

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LG ELECTRONICS, INC.,
Petitioner,

v.

ATI TECHNOLOGIES ULC,
Patent Owner.

Case IPR2015-00321
Patent 7,095,945 B1

Before BRIAN J. McNAMARA, RAMA G. ELLURU, and
JAMES B. ARPIN, Administrative Patent Judges.

McNAMARA, *Administrative Patent Judge*.

FINAL WRITTEN DECISION

35 U.S.C. § 318(a) and
37 C.F.R. § 42.73

BACKGROUND

On June 26, 2015, we instituted an *inter partes* review of claim 18 of U.S. Patent No. 7,095,945 B1 (Ex. 1001, “the ’945 Patent”). Paper 20 (“Dec. to Inst.”). ATI Technologies ULC (“Patent Owner”) filed a Patent Owner Response. Paper 23 (“PO Resp.”). In support of its positions, Patent Owner cites to the declaration of Dr. William Mangione-Smith. Ex. 2003 (“Mangione-Smith Decl.”). LG Electronics, Inc. (“Petitioner”) filed a Reply. Paper 29 (“Reply”). In support of its positions, Petitioner cites to the declarations of Dr. Dan Schonfeld. Ex. 1004 (“Schonfeld Decl. 1”); Ex. 1012 (“Schonfeld Decl. 2”). Patent Owner filed a Motion for Observations on Cross Examination (Paper 32), which Petitioner opposed (Paper 35). An oral hearing was conducted on March 21, 2016, and the transcript has been entered into the record. Paper 42 (“Tr.”).

We have jurisdiction under 35 U.S.C. § 6(c). This Final Written Decision is issued pursuant to 35 U.S.C. §318(a). We base our decision on the preponderance of the evidence. 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d). Having reviewed the arguments of the parties and the supporting evidence, we conclude that Petitioner has demonstrated by a preponderance of the evidence that claim 18 of the ’945 Patent is unpatentable.

THE ’945 PATENT (EXHIBIT 1001)

The ’945 Patent explains that a transport stream (“TS”) consists of fixed length packets based on a four byte header and 184 bytes of data payload obtained from larger data blocks. Ex. 1001, col. 1, ll. 61–64. Elementary Streams (“ES”) are packetized into fixed or variable length packetized elementary stream (“PES”) packets and PES packets are merged to create a program with its own system time clock (“STC”). *Id.* at col. 1, l. 65–col. 2, l. 9. ES within one program have periodic time stamps corresponding to the STC counter to indicate proper timing

for each ES. *Id.* at col. 2, ll. 10–12. Figures 1–4 of the '945 Patent illustrate conventional signal structures. *Id.* at col. 2, ll. 49–50.

The '945 Patent discloses a system and method for displaying multimedia programs in real time and/or storing them for subsequent display, including as a time shifted display in which the stored portion of the program is played back while new portions of the program are being stored. Ex. 1001, Abstract. The '945 Patent discloses three modes of operation: (1) a receive only mode, i.e., the Transparent Mode, in which a digital transport stream receiver (“DTSR”) receives a live broadcast, which is accessed immediately and not saved (*id.* at col. 3, ll. 45–53); (2) a Continuous Time Shifting Mode, in which a received program is stored in the form of full transport stream packets or PES packets; and (3) a Part-Time Shifting Mode, in which a time shifted program is played at a user defined speed, e.g., fast forward, while the host central processing unit (“CPU”) receives and stores a real time event. *Id.* at col. 4, ll. 1–8.

Figure 6 is a block diagram of a system using two digital transport stream receivers. *Id.* at col. 2, ll. 54–56. The '945 Patent discloses several programmed embodiments of the Part-Time Shifting mode using this system. *Id.* at col. 6, l. 13–col. 7, l. 48.

