

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SNAP, INC.,

Petitioner,

v.

NOKIA TECHNOLOGIES OY,

Patent Owner.

IPR2025-01114

U.S. Patent No. 8,175,148

**PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL**

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Patent Trial and Appeal Board
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TABLE OF EXHIBITS

Ex. No.	Title	Previously Submitted
2001	Declaration of R. Mitch Verboncoeur in Support of <i>Pro Hac Vice</i> Admission	X
2002	Declaration of R. Mitch Verboncoeur in Support of Patent Owner's Notice of Intent to Designate a Provisionally Recognized PTAB Attorney as Back-up Counsel	X
2003	Corrected Declaration of R. Mitch Verboncoeur in Support of Patent Owner's Notice of Intent to Designate a Provisionally Recognized PTAB Attorney as Back-up Counsel	X
2004	Original Complaint in <i>Nokia Technologies Oy v. Amazon.com, Inc., et al.</i> ; Civil Action No. 1:23-cv-01236 in the District of Delaware	
2005	Petition for <i>Inter Partes</i> Review of U. S. Patent No. 8,175,148 in IPR2024-01176	
2006	Declaration of Dr. Eli Saber, Ph.D. Regarding U. S. Patent No. 8,175,148 in IPR2024-01176	
2007	Decision Granting Institution of <i>Inter Partes</i> Review 35 U.S.C. § 314 in IPR2024-01176	
2008	Termination Due to Settlement After Institution of Trial in IPR2024-01176	
2009	Original Complaint in <i>Nokia Technologies Oy v. Amazon.com, Inc., et al.</i> , Case No. 1:23-cv-01236-UNA (D. Del.). October 31, 2023	
2010	Complaint for Declaratory Judgment in <i>Element Television Co., LLC v. Nokia Corporation et al.</i> , Case No. 24-cv-4269 (LMB/DTS) (D. Minn.), November 25, 2024	

Pursuant to the Director’s March 26, 2025 Memorandum concerning “Interim Processes for PTAB Workload Management” (“March 26, 2025 Memorandum”), Patent Owner Nokia Technologies Oy (“Nokia”) respectfully requests that the Director exercise her discretion and deny institution of Petitioner Snap, Inc.’s (“Petitioner” or “Snap”) Petition for *inter partes* review of U.S. Patent No. 8,175,148 (“the ’148 Patent”).

The ’148 Patent issued over *thirteen* years ago. *See* Ex-1001 at 1 (indicating May 8, 2012 issue date). Since then, the ’148 Patent has been asserted in district court litigation and the subject of a (virtually identical) *inter partes* review filed by Amazon. Ex-2004 (*Nokia Technologies Oy v. Amazon.com, Inc.*, 1-23-cv-01236 (D. Del.) (filed Oct. 31, 2023)); Ex-2005 (*Amazon.com, Inc. v. Nokia Technologies OY*, IPR2024-01176, Paper 1 (Aug. 30, 2024) (“Amazon Petition”). Snap’s duplicative challenge—which it could have brought years ago—is nothing but an inefficient attempt to relitigate the validity of the same claims on the same grounds.

For these reasons and the reasons identified below, Nokia respectfully requests that the Director exercise discretion under § 314(a) and deny institution.

I. THE FACTORS IDENTIFIED IN THE DIRECTOR’S MARCH 26, 2025 MEMORANDUM WEIGH HEAVILY IN FAVOR OF DISCRETIONARY DENIAL

The Director’s March 26, 2025 Memorandum, notes that “consistent with the discretionary considerations enumerated in existing Board precedent (including

Fintiv, *General Plastic*, and *Advanced Bionics*) and the Consolidated Trial Practice Guide (Nov. 2019), the parties are permitted to address all relevant considerations” that weigh in favor of discretionary denial.” March 26, 2025 Memorandum at 2 (citations omitted). These factors include:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition’s reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director’s discretion.

Id. at 2-3. As discussed in detail below, these factors weigh heavily in favor of discretionary denial, and Nokia respectfully requests that the Director deny institution.

