

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Dolby Laboratories, Inc.

Petitioner,

v.

Intertrust Technologies Corporation,

Patent Owner.

Case IPR2020-00660

Patent No. 6,785,815

**PATENT OWNER'S PRELIMINARY RESPONSE
PURSUANT TO 35 U.S.C. § 313 AND 37 C.F.R. § 42.107**

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2006	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case), Dkt. No. 22 (E.D. Tex. Nov. 7, 2019): Consolidation Order
2007	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case), Dkt. No. 112 (E.D. Tex. July 7, 2020): Claim Construction Order
2008	<i>Dolby Laboratories, Inc. v. Intertrust Corporation</i> , Case No. 3:19-cv-03371-EMC, Dkt. No. 73 (Feb. 13, 2020): Case Management and Pretrial Order For Claims Construction
2009	<i>Dolby Laboratories, Inc. v. Intertrust Corporation</i> , Case No. 3:19-cv-03371-EMC, Dkt. No. 71 (Feb. 6, 2020): Joint Case Management Conference Statement
2010	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case) (E.D. Tex. January 30, 2020): Defendants' Invalidity and Subject Matter Eligibility Contentions
2011	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case), Dkt. No. 78 (E.D. Tex. April 17, 2020): Order Appointing Technical Advisor
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2013	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case) (E.D. Tex. January 30, 2020): Defendants’ Invalidity Claim Charts For The ’815 Patent - Appendices C-03 (Hanna), C-04 (Gennaro), C-07 (Stefik), and C-Combination (showing Section 103 combinations for the ’815 patent)
2014	<i>Dolby Laboratories, Inc. v. Intertrust Corporation</i> , Case No. 3:19-cv-03371-EMC (April 13, 2020): Exhibit C-03 - Dolby’s Invalidity Contentions For The ’815 Patent Based on Hanna
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2017	[INTENTIONALLY LEFT BLANK]
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2019	<i>Intertrust Technologies Corporation v. Cinemark Holdings, Inc.</i> , Case No. 2:19-cv-00266-JRG (lead case), Dkt. No. 28, (E.D. Tex. November 6, 2019): Defendants’ Motion to Transfer Venue to N.D. Cal.

The present petition (Paper 2, IPR2020-00660, “Petition”) filed by Dolby Laboratories Inc. (“Petitioner”) requests *inter partes* review of claims 42 and 43 of U.S. Patent 6,785,815 (“’815 patent”) assigned to Intertrust Technologies Corporation (“Patent Owner” or “Intertrust”). The Petition asserts two grounds for invalidity of claims 42-43 based on pre-AIA 35 U.S.C. §103(a): obviousness over PCT Publication WO 99/40702 (“Hanna”) in view of U.S. Patent No. 5,629,980 (“Stefik”) (Pet. at 19-41); and obviousness over U.S. Patent No. 6,009,176 (“Gennaro”) (Pet. at 42-59).

Initially, the Board should exercise its discretion and deny institution under 35 U.S.C. §314(a) and 37 C.F.R. §42.108(a) to promote judicial efficiency, and to prevent duplicative proceedings in the Board and *four* district court litigations currently pending in Texas and California involving claims 42 and 43 of the ’815 patent (the only claims of the ’815 patent at issue in these litigations). In the three Texas cases (pending against Petitioner’s customers and real parties-in-interest Cinemark Holdings, Inc., AMC Entertainment Holdings, Inc., and Regal Entertainment Group (the “Cinemas”)), the parties and the district have already made a substantial investment to date, with the district court issuing a 63-page claim construction order on July 8, 2020, and trial set to begin ***January 4, 2021***, more than ***nine months*** before the Board’s statutory deadline to issue a final written decision in this proceeding. The parties have also made a substantial investment in the

California case (a declaratory judgment action brought by Petitioner): fact discovery is proceeding, and the parties will have completed claim construction discovery and briefing, and submitted tutorials to the court, in advance of a ***September 22, 2020*** claim construction hearing. Moreover, the parties have requested that trial in the California litigation begin no later than October 2021, approximately the same time as the Board's statutory deadline here.

The Petition will create duplication of effort and needless conflict. Indeed, Petitioner (and its three Cinema customers) have made identical invalidity arguments against the '815 patent in the Texas and California district courts as Petitioner now raises here. The Texas and California district courts will thus have addressed all of the issues raised in the Petition long before this Board has the opportunity to do so. Instituting the Petition to open a *fifth* follow-on proceeding is an inefficient use of the Board's time and resources, and does not advance the Board's goal of efficiency. Under the precedential *NHK Spring* and *Fintiv* decisions, the Board should exercise its discretion to deny institution of this Petition under 35 U.S.C. §314(a).

The Board should also deny institution because each of Petitioner's grounds fails to demonstrate a reasonable likelihood that claims 42-43 are unpatentable. Regarding **the first ground**, Petitioner's primary reference, Hanna, is not prior art under 35 U.S.C. §102(a) because it was published on August 12, 1999, more than

two months after the June 8, 1999 priority date of the Challenged Claims via a provisional application. Contrary to Petitioner's cursory analysis and conclusion, the 23-page, 12-drawing sheet provisional application clearly shows that the inventor was in possession of the claimed invention, providing written support for claims 42 and 43. Petitioner's first ground additionally fails because Hanna alone fails to disclose at least two limitations of claim 42: "receiving a request to use the file in a predefined manner" and "granting the request..." Petitioner also fails to provide a motivation to modify Hanna with Stefik's purported teachings to achieve these claim limitations. Ground 1 should be denied.

With respect to **the second ground**, Petitioner fails to show that Gennaro discloses these same two limitations ("receiving a request..." and "granting the request"). Gennaro makes no reference to receiving a "request" to use a file and Petitioner distorts Gennaro's teachings in its attempt to extract this disclosure. Gennaro's data stream authentication protocol also does not affirmatively "grant" a request to use a file. Instead, once processing begins, Gennaro's system passively declines to intervene to halt processing so long as no evidence of tampering is detected. Thus, the Petition impermissibly conflates the claimed *granting* of a request with Gennaro's acquiescence in allowing an already proceeding process to continue. Ground 2 should be denied.

For each of these reasons, Patent Owner respectfully requests the Board deny institution of *inter partes* review.

I. OVERVIEW OF THE '815 PATENT

A. The '815 Patent Specification

The '815 patent describes novel systems and methods for using digital signatures and watermarking techniques to control access to, and use of, data. Ex. 1001 at 1:23-27. The '815 patent claims priority to provisional application 60/138,171, which is incorporated by reference into the '815 patent. See Ex. 1001 at 1:6-11. Referring to annotated FIG. 6 of the provisional application below, such a process for controlling access and use of data using signatures and watermarking techniques is disclosed.

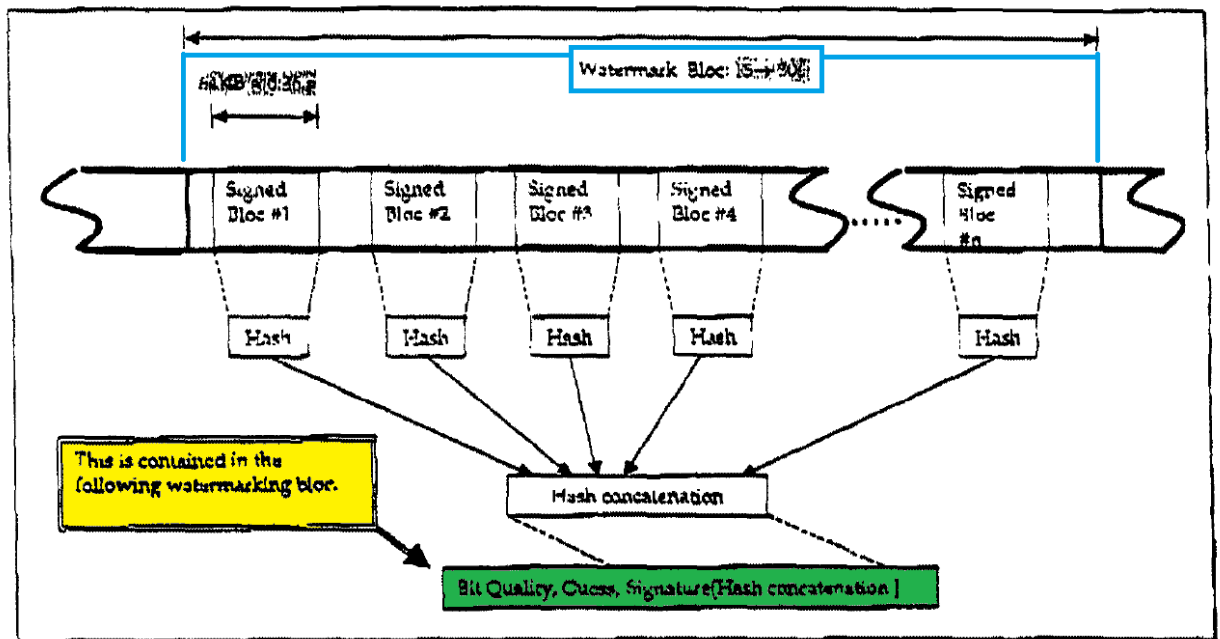


Figure 6 new signal format.

Specifically, the process includes generating a signed hash concatenation by

partitioning a signed data stream 602 (blue). Ex. 1004 at 20, FIG. 6. The partitions are hashed and the resulting hashes are concatenated to form a hash concatenation, which is then signed. *Id.* FIG. 6 explains that the signed hash concatenation (green) “is contained in the following watermarking bloc[k].” Ex. 1004 at FIG. 6 (quoted text in yellow box). That is, a signed hash concatenation associated with a first data block is embedded in the watermark of the following data block in the transmission. In the “error-recoverable shared signature scheme” disclosed, “[i]f an error appears on the data, the signature will verify for all partitions except for the one that is affected.” Ex. 1004 at 20. Thus, the signed hash concatenation received in the watermark of the following data block is used to verify the preceding data block.

A POSITA would understand that the signed hash concatenation would first be extracted from the watermark of the successive data block received to proceed with verification of the signed hash concatenation. The signature would then be, for example, processed (*e.g.* decrypted according to RSA protocols) to reveal the underlying hash concatenation. As part of the verification process, the actual data block received is partitioned and hashed to retrieve a hash concatenation so that a comparison can be made between the hash concatenation retrieved from the data block and the hash concatenation revealed from the digital signature. *See* Ex. 1004 at 20 (“If an error appears on the data, the signature will verify for all partitions except for the one that is affected.”); *see also id.* at FIG. 2C (illustrating signature

verification by comparing a hash of the data block received (*i.e.*, “ X ”) and a hash of the unsigned signature (*i.e.* “ X' ”)).

When the hash concatenation from the digital signature is compared to the hash concatenation retrieved from the received data block, a match between the two hash concatenations values verifies the authenticity of the hash concatenation obtained from the received data block. The individual hashes that make up the concatenation of hash values can then be used, one by one, to verify the authenticity of corresponding partitions of the data block received. *See* Ex. 1004 at 20 (“If an error appears on the data, the signature will verify for all partitions except for the one that is affected.”), FIG. 6.

Referring to FIG. 13 of the '815 patent below, the '815 patent similarly discloses a content management scheme where content is first encoded with a “strong watermark,” and then hashes of that content are signed by the content owner and provided to the user. Ex. 1001 at 12:63-13:4. When the user attempts to use the content file (*e.g.*, copying the file), the signed hashes are retrieved and verified to authenticate the hashes. *Id.* at 13:4-10, FIG. 13 (steps 1302, 1304, 1308). The authenticated hashes are then compared to hashes of the file to verify the authenticity of the file. *Id.* at 13:10-14, FIG. 13 (step 1312). If the file is deemed authentic, then the request to copy the file is granted; otherwise it is denied. *Id.* at 13:14-17, FIG. 13 (steps 1320, 1322).

