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Paper 44
Entered: March 6, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.
Petitioner,

v.

PERSONALIZED MEDIA COMMUNICATIONS, LLC,
Patent Owner.

Case IPR2016-00755
Patent 8,191,091 B1

Before KARL D. EASTHOM, KEVIN F. TURNER, and GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

EASTHOM, *Administrative Patent Judge*.

DECISION
Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Patent Owner filed a Request for Rehearing (Paper 43, "Reh'g Req." or "Rehearing Request") asserting that we applied "plainly erroneous claim constructions for two key terms" in the Final Written Decision (Paper 42, "FWD"). Reh'g Req. 1. Patent Owner "respectfully requests that the Board grant this request for rehearing." *Id.* at 14.

Under 37 C.F.R. § 42.71(d), "[t]he burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, opposition, or a reply."

For the reasons provided below, we *deny* Patent Owner's request to alter the claim constructions applied in the Final Written Decision.

II. ANALYSIS

Patent Owner contends we misconstrued the various forms of "decrypt," "encrypt," "decrypting," "encrypted," which Patent Owner refers to as "collectively, 'decrypt terms.'" Reh'g Req. 1, 3. Patent Owner also contends we misconstrued the related phrase "encrypted digital information transmission including encrypted information." *Id.* at 1. Challenged independent claims 13 and 20 recite "receiving an encrypted digital information transmission including encrypted information," whereas challenged independent claim 26 recites "receiving an information transmission including encrypted information." Each of the challenged independent claims, claims 13, 20, and 26, recite "[a] method of decrypting programming," "decrypting said encrypted information," and "outputting said programming based on said step of decrypting." *See* Ex. 1003, 285:61–

286:9, 286:29–49, 286:63–287:8.

Exemplary challenged claim 13 follows:

> 13. A method of decrypting programming at a receiver station, said method comprising the steps of:
>
> [a] receiving an encrypted digital information transmission including encrypted information;
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> [b] detecting in said encrypted digital information transmission the presence of an instruct-to-enable signal;
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> [c] passing said instruct-to-enable signal to a processor; determining a fashion in which said receiver station locates a first decryption key by processing said instruct-to-enable signal;
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> [d] locating said first decryption key based on said step of determining;
>
> [e] decrypting said encrypted information using said first decryption key; and
>
> [f] outputting said programming based on said step of decrypting.

Ex. 1003, 285:61–286:9 ([a]–[f] nomenclature added).

Patent Owner argues we improperly used "the meaning of the term 'programming'. . . . to bootstrap its preferred construction of 'decrypt'" to show that the term "decrypt" includes descrambling of analog information. *See* Reh'g Req. 11 (citing FWD 24–25). Patent Owner explains "[p]rogramming is . . . defined as **types of content**" not "in terms of how it is formatted (e.g., analog or digital) or how it is transmitted (e.g., modulation, frequency, type of transmitter." *Id.* at 12. Patent Owner also argues "the issue is the meaning of 'decrypt', not 'programming.'" *Id.* at 11.

Our interpretation of programming played only part of the role in construing the decrypt terms, and served to show consistency with other findings including our interpretation of "encrypted information," discussed further below. The Final Written Decision notes "Patent Owner contends '[u]nder PMC's construction of decrypting, *decrypting programming is*

necessarily limited to the decryption of digital programming.'" FWD 28 (quoting PO Resp. 15 (emphasis added)). In other words, Patent Owner attempts in its Patent Owner Response to restrict the broad term "programming" by constraining decryption, instead of construing decryption by interpreting programming and other related terms. As indicated above, each of the challenged claims recite interdependent phrases, including "[a] method of decrypting programming," "decrypting said encrypted information," and "outputting said programming based on said step of decrypting."

As our reviewing court instructs, "[t]o begin with, *the context in which a term is used in the asserted claim can be highly instructive*." *See Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005) (en banc) ("This court's cases provide numerous similar examples in which the use of a term within the claim provides a firm basis for construing the term.") (emphasis added). Because the challenged claims recite "decrypting programming" and "outputting said programming based on said step of decrypting," the term "programming" and the "encrypted" phrase noted above and discussed further below inform the meaning of "decrypting." Patent Owner implicitly recognizes a strong relationship between "various 'decrypt' and 'encrypt' type terms" by referring to them "collectively" as the "decrypt terms." Reh'g Req. 3. As indicated, *Phillips* and other precedents show this relationship matters in claim construction. *See Phillips*, 415 F.3d at 1314 (citing *Mars, Inc. v. H.J. Heinz Co.*, 377 F.3d 1369, 1374 (Fed. Cir. 2004) for the following proposition: "claim term 'ingredients' construed in light of the use of the term 'mixture' in the same claim phrase"; and citing *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1356 (Fed. Cir.

1999) for the following proposition: "claim term 'discharge rate' construed in light of the use of the same term in another limitation of the same claim").

Patent Owner's argument that programming relates only to content also contradicts the record evidence showing "programming" relates to transmission types. According to the '091 patent, "[t]he term *'programming' refers to everything that is transmitted electronically to entertain, instruct or inform, including television, radio, broadcast print, and computer programming was well as combined medium programming*." Ex. 1003, 6:31–34 (emphasis added); FWD 53 (quoting same passage). Patent Owner argues this phrase refers to the "**types of content** that 'entertain, instruct, or inform" and "is agnostic as to **how** the content is delivered," "[o]ther than [the content] being transmitted 'electronically.'" Reh'g Req. 12.

