

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DOLBY LABORATORIES, INC.,
Petitioner

v.

INTERDIGITAL VC HOLDINGS, INC.,
Patent Owner

Case IPR2026-00448
U.S. Patent No. 10,741,211

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

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	<i>InterDigital, Inc., et al. v. Amazon.com Services LLC</i> , Case No. 1-25-cv-01365 (D. Del.), Dkt. 1 Complaint for Patent Infringement with Jury Demand, filed Nov. 7, 2025
2002	<i>Dolby Lab'ys, Inc. et al. v. InterDigital, Inc., et al.</i> , Case No. 2-26-cv-02270 (C.D. Cal.), Dkt. 1, Complaint, filed Mar. 3, 2026
2003	Complaint, <i>Certain Video-Capable Electronic Devices</i> , Inv. No. 337-TA-1481 (ITC Dec. 18, 2025)
2004	InterDigital, Inc. Form 10-K (Annual Report - 2025), United States Securities and Exchange Commission, File No. 1-33579
2005	"Licensing at InterDigital," InterDigital, Inc., available at https://www.interdigital.com/licensing (last accessed February 20, 2026)
2006	<i>Dolby Lab'ys, Inc. et al. v. InterDigital, Inc., et al.</i> , Case No. 2-26-cv-02270 (C.D. Cal.), Dkt. 43, Minutes in Chambers – Court Order, filed Jul. 7, 2026
2007	Amazon Arbitration Agreement
2008	"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) (last accessed September 15, 2026)
2009	Declaration of Ryan Pohlman (CONFIDENTIAL – PROTECTIVE ORDER MATERIAL)

Exhibit No.	Description
2010	“InterDigital Signs License Agreement with Panasonic,” InterDigital, Inc. Press Release, available at https://ir.interdigital.com/news-events/press-releases/news-details/2024/InterDigital-signs-license-agreement-with-Panasonic/default.aspx (last accessed April 14, 2026)
2011	“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 April 14, 2026)
2012	Commission Determination Not to Review an Initial Determination Granting a Joint Motion to Terminate the Investigation in Its Entirety Due to an Arbitration Agreement; Termination of Investigation, <i>Certain Video-Capable Electronic Devices</i> , Inv. No. 337-TA-1481 (ITC Aug. 13, 2026)
2013	<i>InterDigital, Inc., et al. v. Amazon.com Services LLC</i> , Case No. 1-25-cv-01365 (D. Del.), Dkt. 18, Order re Joint Motion to Stay All Deadlines, filed Jul. 9, 2026
2014	<i>Dolby Lab’ys, Inc. et al. v. InterDigital, Inc., et al.</i> , Case No. 2-26-cv-02270 (C.D. Cal.), Dkt. 53, In Chambers – Court Order, filed Sept. 14, 2026
2015	Public Interest Statement, <i>Certain Video-Capable Electronic Devices</i> , Inv. No. 337-TA-1481 (ITC Dec. 18, 2025)
2016	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 Sept. 29, 2026)

I. INTRODUCTION

Patent Owner InterDigital VC Holdings, Inc. (“InterDigital”) respectfully requests that the Director exercise discretion and deny institution of *inter partes* review of U.S. Patent No. 10,741,211 (“the ’211 patent”). Several compelling reasons demonstrate that it would not be an appropriate use of the Board’s resources to reconsider the patentability of the challenged claims.

First, InterDigital has strong settled expectations in the ’211 patent. Notably, the patent has been in force for over six years. These settled expectations are enhanced by the fact that InterDigital has extensively licensed the ’211 patent.

Second, instituting review would expend the Office’s limited resources without resolving any existing dispute or serving an identified public interest. The Board’s resources should not be used for resolving private disputes, especially where doing so would not materially resolve the parties’ broader dispute.

Finally, products licensed under InterDigital’s ’211 patent are manufactured in the United States, which further favors denial here.

Under these circumstances, institution would be contrary both to the efficient administration of the Office and to Patent Owner’s settled expectations. 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.

EX2004, 4; EX2001, ¶14. Each year, InterDigital invests significantly—well over nine figures—in its world-class research and development, including in multiple facilities located in the United States. EX2004, 4-6; EX2001, ¶15. InterDigital employees have researched, designed, and developed technologies instrumental to video coding and related implementation techniques, such as high dynamic range, that are critical for providing efficient and high-quality video transmission. EX2004, 6; EX2001, ¶¶15-16.

Protecting its innovations is foundational to InterDigital's business. Receiving fair value through licensing its patented technology allows InterDigital to reinvest revenue back into the innovation cycle to fund its ongoing research and development, significantly contributing to technological advancement in multiple industry segments. EX2005; EX2001, ¶17.

