

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 IPR2025-01329
U.S. Patent 7,769,238

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	Reserved
2007	Complaint, <i>VideoLabs v. Hisense Co. Ltd.</i> , 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/)
2010	Special Master's Report and Recommendation Regarding Claim Construction, <i>VideoLabs, Inc. v. Asus Computer Int'l</i> , Case No. 6:22-cv-00720 (W.D. Tex. Mar. 21, 2025)
2011	Claim Construction Order, <i>VideoLabs, Inc. v. HP Inc.</i> , Case No. 6:23-cv-00641 (W.D. Tex. Aug. 26, 2024)
2012	Comparison of Districts Within the Fifth Circuit — 12-Month Period Ending June 30, 2025 (available at https://www.uscourts.gov/sites/default/files/document/fcms_na_distcomparison0630.2025.pdf)
2013	Docket Control Order, <i>VideoLabs v. Hisense Co. Ltd.</i> , Civ. No. 2:24-cv-904 (E.D. Tex.) ¹

¹ At a scheduling hearing on September 30, 2025, the District Court set a trial date of January 11, 2027. As of the date of the filing of this Request, the Docket Control Order has not yet issued from the District Court. Patent Owner will submit the Docket Control Order as Ex. 2013 via updated mandatory notices once it issues.

IPR2025-01329 Patent Owner's Request for Discretionary Denial

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 claim 1 of U.S. Patent 7,769,238 (the "'238 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

There is no reason for the Board to dedicate over a year's worth of Office resources to review the validity of a patent where *two prior petitions* for *inter partes* review were ***denied on the merits*** and when the patent being evaluated was ***already expired at least two years before the instant Petition was filed.***

Additionally, a parallel district court proceeding has a scheduled trial on validity issues that will occur prior to the due date for a final written decision. Magnifying this logic and policy, the settled expectations for the '238 patent are strong.

Now over fifteen (15) years old, the '238 patent has been licensed to over twenty other companies. 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 '238 patent is mature, valid, and worthy of licensing, Hisense's

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Petition seeks to undermine these settled expectations by asking the Board to allocate administrative resources sufficient to carry out an IPR against the *expired* '238 patent and four other IPRs against U.S. Patent 8,291,236 and U.S. Patent 8,667,304. Indeed, Hisense has known about the '238 patent since at least December 27, 2022. Nevertheless, Hisense waited well over two years after learning of the patent, and two years after the '238 patent expired, to file its Petition. This delay wastes Board resources and undermines principles of the patent system.

Other major players in the video technology space initially pursued similar strategies before resolving their disputes with VideoLabs. Dell, in particular, filed IPRs against the '238 patent and two other VideoLabs' patents (after another party's IPR against the '238 patent was denied on the merits), each of which were denied institution on the merits leading to settlement between VideoLabs and Dell. Similarly, Roku and ASUSTek filed IPRs against VideoLabs' patents but ultimately took licenses 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 for such a mature patent as the '238 patent.

II. BACKGROUND

A. U.S. Patent 7,769,238

The '238 patent issued on August 3, 2010 from an application having an effective filing date of March 27, 2003, and issued with 507 days of patent term extension. Thus, the '238 patent was nearly fifteen (15) years old when the Petition was filed, and was *already expired*. The original assignee of the '238 patent was Panasonic Corp. ("Panasonic"), a major consumer electronics company. Each of the three required maintenance fees to keep the '238 patent in force for the full lifetime of the '238 patent were paid. Accordingly, when Petitioner filed its Petition, the '238 patent had been in force for over 15 years, up through and including its expiration date back in 2023.