ILLUSTRATIVE CLAIM

Claim 18 is the only claim at issue and is reproduced below:

18. A method comprising:

determining a mode of operation;

during a first mode of operation:

receiving a multiplexed packetized data stream at a first demultiplexer;

- selecting a first program from the multiplexed packetized data stream;
- decoding a video portion of the first program for display;
- during a second mode of operation:
 - receiving the multiplexed packetized data stream at the first demultiplexer;
 - selecting the first program from the multiplexed packetized data stream;
 - storing the first program;
- during a third mode of operation:
 - receiving the multiplexed packetized data stream at the first demultiplexer;
 - selecting the first program from the multiplexed packetized data stream;
 - storing a first program portion of the first program;
 - providing the first program portion to a second demultiplexer;
 - selecting at the second demultiplexer a video portion of the first program portion;
 - decoding the video portion of the first program portion for display; and
 - storing a second program portion of the first program simultaneous to the step of decoding.

Ex. 1001, col. 9, ll. 33–61.

CLAIM CONSTRUCTION

In our Decision to Institute, we declined to construe the terms “first program portion” and “second program portion” because their definitions were clear from the antecedents in claim 18. Dec. to Inst. 6–7. Patent Owner contends that our determination that claim 18 recites no limits on the first and second portions, other than being a portion, e.g., some or all of the first program, is inconsistent with the

plain and ordinary meaning of “portion” and the context of the claim, as the term “portion” would have been understood by one of ordinary skill in the art. PO Resp. 11–12. Patent Owner contends that the term “first program portion” should be construed to mean “part” or “some” of the first program that is less than all of the first program. *Id.* Patent Owner cites the dictionary definition of “portion” as “a part or limited quantity of anything.” *Id.* at 13 (citing Ex. 2007, 3 (Webster’s New World College Dictionary)). Patent Owner further argues that the “first program portion” and the “second program portion” cannot encompass all of the first program, as that would render claim 18’s third mode of operation meaningless. *Id.* at 14–15. According to Patent Owner, because step (i) of the third mode requires storing a “first program portion” and step (v) requires storing a “second program portion,” if the term “portion,” in “first program portion” includes storing an entire program in step (i), there would be nothing left to store in step (v). *Id.*

Patent Owner distinguishes the second mode, in which a first program is stored, from the third mode, in which a portion, i.e., a second portion of the first program is stored. PO Resp. 13–16; see Tr. 22:19–24:23. The claim language does not define a program or program portion. The specification refers to time shifting a “viewed program,” states that PES packets from various ES are merged together to form a program (service) with its own STC, and states that all ES components of a program are synchronized with the STC counter to indicate the proper timing of each ES. Ex. 1001, col. 1, ll. 12–13, col. 2, ll. 7–13. However, a program is not defined by any limitations of time or content. Thus, neither the language of claim 18 nor the description in the specification of the ’945 Patent places specific constraints on what constitutes a program or a portion of a program.

In the first and second modes in claim 18, the first program is selected and decoded or stored, respectively. The distinction in the third mode of claim 18 is that the first program portion is that portion of the first program that is stored and whose video is provided to the second demultiplexer to select a portion of the first program portion for display; the second program portion is that portion of the first program that is being stored at the same time the video portion of the first program portion is being decoded for display. Patent Owner's claim construction argument that there would be no need for the third mode if the entire program were recorded applies only when there is no time shifting, i.e., when at all times the first program portion being stored and provided to the second demultiplexer for decoding is the same as the second program portion being stored. However, at all other times, the third mode is required to provide a time shift between the overlapping parts of the first program portion stored (the video portion of which is decoded at the second demultiplexer) and the second program portion being stored simultaneously with the decoding. Under Patent Owner's construction, claim 18 would not apply to a system that continues to record when a user called away before the beginning of a program activates the third mode and does not return until after the entire program has been completed.

In the absence of specific definitions, claim 18 does not preclude the second program portion from overlapping the entirety of the first program or the first program portion, as would occur when a user, who is called away at the beginning of a first program, activates the third mode for the duration of the first program. Indeed, some overlap of the first program portion, and the second program portion is required for the third mode to provide time shifting.

We construe only those claim terms that require analysis to conduct our review. *See Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed.

