

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TTE TECHNOLOGY, INC., D/B/A TCL NORTH AMERICA,
Petitioner

v.

INTERDIGITAL MADISON PATENT HOLDINGS, SAS,
Patent Owner

Case IPR2026-00417
U.S. Patent No. 10,250,877

**PATENT OWNER'S BRIEF ON
DISCRETIONARY DENIAL**

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Complaint, <i>InterDigital, Inc. v. TCL Industries Holdings Co., Ltd.</i> , Case No. 2:26-cv-00101 (EDTX Feb. 9, 2026)
2002	Complaint, <i>InterDigital, Inc. vs. Hisense Co., Ltd.</i> , Case No. 1:26-cv-00754 (NDGA Feb. 9, 2026)
2003	Motion Denying Summary Judgment, <i>InterDigital, Inc. v. Lenovo (United States) Inc.</i> , Case No. 5:23-cv-00493 (EDNC July 17, 2024)
2004	Complaint, <i>InterDigital, Inc. v. Lenovo (United States) Inc.</i> , Case No. 5:23-cv-00493 (EDNC Sept. 1, 2023)
2005	Complaint, <i>Certain Electronic Devices Including Smartphones, Computers, Tablet Computers, and Components Thereof</i> , Inv. No. 337-TA-1373 (ITC Sept. 1, 2023)
2006	Complaint, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-3889 (ITC Feb. 25, 2026)
2007	“Licensing at InterDigital,” <i>InterDigital</i> , available at https://www.interdigital.com/licensing (last accessed Feb. 20, 2026)
2008	Declaration of Ryan Pohlman
2009	“InterDigital renews license agreement with Sony,” <i>InterDigital</i> , available at https://ir.interdigital.com/news-events/press-releases/news-details/2026/InterDigital-renews-license-agreement-with-Sony/default.aspx (last accessed Mar. 3, 2026)
2010	“InterDigital signs license agreement with HP,” <i>InterDigital</i> , available at https://ir.interdigital.com/news-events/press-releases/news-details/2025/InterDigital-signs-license-agreement-with-HP/default.aspx (last accessed Mar. 3, 2026)

Exhibit No.	Description
2011	“2025: InterDigital’s Year In Review,” <i>InterDigital</i> , available at https://www.interdigital.com/post/2025-interdigitals-year-in-review (last accessed Mar. 3, 2026)
2012	Enforcement and Non-waiver of 37 C.F.R. § 42.104(b)(4) and Permissible Uses Of General Knowledge In <i>Inter Partes</i> Reviews (July 31, 2025), available at https://www.uspto.gov/sites/default/files/documents/aapa_memo_final_signed.pdf (last accessed March 5, 2026)
2013	InterDigital, Inc. Form 10-K (Annual Report), United States Securities and Exchange Commission, File No. 1-33579
2014	Additional Discretionary Institution Considerations – U.S. Manufacturing and Small Business Use of AIA Proceedings (March 11, 2026), available at https://www.uspto.gov/sites/default/files/documents/Additional_Discretionary_Institution_Considerations_US_Manufacturing_and_Small_Business_Use_of_AIA_Proceedings.pdf (last accessed March 12, 2026)
2015	Statement on the Public Interest by InterDigital, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-3889 (ITC Feb. 25, 2026)
2016	Joint Outline of Issues, <i>Certain Electronic Devices Including Smartphones, Computers, Tablet Computers, and Components Thereof</i> , Inv. No. 337-TA-1373 (ITC Sept. 27, 2024)
2017	Notice of Institution of Investigation, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (ITC March 30, 2026)
2018	Procedural Schedule, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (ITC May 19, 2026)