Notwithstanding the arguments, the terms "television" and "radio" implicitly relate to transmission types, for example, analog video, and analog audio, whereas computer programming or broadcast print appears to refer to embedded digital information in the analog programming. *See, e.g.*, FWD 5 (discussing Fig. 2A of the '091 patent depicting a "standard amplitude demodulator," quoting Ex. 1003, 18:42–62). We agree with Patent Owner that the phrase shows the content must be transmitted electronically. *See* Reh'g Req. 12. At the least, wireless transmission requires some type of modulation of a medium (e.g., carrier wave for amplitude modulation) to facilitate the transmission, as the phrase from the '091 Specification suggests. *See*, *e.g.*, Ex. 1003, Fig. 1 (television tuner with antenna), Fig. 2 (radio signal decoder, TV signal decoder, local oscillator, etc.), Fig. 2A

(amplitude demodulator). Patent Owner does not contend the electronic transmission of programming occurs without some type of modulation.

The programming content also constitutes part of a transmission that the challenged claims decrypt, at least according to the preamble of those claims (i.e., "[a] method of decrypting programming"). Furthermore, as the Final Written Decision notes, "the '091 patent refers to 'decrypting combined media programming.'" FWD 17 (quoting Ex. 1003, 5:38–39 (emphasis added)). Similarly, "[t]he earlier-filed '490 patent states '[a] decrypter does not necessarily *decrypt the entire transmission*. Encrypted transmissions may be only partially encrypted.'" *Id.* at 15 (quoting Ex. 1009, 13:68–14:2 (emphasis added)). Referring to decrypting *transmissions* (described as including analog information, *see, e.g.*, Ex. 1003, Figs. 1, Fig. 2A, 2, FWD 4–5) and decrypting programming in the '091 patent Specification implies a relationship between programming and transmission types.

Moreover, Patent Owner's remarks during the Oral Hearing show that Patent Owner understood that "programming" includes types of transmissions, including modulation types:

> JUDGE EASTHOM: So are you saying -- in 1987, you say "programming" is defined as transmitting -- everything that is transmitted electronically to entertain, instruct, computer programming, et cetera. Are you saying you don't cover -- you're not covering the digital modulation techniques with that in 1987? You don't -- that doesn't cover those, the -- *for example, PSK [phase shift keying], FSK [frequency shift keying], you don't -- there is all these digital modulation* techniques in 1987. *Does "programming" cover those types of techniques?*
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> MR. KLINE: *If they're transmitted electronically to entertain, instruct, or inform -- right -- then yes, they would.*

Paper 41 (Oral Hearing Transcript, "Tr."), 22:16–24 (emphasis added).

Other arguments by Patent Owner show a similar relationship between programming and transmission types. For example, the Final Decision notes "Patent Owner also obscures the construction and scope of the claims by arguing 'whether the Board construes digital television *programming to be analog video containing embedded digital content* (as Petitioner proposes) or *entirely digital TV content*, *the '490 Patent provides written support for both cases*.'" FWD 19 (quoting PO Resp. 33) (emphasis added); *see also* note 4 *infra* (discussing programming and transmission). Accordingly, Patent Owner fails to show that the Final Written Decision overlooks or misapprehends how the term programming helps to define what decryption (and the other decrypt terms) means.

Patent Owner also argues "[t]he Board's construction that 'encrypted digital information transmission including encrypted information' must encompass scrambled analog information is erroneous." Reh'g Req. 14 (citing FWD 19, 21). According to Patent Owner, "[t]he Board's conclusion rests on its assertion that 'encrypted information' would otherwise be superfluous." *Id.* Patent Owner contends "[t]he term is not superfluous." *Id.* Patent Owner explains "'encrypted information' must be digital." *Id.*

Contrary to these arguments, as we explained in the Final Written Decision, "if 'an encrypted digital information transmission, including encrypted information,' only includes encrypted digital information, then it renders superfluous 'including encrypted information.'" FWD 10. We also determined that the Patent Owner Response concedes the term would be superfluous under Patent Owner's construction, and Patent Owner agreed it

"may be" "a superfluous term" (Tr. 41:12–13) during the Oral Hearing. *Id.* at 10 (citing Paper 20 ("PO Resp.") 8; Tr. 41:13).[1]

To support its argument that the term is not superfluous, Patent Owner contends "[t]he 'encrypted information' term simply establishes an antecedent basis for the subsequent step of 'decrypting said encrypted information.'" Reh'g Req. 14.[2] This argument verifies that "decrypting" must encompass *descrambling* of "said encrypted information" (as analog information) unless the phrase includes superfluous terms. In other words, the subject limitation of claims 13 and 20, namely "receiving an encrypted digital information *transmission including* encrypted information," shows that the "encrypted information" included in the transmission necessarily must be broader than the "encrypted *digital* information" in the transmission. *See* claims 13 and 20 (emphasis added). Patent Owner's argument that "encrypted digital information" and "encrypted information" mean the same thing verifies that either of the terms "digital" and the term "encrypted information" is superfluous. *See id.* (Patent Owner arguing "'encrypted information' must be digital").

Patent Owner also contends that "[t]he Board's discourses on the original patent, U.S. Pat. No. 4,965,490 (Ex. 1009, ''490 [p]atent') for claim

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[1] The Final Written Decision incorrectly cites "Tr. 43:8–45:7, 41:13" (emphasis added), but the citation should be "Tr. 39:8–45:7, 41:13." *See* FWD 10.