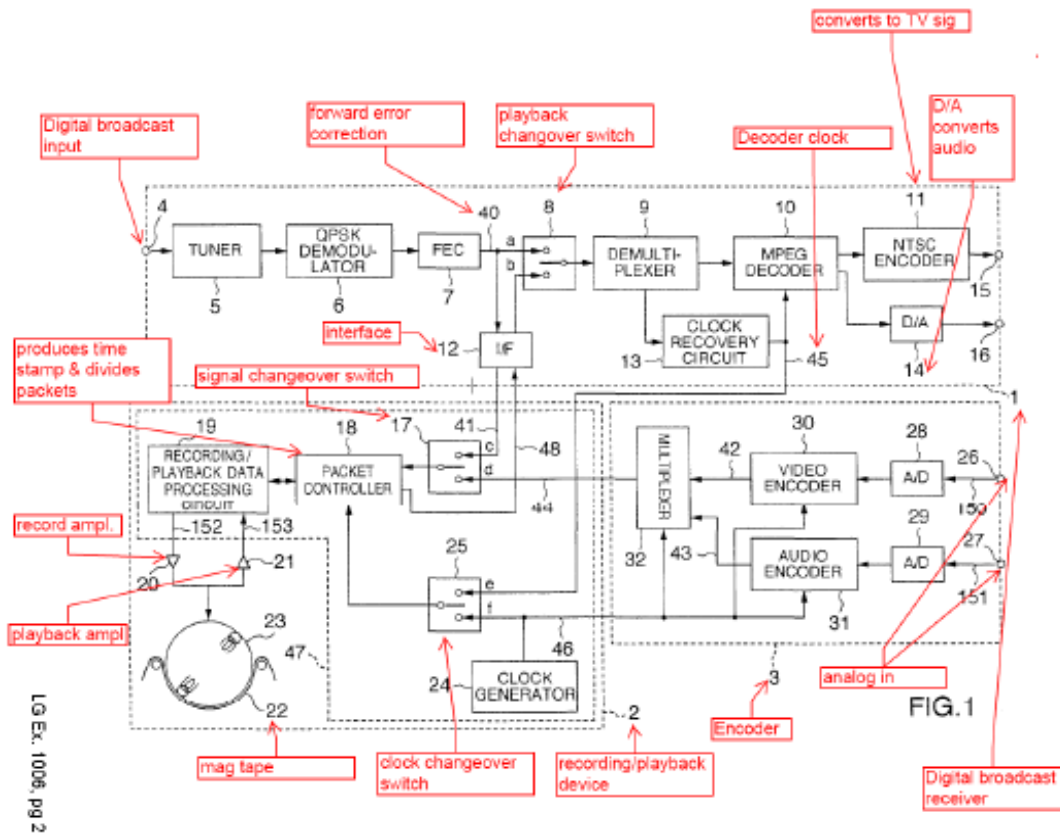
Cir. 1999) (holding that “only those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy”). For the reasons discussed further herein, we determine that our analysis does not require the express construction of other terms, and we decline to provide constructions beyond those provided in our Decision to Institute. *See* Dec. to Inst. 6–7.

ANALYSIS OF PRIOR ART CHALLENGES

Obviousness of Claim 18 Over Hatanaka

The ’945 Patent concerns an implementation of time-shifting. Time-shifting is the recording of a program onto a storage medium to be watched at a later time. PO Resp. 2. Petitioner contends that claim 18, which recites three modes of operation, is obvious over Hatanaka because Hatanaka discloses a first and second demultiplexer and storage device and because simultaneous storing and decoding would have been obvious in the context of such a system. Pet. 25–26. Patent Owner notes that the ’945 Patent does not claim to have invented time-shifting, but teaches a system and mechanism for efficient time-shifting using a structure that includes two hardware demultiplexers. PO Resp. 3. According to Patent Owner, claim 18 recites two demultiplexers, where the first demultiplexer stores new data and maintains a current clock value, while the second demultiplexer provides for the decoding and display of stored data. *Id.* (citing Ex. 1001, Abstract).

