

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS AMERICA, INC., AND SAMSUNG
ELECTRONICS CO. LTD., AND APPLE INC. AND LG ELECTRONICS,
INC.,
Petitioner,

v.

FASTVDO LLC,
Patent Owner.

Case IPR2016-01179
Case IPR2016-01203
Patent 5,850,482

Record of Oral Hearing
Held: August 24, 2017

Before KARL D. EASTHOM, JEFFREY S. SMITH, and PATRICK M.
BOUCHER, *Administrative Patent Judges*.

Case IPR2016-01179
Case IPR2016-01203
Patent 5,850,482

APPEARANCES:

ON BEHALF OF THE PETITIONERS:

DAVID L. FEHRMAN, ESQUIRE
RYAN MALLOY, ESQUIRE
Morrison Foerster LLP
Marunouchi 1-Chome
29th Floor 5-1
Chiyoda-Ku, Tokyo 100-6529
(81)3-3214-6522

ON BEHALF OF THE PATENT OWNER:

WAYNE HELGE, ESQUIRE
WALTER D. DAVIS, JR., ESQUIRE
Davidson Berquist Jackson & Gowdey, LLP
8300 Greensboro Drive
Suite 500
McLean, Virginia 22102
571.765.7708

ALSO PRESENT:

Cyndi Wheeler - APPLE

The above-entitled matter come on for hearing on Thursday, August 24, 2017, at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia in Courtroom A, at 11:17 a.m.

P R O C E E D I N G S

1 - - - - -

2 JUDGE SMITH: Good morning. Welcome back,
3 everyone.

4 We're here in this matter of inter partes review
5 2016-01203.

6 This is the matter of Apple and LG Electronics as
7 Petitioner versus FastVDO as Patent Owner.

8 I'd like to start by getting appearances of
9 counsel.

10 Who do we have here on behalf of the Petitioner?

11 MR. FEHRMAN: Good morning, your Honor. David
12 Fehrman of Morrison & Forester. I'm joined by Ryan Malloy of
13 Morrison & Forester and Cyndi Wheeler from Apple.

14 JUDGE SMITH: Thank you.

15 Who do we have on behalf of Patent Owner?

16 MR. HELGE: Good morning, Your Honor. Wayne Helge
17 for Patent Owner, FastVDO, from Davidson, Berquist, Jackson &
18 Gowdey. And I have with me backup counsel, Walter Davis.

19 JUDGE SMITH: Thank you.

20 I want to go over a few administrative details.
21 The hearing order indicated that both sides will have 30
22 minutes of argument.

23 Petitioner, you'll present your case first. Patent
24 Owner will be allowed to respond to Petitioner.

1 Petitioner, if you wish, you may reserve time for
2 rebuttal. Do you wish to do so?

3 MR. FEHRMAN: Yes, Your Honor. Five minutes.

4 JUDGE SMITH: Five minutes for rebuttal. So you'll
5 have 25 minutes to present your case.

6 You may begin when ready.

7 MR. FEHRMAN: Thank you, your Honor.

8 I'd like to start. I know that the court was very
9 aware of the patent and its contents, but I'd like to do a
10 quick review of the background because I think it's very
11 important to set up the understanding here of those of skill
12 in the art.

13 So the state of the art of the prior art is
14 described in the '482 patent in fairly clear detail. And
15 various things that are relevant to the claims here --

16 JUDGE SMITH: If you could, Counsel, when you
17 reference the slides, please --

18 MR. FEHRMAN: Yes, Your Honor.

19 JUDGE SMITH: -- indicate the slide number.

20 MR. FEHRMAN: So we're on Slide 4 now. And that's
21 the general indication that transformation, quantization, and
22 subsequent encoding were known in the art, looking at Column
23 2, lines 11-14 of the patent. We'll go into a little more
24 detail. Transforming image data was known as indicated in
25 Slide 5, 2, 23 to 32 of the patent. And quantizing was known

1 as we indicate in Slide 6.

2 These are all excerpts from the background of the
3 patent.

4 And entropy coding was known in the art. And, in
5 addition, specifically to the patent here and the claims, as
6 we indicate on Slide 8 that's in the detailed description,
7 split field entropy coding was also known in the art. And
8 that's a reference to the Fiala article. As known to those
9 skilled in the art, a variety of those codes can be separated
10 into prefix and suffix. And that's indicated at Column 16 of
11 the '482 patent.

12 And another thing that's quite important is the
13 observation and the background. As we indicate on Slide 9,
14 that the occurrence of bit errors during a storage and
15 transmission, so either one of them, of compressed data was
16 known in the art. And this is indicated at Column 4, line 66
17 to Column 5, line 5.

18 And the transmission and storage here is basically
19 grouped and indicates that both of these are referred to as a
20 channel. And both of those in a channel are subject to
21 corruption.

22 And another observation in the background is that
23 applying unequal error protection during storage and
24 transmission was known in the art. And that's to provide
25 more efficient error protection by not having to apply the

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.