IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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WEBGROUP CZECH REPUBLIC, A.S.,

Petitioner,

v.

DISH TECHNOLOGIES L.L.C.,

Patent Owner.

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Case No. IPR2025-00470

U.S. Patent No. 11,677,798

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PETITIONERS' RESPONSE TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION

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I. INTRODUCTION[1]

Patent Owner's Request for Discretionary Denial (Paper 7, "Request") does much to blame Petitioner for the actions of unrelated third parties. It was Patent Owner who chose to sue Petitioner on six similar patents. And Petitioner timely filed Petitions against those patents. These petitions are the very first time Petitioner has appeared before the PTAB in an AIA proceeding. To hold the actions of others against Petitioner would be unjust and contrary to Board precedent.

Cutting through Patent Owner's summary, this patent has been challenged in an IPR three previous times: (1) one that was instituted where most claims, including all independent claims, were found unpatentable (IPR2024-00043, "Ogdon IPR"), (2) a copy-cat of the first for purposes of joinder (IPR2024-00901), and (3) a follow-

[1] Although Patent Owner's Preliminary Response was due on June 17, this paper is due on June 20, 2025. The Board entered a Notice of Filing Date Accorded on March 17, 2025. According to FAQ #2 of the FAQs for Interim Process for PTAB Workload Management, Patent Owner's Request for Discretionary Denial was due "two months of the date on which the PTAB enters" the NAFD, which would have been May 17, a Saturday. Pursuant to 37 C.F.R. § 1.7, Patent Owner's Request was due May 19, the next business day.

Again, according to FAQ #2, Petitioner's Response was due "1 month after the due date" for Patent Owner's brief, *i.e.* June 19, which is a federal holiday. Again, pursuant to 37 C.F.R. § 1.7, Petitioner's Response is due on June 20, the next business day. Although FAQ #2 also states Petitioner's Response may be due "on the due date for the patent owner preliminary response," the Director has indicated in a different case that the "1 month" rule applies even when Patent Owner's brief is subject to 37 C.F.R. § 1.7. Ex. 1100.

on petition by the first Petitioner that was denied under Section 325(d) (IPR2024-00517, "Leaning IPR"). In other words, the Board has only substantively considered the merits of this patent once, and found at least all but one of the independent claims unpatentable. Petitioner's request that the Board take another look at the patent, including the surviving claims, is reasonable and strengthens the patent system by ensuring only novel and non-obvious patents survive.

II. THE WORKLOAD MANAGEMENT FACTORS DO NOT FAVOR DENIAL

A. Factor 1: Prior Adjudication

Patent Owner argues the '798 patent has already been adjudicated in a previous IPR. Request at 17. However, that proceeding found 11 of the 21 challenged claims to be unpatentable, including all independent claims. IPR2024-00046, Paper 63. Ten claims were found patentable, and 4 remaining claims were not adjudicated. Accordingly, nearly a third of the surviving claims of the '798 patent have never been adjudicated, which weighs against denial.

Moreover, as explained below, the Board's prior adjudication should not be held against Petitioner for the principles described in *General Plastic* and other precedential decisions. In addition, the Board's decision finding that the majority of claims, including all independent claims, are unpatentable raises serious doubts as to the validity of the challenged claims here in view of the art presented here.

In addition, although the Director instructed parties to consider *Fintiv*, Patent Owner does not address any of the *Fintiv* factors, even though the Petition discusses them. In particular, no trial date is currently set. This heavily weighs against denial.

B. Factor 2: Changes in Law

Petitioner agrees that there have not been any meaningful changes in law relevant to the patentability of the challenged claims since 2019. This factor weighs against denial.

C. Factor 3: Strength of Challenge

As evidenced by the weakness of Patent Owner's arguments, the strength of the Petition is strong, which weighs against denial.

First, Patent Owner argues that Petitioner has not shown Leaning qualifies as prior art, merely because Petitioner made a typographical error and asserted Leaning is prior art under pre-AIA 35 U.S.C. §102(b). Request at 18-19. Yet there is no dispute that Leaning was filed years before the '798 patent's earliest filing date, making it prior art under at least pre-AIA 35 U.S.C. §102(e). Patent Owner makes no attempt to show that it conceived of the patent before Leaning was filed.

Second, Patent Owner argues that Leaning's H.261 codec cannot use switching bitrates. Request at 19-20. This is plainly incorrect, as Leaning itself explains how to use switching bitrates under the H.261 codec. Ex. 1004, 13:34-15:5 (explaining that the switching bitrates "problem can be solved by using the principle

described in our international patent application No. WO98/26604" and proceeding to explain that principle). In addition, the Petition alternatively relies on MPEG codecs, which Leaning expressly states has no problems with switching bitrates. Pet. 21-22; Ex. 1004, 13:4-8.