In our Decision to Institute, we provided the following annotated version of Figure 1 of Hatanaka:



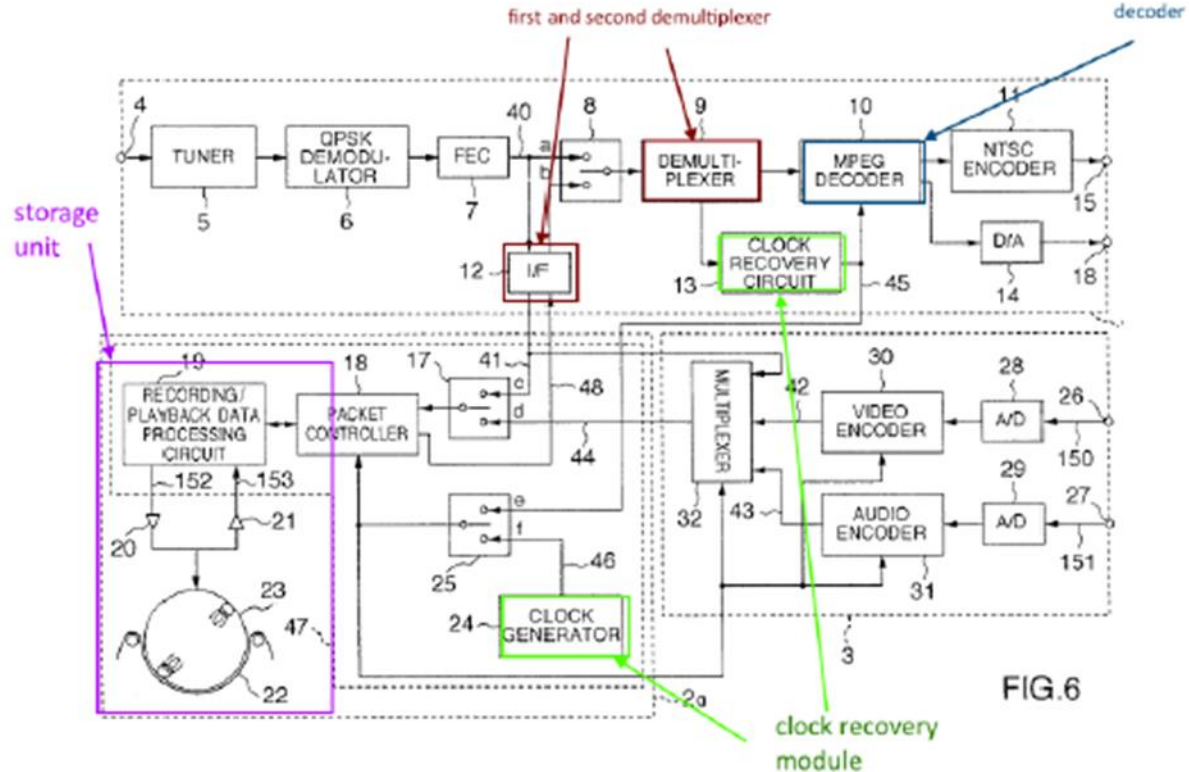
Annotated version of Figure 1 of Hatanaka

Dec. to Inst. 13.

As shown in Figure 1, Hatanaka discloses a system with digital broadcast receiver 1 that provides an NTSC encoded television video output and analog audio output, analog receiver/encoder 3, and recording/playback device 2. Ex. 1006, col. 2, ll. 30–50, Fig. 1. The status of playback changeover switch 8, signal changeover switch 17, and clock changeover switch 25 control signal routing. *Id.* Fig. 1. For example, when playback changeover switch 8 is set to “a,” the digital broadcast received at input 4 is routed through demultiplexer 9 to MPEG decoder

10, and clock recovery circuit 13 is controlled to have the same frequency as a clock (the program reference clock (“PRC”)) used in compressing the video at the broadcast station. *Id.* at col. 3, ll. 7–41. If the received signal is recorded, changeover switch 17 is set at “c,” and packet control circuit 18 divides received 188 byte packet data into a ninety-two byte packet and a ninety-six byte packet, and adds a time stamp. *Id.* at col. 3, ll. 42–63. Clock changeover switch 25 is set to “e,” so that decoder clock 45 is input to packet control circuit 18. *Id.* at col. 4, ll. 48–50. In playback mode, the respective packets are output by packet control circuit 18 in accordance with the time stamps. *Id.* at col. 4, ll. 43–45. During reproduction, packet control circuit 18 cannot use decoder clock 45, so clock changeover switch 25 is set to “f,” so that clock generator 24 provides fixed clock 46 to packet control circuit 18, and a packet is output at time generated by fixed clock 46, allowing clock recovery circuit 13 to generate a stable clock. *Id.* at col. 4, ll. 51–64. When an analog video and audio are received, encoders 30 and 31 and multiplexer 32, which adds signals to comply with MPEG2 standards, deliver multiplexed stream 44, similar to that of the output of interface 12 of digital broadcast receiver 1, to packet control circuit 18 by setting signal changeover switch 17 to “d”. *Id.* at col. 5, ll. 1–67. During recording and playback of the received analog audio and video, clock changeover switch 25 is set to “f,” so that packet control circuit 18 uses fixed clock 46. *Id.* at col. 6, ll. 8–15.

