

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC. AND AMAZON WEB SERVICES, LLC,
Petitioner,

v.

PERSONALIZED MEDIA COMMUNICATIONS, LLC,
Patent Owner.

Case IPR2014-01530
Patent 7,864,956 B1

Before KARL D. EASTHOM, TRENTON A. WARD, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

WARD, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Personalized Media Communications, LLC (“Patent Owner”) filed a Request for Rehearing under 37 C.F.R. § 42.71(d). Paper 56 (“Req.”). Patent Owner’s Request for Rehearing seeks reconsideration of our Final Written Decision (Paper 55, “Dec.”) with respect to claim 6 of U.S. Patent No. 7,864,956 B1 (Ex. 1003, “the ’956 patent”). Patent Owner generally challenges our construction of the claim term “module” on the grounds that the term should be limited to modules that are a “discrete unit of a larger computer program.” Req. 1. Patent Owner further contends that the Board improperly imposed the burden of proof on Patent Owner. *Id.* at 3. Lastly, Patent Owner contends that the Board failed to construe claim 6 properly to require outputting a video presentation with a specific recommendation of subscriber specific action. *Id.*

We have considered Patent Owner’s arguments regarding what it alleges the Board misapprehended or overlooked under 37 C.F.R. § 42.71(d). For the reasons provided below, we *deny* Patent Owner’s request for rehearing.

II. ANALYSIS

A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. § 42.71(d). The party challenging a decision bears the burden of showing the decision should be modified. *Id.*

A. Arguments Regarding the Construction of “Module”

The Board construed “module” as “a discrete unit of *digital data* that is executed and/or processed to perform a specific function.” Dec. 10 (emphasis added). Patent Owner argues in its Request for Rehearing, repeating its arguments from the Patent Owner Response, that “module” be construed to mean “a discrete unit of *a larger computer program* that is executed and/or processed to perform a specific function.” Req. 4 (emphasis added). The italicized language identifies the only difference between the constructions. Req. 4.

Patent Owner agrees with the Board’s conclusion that the ’956 patent specification discloses various types of modules, including data modules, program modules, and object modules. Req. 7; *see* Dec. 8. Patent Owner argues, however, that the Board improperly determined that some of the embodiments of a “module” disclosed in the ’956 patent specification involve a “module” that is not linked to or part of a larger computer program. *Id.* In the Final Written Decision, we determined that “the ’956 patent specification discloses that the ‘data module of set of Q’ can store a variety of data including, for example, ‘the street address of every one of said supermarket chain’s markets in the local vicinity,’ ‘particular cost-of-a-trimmed-pork-belly-unit,’ and ‘binary video image information of several telephone numbers.’” Dec. 8 (quoting Ex. 1003, 189:4–9). Patent Owner argues that the “particular cost-of-a-trimmed-pork-belly-unit” is part of a program module linked with other modules in an overall computer program. Req. 5. Specifically, Patent Owner argues that the “Automatic Intermediate Transmission Stations” example in the specification describes how a unit of advertising programming Q is delivered in conjunction with a computer program Q that will give personalized pricing for pork bellies. Req. 5–6 (citing Ex. 1003, 183:9, 183:40–184:23, 188:61). Patent Owner also argues that the specification discloses that the cost per

unit of pork belly is defined by a formula disclosed in the specification, $Y = a + b + c(X)$, and is computed to determine the particular unit price of pork for that day in that location. Req. 6 (citing Ex. 1003, 186:61–63, 188:4–28, 189:5–9). Patent Owner then cites to the “Exotic Meals” example and the “Farm Plans of Europe” example disclosed in the ’956 patent specification as supporting Patent Owner’s argument of data modules that are linked to and processed by the computer program. Req. 8–9.

We are not persuaded by Patent Owner’s specific arguments regarding the “Automatic Intermediate Transmission Stations” example and other examples because they are raised the first time in the Request for Rehearing. The Request for Rehearing cites only to the ’956 patent exhibit; Patent Owner fails to identify in its Request for Rehearing where it originally cited to these portions of the ’956 patent specification in its Patent Owner Response, or any other portions of the record, as illustrating that the data module must be a discrete unit of a larger computer program. *See* Reh’g Req. 5–8. As these arguments are raised for the first time in Patent Owner’s Request for Rehearing, the Board could not have misapprehended or overlooked them. Thus, Patent Owner’s challenge does not meet the standard set forth for a request for rehearing, which requires a party to identify a place where the matter was previously addressed. *See* 37 C.F.R. § 42.71(d) (“The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.”).

Additionally, Patent Owner fails to explain how the other examples of data modules cited in the Final Written Decision, including “the street address of every one of said supermarket chain’s markets in the local vicinity” and “binary video image information of several telephone numbers” (*see* Dec. 8 (quoting Ex. 1003,

189:4–9)), require that these data modules *must* be part of a larger computer program. Even considering the disclosures in the specification cited by Patent Owner, we are not persuaded that the examples cited require that all data modules *must* be a discrete unit of a larger computer program. For example, disclosure in the specification that a data module containing the “particular cost-of-a-trimmed-pork-belly-unit” might be executed by a linked computer program to deliver personalized advertisements does not require that it *must* be a discrete unit of a larger computer program in all circumstances. *See* Req. 6–7. Yet, as we determined in the Final Written Decision, the specification does disclose that each type of module, including program modules, object modules, and data modules, is executed by a computer to perform a specific function. *See* Dec. 9 (citing Ex. 1003, 186:10–17, 188:35–37, 188:59–61). Accordingly, we modified our initial construction of “module” in the Decision on Institution as “a discrete unit of digital data” (Paper 8, 8) to incorporate “being executed by a computer to perform a specific function” (*see* Dec. 9–10). Patent Owner fails to establish persuasively how the examples of data modules in the specification are not met by a construction of “module” as “a discrete unit of digital data that is executed and/or processed to perform a specific function.”