[2] This argument exemplifies why the related and interdependent claim terms must be construed in context of each other and the remainder of the challenged claim in which they appear, contrary to Patent Owner's arguments that we improperly "bootstrapped" the claim construction by looking to other terms in the claim. *See id.* at 11.

construction are irrelevant." Reh'g. Req. 12 (footnote omitted). Contrary to this argument, as we noted in several instances, the parties cited both the '490 patent (Ex. 1009) and the '091 patent (Ex. 1003) to support their claim construction of the decrypt terms and the related encrypted phrase. *See, e.g.*, FWD 12 ("To support their respective positions, both parties cite to the '091 patent (which contains 288 columns, Ex. 1003 [and which]) . . . is a CIP of the earlier filed ancestor '490 patent (which contains only 24 columns")); FWD 75 ("Patent Owner itself provides dual citations to the two patents and to the plain meaning of terms in various places to support its claim construction (as outlined above). This implies that the plain meaning and overlapping subject matter in the two patents inform a common understanding of the construction of some of the interrelated claim phrases."); PO Resp. 5 (arguing "the inventors *explicitly expanded the scope of 'encrypted'*" (emphasis added) and "the specification specifically notes: 'Encrypted transmissions may be only partially encrypted'" and citing "Ex. 1009, 13:68–14:2"), 10 (arguing "decryptors convert the received information . . . to other *digital information*" and citing "Ex. 1009, 4:61–5:2").

Precedent shows related patents often include relevant claim interpretations. *See Omega Eng'g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1334 (Fed. Cir. 2003) ("[W]e presume, unless otherwise compelled, that the same claim term in the same patent or related patents carries the same construed meaning."). Yet, Patent Owner argues that we rely on a "fallacious premise that encryption and scrambling are the only ways to protect information" as disclosed in the related '490 patent. *See* Reh'g Req. 12–13 n.2 (citing FWD 15). Patent Owner contends this premise led us to

overstate the meaning of the following statement Patent Owner agreed to during the Oral Hearing: "The thrust of the whole ['490] patent [is] to protect all manner of transmission." *See id.* (quoting FWD 15); '754 Tr. 39:8–14.[3] According to Patent Owner's argument in its Rehearing Request, Patent Owner's agreement (during the related '754 Oral Hearing (*see* note 3)) to that statement only meant that Patent Owner agreed that the '490 patent describes analog protection techniques *other than scrambling*, including, *inter alia*, interrupt means and special signal words. *See* Reh'g Req. 12–13 n.2 (citing Ex. 1009, Fig. 4, 4:47–54).

First, we noted previously the different forms of analog protection disclosed in the '490 patent. *See, e.g.*, FWD 18 (quoting Ex. 1009, 4:31–34, 13:17–20, 27–32 discussing the disclosure of "decrypter/interrupter 101" and "how to decrypt or interrupt the programming"). Second, Patent Owner's arguments in its Rehearing Request do not account for the context surrounding the statement Patent Owner agreed to during the Oral Hearing. *See* Reh'g Req. 12–13 n.2. Specifically, during the Oral Hearing, we explored Patent Owner's contention that the '490 patent does not discuss scrambling or descrambling and the related argument that *decrypting* (i.e., not interrupting) does not include descrambling. *See* '754 Tr. 37:20–39:18. During that discussion, we asked Patent Owner if the '490 patent only protects digital transmissions or also protects analog transmissions, and then

[3] The Oral Hearing in related IPR2016-00754 transpired on the same day with the Oral Hearing in the instant case, and both cases involve the '490 patent as an ancestor patent to the challenged patents. In the Final Written Decision, we cite the Oral Hearing Transcript in IPR2016-00754, referring to it as the "'754 Tr." *See* FWD 3 & n.1, 15.

pointed out (after Patent Owner demurred to the question) that as the '490 patent discloses protection of analog transmissions, decrypting must have included or meant descrambling. *See id.* at 38:7–39:19.[4] The Oral Hearing discussion did not include the other protection methods, which Patent Owner now attempts to insert as a caveat via its Rehearing Request into otherwise candid concessions made by Patent Owner's counsel during the Oral Hearing.

Patent Owner also argues that during prosecution of the '091 patent, Patent Owner "made three instances of disclaimer that limit 'decrypt' to operations on digital data and exclude operations on analog information." Reh'g Req. 8, 8–11 (asserting "First Disclaimer" (April 2011) "Second Disclaimer" (October 2011) and "Third Disclaimer" (December 2011)) (emphasis omitted).[5] Patent Owner characterizes this panel's response to

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[4] For example, Judge Easthom asks "are you saying that the '490 patent only deals with protecting digital transmissions? In other words, you were not trying to protect analog transmission -- analog programming. Is that your position?" *Id.* at 38:7–10. Patent Owner initially states, *inter alia*, "I would have to think about that longer, Your Honor." *Id.* at 38:11–12. Later, during the same discussion, Judge Easthom states "the ['490] patent is dealing with protecting analog transmissions, and if you say you don't have anything about descrambling in there, then you must be talking about protecting them with decrypting, which is the same thing as descrambling because they're analog"; and then Judge Easthom asks, "[s]o my question is, wasn't the thrust of the whole patent to protect all manner of transmissions?" *Id.* at 38:15–39:9. Patent Owner's counsel answers, *inter alia*, "it [the '490 patent] certainly describes a wide variety of transmissions and a wide variety of programming" and "the '490 specification certainly describes a variety of programming as a subject of its disclosure, absolutely." *Id.* at 39:13–18.

