UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SNAP INC. and HISENSE USA CORPORATION,

v.

NOKIA TECHNOLOGIES OY,
Patent Owner.

_____

IPR2025-01375
U.S. Patent No. 11,805,267

_____

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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Ex. No.	Title	Previously Submitted
2001	Order No. 25 Granting-in-Part Joint Unopposed Motion to Modify the Adopted Procedural Schedule to Extend Fact and Expert Discovery [Motion Docket No. 1448-020]	
2002	Original Complaint in ITC Investigation No. 337-TA-1448, dated April 11, 2025	
2003	Respondents' Initial Invalidity Contentions in Investigation No. 337-TA-1448, dated July 1, 2025	
2004	USP 11,805,267 Invalidity Chart – EP2249572 (Wada) From the -1448 ITC Investigation	
2005	USP 11,805,267 Invalidity Chart – (Srinivasan) from the -1448 ITC Investigation	
2006	USP 11,805,267 Invalidity Chart – Karczewicz I and Karczewicz II from the -1448 ITC Investigation	
2007	European Patent Application EP2249572A1	
2008	Bio of Marta Karczewicz EPO.org	
2009	USP 11,805,267 Invalidity Chart – (Srinivasan), Exhibit E-1 from the -1380 ITC Investigation	
2010	USP 11,805,267 Invalidity Chart – Karczewicz I, Exhibit E-6 from the -1380 ITC Investigation	
2011	USP 11,805,267 Invalidity Chart – Karczewicz II, Exhibit E-5 from the -1380 ITC Investigation	
2012	Initial Determination on Violation of Section 337 and Recommended Determination on Remedy and Bond, Investigation No. 337-TA-1380, dated December 20, 2024	
2013	Revision to Rules of Practice before the Patent Trial and Appeal Board, 37 CFR Part 42 [Docket No. PTO-P-2025-0025]	

Pursuant to the Director's March 26, 2025 Memorandum concerning "Interim Processes for PTAB Workload Management" ("March 26, 2025 Memorandum"), Patent Owner Nokia Technologies Oy ("Nokia") respectfully requests that the Director exercise her discretion and deny institution of Petitioners' Snap Inc. and Hisense USA Corporation's (collectively, "Petitioners") Petition for *inter partes* review of U.S. Patent No. 11,805,267 ("the '267 Patent").

The Director has already discretionarily denied the institution of a similar Petition challenging the patentability of the '267 Patent. IPR2025-01154, Paper 14. That Petition asserted two of the same prior art references asserted in the present Petition (Karczewicz -I and Karczewicz-II) and, as in that case, in a co-pending ITC Investigation to which Petitioner Hisense is a named party. The Director should discretionarily deny institution of this Petition for the same reasons.

This Petition presents a clear case in which both the *Fintiv* factors and the Director's March 26, 2025 Memorandum strongly support discretionary denial of institution. The validity of the '267 Patent is being challenged in a second, parallel ITC proceeding that whose trial will take place ***over one year prior to any Final Written Decision ("FWD") that would issue from this case***. Further, the Final Initial Determination and Final Determination from the ITC will both be issued months before the scheduled FWD.

Moreover, while Petitioners identify another ITC proceeding (*Certain Video Capable Electronic Devices, Including Computers, Streaming Devices, Televisions, and Components and Modules Thereof*, Inv. No. 337-TA-1380 (ITC)) as a related proceeding, they fail to mention that ***the '267 Patent was held valid by the ITC in that dispute***. The reasons for this omission are clear—the Director has found that prior adjudications of validity weigh in favor of discretionary denial of institution.

For these reasons and the reasons identified below, Nokia respectfully requests that the Director exercise discretion under § 314(a) and deny institution.

I. THE DIRECTOR SHOULD EXERCISE DISCRETION UNDER SECTION 314 AND DENY INSTITUTION

35 U.S.C. § 314(a) provides the Director with discretion to deny institution of any *inter partes* review proceeding because of the state of parallel proceedings regarding the same issues and patents. 35 U.S.C. § 314(a); *Harmonic Inc. v. Avid Tech.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) ("[T]he PTO is permitted, but never compelled, to institute an IPR proceeding."). The Director has applied that discretion where efficiency considerations stemming from parallel proceedings on the same patent warrant denial of institution. *See NHK Spring Co. v. Intri-Plex., Inc.*, IPR2018-00752, Paper 8 at 11 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019) ("*NHK Spring*").