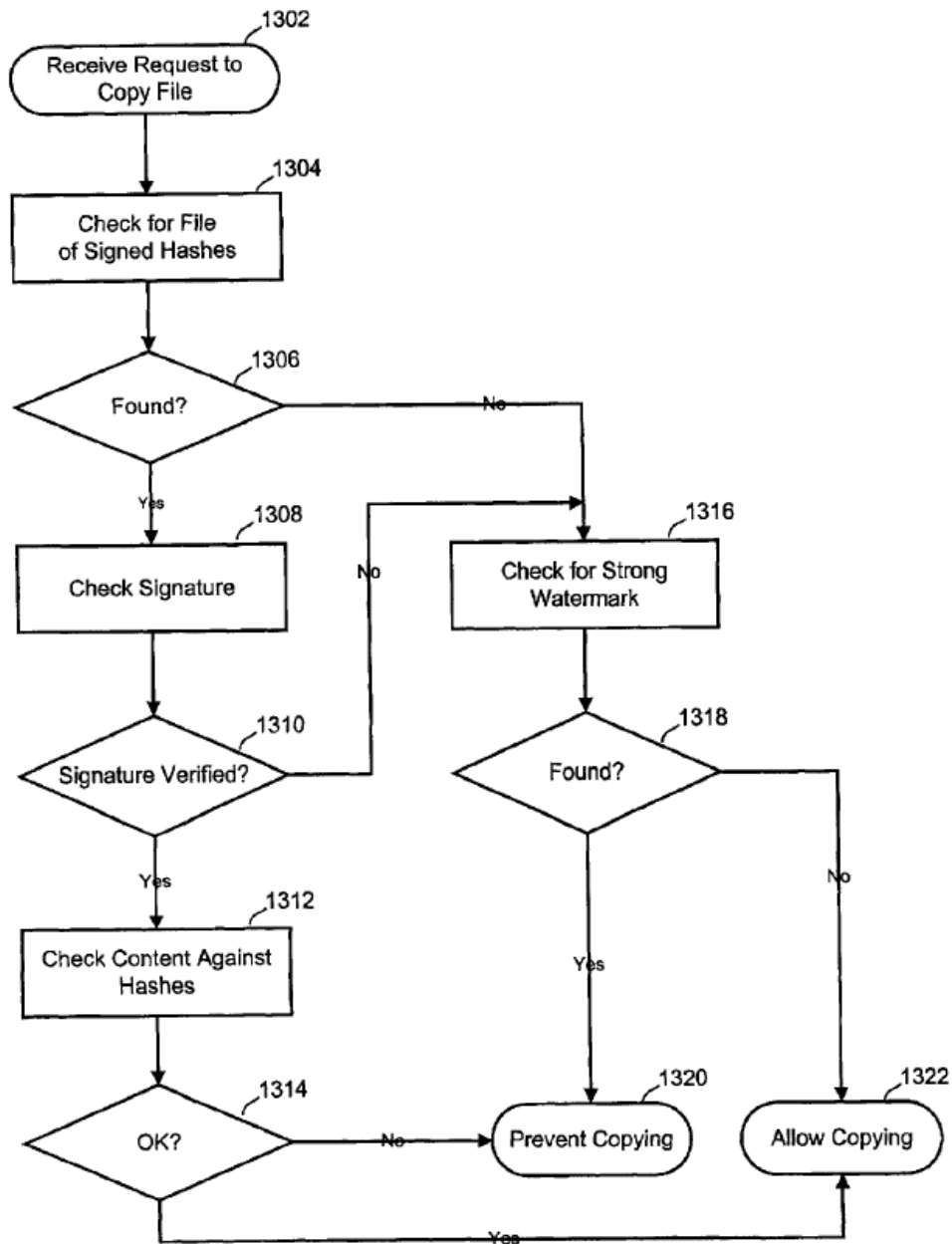


FIG. 13

B. The '815 Patent Claims

While the '815 patent includes 31 claims, Petitioner only challenges independent claim 42 and dependent claim 43:

42. A method for managing at least one use of a file of electronic data, the method including:

receiving a request to use the file in a predefined manner;

retrieving at least one digital signature and at least one check value associated with the file;

verifying the authenticity of the at least one check value using the digital signature;

verifying the authenticity of at least a portion of the file using the at least one check value; and

granting the request to use the file in the predefined manner.

43. A method as in claim 42, in which the at least one check value comprises one or more hash values, and in which verifying the authenticity of at least a portion of the file using the at least one check value includes:

hashing at least a portion of the file to obtain a first hash value; and

comparing the first hash value to at least one of the one or more hash values.

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C. Prosecution History of the '815 Patent

The '815 patent issued on August 31, 2004 from U.S. Application No. 09/588,652 ("'652 Application") filed on June 7, 2000. The '652 Application claims priority to provisional application No. 60/138,171 ("'171 Application") filed on June 8, 1999. The Examiner's "Reasons For Allowance" stated that claim 42 (along with the other claims) included "uniquely distinct features" that were "not found in the prior art, either singularly or in combination." *See* Ex. 1003 at 145, 153.

II. OVERVIEW OF THE CITED ART

A. Hanna

Hanna is directed to the field of data corruption detection and addresses the problem of high computational overhead associated with verifying “bulk signature[s]” applied to a complete data set. *See* Ex. 1006 (Hanna) at 1:5-8, 2:1-3:4. To address this problem, Hanna “create[s] a hierarchy of hash values that start with packet hashes of an arbitrary data set and culminate in a single signed block allow[ing] a single digital signature to protect the data set” from “errors in data processing.” *Id.* at 3:6-8. “Receiving this hierarchy of hashes before the data also allows the data packets to be quickly verified as they are received.” *Id.* at 3:8-10.

Referring to FIG. 4 of Hanna below, Hanna’s hierarchical hashing scheme includes dividing a sequence of data values 401 into groups of data packets 402a-f. Ex. 1006 (Hanna) at 10:26-27. A hash function is applied to each data packet group 402a-f to generate a hash block 404 consisting of hash values B₁-B₆. *Id.* at 10:28-11:1. The resulting hash values are grouped themselves (404a, 404b) and hashed again to generate a higher level hash block 406. *See id.* at 11:2-8. The process continues until the resulting hash block (and associated signature) is small enough to fit within a single packet. *Id.* The highest level hash block 406 is then signed. *Id.* at 11:8-10. The hash blocks are all transmitted. *Id.* at 9:11-13.

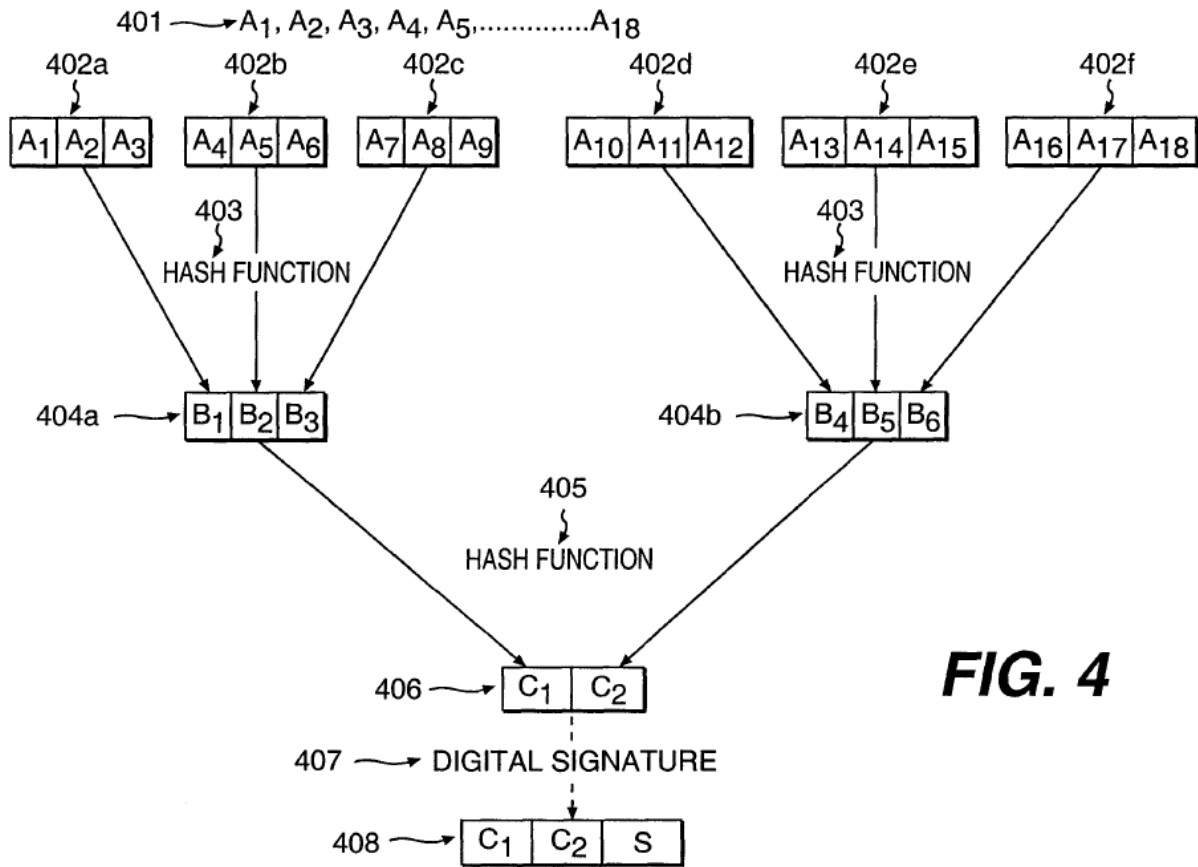


FIG. 4

Referring to FIG. 5 of Hanna below, data verification “begins with checking the digital signature on the top level hash block 502.” Ex. 1006 (Hanna) at 11:12-13. If the top level hash block 502 passes the check, the next level hash 501 is verified by hashing the grouping of B₁-B₆ and comparing it to the higher level hash C₁. *Id.* at 11:13-19. The data packets A₁-A₁₈ are verified by comparing their hashes with the lowest level hash blocks. *See id.* at 24-29.

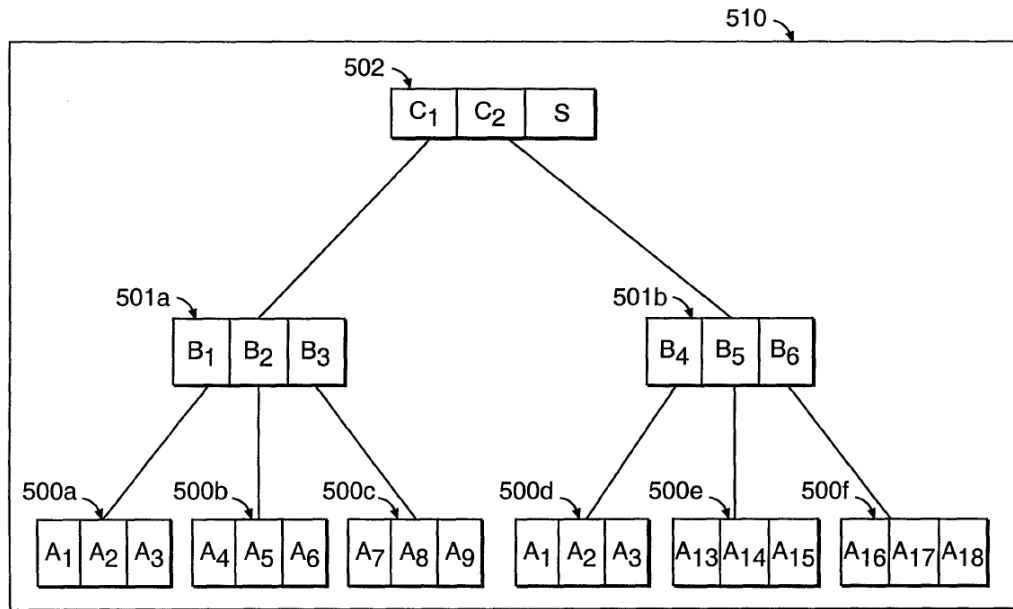


FIG. 5

B. Stefik

Stefik is directed generally at the problem of preventing the unauthorized and unaccounted distribution or usage of electronically published materials, and, in particular, to the problem posed to such accounting systems when “the means for billing runs with the media rather than the underlying work.” *Id.* at 1:10-23, 3:40-47. In response, Stefik provides a system where the “owner of a digital work [] attach[es] usage rights to the work” that “define how it may be used and distributed.” *Id.* at 3:50-58.

