

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORP.,
Petitioner,

v.

INTERDIGITAL PATENT HOLDINGS, INC.,
Patent Owner.

IPR2024-00305
Patent 8,737,933 B2

Before JAMESON LEE, JOHN F. HORVATH, and
LISA A. MURRAY, *Administrative Patent Judges*.

HORVATH, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background and Summary

Microsoft Corporation (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–9, 11, 13, 14, 20–31, 33, 35, 36, and 42–44 (“the challenged claims”) of U.S. Patent No. 8,737,933 B2 (Ex. 1001, “the ’933 patent”). Paper 2 (“Pet.”), 1. Interdigital Patent Holdings, Inc. (“Patent Owner”) filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). With Board authorization, Petitioner filed a Preliminary Reply (Paper 10, “Prelim. Reply”) and Patent Owner filed a Preliminary Sur-Reply (Paper 11, “Prelim. Sur-Reply”). We have jurisdiction and authority under 35 U.S.C. §§ 6, 314 and 37 C.F.R. § 42.4 (2023).

Upon consideration of the Petition, Preliminary Response, Preliminary Reply, and Preliminary Sur-Reply, we are persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail in showing the unpatentability of at least one challenged claim of the ’933 patent. Accordingly, we institute *inter partes* review of all challenged claims on all grounds raised.

B. Real Parties-in-Interest

Petitioner identifies itself, Lenovo, Inc., Lenovo PC HK Ltd., Lenovo Group, Ltd., and Motorola Mobility, LLC, as real parties-in-interest. Pet., xxi; Paper 8, 1. Patent Owner identifies itself, InterDigital, Inc., InterDigital VC Holdings, Inc., and InterDigital Madison Patent Holdings SAS as real parties-in-interest. Paper 4, 2; Paper 7, 2.

C. Related Matters

Petitioner identifies *Interdigital, Inc. v. Lenovo Group, Ltd.*, 5:23-cv-00493 (E.D.N.C.), as a district court proceeding; *Certain Electronic Devices, Including Smartphones, Computers, Tablet Computers, and Components*

Thereof, 337-TA-1373 (ITC) as an International Trade Commission proceeding, and *Microsoft Corp. v. InterDigital Patent Holdings, Inc.*, IPR2024-00537 as a Patent Office proceeding that can affect or be affected by this proceeding. Pet., xii; Paper 8, 1. Patent Owner identifies the same proceedings. Paper 4, 2; Paper 7, 2. We identify IPR2024-00306 and IPR2024-00538 as additional relevant Patent Office proceedings.

D. The '933 Patent

The '933 patent is directed to “[a] method for controlling communication of data in wireless communications.” Ex. 1001, 1:46–47. A portion of the method is illustrated in Figure 4, which is reproduced below.

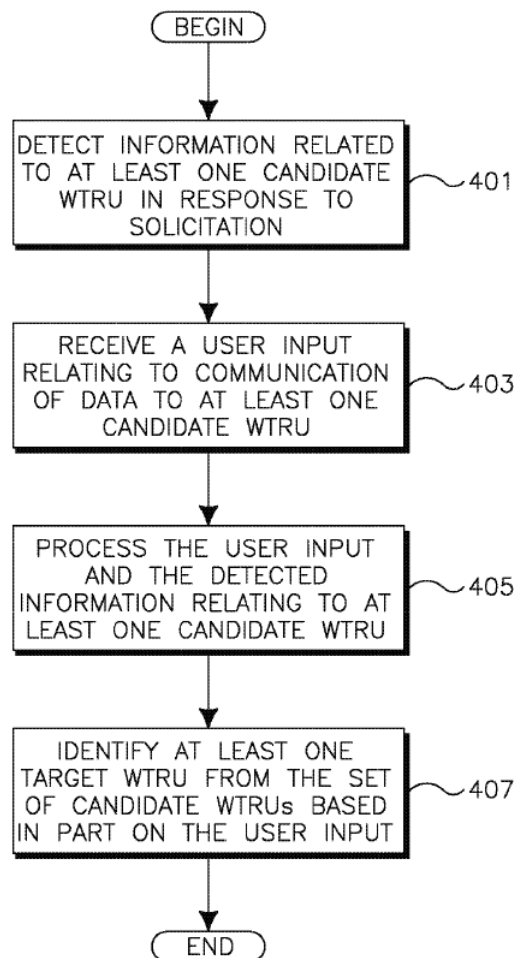


FIG. 4

Figure 4 is “a block diagram of a method of communicating data between wireless devices.” *Id.* at 2:8–9. Per the method, a user device’s wireless transmit/receive unit (WTRU) 101 solicits and receives information from at least one candidate WTRU 101c in its vicinity. *Id.* at 7:8–11 (step 401). WTRU 101 first receives user input “related to the communication of data from the sending WTRU 101 to at least one candidate WTRU 101c.” *Id.* at 7:11–15 (step 403). The user input and information are processed (step 405) and a target WTRU 101c,t is identified (step 407). *Id.* at 7:15–22. WTRU 101 then sends selected data to WTRU 101c,t. *Id.* at 8:46–50.

