

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

CONTENTGUARD HOLDINGS, INC.,
Patent Owner.

Case IPR2015-00444
Patent 7,523,072 B2

Before MICHAEL R. ZECHER, JENNIFER S. BISK, and
KERRY BEGLEY, *Administrative Patent Judges*.

BISK, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review
35 U.S.C. § 314(a) and 37 C.F.R. § 42.108

INTRODUCTION

A. Background

Petitioner, Apple Inc., filed a Petition requesting an *inter partes* review of claims 1, 8, 10, 16, 18, and 24 (the “challenged claims”) of U.S. Patent No. 7,523,072 B2 (Ex. 1003, “the ’072 patent”). Paper 1 (“Pet.”). Patent Owner, ContentGuard Holdings, Inc., filed a Preliminary Response. Paper 8 (“Prelim. Resp.”).

We have authority to determine whether to institute an *inter partes* review. 35 U.S.C. § 314(b); 37 C.F.R. § 42.4(a). Pursuant to 35 U.S.C. § 314(a), an *inter partes* review may not be instituted unless “the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

For the reasons that follow, we deny the Petition.

B. Related Matters

The parties indicate that the ’072 patent is the subject of several proceedings in various United States district courts. Pet. 2; Paper 7, 3.

Petitioner filed two other petitions seeking *inter partes* review of the ’072 patent—IPR2015-00443 and IPR2015-00445. In addition, another party filed a petition seeking *inter partes* review of the ’072 patent, which resulted in a final decision that the petitioner in that case had not demonstrated by a preponderance of evidence that claims 1–25 of the ’072 patent are unpatentable. *ZTE Corp. v. ContentGuard Holdings, Inc.*, Case No. IPR2013-00133, 2014 WL 3052687 (PTAB July 1, 2014) (Paper 61) (“ZTE Final Dec.”).

Petitioner also filed petitions in IPR2015-00351–358, 399, 400, 440–442, and 446–458, challenging related U.S. Patent Nos. 6,963,859; 7,225,160; 7,269,576; 7,774,280; 8,001,053; 8,370,956; 8,393,007; and 8,583,556.

C. The Asserted Ground of Unpatentability

Petitioner contends that claims 1, 8, 10, 16, 18, and 24 of the '072 patent are unpatentable under 35 U.S.C. § 103 based on the combination of (1) Kahn¹ and Linn,² and (2) Kahn, Linn, and Dyad.³ Petitioner also provides a declaration from Dr. Alan Sherman. Ex. 1013 (“Sherman Declaration”).

D. The '072 Patent

The '072 patent relates to controlling the distribution and use of digitally encoded audio, video, text, or multimedia works. Ex. 1003, 4:7–8, 6:3–7. According to the '072 patent, an issue facing the publishing and information industries is how to prevent the unauthorized and unaccounted distribution or usage of such electronically published materials. *Id.* at 1:32–35. In particular, a major concern is the ease with which electronically published works can be “perfectly” reproduced and distributed over the Internet. *Id.* at 1:45–46. One way to curb unaccounted distribution is to prevent unauthorized copying and

¹ U.S. Patent No. 6,135,646 (Ex. 1018, “Kahn”).

² R.J. Linn, *Copyright and the Information Services in the Context of the National Research and Education Network*, 1 PROCEEDINGS: TECHNOLOGICAL STRATEGIES FOR PROTECTING INTELLECTUAL PROPERTY IN THE NETWORKED MULTIMEDIA ENVIRONMENT 9 (1994) (Ex. 1058, “Linn”).

³ J.D. Tygar & Bennet Yee, *Dyad: A System for Using Physically Secure Coprocessors*, 1 PROCEEDINGS: TECHNOLOGICAL STRATEGIES FOR PROTECTING INTELLECTUAL PROPERTY IN THE NETWORKED MULTIMEDIA ENVIRONMENT 121 (1994) (Ex. 1057, “Dyad”).

transmission. *Id.* at 1:64–65. Another way is to distribute software with the digital works that requires a purchasable “key” to enable its use. *Id.* at 2:14–15.

