

Trials@uspto.gov
571-272-7822

Paper 19
Entered: May 13, 2014

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE INC.,
Petitioner,

v.

SIMPLEAIR, INC.,
Patent Owner.

Case CBM2014-00054
Patent 7,035,914 B1

Before MICHAEL R. ZECHER, STACEY G. WHITE, and
TINA E. HULSE, *Administrative Patent Judges*.

HULSE, *Administrative Patent Judge*.

DECISION
Denying Institution of Covered Business Method Patent Review
37 C.F.R. § 42.208

I. INTRODUCTION

Petitioner, Google Inc., filed an amended Petition requesting a covered business method patent review of claims 1-3, 7, 22-24, 69, and 70 (“the challenged claims”) of U.S. Patent No. 7,035,914 B1 (“the ’914 patent”). Paper 5 (“Pet.”). Patent Owner, SimpleAir, Inc., timely filed a Preliminary Response to the Petition. Paper 14 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324.

The standard for instituting a covered business method patent review is set forth in 35 U.S.C. § 324(a):

THRESHOLD. – The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Upon considering the Petition and Preliminary Response, we determine that the information presented in the Petition does not demonstrate that the challenged claims are more likely than not unpatentable. We, therefore, deny the Petition.

A. *Petitioner’s Standing*

Section 18 of the Leahy-Smith America Invents Act (“AIA”) governs the transitional program for covered business method patent reviews.¹ Section 18(a)(1)(B) of the AIA limits such reviews to persons, or

¹ See Section 18(a) of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329 (2011).

their privies, that have been sued or charged with infringement of a covered business method patent.

Petitioner asserts that it has been sued for infringement of the '914 patent in a related litigation titled *SimpleAir, Inc. v. Microsoft Corp.*, No. 2:11-cv-00416 (E.D. Tex.). Pet. 1.

B. The '914 Patent (Ex. 1001)

The '914 patent relates to wired and non-wired data transmission communication systems. Ex. 1001, 1:24-26. Wireless communication technology allows users to be notified of information anywhere and at any time. *Id.* at 1:52-53. Moreover, online services have made endless amounts of information available to individuals throughout the world. *Id.* at 1:58-61.

According to the '914 patent, however, these technologies suffer from numerous disadvantages. For example, the benefits of wireless technology only have been utilized for personal messaging with limited message length. *Id.* at 1:65-2:3. Moreover, immediate notification of information is not available. *Id.* at 2:22-26. Another problem, according to the '914 patent, is that data transmitted over existing wireless broadcast networks suffer from inevitable degradation of data. *Id.* at 2:27-40.

To address these issues, the '914 patent describes a system that allows for broadcast of up-to-the-minute notification centric information that provides an instant call to action for users who are provided with the ability to retrieve further detailed information instantaneously. *Id.* at 2:50-58.

C. Illustrative Claim

Claim 1 is the only independent claim challenged in this proceeding. Claims 2, 3, 7, 22-24, 69, and 70 all depend directly or indirectly from claim 1.

Claim 1 is illustrative of the subject matter of the challenged claims and is reproduced below:

1. A method for transmitting data to selected remote devices, comprising the steps of:
 - transmitting data from an information source to a central broadcast server;
 - preprocessing said data at said central broadcast server, further comprising the step of:
 - parsing said data with parsers corresponding to said central broadcast server;
 - transmitting said data to an information gateway for building data blocks and assigning addresses to said data blocks;
 - transmitting said data blocks from said information gateway to a transmission gateway for preparing said data blocks for transmission to receivers;
 - transmitting preprocessed data to receivers communicating with said devices; and
 - instantaneously notifying said devices of receipt of said preprocessed data whether said devices are online or offline from a data channel associated with each device.

