

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COMCAST CABLE COMMUNICATIONS, LLC,
Petitioner,

v.

TOUCHSTREAM TECHNOLOGIES, INC.,
Patent Owner.

Case No. IPR2024-00321
U.S. Patent No. 8,356,251

**PATENT OWNER'S PRELIMINARY RESPONSE
PURSUANT TO 37 C.F.R. § 42.107**

TABLE OF CONTENTS

I.	The '251 Patent	3
A.	Claims	4
B.	Specification.....	7
C.	Prosecution History	11
II.	Petitioner's Grounds and Cited References	13
A.	Redford.....	14
B.	Gonze	15
C.	Chilvers	16
D.	Malik	16
E.	Bartfeld.....	17
III.	Level of Ordinary Skill in the Art.....	17
IV.	Claim Construction	17
V.	Petitioner Has Not Shown a Reasonable Likelihood of Prevailing on Any Claim	18
A.	Redford Does Not Disclose or Render Obvious the Claimed Steps Relating to <i>Programming Code</i> (Ground A).....	19
1.	Redford Does Not Disclose Converting into Programming Code <i>by the Server System</i>	20
2.	Redford Does Not Disclose <i>Storing</i> , as Claimed, the <i>Corresponding Programming Code</i> from the <i>Converting Step</i>	23
B.	Petitioner's Proposed Combinations with Gonze and/or Bartfeld (Grounds B–D) Do Not Render Obvious the Claimed Steps Relating to <i>Programming Code</i>	27
1.	Petitioner's Proposed Motivation to Combine Gonze with Redford Fails to Address Specific Limitations.....	28
2.	Gonze Does Not Disclose or Render Obvious the <i>Converting Step</i> Being Performed <i>by the Server System</i>	31
3.	Gonze Does Not Render Obvious the <i>Stored Information</i> Including the Claimed Corresponding Programming Code.....	33
C.	The Petition's Failures Regarding Claim 1 Are Compounded For Claims 11 and 22	34
D.	Petitioner Does Not Cite Any Other References for the Missing Limitations (Grounds C–L).....	36

VI. The Board Should Exercise Discretion Under § 314(a) to Deny the Petition .36

 A. *Factor 1: Likelihood of Stay* 37

 B. *Factor 2: Trial Date Relative to Final Written Decision Due Date* 38

 C. *Factor 3: Investment in Trial Court Proceedings*.....40

 D. *Factor 4: Overlap of Issues* 43

 E. *Factor 5: Same Parties*.....46

 F. *Factor 6: Other Considerations* 46

 G. Combined Factors 47

VII. Conclusion.....49

PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Declaration of Stephen Wicker
2002	Lex Machina Report – District Judge James Rodney Gilstrap Order Stats between Jan. 1, 2012 – April 12, 2024
2003	Docket Control Order (Dkt. 71) filed June 16, 2023
2004	Docket Navigator – Judge Rodney Gilstrap Milestone timeline accessed April 10, 2024
2005	2:23-cv-00060 (E.D. Tex. 2023), Dkt 1 (Feb. 17, 2023)
2006	2:23-cv-00060 (E.D. Tex. 2023), Dkt 156 (Order Denying Transfer)
2007	Touchstream's Disclosure of Asserted Claims and Infringement Contentions and Accompanying Document Production to Comcast Defendants' dated May 19, 2023
2008	Charter Notice of Preliminary Election of Asserted Prior Art dated April 4, 2024
2009	Defendants' Third Supplemental Disclosures Pursuant to P.R. 3-3 and 3-4 dated March 27, 2024
2010	Defendants' Disclosures Pursuant to P.R. 3-3 and 3-4 dated August 4, 2023
2011	Comcast Defendants' Preliminary Election of Asserted Prior Art dated (April 4, 2024)
2012	Comcast Defendants' Stipulation Regarding Invalidity Defenses (Dkt. 129) filed January 9, 2024
2013	2:23-cv-00060 (E.D. Tex. 2023), Dkt 158 (Order deconsolidating cases and reconsolidating to 2:23-cv-00059)
2014	U.S. Patent No. 11,048,751 issued June 29, 2021 titled <i>Play Control of Content on a Display Device</i>
2015	RESERVED
2016	RESERVED
2017	RESERVED

2018	Comcast Docket Sheet (2:23-cv-00062-JRG) as of April 23, 2024
2019	Charter Docket Sheet (2:23-cv-00059-JRG) as of April 23, 2024
2020	Altice Docket Sheet (2:23-cv-00060-JRG) as of April 23, 2024
2021	Declaration of Philip Eckert
2022	Post-Trial Motions Hearing Transcript (Excerpt) dated January 3, 2024

Petitioner Comcast Communications, LLC fails to show a reasonable likelihood of prevailing as to any of claims 1–26 of U.S. Patent No. 8,356,251 (the “’251 patent”). Moreover, institution would be an inefficient waste of public and private resources because Petitioner delayed for months in filing its Petition, a trial involving the same parties and patent is scheduled to begin approximately 7 months before a final written decision, and Petitioner declined to offer a fulsome *Sotera* stipulation. Thus, as further explained herein, the Board should deny institution under 35 U.S.C. § 314(a), either on the merits or in the exercise of its sound discretion.

On the merits, the Board should deny institution because the Petition fails to articulate how the primary reference, Redford, teaches critical limitations regarding the claimed “programming code.” In particular, the challenged claims require “converting, *by the server system*, the universal playback control command into corresponding programming code.” ’251 Pat., 11:43–45. But Petitioner relies on Redford’s disclosure of a function running on an “internet-enabled television”—which Petitioner maps as the claimed *display device*. Petitioner maps a separate device as the *server system*. There is nothing in Redford that teaches conversion into programming code *by the server system* rather than the alleged *display device*.

There is another independent flaw in the Petition. Claim 1 requires “*storing*, in a database associated with the server system, *information for transmission to or*

retrieval by the display device, wherein the information . . . includes the *corresponding programming code . . .*” ’251 Pat., 11:52–60. The Petition fails to show that Redford teaches this limitation for two reasons. First, Petitioner identifies Redford’s “particular ‘VideoPlay’ command” as the *programming code* of claim 1, but fails to show that *the corresponding programming code* (a “particular ‘VideoPlay’ command”) is stored for transmission to or retrieval by the display device. Second, Redford only discloses one command from the alleged *server system* to play a video. But that command is sent to another part of the alleged *server system*, not *transmitted to or retrieved by the alleged display device*, as required by claim 1.

The Petition does not attempt to combine Gonze to cure the fatal deficiencies of Redford noted above. And even if it did, the Petition’s generic rationale fails to provide a credible motivation to combine. The Petition also lacks any detail on *how* Gonze would allegedly be combined with Redford to achieve the claimed invention. Petitioner also does not contend that any other reference cures the fatal deficiencies of Redford. The Petition should therefore be denied on the merits.

Further, ***in the exercise of its discretion***, the Board should deny the Petition because institution would multiply litigation, not provide an alternative to it. If instituted, there will be a trial on invalidity in the district court on the same prior art many months before this IPR is finally decided. Further, Petitioner declines to be bound by estoppel, stipulating only that it “will not pursue in this case the specific

grounds” asserted in its Petition; Petitioner has *not* stipulated that it will not pursue “any grounds that could have reasonably been raised,” per the Director’s June 21, 2022 Memorandum regarding the application of *Fintiv*, including the weight afforded *Sotera*-type stipulations. True to its word, Petitioner confirmed earlier this month that it maintains at least 12 separate invalidity theories in the district court—including *Redford* under 35 U.S.C. §§ 102 and/or 103.

Petitioner has no intention of avoiding the burden of litigating validity in the district court. Hence, institution will waste Board resources on duplicative litigation, and Petitioner will be the sole beneficiary because it gets a second chance to attack validity based on the same prior art. Further, Petitioner’s own unexplained delay created these conditions because it waited almost ten months after being served with the complaint (and more than seven months after Patent Owner disclosed its Preliminary Infringement contentions) to file its petition. Protecting the efficiency and integrity of the patent system requires denying institution in cases like this one, and the Board should exercise its discretion to do so here.

