

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MG FREESITES LTD,
Petitioner,

v.

SCORPCAST, LLC.,
Patent Owner.

IPR2021-01171
Patent 10,354,288 B2

Before MEREDITH C. PETRAVICK, HYUN J. JUNG, and
ARTHUR M. PESLAK, *Administrative Patent Judges*.

JUNG, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background and Summary

MG Freesites Ltd (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting institution of an *inter partes* review of claims 1–5, 7, and 8 of U.S. Patent No. 10,354,288 B2 (Ex. 1001, “the ’288 patent”). Scorpcast,

LLC (“Patent Owner”) filed a Preliminary Response (Paper 8, “Prelim. Resp.”).

Under 35 U.S.C. § 314, an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” Upon consideration of the Petition and Preliminary Response and for the reasons explained below, we determine that Petitioner has not shown a reasonable likelihood of prevailing with respect to at least one of the challenged claims.

Thus, we do not institute an *inter partes* review of claims 1–5, 7, and 8 of the ’288 patent.

B. Real Parties in Interest

“Petitioner certifies that MG Freesites Ltd is the only real party-in-interest” (Pet. xiv), and Patent Owner identifies Scorpcast LLC as a real party in interest (Paper 3, 2; Paper 6, 2).

C. Related Matters

Petitioner indicates that the ’288 patent was asserted in *Scorpcast, LLC dba HaulStars v. MG Freesites Ltd*, Case No. 6-20-cv-00877 (W.D. Tex.), but the case has been transferred and is captioned *Scorpcast, LLC dba HaulStars v. MG Freesites Ltd*, Case No. 1-21-cv-00887 (D. Del.). Pet. xiv. Petitioner also indicates that the case has been consolidated with *MG FreeSites Ltd. v. Scorpcast, LLC dba HaulStars*, Case No. 1-20-cv-01012 (D. Del). Paper 7, 1.

The parties also identify another litigation between them in the District of Delaware and several others with Scorpcast, LLC as the plaintiff against other entities in the Eastern District of Texas. Pet. xv–xvii; Paper 3, 3–6; Paper 6, 3–6; Paper 7, 3–4. The parties further identify several related Board proceedings. Pet. xv; Paper 3, 2–3; Paper 6, 2–3; Paper 7, 2.

D. The '288 Patent (Ex. 1001)

The '288 patent particularly relates to “a system and method for selecting an artist meeting a certain threshold of votes and apportioning revenue derived from services associated with [the] artist’s performance data, and distribution of advertisement and artist’s media content.”

Ex. 1001, 1:21–27. Figure 1 of the '288 patent is reproduced below.

