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 No. IPR2025-00882
Patent No. 8,291,236

PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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1004	CV of Anthony J. Wasilewski, Ph.D.
1005	U.S. Patent No. 6,748,080 ("Russ")
1006	U.S. Patent No. 7,546,641 ("Robert")
1007	U.S. Patent No. 8,332,657 ("Eskicioglu")
1008	*VideoLabs, Inc. et al. v. Hisense Co. Ltd. et al.*, Case No. 2:24-cv-00904-JRG-RSP, Dkt. No. 1, Complaint Exhibit F – U.S. Patent No. 8,291,236 ("'236 Patent") (Nov. 6, 2024)
1009	RESERVED
1010	U.S. Patent Application Publication No. 2002/0025042
1011	U.S. Patent Application Publication No. 2005/0027984
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1020	*VideoLabs, Inc. et al v. Hisense Co. Ltd. et al*, No. 2-24-cv-00904 (E.D. Tex. May 13, 2025), Dkt. 31 (Second Amended Complaint), Ex. E
1021	High-bandwidth Digital Content Protection System, Interface Independent Adaptation, rev 2.2 (published Oct. 16, 2012)

1022	PatSnap printout showing 2,641 patents with IPC code H04L 29/06 issued in 2012 (printed Sept. 17, 2025)
1023	PTAB Trial Statistics FY2024, from https://www.uspto.gov/sites/default/files/documents/ptab_aia_fy2024__roundup.pdf (printed Sept. 17, 2025)
1024	RPX Corp. article titled "IPRs: Balancing Effectiveness vs. Cost," dated June 17, 2016, from https://www.rpxcorp.com/blog_post/iprs-balancing-effectiveness-vs-cost/ (printed Sept. 17, 2025)
1025	Congressional Research Service Report titled "The Patent Trial and Appeal Board and Inter Partes Review," dated May 28, 2024, from https://www.congress.gov/crs-product/R48016 (printed Sept. 17, 2025)

I. INTRODUCTION

Petitioner Hisense USA Corporation and Hisense Electronica Mexico S.A. de C.V. (collectively, "Hisense") submits this opposition to Patent Owner VideoLabs, Inc.'s ("VideoLabs") Request for Discretionary Denial of Institution (Paper 8, the "Request"). This IPR should proceed to a decision on the merits.[1]

VideoLabs' request for discretionary denial argues that there are "settled expectations" surrounding the '236 Patent simply because it is over twelve and a half years old. But the only settled expectations here cut ***against*** discretionary denial. The '236 Patent was neither licensed, asserted, nor commercialized for over a decade after its issuance, even though the accused technology—HDCP

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[1] Hisense also currently challenges the remaining claims of the '236 Patent in co-pending IPR2025-00880 and IPR2025-00881, as well as U.S. Patent No. 8,667,304 ("the '304 Patent"), which is the continuation of the '236 Patent, in co-pending IPR2025-00883. The content of the present brief is identical as that of the simultaneously filed briefs for IPR2025-00880 and IPR2025-00881, and largely the same as that of the simultaneously filed IPR2025-00883 brief, with the exception of the fact that the '304 Patent is now expired, which further supports a rejection of PO's request for discretionary denial.

version 2.2—was released the same year that the patent issued. In fact, the '236 Patent was first asserted in 2023 after the patent was transferred to VideoLabs.

Shortly after VideoLabs first asserted the patent, Roku filed multiple IPRs, ***all of which were instituted by the Board***. VideoLabs terminated the IPRs and settled the case less than three weeks after institution. The Board's decision to institute review eliminated any expectation of validity for the Challenged Claims, and VideoLabs' rapid settlement confirms its own expectation that the patent is in fact invalid. Hisense's Petition relies on the same grounds as the Roku petitions—grounds that the Board has already determined demonstrate likely invalidity. These circumstances undermine any settled expectation based merely on the age of the '236 Patent.

Moreover, the expected trial date is well after the projected final written decision in these IPRs, and there has been minimal investment in the district court litigation. Hisense acted expeditiously to file its IPR Petitions after being sued.