[5] Note, Patent Owner's *Third* Disclaimer of "October 2011" occurred *before* its *Second* Disclaimer" of "December 2011," but the First Disclaimer of "April 2011" corresponds to a linear time sequence (i.e., first in time). *See*

these three alleged disclaimers as an erroneous "reliance on claim differentiation," because we relied upon "e.g., the difference between 'encrypted information' and 'encrypted digital information.'" *Id.* at 11 (citing FWD 38–39; *Seachange Int'l, Inc. v. C-COR, Inc.*, 413 F.3d 1361, 1369 (Fed. Cir. 2005)).

Contrary to Patent Owner's arguments, analyzing "the difference between 'encrypted information' and 'encrypted digital information'" does not constitute a claim differentiation analysis. Rather, the terms "encrypted information" and "encrypted digital information" both appear in the same claim—i.e., in claim 13, and also in claim 20. *See* FWD 38–39. The claim differentiation doctrine applies to *different claims*. *See Seachange*, 413 F.3d at 1368 ("The doctrine of claim differentiation stems from 'the common sense notion that different words or phrases *used in separate claims* are presumed to indicate that the claims have different meanings and scope.'" (quoting *Karlin Tech. Inc. v. Surgical Dynamics, Inc.*, 177 F.3d 968, 971–72 (Fed. Cir. 1999) (emphasis added)). Patent Owner cites *Seachange*, but *Seachange* does not support Patent Owner's position, and Patent Owner does not attempt to explain how it supports Patent Owner's position. *See* Reh'g Req. 11.[6]

As discussed above, *Phillips* makes clear "the context in which a term is used in the asserted claim can be highly instructive." *See Phillips*, 415 F.3d at 1314 ("This court's cases provide numerous similar examples in

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Reh'g Req. 9–10.

[6] The analysis of claim 26 does not turn on claim differentiation either, because "encrypted information" recited in claim 26 takes the same meaning of "encrypted information" recited claims 13 and 20.

which the use of a term within the claim provides a firm basis for construing the term."). Patent Owner's arguments appear to conflate our use of resolving terms within the same claim with our claim differentiation analysis involving claim 18 of a related patent—the latter employed as an additional tool of claim construction. *Compare* FWD 37–42 (analyzing challenged claims 13, 20, and 26 with respect to prosecution history), *with* FWD 8–9 (analyzing claim 18 of a related patent under a claim differentiation analysis). Claim differentiation, of course, constitutes "a useful guide," but this panel only employed it as an additional tool, as noted. *See Phillips*, 415 F.3d at 1314–15 ("Differences among claims can also be a useful guide in understanding the meaning of particular claim terms. For example, the presence of a dependent claim that adds a particular limitation gives rise to a presumption that the limitation in question is not present in the independent claim.") (internal citations omitted).

In any event, notwithstanding Patent Owner's characterization, we addressed Patent Owner's prosecution history arguments. *See* Reh'g Req. 10–11; FWD 37–42.[7] We quoted *Phillips* for guidance:

> Like the specification, *the prosecution history provides evidence of how the PTO and the inventor understood the patent*. . . . Yet because the prosecution history represents an ongoing negotiation between the PTO and the applicant, rather than the final product of that negotiation, it often lacks the clarity of the

[7] A related part of the analysis involved comparing statements made by Patent Owner in other proceedings, including prior Board reexamination proceedings of related patents and district court proceedings, some of which Patent Owner incorporated into its arguments to the Examiner during prosecution of the '091 patent. *See* FWD 33–37, 39–40 (noting arguments by Patent Owner basing a claim distinction on use of a decryption key).

> specification and thus is less useful for claim construction purposes.

FWD 41 (quoting *Phillips*, 415 F.3d at 1317).

The cited prosecution history and record shows that the Examiner did not allow the application claims until Patent Owner filed its December 2011 amendments culminating in the issued claims, and then the Examiner specifically relied on reasons advanced by Patent Owner other than those related to the scope of decryption or encryption. *See* FWD 40–41 (citing Ex. 1040, 7–8). Specifically, in Exhibit 1040 (Notices of Allowance and Allowability), addressing application claim 45 (issued claim 13), the Examiner stated he "agrees with Applicant" per "Applicant's arguments filed 12/21/11" that Mason does not teach the "combination" of elements recited in "*amended* claim 45." Ex. 1040, 7–8 (citing "detecting in said encrypted digital information transmission the presence of an instruct-to-enable signal" and "'processing said instruct-to-enable signal' in combination with the other limitations of claim 45"). Similar remarks apply to application claim 52 (issued claim 20). *See id.* at 8 (citing the "combination" as a reason for allowance in "*amended* claim 52"). With respect to application claim 58 (issued claim 26), the Examiner allowed it because a reference to Pitts et al. "fails to teach or suggest 'automatically tuning said receiver station to a channel designated by said instruct-to-enable signal' and 'receiving enabling information from a remote source based on said step of tuning' in combination with the other limitations of claim 58."[8]

[8] Subtracting 32 from the application claim number yields the issued claim number; i.e., amended claims 45, 52, and 58 respectively correspond to issued claims 13, 20, and 26.