Exhibit No.	Description
2019	Amazon Arbitration Agreement
2020	“InterDigital and Amazon enter into new video services and devices license agreement,” InterDigital, accessed at https://ir.interdigital.com/news-events/press-releases/news-details/2026/InterDigital-and-Amazon-enter-into-new-video-services-and-devices-license-agreement/default.aspx (June 11, 2026)
2021	TCL Respondents’ Corrected Notice of Prior Art, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (ITC Aug. 8, 2026)
2022	Respondents’ Hisense Notice of Prior Art, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (ITC Aug. 7, 2026)
2023	Respondent’s Claim Construction Brief, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (ITC Aug. 18, 2026)
2024	Transcript of ITC Markman Hearing, <i>Certain Video-Capable Electronic Devices, Including Smart Televisions, Monitors, and Components Thereof</i> , Inv. No. 337-TA-1495 (Sept. 11, 2026)
2025	Order No. 60, <i>In the Matter of Certain Electronic Devices, Including Smartphones, Computers, Tablet Computers, and Components Thereof</i> , Inv. No. 337-TA-1373 (ITC Nov. 22, 2024)

I. INTRODUCTION

Patent Owner InterDigital Madison Patent Holdings, SAS (“InterDigital”) respectfully requests that the Director exercise discretion and deny institution of *inter partes* review of U.S. Patent No. 10,250,877 (“the ’877 patent”). At the outset, the case for discretionary denial is substantially stronger here than in the now-terminated Amazon IPR challenging the ’877 patent.¹ Petitioner (“TCL”) filed its copycat IPR *months after* the ITC complaint, whereas Amazon (which was not an ITC respondent) filed *before* the ITC complaint. TCL also chose to file a copycat petition that adopts claim construction positions both inconsistent with its ITC positions and with which it admittedly disagrees. *See* EX2024, 151:6-24; Section IV.B. The Director should reassess the discretionary factors in light of these materially different circumstances. Indeed, there are multiple bases that make it clear that it would not be an appropriate use of the Board’s resources to reconsider the patentability of the challenged claims.

First, institution should be denied in view of the co-pending ITC investigation because the *Fintiv* factors strongly favor denial. The target date for the ITC’s final Commission decision is about 6 weeks *before* the Board’s projected FWD date, and the ITC will issue a final initial determination four months before

¹ IPR2026-00195, to which TCL originally sought to join this proceeding.

that, with the ITC trial being even earlier still. Further, TCL has not provided any stipulation to mitigate the overlap between the two proceedings.

Second, TCL advances inconsistent claim constructions in the IPR and ITC.

Third, InterDigital has strong settled expectations in the '877 patent.

Notably, the patent has been in force for over seven years. Other factors enhance the settled expectations: (1) InterDigital has extensively licensed the '877 patent, and (2) there was prior consideration of validity issues in other forums.

Fourth, the number of ongoing and prior proceedings involving the '877 patent further favors denial, particularly because the PTAB proceeding would be duplicative of, and potentially inconsistent with, district court and ITC findings.

Fifth, the Office already expended substantial resources on this patent during initial prosecution when the same art used in TCL's challenges was considered by the Examiner, over which the claims were determined to be allowable.

Accordingly, the Petition also warrants denial under 35 U.S.C. § 325(d).

Sixth, TCL's arguments on the merits are weak—failing to identify disclosure of multiple claim elements in the cited art—which causes the Petition to improperly rely on expert testimony to supply these missing elements.

Finally, products licensed under InterDigital's '877 patent are manufactured in the United States, which further favors denial here.

For all of these reasons, InterDigital respectfully requests denial of this IPR.

II. BACKGROUND

InterDigital has been on the leading edge of developing foundational video, wireless communications, and other digital technologies for more than 50 years.

EX2013, 4; EX2001, ¶19. Each year, InterDigital invests well over nine figures in its world-class research and development, including at multiple U.S. facilities.

EX2013, 4-6; EX2001, ¶21. InterDigital employees have researched, designed, and developed video coding technologies critical to efficient, high-quality video

transmission. EX2013, 6; EX2001, ¶22. Protecting its innovations is foundational to InterDigital's business. Receiving fair value through licensing its patented

technology allows InterDigital to reinvest in ongoing research and development, advancing technology across multiple industries. EX2007; EX2001, ¶¶23-24.

