

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS, LLC,
Petitioner,

v.

DOLBY LABORATORIES LICENSING CORPORATION,
Patent Owner.

IPR2021-00275
Patent 10,237,577 B2

Before AMBER L. HAGY, SHARON FENICK, and IFTIKHAR AHMED,
Administrative Patent Judges.

FENICK, *Administrative Patent Judge.*

JUDGMENT
Final Written Decision
Determining No Challenged Claims Unpatentable
35 U.S.C. § 318(a)
Granting Petitioner's Motion to Seal
Granting Petitioner's Motion for Entry of Protective Order

I. INTRODUCTION

Petitioner filed a Petition (Paper 1, "Pet."), requesting an *inter partes* review of claims 1, 7, and 8 ("the challenged claims") of U.S. Patent 10,237,577 B2 ("the '577 patent"). Patent Owner filed a Preliminary

Response. Paper 11 (“Prelim. Resp.”) (filed as Parties and Board Only); Paper 20 (Petitioner’s redacted version). After authorization (Paper 13), Petitioner filed a Pre-Institution Reply (Paper 14) and Patent Owner filed a Pre-Institution Sur-reply (Paper 15) addressing the application of the written description standard in the determination of the priority date for the challenged claims of the ’577 patent. We determined that the information presented in the Petition established that there was a reasonable likelihood that Petitioner would prevail with respect to at least one of the challenged claims and we instituted this proceeding on June 17, 2017, as to all challenged claims and all grounds of unpatentability. Paper 21 (“Institution Decision” or “Dec. on Inst.”). We have jurisdiction under 35 U.S.C. § 314.

Patent Owner filed a request for rehearing relating to real party-in-interest (“RPI”) issues. Paper 24 (filed as Board and Parties Only). We issued a decision denying the request for rehearing. Paper 37.

During the course of trial, Patent Owner filed a Patent Owner Response (Paper 32, “PO Resp.”), Petitioner filed a Reply to the Patent Owner Response (Paper 36, “Pet. Reply”), and Patent Owner filed a Sur-reply (Paper 39, “PO Sur-reply”). Each of these were filed as Board and Parties Only. An oral hearing was held on March 23, 2022, and two transcripts were entered, one corresponding to the public portion of the hearing (Paper 46, “Public Tr.”) and one corresponding to a confidential portion of the hearing (Paper 45).

During the proceeding, Petitioner filed a Motion to Seal Patent Owner’s Preliminary Response as well as Exhibits 2005, 2006, 2009, 2012, 2013, 2014, 2016, and 2018. Paper 18, “Mot. Seal.” This filing was accompanied by an Unopposed Motion for Entry of Protective Order. Paper 19, “Mot. Prot.” Patent Owner opposed Petitioner’s Motion to Seal (Paper

23, “PO Opp. Mot. Seal,” filed as Board and Parties Only) and Petitioner replied to Patent Owner’s Opposition (Paper 26, “Pet. Reply Mot. Seal”).

We have jurisdiction under 35 U.S.C. § 6(b)(4). This decision is a Final Written Decision under 35 U.S.C. § 318(a) as to the patentability of claims 1, 7, and 8 of the ’577 patent. For the reasons discussed below, Petitioner has not demonstrated by a preponderance of the evidence that claims 1, 7, and 8 of the ’577 patent are unpatentable. Additionally, we grant Petitioner’s Motion to Seal and Petitioner’s Motion for Entry of a Protective Order.

II. BACKGROUND

A. Related Matters

The parties identify no related matters. Pet. 1; Paper 5 (Patent Owner’s Mandatory Notices), 2.

B. Real Parties-in-Interest

Petitioner identifies only itself as the real party-in-interest. Pet 1. Patent Owner identifies itself and Dolby Laboratories, Inc. as RPIs. Paper 5, 2. Patent Owner, in the Preliminary Response, contended that nine other entities (“Alleged RPIs”) are RPIs for the challenges presented in the Petition. Prelim. Resp. 48–70. Patent Owner argued that the Petition should be denied “due to [Petitioner’s] direct contravention of the Board’s precedent in *AIT Remand*, which requires member organizations like [Petitioner] to name members as RPIs.” *Id.* at 68 (citing *RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper 128 at 32 (Oct. 2, 2020) (precedential) (“*AIT Remand*”)).

In our Institution Decision, we followed the precedential decision in *SharkNinja*, and as there was no indication that time bar or estoppel provisions under 35 U.S.C. § 315 would be implicated or that any omission

would be material to the case at the institution stage, we declined to decide whether the Alleged RPIs were RPIs. Dec. on Inst. 2–5; *SharkNinja Operating LLC v. iRobot Corp.*, IPR2020-00734, Paper 11 at 18 (PTAB Oct. 6, 2020) (precedential).

In its Patent Owner Response, Patent Owner argues that *SharkNinja* “does not grant the Board discretion to ignore Patent Owner’s RPI challenge at the Final Written Decision stage” because that holding is limited to the context of decisions on institution. PO Resp. 18. Patent Owner additionally argues that *SharkNinja* expressly rested on the lack of a contention that the petitioner in that case had omitted RPIs to gain some advantage. *Id.* at 18–19. Patent Owner repeats its assertions that, here, the Alleged RPIs stand to gain an advantage “by funding this IPR while avoiding (thus far) the corresponding estoppel consequences.” *Id.* at 19; *see* Prelim. Resp. 49–67; PO Sur-reply 19–26. Patent Owner therefore argues that we may not consider the Petition without determining whether the Alleged RPIs are RPIs, or that we should “at least” name the Alleged RPIs as RPIs. PO Resp. 17, 21, 37.

On this record, we determine that we need not address whether the Alleged RPIs were improperly excluded because, “even if [they] were, it would not create a time bar or estoppel under 35 U.S.C. § 315.” *SharkNinja* at 32. As in *SharkNinja* and *AIT Remand*, the alleged unnamed RPIs here have a relationship with the petitioner. *SharkNinja* at 16; *AIT Remand* at 20–21. Unlike in *AIT Remand*, however, neither Petitioner nor any of the Alleged RPIs were sued. *SharkNinja* at 2; *AIT Remand* at 24–26; Pet. Reply 28 (asserting that “[n]o one, including no [Petitioner] member, has challenged the patent, and, to [Petitioner’s] knowledge, no one has been sued or threatened with suit on it,” and that thus, “no alleged RPI is estopped

under §315(e) and/or time-barred under §315(b), the framework’s driving policy considerations”) (citing *AIT Remand* at 2, *SharkNinja* at 32). Patent Owner does not dispute this. *See, e.g.*, Paper 5 (Patent Owner’s Mandatory Notices), 2; PO Resp. 17–37. Accordingly, we determine that neither issues of time bar nor issues of estoppel are implicated.

Under the Board’s precedential decision in *Lumentum Holdings, Inc. v. Capella Photonics, Inc.*, the Board’s jurisdiction to consider a petition does not require an identification of all RPIs in a petition. IPR2015-00739, Paper 38 at 5–6 (PTAB Mar. 4, 2016) (precedential); *see also Blue Coat Sys., Inc. v. Finjan, Inc.*, IPR2016-01444, Paper 11 at 10 (PTAB July 18, 2017) (“Evidence [of failure to identify all RPIs] is, at best, suggestive of an issue that is not jurisdictional.”). The Federal Circuit has held that § 312(a)(2) is not jurisdictional. *See Mayne Pharma Int’l Pty. Ltd. v. Merck Sharp & Dohme Corp.*, 927 F.3d 1232, 1240 (Fed. Cir. 2019) (reiterating the Board’s aim to achieve a “just, speedy, and inexpensive resolution” of *inter partes* review proceedings and citing *Lumentum*’s holding that jurisdiction is maintained even where a petition does not identify all real parties in interest).

In the present proceeding, there is no allegation that Petitioner’s exclusion of the Alleged RPIs should result in termination of the proceeding for any reason other than for the alleged failure of jurisdiction. *See* PO Resp. 21. Additionally, there is no allegation or evidence that any of the Alleged RPIs is barred or estopped from this proceeding, or that Petitioner purposefully omitted any of the Alleged RPIs to gain some advantage in our forum. Therefore, we decline to make the requested determination.