Id.; *see also* Ex. 1036, 14–17 (Examiner finally rejecting "method of decrypting" claims based on Mason, which discloses encrypted keys embedded in television programming); [9] Ex. 1038, 3 (Advisory Action responding to Patent Owner's arguments and previous amendments filed October 3, 2011 (Ex. 1037), finding that the claims then presented prior to their final form as issued were not "in condition for allowance because," *inter alia*, "Mason utilizes encryption keys" in transmissions, and the system "would be used to encrypt/decrypt digital signals.").

Alleging a third disclaimer (of October 2011) in its Rehearing Request, Patent Owner contends the following: "*The October 2011 office action response stated yet again* that 'decrypt' excludes analog signals. Ex. 1037 at 11 ('decryption requires a digital signal' and 'encryption and decryption are not broad enough to read on scrambling and unscrambling.')." Reh'g Req. 10 (emphasis added). Contrary to this contention in its Rehearing Request, the cited page of Exhibit 1037 shows Patent Owner *did not state* that that "'decrypt' excludes analog signals." Ex. 1037, 11. Rather, the October 2011 response by Patent Owner containing the alleged third disclaimer (Ex. 1037) ambiguously quotes statements from a reexamination Board decision for a related patent without adopting those statements as its own. *See* Ex. 1037, 10–11 (arguing "*the Board . . . decided* . . . that encryption requires a digital signal. . . . *The Board also said* that 'encryption and decryption are not broad enough to read on scrambling and

[9] The Examiner cites Mason at Figure 1 and column 3, lines 16–22 as disclosing a decryption method, where Mason discloses "decrypting the information signal A" (Ex. 1005, 3:22) using decrypting keys. Ex. 1005, 3:17–22; Ex. 1036, 15–16.

unscrambling'" (emphasis added) (citing BPAI Reexamination App. No. 2008-4228, Rexam. Control. No. 90/006,536, Ex. 2009)).[10] Patent Owner also did not tie those Board statements to any specific claim language in the issued claims (the claims were not yet in their issued form until December 2011). *See* Ex. 1037, 10–11.

After noting what "the Board decided," and "said," in the same October 2011 response, Patent Owner argued as follows:

> Claims 45–50 and 52–56 claim methods of decrypting programming at a receiver station. . . . Mason characterizes the invention as a Direct Broadcast Satellite ("DBS") system. . . . DBS systems were originally designed only to accommodate **analog transmissions**. **Mason does not contemplate digital transmissions, therefore it does not address encryption. Its scope is limited to scrambling and unscrambling.** Mason does not anticipate claims 45–50 and 52–56.

Reh'g Req. 10 (quoting Ex. 1037, 11 (emphasis in Rehearing Request)).

This prosecution statement incorrectly describes Mason, as the Examiner's findings set forth in the subsequent Advisory Action (November 2011) verify. *See* Ex. 1038, 3 (dismissing Patent Owner's October 2011 arguments and finding *inter alia*, "Mason utilizes encryption keys" in transmissions and the system "would be used to encrypt/decrypt digital signals"). Patent Owner's prosecution statement, as quoted above, also focuses on the prior art, Mason, but does not focus specifically on how the claimed invention differs from Mason, and ends with the conclusory

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[10] We discussed Rexam. Control. No. 90/006,536 in the Final Written Decision and discussed other decisions. *See* FWD 35, 33–36 & n.9 (noting generally that the prior decisions did not discuss the term "decrypting programming" or "the related distinction between 'encrypting digital information' versus 'encrypting information'").

statement that "Mason does not anticipate claims 45–50 and 52–56." *See N. Telecom Ltd. v. Samsung Elec. Co.*, 215 F.3d 1281, 1294 (Fed. Cir. 2000). ("We find the passage does not support Samsung's argument. In the main, paragraphs 1 and 2 above are descriptions of the asserted references, as opposed to a description of the 'plasma etching' process of claim 1. By contrast, it is paragraph 3 which describes the invention, and the specific way that the claimed process differs from the asserted references."); *In re Morris*, 127 F.3d 1048, 1056 (Fed. Cir. 1997) ("In all cases the appellants first describe their invention followed by a general description of the prior art reference. They then conclude with a conclusory statement . . . . Never do the appellants particularly distinguish their claimed invention . . . from the prior art. We interpret this as a veiled attempt to avoid the potential future effects of prosecution history estoppel. Such evasiveness we cannot condone, particularly when the public must rely on the written record to define the resulting property right.").

Patent Owner's quotation of its April 2011 (first disclaimer) response omits that the alleged disclaimer similarly relied upon what the Board said in the same case discussed above (BPAI Reexamination Appeal No. 2008-4228), and in any event, the Examiner finally rejected the claims after that alleged disclaimer. *See* Ex. 1035, 10–11 ("'Encryption and decryption,' the Board goes on to say, 'are not broad enough to read on scrambling and unscrambling.'"); Ex. 1036, 20–21 (final rejection, finding Mason teaches encryption and decryption); Reh'g Req. 8–9 (quoting portions of Ex. 1035, 9–10). Neither the first nor the third alleged disclaimer applies to the issued claims. As discussed further below, none of the three alleged disclaimers

addresses with requisite specificity the claim limitations at issue in this proceeding.

