

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DISH NETWORK LLC AND
DISH TECHNOLOGIES LLC.,
Petitioner,

v.

DIGITAL BROADCASTING SOLUTIONS, LLC,
Patent Owner

IPR2023-00976 (Patent 8,929,710 B2)
IPR2023-00977 (Patent 9,538,122 B2)¹

Held: September 10, 2024

BEFORE: ST. JOHN COURTENAY III, SHEILA F. McSHANE, and
JOHN D. HAMANN, Administrative Patent Judges.

IPR2023-00976 (Patent 8,929,710 B2)
IPR2023-00977 (Patent 9,538,122 B2)1

APPEARANCES:

ON BEHALF OF THE PETITIONER:

ELIOT D. WILLIAMS, ESQUIRE
Baker Botts LLP
700 K Street, NW
Washington, DC 20001-5692
(202) 639-1334
eliot.williams@bakerbotts.com

ON BEHALF OF THE PATENT OWNER:

JOHN WITTENZELLNER, ESQUIRE
Williams Simons & Landis, PLLC
601 Congress Avenue
Suite 600
Austin, TX 78701
(512) 543-1373
johnw@wsltrial.com

The above-entitled matter came on for hearing on
September 10, 2024, commencing at 9:00 a.m., via video teleconference.

P R O C E E D I N G S

- - - - -

JUDGE MCSHANE: Good morning. We're here to conduct a hearing in DISH Network L.L.C. and DISH Technologies L.L.C. v. Digital Broadcasting Solutions, LLC. These are IPRs2023-00976 and 00977. As the oral hearing order says, we're going to hear these cases in a defined hearing today.

Nevertheless, the cases remain separate, but there's common issues, so we're going to hear common arguments altogether. And of course, if there are issues specific to one case or another, please raise them here too, please.

Okay. Can we have appearances here? Who do we have for Petitioner?

MR. WILLIAMS: Yes. Good morning, Your Honor. This is Eliot Williams of Baker Botts for Petitioner. Also on the line with me is backup counsel, Thomas Carter. And we have one or two client representatives who are watching on the public line.

JUDGE MCSHANE: Okay. Thank you, Mr. Williams. And who do you have from Patent Owner, please?

MR. WITTENZELLNER: Good morning, Your Honor. John Wittenzellner, of the law firm, William Simons & Landis on behalf of Digital Broadcasting Solutions. We also have some attorneys from my firm on the public line.

JUDGE MCSHANE: Okay. Thank you very much. Very briefly, I'm going to provide some general guidance and then we can get started.

1 Any time during this proceeding you encounter technical or other
2 difficulties, please let us know or contact other team members who helped
3 set the call up for you folks. We have the entire record, including
4 demonstratives. When referring to any of the demonstratives, exhibits,
5 papers, and the like, please do so clearly and identify whatever it is. That is
6 a slide, a particular slide of the deck or whatever, it makes for a clear record.

7 As I mentioned, the hearing is going to be conducted as described
8 in the oral hearing order. Each side has been allocated 60 minutes total for
9 argument. Petitioner will go first and may reserve rebuttal time. Patent
10 Owner may present its response and may reserve sur-rebuttal time, and of
11 course you can only address issues that were raised in rebuttal. Any
12 questions from anyone?

13 MR. WITTENZELLNER: None from Patent Owner.

14 MR. WILLIAMS: No, Your Honor.

15 JUDGE MCSHANE: Thank you. Okay, Petitioner, you may
16 proceed. Do you wish to reserve rebuttal time?

17 MR. WILLIAMS: Yes, Your Honor. If you could let me know
18 when I have 20 minutes left, that would be appreciated.

19 JUDGE MCSHANE: Okay, thank you.

20 MR. WILLIAMS: Shall I begin?

21 JUDGE MCSHANE: Yes, please.

22 MR. WILLIAMS: Okay. I'm going to try to share my
23 demonstratives. Let me know if you see those.

24 JUDGE MCSHANE: We do.

25 MR. WILLIAMS: Okay. Great. So, I have on the screen slide 4
26 of the Petitioner's demonstratives which is the text of Claim 1. I want to just

1 sort of set the stage for the argument today and point out what this claim is --
2 is about. I think of this is sort of automating the couch potato whereas, you
3 know, historically when you recorded a program on your VCR or DVR you
4 would typically, if you're like me, grab your fast -- grab your remote control
5 and fast forward through the commercials, this claim automates that process
6 where, you know, the commercials would be automatically removed during
7 playback, but with restrictions. And, you know, those restrictions are
8 obviously there to preserve some value to advertisers so that you can
9 continue to have an advertiser supported model for these -- these programs.
10 But that idea what I just described that was known. Both Casagrande, Dow,
11 the two primary references we present, they both teach this idea of
12 automating the process of commercial skipping. So, the other, you know, all
13 the other elements in this claim are really just obvious implementations of
14 that idea that find support in Casagrande Dow, as well as the other prior art
15 of record. So, we'll get into that.

16 The actual way the claim works, as you see here, is, you know,
17 you've got a DVR, you've got a tuner that receives the program, you've got a
18 memory that stores the program, and then you've got these commands that
19 the user could enter. There -- there are two or three commands depending
20 on which claim we're talking about. Both claims require a command that
21 switches between the commercial skipping mode and the non-commercial
22 skipping mode, as well as a command that starts playback of the program in
23 whichever mode you're interested in. The other claim in '122 Patent that's
24 not here, has a third command that just basically says that the user wants to
25 record a particular program. Now, that command is obviously sort of
26 inherent in any DVR, including the ones in Casagrande and Dow. And we

1 know this because the R in DVR stands for, you know, recorder. So, we
2 know that these devices are going to record the program and having a
3 command for the user to tell the device to record something was certainly
4 part of those prior art systems.

5 Then there's essentially a processor that's going to do a little work
6 here in response to those commands, largely to decide whether to output the
7 whole program or the shortened version of the program without the
8 commercials depending on how the user has configured the commands, as
9 well as whether there's any restrictions in place at the particular time that
10 the user is watching the program.

11 The only other difference of note in the '122 Patent that's not
12 addressed on the screen is in the '122 Patent, the tuner, which is, you know,
13 Element 1A of the '710 Patent, but in the '122 Patent, the tuner has to be a
14 tuner capable of receiving a multiplexed signal which, you know, is obvious
15 and that comes from Miller, which we'll talk about in a few moments.

16 But with that, let me turn -- start to talk about Claim 1 and I'll
17 move on to slide 5. Slide 5 shows an overview of the Casagrande reference.
18 Although I don't know that it comes out in the papers, I'll just point out that
19 this Patent to Casagrande, this is the product that's being accused in the
20 District Court. So, this is Dish's auto hop product. This is the Patent that
21 was created to when that product was first designed. And so, you know,
22 Patent Owner obviously runs into the problem since they're accusing exactly
23 what was already in the prior art Patent of Casagrande. Again, the same
24 techniques are largely disclosed in Dow, which is owned by a different
25 assignee and we'll get to Dow in a moment. But as you see here on slide 5,
26 you know, what Casagrande is about is taking this full program that's shown

1 on the top of Figure 8 that has, you know, some program of interest, which
2 they call Segment one, sorry, segment 802 and 806 with an interstitial called
3 here, 804 and, you know, for the most part, this interstitial is going to be a
4 commercial. And the idea is that you identify where that interstitial is using
5 these boundaries, provide that information to the DVR and then the DVR
6 can provide you with an edited version of the program where the interstitial
7 or the commercial is gone as shown at the bottom part of Figure 8.

8 The next reference that's of interest is going to be Russ, that's
9 shown on slide 6. Russ is a similar idea. The main feature that we use Russ
10 for is to provide a particular time period during which these restrictions on
11 skipping would be present. So, when you read Russ, you'll see what Russ
12 talks about is the importance of allowing some attractiveness to advertisers
13 to, you know, put ads into programs that are going to go onto these DVRs.
14 And so, Russ's solution to that need is to come up with this restriction in
15 time period. And he gives a range of possible restrictions that are available.
16 The one he gives in particular is two weeks, but I mean, obviously there's no
17 magic to that. It could be a day, it could be a month. The point is that there
18 is some restriction on when this commercial skipping feature could be
19 invoked. And the point of that is to give additional value of this content to
20 the advertisers. And that's discussed extensively in our motivation to
21 combine section. I can talk more about that if there's any questions, but I
22 think it's a pretty straightforward idea. There are already restrictions built
23 into Casagrande. Admittedly, Casagrande doesn't say one of those
24 restrictions is a two week restriction period, but that particular restriction
25 period is disclosed in Russ and it's obvious to combine that, which would
26 give you the benefit that Russ teaches of adding value to the content in

1 Casagrande.

2 Okay. The next reference I'll mention, and I already alluded to
3 this, is Miller shown on slide 7. Largely, the feature we care about from
4 Miller is just this multiplexed satellite tuner. The point is that in the
5 particular claim in the '122 Patent where you need a multiplexed tuner, that
6 feature was well known in the prior art. It was known that there were
7 satellites that broadcast multiplexed programs onto a single channel
8 essentially, and there were tuners that existed to decode those multiplexed
9 programs. So, it'd be obvious to add that feature to Casagrande for another
10 reason because there's benefits of that, Todd, and Miller, including the
11 benefit of having a set top box that would be compatible with satellites that
12 transmitted those multiplexed signals.

13 Okay. So, that is I think my overview. I will get in now to some
14 of the particular arguments that the parties have presented. The first of
15 which, I think I'm just going to pause for a second on a claim construction
16 issue shown here on slide 11, having to do with this first period of time. I
17 think Patent Owner has argued that this first period of time has to be
18 inclusive of the entire video program, meaning the entire video program has
19 to first be received by the DVR before that first period of time can end. We
20 don't think that's the correct construction. It's sort of irrelevant because it
21 would be obvious, both of our grounds would be obvious even under this
22 more narrow construction, so I don't know that the Board needs to reach it,
23 but we do think the construction is wrong for a few reasons, you know, one
24 of which, the claim language itself is clear. It doesn't have such a restriction
25 in it. And what it says is there's a first period of time during which
26 commercials can't be skipped, and then there's a time after that which they

1 can be skipped, and that's all the claim requires. But additionally, that
2 reading that the Patent Owner is sort of putting into this claim language
3 would exclude at least one of these embodiments in the Patent specification,
4 in particular, the specification makes clear the invention is meant to apply to
5 live programming. And of course, if you're watching a live program, you're
6 not going to receive the whole thing when you're applying the techniques of
7 this Patent. So, for that reason, we don't think that Patent Owner's
8 construction is correct, that it must include, you know, the entire
9 transmission of the video program in the first time period.