Consistent with its longstanding practice, InterDigital sought to mutually resolve TCL's unauthorized use of InterDigital's patented technology, but the parties did

not reach an agreement. EX2008, ¶¶4-5. TCL could have challenged the patent

years ago, but did not. The Director should not permit TCL to use the PTAB to

avoid responsibility for its ongoing infringement, particularly given the resources already expended—or soon to be expended—by the USPTO and other tribunals.

III. OVERVIEW OF THE '877 PATENT'S COMPREHENSIVE EXAMINATION

The '877 patent underwent thorough examination, including consideration of Wiegand and Davies—two references TCL relies on here. With a preliminary

amendment, Applicant submitted an IDS listing only nine references, including Wiegand and Davies, and the Examiner signed it. EX1002, 2-11, 17-18, 187. After performing a comprehensive search that included numerous CPC and US classifications, and 86 different queries, *id.*, 180-184, the Examiner issued a rejection under § 112 and § 103. *Id.*, 162-172. After several rounds of amendments and rejections, including additional searches including over 100 new queries and a minor Examiner's amendment, the Examiner allowed the claims. *Id.*, 188-201, 211-219, 226-238, 250-258, 263-272, 273-283, 288-298. The Office has, therefore, expended extensive resources and attention on confirming the patentability of the challenged claims, including over two references used in TCL's current challenge.

IV. DISCRETIONARY DENIAL IS WARRANTED FOR MULTIPLE REASONS.

The Director should exercise discretion to deny institution in this proceeding for multiple independent reasons, including: (1) the *Fintiv* factors favor denial because the ITC proceeding will be complete before the Board's FWD issues; (2) TCL advances inconsistent claim constructions across forums; (3) InterDigital has strong settled expectations; (4) the '877 patent is involved in other ongoing proceedings and was the subject of multiple prior proceedings; (5) the Office already considered the same art presented here; (6) the Petition relies on expert testimony to fill gaps in the prior art; and (7) U.S. manufacturing considerations favor denial. Each of these reasons independently supports denial. Taken together,

the case for denial is overwhelming.

A. The *Fintiv* factors favor discretionary denial.

The '877 patent is the subject of an ITC investigation between InterDigital and TCL/Hisense.² EX2006. A holistic assessment of the *Fintiv* factors favors denial in view of the ITC proceeding, which had been ongoing for several months by the time TCL filed its Petition and in which the parties have already completed the *Markman* process as of this filing. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv*").

Fintiv factor 1: Factor 1 strongly favors denial. The ITC is virtually certain not to stay its proceedings pending conclusion of an IPR. *See Milwaukee Elec. Tool Corp. v. Klein Tools, Inc.*, IPR2025-00724, Paper 14 at 2-3 (PTAB Sept. 12, 2025). The ITC has a statutory mandate to complete its investigation "at the earliest practicable time," and its standing practice is to deny such requests. *See* 19 U.S.C. § 1337(b)(1); *Certain Automated Storage and Retrieval Systems, Robots, and Components Thereof*, Inv. No. 337-TA-1228, Order No. 6 at 10 (ITC Mar. 9, 2021); *see also Klein Tools, Inc. v. Milwaukee Elec. Tool Corp.*, IPR2024-01400,

² The '877 patent also is involved in district court proceedings in the Eastern District of Texas (TCL) and the Northern District of Georgia (Hisense). These proceedings are stayed pending completion of the ITC investigation.

Paper 22 at 2 (PTAB June 9, 2025) (determining on Director Review that “[t]he Board did not give enough weight to the lack of a stay, or the fact that a stay was unlikely, in the parallel [ITC] investigation”). There is no indication that the ITC would depart from its standing practice here, particularly given the advanced stage of the ITC proceeding, discussed below in Factors 2 and 3.

