

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MICROSOFT CORPORATION, MICROSOFT MOBILE INC.,  
SAMSUNG ELECTRONICS AMERICA, INC., and SAMSUNG  
ELECTRONICS CO. LTD.,  
Petitioner,

v.

FASTVDO LLC,  
Patent Owner.

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Case IPR2016-01179  
Patent 5,850,482

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Before JEFFREY S. SMITH, PATRICK M. BOUCHER, and PETER P.  
CHEN, *Administrative Patent Judges*.

SMITH, *Administrative Patent Judge*.

DECISION  
Instituting *Inter Partes* Review  
37 C.F.R. § 42.108

## I. INTRODUCTION

Petitioner filed a Petition for *inter partes* review of claims 1–3, 5, 6, 12–14, 16, 17, and 28 of U.S. Patent No. 5,850,482 (Ex. 1001, “the ’482 patent”). Paper 3 (“Pet.”). Patent Owner filed a Preliminary Response. Paper 12 (“Prelim. Resp.”). Institution of an *inter partes* review is authorized by statute when “the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a); *see* 37 C.F.R. § 42.108.

Upon consideration of the Petition and the Preliminary Response, we are persuaded Petitioner has demonstrated a reasonable likelihood that it would prevail in establishing the unpatentability of claims 1–3, 5, 6, 12–14, 16, 17, and 28 of the ’482 patent. Accordingly, we institute an *inter partes* review.

### A. Related Matters

The ’482 patent is the subject of the following related litigations:

*FastVDO LLC v. AT&T Mobility LLC et al.*, Case No. 3:16-cv-00385 (S.D. Cal.), filed Feb. 11, 2016. Pet. 2; Paper 8 (Patent Owner’s Mandatory Notice).

*FastVDO LLC v. LG Electronics, Inc. et al.*, Case No. 3:16-cv-00386 (S.D. Cal.), filed Feb. 11, 2016. Pet. 2; Paper 8 (Patent Owner’s Mandatory Notice).

*FastVDO LLC v. NEC Corp. et al.*, Case No. 3:16-cv-00389 (S.D. Cal.), filed Feb. 11, 2016 (terminated). Pet. 2; Paper 8 (Patent Owner’s Mandatory Notice).

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*FastVDO LLC v. Nokia Corp. et al.*, Case No. 3:16-cv-00390 (S.D. Cal.), filed Feb. 11, 2016. Paper 8 (Patent Owner's Mandatory Notice).

*FastVDO LLC v. ZTE Corp. et al.*, Case No. 3:16-cv-00394 (S.D. Cal.), filed Feb. 11, 2016. Pet. 2; Paper 8 (Patent Owner's Mandatory Notice).

*FastVDO LLC v. Dell Inc. et al.*, Case No. 3:16-cv-00395 (S.D. Cal.), filed Feb. 11, 2016. Paper 8 (Patent Owner's Mandatory Notice).

*FastVDO LLC v. Huawei Technologies Co., et al.*, Case No. 3:16-cv-00396 (S.D. Cal.), filed Feb. 11, 2016. Pet. 2; Paper 8 (Patent Owner's Mandatory Notice).

The '482 patent is also the subject of IPR2016-01203. Paper 8 (Patent Owner's Mandatory Notice).

### *B. The '482 Patent*

The '482 patent relates generally to error resilient methods and apparatus for entropy coding, and the application of error resilient coding to image compression. Ex. 1001, 1:5–11. Entropy coding reduces the number of bits required to represent a data set by using variable length coding in a manner which exploits the statistical probabilities of various symbols in the data set. *Id.* at 4:36–39. For example, entropy coding assigns shorter code words to those symbols which occur frequently, while longer code words are assigned to those symbols which occur less frequently. *Id.* at 4:40–43. Error resilient entropy coding can utilize unequal error protection techniques, isolate effects of a bit error to a single code word, and constrain the resulting error to an interval. *Id.* at 6:33–47.

The error resilient method and apparatus includes a code word generator that encodes data pursuant to split field coding, in which each code word includes a prefix field and an associated suffix field. *Id.* at Abstract. The prefix field includes information representing a characteristic of the suffix field, such as the length. *Id.* The suffix field includes information representing at least some of the original data. *Id.* If the prefix field is decoded without any errors, the method and apparatus can correctly determine the length of the suffix field and the range of values represented by the suffix field such that the suffix field is resilient to errors. *Id.* To increase the probability that the prefix field is correctly decoded, the prefix field is protected to a greater degree than the suffix field, such that the data can be more efficiently compressed. *Id.* Figure 1 of the '482 patent is reproduced below.