A. The *Fintiv* Factors Weigh Heavily in Favor of Discretionary Denial

The Director should deny institution under 35 U.S.C. § 314 because all six *Fintiv* factors favor discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv I*"); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 7-8 (PTAB May 13, 2020) (order denying institution) (informative, designated July 13, 2020) ("*Fintiv II*"). A parallel ITC investigation (*Certain Video-Capable Laptop, Desktop Computers, Handheld Computers, Tablets, Televisions, Projectors, and Components and Modules Thereof*; Inv. No. 337-TA-1448 (Violation), ("-1448 ITC Investigation")) involving the same claims and same prior art will conclude months in advance of any FWD that would issue from this IPR. Moreover, Petitioner Hisense is a named party in the parallel ITC investigation, and efficiency considerations stemming from the parallel proceeding on the same patent warrant denial of institution, particularly since the patent claims were held to be valid in an earlier ITC proceeding. *NHK Spring*, Paper 8 at 11.

Six factors stemming from the decisions in *Fintiv I* and *Fintiv II* are considered by the Director when determining whether efficiency considerations mandate discretionary denial in view of a parallel proceeding. These factors include: (1) whether the court granted a stay or evidence exists that one may be

granted if a proceeding is instituted; (2) proximity of the court's trial date to the Board's projected statutory deadline for a final written decision; (3) investment in the parallel proceeding by the court and the parties; (4) overlap between issues raised in the petition and the parallel proceeding; (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and (6) other circumstances that impact the Board's exercise of discretion. *Fintiv I* at 5-6.

When deciding whether to exercise discretion in denying institution of *inter partes* review, the Board typically "takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review." *Fintiv II* at 7-8. A holistic view of the current proceedings warrants denial of institution. In this proceeding, all six *Fintiv* factors weigh in favor of discretionary denial in view of the parallel -1448 ITC Investigation. As noted above, trial in the parallel ITC proceeding will take place almost one year in advance of any FWD issued in this case. Moreover, a stay of the ITC proceeding is extremely unlikely, and Petitioners have failed to offer any stipulation that would meaningfully mitigate any overlap in validity proceedings in the ITC case.

B. *Fintiv* Factor 1 – A Stay of the ITC Case is Unlikely

The first *Fintiv* factor concerns "whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted." *Fintiv* I at 5-6. This factor weighs in favor of denial of institution.

The parallel -1448 ITC Investigation is proceeding toward trial in March 2026, while a FWD in this case would be issued in April 2027. By the time an institution decision issues in this case, trial in the -1448 ITC Investigation will complete. EX-2001, 4 (Order No. 25 Granting-in-Part Joint Unopposed Motion to Modify the Adopted Procedural Schedule to Extend Fact and Expert Discovery [Motion Docket No. 1448-020])) (identifying March 4-6 and 9-12, 2026, as the dates of the ITC Evidentiary Hearing, while the projected date of an institution decision in this proceeding is April 7, 2026). Petitioner Hisense has not sought a stay of the ITC proceeding, and any such stay is extremely unlikely given how advanced the case will be before an institution decision issues in this IPR

The March 24, 2025 Memorandum issued by Chief Judge Boalick, entitled "Guidance on USPTO's rescission of "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation" ("March 24, 2025 Memorandum") explicitly states that "the Board will apply the *Fintiv* factors when here is a parallel proceeding with the International Trade Commission (ITC)." March 24, 2025 Memorandum at 2. *Fintiv* expressly addresses ITC Investigations. *Hewlett Packard Enter. Co. v. Q3 Networking LLC*, IPR2021-00754, Paper 9 at 8-9 (PTAB Oct. 8, 2021) (citing *Fintiv I* at 8) ("[E]ven though the Office and the district court would not be bound by the ITC's decision, an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to

decide the same or substantially similar issues to those presented in the petition.")). Here the ITC will be considering—again, as it has already done in a prior ITC Investigation—the validity of the '267 Patent.