Because these available distribution and protection schemes may sacrifice the potential for subsequent revenue bearing uses, the ’072 patent describes the need for a system with: (1) flexibility in how the owner of a digital work may allow it to be distributed, and (2) a means for billing that is always transported with the work. *Id.* at 3:8–10, 3:15–17; 4:1–3. To achieve these objectives, the ’072 patent discloses permanently attaching usage rights to digital works and placing the works in repositories that enforce these usage rights. *Id.* at 4:26–27, 6:16–26.

E. Illustrative Claim

Claims 1, 10, and 18 of the ’072 patent are independent. Claim 1 is illustrative of the challenged claims and recites:

1. A method for securely rendering digital documents, comprising:
 - retrieving, by a document platform, a digital document and at least one usage right associated with the digital document from a document repository, the at least one usage right specifying a manner of use indicating the manner in which the digital document can be rendered;
 - storing the digital document and the at least one usage right in separate files in the document platform;
 - determining, by the document platform, whether the digital document may be rendered based on the at least one usage right; and
 - if the at least one usage right allows the digital document to be rendered on the document platform, rendering the digital document by the document platform.

Ex. 1003, 52:8–22.

ANALYSIS

A. Asserted Ground Based on Kahn and Linn

1. Procedural Defects

As a threshold matter, we note that the Petition has several significant procedural defects. For instance, a petition for *inter partes* review must “identif[y], in writing and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim.” 35 U.S.C. § 312(a)(3). According to 37 C.F.R. § 42.104(b)(4), a petition for *inter partes* review “must identify how the construed claim is unpatentable under the statutory grounds on which the petitioner challenges the claims, and must specify where each element of the claim is found in the prior art patents or printed publications relied upon.” Section 42.104(b)(5) of the Code of Federal Regulations adds that the Petition must “identify[] specific portions of the evidence that support the challenge.” Similarly, 37 C.F.R. § 42.22(a)(2) states that each petition must include “[a] full statement of the reasons for the relief requested, including a detailed explanation of the significance of the evidence including material facts, and the governing law, rules, and precedent.” The Office Patent Trial Practice Guide suggests that parties requesting *inter partes* review should “avoid submitting a repository of all the information that a judge could possibly consider, and instead focus on concise, well-organized, easy-to-follow arguments supported by readily identifiable evidence of record.” 77 Fed. Reg. 48,756, 48,763 (Aug. 14, 2012).

We agree with the Patent Owner that the Petition fails to satisfy each of these requirements. See Prelim. Resp. 4–10. The entire Petition is riddled with vague, nested string citations to broad swaths of the references, the Sherman

Declaration, and internal cross-references to whole sections of the Petition. *See, e.g.*, Pet. 52 (discussing the third “element” of claim 1 and citing, *inter alia*, “*See* § IV.A.2, A.4; Ex. 1018 at 25:14–29,” “Ex. 1013 at ¶ D95–18 [sic], D226–27”). For example, the analysis of what the Petition identifies as the second of seven elements of claim 1 is only nine lines of the Petition, but cites to 9 paragraphs of the Sherman Declaration and over 4 pages of internal sections of the Petition. *See* Pet. 51. Our count does not include the further internal citations and cross-references contained in the cross-cited portions of Petition. The same problem continues for the remaining elements. In another example, in its approximately four-page argument that Kahn and Linn teach a repository (Pet. 44–48), Petitioner collectively cites to paragraphs D28, D70–74, D104–117, D128, and D130–155 of the Sherman Declaration, which, in turn, cite to at least paragraphs A98–100, A138–153, B74, D6, D8, D21–27, D29–49, D55–62, D75–77, and D118, corresponding to over 40 pages of testimony. These nested citations to vast portions of the record obscure what exactly Petitioner is relying on as teaching or suggesting these elements.

