

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YEALINK (USA) NETWORK TECHNOLOGY CO., LTD., and
YEALINK NETWORK TECHNOLOGY CO., LTD.
Petitioner,

v.

Barco NV
Patent Owner.

Case: IPR2025-00597
U.S. Patent No. 11,966,346

**RESPONSE TO PATENT OWNER'S
DISCRETIONARY DENIAL ARGUMENTS**

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I. THE PETITION DID NOT RELY ON AAPA¹ AS A BASIS FOR THE GROUNDS OF UNPATENTABILITY; THEREFORE, DISCRETIONARY DENIAL IS INAPPROPRIATE UNDER *QUALCOMM II*.²

PO relies heavily on *Qualcomm II* and claims the petition improperly relied on AAPA as a basis for its grounds. DD Req., Paper 7. But here, the petition did not use the word “basis,” unlike that in *Qualcomm II*. Both the form and substance of the petition’s use of AAPA distinguish from that in *Qualcomm II*, where Federal Circuit emphasized that form “matters”:

It matters that Apple expressly included AAPA in the “Basis” of Ground 2. ... Reliance on AAPA in combination with prior art patents or printed publications is not dispositive of whether AAPA is included in the basis of a ground. But what is dispositive are express statements—as in Apple’s petitions—that AAPA is in the “Basis” of a ground. *See id.* In this instance, we agree with Qualcomm that Apple should be held to the phrasing of its petition.

Qualcomm II, 134 F.4th at 1367 (emphases added). The petition includes no such “express statements.” Indeed, the Federal Circuit was recently “skeptical” of similar arguments where a petition did not use the word “basis.” *See* “Fed. Circ. Skeptical

¹ Applicant-Admitted Prior Art.

² *Qualcomm Inc. v. Apple Inc.*, 134 F.4th 1355, 1367 (Fed. Cir. 2025) (“*Qualcomm II*”).

[AAPA] Requires Expert,” Law360 (June 2, 2025), <https://www.law360.com/articles/2347955/fed-circ-skeptical-applicant-admitted-art-requires-expert>

(discussing *Shockwave Med. Inc. v. Cardiovascular Sys. Inc.*, No. 23-1864, where the “Office told the panel CSI’s petition doesn’t use AAPA as a basis”). Using AAPA “is not dispositive”; how the petition uses it matters. *Qualcomm II*, 134 F.4th at 1367–68 (“future cases may require the PTO and this court to consider the substance of a petition”).

The petition’s substance also distinguishes from *Qualcomm II* because AAPA “can be relied on for ... how one with ordinary skill in the art would have understood a prior art disclosure.” *Yeda Rsch. v. Mylan Pharms. Inc.*, 906 F.3d 1031, 1041 (Fed. Cir. 2018) (quoting *Dominion Dealer Sols., LLC v. AutoAlert, Inc.*, IPR2014-00684, Paper 9, 8 (P.T.A.B. Oct. 6, 2014)). Both *Qualcomm I* and *II* confirmed the holdings in *Yeta* and *Dominion Dealer* that petitioners may rely on AAPA in combination with prior art references. *Qualcomm Inc. v. Apple Inc.*, 24 F.4th 1367, 1376 (Fed. Cir. 2022) (“*Qualcomm I*”); *Qualcomm II*, 134 F.4th at 1365. Here, Petitioner properly used AAPA to demonstrate that a POSA would have understood the prior art to teach certain claim limitations. Pet. 25–26. First, PO admits that prior art reference Beel “shows an arrangement of components that can be used in embodiments of the present invention.” *Id.* (citing Ex-1001, 4:28–33). Second, Patent Owner admits that Beel illustrates fixed endpoints. *Id.* (citing Ex-1001,

16:51–56). Finally, Patent Owner admits that Skype, as disclosed by prior art reference Dinka, “is a known way to perform the web conferencing disclosed by Beel.” *Id.* (citing Ex-1001, 6:59–63, 7:66–8:21). **Prior art** forms the “basis” of the petition; the AAPA properly **confirms** its teachings. PO’s argument fails because it does not address the substance of how the petition used the AAPA.

