UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HISENSE USA CORPORATION
and
HISENSE ELECTRONICA MEXICO S.A. DE C.V,
Petitioner,

v.

VIDEOLABS, INC.,
Patent Owner

Case IPR2025-00880
U.S. Patent No. 8,291,236

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Digital Keystone (available at https://en.wikipedia.org/wiki/Digital_Keystone)
2002	VideoLabs Licensees (available at https://www.videolabsinc.com/licensees)
2003	Hisense (available at https://en.wikipedia.org/wiki/Hisense)
2004	Email thread between VideoLabs and Hisense (Dec. 27, 2022 to June 7, 2023)
2005	Letter from Goldman to Gold, Hisense and VideoLabs' Intellectual Property (Dec. 27, 2022)
2006	VideoLabs – Hisense Licensing Discussion, Claim Charts for US-8291236 & US-8667304 (Jun. 7, 2023)
2007	Complaint, *VideoLabs v. Hisense Co. Ltd.*, Civ. No. 2:24-cv-904 (E.D. Tex. Nov. 6, 2024)
2008	LinkedIn post from VideoLabs concerning Roku (available at https://www.linkedin.com/posts/videolabs-inc_videolabs-the-leading-patent-licensing-activity-7287514328054824960-AUG0/)
2009	LinkedIn post from VideoLabs concerning ASUS (available at https://www.linkedin.com/posts/videolabs-inc_videolabs-is-pleased-to-announce-asus-as-activity-7353091447769763841-WqLK/)

Pursuant to the Director's Memorandum issued on March 26, 2025, VideoLabs, Inc. ("VideoLabs" or "Patent Owner") files this request and brief on discretionary denial, setting forth reasons why the Petition for *inter partes* review ("IPR") of claims 32-36, 38-41, 43, 66-70, 72-75, 77, and 130-137 of U.S. Patent 8,291,236 (the "'236 patent"), as requested by Hisense USA Corporation and Hisense Electronica Mexico S.A. de C.V. ("Hisense" or "Petitioner"), should be denied pursuant to the Director's discretion.

I. INTRODUCTION

The '236 patent issued on October 16, 2012, from a U.S. patent application filed over twenty years ago, on December 7, 2004. Now over twelve and a half years old, the '236 patent has been licensed to over twenty other companies, including at least two prior petitioners who requested and then terminated *inter partes* review of the '236 patent. It serves as a key component of VideoLabs' innovative licensing program that has successfully brought together patent owners and implementers across the video technology industry.

Despite the settled expectations accepted within the video technology industry that the '236 patent is mature, valid, and worthy of licensing, Hisense's petitions seek to undermine these settled expectations by asking the Board to allocate administrative resources sufficient to carry out three IPRs against the '236 patent. Further, Hisense's delays in filing its three Petitions against the '236 patent

contradict any contention about efficiency favoring Hisense.

Indeed, Hisense has known about the '236 patent since at least June 2023 and knew or should have known of active IPR proceedings filed by Roku against the '236 patent. Nevertheless, Hisense ignored the ongoing Roku IPR proceedings, waited nearly two years after learning of the patent, and just recently filed four IPR petitions that completely duplicate Roku's prior efforts only after VideoLabs filed suit for infringement. This delay and duplication of prior proceedings wastes Board resources and undermines principles of the patent system.

Other major players in the video technology space, including Roku and ASUSTek, initially pursued similar strategies but ultimately took licenses to VideoLabs' patents and moved to terminate their IPR proceedings. Hisense is following a similar strategy, at the cost of the Board's administrative resources. The Director should not reward Hisense's inefficient and delayed tactics by allowing it to restart proceedings that substantially mirror those already concluded for such a mature patent as the '236 patent.

II. BACKGROUND

A. U.S. Patent No. 8,291,236

The '236 patent issued on October 16, 2012, and was over twelve and a half years old when Petitioner filed its Petitions. The original assignee of the '236

patent is Digital Keystone, Inc. ("Digital Keystone"), a Silicon Valley-based video technology company. Digital Keystone develops digital entertainment technologies, including security software for video applications. In the early 2000s, when the inventions of the '236 patent were in development, Digital Keystone was developing digital entertainment solutions that bridged the personal computer, consumer electronics and content industries. Next generation digital cable TVs, PC-based entertainment systems and media distribution networks were powered by Digital Keystone hardware and software technologies. And Digital Keystone was also licensing its industry-leading security technology to TV broadcasters, consumer electronics manufacturers, developers of digital home components, and chip manufacturers. In partnership with Microsoft and CableLabs, Digital Keystone developed the world's first secure Pay TV bridge, which was demonstrated by Bill Gates in his keynote speech during the 2006 Consumer Electronics Show. Digital Keystone was at the forefront of enabling secure content access throughout the entire home. *See* Ex. 2001.