Third, having little more to say on the merits of Petitioner's combination, Patent Owner argues that secondary considerations rebut Petitioner's obviousness theory. As Petitioner argued in its Petition, Federal Circuit precedent requires that objective indicia have a nexus to unique ***claimed*** features. Pet. 63-64; *Magseis FF LLC v. Seabed Geosolutions (US) Inc.*, 860 F. App'x 746, 752 (Fed. Cir. 2021). Petitioner's focus on "smooth unique experience" is telling—nowhere in the challenged claims does it require a smooth unique experience, nor does Patent Owner argue that the claims should be construed as so limited.

D. Factor 4: Reliance on expert testimony

Patent Owner argues that the Petition matches the wording of the expert declaration and therefore is "conclusory and lacking in rational underpinnings." Request at 23-24. The expert's declaration provides significant citations to the prior art and provides detailed explanations for how those disclosures meet or render obvious the challenged limitations. That the Petition uses similar wording does not render the expert's opinions conclusory or irrational.

Patent Owner also argues that the Petition relies on the expert to find things "obvious without any evidentiary support beyond the expert's word." Request at 23. Patent Owner points to the Petition's reliance on its expert for the undisputed and plainly obvious assertion that video encodings require higher bitrates than audio encodings. Request at 23. However, Petitioner relied on documentary evidence to show that well-known and long-standing video codecs were known to use the claimed bitrates, and Patent Owner does not dispute these assertions. Pet. 20-22 (citing Ex. 1001, 1004, and 1014). In addition, Petitioner relied on an alternative ground using Reme for the claimed bitrates, which Patent Owner does not address.

Patent Owner next argues that Petitioner overly relied on its expert for the claimed ten-second delay. Request at 23-24. Not so. The Petition heavily relies on the '554 patent itself to show that the claimed 10-second delay is admittedly found in the prior art and inherent in the codecs described by Leaning. Pet. 37-38. Moreover, this argument only applies to claim 20, which does not justify denying the entire petition.

E. Factor 5: settled expectations

The '798 patent recently issued in 2023. As a result, this Petition presents an "early challenge" that "favor[s] robust, predictable patent rights and weigh[s] against discretionary denial." *Imperative Care, Inc. v. Inari Medical, Inc.*, IPR2025-00289,

Paper 9 at 2; *cf. iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 3 (denying institution because challenged patent had been in force for 13 years).

Patent Owner relies on the priority chain, claiming that since the earliest patent issued in October 19, 2010, the public has been on notice of such patents for "many years." Request at 24. However, the validity of the entire family of patents was called into question when, in May 2024, upon the first IPR challenges to the family of patents, the Board began instituting those challenges. *See* IPR2024-00917, -00918, -00919, -00940. Thus, there can be no settled expectations now that any of the patents in the family are valid.

F. Factor 6: Compelling economic and public health interests

Patent Owner argues that there are compelling economic interests due to DISH licensing its patents. Patent Owner's purely private economic interests are not a compelling public interest. Indeed, the public has a compelling interest in ensuring only valid patents are enforced, especially since license fees are likely to be passed on to the general public. This is especially the case where the majority of the claims, including all independent claims, were previously held to be unpatentable.

Patent Owner also attempts to impugn Petitioner's reputation by raising unproved, salacious allegations that Petitioner engages in "sex trafficking" and "distribution of child pornography." Request at 24-25. Such allegations have no place in the Director's determination.

III. *GENERAL PLASTIC* DOES NOT FAVOR DENIAL

General Plastic requires "consider[ing] any relationship between" the petitioners. Thus, in the precedential decision *Valve*, the Board found that the petitioners there "were co-defendants in the District Court litigation and were accused of infringing the '935 patent based on" the same device involving both petitioners' technologies. *Valve Corp. v. Electronic Scripting Products, Inc.*, IPR2019-00064, Paper 10 at 10. By contrast, here Petitioner has no relationship whatsoever with the previous petitioner Aylo. This removes this petition from the ambit of *General Plastic*. *See Videndum Production Solutions, Inc. v. Rotolight Ltd.*, IPR2023-01218, Paper 12 at 6 ("[A]pplying existing USPTO policy and precedent, I determine that where, as here, the first and second petitioners are neither the same party, nor possess a significant relationship under *Valve, General Plastic* factor one necessarily outweighs the other *General Plastic* factors") (director review).