Based on the foregoing discussion, we determine Petitioner has not carried its burden of demonstrating what we misapprehended or overlooked as required by 37 C.F.R. § 42.71(d).

B. Burden of Proof

Patent Owner argues that on two occasions in the Final Written Decision, the Board “effectively imposed the burden of proof on PMC.” Req. 9–10. In evaluating Patent Owner’s argument, we note our recitation in the Final Written

Decision that “[t]o prevail in its challenges to the patentability of the claims, *a petitioner must establish* facts supporting its challenges by a preponderance of the evidence.” Dec. 12 (citing 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d)) (emphasis added).

First, Patent Owner argues that the Board improperly assigned the burden to Patent Owner to prove that Furukawa¹ teaches or suggests the limitation in claim 6 of “transmitting a signal to at least one of a plurality of stations.” Req. at 10. Specifically, Patent Owner cites to the Board’s statement, with respect to Patent Owner’s argument that Furukawa only states that addresses and corresponding room numbers “are known,” that “Patent Owner fails to identify, however, how center 4 obtains these addresses.” *Id.* at 10–11 (quoting Dec. 34).

Contrary to Patent Owner’s arguments, the Board did not assign the burden of proof with respect to this element of claim 6 to Patent Owner, but merely noted Patent Owner’s failure to support its own arguments as to the alleged deficiencies in the teachings of Furukawa. As discussed in the Final Written Decision, Petitioner argued that Furukawa teaches the claimed “transmitting a signal to at least one of a plurality of stations” by transmitting a signal that specifies the addresses of the terminal units that should receive a spot channel instruction. Dec. 31 (citing Pet. 45 (citing Ex. 1008, 7:61–68; Ex. 1001 ¶ 42)). Patent Owner argued that Furukawa does not teach that Furukawa’s center 4 transmits a signal to at least one of a plurality of stations but offered no explanation as to how Furukawa’s center 4 communicates with terminal units 35, as disclosed in Furukawa, without transmitting a signal to these terminal units 35. As explained in the Final Written Decision, the Board evaluated the testimony of Petitioner’s

¹ U.S. Patent No. 4,439,784 (Ex. 1008) (“Furukawa”).

declarant Dr. Neuhauser and the cited disclosures in Furukawa and determined that “[w]e agree with Petitioner that one of ordinary skill in the art would understand that, given the large number of operations provided and the constantly changing nature of the services at the hotel, center 4 would receive the addresses corresponding to certain guest rooms subject to a particular operation.” Dec. 34–35.

Second, Patent Owner argues that the Board assigned the burden of proof to Patent Owner with respect to the claim 6 recitation of “controlling a transmitter station on the basis of information communicated with said signal.” Req. 11. More particularly, Patent Owner argues that the “Decision finds that PMC [Patent Owner] has failed to show there is anything in Higgins that ‘would preclude’ both incoming stock data and local software from controlling branch computer.” Req. 11. Patent Owner does not provide a citation to the Final Written Decision for its quoted language. We are not persuaded that the Final Written Decision required Patent Owner to bear the burden of proof for this element of claim 6. In fact, as discussed in the Final Written Decision, we evaluated the Petitioner’s arguments and evidence on the teachings of Higgins in view of Metcalfe for this claim element and determined

that Higgins’s disclosure of the branch computer being controlled on the basis of the stock trade information by distributing that information to the work stations connected to the branch computer teaches or suggests the claim 6 recitation of “controlling a transmitter station on the basis of information communicated with said signal.”

Dec. 19 (citing Ex. 1007, 8:38–43; Ex. 1001 ¶ 87).

Based on the foregoing discussion, we determine Petitioner has not carried its burden of demonstrating what we misapprehended or overlooked as required by 37 C.F.R. § 42.71(d).

C. Construction of the Recommending Step in Claim 6

Patent Owner contends that the Board failed to construe claim 6 properly to require outputting a video presentation with a specific recommendation of subscriber specific action. Req. 11–12. Patent Owner’s argument amounts to a disagreement with the Board’s construction of the claim 6 limitation of “recommending in outputted video, audio, or print subscriber specific action in respect to said problem or interest,” which the Board construed to mean “suggesting a choice or a course of action in outputted video, audio, or print subscriber specific action in respect to said problem or interest.” Dec. 11–12.

In its Request for Rehearing, Patent Owner argues that recommending step in claim 6 requires a concrete recommendation, i.e. specific advice or a specific proposal for what the user should do. Req. 12. Furthermore, Patent Owner argues that the disclosures in Higgins on this claim limitation are deficient because Higgins’s stock limit alerts do not provide a recommendation “about what the trader should do.” Req. 13. Patent Owner’s arguments in its Request for Rehearing merely reassert the same arguments Patent Owner made in its Patent Owner Response (PO Resp. 20–21), which we considered and addressed in our Final Written Decision (*see* Dec. 20). As set forth in the Final Written Decision, we determined that the recommending step of claim 6 “does not require an explicit statement of a specific action, but rather a suggestion of a choice of a course of action.” Dec. 20. Mere disagreement with our conclusion is not a proper basis for rehearing. In sum, Patent Owner has not persuaded us that we overlooked or misapprehended its arguments or erroneously interpreted the law in construing the recommending step of claim 6.

III. ORDER

It is hereby ORDERED that Patent Owner's request for rehearing is *denied*.

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