10 JUDGE MCSHANE: Counsel, this is Judge McShane. Just a
11 quick one on this. Patent Owner makes an argument about the prosecution
12 history that it uses to support its proposed claim construction. What do you
13 have to say about that?

14 MR. WILLIAMS: I think the prosecution history is at best
15 ambiguous and I don't believe that it unequivocally excludes this live
16 embodiment. I mean, I'm happy to address the arguments that Patent Owner
17 makes in my rebuttal on that more particularly, but in general, that's my
18 reaction, is that the prosecution history certainly does not, I think, change the
19 clear claim language into something that is akin to a disavowal.

20 JUDGE MCSHANE: Thank you.

21 JUDGE HAMANN: Counsel.

22 MR. WILLIAMS: Yes.

23 JUDGE HAMANN: This is Judge Hamann. Trying to understand
24 what meaning you're ascribing to the entire video program. The claim
25 identifies three portions of video, first, second, and third. Isn't that sufficient
26 to be the entire video program? And in that case, how does that impact your

1 argument?

2 MR. WILLIAMS: So, the point, yeah, I mean the, I mean, okay,
3 so I don't think either party has really construed what the entire video
4 program means, but I think certainly we could say that it must include the
5 idea that all three of those things could be part of the entire video program,
6 yeah. So, if we go back to Casagrande, you know, assume you've got a
7 program with one commercial and that commercial gets edited out. The
8 entire video programs could certainly include the part before the
9 commercial, the part after the commercial collectively. So, I think that is a
10 perfectly fine interpretation of entire video program, but even under that
11 construction, I don't see why Patent Owner's argument is correct because the
12 question -- all that Element 1[e] says is that the first period of time is after,
13 I'm sorry, the second period of time is after the first period of time. So,
14 there's a sequential order. And all the claim says about this first period of
15 time when you look in the actual claim text, for instance, in these Elements
16 1[d] that kind of lay out the restrictions periods. The only thing you walk
17 away with in terms of a clear understanding of what that first period of time
18 is, is it's a period of time when you can't skip the commercials. So, if there's
19 a situation in the prior art where you have a time where you can't skip the
20 commercials, then in our view that claim is satisfied because that's the first
21 period of time where regardless of whether the user is asked to skip the
22 commercials, the system is not going to do it. And we think that's what's
23 being recited in these claims, and that doesn't have to go further.

24 JUDGE HAMANN: Okay. And I guess I'm just trying to focus
25 again on the question, what meaning the parties, in particular Petitioners are
26 describing here on your slide and to the entire video program. And it seems

1 like it's more than just those three portions.

2 MR. WILLIAMS: I mean, I don't -- that certainly wasn't the intent
3 of the petition, Your Honor. I'm not sure exactly what you mean. Why it
4 wouldn't be sufficient to set -- to take that example in Casagrande where we
5 have the three portions, the first portion the interstitial and the second
6 portion and say the entire video program would be from the beginning of
7 that to the end of that, which would include all those three portions
8 collectively.

9 JUDGE HAMANN: Okay. So, Petitioner is arguing that the
10 entire video program is only those three portions. Is that correct?

11 MR. WILLIAMS: I think we're arguing is that that would be
12 within the scope of the claim language entire video program. Yeah, I mean
13 it's possible there would be other things that would be within the claim
14 scope, but I don't think we have addressed those in the petition. I don't think
15 it became relevant to our grounds.

16 JUDGE HAMANN: I think it's still unclear what Petitioner's
17 position is as to what the entire video program is, but I recognize this is
18 Patent Owner's proposed construction. So, unless you have nothing further,
19 I'll let you get back to presenting.

20 MR. WILLIAMS: Okay. I'm just trying to think about where that
21 ambiguity is coming from, Your Honor, because you know, I certainly want
22 to answer this question. I don't think -- I'm not trying to avoid the question.
23 I'm just saying that the way we've mapped, you know Casagrande and Dow
24 into the into this claim is we've looked at examples where you've got some
25 program you're watching that has at least one commercial in it, the
26 commercial gets edited out, the entire video program would be from the

1 beginning of that program until the end of the program and that would be it.
2 So, that I think is the mapping in the petition that's relevant to the grounds.

3 JUDGE HAMANN: Thank you.

4 MR. WILLIAMS: Okay. Let me -- let me just get -- move on to
5 the sort of commands part of this claim which, so here on slide 18 I've got an
6 example from the '710 Patent and the '122 Patent about -- about three
7 commands. I've already sort of talked about those in my introduction, so I'm
8 not going to say much more about what the claim recites. Let me just point
9 to where in Casagrande we think, you know, these commands are present.
10 So, claim -- slide 19 shows this first command which toggles the playback
11 state, and, you know, we have this section from Casagrande that talks about
12 giving the user the ability to select whether it's the first A/V stream or the
13 second A/V stream that's output. And as you recall in Casagrande, those
14 two different streams are the one with commercials and the one without. So,
15 in our view, this is sufficient to show a first command that changes the
16 playback state.

17 JUDGE MCSHANE: Mr. Eliot, this is Judge McShane. What is
18 your position on this portion of Casagrande? Does this portion effectively
19 mean that when you select the stream, that this stream is going -- could play
20 as well -- or it does play?

21 MR. WILLIAMS: So, I'm sorry, Your Honor. Question is does
22 this section of Casagrande show both the selection of whether the first
23 stream or the second stream is going to be output and then requesting it to
24 play, I guess is what your question is?

25 JUDGE MCSHANE: Well, it's more than that. So a user does
26 his selection. Okay. You're going to pick a stream, and that's fine. Is it

1 going to play because it says it's outputted to the display device?

2 MR. WILLIAMS: Yeah, so I -- okay, I understand question. So, I
3 don't -- I think the answer to that is no because, and the key language here is
4 whether, right, whether it's the first stream or the second stream is output.
5 So, this first command is really just telling the system do I want the edited
6 version or the non-edited version? It doesn't say that you should now start
7 playing. And so, it's our contention that that's not what this claim element is
8 teaching. Now to be sure, you know, this would be part of the user interface
9 process to get something to play. So, we're not saying it's not involved in
10 the decision to play. I mean pretty much every button you push on the DVR
11 remote control is going to have involvement in and, you know, outputting
12 something eventually. So, this is just one step in the process. It is not the
13 entirety of the process, and I think that becomes clear when we get into the
14 next command as well, which I'm happy to turn to now.

15 But I mean to address the point you're asking, Your Honor, I'll go
16 to slide 20 because I think this is, you know, kind of the argument that
17 Patent Owner is making here. I think you're giving a -- steel manning that
18 argument slightly and -- and I'll just address it. You know, the point is that,
19 you know, that command certainly doesn't dictate what gets played, and we
20 know that because as shown on slide 20 there, you can have a restriction that
21 stops you from actually getting what you asked for, even -- even though you
22 asked for the air to stream that's not what you're going to get. So, we know
23 there's more to the system than just this is this determines what the playback
24 to the, to the user. It's just sort of a request, and in a telling system which
25 one you would prefer, but more -- more is involved.

26 Let me turn to the second command in this claim. So, in the

1 second command, as we've noted here on slide 21, the user is actually then
2 given the option to pick what they want to play. You know, not just whether
3 they want an edited version or non-edited version, but in particular what they
4 want. And it's that that we point to is involving a menu system and giving
5 the user option to select particular segments and then based on those
6 segments, the system then responsibly outputs the segments, skipping the
7 undesirable ones or the undesigned ones.

8 JUDGE MCSHANE: Yes, Mr. Williams, but you know, Patent
9 Owner makes the argument, and Patent Owner can correct me if I'm not
10 getting this argument right, but they have an argument that there's no
11 explanation of how this portion of Casagrande works in conjunction with the
12 portion at the bottom of column 19, which you've relied on for the first
13 command. So, the first command has this deal where you're going to pick an
14 A/V1 and/or A/V2. So, you're going to have the commercials taken out of
15 one of those versions, okay, right? One will have the commercials and one
16 won't, right? But then you have this section, what I really don't understand
17 is, you're going to have, it's talking about picking out segments, right? And
18 then playing the selections of segments. So, Patent Owner, I think, is
19 making the argument, Petitioner hasn't explained how this, how these
20 sections work together. And so, you know, and in your papers, could you
21 identify where you do to explain that?

22 MR. WILLIAMS: Yeah, sure, Your Honor. So, I think in
23 connection with our, I mean, certainly, we explain this more clearly and
24 more specifically, I guess, in reply in responding to Patent Owner's
25 argument. So, I'll get to that in a second. In the petition, what we point to
26 for this second command is, I think, starts around page 31 that explains, you

1 know, what we just showed here, right? Which is the user is presented this
2 menu of available segments, can select one or more of them based on this we
3 output. So, you know, the point is, there is -- there is more going on here
4 than is just simply selecting whether commercials are skipped or not, right?
5 The user has to get more involved in picking a particular program segment
6 to present and that maps to the claim's second command.

7 In terms of our reply, what we pointed out in discussing this
8 feature, the one that's shown on slide 21, as I got here on slide 22, we have
9 Dr. Jeffay's supplemental declaration where he goes into this menu system
10 for selecting commands, you know, as he points out, because what's
11 described here is allows the user to select multiple things, right? Not, not
12 just one program, they might select multiple programs they want to play
13 back. It can't be that selecting one of those things starts the playback.
14 Right. You have to let the user somehow indicate to the system that they're
15 done making a selection, which he calls this sort of confirmation dialogue.
16 So, what, you know, his point is that a person of skill in the art reading that
17 section that we just looked at on slide 21 of a menu system for responsibly
18 outputting the segments would understand that there's an end to that process
19 that tells the system, okay, I'm done, right? I've picked what I want to
20 watch, now please play back to me. And so, collectively those menu
21 features, that menu selection is the second command because that's the thing
22 that actually initiates playback. Now, of course, as we talked about, the user
23 may not get what they asked for there. They may get programs with
24 commercials, even though they previously asked that only, that the
25 commercials be skipped through the first command that we just pointed to in
26 that other section of Casagrande. So, in our view, that's how they work

1 together. The user can pick, the user can tell the system, I want commercial
2 skipped, and then the user can pick the particular programs it wants to
3 watch. And then playback begins, and they may or may not get the
4 commercials depending on whether the restrictions are present.