I. THE ’251 PATENT

The ’251 patent is titled “Play Control of Content on a Display Device,” issued on January 15, 2013, from U.S. Patent Application No. 13/245,001. Ex.1001 (cover). It generally relates to methods for presenting and controlling media content using a *display device*, a *server system*, and a *personal computing device*. See *id.* The

application that matured into the '251 patent was filed September 26, 2011, and claims priority to an earlier utility application (filed June 10, 2011) that issued as U.S. Patent No. 8,904,289 (the "'289 patent"). *Id.* The '251 patent also claims priority to an earlier provisional application (filed April 21, 2011). *Id.* The '251 patent names David Strober as its sole inventor and Patent Owner as the assignee. *Id.*

A. Claims

The '251 patent has 26 claims, of which three—claims 1, 11, and 22—are independent. Independent claim 1 recites:

1. A machine-implemented method of controlling presentation of video content on a display device that loads any one of a plurality of different media player players, the method comprising:
 - assigning, by a server system, a synchronization code to the display device;
 - receiving, in the server system, a message from a personal computing device that is separate from the server system and separate from the display device, wherein the message includes the synchronization code;
 - storing, by the server system, a record establishing an

association between the personal computing device and the display device based on the synchronization code;

receiving, in the server system, one or more signals from the personal computing device, the one or more signals specifying a video file to be acted upon and identifying a particular media player for playing the video content, the one or more signals further including a universal playback control command for controlling playing of the video content on the display device by the particular media player, converting, by the server system, the universal playback control command into corresponding programming code to control playing of the video content on the display device by the particular media player, wherein converting the universal playback control command includes selecting from among a plurality of specific commands, each of which represents a corresponding playback control command for a respective media player; and storing, in a database associated with the server system, information for transmission to or retrieval by the display device, wherein the information specifies the video file to be acted upon, identifies the particular media player for playing the video content, and includes the corresponding programming code to

control playing of the video content on the display device by the particular media player in accordance with the universal playback control command.

Ex.1001, 11:22–60.

Independent claim 11 differs in several regards—notably, it claims a system, not a method. It also differs in that it recites both a “first database” and “second database.” Ex.1001, 12:34, 12:41. The “first database” is responsible for, *inter alia*, storing a relationship “between a personal computing device and the display device,” and the “second database” stores “information for transmission to or retrieval by the display device.” *Id.* Claim 11 has sundry other differences and this is not an exhaustive list.

Independent claim 22 recites a method with various different steps. Summarized in brief, these different steps comprise:

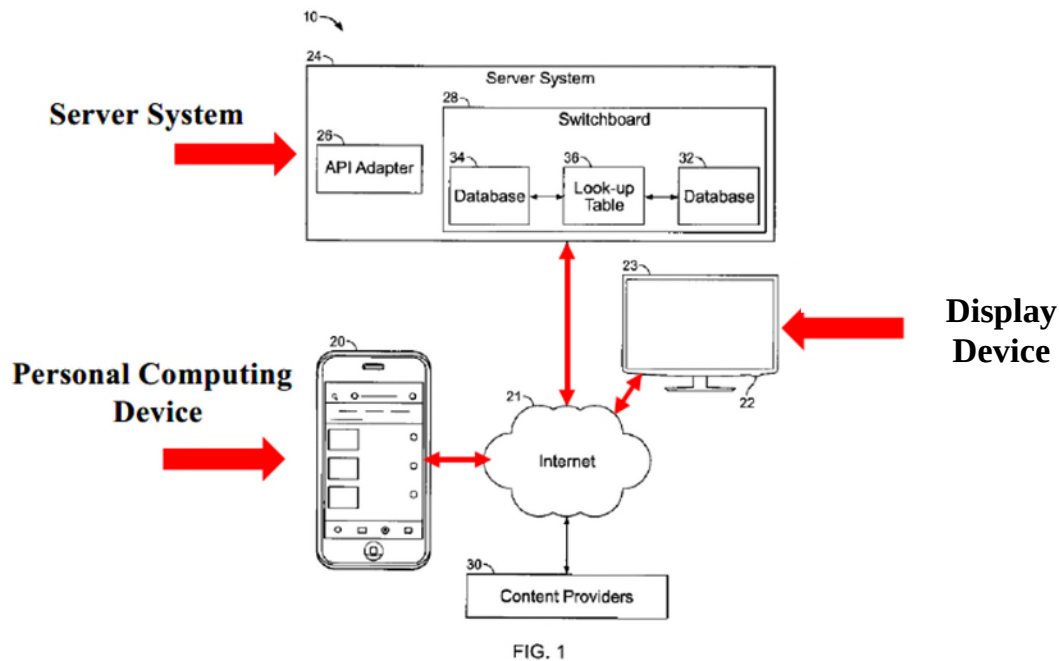
- “displaying, by the display device, a synchronization code”;
- “retrieving, by the display device from a server system, first information”;
- “obtaining, by the display device, over the Internet the first media player for playing the first video file”;
- “loading the first media player in the display device”; and
- “executing the first playback control command with respect to the first video file using the first media player.”

Ex.1001, 13:48–14:20.

Independent claim 22 also recites subsequent “retrieving” of “second information;” “obtaining” and “loading” of a “second media player;” and “executing” a “second playback control command” with specific limitations describing each “second” element. Ex.1001, 14:20–39.

B. Specification

The '251 patent discloses various embodiments to illustrate how the invention allows a user to locate content (*e.g.*, video content) on a personal computing device, like a mobile phone, and cause playback of that content on a second device (*e.g.*, a television set) or other display device. As recited in the claims, a server system facilitates this process.



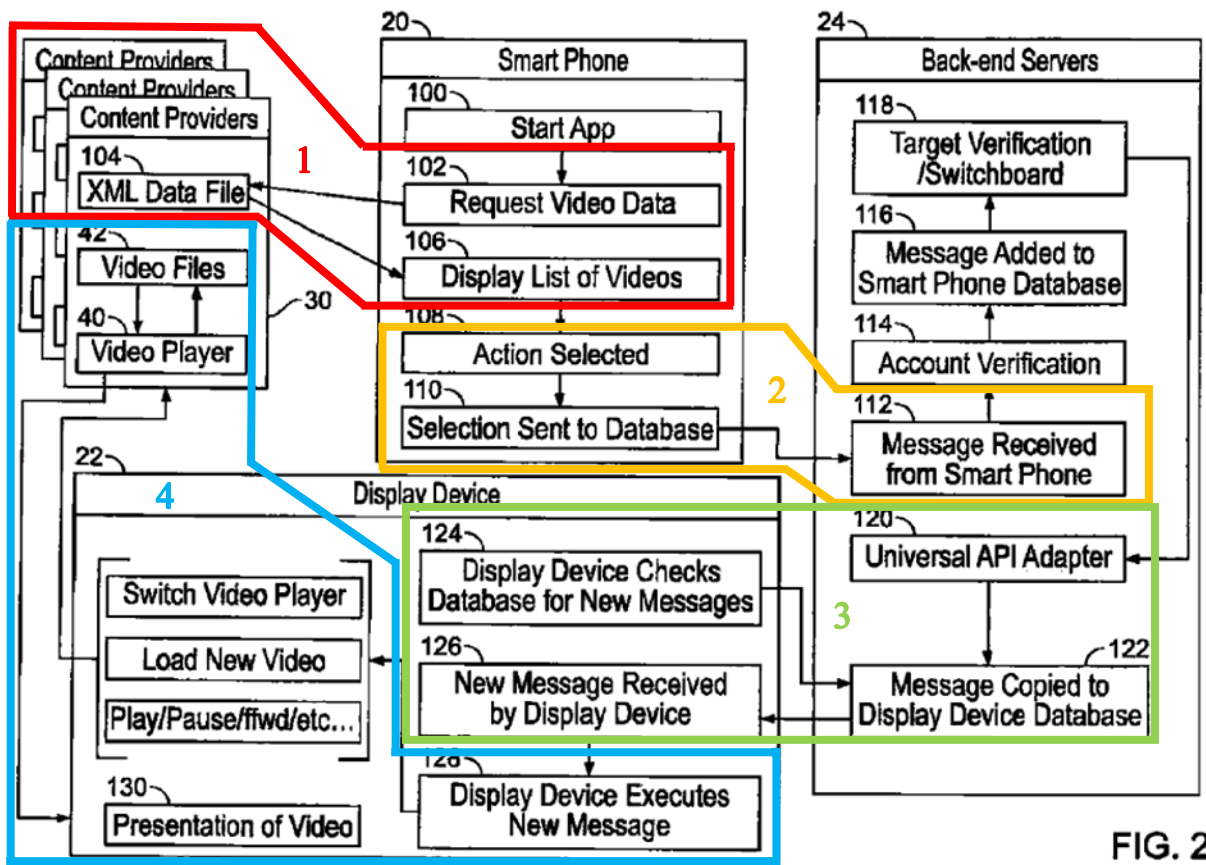
Ex.1001 (Fig. 1, annotated)

Figure 1 (reproduced above in annotated form) depicts an overview of the system according to certain embodiments. Ex.1001, 2:41–42. As shown, the mobile device, digital device (e.g., television set with a display), and server system of this embodiment are connected to the Internet. *Id.*, 2:66–3:1. The personal computing device (here, mobile device) acts as a controller, locating and selecting content via the Internet and sending commands that instruct the television set to obtain the selected content from the Internet and to present the content. *See id.*, 3:1–29. In one embodiment, a mobile phone sends messages to a server system when a user selects content and requests that it be displayed on the television set. *Id.*, 3:12–15. The television set “is operable to link back to a server system 24 from which the television set receives commands.” *Id.*, 3:10–11. The server system may send commands instructing the television set, in some embodiments, “to access a content provider 30 through the Internet 21, load a specific media player, load the media player-specific content (e.g., a video) and play the content on the television display 23.” *Id.*, 3:18–23.