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 Panasonic, the named assignee on the '238 patent, as well as Hewlett Packard Enterprise, Alcatel-Lucent S.A., Siemens AG, Swisscom AG, 3Com, 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, each of which has taken a license to the '238 patent. Ex. 2002.²

C. Petitioner Hisense's Knowledge of the '238 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 27, 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. 2005. Hisense has known specifically about the '238 patent since at least that time. Ex. 2004, 3. During negotiations to provide Hisense with a license to the VideoLabs patents, VideoLabs presented a claim

² Some licenses resulted from settlements of litigation. Claim construction has been considered in two prior district court litigations (*see* Ex. 2010 and Ex. 2011), but these orders, and the constructions reached therein, do not bear on whether the Director should exercise discretion to deny this Petition.

chart concerning the '238 patent to Hisense on April 19, 2023. Ex. 2004, 3.

Following Hisense's refusal to take a license to the '238 patent, VideoLabs filed suit against Hisense in federal district court. Ex. 2007. Now, Hisense has filed this IPR against the '238 patent and other patents in the VideoLabs portfolio, including three IPRs against U.S. Patent No. 8,291,236 ("the '236 patent") and another against U.S. Patent 8,667,304 (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.

Dell filed IPRs against the '238 patent and two other VideoLabs patents. *See Dell Technologies Inc. v. VideoLabs, Inc.*, IPR2022-00628 ('268 patent), -00629, -00701 (PTAB). The IPR against the '238 patent was denied on the merits because the references Dell relied on were not prior art. *See Dell Technologies Inc. v. VideoLabs, Inc.*, IPR2022-00628, Paper 10, 2 (PTAB Oct. 4, 2022). Earlier, when the '238 patent was assigned to Optis Wireless Technology, LLC, the '238 patent was challenged by Huawei Device Co., Ltd. That IPR against the '238 patent was also denied on the merits because the references Huawei relied on failed to satisfy the claim limitations of the '238 patent. *See Huawei Device Co., Ltd v. Optis Wireless Technology, LLC*, IPR2018-00658, Paper 14, 31-32 (PTAB Oct. 9, 2018); *see also* Pet., 3-4, 26-27.

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Roku, Inc. (“Roku”) filed an IPR against the ’304 patent and three IPRs against the ’236 patent. ASUSTek, another leading player in the digital video space, moved to intervene in three of the Roku proceedings. But the Roku IPR proceedings against the ’304 and ’236 patents were ultimately terminated pursuant to settlement, and both Roku and ASUSTek have since licensed VideoLabs’ patent portfolio. Ex. 2008; Ex. 2009.

It is also notable that Hisense has been active at the PTAB apart from the VideoLabs patents. Between December 27, 2022, when Hisense was specifically notified about the ’238 patent, and July 25, 2025, when Hisense filed its IPR petition against the ’238 patent, Hisense filed ten IPR Petitions against other entities:

Hisense IPR	Date	Patent Owner	Status
IPR2023-00651	2/28/2023	Vista Peak Ventures LLC	Terminated due to Settlement
IPR2023-00725	3/17/2023	Vista Peak Ventures LLC	Terminated due to Settlement
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 other VideoLabs patents, by exercising its discretion under 35 U.S.C. § 314(a) based on settled expectations and the expiration of the '238 patent.

A. Strong Settled Expectations Weigh in Favor of Discretionary Denial

The '238 patent represents exactly the type of mature patent for which strong settled expectations should preclude late-stage IPR challenges. The '238 patent's origins at Panasonic underscore its fundamental importance to the video technology industry.

In addition to the age of the '238 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. Ex. 2002. The Dell settlement and recent licensing agreement with Roku and ASUSTek, announced after they challenged other VideoLabs' patents 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 '238 patent's validity and enforceability.

B. The Expiration of the '238 Patent and Hisense's Delays Also Weigh Strongly in Favor of Denial

Additionally, Hisense's delay before challenging the '238 patent in *inter partes* review should not be encouraged. The '238 patent was subject to a terminal disclaimer reducing its maximum available life so that it expired in 2023, rather than on August 16, 2024 with 508 days of extension. Under current USPTO policy, the '238 patent is not a patent that warrants Board review. *See iRhythm Technologies, Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 3 (PTAB, June 6, 2025) (Director's Decision Granting Discretionary Denial).

