

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETFLIX, INC.,
Petitioner,

v.

GOTV STREAMING, LLC,
Patent Owner.

IPR2023-00757
Patent 8,989,715 B2

Before RICHARD M. LEBOVITZ, BRIAN J. McNAMARA, and
STEVEN M. AMUNDSON, *Administrative Patent Judges*.

AMUNDSON, *Administrative Patent Judge*.

DECISION

Denying Patent Owner's Request on Rehearing of
Decision Granting Institution of *Inter Partes* Review
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Netflix, Inc. (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–20 in U.S. Patent No. 8,989,715 B2 (Exhibit 1001, “the ’715 patent”) under 35 U.S.C. §§ 311–319. Paper 2 (“Pet.”). In the Petition, Petitioner contended that claims 1–20 are unpatentable under § 103(a) as obvious over Hariki and Harris.^{1,2} See Pet. 2, 25–73; 35 U.S.C. § 103(a) (2006). Petitioner also contended that “the claims should be given their plain and ordinary meaning.” Pet. 19.

GoTV Streaming, LLC (“Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). In the Preliminary Response, Patent Owner disputed Petitioner’s unpatentability contentions for various reasons. See Prelim. Resp. 1–2, 21–58. Patent Owner did not propose an explicit construction for any claim language. See, e.g., *id.* at 7–15, 20–21, 55 n.10.

II. BACKGROUND

In October 2023, the district court in *GoTV Streaming, LLC v. Netflix, Inc.*, No. 2:22-cv-07556 in the Central District of California (the “California case”), conducted a jury trial. See Ex. 3003. The jury returned a verdict finding, among other things, that Petitioner infringed claim 4 in the ’715 patent. *Id.* at 3.

In early November 2023, after considering the submissions by the parties and the evidence of record in this proceeding, the Board instituted an

¹ See U.S. Patent Application Publication 2007/0150617 A1 (“Hariki”); and U.S. Patent Application Publication 2003/0023755 A1 (“Harris”).

² The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284 (2011), amended 35 U.S.C. § 103 effective March 16, 2013. Because the filing date of the challenged claims predates the AIA’s amendment to § 103, this decision refers to the pre-AIA version of § 103.

inter partes review of claims 1–20 in the ’715 patent. Paper 11 (“Institution Decision” or “Inst. Dec.”). Among other things, the Board determined that Petitioner:

- demonstrated a reasonable likelihood of proving that claims 1, 2, 4–10, and 12–16 are unpatentable under § 103(a) as obvious over Hariki and Harris;
- did not demonstrate a reasonable likelihood of proving that claims 3, 11, and 17–20 are unpatentable under § 103(a) as obvious over Hariki and Harris; and
- presented “compelling evidence” of unpatentability for at least independent claims 1 and 9.

Inst. Dec. 94–98, 102, 104–05.

In the Institution Decision, the Board determined that “no claim term requires an explicit construction” to decide the issues presented at that stage of the proceeding. Inst. Dec. 31–32.

In late November 2023, Patent Owner requested rehearing of the Institution Decision based on an alleged change in Petitioner’s claim-construction position in the California case that occurred during the October 2023 trial. *See* Paper 13 (“Req. Reh’g”). With its rehearing request, Patent Owner submitted the following new evidence:

- excerpts from the October 18, 2023, Day 2 Trial Transcript (Exhibit 2019);
- excerpts from the October 19, 2023, Day 3 Trial Transcript (Exhibit 2020); and
- excerpts from the October 19, 2023, Memorandum in Support of Netflix’s Rule 50(a) Motion for Judgment as a Matter of Law (Exhibit 2021).

See Exs. 2019–2021.