Petitioner provides the following, annotated version of Figure 6 of Hatanaka:



Petitioner's Annotated Version of Fig. 6 of the '945 Patent

Pet. 25. By its annotations, Petitioner contends that Hatanaka discloses the recited first demultiplexer as interface 12, the recited second demultiplexer as demultiplexer 9, as well as the correspondence between the recited decoding step and MPEG decoder 10 and the recited storing step and a storage unit. Pet. 24–25 (citing Ex. 1006, col. 3, ll. 16–56, col. 9, ll. 6–13 and Schonfeld Decl. ¶¶ 159–187); see Tr. 37:13–21.

Patent Owner contends that Hatanaka is deficient as a reference to establish obviousness for two reasons: (1) the digital VCR disclosed in Hatanaka is incapable of simultaneously storing a second program portion of the first program while decoding a video portion of the first program portion, and (ii) Hatanaka does

not use the same first demultiplexer across the three modes of operation. PO Resp. 3–4.

We begin with Patent Owner’s second contention, i.e., that Hatanaka does not disclose the claimed first demultiplexer because Hatanaka does not use the same first demultiplexer across the three modes of operation. PO Resp. 31–40. According to Patent Owner, “Hatanaka fails to disclose a first demultiplexer that receives a multiplexed packetized data stream and selects a first program from the multiplexed data stream for all three modes of operation.” *Id.* at 31. Patent Owner points to Hatanaka’s play operation, which uses demultiplexer 9 to provide the multiplexed data stream to decoder 10, noting that interface 12 has no role in Hatanaka’s play operation. *Id.* at 32. Patent Owner then describes the play processing path in Hatanaka in which interface 12 is not responsible for demultiplexing the broadcast stream and selecting the program sent to decoder 10. *Id.* at 32–33. Patent Owner also challenges as ambiguous the testimony of Petitioner’s expert, Dr. Schonfeld, suggesting that the first demultiplexer in Hatanaka is some kind of combination of interface 12 and demultiplexer 9. *Id.* at 34–36. Patent Owner then returns to its argument that, when interface 12 receives a multiplexed data stream and selects a program, the selected program is never decoded for display, but instead is stored. *Id.* at 36–37.

Petitioner disputes Patent Owner’s contention that claim 18 requires the same demultiplexer receive a multiplexed packetized data stream and select a first program from the multiplexed packetized data stream. Reply 4. Petitioner notes that claim 18 recites receiving a multiplexed packetized data stream at a first demultiplexer, but that Patent Owner’s expert acknowledged the broad language of claim 18 does not recite a literal requirement that the first demultiplexer do any selecting. Reply 6 (citing Transcript of Deposition Dr. Mangione-Smith

(“Mangione-Smith Tr.”), Ex. 1011, 60:23–61:3); *see also*, Mangione-Smith Tr. 100:5–14 (Although Dr. Mangione-Smith testified that a person of ordinary skill would understand the claim language to require that the first multiplexer to select the program, that specific language is not in the claim.).¹

In patent law, “the name of the game is the claim.” *In re Hiniker Co.*, 150 F.3d 1362, 1369 (Fed. Cir. 1998). Patent Owner’s argument is inconsistent with the language of claim 18. Claim 18 does not require the first demultiplexer play any specific role in either the first or second mode of operation, other than to receive the packetized data stream. For each of the three modes, claim 18 recites receiving the packetized data stream at the first demultiplexer. For the three modes, claim 18 next recites selecting a first program from the demultiplexed data stream. Claim 18 does not recite that the first program is selected by or output from the first demultiplexer.

