

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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AMAZON.COM SERVICES LLC,

Petitioner

v.

INTERDIGITAL, INC.,

Patent Owner.

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IPR2026-00192  
U.S. Patent No. 12,143,606

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**PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR  
DISCRETIONARY DENIAL**

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**EXHIBIT LIST**

| <b>No.</b> | <b>Exhibit</b>   |
|------------|--|
| 1001       | U.S. Patent No. 12,143,606 (“’606 patent”)   |
| 1002       | File History of the ’606 patent  |
| 1003       | Declaration of Dr. Joseph P. Havlicek, Ph.D. (“Havlicek”)  |
| 1004       | Curriculum Vitae of Dr. Joseph P. Havlicek, Ph.D.  |
| 1005       | U.S. Patent Pub. No. 2008/0170615 (“Sekiguchi”)  |
| 1006       | Enlarging MB size for high fidelity video coding beyond HD (“VCEG-AJ21”), available at <a href="https://www.itu.int/wftp3/av-arch/video-site/0810_San/VCEG-AJ21.zip">https://www.itu.int/wftp3/av-arch/video-site/0810_San/VCEG-AJ21.zip</a> |
| 1007       | WO2006/026903 (“Xiong”)  |
| 1008       | Certified English Translation of WO2006/026903   |
| 1009       | Iain E. Richardson, The H.264 Advanced Video Compression Standard, Second Edition (“Richardson”)   |
| 1010       | ITU-T Recommendation H.264 (Nov. 2007) (“H.264”)   |
| 1011       | Editing State of Text Relating to ITU-T Rec. H.264   ISO/IEC 14496-10 Amendments 1 and 2 (“ITU-T H.264 Draft”)   |
| 1012       | Declaration of Dr. Clifford Reader (“Reader”)  |
| 1013       | Declaration of June Ann Munford (“Munford”)  |
| 1014       | Mathias Wien, Variable Block-Size Transforms for H.264/AVC (“Wien”)  |
| 1015       | ITU-T Recommendation H.264 (March 2005) (“H.264 (03/2005)”)  |
| 1016       | Recommendation H.264 (2005) Amendment 1 (06/06) (Munford, Appendix H26402) (“Amendment 1”)   |
| 1017       | Recommendation H.264 (2005) Amendment 2 (04/07) (Munford, Appendix H26403) (“Amendment 2”)   |
| 1018       | Fu et al., Fast Intra Prediction Algorithm in H.264/AVC, Proceedings 7th International Conference on Signal Processing, 2004. Proceedings. ICSP ’04. 004., Beijing, 2004, pp. 1191-1194 vol.2, doi: 10.1109/ICOSP.2004.1441537 (“Fu”)        |

|      |   |
|------|---|
| 1019 | Pan et al., Fast Mode Decision for Intra Prediction (“JVT-G013” or “Pan”) (Mar. 2003)   |
| 1020 | <i>InterDigital, Inc. et al. v. Amazon.com Services LLC</i> , No. 2:25-cv-822-AWA-DEM, ECF No. 1 (E.D. Va., Dec. 18, 2025)  |
| 1021 | Stipulation Letter, dated February 23, 2026   |
| 1022 | Docket Navigator Motion Success for Stay Pending IPR statistics for Judge Arenda L. Wright Allen  |
| 1023 | Order Granting Google’s Motion to Stay Pending IPR, <i>Soundclear Techs. LLC v. Google LLC</i> , No. 2:24-cv-321, D.I. 84 (E.D. Va., Mar. 31, 2025)   |
| 1024 | Order Granting Google’s Motion to Stay Pending IPR, <i>Soundclear Techs. LLC v. Amazon.com, Inc.</i> , No. 2:24-cv-320, D.I. 56 (E.D. Va., Jul. 1, 2025)  |
| 1025 | Docket <i>InterDigital, Inc. v. Amazon.com Services LLC</i> , No. 2:25-cv-822-AWA-DEM   |
| 1026 | Docket Navigator Motion Pendency statistics for Motion to Dismiss before Judge Arenda L. Wright Allen   |
| 1027 | Docket Navigator Time to Milestone statistics for Judge Arenda L. Wright Allen  |
| 1028 | Memorandum in Support of Amazon.com Services LLC’s Motion to Dismiss Under Rule 12(b)(6), <i>InterDigital, Inc. v. Amazon.com Services LLC</i> , No. 2:25-cv-822, (E.D. Va. Mar. 13, 2026), D.I. 35 |
| 1029 | InterDigital 10-K (Fiscal Year 2022)  |
| 1030 | Docket Navigator Time to Milestone statistics for Judges Mark S. Davis, Arenda L. Wright Allen, Elizabeth W. Hanes, and Jamar K. Walker   |