Fintiv factor 2: Factor 2 strongly favors denial. InterDigital filed its ITC complaint February 25, 2026, and the investigation was instituted March 30, 2026. EX2017. TCL did not file its Petition until months later, on July 9, 2026. The Board’s projected statutory deadline for issuing a FWD in this IPR is January 17, 2028, which means that the ITC investigation is scheduled to be completed before the FWD deadline here. *See* EX2018. In particular, the ITC hearing is scheduled to take place April 12-16, 2027, the final initial determination deadline is August 2, 2027, and the target date for *completion of the investigation* is December 2, 2027. *Id.*, 4. Thus, the ITC final initial determination will issue nearly six months *before* any Final Written Decision in this IPR. *See* Revision to Rules of Practice Before the Patent Trial and Appeal Board, 90 Fed. Reg. 48,341 (October 17, 2025) (proposed rules consider the timing of the ITC’s “initial or final determination” in evaluating whether to institute an IPR). And the ITC hearing is scheduled to occur months sooner. *Fintiv* instructs that “an earlier ITC *trial* date may favor exercising authority to deny institution ... if the ITC is going to decide the same or

substantially similar issues.” *Fintiv*, 8 (emphasis added).

But most importantly, even the Commission’s final decision in the ITC investigation will likely issue before the FWD here. Institution of an IPR under these circumstances—when it is unlikely that the final written decision in the IPR will issue before a final determination in the ITC investigation—would not be consistent with the AIA’s objective to provide an effective and efficient alternative to litigation. *Accord NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential). Indeed, Director Squires has recognized that such a situation would instead “result[] in significant duplication of effort, additional expense for the parties, and a risk of inconsistent decisions,” and has thus denied institution. *Samsung Elecs. Co., Ltd. v. Netlist, Inc.*, IPR2026-00018, Paper 20 at 2 (PTAB Apr. 28, 2026).

Fintiv factor 3: Factor 3 favors denial. The relevant consideration is the “amount and type of work already completed in the parallel litigation by the court and the parties *at the time of the institution decision*.” *Fintiv*, 9 (emphasis added). As of this filing, a *Markman* hearing has already been completed on September 11, 2026. EX2024. Further still, discovery at the ITC is well underway and the parties will continue to expend resources through the institution deadline. Indeed, the end of fact discovery is December 9, 2026, before the January 17, 2027 institution deadline here, and the end of expert discovery would be just one month later on

February 15, 2027. EX2018, 3. There has, thus, been meaningful investment in the parallel proceeding by the parties and the tribunal. *See Milwaukee Elec. Tool Corp.*, IPR2025-00724, Paper 14 at 2-3.

Fintiv factor 4: Factor 4 strongly favors denial because TCL has not submitted *any stipulation* that it will forgo overlapping validity challenges at the ITC (or in the EDTX proceeding). And there is complete overlap of the art asserted here at the ITC—TCL included *all* of the references asserted in the Petition in its Notice of Prior Art at the ITC. EX2021, 10-11. Even if TCL were to file a stipulation at this late stage, it would be ineffective unless the other ITC co-respondents also agreed to be bound by the stipulation. *See Samsung Elecs.*, IPR2026-00018, Paper 20 at 3. None have done so here. Indeed, co-respondent Hisense’s prior art notice also includes all of the art asserted in this IPR, EX2022, 16-17, 25-26, meaning that a stipulation from TCL would have no streamlining effect nor reduce the risks of duplicative effort and inconsistent decisions. Therefore, TCL has done nothing to mitigate concerns of inefficiency or duplication of effort such that “th[is] IPR proceeding[] would be a ‘true alternative’ to” the ITC litigation (or the district court). *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025) (on Director Review, vacating institution decision and denying under *Fintiv*); *see also Phison Elecs. Corp., v. Vervain, LLC*, PGR2025-00010, Paper 14 at 3 (PTAB July 10,

2025) (lack of stipulation tips the balance in favor of discretionary denial).