Moreover, similar to its December 2011 (second disclaimer) response, Patent Owner advanced additional arguments in its October 2011 (third disclaimer) response, noting "Mason uses the terms 'encrypting' and 'scrambling' interchangeably." *See* Ex. 1037, 11 ("Even assuming, *arguendo*, that Mason teaches the encryption and decryption of digital signals, claims 45–50 and 52–56 are not anticipated by Mason for at least the following [more detailed] reasons . . . .").

With respect to the final response, the December 2011 (second disclaimer) response and amendments that culminated with the issued claims, we determined the prosecution history "arguments do not clearly disavow mixed analog and digital information transmissions—i.e., they reasonably appear to allege that Mason does not teach encrypting *all of the digital information* sent during a given transmission (i.e., which may or may not include analog information)." FWD 38 (citing Ex. 1039, 10 (emphasis added in Final Written Decision)). Patent Owner does not dispute it argued Mason "does not teach *the encryption of an entire digital signal transmission*." Ex. 1039, 10 (emphasis added). That added argument reasonably may be part and parcel of the Examiner's reason, in addition to the "combination" recited in the claims, that the Examiner allowed the claims. *See* Ex. 1040, 7–8 (citing the "combination" and Patent Owner's latest amendments and arguments of December 2011 as reasons for allowance).

Patent Owner also contends it "**reaffirmed**" the April 2011 alleged first disclaimer in its December 2011 alleged second disclaimer by asserting

"this amendment in no way affects Appellants' position that encryption requires a digital signal." *See* Reh'g Req. 9–10 (quoting Ex. 1039, 10 in second quote). In addition to addressing the second disclaimer as outlined in the preceding paragraph, we further determined that the arguments made during prosecution, including the argument that "encryption requires a digital signal," does not "address clearly the issue of the difference between 'encrypted information' and 'encrypted digital information' *that lies at the heart of the claim constructions at issue here.*" *See* FWD 38–39 (emphasis added).

Given that Patent Owner also made more pointed arguments with its amendments in the December 2011 response (Ex. 1039, 11–13) that the Examiner accepted in allowing the claims (Ex. 1040, 7–8), Patent Owner's generic argument that "encryption requires a digital signal" (first and second alleged disclaimer, Reh'g Req. 9–10) presents an ambiguity. Primarily, amending the application claims to include "encrypted digital information" while arguing "encryption requires a digital signal" obscures the prosecution history record, because issued claims 13 and 20 clearly show that "encrypted information" does not require a digital signal—i.e., "encrypted digital information" and "encrypted information" necessarily mean different things, as discussed above and in the Final Written Decision. *See* Ex. 1039, 4–5 (amending application claims 45 and 52).

The prosecution arguments further obfuscate the record by advancing incorrect statements about Mason's disclosure as also discussed above. Accordingly, "a reasonable competitor" would not rely upon the alleged disclaimers. *See Rambus Inc. v. Infineon Technologies AG*, 318 F.3d 1081, 1090 (Fed. Cir. 2003) ("The prosecuting attorney's incorrect description of

the four new claims *does not govern over the language of those claims*. Moreover, in this case, the examiner made an examiner's amendment and amended each of the claims—including claim 26—after this untrue remark by the prosecuting attorney. In this context, a reasonable competitor would not rely on an untrue statement in the prosecution history over the express terms of the claims." (emphasis added)).

Further obscuring the picture, as noted above, the Examiner did not adopt Patent Owner's generic arguments and specifically relied on other arguments in conjunction with the amendments. *See* Ex. 1040, 7–8 (addressing claims 45–63, relying on the combination as argued by Patent Owner in its December 2011 response). Recently, our reviewing court noted "the applicant amended the claims and explained what was changed and why, and the examiner confirmed the reasons why the amended claims were deemed allowable." *Arendi S.A.R.L. v. Google LLC*, No. 2016-1249, slip op. at 7 (Fed. Cir., Feb. 20, 2018) (characterizing and quoting *ACCO Brands, Inc. v. Micro Sec. Devices, Inc.*, 346 F.3d 1075, 1078–79 (Fed. Cir. 2003) as "stating that the examiner's Reasons for Allowance made 'clear that the examiner and the applicant understood' what was changed and what the invention required"); *see also TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1064 (Fed. Cir. 2016) ("The Board found it significant that other amendments were made to the relevant claim, which apparently convinced the examiner of the patentability of the claimed invention over the prior art, without regard to the proposed addition of the word 'continuously' to the claims. . . . Though Samuels offered the '*continuously circumferential ridges*' limitation as one of several possible bases for distinguishing the prior

art, the Examiner never adopted Samuels' proposed amendment as a reason for allowing the claims over the prior art.").

Patent Owner's arguments in its Rehearing Request reduce to the assertion that the Examiner allowed claims by ignoring the term "encrypted information" in claims 13 and 20 as superfluous based on Patent Owner's alleged disclaimers and incorrect characterizations of Mason that the Examiner never adopted as correct. Setting aside the incorrect and varying characterizations of Mason, "[c]onstruing a claim in a way that renders a limitation unnecessary fails to take into account the context of the claim as a whole." *Am. Innotek v. United States*, 126 Fed. Cl. 468, 477–78 (Ct. Cl. 2016).

Patent Owner's arguments also rest on the premise that we simply should have construed "decrypting" in a vacuum without considering the relationship of that claim term to the other claim phrases, including "decrypting programming," "decrypting said encrypted information," "outputting said programming based on said step of decrypting," and "encrypted digital information transmission including encrypted information," as recited in claims 13 and 20. *See* Reh'g Req. 14 ("A proper construction of 'decrypt' also resolves this claim construction issue because 'encrypted information' must be digital."). Patent Owner also argues "[a] mere two passages in the specification should have decided the issue for decrypt." *Id.* at 4–5 (citing Ex. 1003, 147:21–26; 143:18–30).