## I. INTRODUCTION

The Office should reach the merits of this IPR challenging U.S. Patent No. 12,143,606 (“’606 patent,” EX-1001). First, Amazon filed this IPR a mere 14 months after that patent issued in November 2024 and within a month of being sued in December 2025. Prior to that, InterDigital, Inc. (“PO”) had never previously asserted the ’606 patent in litigation. Under the facts here, PO cannot reasonably claim settled expectations that its recently issued ’606 patent would not be challenged in IPR.

Second, a final written decision (“FWD”) in this IPR will occur well before a district court trial (which has not yet been set), and PO’s arguments otherwise are incorrect. Although PO filed its suit in the Eastern District of Virginia (“EDVA”), that suit was transferred to the Norfolk division the next day and has not progressed past preliminary stages (with a motion to dismiss currently pending).<sup>1</sup>

Third, none of PO’s other arguments show discretionary denial would be appropriate here. In fact, the strength of the Petition, including art the Examiner never considered, makes discretionary denial under Section 325(d) inappropriate and

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<sup>1</sup> As discussed below in Section III.C, Amazon has filed a motion to dismiss, arguing that the other three patents asserted in the co-pending EDVA litigation are patent ineligible under Section 101. That motion does not address the ’606 patent.

shows that addressing this Petition early in the '606 patent's life is a good use of the Office's resources.

PO's discretionary denial request should be denied, and this Petition should be referred for an institution decision on the merits.

## **II. BACKGROUND**

PO reports that it holds over 38,000 patents and patent applications (EX-2015, 4), including "over 3,500 patents and applications relating to current and developing codec technologies such as AVC, HEVC, VP9, AV1, and VVC." EX-1020, ¶20. PO plucked the '606 patent from its vast portfolio to assert against Amazon just over a year after that patent issued. Specifically, on December 18, 2025, PO filed suit against Amazon in EDVA asserting four patents, including the '606 patent. In the complaint, PO accused "all Amazon devices capable of decoding content encoded in the AV1 compression format" of infringing the '606 patent. *Id.*, ¶¶8 n.1, 60 n.5, 77.

## **III. THE OFFICE SHOULD REJECT PO'S DISCRETIONARY REQUEST**

### **A. PO Should Have Expected Its '606 Patent Would Be Challenged in IPR.**

PO cannot reasonably claim that it has settled expectations in the '606 patent, which issued on November 12, 2024. So instead, PO argues that its licensing activity generally and negotiations with Amazon specifically somehow give rise to settled expectations. The Director should reject these arguments.

In particular, PO argues that it “has settled expectations because it has licensed the ’606 patent.” PO’s Discretionary Denial Brief, Paper 8 (“DD Req.”), 5. But PO does not identify a single licensee that has specifically requested and received a license to the ’606 patent; instead, PO vaguely alludes to “dozens of entities [that] have taken a license”—usually in “the form of a global patent license” (*id.*). And PO fails to provide any of these licenses that presumably cover thousands or tens of thousands of other patents in PO’s portfolio. PO’s licenses—especially global licenses to presumably thousands of patents—should not broadly insulate any patent in PO’s portfolio from post-grant review, as PO appears to argue here. Indeed, granting of a license does not even insulate a patent from validity challenges by the licensee, much less third parties. *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 137 (2007).