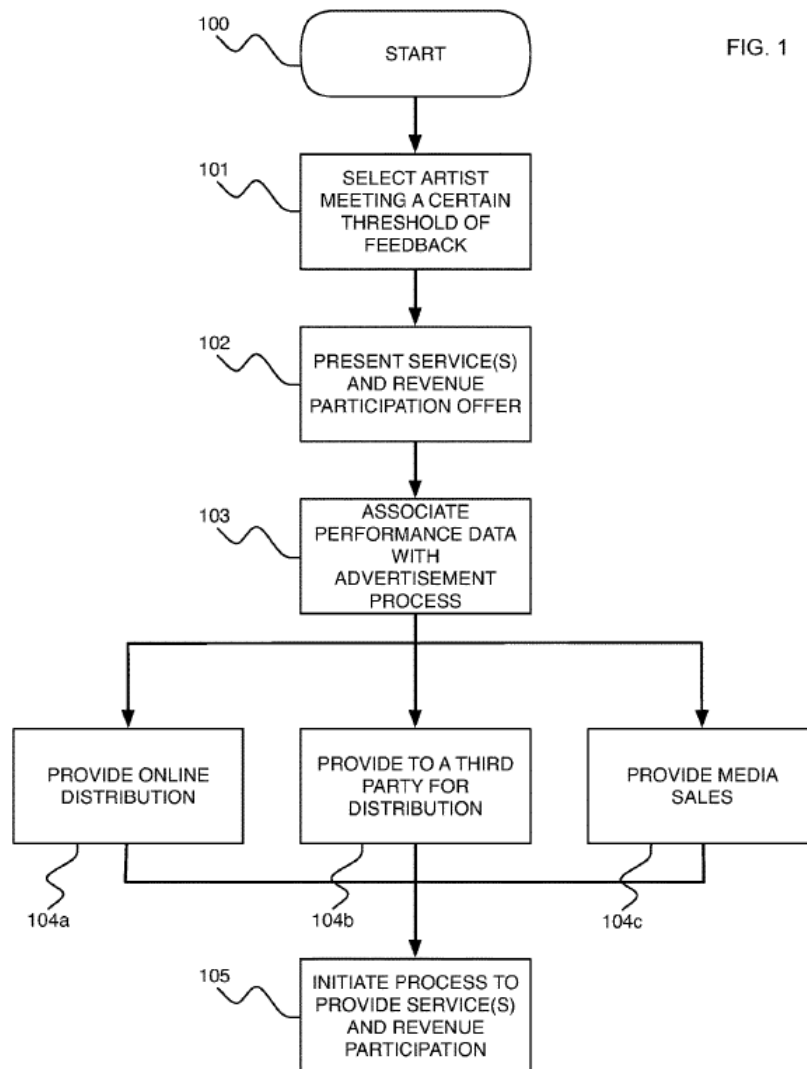


Figure 1 is a flow diagram of a “process for providing one or more services to artist meeting a certain threshold of feedback, apportionment of revenue derived from the services related to artist’s performance activities and distribution of submitted performance data.” Ex. 1001, 4:15–19. At

101, an “artist is selected on reaching a predetermined threshold condition or value of feedback generated from community rankings and feedback mechanisms.” *Id.* at 5:37–40. “Revenue participation and service offer is presented at 102,” such as by “any graphical user interface or web interface.” *Id.* at 5:53–56.

At 103, “submitted performance data is associated with [an] advertisement process,” and the “advertisement process controls and tracks the instances or scores for viewing of advertisement retrieved from a data repository and displayed with the media contents of artist.” Ex. 1001, 6:10–15. “The advertisement process is coupled with the revenue participation process, which records the instances or scores of viewing advertisement on the user account of selected artist.” *Id.* at 6:15–18.

At 104a, 104b, and 104c, “[d]istribution of submitted performance data occurs at one or any combination of providing online distribution, providing to third party for distribution, and providing media sales.” Ex. 1001, 6:33–36. At 105, a “[p]rocess to provide one or more service and associated revenue participation is enabled.” *Id.* at 6:52–53. “The revenue participation process tracks one or more revenue-generating activities (e.g. advertisement, distribution of artist’s performance data, licensing, sponsorship, and touring) and apportions a percentage of revenue to the selected artist’s user account.” *Id.* at 6:56–60.

E. Illustrative Claim

The ’288 patent includes claims 1–8, of which Petitioner challenges claims 1–5, 7, and 8. Of the challenged claims, claim 1, reproduced below with Petitioner’s labels, is the only independent claim.

1. [1.PRE] A multi-channel video distribution system, comprising:

[1.A] an interface to a media file data repository accessible by one or more computers over a network;

[1.B] a system comprising one or more microprocessors, programmable digital signal processors, and an application specific integrated circuit, the system configured to:

simultaneously record and stream, via the interface, to user devices at least a first video from a media submitter;

[1.C] receive, over a communication network via the interface, uploads of a plurality of media files comprising a plurality of media files associated with the media submitter, one or more of the media files comprising performance data;

[1.D] store, in the media file data repository, the plurality of media files in association with an account associated with said media submitter;

[1.E] via an online profile page of the media submitter: provide access to the plurality of media files to one or more user devices over the communication network;

[1.F] enable users to communicate using a Voice over Internet Protocol communication mechanism;

[1.G] provide a custom radio station comprising a streamable playlist;

[1.H] provide a search engine configured to enable users to access the custom radio station;

[1.I] synchronize one or more of the plurality of media files of the media submitter with a remote system that provides at least one alternate system for distributing the one or more of the plurality of media files;

[1.J] track a number of instances of advertisements associated with offline distribution of the performance data of said media submitter's performance data;

[1.K] track a number of views of a plurality of online items of performance data associated with advertisements;

[1.L] dynamically generate an offer depending on availability of one or more services and whether the offer of a service has a different threshold value or condition, the dynamic generation of an offer comprising:

[1.M] *determine if a first predetermined threshold is met based at least in part on an aggregate number of views of the*

plurality of items of performance data associated with advertisements and the number of instances of advertisements associated with the offline distribution of the media submitter's performance data;

[1.N] determine the availability of at least one service;

[1.O] *based at least in part on the availability of at least one service and the first predetermined threshold being met, dynamically generate a first offer of online and offline services;*

[1.P] enable a communication between the media submitter and one or more users;

[1.Q] at least partly in response to acceptance of the first offer online and offline services, enable the provision of the online and offline services.