For the reasons explained in this Paper—and in the Petition itself—the Director should refer the Petition to the merits panel for an institution decision.

II. BACKGROUND

A. The '236 Patent Was Not Enforced For Over a Decade

The '236 Patent issued on October 16, 2012, to Digital Keystone, Inc. Ex. 1001. Digital Keystone sat on the patent for over a decade, without licensing,

commercializing, or asserting this patent, before transferring it to VideoLabs in 2023. Ex. 1018 (Patent Purchase Agreement dated April 7, 2023).

B. The '236 Patent Was Challenged as Soon as Assertion Efforts Began

Within months of acquiring the '236 Patent, VideoLabs filed lawsuits against multiple entities, including ASUSTeK and Roku. *VideoLabs, Inc. v. ASUSTeK Computer Inc.*, No. 6:23-cv-00640 (W.D. Tex. Aug. 31, 2023) (Complaint); *VideoLabs, Inc. et al v. Roku, Inc.*, No. 1-23-cv-01136 (D. Del. Oct. 11, 2023) (Complaint).

Shortly after these first assertion efforts, Roku filed three IPR petitions challenging the '236 Patent: IPR2024-01023; IPR2024-01024; and IPR2024-01025 (collectively, "Roku IPRs"). The Board instituted all three IPRs. *See Roku, Inc. v. VideoLabs, Inc.*, IPR2024-01023, Paper 12 (granting institution of IPR on Dec. 5, 2024); IPR2024-01024, Paper 12 (granting institution of IPR on Dec. 4, 2024); and IPR2024-01025, Paper 12 (granting institution of IPR on Dec. 9, 2024).

Less than three weeks after institution, VideoLabs terminated the IPRs. *See* IPR2024-01023, Paper 14 (joint motion to terminate proceedings filed on Dec. 23, 2024); IPR2024-01024, Paper 14 (same); and IPR2024-01025, Paper 14 (same). The district court case against Roku was dismissed just a few days later

on Dec. 26, 2024. *VideoLabs, Inc. et al v. Roku, Inc.*, No. 1-23-cv-01136 (D. Del. Dec. 26, 2024), Dkt. 43.

C. VideoLabs' Operative Complaint Was Not Filed Until May 13, 2025

VideoLabs filed its initial Complaint against Hisense on November 6, 2024. *VideoLabs, Inc. et al v. Hisense Co. Ltd. et al*, No. 2-24-cv-00904 (E.D. Tex. Nov. 6, 2024), Dkt. 1. Recognizing that its original complaint had numerous flaws, VideoLabs requested Petitioner's consent to remedy those flaws and amended its Complaint on March 31, 2025 (*Id.*, Dkt. 25 (First Amended Complaint)) and again on May 13, 2025 (*Id.*, Dkt. 31 (Second Amended Complaint)).

III. DISCRETIONARY DENIAL IS NOT WARRANTED HERE

A. No Court Trial Date Has Been Set, and Any Trial Date Would Fall After the Board's Final Written Decision

The parties have not attended an initial status conference, which is set for September 30, 2025. No case schedule has been entered in the Eastern District of Texas, and no trial date has been set. The district court action was initially filed on November 6, 2024. Based on the district's average time to trial of 2 years and 2 months, the projected trial date would be January 6, 2027. Ex. 1019 (Printout from Docket Navigator showing average time-to-trial of 26 months in Eastern District of Texas). But that date is likely an underestimate because of VideoLabs' long delay in starting the case after filing.

Assuming for the sake of argument that VideoLabs survives Hisense's IPR petitions, and a trial date is set, that trial date (anticipated March 6, 2027) will be nearly four months after the projected final written decision date of November 27, 2026. Accordingly, any trial in the district court would take place well after the Board's decision, further supporting institution of these proceedings.