PO points to *Alliance Laundry Systems, LLC v. Payrange LLC*, IPR2025-00950, Paper 11 (Sept. 19, 2025) for support, but PO’s reliance on that case is misplaced. In *Alliance Laundry*, unlike here, the IPR at issue was the third post-grant petition challenging the patent after the first two had institution on the merits denied. *Id.*, 2. And the petitioner admitted to road mapping from one of the prior petitions. *Id.* Furthermore, the challenged patent issued almost five years earlier and had been previously litigated. *Id.*, 3. In its discretion request, Alliance Laundry (the PO) pointed to licenses with the two petitioners in the prior unsuccessful post-grant

challenges and to a third company who issued a press release making positive statements about PO's innovations. *See id.*, Paper 6, 3-4; *id.*, EX-2001, 16-17. Under those specific facts (which were much more pertinent), the Acting Director found PO's licensing created only "some settled expectations favoring Patent Owner." *Id.*, Paper 11, 3 (emphasis added). No such facts are present in this IPR, which instead challenges a newly-issued, never-before-litigated patent.

PO further points to the parties' overall dispute, asserting that "InterDigital undertook significant efforts over the course of several years in attempting to find a mutually agreeable solution," but "[i]nstead, Amazon initiated worldwide litigation and filed this IPR." DD Req., 4-5. Even if PO's characterization of the situation were correct—and it is not, as explained below—PO fails to explain how the situation allegedly creates settled expectations as to the '606 patent.

If PO is arguing that its alleged preference for licensing somehow creates settled expectations, that is both incorrect and irrelevant. To start, Amazon has been willing to negotiate licenses with InterDigital and has previously done so. EX-1029 at 32 (referencing agreement covering range of Amazon's consumer electronic devices).

InterDigital is also wrong that Amazon was unwilling "to find a mutually agreeable solution to resolve Amazon's [alleged] use of [InterDigital's] digital video technology." DD Req., 6. Amazon attempted to negotiate the terms of an acceptable

license covering InterDigital’s video coding patents, but InterDigital made unreasonable demands. Accordingly, Amazon proactively filed an action before the U.K. High Court of Justice for England and Wales to set reasonable and non-discriminatory terms for a license with InterDigital. Amazon did not file this litigation to avoid taking a license, as InterDigital suggests; to the contrary, Amazon *unequivocally committed* to taking a license on terms as set by the U.K. court, subject to any adjustment on appeal.

Rather than simply proceed with the first-filed U.K. action, InterDigital launched a dozen retaliatory infringement actions against Amazon.<sup>2</sup> InterDigital’s supposed preference for “mutual agreement ... without resort to litigation” is thus contrary to the facts, including in this case. Indeed, InterDigital is well-known to be one of the most litigious patent owners, and it has built a licensing program on

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<sup>2</sup> *InterDigital, Inc. v. Amazon.com Services LLC*, No. 2:25-cv-00822 (E.D. Va.) (where InterDigital asserted the ’606 patent); *InterDigital, Inc. v. Amazon.com Services LLC*, No. 1:25-cv-01365 (D. Del.); *InterDigital, Inc. v. Amazon.com Inc.*, No. 7:26-cv-00064 (W.D. Tex.); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. 21 O 12112/25 (LG Munich); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. 21 O 14005/25 (LG Munich); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. 21 O 14917/25 (LG Munich); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. 21 O 25/26 (LG Munich); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. CFI\_1376/2025 (Unified Patent Court); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. CFI\_1481/2025 (Unified Patent Court); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. CFI\_1482/2025 (Unified Patent Court); *InterDigital Madison Pat. Holdings SAS v. Amazon Techs. Co.*, No. CFI\_2045/2025 (Unified Patent Court); *InterDigital VC Holdings, Inc. v. Amazon.com, Inc.*, No. 3021485.26.205.8.19.0001 (Rio De Janeiro).

threatened or actual litigation. *E.g.*, *InterDigital Tech. Corp. v. Lenovo Grp. Ltd.*, [2023] EWHC 539 (Pat) ¶ 919 (“Of the [seven InterDigital licenses relied on by Lenovo], only Apple 2016 and ZTE 2019 were not preceded by litigation, in both cases for reasons particular to their respective situations.”); *id.* at ¶729 (InterDigital “is not shy of litigating, and, most of the time, it is able to choose the forum in which it brings the claim”); IPLytics, *SEP Litigation Trends: What Does the Data Say?* at 5-6 (April 2021), [https://www.lexisnexisip.com/wp-content/uploads/2023/09/SEP-litigation-trends-\\_What-does-the-data-say\\_IPLYtics.pdf](https://www.lexisnexisip.com/wp-content/uploads/2023/09/SEP-litigation-trends-_What-does-the-data-say_IPLYtics.pdf) (InterDigital had fifth highest share of litigated declared SEPs). InterDigital’s preference for litigation-driven licensing is playing out here, and Amazon should not be faulted for responding to InterDigital’s unnecessary litigation, including by filing this IPR.