The clarity problems caused by the pervasive use of internal cross-references and nested citations are exacerbated by the way Petitioner has structured the Petition. A brief description of the structure of the Petition will illustrate this problem. The Petition starts its analysis of the asserted ground of obviousness over Kahn and Linn with a general discussion of each reference. Pet. 24–35. It then proffers a hypothetical, integrated system that purports to combine the teachings of Kahn and Linn with the knowledge of a person of ordinary skill in the art (“the hypothetical Kahn-Linn system”). *Id.* at 35–41. Next, the Petition argues that the hypothetical Kahn-Linn system “would” satisfy three claim terms, namely

(1) “usage rights,” (2) “repository,” and (3) “digital documents.” *Id.* at 41–49. Finally, the Petition includes a section asserting that the hypothetical Kahn-Linn system “would” meet each limitation of the challenged claims. *Id.* at 49–57. This mapping of the hypothetical Kahn-Linn system to the challenged claims relies on all the previous summaries and descriptions. *Id.* Thus, the unpatentability analysis relies on the description of the hypothetical operation of a hypothetical implementation of a system relying, in part, on Petitioner’s description and characterization of the disclosed system. The result of all these layers of abstraction is that the final unpatentability analysis is at least two or three levels removed from the actual disclosure of the references. Petitioner’s approach completely blurs the line between the actual teachings, Petitioner’s modifications to the teachings, and Petitioner’s characterizations of those teachings. This approach improperly shifts the burden of deciphering Petitioner’s arguments onto Patent Owner and the Board, which, as we discussed above, is contrary to the statutory and regulatory provisions governing *inter partes* review proceedings, as well as the best practices outlined in the Office Patent Trial Practice Guide.

The lack of clarity in the Petition is further compounded by the improper incorporation by reference of the Sherman Declaration. The Petition is full of conclusory statements that cite to broad swaths of the lengthy Sherman Declaration. Indeed, without referring entirely to the Sherman Declaration many sections of the Petition would be unintelligible. The Petition’s practice of citing multiple pages of the Sherman Declaration to support conclusory statements and, more generally, using the Sherman Declaration to vastly expand its thin analysis and reasoning violates our rules in two respects.

First, this practice amounts to incorporation by reference—which is impermissible under our rules. *See* 37 C.F.R. § 42.6(a)(3) (“Arguments must not be incorporated by reference from one document into another document.”); *Cisco Sys., Inc. v. C-Cation Techs., LLC*, Case IPR2014-00454, slip op. at 7–10 (PTAB Aug. 29, 2014) (Paper 12) (informative). This incorporation by reference from the 474-page Declaration into the Petition “serves to circumvent the [60-]page limit[] imposed on petitions for *inter partes* review, while imposing on our time by asking us to sift through [hundreds of] pages of [the] Declaration (including numerous pages of claim charts) to locate the specific [relevant] arguments.” *Cisco Sys., Inc.*, IPR2014-00454, at 10 (Paper 12) (informative); *see* 37 C.F.R. § 42.24(a)(1)(i). Arguments and information that are not prevented and developed in the Petition, and instead are incorporated by reference to the Sherman Declaration, are not entitled to consideration.

Second, the Petition’s consistent citation to voluminous portions of the Sherman Declaration, which, as explained above, generally include additional internal cross-references, runs afoul of the particularity and specificity required of supporting evidence under our governing statute and rules. *See* 35 U.S.C. § 312(a)(3); 37 C.F.R. §§ 42.22(a)(2), 42.104(b)(4)–(5).

Based on the deficiencies addressed above, the Petition fails: (1) to specify sufficiently where the limitations of the challenged claims are taught or suggested by Kahn and Linn; and (2) to provide a sufficiently detailed explanation of the significance of the citations to these references and the Sherman Declaration—as required under 35 U.S.C. § 312(a)(3), 37 C.F.R. § 42.22(a)(2), and 37 C.F.R. § 42.104(b)(4)–(5).