Referring to FIG. 1 of Stefik below, a creator of a digital work determines the appropriate usage rights and fees, attaches them to the digital work, and stores the work in a first repository. Ex. 1007 (Stefik) at 7:6-11. The digital work remains

stored in the first repository until a request for access is received from a second repository using a secure session. *Id.* at 7:13-18.

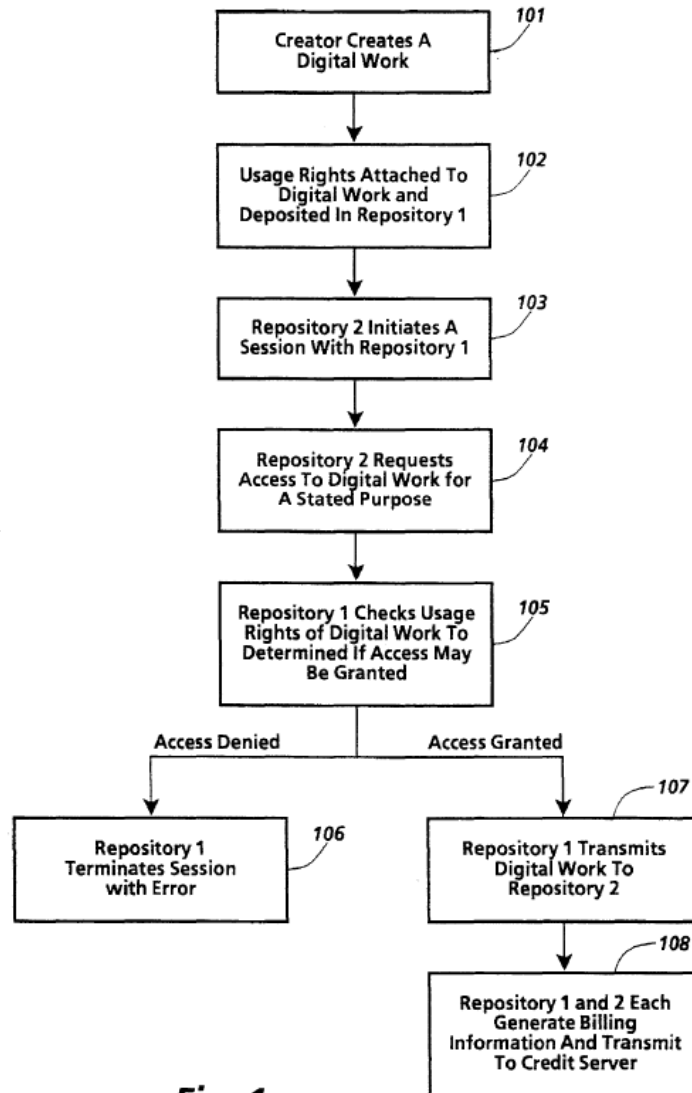


Fig. 1

The second repository may request access to the digital work for a stated purpose, for example, to print or to obtain a copy of the digital work. Ex. 1007 (Stefik) at 7:19-22. That purpose will correspond to a specific usage right. *Id.* at 7:22-23. The first repository checks the usage rights associated with the digital work

to determine if the access to the digital work may be granted. *Id.* at 7:24-26. The check involves a determination of whether a right associated with the access request has been attached to the digital work and if all conditions associated with the right are satisfied. *Id.* at 7:26-29. If access is denied, the first repository terminates the session with an error message; otherwise, the repository transmits the digital work. *Id.* at 7:29-32.

C. Gennaro

Gennaro describes a “method of signing and authenticating a stream of data using a reduced number of digital signatures.” Ex. 1008 (Gennaro) at 1:4-6. Gennaro describes how a data stream is divided up into a series of data blocks that each include a hash of the successive block in the stream. *See id.* at 4:14-58, FIG. 1A. The first block in the stream, which includes the hash of the second block in the stream, is then hashed and signed to generate authentication data consisting of a signature, hash, and size. *Id.* at 4:59-65, FIG. 1B. The authentication data is then sent to the receiver before the data stream is sent. *Id.* at 4:66-5:2.

Upon receipt of the authentication data, the receiver verifies the signature in the authentication data, and, if authentic, extracts the hash and size values in order to begin authenticating the received data stream. Ex. 1008 (Gennaro) at 5:23-34. The data stream is split into blocks according to the size information received, and

each block (after the first block) is authenticated using the hash found in the preceding block. *See id.* at 5:35-67.

III. LEVEL OF ORDINARY SKILL IN THE ART

A person of ordinary skill in the art (“POSITA”) relevant to the ’815 patent at the time of the invention would have a Bachelor of Science degree in electrical engineering and/or computer science, and three years of work or research experience in the fields of secure transactions and encryption, or a Master’s degree in electrical engineering and/or computer science and two years of work or research experience in related fields. Patent Owner’s description of the level of ordinary skill in the art is essentially the same as that of the Petitioner, except that Petitioner’s description requires four years of work in the design of electronic systems for data protection and distribution. *See* Petition at 18. The positions set forth in this preliminary response would be the same under either parties’ proposal.

IV. CO-PENDING LITIGATION

Petitioner acknowledges that the ’815 patent is currently the subject of *four* pending district court litigations. Petition at 5-6. Over a year ago, on June 13, 2019, Petitioner filed a district court action against Patent Owner in the Northern District of California, seeking declaratory relief with respect to eleven of Patent Owner’s patents, including the ’815 patent. *Dolby Laboratories, Inc. v. Intertrust*

Corporation, Case No. 3:19-cv-03371 (N.D. Cal.) (the “California case”). Petitioner later amended this complaint. Ex. 2003 (*Dolby* Second Amended Complaint).

On August 7, 2019, Patent Owner filed complaints against three of Petitioner’s customers in the Eastern District of Texas on these same eleven patents,¹ including the ’815 patent. Petition at 5-6; *Intertrust Technologies Corporation v. AMC Entertainment Holdings, Inc.*, Case No. 2:19-cv-00265 (E.D. Tex.); *Intertrust Technologies Corporation v. Cinemark Holdings, Inc.*, Case No. 2:19-cv-00266 (E.D. Tex.); *Intertrust Technologies Corporation v. Regal Entertainment Group*, Case No. 2:19-cv-00267 (E.D. Tex.) (the “Texas cases”).

Petitioner identifies the defendant Cinemas in these three Texas cases as customers of Petitioner’s accused products. Ex. 2003 (*Dolby* Second Amended Complaint) at 5-6 (¶¶25, 27). The Texas cases are consolidated for all pre-trial purposes, including discovery and claim construction, and are all currently scheduled to begin trial on January 4, 2021. Ex. 2004 (First Amended Docket Control Order) at 1; Ex. 2005 (Consolidation Order); Ex. 2006 (Consolidation Order).

¹ U.S. Patent No. 8,526,610 was ultimately dropped from both the Texas and California cases, leaving the same ten patents at issue, including the ’815 patent.

V. CLAIM CONSTRUCTION

Claim terms in an IPR are “construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. §282(b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by” a POSITA and in view of the prosecution history. 37 C.F.R. § 42.100(b). Petitioner does not propose any terms for construction. Petition at 18-19. Patent Owner reserves the right to proffer constructions for one or more terms.

VI. THE PETITION SHOULD BE DENIED UNDER §314(a)

Institution of an *inter partes* review under 35 U.S.C. §314(a) is discretionary. *See Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”) In exercising that discretion, the Board may consider the advanced state of a related district court proceeding, among other considerations, as a “factor that weighs in favor of denying the Petition under §314(a).” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential). The Board should exercise its discretion under §314(a) and deny the

Petition because institution of this proceeding would not be consistent with the objective of the AIA to “provide an effective and efficient alternative to district court litigation.” *NHK Spring*, IPR2018-00752, Paper 8 at 20 (quoting *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, Case IPR2016-01357, Paper 19, at 16–17 (PTAB Sept. 6, 2017) (precedential)).

The precedential *Fintiv* decision identifies several factors that balance considerations of system efficiency, fairness, and patent quality when a Patent Owner raises an argument for discretionary denial due to the advanced state of a parallel proceeding. *Fintiv*, IPR2020-00019, Paper 11 at 5–6. These factors include:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Id.; see also *NHK Spring*, IPR2018-00752, Paper 8 at 20 (considering an earlier trial date as a factor in favor of discretionary denial). The Board examines these factors, which relate to whether efficiency, fairness, and the merits support the exercise of

authority to deny institution. *Fintiv*, IPR2020-00019, Paper 11 at 6, 9. In evaluating the factors, the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review. *Id.*

Here, the current state of the three Texas cases, as well as the tremendous investment in both the Texas and California cases, favors denial of the Petition. First, the validity of claims 42 and 43 of the '815 patent, in view of the *same* prior art cited here, will be addressed in the Texas jury trial set to begin on January 4, 2021, nine months before trial before the Board concludes in October 2021. Second, claim construction in the California case is scheduled to be heard on September 22, 2020, and fact discovery, expert discovery and dispositive motions regarding the validity of the '815 patent will likely also have been completed in advance of the Board's trial. Instituting here, on the *same* invalidity arguments asserted against the *same* patent in the parallel district court litigations, is contrary to the AIA's goal of providing for an effective and efficient means to resolve questions of validity. *General Plastic*, Paper 19, at 16–17.

A. Factor 1: No Court Has Granted A Stay Nor Has Any Party Sought One In Texas Or California

Factor one favors discretionary denial. Both the California and Texas litigations are proceeding on schedule. No party in any of these cases—not the Petitioner, not its three Cinema customers, not the Patent Owner—has requested a stay pending this (or any other) proceeding.

A judge determines whether to grant a stay based on the facts of each specific case as (eventually) presented in the parties' briefs. While it is possible that Petitioner might, at one point in the future, request a stay, for purposes of evaluating the *Fintiv* factors it is improper to speculate as to what the outcome of any such motion might be. *Fintiv*, IPR2020-00019, Paper 15, at 12. There is no evidence in the record that any party has moved for a stay, or that the Texas or California district courts have commented on the possibility of a stay. The Board should decline to speculate how the Texas and California district courts might rule should a stay be requested in the future in the parallel cases here.

Precedential guidance instructs the Board to consider whether the court has granted a stay, or whether evidence exists that a stay may be granted upon institution. *Fintiv*, Paper 11 at 5–6. As it stands, no stay is currently in place, and the record lacks any evidence to suggest that a stay may be granted in the future.

This factor weighs in favor of discretionary denial in this case.

B. Factor 2: Trial Is Scheduled To Begin Nine Months Before The Board's Projected Statutory Deadline For A Final Written Decision

Factor 2 weighs strongly in favor of discretionary denial. The Texas litigations are in their advanced stages. The district court held a hearing on claim construction and claim definiteness on June 17, 2020, and issued a 63-page claim construction order on July 7, 2020. Ex. 2007 (Texas Claim Construction Order).