Outside of PO’s incorrect and irrelevant contentions, it is undisputed that PO never asserted the ’606 patent in litigation against anyone, including Amazon, before December 2025 and that Amazon was extremely diligent in filing this IPR mere weeks after it was sued on that patent. PO cannot credibly claim it has settled expectations such that this IPR should be denied on discretionary grounds.

**B. The *Fintiv* Factors Weigh Heavily Against Denial**

As set forth below, none of the *Fintiv* factors weighs in favor of discretionary denial here, and notably, a schedule (including a trial date) has not been set in the co-pending litigation. This further shows PO’s discretion request should be denied.

**1. Factor 1: The Likelihood of a Stay Is Neutral**

Factor 1 is at worst neutral. PO has asserted four patents in the co-pending EDVA litigation, one of which is challenged in this IPR and the other three of which are subject to Amazon's pending Section 101 motion to dismiss in district court. Amazon intends to file a motion to stay the co-pending litigation soon. The assigned district court judge (Judge Arenda Wright Allen) has granted 100% of motions to stay pending IPR before her, and in two cases she granted a stay before IPRs were instituted. EX-1022; EX-1023; EX-1024. "In the absence of specific evidence," the Board "will not attempt to predict" how the parallel litigation will proceed, and this factor is at worst neutral. *Sand Revolution II, LLC v. Cont'l Intermodal Grp.-Trucking LLC*, IPR2019-01393, Paper 24, 7 (June 16, 2020) (informative).

**2. Factor 2: There Is No District Court Trial Date, Which Weighs Strongly Against Denial**

PO admits that "trial has yet to be scheduled" in the co-pending litigation. DD Req. 8. Without a trial date, PO relies on overall time-to-trial statistics for EDVA as a whole of 17.4 months from filing to trial. *Id.* These statistics, however, are not consistent with the actual progress in the district court litigation, which was transferred the day after the complaint was filed from the Alexandria division to the Norfolk division (EX-1025), and months later remains at an early stage. Statistics for patent cases among the four judges in the Norfolk division (EX-1030) or Judge Wright Allen (EX-1027), are far more representative, showing a median time to jury

trial of 30.0 and 34.6 months, respectively. Thus, it is highly likely the Board will reach a Final Written Decision well before any district court trial.

As PO acknowledges, the FWD in this IPR would be expected no later than May 20, 2027. Notably, Amazon only recently responded to the complaint on March 13, 2026, moving to dismiss three of the patents as claiming ineligible subject matter under Section 101.DD Req. 8. Judge Wright Allen’s average time to decide a 12(b)(6) motion to dismiss is 5.1 months after filing, or in August 2026. EX-1026. Thus, the pending district court motion to dismiss will likely not be decided until after the Director issues an institution decision here. In addition, the assigned district court judge’s average time to a *Markman* order is 21.1 months after complaint filing, or September 2027. EX-1027. This shows the district’s *Markman* order would be likely to issue after an FWD here with any district court trial lagging much further behind.

Thus, this factor weighs strongly against discretionary denial. *E.g.*, *Rocket Media, LLC d/b/a Launch Labs v. FullThrottle Techs., LLC*, IPR2025-00148, Paper 7 at 44 (June 11, 2025) (“factor weighs strongly against exercising [] discretion” where no trial date scheduled and statistics show “trial will likely not occur until six months after any [FWD]”).

**3. Factor 3: The Investment in the Parallel Litigation Weighs Against Denial Because the Litigation Is in Its Early Stages**

PO concedes that the co-pending litigation is in its early stages. DD Req., 9.