Hatanaka discloses a hard wired connection that routes the packetized signal to interface 12 at all times. As Petitioner points out, Patent Owner’s expert, Dr. Mangione-Smith, testified that nothing precludes interface 12 from receiving the signal during play mode. Reply 8 (citing Mangione-Smith Tr. 98:20–99:2). Thus, we are not persuaded by Patent Owner’s arguments concerning modifications required to Hatanaka for operation of the first demultiplexer in the three recited operational modes. PO Resp. 44–46. We agree with Petitioner that the arguments in the Patent Owner Response and Dr. Mangione-Smith’s interpretation of claim

¹ Petitioner and Patent Owner rely on substantially similar assessments of the level of ordinary skill in the relevant art. Ex. 1004 ¶ 21; PO Resp. 11 (citing Ex. 2003 ¶¶ 33–34). Each of Petitioner’s and Patent Owner’s declarants appear to exceed the qualifications required for a person of ordinary skill in the relevant art (*see* Ex. 1004 ¶¶ 5–13; Ex. 2003 ¶¶ 6–14), and we credit their testimony as to what such a person would have understood at the time of the invention.

18 are based on an improper reading of claim 18 that the first demultiplexer must perform both the receiving and selecting steps.

We now turn to Patent Owner's other contention, i.e., that the digital VCR disclosed in Hatanaka is incapable of simultaneously storing a second program portion of the first program while decoding a video portion of the first program portion. In our Decision to Institute, we noted that the portions of Hatanaka cited by Petitioner in its claim charts and the Schonfeld Declaration describe the recording and playback of broadcasts in Hatanaka and indicate playback can occur during recording, but that Hatanaka is silent about what information is being retrieved from the storage medium and played back at the time a program is being recorded. Dec. to Inst. 18. Petitioner cites Dr. Mangione-Smith's testimony that the same program sent to storage after interface 12 could be retrieved from storage for playback, although it is not clear Dr. Mangione-Smith conceded the storage and playback could be simultaneous. *Id.* at 9 (citing Mangione-Smith Tr. 104:9–14).

Petitioner acknowledges that Hatanaka does not explicitly disclose simultaneous recording and decoding for display different portions of a program. Tr. 9:4–11; *see* Reply 12. Instead, Petitioner contends that considering Hatanaka's disclosure it could be implemented in recording media other than a VCR using magnetic tape (e.g., semiconductor memory), simultaneous recording and playback of video data would have been obvious to one of ordinary skill. Pet. 26; *see* Tr. 8:22–9:22.

Patent Owner contends that claim 18 requires simultaneously recording and play back of different portions of the same program that Hatanaka cannot provide. PO Resp. 4, 26–30. Patent Owner notes that Hatanaka discloses a digital VCR using switches for its clocking mechanisms to provide (i) a clock recovery circuit for recording and (ii) a clock generator circuit for playback. *Id.* at 4. Patent Owner

argues that Hatanaka uses a clock changeover switch, such that only one clock is available for Hatanaka's packet controller circuit at any given time, thereby preventing simultaneous recording and playback. *Id.* According to Patent Owner, clock changeover switch 25 provides different clocks to packet controller 18 based on whether the switch is in position "e" or "f." *Id.* at 27. During recording, with the contact set to "e," decoder clock 45 generated by clock recovery circuit 13 is used by packet controller 18 to generate time stamp information, but, during playback, with the clock changeover switch set to "f," fixed clock 46 from clock generator 24 is input to packet controller 18 to assist in retrieving packets of data from magnetic tape. *Id.* at 28. Patent Owner states that because "clock changeover switch 25 is a standard switch, clock changeover switch 25 only allows packet controller 18 to receive an individual input from either decoder clock 45 (contact "e") or clock generator 24 (contact "f"), **not** both simultaneously." *Id.* at 29. Patent Owner further argues that Hatanaka would require extensive modification to the hard disk, packet controller, the clock recovery system, and demultiplexer to overcome its deficiencies with respect to the obviousness of claim 18. PO Resp. 43–44.