For the television set to present selected content, a user must have already established a connection between the mobile phone and the television set. *See id.*, 4:65–5:7. For certain embodiments, establishing that connection involves a “synchronization code” that identifies the display device, *e.g.*, television set. *Id.*, 5:8–10, 5:14–16. For example, the user may run software on the display device that

connects it to the server system. *See id.*, 7:17–23. Upon connection, the server system may assign the television set a synchronization code (or sync code), which in some embodiments may then appear on the television set display (*e.g.*, as text or a QR code). *See id.*, 5:16–21, 5:26–29, 7:24–25. The user enters the sync code (or scans it, if a QR code is used) using the mobile phone, which then sends the sync code to the server system in a message. *See id.*, 5:16–21, 5:36–41, 7:25–31. The server then establishes a connection between the mobile phone and the television set that the sync code identifies. *Id.*, 5:32–41, 7:32–35.

When there is an established connection with the television set or other display device, the mobile phone, display device, server system, and content providers send and receive messages and information to and from each other. Figure 2 (reproduced below in annotated form) illustrates how this works in certain embodiments, and the following description references the annotations.



Ex.1001 (Fig. 2, annotated)

(1) Using the Internet, the mobile phone 20 can retrieve information (e.g., XML data files) about content (e.g., video) from content providers and can display information to a user. *See id.*, 3:63–4:22. (2) The user may select an action to be performed (e.g., play a selected video on a selected display device), which causes the phone to send a message to the server system. *Id.*, 4:23–29. In embodiments, the message “contains a transmission code that includes data regarding the user information . . . , the secondary display it wants to connect to . . . , the location and name of the media player for the selected video, the command (e.g., play, pause,

rewind, etc.), and the video file to be acted upon.” *Id.*, 4:29–35; *see id.*, Fig. 3 (depicting a possible transmission code format).

Because different media players may require different programming codes (*e.g.*, JavaScript commands), the server system 24 loads protocols for the particular media player identified by mobile phone 20. *Id.*, 5:54–67. (3) Using these protocols, the server system converts an incoming universal command (*e.g.*, play, pause etc.) “into the correct JavaScript (or other programming) code used by the target device 22 to control the specific player (block 120).” *Id.*, 5:58–62, 5:65–6:3; *see id.*, 6:7–18, 6:51–62. The correct programming code replaces the universal command in the message, which the display device may then retrieve from the server system. *See id.*, 6:3–6, 6:19–29. (4) The display device executes the message from the server, retrieving the identified content, retrieving and/or loading the particular media player identified (if not already stored and loaded on the display device), and executing the programming code that corresponds to the universal command. *See id.*, 3:18–23, 6:30–46, 6:60–62.

C. Prosecution History

The claims of the ’251 patent issued after rigorous examination during which application claim 1, corresponding to issued claim 1, was twice rejected as anticipated by U.S. Published Application No. 2011/00600998 (“Schwartz”). Ex.1104, 218–33, 62–67; *see id.* at 218–249, 62–82 (office actions rejecting claims,

including claim 1). Over the course of prosecution, Applicant amended claim 1 to distinguish over Schwartz. *See* Ex.1104, 275–276, 209. These amendments added limitations to recite that the display device “loads any one of a plurality of media players” and to require several steps pertaining to “the particular media player” identified in the “one or more signals” received in the server system from the personal computing device. *Id.* Applicant also added a limitation to the “converting” step requiring that “converting the universal playback control command includes selecting from among a plurality of specific commands, each of which represents a corresponding playback control command for a respective media player.” *Id.* at 209. And the first three claim steps—“assigning,” “receiving,” and “storing,” which all pertain to a “synchronization code”—were added in their entirety through an Examiner’s amendment to obtain allowance. *Id.* at 270, 274–76.

Further, the prosecution history of the ’251 patent made remarks about the meaning of the claim term “media player”:

In the context of the present application, it is clear that a “media player” refers to application software for playing back the video content.¹ Thus, the claims and specification refer in some cases, for example, to “loading” or

¹ Then-pending claims in what became the ’251 patent recited “specifying a video file” and “playing the video content.” Ex.1104, 209–15.

“unloading” a media player. A particular display device, therefore, may, in some cases, be able to load or store any one of different media players.

Ex.1104, 190 n.2 (internal citations omitted). After a subsequent rejection (*id.*, 217), the '251 patent claims were allowed with an examiner's amendment. *See id.*, 271–287. That amendment added, in part, a requirement to claim 1 that the recited “display device” “loads any one of plurality of different media [] players,” and that the “media player” recited in the body of the claim be a “particular media player.” *Id.*, 276–77 (underlining in original).

II. PETITIONER'S GROUNDS AND CITED REFERENCES

Petitioner asserts through 12 grounds that the challenged claims would have been obvious, including over Redford² alone (Ground A), in view of Gonze³ (Ground B), in view of Bartfeld⁴ (Ground C), or in view of Gonze and Bartfeld together (Ground D). Pet., 7–8. Petitioner alternatively asserts each of Grounds A

² U.S. Patent No. 8,660,545 to Redford (Ex.1005).

³ U.S. Pub. No. 2008/0235588 to Gonze (Ex.1006).

⁴ U.S. Pub. No. 2006/0107299 to Bartfeld (Ex.1018).

through D in combination with Chilvers⁵ (Grounds E–H) and each of Grounds A through D in combination with Malik⁶ (Grounds I–L).

A. Redford

Redford, U.S. Patent No. 8,660,545 (Ex.1005), issued on an application filed on January 6, 2010. Ex.1002 ¶85.

Redford discloses a computer system 250 (green) including various video content provider computers 281A-281N and a computer 282 that authorizes transfer of video based on a user's request. Ex.1005, 2:59–67, Fig. 2B; Ex.1002 ¶83. Computer system 250 responds to requests from a handheld device 200 (blue) by sending a signal carrying frames of a user-selected video, for presentation, to an internet-enabled television 303 (red). Ex.1005, 6:40–52, 11:37–12:12, 21:20–30, 22:5–46, Figs. 2B, 3A–3C, 6A–6B, 8A–8B, 11A; Ex.1002 ¶¶84–100.

⁵ U.S. Patent No. 8,327,403 to Chilvers (Ex.1007),

⁶ U.S. Publication No. 2007/0155506 to Malik (Ex.1008),

browser and/or an operating system (OS) may use information from a browser-interpretable document to determine software to be loaded to play the file. *Id.*, [0034]–[0035]. The browser may determine whether the selected file can be played by any plug-ins. *Id.*; Ex.1002 ¶¶102–109.

C. Chilvers

Chilvers, U.S. Patent No. 8,327,403 (Ex. 1007), issued from an application filed on September 7, 2007. Ex.1002 ¶110.

In Chilvers, user equipment identification information is used to select an appropriate format for commands that will be used by an application program interface (API) associated with the user equipment. Requests sent from a remote device in a generic format allow remote access to various user equipment having various APIs. A server uses a lookup table to convert the generic instructions to an appropriate format for a particular user equipment. Ex.1007, 27:57–65, 28:9–19, 28:29–37, 28:64–29:6, Fig. 13A; Ex.1002 ¶¶111–122.

D. Malik

Malik, U.S. Patent Application Publication No. 2007/0155506 (Ex.1008), published on July 5, 2007. Ex.1002 ¶123.

Malik discloses control of an interactive game playing on a set-top box (STB) and hosted on a network server. Ex.1008, Abstract, [0005], [0015], [0025]–[0028]. Malik describes a method to bind the STB and wireless devices for game control

wherein the game server provides a unique identifier communicated by the devices. *Id.*, [0005]–[0007], [0015], [0021], [0022], [0027], [0030], [0035], [0036], [0043], [0051]–[0052], Figs. 4, 5; Ex.1002 ¶¶124–126.

E. Bartfeld

Bartfeld, U.S. Patent Application Pub. No. 2006/0107299 (Ex.1018), published on May 18, 2006. Ex.1002 ¶127.

Bartfeld discloses a system for user-assisted association between a television and a telephony device. Ex.1018, Abstract. A server generates a code, associates it with a set-top address, and transmits it back to the STB. *Id.* The STB displays the code on a television. *Id.*, [0007], [0025]–[0026]; Ex.1002 ¶¶128–132.