Fintiv factor 5: Factor 5 favors denial because the parties in the parallel litigations overlap. *See* Pet., 75; *see Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential, Section II.A).

Fintiv factor 6: Factor 6 also favors denial because, as discussed below and more fully explained in the forthcoming POPR, the Petition fails to establish that the challenged claims are unpatentable over the Grounds asserted therein.

InterDigital asks the Director to consider the briefing presented in its POPR. *See* Interim Process³, § II.C.i. Indeed, the Petition is based on art that was overcome during prosecution, and TCL relies on improper gap filling by its expert in an attempt to paper over the weaknesses of the asserted references.

B. TCL advances inconsistent claim constructions in the IPR and at the ITC, in clear contravention of Office policy.

The Director should deny institution because TCL presents inconsistent claim construction positions between its Petition before the PTAB and in the ITC. The Office has made clear that allowing petitioners to propose different constructions at the Board and in other forums is contrary to the goal of “providing greater predictability and certainty in the patent system.” *Revvo Techs., Inc. v.*

³ Available at <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>.

Cerebrum Sensor Techs., Inc., IPR2025-00632, Paper 20 at 4 (PTAB Nov. 3, 2025) (precedential) (internal citations omitted). “The Board’s claim construction rules are designed to ensure that the Board correctly construes claim terms and to minimize inconsistency in claim construction between forums.” *Id.*

TCL argues in its Petition that it does not “believe the Challenged Claims need construction.” Pet., 12. Yet in the ITC, TCL argues the phrase “being applied jointly,” included in each of the challenged claims, requires “the filter operations of the respective filters are grouped together in a single filter operation.” EX2023, 23-28. During the ITC *Markman* hearing, TCL’s counsel acknowledged the inconsistency, telling the ALJ that TCL’s position in the IPR “should not be reflective of what [they] believe here about the ’877 patent” because TCL took “a particular position at the IPR [] solely because [they] were filing a copy cat petition.” See EX2024, 151:6-24. TCL has not explained why its inconsistent positions are warranted, and cannot hide behind its strategic decision to file a copycat Petition as explanation. Indeed, TCL was not time-barred and certainly could have submitted challenges based on claim construction positions they believed were correct. TCL chose not to. Taking inconsistent claim construction positions is highly disfavored by Office policy and undermines the integrity of the patent system. This is reason alone for the Director to discretionarily deny this IPR. See *Revvo*, IPR2025-00632, Paper 20 (vacating institution decision and denying

institution where petitioner failed to sufficiently explain why it was taking a different claim construction position in the IPR).

C. InterDigital’s settled expectations strongly favor denial.

Settled expectations weigh in favor of denying institution of this IPR based on the age of the patent. InterDigital’s settled expectations are heightened because numerous entities have licensed the ’877 patent and a district court denied a motion seeking to invalidate the claims based on subject matter eligibility. “[A]bsent persuasive reasoning from a petitioner, it is not an appropriate use of resources to review a patent in which a patent owner has developed settled expectations.”

Magnolia Med. Techs., Inc. v. Kurin, Inc., IPR2026-00097, Paper 17 at 9 (PTAB May 14, 2026) (precedential) (citing *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (PTAB June 18, 2025) (informative)).

1. The ’877 patent has been in force for over seven years.

Patents that have been in force for over six years create strong settled expectations for patent owners. *See, e.g., iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 (PTAB June 6, 2025); *Dabico*, IPR2025-00408, Paper 21. The ’877 patent issued on April 2, 2019, and has been in force for over seven years. Thus, InterDigital has strong settled expectations in its property right to the ’877 patent. *Intel Corp. v. General Video, LLC*, IPR2025-01037, Paper 12 at 3 (PTAB Oct. 17, 2025) (denying institution where the challenged patent was in

force for “approximately seven ... years”).