5 JUDGE MCSHANE: Yeah, well, if you could go back to slide 22,
6 okay.

7 MR. WILLIAMS: Sorry, yeah, slide 22.

8 JUDGE MCSHANE: Yeah. So, this isn't a supplemental expert
9 report. Isn't -- I mean, isn't this a change from what you contended in the
10 petition?

11 MR. WILLIAMS: No, I don't think so. I think, Your Honor,
12 again, this is just trying to further explain how a person of ordinary skill in
13 the art would have understood this disclosure on slide 21, right? It's clear
14 that multiple things can be picked by the user here, and a person of skill in
15 the art reading that would understand that in this menu selection, I mean, it's
16 always been the menu selection we've mapped to the second command,
17 right? We haven't -- nothing has changed about that. The question is, what
18 is the user experience when you're selecting multiple things in a menu?
19 And as Dr. Jeffay says in his supplemental declaration, a person of ordinary
20 skill in the art reading that disclosure would understand a menu selection
21 must involve some end of the selection. And, you know, the most obvious
22 way that a person of skill in the art would understand that to be done is
23 through some sort of confirmation dialogue saying, okay, I'm done. You
24 know, at the bottom of the screen, there's a, okay, or I'm done. Those are
25 things I want played back. So, it's not a change. It's really just an
26 explanation of how a person of ordinary skill in the art would have

1 understood that disclosure in the reference.

2 JUDGE MCSHANE: Okay. All right. I appreciate it. Thank you.

3 MR. WILLIAMS: Yeah. I'll mention the, I think I already
4 mentioned the '122 Patent has a third command that is reflected here on slide
5 23. And this command is, as you see on the top of the slide, is the one that
6 tells the DVR to store the program in the first place. And again, that's
7 definitely in Casagrande as it would be inherent in any DVR system, you
8 know, as we said, the DVRs have to record somehow and the user needs to
9 tell the program to record. So, that command is also in our combination.

10 Moving on to sort of the processing steps, these are shown on slide
11 24.

12 JUDGE HAMANN: Counsel?

13 MR. WILLIAMS: Yes.

14 JUDGE HAMANN: This is Judge Hamann. Just before we move
15 on real quick, and I'm trying to understand a little about the interaction
16 between the commands in a sense. Obviously, my understanding is
17 Petitioner relies on the second command on the user selecting segments.
18 And as I understand it, that can include or not include commercials,
19 potentially. The user could select a commercial, for example, as a segment.
20 Is that correct from what Petitioner has argued?

21 MR. WILLIAMS: Well, I think it's -- so, in Casagrande I do think
22 that is possible. I think he envisions that that was a possibility. That isn't
23 really the mapping that we had gone with, what we had sort of argued in our
24 mapping is that, you know, the user could pick multiple programs to watch.
25 Right. They could say, I want to watch seasons one, two, and three of these
26 things that are all recorded in my DVR and play them back. So, that's what

1 we had in mind. But I think it's possible the system is flexible enough that
2 it's possible your menuing system could also tell you, identify commercials
3 and the user could then pick whether to watch them or not. It's not the
4 example that Casagrande gives though. I mean Casagrande talks about, I
5 think, a news program where you're picking which stories you want to
6 watch.

7 JUDGE HAMANN: Okay. So, does Casagrande teach that the
8 selection process for the segments differs based on which stream is selected,
9 the first or second?

10 MR. WILLIAMS: Well, I'll get to the second. What Casagrande
11 is going to do once you start playing back, that's the processor's job. But
12 yeah, I think what Casagrande teaches is that if the user had asked for the
13 shortened stream without the commercials, then he's going to get that unless
14 there's a restriction in place.

15 JUDGE HAMANN: I'm talking about the actual, you know,
16 performing the second command. My understanding, Petitioner maps
17 performing the second command as selecting certain segments.

18 MR. WILLIAMS: Yes, that's correct.

19 JUDGE HAMANN: So, in that process of performing the second
20 command, is that vary or change depending upon which stream is selected
21 by the user via the first command as taught by Casagrande?

22 MR. WILLIAMS: So, yeah, Casagrande doesn't say, for instance,
23 if during that menuing process certain segments may be, you know,
24 unavailable or not. He just says the user, in that second command, the user
25 can pick segments that he or she wants to watch. But the way we've
26 explained that in the petition is that a person of ordinary skill would

1 understand then when the user picks their segments and starts playing back,
2 then the system will decide whether to include any of the commercials in
3 that playback based on the restrictions that are present as well as whether the
4 user had asked for the shortened or the expanded stream, the first or second
5 stream.

6 JUDGE HAMANN: Thank you.

7 MR. WILLIAMS: So, let me just turn to those processor elements.
8 So, slide 24 has them on the screen. And I do want to get to Dow, so let me
9 just try to get through this quickly. I mean, the main issue here, I just want
10 to address is how Casagrande works in the combination with Russ, which
11 I've sort of already addressed. But if you look at slide 27, I put that on the
12 screen, these are some of the sections from Casagrande that talk about these
13 restrictions. You know, the one on the left, for instance, from column 19,
14 line 63, talks about a content provider may prevent the user from
15 maintaining such control, right? And such control here is, kind of what we
16 call the trick play or the fast forwarding through the commercials. So, it's
17 possible that there's a restriction on skipping commercials. What we turn to
18 Russ for then, as shown in slide 29, is the idea that those restrictions could
19 be these time-based restrictions of Russ. And again, we've already talked
20 about the motivation for that, which is, you know, it lets you give additional
21 revenue to the system provider because now it makes the content more
22 valuable to advertisers. As we talk about in Dr. Jeffay's declaration, as well
23 as Russ itself, you know, it's obvious that there are some users who are
24 willing to accept commercials if they can watch the program essentially in
25 near real time or around the time it was broadcast, and there are other users
26 who don't like the commercials and they're prepared to wait. And so, this

1 system of Russ give that sort of ability for system providers to extract
2 additional revenue because there is this pool of users that would be willing
3 to watch the ads when the content is quote unquote new.

4 Okay. With that, maybe the last thing I'll mention here is this
5 determining argument that Patent Owner makes, and I've reflected that on
6 slide 30. Again, we don't think there's this determining step that's actually in
7 the claims, but even if there were, we think Casagrande teaches it when it
8 decides whether the restrictions should be applied or not, you know, whether
9 the restrictions on skipping should be applied or not, and that's shown on
10 slide 30.

11 Okay. One other argument I just wanted to touch on briefly is
12 shown on slide 32. Patent Owner, I think maybe I can address this more
13 particularly after I hear how Patent Owner argues this in their comments, but
14 there's an argument that in some sense there's not a time period restriction in
15 Russ and we think that's just incorrect. So, you know, we've already talked
16 about this, but I'll just go back to slide 6 very briefly. And, you know, we'll
17 see that, you know, in Russ, what happens is, you know, each of these
18 commercial slots is associated with a particular restriction, and that
19 restriction is based on time period. So, and we think that combination of
20 Russ, and -- Casagrande and Russ definitely teaches that.

21 JUDGE MCSHANE: Mr. Williams, some of Patent Owners'
22 arguments relate to tabs and what the tabs mean in Russ. What's your view
23 of the tab function as it relates, I think they refer to, let me see, the next
24 sentence, hold on, your own slide, what is that, six, yeah?

25 MR. WILLIAMS: Yes.

26 JUDGE MCSHANE: So, they refer to this sentence, the next

1 sentence, after the one you've flagged there, which says that for example, a
2 tag corresponding with the commercial could expire after a period of time
3 after which the tag would become inactive or replaced or replaceable. And
4 Patent Owner's contention, and they have expert testimony on this too, is
5 that when you have this happen -- when the tag expires you -- can't go back
6 to the original commercial. I believe that's their contention, and again they
7 can correct me if they think I'm wrong on that. What's your view of that
8 argument?

9 MR. WILLIAMS: Yeah, I mean -- so, we don't think that's a
10 correct understanding of -- of Russ because I'll mean -- yeah, Russ does have
11 tags corresponding to these slots, but or particular commercials I have to
12 say, but it's the slots we're focusing on here, right, which is, you know, does
13 this -- is the commercial that's in the slot skippable or not. That's the
14 restriction that we're borrowing from Russ. But, you know, as we point out
15 in our -- in our petition, and again in our reply brief, there are many
16 situations that Casagrande himself identifies where a user would, you know,
17 want to watch a commercial even, you know, even if it was relatively old.
18 This, for instance, I think we have on slide 33, you just go down there.
19 Right. So, you know, this section on the right from Casagrande column 14,
20 line 49, is one that we cite in the petition, and it says, you know, for example
21 a user may want to watch commercials with the football game while
22 skipping over the actual video content of the game itself. And, you know,
23 the point here is that, you know, it's well known that there are situations
24 where a user would want to go back and watch a commercial later even if it's
25 somewhat old. Superbowl commercials are sort of notorious for that, and
26 that's the example Casagrande gives, and Dr. Jeffay talks about that again

1 specifically in his reply declaration. But the point is, you know, when
2 implementing the Casagrande Russ combination, especially in view of this
3 disclosure of Casagrande, you would not have the commercials disappear
4 where they couldn't ever be watched again. If the user wanted to watch
5 them, they would be allowed to.

6 JUDGE MCSHANE: Okay. Thank you.

7 MR. WILLIAMS: Yep. Okay. Let me address the dependent
8 claim issues very quickly before I turn to Dow.

9 JUDGE MCSHANE: And Mr. Williams, you're about eight
10 minutes out from starting to run into your rebuttal time. Okay?

11 MR. WILLIAMS: Great. Let me try to -- I may creep into the
12 rebuttal a bit, but I appreciate that, Your Honor. Okay. Slide 36 shows the
13 dependent claim disputes, which will largely relate, Claims 3 and 12,
14 essentially relate to the issue we just talked about, which is, would you have
15 a situation where the user might want to watch some commercials or watch
16 commercials even and not others? And the point is, as we just talked about
17 it previously, Casagrande does give the possibility for the users to watch
18 commercials or to watch some commercials. That's an example we give
19 here on slide 37.