As is its longstanding practice, InterDigital attempts to find mutually agreeable solutions to resolve patent disputes when they arise. EX2001, ¶2; EX2009, ¶4. This is the same practice that InterDigital followed when a dispute arose with Dolby's customer, Amazon, whose products and services capable of playing back HDR content, including Dolby Vision content, implicate the '211

patent. *See* EX2002, ¶¶4-5; EX2001, ¶¶2, 8 n.1, 28, 69-72; EX2003, ¶¶23, 93-105; EX2009, ¶¶4-5. Despite these efforts, the parties did not reach an agreement, leading InterDigital to bring its enforcement actions against Amazon in the ITC and District of Delaware in late 2025. *Certain Video-Capable Elec. Devices*, Inv. No. 337-TA-1481 (ITC Dec. 18, 2025); *InterDigital, Inc. v. Amazon.com Servs. LLC*, No. 1:25-cv-01365 (D. Del. Nov. 7, 2025) (collectively, “Amazon proceedings”); EX2001, ¶¶1-4; EX2009, ¶¶4-5.

Dolby responded by filing *both* this IPR *and* a declaratory judgment action (alleging non-infringement of the ’211 patent claims by Dolby’s Dolby Vision) to “protect its customers.” *Dolby Lab’s, Inc. v. InterDigital, Inc.*, No. 2-26-cv-02270 (C.D. Cal.) (“Dolby DJ action”); Paper 1 (Petition); EX2002, ¶¶1-10, 37.

The Dolby DJ action was dismissed because the district court found, in part, that it would “not materially resolve the parties’ broader dispute.” EX2006, 3. Further, Amazon and InterDigital have agreed to terminate the Amazon proceedings pursuant to an arbitration agreement, leaving no disputes pending regarding the ’211 patent. EX2007; EX2008. It is not an appropriate use of the Board’s limited resources to review the ’211 patent, where, as here, all pending disputes related to the ’211 patent have been otherwise resolved. *See Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601 et al., Paper 9 (P.T.A.B. July 24, 2025) (designated informative Jan. 9, 2026) (discretionarily denying review of six- and

seven-year-old patents because of “strong settled expectations of Patent Owner,” despite no parallel proceeding).

III. DISCRETIONARY CONSIDERATIONS WARRANT DENIAL.

The Director should exercise discretion to deny institution for multiple reasons, including: (1) InterDigital has strong settled expectations; (2) institution would not resolve any existing disputes or serve any identified public interest and would be an inefficient use of Board resources; and (3) U.S. manufacturing considerations favor denial.

A. 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 ’211 patent. “[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 (P.T.A.B. May 14, 2026) (precedential) (citing *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (P.T.A.B. June 18, 2025) (informative)). Thus, this IPR should be denied based on InterDigital’s settled expectations, even in the absence of other parallel proceedings.

1. The '211 patent has been in force for over six 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 (P.T.A.B. June 6, 2025); *Dabico*, IPR2025-00408, Paper 21. The '211 patent issued on August 11, 2020, and has been in force for over six years. Thus, InterDigital has strong settled expectations in its property right to the '211 patent and institution should be denied. *See Amgen*, IPR2025-00601 et al., Paper 9 (discretionarily denying review of six- and seven-year-old patents because of “strong settled expectations of Patent Owner”).

2. InterDigital has enhanced settled expectations because it has extensively licensed the '211 patent.

Recognizing the importance of the '211 patent's innovative technology, at least 10 entities have taken a license to the '211 patent. EX2009, ¶3; *see also* EX2004, 8-9 (InterDigital Form 10-K, discussing 2025 patent licensing activity). As explained in the ITC complaint filed against Amazon, InterDigital has licensed many entities, including, e.g., Samsung and Apple, to design, develop, manufacture, sell and distribute products that practice the '211 patent. EX2003, ¶¶7, 186-187, 200, 224. The ITC investigation against Amazon was terminated (and the co-pending Delaware proceeding was stayed) pursuant to an arbitration agreement, in which Amazon also has agreed to license certain of InterDigital's patents, including the '211 patent. EX2007; EX2008; EX2012; EX2013.

Further still, press releases announcing other exemplary license agreements and renewals provide additional evidence of InterDigital's licensing activity. *See* EX2010; EX2011. These press releases also underscore the importance of such licenses to both InterDigital and the industry as a whole.

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 (P.T.A.B. Sept. 19, 2025) (designated informative Jan. 9, 2026); *Amgen*, IPR2025-00601 et al., Paper 9.