Patent Owner concocts a purported relationship between Petitioner and Aylo by asserting "use of prior petitions as a roadmap for its own petition ties the interests of all of the petitioners together." Request at 35 (quoting *Ericsson Inc. v. Uniloc 2017, LLC*, 2019-01550, Paper 8 at 12). The non-precedential *Ericsson* decision is inconsistent with the more recent decision from the Director in *Videndum*, which again was based on "existing USPTO policy and precedent" that has not since changed. *Videndum*, IPR2023-01218, Paper 12 at 6. It is also inconsistent with

other recent Board decisions. *See, e.g., Ford Motor Co. v. Neo Wireless LLC*, IPR2023-00763, Paper 28 at 11 (explaining that a *General Plastic*-based discretionary denial was not justified when a "significant relationship" vis-à-vis the challenged patent was not present); *Cellco P'ship v. Gen. Access Sols., Ltd.*, IPR2023-00978, Paper 20 at 19 (PTAB Dec. 14, 2023) (where a legally significant relationship between the two petitioners has not been established, finding that *General Plastic* factors 2–5 "bear little relevance" absent extenuating circumstances) (quoting *Alcatel-Lucent USA Inc. v. Oyster Optics*, LLC, IPR2017-02146, Paper 12 at 12 (PTAB Feb. 28, 2018)); *Micron Tech., Inc. v. Sonrai Memory Ltd.*, IPR2023-00909, Paper 7 at 8 (PTAB Nov. 28, 2023) (finding that *General Plastic* factors 1–5 weigh against denying institution where it is the first time the second petitioner has challenged the patent and there is no relationship between the first and second petitioners).

Regardless, even if *Ericsson* applied, Petitioner at most only used Aylo's Leaning IPR, which was denied institution not on the merits, but under *General Plastic*. IPR2024-00512, Paper 12. Because Aylo's Leaning IPR was not denied on its merits, Petitioner could derive no benefit from that denial, and the Board's precedent does not allow *General Plastic* to apply. *Code200, UAB et al. v. Bright Data Ltd.*, IPR2022-00861, Paper 18 at (precedential) ("Holding otherwise would undercut the congressional grant to the United States Patent and Trademark Office

of 'significant power to revisit and revise earlier patent grants' as a mechanism 'to improve patent quality and restore confidence in the presumption of validity that comes with issued patents.' *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 272 (2016) (quoting H.R. Rep. No. 112-98, pt. 1, at 45, 48).").

But even if the Director were to consider the remaining *General Plastic* factors, combined with Factor 1, they do not weigh in favor of denial.

As just discussed, Factor 1 heavily weighs against denial under *Videndum* and other Board decisions.

Factor 2, which considers "whether at the time of the filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it," weighs against denial. When either of Aylo's petitions were filed, Petitioner was not aware of the prior art asserted in the instant Petition. Indeed, Patent Owner only contends that "Petitioner had knowledge of ***two of the five*** references asserted in the Petition for at least 11 months prior to filing this Petition," *i.e.* "shortly after" Aylo filed its second petition on January 30, 2024. Request at 36-37.

Factor 3, which considers "whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition," weighs against denial. Patent Owner argues that Petitioner had access to

both the POPR and Institution Decision from Aylo's Leaning IPR, as well as the "complete trial record in the Aylo Ogdon IPRs." Request at 39-40. However, as Patent Owner acknowledges, the "core concern under this factor is whether Petitioner had the opportunity to tailor its arguments to address issues identified by the patent owner and/or the Board during a prior proceeding." Request at 40 (quoting IPR2017-01354, Paper 16 at 11). Petitioner could not have used the previous IPRs as any sort of roadmap to tailor its arguments.

With respect to Aylo's Leaning IPR, Petitioner could not have used the POPR or Institution Decision as a roadmap because neither addressed the merits of Aylo's Leaning IPR. Instead, Patent Owner only argued for discretionary denial and secondary considerations, and the former was the only basis for the Board's denial.

With respect to Aylo's Ogdon IPR, that IPR was ***instituted***, and no final decision had issued by the time Petitioner filed the instant petition. Moreover, Patent Owner's arguments during trial in the Ogdon IPR was not a roadmap because the Petition here relies on completely different prior art.

Factors 4 and 5, which consider the length of time between petitioner learning of the prior art and the filing of the second petition, and if there was any adequate explanation for the time elapsed, weigh against denial. Only two of the prior art references of the five used in the instant Petition were known soon after Aylo filed the Leaning IPR, which was only 11 months before the instant Petition. The other

three references were not known to Petitioner until a few months before the filing of the instant Petition. Neither length of time is an unreasonable delay, as such time was necessary to prepare the Petition and expert declaration.