For these reasons, *Fintiv* factor one weighs strongly favors discretionary denial of institution.

C. *Fintiv* Factor 2 – Trial in the ITC Will Take Place Over a Year Before the Deadline for a Final Written Decision in This Proceeding

The second *Fintiv* factor relates to the "proximity of the court's trial date to the Board's projected statutory deadline for a final written decision." Factor two weighs strongly in favor discretionary denial.

The Notice of Filing Date accorded was issued on October 7, 2025. Paper 4. Accordingly, a FWD could issue as late as April 7, 2027. 35 U.S.C. § 314(b); 35 U.S.C. § 316(a)(11). In contrast, a trial is scheduled in the -1448 ITC Investigation for March 4-6 and 9-12, 2026, more than one year before any FWD would issue in this IPR. EX-2001, 4. Moreover, the target date for the Initial Determination at the ITC is August 14, 2026, and the target date for the Final Determination is December 14, 2026. *Id*. Accordingly, the ITC proceeding will be completed long before any FWD would issue in this case. For these reasons, this factor weighs heavily in favor of denial of institution.

Further, instituting trial in this IPR would frustrate one of the primary objectives of the AIA, which is "to provide an effective and efficient alternative" to parallel litigation. *NHK Spring*, 19-20 (*quoting General Plastic Indus. Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, 15-19 (PTAB Sept. 6, 2017) (precedential, designated Oct. 18, 2017). If IPR were instituted in this proceeding, any potential FWD would issue long after trial in the ITC is completed, clearly showing that institution would not result in the AIA's true objective of an "alternative" to parallel litigation. Instead, institution would result in relitigating validity issues that had already been decided in the parallel ITC proceeding. Moreover, as discussed in detail below, the ITC has already weighed in on the validity of the '267 Patent, finding the Challenged Claims patentable in an earlier ITC proceeding. *See* Section II.A, *infra*. A third proceeding addressing the validity of the claims of the '267 Patent is nothing more than a waste of Board and party resources and a serial attack on the patent.

D. *Fintiv* Factor 3 – The Parties Will Have Invested Substantially in the ITC Case Before an Institution Decision

The third *Fintiv* factor addresses "investment in the parallel proceeding by the court and the parties." Factor three also strongly favors discretionary denial because ***the ITC trial will take place over a month before the expected institution decision in the IPR***. Significant amounts of work have already been invested in the

parallel -1448 ITC Investigation. The parties have already identified expert witnesses, identified witnesses to testify at the evidentiary hearing, exchanged proposed terms for construction, and completed claim construction briefing. EX-2001. By the time an institution decision is scheduled to issue in this IPR proceeding (April 7, 2026), trial in the -1448 ITC Investigation will be complete. *Id*.

Thus, by the expected time of the institution decision in this IPR, the parties will have invested substantial time and resources in the -1448 ITC Investigation addressing: (1) the close of expert discovery (December 24, 2025); (2) the *Markman* hearing (January 14, 2026); (3) the exchange of rebuttal expert reports (October 20, 2025); (4) the filing of summary determination motions (January 2, 2026); (5) the exchange of trial exhibit lists (January 9, 2026); (6) the filing of motions *in limine* (February 11, 2026); and the Evidentiary Hearing itself (March 2026). EX-2001 at 2-5.

Under these circumstances, it would be an extremely inefficient use of the parties' and the Board's time and resources to relitigate issues that will be tried (March 4, 2026) and decided in the ITC's Final Initial Determination (August 14, 2026) and Final Determination (December 14, 2026) months before any FWD would issue in this proceeding. *Id*.