Fact discovery closes on October 13, 2020, and expert discovery closes on November 6, 2020. Ex. 2004 (First Amended Docket Control Order). The parties' deadline to file summary judgment motions is November 11, 2020, the pre-trial conference is scheduled for December 7, 2020, and trial is set to begin January 4, 2020. *Id.* Thus, the Texas district court will have adjudicated the same invalidity arguments presented in the Petition against claims 42 and 43 of the '815 patent more than nine months before the Board issues its final written decision in this IPR proceeding (estimated at mid-October 2021).

Moreover, the California case is also well along, and will likely be completed before the Board's statutory deadline here. Under the California district court's current scheduling order, all of the parties' work with respect to claim construction (discovery, briefing, tutorials, and oral argument) will be completed by September 22, 2020. Ex. 2008 (California Case Management and Pretrial Order). The California district court will set the remainder of the case schedule, through trial, once it issues the claim construction order. Petitioner and Patent Owner submitted a proposed case schedule to the California court, keyed off of the issuance of the claim construction order, that estimated trial in the California district court would commence no later than October 2021, and possibly earlier. Ex. 2009 (California Joint Case Management Conference Statement). Thus, the California district court will also have likely adjudicated the same invalidity arguments presented in the

Petition against the '815 patent prior to (and certainly no later than) the Board's issuance of its final written decision in October 2021.

The Texas district court cases are at a more advanced stage than similar cases where the Board has exercised its discretion to deny institution. In *NHK Spring*, the Board exercised its discretion to deny institution where trial involving similar prior art was set to occur **six months** before the final written decision if the IPR was instituted. *NHK Spring*, IPR2018-00752, Paper No. 8 at 20-21. In *Samsung*, the Board similarly exercised its discretion to deny institution where trial was set about **six months** before a final written decision if the IPR was instituted. *Samsung Elec. Am., Inc. v. Uniloc 2017 LLC*, IPR2019-01219, Paper 7 at 15-17 (PTAB Jan. 9, 2020). In *E-One*, the Board exercised its discretion to deny institution where there was substantial overlap in obviousness arguments between the district court and the petition, and trial was scheduled approximately **one month** prior to the deadline for a final written decision. *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16 at 6-9 (PTAB May 15, 2019). Time and time again, the Board has exercised its discretion to deny institution where the Petition's invalidity arguments would be adjudicated in a district court trial prior to the Board's statutory deadline. See *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15, at 13, 17 (PTAB May 13, 2020) (Trial precedes Board decision by **2 months**); *VIZIO, Inc. v. Polaris PowerLED Techs., LLC*, IPR2020-00043, Paper 30 at 8, 12 (PTAB May 4, 2020) (Trial precedes Board

decision by **7 ½ months**); *Intel Corp. v. VLSI Tech. LLC*, IPR2020-00106, Paper 7, at 7, 13 (PTAB May 5, 2020) (Trial precedes Board decision by **7 months**).

By contrast, the parallel Texas district court litigations is scheduled to begin over **9 months** before the final written decision would be due in this IPR proceeding. And, while the trial date has not yet been finalized in the California litigation, the claim construction hearing is scheduled to take place on September 22, 2020 (Ex. 2008) (California Case Management and Pretrial Order), and the parties have indicated to the district court that they anticipate fact discovery would close two months after issuance of the court's *Markman* order, and trial would be scheduled to begin on or before October 2021. Ex. 2009 (Joint Case Management Conference Statement).

Consequently, Petitioner's validity arguments against the '815 patent will have had their days in court long before the Board reaches its decision here. The Texas district court has already issued its claim construction order, and with a claim construction hearing in September 2020, the California district court should issue its own claim construction order before the end of this year. Thus, within two months into the new year (by February 2021) the Texas trials will have completed, fact discovery in the California case will likely have closed, and the parties will be preparing for trial in California. All this will have happened **eight months** before the Board's statutory deadline here.

Because the currently scheduled trials in the Texas litigations are scheduled to begin more than nine months before the Board’s deadline to reach a final decision, and the California trial is also likely to begin before the Board’s deadline, this factor weighs strongly in favor of discretionary denial in this case.

C. Factor 3: The Parties And The Texas And California Courts Have Made A Substantial Investment In The Parallel Proceedings

Factor three weighs in favor of discretionary denial. “[The] more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.” *Fintiv*, IPR2020-00019, Paper 11, at 10. Here, the parties and the Texas and California district courts have already invested a substantial amount of time and effort in these parallel proceedings—including preparing for and holding one jury trial, if not two—by the time this Board issues a final written decision in October 2021.

For example, in the three Texas cases, invalidity contentions for claims 42 and 43 of the ’815 patent, relying on the same prior art references asserted in the Petition, were served nearly six months ago, on January 30, 2020. Ex. 2010 (Defendants’ Invalidity Contentions) at 1, 259.² The parties in all three Texas cases have served

² The parties briefed a motion to transfer the cases to California, filed on November 27, 2019. Ex. 2019 (Defendants’ Motion to Transfer).

final infringement and invalidity contentions, and exchanged multiple rounds of written discovery. On April 17, 2020, the Texas district court appointed a technical advisor (to be paid for by the parties) to assist the court with evaluating claim construction and other technical issues arising in the Texas cases. Ex. 2011 (Order Appointing Technical Advisor). The parties have already completed claim construction briefing, the Court held a *Markman* hearing in June 2020, and the Court issued its order on claim construction on July 7, 2020. Ex. 2004 (First Amended Docket Control Order) at 4; Ex. 2007 (Claim Construction Order). *Cf. E-One*, Case IPR2019-00161, Paper 16, at 7 (denying institution under §314(a) where, *inter alia*, the district court had already “received briefing and heard oral argument on claim construction, and issued a claim construction ruling”).

The parties’ deadline to complete fact discovery, and to serve opening expert reports—including invalidity arguments for the ’815 patent—is October 13, 2020, with rebuttal expert reports due two weeks later, on October 27, 2020. Ex. 2004 (First Amended Docket Control Order) at 3, 4. Dispositive motions are due by November 11, 2020. *Id.* at 3. And, most importantly, a jury trial is set to begin on January 4, 2021. *Id.* at 1.

Accordingly, approximately nine months before the Board would reach its decision in the present case (in October 2021, if it were to institute), the parties and the district court in the parallel Texas proceedings will have completed *all* of their

investment. The Board has consistently denied institution under §314(a) in similar—and, in fact, even less similar—factual circumstances. *E.g., Fintiv*, IPR2020-00019, Paper 15, at 13, 17 (*two month* gap between jury trial and deadline for final written decision).

The district court's and parties' considerable investment in the Texas cases is, by itself, a sufficient basis for finding factor three weighs in favor of discretionary denial of the Petition. But the Board should *also* consider the *additional* investment arising out of Petitioner's assertion of the same invalidity arguments against the '815 patent in the California case. In that proceeding, Petitioner served its invalidity contentions on Patent Owner on April 13, 2020. Ex. 2012 (Dolby's Invalidity Contentions). Claim construction discovery closed on July 13, 2020, and the parties' claim construction briefing will be completed by August 17, 2020. Ex. 2008 (Case Management and Pretrial Order). The California district court will hold a tutorial hearing on September 8, 2020 (addressing the technology of the '815 patent), followed by a claim construction hearing on September 22, 2020. *Id.* And, long before the October 2021 statutory deadline for issuing a final written decision on the present Petition, the parties will have completed fact discovery (currently proposed as closing 60 days after issuance of the district court's *Markman* opinion). Ex. 2009 (Joint Case Management Conference Statement) at 13. Petitioner will also have prepared and served its expert's opening report on the validity of the '815 patent,

and Patent Owner will expend additional investment depositing Petitioner's expert, working with its own expert to prepare a rebuttal expert report addressing the validity of the '815 patent, and defending the deposition of its own expert.

Finally, the parties' proposed schedule to the California district court indicates a desire to have dispositive motions heard, and trial completed, on or before October 2021, the *same* month that the Board would potentially issue its final written decision under the statutory deadline. Ex. 2009 (Joint Case Management Conference Statement) at 14. Thus, Patent Owner, Petitioner, Petitioner's three Cinema customers, and two separate district courts will have all made a substantial investment adjudicating the validity of claims 42 and 43 of the '815 patent in these parallel proceedings before the Board issues its final written decision. This factor weighs strongly in favor of discretionary denial in this case.

D. Factor 4: The Identical Prior Art And Invalidity Arguments Are Raised In The Petition And In The Four Parallel Proceedings

The Petitioner and its Cinema customers are challenging the same claim of the '815 patent, and presenting the same grounds in Petition, the Texas cases and the California case.

In particular, the Petition presents the following two Grounds:

Ground	(815)References	Basis	Challenged Claims
1	Hanna in view of Stefik	§103(a)	42, 43
2	Gennaro	§103(a)	42, 43

Each of Hanna, Stefik, and Gennaro are also identified as prior art references to claims 42 and 43 of the '815 patent in Petitioner's and its Cinema customers' Invalidity Contentions in the parallel district court proceedings. *See, e.g.*, Ex. 2010 (Texas Defendants' Invalidity Contentions) at 19; Ex. 2012 (Dolby's Invalidity Contentions) at 60 (showing Petitioner's proposed §103 combinations for the '815 patent). Moreover, Petitioner and its Cinema customers have included lengthy claim charts based on each of Hanna, Stefik, and Gennaro, respectively, in their Invalidity Contentions. *See, e.g.*, Ex. 2013 (Texas Defendants' Invalidity Claim Charts) at 1-29 (Appendix C-03 – Hanna), at 30-51 (Appendix C-04 – Gennaro), at 52-84 (Appendix C-07 – Stefik), and at 85-90 (showing proposed prior art to be combined under §103, including Stefik); Ex. 2014 (Dolby's Invalidity Contentions Re: Hanna); Ex. 2015 (Dolby's Invalidity Contentions Re: Gennaro); Ex. 2016 (Dolby's Invalidity Contentions Re: Stefik). And in each individual chart, Petitioner and the Cinema customers contend that the charted reference both anticipates claims 42 and 43, and renders claims 42 and 43 obvious under §103 in combination with one or both of the other references. *See, e.g.*, Ex. 2010 (Texas Defendants' Invalidity Contentions) at 19; Ex. 2013 (Texas Defendants' Invalidity Claim Charts) at 1, 30, 42, and 85; Ex. 2012 (Dolby's Invalidity Contentions) at 60; Ex. 2014 (Dolby's Invalidity Contentions Re: Hanna) at 1; Ex. 2015 (Dolby's Invalidity Contentions Re: Gennaro) at 1; Ex. 2016 (Dolby's Invalidity Contentions Re: Stefik) at 1. And,

to avoid any doubt, Petitioner's and the Cinemas' Invalidity Contentions specifically identify the combination of Hanna and Stefik (Ground 1) and Gennaro alone (Ground 2). *See, e.g.*, Ex. 2012 (Dolby's Invalidity Contentions) at 60 (proposing both combinations for the '815 patent). Further yet, Petitioner and the Cinema customer defendants largely cite to the same portions of the prior art in their Invalidity Contentions that Petitioner relies on in the Petition, thereby articulating substantially the same arguments as the Petition as to why Hanna, Stefik, and Gennaro allegedly render obvious claims 42 and 43 of the '815 patent under 35 U.S.C. §103. Compare Petition at 30-42 (argument with respect to Ground 1, Hanna in view of Stefik) and 51-67 (argument with respect to Ground 2, Gennaro alone), with Ex. 2013 (Texas Defendants' Invalidity Claim Charts) at 1-29 (Hanna chart), 30-51 (Stefik chart), 52-84 (Gennaro chart), Ex. 2014 (Hanna chart), Ex. 2015 (Gennaro chart), Ex. 2016 (Stefik chart). Thus, there is complete overlap in the prior art to be considered by the California and Texas district courts and the Board.

