for transmitting to the electronic device, wirelessly via the ad hoc wireless communication link between the electronic device and the mobile computer device, the credential data for the infrastructure wireless network stored by the one or more host servers,

Petitioner relies on the ability of the Brown-Scherzer combination to transfer access point credentials from device 105 to device 101 via link 190. Pet. 42–44 (citing Ex. 1004, 7:65–8:2, 8:54–58; Cooperstock Decl. ¶¶ 90–91).

For the sixth limitation of claim 1,
the electronic device is for, upon receiving the credential data for the infrastructure wireless network from the mobile computing device, connecting to the wireless access point via the infrastructure wireless network using the credential data received from the mobile computer device,

Petitioner relies on the ability of device 101 to communicate with access point 180 after receiving the credentials. Pet. 44–47 (citing Ex. 1004, 2:34–36, 4:39–63, 8:66–67, 9:26–28; Cooperstock Decl. ¶¶ 92–95).

Independent claim 18 contains limitations commensurate with the second through sixth limitations of claim 1. Ex. 1001, 10:1–24. Petitioner and its expert Dr. Cooperstock rely on essentially the same record and rationale for claim 18 as they do for claim 1. Pet. 54–57; Cooperstock Decl. ¶¶ 107–113.

Patent Owner does not address Petitioner’s arguments regarding the independent claims other than to challenge the combination of Brown and

Scherzer, as discussed above. Accordingly, upon review of the current record and consideration of the parties' arguments, we are persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail with respect to its challenge of claims 1 and 18 as obvious over the combination of Brown and Scherzer.

5. Dependent claims 6, 11–13, 15–17, 19, and 20

Claim 6 depends from claim 1, and additionally requires “the electronic device comprises a gaming system.” Ex. 1001, 8:64–65. Petitioner relies on Provisional Patent Application No. 60/687,463 (“the ’463 Provisional”), entitled “Collaborative Mobile Broad Band (CMBB) Service,” incorporated by reference into Scherzer for all purposes, which discloses that “[g]aming over cell-phones is a fast growing industry.” Pet. 47 (citing Ex. 1006, ¶ 59; Cooperstock Decl. ¶ 96).

Claim 11 depends from claim 1, and additionally requires “the mobile computer device comprises a smartphone, and wherein the smartphone comprises a radio module for communicating wirelessly via the ad hoc wireless network with the electronic device.” Ex. 1001, 9:26–29. Petitioner relies on the disclosure in Brown that device 105 includes interface 164, which communicates with device 101 via Bluetooth link 190. Pet. 48 (citing Ex. 1004, 4:28–34, 5:65–6:4, 6:66–7:3, 7:28–31; Cooperstock Decl. ¶ 97).

Claim 12 depends from claim 1, and additionally requires,

the infrastructure wireless network comprises an infrastructure Wi-Fi network; and

the credential data for the infrastructure Wi-Fi network comprises an identifier for the infrastructure Wi-Fi network.

Ex. 1001, 9:30–35. Petitioner relies on the disclosure in Brown of the use of a Wi-Fi network, with the use of the SSID of the access point for communication. Pet. 48–49 (citing Ex. 1004, 4:54–63; Cooperstock Decl. ¶ 98).

Claim 13 depends from claim 12, and additionally requires “the credential data structure for the infrastructure Wi-Fi network additionally comprises a password for the infrastructure Wi-Fi network.” Ex. 1001, 9:36–38. Petitioner relies on the disclosure in Brown of the use of a password of the access point for communication. Pet. 49 (citing Ex. 1004, 4:54–60; Cooperstock Decl. ¶ 99).

Claim 15 depends from claim 12, and additionally requires “wherein the ad hoc wireless network comprises a Bluetooth wireless network.” Ex. 1001, 9:43–44. Petitioner relies on the disclosure in Brown of the use Bluetooth for link 190. Pet. 49 (citing Ex. 1004, 7:28–31; Cooperstock Decl. ¶ 100).