At the time of PO’s discretion request, Amazon had not even answered the complaint and will not have done so at the time of a discretion decision.<sup>3</sup> The lack of investment in the co-pending litigation thus indisputably weighs against discretionary denial. *See id.* (“The lack of current investment in the EDVA proceeding weighs against denial.”); *e.g.*, *Aylo Freesites Ltd. v. Wellcomemat, LLC*, IPR2024-00710, Paper 13 at 16-17 (Sept. 5, 2024) (“Factor 3 weighs strongly against exercising [] discretion” where the litigation is in early stages and *Markman* hearing will not take place until after an Institution Decision.).

**4. Factor 4: Lack of Overlap Between Issues Raised in the Petition and the Parallel Litigation Weighs Heavily Against Denial**

Lack of overlap between proceedings weighs heavily against denial. Amazon has submitted a *Sotera* stipulation, agreeing to be “bound by the full scope of estoppel under 35 U.S.C. § 315(e)(2).” EX-1021. Amazon’s stipulation covers the full breadth of statutory estoppel (*see* 35 U.S.C. §§311(b) and 315(e)(2)) and weighs strongly against denial. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, 19 (Dec. 1, 2020) (precedential as to §II.A); *see also, e.g., Apple Inc. v. Vampire Labs, LLC*, IPR2025-01215, Paper 8, 8-9 (Oct. 17, 2025) (referencing *Sotera* stipulation); *Apple Inc.*, IPR2025-01215, Paper 10, 2 (Dec. 1, 2025) (granting

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<sup>3</sup> Amazon’s motion to dismiss remains in the process of being briefed. EX-1025.

institution); *Google LLC v. Sandpiper CDN, LLC*, IPR2025-00969, Paper 8, 22 (Sept. 18, 2025) (referencing *Sotera* stipulation); *id.*, Paper 13, 2 (Oct. 10, 2025) (referring petition); *id.*, Paper 19, 2 (Jan. 12, 2026) (denying Director Review).

PO concedes that “Amazon has not yet provided invalidity contentions” but argues that Amazon’s stipulation would not prevent raising combinations of asserted art with unpublished system art. DD Req. 9. PO’s argument is based on nothing but speculation regarding hypothetical future contentions—for which the EDVA court has not yet even set a deadline—and the Director should reject it. Similarly misguided is PO’s reliance on *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354 (Fed. Cir. 2025), which is readily distinguishable from this case. *See* DD Req. 10. *Ingenico* did not involve hypothetical arguments about future invalidity contentions but instead addressed whether §315(e)(2) estoppel should have applied to arguments actually presented at trial in the district court after the PTAB had issued a final written decision in a co-pending IPR. *Ingenico*, 136 F.4th at 1359-60, 1364-67. *Ingenico* is thus inapplicable to Factor 4 here, which should weigh heavily against discretionary denial.

**5. Factor 5: The Same Parties Factor Weighs Against Denial Because the FWD Is Likely to Precede the Trial**

PO contends this factor (same parties) favors denial, but the Board has held otherwise in the circumstances presented here. Specifically, when the FWD “is likely to issue before the district court trial,” the Board has “weigh[ed] this factor

against exercising discretion.” *BMW of N. Am., LLC v. Mich. Motor Techs. LLC*, IPR2023-01234, Paper 11, 14-15 (Jan. 26, 2024) (collecting cases).<sup>4</sup>

**6. Factor 6: Other Circumstances Weigh Heavily Against Denial**

As shown in the Petition, Petitioner has presented strong invalidity grounds, including applying art (e.g., Xiong and VCEG-AJ21) that the Examiner did not consider during prosecution. Further, Petitioner filed this Petition mere weeks after being sued on the '606 patent, which had never before been asserted in litigation and which issued less than two years ago. PO's cursory arguments for this factor point only to its Section 325(d) and alleged gap-filling arguments, which as discussed below are meritless, and its forthcoming POPR. Because the circumstances here are in line with the Director's stated policy of encouraging early challenges to issued patents, this factor should be weighed against discretionary denial.