E. Illustrative Claim

Claims 1 and 23 are independent and recite, respectively, a method performed by a WTRU and a WTRU configured to perform the method. Ex. 1001, 10:54–67, 12:8–21. Claims 2–9, 11, 13, 14, and 20–22 depend directly or indirectly from claim 1 and claims 24–31, 33, 35, 36, and 42–44 depend directly or indirectly from claim 23. *Id.* at 11:1–13:27. Claim 1, which is illustrative of the challenged claims, is reproduced below.

1. A method performed by a wireless transmit/receive unit (WTRU), the method comprising:
 - processing, by the WTRU, a touchscreen input to select a media element;
 - detecting, by the WTRU using Bluetooth, plurality of WTRUs in proximity to the WTRU;
 - processing, by the WTRU, another touchscreen input to select a WTRU of the plurality of WTRUs;
 - sending, by the WTRU, a message to transfer the selected media element to the selected WTRU;
 - receiving, by the WTRU, an acceptance to transfer the selected media element to the selected WTRU; and

transferring, by the WTRU using a WiFi communication,
the selected media element to the selected WTRU.

Id. at 10:54–67.

F. Evidence

Reference		Effective Date	Exhibit
Ahya	US 2009/0298419 A1	May 28, 2008	1004
McKillop	US 2008/0166967 A1	July 10, 2008	1005
Hoddie	WO 2005/107285 A1	Nov. 10, 2005	1006
Hinckley	US 2007/0191028 A1	Aug. 16, 2007	1007
Turner	GB 2,439,364 A	Dec. 12, 2007	1028
Aholainen	US 7,102,640 B1	Sept. 5, 2006	1071
Chouraki	WO 2006/092505 A1	Sept. 8, 2006	1075
Johanson	US 2003/0018744 A1	Jan. 23, 2003	1076

Petitioner also relies upon the Declaration of Peter Rysavy. Ex.1003.
Patent Owner relies on the Declaration of George Edwards. Ex. 2001.

G. Asserted Grounds

Petitioner asserts the challenged claims are unpatentable on the
following grounds:

Ground	Claims	35 U.S.C. §	References
1	1–9, 11, 13, 14, 22– 31, 33, 35, 36, 44	103(a)	Ahya, McKillop
2	1–9, 11, 13, 14, 22– 31, 33, 35, 36, 44	103(a)	Ahya, McKillop, Turner
3	1–9, 11, 13, 14, 22– 31, 33, 35, 36, 44	103(a)	Hoddie, Hinckley
4	20, 21, 42, 43	103(a)	Ahya, McKillop, Aholainen
5	20, 21, 42, 43	103(a)	Ahya, McKillop, Turner, Aholainen
6	20, 21, 42, 43	103(a)	Hoddie, Hinckley, Aholainen

Ground	Claims	35 U.S.C. §	References
7	20, 21, 42, 43	103(a)	Ahya, McKillop, Chouraki
8	20, 21, 42, 43	103(a)	Ahya, McKillop, Turner, Chouraki
9	20, 21, 42, 43	103(a)	Hoddie, Hinckley, Chouraki
10	20, 21, 42, 43	103(a)	Ahya, McKillop, Johanson
11	20, 21, 42, 43	103(a)	Ahya, McKillop, Turner, Johanson
12	20, 21, 42, 43	103(a)	Hoddie, Hinckley, Johanson

II. ANALYSIS

A. Discretionary Denial

We have discretion under § 314(a) to deny any petition for *inter partes* review. *See Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“[Section] 314(a) invests the Director with discretion on the question whether to institute review” (emphasis omitted)).

In exercising discretion under 35 U.S.C. § 314(a), the Board may consider “events in other proceedings related to the same patent.” Consolidated Trial Practice Guide November 2019¹ at 58. When a patent owner raises an argument for discretionary denial due to the advanced state of a parallel proceeding, the Board considers and balances several factors affecting system efficiency, fairness, and patent quality. *See Apple Inc. v.*

¹ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

Fintiv, Inc., IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020)

(precedential) (“*Fintiv*”). These include:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Id. at 6. “[I]n evaluating these factors, the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* The Director has provided guidance on applying the *Fintiv* factors. *See* Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022) (“*Fintiv Memo*”).²

Petitioner argues its Petition should not be discretionarily denied because “the district court complaint was served just over three months ago . . . and there is not yet a trial date” and because Patent Owner first asserted dependent claims “less than 3 weeks before the filing of this [P]etition.” Pet.

² Available at https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf

3. Patent Owner argues we should discretionarily deny the Petition because “Petitioner and its real-party-in-interest, Lenovo, are seeking four bites at the validity apple” by filing “two IPR petitions . . . without offering any stipulation as to whether the prior art presented . . . will be used in [related] ITC or district court cases.” Prelim. Resp. 7.