D. Covered Business Method Patent

Under section 18(a)(1)(E) of the AIA, the Board may institute a transitional proceeding only for a patent that is a covered business method patent. A “covered business method patent” is a patent that “claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service, except that the term does not include patents

for technological inventions.” AIA § 18(d)(1); 37 C.F.R. § 42.301(a). For purposes of determining whether a patent is eligible for a covered business method patent review, the focus is on the claims. *See Transitional Program for Covered Business Method Patents—Definitions of Covered Business Method Patent and Technological Invention*, 77 Fed. Reg. 48,734, 48,736 (Aug. 14, 2012). A patent need have only one claim directed to a covered business method to be eligible for review. *Id.*

1. Financial Product or Service

In promulgating rules for covered business method patent reviews, the Office considered the legislative intent and history behind the AIA’s definition of “covered business method patent.” *Id.* at 48,735-36. The “legislative history explains that the definition of covered business method patent was drafted to encompass patents ‘claiming activities that are financial in nature, incidental to a financial activity or complementary to a financial activity.’” *Id.* at 48,735 (citing 157 Cong. Rec. S5432 (daily ed. Sept. 8, 2011) (statement of Sen. Schumer)). The legislative history indicates that “financial product or service” should be interpreted broadly. 77 Fed. Reg. at 48,735-36.

Claim 1 recites a method of transmitting data to selected remote devices. Ex. 1001, 33:16-17. Referring to Figure 2 of the ’914 patent, the Specification teaches that “the data, which can include . . . stock quotes, . . . lotto, . . . etc. is then respectively parsed by parsers, such as the stock quote parser 106, . . . lotto parser 110 . . . and then transmitted to the content manager 114 located in the central broadcast server 34.” Ex. 1001, 8:11-16. Claim 1, therefore, encompasses a method used in the management of a financial product or service—that is, the disclosure of stock quotes and lotto

results. Thus, we determine that claim 1 of the '914 patent recites “a method . . . for performing data processing or other operations used in the practice, administration, or management of a financial product or service.”” See AIA § 18(d)(1); 37 C.F.R. § 42.301(a).

2. *Technological Invention*

The definition of a “covered business method patent” in § 18(d)(1) of the AIA does not include patents for “technological inventions.” When determining whether a patent is for a technological invention, we consider “whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art; and solves a technical problem using a technical solution.” 37 C.F.R. § 42.301(b).

The following claim drafting techniques, for example, typically do not render a patent a “technological invention”:

- (a) Mere recitation of known technologies, such as computer hardware, communication or computer networks, software, memory, computer-readable storage medium, scanners, display devices or databases, or specialized machines, such as an ATM or point of sale device.
- (b) Reciting the use of known prior art technology to accomplish a process or method, even if that process or method is novel and non-obvious.
- (c) Combining prior art structures to achieve the normal, expected, or predictable result of that combination.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763-64 (Aug. 14, 2012).

Even if the problems solved and the solutions claimed by the '914 patent were technical, as Patent Owner asserts (Prelim. Resp. 19-25), we are persuaded that claim 1, as a whole, does not recite a technological feature

that is novel and unobvious over the prior art. In particular, claim 1 only recites the presence of well-known technologies to accomplish the claimed method. For example, the '914 patent concedes that “information sources,” such as internet providers, were known (Ex. 1001, 6:5-14), and that one of skill in the art would have understood that a “central broadcast server” “operates effectively as a network operations center,” which was well known in the art (*id.* at 6:20-22; Ex. 1047 ¶ 9.2.5.2).

In its Preliminary Response, Patent Owner argues that the Petition fails to address whether the step of “instantaneously notifying said devices of receipt of said preprocessed data whether said computing devices are online or offline from a data channel associated with each device” was novel and unobvious over the prior art. Prelim. Resp. 28. But whether the step of “instantaneously notifying” is novel and unobvious is irrelevant if the prior art technology used to accomplish that step was known. *See* Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,763-64. Because Patent Owner did not rebut Petitioner’s assertion that the prior art technology used in claim 1 was known in the art, we determine that claim 1 does not recite a technological feature that is novel and unobvious over the prior art. *See* 37 C.F.R. § 42.301(b).