E. *Fintiv* Factor 4 – There Is Substantial Overlap Between This IPR Proceeding and the Parallel ITC Case

Fintiv factor four relates to "overlap between issues raised in the petition and the parallel proceeding." Factor four also weighs in favor of discretionary denial of institution. Specifically, the Board in *Fintiv* held that "if the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, this fact has favored denial." *Fintiv* at 12. Claims 1-36 of the '267 Patent are asserted against Petitioners in the parallel ITC case. EX-2002 at 70 (Complaint in the -1448 ITC Investigation). The Petition challenges claims 1-36 of the '267 patent, so there is complete overlap between the claims asserted in the -1448 ITC Investigation and this Petition. Petition, 12. Thus, validity of the Challenged Claims in the Petition will be tried and determined by the ITC months before any FWD in this IPR. EX-2001, 5.

Petitioner Hisense is asserting substantially the same prior art and substantially identical grounds for invalidity in the ITC case. EX-2003, 84-88, 91 (citing EX-1008 from the Petition as a "Prior Art Non-Patent Publication" (Srinivasan, Sridhar, *An Overview of VC-1*, Proc. SPIE 5960 (2005)); EX-2004 (Respondents' Exhibit E-14 (Wada)); EX-2005 (Respondents' Exhibit E-1 (Srinivasan or Srinivasan/Karczewicz)); EX-2006 (Respondents' Exhibit E-6

(Karczewicz-I/Karczewicz-II)). Specifically, Petitioners assert four Grounds for invalidity in the Petition:

Grounds	Claims	Statutory Basis	Prior Art
1	1-36	§ 103	Wada in view of Karczewicz-I
1A	3, 9, 15, 21, 27, 33	§ 103	Wada in view of Karczewicz-I and Srinivasan
2	1-36	§ 103	Karczewicz-I in view of Karczewicz-II
2A	3, 9, 15, 21, 27, 33	§ 103	Wada in view of Karczewicz-I and Srinivasan

Petition, 12. Similarly, Petitioner Hisense argues that the claims asserted in the ITC case are invalid over combinations of Wada, Karczewicz-I, Karczewicz-II, and Srinivasan. EX-2003; EX-2004; EX-2005; EX-2006. Thus, as with the Challenged Claims, there is also a complete overlap of the prior art references and evidence in the parallel proceedings because Petitioner Hisense will be presenting the same evidence to both the Board and to the ITC in the -1448 ITC Investigation. These facts weigh heavily in favor of denial of institution since the resolution of the ITC case will precede any FWD in the case by many months.

Petitioner Hisense filed a *Sotera* stipulation with the Board on November 11, 2025, suggesting that it "will not pursue any invalidity defense that the patent claims subject to the instituted IPR are invalid (1) based on the same grounds presented in

the IPR petition of (2) based on any other §§ 102 or 103 ground that includes Wada, Karczewicz-I, Karczewicz-II, or Srinivasan prior art references used in the IPR petition" in either the -1448 ITC Investigation or in a district court proceeding pending in the Northern District of Georgia. EX-1029. Petitioner Hisense also stated that "[t]o the extent there are any prior art products or systems based on Wada, Karczewicz-I, Karczewicz-II, or Srinivasan" it will not rely on those prior art products or systems in the parallel litigations. *Id*. However, this late-filed stipulation is ineffective and cannot overcome the other *Fintiv* factors that weigh in favor of denial of institution.

First, the *Sotera* stipulation is wholly ineffective as to the -1448 ITC Investigation because trial will take place in the ITC (March 2026) ***over a month before any institution decision in this IPR proceeding*** (April 2026). Accordingly, Petitioner Hisense's stipulation that it will waive its right to rely on the IPR references in the -1448 ITC Investigation carries zero weight.

Second, the ITC has held that prior art stipulations are ineffective because ITC Staff, who are not parties to the IPR proceeding, can assert different *any* prior art reference in an ITC proceeding. *In the Matter of Certain Magnetic Tape Cartridges and Components Thereof*, Inv. No. 337-TA-1058 (Violation), USITC Pub. 657436 at 105-106 (Oct. 2, 2018) (Initial) (noting that IPR estoppel does not apply to ITC Staff or "prevent Staff from raising the references in [an ITC] investigation"). Thus,

at the outset, Petitioner Hisense's stipulation is ineffective at definitively removing the potential for overlap between this IPR at the -1448 ITC Investigation.