For the reasons explained below, we decline to exercise our discretion to deny institution of *inter partes* review.

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted

Patent Owner argues that because petitioner’s RPI “has not requested a stay of the district court case” and “there is no evidence . . . the district court litigation will be stayed pre or post institution,” this factor is “at best neutral” and “weighs against institution.” Prelim. Resp. 12–13, Prelim. Sur-reply 1–2. Petitioner argues factor 1 is neutral.

Neither party has introduced evidence that a district court stay was requested, granted, or denied, and we will not speculate whether the district court would grant or deny a stay should one be requested. Accordingly, we find factor 1 is neutral.

2. proximity of the District Court’s trial date to the Board’s projected statutory deadline for a final written decision

Patent Owner argues this factor is neutral because “[a] trial date has not been set by the Court in the Eastern District of North Carolina.” Prelim. Resp. 13, Prelim. Sur-reply 2. Petitioner argues this factor “strongly favors institution because no trial date has been set” and, given the complaint’s filing date and the district court’s median time-to-trial statistics, “any trial date would take place April 2026 or later, roughly ten months after the

projected final written decision date of June 2025.” Prelim. Reply 1 (citing Ex. 1082, 21).

We find this factor weighs heavily against exercising discretion to deny institution for the reasons stated by Petitioner. *Fintiv* seeks “[t]o minimize potential conflict between the Patent Trial and Appeal Board (PTAB) and district court proceedings.” *Fintiv* Memo, 1; *see also Fintiv*, Paper 11 at 5 (introducing factors to weigh “[w]hen the patent owner raises an argument for discretionary denial . . . due to an *earlier trial date*”) (emphasis added). Because the district court has not set a trial date, and the trial court statistics indicate a trial is likely to occur months after a Final Written Decision in this proceeding, any potential conflict between Board and district court decisions is *de minimus*.

3. *investment in the parallel proceeding by the court and the parties*

Patent Owner argues this factor weighs in favor of denying institution because “[t]he purpose of the IPR process is to be an alternative to litigation” and the parties have already “prepared and exchanged infringement and invalidity contentions, presented initial disclosures, and are in the midst of fact discovery and motion practice.” Prelim. Resp. 14 (citing Ex. 2003, 15), Prelim. Sur-reply 2. Patent Owner further argues this factor weighs in favor of denying institution because the parties will have completed claim construction briefing by May 23, 2024 and, although “the court has not set a date for a claim construction hearing,” such a hearing is likely to “take place prior to an institution decision in this case.” Prelim. Resp. 14.

Petitioner argues this factor strongly weighs against discretionary denial because the parties’ district court infringement and invalidity contentions “are preliminary in nature and require much further investment”

and “Patent Owner does not allege that depositions have taken place or that significant document production has occurred.” Prelim. Reply 1–2.

Petitioner further argues this factor strongly weighs against discretionary denial because Patent Owner does not speculate when fact discovery will close and expert discovery deadlines remain undetermined. *Id.* at 2.

We find this factor weighs against discretionary denial for the reasons stated by Petitioner. As noted above, the district court has not set a date for a claim construction hearing. Ex. 2003, 15. Moreover, any dispositive motions in the district court case “shall be filed 30 days after the close of expert discovery,” which begins “30 days after the close of fact discovery,” which ends “90 days after entry of [a] claim construction order.” *Id.* at 8, 15–16. Because no dates have been set for a claim construction hearing or order, no set dates exist for the close of fact or expert discovery, or the filing of dispositive motions. Thus, this factor weighs against discretionary denial. *See Fintiv*, Paper 11 at 10 (“If, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution.”).

4. overlap between issues raised in the petition and in the parallel proceeding

Petitioner argues this factor weighs against discretionary denial because its RPI “filed a stipulation agreeing not to raise the same prior art grounds in district court if IPR is instituted.” Prelim. Reply 3 (citing Ex. 1081); *Sand Rev. II, LLC v. Cont’l Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 12 (PTAB June 16, 2020) (informative).

Patent Owner argues this factor, at best, weighs “only slightly against discretionary denial” because the *Sand Revolution* type stipulation filed by Petitioner’s RPI would still allow Petitioner to “raise substantially the same

arguments in district court using prior art references that did not ‘form[] the basis of any instituted ground’” in this proceeding. Prelim. Sur-reply 3–4 (quoting *Samsung Electronics Co., Ltd. v. Mojo Mobility Inc.*, IPR2023-01092, Paper 11 at 15–17 (PTAB, Jan. 8, 20024)).