20 And then in view of the time, let me just turn to the Claim 17 issue,
21 which, yeah, we show on slide 36 what that claim is. The idea here is that,
22 when do you actually -- so, the way Casagrande works is you need to get
23 the -- the DVR actually needs to know when the commercials start and stop,
24 basically. It needs that information so that it could do the editing. That is,
25 so the question is, is that data in Casagrande transmitted with the program or
26 is it transmitted later? I think Casagrande says it could be either way. So,

1 we think the best reading of Casagrande is that, and this is slide 40, shows
2 the text. The top box here from column 12 shows that this location
3 information, that's the location and time, you know, when does the
4 commercial begin or end? These are transmitted either together or
5 separately from the actual video content itself. So, Dr. Jeffay testified that a
6 person of ordinary skill in the art reading that, you know, separately
7 language would understand that could be separate in time, not separate in
8 bandwidth, or separate in communication channel, right? And separate in
9 time certainly includes the possibility of sending it later. That is in fact the
10 best reading of what Casagrande teaches, or at the very least it renders, this
11 disclosure renders obvious, the idea of sending the communication later.
12 And in fact, as Dr. Jeffay talks about at paragraph 72 of his declaration,
13 which I put on the screen, Casagrande discloses this implementation where
14 you don't actually even send the location information until the device starts
15 to play it back, right? So, in this situation, he's citing here Casagrande,
16 column 20, line 18, where only when the system asks for the location
17 information is it actually transmitted. So, this would certainly be later. A
18 user wouldn't be attempting to play the program back unless it had already
19 been recorded. So, you know, we think that claim is certainly obvious in
20 view of Jeffay. Okay. Sorry, in view of Casagrande.

21 Okay. Let me turn to Ground 2 and Dow, and I'll try to do this
22 quickly, but I don't want to give the impression that we don't -- that we think
23 Dow is sort of secondary importance. We think it's actually very important
24 and even anticipates some of the claims as we point out. Here's a picture of
25 Dow on slide 8. What you see is sort of something similar. You've got a big
26 stream with commercials in it at the top, and a shorter version of that stream

1 with fewer commercials in it or most of the commercials removed at the
2 bottom. That's essentially what's going on in Dow, that's our Ground 2. We
3 also have a Ground 3 involving Dow, where we combined Dow with Russ,
4 for largely the same reasons that we combined Casagrande with Russ.
5 Because, you know, again, Russ teaches the value of putting restrictions on
6 commercial skipping. So, you know, Dow teaches this commercial skipping
7 ability. He doesn't specifically talk about putting advertiser-based
8 restrictions on it. And so, that's why we bring in Russ and Ground 3 to teach
9 that and has all the same benefits it does when we combine Casagrande. It
10 makes Dow and Russ a great combination as well for these claims.

11 The, turning to slide 53, this is one of the figures, it's Figure 4 from
12 Dow, as you'll see here. And this largely has, this is kind of the same idea
13 where we're talking about the Casagrande, where you've got this menu
14 system, that allows the user to pick things they're going to watch, and it
15 allows them to specifically designate whether when they watch them, they're
16 going to get commercials or not. So, this is very clear. If there's any
17 ambiguity about the first and second commands in Casagrande, it's
18 completely gone in Dow. Dow makes it express, right? There is this whole
19 separate command just for whether you're going to skip over the
20 commercials or not. You can turn that on or off, and then you can pick
21 commands to start playing back. So, in terms of any, again, ambiguity with
22 respect to those first two commands in Dow, excuse me, in Casagrande,
23 there is none in Dow.

24 Just turning to slide 44. These are some of the disclosures of Dow
25 we point to for those two commands. But I mean, I think the picture is even
26 clearer than the text here.

1 Okay, with that, I mean, I don't really think I have much more to,
2 just frankly, I think Dow is super clear. It's got the processor, it does all the
3 same stuff, again, the only slight difference between Dow and Casagrande,
4 in addition to the fact that Dow more expressly shows these two commands.
5 But, you know, as I said, Dow doesn't have a description of putting a
6 restriction on playback that's caused by an advertiser. The only restriction
7 on playback Dow is express about is the possibility that you're not going to
8 be able to skip commercials during a live broadcast, you know, because
9 obviously there hasn't been, for one thing you haven't had time to identify
10 the boundaries and skip them, but of course the other problem is that you're
11 in real time, so you can't actually skip ahead because it can't predict the
12 future. But the point is that the idea of adding that time-based restriction in
13 Russ is obvious and would apply equally well to Dow.

14 So, unless there's any other questions I think what I'd like to do is
15 reserve the balance of my time and sort of respond to Patent Owner's
16 arguments in my rebuttal.

17 JUDGE MCSHANE: Okay. Thank you, Mr. Williams. You're
18 going to have 22 minutes for a rebuttal, and what we're going to do right
19 now is take a brief two minute break, so if everybody could just try to be
20 back at 9:44, we'd appreciate it. Thank you. Thank you.

21 Okay, we'll go back on the record. And now we're going to turn to
22 Patent owner's direct argument. So, you may proceed, counsel. Do you
23 wish to reserve any sur-rebuttal time?

24 MR. WITTENZELLNER: Yes, Your Honor, 15 minutes, please.

25 JUDGE MCSHANE: Thank you.

26 MR. WITTENZELLNER: So, what I'd like to do just to start out

1 is briefly touch on the invention. I think one of the things that we've seen as
2 a Patent Owner throughout the course of this proceeding is some
3 generalization of what the invention is, basically for the purposes of fitting
4 the prior art within the claims. And so, I want to be clear, we do not claim to
5 have invented DVRs, nor the concept of skipping commercials. Those
6 predate the two Patents at issue here. What the claimed invention really
7 does is it recognizes the conflicting interests of two parties. On one hand,
8 you have the content providers that always want to show commercials. On
9 the other hand, you have users that may want to, may never want to see
10 commercials. So, there's a balance struck. Users cannot skip the
11 commercials during the claimed first period of time, because that's when the
12 content is new. So, the commercials are of the most value to the content
13 provider. After that time period elapses, we're then in the claimed second
14 period of time. The commercials are of less value, they're less relevant.
15 And so, then the content provider allows the user to choose whether or not to
16 view the commercials.

17 I'm going to start on slide 4 of Patent Owner's demonstratives,
18 which is Exhibit 2010. The claimed invention balances those two competing
19 interests by allowing the user to select between two playback states. In the
20 first playback state, the DVR plays the whole program. And so, at certain
21 points today, I feel like because we have playback states, segments, and
22 commands, it can be a little abstract. So, I created a bit of a demonstrative
23 here. This is segments one, two, and three, or portions one, two, and three of
24 the video. And so, in the first playback state, the user will see all three. And
25 then the second playback state, the commercial skipped, you do not see the
26 second portion. So, this is what the user sees. Only one in three.

1 JUDGE MCSHANE: Counsel, this is a joke. Are we going to
2 take a screenshot of that and enter that in the record as a demonstrative? It's
3 a joke.

4 MR. WITTENZELLNER: I actually have final written decisions
5 based on demonstratives during the course of the argument, but if the Board
6 does not want to see it, that's okay.

7 JUDGE MCSHANE: No, no, please go ahead and use it. It was
8 just a joke.

9 MR. WITTENZELLNER: Okay. I believe Your Honor is muted.

10 JUDGE MCSHANE: I said, I'm sorry, I said it was just a joke.
11 Please go ahead and use your demonstrative. It's fine. Thank you.

12 MR. WITTENZELLNER: Oh, thank you. Thank you. I'm sorry.
13 One of your colleagues appears to be muted or was.

14 JUDGE MCSHANE: Judge Courtenay, are you trying to say
15 something? I'm sorry. You're muted.

16 JUDGE COURTENAY: Okay. Can you hear me now?

17 JUDGE MCSHANE: Yes.

18 MR. WITTENZELLNER: Yes, Your Honor.

19 JUDGE COURTENAY: Okay. I had to unmute myself in WebEx
20 apparently. You made a statement that the first playback state, it plays the
21 entire program. Okay. My understanding of your claim is only the second
22 command actually initiates playback. And the first command, it changes
23 the, as you have here in step 1C, it changes the DVR from a first playback
24 state to a second playback state. So, my understanding of the first
25 command, it doesn't actually initiate playback. It's like a mode change. So,
26 can you explain all that and just clarify that?

1 MR. WITTENZELLNER: Sure. Sure, Your Honor.

2 JUDGE COURTENAY: What's your -- you're, you're representing
3 the Patent Owner. So, what's the Patent Owner's claim construction of these
4 two states? We have the commands very clearly defined in 1[c], but the
5 playback states, could have been better defined in this claim, in my view. If
6 you could expand on that and clarify so we can understand your claim as
7 you see it, as you understand it.

8 MR. WITTENZELLNER: Certainly, Your Honor. So, I think
9 claim 1[d], Romanette [ii] and [d] Romanette [iii] really set off the
10 difference between the playback states. And so, well, let me take a step
11 back. At Romanette [i], the playback state is initially, it doesn't matter.
12 Because regardless of the playback state, the DVR is going to play back the
13 entire program, segments one, two and three. And that's the instance where
14 the content provider is saying, I've just provided this program. The
15 commercials in it are high value to me. So, I'm not going to allow you to
16 skip the second portion, which both sides have really mapped to
17 commercials. In the second playback state, you're saying you've enabled
18 skipping essentially. And you see that in Romanette [iii] of 1[d] where it
19 states that the system will provide only a portion of said video program in
20 response to receiving said second command. If said second command is
21 received during said second period of time and said DVR is in said second
22 playback state. So, the second playback state is we're going to skip
23 segments within this entire program. The first playback state is we're going
24 to play it in its entirety.

25 JUDGE COURTENAY: Okay. Those two conditional limitations
26 in 1[d][iii]. It's very interesting you have the word if twice. So, if you have

1 a condition present you do this function, but the conditions are the same.
2 Everything in 1[d][iii] for both conditions you would have the second
3 command is received during a second period of time. I mean it's repeated
4 twice and I -- can you clarify why that was done that way or what's your
5 understanding? But everything in 1[d][iii] happens during the second period
6 of time in response to receiving a second command. And that's the condition
7 precedent for both your if conditions in that 1[d][3].