B. There Has Been Minimal Investment in the Parallel Proceeding by the Court and the Parties

Hisense filed its Answer on June 13, 2025. *VideoLabs, Inc. et al v. Hisense Co. Ltd. et al*, No. 2-24-cv-00904 (E.D. Tex. June 13, 2025), Dkt. 36. None of the following case events have occurred: a scheduling conference, claim construction proceedings, the service of contentions, document production, fact discovery, or expert discovery. *See Microsoft Corporation v. X1 Discovery, Inc.*, IPR2025-00253, Paper 13 (PTAB June 25, 2025) at 2 ("there has not been meaningful investment in the district court proceeding, as infringement and invalidity contentions have not been served."); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) at 9-10 ("the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution"); *id.* ("district court claim construction orders may indicate that the court and parties have invested sufficient time in the parallel proceeding to favor denial."). The only investment

the parties have made is briefing a venue transfer issue, which remains undecided by the court and is unrelated to the merits of patent validity.

Here, infringement and invalidity contentions have not been served. The district court has not made a single substantive ruling on the challenged patent and has not issued a claim construction order. The early stage of the district court litigation and minimal investment in those proceedings further support institution.

C. There Are No "Settled Expectations" Precluding Board Review

The record does not support any notion of "settled expectations" regarding the validity or enforceability of the '236 Patent. VideoLabs repeatedly touts the mature age of the patent, but the Board's own decision to institute IPRs challenging this patent, the decade-long history of inaction on the patent, and the abrupt change in ownership and enforcement strategy all point to the absence of any settled expectations that the patent was immune from challenge.

1) Institution of the Roku IPRs foreclosed VideoLabs' settled expectations

VideoLabs cannot plausibly claim it had any settled expectations that the '236 Patent was valid when, shortly after acquiring the patent and attempting to enforce it, the patent was the subject of multiple instituted IPR petitions. The Board has already determined there is a "reasonable likelihood that the petitioner would prevail" with respect to the Petitioner's invalidity challenges. 35 U.S.C. § 314(a).

Further emphasizing that VideoLabs has no reasonable settled expectations its patents are valid, the Board's detailed decision to institute the Roku IPRs expressly rejected the Patent Owner's previous arguments for validity as inconsistent with the cited prior art. *See, e.g.*, IPR2024-01023, Paper 12, pp. 15-16, 19-20 ("Patent Owner's argument, however, is not consistent with [the prior art]."), 21; IPR2024-01024, Paper 12, pp. 15-16, 19-20 ("Patent Owner's argument, however, is not consistent with [the prior art]."), 20 ("[The prior art] is not consistent with Patent Owner's argument…."), 21; IPR2024-01025, Paper 12, pp. 22 ("Patent Owner's argument, however, is not consistent with [the prior art]."), 23 ("[The prior art] is not consistent with Patent Owner's argument…."), 24. Instead, the Board determined that "Petitioner provides detailed argument and evidence, including expert testimony … with corroborating documentary evidence" to "adequately support [that the prior art] discloses all limitations recited in challenged claims." IPR2024-01023, Paper 12, p. 21; *see also* IPR2024-01024, Paper 12, pp. 21-22; IPR2024-01025, Paper 12, p. 24.

In view of the Board's decision, rather than defend the patent's validity, VideoLabs chose to settle and terminate the IPRs less than three weeks after institution, effectively signaling that it did not expect to prevail on the invalidity challenges. *See* IPR2024-01023, Paper 14 (joint motion to terminate proceedings filed on Dec. 23, 2024); IPR2024-01024, Paper 14 (same); and IPR2024-01025,

Paper 14 (same). This rapid settlement indicates that VideoLabs lacked confidence in the patent's validity, and confirmed to the public that the claims are likely unpatentable. Further, the fact that VideoLabs settled with ***both*** Roku and ASUSTeK[2] shortly after institution of the IPRs indicates that the decision to settle was driven by VideoLabs, who recognized the significant invalidity issues of its patent, rather than the licensees acting on any belief in the value or strength of the patent.