**C. The PTAB Is The Most Efficient Forum to Resolve Invalidity of the '606 Patent**

PO next argues that, because three other patents are involved in the co-

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<sup>4</sup> The only decision PO cites to support this factor weighing in favor of discretionary denial, DD Req. 10 (citing *Ericsson Inc. v. Active Wireless Techs. LLC*, IPR2024-00886, Paper 8 at 13-14 (Nov. 12, 2024)), involved a district court trial that was likely to precede the FWD. As discussed in Section III.B.2, the opposite is true here.

pending EDVA litigation and Amazon has not challenged those patents in IPR, it would be inefficient for the PTAB to address the '606 patent in this proceeding. DD Req. 11-12. But PO ignores that Amazon is challenging the remaining three patents in district court as being ineligible under Section 101 (EX-1028), and Amazon has therefore not pursued IPRs for those patents to date based on the Acting Director's guidance that IPRs will not be maintained for patents that are found ineligible under Section 101 in district court. *Cf. Hulu, LLC v. Piranha Media Distrib., LLC*, IPR2024-01252, -1253, Paper 27 (April 17, 2025) (informative) (vacating institution decision where district court had granted motion to dismiss and found the IPR challenged claims recited ineligible subject matter under § 101). On the other hand, Amazon has not asserted Section 101 ineligibility as to the '606 patent in district court and has instead currently chosen to pursue IPR as to that patent. That does not weigh in favor of discretionary denial, and the cases PO cites are distinguishable. *See Samsung Elecs. Co. v. VB Assets, LLC*, IPR2025-00870, Paper 11 (Oct. 10, 2025) (district court trial scheduled 5 months before expected FWD); *Amazon.com, Inc. v. Audio Pod IP, LLC*, IPR2025-00757, Paper 15 (Aug. 14, 2025) (five of six challenged patents had settled expectations based on patent age). The Director should reach the merits of this IPR.

**D. This IPR Relies on Never-Before-Considered Art and Denial Under Section 325(d) Is Thus Inappropriate.**

PO argues that the Petition should be discretionarily denied based on Section

325(d). DD Req. 12. As discussed below, PO's arguments fail at the application of the first part of the framework in *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7-11 (Feb. 13, 2020) (precedential). Accordingly, discretionary denial under Section 325(d) would be inappropriate in this proceeding.

Specifically, PO has not shown the first part of the *Advanced Bionics* framework has been met ("whether the same or substantially the same art [or arguments] previously [were] presented to the Office," *id.* at 8) because PO's arguments fail to implicate sufficiently the Petition as a whole. *See Motorola Mobility LLC v. Largan Precision Co*, IPR2022-01172, Paper 10, 10 (Jan. 26, 2023); *Berkeley Lights, Inc. v. The University of British Columbia*, IPR2021-01249, Paper 9, 37 (Jan. 21, 2022) (declining to deny institution under § 325(d) where "the Examiner did not consider the same or substantially the same art and arguments raised in [three out of five] grounds.").

The Petition presents two sets of grounds, each of which addresses all challenged claims: the first set is based on Sekiguchi combined with VCEG-AJ21 (Ground 1A) and then further combined with H.264 (Ground 1B), and the second set is based on Xiong combined with VCEG-AJ21 (Ground 2A) and then further combined with H.264 (Ground 2B). *See* Pet. 2. Notably, it is undisputed that Xiong (the primary reference in the Petition's second set of grounds) was not before the

Examiner (*see* DD Req. 12-13 (not discussing Xiong)), and PO does not argue Xiong is cumulative to any reference that was. This alone shows the first part of the *Advanced Bionics* test is not sufficiently met to warrant discretionary denial.

In addition, as discussed below, PO's arguments as to the VCEG-AJ21 and H.264 references miss the mark, and accordingly, it is irrelevant whether Sekiguchi or references cumulative to it were considered during prosecution because Sekiguchi is presented in obviousness combinations with those references. Because PO has not shown the first part of the *Advanced Bionics* test is met for any ground in the Petition, the Director should reject PO's arguments for discretionary denial under Section 325(d).