Again, this line of reasoning runs counter to precedent. *Phillips*, 415 F.3d at 1314 ("This court's cases provide numerous similar examples in which the use of a term within the claim provides a firm basis for construing the term."); *ACTV, Inc. v. Walt Disney Co.*, 346 F.3d 1082, 1088 (Fed. Cir.

2003) ("While certain terms may be at the center of the claim construction debate, the context of the surrounding words of the claim must also be considered in determining the ordinary and customary meaning of those terms.")).

Of course, the claim language must be interpreted in terms of the '091 patent Specification as Patent Owner argues, but limiting the review to two passages paints a partial picture. And as the Final Written Decision notes, Patent Owner did not cite just two passages of the '091 patent Specification in its Patent Owner Response to support its argument that "the '091 patent makes a distinction between encryption and scrambling." FWD 22, 22–23 (listing multiple citations by Patent Owner). For example, Patent Owner pointed to a passage in the '490 patent regarding decryption and pointed to other passages in the '091 patent regarding encryption and decryption. *See* PO Resp. 10 (citing Ex. 1009, 4:61–52; Ex. 1003, 24:17–19, 73:34–36, 77:10–38, 101:51–58).

Focusing on the two passages cited in its Rehearing Request, Patent Owner quotes the '091 patent, which describes "decryptors, well known in the art" (Ex. 1003, 147:21–26) in the first passage, and discusses "prior art" scrambling, descrambling, encryption and decryption methods (*id.* at 143:18–30) in the second passage. *See* Reh'g Req. 4–5. Patent Owner characterizes the first passage as "definitional" and the second passage as "defin[ing] decryption as being distinct from analog descrambling." *Id.* (citing Ex. 1003, 147:21–26; Ex. 143:18–30).

Contrary to the arguments, the two cited passages describe prior art techniques and devices instead of introducing definitions for a claim term. *See* Ex. 1003, 147:21–26, 143:18–30. Even though the passages cited

describe different functions for "prior art" "well known" encryptors, scramblers, decryptors, and descramblers (*see id.*), the cited passages neither limit decryptors from performing descrambling nor limit encrypted information (as opposed to encrypted digital information) from including analog information.

The Final Written Description shows that the '091 patent and the '490 patent embrace embedded control and other signals into standard television signals, showing that the two patents support decryptors that descramble analog information. *See, e.g.*, FWD 23–30 (discussing embedded signals in analog television). Patent Owner acknowledges that claim 26 covers mixed analog/digital embodiments. *See* PO Resp. 8 ("Those mixed analog/digital embodiments support the broader 'information transmission' (claim 26) instead."). In light of Patent Owner's acknowledgement, claim 26 provides further evidence that decrypting includes descrambling. Even without that characterization of claim 26, contrary to Patent Owner's related argument that the Final Written Decision improperly turns on a single "controversial" sentence in the '091 patent (*see* Reh'g Req. 6–7), the Final Written Decision addresses numerous passages and figures in the '091 patent Specification, as Patent Owner notes in another context. *See, e.g.*, Reh'g Req. 11 ("the Decision spends some *twenty* pages addressing the construction of the 'decrypt' terms"); FWD 8–33, 52–60.

In addition, the Final Written Description explains that the "controversial" passage states "*decrypters . . . may be conventional descramblers*, well known in the art, that descramble analog television transmissions and are *actuated by receiving digital key information*." FWD 27 (quoting Ex. 1003, 159:47–61 (emphasis added)), 27–30 (addressing the

passage in light of other disclosures for consistency therewith). Patent Owner contends the passage only explains that "descramblers would replace decryptors in the case of analog television." Reh'g Req. 7. But the passage does not say that or use the term "replace," and the contention fails to explain how the *descrambler* would "*receiv[e] digital key information*" and then process that digital key information to descramble the analog program––i.e., the passage shows the *descrambler operates on the digital key* (e.g., decrypting an encrypted key), bolstering the finding that the '091 patent interchanges the decrypt and descramble functions. *See id.*; FWD 32 (discussing expert testimony), 33–34 (discussing Patent Owner's argument about an embedded digital key as "beyond the conventional scrambling/descrambling"); FWD 12 (Patent Owner agrees with our initial finding that both of "the patent[s] disclose[] . . . 'embodiments that involve mixtures of digital and analog information'" (quoting PO Resp. 8)).

Finally, Patent Owner claims priority to the 1981 '490 patent to support the challenged claims. PO Resp. 25–28 This shows Patent Owner relies, at least partially, on plain meanings of terms as viewed from the perspective of the 1981 time frame and as viewed in light of the '490 patent application. *See id.* Cited evidence of record shows that the terms decryption and encryption had no established meaning in 1981 and continued to be in flux up through the mid-1980s. *See* FWD 31–32 (citing Ex. 1001 ¶¶ 62–63). As an example, as noted above, during prosecution, Patent Owner described Mason, filed in 1984, as "us[ing] the terms 'encrypting' and 'scrambling' interchangeably." Ex. 1037, 11. As further noted in the Final Written Description,

> Patent Owner contended (in a reply brief to the Board [in a related reexamination proceeding]) that the inventor acted as a "*lexicographer*" so that "the inventor expressly advised the reader that by the terms encryption and decryption he means something *beyond the conventional* scrambling/descrambling relied upon by the Examiner, *such as the use of a decryption key*, which is not disclosed or suggested in any of the references relied upon by the Examiner." Ex. 2005, 41 (emphases added).