Given that the same prior art presented to the Board has also been identified for use in these parallel district court litigations, the validity issues the Board would consider if a trial were instituted here would completely overlap with invalidity issues that (1) the Texas district will have considered (and decided) more than nine months before the Board's final written decision, and (2) the California district court will likely have considered (and decided) no later than that same statutory deadline.

The complete overlap between the prior art and arguments presented in the Petition and what is being litigated in the four parallel district court proceedings is a factor that weighs in favor of discretionary denial. *See Fintiv*, IPR2020-00019, Paper 11, at 6; Paper 15, at 14-15. *Cf. Vizio*, Case IPR2020-00043, Paper 30, at 1 (Duplication between claims at issue in the IPR proceeding and the parallel district court litigation weighs in favor of discretionary denial); *Intel*, IPR2020-00106, Paper 7, at 11 (Finding “substantial overlap” between issues raised in Petition and in parallel litigation weighs in favor of discretionary denial); *Supercell Oy v. Gree, Inc.*, IPR2020-00513, Paper 11, at 13 (PTAB June 24, 2020) (“substantially identical prior art and arguments” in Petition and district court case “weighs in favor of denying institution.”); *Edwards Lifesciences*, IPR2019-01479, Paper No. 7 at 10-12 (PTAB Feb. 26, 2020) (denial appropriate even where not all grounds presented in petition will be developed in district court proceeding).

This factor weighs in favor of discretionary denial because the Petition “includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel [district court] proceeding[s].” *Fintiv*, IPR2020-00019, Paper 11, at 12.

E. Factor 5: The Petitioner And Its Real Parties-In-Interest Are The Defendants In The Parallel Proceedings

In considering factor five, the Board should consider the relationship between the Petitioner and the defendants in the parallel proceedings. “If a petitioner is

unrelated to a defendant in an earlier court proceeding, the Board has weighed this fact against exercising discretion to deny institution under *NHK*.” *Fintiv*, IPR2020-00019, Paper 11, at 14 (emphasis added). However, Petitioner is the infringement defendant in the California district court case; indeed, Petitioner initiated the California action by filing a declaratory relief action based on the ’815 patent (and others). And Petitioner’s three Cinema customers—who Petitioner has identified *as real parties-in-interest* to the Petition submitted here—are the defendants in the three Texas cases. Petition at 5-6, Ex. 2005 (Consolidation Order), Ex. 2006 (Consolidation Order). Patent Owner has accused Petitioner’s Cinema customers of infringing the same patents—including the ’815 patent—in the Texas litigations that are the subject of Petitioner’s declaratory judgment litigation in California. Ex. 2003 (Dolby’s Second Amended Complaint) at 4, 14; Ex. 2010 (Defendants’ Invalidity Contentions) at 1. Patent Owner’s infringement claims against the Cinema customers in the Texas cases are based, in part, on their use of digital cinema systems comprising DCI-complaint equipment supplied by Petitioner and others to show movies in a manner that infringes Patent Owner’s method claims. Ex. 2018 (Intertrust’s Infringement Contentions For The ’815 patent). *See Valve Corp. v. Elec. Scripting Prods., Inc.*, IPR2019-00062, Paper 11 at 2 (PTAB Apr. 2, 2019) (precedential) (finding a preexisting relationship where both the petitioner Valve and

HTC were accused of patent infringement based on the same product, “namely HTC’s VIVE devices that incorporate technology licensed from Valve”).

The Texas Cinema customer defendants therefore have a pre-existing relationship with Petitioner that fully supports a determination that factor five supports the Board’s exercise of discretionary denial in this case. Petitioner’s pre-existing customer relationship with each of the three Texas Cinema defendants, along with Petitioner being a defendant in the California litigation, supports a finding here that factor five weighs in favor of discretionary denial.

Moreover, even where the petitioner is *unrelated* to a district court defendant (which is not the case here), the Board may still exercise its authority to deny institution “if the issues are the same as, or substantially similar to, those already or about to be litigated, or other circumstances weigh against redoing the work of another tribunal....” *Fintiv*, IPR2020-00019, Paper 11, at 14. As explained with respect to factor four, there is a ***complete overlap*** between the invalidity arguments raised in the Petition and those that are to be adjudicated in the three Texas trials set to commence on January 4, 2021. Under these circumstances, it is incumbent upon the Petitioner to “address any other district court or Federal Circuit proceedings involving the challenged patent to discuss why addressing the same or substantially the same issues would not be duplicative of the prior case even if the petition is brought by a different party.” *Id.*

Because the Texas cases involve Petitioner's Cinema customers (and real parties-in-interest) making the identical invalidity arguments to the Texas district court, duplication of the Board's efforts is assured, and the Board's work in connection with the Petition will certainly be a wasteful use of system resources. This factor weighs heavily in favor of discretionary denial.

F. Factor 6: No Other Circumstances Support Institution

No other compelling circumstances support institution. The specific factors addressed above each weigh strongly in favor of denial of institution under §314(a) and in line with *NHK Spring*, as discussed above. As such, any balancing of these factors demonstrates that efficiency and integrity of the AIA are best served by denying review. *Fintiv*, IPR2020-00019, Paper 11, at 6. And no other circumstances that impact the Board's exercise of discretion under §314(a) demonstrate otherwise. Indeed, the merits of the grounds asserted in instant Petition are far from strong, for the reasons discussed further in this preliminary response. Nevertheless, even where "the merits of the grounds raised in the petition are a closer call, then that fact has favored denying institution when other factors favoring denial are present." *Fintiv*, IPR2020-00019, Paper 11, at 15; *E-One*, IPR2019-00162, Paper 16 at 8, 13, 20 (denying institution based on earlier district court trial date, weakness on the merits, and the district court's substantial investment of resources considering the invalidity of the challenged patent).

For all of these reasons, the facts of this case—like those in *NHK Spring* (and its progeny)—support the conclusion that “[i]nstitution of an inter partes review under these circumstances would not be consistent with ‘an objective of the AIA ... to provide an effective and efficient **alternative** to district court litigation.’” *NHK Spring*, Case IPR2018-00752, Paper 8, at 20 (emphasis added) (quoting *Gen. Plastic*, Case IPR2016-01357, Paper 19, at 16–17); *Fintiv*, IPR2020-00019, Paper 11, at 6. The Board should deny institution under §314(a).

VII. HANNA IS NOT PRIOR ART

Hanna is an international application filed under the PCT on February 4, 1999. Petitioner alleges that Hanna is prior art under 35 U.S.C. §102(a) as of its August 12, 1999 publication date.³ See Petition at 7-8. The ’815 patent was filed on June 7, 2000 and claims priority to the ’171 Provisional Application, filed on June 8, 1999. See *supra* Section I.C. Since the ’815 patent’s June 8, 1999 priority date vis-à-vis the ’171 Application antedates Hanna’s August 12, 1999 publication date, Hanna is not prior art to the ’815 patent and Ground 1 should be denied.

A. The ’171 Application Provides Adequate Written Description Support for Claims 42 and 43 of the ’815 Patent

For a non-provisional patent application to be entitled to the priority date of a provisional application, the latter must “contain a written description of the invention

³ Since Hanna was filed before Nov. 29, 2000, it is not prior art under 35 U.S.C. § 102(e). See MPEP § 2136.03 (9th ed. Rev. Oct. 2019).

and the manner and process of making and using it, in such full, clear, concise, and exact terms...to enable an ordinarily skilled artisan to practice the invention claimed in the non-provisional application.” *Dynamic Drinkware, LLC v. National Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015) (internal quotations marks, citations, and emphasis omitted). This written description requirement is satisfied if the disclosure of the provisional application “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 Global IP Holdings, LLC*, 927 F.3d 1373, 1377 (Fed. Cir. 2019) (internal quotations marks and citations omitted). “This test involves an inquiry into the four corners of the specification from the perspective of a person of ordinary skill.” *Id.* The statutory presumption of validity places the initial burden of production and the ultimate burden of persuasion on the party asserting non-compliance with the written description requirement (*e.g.*, Petitioner). *See Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570, 1574 (Fed. Cir. 1985).

Compliance with the written description requirement does not require using the identical terms in the specification as used in the claims. Instead, the written description in the specification need only convey to a POSITA a description of what is claimed. *See Inphi Corp. v. Netlist, Inc.*, 805 F.3d 1350, 1354-55 (Fed. Cir. 2015) (“Substantial evidence supports a finding that the specification satisfies the written description requirement when ‘the essence of the original disclosure’ conveys the

necessary information—‘regardless of *how* it’ conveys such information, and regardless of whether the disclosure’s ‘words [a]re open to different interpretation[s].’”) (internal quotations marks and citations omitted); *Blue Calypso, LLC v. Groupon, Inc.*, 815 F.3d 1331, 1345-47 (Fed. Cir. 2016) (holding that the overall description of the invention and the patent figures were sufficient to describe the terms even though the claim terms were not used in the specification). Both a patent’s specification and its *drawings* should be considered for what they reasonably convey to a POSITA. *Autogiro Co. of America v. U.S.*, 384 F.2d 391, 398 (Cl. Ct. 1967) (“In those instances where a visual representation can flesh out words, drawings may be used in the same manner and with the same limitations as the specification.”). “[D]rawings alone *may* be sufficient to provide the written description of the invention.” *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 1564 (Fed. Cir. 1991).

Petitioner incorrectly contends that the ’171 Application fails to provide written description support for two limitations of Claim 42: Limitation 42[b] (“retrieving at least one digital signature and at least one check value associated with the file”) and Limitation 42[c] (“verifying the authenticity of the at least one check

value using the digital signature”). Petition at 13-14.⁴ As explained below, the ’171 Application reasonably conveys to those skilled in the art that the inventor had possession of the claimed subject matter.

Petitioner’s priority argument relies entirely on a single fact: that the ’171 Application does not include FIGS. 13 and 14 of the ’815 patent. *See* Petition at 15. This fact, while true, is insufficient to satisfy Petitioner’s burden of proof. The proper written description analysis for Limitations 42[b] and 42[c] requires a close review of the *entire* comprehensive disclosure of the ’171 Application—consisting of 23 pages and 12 drawing sheets—to determine whether the ’171 Application “allows persons of ordinary skill to recognize that the inventor ‘invented what is claimed.’” *In re Global*, 927 F.3d at 1377 (quoting *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc)).

That is not what Petitioner did. Instead, Petitioner cursorily concludes that FIG. 6 in the ’171 Application and its related text in the specification “does not involve retrieving a check/hash value associated with a file, or verifying the authenticity of the check/hash value using the digital signature.” Petition at 17. Yet, as described below, FIG. 6 and the corresponding text, along with other portions of

⁴ Petitioner does not provide any evidence or arguments that limitations other than 42[b] and 42[c] found in Claim 42 (or any limitations of Claim 43) allegedly lack adequate written description support. *See* Petition at 13-18.

the specification and figures such as FIGS. 2D and 3, reasonably convey to a POSITA that the inventor was in possession of the claimed invention.

An appropriate review of the '171 Application disclosure begins with FIG. 2D of the '171 Application. Annotated FIG. 2D (below) illustrates “an embodiment of the present invention that solves [the] problems [of the conventional signature encoding techniques shown in FIGS. 2A-2C] by **embedding a block’s signature in the watermark of the block that follows the block to which the signature corresponds.**” Ex. 1004 at 10-12, FIGS. 2A-2D (emphasis added). Thus, given a stream of data (*e.g.*, data blocks “n,” “n+1,” “n+2,” etc. in FIG. 2D), a signature of data block “n” (circled in red) can be embedded into the watermark of data block “n+1” (circled in blue). Similarly, a signature of data block “n+1” (circled in green) can be embedded into the watermark of the following block in the transmission, data block “n+2,” and so on. *See* Ex. 1004 at 12-13, FIGS. 2D, 3.