8 MR. WITTENZELLNER: Well so, I read 1[d][iii] and 1[d][iii] as
9 they both happen in the second -- or both --

10 JUDGE COURTENAY: But 1[d][ii] is that the DVR is in the first
11 playback state, and everything in 1[d][iii] the DVR in the second playback
12 state that's the distinction.

13 MR. WITTENZELLNER: Correct.

14 JUDGE COURTENAY: Okay. I'm just trying to nail you down.
15 You know, what's your -- your claim construction of these two states? First
16 playback state and second playback state, and again the commands are well
17 defined in 1C, but these playback states it's a bit nebulous.

18 MR. WITTENZELLNER: So, the first -- first playback state is
19 meaning that the second portion will be played back to the viewer. The
20 second playback state means that the second portion will not be played back
21 to the user.

22 JUDGE COURTENAY: Okay. Now, the first time the user goes
23 through this, and, you know, you have an apparatus claim, but you have a
24 user that actually interacts with this apparatus, the user being outside the
25 scope of your claim, of course. Is the user the first time, can they skip the
26 commercial, or the first time they view the program material, they have to

1 view all of it, including the commercial? And again, “commercial” is not in
2 Claim 1. You know, that's, you don't have the word “commercial” in Claim
3 1, but that's an example embodiment.

4 MR. WITTENZELLNER: Right. And so, just for clarity, we're
5 not trying to argue that it necessarily has to involve commercials. A
6 commercial is just a -- has been interchangeably used in the proceeding with
7 the second portion because of how it was mapped in the petition. But to
8 your question, and again, this is all these limitations, the sub Romanettes
9 pertain to how the processor is configured. And so, you're right, it's not
10 necessarily the user per se, it's how the system is configured to operate in
11 these different conditions. But to your question, whether or not the user can
12 skip on first use depends on which time period we're in. So, the claim tells
13 us that we have to have received the program, we have to have recorded it.
14 And I mean, and that's the plain language of the claim, as well as just the
15 practicality of the fact that you can't display it without having it available to
16 display. And so, whether or not the user can skip the second portion or not
17 really depends on which period of time the system is accessed. Is it accessed
18 for the first time during the first period of time? If so, then the processor is
19 configured to essentially disregard the playback state and only show the
20 program in its entirety. That's the first --

21 JUDGE COURTENAY: Okay, that's an important point. Okay.
22 That helps. Thank you.

23 JUDGE HAMANN: Counsel, this is Judge Hamann. In your
24 response at some of the times, I'm not trying to mischaracterize you, but it
25 seemed like there was an active element to your description of the playback
26 states. And so, I'm wondering if that was getting conflated with what a

1 command is. So, what is the difference between a command and a playback
2 state?

3 MR. WITTENZELLNER: So, playback state is, I would almost
4 look at it as a variable, if you will, when you look at these different
5 Romanettes and how the processor is configured, you essentially have if/and
6 statements. If certain conditions are met, it's going to proceed in such a way.
7 I would look at the playback state as one of the variables that goes into that
8 logical combination that's configured in the processor. I think the period of
9 time is also one of the things that feeds into that conditional logic, how the
10 processor is configured. Are we in the first period of time or the second
11 period of time? And the commands are really just one. The first command
12 is changing that variable, which playback state are we in? And the second
13 command is actually initiates the processor to start playback and evaluate
14 these configured logical conditions to determine how the program will
15 actually play back to the user. I think that the sort of discussion of active
16 role, and I agree with you, the discussion of active role just almost came
17 about because ultimately there is a user operating the device, and in some
18 ways it's easier to describe in that way, but there's no per se user
19 interaction or active role, I guess is the term that you used.

20 JUDGE HAMANN: Okay. I'm trying to understand what you just
21 said. A playback state is a variable. Is that what you said?

22 MR. WITTENZELLNER: Essentially.

23 JUDGE HAMANN: It's just a value?

24 MR. WITTENZELLNER: Correct.

25 JUDGE HAMANN: Example. And so, therefore, by, you know, a
26 particular playback state doesn't necessarily cause a display. Is that correct?

1 MR. WITTENZELLNER: That's correct, Your Honor, and that's
2 why we have in the claim a first command and a second command. The first
3 command is strictly setting the playback state, and that's in the control or
4 configure limitation, for example in Claim 1 of the '710 Patent where it
5 recites, where in a first command changes said DVR from a first playback
6 state to a second playback state. So, it's changing the values that will be
7 evaluated by that conditional logic configured in the processor. Then the
8 second command is what actually initiates playback.

9 JUDGE HAMANN: Thank you.

10 MR. WITTENZELLNER: I think some of the wind was taken out
11 of my sails. I appreciate it. I was going to walk through some of those
12 commands for the timing, but I think that really covers a lot of that.

13 Really quickly, I'd like to touch on what the difference is. We
14 view each of the three references as having the -- certainly, the ability to turn
15 on or off whether commercials can be skipped. The issue is that that setting
16 remains static for each of them. And so, I'll walk into that in more detail.

17 I did want to address something that counsel said in the beginning
18 of his presentation. So, with Board's permission, I'd like to skip to slide 58
19 of Petitioner, or I'm sorry, Patent Owner's demonstratives. And this pertains
20 to the third command limitation in the '122 Patent. And the IPR as to the
21 '122 Patent can be resolved on this issue without touching on the issues of
22 commercial skipping, the time limitations, or claim construction. In the
23 beginning of his presentation, counsel said that the third command merely
24 required recording a program. And he said that again later on in his
25 presentation. But that's simply not the case. The third command required
26 quote, from the claim, third command instructs said DVR to receive and

1 store said plurality of video programs. Not a single video program, a
2 plurality, two or more. So, there must be a third command that instructs the
3 DVR to receive and store those programs. That's one command, not
4 multiple commands. And we have to recall that at the time of this invention,
5 it would have been highly unconventional to the limited storage space of
6 DVRs to have one command that is now going to start saving multiple
7 programs ensuing substantial place or space, excuse me. That is why
8 counsel glazed over that specific requirement of the third command, and
9 why the petition fails to identify any such disclosure in the prior art. And
10 the institution decision correctly noted that Petitioner relies only on
11 Casagrande for the teaching of storage of a plurality of video programs
12 under limitation 1[b]. And the totality of the disclosure is on pages 23 and
13 24 of the petition. So, page 23 of the petition shows that Casagrande stores
14 multiple programs. But the third command pertains to how the DVR is
15 actually told to store those programs. And page 24 of the petition points to
16 in Casagrande the command to save a single stream. There is simply no
17 disclosure anywhere of one command that stores multiple streams. And
18 specifically, that disclosure is in Exhibit 1006, column 18, line 64 through
19 67. And this position also applies regardless of how the tuners in the devices
20 are interpreted. Again, it comes purely down to the fact that the claim
21 requires pressing one command to initiate the storage of multiple programs,
22 which is simply not disclosed.

23 And Dow, Dow does no better, that's the other ground, whether it's
24 anticipation or obviousness. The only disclosure cited for Dow is on page
25 49 of the petition, specifically in Exhibit 1007, which is Dow column 6,
26 lines 14 through 15. And there, Dow says in a specific case, the channel

1 guide may list numerous broadcast television programs, and the user may
2 select one or more of the programs for recording. It doesn't say anything
3 about the user selecting more than one program for recording with a single
4 command. It's merely generic DVR functionality that yes, you can record
5 multiple programs. That's existed since the dawn of DVRs. But what the
6 claim requires, and what the Petitioner has not shown, is a single command
7 that would record multiple programs in one, with one selection.

8 By the way, I would like to, with the Board's permission, move to
9 claim construction. This will be slide 18 of Patent Owner's demonstratives.
10 Again, and that's Exhibit 2010. I'd like to start with the first period of time,
11 and there are some questions to Petitioner about how Petitioner was applying
12 this term. I was also unclear as to how Petitioner was applying the term.
13 For us, it's very straightforward just from the plain language of the claim.
14 The entirety of the program has to be received and stored before the first
15 period of time occurs. And the claim tells us what the program has to
16 include, the entire program has to include, at a minimum, means a first
17 portion, a second portion, and a third portion. And Petitioner --

18 JUDGE HAMANN: Counsel?

19 MR. WITTENZELLNER: Yes, Your Honor.

20 JUDGE HAMANN: This is Judge Hamann. I just want to focus
21 on this word includes in the context of the Claim 1, for example. In the first
22 case, isn't the first, second, third portion sufficient for a video program? So,
23 even if there are fourth and fifth potential portions, the claim is comprising,
24 and that seems to be sufficient. But it's unclear what Patent Owner's position
25 has been.

26 MR. WITTENZELLNER: Your Honor, it's our position that the

1 first, second, and third are sufficient, and based just on the claim language,
2 and I think that's further confirmed by the prosecution history describing that
3 same claim language.

4 JUDGE HAMANN: Thank you.

5 MR. WITTENZELLNER: And I think the issue we see in some
6 instances during this proceeding is Petitioner pointing to instances where the
7 second and third portions of the video program have not even been received
8 yet, and so, that disclosure would not be applicable.

9 In slide 19 of Patent Owners' demonstratives, I have that
10 discussion from the prosecution history. And what's really pertinent is
11 toward the end, and this comes from Exhibit 1003, and the prosecution
12 history pages 108 and 109, the Patentee specifically says that there's a first
13 time period and it's, for example, within a day or two of the video program
14 being transmitted to the DVR. And this again just comes back to the plain
15 language of the claim term, which requires that you actually have the first,
16 second, and third portions of the video program before you can actually play
17 the video program in its entirety, as required by the claims.

18 The next term for construction, oh, I'm sorry, I'd like to discuss the
19 counter-argument with respect from Petitioner about allegedly precluding
20 some of the embodiments from the specification. Patent Owner's
21 construction does not exclude any claimed embodiments, so Petitioner's
22 arguments about pausing live TV are irrelevant. So, during live TV, the
23 device is incapable of skipping ahead or skipping a second portion and going
24 to a third portion. It's live. You're essentially sitting in segment one, the
25 first portion, because you're receiving everything live. So, you can't skip to
26 something that you haven't received yet. And the claim language also tells

1 us that the video program in those three segments have to have been
2 received. So, the disclosure of embodiments regarding live TV simply are
3 not claimed and do not support Petitioner's opposition to the correct
4 construction of the term.