C. The '577 Patent

The '577 patent issued from application No. 15/210,978 (“the '978 application”), filed on July 15, 2016, which is a continuation of application No. 14/609,472 (“the '472 application”), filed on January 30, 2015, which is a continuation of application No. 13/877,253 (“the '253 application”), which is a national stage application of PCT/KR2012/003125 (hereinafter “the '125 PCT application”), filed April 23, 2012. Ex. 1001, codes (21), (22), (63), 1:9–17; Pet. 12; PO Resp. 5.

The '577 patent, titled “Method and Apparatus for Encoding/Decoding Images Using a Prediction Method Adopting In-Loop Filtering,” relates to video encoding and decoding, and describes using in-loop filtering while encoding and decoding video in order to “improv[e] the accuracy of prediction and reduc[e] errors in prediction, thus improving the efficiency of video compression and reducing the amount of data to be transmitted.” Ex. 1001, codes (54), (57), 1:21–22. The '577 patent explains that “[t]ypically, when video data is encoded, the video data is encoded by performing intra prediction or inter prediction, transformation, quantization, entropy coding, or the like on each picture of the video data in units of blocks.” *Id.* at 1:30–34. Further explanation of intra prediction is included:

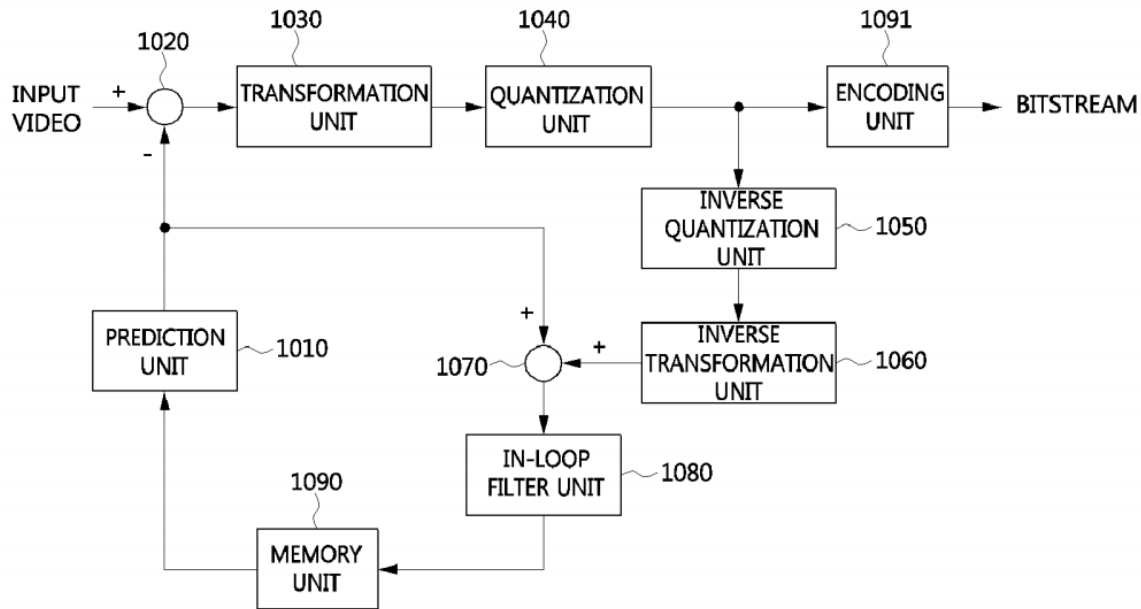
Typically, a video may include a series of pictures, and each picture may be divided into a predetermined region such as a frame or block. When a region of the video is divided into blocks, the divided block may be . . . classified into an intra block and an inter block according to a coding method. The intra block refers to a block encoded using an intra prediction coding scheme. The intra prediction coding refers to a scheme of generating a prediction block by predicting a pixel of a current block using pixels of previously encoded, decoded and restored blocks in a current picture that is currently encoded, and

encoding a difference value between the prediction block and the current block.

Id. at 5:23–34.

A flowchart “for explaining an intra prediction method according to the present invention” provided in the ’577 patent includes the following four steps, in this sequence: (S110) “generating a residual block through inverse quantization and inverse transformation;” (S120) “generating a prediction block through intra prediction;” (S130) “performing in-loop filtering on a current block obtained by summing the residual block and the prediction block;” and (S140) “storing the current block subjected to the in-loop filtering in a frame buffer for intra prediction of a next encoding target block.” *Id.* at 3:42–43, 5:55–65, Fig. 1. Step 130, in Figure 1, is labelled as “SUM RESIDUAL BLOCK AND PREDICTION BLOCK TO GENERATE CURRENT BLOCK AND PERFORM IN-LOOP FILTERING.” *Id.* at Fig. 1. Figures 10 and 11 are block diagrams depicting exemplary configurations of a video encoding (Figure 10) or decoding (Figure 11) device in which the described intra prediction methods have been implemented. *Id.* at 4:4–11, 15:57–19:3. Figure 10, reproduced below, is a block diagram of a video encoding device. *Id.* at 4:4–7, 15:60–65.

FIG. 10

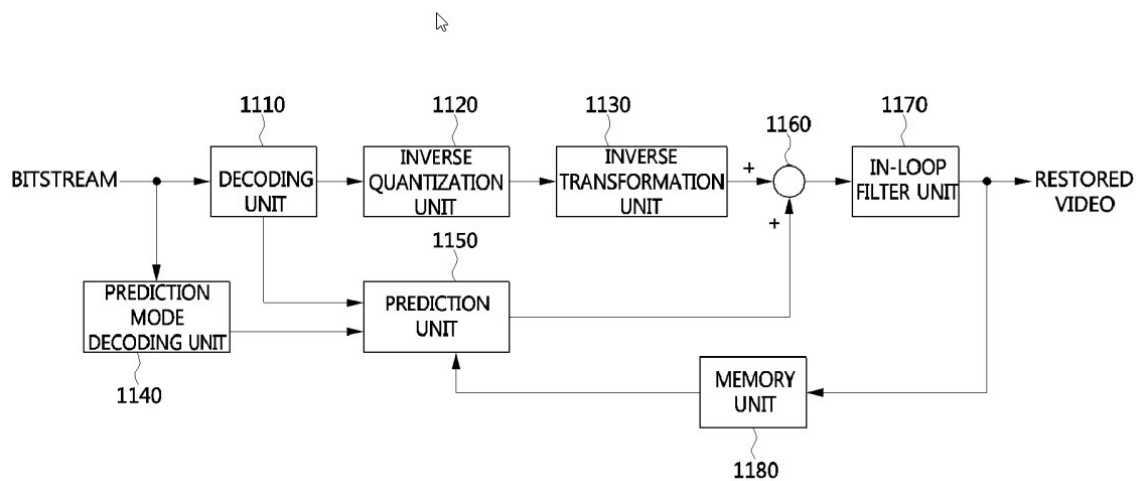


In Figure 10, a subtraction unit 1020 subtracts a prediction block, generated by prediction unit 1010, from an encoding target block (“INPUT VIDEO”), yielding a residual block. *Id.* at 16:6–9, 16:15–22. Transformation unit 1030 and quantization unit 1040 transform and quantize this residual block, which is then encoded and output by encoding unit 1091. *Id.* at 16:23–40, 18:1–3. That transformed and quantized residual block is also inversely quantized and inversely transformed by inverse quantization unit 1050 and inverse transformation unit 1060. *Id.* at 16:41–55. Prediction unit 1010 generates a prediction block corresponding to the current block; this corresponds to the Figure 1 step S120 of “generating a prediction block through intra prediction.” *Id.* at 16:6–14, 56–57. Addition unit 1070 adds the prediction block predicted by prediction unit 1010 to the residual block

that has been inversely quantized and transformed, resulting in a current block. *Id.* at 16:56–59. In-loop filter unit 1080 filters the current block restored by addition unit 1070. *Id.* at 16:60–61.

Figure 11, reproduced below, is a block diagram of a video decoding device. *Id.* at 4:8–11, 18:18–23.