A. Snap’s Belated Petition is Virtually Identical to the Amazon Petition

Amazon filed for *inter partes* review of all ’148 Patent claims in August 2024. Ex-2005 (Amazon Petition). The Amazon Petition relied on two grounds (MPEG-1 and H.263) and the declaration of Dr. Eli Saber. *Id.* at 2; Ex-2006 (Amazon Saber Declaration). The PTAB instituted IPR, finding there was “reasonably likely that [Amazon] would prevail in showing that claim 1 is unpatentable based on MPEG-1” but that Amazon had *not* “shown a reasonable likelihood of prevailing in its challenge to [the claims] with respect to H.263.” Ex-2007 (Amazon Institution Decision) at 16, 20-21.

At that time, Snap could have sought to join the instituted Amazon IPR. *See* 37 CFR § 42.122(b). However, Snap failed to do so and instead chose to lay in wait and file the present Petition—which is virtually identical to Amazon’s—months after the dismissal of the Amazon IPR. *Compare* Paper 1 *with* Ex-2008 (Amazon Dismissal Order). Snap’s delay is inexcusable, especially because Snap’s Petition relies on the same two grounds (MPEG-1 and H.263) and the Declaration of Dr. Eli Saber, which appears to have been copied directly from the Amazon proceeding. *Compare* Ex-1003 *with* Ex-2006 (Amazon Saber Declaration). This type of serial attack has been discouraged by the PTAB in the past and justifies discretionary denial in the present case. *See, e.g., Webgroup Czech Republic, A.S. v. Dish*

Technologies LLC, IPR2025-00467, Paper 14 at 2-3 (PTAB July 16, 2025) (denying institution because the challenged patent had “already been the subject of multiple proceedings”); *Murata Manufacturing Co., Ltd. v. Georgia Tech Research Corp.*, IPR2025-00383, Paper 13 at 2-3 (PTAB July 29, 2025) (“A failure to seek early review of the patent favors denial”).

B. Petitioner’s Invalidity Challenges Lack Merit

Snap’s copycat invalidity challenges are not only untimely, but they fail on the merits. The PTAB already found that the H.263 references failed to disclose several claim elements, including the claimed “sequence-level parameter,” “means for selecting,” and “means for providing.” Ex-2007 (Amazon Institution Decision) at 20-22. Snap’s Petition fails to raise any doubt that the PTAB will reach a different conclusion here.

Snap’s MPEG-1-based arguments fare no better. For example, MPEG-1 does not disclose a “default level of quantization for use in encoding of the digital video sequence.” In MPEG-1, the `quantizer_scale` is signaled at either the slice or macroblock layer. *See* Ex. 1005 at 45. Notably, this is not signaled at the “sequence” layer for syntax elements and cannot apply to a sequence as a whole. Snap’s reliance on MPEG-1’s quantizer matrix is misguided because the quantizer matrix must be used in connection with the `quantizer_scale` parameter to perform quantization. The quantizer matrix cannot be a “default level of quantization for use in encoding of the

digital video sequence” because the quantization level is signaled at the slice or macroblock level. The PTAB correctly found that a quantization level at the picture level, not the sequence level, does not satisfying the default level of quantization requirement. Ex-2007 (Amazon Institution Decision) at 20-22. The PTAB should arrive at the same conclusion regarding MPEG-1, as the slice and macroblock syntax occurs multiple times within the picture level.

Thus, Snap’s meritless technical challenges further support denial.

C. Petitioners Over-Reliance on Expert Testimony Weighs In Favor Of Discretionary Denial

Snap’s Petition relies extensively on the 161-page declaration of Dr. Eli Saber. Ex-1003. Indeed, the Saber Declaration is cited over 350 times throughout the Petition, casting further doubt on the merits of Petitioner’s invalidity challenges.