III. LEVEL OF ORDINARY SKILL IN THE ART

Petitioner fails to show a reasonable likelihood of prevailing on any claim, even under the level of ordinary skill in the art it proposes. Accordingly, for the purpose of this Preliminary Response only, Patent Owner assumes Petitioner has correctly stated the level of ordinary skill in the art. Patent Owner reserves the right to present evidence and argument in support of a different position on this issue in other proceedings or later in this proceeding in the event necessary.

IV. CLAIM CONSTRUCTION

Patent Owner does not presently contend that express construction of any claim terms is necessary to resolve the issues presented herein but reserves the right

to address the proper construction of any claim terms in the future, as needed. By reserving such arguments at this stage, Patent Owner does not concede that the Petition uses claim language consistent with its proper constructions.

V. PETITIONER HAS NOT SHOWN A REASONABLE LIKELIHOOD OF PREVAILING ON ANY CLAIM

Petitioner's asserted grounds of obviousness are not supported by the evidence. The Petition, therefore, fails to show a reasonable likelihood of prevailing on any claim, as required for institution. *See* 35 U.S.C. § 314(a).

From claim 1, Petitioner's primary reference, Redford, does not disclose necessary limitations associated with, at least, the *converting* step and the *storing* step. *See infra* Sections V.A.1, V.A.2. Contrary to the Petition, Gonze does not remedy the missing limitations of Redford, and Petitioner also fails to show a motivation to combine Gonze with Redford in the manner proposed. *See infra* Sections V.B.1, V.B.2, V.B.3. The Petition's failures regarding independent claim 1 are repeated and compounded for independent claims 11 and 22. *See infra* Section V.C. Petitioner does not contend any other references supply the missing limitations. *See infra* Section V.D.

The Grounds asserted against the dependent claims all incorporate and rely upon the Petition's deficient contentions for the independent claims. The Petition

therefore fails to show a reasonable likelihood of prevailing on any dependent claim for the same reasons it fails to do so for the independent claims.

A. Redford Does Not Disclose or Render Obvious the Claimed Steps Relating to *Programming Code* (Ground A)

The Petition fails to show that the cited art discloses or renders obvious the steps of claim 1 that recite *programming code*, including the *converting* step and the *storing* step.

First, the cited art does not disclose or render obvious “converting, by the server system, the universal playback control command into corresponding programming code to control playing of the video content on the display device by the particular media player,” as recited by claim 1. In particular, Redford does not disclose or teach *converting, by the server system*, the universal playback control command *into corresponding programming code*.

Second, the Petition fails to show that the cited art discloses or renders obvious “storing, in a database associated with the server system, information for transmission to or retrieval by the display device, wherein the information . . . includes the corresponding programming code to control playing of the video content on the display device by the particular media player in accordance with the universal playback control command,” as recited by claim 1. Specifically, Redford does not disclose or teach *storing*, in a database associated with the server system,

information for transmission to or retrieval by the display device, wherein the information . . . includes *the corresponding programming code*, as required by the claim.

1. Redford Does Not Disclose Converting into Programming Code by the Server System

The Petition fails to show Redford teaches “converting, by the server system, the universal playback control command into corresponding programming code.” Ex.1001, 11:43–45. Instead, the purported *conversion* from Redford’s disclosure is a function called “VideoPlay” that runs on what Petitioner mapped as the *display device*—not the alleged *server system*, as the claims require. Redford’s express teachings confirm this, and Petitioner fails to cite any credible to the contrary.

Petitioner lacks any support for its assertion that Redford’s “computer system 250,” the alleged *server system*, “converts the ‘PlayVideo’ command, sent from handheld device 200, to a particular ‘VideoPlay’ command.” Pet., 34 (citing Ex.1005, 39:22–24, 40:56–41:2). Indeed, the portions of Redford relied-upon for this very point teach that the “function VideoPlay”⁷ is part of the “iLook set-top SDK

⁷ The “particular ‘VideoPlay’ command” of the Petition refers to Redford’s “function VideoPlay.” See, e.g., Ex.1002 ¶224 (“[T]he exemplary ‘VideoPlay’ command is a function . . .”) (citing Ex.1005, 40:56–64).

API.” Ex.1005, 40:56–41:2. As indicated by the name, Redford discloses that the “iLook **set-top** SDK API” runs on a **set-top** box device in the user’s home; that set-top box is part of Redford’s “internet-enabled television 303.” Ex.1005, 11:66–12:8, 30:23–41, 40:21–27, 40:56–41:2; Ex.2001 ¶30. Nothing in Redford’s teachings supports a different conclusion. Ex.2001 ¶30.

Petitioner does not contend that the set-top box or internet-enabled television is the “server system.” To the contrary, Petitioner (as well as its expert, Mr. Lett) identifies Redford’s “internet-enabled television 303” as the “display device” of the ’251 patent claims. Pet. 11–13, 54, Ex.1002 ¶161 (identifying *display device*); *see also* Ex.1005, 11:66–12:8 (Redford disclosing the “internet-enabled television 303” comprises the set top box). In contrast, Petitioner maps Redford’s “computer system 250” as the *server system*. *See* Pet., 12. Accordingly, Redford merely discloses the VideoPlay function running on the alleged *display device*—not on the “computer system 250” that Petitioner identifies as the *server system*.

In fact, Redford teaches that computer system 250 responds differently to “a command to play a video” than what Petitioner contends. *See* Ex.1005, 36:41–45. Redford discloses that the “command to play a video” is received by “authority server 282”—part of computer system 250. *Id.*, 36:41–43; *see id.*, 26:14–21 (“[C]omputer system 250 includes [] multiple computers 281A–281N and 282,” and 282 is labeled “authority server”). The authority server 282 then “sends a command

to play the video to computer 281I of the content provider,” *id.*, 36:45–48, rather than sending a “VideoPlay command” to the internet-enabled television. *See* Pet., 34. At bottom, Redford makes no mention of a conversion occurring on Petitioner’s identified server system (“computer system 250”) that outputs the function VideoPlay.

Petitioner’s reliance on expert testimony is also unavailing. *See* Pet. 34 (citing Ex.1002 ¶¶222–24). In his declaration, Mr. Lett provides no analysis or evidence to support his conclusion that it is ***Redford’s computer system*** that performs the purported conversion resulting in a “VideoPlay command.” Ex.1002 ¶224. Mr. Lett relies entirely on his own assessment that “RTSP [Real-Time Streaming Protocol] has varying implementations depending on the content provider and service and since several implementations of VideoPlay exist to support various these various [sic] RTSP players.”⁸ *Id.* It does not follow, however, that “computer system 250” plays any part in implementing variations of “VideoPlay,” nor does Mr. Lett offer a reason why it would. *See id.* Mr. Lett’s declaration testimony is conclusory on this point and cannot reasonably be credited. *See TQ Delta, LLC v. CISCO Sys., Inc.*, 942

⁸ Redford states that “RTSP” is one of three “video streaming protocols supported” by the function VideoPlay in the iLook set-top SDK API. Ex.1005, 40:56–58. The other two supported protocols are “UDP and HTTP Streaming.” *Id.*

F.3d 1352, 1358 (Fed. Cir. 2019) (reversing obviousness determination based on conclusory expert testimony). Even more damning is that Mr. Lett’s conclusion ignores Redford’s explicit and only teaching on “VideoPlay”: that it is a function of the iLook set-top SDK API running on the alleged *display device*. Compare Ex.1002 ¶224 with Ex.1005, 40:56–41:2. Petitioner cannot demonstrate obviousness based on “expert that is plainly inconsistent with the record.” *Tinnus Enters., LLC v. Telebrands Corp.*, 733 F. App’x 1011, 1022 (Fed. Cir. 2018)

The Petition, therefore, fails to establish that Redford discloses “converting, by the server system, the universal playback control command into corresponding programming code” and instead relies incorrectly on alleged “converting” that is performed by part of Redford’s alleged “display device.”