FIG. 11



As in Figure 10, inverse quantization (performed here by inverse quantization unit 1120) and inverse transformation (performed here by inverse transformation unit 1130) are performed, resulting in a restored residual block. *Id.* at 18:34–39, 18:62–63. Additionally, as in Figure 10, a prediction block is generated, here by prediction unit 1150. *Id.* at 18:58–62. This may occur using information regarding prediction mode received from prediction mode decoding unit 1140, which decodes information on a prediction mode from the received bitstream. *Id.* at 18:40–57.

Addition unit 1160 adds the restored residual block and prediction block, resulting in a restored target block. *Id.* at 18:61–63. “The restored target block is filtered by the in-loop filter unit 1170 and then stored in the

memory unit (1180) so that the target block can be used as reference data when a next block of a current block or another block is restored in future.”
Id. at 18:64–67.

D. Illustrative Claims

The Petition challenges independent claims 1, 7 and 8. Claims 1 and 7 illustrate the challenged claims at issue and are reproduced here with bracketed numbering from the Petition added for ease of reference to certain limitations:

1. A video decoding method performed by a video decoding apparatus, the method comprising:
 - obtaining quantized coefficients of a current block by decoding an input bitstream;
 - generating a residual block of the current block by performing an inverse-quantization and an inverse-transform on the quantized coefficients;
 - generating a prediction block by performing an intra prediction on the current block, the intra prediction being performed by using an intra prediction mode relating to the current block and neighboring pixels adjacent to the current block;
 - [1.4] determining, based on a direction of the intra prediction mode, both whether to perform filtering on at least one predicted pixel adjacent to a boundary of the prediction block and a location of the at least one predicted pixel on which the filtering is performed;
 - [1.5] performing the filtering on the at least one predicted pixel adjacent to the boundary of the prediction block when the filtering is determined to be performed based on the direction of the intra prediction mode; and
 - [1.6] generating a restored block based on the residual block and the filtered prediction block.

7. A video encoding method performed by a video encoding apparatus, the method comprising:

generating a prediction block by performing an intra prediction on a current block, the intra prediction being performed by using an intra prediction mode relating to the current block and neighboring pixels adjacent to the current block;

[7.2] determining, based on a direction of the intra prediction mode, both whether to perform filtering on at least one predicted pixel adjacent to a boundary of the prediction block and a location of the at least one predicted pixel on which the filtering is performed;

[7.3] performing the filtering on the at least one predicted pixel adjacent to the boundary of the prediction block when the filtering is determined to be performed based on the direction of the intra prediction mode;

[7.4] generating a residual block based on the current block and the filtered prediction block; and

encoding the residual block by performing transformation and quantization on coefficients of the residual block.

Ex. 1001, 19:11–33, 20:14–34.

E. Prior Art and Asserted Grounds

Petitioner challenges claims of the '577 patent as follows (Pet. 4):

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 7, 8	102	Lee ¹
1, 7, 8	103	Lee
8	103	Lee, Guo ²
1, 7, 8	102	Van der Auwera ³
1, 7, 8	103	Van der Auwera

¹ Lee et al., US 2013/0301720 A1 (pub. Nov. 14, 2013) (Ex. 1005).

² Guo et al., US 2014/0376634 A1 (pub. Dec. 25, 2014) (Ex. 1031).

³ Van der Auwera et al., US 2013/0114708 A1 (pub. May 9, 2013) (Ex. 1006).

Petitioner additionally relies on the declaration of Dr. Immanuel Freedman (Ex. 1008).

III. ANALYSIS

A. *Legal Standards*

“In an [*inter partes* review], the petitioner has the burden from the onset to show with particularity why the patent it challenges is unpatentable.” *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016) (citing 35 U.S.C. § 312(a)(3) (requiring [*inter partes*] review petitions to identify “with particularity . . . the evidence that supports the grounds for the challenge to each claim”)). This burden never shifts to Patent Owner. *See Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015) (citing *Tech. Licensing Corp. v. Videotek, Inc.*, 545 F.3d 1316, 1326–27 (Fed. Cir. 2008)) (discussing the burden of proof in *inter partes* review). Furthermore, Petitioner must explain with particularity how the prior art would have rendered the challenged claims unpatentable. 35 U.S.C.A. § 312(a)(3); 37 C.F.R. § 42.104 (2020) (“The petition must specify where each element of the claim is found in the prior art patents or printed publications relied upon.”).

A claim is unpatentable under 35 U.S.C. § 102(b) “if each and every [claim] limitation is found either expressly or inherently in a single prior art reference.” *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 851 F.3d 1270, 1273 (Fed. Cir. 2017) (citation omitted). “A claim limitation is inherent in the prior art if it is necessarily present in the prior art, not merely probably or possibly present.” *Akamai Techs., Inc. v. Cable & Wireless Internet Servs., Inc.*, 344 F.3d 1186, 1192 (Fed. Cir. 2003) (citing *Rosco, Inc. v. Mirror Lite, Co.*, 304 F.3d 1373, 1380 (Fed. Cir. 2002)).

A claim is unpatentable under 35 U.S.C. § 103 if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) objective evidence of nonobviousness, i.e., secondary considerations. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

B. Level of Ordinary Skill in the Art

Relying on the testimony of Dr. Freedman, Petitioner contends that “[a] person of ordinary skill in the art at the priority date (July 15, 2016) for the ’577 Patent . . . would have had a bachelor’s degree in electrical or computer engineering, or a closely related scientific field such as physics or computer science, and two years of work experience with video processing.” Pet. 11 (citing Ex. 1008 ¶¶ 35–39).

Patent Owner’s declarant opines that:

a POSITA in the technology area of the ’577 Patent as of the filing date of the PCT Application—April 23, 2012—would have had at least a bachelor’s degree in electrical engineering, computer engineering, computer science, or a similar discipline, and at least two years of experience in video processing. Superior education could compensate for a deficiency in work experience, and vice-versa.

Ex. 2017 (Declaration of Dan Schonfeld, Ph.D.) ¶¶ 42–43.

With the exception of the date applied, the two definitions appear, on the whole, consistent. Petitioner specifies the qualifications that one of

ordinary skill in the art would have had as of July 2016, whereas Patent Owner's declarant ties the qualifications to April 2012. The record provides no reason that the differences between the two definitions are attributable to the dates provided.

We adopt Petitioner's proposed level of ordinary skill in the art, which we determine would apply at all relevant times. This level of skill comports with the teachings of the '577 patent and the asserted prior art. Our analysis would be the same if we applied the level of skill described by Patent Owner's declarant at all relevant times.

C. Claim Construction

In an *inter partes* review, claims are construed using the same claim construction standard that would be used to construe the claims in a civil action under 35 U.S.C. § 282(b), including construing the claims in accordance with the ordinary and customary meaning of such claims as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. 37 C.F.R. § 42.100(b). We apply the claim construction standard as set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc).

Claim terms are generally given their ordinary and customary meaning as would be understood by one with ordinary skill in the art in the context of the specification, the prosecution history, other claims, and even extrinsic evidence including expert and inventor testimony, dictionaries, and learned treatises, although extrinsic evidence is less significant than the intrinsic record. *Phillips*, 415 F.3d at 1312–17. Usually, the specification is dispositive, and it is the single best guide to the meaning of a disputed term. *Id.* at 1315.

Only those terms that are in controversy need be construed, and only to the extent necessary to resolve the controversy. *Nidec Motor Corp.*, 868 F.3d at 1017 (citing *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)). Petitioner does not identify any claim term that requires construction. Pet. 35. Patent Owner makes no arguments relying on the construction of a claim term. See PO Resp.; PO Sur-reply. For purposes of this Decision, no express construction of any term is necessary.

D. Priority Date of the Challenged Claims

Petitioner's challenge is based on an assertion that the challenged claims of the '577 patent are entitled to a priority date no earlier than the July 15, 2016, filing date of the '978 application (which issued as the '577 patent). Pet. 3, 12–13. The asserted grounds of unpatentability rely on Lee, Guo, and Van der Auwera, and none of these references are available as prior art if, as Patent Owner asserts, the challenged claims of the '577 patent are instead entitled to a priority date of April 23, 2012, the filing date of the '125 PCT application. Pet. 3–4; PO Resp. 4–5.