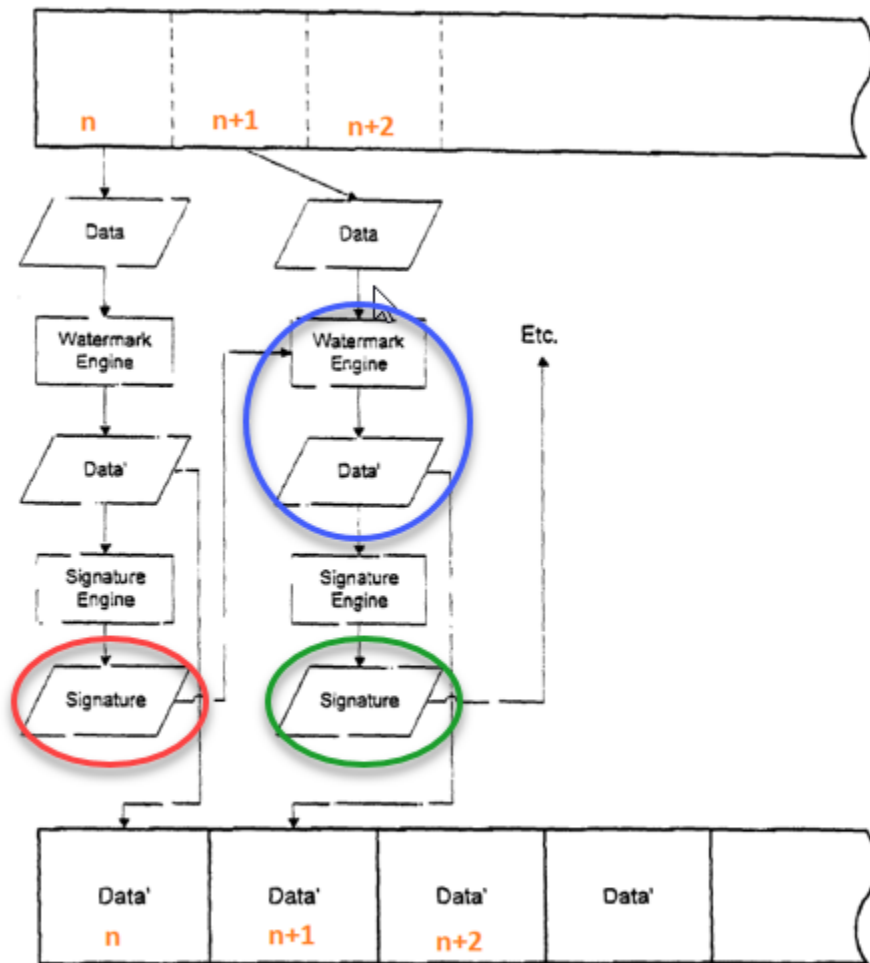


FIG. 2D

The '171 Application explains that a “technological constraint...is that watermarking algorithm[s] typically cannot transport relatively large amounts of data,” and that some of the embodiments described in the '171 Application (*e.g.*, with respect to FIG. 5B and associated text) may use a watermark that contains almost 261 bytes, “which with current technology is a relatively large amount of data for a watermarking algorithm.” Ex. 1004 at 20; *see also id.* at 17-19, FIG. 5B.

This problem is addressed “through the use of an error-recoverable shared signature scheme” that “is resistant to errors in the signed data,” shown and described in the ’171 Application with respect to FIG. 6. Ex. 1004 at 20, FIG. 6. Annotated FIG. 6 (below) illustrates a process of generating a signed hash concatenation by “first partition[ing]” “a signed data stream 602” (the “Watermark Bloc” shown in blue), and then “hashing apart those partitions and concatenating the resulting hashes.” Ex. 1004 at 20, FIG. 6. The hash concatenation is next signed. *Id.* FIG. 6 discloses that the signed hash concatenation (colored green) “is contained in the *following* watermarking bloc[k].” Ex. 1004 at FIG. 6 (quoted text in yellow, emphasis added). That is, consistent with the invention described with respect to FIGS. 2D and 3, FIG. 6 teaches that a signature (signed hash concatenation) associated with a first data block (*e.g.*, data block “n” in annotated FIG. 2D above) is embedded in the watermark of the following data block (*e.g.*, data block “n+1”) in the transmission.

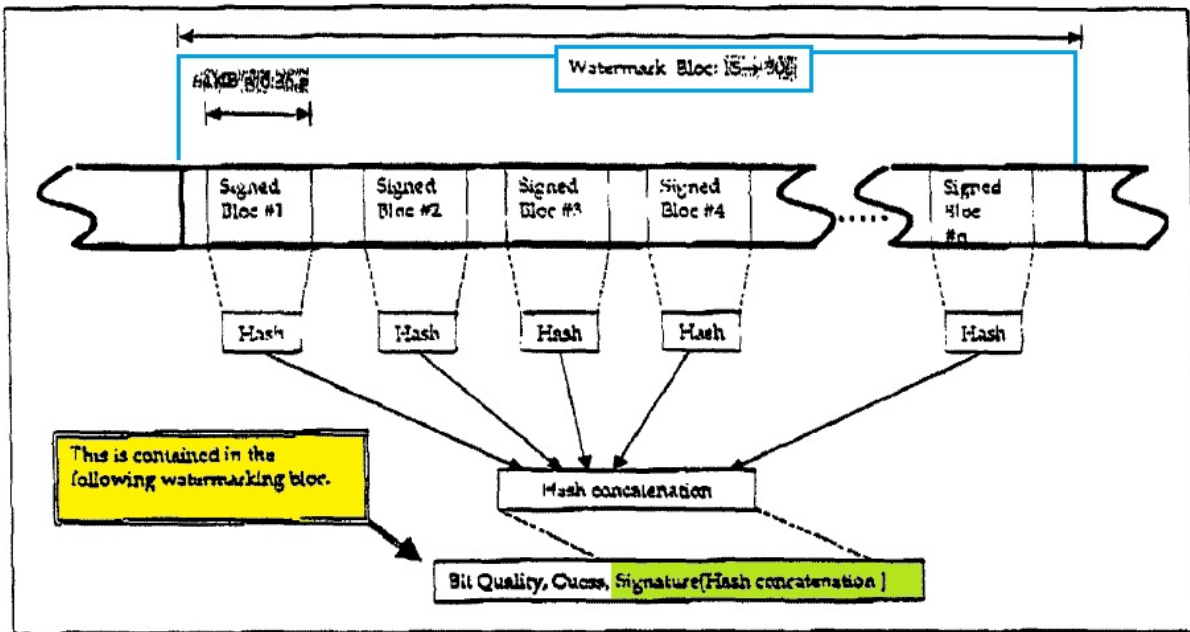


Figure 6 new signal format.

In the “error-recoverable shared signature scheme” disclosed, “[i]f an error appears on the data, the signature will verify for all partitions except for the one that is affected.” Ex. 1004 at 20 (emphasis added). In this fashion, the ’171 Application teaches that such errors “can be readily detected and recovered from.” *Id.*; see also *id.* at 6 (“The data signal is divided into a sequence of blocks, and digital signatures of the blocks are embedded in the blocks using watermarks. When a user plays or uses the data sequence, the sequence is checked for the presence of the watermark containing the digital signature. **If this watermark is found, then the digital signature is used to verify the authenticity of the content.**”) (emphasis added). Thus, the digital signature received in the watermark of the following data

block (*e.g.*, data block “n+1”) is used to verify the preceding data block (*e.g.*, data block “n”).

To that end, the disclosure of the *entire* ’171 Application would reasonably convey to a POSITA that the claimed “digital signature” would first be extracted from the watermark of the successive data block (*e.g.*, data block “n+1”) to proceed with verification of the “current” data block (*e.g.*, data block “n”) (*e.g.*, teaching, in part, Limitation 42[b]: “retrieving at least one digital signature...associated with the file”). The signature would then be, for example, decrypted using the public key of the signer to reveal the unencrypted hash concatenation to be used for the matching with the hash concatenation of the “current” data block.⁵ As part of the verification process, a POSITA would understand that the hash concatenation of the current data block would be retrieved (*e.g.*, from received data block “n”) by partitioning and hashing the current data block (*e.g.*, disclosing, in part, Limitation 42[b]: “retrieving...at least one check value associated with the file”). A comparison can then be made between the hash concatenation retrieved from the current data block and the hash concatenation extracted from the digital signature in the watermark of the successive data block (*e.g.*, data block “n+1”). *See* Ex. 1004 at 20 (“If an error

⁵ Digital signature verification does not necessarily entail “decryption,” but since the ’171 Application expressly discloses the use of the RSA algorithm (*see* Ex. 1004 at 19), a POSITA would understand that decryption may be used as part of the verification process.

appears on the data, the signature will verify for all partitions except for the one that is affected.”); *see also id.* at FIG. 2C (illustrating signature verification by comparing a hash of the data block received (*i.e.*, “ X ”) and a hash of the unsigned signature (*i.e.* “ X' ”)). When the hash concatenation extracted from the digital signature is compared to the hash concatenation retrieved from the received data block, a match between the two (or parts thereof⁶) verifies the authenticity of the hash concatenation retrieved from the received data block (*e.g.*, claimed “check value”) (*e.g.*, disclosing Limitation 42[c]: “verifying the authenticity of the at least one check value using the digital signature”). The individual hashes that make up the concatenation of hash values can then be used, one by one, to verify the authenticity of corresponding partitions of the data block received (*e.g.*, disclosing Limitation 42[d]: “verifying the authenticity of at least a portion of the file using the at least one check value”).

Thus, the '171 Application provides written description support for the limitations of claim 42. Petitioner’s failure to fully analyze the entire disclosure is fatal to its argument. Tellingly, Petitioner incorrectly summarizes the relevant disclosures found in the '171 Application, including FIG. 6 and its related text in the specification, by cursorily concluding that “[l]ike the other embodiments disclosed,

⁶ The entire hash concatenation values do not need to match in their entirety to authenticate the check value since the '171 Application explains that a statistical analysis can be used to determine the “appropriate number of correct blocks” needed “to decide that the signature is correct.” Ex. 1004 at 20.

the ‘shared signature’ technique [of FIG. 6] does not involve retrieving a check/hash value associated with a file, or verifying the authenticity of the check/hash value using the digital signature.” Petition at 17. Yet, as described above, FIG. 6 and the corresponding text, along with other portions of the specification and figures, reasonably convey to a POSITA “retrieving at least one digital signature and at least one check value associated with the file” (Limitation 42[b]) and “verifying the authenticity of the at least one check value using the digital signature” (Limitation 42[c]).

Accordingly, the ’171 Application satisfies the written description requirement because “‘the essence of the [its] disclosure’ conveys the necessary information—‘regardless of *how* it’ conveys such information” to show that the inventor was in possession of the subject matter recited in claims 42 and 43. *See Inphi Corp.*, 805 F.3d at 1354-55. As in *Autogiro* and *Blue Calypso*, the specification and figures of the ’171 Application *together* provide clear support for Limitations 42[b] and 42[c] (and the other limitations of claims 42 and 43 not challenged by Petitioner). *Autogiro*, 384 F.2d at 398 (“In those instances where a visual representation can flesh out words, drawings may be used in the same manner and with the same limitations as the specification.”); *Blue Calypso, LLC*, 815 F.3d at 1345-47. As such, the Challenged Claims are entitled to the priority date afforded by the ’171 Application, and Hanna, which was published more than two months

after the '171 Application's filing date, is not prior art under 35 U.S.C. § 102(a).

Ground 1 should therefore be denied.