**2. Redford Does Not Disclose *Storing*, as Claimed, the
Corresponding Programming Code from the *Converting*
Step**

The Petition fails to show that Redford teaches “*storing*, in a database associated with the server system, *information for transmission to or retrieval by the display device*, wherein the information ... includes the *corresponding programming code*,” as recited by claim 1. ’251 Pat., 11:52–60 (emphasis added). First, Petitioner fails to argue or provide evidence that the alleged *corresponding programming code* (the “particular ‘VideoPlay’ command” discussed above) is *stored for transmission to or retrieval by the alleged display device*. Second, Redford

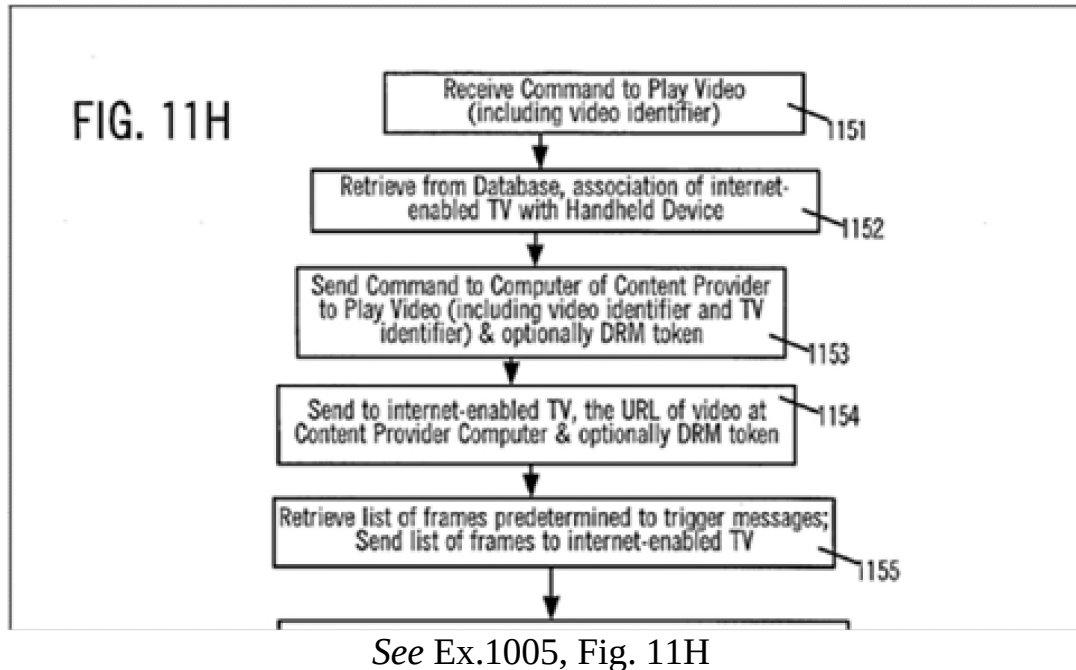
discloses only one command from the alleged *server system* to play a video, and that command is sent to another part of the alleged *server system*; it is not *transmitted to or retrieved by* the alleged *display device*.

Because the *storing* step recites *storing information* that includes “the corresponding programming code,” the stored information must include the **same programming code** resulting from the *converting* step. *Infernal Tech., LLC v. Activision Blizzard Inc.*, No 2021-2349, 2023 WL 370602, at *2 n.3 (Fed. Cir. Jan. 24, 2023) (citing *Process Control Corp. v. HydRe-claim Corp.*, 190 F.3d 1350, 1356 (Fed. Cir. 1999) (“It is clear from the language of the claim itself that the term ‘a discharge rate’ in clause [b] is referring to the same rate as the term ‘the discharge rate’ in clause [d].”) (emphasis added))). Yet the Petition lacks continuity in its contentions about the *programming code* of the claims. For the *conversion* step, Petitioner asserts that the *programming code* is a “particular ‘VideoPlay’ command” that exists to support various RTSP players. Pet., 34. Petitioner does not present any argument or evidence that this (or any) “‘VideoPlay’ command” is *stored for transmission to or retrieval by* the alleged *display device*. See *id.*, 35–36. Instead, the Petition points to Redford’s description of computer system 250 “send[ing] a URL to the television for fetching and playing the requested content.” *Id.*, 35 (citing Ex.1005, 27:56–59, 29:4–20, 36:41–52, Figs. 8A–8B, 11H).

Petitioner offers no explanation for its mid-stream change of theories. *See id.*, 34–36. There is no evidence or argument that the “particular ‘VideoPlay’ command” alleged to support “varying implementations” of RTSP becomes the URL cited in the *storing* step. *See id.* To the contrary, Redford teaches that a URL is specific to HTTP Streaming, which is the preferred streaming protocol; RTSP is a different streaming protocol. Ex.1005, 40:57–66; *see* Ex.2001 ¶¶31–32. Redford does not teach any role for a URL in the RTSP streaming protocol. *See* Ex.2001 ¶33. The two alleged *programming codes* would not even be used within the same process in Redford. *See id.* Thus, Petitioner cannot show that the *information stored for transmission to or retrieval by the display device* includes **the** corresponding *programming code*, as the claims require.

Second, and relatedly, the “particular ‘VideoPlay’ command” is never *stored for transmission to or retrieval by* the alleged *display device*. Redford only discloses one command from the alleged *server system* to play a video, and that command is sent to a content provider computer, which is another part of the alleged *server system*. Redford does not disclose any command to play a video being *transmitted to or retrieved by* the internet-enabled television identified as the *display device*.

The Petition points to Redford Figure 11H (excerpted below) to support its assertions regarding “programming code,” apparently pointing both to actions 1153 and 1154. *See* Pet., 33–36.



As an initial problem, Figure 11H discloses a “Command [sent] to Computer of Content Provider to Play Video,” but Redford does not teach such command is the same as Petitioner’s alleged programming code (the “particular ‘VideoPlay’ command” discussed above). Even if these commands were the same (which Redford does not teach), Figure 11H still belies a fundamental difference between Redford and the ’251 Patent. This difference is that Redford’s “Internet-Enabled television” (Petitioner’s alleged *display device*) receives “frames” from the computer system, and not a command, whether or not the command is the “particular ‘VideoPlay’ command” (Petitioner’s alleged *programming code*) or the “Command [sent] to Computer of Content Provider to Play Video” in Figure 11H.

This is plain in Figure 11H, where action 1153 shows Petitioner’s alleged server system “[s]end[s] Command to Computer of Content Provider . . .” and action

1154 is “[s]end to internet-enabled TV, the URL of video.” As such, only one command is sent by Petitioner’s alleged server system, and that command is sent to the “Computer of Content Provider.” Ex.1005, Fig. 11H. The “Computer of Content Provider” is part of “Computer System 250” that Petitioner asserts is the “server system.” Ex.1005, Fig. 8B (showing Content Provider Server 281 in Computer System 250); Pet. 4–5 (identifying Computer System 250 as alleged “server system”). In other words, Redford makes clear that what the petition points to as *programming code*—the “particular ‘VideoPlay’ command”—is not sent to the display device, as the only command sent by the alleged server system is sent to another part of the alleged *server system*. Pet. 33, 35–36.

The ’251 Patent requires “storing . . . information *for transmission to or retrieval* by the *display device*.” Ex.1001, 11:52–60 (emphasis added). The Petition fails on this point because it identifies a command that is sent to the alleged *server system* instead.

The Petition therefore fails to establish that Redford discloses *storing*, as claimed, the *corresponding programming code* from the *converting* step.

B. Petitioner’s Proposed Combinations with Gonze and/or Bartfeld (Grounds B–D) Do Not Render Obvious the Claimed Steps Relating to *Programming Code*

Petitioner’s proposed combinations with Gonze and Bartfeld do not cure the deficiencies of Redford’s disclosure and the Petition noted above. With regard to

Bartfeld, Petitioner does not allege (nor is there any evidence) that Bartfeld discloses, suggests, or otherwise renders obvious any of the missing limitations from Redford relating to the *programming code* recited in the *converting* and *storing* steps, as identified by Patent Owner above. Pet., 33–36.

With regard to Gonze, while the Petition does purport to combine Gonze for the *converting* and *storing* limitations, Gonze is not combined by Petitioner to remedy any of the deficiencies with Redford identified by Patent Owner above with regard to these limitations. Instead, Petitioner argues that Gonze discloses or renders obvious selecting and loading one of a plurality of different media players “based on information in a browser-interpretable document playlist.” *Id.*, 15. But this feature of Gonze does nothing to remedy the deficiencies in the teachings of Redford identified above.

Further, as set forth below, a combination of Gonze with Redford can only be achieved through hindsight by using the ’251 Patent as a roadmap, and even if such a combination made sense, it still would not teach critical steps of the ’251 Patent.

1. Petitioner’s Proposed Motivation to Combine Gonze with Redford Fails to Address Specific Limitations

Petitioner’s proposed motivation for combining Gonze with Redford is generic and, therefore, insufficient, as it fails to address any particular claim language apart from the preamble. Pet., 16–18. Further, the Petition does not

describe why or how a POSITA “would have combined elements from [these] specific references *in the way the claimed invention does.*” *ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc.*, 694 F.3d 1312, 1328 (Fed. Cir. 2012) (italics in original). Here, as in *ActiveVideo Networks*, the expert’s testimony on obviousness is conclusory, insufficient, and “fraught with hindsight bias.” *Id.* at 1327.