Pet. x–xii; Ex. 1001, 8:2–56 (emphases added).

F. Asserted Prior Art and Proffered Testimonial Evidence

Petitioner identifies the following references as prior art in the asserted grounds of unpatentability:

Name	Reference	Exhibit
Starr	US 2006/0287916 A1, filed June 15, 2006, published Dec. 21, 2006	1004
Bettinger	US 2005/0049971 A1, published Mar. 3, 2005	1005
Bertoni	EP 1 172 748 A2, published Jan. 16, 2002	1006

Petitioner also provides a Declaration of Dr. Henry Houh (Ex. 1002).

G. Asserted Grounds

Petitioner asserts that claims 1–5, 7, and 8 are unpatentable on the following grounds:

Claims Challenged	35 U.S.C. §	References/Basis
1–5, 7, 8	103 ¹	Starr, Bertoni
1–5, 7, 8	103	Bettinger, Starr, Bertoni,

¹ The relevant sections of the Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112–29, 125 Stat. 284 (Sept. 16, 2011), took effect on March 16,

II. ANALYSIS

A. Legal Standards

In *inter partes* reviews, the petitioner bears the burden of proving unpatentability of the challenged claims, and the burden of persuasion never shifts to the patent owner. *Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015). To prevail in an *inter partes* review, the petitioner must support its challenges by a preponderance of the evidence. 35 U.S.C. § 316(e) (2020); 37 C.F.R. § 42.1(d) (2019).

Petitioner contends that the challenged claims of the '288 patent are unpatentable under § 103(a). A claim is unpatentable under § 103(a) 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. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966). When evaluating a combination of teachings, we must also “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 (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006)). Whether a

2013. Because the '288 patent claims priority to an application filed before that date, our citations to 35 U.S.C. § 103 are to its pre-AIA versions. Petitioner also states that “[f]or purposes of this Petition, the '288 patent is being treated under pre-AIA 35 U.S.C. §§ 102 and 103.” Pet. xiv.

combination of elements produces a predictable result weighs in the ultimate determination of obviousness. *Id.* at 416–417.

B. Level of Ordinary Skill in the Art

Petitioner asserts that one of ordinary skill in the art “would have had a Bachelor’s degree in Electrical Engineering, Computer Engineering, or Computer Science (or equivalent degree) plus approximately two years of work experience with technologies relating to distributed systems, multimedia streaming, and various HTTP-related technologies” and that “[m]ore education can supplement work experience and vice versa.” Pet. 11 (citing Ex. 1002 ¶¶ 1–35). “For the purposes of [the Preliminary] Response only, Patent Owner does not dispute the level of skill of a person of ordinary skill in the art (‘POSITA’) identified in the Petition.” Prelim. Resp. 8.

We adopt Petitioner’s asserted level of ordinary skill to determine whether there is a reasonable likelihood that Petitioner would prevail with respect to at least one of the claims challenged in the Petition. This level of skill in the art is consistent with the disclosure of the ’288 patent and the prior art of record. *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995).

C. Claim Construction

In an *inter partes* review based on a petition filed on or after November 13, 2018, the claims are 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), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent.

37 C.F.R. § 42.100(b) (2019); *see Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005) (en banc).

“Petitioner submits that all claim terms of the Challenged Claims should be construed according to their plain and ordinary meanings for the purpose of this Petition.” Pet. 11 (citing Ex. 1002 ¶ 36). “Patent Owner does not seek a determination on claim construction from the Board at this time” but “reserves the right to later address any constructions issued by the Board or asserted by Petitioner in a later filing.” Prelim. Resp. 8–9.

Because determining whether Petitioner shows a reasonable likelihood of prevailing does not depend on a particular interpretation for any claim term, we determine that no claim term requires express interpretation. *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (construing explicitly only those claim terms in controversy and only 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) (applying *Vivid Techs.* in the context of an *inter partes* review).