1. Legal Standards

A patent claim is entitled to the benefit of the filing date of an earlier filed, related application if it meets the requirements of 35 U.S.C. § 120. *Hollmer v. Harari*, 681 F.3d 1351, 1355 (Fed. Cir. 2012). To claim “the benefit of the filing date of an earlier application under 35 U.S.C. § 120, each application in the chain leading back to the earlier application must comply with the written description requirement of 35 U.S.C. § 112.” *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1571 (Fed. Cir. 1997); see also *Novozymes A/S v. DuPont Nutrition Biosciences APS*, 723 F.3d 1336, 1344 (Fed. Cir. 2013) (“[C]laims added during prosecution must find

support sufficient to satisfy § 112 in the written description of the original priority application.”).

“[T]o satisfy the written description requirement, the disclosure as originally filed does not have to provide *in haec verba* support for the claimed subject matter at issue.” *Purdue Pharma L.P. v. Faulding, Inc.*, 230 F.3d 1320, 1323 (Fed. Cir. 2000). It, however, must convey with reasonable clarity to those skilled in the art that the inventor was in possession of the invention. *Id.* “Put another way, one skilled in the art, reading the original disclosure, must *immediately discern* the limitation at issue in the claims.” *Id.* (emphasis added)

“The purpose of the written description requirement is to prevent an applicant from later asserting that he invented that which he did not.” *Amgen, Inc. v. Hoechst Marion Roussel, Inc.*, 314 F.3d 1313, 1330 (Fed. Cir. 2003); *see also Droplets, Inc. v. E*Trade Bank*, 887 F.3d 1309, 1316 (Fed. Cir. 2018) (emphasizing that § 120 embodies an important public policy and requires “strict adherence to its requirements”). Accordingly, “[e]ntitlement to a filing date does not extend to subject matter which is not disclosed, but would be obvious over what is expressly disclosed.” *Lockwood*, 107 F.3d at 1571–72; *see also Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1352 (Fed. Cir. 2010) (en banc) (“[A] description that merely renders the invention obvious does not satisfy the requirement.”). Likewise, a “mere wish or plan” for obtaining the claimed invention does not satisfy the written description requirement. *Regents of the Univ. of Cal. v. Eli Lilly & Co.*, 119 F.3d 1559, 1566 (Fed. Cir. 1997).

The test for written description support “requires an objective inquiry into the four corners of the specification from the perspective of a person of ordinary skill in the art.” *Ariad*, 598 F.3d at 1351. “[T]he test for

sufficiency is whether the specification reasonably conveys to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date.” *In re Glob. IP Holdings LLC*, 927 F.3d 1373, 1377 (Fed. Cir. 2019) (internal quotes omitted) (quoting *Ariad*, 598 F.3d at 1351).

The primary consideration in written description analysis is factual and must be assessed on a case-by-case basis. *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 1562 (Fed. Cir. 1991); *see also Smith v. Horne*, 450 F.2d 1401, 1404 (CCPA 1971) (“The question as to whether an application forms a proper support for a claim to a composition which is not specifically disclosed, but which falls among compositions suggested by general language in the application is one which must be determined largely by the particular circumstances of each case.”).

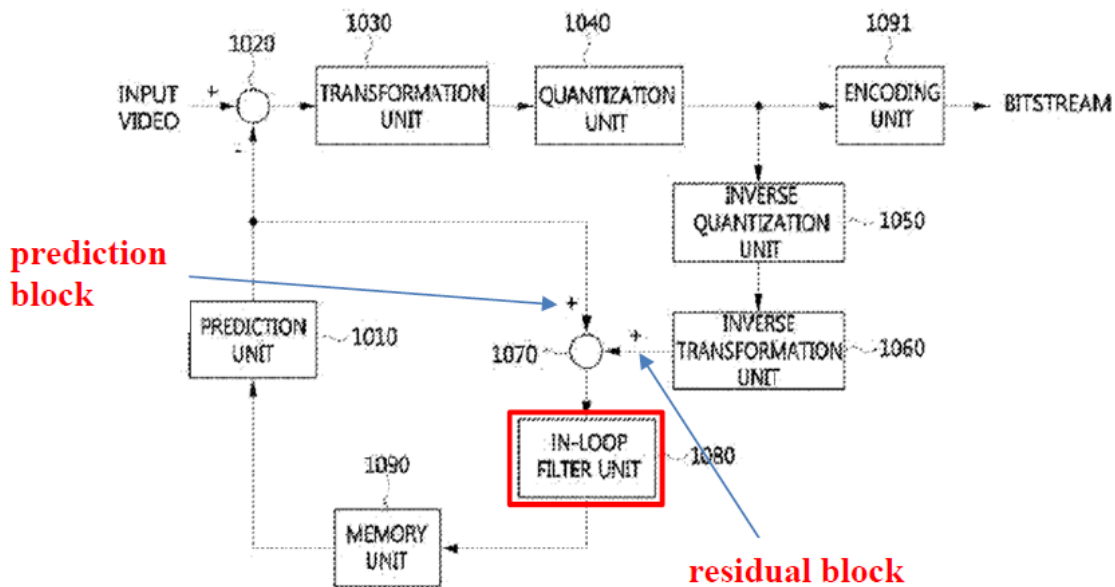
2. *Petitioner’s Contentions*

In the Petition, Petitioner argues that the prior applications to which the ’577 patent claimed priority do not contain written description support for the challenged claims. Pet. 9, 12–35. Specifically, Petitioner argues that the ’253 application (the national stage of the ’125 PCT application) does not support the claimed “filtering on reconstructed video **after** a predicted video and residual video are combined” but supports only “filtering at a different part of the encoding and decoding process.” Pet. 9. Petitioner argues that “each challenged independent claim requires filtering to be performed on **predicted pixels**” and that “the resultant **filtered prediction block** would be understood to be a block that comprises the at least one **filtered predicted pixel**” that would be used to generate a restored block (claim 1) or a residual block (claims 7 and 8). Pet 14–15 (citing Ex. 1008 ¶¶ 52–53). But, Petitioner contends, filtering as disclosed in the ’253 application only takes place on a restored block – one that results from the

addition of a residual block to a predicted block. *Id.* at 15–20, 22–23 (citing Ex. 1007, 2:17–18, 4:2–4, 4:20–5:1, 5:8–10, 5:14–6:2, 15:10–12, 34:3–4, 35:16–17, 35:10–13, 35:19, 39:11–14, 40:7–13, 49, Figs. 1, 10, 11; Ex. 1008 ¶¶ 54–63).

Petitioner provides an annotated version of the block diagram of a video encoding device in Figure 10 of the '253 application, reproduced below, to explain its argument.

FIG. 10

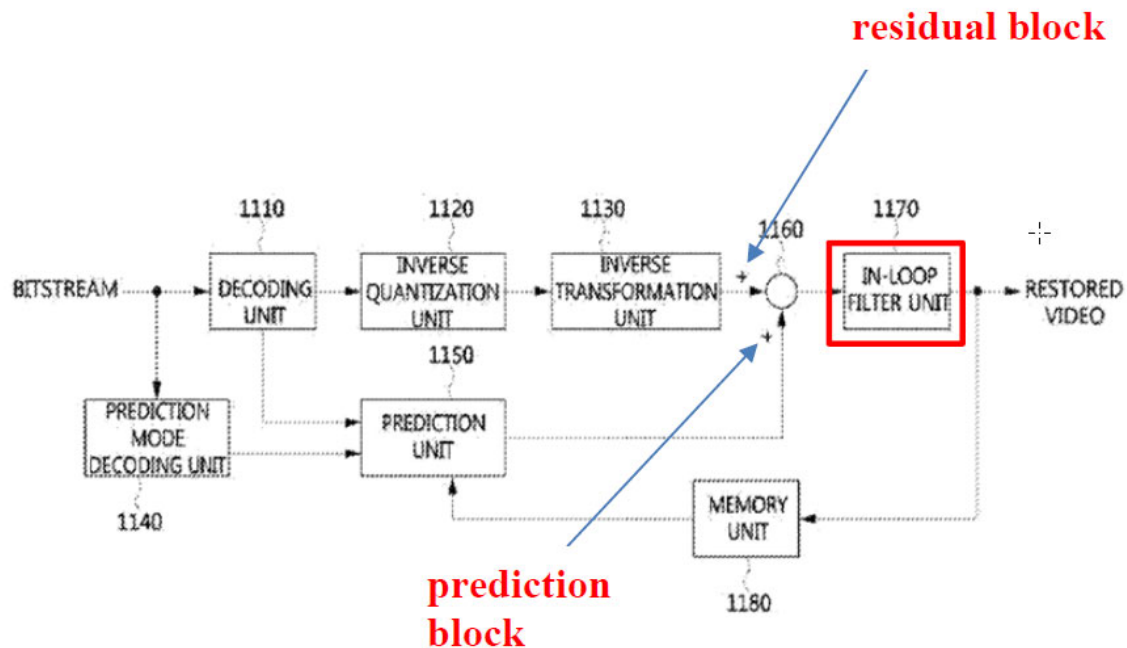


EX1007, Figure 10 (annotated)

