EXHIBIT 7

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Req for Recon
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PATENT
Attorney Docket No. 2473.0001-03

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	
PAUL YURT et al.	Group Art Unit: 2614
Serial No.: 08/630,590	Examiner: Amanda Le
Filed: April 10, 1996	
For: AUDIO AND VIDEO TRANSMISSION AND RECEIVING SYSTEM	

Assistant Commissioner of Patents
Washington, D.C. 20231

AMENDMENT

Sir:

In response to the July 24, 1997 Office Action, please consider the following Remarks:

REMARKS

In the Office Action, the Examiner rejected claims 33 and 34 under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No. 5,195,092 issued to Wilson et al. The Wilson et al. patent discloses an interactive multimedia presentation and communication system. More specifically, Wilson et al teaches an "electronic shopping mall" in which a subscriber tunes his television to a particular channel,

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telephones a local number, follows log-on instructions given over the telephone, and then uses the touch-tone keypad of his telephone to navigate through an electronic information system that displays multimedia presentations in the form of video images and accompanying audio on various items selected by the subscriber. See col. 1, lines 19-37. When the shopper chooses to terminate a shopping session, he simply hangs up his phone. The hang-up signal is routed to the session server and a termination script is sent to the subscriber. System resources can then be assigned to a subsequent shopper. See col. 30, lines 19-35.

Wilson et al. teaches a system significantly different from the present invention. For example, Wilson et al. requires that the shopper be connected to the system resources by telephone for the duration of the transaction. This limits both telephone use by the subscriber as well as the availability of system resources to other subscribers. Furthermore, in Wilson et al. the subscriber is required to be physically present at the location to which information is transmitted.

In contrast, the present invention provides a flexible system in which a user can remotely access information. That is, the user can request transmission of information to a site remote from the requesting site. Additionally, with the present invention the user does not have to be connected by telephone when information is transmitted from the library to the selected remote location. This frees up system resources for use by others and makes the system much more convenient to use than that disclosed in Wilson et al.

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The Examiner next rejected claims 35-42 under 35 U.S.C. § 102(e) as by U.S. Patent No. 5,130,792 issued to Tindell et al.

The Tindell et al. patent discloses a store and forward video system. According to Tindell et al., data from a central data facility 10 is transmitted over telephone network 12 to a receiving unit 16. Fig. 5 of Tindell et al. discloses the details of the receiving unit 16, which, according to Tindell et al., is at a remote location. The receiving unit 16 receives information from the telephone network and ultimately stores the information in a mass storage device 78. The data is stored in the mass storage device 78 in a compressed format and is stored until the entire requested program is downloaded from the central data facility 10. According to Tindell et al., the mass storage device 78 is preferably an erasable optical disk or other similar high density storage medium. When a viewer selects the play mode, the control unit 72 causes the data stored in the mass storage device 78 to be transferred through storage interface 76 to data decompression unit 82. The signal is A/D converted and reconstructed and then the composite video signal is output for viewing.

As is clear from Tindell et al., the receiving unit 16 at the user premises contains the mass storage device 78 and stores the compressed programming for viewing after decompression and processing. In contrast, according to the present invention, the compressed data is stored at a local reception system (claim 35) or a local distribution system (claims 39 and 42). The compressed data is stored at the

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local facility and is sent at a real time rate to a subscriber receiving station. Use of a local reception or distribution system is neither taught nor suggested by Tindell et al. and such a system considerably simplifies and reduces the cost of the components required at the user end. That is, by storing the requested compressed information locally, the subscriber does not need to have compressed data storage or decompression circuitry at his location. Rather, a local facility can have these elements and they can be distributed or shared between a plurality of users in a local region.

If there are any other fees due in connection with the filing of this Amendment, please charge the fees to our Deposit Account No. 06-0916. If a fee is required for an extension of time under 37 C.F.R. § 1.136 not accounted for above, such an extension is requested and the fee should also be charged to our Deposit Account.

Respectfully submitted,

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By: _____
E. Robert Yoches
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Dated: November 21, 1997

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