E. The Prior Art Relied Upon

Petitioner relies upon the following prior art references:

| | | | |
|--------|--------------|---|----------|
| Tso | US 6,047,327 | Apr. 4, 2000 (filed Feb. 16, 1996) | Ex. 1040 |
| May | US 5,043,721 | Aug. 27, 1991 | Ex. 1041 |
| Palmer | US 5,905,965 | May 18, 1999 (effectively filed Oct. 30, 1995) | Ex. 1042 |

| | | | |
|---------|--------------|---|----------|
| Bezaire | US 5,758,088 | May 26, 1998 (effectively filed May 8, 1995) | Ex. 1043 |
| Dasan | US 5,761,662 | June 2, 1998 (effectively filed Dec. 20, 1994) | Ex. 1044 |
| Dai | US 5,307,399 | Apr. 26, 1994 | Ex. 1045 |
| DeLuca | US 5,663,717 | Sept. 2, 1997 (effectively filed Aug. 1, 1994) | Ex. 1046 |

“SkyTel,” as discussed in Exs. 1009-1035.

F. The Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1-3, 7, 22-24, 69, and 70 of the '914 patent based on the following grounds set forth in the table below:

| Reference[s] | Basis | Claims challenged |
|---|------------------|----------------------------|
| SkyTel | § 102(b) / § 103 | 1-3, 7, 22-24, and 69 |
| Tso | § 102(e) / § 103 | 1-3, 7, 22- 24, and 69 |
| Tso and May | § 103 | 1-3, 7, 22- 24, and 69 |
| Palmer | § 102(e) / § 103 | 1-3, 7, 22- 24, and 69 |
| SkyTel and Tso and/or May | § 103 | 1-3, 7, 22- 24, and 69 |
| Palmer and Tso and/or May | § 103 | 1-3, 7, 22- 24, and 69 |
| Bezaire and/or Dasan | § 103 | 1-3, 7, 22- 24, and 69 |
| Dai and one or more of the above-identified references | § 103 | 1-3, 7, 22- 24, and 69 |
| DeLuca and one or more of the above-identified references | § 103 | 1-3, 7, 22- 24, 69, and 70 |

II. ANALYSIS

A. *Claim Construction*

In a covered business method patent review, we interpret claim terms in an unexpired patent according to the broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.200(b). Under that standard and absent a special definition, we give claim terms their ordinary and customary meaning, as would be understood by one of ordinary skill in the art at the time of the invention. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). Any special definitions for claim terms must be set forth with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

In the co-pending litigation, the district court construed several terms of the '914 patent. Ex. 2001. Both parties suggest that the Board adopt the district court's constructions, at least for purposes of this Decision to Institute. Pet. 19; Prelim. Resp. 7. For convenience, the district court's constructions of the '914 patent claim terms are reproduced in the table below:

| Claim term | Construction |
|-------------------|---|
| “data channel” | “one or more communication channels or paths for accessing or viewing a category or subcategory of information that is provided by an information source over a communications network” (Ex. 2001 at 14) |

| Claim term | Construction |
|--|--|
| “whether said computing devices are online or offline from a data channel associated with each device” | “whether the remote computing devices are or are not connected via the Internet or another online service to a data channel associated with each computing device at the time the preprocessed data is received by the receivers” (Ex. 2001 at 17) |
| “whether said computing devices are on or off” | “whether said computing devices are powered on or powered off” (Ex. 2001 at 25) |
| “information source” | “one or more content or online service providers that provide data to the central broadcast server, such as an online source of news, weather, sports, financial information, games, personal messages, or e-mails” (Ex. 2001 at 27-28) |
| “parsing said data with parsers” | “using multiple computer software programs, routines, or functions to break or divide data received from an information source into components whose content or format can be analyzed, processed or acted upon” (Ex. 2001 at 31) |
| “an information gateway for building data blocks and assigning addresses to said data blocks” | “one or more software programs (or a portion of a program) that build data blocks and assign addresses to the data blocks” (Ex. 2001 at 36) |
| “a transmission gateway for preparing said data blocks for transmission to receivers” | “one or more software programs (or a portion of a program) that prepare the data blocks for their transmission to receivers and interface with other resources used to transmit the preprocessed data” (Ex. 2001 at 29) |

| Claim term | Construction |
|----------------------------|--|
| “central broadcast server” | “one or more servers that are configured to receive data [from] a plurality of information sources and process the data prior to its transmission to one or more selected remote computing device” (Ex. 2001 at 41) |
| “contextual graphics” | “graphics relating to the context of the preprocessed data that has been received” (Ex. 2001 at 46) |