Claim 16 depends from claim 12, and additionally requires “wherein the ad hoc wireless network comprises an ad hoc Wi[-]Fi wireless network.” Ex. 1001, 9:44–45. Petitioner relies on Provisional Patent Application No. 60/728,918 (“the ’918 Provisional”), entitled “Wireless Broadband By Centrally Managed Peer to Peer Networking,” incorporated by reference into Scherzer for all purposes, which discloses that “direct connectivity using ad-hoc WiFi method is well known in the art.” Pet. 49–50 (citing Ex. 1007, Fig. 4, 9, 14; Cooperstock Decl. ¶¶ 101).

Claims 17 and 19 depend from claim 1 and 18, respectively, and additionally require,

wherein the one or more host servers host a website through which, via the mobile computer device, a user of the electronic device specifies the credential data for the infrastructure wireless network, such that the one or more host servers receive and store the credential data, and such that the credential data are stored by the one or more host servers for an account associated with the user.

Ex. 1001, 9:46–53, 10:25–33. Petitioner relies on the functionality of the Scherzer-like server, which receives and stores credential data as claimed. Pet. 50–53, 57 (citing Ex. 1005, ¶¶ 20–22; Cooperstock Decl. ¶¶ 102–106, 114).

Claim 20 depends from claim 19, and additionally requires

the infrastructure wireless network comprises an infrastructure Wi-Fi network;

the credential data for the infrastructure Wi-Fi network comprises:

an identifier for the infrastructure Wi-Fi network; and

a password for the infrastructure Wi-Fi network; and

the electronic device comprises an electronic device selected from the group consisting of:

an acoustic speaker;

a video player;

a lighting system;

a camera;

a medical device; and

a gaming system,

Ex. 1001, 10:33–48. Petitioner relies on the above record cited for claims 6, 12, and 13. Pet. 58–59 (citing Cooperstock Decl. ¶¶ 115–117).

Patent Owner does not address Petitioner’s arguments regarding these claims other than to challenge the combination of Brown and Scherzer, as discussed above. Accordingly, upon review of the current record and

consideration of the parties' arguments, we are persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail with respect to its challenge of claims 6, 11–13, 15–17, 19, and 20 as obvious over the combination of Brown and Scherzer.

F. Grounds 1B–1E

Petitioner challenges claims 2, 7–10, and 21 as obvious over the combination of Brown, Scherzer, and Baxter, claims 3 and 4 as obvious over the combination of Brown, Scherzer, and Drader, claim 5 as obvious over the combination of Brown, Scherzer, and Ramey, and claim 14 as obvious over the combination of Brown, Scherzer, and Gupta. Pet. 59–77.

Baxter is directed to configuring audio and video content to be provided by a server to a client device such as a smart phone, including searching catalogs on a server to select audio or video content. Pet. 59–61 (citing Ex. 1008, Abstr., ¶¶ 3, 51–53, 62, 65, 142; Cooperstock Decl. ¶¶ 62–63). Petitioner argues that suggestions in the '463 Provisional, incorporated by reference into Scherzer, regarding use of smart phones to play or display media, would have suggested to one of ordinary skill to adapt the Brown-Scherzer combination to include a Baxter-like client application running on device 101, in communication with a Baxter-like server to provide media content. Pet. 61–64 (citing Ex. 1004, 5:57–64; Ex. 1006, ¶¶ 3, 5, 52–53, 55, 58, 62, 65, 142; Cooperstock Decl. ¶¶ 64–67). Claims 2, 7–10, and 21 of the '451 patent variously require: the electronic device of claim 1 to receive control data from a remote network server; an acoustic speaker device; a set of earphones; a remote network server to stream audio content on the speaker; a remote network server to stream video content on a video player.

Ex. 1001, 8:54–57, 8:66–67, 9:1–25, 10:49–52. Petitioner relies on the audio and video streaming capabilities (including providing control data) of the Baxter client-server system, together with the speaker and display capabilities of a smartphone, in the Brown-Scherzer-Baxter combination, as teaching or suggesting these claim requirements. Pet. 65–70 (citing Cooperstock Decl. ¶¶ 118–126).