Pet. 17; Ex. 1008 ¶ 57. As shown in annotations in Petitioner's version of Figure 10, addition unit 1070 sums a prediction block and a residual block, and the result of this addition is then filtered by the in-loop filter unit 1080. *Id.* at 17–18 (citing Ex. 1007, 35:10–13; 34:3–4; 35:16–17, 35:19; Ex. 1008 ¶¶ 56–58. Similarly, Petitioner provides an annotated version of the block

diagram of a video decoding device of Figure 11 of the '253 application, reproduced below.

FIG. 11



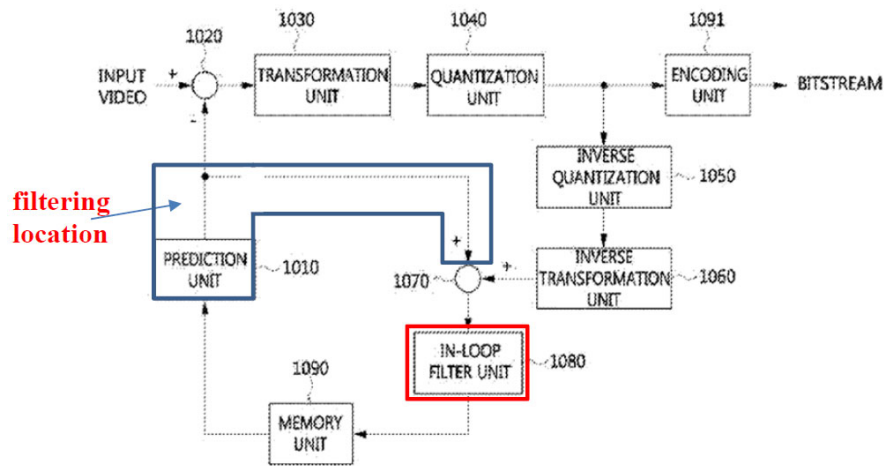
EX1007, Figure 11 (annotated)

Pet. 19; Ex. 1008 ¶ 59. Petitioner explains that its annotated version of Figure 11 shows that a prediction block and a residual block are added by addition unit 1160, with the result of this addition then filtered by the in-loop filter unit 1170. Pet. 18–19 (citing Ex. 1007, 39:11–14, 40:7–8, 40:9–13; Ex. 1008 ¶ 59).

Petitioner argues that in order to provide support for the filtering recited in the challenged claims, the filtering would have to be performed on the prediction block before the addition unit combines the prediction block with the residual block. *Id.* at 19–21. Petitioner provides another annotated version of Figures 10 and 11 of the '253 application, reproduced below, in

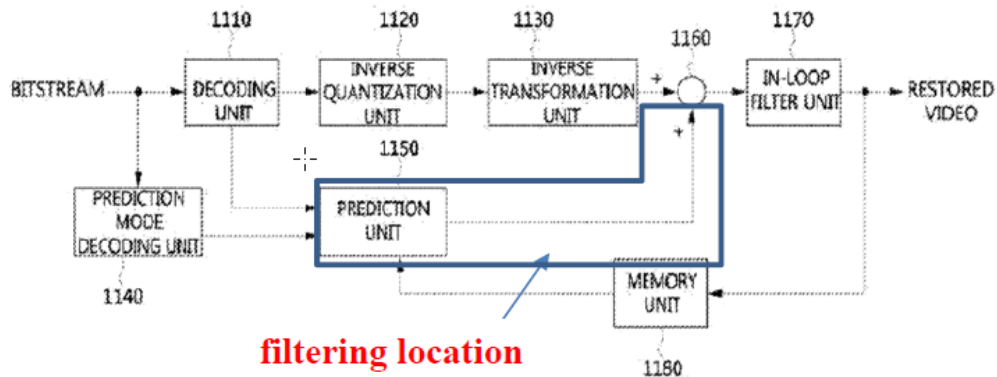
which the location of filtering would occur in order to correspond to the challenged claims, according to Petitioner's arguments.

FIG. 10



EX1007, Figure 10 (annotated)

FIG. 11



EX1007, Figure 11 (annotated)

Pet. 20–21; Ex. 1008 ¶¶ 64–65. Each of these annotated versions includes a blue box indicating a filtering location before addition unit 1070 in Figure 10 and addition unit 1160 in Figure 11. “But,” Petitioner contends, “the ’253 Application does not disclose filtering that is performed in these locations.” Pet. 21. Petitioner argues that each mention of filtering in the ’253 application describes filtering on a block that is obtained from summing a residual block and a prediction block. Pet. 21–22 (citing Ex. 1007, 2:17–18, 4:2–4, 4:20–5:1, 5:8–10, 5:17–18; Ex. 1008 ¶¶ 66–68).

After considering the Patent Owner’s Preliminary Response and the additional briefing by the parties, in our Institution Decision, we determined, “preliminarily and for the purposes of institution” that the claims were not entitled to the earlier priority date of April 23, 2012, but rather to the filing date of the application that issued as the ’577 patent, July 15, 2016. Dec. on Inst. 21–24; *see* Ex. 1001, code (22). This was based on our preliminary determination that one skilled in the art would not “immediately discern” that the ’253 application supported the claim limitation (in claims 1 and 8) of “performing the filtering on the at least one predicted pixel adjacent to the boundary of the prediction block when the filtering is determined to be performed based on the direction of the intra prediction mode.” Dec. on Inst. 21–24 (quoting *Purdue Pharma*, 230 F.3d at 1323).

Citing this determination, Petitioner contends, while acknowledging the burden of persuasion remains with Petitioner, that the production burden regarding the question of whether the ’577 patent is entitled to a priority date shifted to Patent Owner. Petitioner argues that this burden of production shifts “after the priority claim is challenged by a party asserting no entitlement.” *Id.* at 1 (citing *Tech. Licensing*, 545 F.3d at 1327). Petitioner

argues that this burden of production has not been met by Patent Owner. *Id.* at 1–4.

Petitioner additionally argues that, during the prosecution of the application that issued as the '577 patent (the '978 application), the applicant made relevant admissions while arguing against a double-patenting rejection. Pet. 27–33. Petitioner argues that during the prosecution of the '577 patent, the applicant admitted that the '180 patent (which issued from the '253 application) “does not explicitly disclose” or is “silent” regarding certain limitations of the then-pending versions of claims of the '978 application dealing with filtering the prediction block. Pet. 28–33 (citing Ex. 1002, 264, 311, 369, 386). Petitioner further cites in its Reply a portion of the applicant’s argument against the double-patenting rejection, contending that the contrast drawn by the applicant between the '180 patent’s claims and the claims in the '253 application amounted to an argument that “‘in-loop filtering [] performed on a restored block’ was not the same as filtering on prediction block pixels.” Pet. Reply 4–7 (citing, *inter alia*, Ex. 1002, 386–387). Petitioner argues that “[t]he applicant **achieved allowance** by **disclaiming** the current analogy [between filtering on a restored block and filtering on a predicted block] and arguing the current analogy was **mistaken**” and that Patent Owner should therefore be estopped from using the “ambiguous (or lack of)” disclosure from the '253 application to show written description support for the priority claim. *Id.* at 6–7.