2. InterDigital has enhanced settled expectations because it has licensed the '877 patent.

Recognizing the importance of the '877 patent's innovative technology, at least 20 entities have taken a license to the '877 patent. *See* EX2008, ¶3; EX2013, 8-9 (InterDigital Form 10-K, discussing 2025 patent licensing activity); EX2006 (2026 ITC Complaint), ¶102; EX2005 (2023 ITC Complaint), ¶85. Press releases announcing exemplary license agreements and renewals provide further evidence of InterDigital's licensing activity. *See* EX2009; EX2010; EX2011. These press releases also underscore the importance of such licenses to both InterDigital and the industry as a whole. Further still, the Amazon IPR was terminated pursuant to an arbitration agreement, in which Amazon has agreed to license certain of InterDigital's patents, including the '877 patent. EX2019; EX2020. InterDigital's licensing activity strengthens its settled expectations and is further reason the Director should exercise discretion to deny institution. *See Alliance Laundry Sys., LLC v. PayRange LLC*, IPR2025-00950, Paper 11 at 3 (PTAB Sept. 19, 2025) (informative) (“Patent Owner presents evidence that it has licensed the challenged patent, which creates some settled expectations favoring Patent Owner.”).

3. Prior district court and ITC efforts regarding invalidity further strengthen InterDigital's settled expectations.

Invalidity issues regarding the '877 patent were previously extensively

briefed in both district court and the ITC. In the Eastern District of North Carolina (EDNC), the court expended significant effort analyzing the parties' arguments, and denied defendant's § 101 invalidity motion. EX2003, 34-41. This ruling increases InterDigital's settled expectations in the validity of the '877 patent. Further, in an earlier September 2023 ITC proceeding, the parties and ITC staff fully briefed and held a hearing on art-based invalidity issues for the '877 patent (including obviousness in view of the Fimoff reference asserted here), before these issues were withdrawn, EX2016, 2-4, again increasing InterDigital's settled expectations.

* * *

For each of these reasons, InterDigital has settled expectations for the '877 patent, which support denial of this IPR. *See Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 2 (PTAB July 24, 2025) (informative).

D. Discretionary denial is appropriate because the '877 patent is involved in multiple ongoing proceedings and was the subject of a number of prior proceedings.

Discretionary denial is further warranted because of the ongoing district court and ITC litigations, as well as the number of prior proceedings involving the '877 patent. When multiple ongoing proceedings are pending, discretionary denial "reduces the chances of duplicative workloads and inconsistent outcomes."

Comcast Cable Commc'ns, LLC v. Entropic Commc'ns, LLC, IPR2025-00183,

Paper 11 at 3 (PTAB June 25, 2025). The '877 patent is currently being litigated at the ITC, EDTX, and NDGA. EX2001; EX2002; EX2006. Instituting IPR in these circumstances would not be an efficient use of PTAB resources.

The '877 patent has also been the subject of prior proceedings in the EDNC and the ITC (in 2023). EX2004; EX2005. As discussed above, the EDNC invested resources evaluating, and ultimately rejecting, a challenge to the patent's subject matter eligibility. Likewise, the ITC expended significant resources on the prior investigation, including full briefing by the parties and ITC staff on obviousness over Fimoff. EX2016, 2-4. That proceeding was not terminated until *after* the hearing and post-hearing briefing were completed. EX2025. These prior proceedings provide an additional basis for discretionary denial. *See Webgroup Czech Republic, A.S. v. Dish Techs. LLC*, IPR2025-00467, Paper 14 at 2-3 (PTAB July 16, 2025) (determining the number of prior proceedings, including an ITC proceeding with other respondents, favored discretionary denial).

E. Institution should be denied under 35 U.S.C. § 325(d) because the same art was previously before the Office and the Board.

The precedential *Advanced Bionics* decision sets forth a “two-part framework” for evaluating whether “the same or substantially the same prior art or arguments previously were presented to the Office” under 35 U.S.C. § 325(d). *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7-11 (PTAB Feb. 13, 2020) (precedential). Applying the

Advanced Bionics framework here, the Director should deny institution because the Office has already performed a thorough examination and considered Wiegand and Davies during prosecution of the '877 patent. *See* Section III.