The challenged claims require a three-part architecture (*server system, display device, and personal computing device*) with various steps performed in specified parts and specified messaging between the parts. *See generally* Ex.1001. Petitioner maps various devices or systems in Redford to each of the claimed three parts of the architecture in the ’251 patent. In contrast, the cited passages of Gonze all describe the features and operation of a single “playback device.” Petitioner fails to show how, why, or where the cited features of Gonze’s playback device would have been combined with the particular parts of Redford that allegedly correspond to the claimed architecture.

Because Redford has several additional architectural components that do not comport with Gonze, Petitioner’s attempt at describing this combination leaves severe ambiguities that prevent cogent analysis and proposes an architecture of components that a POSITA would have had no motivation to combine to create. For example, Gonze teaches a browser-interpretable document playlist on a single device. Ex.2001 ¶34. However, first, Petitioner and its expert assert that the playlist

is on a playback device, which is the internet-enabled television 303 (alleged *display device*) of Redford. Pet., 16, 59, Ex.1002 ¶225; Ex.2001 ¶34. Second, Petitioner and its expert purport that such playlist would be received by “computer system 250” (alleged *server system*), from handheld device 200, in Redford. Pet., 16, 29; Ex.1002 ¶225; Ex.2001 ¶34. Third, Petitioner and its expert allege that such playlist is also on the “handheld device 200” (alleged *personal computing device*) of Redford. Pet., 16, 32; Ex.1002 ¶225; Ex.2001 ¶34. Thus, Petitioner and its expert argue that Gonze’s browser-interpretable document playlist is on all three of Redford’s handheld device 200, its computer system 250, and its television 303. A POSITA would have understood that Gonze proposes a solution within a single device, and neither Petitioner nor its expert offers any reason or motivation whatsoever for modifying Gonze’s solution by replicating the browser-interpretable document playlist on two other devices, for a total of three devices. Ex.2001 ¶34.

Thus, even if Gonze were being combined to remedy any of the deficiencies in Redford (which it is not), the Petition nonetheless fails to set forth any credible motivation to combine Gonze that is specific or credible with regard to the specific limitations at issue.

2. Gonze Does Not Disclose or Render Obvious the *Converting Step Being Performed by the Server System*

Petitioner offers no argument or explanation how or why the combination of Gonze with Redford would result in the alleged converting being done by the server system, a requirement of claim 1 that Redford does not disclose, as set forth above. Instead, Petitioner compounds its insufficient “converting” allegations from asserting Redford alone by placing Gonze’s “playlist” on each and every architectural component of Redford. *See supra* Section V.B.1. In the proposed combination, Gonze’s playlist, with its graphical user interface elements, is on Redford’s handheld device, and the handheld device thus monitors and sends “associated commands to the loaded media player.” Pet., 32; Ex.1006 [0059]. Where those commands are converted is unclear from the Petition.

The ’251 Patent requires “converting, *by the server system.*” Redford alone does not teach this limitation, as discussed. *Supra*, Section V.A.1. And even if Gonze could be coherently combined with Redford, the Petition fails to identify what part of the architecture performs the required converting step. At bottom, Petitioner’s asserted combination with Gonze does not render obvious the *converting, by a server system*, limitation, because where the conversion occurs is not addressed by the Petition for this combination.

Indeed, it appears Petitioner's expert relies on the same deficient and conclusory assertion that attempts to fill in the gap by contending in his declaration that computer system 250 of Redford is where the alleged conversion occurs. As noted above, Petitioner's conclusory expert declaration that is directly contrary to Redford cannot reasonably be credited on this point. *TQ Delta, LLC v. CISCO Sys., Inc.*, 942 F.3d 1352, 1358 (Fed. Cir. 2019) (reversing obviousness determination based on conclusory expert testimony). Specifically, Petitioner's expert declaration states, "A POSITA would have understood that the particular universal user input element (e.g., "'<--', '<-', 'Stop', 'Play', '||', '->', '-->.'" Ex.1006, [0053]) entered by a user of handheld device 200 is sent to computer system 250 where it is converted to the associated command ("corresponding programming code") for the loaded media player ("converting the universal playback control command includes selecting from among a plurality of specific commands, each of which represents a corresponding playback control command for a respective media player"). Ex.1006, [0059]." The expert declaration's only citation for this proposition is paragraph 59 of Gonze, which contemplates a single-architecture system. Nothing in paragraph 59 of Gonze, or Gonze generally, would teach conversion would occur on a specific part (computer system 250 of Redford) of a three-part architecture. *See generally* Ex.1006; Ex.2001 ¶35. As such, a POSITA would not have understood where such conversion occurs in the alleged combinations with Gonze. Ex.2001 ¶35.

3. Gonze Does Not Render Obvious the *Stored Information* Including the Claimed Corresponding Programming Code

Petitioner also offers no argument or explanation for how or why the asserted combination with Gonze would render obvious the *storing* limitation of claim 1, another limitation not disclosed by Redford, as set forth above. Instead, the Petition only alleges that “Redford stores a URL and Gonze’s interactions with the general user interface elements (*e.g.*, “<--’, <-’, ‘Stop’, ‘Play’, ‘||’, ‘->’, ‘-->.’”, Ex. 1006, [0053]) may be monitored and associated converted commands for a particular media player are stored prior to sending to or receipt by television 303.” As stated previously, Petitioner’s assertion that “Redford stores a URL” does not teach the storing limitation of claim 1. *Supra* Section V.A.2. With respect to Gonze, the Petition first fails to show why and how “associated converted commands” are included in the information allegedly stored. Second, the Petition does not assert where such commands would be stored. Third, the Petition does not explain why and how such commands would be stored *prior to* sending to or receipt by television 303. As such, Gonze does not remedy the deficiencies of Redford identified above with regard to the storing limitation.

Again, Gonze teaches a single-component architecture system, while Redford is a three-part architecture. *Supra* Section V.B.1. Claim 1 of the ’251 Patent requires “storing, in a database associated with the server system, information for

transmission to or retrieval by the display device, wherein the information ... includes the corresponding programming code.” Ex.1001, 11:52–60. The Petition provides no analysis or reasoning why or how the parts of this limitation are rendered obvious by Gonze.

Accordingly, Redford does not teach this limitation, and Petitioner’s asserted combination with Gonze does not cure this deficiency.

C. The Petition’s Failures Regarding Claim 1 Are Compounded For Claims 11 and 22

Largely relying on references back to its analysis regarding Claim 1, the Petition’s assertions regarding claims 11 and 22 are similarly lacking. Petitioner’s assertions regarding limitations related to “programming code” contain little to no further analysis than cross-references to its analysis regarding Claim 1. Pet., 47. The Petition’s assertions regarding claims 11 and 22 fail for at least the same reasons stated above for claim 1.

In particular, claim 11 requires “the *server system* to perform operations including *converting* the universal playback control command *into corresponding programming code*” and “the server system being further configured to *store* in the second database information for transmission to or retrieval by the display device, wherein the information...includes the *corresponding programming code*.” Ex.1001, 12:52–66. Petitioner provides no further analysis than cross-references to

its analysis regarding claim 1, which only assert Redford alone and the Redford-Gonze combination. As such, the programming code limitations of claim 11 are not taught or rendered obvious by Petitioner's cited references.

Claim 22 requires, “*retrieving, by the display device from the server system, first information that...indicates corresponding programming code to control playing of the first video file on the display device by the first media player in accordance with a first playback control command.*” For this limitation, Petitioner restates its arguments made for claim 1 and cites to its sections on the converting and storing limitations of claim 1, for which Petitioner only asserts Redford alone and the Redford-Gonze combination. Pet., 51–53. As described above in Sections V.A and V.B, Petitioner's cited references do not disclose or render obvious the claimed *converting* and *storing* steps. As such, Petitioner's references do not teach or render obvious the *server system* having *corresponding programming code* for the *display device* to retrieve from the *server system*. Thus, Petitioner's references fail to teach or render obvious the limitation of claim 22 requiring “corresponding programming code” to be retrieved “by the display device from the server system.” For at least this reason, Petitioner's cited references do not teach or render obvious the programming code limitations of claim 22.

D. Petitioner Does Not Cite Any Other References for the Missing Limitations (Grounds C–L)

The Petition does not attempt to cure with other references the deficiencies described above in Sections V.A and V.B. The Bartfeld reference is cited for different limitations of the '251 Patent, and Chilvers and Malik are only asserted in relation to dependent claims. Pet., 20, 24, 26. None of these references, therefore, cures the deficiencies described above.