Petitioner argues that the cited support from the application of “modifications, equivalents, and alternatives” is merely rote boilerplate and does not show adequate disclosure. *Id.* at 7–9. Rather, Petitioner stresses, each reference to the “present invention” in the '577 patent relates to an

embodiment where filtering is performed after a residual block and a prediction block are summed. *Id.* at 9–13 (citing Ex. 1001, code (57), 1:62–2:4, 5:56–65, Figs 1, 11).

Petitioner describes Patent Owner’s path to support for the claims in the priority documents as “tortuous” and argues that “[Patent Owner]’s theory requires multiple undisclosed logical leaps” and is a “hindsight-driven substantive modification that is beyond the invention’s scope.” Pet. Reply 13–20. Petitioner in its Reply presents charts and figures to demonstrate the “tortuous” path to support and the alleged logical leaps; Petitioner, however, does not present additional evidence relating to the opinions of one of ordinary skill in the art regarding Patent Owner’s arguments, but relies solely on attorney argument in its Reply. *Id.* Petitioner does argue that Dr. Freedman’s original declaration should be accorded weight, but does not offer a supplemental declaration or any additional evidence specifically relating to Patent Owner’s arguments. *Id.* at 23–24.

Petitioner additionally argues that Patent Owner does not meet its burden of production because it addresses only support in the ’577 patent’s specification, and not in the priority document. Pet. Reply 2–3. Relatedly, Petitioner argues that Patent Owner addresses limitations 1.5 and 1.6 (and similar limitations in claims 7 and 8) but not limitation 1.4, which Petitioner also argued in the Petition was unsupported, and that, in any case, support for all limitations must be shown. *Id.* at 3–4.

3. *Patent Owner’s Contentions*

Patent Owner argues that the Petitioner has failed in its challenge to the priority date. PO Resp. 3–4. Patent Owner argues that Petitioner did not meet its burden to show with particularity why the challenged patent is

unpatentable, citing *Dynamic Drinkware*'s instruction that the burden never shifts to the Patent Owner. *Id.* (citing *Dynamic Drinkware*, 800 F.3d at 1378).

Patent Owner contends that Dr. Freedman's declaration does not address the pertinent question because it is directed to the wrong standard. *Id.* at 4, 54–56. Specifically, Patent Owner contends that the declaration is directed only towards whether certain features were “not expressly disclosed” by the priority application. *Id.* at 4, 54–55 (citing Ex. 1008 ¶ 5, 87; Ex. 2026, 19:19–20:1); PO Sur-reply 1. Thus, Patent Owner contends, Dr. Freedman never considered “whether the disclosure of the [earlier] application relied upon **reasonably conveys to those skilled in the art** that the inventor had possession of the claimed subject matter” as of the date of the earlier disclosure. PO Resp. 4 (quoting, with added emphasis, *Ariad*, 598 F.3d at 1351), 54 (same), 57; PO Sur-reply 1. Patent Owner argues: “[i]n challenging the priority date of the '577 Patent, the Petitioner has therefore relied exclusively on assessments that were based on Petitioner's witness evaluating the '577 Patent for express disclosure (rather than accounting for what the specification would reasonably convey to a person of ordinary skill in the art).” PO Resp. 4, 54–57; PO Sur-reply 4–7. Thus, Patent Owner argues that the only evidence that addresses the proper standard is its declarant Dr. Schoenfeld's testimony. PO Resp. 4; PO Sur-reply 2–7. Patent Owner asserts that Petitioner has not properly established the perspective of one of skill in the art or rebutted any of Patent Owner's evidence of this perspective. PO Resp. 39; PO Sur-reply 1, 7–10.

Substantively, Patent Owner argues that the priority document specifically describes in-loop filters, which were known to include multi-tap linear filters, also known as finite impulse response (FIR) filters. PO Resp.

38–39 (citing Ex. 2024 ¶¶ 41–45; Ex. 2002). Thus, Patent Owner asserts, one of ordinary skill in the art would have recognized that applying filtering on the combination of the prediction block and the residual block (the output of addition unit 1070 in Figure 10 and addition unit 1160 in Figure 11) is equivalent to directly applying the filtering separately on the prediction and residual blocks prior to combining them. *Id.* at 39–41 (citing Ex. 2024 ¶¶ 45–48; Ex. 2002; Ex. 2003). Patent Owner argues that “[t]he distributive property of FIR filters dictates that the direct filtering of a combination of two signals is mathematically equivalent to directly filtering each of the two signals prior to combining them.” *Id.* at 40–41 (citing Ex. 2024 ¶¶ 47–48; Ex. 2003, Appendix A).

We raised concerns in the Institution Decision, discussing similar arguments made in Patent Owner’s Preliminary Response, whether one of ordinary skill applying the distributive property to arrive at equivalence of filtering before the addition unit with filtering after the addition unit would arrive at an equivalent system with two filters (filtering the predicted block and filtering the residual block, before adding them). Dec. on Inst. 22–23; *see* Prelim. Resp. 30, 32–36, 40. We preliminarily found that, with respect to only optionally filtering the residual block, “[w]e . . . have no record evidence before us as to why one of ordinary skill would know that the inventor was in possession of this invention of the broader scope or its equivalent.” *Id.* at 23.

In its Response, Patent Owner addresses these issues, providing argument and evidence that one of ordinary skill would readily recognize that the design intent for the video encoding/decoding systems in the figures “would be for the prediction block to carry the bulk of the energy of the underlying video signals” and that, therefore, a person of ordinary skill in

the art “would readily recognize that directly filtering the values of the residual block has much less impact on the energy of the restored signal (and is therefore less important) than directly filtering the values of the prediction block, which would typically include most of the energy of the restored signal.” PO Resp. 43–44 (citing Ex. 2024 ¶¶ 52–53; Ex. 2020; Ex. 2026, 50:14–22). Patent Owner additionally asserts that one of ordinary skill might have omitted the filtering of the restored block as shown in Figures 10 and 11, which is not critical to the error reduction offered by the invention, to account for resource constraints. *Id.* at 45–48 (citing Ex. 2024 ¶¶ 54–56; Ex. 2026, 58:21–59:9). Generally, Patent Owner argues that one of ordinary skill would recognize that the broader invention disclosed can achieve the disclosed advantages by performing in-loop filtering on the residual block as shown in the figures or by directly applying in-loop filtering on the prediction block. *Id.* at 49, 53 (citing Ex. 2024 ¶¶ 57).

Patent Owner, in response to Petitioner’s assertions that it does not find support in the priority document for the disputed claim limitations, provides a chart in its Sur-reply, which Patent Owner contends shows where each limitation was addressed in Patent Owner’s Response and in Dr. Schoenfeld’s declaration. PO Sur-reply 12–15 (citing PO Response 5, 8–9, 11, 15; Ex. 2024 ¶¶ 26, 30, 34, 37; Ex. 1018 ¶¶ 9–11, 29, 71, 135–136, 157–158; Ex. 1001, 2:17–23, 4:4–7, 8:50–64, 16:23–40, 18:1–14, 18:58–63).

4. Analysis

As noted above, in an *inter partes* review, the burden of persuasion is on the petitioner to prove unpatentability by a preponderance of the evidence, and that burden never shifts to the patent owner. *Dynamic Drinkware*, 800 F.3d at 1378. The petitioner also has the initial burden of

production to show that an asserted reference qualifies as prior art under 35 U.S.C. § 102. *Id.* at 1378–79. With respect to this issue, “the burden of going forward [with evidence and argument] may jump from one party to another as the issues in the case are raised and developed.” *Tech. Licensing*, 545 F.3d 1316, 1329 (Fed. Cir. 2008); *see id.* at 1327 (“We understand, and we shall use here, the phrase ‘going forward with the evidence’ to mean both producing additional evidence and presenting persuasive argument based on new evidence or evidence already of record, as the case may require.”). In *Technology Licensing*, which involved an appeal from an infringement action brought in district court, the defendant (alleged infringer) satisfied its burden of going forward with evidence of anticipating prior art, at which point the plaintiff/patentee had the burden of going forward with evidence that the prior art was not anticipating because the asserted claim was entitled to an earlier date. *Id.* at 1327. This was done by “producing sufficient evidence and argument to show that an ancestor to [the asserted patent in *Technology Licensing*], with a filing date prior to the [asserted prior art] date, contains a written description that supports all the limitations of . . . the claim asserted.” *Id.* At that point, “the burden of going forward again shifts to the proponent of the invalidity defense, [the defendant], to convince the court that [plaintiff/patentee] is not entitled to the benefit of the earlier filing date.” *Id.* at 1328.