As noted above, Petitioner does not argue that Hatanaka expressly discloses simultaneous storing and decoding. Reply 12. Instead Petitioner asserts this feature would have been obvious to one of ordinary skill because Hatanaka discloses a system that allows a person to record and decode simultaneously different portions of the same program. *Id.* Petitioner supports this argument by noting that Hatanaka discloses it can employ other forms of video recording devices, and that Patent Owner's expert, Dr. Mangione-Smith, acknowledges that one of ordinary skill would know how to replace Hatanaka's digital VCR with other recording devices available at the time, such as a multi-head VCR, optical

disk or semiconductor memory. Reply 14–15 (citing Mangione-Smith Tr. 92:3–10). According to Petitioner, systems using multi-head VCRs and other storage devices would work in the system disclosed by Hatanaka and would accommodate simultaneous recording and playback of video data. *Id.* at 14 (citing Schonfeld Decl. 2 ¶¶ 12–17). On this point, Petitioner further notes that the '945 Patent itself discloses using multi-disk drive units to reduce latencies. *Id.*; Ex. 1001, col. 4, ll. 66–67. Thus, Petitioner has demonstrated that a person of ordinary skill would have reason to apply Hatanaka to devices that record a second portion of a first program at the same time a first portion of that program is being decoded for display.

Petitioner also disputes Patent Owner's contentions concerning the need for extensive modifications to Hatanaka to meet the limitations of claim 18. Reply 15–16. Claim 18 does not recite any particular structure to carry out the claimed method. For an obviousness analysis, prior art references must be "considered together with the knowledge of one of ordinary skill in the pertinent art." *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (quoting *In re Samour*, 571 F.2d 559, 562 (CCPA 1978)). Moreover, "it is proper to take into account not only specific teachings of the reference but also the inferences which one skilled in the art would reasonably be expected to draw therefrom." *In re Preda*, 401 F.2d 825, 826 (CCPA 1968).

Petitioner notes that a person of ordinary skill would recognize that the switches of Hatanaka could be operated at frequencies that would permit simultaneous recording and playback, or that output from both data clock 45 and fixed clock 46 could be provided directly to packet controller 18 and/or synchronized using a phase locked loop, thus eliminating the need for switch 25. Pet 16; Schonfeld Decl. 2 ¶ 18. Although Patent Owner argues that these are

significant modifications to Hatanaka (Mot. For Observations 3), Petitioner notes that any of the ways Dr. Schonfeld mentions for simultaneous recording and playback could be done with the same circuit, as in Figure 1 of Hatanaka (Resp. to Motion for Observations 3). Although it appears that some modifications would be required, in the context of method claim 18, which is not limited to any specific structure, Petitioner's argument that such modifications would have been minor and obvious to one of ordinary skill is persuasive. Reply 16 (citing Schonfeld Decl. 2 ¶¶ 16–18).

Claim 18 also recites “selecting at the second demultiplexer a video portion of the first program portion” and “decoding the video portion of the first program portion for display.” During the oral hearing, Patent Owner argued that selecting the claimed video portion is different from selecting the first program portion because the first program portion includes more than just video, i.e., it includes audio, and packet identifiers. Tr. 26:1–11. Hatanaka discloses that in recording, the respective broadcasting, video, and audio packets of the broadcasting stream are multiplexed on a time divisional basis. Ex. 1006, col. 6, ll. 33. As Petitioner notes, Hatanaka discloses demultiplexer 9 selects only one of the digital and analog broadcasts on the basis of the packet (PAT²) converted in the recording and inputs the selected program packet to MPEG decoder 10 to obtain the video and the audio of the desired system. Pet. 36; Ex. 1006, col. 6, ll. 46–52. Hatanaka also states that demultiplexer 9, MPEG decoder 10, NTSC encoder 11, and D/A converter 14 also may be provided in the recording/playback device, so that the recording

² A reference PAT describes the packet identification number (“PID”) of a packet in a PMT (PMT represents the PID of packets of video/audio which compose one program) corresponding to each program. Ex. 1006, col. 5, ll. 34–41, Fig. 5

playback device is capable of providing a reproduced video by itself. Ex. 1006, col. 7, ll. 24–28.