1. *Advanced Bionics* Part 1: The Petition presents the same or substantially the same art and arguments that were before the Examiner during prosecution.

The first part of the *Advanced Bionics* framework considers “whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office.” *Advanced Bionics*, IPR2019-01469, Paper 6 at 8. The Examiner already considered both Wiegand and Davies, the two primary references used in Grounds 2 and 3 of the Petition. Wiegand and Davies were both cited in an IDS with just seven other references, prior to any consideration of the application by the Examiner. EX1002, 2-11, 17-18. The Examiner signed the IDS. EX1002, 187. Thus, part one of *Advanced Bionics* is met. *See Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 5 (PTAB May 19, 2025) (precedential) (reference cited on an IDS satisfies prong one of *Advanced Bionics*).

2. *Advanced Bionics* Part 2: The Office committed no material errors during prosecution.

The second part of the *Advanced Bionics* framework considers “whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics*, IPR2019-01469, Paper 6 at

8. The IDS that cited Wiegand and Davies contained only seven additional references. EX1002, 17-18. TCL cannot meet the high burden that should be required to show material error under circumstances when the IDS had only a limited number of references and was submitted very early in the prosecution (on the same date as the preliminary amendment), giving ample time for the Examiner to thoroughly consider these references.

To be sure, the Examiner committed no material errors that require correction at the PTAB. The examination of the '877 patent was very comprehensive, involving: (1) at least three searches of numerous CPC and US classifications and hundreds of queries; (2) three Office Actions on the merits; and (3) four rounds of claim amendments and remarks. Section III. TCL thus cannot credibly allege that the Examiner's prior-art searches or thoroughness of examination were inadequate.

Notably, TCL's challenges rely on Wiegand and Davies for the same element added by the last Applicant amendment to the claims and over which Applicant successfully distinguished the references. In a July 6, 2018 response, Applicant amended independent claims 1, 6, 11, and 13, to recite the claimed filters "being applied jointly," and submitted Remarks explaining that none of the cited art taught this feature. EX1002, 274-282. The Examiner agreed and issued a Notice of Allowance. EX1002, 288-297. Despite the Examiner's conclusion that

this element is not taught by the prior art—including Wiegand and Davies—TCL alleges in the IPR that a POSITA “would have understood that [the Wiegand and Davies] filters are ‘applied jointly.’” Pet., 56.⁴

Fundamentally, TCL’s challenge merely reflects its disagreement with the Examiner’s reasonable interpretation that the prior art did not disclose the recited filters being applied jointly. *Advanced Bionics* recognizes that “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.”

Advanced Bionics, IPR2019-01469, Paper 6 at 9. Here, the Director should defer to the Office’s previous evaluation and should reject TCL’s improper attempt to challenge the ’877 patent over the same art previously considered by the Office.

3. TCL should not be permitted to circumvent § 325(d) by including an additional Ground.

The Petition includes one additional challenge that does not rely upon

⁴ TCL relies on Fimoff as allegedly teaching “a single vertical filter would apply a resizing filter operation and motion compensation interpolation filter operation jointly as part of a ‘single operation,’” in further support of its contention that the Weigand and Davies filters would be combined. Pet., 56-57. But as will be explained in more detail in the POPR, Fimoff does not disclose or suggest any such joint application of filters, as claimed. *See* Interim Process, § II.C.i.

Wiegand or Davies, but TCL’s clear attempt at an end-run around § 325(d) should not be permitted. Institution under these circumstances would eviscerate § 325(d) and force the Board to reconsider old art when no material error is shown. *See* 37 C.F.R. § 42.108(a) (when review is instituted, requiring the Board to institute on all grounds); *SAS Inst., Inc. v. Iancu*, 584 U.S. 357, 362 (2018). The Director should deny the additional challenge under *Chevron*, rather than permitting TCL to dodge § 325(d). *Chevron Oronite Co. LLC v. Infineum USA L.P.*, IPR2018-00923, Paper 9 (PTAB Nov. 7, 2018) (informative).