5 On first command, I'd like to go to Patent Owner's demonstrative
6 slide 21. It's unclear what Petitioner's position is on the first command term
7 because, at least in the proceeding, we've seen criticism of Patent Owner's
8 construction without committing really to whether or not the first command
9 can initiate playback. I think the reasoning for that is that Petitioner cannot
10 reconcile the fact that the selection of the stream within some of the
11 references arguably initiates playback and can't reconcile with other
12 requirements in the prior art. The claims clearly say what the first command
13 is and the second command is, and there's a specific command for initiating
14 playback. And so, be contrary to the plain language of the claims to also
15 have the first command initiating playback.

16 JUDGE MCSHANE: But counsel, this is Judge McShane,
17 nevertheless, what you're proposing is importing a limitation into the claim
18 term, and I understand what you're saying as to the first and second
19 commands that, you know, if the first command was going to initiate
20 playback, as well as act as to do a selection, that there would be some
21 redundancy. But is there anything that states anywhere in the record that
22 you couldn't -- the thing wouldn't work if you had the playback done as part
23 of the first command? I didn't state that very clearly, but if you don't
24 understand, I'll try to restate.

25 MR. WITTENZELLNER: So, may allow me to clarify just so that
26 I make sure I'm answering your question. So, under that understanding, the

1 first command would both select the playback state and initiate playback?

2 JUDGE MCSHANE: Correct.

3 MR. WITTENZELLNER: So, I think as a construction matter,
4 potentially that would be okay. The problem would be that then you would
5 have a first command doing both of those things, and then the Petitioner
6 would need to point to a second command that also initiates playback, or
7 else we are reading out that second command limitation from a claim.

8 JUDGE MCSHANE: That's correct, yeah.

9 MR. WITTENZELLNER: From a practical standpoint, I don't
10 understand how that would necessarily work in the reference, and then
11 within the confines of the proceeding before the Board, that's not a position
12 that the Petitioner has taken, so there would essentially be no disclosure
13 they pointed to for that limitation in any of the references.

14 JUDGE MCSHANE: All right, thank you.

15 MR. WITTENZELLNER: Your Honors, I'd like to move to slide
16 23 of the Patent Owner's demonstratives. And I'd like to touch very briefly
17 on Casagrande. As we've heard, and Your Honors raised questions about, in
18 Casagrande, there's really just the selection of which stream to view. And
19 that selection is not setting a playback state of the device. And the user is
20 always allowed to view the second stream or always prevent it from doing so
21 regardless of time, unlike the claimed invention which has time-based
22 limitations or restrictions.

23 I'd like to move to slide 25. We've raised this, or faced with this
24 issue, Patent Owner raised a new argument in reply that it would have been
25 obvious to add a confirmation dialogue or prompt Casagrande. The Board
26 asked Petitioner whether there is any linkage describing how the two

1 sections of Casagrande relate to each other. And certainly, in the briefing
2 there is no description of how there's a linkage. And just I would also note
3 that in that new argument in the reply, Petitioner does not actually cite to
4 Casagrande showing this confirmation. It's a supplemental declaration from
5 Petitioner's expert because frankly, there's no such disclosure in Casagrande.
6 There's a deficiency in the petition. Petitioner was not able to point to any
7 actual disclosure. And so, there's an unsupported hindsight opinion from
8 their expert to try to fill in this gap. Simply put, the limitation is not met by
9 what's actually alleged and set forth in a petition.

10 JUDGE MCSHANE: Counsel, I'll just comment and you can
11 respond. But, Petitioner has pointed to expert testimony to say that this
12 function was known in the view of one of skill in the art, we just heard from
13 the Petitioner's counsel that this informed the expert's view of how
14 Casagrande should be read. So, what's your view on that?

15 MR. WITTENZELLNER: There's really sort of two levels to it,
16 Your Honor. I think with that particular opinion, as we've noted with
17 several of Dr. Jeffay's opinions, they really just parrot what is in the attorney
18 argument. And so, they should be afforded little to no weight. Getting --
19 moving beyond that the fact that a confirmation dialogue was known in the
20 prior art, it's not really adequate reasoning for why it would have been
21 obvious to modify this reference, Casagrande, where we have substantial
22 amount of disclosure between figures and description of how this user
23 interface is going to operate sort of in hindsight to modify that user interface
24 to comport with the claims. I think you need more than just a simple
25 existence of confirmation dialogues to say that it would have been obvious
26 to motivate or obvious to modify. Really, to me, it reads as hindsight,

1 particularly by the fact that Petitioner did not even set it forth in their
2 petition, had to come up later after we showed a deficiency in the petition.

3 JUDGE HAMANN: Counsel, this is Judge Hamann. It seems like
4 we're conflating a few things here. Obviously, there is the first command
5 and the second command. The first command, that's a playback state, in
6 effect. It chooses between two different playback states. And that doesn't
7 seem to necessarily be linked to the second command. Let's say the first
8 command selects, you know, with commercials and without commercials,
9 and it may or may not also initiate playback. At some point later in time,
10 you have a second command, you know, for example, you know, the first
11 command could have been selected one of those playback states and then
12 paused or whatever. The second command, it seems Petitioner is saying
13 now that users selecting certain segments. And I believe the confirmation
14 it's talking about just relates to initiation of playback for that second
15 command. And so, it's nothing more than saying if, you know, one of skill
16 in the art would understand when a user selects certain segments, it's like
17 these segments, they have to say, well, we're done selecting. You know, the
18 program obviously doesn't know that you're happy with just one in three, or
19 one three and five until you say, you know, we're done. I -- this is what I
20 want. This is what I selected. And so, that seems, I think to have some
21 merit, yet it seems like I said, you know, Patent Owner is conflating how the
22 second command and first command have to relate. And it -- they just don't
23 seem in my view to potentially be as linked as Patent Owner suggests.

24 MR. WITTENZELLNER: Thank you, Your Honor. So, I'd like to
25 unpack that. I think that to the extent there is any confusion, my apologies,
26 it remains our position the first command is changing the playback state or

1 selecting the playback state. Second command is initiating playback. With
2 respect to what the Petitioner has identified in reply, it's really twofold. I
3 think first it was -- first with respect to selecting a stream, what is allegedly
4 the first command, that is not setting the playback state, and in some
5 instances may actually initiate playback of the stream itself. And so, you're
6 conflating the what should be the functionality of separate commands. In
7 the instance where the confirmation is the last step in playback after
8 segments are selected, that would pertain to an initiate playback. But again,
9 that's in addition to the reference that Petitioner could not identify any
10 evidence of. It wasn't even addressed in the petition. And then in the reply,
11 Petitioner had to put in a supplemental declaration to create disclosure or
12 reasoning for why Casagrande would work in that way.

13 JUDGE HAMANN: Okay. But obviously, whether it's a new
14 argument or not is something we can evaluate based on whether in what
15 was -- whether the reply was appropriately responding to Patent Owner's
16 response. But you'd agree if there's expert declaration testimony that's
17 supported that's non-conclusionary, that can provide a limitation, for
18 example, of a claim?

19 MR. WITTENZELLNER: It can't, well so, in this case I would
20 argue certainly not because it is conclusory. There's no actual support for
21 the opinion. But yes, if the limitation is argued in a way that the reference is
22 being modified and the support for that modification certainly can come
23 from an expert talking about various aspects of why the person of ordinary
24 skill in the art would have done so.

25 JUDGE HAMANN: Same position. Thank you.

26 JUDGE MCSHANE: Counsel --

1 JUDGE COURTENAY: Counselor, this is Judge Courtenay. I
2 just have one, one short question, a clarification, returning the focus to the
3 first command. Okay. If I understand the Petitioner's position is that there's
4 nothing that precludes that first command from initiating playback. And to
5 the extent that you argue otherwise, well you're importing a negative
6 limitation into the claim, but there's another way of looking at that. If we
7 interpret under Phillips, the first command as initially -- as being capable of
8 initiating playback, we're basically reading that initiating playback limitation
9 and attaching it to the first command. We're reading a limitation into the
10 claim that's not there. Well, I -- my first pass on this I understand the first
11 command it just changes the DVR from the first playback state to the second
12 playback state, as you've expressly claimed. And I -- my first pass is that
13 trying to read the first command as being capable of initiating playback
14 would be impermissibly reading a limitation into the claim. Do you have a
15 response to that?

16 MR. WITTENZELLNER: Yes, Your Honor. So, that was, I think
17 we addressed this twice in the briefing, and that's, we characterized it as
18 rendering the second command superfluous because you're essentially taking
19 it and attaching it to the first command. So, I agree with your
20 characterization of the claims.

21 JUDGE COURTENAY: Thanks.

22 JUDGE MCSHANE: Counsel, this is Judge McShane. Just a very
23 quick one. I just want, and I think you addressed this in your papers, but if
24 you could confirm or not confirm this, I'd appreciate it. In Casagrande at
25 column 19 and it's down, and I think it's like lines 23 or 24, I may not be
26 getting that exactly right. Is it Patent Owner's position that that disclosure in

1 Casagrande not only does selection, perhaps, but also definitely does
2 playback, initiates playback. Is that correct?

3 MR. WITTENZELLNER: If you don't mind, Your Honor, can I
4 just briefly review it so that I answer your question correctly?

5 JUDGE MCSHANE: Of course.

6 MR. WITTENZELLNER: Yes, it is our position that it can --
7 selection of the stream can initiate playback.

8 JUDGE MCSHANE: Right. Yeah, you say it can initiate
9 playback, but I'm asking, is it your position that it does initiate playback?

10 JUDGE COURTENAY: Well, while you're thinking about that, I
11 would just like to comment that we interpret the claim and we read it on the
12 reference. We don't interpret the reference and read it on the claim. So here,
13 you're being asked to interpret the reference. And my focus is interpreting
14 the claim under Phillips and reading it on the features found in the reference.
15 And if it's unclear, if it's unclear what the reference describes or teaches,
16 then we would have to engage in some level of speculation to make a
17 determination. And we can't engage in speculation to decide your case.

18 MR. WITTENZELLNER: Yes. So, to answer the first question,
19 yes, selection of the stream does initiate playback. I wanted to take a minute
20 just to think because there's also the issue of whether or not it's based on
21 state. So, it's also important to recognize here that selection of the stream is
22 based on the user selecting which one to view, not a playback state of the
23 device.