Moreover, despite having actual knowledge of the '238 patent since December 27, 2022, Hisense waited well over two years before filing its Petition on July 25, 2025, and waited years after the '238 patent expired, to bring this challenge. This delay cannot be attributed to lack of knowledge or need for additional preparation time, as Hisense was simultaneously filing multiple other IPR petitions throughout this period. Rather than being diligent and preparing its challenge against the '238 patent, the circumstantial evidence shows that Hisense

sat on the sidelines too long.

The timeline of Hisense's activity and activities concerning the '238 patent reveals how Hisense delayed its challenge to the '238 patent:

- **December 27, 2022:** VideoLabs delivers a notice letter to Hisense alerting Hisense of its need to take a license to VideoLabs' patent portfolio and identifying the '238 patent
- **April 19, 2023:** Hisense receives a claim chart for '238 patent during licensing negotiations
- **February 28, 2023 - September 15, 2023:** Hisense files nine IPR petitions against other patents
- **June 14, 2024:** Roku files an IPR petition against the '304 patent and three others 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 took a license
- **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

- **July 25, 2025:** Hisense files the instant Petition against the '238 patent

This pattern demonstrates that Hisense was actively using the IPR system during the relevant time period but chose to delay challenging the '238 patent until nearly a year after the '238 patent expired. Such strategic delay undermines the IPR system's goal of providing early resolution of patent validity questions.

C. The Prior Failed IPRs Against the '238 Patent Also Weigh in Favor of Denial

This third petition against the '238 patent also raises concerns of roadmapping. As noted above, two prior petitions against the '238 patent were denied on the merits. Petitioner admits that this third challenge to the '238 patent is based on a new reference that it claims overcomes the issues leading to denial of the prior petitions because “[n]either of those issues are present in the current petition.” Pet., 3-4. 26-27. This serial use of the IPR process, which subjects patent owners to multiple challenges on the same patent, presents an additional reason to deny the Petition. Under similar circumstances, the Director has weighed that such roadmapping favors of denial of institution. *See Amazon Web Services, Inc. v. Croga Innovations, Ltd.*, IPR2025-00884, Paper 9 at 2 (PTAB Sept. 3, 2025) (weighing roadmapping in favor of denial where two other IPRs were denied institution on the merits and where petitioner admitted to roadmapping).

D. District Court Activities Also Weigh in Favor of Denial

Finally, trial in the parallel case is scheduled to occur in January 2027, about a month before a final written decision in this case could be expected (around February 8, 2027). *See* Ex. 2013 (setting trial date set for January 11, 2027); Ex. 2012, 5 (statistics showing a 25.1 month time to trial period). Accordingly, the District Court outcome is scheduled to occur before a final decision would be reached in this IPR. And even if the trial date is modified slightly, the parties will have invested considerable resources into claim construction and validity challenges by the time a final written decision issues in this proceeding. This factor also weighs heavily in favor of denial.

IV. CONCLUSION

When these factors are considered individually, the expired status of the '238 patent, the strong settled expectations based on the age of the patent, the prior failed IPRs against the '238 patent, and the earlier trial date of the co-pending litigation each weigh strongly in favor of discretionary denial and would be sufficient to warrant denial. However, when these factors are evaluated together, discretionary denial is extremely compelling and should be granted. Accordingly, for the reasons presented above, the Petition should be discretionarily denied, and no *inter partes* review should be instituted.

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Dated: October 8, 2025

/Wayne M. Helge/

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

James T. Wilson, Reg. No. 41,439

BUNSOW DE MORY LLP

277 S. Washington St., Suite 210 #1088

Alexandria, VA 22314

T: (571) 208-0186

Email: whelge@bdiplaw.com

Email : jwilson@bdiplaw.com

Lead Counsel for Patent Owner

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:

Richard Martinelli – RFMPTABDocket@orrick.com
Joseph A. Chern – 2JAPTABDocket@orrick.com

Dated: October 8, 2025

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