Snap does not merely rely on Dr. Saber for background information or an explanation of the state of the art. Rather, Snap relies on Dr. Saber to fill the gaps in its weak technical argument. For example, Snap relies on Dr. Saber’s opinion to MPEG-1’s `non_intra_quantizer_matrix` provides a “default level of quantization” while citing to sections of MPEG-1 that contradicts this position. Snap Pet. at 17 (citing MPEG-1 at 83). MPEG-1 describes the quantizer matrix as “an 8 by 8 set of weights” and specifically compares “weights” provided by the matrix to “levels” in stating “[t]he first weight must be eight which matches the fixed quantization level

of the dc coefficient.” MPEG-1 at 83. In fact, the term “reconstruction level” is used in describing quantization_scale, whereas “values” is used to define “quantization matrix.” MPEG-1 at 35, 46. Dr. Saber’s opinion is the only basis of Snap’s argument here.

Similarly, Snap relies on Dr. Saber to set up a straw man to attack regarding the H.263 grounds. Snap cites to a “co-pending litigation” claiming that Nokia accuses a picture-level parameter of infringement of the ’148 Patent.¹ Snap then relies on Dr. Saber’s understanding of H.264 to equate the allegedly accused functionality to that of H.263. Snap relies on Dr. Saber’s testimony because H.264 describes distinct functionality wherein the picture parameter set can be used by multiple pictures. In other words, the picture parameter set can apply to “zero or more entire coded pictures.” Ex. 1009 (H.265) at 23. Snap’s argument that H.263 renders obvious the ’148 Patent is built upon Dr. Saber’s opinion that Nokia’s infringement read in a “co-pending” litigation looks to identical functionality in H.264 as is present in H.263.

Therefore, this factor supports discretionary denial.

¹ Snap cites to “Nokia Complaint” without any explanation of what co-pending litigation Snap is referring to.

D. Nokia’s Strong Settled Expectations in the ’148 Petition Support Discretionary Denial

The ’148 Patent issued on May 8, 2012 and “has been in force for approximately 13 years, creating strong settled expectations for Patent Owner.” *See, e.g., Roche Diabetes Care, Inc. v. Trividia Health, Inc.*, IPR2025-00553, Paper 10 at 2 (PTAB July 29, 2025); *Analog Devices, Inc., v. Number 14 B.V.*, IPR2025-00550, Paper 10 at 2 (PTAB July 16, 2025). The fact that the parties are not currently engaged in a parallel proceeding involving the ’148 Patent does not negate these settled expectations. *Amgen Inc., v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 3 (PTAB July 24, 2025) (denying institution based on settled expectations regarding patents not currently asserted against the petitioner); *Kahoot! AS, v. Interstellar Inc.*, IPR2025-00696, Paper 12 at 2 (PTAB July 31, 2025) (“Petitioner’s argument that Patent Owner does not have settled expectations because Patent Owner did not previously assert the challenged patent against Petitioner does not defeat Patent Owner’s settled expectations.”). Because there are no legitimate reasons to use Board resources to disturb these settled expectations, this factor weighs in favor of discretionary denial. *See Dabico Airport Solutions Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 at 2–3 (Director June 18, 2025).

Moreover, Patent Owner has a well-established patent licensing program relating to the video coding technology space and has over 50 license agreements

that encompass the '148 Patent. In addition, Patent Owner first reached out to Petitioner in April 2023. Moreover, Patent Owner asserted the '148 Patent against Amazon streaming services in a district court proceeding in the District of Delaware on October 31, 2023 (EX-2009 at 46, 415), and Element filed a declaratory judgment action challenging the '148 Patent on November 25, 2024. EX-2010 at 1. For these reasons Petitioner was or should have been aware of the '148 Patent since at least 2023. In view of these facts, the '148 Patent has without question been both asserted and licensed in the video coding technology space at issue in this proceeding.

II. CONCLUSION

For the foregoing reasons, the Director should exercise her discretion under § 314(a) and deny institution.

Dated: September 8, 2025

Respectfully submitted,

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CERTIFICATION OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** has been served on Petitioner via email on the following counsel of record for Petitioner:

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