24 JUDGE MCSHANE: Okay. Thank you. And I take that response
25 to being just your reading of the reference -- your reading of Casagrande,
26 and it's limited to that. So, thank you.

1 MR. WITTENZELLNER: Thank you, Your Honor. With my
2 remaining time, I'd like to touch on or address really one of the big issues
3 here, which is Russ. What are the tags? What are commercial slots and
4 how they operate? And of course, with Russ you are -- Russ touches across
5 many of the grounds. If I have leftover time today, I'd like to address Dow
6 briefly, but Dow really, we believe is a non-starter because Dow merely has
7 a box that the user selects as to whether or not the commercial advance
8 feature is enabled. There are no time-based restrictions in Dow. And so,
9 it's simply not, certainly not anticipatory. And the other ground combines
10 Dow with Russ to try to address those shortcomings in Dow. So, I'd like to
11 move to slide 28 of Patent Owner's demonstratives and talk about what is in
12 Russ. I'm sorry, slide 30. We take a step back, Russ is titled networked
13 multiroom system ad insertion. The idea is that Russ is going to insert the
14 most pertinent commercials to each viewer. And so, for example, paragraph
15 22 of Russ tells us that it goes as far as you can have two users sitting in the
16 same house watching the same program, and they're going to be shown
17 different commercials. And the specific disclosure in paragraph 22 is, quote,
18 in one embodiment of the present invention, different users in the same
19 NMS 110 could be watching the same presentation from the primary device
20 but with different commercials. Russ then provides more detail on how
21 those commercials are actually inserted or changed within a program. The
22 location where a commercial can be inserted is called the commercial slot.
23 And the properties of the commercial that are in that slot are controlled by
24 the tags. There's been substantial briefing over what paragraph 35 of Russ
25 says, and really the interpretation of paragraph 35 is what Petitioner's case
26 hinges upon. Consistent with what I just discussed, Russ tells us that tags

1 can signify where to insert an ad or whether or not to preclude trick play in
2 the duration of a commercial. Russ tells us, and this is coming straight from
3 paragraph 35, Russ tells us that there are two options. The first option is a
4 persistent commercial slot, or two, a non-persistent commercial slot. That
5 pertains to whether a commercial slot is controlled by a single company for
6 persistent slot when the tag expires, the commercial will be replaced by a
7 commercial from the same company. For a non-persistent commercial slot,
8 when the tag expires, the commercial will be replaced with a commercial
9 from a different company. So, that disclosure is consistent with the focus of
10 Russ, inserting the most pertinent commercials to each viewer and replacing
11 stale commercials with new commercials.

12 JUDGE MCSHANE: Counsel, may I interrupt, just because your
13 time is getting short, so I just want to direct this a bit. One thing, I mean,
14 Russ talks a lot about all different things, but one thing it does talk about is
15 that the commercial that is in the recorded version, the commercial that
16 comes in in the original video feed, that the commercials can be replaced,
17 right? And the tabs, my understanding is that the tabs are locations where
18 there are advertisements -- where there are commercials. Okay, and the tabs
19 can have, if you go to paragraph 34 of Russ, it talks about that the tabs can
20 have different functions. So, the assertion that, that, you know, if a tag, if
21 the time expires, okay, for viewing, that the idea is that, well, that
22 commercial can't be viewed, couldn't we just view it as the tags? If you go
23 to paragraph 34, it says, okay, you can have a tag, and the tag says, you
24 know, don't have trick play. We won't allow fast forwarding through this
25 commercial, okay, for a certain period of time, right? The tag expires. So,
26 why couldn't the tag expiring just mean that the trick play note of the tag has

1 expired? That's what I don't get.

2 MR. WITTENZELLNER: Certainly, Your Honor. So, I think
3 there's two things there. First, we read Russ as the -- they're being sort of
4 two entities. There's the commercial slot to discuss, and then there's the tag.
5 And the tag is defining where to insert the commercial. So, absent the tag,
6 and the tag is also part of that information is, what actual commercial am I
7 going to insert here?

8 JUDGE MCSHANE: But here, but counsel, I'm sorry to interrupt,
9 but that presupposes that you're going to replace a commercial. What if it's a
10 commercial that comes in, it's in there, okay, and it's in there, and the
11 programming is set up to potentially replace the commercial at a certain
12 point. But if the commercial is there in the first place, it's there in the first
13 place, and it doesn't have to necessarily be replaced. Isn't that correct?

14 MR. WITTENZELLNER: Not necessarily, Your Honor. That's
15 not how we read it. Particularly when you look at paragraph 24 of Russ,
16 there's discussion about how commercials are sourced to the device. There
17 are separate streams for the, in this instance, the movie transport stream
18 versus the add-insert stream. And so, there are different sources for these
19 two entities, essentially. And so, we do not read it as necessarily there being
20 an original entity that has the content, if you will, the ad, and then other
21 content. This -- Russ is really reading on taking these different sources and
22 piecing them, inserting these ads, and so absent the tag, or the expiration of a
23 tag, there simply is no commercial. And there's actually a figure that shows
24 us fairly well. It's Figure 2 in Russ. Sorry, I may have that wrong. Sorry,
25 Your Honor, it's Figures 6A and B. And so, what this is showing is that you
26 have a program. And Figure 6A you have multiple ads inserted, an ad

1 between each chapter of the program. And Figure 6B, and this will be at a
2 later time after you have some of your tags expire. So, when those tags
3 expire, your commercial slots are no longer looking to ad content. And so,
4 now you have fewer ads. You only have ads between, or one ad between 24
5 chapters of a program. So, it's consistent with how we've been reading this
6 reference to really be the insertion of ads without there being an original
7 program to sort of fall back on, if you will.

8 JUDGE MCSHANE: Yeah. Okay. I appreciate that. Thank you.
9 And unfortunately, I didn't give you a warning as to your time coming up.
10 So, you're about at your 45 minutes of direct time, and you can run into your
11 surrebuttal time. And if you want a little bit more time, you know, in your
12 sur-rebuttal, we'll consider that in light of the questions we've had. So, we'll
13 be flexible on that.

14 MR. WITTENZELLNER: Thank you, Your Honor. If it's okay
15 with the Board, I'd like to take a few more minutes and then allow my
16 counterpart to respond.

17 So, I just want to touch, because we've walked through our
18 interpretation of Russ, I just want to stress that it really is a fundamentally
19 different approach. In Russ, when the value of a commercial begins to
20 wane, Russ replaces it or inactivates it. And for us, it's actually very similar
21 to YouTube. When you watch a YouTube video, new popular videos have a
22 lot of commercials. But as the popularity of the video wanes or as the video
23 gets older, you'll actually be shown fewer videos or fewer advertisements
24 because the advertising value of that content becomes less. But in each
25 instant for each of those videos, you're either -- or each of the ads, you're
26 either allowed to skip it or not. And that's the same thing we see in Russ.

1 I think I briefly touched on Dow, but I would like to address one
2 thing that came up in my counterpart's discussion. There's the discussion of
3 whether or not Dow is limited on time with respect to allowing the time
4 skipping functionality. And as we brought up in the briefing, it really came
5 out to us as a word spotting issue where the Petitioner was trying to find the
6 word time in Dow. And the only thing they could point to was this time
7 index that's generated. As we raised in the briefing, the time index does
8 nothing more than act as a table of contents. It tells the DVR that if the user
9 wants to jump to a five-minute mark of a program, it should start at a
10 specific frame or a group of pictures. It's really completely divorced from
11 whether or not the commercial skipping functionality is available to the user
12 based on the time period relevant to when the program was received.

13 And with that, unless the Board has any questions, I'd like to
14 reserve the remainder of my time for sur-rebuttal.

15 JUDGE MCSHANE: Okay, counsel. Thank you. What we're
16 going to do is you officially, according to my clock, would have 13 minutes.
17 We're going to add an extra two minutes onto that. And we will give
18 Petitioner as well an extra two minutes. And Petitioner's counsel, you had
19 22 minutes, so now you have 24 minutes, okay, for your rebuttal. So, you
20 may proceed.

21 MR. WITTENZELLNER: Thank you, Your Honor.

22 MR. WILLIAMS: Okay. Thanks, Your Honor. Let me try to
23 share my slides again. Give me just one second. Okay. Can you see the, I
24 think right now I have the petition up. Do you see that?

25 JUDGE MCSHANE: Yes, we can see that.

26 MR. WILLIAMS: Okay, super. Thank you, Your Honor. All

1 right. Let me try to -- let me start by just addressing the third command
2 question, which is sort of where the Patent Owner began with respect to,
3 now remember, the third command is only relevant to the -- so, I have the
4 wrong petition up. It's only going to be relevant to the '122 Patent. Let me
5 just grab that petition because I might not have it open actually. Yeah, here
6 it is, okay. So, the argument that I heard Patent Owner make about the third
7 command is that somehow that we never showed that you would actually
8 record multiple programs. I think that's incorrect in both grounds. We did
9 show that and I think Patent Owner is just sort of ignoring the actual grounds
10 that we set forth in the petition. So, if you turn to first, I guess the petition
11 page 20. Remember here, in the '122 Patent we use Miller for the notion of
12 the multiplex tuner, and we explain what would happen in the combination,
13 and you'll see it here on the screen. What we actually argued about this is
14 that a person of ordinary skill in the art would have been motivated to have
15 Casagrande's tuner be capable of tuning to a single channel to receive a
16 plurality of video programs because, as Miller teaches, there's benefits to
17 this. So, it is in the combination, once you have the multiplex tuner, when
18 you record a program, you do record multiple programs. So, that's true in
19 Ground 1 with respect to Casagrande when combined with Miller.

20 With respect to the Dow Ground, when you go to page 67 of our
21 petition, you'll see there that, in fact, in Dow, what happens is he expressly
22 teaches the idea that you would record multiple programs. In fact, Dow says
23 it allows the user to select one or more of the available programs for
24 recording. So, in both cases, the third command is present in the
25 combination, and I think Patent Owner is just ignoring the teachings from
26 Miller that apply to the combination that gets mapped into two grounds.