D. Asserted Obviousness Over Starr and Bertoni

Petitioner argues that Starr and Bertoni would have rendered obvious claims 1–5, 7, and 8 with citations to these references and declarant testimony. Pet. 14–44. Patent Owner responds that Starr is not prior art and that the proposed combination does not teach or suggest all the limitations of claim 1. Prelim. Resp. 9–18.

For the reasons below, Petitioner has not shown a reasonable likelihood of prevailing with respect to the challenge based on Starr and Bertoni.

1. Starr (Ex. 1004)

Starr relates to “improved methods of distributing media content with associated advertisements.” Ex. 1004 ¶ 3. The media content is published

and distributed “in an online marketplace where creators meet advertisers in order to associate advertisements with the media segments.” *Id.* ¶ 6.

“Compensation may follow the association of an advertisement with a media segment to motivate the creator to allow for the distribution of the media,” and “a bidding platform may be used to facilitate various advertiser bids for placement of its advertisement with certain media segments.” *Id.*

“Persistent revenue tags may be associated with media segments such that the revenue tag remains associated with the media through distribution (e.g. downloading, emailing, IMing, syndication, etc.).” Ex. 1004 ¶ 6. “The persistent revenue tag may feed information back to an activity monitoring facility and the monitored activity may result in revenue and/or revenue sharing.” *Id.* Figure 1A of Starr is reproduced below.

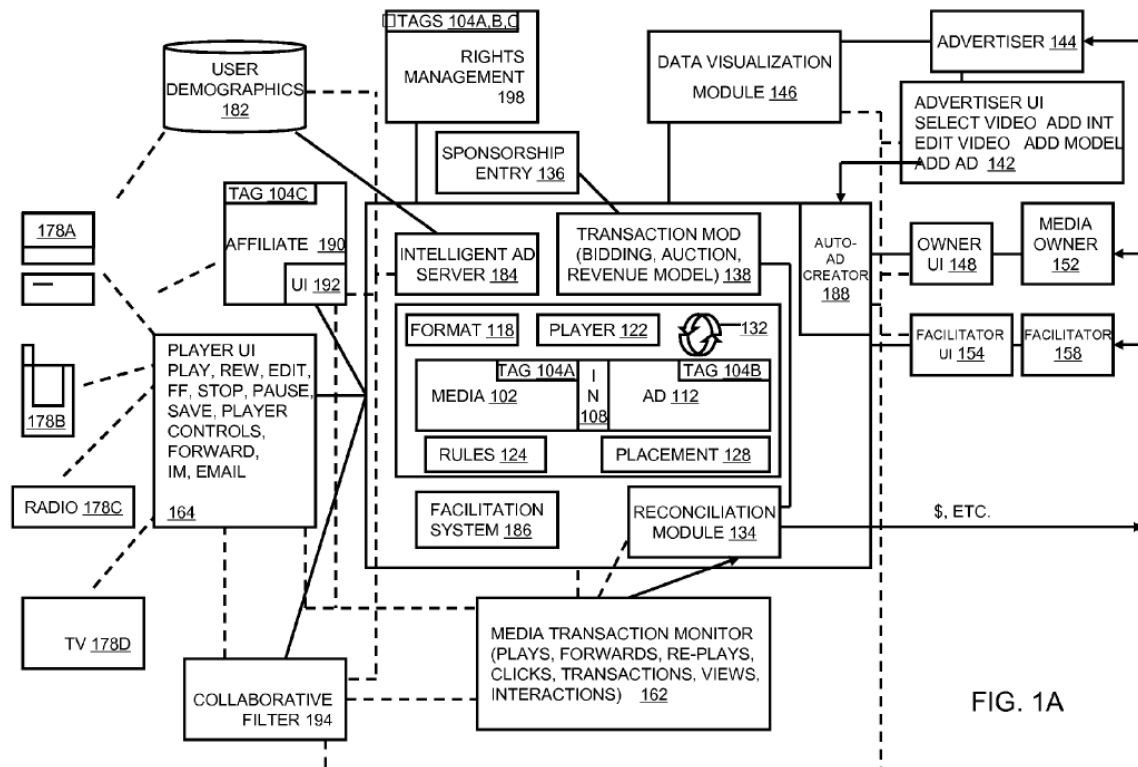


FIG. 1A

Figure 1A shows an embodiment of media platform 100. Ex. 1004 ¶¶ 31, 58. Media owner 152 delivers media segment 102 through owner

user interface 148. *Id.* ¶ 58. Advertisers provide advertisements and submit bids through advertiser user interface 142. *Id.* Transaction interface 138 can include a dynamic bidding and award process 103. *Id.*