**1. VCEG-AJ21, and Petitioner's Arguments Regarding It, Are Not Cumulative to Wang**

The Examiner did not consider VCEG-AJ21 during prosecution, but PO asserts that VCEG-AJ21 is cumulative of the Wang reference that was applied during prosecution. DD Req. 14-15 (citing EX-1002, 1859-60, 1917-18, 1923-30; EX-2010). This is incorrect. During prosecution, the Examiner noted that Wang disclosed multiple partition types and separately described aspects of intra prediction. EX-1002, 1859-60. Petitioner's application of VCEG-AJ21 in each of the Petition's grounds is different. As supported by the expert opinion of Dr. Joseph Havlicek, Petitioner shows a POSITA would have understood that a particular subset of the partition types disclosed in VCEG-AJ21—those that are “square,” and not

“oblong rectangular”—would also apply to intra prediction. Pet. 55-56 (“A POSITA would have understood that any mode using a square partition (e.g., 16x16, 8x8, 4x4) would also apply to intra prediction, because a POSITA would have known that within the context of H.264 (and similar codecs), the set of macroblock partition types available for intra prediction was a subset of the types available for inter prediction—specifically consisting of the square partition types (and omitting the oblong rectangular partition types).”); EX-1003 ¶¶73, 159-60. The Examiner did not apply Wang in this way during prosecution.

Wang’s disclosure is also very different from VCEG-AJ21’s. Wang purportedly discloses a “CODEC FOR IPTV,” which includes, as one element of the CODEC, different sized prediction partitions up to 16x16. EX-2010, ¶11; *see also* EX-1002, 1624. It does not emphasize larger block sizes or any 32x32 partitions. VCEG-AJ21, on the other hand, is focused on extending H.264 with enlarged block sizes, including 32x32 luma blocks. EX-1006, 1, 3. The Petition applies VCEG-AJ21’s use of 32x32 luma blocks in its obviousness grounds (Pet. 55-56); Wang does not have similar teachings.

VCEG-AJ21, and Petitioner’s arguments regarding it, are thus not cumulative to Wang. Because the Petition relies on VCEG-AJ21 (which was not before the Examiner during prosecution) in every ground in the Petition, PO has not shown the first part of the *Advanced Bionics* test is met. The Director should decline to

discretionarily deny institution.

**2. The Petition’s Reliance on H.264 for Certain Dependent Claim Limitations Does Not Support Discretionary Denial Under Section 325(d)**

As PO recognizes (DD Req. 16), H.264 is admitted prior art that is discussed in the background of the ’606 patent. The Petition applies H.264 in Grounds 1B and 2B to show that two dependent claim limitations were known in the art: “wherein for the particular chroma partition type, a largest-size available transform matching the particular chroma partition type is selected from a set of transforms” (claims 4, 11, 15, 20) and “wherein the particular luma partition type is absolutely [de]coded or differentially coded from one or more neighboring blocks” (claims 6, 13, 17). Neither of these limitations is discussed in detail in the specification, and neither is listed in the Examiner’s reasons for allowance. EX-1002, 1924-25.

Thus, the fact that Petitioner applies a well-known standard (H.264) to conventional limitations in the dependent claims (*see, e.g.*, Pet. 48-54) does not show discretionary denial under Section 325(d) is warranted. *See Apple Inc. v. Qualcomm Inc.*, IPR2018-01315, Paper 7, 24 (Jan. 18, 2019) (“The fact that neither AAPA nor [other reference] was the basis of rejection weighs strongly against exercising [] discretion”).

Because the first part of the *Advanced Bionics* test is not met, there is no

reason for the Director to proceed to the second part of that test.<sup>5</sup> The Director should not discretionarily deny this IPR under Section 325(d).

**E. PO Has Pointed to No Improper Gap Filling in the Petition**

Finally, PO argues the Petition “improperly uses alleged knowledge of a POSITA and state of the art to fill missing limitations in the grounds” through conclusory expert testimony. DD Req. 19. PO provides only a single, alleged example of this (for limitation 1[b]) in its discretion request. *Id.*, 19-20 (citing Pet. 24 (citing EX-1003 ¶84)).<sup>6</sup>

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<sup>5</sup> Petitioner notes that if the Director finds Wang is cumulative to VCEG-AJ21—which it is not for the reasons discussed above—such a finding would also show Examiner error under second part of the *Advanced Bionics* framework. Specifically, such a finding would show the Examiner erred in not combining Wang with Sekiguchi for the reasons explained in Grounds 1A and 1B of the Petition.