In consideration of the foregoing analysis, Petitioner has demonstrated by a preponderance of the evidence that claim 18 is unpatentable as obvious over Hatanaka.

Obviousness Over Hatanaka and O'Connor

Recognizing that Hatanaka does not disclose explicitly the step of storing a second program portion of the first program simultaneous with the step of decoding, Petitioner cites O'Connor as disclosing simultaneous decoding and storing. Pet. 49. Petitioner cites Figure 3 of O'Connor as showing an embodiment for retrieving a portion of the video stream from a random access storage unit, while continuing to record the incoming video stream. Pet. 52. O'Connor discloses a time shifting system in which buffers allow incoming video to be recorded while supplying enough data to the output display, permitting a viewer who begins viewing a program after it started to watch the program from the beginning, while continuing to record the rest of the program, or to replay scenes during a live broadcast, while continuing to record the remainder of the broadcast. Pet. 53 (citing Ex. 1007, col. 11, l. 14–col. 12, l. 10).

Patent Owner contends that O'Connor does not remedy the deficiencies of Hatanaka. PO Resp. 47. Patent Owner argues that O'Connor does not disclose the claimed first demultiplexer. *Id.* at 47–49. However, as discussed above, Hatanaka discloses the recited first demultiplexer. Patent Owner acknowledges that “O'Connor suggests simultaneous recording and playback,” but argues that O'Connor does not disclose with sufficient specificity the actual hardware that would be used to perform its time shifting. *Id.* at 48–49. According to Patent Owner, if a person of ordinary skill attempted to integrate O'Connor's suggestion

of the desirability to provide a pause/resume functionality that requires the ability to record and playback portions of the same program simultaneously with Hatanaka, it is unclear how the resulting system would operate. *Id.* at 50.

“It is well-established that a determination of obviousness based on teachings from multiple references does not require an actual, physical substitution of elements.” *In re Mouttet*, 686 F.3d 1322, 1332 (Fed. Cir. 2012); *In re Etter*, 756 F.2d 852, 859 (Fed. Cir. 1985) (en banc) (noting that the criterion for obviousness is not whether the references can be combined physically, but whether the claimed invention is rendered obvious by the teachings of the prior art as a whole). In that regard, one with ordinary skill in the art is not compelled to follow blindly the teaching of one prior art reference over the other without the exercise of independent judgment. *Lear Siegler, Inc. v. Aeroquip Corp.*, 733 F.2d 881, 889 (Fed. Cir. 1984); *see also, KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 420–21 (2007) (stating that a person with ordinary skill in the art is “a person of ordinary creativity, not an automaton,” and “in many cases . . . will be able to fit the teachings of multiple patents together like pieces of a puzzle”).

Notwithstanding Patent Owner’s attacks on the testimony of Petitioner’s expert, Dr. Schonfeld, as piecemeal (PO Resp. 52–56), Dr. Schonfeld has provided testimony consistent with Hatanaka’s disclosure that devices, other than single head magnetic tape VCRs, can be used, as discussed above (*see* Ex. 2008, 98:7–18). Patent Owner acknowledges that, to the extent that Hatanaka does not disclose simultaneously recording and decoding portions of a broadcast, such an arrangement is suggested, by O’Connor. PO Resp. 48–49. As we noted above, claim 18 of the ’945 Patent is not limited to a particular structure; nor does the ’945 Patent disclose a structure other than a single block diagram (Figure 6) the

elements of which, especially CPU 632, are described in functional terms. Ex. 1001, Fig. 6, col. 5, l. 7–col. 6. l. 67.

Therefore, we conclude that Petitioner has shown by a preponderance of the evidence that claim 18 is unpatentable as obvious over the combination of the teachings of Hatanka and O'Connor.

CONCLUSION

In consideration of the above, we conclude that Petitioner has demonstrated by a preponderance of the evidence that claim 18 of the '945 Patent is unpatentable under 35 U.S.C. § 103 over Hatanaka alone and over the combination of the teachings of Hatanaka and O'Connor.

ORDER

In consideration of the above it is,

ORDERED that claim 18 of the '945 Patent is unpatentable, and

FURTHER ORDERED, that because this is a final written decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IPR2015-00321
Patent 7,095,945 B1

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