“Upon a winning bid, an advertisement 112 may be associated with a media segment 102” and “may be presented to a user 110 who views the media segment 102 and advertisement 112.” Ex. 1004 ¶ 116. “Then, the advertiser 144 may be assessed a fee” that “may be apportioned in an appropriate manner, so that a media owner 152; one or more affiliates 190; a facilitator 158; and so on are compensated for their contribution to the user’s viewing of the advertisement 112.” *Id.* Also, “each media owner 152 may determine, select, specify, accept, or otherwise agree to fee terms under which the media owner 152 may provide media segments 102.” *Id.* ¶ 131.

“[M]edia platform 100 may track the playing of the media segment 102 by users and determine the advertisement income using the transaction facility 138.” Ex. 1004 ¶ 154. “The various tracking tags that may be applied to the media segment 102 may allow the transaction facility 138 [to] aggregate the number of times a media segment 102 has been played and determine the amount of advertisement income.” *Id.*

Facilitator 158 uses facilitator user interface 154 to facilitate supporting users of media platform 100. Ex. 1004 ¶¶ 63, 183. Facilitator user interface 154 can be used to monitor the activities of media or content owners 152, “such as number of media segments 102 uploaded, advertisement 112 bid rate, bid prices, price per segment, and the like.” *Id.* ¶ 188. Facilitator 158 can use such information “to make offers [of] premium services to a content owner 152 that may reward or otherwise encourage the content owner 152 to achieve higher performance.” *Id.*

Facilitator 158 can also use facilitator user interface 158 “to set minimum bid amounts based on one or more criteria of a tagged media segment 102,” and in one example, “may specify that the top 5 most popular tagged media segments 102 in each category (e.g. pets, sports, college life, kids, cars, and other categories that may be used to group tagged media segments 102) require a minimum bid which is different from minimum bids for other tagged media segments 102.” *Id.*

“[F]acilitator 158 may define a licensing program for advertisements 112 that may provide the advertiser with benefits such as additional exposure for a fee.” Ex. 1004 ¶ 213. “[F]acilitator 158 may establish licensing programs within the media platform 100 into which content owners 152, advertisers 144, and affiliates 190 may opt-in and/or opt-out.” *Id.* ¶ 214.

2. *Bertoni (Ex. 1006)*

Bertoni “relates to the field of promoting the sales of products using a computer system.” Ex. 1006 ¶ 1. Bertoni’s system promotes performing artists by providing an artist home page where users access various artist-related features. *Id.* ¶¶ 2–4, 19. Available features include real-time video feed streaming of the artist, a chat room, and a product ordering section. *Id.* ¶ 20, Fig. 1.

3. *Independent Claim 1*

Petitioner argues that Starr teaches or suggests substantially all of the limitations of claim 1 with citations to Starr and declarant testimony. Pet. 17–38. In particular, for limitation [1.O], which recites “based at least in part on the availability of at least one service and the first predetermined threshold being met, dynamically generate a first offer of online and offline services,” Petitioner argues that Starr describes generating an “offer for

‘premium services’” based on a “first predetermined threshold” because “the facilitator uses information including ‘advertisement’ ‘bid rate, bid prices, price per segment, and the like.’” *Id.* at 35 (citing Ex. 1004 ¶ 188). In arguments for limitation [1.M], Petitioner contends that “the bid rates, bid prices, and/or price per segment for an advertisement associated with a media segment is based on the popularity of the media segment, measured by number of views.” *Id.* at 34 (citing Ex. 1004 ¶¶ 188, 205).

Petitioner also argues that Starr’s offer includes online and offline services. Pet. 36. According to Petitioner, the online service involves “advertisement revenue based on users’ online viewing of content owners’ content,” and the offline service is a licensing program that content owners may opt into. *Id.* (citing Ex. 1002 ¶¶ 115–117; Ex. 1004 ¶¶ 116, 130–131, 154–155, 213).