We find this factor, in consideration of factor 2, weighs against discretionary denial. Although Petitioner’s RPI has stipulated that “should the PTAB institute IPR in IPR2024-00305 . . . [it] will not pursue the same grounds in district court litigation as are presented in IPR2024-00305,” Petitioner’s stipulation does leave open the possibility that it will challenge the claims of the ’933 patent on substantially similar grounds. Thus, although the stipulation “mitigates to some degree the concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions,” it does not eliminate these concerns. *See Sand Revolution II*, Paper 24 at 12. Nonetheless, because our Final Written Decision is likely to issue well before any district court trial, at which time Petitioner and its RPIs will be estopped from contesting the validity of any claim challenged in this proceeding “on any ground that the petitioner raised or reasonably could have raised during” this proceeding, we find this factor weighs against discretionary denial. 35 U.S.C. § 315(e)(2).

5. *whether the petitioner and the defendant in the parallel proceeding are the same party*

Petitioner and Patent Owner agree that “this factor weighs in favor [o]f denying institution” because Petitioner and its “identified real-party-in-interest, Lenovo, are the same parties in the related district court litigation.” Prelim. Resp. 16 (citing *Fintiv*, Paper 11 at 15), Prelim. Reply 1, Prelim. Sur-reply 4.

We find this factor weighs slightly in favor of discretionary denial. This factor moderates the other *Fintiv* factors based on whether petitioner and the district court defendant are the same or related parties. For example, factor 1 would weigh in favor of discretionary denial if the district court denied a request to stay its proceeding and the parties were the same or related, but would be neutral if the parties were not the same or related. In the latter case, the district court's denial would be neutral because it would not affect petitioner's rights. Here, because Petitioner and the district court defendants are related as RPIs, this factor slightly favors discretionary denial.

6. other circumstances that impact the Board's exercise of discretion, including the merits

Patent Owner argues this factor weighs in favor of denying institution because "there is no 'compelling challenge' of invalidity on the merits of the Petition." Prelim. Resp. 17. Petitioner argues this factor "need not be evaluated, as the balance of Factors 1-5 weigh against discretionary denial." Prelim. Reply 3. Petitioner further argues that, should we consider factor 6, it weights against discretionary denial because Patent Owner's only challenge to Petitioner's invalidity contentions are based on secondary considerations evidence that Petitioner contends contain "faulty . . . argument[s] regarding alleged success, praise, and copying of third party . . . technology." *Id.* at 3–4. Patent Owner responds that this factor weighs in favor of discretionary denial because Patent Owner has provided exhaustive secondary considerations evidence showing nexus, commercial success, industry praise, failure of others and copying. Prelim. Sur-reply 4.

We find this factor weighs against discretionary denial. Factor 6 does not always require a compelling merits analysis because, like the other

Fintiv factors, it is “part of a balanced assessment of all the relevant circumstances in the case.” *Fintiv*, Paper 11 at 14. The goal of that assessment is to determine “whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* at 6. This requires, per factor 6, a consideration of the merits. *Id.* at 15. But that “is not to suggest that a full merits analysis is necessary to evaluate this factor.” *Id.* Instead, “the strengths or weaknesses regarding the merits” are considered as part of the balanced assessment of all factors. *Id.* at 15–16. Nonetheless, when the other *Fintiv* factors favor discretionary denial a compelling merits analysis *is* required because “the PTAB will not deny institution based on *Fintiv* if there is compelling evidence of unpatentability.” *Fintiv* Memo at 5.

Here, because we do not find *Fintiv* factors 1–5 favor discretionary denial, we need not do a compelling merits analysis. Nonetheless, because we find Petitioner has demonstrated a reasonable likelihood of showing one or more claims of the ’933 patent unpatentable for the reasons stated below, we find factor 6 weighs against discretionary denial.

7. *Conclusion regarding discretionary denial*

For the reasons explained above, we find factor 1 is neutral, factor 2 weighs heavily against discretionary denial, factors 3, 4, and 6 weigh against discretionary denial, and factor 5 weighs slightly in favor of discretionary denial. Considering all of the factors together, we find they weigh against discretionary denial of the Petition. Accordingly, Patent Owner’s request for discretionary denial is denied.

B. *Level of Ordinary Skill in the Art*

Petitioner identifies a person of skill in the art (“POSITA”) at the time of the invention as someone that would have had “a bachelor’s degree in computer science, electrical engineering, computer engineering, or a closely

related field, and one to three years of experience working with wirelessly connected mobile devices that used common wireless communications protocols such as Bluetooth and 802.11.” Pet. 13 (citing Ex. 1003 ¶ 31). Petitioner further contends more education “would compensate for less work experience and vice versa.” *Id.* at 13–14. Patent Owner does not dispute this definition or offer an alternative definition at this stage of the proceeding. Prelim. Resp. 7.

“[T]he level of skill in the art is a prism or lens through which a judge, jury, or the Board views the prior art and the claimed invention.” *Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001). At this stage of the proceeding, we find Petitioner’s assessment of the level of skill in the art to be reasonable and commensurate with the problems and solutions disclosed in the prior art. *See In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995). Accordingly, for purposes of this Decision, we adopt Petitioner’s description as our own.

C. Claim Construction

In *inter partes* reviews, we interpret a claim “using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. 282(b).” 37 C.F.R. § 42.100(b). Under this standard, a claim is construed “in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent.” *Id.* Only claim terms which are in controversy need to be construed and only to the extent necessary to resolve the controversy. *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017).