Upon considering the district court’s claim construction order, we determine that the constructions of each claim term are consistent with their broadest reasonable interpretation in light of the specification. Accordingly, for purposes of this Decision to Institute, we adopt the district court’s constructions of the claim terms reproduced in the table above. *See* Ex. 2001 at 8-46.

B. Unpatentability over § 102(e) Prior Art

Section 18(a)(1)(C) of the AIA states that a petitioner who challenges the patentability of one or more claims in a covered business patent may support such ground only on the basis of:

- (i) prior art that is described by pre-AIA section 102(a); or
- (ii) prior art that—
 - (I) discloses the invention more than 1 year before the date of the application for patent in the United States; and
 - (II) would be described by pre-AIA section 102(a) if the disclosure had been made by another before the invention thereof by the applicant for patent.

Certain references cited in the Petition are prior art to the challenged claims only under 35 U.S.C. § 102(e). Section 102(e) references, however,

are not available for consideration in a covered business method patent review proceeding. *See Gillman v. StoneEagle Servs., Inc.*, CBM2013-00047, slip op. at 9-10 (PTAB Feb. 18, 2014) (Paper 11); *MasterCard Int'l Inc. v. D'Agostino*, CBM2013-00058, slip op. at 8-9 (PTAB Mar. 7, 2014) (Paper 10).

Petitioner has conceded in the Petition that Dasan and DeLuca are prior art under § 102(e). Pet. 68, 78. In a notice filed after the Petition, Petitioner conceded that Tso, Palmer, and Bezaire are § 102(e) art, as well. Paper 13 at 1. Accordingly, we decline to institute a covered business method patent review on any grounds that rely on these § 102(e) prior art references.

C. Unpatentability over SkyTel

The remaining patentability challenges that do not rely on § 102(e) art each rely on “SkyTel.” Petitioner asserts that claims 1-3, 7, 22-24, and 69 are anticipated, or rendered obvious, by SkyTel, either alone or in combination with other prior art. Pet. 20-42; 66-67; 73-77. Patent Owner asserts that SkyTel does not qualify as a prior art system. Prelim. Resp. 32-42. We are persuaded by Patent Owner’s argument.

1. Summary of SkyTel (Exs. 1009-1035)

SkyTel provides wireless messaging services via SkyTel’s ground-based transmitter system, leased satellite facilities, and proprietary messaging technology. Ex. 1021 at 3.² SkyTel subscribers receive numeric

² Citations to specific pages of each exhibit discussed in our summary of SkyTel, as well as the analysis of the grounds based, in whole or in part, on SkyTel, are to the page numbers assigned by Petitioner, rather than the original page numbers identified in the document.

pages and alphanumeric messages on their mobile devices. *Id.* According to William Hays, who oversaw the creation of SkyTel, many different content providers, such as Compuserve, AT&T, PersonalLink, and MCI Mail, used SkyTel’s messaging system to provide content to users.

Ex. 1011 ¶ 29. Moreover, SkyTel users could use a wide variety of devices with the SkyTel system, including the AT&T Safari computer, various Hewlett-Packard (“HP”) devices (e.g., OmniGo 100), MailScout, Apple Newton, various Motorola devices (e.g., Envoy and Tango), and the Sony MagicLink. *Id.* ¶ 30; Ex. 1047 ¶ 8.2.2.