2. *Defects in the Proffered Obviousness Analysis*

Even considering the merits of the Petition, Petitioner's analysis of the asserted ground of obviousness over Kahn and Linn is deficient. As a caveat, we decline to consider any arguments beyond those presented and developed in the Petition. Given this constraint, we determine that the Petition's obviousness analysis does not provide sufficient information to enable us to perform a proper *Graham* analysis, is driven by improper hindsight, and lacks sufficient articulated reasons with rational underpinnings to support the modifications it proposes.

a. *Insufficient Information for Graham Analysis*

A patent claim is unpatentable as obvious under 35 U.S.C. § 103(a)⁴ if “the differences between” the claimed subject matter and the prior art “are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103(a); *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The legal conclusion of obviousness is resolved on the basis of underlying factual determinations, including: (1) “the scope and content of the prior art,” (2) “differences between the prior art and the claims at issue,” (3) “the level of ordinary skill in the pertinent art,” and (4) any “secondary considerations,” or objective indicia, of nonobviousness. *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 17–18 (1966). These underlying factual determinations “must be

⁴ The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284 (2011), revised 35 U.S.C. § 103, effective March 16, 2013. Because the ’072 patent was filed before March 16, 2013, our references and citations to § 103 in this decision are to the pre-AIA version.

considered by the trier of fact” in an obviousness analysis. *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534, 546 (Fed. Cir. 1998).

Here, as Patent Owner points out, the Petition fails to identify sufficiently the differences between the challenged claims of the '072 patent and the asserted prior art references, Kahn and Linn. *See* Pet. 22–57; Prelim. Resp. 6–7, 41. Rather than address these differences, the Petition creates a hypothetical Kahn-Linn System—based on how a person of ordinary skill in the art allegedly “would” or “could” combine the two references into an integrated system—in an analysis that is divorced entirely from the language of the challenged claims of the '072 patent. *See* Pet. 38–45. The Petition then argues, in conclusory fashion, that this hypothetical system “would” meet each of the limitations of the claims. *See id.* at 49–57. This analysis—which compares the challenged claims to a hypothetical integrated system that allegedly implements elements of both Kahn and Linn as well as the knowledge of one of ordinary skill in the art—obscures any comparison of the individual prior art references to the claim limitations. It does not explain with any particularity which claim limitations are absent from Kahn or Linn. *See* Prelim. Resp. 6–7, 41. Therefore, the Petition fails to provide sufficient information regarding the proffered ground of unpatentability based on Kahn and Linn.

Accordingly, we determine that the Petition does not show a reasonable likelihood that Petitioner would prevail in showing that the challenged claims would have been obvious over Kahn and Linn. *See Apple Inc. v. SmartFlash LLC*, Case CBM2015-00029, slip op. at 16–18 (PTAB May 28, 2015) (Paper 11) (denying institution of an asserted obviousness ground based on Petitioner’s failure to explain adequately any differences between the asserted prior art and the

claimed invention); *Liberty Mut. Ins. Co. v. Progressive Casualty Ins. Co.*, Case CBM2012-00003, slip op. at 3 (PTAB Oct. 25, 2012) (Paper 7) (representative) (“A petitioner who does not state the differences between a challenged claim and the prior art, and relies instead on the Patent Owner and the Board to determine those differences . . . risks having the corresponding ground of obviousness not included for trial for failing to adequately state a claim for relief.”).