Patent Owner responds, *inter alia*, that Petitioner fails to show that Starr teaches or suggests limitation [1.O]. Prelim. Resp. 14–15. Patent Owner argues that Petitioner’s asserted “first predetermined threshold” is being the “top 5 most popular,” “most frequently viewed,” or “a particular value (i.e. 5 out of 5 stars)” but “*Starr* does not disclose an offer for a service being made to an artist selected by these thresholds.” *Id.* (citing Pet. 34, 36; Ex. 1004 ¶¶ 149, 160, 205).

As Patent Owner points out, Petitioner does not argue with sufficient evidentiary support that Starr’s “premium services” includes both online and offline services. Pet. 35. Starr merely states that facilitator 158 may “make offers [of] premium services to a content owner 152 that may reward or otherwise encourage the content owner 152 to achieve higher performance” without further elaborating what is included in such “premium services.” Ex. 1004 ¶ 188. Petitioner also cites to a portion of Starr that describes

facilitator 158 “requir[ing] a minimum bid which is different from minimum bids for other tagged media segments 102” based on a tagged media segment being the top 5 most popular. Pet. 34 (citing Ex. 1004 ¶¶ 188, 205).

However, Starr does not indicate that setting a different minimum bid is offered or that a different minimum bid is part of “premium services.” *See* Ex. 1004 ¶¶ 188, 205.

Petitioner also does not argue with sufficient evidentiary support that Starr’s “premium services” include Petitioner’s asserted offline service. Pet. 36. Petitioner’s cited portions of Starr do not describe that licensing programs are part of Starr’s “premium services” and do not describe that licensing programs are offered based on Petitioner’s predetermined threshold of popularity or number of views. *See* Ex. 1004 ¶¶ 116, 130–131, 154–155, 213).

Petitioner’s declarant testimony does not explain further the arguments or evidence presented in the Petition and does not provide additional evidence beyond that cited in the Petition. *See* Ex. 1002 ¶¶ 115–117. Other than Starr and declarant testimony, Petitioner does not point elsewhere in the record for limitation [1.O]. *See* Pet. 35–36.

Turning to the proposed modification, Petitioner argues with citations to Starr that, “[t]o the extent Starr does not explicitly describe [Voice over Internet Protocol (“VoIP”)] being used for communication between users or between media submitter and user(s),” one of ordinary skill in the art would have modified Starr to use VoIP. Pet. 15. Petitioner also argues that, “[t]o the extent Starr does not explicitly describe providing the functionality recited in limitations [1.E]–[1.G] through the media submitter’s (e.g., artist’s) online profile,” one of ordinary skill in the art would have modified Starr in view of Bertoni with citations to both asserted references. *Id.* at 16–

17. Petitioner's proposed modifications do not remedy the deficiency discussed above for limitation 1.O.

For the reasons above, Petitioner fails to show that Starr and Bertoni teach or suggest all the limitations of claim 1 and, thus, fails to show that Starr and Bertoni would have rendered obvious claim 1.

4. Dependent Claims 2–5, 7, and 8

For dependent claims 2–5, 7, and 8, Petitioner argues that Starr teaches or suggests their limitations. Pet. 38, 39–44. To the extent Starr does not teach explicitly communication using VoIP, Petitioner argues that it would have been obvious to incorporate VoIP for such communication. *Id.* at 38. Petitioner also argues with citations to the record that, to the extent that Starr does not teach communication provided via an online profile page of a media submitter, Bertoni teaches such communication and that it would have been obvious to provide that communication. *Id.* at 38–39.

Patent Owner responds that Starr and Bertoni fail to render claim 1 unpatentable, and, therefore, fail to render the challenged dependent claims unpatentable for the same reasons. Prelim. Resp. 16–18.

Petitioner's arguments that Starr and Bertoni would have rendered obvious claims 2–5, 7, and 8 do not further address the limitation we discussed above for claim 1, and Petitioner's proposed modifications do not remedy the deficiencies of Petitioner's arguments with respect to claim 1.

Thus, for the reasons discussed above for claim 1, Petitioner fails to show that Starr and Bertoni teach or suggest all the limitations of claims 2–5, 7, and 8 and, therefore, fails to show that Starr and Bertoni would have rendered obvious these claims.