VideoLabs relies heavily on the patent's age, but as the Board recognized in *POSCO Co., Ltd. v. ArcelorMittal*, claims are not insulated from review merely due to patent age, particularly where there is a demonstrated vulnerability to invalidation. IPR2025-00370, Paper 10 (PTAB June 25, 2025) at 3 ("The fact that the Board previously determined related claims to be unpatentable—prior to the issuance of the challenged claims in this proceeding—tips the balance against discretionary denial."). Similarly, the Board in *Nintendo Co., Ltd. and Nintendo of America Inc. v. Resonant Systems, Inc.* determined that discretionary denial

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[2] ASUSTeK filed its IPR Petitions on December 17, 2024. *See* IPR2025-00304, Paper 1; IPR2025-00305, Paper 1; IPR2025-00306, Paper 1. ASUSTeK filed a motion to withdraw its Petitions on February 27, 2025. *See* IPR2025-00304, Paper 9; IPR2025-00305, Paper 9; IPR2025-00306, Paper 9.

was not appropriate when a continuation patent that had similar claims to that of the challenged patent was previously found unpatentable in a prior IPR. IPR2025-00680, Paper 18 (PTAB Aug. 14, 2025) at 3.

The facts here are even more compelling than those in *POSCO* and *Nintendo*. In those cases, the Board's decision to deny discretionary denial relied on prior IPR challenges involving related, ***but different***, patents than the patent at issue. By contrast, the situation here involves the Board previously instituting IPR on the ***same*** patent, and on the ***same*** grounds, as those previously advanced in the Roku IPRs. That "the Board previously determined there was a reasonable likelihood that [these] claims … were unpatentable" on the same Grounds as raised in this Petition demonstrates that its merits are strong, and weighs against discretionary denial. *See Tesla, Inc. v. Intellectual Ventures II LLC*, No. IPR2025-00217, Paper 9 (PTAB June 13, 2025) at 2-3.

2) Decade-Long Non-Assertion and Lack of Commercialization of '236 Patent Undercut Any Settled Expectations

For more than ten years after the '236 Patent issued in 2012, the patent was not asserted, licensed, or commercialized. There is no evidence of any licensing activity until 2023 when the original patent owner, Digital Keystone, transferred the patent to VideoLabs.

VideoLabs now asserts HDCP version 2.2 infringes the '236 patent. Importantly, HDCP is a standard digital rights management technology that has

been required for 20 years to display commercial digital HDTV content. As such, it has been included in almost every piece of consumer TV equipment over that time. Even the accused HDCP version 2.2 was released in 2012. *See* Ex. 1020 (Ex. E to VideoLabs' Second Amended Complaint) at 1 (identifying HDCP version 2.2); Ex. 1021 (High-bandwidth Digital Content Protection System, Interface Independent Adaptation, rev 2.2 (published Oct. 16, 2012)). Digital Keystone never asserted the '236 Patent against this widely distributed technology.

If Digital Keystone genuinely believed that HDCP version 2.2 (or any HDCP version) infringed its patent, it would have had every incentive to assert its rights promptly after HDCP's adoption. Indeed, given that one can only obtain patent damages six years prior to filing suit, Digital Keystone's actions affirmatively demonstrate it did not believe HDCP was infringing. Otherwise, we are to believe Digital Keystone made the irrational decision to allow alleged infringement over the decade it owned the patent, including irretrievably giving up infringement outside the six-year window.

Digital Keystone did not commercialize the '236 Patent. While VideoLabs generally refers to various Digital Keystone products in its Request, it does not

identify a single product that practices the '236 Patent.[3] Instead, Digital Keystone remained silent and derived no value from the patents for more than a decade before ultimately selling the patent, likely at a low value, to a non-practicing entity. Nothing about this suggests Digital Keystone had a settled expectation that its patent was valid and had the breadth that VideoLabs now asserts.

Under these circumstances, VideoLabs is wrong to claim that the public or the industry developed any settled expectations. *See Home Depot U.S.A., Inc. v. H22 Intellect LLC*, IPR2025-00480, Paper 11 (PTAB Sept. 4, 2025) at 2-3 (no settled expectations when "the challenged patent has not been commercialized, asserted, marked, licensed, or otherwise applied in its technology space.").