III. STANDARD OF REVIEW

“The burden of showing a decision should be modified lies with the party challenging the decision.” 37 C.F.R. § 42.71(d) (2023). In a rehearing request, the party challenging the decision “must specifically identify” (1) “all matters the party believes the Board misapprehended or overlooked” and (2) “the place where each matter was previously addressed” in an earlier submission. *Id.*; see Consolidated Trial Practice Guide at 90.³

“A rehearing request is not an opportunity for the requesting party to reargue its case or merely to express disagreement with the underlying decision.” *MicroSurgical Tech., Inc. v. Regents of Univ. of Colo.*, PGR2021-00026, Paper 14 at 2 (PTAB Aug. 12, 2021). “Nor is it an opportunity for the moving party to present new arguments that were not in its original submissions.” *Id.*

“When rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” 37 C.F.R. § 42.71(c). “An abuse of discretion occurs if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors.” *Arnold P’ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004).

IV. ANALYSIS

In its rehearing request, Patent Owner asserts that Petitioner:

- (1) “materially changed its claim construction position” during the October 2023 trial;

³ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

- (2) “now agrees with Patent Owner that the claims require the application to be executing remotely on the server”; and
- (3) “explicitly differentiated the claimed application from anything that could be called an application on the wireless device.”

Req. Reh’g 1, 4–6, 9–10, 15.

Patent Owner “believes the Petition should be denied because Petitioner’s change of position precludes a factual finding supported by substantial evidence.” Req. Reh’g 1; *see id.* at 13. Further, Patent Owner asserts that “the Board should at least find the weakened Petition (in light of the agreed-upon claim construction) cannot meet” the “compelling evidence” standard. *Id.* at 1–2; *see id.* at 14. Patent Owner “requests that the Board modify its earlier decision and exercise its *Fintiv* discretion to deny institution or deny institution on the merits.” *Id.* at 15.

Patent Owner argues that “[t]here is good cause to allow Patent Owner to submit” the new evidence from the October 2023 trial because, among other things, “the evidence goes to the heart of the related substantive and procedural matters that the Board relied upon in making its Institution Decision.” Req. Reh’g 7–8. According to Patent Owner, “the changed factual circumstances that occurred after the Preliminary Response was filed and before the Institution Decision was issued demonstrate good cause to present” the new evidence. *Id.* at 9.

As Patent Owner acknowledges, however, Petitioner asserted in the Petition that an ordinarily skilled artisan would have understood for claim 1 that “the ‘application’ is not limited to one residing only on a client or only on a server.” Pet. 36 n.10 (citing Ex. 1002 ¶¶ 128, 161–162); *see* Req.

Reh’g 4, 10 (citing Pet. 36 n.10). As support for that assertion, Petitioner quoted claim 3 that depends directly from claim 1 and requires “said application operating on a remote server.” Pet. 36 n.10; *see* Ex. 1001, 20:65–67. After quoting claim 3, Petitioner asserted that an ordinarily skilled artisan “would have understood that the claimed application in claim 1 could reside anywhere, for example on a client or on a server.” Pet. 36 n.10 (citing Ex. 1002 ¶¶ 161–162).

Petitioner’s assertions in the Petition about claim scope comport with the principle that “an independent claim is broader than a claim that depends from it.” *See Littelfuse, Inc. v. Mersen USA EP Corp.*, 29 F.4th 1376, 1380 (Fed. Cir. 2022); *Liebel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898, 911 (Fed. Cir. 2004) (“[T]he presence of a dependent claim that adds a particular limitation raises a presumption that the limitation in question is not found in the independent claim.”); 35 U.S.C. § 112 ¶ 4 (2006) (“a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed”); Pet. 36 n.10. Petitioner’s assertions in the Petition about claim scope also comport with the principle that interpretations rendering some portion of the claim language “void, meaningless, or superfluous” are “highly disfavored.” *See Intel Corp. v. Qualcomm Inc.*, 21 F.4th 801, 810 (Fed. Cir. 2021); Pet. 36 n.10.