E. Asserted Obviousness Over Bettinger, Starr, and Bertoni

Petitioner argues that Bettinger, Starr, and Bertoni would have rendered obvious claims 1–5, 7, and 8 with citations to these references and declarant testimony. Pet. 44–79. Patent Owner responds that Starr is not prior art and that the proposed combination of references does not teach or suggest all the limitations of claim 1. Prelim. Resp. 19–26.

For the reasons below, Petitioner has not shown a reasonable likelihood of prevailing with respect to the challenge based on Bettinger, Starr, and Bertoni.

1. Bettinger (Ex. 1005)

Bettinger “is directed to operations in which a charge for e-commerce services is automatically and continuously determined and utilized for automated job performance and real time accounting for the metering, calculation, and compensation of service time charges on internet servers for voluntarily offered contributions of news and information.” Ex. 1005 ¶ 4.

Figure 3 of Bettinger is reproduced below.

FIG. 3.

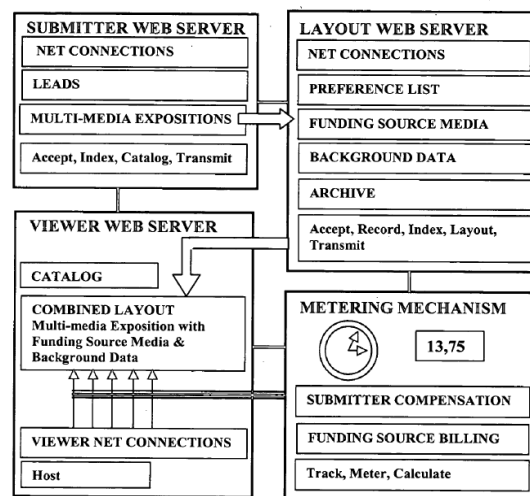


Figure 3 is a schematic of Bettinger’s components. Ex. 1005 ¶¶ 91, 99. “The submitter server is comprised of web connections, leads, and

multi-media expositions,” and “[t]he multi-media expositions are accepted, indexed, and cataloged according to information provided in each lead.” *Id.* ¶ 99.

“The layout web server comprises web connections, funding source preference lists, funding source media, and background data, which are accepted, indexed, and combined with the multi-media expositions into a layout.” Ex. 1005 ¶ 99. “The layout server records the multi-media expositions into an archive,” and “[t]he archive is available for sale to other media such as television.” *Id.*

“The layout of the f[u]nding source media on the multi-media expositions is dictated by the preferences,” and “[t]he combined layout is then transmitted to the viewer server,” where “a multitude of viewer web connections” are hosted. Ex. 1005 ¶ 99.

“The metering mechanism tracks and meters the viewers as represented by the clock illustrating the time, date, and duration of view, and the counter illustrating the number of viewers.” Ex. 1005 ¶ 99. “The metering mechanism utilizes metering data to calculate both submitter compensation and funding source billing in real time.” *Id.*

Submitters “are compensated for their contributions to the site based on the exposure generated based on measures comprising viewer hits, viewer downloads, viewer duration, viewer responses, time of day, type of media, subject matter, and other measures.” Ex. 1005 ¶ 51. “The advertisers are charged, in kind, a higher rate to cover both [submitter] compensation and provider fees based on equivalent viewer measures.” *Id.*

In one example titled “Performance Embodiment,” “the site provider is a well-known musician;” “[f]unding sources are record companies and marketers of musical instruments that advertise on the provider site;” and

“[s]ubmitters are independent amateur musicians and performers.” Ex. 1005 ¶ 88. “Hundreds of musicians are automatically scheduled everyday by the provider site on a first-come first-served basis for premium time slots.” *Id.* “Viewer’s preferences for expositions may be logged and registered,” and “[a]fter each performance those expositions that have earned the most compensation advance to the next scheduled time slot.” *Id.*

2. *Independent Claim 1*

Petitioner argues that Bettinger teaches or suggests substantially all of the limitations of claim 1 with citations to Bettinger and declarant testimony. Pet. 48–72. In particular, for limitation [1.O], Petitioner argues that Bettinger describes generating an “offer for the media submitter” to “advanc[e] to the next scheduled timeslot . . . based on the media submitter having ‘earned the most compensation.’” *Id.* at 70 (citing Ex. 1005 ¶ 88).