VI. THE BOARD SHOULD EXERCISE DISCRETION UNDER § 314(a) TO DENY THE PETITION

Petitioner waited almost ten months to file its Petition after Patent Owner served Petitioner with the Complaint filed in the Eastern District of Texas. This unwarranted delay makes it almost certain that trial in the district court, including on the issue of invalidity, will conclude before the Board has the opportunity to reach a final written decision. Instituting IPR on this Petition, despite considerable investment by the parties and the trial court in the co-pending litigation, would frustrate Congress's intent that IPRs serve as a faster, less costly alternative to litigation on the issue of invalidity. *See, e.g., SAS Inst., Inc. v. ComplementSoft, LLC*, 825 F.3d 1341, 1357–58 (Fed. Cir. 2016) (Newman, J., dissenting-in-part) (collecting evidence of legislative intent regarding § 315 estoppel), *rev'd in part by SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348 (2018).

The Board has recognized the importance of staying consistent with this goal and has laid out factors meant to guide the exercise of discretion whether to institute trial on a petition. *See NHK Spring Co. Ltd. v. Intri-Plex Techs. Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential); *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 at 5–16 (PTAB Mar. 20, 2020) (precedential). Applying the *Fintiv* factors (as further clarified in the Director’s Memorandum⁹ dated June 21, 2022) to the facts here establishes that the Board should exercise its discretion under 35 U.S.C. § 314(a) to deny institution in this proceeding.

A. Factor 1: Likelihood of Stay

Petitioner has not moved for a stay in the district court proceeding. *See generally* Exs. 2018, 2019, 2020. Petitioner asserts its intention “to request a stay pending IPR at the appropriate time.” Pet., 8. It does not make any showing that its potential request is likely to be granted. *See id.*

Petitioner concedes that this factor does not favor institution, though Petitioner asserts the factor is “neutral.” Pet. 8; *Sand Revolution II, LLC v. Cont’l Intermodal Grp.-Trucking LLC*, IPR2019-01393, Paper 24 at 7 (PTAB June 16,

⁹ Director’s Memorandum re: Interim Procedure for Discretionary Denials in AIA Postgrant Proceedings with Parallel District Court Litigation (*available at* https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621.pdf) (hereinafter “Director’s Memorandum”).

2020) (informative). The parallel proceeding is unlikely to be stayed pending IPR as that Court rarely grants such stays. Ex.2002. A stay appears even more unlikely, given a variety of factors militating against a stay: the parallel litigation is proceeding on schedule, and the late hour of this Petition puts the trial only a few months away from the institution decision, with substantial investment by the parties and the court. *See, e.g., Force Mos Tech. Co. Ltd. v. AsusTek Computer, Inc.*, No. 2:22-cv-00460-JRG, 2024 WL 1586266 (E.D. Tex., Apr. 11, 2024).

Although the Board cannot conclusively predict what a court will do, a stay seems unlikely. Factor 1 thus favors discretionary denial.

B. Factor 2: Trial Date Relative to Final Written Decision Due Date

Trial in the district court is scheduled to begin October 28, 2024. Ex.2003. The Board's deadline to reach a final written decision is likely to fall in July 2025, assuming good cause to extend that time does not arise. *See* 35 U.S.C. §§ 314(b), 316(a)(11); 37 C.F.R. § 42.100(c). Accordingly, the present trial date is more than **eight months** before the Board would issue a final written decision in this proceeding. This weighs heavily in favor of exercising discretion to deny the Petition, especially because Petitioner has offered no justification for its delay in requesting IPR. *See Verizon Bus. Network Servs. LLC v. Huawei Techs. Co. Ltd.*, IPR2020-01292, Paper 13 at 12 (PTAB Jan. 25, 2021) (trial date seven to eight months before FWD weighs in favor of discretionary denial); *see also Apple Inc. v.*

Seven Networks, LLC, IPR2020-00156, Paper 10 at 8–9 (PTAB June 15, 2020) (even when Petitioner’s delay in filing was justified, trial date seven and a half months before FWD “weighs moderately in favor of Patent Owner”).

The time-to-trial in the Marshall Division of the Eastern District of Texas (where the case is pending) also supports the conclusion that the district court will conduct trial before this proceeding is over. *See* Ex.2002; *see also* Director’s Memorandum at 8–9. The trial court has held 98 jury trials in patent cases filed since 2012. Ex.2002. The median time from complaint to jury trial was 21 months, with the 25th to 75th percentile of cases occurring 18 to 28 months after the respective complaints. *Id.* The current trial date in the parties’ co-pending litigation is just over twenty months after the complaint, true to the median schedule, but trials in the Marshall Division have happened even earlier. *See id.* (reporting minimum time-to-trial of 7 months and 2nd percentile time of 14 months); Ex.2005 (filed February 17, 2023); Ex.2003 at 2 (scheduling “Jury Selection/Trial” for October 28, 2024). In view of the trial court’s historical statistics, the current trial date is credible, and there is no evidence that the needs of the particular case will require moving the trial date. (Petitioner mentions its motion to transfer venue as a possible reason the trial date would change, but that motion has since been denied. *See* Ex.2006 at 8. Even if one assumes trial might be delayed and applied the 75th percentile time to trial for the

court (28 months), *see* Ex.2002, the hypothetical trial date would be June 15, 2025. This is still before the final written decision deadline.

Factor 2, therefore, weighs heavily in favor of discretionary denial. Petitioner has not disputed that this factor weighs in favor of discretionary denial. *See* Pet., 8 (omitting any mention of the weight given to Factor 2). Instead, Petitioner merely asserts that it “does not warrant denial.” *Id.* With trial in the district court scheduled to begin just three months after the Board makes a decision on institution and over eight months before the final written decision date, this factor weighs in favor of denying institution.

For these reasons, Factor 2 weighs heavily in favor of discretionary denial of the Petition.

C. *Factor 3: Investment in Trial Court Proceedings*

By the institution deadline, the parties will have invested substantial time and effort in the co-pending litigation (as shown below), and Petitioner’s lack of diligence is a contributing cause of this. Accordingly, Factor 3 weighs heavily in favor of discretionary denial.

This factor is evaluated based on the date of the Board’s decision on institution. *See Verizon Bus. Network*, IPR2020-01292, Paper 13 at 14 (“[T]he appropriate time to evaluate the investment of the parties in the Parallel Proceeding is at the time of the institution decision and not at the time of the filing of the

petition.”). Petitioner applies an incorrect standard when it cites the incomplete claim construction process and close of fact discovery as reasons this factor does not warrant denial. Fact discovery closes in June 2024, and the Court will hold the claim construction hearing May 16, 2024, so both will be complete before the Board’s deadline for making its institution decision in July 2024. Given this timeline, the district court may even issue a claim construction order before the deadline for institution. (Patent Owner will, if authorized, notify the Board when that order issues.)

This substantial investment by the district court, combined with the substantial investment by the parties in the district court proceeding, causes this factor to weigh heavily in favor of denying institution. The parties have exchanged multiple rounds of infringement and invalidity contentions, including Patent Owner’s Preliminary Infringement Contentions (served May 19, 2023), and Petitioner’s Third Supplemental Invalidity Contentions (served March 27, 2024). *See* Ex.2007; Ex.2009, Ex.2010. Fact discovery closes in about eight weeks (on June 10) (Ex.2003, 4), and the parties have already served extensive written discovery on the merits, including third-party discovery. *See* Ex.2021. The production of documents and ESI is already substantially complete. *See* Ex.2003. By the deadline for the decision on institution, all expert reports will have been served and expert discovery will be closed. *See* Ex.2003, 4.

This degree of investment is similar to that in *Verizon Business Network*, which the Board determined “weighs in favor of exercising discretion to deny institution.” IPR2020-01292, Paper 13 at 14–15. In that case, like here, “by the time of the institution decision in this proceeding, the parties in the Parallel Proceeding will have completed substantial work, including fully briefing and arguing claim construction, completing fact discovery, and exchanging expert reports.” *Id.* Further, in *Verizon Business Network*, “expert discovery [wa]s also expected to close soon” after the Board’s institution decision, and in this case it will already be closed. *See id.* at 14; Ex.2003.