PO attempts to extend *Qualcomm II* improperly by overlooking these differences. But tribunals consistently find similar use of AAPA to be appropriate. *See, e.g., Yeda*, 906 F.3d at 1041. Just last month, in fact, the Office defended using AAPA in the same way as here. *See* https://oralarguments.cafc.uscourts.gov/default.aspx?fl=23-1864_06022025.mp3 (June 2, 2025, oral arguments *Shockwave*, Appeal No. 23-1864 (solicitor arguments begin at 22:10)). Therefore, institution is appropriate because the petition may rely on “supporting evidence” and “information.” 35 U.S.C. §§ 312(a)(3)(B), 314(a), and 316(a)(3).

II. THE **ADVANCED BIONICS**³ FACTORS WEIGH AGAINST DISCRETIONARY DENIAL.

The petition applied the *Advanced Bionics* factors to both grounds. Pet. (Paper 1), 67–71. First, it demonstrated that the examiner erred by failing to consider Beel

³ *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (P.T.A.B. Feb. 13, 2020) (precedential).

in combination with well known “*data transformations based on a type of functional data*” software, such as Dinka, Van de Laar, and Kaplan. *Id.*, 34–36. The process for discretionary denial has evolved since the petition’s filing date, with an increased word-count and greater focus on factors from the Board’s *Becton, Dickinson* decision.⁴ *Advanced Bionics* (pp. 9–11) subsumed these factors into a two-part test.

A. Factor (a): the similarities and material differences between the asserted art and the prior art involved during examination

1. Patent Owner Does Not Dispute the Construction of “*Data Transformations*.”

As an initial matter, the Patent Owner added a “*data transformations*” limitation during prosecution to overcome the last rejection. Pet., 12. Petitioner identified Patent Owner admissions that the “*data transformations*” limitation means “decoding, processing, or encrypting data.” Pet., 12. Patent Owner does not dispute this construction, and there is no reason currently to depart from that construction. As explained further below, the asserted art in the grounds renders obvious the “*data transformations*” limitations under at least this construction.

⁴ *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8, 17–18 (P.T.A.B. Dec. 15, 2017) (precedential as to § III.C.5, first paragraph).

2. Ground 1: Beel in view of Dinka and Optionally Christison

Dinka was not of record during prosecution and renders obvious the allegedly patentable subject matter of “*provid[ing] data transformations based on a type of functional data from the at least one functional device to the peripheral device.*” Even though Beel and Christison were of record during prosecution, the examiner never applied any of these prior art to the allegedly patentable subject matter (“*data transformations*”) and before issuing a notice of allowance. Thus, Beel, Dinka, and Christison were not considered during prosecution as PO now claims.

PO is wrong that the Petition failed to demonstrate material errors. DD Req., (Paper 7) 9. First, the Petition explained that “*data transformations*” include the well-known and ubiquitous functions of “decoding, processing, or encrypting data.” Pet., 12. Second, the Petition identifies never-discussed disclosure in Beel of “optionally encoded into for instance Orgg/Vorbis, optionally encrypted using for instance CryptoPP.” Pet., 35 (citing Ex-1005, ¶314). Petitioner’s expert Dr. Almeroth then explained how this transformation is “*based on a type of functional data*” because it is based on whether the data is audio or video data. *Id.* (citing Ex-1002, ¶143). Third, the Petition explained that Dinka also teaches “*data transformations*”: “The voice engine is arranged to accept speech signals from the microphone 201, and to encode those speech signals for transmission over the internet 101 via the network interface 302. The voice engine is also arranged to

decode speech signals received over the Internet.” *Id.*, 36 (citing Ex-1006, 9:32–50; Ex-1002, ¶146). Dinka also discloses “*data transformations based on a type of functional data*,” *e.g.*, encoding “speech signals.” *Id.* Accordingly, there is nothing novel about the allegedly patentable subject matter, and the examiner never considered Dinka nor similar disclosure of well-known “*data transformations*.”