In contrast to Petitioner’s position in the Petition, Patent Owner’s position that “the claims require the application to be executing remotely on the server” would render claim 3 “void, meaningless, or superfluous.” *See* Req. Reh’g 1; *see id.* at 10, 15; Ex. 1001, 20:40–62 (claim 1), 20:65–67 (claim 3). Based on the current record, Patent Owner does not identify

anything in the intrinsic evidence (the patent’s claim language, written description, and prosecution history) warranting a contrary conclusion. *See, e.g.*, Prelim. Resp. 7–15, 9 n.3, 20–51; Req. Reh’g 10–12.

In the Preliminary Response, Patent Owner cited a few portions of the written description to show that the claimed “application” may “be executing remotely on the server.” Prelim. Resp. 9 (citing Ex. 1001, 2:37–38, 2:63–64, 3:8–9, 5:54–56, 6:6–7, 16:44–45). But the cited portions do not indicate that the claimed “application” must “be executing remotely on the server.” *See* Ex. 1001, 2:37–38, 2:63–64, 3:8–9, 5:54–56, 6:6–7, 16:44–45. Federal Circuit case law “counsels against incorporating a feature of a preferred embodiment into the claims.” *Arthrex, Inc. v. Smith & Nephew, Inc.*, 935 F.3d 1319, 1330 (Fed. Cir. 2019).

In the Preliminary Response, Patent Owner did not identify—or even allege—a clear disavowal of claim scope. *See, e.g.*, Prelim. Resp. 7–15, 9 n.3, 20–51. Nor did Patent Owner allege that prosecution-history disclaimer limits claim scope. *See, e.g., id.* at 7–15, 9 n.3, 20–51.

Consistent with Petitioner’s position in the Petition, the Federal Circuit “strives to reach a claim construction that does not render claim language in dependent claims meaningless.” *See Ortho-McNeil Pharm., Inc. v. Mylan Lab ’ys, Inc.*, 520 F.3d 1358, 1362 (Fed. Cir. 2008). Additionally, the district court did not construe the claims according to Patent Owner’s position. *See* Ex. 3004, 2–10.

As for the new evidence from the October 2023 trial, it is unclear from that evidence whether Petitioner advocated a claim construction or whether Petitioner attempted to identify flaws in Patent Owner’s

infringement position based on a claim construction originating from Patent Owner. *See* Ex. 2019, 2–8; Ex. 2020, 2–4; Ex. 2021, 3.

As for inconsistencies in a party’s claim-construction positions, the Institution Decision explained that “there is no requirement that a party present the same construction before the Board and the district court.” Inst. Dec. 32 (citing *Abbott Diabetes Care Inc. v. Dexcom, Inc.*, IPR2022-00913, Paper 14 at 11–17 (PTAB Nov. 3, 2022); *Sony Mobile Commc’ns AB v. Ancora Techs., Inc.*, IPR2021-00663, Paper 17 at 24–25 (PTAB June 10, 2021); *Huawei Techs. Co. v. WSOU Invs., LLC*, IPR2021-00228, Paper 9 at 24–25 (PTAB June 10, 2021)). Further, as the Institution Decision noted, “[t]here is nothing to prevent a petitioner from advancing one construction in the District Court as an infringement defendant and a different construction as a Petitioner before the Board. In fact, it happens all the time.” *Samsung Elecs. Co. v. Smart Mobile Techs. LLC*, IPR2022-01248, Paper 13 at 58 (PTAB Jan. 24, 2023); *see* Inst. Dec. 105.

Patent Owner asserts that *Samsung* “merely” permits a petitioner to either (1) propose a specific claim construction in a district court and maintain before the Board that “no formal claim construction” is necessary or (2) “adopt a construction ‘advanced by a patent owner that is seeking to broadly construe the claims to prove infringement.’” Req. Reh’g 6–7 (quoting *Samsung*, IPR2022-01248, Paper 13 at 58). We disagree. In *Samsung*, the Board rejected the argument that “[b]y proffering inconsistent claim construction positions, Petitioner has failed to comply with the Office’s rules concerning claim construction.” *Samsung*, IPR2022-01248, Paper 13 at 58 (alteration in original).