Unlike the petitioner in *Verizon Business Network*, however, Petitioner in this proceeding did not diligently prepare and file its Petition after Patent Owner identified the asserted claims in the co-pending litigation. On May 19, 2023, Patent Owner served its Preliminary Infringement Contentions, in which it identified claims 1, 2, 5, 7, 8, and 9 of the ’251 patent as the claims being asserted. Ex.2003, 14. Petitioner served Preliminary Invalidity Contentions listing Redford among the alleged invalidating prior art with its disclosures of August 4, 2023. Ex.2010, 3. Petitioner continues to pursue the Redford prior art as allegedly invalidating as of April 4, 2024. Ex.2011, 3. Petitioner waited to file its Petition challenging the same claims asserted based on prior art from its contentions until December 27, 2023—almost ten months after learning of the asserted claims and almost five months after

serving its initial invalidity contentions, which demonstrated Petitioner was aware of Redford. *See* Pet., 8. Thus, Petitioner is not entitled to any “credit” for its diligence, which the Board gave the petitioner in *Verizon Business Network*. *See* IPR2020-01292, Paper 13 at 14 (noting petition was filed two months after preliminary contentions revealed the claims asserted and two weeks after serving its preliminary invalidity contentions). Petitioner’s lack of diligence further increases this factor’s weight in favor of discretionary denial. *See Fintiv*, IPR2020-00019, Paper 11 at 11 (“If, however, the evidence shows that the petitioner did not file the petition expeditiously . . . or even if the petitioner cannot explain the delay in filing its petition, these facts have favored denial.”).

For these reasons, factor 3 weighs heavily in favor of exercising discretion to deny the petition.

D. Factor 4: Overlap of Issues

This factor also favors discretionary denial because the same claims and prior art are at issue in the co-pending litigation. *See Fintiv*, IPR2020-00019, Paper 11 at 12 (explaining that “concerns of inefficiency and the possibility of conflicting decisions [are] particularly strong” when the same claims, prior art, and arguments are at issue in both proceedings). As noted above, the same set of claims is challenged in the Petition and also at issue in the district court. Pet., 2–3; Exs. 2009 at 25–30, 51–54, 60–67; 2010 at 3; 2011. The prior art asserted in the Petition is also

among the art listed in Petitioner’s invalidity contentions. *Id.* Thus, Petitioner and its co-defendants continue to pursue Redford, the primary reference of this Petition, in the parallel district court proceeding.

Petitioner’s stipulation regarding duplicative invalidity defenses in the parallel proceeding is too weak to be effective. Petitioner stipulates only that if review is instituted it will not pursue the “*specific* grounds against the instituted patent(s) as set forth in the respective instituted *inter partes* review proceeding.” Ex.2012, 2. This is narrower than the weak stipulation offered in *Sand Revolution II, LLC v. Cont’l Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 12 (PTAB June 16, 2020). In *Sand Revolution*, the petitioner stipulated it would not pursue the “same grounds,” and the Board found that only mitigated concerns of duplicative efforts and potentially conflicting decisions “to some degree.” *Id.* Here, Petitioner’s stipulation is so weak that Petitioner may argue that it preserved the right to assert in district court the same combinations of prior art, so long as they differ from how the specific grounds are “set forth in the respective instituted *inter partes* review proceeding.” *Id.* Petitioner’s proposed stipulation also falls short of the *Sotera*-type stipulation discussed in the Director’s Memorandum. *See also* Director’s Memorandum at 7–8 (discussing stipulations “not to pursue in a parallel district court proceeding the same grounds as in the petition ***or any grounds that could have reasonably been raised*** in the petition”) (emphasis added).

Moreover, Petitioner's co-defendant in the parallel proceeding, Charter Communications,¹⁰ is pursuing almost identical invalidity defenses, including, *inter alia*, those relying on Redford, and has not agreed to be bound by any such stipulation. Petitioner and Charter's cases remain consolidated for all pretrial purposes and issues of invalidity will likely be dealt with at the same time. Ex.2013. Charter intends to attempt to pursue the same prior art in district court whether or not review is instituted. Ex 2008. Petitioner, therefore, makes an end-run around its own stipulation because Charter can still litigate the same prior art in the district court for the collective benefit of the joint-defense group. This duplicative litigation defeats the purpose of IPRs as a faster, less costly alternative to district court litigation. *Compare Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 13–14, 18–19 (PTAB Dec. 1, 2020) (precedential as to § II.A) (affording substantial weight to stipulation filed with similar scope to estoppel under 35 U.S.C. § 315(e)(2)) *with Verizon Bus. Network*, IPR2020-01292, Paper 13 at 15–16, 18–19 (giving weight to limited stipulation but exercising discretion to deny institution).

¹⁰ Charter Communications, Inc., Charter Communications Operating, LLC, Time Warner Cable Enterprises LLC, Spectrum Management Holding Company, LLC, Spectrum Gulf Coast, LLC, and Charter Communications, LLC (together, "Charter")

Factor 4, therefore, weighs in favor of discretionary denial.

E. *Factor 5: Same Parties*

The parties in this IPR and the parties in the co-pending litigation are identical, so this factor weighs in favor of discretionary denial. *Sotera*, IPR2020-01019, Paper 12 at 19 (precedential); *Fintiv*, IPR2020-00019, Paper 15 at 15 (PTAB May 13, 2020) (informative). Petitioner does not dispute the weight of this factor, instead only arguing it “does not warrant denial.” Pet. 9. It may not warrant denial on its own, but it certainly weighs in favor of denial. *See Sotera*, IPR2020-01019, Paper 12 at 19 (precedential) (“[T]his factor supports denying institution.”); *Fintiv*, IPR2020-00019, Paper 15 at 15 (PTAB May 13, 2020) (informative) (“[T]his factor weighs in favor of discretionary denial.”).

Factor 5, therefore, weighs in favor of discretionary denial.

F. *Factor 6: Other Considerations*

This case presents no compelling factors that weigh against discretionary denial. The merits of this case are weak, as demonstrated above, and warrant denying institution on their own. Because the evidence does not meet the “reasonable likelihood” threshold for institution, it also does not meet the even higher threshold for a “compelling, meritorious challenge.” *See* Director’s Memorandum at 4 (“Compelling, meritorious challenges are those in which the evidence, if unrebutted

in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.”) (underline added).

Moreover, Petitioner misplaces its reliance on assertions that the art it relies on is “entirely different” from the previously-considered art asserted in the Google petition. Pet., 9; *Google, LLC. v. Touchstream Technologies, Inc.*, IPR2022-00795 (PTAB Sep. 5, 2022). Reliance on different art does not weigh against discretionary denial under § 314(a) and Petitioner offers no authority to suggest otherwise. *See id.* Rather, this factor is primarily interested in the strength on the merits of the evidence presented, though the Board has used it to consider issues of fairness and equity not encompassed by other factors. *See Fintiv*, IPR2020-00019, Paper 11 at 14–15; *see also Dolby Labs., Inc. v. Intertrust Techs. Corp.*, IPR2020-01106, Paper 12 at 18 (PTAB Jan. 5, 2021) (considering whether a petitioner’s suit for declaratory judgment of non-infringement favors discretionary denial).

Because there are no compelling circumstances not addressed by the other factors, this factor is neutral.

G. Combined Factors

When combined, the several factors compel the exercise of discretion to deny institution under § 314(a). Factors 1–5 all weigh in favor of exercising discretion to deny institution, some heavily, and the last factor is neutral. Viewing the factors holistically, discretionary denial is the outcome that best serves the “efficiency and

integrity of the system.” Far from being the *alternative* to district court litigation that Congress envisioned, Petitioner has turned this proceeding into a bonus round. Patent Owner and the Board will pay the cost.

The facts bear this out. Petitioner offers no justification for its extensive delays after being served, after being informed of the asserted claims, and after being aware of the prior art relied upon. Because of these repeated delays, the co-pending litigation advanced so far that even expert discovery will be done by the institution deadline, and the parties will bear all the expense of invalidity expert reports and related depositions. Trial, including on invalidity and on the same prior art, will be three months away by then and (even allowing for some delay) is all but certain to happen before the Board issues a final written decision in this case. That trial will involve the claims challenged in this case, and Petitioner will not be subject to estoppel under § 315(e) and may try to assert the same art or even the same grounds raised in the Petition. Even if trial ends in a judgment for Patent Owner, Petitioner would still have the option to maintain this case.

Hence, whether by design or unintentional delay, the timing of the Petition gives Petitioner two chances to litigate invalidity over the same prior art and obtain its preferred outcome. This does not serve the efficiency of the system, which already expends considerable public resources to litigate invalidity once. In addition, the possibility of inconsistent results compromises the patent system’s integrity. This is

the archetypal case that justifies discretionary denial under § 314(a), and the Board should deny institution, in its sound discretion, at least on that basis.

VII. CONCLUSION

For at least the foregoing reasons, Patent Owner respectfully requests that the Board deny institution.

Dated: April 24, 2024

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that the foregoing PATENT OWNER'S PRELIMINARY RESPONSE, according to the word-processing system used to prepare the paper and not including those parts excluded by § 42.24(a)(1), has 10,236 words, which is within the type-volume limit set by § 42.24.

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on April 24, 2024, a complete and entire copy of the foregoing Patent Owner's Preliminary Response and Exhibits 2001-2022 were provided via email to Petitioner's counsel of record as follows:

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