3) The '236 Patent Transfer and Abrupt Change in Enforcement Strategy Preclude Settled Expectations

In stark contrast to Digital Keystone's shelving of the patent, within months upon acquiring the patent in April 2023, VideoLabs shifted to an aggressive assertion campaign and launched multiple enforcement actions. *See VideoLabs, Inc. v. ASUSTeK Computer Inc.*, No. 6:23-cv-00640 (W.D. Tex. Aug. 31, 2023); *VideoLabs, Inc. et al v. Roku, Inc.*, No. 1-23-cv-01136 (D. Del. Oct. 11, 2023).

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[3] VideoLabs does not claim it practices the '236 Patent.

VideoLabs cannot invoke settled expectations based on the prior owner's decade-long period of inaction while simultaneously pursuing a fundamentally different and far more aggressive enforcement strategy. The lack of continuity in market behavior and the abrupt shift in enforcement underscore that any industry expectations regarding the patent's validity or enforceability were unsettled by the transfer.

VideoLabs claims the '236 Patent was a "key component" of its licensing program (Req. 1, 8), but provides no explanation to support this assertion. VideoLabs owns at least 88 U.S. patents, but fails to explain how the '236 Patent contributed uniquely and played a role as a "key component" to any licensing outcome. Without details regarding the actual significance of the '236 Patent within the licensing bundle, VideoLabs' characterization of the patent's importance is overstated and unsubstantiated.

4) The '236 Patent Was Not Asserted in Hisense's Technology Space

The '236 Patent is directed to content protection systems. VideoLabs identifies HDCP (High-bandwidth Digital Content Protection)—a content protection system—as the basis for its infringement allegations against Hisense. *See* Ex. 1020 at 1. Content protection technology is driven by companies involved in the creation, distribution, or management of digital media (*e.g.*, Disney, a known licensee of VideoLabs (Req., Ex. 2002)). Those companies have

a direct interest in safeguarding their proprietary media and controlling access to digital content. Indeed, VideoLabs acknowledges that Digital Keystone, the original patent owner, worked in that technology space and "develop[ed] security software for video applications." Req. 3.

Hisense does not develop security software for video applications. It buys that technology from others. In contrast, Hisense "sells smart televisions, tablet computers and mobile devices, among other products." Req. 4. Content protection systems are not core to Hisense's product offerings, nor are they a focus of Hisense's research, development, or commercialization efforts. It is unreasonable and contrary to public policy to expect device manufacturers like Hisense to monitor, evaluate, and challenge patents outside their core technology areas, particularly when those companies are merely integrating third-party technology.

Such expectations are also contrary to Board precedent. In *Home Depot U.S.A., Inc. v. H22 Intellect LLC*, the Board found no settled expectations where Home Depot (a hardware retailer) did not have reason to anticipate assertion of a patent that had only previously been enforced against manufacturers of smartphones, tablets, and watches. IPR2025-00480, Paper 11 (PTAB Sept. 4, 2025). The Board explained that settled expectations do not arise when a patent

has not been commercialized, asserted, marked, licensed, or otherwise applied ***in the petitioner's technology space***. *Id.*

Throughout most of the lifespan of the patent, any activity related to the '236 Patent or Digital Keystone (the original patent owner) occurred outside of Hisense's industry. VideoLabs' acknowledgement that Digital Keystone created "security software for video applications," whereas Hisense "sells smart televisions, tablet computers and mobile devices" (Req. 3-4), illustrates that Digital Keystone and Hisense operate in entirely different technology spaces. And when VideoLabs acquired the '236 Patent in 2023 and asserted the patent against other consumer electronics companies, the patent was quickly challenged, and resulted in IPR institution. Here, where the PTAB has already decided that the PTO erred in issuing the patent and that the claims are likely invalid, VideoLabs cannot credibly claim that Hisense, or any other company, developed any "settled expectations" of the patent's validity or enforceability at any point of the patent's lifespan.