Third, Petitioner Hisense's *Sotera* stipulation likewise fails to effectively eliminate the overlap of the prior art being asserted in the petition and the -1448 ITC Investigation. This was made clear in the PTAB's March 24 Memorandum, which noted that "a timely-flied *Sotera* stipulation … will not be dispositive by itself" and will instead be considered as part of the Board's "holistic analysis under *Fintiv*." March 24, 2025 Memorandum at 2-3. Further, as the Director held in *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB March 28, 2025), a *Sotera* stipulation does not ensure that the "IPR proceedings would be a 'true alternative' to the district court proceeding." *Id*. at 3-4. Further, a *Sotera* stipulation cannot outweigh the remaining *Fintiv* factors nor the fact that the Challenged Claims were adjudicated to be valid by the ITC in a prior proceeding, all of which weigh heavily in favor of denial of institution. As the Board held in *Samsung Elecs. Co. Ltd et al. v. Mullen Indus. LLC*, "[u]nder *Fintiv's* holistic assessment, the merits of the Petition and Petitioner's *Sotera* stipulation do not outweigh Fintiv factors 2 and 3." IPR2024-01472, Paper 19 at 3 (PTAB July 17, 2025). The same is true in this case, where *Fintiv* factors 2 and 3 weigh heavily in favor of denial of institution.

Finally, a *Sotera* stipulation is ineffective in view of the Federal Circuit's recent decision in *Ingenico Inc. v. IOENGINE, LLC*, 2025 WL 1318188 (Fed. Cir.

2025). *Ingenico* effectively eliminated, in large part, IPR estoppel by holding that "IPR estoppel does not preclude a petitioner from asserting the same prior art raised in an IPR in district court." *Id*. at *7. Specifically, in view of the holding in *Ingenico*, a party can assert the same prior art raised in IPR grounds in parallel litigation. For example, *Ingenico* held that "IPR estoppel does not preclude a petitioner from asserting that a claimed invention was known or used by others, on sale, or in public use in district court" based on the same prior art used in the IPR. *Id*. at *7. Thus, according to *Ingenico*, if ***the same prior art*** is presented in the parallel proceeding ***under a different basis of invalidity under 35 U.S.C.*** (e.g., "known or used by others" rather than "a printed publication"), a party submitting a *Sotera* stipulation is not estopped from using that same art in the parallel proceeding.

While Hisense tries to avoid the implications of *Ingenico* by suggesting that it will not pursue invalidity under §§ 102 or 103 based on the specific prior art references enumerated in its stipulation (EX-1029), Hisense fails to inform the Board that it has charted ***different versions*** of ***substantially similar prior art*** in the -1448 ITC Investigation. For example, Hisense relies on Wada (U.S. Pub. App. No. 2010/0322303, EX-1004) in the Petition, but relies on a European patent issued to Wada (EP2249572, EX-2007) in the ITC. EX-2004, 88. These versions of Wada claim priority to the same Japanese applications, include the same 55 Figures, and have identical abstracts and disclosures:

EX-1004 Wada U.S. Pub. App. No. 2010/0322303	EX-2007 Wada EP2249572
A video encoding method wherein an encoded image is used as a reference image for prediction of an image to be encoded next, includes generating a restored image by applying a filter to a local decoded image of an encoded image, setting filter coefficient information of the filter, encoding the filter coefficient information, encoding specific information indicating the local decoded image used as a reference image or the restored image, and storing either the local decoded image or the restored image as the reference image in a memory based on the specific information.	A video encoding method wherein an encoded image is used as a reference image for prediction of an image to be encoded next, includes generating a restored image by applying a filter to a local decoded image of an encoded image, setting filter coefficient information of the filter, encoding the filter coefficient information, encoding specific information indicating the local decoded image used as a reference image or the restored image, and storing either the local decoded image or the restored image as the reference image in a memory based on the specific information.

Compare EX-1004 (Wada U.S.) with EX-2007 (Wada EP).