**VIII. THE PETITION FAILS TO DEMONSTRATE A REASONABLE
LIKELIHOOD THAT CLAIM 42 IS INVALID BASED ON HANNA
AND STEFIK (GROUND 1)**

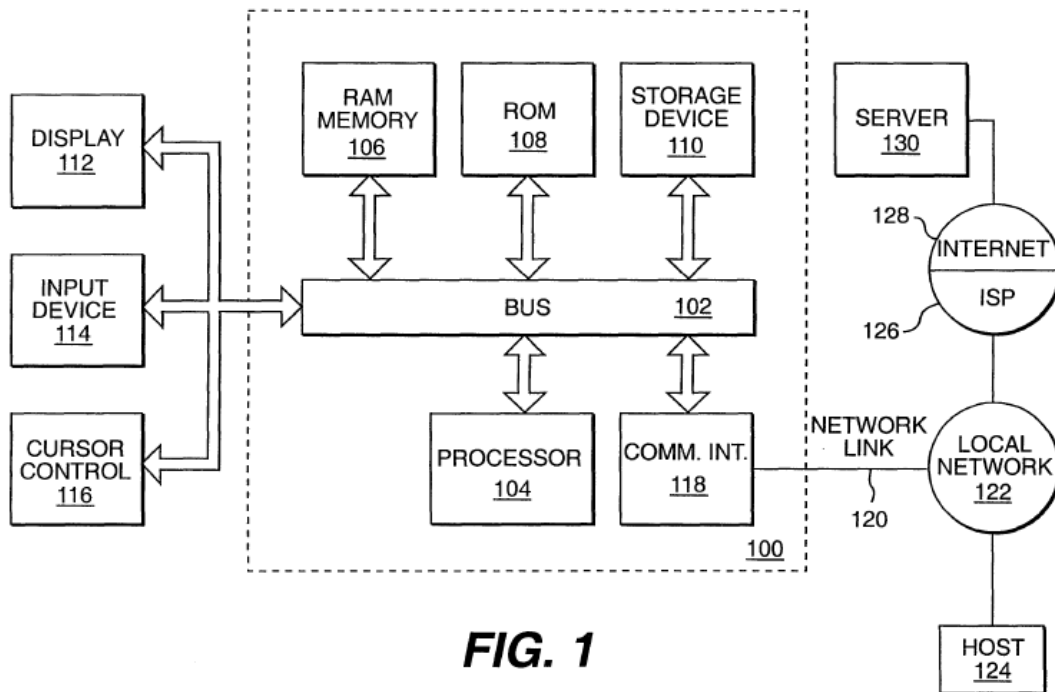
The Board should not institute *inter partes* review of the '815 patent because the Petition fails to demonstrate that there is a reasonable likelihood that claim 42 is unpatentable as being obvious over Hanna in view of Stefik. For example, Hanna fails to disclose “receiving a request to use the file in a predefined manner” (Limitation 42[a]) and “granting the request to use the file in the predefined manner” (Limitation 42[e]). Petitioner also fails to show that a POSITA would be motivated to modify Hanna by incorporating the purported teachings of Stefik related to “receiving a request...” and “granting the request....”

A. Hanna Fails to Disclose Limitation 42[a]

Petitioner's contention that Hanna discloses Limitation 42[a] is wrong. Petitioner points to three disclosures in Hanna as alleged support, but none of these portions discloses “receiving a request to use [a] file in a predefined manner.” *See* Petition at 31 (citing Ex. 1006 (Hanna) at 7:16-18, 7:24-26 (“application program”), 1:10-13 (remote back up), 1:13-15 (video conferencing)).

First, Petitioner misleadingly implies that Hanna's discussion concerning an “application program” (at 7:15-26) involves receiving an application program that

is cryptographically verified according to Hanna's data processing protocols (e.g., hierarchical hashing scheme). See Petition at 26-27 (citing Ex. 1006 (Hanna) at 7:15-23), 31 (citing Ex. 1006 (Hanna) at 7:16-18, 7:24-26). Hanna makes no such disclosure. Instead, this portion of Hanna is discussing the initial transmission of the software that will be installed at computer 100 to implement Hanna's hashing scheme. Hanna explains that the "requested [application] code" is transmitted from the remote server 130 (see FIG. 1 below) to computer system 100 over the network 122, 126, 128 to ***"provide[] the data processing operations described herein."*** Ex. 1006 (Hanna) at 7:16-20 (emphasis added); 5:22-28, 6:3-25. Hanna does not teach that this software transfer is performed using Hanna's hashing scheme (described in Hanna with respect to FIGS. 2-5), nor could it, since there would be no prior software residing on computer system 100 capable of carrying out Hanna's data processing protocols as computer system 100 receives this software. Thus, any "request" for Hanna's hashing scheme application program is irrelevant to the Challenged Claims, which require that the "file" requested be the subject of the digital signature(s) and check value(s) retrieved and verified. Ex. 1001 at 32:13-29.



Second, Hanna's lone sentence concerning backing up files to a remote central server never discloses that this "backup" is performed in response to a request. *See* Ex. 1006 (Hanna) at 1:10-13. Third, no disclosure is made that Hanna's "video conferencing" involves the receipt of a request to use a file. *See id.* at 1:13-15.⁷ Attempting to fill in the gaps in Hanna's disclosure, Petitioner makes an *inherency* argument, asserting that, for both computer file back-ups and video conferencing, a POSITA would inherently understand that such requests to use the files would "*necessarily*" be present in Hanna. *See* Petition at 28 (emphasis added); *see also id.*

⁷ Indeed, the word "request" appears nowhere in Hanna except in relation to the "requested code for an application program." As discussed above, receipt of the application program requested is accomplished without using Hanna's data processing protocols.

at 31 (“A POSITA would recognize that in each case a request to transmit, copy and/or store files of electronic data *is made.*”) (emphasis added). However, inherency requires inevitability—“mere possibility is not enough.” *Personal Web Techs., LLC v. Apple, Inc.*, 917 F.3d 1376, 1382-83 (Fed. Cir. 2019).

Receiving a request to use a file in a predefined manner is anything but inevitable or “necessary” to Hanna’s teachings. A POSITA would understand that computer files can be (and often are) backed up automatically without any intervention—through a request or otherwise—from the party desiring the backup. Indeed, in this context Hanna expressly states that “banks *periodically* ‘backup’ their computer files to a remote central database.” Ex. 1006 (Hanna) at 1:11-12; *see also id.* at 2:20-25 (describing how a database management system checks to ensure all databases are identical “*periodically*”). A POSITA would therefore understand that Hanna envisioned that its data processing protocols (*i.e.*, hierarchical hashing scheme described with respect to FIGS. 2-5) could be performed *automatically* (*e.g.*, in the context of backing up computer files) without the receipt of any requests to use a file in a predefined manner. Accordingly, Petitioner’s inherency argument fails because “receiving a request to use [a] file in a predefined manner” is not an inevitable, necessary consequence to using Hanna’s data processing protocols for periodic bank backups.

As to Hanna's "video conferencing" application, a POSITA would understand that a video conference involves a *real time* transmission of a data stream, and does not implicate a "request to use [a] file in a predefined manner." For example, when one party to the conference initiates the call, there is no "file" to request or even in existence to use in "a predefined manner." Accordingly, Petitioner's contention that any file requests are inherent to video conferences also fails.

For the reasons above, Hanna does not teach or disclose Limitation 42[a] "receiving a request to use the file in a predefined manner."

B. Hanna Fails to Disclose Limitation 42[e]

There is no dispute that Hanna does not expressly teach or disclose "granting the request to use the file in the predefined manner." Instead, Petitioner asserts that it would have been obvious to modify Hanna to "allow or prevent a requested use of a file depending on whether it passes the authentication process." Petition at 38. However, Petitioner's argument that a POSITA would incorporate Stefik's *granting* of a request to use the file in a predefined manner *presumes* that Hanna teaches that its system receives such a file request in the first place. It does not. Hanna does not disclose "receiving a request..." and, as explained above (*see* Section VIII.A), Hanna teaches that its data corruption detection scheme is particularly suited for automatic file transfers where no file request is required, such as in connection with "periodically" backing up files or video conferencing. Furthermore, a desire to allow

or prevent using data based on whether it passes authentication would not motivate a POSITA to introduce “receiving a request...” into Hanna’s system, and since there is no request to grant taught in Hanna, a POSITA would not be motivated to make the asserted modification of adding Stefik to grant a non-existent request.

Thus, Hanna does not teach or disclose Limitation 42[e] “granting the request to use the file in the predefined manner.”

C. A POSITA Would Not Be Motivated to Combine Hanna and Stefik to Achieve a Combination That Discloses Limitations 42[a] and 42[e]

Petitioner argues that even if Hanna does not disclose “receiving a request to use the file in a predefined manner” and “granting the request to use the file in the predefined manner,” Stefik allegedly teaches these limitations. Petition at 31-33, 38-39; *see also id.* at 28. However, even if *arguendo* Stefik discloses “receiving a request...” and “granting the request...,” Petitioner fails to show that a POSITA would be motivated to combine or modify Hanna with the teachings of Stefik to achieve a combination having the claimed features, and that such combination would have a reasonable expectation of success. *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367-68 (Fed. Cir. 2016) (an obviousness determination requires finding *both* “that a skilled artisan would have been motivated to combine the teachings of the prior art . . . and that the skilled artisan

would have had a reasonable expectation of success in doing so.”); *see also In re Stepan Company*, 868 F.3d. 1342, 1346 (Fed. Cir. 2017) (same).

First, in an attempt to purportedly show that a POSITA would be motivated to modify Hanna in view of Stefik, Petitioner proffers a number of reasons why Hanna and Stefik are allegedly similar. *See* Petition at 28-29 (both systems include computer equipment “remote from each other”; “same field of endeavor (digital file security)”; address same problem of “unauthorized manipulation of digital files”; both use signatures, certificates, and hash functions). None of these support Petitioner’s combination.

As an initial matter, Hanna and Stefik are *not* directed to the same field of endeavor, nor do they address the same problem. Hanna is directed to the field of data corruption detection and addresses the problem of high computational overhead associated with “bulk signature[s]” applied to a complete data set. *See* Ex. 1006 (Hanna) at 1:5-8, 2:1-3:4. To address this problem, Hanna “create[s] a hierarchy of hash values that start with packet hashes of an arbitrary data set and culminate in a single signed block allow[ing] a single digital signature to protect the data set” from “errors in data processing.” *Id.* at 3:6-8. “Receiving this hierarchy of hashes before the data also allows the data packets to be quickly verified as they are received.” *Id.* at 3:8-10.

By contrast, Stefik's field of endeavor is not data corruption detection, but the enforcement of usage rights and the distribution of digitally encoded works. *See, e.g.,* Ex. 1007 (Stefik) at 1:5-8. Stefik is directed generally at the problem of preventing the unauthorized and unaccounted distribution or usage of electronically published materials, and, in particular, to the problem posed to such accounting systems when "the means for billing runs with the media rather than the underlying work." *Id.* at 1:10-23, 3:40-47. Stefik's proposed solution provides a system where the "owner of a digital work [] attach[es] usage rights to the work" that "define how it may be used and distributed." *Id.* at 3:50-58.

Accordingly, Hanna's data corruption detection system, including its hierarchical hashing scheme, has nothing to do with Stefik's digital works distribution and usage rights system that leverages a "means for billing [that] is always transported with the work." Ex. 1007 (Stefik) at 3:46-48. Petitioner's gross over-simplification and superficial analysis that these two references are in the same field of endeavor, and are similar because they both describe "remote" computer systems and use basic, ubiquitous cryptographic functions, such as digital signatures, certificates, and hashes, serves nothing more than to obfuscate how different these references really are, both in terms of *what* they set out to accomplish and *how* they do it.