b. Lack of Rationale to Combine and Improper Hindsight

The Supreme Court has explained that an obviousness analysis should “determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *KSR*, 550 U.S. at 418. “[R]ejections on obviousness grounds 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.” *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006). The reason for this is that, “[w]hile the Supreme Court made clear that a mechanical application of the teaching-suggestion-motivation test, requiring an explicit teaching in the prior art, is inappropriate, ‘[w]e must still be careful not to allow hindsight reconstruction of references to reach the claimed invention without any explanation as to how or why the references would be combined to produce the claimed invention.’” *Kinetic Concepts, Inc. v. Smith & Nephew, Inc.*, 688 F.3d 1343, 1368 (Fed. Cir. 2012) (quoting *Innogenetics, N.V. v. Abbott Labs.*, 512 F.3d 1363, 1374 n.3 (Fed. Cir. 2008)); *see also KSR*, 550 U.S. at 421 (“A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning.”); *Graham*, 383 U.S. at 36 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “guard against

slipping into use of hindsight” (citation omitted)). Thus, “[c]are must be taken to avoid hindsight reconstruction by using ‘the patent in suit as a guide through the maze of prior art references, combining the right references in the right way so as to achieve the result of the claims in suit.’” *Grain Processing Corp. v. Am.–Maize Prods. Co.*, 840 F.2d 902, 907 (Fed. Cir. 1988) (quoting *Orthopedic Equip. Co. v. United States*, 702 F.2d 1005, 1012 (Fed. Cir. 1983)).

As discussed above, Petitioner proposes the hypothetical Kahn-Linn System, which Petitioner then reads onto the challenged claims of the ’072 patent. Pet. 23–57. The Petition asserts that a person of ordinary skill in the art would have recognized that Kahn and Linn “address complementary parts of the same problem[,] secure content distribution,” and that “the schemes described in each reference solves the gap of the other.” *Id.* at 35–36. Such a person, according to the Petition, “would have had a strong motivation to integrate the two schemes to yield a functional end-to-end scheme” in which Kahn’s object management system distributes content, and end-user devices using Linn’s software download that content and render it in accordance with terms and conditions. *Id.* at 36. From this premise, the Petition argues that a person of ordinary skill would have integrated Kahn and Linn into a unified system—the hypothetical Kahn-Linn system—by making at least the following changes,⁵ which the Petition classifies as “only minor, logical modifications.” *Id.* at 37.

⁵ We note that the Petition appears to classify the proposed changes to reach the hypothetical Kahn-Linn system as involving only three modifications. *See id.* at 37–41 (labeling certain paragraphs as “[f]irst,” “[s]econd” and “[t]hird”) (emphasis omitted). To the extent the Petition does so, we disagree. Based on our review of the Petition, as well as Kahn and Linn, we find that the proposed implementation

First, “a person of ordinary skill would have configured the Linn rendering software to interface with the Kahn object management system, such as by using the account creation and purchase transaction protocols described in Kahn.” *Id.* According to the Petition, this would be “logical and natural.” *Id.* Second, to implement the system, a person of ordinary skill would have the entity “operating the Kahn repository system distribute [the Linn] rendering software[,] configured to interact with the repository servers and payment servers”—based on an alleged specific suggestion to do so in Linn. *Id.* Third, the person of ordinary skill then would have “integrat[ed] the Kahn user registration techniques into the [Linn] rendering software [to] improve the Linn enforcement mechanisms.” *Id.*

Fourth, although Kahn and Linn allegedly teach only the “use of digital certificates and digital signatures to validate the authenticity and integrity of *content* before that content can be stored or used,” the person of ordinary skill would have “logically exten[ded]” this technique to Linn’s rendering *software*, distributing the “software with a digital signature and digital certificate to enable users to validate [its] authenticity and integrity . . . before installing it.” *Id.* at 38 (emphasis added). Fifth, it also “would have been logical to apply this technique to the software operating the Kahn servers, by requiring software to be signed using a digital certificate.” *Id.* at 37–38. According to the Petition, using “digital certificates and signatures for this purpose was a conventional technique, and implementing these features would be routine.” *Id.* at 39.

Sixth, “the person of skill would have considered known techniques” to enforce “terms and conditions . . . on the user-side, such as those described in

of the hypothetical Kahn-Linn system involves several more distinct modifications, which we outline in our discussion below.