It is unreasonable to assert that Hisense needs to monitor every possible patent that could be relevant to its business for PTO error and immediately assess/challenge whether the PTO has correctly evaluated the patent's issued claims. Requiring practicing companies to file preemptive IPRs against every potentially relevant patent, especially in the absence of litigation, is impractical

and inefficient. Each year, thousands of patents are granted in the same IPC class as the '236 Patent. In 2012—the same year the '236 Patent issued—2,641 other U.S. patents with the same IPC code (H04L 29/06) were granted. Ex. 1022 (PatSnap printout showing 2,641 patents with IPC code H04L 29/06 issued in 2012). In Fiscal Year 2024, 32% of IPR petitions resulted in one or more claims being found unpatentable. Ex. 1023 (PTAB Trial Statistics FY2024). IPR proceedings are expensive and generally cost in the six figures, ranging from $100,000 to $700,000 depending on the litigation stage reached. Ex. 1024 (RPX Corp. article titled "IPRs: Balancing Effectiveness vs. Cost").

Requiring the review of all potentially relevant patents in just this one class would require thousands of hours of work. And a complex modern product like a TV would have many other classes with potentially relevant patents. If the rate of validity errors of 30% found in completed IPRs holds for the class at large (even if it is half or a quarter of that), the burden to review and challenge that volume of patents is unreasonable. Preemptive filings would waste company and Board resources, flooding the Board with unnecessary petitions, and are not in the economic interest of either innovators or the public.

D. The PTAB Is Best Suited To Handle This Patent's Difficult Claims

The PTAB has already evaluated the '236 Patent. The '236 Patent has 146 claims. The sheer number of claims and the technical complexity made it

necessary for Hisense to file three separate IPR petitions to address the numerous invalidity issues in the patent. Moreover, Hisense has filed a *Sotera* stipulation, ensuring that the issues raised in these proceedings will not be relitigated in district court, thereby promoting efficiency and judicial economy. The PTAB is the proper forum for determining the validity of the '236 Patent.

E. Institution Would be an Efficient Use of Agency Resources

Institution of these IPRs would promote, rather than waste, agency resources. The Board has already invested substantial effort in evaluating the validity of the '236 Patent in the earlier-filed, instituted Roku IPRs, finding the patent sufficiently vulnerable to challenge and instituting review on the same grounds presented in this Petition. However, VideoLabs terminated the Roku IPRs less than three weeks after institution. *See* IPR2024-01025, Papers 12 (institution on Dec. 9, 2024) and 14 (joint motion to terminate filed on Dec. 23, 2024). Given the opportunity, the Board can complete its analysis and issue a final written decision on the merits.

Proceeding with Hisense's petitions would make efficient use of the agency's prior investment and expertise. The Board's prior institution decision demonstrates that it has already conducted an analysis of the '236 Patent. The abrupt settlement by VideoLabs—less than three weeks after institution—

highlights the strength of the validity challenge raised against the '236 Patent and deprived the Board of the opportunity to complete its review.

Allowing these IPRs to proceed would make full use of the agency's prior investment and ensure that the validity issues identified by the Board are finally adjudicated and that the Board's prior work is not rendered meaningless by a post-institution settlement. Indeed, the Director has recognized that "[i]t is an appropriate use of Office resources to provide consistency and predictability to the public, and to ensure that a patent applicant or owner does not take action inconsistent with the judgment in a prior Office proceeding." *POSCO*, Paper 10 at 3. Here, institution would provide precisely that consistency and predictability, as the Board has already instituted an IPR against this very patent on the same grounds.

VideoLabs repeatedly emphasizes the age of the '236 Patent. But patents should not be shielded from review merely due to their age—especially when the Board has previously instituted IPR on the same grounds. Ensuring that questionable patents are subject to review serves the public interest and fulfills the purpose of IPRs: "to improve patent quality" and "reduce[e] unwarranted litigation costs." Ex. 1025 (Congressional Research Service Report titled "The Patent Trial and Appeal Board and Inter Partes Review"). Shielding older patents from review enables patent owners to extract licensing fees based on untested

validity and undermines Congress's stated purpose of IPRs of improving patent quality and reducing unwarranted litigation costs. The public benefits when questionable patents can be tested, regardless of their age.

