

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HANSHOW AMERICA INC. and HANSHOW TECHNOLOGY CO., LTD.
Petitioner,

v.

SES-IMAGOTAG GMBH,
Patent Owner.

Case No. IPR2024-00188
U.S. Patent No. 11,405,669

**PATENT OWNER'S PRELIMINARY SUR-REPLY TO
PETITIONER'S PRELIMINARY REPLY**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	THE PETITION FAILS TO PROVE MASUMOTO TEACHES A “COMMUNICATION STAGE” AS THE PRELIMINARY REPLY SHOWS.	2
III.	THE PRELIMINARY REPLY OFFERS A NEW CLAIM CONSTRUCTION.	6
IV.	THE BOARD NEED NOT REACH THE PRELIMINARY REPLY ARGUMENTS TO DENY INSTITUTION.....	10
V.	CONCLUSION.....	10

TABLE OF AUTHORITIES

CASES

<i>NXP B.V. v. Bell Semiconductor, LLC</i> , IPR2021-00967, Paper 32, 34 (Oct. 6, 2022)	7
<i>Xerox Corp. v. Bytemark, Inc.</i> , IPR2022-00624, Paper 9, 15–16 (Aug. 24, 2022)	5

OTHER AUTHORITIES

37 C.F.R. §42.104(b)(4)	2
https://www.uspto.gov/sites/default/files/documents/trial-practice-guide-update3.pdf	7

I. INTRODUCTION

Petitioner's Preliminary Reply ("Prelim. Reply," Paper 9) does not advance the case for institution. In fact, it does the opposite: It underscores the material gaps in the Petition, thereby demonstrating why the Board should deny institution.

In its Preliminary Reply, Petitioner accuses Patent Owner of relying on semantics to argue that the Petition did not address the "communication stage" limitation. Prelim. Reply 1, 5. Petitioner's pejorative use of "semantics" is calculated to suggest that Patent Owner's arguments are somehow trivial. In fact, they are anything but. "Communication stage" is an element of all challenged claims, and Petitioner failed to address this element or show its presence in the prior art. Despite Petitioner's suggestion to the contrary, Patent Owner did not argue in its POPR—and does not argue now—that the prior-art references must actually use the term "communication stage" to be properly mapped to that element. Instead, as pointed out in the POPR, Petitioner did not address the "communication stage" element *at all*, let alone map it to any particular disclosures in the prior art. This is not a semantic gotcha; it is a material failure of proof.

Petitioner attempts to paper over its substantive failure to address "communication stage" with two arguments, both of which fail. First, Petitioner claims that it mapped the recited "communication stage" to what the Preliminary Reply now calls a "communication module." But it is indisputable that the Petition

never made any such mapping, never described or discussed a “communication module,” and never pointed to any “communication module” in the prior art. Second, Petitioner claims that the plain and ordinary meaning of “communication stage” is “communication module or unit.” Yet, because Petitioner never made any such claim-construction argument in the Petition, this new claim-construction argument is untethered to any evidence whatsoever. Such evidence-free assertions, supported only by attorney argument, are exactly why the Board has consistently refused to consider new claim constructions in preliminary replies. The Board should so refuse here too.

Petitioner’s failure to map the claim term “communication stage” is fatal. The Board requires each petition to “specify where each element of the claim is found in the prior art patents or printed publications relied upon.” 37 C.F.R. §42.104(b)(4). Petitioner’s Preliminary Reply highlights the Petition’s failure to specify where the “communication stage” can be found in the prior art, and thus, the Board should deny institution.

II. THE PETITION FAILS TO PROVE MASUMOTO TEACHES A “COMMUNICATION STAGE” AS THE PRELIMINARY REPLY SHOWS.

For the first time in its Preliminary Reply, Petitioner argues Masumoto teaches the “communication stage” because, according to Petitioner, Masumoto’s “communication unit” and “controller” “together” form a “communication module”

that is the recited “communication stage.” Prelim. Reply 2-5. It is indisputable that the Petition never made any such argument, and as presented for the first time in the Preliminary Reply, Petitioner’s communication-module-is-a-communication-stage argument is little more than bare attorney argument.

The thrust of Petitioner’s argument that the Petition mapped a supposed “communication module” as the recited “communication stage” comes at page four of the Preliminary Reply where Petitioner says, “[t]he Petition quotes Masumoto that ‘[e]ach of the plurality of displays includes a communication unit that communicates via the network and a controller’ (together a communication module) and maps that disclosure to the ‘communication stage’ in element [1.3], which the POPR designates as element [1.3a].” Prelim. Reply 4. The Preliminary Reply cites page 25 of the Petition as support, but no support can be found there.