<sup>6</sup> PO expresses its intent to identify other alleged examples of expert gap filling in its POPR and requests the Director consider those examples in deciding whether to discretionarily deny institution. *Id.*, 20 (citing Interim Process, § II.C.i). The portion of the Interim Process PO cites, however, relates to arguments directed to the strength of the merits, not the “extent of the petition’s reliance on expert testimony,” which is a separate factor. The Director should disregard any POPR arguments on

PO is wrong that its single example shows improper gap filling. Instead, the Petition explains “Sekiguchi in combination with VCEG-AJ21 teaches/suggests 1[b],” and explains how the combination of those references’ teachings meet the limitation. Pet. 22-25 (citing Sekiguchi, [0010], [0017], [0026], [0034], [0043], [0045], Fig. 7; VCEG-AJ21, 4-5, Figs. 4-5; EX-1003 ¶¶80-86). PO’s gap-filling argument ignores the totality of that explanation and points only to snippets. *See* DD Req. 19 (citing Pet. 24; EX-1003, ¶¶72-73, 84). But when those portions of the Petition and expert testimony are viewed in context, it is clear they explain how a POSITA would have understood the teachings of the references and are not improper gap-filling. *Stryker Corp. & Wright Medical Tech., Inc. v. Osteomed LLC*, IPR2022-00191, Paper 11, 22-24 (Jun. 1, 2022) (rejecting PO’s argument regarding expert gap-filling because “[e]xpert testimony may shed light on what a skilled artisan would reasonably understand or infer from a prior art reference”).

Specifically, after explaining that VCEG-AJ21 discloses chroma partition types of 8x8 and 16x16 (*see* Pet. 23-24 (citing VCEG-AJ21, 4-5, Figs. 4, 5; EX-1003 ¶83)), the Petition explains that if PO argues to the contrary, “a POSITA would have understood this to be disclosed by those VCEG-AJ21 figures in combination

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this factor because Petitioner will have no opportunity to respond to them (absent being authorized a preliminary reply which Petitioner reserves the right to request).

with Table 2 of VCEG-AJ21, which includes 32x32 and 16x16 prediction modes usable for both inter and intra prediction.” *Id.*, 24 (citing EX-1003 ¶84). The Petition (and Dr. Havlicek) further explain why a POSITA would have had this understanding. Pet. 24-25 (citing EX-1003 ¶85).

In its discretion brief, PO argues only that VCEG-AJ21 does not disclose 32x32 and 16x16 prediction modes usable “for both inter and intra prediction” because VCEG-AJ21 states intra prediction is “not yet addressed.” DD Req. 19 (citing Pet. 24; EX-1006, 1; EX-1003, ¶¶72-73, 84) (internal quotation marks omitted). But VCEG-AJ21’s Table 2 clearly discloses 32x32 and 16x16 prediction modes. *See* EX-1006, Table 2. In addition, Dr. Havlicek explains with technical reasoning why a POSITA would have understood that a particular subset of the inter prediction modes listed in VCEG-AJ21’s Table 2 are also useable for intra prediction (i.e., Table 2’s modes are a super set of the intra prediction modes for enlarged macroblocks). EX-1003, ¶¶72-73. And Dr. Havlicek identifies which macroblocks would be in the intra prediction subset: “square” partition types, and which would not be in the intra prediction subset: “oblong rectangular” partition types, as supported by disclosures in H.264. *Id.*; *see also id.*, ¶¶159-60. This is proper explanation of how a POSITA would have understood the disclosures of a reference

(VCEG-AJ21), not improper gap filling.<sup>7</sup>

#### IV. CONCLUSION

There are persuasive reasons to reach the merits of this IPR, and PO's request for discretionary denial should be denied.

Dated: April 8, 2026

Respectfully submitted,  
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<sup>7</sup> And in any event, the Petition explains that Sekiguchi discloses intra prediction and relies on the combination of Sekiguchi and VCEG-AJ21; PO's argument which attacks VCEG-AJ21 individually should be rejected. *In re Merck & Co., Inc.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986) ("Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references.").

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that true copies of Petitioner's Opposition to Patent Owner's Request for Discretionary Denial and EXHIBITS 1022 – 1030 were served upon the below listed counsel by electronic mail:

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