No duplicative effort to institute the IPR is necessary here, as the Board has already considered and instituted review on these same grounds in the Roku IPR proceeding.

F. Hisense Filed its IPR Petitions Expeditiously

There is no requirement or practical reason for Hisense to have been involved in an IPR proceeding before being sued. The statutory framework contemplates that accused infringers will assess a complaint alleging patent infringement against them before filing an IPR. 35 U.S.C. § 315(b).

Hisense acted promptly and within the statutory period for filing this Petition. Hisense was first sued by VideoLabs on November 6, 2024. *VideoLabs, Inc. et al v. Hisense Co. Ltd. et al*, No. 2-24-cv-00904 (E.D. Tex. Nov. 6, 2024). VideoLabs' original complaint had numerous flaws, which VideoLabs itself acknowledged by amending it twice. *See id*., March 31, 2025, First Amended Complaint (Dkt. 25), and May 13, 2025, Second Amended Complaint (Dkt. 31). Hisense, trying to understand the flawed allegations, consented to these amendments, and responded on June 13, 2025, denying all allegations of infringement and validity (Dkt. 36). Hisense filed this Petition on May 27, 2025,

shortly after the Second Amended Complaint confirmed VideoLabs' allegations were still flawed.

Despite VideoLabs' assertion that Hisense "did not move quickly to join in the Roku proceedings already underway," the opportunity to join the Roku IPRs was brief to the point of being completely unrealistic. VideoLabs sued Hisense in November 2024 and terminated the Roku IPRs in December 2024. During this period, litigation was in its earliest stages, and Hisense was still evaluating VideoLabs' deficient complaint. It would be unreasonable to expect Hisense to have fully evaluated the complaint, developed its defenses, and sought to join an ongoing IPR in such a short window.

VideoLabs suggests that Hisense acted unreasonably by not joining Roku's IPRs and points to ASUSTeK as an example of the diligence it believes is required. However, ASUSTeK filed its request to join Roku's IPR on December 17, 2024, more than a year after it was sued by VideoLabs on August 31, 2023. *VideoLabs, Inc. v. ASUSTeK Computer Inc.*, No. 6:23-cv-00640 (W.D. Tex. Aug. 31, 2023) (Complaint); IPR2025-00304 (filed Dec. 17, 2024); IPR2025-00305 (same); IPR2025-00306 (same). In other words, ASUSTeK had over a year to evaluate VideoLabs' infringement allegations before seeking joinder, whereas Hisense had only just been sued (in November 2024) and was still evaluating

VideoLabs' deficient allegations during the relevant time frame before the Roku IPRs were terminated in December 2024.

Finally, fairness and due process considerations weigh against discretionary denial. Hisense should not be bound by the private decisions or settlements of other companies such as ASUSTeK or Roku. If the Board were to deny institution here, it would be effectively depriving Hisense of its statutory right to challenge the patent simply because others settled or licensed. Denying review based on others' settlements would arm patent holders with a powerful tactic: assert broadly against multiple companies, secure early settlements from a few, and then invoke "settled expectations" to block the remaining defendants from review. Such a result is contrary to Congress's purpose in creating the PTAB and runs counter to the public interest.

IV. CONCLUSION

Institution is appropriate for the reasons outlined above and in the Petition. Hisense respectfully asks that the Director deny Patent Owner's request to discretionarily deny institution of this IPR petition.

Dated: September 19, 2025

Respectfully submitted,

By: /*Bas de Blank*/

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CERTIFICATE OF SERVICE

The undersigned hereby confirms that the foregoing Paper was caused to be served on September 19, 2025 via electronic mail, upon the following attorneys of record for the Patent Owner:

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24, the undersigned certifies that the foregoing PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL contains 4,294 words excluding a table of contents, a table of authorities, a certificate of service or word count, or appendix of exhibits or claim listing. Petitioner has relied on the word count feature of the word processing system used to create this Paper in making this certification.

Dated: September 19, 2025

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