The examiner also never addressed admissions in the '346 patent that, for example, FIG. 11 of Beel “shows an arrangement of components that can be used in embodiments of the present invention.” Ex-1001, 5:35–40 (discussing the directly FIG. 11 related WIPO publication no. 2013/037980, which is the same as FIG. 4 of the '346 patent). The '346 patent even admits that Beel discloses virtual functional devices or endpoints. Pet. 51 (citing Ex-1001, 5:35–40 and 17:58–18:15); *see also*, Ex-1001, 22:60–23:22 (describing Beel’s FIG. 11 as “creating a virtual microphone and a virtual speaker”). Patent Owner’s discretionary denial arguments never discussed these material differences and instead focus on “similarities” that exist in nearly all IPR petitions because the prior art relied on in prosecution and post-grant proceedings is necessarily in the same field of endeavor. The Board has already rejected similar arguments in a related institution decision. *Yealink Network Technology Co., Ltd., et al. v. Barco N.V.*, IPR2024-01439, Paper 12, 8 (finding similar prior art to be non-cumulative).

Finally, Petitioner only optionally relied on Christison as teaching a narrow construction of “*exposed or made available*.” Pet., 21–23. Barco argues this limitation can mean, *e.g.*, “configuring with descriptor fields.” IPR2024-01439, Paper 11, 11. Therefore, Christison teaches a known way of configuring Beel’s functional devices using descriptor fields.

3. Ground 2: Kaplan in view of Van de Laar, AAPA, and optionally Christison

Kaplan and Van de Laar are similarly distinct from the prior art discussed on the record. First, they were never cited on the record. Second, the teachings are materially different because they teach the precise limitations that led to allowance and the patent owner now argues are reasons to deny institution, *i.e.*, the “*data transformation*” limitations, *i.e.*, “decoding, processing, or encrypting data.”

Van De Laar discloses data scaling, transcoding, and mixing. *See, e.g.*, Ex-1007, ¶¶56, 59-60, 123, 126; Ex-1002, ¶212. Data is conventionally scaled, transcoded, or mixed based on a type of functional data, such on whether the data is audio data, visual data, or another type of data. Ex-1002, ¶212.

Kaplan also discloses that this limitation. *See, e.g.*, Ex-1008, ¶¶32 (scaling video data); 48 (compressing data using a codec); Ex-1002, ¶213. Codecs are specific to data type, such as whether the data being compressed/decompressed or encoded/decoded is audio data, visual data, etc., and therefore “based on a type of functional data.” Ex-1002, ¶213.

Pet., 57–58 (emphasis added). Van de Laar confirms what should be obvious—that “*data transformations based on a type of functional data*” are nothing but the conventional activities of “decoding, processing, or encrypting data.” Pet. 12.

Finally, Petitioner only optionally relied on Christison as teaching a narrow construction of “*exposed or made available*.” Pet., 48–50. Barco argues this limitation can mean, *e.g.*, “configuring with descriptor fields.” IPR2024-01439, Paper 11, 11. Therefore, Christison teaches a known way of configuring Beel’s functional devices using descriptor fields.

B. Factor (b): the cumulative nature of the asserted art and the prior art evaluated during examination

See factor (a).

C. Factor (c): the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection

The examiner discussed none of Dinka, Kaplan, nor Van de Laar on the record during examination. The examiner also never proposed a rejection for the added “*data transformation*” limitation. Regarding Beel and Christison, the examiner never discussed during prosecution their disclosure nor the never-before-cited art related to “decoding, processing, or encrypting data.” Pet., 12. Therefore, the examiner never considered these prior art teachings of “decoding, processing, or encrypting data.” *Id.*

D. Factor (d): the extent of the overlap between the arguments made during examination and the manner in which petitioner relies on the prior art

The examiner never applied any prior art to the “*data transformation*” limitations. Therefore, the Petition proposes never-before-considered analysis of those limitations, which weighs against discretionary denial. Pet., 11–12, 34–36 and 57–58.