3. InterDigital's settled expectations alone are a sufficient reason to discretionarily deny review.

For the reasons just discussed, InterDigital has developed strong settled expectations as to the '211 patent. And as noted above, "absent 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.*, IPR2026-00097, Paper 17 at 9. Accordingly, a patent owner's settled expectations alone is sufficient reason for the Director to exercise discretion and deny institution.

The Board has applied this reasoning even where certain other factors have counseled against denial. For example, in the informative *Amgen v. Bristol-Myers Squibb* decision, the Director determined "the challenged patents have been in

force for seven and six years, respectively,” thus “creating strong settled expectations for Patent Owner.” IPR2025-00601 et al., Paper 9 at 3. In *Amgen*, *inter partes* review was discretionarily denied for these patents because of patent owner’s settled expectations, despite there being no parallel proceeding (which weighed against denial), while in the same decision, review was instituted for a three-year-old patent due to the lack of such settled expectations. *Id.*; *see also Yangtze Memory Techs. Co., Ltd. v. Micron Tech., Inc.*, IPR2025-00498, Paper 11 (Aug. 14, 2025) (discretionarily denying review of 2 six-year-old patents and 1 ten-year-old patent because of patent owner’s “strong settled expectations” (created by the age of the patents), despite no parallel proceeding). Similarly, in the informative *Alliance Laundry* decision, institution was discretionarily denied, at least in part, because of “settled expectations favoring Patent Owner” created by patent owner’s licensing of a four-year-old challenged patent, even though the parallel district court proceeding had been stayed. IPR2025-00950, Paper 11 at 2-3.

Similar circumstances are present here. Indeed, InterDigital has settled expectations in the ’211 patent *both* because of the patent’s age *and* because of InterDigital’s licensing activity. Thus, this IPR should likewise be denied.

B. Institution would not resolve any existing dispute or serve any identified public interest and would be an inefficient use of Board resources.

This IPR should also be discretionarily denied because institution would not resolve any existing dispute or serve any identified public interest. “The Office institutes review to reconsider its own decision and correct a possible error in the original patent grant—not to shield a particular petitioner from infringement liability.” *Magnolia Med. Techs.*, IPR2026-00097, Paper 17 at 6. Here, instituting review would not streamline the broader disputes, which involve additional parties (e.g., Amazon and others) and patents that Dolby has not even challenged at the PTAB. *See, e.g.*, EX2002, ¶1 (Dolby’s DJ action seeking determinations with respect to five patents, including the ’211 patent); *id.*, ¶4 (identifying additional Dolby customer suits prompting the DJ action). The only party against whom the ’211 patent was asserted, Amazon, has agreed to resolve that dispute via binding arbitration. Indeed, InterDigital has never accused Dolby of direct or indirect infringement of the ’211 patent, thus there is no dispute that would be resolved by this IPR. In any event, “courts are, and always have been, the primary forum for adjudicating private disputes,” while AIA review serves broader interests of the Office, the patent system, and the public. *Magnolia Med. Techs.*, IPR2026-00097, Paper 17 at 6-7.

1. The public interest weighs in favor of denial here.

There is not a sufficient *public interest* to warrant institution of review here. *Magnolia Med. Techs.*, IPR2026-00097, Paper 17 at 6-8 (“Director Discretion Should Consider Public Interest”). In fact, instituting review here would instead *frustrate* the public interest. The AIA was intended to establish “a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.” H.R. Rep. No. 112-98, pt. 1, at 40 (2011); *see* S. Rep. No. 110-259, at 20 (2008). The parties to the only private dispute regarding the ’211 patent have agreed to resolve their dispute through binding arbitration. EX2007; EX2008. Allowing Dolby to continue its challenge would create unnecessary litigation costs for InterDigital, as well as harm the public’s interest in being able to resolve disputes in their forum of choice. *Cf., e.g., Magnolia Med. Techs.*, IPR2026-00097, Paper 17 at 3-4 (“Congress intended AIA reviews to narrow disputes—not create another forum where litigation can be expanded”).

2. Dolby’s challenge to the ’211 patent does not resolve the broader dispute, and its strategic decision to split its actions between district court and the PTAB creates further inefficiencies for the parties and the tribunals.

Dolby made the strategic decision to split its non-infringement and unpatentability actions across two forums—the DJ action in California and the PTAB challenge here—thereby forcing InterDigital to expend resources defending

the '211 patent in both forums. This created an increased burden not only on the parties, but also on the tribunals, requiring *both* to have to expend resources to analyze the '211 patent. Dolby could have raised both non-infringement and invalidity contentions in its DJ action but chose not to do so.