Moreover, these superficial similarities, even if true (they are not), fail to motivate a POSITA to combine Hanna and Stefik. Petitioner's obviousness claim specifically rests on the premise that a POSITA would *modify* Hanna's system to incorporate the teachings of Stefik. Petition at 28-30. But prior art can only be combined to invalidate a claim if there is, in fact, a reason for a POSITA to have done so at the time of the invention. *Kinetic Concepts, Inc. v. Smith & Nephew, Inc.*, 688 F.3d 1342, 1360 (Fed. Cir. 2012) ("motivation must be shown"). This requires that Petitioner show how and why a POSITA would be motivated to modify Hanna's request-free, data corruption detection scheme that uses hierarchical hashing with Stefik's digital works usage rights system to achieve a combination that includes "receiving a request to use [a] file in a predefined manner" and "granting the request...." Identifying high-level and routine elements shared between these two references (even if similar) fails to provide any explanation of how and why a POSITA would be motivated to make the asserted combination.

Petitioner's arguments that a POSITA would be motivated to make the proposed modification because both references purportedly "teach granting of the request based upon...the requested use meeting predefined usage rights, and/or authenticating of at least a portion of the file" fares no better. As an initial matter, Hanna generally does not disclose "requests" and, in particular, makes no reference to the concept of a "requested use meeting predefined usage rights." Indeed, Hanna

has nothing to do with the enforcement of usage rights, and thus, contrary to Petitioner's assertions otherwise, these references are not similar on this point. Moreover, as explained above, Petitioner's alleged motivation to combine hinges again on purported similarities between the references—and superficial ones at that, such as “authenticating of at least a portion of the file”—rather than providing a tangible explanation of how and why a POSITA would be motivated to modify Hanna's automatic data corruption detection scheme using hierarchical hashing to incorporate Stefik's alleged teaching of “receiving a request...” and “granting the request....”

Petitioner does argue that a POSITA would be motivated to modify Hanna in view of Stefik because “it would facilitate timely detection of data corruption in a file of electronic data, *i.e.*, when data that could be corrupted or hacked during transmission is about to be used.” Petition at 29. However, Hanna's system already provides for timely detection of data corruption through its hierarchical hashing scheme that “allows [] data packets to be quickly verified as they are received.” Ex. 1006 (Hanna) at 3:8-10; *see also id.* at 3:2-3, 12:3-10, 12:17-21. Since Hanna's system detects data corruption concurrently with its transmission, modifying Hanna's data corruption detection scheme as Petitioner proposes to include “receiving a request...” and “granting the request...” would not provide any meaningful improvement in Hanna's detection time.

For at least these reasons, Ground 1 should be denied.

IX. THE PETITION FAILS TO DEMONSTRATE A REASONABLE LIKELIHOOD THAT CLAIM 42 IS INVALID BASED ON GENNARO ALONE (GROUND 2)

The Board should not institute *inter partes* review of the '815 patent because the Petition fails to demonstrate that there is a reasonable likelihood that claim 42 is unpatentable as being obvious over Gennaro alone. Petitioner argues that Gennaro discloses the limitations “receiving a request to use the file in a predefined manner” (Limitation 42[a]) and “granting the request to use the file in the predefined manner” (Limitation 42[e]). However, Gennaro does not disclose receiving or granting “requests” to use files, nor would a POSITA understand that it would have been obvious to incorporate such request-based features into Gennaro.

A. Gennaro Fails to Disclose Limitation 42[a]

Petitioner provides a number of misleading arguments in its attempt to show that Gennaro discloses “receiving a request to use the file in a predefined manner.” As explained below, all of these contentions fail to support Petitioner’s claim.

First, Petitioner contends, without support, that Gennaro “discloses” that a “sender receives [a] ‘*request*’ from the receiver.” Petition at 48. Gennaro makes no such disclosure. Indeed, the word “request” is used one time in Gennaro, and in a very different context related to accommodating classes and data resources. *See* Ex. 1008 (Gennaro) at 13:35-46.

Second, Petitioner incorrectly asserts that “Gennaro discloses *a user requesting* to use a file in a predefined manner (e.g., playing ‘internet applications (digital movies, digital sounds, applets)’).” Petition at 49 (citing Ex. 1008 (Gennaro) at 2:64-67). What the cited section of Gennaro actually discloses is that finite streams of data commonly related to internet applications, such as “digital movies, digital sounds, [and] applets,” can be processed according to Gennaro’s method of signing and authenticating a data stream (e.g., as described with respect to FIGS. 2 and 3 of Gennaro). Ex. 1008 (Gennaro) at 2:64-3:4. Gennaro does not teach or disclose that a “user request[]” is received to use these “digital movies, digital sounds, [and] applets.” And, contrary to Petitioner’s expert’s opinion, Gennaro also does not disclose “*rendering or playing*” these internet applications. *See id.*; Ex. 1002 at ¶ 140. Thus, Petitioner’s expert’s subsequent conclusion that a “POSITA would have understood *such [rendering or playing]* as a user requesting to use a file in a predefined manner (e.g., *play*)” is unfounded and unsupported by the evidence.

Third, Petitioner misleadingly argues that Gennaro (at 1:28-29) “discloses that, when a user requests to play a file, a receiver requests transmission of the digital stream comprising the video for that purpose.” Petition at 49. But Gennaro makes no such disclosure. Rather, Gennaro describes a prior art system⁸ where a “receiver

⁸ The cited portion (Gennaro at 1:28-29) relates to the description of a *prior art system*—one that Gennaro identifies as having a “problem.” *See* Gennaro at 1:7,

asks for [an] authenticated stream.” Ex. 1008 (Gennaro) at 1:23-33. Asking for an authenticated stream of data is not the same thing as “receiving a request to *use [a] file in a predefined way*” because asking for and receiving data is not a request to use that data in any particular way. Accordingly, it is of no moment whether “a POSITA would make similar requests for *all file transmissions*” (Petition at 49) (emphasis added) because the end result would simply be an ask for different types of authenticated data streams (*e.g.*, video, audio, etc.), not a request to actually “*use*” those file types “*in a predefined manner.*”

Finally, Gennaro explains that its system “requires additional authentication software to be added to any existing MPEG software or hardware.” Ex. 1008 (Gennaro) at 5:4-6. The authentication software authenticates the incoming data blocks before passing them on to the MPEG software, which converts the received blocks back into video. *Id.* at 5:7-11. This authentication software is tasked with informing the MPEG software of incoming data that has been authenticated. *Id.* at 5:15-20, 5:35-39. Petitioner contends that it would have been obvious to a POSITA “to configure” the receiver in Gennaro “so that, when it passes the data to the authentication software, it is in the context of a request for the MPEG software to convert the data into video for playback.” Petition at 49. But Petitioner fails to

1:23-36. Thus, the “receiver” that “asks for the authenticated stream” at issue there is unrelated to Gennaro’s system (*e.g.*, described in 3:46-5:67).

explain what specifically about the addition of the authentication software to the front-end of a standard MPEG receiver would suddenly inspire a POSITA to “configure” the receiving system to operate in the context of receiving *a request to use a file in a predefined manner*. In place of providing a cogent explanation, Petitioner puts forth a conclusory argument: because the authentication software passes data to the MPEG software, it would be in response to a request to use a file in a predefined way. *See* Petition at 49.

The Federal Circuit has consistently held that a Petitioner cannot rely on conclusory statements to satisfy its obviousness burden; Petitioner must articulate a specific reasoning for combining references, including a “clear, evidence-supported account” of “how the combination” would work. *Personal Web Techs., LLC v. Apple, Inc.*, 848 F.3d 987, 994 (Fed. Cir. 2017). Petitioner fails to do that here. At best, Petitioner’s conclusory argument suggests that a POSITA *could* configure Gennaro’s system to perform its authentication scheme in response to receiving a request to use a file in a predefined way, not that a POSITA *would have been motivated* to do so. *Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1073 (Fed. Cir. 2015) (“[O]bviousness concerns whether a skilled artisan not only *could have made* but *would have been motivated to make* the combinations or modifications of prior art to arrive at the claimed invention.”). Accordingly, Petitioner does not provide a sufficient motivation to modify Gennaro.

For the above reasons, Petitioner fails to show that Gennaro discloses the Limitation 42[a] “receiving a request to use the file in a predefined way.”

B. Gennaro Fails to Disclose Limitation 42[e]

Gennaro also fails to disclose Limitation 42[e] “granting the request to use the file in the predefined way.” As an initial matter, the claimed step requires an affirmative action: the request to use the file must be “*granted*.” This is not the same thing as not taking any action to stop a process or otherwise allowing a process to continue unabated. Petitioner’s fatally flawed contentions repeatedly equate the two.

Petitioner first argues that Gennaro at 2:54, 2:65-67 “disclose[] that the receiver plays a stream, thus granting the user’s request to play an internet application.” Petition at 56. As discussed above with respect to Limitation 42[a], the cited portion of Gennaro does *not* disclose that a receiver “plays” a stream, but instead explains that finite streams of data, such as “digital movies, digital sounds, [and] applets,” can be processed according to Gennaro’s system. *See* Ex. 1008 (Gennaro) at 2:64-3:4; *see supra* Section IX.A. Furthermore, even if the cited portion described the playback of a data stream, such a disclosure would not satisfy the claimed limitation where the system takes an affirmative step to *grant* a request to use a file in a predefined way. This is evidenced by Gennaro itself, which, as explained below, merely allows the conversion of the data stream into video by the MPEG software to *continue* if no errors are detected. *See* Ex. 1008 (Gennaro) at

5:54-63 (if an error is detected the process is “halted,” “[o]therwise” the processing of incoming data blocks continues).

Petitioner’s contention that Limitation 42[e] is disclosed because a prior art receiver “asks for the authenticated stream” (Petition at 56 (citing Ex. 1008 (Gennaro) at 1:28-29)) fails for the same reason. As previously discussed, simply asking for a data stream is also not the same thing as receiving a request to “*use the file in a predefined manner.*” *See supra* Section IX.A. No explicit or implicit disclosure is made that Gennaro’s receiver *grants* a request to use a file in a predefined manner simply because a receiver asks for a data stream.

It is irrelevant to the obviousness analysis that, if tampering is detected, Gennaro’s authentication software “halt[s]” the MPEG software/hardware’s processing of the data stream by not informing the MPEG software/hardware of the receipt of incoming data. *See* Petition at 56-57 (citing Ex. 1008 (Gennaro) at 5:8-12, 5:35-39, 5:54-63). Gennaro expressly discloses that if no tampering is detected then the authentication software simply continues informing the MPEG software/hardware of incoming data. Thus, no affirmative *granting* step is disclosed in Gennaro.

Accordingly, Petitioner fails to show that Gennaro discloses Limitations 42[a] and 42[e]. Ground 2 should be denied.

X. DEPENDENT CLAIM 43

Claim 43 depends from independent claim 42 and, therefore, includes all of the features and limitations of claim 42. Accordingly, Petitioner fails to show that claim 43 is unpatentable in Grounds 1 and 2 for at least the same reasons provided above with respect to claim 42, and for its own unique features and limitations.

XI. CONCLUSION

A trial before the Board will not serve as an “efficient alternative” to the Texas and California district court litigations, but will simply be a duplicative proceeding that wastes the Board’s resources and creates a risk of the Board and district courts reaching inconsistent determinations on the same arguments. Indeed, given how far advanced the Texas district court proceedings are, there is a real possibility that the Federal Circuit will be considering these same validity arguments before the Board issues its final written decision. Discretionary denial is appropriate.

Date: July 17, 2020

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CERTIFICATE OF COMPLIANCE

I hereby certify that this paper complies with the type-volume limitation of 37 C.F.R. § 42.24 because it contains 12,994 words, excluding the parts of the paper exempted by 37 C.F.R. § 42.24(b).

/s/ Christopher A. Mathews

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), the undersigned hereby certify that PATENT OWNER'S PRELIMINARY RESPONSE, and all exhibits and other documents filed together with the preliminary response, were served on July 17, 2020 by e-mailing copies to:

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