Petitioner construes the claims to have their “plain and ordinary meaning” and contends “that no terms invoke means-plus-function

analysis.” Pet. 14. Patent Owner does not contend that any terms require construction. Prelim. Resp. 7. At this stage of the proceeding, because the parties do not dispute the meaning of any claim terms and none appear to require express construction, we do not offer express constructions for any claim terms. *See Nidec Motor*, 868 F.3d at 1017.

D. Obviousness over Ahya and McKillop, with or without Turner

Petitioner contends claims 1–9, 11, 13, 14, 22–31, 33, 35, 36, and 44 are obvious over Ahya and McKillop. Pet. 17–45. For the reasons discussed below, we find Petitioner demonstrates a reasonable likelihood of showing these claims are obvious over these references.

1. Ahya

Ahya discloses a method for the “sharing of content between mobile stations.” Ex. 1004 ¶ 1. Ahya’s method is illustrated in Figure 1, which is reproduced below.

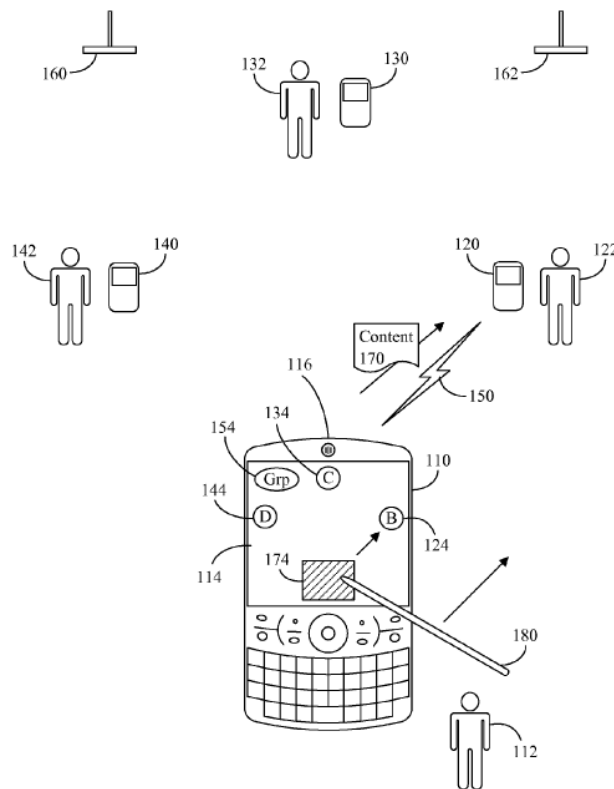


Figure 1 of Ahya illustrates a communication system consisting of mobile stations 110, 120, 130, and 140 and network access points 160 and 162. *Id.* ¶¶ 13, 17. Mobile stations 110–140 can be personal digital assistants (PDAs), mobile phones, or mobile computers that can communicate with each other via a direct wireless communication link, i.e., a wireless link between two devices “without an intervening network or repeater.” *Id.* ¶¶ 13–14. The communication link “can be implemented in accordance with a wireless personal area network (PAN) protocol such as IEEE 802.15, Bluetooth, or Zigbee. *Id.* ¶ 15. Alternatively, it “can be implemented in accordance with a wireless networking protocol, such as 802.11 or 802.16 (WiMax).” *Id.* Ahya establishes a network between mobile station 110 and another mobile station when mobile station 110 “detect[s] the presence of one or more of the mobile stations 120, 130 [or] 140” in a suitable manner, such as “via a PAN protocol (e.g., IEEE 802.15, Bluetooth or Zigbee).” *Id.* ¶ 18. For example, using Bluetooth, mobile station 110 “can generate inquiries and/or discover inquiries from other devices” in order to “establish network presence and identify other network devices.” *Id.*

After establishing a connection to mobile station 120, a user of mobile station 110 can send content 170 to a user of mobile station 120 by entering “user input into the mobile station 110 . . . to wirelessly transmit content 170 to the mobile station 120.” *Id.* ¶ 33. Content 170 can be “one or more data files, text, audio, [or] video.” *Id.* ¶ 32. The user input can be an input “into the display 114 [of mobile station 120] using . . . a user appendage,” such as “a gesture or motion.” *Id.* ¶ 33. The user input can “select the identifier 174 associated with the content 170 and move the identifier 174 toward the identifier 124 associated with the mobile station

120” to indicate to mobile station 110 “to wirelessly transmit the content 170 to the mobile station 120.” *Id.* ¶ 35.

2. McKillop

McKillop discloses “systems and methods . . . [for] provid[ing] highly power efficient wireless communications.” Ex. 1005 ¶ 13. The method involves “utilizing a lower power, limited range protocol, such as Bluetooth, in order to find and establish a high speed communication path . . . such as a Wi-Fi network” and switching “from the slower communication protocol to the high speed protocol until the particular [data transmission] event is over.” *Id.* McKillop’s method is illustrated in Figure 4, which is reproduced below.