2. Analysis

Petitioner contends that SkyTel anticipates, or renders obvious, the challenged claims. In doing so, however, Petitioner relies on 27 exhibits (Exs. 1009-1035) as support for the SkyTel system. Pet. 20. These various exhibits include a published PCT application (Ex. 1009), which Hays, one of the named inventors, admits is illustrative of only “*many* of the features in the commercial implementation of the SkyTel messaging service,” but not all. Ex. 1011 ¶ 12 (emphasis added); *see also id.* ¶¶ 23, 27 (describing embodiments of the PCT application that were not implemented in the SkyTel system). The SkyTel exhibits relied upon, and cited to, by Petitioner also describe various embodiments of the SkyTel system that are used with different mobile devices, including a system used with the Sony MagicLink device (e.g., Exs. 1012, 1013, 1018, and 1022), and a system used with HP devices (e.g., Exs. 1026 and 1027). Finally, SkyTel’s 10-K filing describes two different SkyTel services, a one-way messaging service and a two-way messaging service. Ex. 1021 at 3, 5.

To anticipate a claim, a single prior art reference must disclose each claim limitation. *Finisar Corp. v. DirecTV Group, Inc.*, 523 F.3d 1323, 1334 (Fed. Cir. 2008). Multiple secondary references may be used to support an anticipation challenge by a primary reference to establish that the primary reference is enabling. *See In re Elsner*, 381 F.3d 1125, 1129 (Fed. Cir. 2004) (finding use of secondary references to show that a primary § 102(b) reference was enabled was proper). But multiple references may not be used to support an anticipation challenge where those references do not describe a single system. *See Kyocera Wireless Corp. v. Int'l Trade Comm'n*, 545 F.3d 1340, 1351 (Fed. Cir. 2008) (finding eleven different references with separate dates of creation describing the GSM standard did not constitute a “single prior art reference”).

Here, by relying on different documents describing different embodiments of SkyTel, Petitioner does not rely on a single embodiment or “system” of SkyTel to support its anticipation challenge. Instead, Petitioner cobbles together its anticipation challenge, picking and choosing teachings from the various embodiments of SkyTel as support for each limitation. *See, e.g.*, Pet. 33-34 (relying on disclosures regarding PersonaLink and HP devices, as well as the published PCT application as anticipating element F of claim 1); *compare id.* at 37 with *id.* at 24 (relying on SkyTel’s two-way messaging system for dependent claim 7, while relying on disclosure regarding SkyTel’s one-way messaging system for independent claim 1). Although Petitioner seems to rely heavily on the SkyTel system used with the PersonaLink device, we decline to go through the entirety of Petitioner’s challenges to parse out which limitations Petitioner contends are disclosed by which embodiment to determine whether Petitioner has

established anticipation with a single embodiment. Petitioner should have done this when initially presenting its arguments, and we decline to make Petitioner’s anticipation case *sua sponte*.

As for obviousness, although Petitioner may rely on multiple systems and references pertaining to SkyTel to support its challenge, Petitioner is not excused from explaining its obviousness case and providing the proper analysis. Simply asserting in a conclusory manner that the subject matter of the claims is obvious in light of “SkyTel” is insufficient given the various SkyTel embodiments. *See id.* at 22. Petitioner must explain, for example, the scope and content of the prior art and the differences between the prior art and the claims at issue. *See Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966). Moreover, there must be an articulated reason with a rational underpinning to justify the legal conclusion of obviousness. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). Petitioner did not address these issues with respect to the various SkyTel embodiments, and has, therefore, failed to establish that the subject matter of the challenged claims are more likely than not obvious over “SkyTel.”

III. CONCLUSION

We determine that the information presented in the Petition does not establish that it is more likely than not that Petitioner would prevail in establishing the unpatentability of any challenged claims of the '914 patent.

IV. ORDER

In consideration of the foregoing, it is hereby:
ORDERED that the Petition is denied as to all challenged claims of the '914 patent; and
FURTHER ORDERED that no covered business method review is instituted.

PETITIONER:

Vaibhav P. Kadaba
Michael S. Pavento
Kilpatrick Townsend & Stockton LLP
wkadaba@kilpatricktownsend.com
mpavento@kilpatricktownsend.com

PATENT OWNER:

Steven Sereboff
Jonathan Pearce
SoCal IP Law Group LLP
ssereboff@socalip.com
jpearce@socalip.com
uspto@socalip.com