Here, Petitioner met its initial burden of production by providing evidence of prior art that antedated the filing date of the application that issued as the ’577 patent. Pet. 3–4, 35–92. Thus, with respect to the question of whether the claims were entitled to an earlier priority date, the burden shifted to the Patent Owner. Patent Owner produced evidence and argument in its Preliminary Response. Prelim. Resp. 29–47 (citing Ex. 2017

¶¶ 47–51; Ex. 1018 ¶¶ 132–133, 137–138, 153–154, 157, Figs. 1, 2, 3A, 3B, 6a, 6b, 11). Preliminarily, we determined that Patent Owner did not, on that record, sufficiently establish that the challenged claims were entitled to an earlier priority date. Dec. on Inst. 21–24. We specifically described our decision as relating to the support in the record at that time for the limitations relating to filtering of a prediction block. *Id.* at 22–23. Thus, in the parlance of *Technology Licensing*, the issues in the case relating to support for the challenged claims in the priority document continued to be developed, and the burden of going forward jumped to Patent Owner. *Tech. Licensing*, 545 F.3d at 1329.

In its Response, as detailed above, Patent Owner adduces additional evidence and argument with respect to the limitations relating to filtering of a prediction block. PO Resp. 38–53. Patent Owner makes arguments based on additional declaration evidence from Dr. Schoenfeld specifically relating to, and commenting on the issues raised in, the Institution Decision. *Id.* at 41–49 (citing Ex. 2024 ¶¶ 52–57). Additionally, Patent Owner raises the question of whether the declaration Petitioner submitted with the Petition relates to the correct standard of whether the priority applications reasonably conveyed to those skilled in the art that the inventor had possession of the invention as claimed in the '275 patent, as opposed to a determination of whether the claimed limitations were “expressly disclosed” by the priority applications. PO Resp. 3–4, 54–57; Ex. 1008 ¶¶ 51, 87; *see id.* at ¶¶ 60, 66.

Upon review of the complete record, we determine that Patent Owner establishes that the '253 application would have conveyed the inventor's possession of the claimed subject matter to one of ordinary skill in the art. While Petitioner describes Patent Owner's path to support as “nothing short of tortuous” and requiring “multiple undisclosed logical leaps” (Pet. Reply

13), Petitioner provides no declaration testimony, relying generally on attorney argument to rebut Patent Owner's arguments and evidence by asserting that the support proffered is "beyond the invention's scope, untethered to the disclosure, and unsupported by objective evidence." Pet. Reply 13–20; Public Tr. 51:5–52:1. In this argument, Petitioner contends that Patent Owner's proposition that the challenged claims (e.g. filtering only the prediction block and not the residual block or the restored block, with respect to decoding (claim 1)) would have been *obvious* in light of the priority document is foreclosed by precedent. *Id.* at 16–17 (citing *L.A. Biomedical Research Inst. v. Eli Lilly & Co.*, 849 F.3d 1049, 1057 (Fed. Cir. 2017)). However, Patent Owner does not make an obviousness argument; but rather argues, with the support of its declarant, that one of ordinary skill would "readily recognize" or "immediately discern" that filtering of the prediction block is one way in which the concept of in-loop filtering described in the priority document could be implemented. PO Resp. 2–3, 38–49; Ex. 2024 ¶¶ 53–56. While evidence of unpredictability or nonobviousness might be used to counter Patent Owner's arguments, Petitioner has not produced any such evidence. In fact, Petitioner has offered no rebuttal evidence as to what one of ordinary skill would have readily recognized from the priority document's disclosure. *See generally* Pet. Reply. Petitioner's attorney argument characterizing Patent Owner's contentions as premised on obviousness are not sufficient to counter Patent Owner's arguments and evidence regarding what is reasonably conveyed in the priority documents. *See In re Curtis*, 354 F.3d 1347, 1352–53 (Fed. Cir. 2004); *Bilstad v. Wakalopulos*, 386 F.3d 1116, 1123–1126 (Fed. Cir. 2004) (requiring focus on an analysis of what one skilled in the art would have understood from the priority document and the degree of predictability of

technical variations in the field of art); PO Resp. 50 (describing digital signal processing principles as predictable).

Patent Owner argues and supports with declaration evidence that one of ordinary skill would have recognized a broader concept to have been described in the specification of the '577 patent⁴ than the implementations shown in Figures 10 and 11, and that one of ordinary skill would have readily recognized that the challenged claims are a predictable way in which that concept could be implemented. PO Resp. 46–49 (citing Ex. 2024 ¶¶ 55–57). We give significant weight to Dr. Schonfeld's testimony, which remains uncontroverted, regarding what one of ordinary skill would have readily recognized from the priority document's disclosure, beyond what is explicitly disclosed there. The discussion in this testimony of existing knowledge in the field and predictability of the aspect at issue is supported by evidence. *See Ariad*, 598 F.3d at 1351; *see, e.g.*, Ex. 2024 ¶¶ 22, 45–47, 53; *see also* Ex. 2026, 28:3–12.

⁴ Petitioner argues that Patent Owner improperly refers to and analyzes the content of the '577 patent rather than that of the PCT document (Ex. 1018). Pet. Reply 2–3. As we noted in the Institution Decision, at the time of that Decision “[n]either Petitioner nor Patent Owner [had] identif[ied] or discuss[ed] any material differences between the disclosure of the '253 application and the disclosures of other applications to which priority may be claimed.” Dec. on Inst. 18 n.6. Petitioner still does not describe what differences, if any, exist and make this a material error. Patent Owner's declarant provided the appropriate citations in parallel with the citations to the '577 patent, and Patent Owner has provided a chart setting forth the corresponding portions of the PCT document that provide support. Ex. 2024 ¶¶ 26, 30, 34, 37; PO Sur-reply 12–16; Public Tr. 89:16–90:17. Additionally, Petitioner's own declarant testified that the '253 application, the '472 application, and the specification of the '577 patent are “identical” or “nearly identical.” Ex. 1008 ¶¶ 47, 84.

With respect to Petitioner’s argument that the position espoused by Patent Owner conflicts with positions taken by the applicant during prosecution of the ’978 application that issued as the ’577 patent, these statements, in context, discuss distinctions between the then-pending claims in the ’978 application and the claims of the ’180 patent that issued from the ’253 application. While the applicant argues that “US 9,008,180 does not explicitly disclose” or “is silent on” claimed features, the context of the argument is double patenting, in which claims are compared to *claims* of an earlier related patent, not to the entire disclosure of that earlier patent. *See* Pet. 28–33; Ex. 1002, 261–264, 311–312, 367–370. Petitioner’s argument in its Reply focuses on a different portion of the file history of the ’577 patent, but these arguments, again, relate to double patenting and distinctions between claims, and thus, again, are not compelling here as evidence of an inconsistent position during prosecution relating to the relevant *disclosure* and the challenged claims. Pet. Reply 4–7.

Petitioner additionally argues that Patent Owner has not made a showing of support for all limitations, but focuses only on those discussed in the Institution Decision. Pet. Reply 1–4. Petitioner cites a non-precedential opinion of the Board in which a patent owner did not address all limitations, but only certain challenged limitations, and this showing was found insufficient. *Id.* at 3 (citing *Inguran, LLC v. Premium Genetics Ltd.*, PGR2015-00017, Paper 22, 33–34 (Dec. 20, 2016)). However, in that case, the Board specifically noted that the patent owner failed to provide support for all limitations in either the preliminary response or the subsequent briefing. *Inguran*, Paper 22, 33 (“Patent Owner, however, does not address the remaining limitations of claim 1 and whether the prior applications disclose those remaining limitations in the manner required by § 112(a). *See*

PO Resp. 3–6; Prelim. Resp. 7–13.”). Here, Patent Owner addressed each limitation in its Preliminary Response. Prelim. Resp. 40–47.