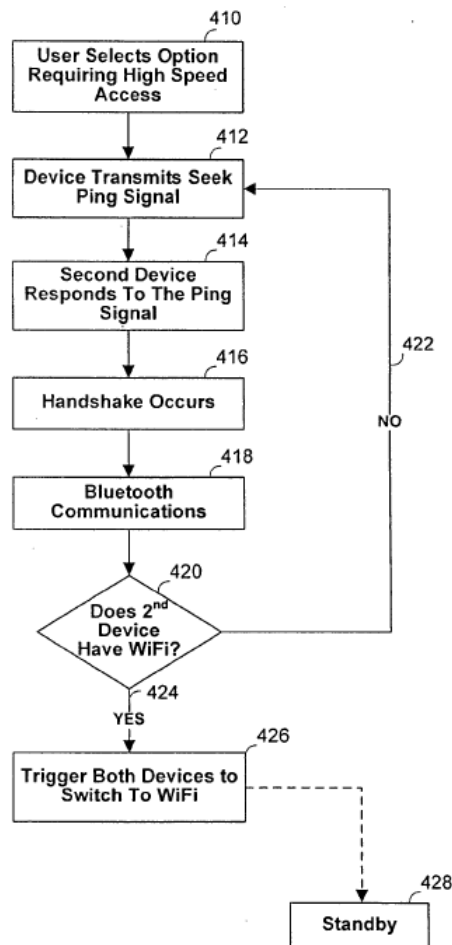


Figure 4 of McKillop is a “flowchart showing various steps of a power efficient wireless communication scheme.” *Id.* ¶ 43. When a user of a first device selects a high-speed action option (step 410), the device’s wireless circuitry is activated (step 412) “in Bluetooth mode where it begins sending out ping signals looking for another Bluetooth device.” *Id.* When “a second device that communicates using the Bluetooth protocol responds” (step 414), the first device initiates “a handshaking process” (step 416) and begins Bluetooth communications (step 418). *Id.* ¶ 44. The first device then determines “whether the second device has the capability to also communication using the Wi-Fi protocol” (step 420), and if it does (step 424), “the two devices agree to switch their communication mode to Wi-Fi and high speed communications begin” (step 426). *Id.* ¶ 45.

3. Reasons to combine Ahya and McKillop

Petitioner contends a person skilled in the art would have combined the teachings of Ahya and McKillop because both references disclose “Bluetooth and Wi-Fi enabled wireless devices that include touchscreens for receiving user inputs and Bluetooth discovery for detecting other nearby devices” and because “McKillop provides express motivation for switching from Bluetooth to Wi-Fi to transfer files: speed and range.” Pet. 19–20. Patent Owner does not contest Petitioner’s reasoning to combine the teachings of these references. *See* Prelim. Resp. 7–57.

We have reviewed Petitioner’s contentions, and find Petitioner articulates sufficient reasoning with rational underpinning to combine the teachings of Ahya and McKillop in the manner claimed.

4. *Claims 1 and 23*

Claim 1 recites a method performed by a WTRU that includes processing a touchscreen input to select a media element. Ex. 1001, 10:54–57. The ’933 patent identifies a WTRU as “a user equipment (UE), a communications device, a mobile station, a fixed or mobile subscriber unit, a pager, a cellular telephone, a personal digital assistant (PDA), a computer, or any other type of device capable of operating in a wireless environment.” Ex. 1001, 2:26–32.

At this stage of the proceeding, Petitioner reasonably demonstrates how Ahya and McKillop, alone or in combination, teaches this limitation. See Pet. 25–27 (citing Ex. 1004 ¶¶ 13, 14, 19, 20, 32–35, 37, 45, 49, 55, 62, 64, Figs. 1, 3; Ex. 1005 ¶¶ 3–7, 10–18, 24, 29, 30, 33, 34, 38–46).³ Patent Owner does not contend otherwise. See Prelim. Resp. 7–57. Ahya discloses a mobile station (e.g., a PDA, mobile computer, or mobile telephone) having wireless communication circuitry, a touch screen display, and a controller that can interpret gestures on the display to select a media element such as an audio or video file. Ex. 1004 ¶¶ 13, 14, 32–34, 55. McKillop discloses a mobile phone or computer having similar structure and functionality. Ex. 1005 ¶¶ 10, 16, 29, 37.

Claim 1 further requires the WTRU to use Bluetooth to detect a plurality of proximal WTRUs. Ex. 1001, 10:58–59. At this stage of the proceeding, Petitioner reasonably demonstrates how Ahya and McKillop, alone or in combination, teaches this limitation. Pet. 28 (citing Ex. 1004 ¶¶ 15, 18, Fig. 1; Ex. 1005 ¶¶ 13–17, 38, 41–45). Patent Owner does not

³ Because Petitioner demonstrates how Ahya and McKillop discloses the preamble, we need not decide whether the preamble is limiting.

contend otherwise. *See* Prelim. Resp. 7–57. Ahya discloses its mobile station detects the presence of nearby mobile stations using Bluetooth. Ex. 1004 ¶ 18. McKillop, similarly, discloses its mobile phone or computer detects the presence of nearby mobile terminals using Bluetooth. Ex. 1005 ¶¶ 10, 16.