B. The Videolabs Licensing Program

Patent Owner VideoLabs was founded on the notion of removing roadblocks to innovation in digital video space. VideoLabs spent millions of dollars and thousands of hours analyzing the video space and identifying the patents that reflect the innovations with the highest impact. VideoLabs then compiled a

portfolio of these core patents, obtaining them from leading companies, including Hewlett Packard Enterprise, Alcatel-Lucent S.A., Siemens AG, Swisscom AG, 3Com, Panasonic, LG, and Nokia, and early innovators, including Digital Keystone, Inc., with the intention of offering group licensing on reasonable terms.

Many prominent companies recognized the benefits of the VideoLabs platform and worked with VideoLabs to efficiently and responsibly license its video technology patents. To date, VideoLabs has successfully licensed its portfolio to more than twenty companies, and each of which has taken a license to the '236 patent. Ex. 2002.

C. Petitioner Hisense's Knowledge of the '236 Patent

Petitioner Hisense is one of the world's largest users of video technologies and sells smart televisions, tablet computers and mobile devices, among other products. It is enmeshed in practically every aspect of video, from creation to processing, delivery, and display. *See* Ex. 2003.

VideoLabs contacted Hisense in December 2022 to alert it to its unauthorized use of VideoLabs' patented technology and also to offer Hisense a reasonable license that would allow Hisense the authorized use of VideoLabs' technology and platform. Ex. 2004, 27-28; Ex. 2005. Hisense has known specifically about the '236 patent since at least June 7, 2023. Ex. 2004, 1; Ex. 2006. During negotiations to provide Hisense with a license to the VideoLabs

patents, VideoLabs sent a claim chart concerning the '236 patent to Hisense. Ex. 2006. Following Hisense's refusal to take a license to the '236 patent, VideoLabs filed suit against Hisense in federal district court. Ex. 2007. Now, Hisense has filed three IPRs against the '236 patent and IPRs against other VideoLabs patents, including U.S. Patent 7,769,238 (the "'238 patent") and U.S. Patent 8,867,304 (the "'304 patent").

Other parties have followed the same playbook as Hisense by initially filing IPRs against VideoLabs' patents, only to later seek termination on the basis of a settlement. Roku, Inc. ("Roku") filed three IPRs against the '236 patent and another against U.S. Patent 8,667,304 (the "'304 patent") on June 14, 2024. Those IPRs were instituted in early December 2024.[1] Despite Hisense knowing about VideoLabs' '236 patent for well over a year and being sued for infringement of the '236 patent, Hisense did not move quickly to join in the Roku proceedings already underway. ASUSTek, another leading player in the digital video space, did move to intervene in the Roku proceedings. But the Roku IPR proceedings against the '236 patent were ultimately terminated pursuant to settlement, and both Roku and ASUSTek have licensed VideoLabs' patent portfolio. Ex. 2008; Ex. 2009. Nearly

[1] Notably, the Roku IPRs were active when VideoLabs filed a complaint on November 6, 2024, asserting the '236 patent against several Hisense entities. Ex. 2007.

one year after Roku filed its now-terminated IPR petitions against the '236 patent, Hisense has copied the Roku proceedings and asks the Board to dedicate substantial administrative resources sufficient to conduct three IPRs,[2] and restart Roku's IPR process over from scratch. Pet., 1 ("an identical petition").

It is also notable that Hisense has been active at the PTAB apart from the VideoLabs patents. Between June 7, 2023, when Hisense was specifically notified about the '236 patent, and May 27, 2025, when Hisense finally filed its IPR petitions against the '236 patent, Hisense filed eight IPR Petitions against other entities:

[2] Hisense might respond that it needed to file three IPR petitions because the '236 patent has many claims, but that disregards that Hisense filed three IPRs because it copied the three IPRs Roku filed. In fact, Hisense's ranking of the three petitions is nearly verbatim to Roku's ranking. *Compare* IPR2024-01023, Paper 3, *with* Paper 3 in this proceeding.

Hisense IPR	Date	Patent Owner	Status
IPR2023-01168	7/14/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01311	8/11/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01385	9/6/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01401	9/14/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01410	9/15/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01411	9/15/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2023-01412	9/15/2023	Brightplus Ventures LLC	Terminated due to Settlement
IPR2025-01004	5/14/2025	Phenix Longhorn LLC	Pending

III. THE DIRECTOR SHOULD DENY INSTITUTION

The Director can and should deny this Petition, along with the IPR Petitions filed by Hisense against the '236 patent and other VideoLabs patents, by exercising its discretion under 35 U.S.C. § 314(a) based on settled expectations coupled with Hisense's delayed decision to participate in IPR proceedings.

A. Strong Settled Expectations for the '236 Patent

The '236 patent represents exactly the type of mature patent for which strong settled expectations should preclude late-stage IPR challenges. The '236 patent's origins are found at Digital Keystone in 2004, a pioneering Silicon Valley company that developed world-first digital entertainment solutions, underscore its fundamental importance to the video technology industry. Digital Keystone's

innovations and partnership with Microsoft and CableLabs to develop the world's first secure Pay TV bridge, demonstrated by Bill Gates at the 2006 Consumer Electronics Show, highlights the groundbreaking nature of the underlying technology.