F. TCL improperly relies on expert testimony to fill gaps in the alleged prior art.

The Petition improperly uses alleged knowledge of a POSITA and state of the art to fill missing limitations in the grounds. The statutory basis for IPR limits unpatentability grounds to prior art “consisting of patents or printed publications.” 35 U.S.C. § 311(b). The corresponding regulation requires a petition to “specify where each element of the claim is found in the prior art patents or printed publications relied upon.” 37 C.F.R. § 42.104(b)(4); *also* 35 U.S.C. § 312(a)(3); EX2012 (Office guidance on proper application of Rule 104(b)(4)); *Henny Penny Corp. v. Frymaster LLC*, 938 F.3d 1324, 1331-32 (Fed. Cir. 2019). The Petition here fails to do this. Compounding this error, the expert testimony relied upon to fill these gaps is conclusory, and provides no analysis, evidence, or explanation.

For example, claim elements 1[pre] and 7[pre] recite a “*decoding method*”

and “*decoding device*,” respectively. In its analysis of this element as purportedly being obvious over Nakagawa and Sita, TCL relies not on either of these two references, but only on expert testimony to support its allegation that “[a] POSITA [] would have understood how (and thus found it obvious) to implement a decoder that would operate in accordance with Nakagawa.” Pet., 17. In doing so, TCL acknowledges Nakagawa only “**implicitly** describes a decoder and the process by which the decoder would decode a bitstream into video.” Pet., 15.⁵

The Petition’s cursory and conclusory analysis falls well short of TCL’s obligation to perform reasoned analysis—based on the references asserted in its challenges—and runs afoul of the Office guidance that compliance with Rule 104(b)(4) precludes reliance on expert testimony for claim limitations. EX2012. Accordingly, this is an additional reason the Director should deny institution.

G. U.S. manufacturing considerations favor denial.

In determining whether to institute an IPR proceeding, the Director will also consider “the extent to which *any products* made, sold, or *licensed by the patent*

⁵ Not only is this reliance on expert testimony improper, EX2012, it is also wrong for reasons that will be discussed in the POPR. Other examples will be provided in the POPR, which InterDigital requests the Director consider when making the discretionary denial determination. *See* Interim Process, § II.C.i.

owner that compete with the accused products *are manufactured in the United States.*” EX2014, 2. This consideration favors denial here. The ’877 patent has been asserted against TCL and Hisense in the ITC. EX2006. The accused products include “smart televisions, monitors, and components and modules thereof,” sold in competition with InterDigital’s existing licensees. EX2006, ¶¶3, 79; EX2015, 2-3. InterDigital has licensed many entities, including, e.g., Samsung, Sony, and LG, to design, develop, manufacture, sell and distribute products that practice the ’877 patent. EX2006, ¶¶102, 116, 144, 158; *see also* EX2005, ¶¶85, 102, 114 (2023 ITC Complaint, identifying that “InterDigital licensed Apple [and Vizio] to practice the [’877 patent] and design, develop, manufacture, sell and distribute” the licensed products in the United States). Indeed, certain products produced by these entities incorporate the accused functionality of the ’877 patent. *See* EX2006, ¶¶105-113. Significant research, development, and manufacturing activities related to these products occur in the United States. For example, Samsung entity SAS manufactures in Austin, Texas processors and chipsets used in the relevant products. EX2006, ¶¶131-132, 135.

V. CONCLUSION

Each of the reasons discussed herein, considered both independently and together, supports denial of the Petition. Patent Owner therefore respectfully requests that the Director exercise his discretion to deny institution.

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **PATENT OWNER'S BRIEF ON
DISCRETIONARY DENIAL** and associated Exhibits 2001-2025 were served in
their entireties on September 17, 2026, upon the following parties via electronic
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