1 Okay. Let me now turn back to the claim construction, just very
2 briefly, on the question of first period of time. So, two things to say about
3 this construction. First of all, I don't think the Board has to address it
4 because even if you were to accept Patent Owner's construction, both of the
5 grounds we present, or at the very least, the grounds where you combine
6 Casagrande or Dow with the rest, so Grounds 1 and 3 would satisfy that
7 construction because all the Patent Owner is essentially saying is that this
8 second period of time can't begin until the entire program has been
9 downloaded to the device. So, even if you accept that construction, in our
10 grounds, in both Ground 1 and Ground 3 have it because in both cases we
11 rely on Russ's teaching that you would prevent commercial skipping for at
12 least two weeks. And certainly, there's no doubt that two weeks is more than
13 enough time for the entire program to have been downloaded to the device.

14 The second thing I'll say about it is why we think the construction
15 is wrong is at the very least what you're excluding is this teaching in the
16 Patent itself, the specification. That this time shifting of data, the thing that's
17 actually being claimed here is not limited to data that's watched hours later.
18 And he specifically talks about doing this with a live buffer. So, in other
19 words, you know, what we mean here by live buffer is that you're watching
20 the live program, but you're not actually in real time. Maybe you've taken a
21 break, maybe you've put the program on pause to go answer a phone call or
22 go to the bathroom and you can come back. If you do that, then in the
23 context of this Patent, you've allowed the buffer to build up enough time
24 where you then, should you come to a commercial fast-forward through it.
25 And we think that's within the scope of the claims. There's nothing that
26 precludes that. They have not recited in the claim text that the second

1 period of time has to be after the entire video program has been downloaded
2 to the device. And as we spoke about earlier, the example we give in
3 Casagrande, that figure shows one commercial being edited out. So, as long
4 as you're in a period of time, that's more than one commercial in length, if
5 you paused for at least that period of time, then you could fast-forward it
6 through. And for that reason, the construction Patent Owner is arguing is
7 incorrect. And the corollary to that, why it potentially does matter here, is
8 just to the anticipation ground of Dow, which I'll get to in a moment,
9 because that's essentially what Dow teaches you. Dow teaches you that,
10 hey, look, you can't skip commercials if you're literally watching in real
11 time, but you can if you've got enough time for the program to build up in a
12 buffer.

13 Okay. All right. Let me go to this first command, second
14 command issue. And here, let's just start with the easiest case, which is
15 Dow. As we spoke about, as you see on slide 43, this Figure 4 of Dow
16 literally shows you both commands on the screen. Right. There's the X on
17 commercial advance. That's setting the state. That's your first command.
18 Are you going to skip commercials or not? And then there's also a play
19 button, which is the second command. So, really unambiguous. Dow has
20 got exactly what the, you know, what Patent Owner says is supposedly the
21 inventive feature here, which is, you know, a user interface with two
22 commands, one that sets the skipping state, and then one that initiates
23 playback.

24 Okay. So, then with respect to the Casagrande grounds, I mean, I
25 don't really have much more to say than I said, and I understand. I think the
26 panel's views about Casagrande, you know, our point about Casagrande is

1 once you've construed the claims, so you see that there are these two
2 commands that are required, Casagrande, you know, does have teachings of
3 both. He has teachings of a user able to specify whether they want the first
4 stream or the second stream, which was that figure we showed, you know,
5 the second stream being the one without commercials or not. And we
6 showed that Casagrande has a second command where the user initiates
7 playback of whatever's been selected. We think that's sufficient to satisfy
8 the claim text however it's interpreted.

9 Okay. I do now want to move on. Let's talk about Russ in a little
10 bit more detail. It's probably easiest just to go to Russ itself, which is
11 Exhibit 1008. Again, the arguments Patent Owner is making, I think just
12 ignore the actual grounds. They're sort of arguing the references
13 individually rather than addressing the actual grounds we present in the
14 petition. So, the teaching from Russ that we rely on is this teaching that you
15 can restrict the trick play functionality of commercials, right? That's in
16 paragraph 33. That, you know, that's obviously very similar to what both
17 what Casagrande teaches, by the way, that you can have a restriction on, you
18 know, trick play, trick play, just meaning fast forwarding through while
19 you're watching it on the screen. So, there's a restriction on that shown in
20 paragraph 33. And again, in paragraph 35 of Russ, there, I realize this is
21 kind of probably too small to read. Let me see if I can make that any better.
22 Again, here on paragraph 35, there's this notion of tags in Russ as to where
23 to insert an ad, but these tags, the important bit is not the tags. It's that one
24 of the things the tag can do is to tell you whether or not you preclude trick
25 play of the commercial, right? So, it's really the same point as we looked at
26 in paragraph 33. The teaching of Russ is not as limited as Patent Owner

1 seems to be arguing. So, you know, their reading of Russ, I think it's just
2 wrong. It's refuted by Russ itself. So, in other words, Patent Owner's
3 argument that Russ never teaches you, you can, you can prevent fast
4 forwarding. It just says there's a commercial or there isn't. And that's
5 clearly wrong. I mean, Russ expressly says you can restrict fast forwarding
6 of a commercial. He calls it trick play, but it's the same thing. And that's the
7 teaching that we borrow and combine with both Casagrande and Dow, right?
8 So, that teaching, as we go through a great detail in the petition and Dr.
9 Jeffay's declaration is advantageous, provides additional benefit to the
10 system of Casagrande and to Dow, right, it lets the owners of that system
11 extract more money from the system when you put these restrictions on
12 commercial skipping while still keeping your users somewhat happy because
13 they know eventually they can skip the commercials if they want to. That's
14 more than sufficient to justify an obviousness combination. And so, it's just
15 irrelevant how Dow's, excuse me, how Russ's particular implementation that
16 Patent Owner wants to focus on works because that's not the implementation
17 that we're importing into the combination.

18 Okay. The last thing I'll address is just to kind of revisit the Dow
19 teachings that I think are relevant here, which largely has to do with this
20 Figure 4 on the screen. You know, the important thing here is we can see
21 that Dow doesn't say, doesn't give that Russ teaching that, hey, it'd be nice
22 for advertisers if you could prevent commercials from being skipped during
23 a particular period of time. Instead, what Dow says is, it's nice to give the
24 user the option to skip the commercial, which clearly does as shown in
25 Figure 4, and then the option to play it. So, all we're doing with Dow in
26 Gound 3 is taking this disclosure and adding Russ's feature of, hey, this

1 commercial advance thing, maybe it's a good idea to restrict when you can
2 do that, right? So, that the user actually can't do the commercial advance
3 technique for the first week or two so that you can get additional ad value.

4 So, that's it. And I think that feature, when combined with Dow
5 renders these claims obvious, we say it also anticipates because of the claim
6 construction issue we just talked about. In other words, we think it
7 anticipates because what Dow says is that, sometimes you can't do this just
8 for technological reasons because you don't yet have enough data to do it.
9 And we think that is also sufficient to practice the claim because the first
10 period of time and the second period of time, there's no particular limits to
11 how long those are. And the first period of time doesn't have to be the
12 entirety of the whole program. It's just enough to skip the commercial.

13 So, Your Honor, those are really all of the points I had. I'm happy
14 to answer any questions the Board may have, or I can just yield back the
15 remainder of my time.

16 JUDGE MCSHANE: Okay, I'm not hearing any questions. So,
17 thank you, counsel. And we'll turn back to Patent Owner's counsel. And
18 you have 15 minutes of sur-rebuttal time.

19 MR. WITTENZELLNER: Thank you, Your Honor. I would like
20 to just touch on a few brief points, starting with the third command. As I
21 brought up in my initial presentation, my counterpart sort of
22 mischaracterized what's required by the claim third command. And again,
23 did the same thing in rebuttal where he said that the claim third command
24 only requires recording multiple programs. The claim only requires
25 recording multiple programs. It's more than that. The command itself must
26 record multiple programs. We do not deny that the prior art DVRs could

1 record more than one program. They'd be a very little use if they couldn't.
2 But the point is they have to be able to -- or record a plurality of programs
3 based on that single third command. And that plurality of programs must be
4 received in the way dictated or required by the Claim 2. All of the
5 disclosure that my counterpart pointed to at best merely shows the fact that
6 the DVRs can record more than program. They are completely silent about
7 a single third command saving multiple programs as required by the claim.

8 The second point I'd just like to raise is that for all the prior art
9 we're seeing here today, whether it be Casagrande, Russ, or Dow, they're all
10 really the same in that the content provider controls whether or not
11 commercial skipping is available, and it's static. It doesn't change with time,
12 unlike the claims. Third, the touching on Russ, when my counterpart
13 brought up, we do not deny that Russ contained, or one of the aspects or
14 attributes of a tab is that it can dictate whether or not commercial skipping is
15 available. The issue is that it does not disclose changing that availability
16 based on time as required by the claims. It's really one or the other.

17 And unless the Board has any further questions, I have nothing
18 further.

19 JUDGE MCSHANE: Okay. Just give me one minute here. Okay,
20 thank you. We really do appreciate both counsels' arguments. We
21 appreciate you answering our questions. We know how much work goes
22 into the preparation for these kinds of hearings, and you folks really knew
23 what you were talking about and pointed us where you needed to point us.
24 So, we really do appreciate it. The case is submitted and taken under
25 advisement. We will ask a favor if the parties could just stay on the line.
26 The Judges are going to drop out, but we have a court reporter on the line as

IPR2023-00976 (Patent 8,929,710 B2)

IPR2023-00977 (Patent 9,538,122 B2)1

1 well. So, if you just stay on the line and address any questions about
2 spelling and the like that the court reporter has, we'd appreciate it. So, with
3 that, we are off the record. And again, thank you very much and have a
4 good day.

5 MR. WITTENZELLNER: Thank you, Your Honor.

6 MR. WILLIAMS: Thank you.

7 (Whereupon the above-entitled matter went off the record at 10:46
8 a.m.)

IPR2023-00976 (Patent 8,929,710 B2)
IPR2023-00977 (Patent 9,538,122 B2)1

PETITIONER:

Eliot D. Williams
G. Hopkins Guy III
Ali Dhanani
Thomas Carter
BAKER BOTTS L.L.P.
eliot.williams@bakerbotts.com
hop.guy@bakerbotts.com
ali.dhanani@bakerbotts.com
thomas.carter@bakerbotts.com

PATENT OWNER:

Todd E. Landis
John Wittenzellner
Mark Mccarthy
WILLIAMS SIMONS & LANDIS PLLC
tlandis@wsltrial.com
johnw@wsltrial.com
mmccarthy@wsltrial.com