Factor 6, which considers the "finite resources of the Board," weighs against denial. The Board has already held all of the independent claims of the '798 patent unpatentable, and most of the dependent claims. Thus, the surviving claims do not require expenditure of significant resources by the Board to adjudicate, as similar claims have already been held as anticipated or obvious. This should limit the scope of disputes between the parties. Patent Owner also argues that the completed full trial in the Aylo Ogdon IPR makes this proceeding a waste of resources. Request at 44. To the contrary, this is a sunk cost fallacy and in any case, the Board's decision in the Ogdon IPR may create efficiencies in adjudicating this IPR by potentially limiting the scope of disputes to those limitations not already held unpatentable.

Finally, Factor 7, which considers the Board's one-year requirement to issue a final determination, also weighs against denial. As just discussed, because most of the limitations of the challenged claims have already been held to be unpatentable, the scope of disputes should be limited to the surviving claims. Thus, the Board should have no issue meeting its one-year statutory deadline given the potential efficiencies from the previous decision.

IV. *ADVANCED BIONICS* WEIGHS AGAINST DENIAL

Finally, Patent Owner argues *Advanced Bionics* weighs in favor of denial because of the examiner and the Board's consideration of art that is "cumulative of disclosures in the Leaning" reference relied on by Petitioner, specifically other Leaning references. Request at 45-51.

With respect to the Aylo Leaning IPR, the Board did not actually consider the art presented, as the Board exercised its discretion to deny under *General Plastic* based on grounds relating to Aylo's prior petitions.

While the examiner did consider a reference similar to the Leaning reference relied on here, there is no contention that the examiner considered any of the other references in the Petition. Accordingly, the examiner did not consider the arguments presented in the Petition. *See Microsoft Corp. v. Partec Cluster Competence Center GmbH*, IPR2025-00318, Paper 9 at 1 (declining to deny when secondary references were not presented to the patent examiner).

Moreover, the examiner erred in overlooking the Leaning reference cited during prosecution. Leaning was never "a basis for rejection during examination" and, as shown in the Petition, Leaning "includes specific teachings that impact patentability of the challenged claims." *Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 5 (precedential). Indeed, the '798 patent was allowed for the same reasons as the allowance of related patent U.S. Patent No.

11,470, 138, where the examiner failed to find in the prior art the limitation requiring each stream to be of fixed length, but variable file size. Ex. 1002, 101; IPR2025-00469, Ex. 1002, 130-133. Yet Patent Owner does not dispute that Leaning teaches this limitation. *Tesla, Inc. v. Charge Fusion Technologies, LLC*, IPR2025-00152, Paper 11 at 1 (finding examiner erred by overlooking a reference where Patent Owner does not dispute that it teaches the limitation that overcame the prior art during examination). Finally, Leaning was buried in an IDS containing 205 references, with no indication from the applicant that it was particularly relevant—and this IDS was also filed on the same day with a dozen other IDS's. Ex. 1002, 411; *see Ecto World*, Paper 13 at 6 ("[T]he Board should consider a petitioner's argument based on the volume of the references submitted to the Office during examination and any applicant information or assistance regarding the relevance of references."). Thus, denial is not warranted under *Advanced Bionics*.

V. CONCLUSION

For these reasons, the Director should not exercise her discretion to deny and should submit this Petition to the panel for review of its merits.

Date: June 20, 2025

Respectfully submitted,

By: */s/ James M. Glass*
James M. Glass
QUINN EMANUEL URQUHART
& SULLIVAN, LLP
295 5th Avenue, 9th Floor
New York, New York 10016
Tel: (212) 849-7000
Fax: (212) 849-7100

Counsel for Petitioner

CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATION, TYPEFACE REQUIREMENTS, AND TYPE STYLE REQUIREMENTS

1. This paper complies with the type-volume limitation of 14,000 words, comprising 3,040 words, as counted using the Microsoft Word software that was used to prepare this paper, excluding the parts exempted by 37 C.F.R. § 42.24(a).

2. This Petition complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word in 14-point Times New Roman.

Date: June 20, 2025

By: */s/ James M. Glass*

James M. Glass
QUINN EMANUEL URQUHART & SULLIVAN, LLP
295 5th Avenue, 9th Floor
New York, New York 10016
Tel: (212) 849-7000
Fax: (212) 849-7100

Counsel for Petitioners

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 20, 2025, true and correct copies of the foregoing document were served via electronic mail to Patent Owner's counsel of record:

eliot.williams@bakerbotts.com
hop.guy@bakerbotts.com
ali.dhanani@bakerbotts.com
thomas.carter@bakerbotts.com
andrew.wilson@bakerbotts.com
jamie.lynn@bakerbotts.com
DishvMindGeek@BakerBotts.com

Date: June 20, 2025

By: */s/ James M. Glass*

James M. Glass
QUINN EMANUEL URQUHART
& SULLIVAN, LLP
295 5th Avenue, 9th Floor
New York, New York 10016
Tel: (212) 849-7000
Fax: (212) 849-7100

Counsel for Petitioners