Linn” and “[f]or example, . . . could have configured,” with “only routine and predictable effort,” “the Kahn repository servers to package digital content and an envelope containing terms and conditions into the information objects described in Linn.” *Id.* at 39. Seventh, “a person of ordinary skill also could have . . . add[ed] fields within the Linn envelope to accommodate the various terms and conditions described in Kahn.” *Id.* Eighth, the person of ordinary skill “could” use Standard Generalized Markup Language (“SGML”) “to represent the usage fields . . . to accommodate Kahn’s additional usage rights and to add flexibility to the combined system.” *Id.* at 40. Ninth, “a person of skill could have readily integrated th[e] known technique” of encrypting content, as described in Kahn, “with the Linn envelopes to ensure only the user with the corresponding private key (i.e., the user identified in the digital certificate) could decrypt the symmetric key and access the content.” *Id.* at 40–41.

As an initial matter, we disagree with Petitioner’s characterization of the proposed modifications to implement the hypothetical Kahn-Linn system as “minor.” Pet. 37. Instead, based on our careful review of the Petition and its supporting evidence, we are persuaded that the numerous proposed modifications would require significant reworking of the systems disclosed in Kahn and Linn. *See id.* at 35–41.

Further, we find the reasons proffered in the Petition for the many proposed modifications to be conclusory and superficial. For example, Petitioner concedes that neither Kahn nor Linn teaches behavioral integrity, i.e., requiring software to include a digital certificate in order to be installed in the repository. *Id.* at 17–20. Petitioner, however, argues that both Kahn and Linn teach using digital certificates and digital signatures to validate the authenticity and integrity of the content of a

digital object before it can be stored or used. *Id.* at 38–39. The Petition reasons that it would be a “logical extension” of these teachings to modify Linn’s rendering software to include a digital signature and digital certificate and to verify the authenticity and integrity of this software before installation. *Id.* at 38, 46–47. In addition, the Petition argues “it would have been logical” to include a digital signature and digital certificate in the software that operates Kahn’s repository servers and to have these servers validate the digital signature and digital certificate of the software before installing it. *Id.* at 38, 46–47. The Petition notes, in conclusory fashion, that “[u]se of digital certificates and signatures for this purpose was a conventional technique” “with known benefits for improved security.” *Id.* at 46–47. Yet the Petition does not explain adequately why a person of ordinary skill in the art would have added authentication and security techniques beyond those already contained in the Kahn and Linn systems—much less the specific technique of modifying both Linn’s rendering software and any software operating Kahn’s repository servers to include digital certificates that are verified before installation.

This proposed change is in addition to the several proposed modifications the Petition asserts one of ordinary skill in the art “could” make to implement the hypothetical Kahn-Linn system, which appear to be directed to ensuring that the system would satisfy “determining, by the document platform, whether the digital [document may be rendered/transferred and stored] [request may be granted] based on the at least one usage right,” as recited in the independent claims of the ’072 patent. *Id.* at 39–41; *see id.* at 52. These proposed modifications likewise are supported by little to no reasoning as to why one of ordinary skill in the art would have made each particular change. As an example, the Petition’s sixth proposed

change states “[f]or example, a person of skill could have configured the Kahn repository servers to package digital content and an envelope containing terms and conditions into the information objects described in Linn,” and this “would require only routine and predictable effort.” *Id.* at 39. This change, therefore, is put forward only as an example of a technique a person of ordinary skill could use, and without adequate explanation as to why such a person would make this specific change.

Particularly when the many proposed changes are considered together, the Petition lacks adequate reasoning, with rational underpinning, to show sufficiently that a person of ordinary skill would have combined the teachings of Kahn and Linn and the knowledge in the art to reach the hypothetical Kahn-Linn system, which the Petition alleges would satisfy each limitation of the challenged claims. In other words, we are not persuaded that the Petition sufficiently explains why a person of ordinary skill would simultaneously make all of the many particular proposed changes and implementation choices to combine Kahn, Linn, and allegedly known techniques.