Compounding the issue here, is the fact that the '211 patent was only one part of a much broader dispute between InterDigital and Amazon, which is now being resolved through binding arbitration. Even if there were still an ongoing dispute between InterDigital and Amazon, resolving any issues related to the '211 patent would not have even resolved that dispute in its entirety, but would simply have created inefficiencies and the potential for duplication of work and inconsistencies. The district court in the Dolby DJ action also recognized these concerns. In dismissing Dolby's DJ action, the district court assumed that Article III jurisdiction existed, but concluded nonetheless that, in the particular circumstances present in that case, Dolby's DJ action was "an inappropriate vehicle for resolving disputes already being litigated in ... previously filed district court and ITC proceedings," and therefore declined to exercise jurisdiction under the Declaratory Judgment Act. EX2006, 1, 6; *see also* EX2014, 4 (on reconsideration, noting "[t]he issue before the Court, however, is not whether a declaratory judgment action ... is categorically permissible. The issue is whether, under the particular circumstances presented here, the Court should exercise its

discretionary jurisdiction.”). The court’s dismissal decision was further premised, in part, on the fact that, in asserting the ’211 patent against Dolby’s customer Amazon, InterDigital’s “infringement allegations [did] not rest on the premise that Dolby Vision, standing by itself, practices each element of every asserted claim.” EX2006, 3.

In fact, the court maintained its dismissal decision even after reconsideration, despite the intervening termination/stay of the Amazon proceedings. *See generally* EX2014. In doing so, the court recognized that “allowing Dolby to proceed with a separate action concerning a small portion of the broader InterDigital-Amazon dispute could fragment the resolution of that dispute and potentially interfere with the parties’ chosen mechanism for resolving it.” EX2014, 3. The same concerns are present here. InterDigital and Amazon have chosen binding arbitration to resolve their dispute, including as it relates to the ’211 patent, and this IPR, like the DJ action, could potentially interfere.

3. It would not be an efficient use of Board resources to adjudicate this dispute.

There are currently no pending disputes involving the ’211 patent. InterDigital has never accused Dolby of direct or indirect infringement of the ’211 patent and a Federal Court has already declined to exercise its jurisdiction to resolve Dolby’s DJ action involving the ’211 patent. Further, Amazon and

InterDigital have agreed to terminate the Amazon proceedings pursuant to an arbitration agreement. EX2007; EX2008.

The Board has previously exercised discretion to deny institution where the challenged patent had been dismissed from the parallel district court proceedings, determining that it is not an efficient use of Board resources to review the patent in such circumstances. *Google LLC v. Mullen Indus. LLC*, IPR2025-00227, Paper 13 at 4 (P.T.A.B. June 25, 2025); *Ericsson and Cellco P'ship v. Procomm Int'l Pte. Ltd.*, IPR2024-01453, Paper 14 at 2-3 (P.T.A.B. June 25, 2025). Similar efficiency concerns counsel for denial here.

And any alleged potential future litigation relating to the '211 patent against Dolby or its customers is entirely speculative. The district court's decision dismissing the Dolby DJ action does not foreclose Dolby from pursuing invalidity challenges in district court should any future litigation arise. Likewise, other routes to challenge the '211 patent are available to Dolby, such as *ex parte* reexamination.

The Board should not expend its limited resources on adjudicating private disputes, and certainly should not do so where, as here, the only private dispute (with Amazon) is being resolved through a different mechanism (binding arbitration), and any further disputes are speculative at best. *Magnolia Med. Techs.*, Paper 17 at 3-4, 6-8.

* * *

The purpose of AIA review is to serve the broader interests of the Office, the patent system, and the public. *Magnolia Med. Techs.*, Paper 17 at 6-7. No such interests are implicated here and institution should be denied.

C. U.S. manufacturing considerations further 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 owner that compete with the accused products *are manufactured in the United States.*” EX2016, 2 (emphasis added). The ’211 patent was previously asserted against Amazon at the ITC. EX2003. The accused products include “streaming devices, televisions, tablet computers, and smart displays,” sold in competition with InterDigital’s existing licensees. EX2003, ¶¶2, 94; EX2015, 2-4. As noted above, InterDigital has licensed many entities, including, e.g., Samsung and Apple, to design, develop, manufacture, sell and distribute products that practice the ’211 patent. EX2003, ¶¶7, 186-187, 200, 224. Indeed, certain products produced by these entities incorporate the accused functionality of the ’211 patent. *See* EX2003, ¶¶191-192. Significant research, development, and manufacturing activities related to these products, licensed by InterDigital, occur in the United States. *See* EX2003, ¶¶197-248. Accordingly, this consideration further favors denial here.

IV. CONCLUSION

As discussed herein, the discretionary considerations support denial of the Petition. Patent Owner InterDigital 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 2001-2016 were served in
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