Instead, nothing in the Petition, including specifically page 25, ever says that the communication unit and controller “together [are] a communication module.” Instead, the Petition quotes the following paragraph from Masumoto, which itself says nothing about a communication module:

The multi-display apparatus includes the plurality of displays connected to a network. Each of the plurality of displays includes a communication unit that communicates via the network and a controller. The controller sends a request signal requesting other display to transmit specific information of a video signal displayed on the other

display, and receives the specific information from the other display. The controller gives notification of correction to the other display sending the specific information with a difference when the specific information received differs from specific information of a video signal that is supposed to be displayed.

Pet. 25–26 (quoting Ex. 1005, [0017]); Prelim. Reply 4 (citing same) (internal quotation marks omitted).

Notably, when quoting the above paragraph from Masumoto, the Petition emphasizes the text describing Masumoto’s controller but not its communication unit, and certainly not the two components “together” as a “module.” See Pet. 25-26 (emphasizing, “*The controller [in one display] sends a request signal requesting other display to transmit specific information of a video signal displayed on the other display, and receives the specific information from the other display. The controller gives notification of correction to the other display.*”) The two sentences in the Petition following the quoted paragraph above also do not mention Masumoto’s communication unit or its controller. *Id.* at 26. Put simply, nothing in the Petition suggests Masumoto’s communication unit and controller should be considered “together” to form a “communication module,” or more importantly, that this “communication module” constitutes the recited “communication stage.” Indeed, far from mapping or explaining the supposed “communication module,” as Patent Owner previously explained (POPR 21-22), the Petition never explained the

respective functions of Masumoto’s communication unit or its controller, how those components are integrated together, or how they would be used (or modified) in the proffered combinations.

Tellingly, Petitioner’s expert never testifies to the presence or obviousness of a “communication module” as a “communication stage” or what functions the various elements of the supposed “communication module” perform. *See generally* Ex. 1003; POPR 22. Instead, the expert just regurgitates the Petition’s conclusions *verbatim*. *Compare* Pet. 25–26, *with* Ex. 1003 ¶¶75–76. Expert opinion is afforded little or no weight or probative value when it fails to cite any additional supporting evidence or provide any technical reasoning to support the opinion. *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9, 15–16 (Aug. 24, 2022) (precedential).

The Preliminary Reply cites the testimony of Dr. Tentzeris and asserts that “[a]s Dr. Tezteris [sic] confirms, any reader, including any POSITA, immediately recognizes the necessary presence of communication modules.” Prelim. Reply 3 (citing Ex. 1003 ¶¶71–80). Although Petitioner cites the entirety of Dr. Tentzeris’ testimony as to limitation [1.3], that testimony does not support Petitioner’s assertion because it never provides anything more than the conclusory assertions in the Petition. *See* Ex. 1003 ¶¶71–80. While Dr. Tentzeris mentions in passing displays communicating data in Swafford and Masumoto, he does not address whether or how those disclosures teach a “communication module” or how the “communication

module” discloses the recited “communication stage.” Nothing in the declaration of Dr. Tentzeris explains that Masumoto’s communication unit and controller form a “communication module” or that this “communication module” is the recited “communication stage,” and even the Preliminary Reply fails to identify any such testimony.

In sum, Petitioner’s new argument found only in its Preliminary Reply serves to highlight the problem identified in the POPR: “[B]ecause Petitioner does not specify any particular element of Masumoto as the ‘communication stage,’ it is impossible to know how Swafford would be modified by Masumoto” or how “Kipp would be modified by Masumoto’s teachings” (or vice versa). POPR 21-22. The Board should reject Petitioner’s new argument.

III. THE PRELIMINARY REPLY OFFERS A NEW CLAIM CONSTRUCTION.

Recognizing that the Preliminary Reply relies on a brand-new mapping—Masumoto’s communication unit and controller together as a “communication module”—Petitioner offers a brand-new claim construction for “communication stage.” Although Petitioner contends its new claim construction is the plain and ordinary meaning of “communication stage,” it is clear that (1) the Petition never offered any such claim construction, and (2) the proposed claim construction is unsupported.