Rather, given the extent of the proposed modifications, as well as the thin reasoning proffered for each modification, the only reasonable conclusion we can draw is that the Petition improperly “reli[es] upon ex post reasoning” and impermissible hindsight reconstruction to piece together the hypothetical Kahn-Linn system in a manner meant to resemble the challenged claims of the ’072 patent. *See KSR*, 550 U.S. at 421. The Petition strains to make numerous distinct modifications, picking and choosing aspects of Kahn and Linn—in addition to techniques not disclosed in either reference that allegedly were known in the art—to arrive at the hypothetical Kahn-Linn system. *See Pet.* 35–57. “This type of

piecemeal analysis is precisely the kind of hindsight that [we] must not engage in.” *In re NTP, Inc.*, 654 F.3d 1279, 1299 (Fed. Cir. 2011) (“Care must be taken to avoid hindsight reconstruction by using the patent in suit as a guide through the maze of prior art references, combining the right references in the right way so as to achieve the result of the claims in suit.”); *see also ATD Corp.*, 159 F.3d at 546 (“Determination of obviousness can not be based on the hindsight combination of components selectively culled from the prior art to fit the parameters of the patented invention.”).

In sum, we are not persuaded that the Petition shows sufficiently why one of ordinary skill in the art—without improper hindsight—would have combined Kahn and Linn to reach the invention recited in claims 1, 8, 10, 16, 18, and 24 of the ’072 patent. Therefore, we determine that the Petition does not establish a reasonable likelihood that Petitioner would prevail in showing that any of the challenged claims would have been obvious over Kahn and Linn.

B. Asserted Ground Based on Kahn, Linn, and Dyad

In addition to the asserted ground of obviousness over Kahn and Linn, the Petition asserts an obviousness ground that relies on Kahn and Linn, as well as an additional reference, Dyad. Pet. 57–60. Specifically, the Petition asserts that “Patent Owner may contend a ‘repository’ or ‘trusted’ device must include particular hardware components, such as a tamper-resistant module, and that neither Kahn nor Linn explicitly describe[s] use of such hardware components in their disclosures.” *Id.* at 58. The Petition then proceeds to discuss Dyad’s disclosure of tamper-resistant secure coprocessors, and argue that it would have been obvious to one of ordinary skill in the art to use these secure coprocessors in the hypothetical Kahn-Linn system. *Id.* at 58–60; Ex. 1013 ¶¶ D162–66.

This asserted ground is deficient for several reasons. First, the ground relies on the Petition's analysis of the asserted ground based on Kahn and Linn and adds the teachings of Dyad only to address a potential argument of Patent Owner that repositories or "trusted" devices have certain additional requirements. Therefore, the ground suffers from the same deficiencies as the asserted ground based on Kahn and Linn, addressed above. Second, the ground is premised on a potential claim construction argument that Petitioner speculates Patent Owner "may" proffer. Pet. 58; Prelim. Resp. 57–58. Yet Patent Owner does not make any such argument. See Prelim. Resp. 57–58. Therefore, Petitioner has not shown that institution of this asserted ground is warranted.

Accordingly, we determine that the Petition does not establish a reasonable likelihood that Petitioner would prevail in showing that the claims 1, 8, 10, 16, 18, and 24 of the '072 patent would have been obvious over Kahn, Linn, and Dyad.

CONCLUSION

For all the reasons discussed above, we determine that the Petition fails to show there is a reasonable likelihood that Petitioner would prevail with respect to at least one of the claims challenged in the Petition. See 35 U.S.C. § 314(a); 37 C.F.R. § 42.8(b)(2).

ORDER

Accordingly, it is

ORDERED that pursuant to 35 U.S.C. § 314 (a), the Petition is *denied*.

Case IPR2015-00444
Patent 7,523,072 B2

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