In arguing that Petitioner’s “contradictory positions” are improper, Patent Owner cites the following two cases: (1) *Hologic, Inc. v. Enzo Life Sciences, Inc.*, IPR2018-00019, Paper 21 at 2 (PTAB Nov. 28, 2018); and (2) *CommScope Technologies LLC v. Dali Wireless Inc.*, 10 F.4th 1289, 1299 (Fed. Cir. 2021). Req. Reh’g 7. But neither case stands for the proposition that a party in an Office proceeding must present the same claim-construction position to the Board and a district court.

In *Hologic*, the Board decided that a party in an Office proceeding may not “expressly disagree” with a claim-construction position in the proceeding and still advance the disagreed-with position in the proceeding. *See Hologic*, IPR2018-00019, Paper 21 at 2–7. Unlike the situation in *Hologic*, Petitioner did not “expressly disagree” with a claim-construction position in this proceeding and still advance the disagreed-with position in this proceeding. *See, e.g.*, Pet. 36 n.10, 36–37 (identifying for limitation 1b an “application” on a mobile device and alternatively an “application” on a server).

In *CommScope*, the Federal Circuit criticized a patentee for taking incongruous claim-construction positions when arguing for infringement and against anticipation. *CommScope*, 10 F.4th at 1299. The Federal Circuit said, “This case falls squarely within the principle that a ‘patent may not, like a nose of wax, be twisted one way to avoid anticipation and another to find infringement.’” *Id.* (quoting *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1351 (Fed. Cir. 2001)). In the Petition, Petitioner did not take incongruous claim-construction positions when arguing for unpatentability. *See* Pet. 25–73.

Based on the current record and for the reasons discussed above, the Petition rests on sound claim-construction positions for independent claims 1 and 9,⁴ and the new evidence from the October 2023 trial does not erase those positions. Nor does that evidence warrant denying the Petition, either on the merits or discretionarily under *Fintiv*.

During the trial, Patent Owner will have an opportunity to address whether “the claims require the application to be executing remotely on the server,” as Patent Owner asserts, based on the intrinsic evidence (the patent’s claim language, written description, and prosecution history) and the extrinsic evidence, including the new evidence from the October 2023 trial. And Petitioner will have an opportunity to respond. Further briefing from both parties should assist the Board in determining claim scope and deciding the patentability issues.

V. CONCLUSION

For the reasons discussed above, Patent Owner has not demonstrated that the Board abused its discretion when instituting an *inter partes* review of claims 1–20 in the ’715 patent.

⁴ Claims 1 and 9 recite similar limitations, although their respective preambles differ. *Compare* Ex. 1001, 20:40–62, *with id.* at 21:19–43. Claim 1’s preamble recites “[a] method of generating content that is renderable by a wireless device.” *Id.* at 20:40–41. Claim 9’s preamble recites “[a] non-transitory computer readable medium comprising instructions therein that when executed by a processor implement a method of generating content that is renderable by a wireless device.” *Id.* at 21:19–22. Claim 11 depends directly from claim 9 and recites subject matter similar to claim 3. *Id.* at 21:47–50; *see id.* at 20:65–67.

VI. ORDER

Accordingly, it is
ORDERED that Patent Owner's Request for Rehearing (Paper 13) is
denied.

IPR2023-00757
Patent 8,989,715 B2

For PETITIONER:

Aliza George Carrano
Indranil Mukerji
J. Christopher Moulder
WILLKIE FARR & GALLAGHER LLP
acarrano@willkie.com
imukerji@willkie.com
cmoulder@willkie.com
Netflix-GTS-WFG@willkie.com

For PATENT OWNER:

Joshua S. Wyde
Steven T. Jugle
ALAVI & ANAIPAKOS PLLC
jwyde@aatriallaw.com
sjugle@aatriallaw.com
IPR2023-00757@aatriallaw.com