FWD 33–34 (quoting Ex. 2005, 41) (emphasis in FWD); *see also* PO Resp. 5 (Patent Owner arguing "the inventors *explicitly expanded the scope of 'encrypted'*" in another context (emphasis added)).

Patent Owner's Rehearing Request does not acknowledge that Patent Owner previously resorted to an alleged *lexicography* argument to overcome the "conventional" meaning of decryption so it not only includes descrambling, it also includes descrambling with "the use of a decryption key." *See* Ex. 2005, 41. In addition, although Patent Owner contends "the 'decrypt' terms should be construed to mean 'a method that uses a digital key in conjunction with an associated algorithm to decipher (render intelligible or usable) digital data,'" this construction, at least under one interpretation supported by the record, does not preclude descrambling of analog information after rendering the digital key data intelligible. *See* Reh'g Req. 3. At least the first two grounds based on Gilhousen and Mason satisfy this interpretation of Patent Owner's construction. *See* FWD 77–103. And as noted above and further below, Patent Owner argues "broader" claim 26 reads on "mixed analog/digital embodiments." *See* PO Resp. 8.

In summary, by not addressing the phrase "encrypted digital information transmission including encrypted information" during prosecution, presenting illogical and incorrect arguments with respect to Mason and the claims, and presenting other arguments the Examiner

accepted in light of the amendments, the prosecution history presents a murky picture as opposed to a clear waiver. *See Inverness Med. Switz. GmbH v. Warner Lambert Co.*, 309 F.3d 1373, 1380–82 (Fed. Cir. 2002) (the ambiguity of the prosecution history made it less relevant to claim construction); *Athletic Alternatives, Inc. v. Prince Mfg., Inc.*, 73 F.3d 1573, 1580 (Fed. Cir. 1996) (the ambiguity of the prosecution history made it "unhelpful as an interpretive resource" for claim construction); *Rambus*, 318 F.3d at 1090 (Fed. Cir. 2003) ("*In this context, a reasonable competitor would not rely on an untrue statement in the prosecution history over the express terms of the claims*." (emphasis added)).

Even in this proceeding, Patent Owner presents arguments that contradict its alleged prosecution history disclaimers. As one example cited in the Final Written Decision, Patent Owner argues as follows in the instant proceeding:

> The fact, as the Board points out, that the ['091] patent discloses some "embodiments that involve mixtures of digital and analog information" (Dec., 10) has little bearing on the scope of "encrypted digital information transmission" *because this disputed term, constrained by the "encrypted digital" modifier*, need not and cannot cover all the disclosed embodiments. *Those mixed analog/digital embodiments support the broader "information transmission" (claim 26) instead*.

PO Resp. 8 (emphasis added); FWD 9 (citing PO Resp. 8 and quoting part of the argument).

As the passage quoted above shows, Patent Owner argues challenged claim 26, which recites "encrypted information," covers "mixed analog/digital embodiments," contradicting its arguments that it disclaimed the term encryption itself as requiring digital information. Similarly, Patent Owner argues the "'encrypted digital' modifier" of claims 13 and 20

constrains those claims, again, directly contradicting its arguments that encryption itself constrains the claims to digital.

"[T]he Supreme Court made clear that the claims are 'of primary importance, in the effort to ascertain precisely what it is that is patented.'" *Phillips*, 415 F.3d at 1312 (quoting *Merrill v. Yeomans*, 94 U.S. 568, 570, (1876)). "Because the patentee is required to 'define precisely what his invention is,' the Court explained, it is 'unjust to the public, as well as an evasion of the law, to construe it in a manner different from the plain import of its terms.'" *Id.* (quoting *White v. Dunbar*, 119 U.S. 47, 52, (1886)).

Patent Owner also contends "[t]he Board . . . cites *Builders Concrete, Inc. v. Bremerton Concrete Prods. Co.*, 757 F.2d 255, 258 (Fed. Cir. 1985) for the notion that prosecution disclaimer is an 'equitable tool' that the Board is free to disregard." Reh'g Req. 13. As discussed above, we did not disregard Patent Owner's alleged prosecution disclaimers. Patent Owner also argues that "*Builders Concrete* involves file history estoppel and is thus inapposite." *Id.* Contrary to the thrust of this argument, "[t]he same general tenets that apply to prosecution history estoppel apply to prosecution history disclaimer." *TriVascular*, 812 F.3d at 1063 (citing *Regents of Univ. of Minnesota v. AGA Med. Corp.*, 717 F.3d 929, 942 (Fed. Cir. 2013) as "drawing a parallel between prosecution history estoppel barring an equivalence argument under the doctrine of equivalents and prosecution history disclaimer"). "Both doctrines require that the claims of a patent be interpreted in light of the proceedings in the PTO during the application process." *Id.* (citing *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 733 (2002)).

III. CONCLUSION

Based on the foregoing, Patent Owner fails to show that the Final Written Decision overlooks or misapprehends a matter previously addressed by Patent Owner.

IV. ORDER

For the reasons given, it is ORDERED that the Patent Owner's Rehearing Request is *denied*.

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