Similarly, Petitioner Hisense relies on an article published by Srinivasan (Proceedings of the SPIE, EX-1008) in the Petition, but relies on the same reference, a U.S. Patent (7,620,109), and three Published U.S. Patent Applications (2003/0194011, 2003/0202607, and 2008/0198935) to Srinivasan in the ITC. EX-2004, 85-88, 91. Yet Hisense makes to effort to explain if the disclosures in these counterpart references are distinct or, at a minimum, why the disclosures are not cumulative.

For these reasons, because a *Sotera* stipulation would have no meaningful effect on the invalidity proceedings in the parallel ITC case, and because Hisense restricts its *Sotera* stipulation to certain references while charting ***substantially similar counterparts*** in the ITC, Petitioner Hisense's stipulation cannot overcome the other *Fintiv* factors that strongly weigh in favor of denial of institution.

F. *Fintiv* Factor 5 – Petitioners Are Defendants in the ITC Proceeding

The fifth Fintiv factor addresses "whether the petitioner and the defendant in the parallel proceeding are the same party." Factor five weighs heavily in favor of discretionary denial. Petitioner Hisense is a named party in the -1448 ITC Investigation. EX-2002, 1. "Because the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial." *Fintiv II* at 15.

G. *Fintiv* Factor 6 – Other Considerations Weigh Heavily in Favor of Discretionary Denial

The final *Fintiv* factor concerns other circumstances that impact the Board's exercise of discretion, including the merits—weighs strongly in favor of discretionary denial. Ther merits of the Petition are weak and weigh in favor of discretionary denial. For example, Petitioners raise a ground—a § 103 combination that proposes modifying Karczewicz-I using Karczewicz-II. Petition, 12. Karczewicz-I discloses conventional bi-prediction techniques with one modification: allowing an encoder to signal to a decoder whether a prediction

should unrounded or rounded by a signaled offset. EX-1005 at ¶ 63-64. The purpose of this change is to "provide better prediction accuracy" compared to conventional bi-prediction, in which "rounding error can accumulate." *Id.* at ¶ 64.

Petitioner proposes that Karczewicz-I's modification should be ignored and that the accumulation of rounding error should instead be addressed by retaining higher-precision subpixel samples from Karczewicz-II. Petition, 15-25, 33-35. Karczewicz-I already offers a solution to accumulation of rounding error. A POSITA would not be motivated to look to Karczewicz-II in order to implement an alternative solution. Petitioners' proposed modification is self-defeating. Both references share the same inventors, including Marta Karczewicz, a renowned innovator in the field of video coding. *See* EX-2008. That the inventors themselves never proposed such a modification shows that a POSITA would not look to replace Karczewicz-I's disclosure with this alternative technique. Petitioners' ground is motivated by hindsight and is not rooted in the actual disclosure of Karczewicz-I and Karczewicz-II. Accordingly, it should be rejected.

II. THE FACTORS IDENTIFIED IN THE DIRECTOR'S MARCH 26, 2025 MEMORANDUM WEIGH HEAVILY IN FAVOR OF DISCRETIONARY DENIAL

The Director's March 26, 2025 Memorandum, notes that "consistent with the discretionary considerations enumerated in existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics*) and the Consolidated Trial Practice

Guide (Nov. 2019), the parties are permitted to address all relevant considerations" that weigh in favor of discretionary denial." March 26, 2025 Memorandum at 2 (citations omitted). These factors include (1) whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims; (2) whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability; (3) the strength of the unpatentability challenge; (4) the extent of the petition's reliance on expert testimony; (5) settled expectations of the parties, such as the length of time the claims have been in force; (6) compelling economic, public health, or national security interests; and (7) any other considerations bearing on the Director's discretion. *Id*. at 2-3. As discussed in detail below, these factors weigh heavily in favor of discretionary denial, and Nokia respectfully requests that the Director deny institution.