Claim 1 further requires the WTRU to process another touchscreen input to select a WTRU of the plurality of proximal WTRUs. Ex. 1001, 10:60–61. At this stage of the proceeding, Petitioner reasonably demonstrates how Ahya teaches this limitation. Pet. 28–29 (citing Ex. 1004 ¶¶ 19, 20, 32–35, 37, 55, 64, Figs. 1, 3). Patent Owner does not contend otherwise. *See* Prelim. Resp. 7–57. Ahya discloses its mobile station can receive user input in the form of a gesture to select one of the detected mobile stations. Ex. 1004 ¶¶ 32–33, 64.

Claim 1 further requires the WTRU to send a message to transfer the selected media element to the selected WTRU and to receive a responsive message from the selected WTRU accepting the transfer. Ex. 1001, 10:62–65. Petitioner argues a person skilled in the art would have found it obvious to modify Ahya to implement this feature so that a user of the selected WTRU would “know[] what the incoming file is and [be able to] prevent the file from being transferred if the user does not want to receive the file.” Pet. 22–23, 30 (citing Ex. 1003 ¶¶ 78–82). Petitioner argues such functionality was known in the prior art as taught by Turner, Cheverst, and Hinkley. *Id.* at 22–23 (citing Ex. 1028, 2:6–11; Ex. 1020, Fig. 6; Ex. 1007 ¶¶ 61–62). Petitioner further argues that a person skilled in the art would have found it obvious to implement this functionality in Ahya’s mobile devices by including software to at least: (a) send a message from a transmitting device to a receiving device requesting the transfer of selected content; and

(b) receive at the transmitting device a message from the receiving device accepting the transfer. *Id.* at 24, 30–31 (citing Ex. 1003 ¶¶ 83, 97–98). Petitioner argues such a person would have known that such functionality could have been implemented using Bluetooth’s OBEX (object exchange) PUT operation or WiFi’s RTS-CTS (request-to-send/clear-to-send) handshake. *Id.* at 31–33 (citing Ex. 1003 ¶¶ 100–103; Ex. 1014, 319, 330; Ex. 1015, 73–74; Ex. 1053, 266, 425, 428–441; Ex. 1018, 261–62).

At this stage of the proceeding, Petitioner reasonably demonstrates that it would have been obvious to modify Ahya’s WTRU’s to send/receive transfer request/accept messages based on the knowledge available to a person of ordinary skill in the art and/or Turner. *See* Pet. 30–33; *see also id.* 44–45 (Ground 2 relying “expressly . . . on Turner . . . to confirm the obviousness of this feature”). Patent Owner does not contend otherwise. *See* Prelim. Resp. 7–57.

As discussed above, Ahya uses Bluetooth to find and connect to devices in order to transfer files to those devices, and Petitioner relies on Turner and/or the Bluetooth OBEX PUT operation to send/receive file transfer request/accept messages. *See* Pet. 22, 28–32. Turner expressly discloses:

Bluetooth does provide various security mechanisms that can be used to prevent unwanted connections to a device and a subsequent infection by malware. These include verifying the authenticity of the remote device and asking the user whether they wish to accept the connection. Furthermore, if a connection does result in some type of file transfer, users can be prompted as to whether they wish to accept such a transfer.

Ex. 1028, 2:6–11. Bluetooth implements this functionality via OBEX in the session layer of the protocol stacks in client (file sending) and server (file receiving) devices. *See* Ex. 1014, 319, Fig. 2.1.

Finally, claim 1 requires the WTRU to transfer, via WiFi, the selected media element to the selected WTRU. Ex. 1001, 10:66–67. At this stage of the proceeding, Petitioner reasonably demonstrates how McKillop teaches this limitation. Pet. 33–34 (citing Ex. 1005 ¶¶ 2, 3, 6, 10–17, 28–30, 34, 38, 41–47, Fig. 4). Patent Owner does not contend otherwise. *See* Prelim. Resp. 7–57. McKillop discloses using “a lower power, limited range protocol, such as Bluetooth, in order to find and establish a high speed communication path” in response to receiving user input requesting a file transfer and, “[o]nce the high speed communications path is found, such as a Wi-Fi network . . . switch[ing] from the slower communication protocol to the high speed protocol” to transfer the file. Ex. 1005 ¶¶ 13, 41–45.