In addition to the age of the '236 patent, its role as a key component of VideoLabs' licensing platform demonstrates the strength of the settled expectations that have developed around it. VideoLabs has successfully licensed the patent to more than 20 companies across the video technology landscape, despite prior challenges to its validity in *inter partes* review proceedings. Ex. 2002. The recent licensing agreements with Roku and ASUSTek, announced after those companies challenged the '236 patent in IPR proceedings, further demonstrates that even initial challengers ultimately recognize the strength and validity of VideoLabs' patents. Ex. 2008; Ex. 2009. This pattern of initial resistance followed by licensing acknowledgment reinforces the settled expectations surrounding the '236 patent's validity and enforceability.

B. Hisense's Delays in Participating in IPR Proceedings for the '236 Patent

Hisense's delay before challenging the '236 patent in *inter partes* review should not be encouraged. Despite having actual knowledge of the '236 patent since June 7, 2023, when VideoLabs provided a detailed claim chart during

licensing negotiations, Hisense waited nearly two years before filing its IPR petitions on May 27, 2025. This delay cannot be attributed to lack of knowledge or need for additional time to prepare, as Hisense was simultaneously filing multiple other IPR petitions throughout this period. Rather, the circumstantial evidence shows that rather than being diligent and preparing its own timely challenges against the '236 patent, Hisense sat on the sidelines and waited to see the outcome of Roku's IPR challenges. When Roku settled, Hisense then decided to recycle the pre-prepared set of challenges leftover from Roku's terminated IPRs and pay nothing more than petition filing fees to drag VideoLabs once more before the PTAB.

The timeline of Hisense's activity and activities concerning the '236 patent reveals how Hisense changed course and challenged the '236 patent:

- **December 27, 2022**: VideoLabs delivers a notice letter to Hisense alerting Hisense of its need to take a license to VideoLabs' patent portfolio
- **June 7, 2023**: Hisense receives a claim chart for '236 patent during licensing negotiations
- **July 14, 2023 - September 15, 2023**: Hisense files seven IPR petitions against other patents
- **June 14, 2024**: Roku files three IPR petitions against the '236 patent
- **November 6, 2024**: VideoLabs files infringement suit against Hisense

- **December 4 – December 9, 2024:** Roku IPRs are instituted
- **December 17, 2024:** ASUSTek files three identical IPR petitions against the '236 patent
- **Jan. 21, 2025:** Roku IPRs are terminated after Roku licensed the '236 patent
- **March 18, 2025**: ASUSTek petitions are terminated at ASUSTek's request
- **May 14, 2025**: Hisense files another IPR petition against a different patent
- **May 27, 2025**: Hisense copies the Roku Petitions and files identical IPR petitions against the '236 patent and the '304 patent

This pattern demonstrates that Hisense was actively using the IPR system during the relevant time period but chose to delay challenging the '236 patent. Such strategic delay undermines the IPR system's goal of providing early resolution of patent validity questions.

Hisense's conduct is particularly egregious given the Roku IPR proceedings against the same '236 patent. Roku filed three IPR petitions against the '236 patent and the '304 patent on June 14, 2024, which were instituted in early December 2024. Despite the pendency of these proceedings and being sued for infringement of the same patents on November 6, 2024, Hisense chose not to quickly join in the ongoing Roku *inter partes* review proceedings.

The Board's rules specifically provide for joinder in IPR proceedings to avoid duplicative challenges and promote efficiency. Hisense's failure to

participate in that process and decision to try to redo that process with later copies of Roku's petitions demonstrates a deliberate choice to fragment the proceedings and impose additional burden on the Board and Patent Owner. By failing to quickly join Roku's IPR proceedings, Hisense tacitly accepted that the Roku IPR proceedings could end after Roku acknowledged the need for a license and requested termination of the Roku IPRs. By this action, and a resolution on the validity challenges to the '236 patent through settlement of an existing IPR process, the recognition of the strength of the '236 patent became settled.

Hisense has provided no acceptable justification to restart this entire process with what it admits are identical petitions to those already resolved. This represents precisely the type of duplicative, wasteful proceedings that the IPR system was designed to prevent. Allowing Hisense to proceed would essentially permit any petitioner to restart settled proceedings, thereby undermining the finality and efficiency that the IPR system was meant to provide.

IV. CONCLUSION

For the reasons presented above, the Petition should be discretionarily denied, and no *inter partes* review should be instituted.

Dated: August 22, 2025

/Wayne M. Helge/
Wayne M. Helge, Reg. No. 56,905

CERTIFICATE OF SERVICE

Petitioner has consented to e-mail service in this proceeding. Pursuant to 37 C.F.R. §42.6, the undersigned certifies that, on the date indicated below, a copy of the foregoing document was served by email upon the following counsel at the below email addresses:

Bas de Blank – M2BPTABDocket@orrick.com
Richard Martinelli – RFMPTABDocket@orrick.com
Thomas A. James – PTABDokcetT6J1@orrick.com

Dated: August 22, 2025

/Wayne M. Helge/
Wayne M. Helge, Reg. No. 56,905