A. The Claims of the '267 Patent Have Been Held Valid in a Prior ITC Proceeding

While Petitioners note that an earlier-filed ITC proceeding is a "Related Matter," Petitioners failed to inform the Board that the ITC held the '267 Patent to be valid in that proceeding. Petition, 86 (citing *Certain Video Capable Electronic Devices, Including Computers, Streaming Devices, Televisions, and Components and Modules Thereof*, Inv. No. 337-TA-1380 (ITC), filed October 31, 2023) ("-1380

ITC Investigation"). Petitioners' mere citation to this prior ITC ruling hides the fact that some of the very same prior art asserted in the -1380 ITC Investigation is now being reasserted by Petitioners in both the -1448 ITC Investigation and in this Petition. Importantly, the citation to the -1380 ITC Investigation does not acknowledge ***the ITC has already held the '267 patent to be valid in that proceeding***.

In the -1380 ITC Investigation, the '267 patent was asserted against Amazon, and Amazon filed invalidity contentions in connection with its defense of that matter. Prior art combinations asserted by Amazon ***included some of the same prior art being asserted by Petitioners in this IPR***. *See* EX-2009 (Amazon Exhibit E-1 (charting a U.S. patent to Srinivasan)); EX-2010 (Amazon Exhibit E-6 (charting Karczewicz I)); EX-2011 (Amazon Exhibit E-5 (charting Karczewicz II)). While Amazon elected to drop this prior art in the -1380 ITC Investigation to narrow its case for summary determination and trial, ***the ITC ultimately held that the '267 Patent was valid in its Initial Determination***. EX-2012 (-1380 ITC Public Initial

Determination) at 131-139.[1] This prior ITC adjudication of validity of the Challenged Claims of the ’267 Patent weighs heavily in favor of discretionary denial.

Further, trial in the currently pending, parallel -1448 ITC Investigation will take place more than a year prior to any FWD that would arise from this IPR. Moreover, the Initial Determination and Final Determination in the -1448 ITC Investigation will be issued by the ITC months in advance of any FWD in this proceeding.

Accordingly, the prior art asserted in this Petition will again be litigated in the parallel -1448 ITC Investigation even though the ITC has already held the ’267 Patent valid in the -1380 ITC Investigation. Further, the ITC is very familiar with both the ’267 Patent and the asserted prior art in view of the -1380 Investigation, and the ITC is best positioned to consider Petitioners’ prior art in the parallel proceeding.

In summary, this Petition is nothing more than a serial challenge of the ’267 Patent based on many of the same prior art references asserted in the already

[1] The fact that some of the prior art being asserted in this Petition was dropped by Amazon at trial in the -1380 ITC Investigation is irrelevant, as the ITC considered and is familiar with the cited art (which has been asserted by Petitioner Hisense in the -1448 ITC Investigation), and the ITC has already held the ’267 Patent valid.

completed -1380 ITC Investigation, Institution of this IPR would be highly inefficient and a waste of both Board and party resources. *NHK Spring*, Paper 8 at 11. These factors all weigh heavily in favor of discretionary denial.

B. Policy Considerations Support Discretionary Denial of Institution

On October 17, 2025, the PTO issued a Notice of Proposed Rulemaking ("NPRM") setting forth the PTO's vision for the efficient management of IPR proceedings before the PTAB and to "promote fairness, efficiency, and predictability in patent disputes." EX-2013, 2. The PTO explicitly acknowledged that "[s]erial and parallel validity challenges remain a significant problem for the patent system." *Id.*, 4. The NPRM motes that "more than 80% of IPRs have co-pending district court litigation where the petitioner is also challenging validity" and that "even when a patent is challenged by only one IPR petition, it will usually be challenged twice—once in the IPR and once in district court or at the ITC." *Id.*, 4-5. That is clearly the case in this proceeding, where the validity of the '267 Patent is being challenged in this IPR proceeding as well as the parallel -1448 ITC Investigation.

This proposed rule directly addresses the present case where the initial determination (August 14, 2026) and final determination (December 14, 2026) come months before any FWD (April 7, 2027) in this IPR. For these reasons, policy considerations related to fairness, cost, efficiency, and quiet title to Patent Owner's intellectual property rights in the '267 Patent warrant denial of institution.

Dated: December 8, 2025

Respectfully submitted,

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CERTIFICATION OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** has been served on Petitioner via email on the following counsel of record for Petitioner:

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