Drader is directed to controlling camera modules and LED flash components in portable electronic devices, and Petitioner argues that it would have been obvious to incorporate the camera and flash capabilities of Drader into the electronic device of Brown. Pet. 70–72 (citing Ex. 1004, 5:57–64; Ex. 1009, ¶¶ 3, 24, 28, 30, 68; Cooperstock Decl. ¶¶ 69–72). Claims 3 and 4 require the electronic device of claim 1 to be a lighting system and camera, respectively. Ex. 1001, 8:58–61. Petitioner relies on the disclosure of Drader regarding incorporating camera and LED flash capabilities into smart phones as teaching or suggesting this subject matter. Pet. 72–73 (citing Cooperstock Decl. ¶¶ 127–128).

Ramey is directed to measuring blood glucose levels using a monitor integrated into a smart phone, and Petitioner argues that it would have been obvious to incorporate the monitor into the electronic device of Brown. Pet. 73–76 (citing Ex. 1004, 5:57–64; Ex. 1010, ¶¶ 1–3, 18; Cooperstock Decl. ¶¶ 73–78). Claim 5 requires the electronic device of claim 1 to be a medical device. Ex. 1001, 8:62–63. Petitioner relies on the disclosure of Ramey regarding incorporating a glucose monitor into smart phones as teaching or suggesting this requirement. Pet. 76 (citing Cooperstock Decl. ¶ 129).

Gupta discloses techniques for using a computing device to provision a wireless device for connection to a Wi-Fi network, via an access point,

including provisions for encryption, and Petitioner argues that it would have been obvious to incorporate encryption into the electronic device of Brown, as required by claim 14. Pet. 76–77 (citing Ex. 1004, 4:52–63; Ex. 1011, ¶¶ 1–3, 25, 29–30; Cooperstock Decl. ¶¶ 79–80, 130–131); Ex. 1001, 9:39–41.

Patent Owner does not address Petitioner’s arguments regarding these grounds other than to challenge the combination of Brown and Scherzer, as discussed above. Accordingly, upon review of the current record and consideration of the parties’ arguments, we are persuaded that Petitioner has sufficiently articulated the basis for relying on the combinations of Brown, Scherzer, and Baxter; of Brown, Scherzer, and Drader; of Brown, Scherzer, and Ramey; and of Brown, Scherzer, and Gupta. We are also persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail with respect to its challenges of claims 2, 7–10, and 21 as obvious over the combination of Brown, Scherzer, and Baxter; of claims 3 and 4 as obvious over the combination of Brown, Scherzer, and Drader; of claim 5 as obvious over the combination of Brown, Scherzer, and Ramey; and of claim 14 as obvious over the combination of Brown, Scherzer, and Gupta.

IV. CONCLUSION

For the foregoing reasons, we determine that the information presented in the Petition and Preliminary Response establishes that there is a reasonable likelihood that Petitioner would prevail in challenging at least one claim of the ’451 patent. At this stage of the proceeding, we have not made a final determination with respect to the patentability of any of the challenged claims or the construction of any claim term. Because Petitioner has satisfied the threshold for institution as to at least one claim, we institute

inter partes review on all claims and all grounds raised in the Petition. *See SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018) (holding that a decision to institute under 35 U.S.C. § 314 may not institute on fewer than all claims challenged in the petition); *PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018) (interpreting the statute to require “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”); Consolidated Trial Practice Guide November 2019 at 5, *available at* <https://www.uspto.gov/TrialPracticeGuideConsolidated> (“In instituting a trial, the Board will either (1) institute as to all claims challenged in the petition and on all grounds in the petition, or (2) institute on no claims and deny institution.”).

V. ORDER

Accordingly, it is

ORDERED that pursuant to 35 U.S.C. § 314(a) and 37 C.F.R. § 42.4, an *inter partes* review is hereby instituted as to all challenged claims (claims 1–21 of the ’451 patent) and on all grounds raised in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial, which will commence on the entry date of this decision; and

FURTHER ORDERED that within ten (10) days of any significant developments in the parallel district court proceedings (Section II.F above), including but not limited to claim interpretation developments, any ruling on a stay, and the setting of a trial date, the parties shall file a joint report detailing any such development.

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Patent 10,298,451 B1

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