5. *Secondary Considerations*

Patent Owner introduces secondary considerations evidence that it contends shows the inventions claimed in the ’933 patent have enjoyed commercial success and industry praise, and have solved a long-felt industry need. Prelim. Resp. 18–56. Specifically, Patent Owner argues that Apple’s AirDrop application embodies the inventions claimed in the ’933 patent, resulting in Apple licensing the ’933 patent, and “[t]he success of AirDrop, and competitor’s efforts to mimic the success of AirDrop . . . demonstrate commercial success, industry praise (and acceptance), and the efforts of others in the industry to satisfy a long felt but unresolved need.” *Id.* at 19, 57–58. Therefore, Patent Owner contends, Petitioner has failed to show the challenged claims are unpatentable. *Id.* at 58.

“[O]bjective indicia of non-obviousness play an important role as a guard against the statutorily proscribed hindsight reasoning in the obviousness analysis.” *WBIP, LLC v. Kohler Co.*, 829 F.3d 1317, 1328 (Fed. Cir. 2016). Patent Owner bears the burden of producing evidence of

secondary considerations of non-obviousness. *See Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1360 (Fed. Cir. 2007); *see also Winner Int’l Royalty Corp. v. Wang*, 202 F.3d 1340, 1350 (Fed. Cir. 2000). Nonetheless, the burden remains on Petitioner to prove the unpatentability of the challenged claims. *See* 35 U.S.C. § 316(e).

Because Patent Owner bears the burden of producing secondary considerations evidence, Petitioner had no obligation to introduce and/or discuss such evidence in its Petition. *See Pfizer*, 480 F.3d at 1360. Moreover, because Petitioner has yet to have an opportunity to consider or challenge Patent Owner’s secondary considerations evidence, we decline to consider it for purposes of deciding whether to institute trial.

6. Conclusions Regarding Obviousness of Claims 1 and 23.

At this stage of the proceeding, for the reasons discussed above, we find Petitioner has demonstrated a reasonable likelihood of showing all the limitations of claim 1 are taught by the combination of Ahya and McKillop, with or without Turner, and has provided reasoning with rational underpinning for combining the teachings of Ahya, McKillop, and Turner. Claim 23 is substantially similar to claim 1, reciting a WTRU configured to perform the method recited in claim 1. *Compare* Ex. 1001, 10:54–67, *with id.* at 12:8–21. Petitioner’s analysis of claim 23 refers back to its analysis of claim 1, and cites evidence demonstrating that the combination of Ahya and McKillop teaches a WTRU that performs each of the recited steps of claim 1. *See* Pet. 44. Accordingly, at this stage of the proceeding, Petitioner demonstrates a reasonable likelihood of showing claim 23 is unpatentable over Ahya and McKillop, with or without Turner.

7. *Claims 2–9, 11, 13, 14, 22, 24–31, 33, 35, 36, and 44*

We have reviewed Petitioner’s contentions for the unpatentability of these claims, which Patent Owner does not challenge. *See* Pet. 34–44; Prelim. Resp. 7–57. We are persuaded, at this stage of the proceeding, based on the evidence and argument presented in the Petition and Preliminary Response, that Petitioner has demonstrated a reasonable likelihood of showing that claims 2–9, 11, 13, 14, 22, 24–31, 33, 35, 36, and 44 are unpatentable over the combination of Ahya and McKillop, with or without Turner.

E. Remaining Challenges

As noted above, in addition to challenging certain claims of the ’933 patent as obvious over Ahya and McKillop, with or without Turner (Grounds 1 and 2), Petitioner challenges other claims as obvious over Ahya, McKillop, and Aholainen, with or without Turner (Grounds 4 and 5), Ahyam McKillop, and Chouraki, with or without Turner (Grounds 7 and 8), Ahya, McKillop, and Johanson, with or without Turner (Grounds 10 and 11), Hoddie and Hinckley (Ground 3), Hoddie, Hinckley, and Aholainen (Ground 6), Hoddie, Hinckley, and Chouraki (Ground 9), and Hoddie, Hinckley, and Johanson (Ground 12). Pet. 2. Because Petitioner has demonstrated a reasonable likelihood of showing at least one challenged claim is unpatentable over Ahya and McKillop, with or without Turner, we need not review Petitioner’s remaining challenges to institute review. *See* 35 U.S.C. § 314(a) (“The Director may not authorize an *inter partes* review to be instituted unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”).

III. CONCLUSION

We have reviewed the Petition, Preliminary Response, Preliminary Reply, and Preliminary Sur-Reply, and have considered all of the evidence and arguments presented by Petitioner and Patent Owner, except Patent Owner's secondary considerations evidence to which Petitioner has not yet had the opportunity to reply. We find, at this stage of the proceeding, Petitioner has demonstrated a reasonable likelihood of showing at least one claim of the '933 patent is unpatentable. Accordingly, we institute *inter partes* review of all claims on all grounds raised in the Petition.

The Board has not yet made a final determination with respect to any claim construction issue or the patentability of any challenged claim.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, Patent Owner's request for discretionary denial is denied;

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314, an *inter partes* review is instituted on all challenged claims on all grounds; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial commencing on the entry date of this Decision.

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