Petitioner also argues that Bettinger’s “offer also includes offline services, *e.g.*, sale to other media such as television, translations and augmentation, etc.” Pet. 70–71 (citing Ex. 1005 ¶¶ 51, 99). According to Petitioner, “Starr also teaches offering offline services based on meeting a threshold” for the reasons asserted for limitation [1.O] in the first challenge based on Starr and Bertoni. *Id.* at 71 (also citing Ex. 1002 ¶¶ 182–184).

Patent Owner responds, *inter alia*, that Petitioner fails to show that the proposed combination teaches or suggests limitation [1.O] because Bettinger alone and Bettinger combined with Starr fail to disclose or render obvious offering the asserted offline service to the media submitter that has “earned the most compensation.” Prelim. Resp. 21–22 (citing Pet. 70; Ex. 1005 ¶¶ 88, 99).

As pointed out by Patent Owner, Petitioner does not argue with sufficient evidentiary support that Bettinger’s offer to advance to the next

scheduled timeslot includes the asserted offline service of sale to other media. Pet. 70–71. The cited portions of Bettinger do not indicate that Bettinger offers submitters the offline service of sales to other media based on those submitters “hav[ing] earned the most compensation.” See Ex. 1005 ¶¶ 51, 88, 99. Bettinger, instead, indicates that sale of the archive to other media is not based on meeting any predetermined threshold. See *id.* ¶ 99.

Petitioner’s declarant testimony does not explain further the arguments or evidence presented in the Petition and does not provide additional evidence beyond that cited in the Petition. See Ex. 1002 ¶¶ 182–184. Other than Bettinger, Starr, and declarant testimony, Petitioner does not point elsewhere in the record for limitation [1.O]. See Pet. 70–71.

As for the proposed modifications, Petitioner argues with citations to the record that Bettinger and Starr disclose or would have rendered obvious limitations [1.B], [1.F], and [1.I]. Pet. 45. Petitioner also argues that, to the extent that Bettinger does not describe explicitly limitations [1.H], [1.J], [1.M], and [1.O], Starr describes these limitations with reference to arguments made in the first challenge. *Id.* at 46.

As discussed above, Petitioner does not provide adequate evidentiary support that Starr’s “premium services” include online and offline services. Thus, because Petitioner has not argued persuasively that Starr teaches an offer based on a predetermined threshold that includes an offline service and does not teach an offline service being offered based on a predetermined threshold, Petitioner does not show sufficiently that Bettinger’s offer to advance to the next scheduled timeslot would have been modified to include an offline service such as Starr’s licensing program or Bettinger’s sale to other media. Therefore, Petitioner’s proposed modifications do not remedy the deficiency discussed above for limitation 1.O.

For the reasons above, Petitioner fails to show that Bettinger, Starr, and Bertoni teach or suggest all the limitations of claim 1 and, thus, fails to show that that Bettinger, Starr, and Bertoni would have rendered obvious claim 1.

3. Dependent Claims 2–5, 7, and 8

For dependent claims 2–5, 7, and 8, Petitioner argues that Bettinger teaches or suggests all or substantially all their limitations. Pet. 72–44. Petitioner also argues that one of ordinary skill in the art would have modified Bettinger in view of Starr and Bertoni to render obvious claims 2, 3, and 5. *Id.* at 73, 74, 76–77.

Patent Owner responds that Bettinger, Starr, and Bertoni fail to render claim 1 unpatentable, and, therefore, fail to render the challenged dependent claims unpatentable for the same reasons. Prelim. Resp. 24–26.

Petitioner’s arguments that Bettinger, Starr, and Bertoni would have rendered obvious claims 2–5, 7, and 8 do not further address the limitation we discussed above for claim 1, and Petitioner’s proposed modifications do not remedy the deficiencies of Petitioner’s arguments with respect to that claim.

Thus, for the reasons discussed above for claim 1, Petitioner fails to show that Bettinger, Starr, and Bertoni teach or suggest all the limitations of claims 2–5, 7, and 8 and, therefore, fails to show that Bettinger, Starr, and Bertoni would have rendered obvious these claims.

III. CONCLUSION

For the reasons above, Petitioner does not show that there is a reasonable likelihood that it would prevail with respect to at least one of the challenged claims.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is denied, and no *inter partes* review is instituted.

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