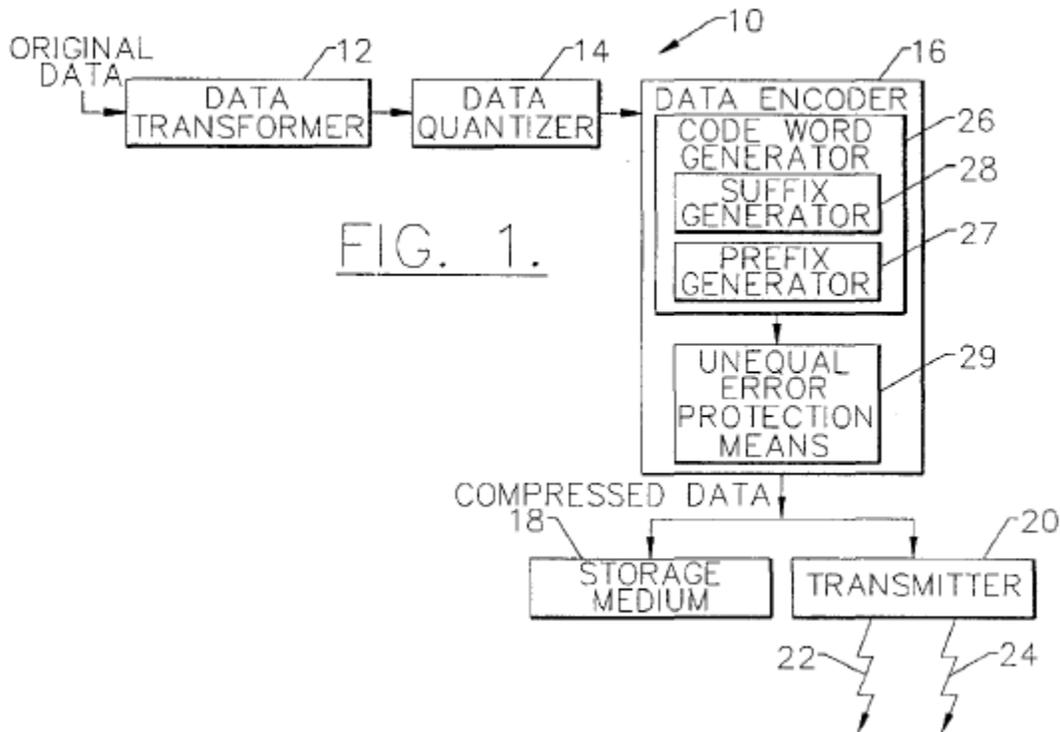


Figure 1 above shows a block diagram of error resilient data compression apparatus 10, including error resilient data encoder 16. *Id.* at 8:48–51. Original data is initially transformed by data transformer 12. *Id.* at 9:30–32. The original data can be transformed based upon one of a number of predetermined functions, such as a cosine function, a complex exponential function, or a wavelet transform. *Id.* at 9:41–52. The transformed data is then quantized by data quantizer 14 such that the quantized data has fewer unique data values or coefficients than the transformed data. *Id.* at 11:36–38. In one embodiment, transformed coefficients whose magnitudes fall below a certain level, called a clipping threshold, are designated as insignificant and set to zero. *Id.* at 11:55–61.

Entropy encoder 16 shown in Figure 1 above includes code word generator 26 to generate code words that represent the quantized significant coefficients. *Id.* at 13:36–39. Each code word includes a first portion, or prefix field, and an associated second portion, or suffix field. *Id.* at 13:41–43. Code word generator 26 includes prefix generator 27 for generating the prefix field of each code word and suffix generator 28 for generating the associated suffix field of each code word. *Id.* at 13:44–48. Because each code word is formed of two fields, this method of coding is termed split field coding. *Id.* at 13:48–50.

According to split field coding, the prefix field includes information representative of the associated suffix field, such as the number of characters which form the suffix field, or the range of coefficient values represented by the suffix field. *Id.* at 13:51–63. If the prefix field is decoded correctly, the length of the suffix field and the range of values represented by the suffix field can be determined. *Id.* at 15:61–66. Bit errors within the suffix field

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