Petitioner argues that:

To the extent PO argues the Board should consider its Preliminary Response contentions, such argument should be rejected. PO waived Preliminary Response arguments not raised in the POR. Paper 22, 8 (waiver); *In re NuVasive, Inc.*, 842 F.3d 1376, 1380-81 (Fed. Cir. 2016). The Preliminary Response forms no part of this trial and should not influence the Board’s decision.

In *NuVasive*, however, while arguments regarding the public accessibility of a prior art reference were made by the patent owner in its preliminary response, the patent owner “failed to challenge public accessibility during the trial phase” and “explicitly declined to make further arguments as to public accessibility” during oral argument. *NuVasive*, 842 F.3d at 1380–1381.

Whether or not the present case is distinguishable from the cited cases, we agree with Patent Owner that it sufficiently described support for all limitations in the Patent Owner Response, as argued in the Patent Owner Sur-reply. PO Sur-reply 12–15 (citing PO Resp. 5, 8–9, 11, 15; Ex. 2024 ¶¶ 26, 30, 34, 37; Ex. 1018 ¶¶ 9–11, 29, 71, 135–136, 157–158; Ex. 1001, 2:17–23, 4:4–7, 8:50–64, 16:23–40, 18:1–14, 18:58–63). While Petitioner has argued that this shows support in the specification of the ’577 patent and not in the claimed priority document, we find, in light of the Petitioner’s declarant’s testimony that the ’577 patent’s specification is “identical” or “nearly identical” to the ’253 application, and the lack of any argument relating to the significance of the differences between the documents, that Patent Owner sufficiently shows support for all the limitations of the

challenged claims in the Patent Owner Response, as detailed in the Sur-reply. *See supra* n.4; Ex. 1008 ¶¶ 47, 85.

For these reasons, on the record before us, the challenged claims are entitled to a priority date of April 23, 2012.

Therefore, as each of the asserted grounds of unpatentability rely on Lee, Guo, and Van der Auwera, and none of these references are available as prior art given the priority date of the challenged claims, Petitioner has not prevailed in showing that claims 1, 7, and 8 of the '577 patent are unpatentable.

IV. PETITIONER'S MOTION TO SEAL AND MOTION FOR PROTECTIVE ORDER

In its Motion to Seal, Petitioner argues that Patent Owner's Preliminary Response and Exhibits 2005, 2006, 2009, 2012, 2013, 2014, 2016, and 2018 should be sealed. *See generally* Mot. Seal. Petitioner also argues for us to grant its Unopposed Motion for Entry of Protective Order. Mot. Prot.

According to Petitioner, "Exhibits 2005, 2006, 2009, 2012, 2013, 2014, and 2016 contain information that Petitioner has identified as confidential business information." Mot. Seal, 3. Petitioner additionally contends that Exhibit 2018 is a transcript of a call in which Petitioner's confidential information was discussed. *Id.* Petitioner discusses the factors laid out in *Argentum*:

[A] movant to seal must demonstrate adequately that (1) the information sought to be sealed is truly confidential, (2) a concrete harm would result upon public disclosure, (3) there exists a genuine need to rely in the trial on the specific information sought to be sealed, and (4), on balance, an interest

in maintaining confidentiality outweighs the strong public interest in having an open record.

Argentum Pharms. LLC v. Alcon Research, Ltd., IPR2017-01053, Paper 27 at 4 (PTAB Jan. 19, 2018) (informative) (cited at Mot. Seal 2–3). With respect to the first three factors, Petitioner argues that the information relates to trade secrets and highly confidential business practices, that disclosure would affect its relationships with members or future members, and that the information relates only to the determination of whether Petitioner will remain the sole named real-party-in-interest. Mot. Seal 3–7, 8–14. With respect to the fourth factor, Petitioner argues that its interest in maintaining confidentiality outweighs the public interest in an open record, especially because the information is not, Petitioner argues, related in any way to the reasons for patentability. *Id.* at 7–8. Petitioner seeks to redact the entirety of Exhibits 2009. *Id.* at 8–10. Petitioner has submitted redacted versions of Exhibits 2005, 2006, 2012, 2013, 2014, 2016, and 2018, and of the Patent Owner Preliminary Response. *Id.* at 12–14; *see* Exs. 1032, 1034, 1036, 1033, 1037, 1035, 1039 (redacted copies of Exs. 2005, 2006, 2012, 2013, 2014, 2016, and 2018 respectively); Paper 20.

Patent Owner argues that Exhibit 2012 is a communication with a non-member and bears no evidence of confidentiality obligations. PO Opp. Mot. Seal 1, 10–11. Additionally, Patent Owner argues that Petitioner does not allege that a concrete harm would result, but only that potential harms could occur. *Id.* at 1–2, 5–6, 8, 9, 11–13. Patent Owner argues that Petitioner has not shown that all of Exhibit 2009 is truly confidential and that a document should not be sealed with no redacted version provided. *Id.* at 4–7. Patent Owner cites its own “strong interest” in disclosure as part of the public interest, including allowing it “to more fully assess the real party

in interest issue in this proceeding.” *Id.* at 1, 7, 8, 9–10, 14. Patent Owner lastly argues that the Motion to Seal was not filed promptly and thus should be denied. *Id.* at 14–15.

We are not persuaded by Patent Owner’s arguments and are, instead, persuaded by Petitioner’s contentions that the balance of factors favors granting the sealing request. Additionally, the desire of internal employees of one party to access confidential information of another is not reflective of the strong public interest in an open record. We note that we did not reach the issue of whether the Alleged RPIs were real parties in interest, and thus the public interest is not hampered by closing the record on the portions of the record that argued this issue. As such, we grant Petitioner’s Motion to Seal in its entirety and also grant Petitioner’s Motion for Entry of Protective Order. Mot. Seal; Mot. Prot.

We note that, at present, there exists no public version of Patent Owner’s Preliminary Response (Paper 11), Patent Owner’s Opposition to the Motion to Seal (Paper 23), Patent Owner’s Request for Rehearing (Paper 24), Patent Owner’s Response (Paper 32), Petitioner’s Reply (Paper 36), Patent Owner’s Sur-Reply (Paper 39), the March 17, 2022 Patent Owner’s Update Exhibit List (Paper 43), or the confidential portion of the Oral Hearing Transcript (Paper 45). Additionally, we note that Exhibits 2019 through 2022 have been filed designated as Parties and Board Only. Some of these papers and exhibits do not appear to contain any confidential information. In view of the strong public interest in an open record, we will require the parties to jointly submit to the Board, for each of these papers or exhibits, a proposed redacted version, or a request to change the designation from “Parties and Board” to “Public.”

V. CONCLUSION

After considering all the evidence and arguments in the complete record, we conclude that Petitioner fails to demonstrate, by a preponderance of the evidence, that any of the challenged claims are unpatentable.

In summary:

Claims	35 U.S.C. §	Reference(s)/Basis	Claims Shown Unpatentable	Claims Not shown Unpatentable
1, 7, 8	102	Lee		1, 7, 8
1, 7, 8	103	Lee		1, 7, 8
8	103	Lee, Guo		8
1, 7, 8	102	Van der Auwera		1, 7, 8
1, 7, 8	103	Van der Auwera		1, 7, 8
Overall Outcome				1, 7, 8

VI. ORDER

Accordingly, it is

ORDERED that claims 1, 7, and 8 are not unpatentable based on the instituted grounds of unpatentability;

FURTHER ORDERED that the parties shall jointly submit to the Board, within 15 business days of this Decision, for each of Papers 11, 23, 24, 32, 36, 39, 43, and 45 and Exhibits 2019, 2020, 2021, and 2022, either a proposed redacted version of the document or a request to change its designation to Public; and

FURTHER ORDERED that because this is a Final Written Decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IPR2021-00275
Patent 10,237,577 B2

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