The Board has held that a Petitioner granted leave to file a reply to a preliminary response is not at liberty to offer a new plain-and-ordinary-meaning construction that “departs from the approach taken in the Petition.” *NXP B.V. v. Bell Semiconductor, LLC*, IPR2021-00967, Paper 32, 34 (Oct. 6, 2022) (citing 2019 Trial Practice Guide¹ at 13: “[P]etitioner ... cannot raise new claim construction issues that were not previously raised in its petition.”). Given that the Petition never argued any particular meaning for “communication stage”—plain and ordinary or otherwise—the Preliminary Reply drastically departs from the “approach taken in the Petition,” *NXP B.V.*, IPR2021-00967, Paper 32, 34. Petitioner asks the Board to forgive its new claim construction because the need for claim construction “could not have been foreseen.” Ex. 1012, 2. But how could the proper mapping of a claim term be unforeseen? It was *always* Petitioner’s obligation to map “communication stage” to something in the prior art. If Petitioner wanted to map “communication stage” to a “communication module,” it was incumbent on Petitioner to do so in the Petition and to say why the plain and ordinary meaning supported that mapping. This is particularly true in view of the fact that Petitioner is now mapping two components in Masumoto (its communication unit and controller) as the alleged “communication

¹ *Trial Practice Guide Update* (2019), <https://www.uspto.gov/sites/default/files/documents/trial-practice-guide-update3.pdf>.

module.” It is far too late for Petitioner to propose a brand-new claim construction, and the Board should reject it as such.

But even if the Board considers the construction (it should not), Petitioner offers little support. Petitioner says that “the plain and ordinary meaning of the ‘communication stage’ recited in element [1.3] is simply a ‘communication module or unit’ that communicates data.” Prelim. Reply 8. But because the Petition did not raise this issue, Petitioner has no evidence to cite in the Preliminary Reply that supports its new claim construction.

Instead, Petitioner cites several sections from the ’669 Patent, but never explains why these sections support the Preliminary Reply’s new claim construction. Prelim. Reply (citing Ex. 1001, 1:49-50, 2:19-20, 3:24-28, 3:63-65). The Preliminary Reply cites 1:49–50, which reads, “a communication stage to communicate data with each other.” But this says nothing about how the “communication stage” is a “communication module or unit.” Nor does 2:19–20, which says “[i]n particular the server may use the same communication stage for downloading the video data to the devices.” Nor does 3:24–28, which says “[a]ccording to this finding each device is designed to broadcast adjustment data for adjusting the playback progress of the devices over its communication stage if it detects an asynchronous playback progress.” Nor does 3:61–65, which says “[i]n order to keep the communication highly efficient in an environment with up to a few

thousand devices it is of particular advantage that the communication stage is designed to use UDP multicast data packets for the communication.” In fact, not only are these sections silent as to Petitioner’s new claim-construction theory, the Petition itself never cited or discussed any of them, again underscoring the manifest failure of the Petition to address this claim term.

Nor do the claims expressly require that a “communication stage” be a “communication module or unit.” Claim 1 recites that “each playback device ... comprises ... a communication stage to communicate data,” and claim 7 recites that the devices “broadcast adjustment data” “over its communication stage.” The Preliminary Reply fails to explain how these recitals require “communication stage” to be a “communication module or unit.”

The fundamental problem is that Petitioner offers its new construction based exclusively on attorney argument without the benefit of evidence in support. This is exactly why the Board rejects preliminary-reply-based constructions. Moreover, it would be clearly unfair for the Board to consider the Preliminary Reply’s eleventh-hour construction: Had Petitioner offered its communication-stage-means-communication-module construction in the Petition where it was supposed to be offered, Patent Owner would have had a meaningful opportunity to offer evidence contradicting that position. Petitioner’s attempt to sandbag Patent Owner with a new construction on Preliminary Reply should be rejected, as untimely and unsupported.

IV. THE BOARD NEED NOT REACH THE PRELIMINARY REPLY ARGUMENTS TO DENY INSTITUTION

Finally, Patent Owner notes that the Board need not reach Petitioner's arguments in the Preliminary Reply to deny institution here. Those arguments do not address numerous other arguments in the POPR which provide independent reasons to deny institution. *See* POPR 24-41.

V. CONCLUSION

For all the above reasons, Petitioner has not met its burden of establishing a reasonable likelihood of showing that at least one claim is unpatentable as obvious over the cited art, and Patent Owner respectfully requests the Board deny institution.

Respectfully submitted,

Dated: March 21, 2024

By: / Jessica C. Kaiser /
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), I certify that on March 21, 2024, a copy of
**PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO PATENT
OWNER'S PRELIMINARY RESPONSE** was served upon the below-listed
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Dated: March 21, 2024

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