E. Factor (e): whether petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art

See factors (a) and (d).

F. Factor (f): the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments.

See factor (d).

III. “SETTLED EXPECTATIONS” WEIGH TOWARD INSTITUTION

The '346 patent issued last year (April 23, 2024) and therefore has “not developed strong settled expectations.” *Cambridge industries USA Inc. et al. v. Applied Optoelectronics, Inc.*, IPR2025-00433, Paper 11, 2 (June 26, 2025) (denying discretionary denial where the challenged patent was about 5 years old); *see also Imperative Care Inc. v. Inari Medical Inc.*, IPR2025-00289, Paper 9 (June 12, 2025) (denying discretionary denial where the challenged patent was about 2 years old). Moreover, Barco materially amended the claims from those in pre-grant publication No. 2021/0191893. Pet., 3–8. Indeed, Petitioner challenged the '346 patent in the

very beginning of the IPR-eligibility period. Therefore, settled expectations weigh heavily towards institution at least because the '346 patent is so new.

IV. ACTING DIRECTOR STEWART ADOPTED PETITIONER'S ARGUMENTS IN RELATED IPR2025-00419, PAPER 18.

A. Acting Director Stewart Adopted Petitioner's AAPA-Related Arguments in Related IPR2025-00491.

There is no material difference between Petitioner's use of AAPA in this IPR and that of IPR2025-00491, and therefore should also result in a referral to the Board. Paper 18, 3 (P.T.A.B. June 25, 2025) ("Petitioner persuasively argues that the AAPA is discussed only to demonstrate that a [person of ordinary skill in the art] would have understood the prior art to teach certain claim limitations." (internal quotation omitted)). Both petitions relied on the same prior art, in the same way, to demonstrate that the POSA would have understood the prior art patents and printed publications to teach certain claim limitations. *Id.*, 3.

B. Acting Director Stewart Adopted Petitioner's Settled Expectations Arguments.

The '346 patent at issue here issued after related U.S. Patent No. 10,684,972, at issue in the '419 IPR, which Acting Director Stewart denied Patent Owner's request for discretionary denial referred to the Board. *Id.* Again, here, Petitioner challenged the '346 patent shortly after the 9-month PGR-deadline expired. Therefore, Patent Owner does not have settled expectations that the '346 patent would not be challenged.

C. Acting Director Stewart Found the Examiner Materially Erred by Overlooking Dinka and New Prior Art Combined with Previously Considered Prior Art.

The Office allowed both the '346 and '972 patents after amendments, which this IPR and the '419 IPR addressed, respectively, for the first time. Acting Director Stewart found that the petition in the '419 IPR, by applying new prior art including Dinka, sufficiently demonstrated that the examiner material erred. *Id.* 2–3. The same outcome should hold here, and referral of the grounds to the Board, for substantially similar reasons to those given in the '419 IPR, is appropriate.

V. CONCLUSION

The Office issued the challenged claims because the examiner appears to have found that “*provid[ing] data transformations based on a type of functional data from the at least one functional device to the peripheral device,*” *i.e.*, “decoding, processing, or encrypting data,” was not known in the prior art. Petitioner relied on new prior art in both grounds as rendering obvious this limitation. Most importantly, the '346 patent is very young, is not asserted in any litigation, and therefore has no upcoming district court trial date. Thus, Petitioner respectfully requests that the Director deny PO's request for discretionary denial and refer the grounds for the Board to consider.

Dated: July 9, 2025

Respectfully submitted,

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Certification of Word Count Under 37 C.F.R. § 42.24(d)

The undersigned hereby certifies that the foregoing contains 2,392 words according to the word count of the word-processing software used to prepare the foregoing.

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CERTIFICATE OF SERVICE

I hereby certify that on July 9, 2025, I caused a true and correct copy of the foregoing discretionary denial reply at the following service addresses of record:

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