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*.



APPEARANCES:

DOCKET

ON BEHALF OF THE PETITIONER, SAMSUNG ELECTRONICS AMERICA, INC., AND SAMSUNG ELECTRONICS CO. LTD., AND APPLE INC. AND LG ELECTRONICS, INC.: DERRICK W. TODDY, ESQUIRE RETT SNOTHERLY, ESQUIRE KLARQUIST SPARKMAN, LLP 121 SW Salmon Street Suite 1600 Portland, Oregon 97204 503.595.5300

ON BEHALF OF THE PATENT OWNER, FASTVDO, LLC: WAYNE HELGE, ESQUIRE WALTER D. DAVIS, JR., ESQUIRE DAVIDSON BERQUIST JACKSON & GOWDEY, LLP 8300 Greensboro Drive Suite 500 McLean, Virginia 22102 571.765.7708

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 10:02 a.m.

| 1 | P R O C E E D I N G S |
|----|--|
| 2 | JUDGE SMITH: Good morning. Welcome to the Patent |
| 3 | Trial and Appeal Board. |
| 4 | We're here this morning to hear inter partes review |
| 5 | number 2016-01179. Samsung is the Petitioner. FastVDO is |
| 6 | the Patent Owner. |
| 7 | I'd like to start by getting appearance of counsel. |
| 8 | Who do we have here on behalf of Petitioner? |
| 9 | MR. TODDY: Your Honor, Derrick Toddy from |
| 10 | Klarquist Sparkman, LLP, on behalf of Petitioners, Samsung |
| 11 | Electronics America, Inc., and Samsung Electronics Company |
| 12 | Limited. |
| 13 | I'd also like to introduce Rett Snotherly with me |
| 14 | today from Samsung. |
| 15 | JUDGE SMITH: Thank you. |
| 16 | Who do we have on behalf of Patent Owner? |
| 17 | MR. HELGE: Good morning, Your Honor. My name is |
| 18 | Wayne Helge. I'm here from the firm of Davidson, Berquist, |
| 19 | Jackson & Gowdey. And with me is my backup counsel, Walter |
| 20 | Davis. |
| 21 | JUDGE SMITH: Thank you. |
| 22 | I'd like to go over a few administrative details |
| 23 | quickly before we begin. Our trial hearing order indicated |

23 quickly before we begin. Our trial hearing order indicated

DOCKET

3

| that there would be 30 minutes of argument for each side. |
|---|
| Petitioner, you will go first presenting your |
| case-in-chief. |
| Patent Owner, you will then be allowed to respond |
| to Petitioner. |
| Petitioner, if you wish, you may reserve time for |
| rebuttal. Do you wish to do so? |
| MR. TODDY: Yes, Your Honor. I'd like to reserve |
| ten minutes, please. |
| JUDGE SMITH: Ten minutes for rebuttal. Thank you. |
| One administrative detail as well. When you're |
| referencing your demonstrative slides, please make sure you |
| keep conscious mind to referencing a particular slide number. |
| It helps for the transcript. It also help us follow you. |
| Petitioner, when you are ready, you may begin. |
| MR. TODDY: May it please the board, the '482 |
| patent, which is the subject of this inter partes review, |
| merely combines a number of known coding techniques, some |
| examples of which are entropy coding, split field coding, and |
| channel coding using unequal error protection. |
| While the '482 patent acknowledges that each of |
| these coding techniques was known in the art, it goes on to |
| state that "The proposed codes have not previously been |
| |

Δ

DOCKET

| 1 | separated in order to provide error resiliency as provided by |
|----|---|
| 2 | the method and apparatus of the present invention." That's a |
| 3 | quote from the '482 patent, column 16, lines 33 to 35. |
| 4 | As Petitioner's have shown in the petition and, |
| 5 | again, in the reply, in view of the complementary embodiments |
| 6 | of the Kato reference, it is clear that the '482 claims |
| 7 | recite nothing more than an obvious combination of these |
| 8 | known coding elements. For this reason, the challenged |
| 9 | claims should be canceled in view of the Kato reference, |
| 10 | whether alone or in the case of the two data link claims, in |
| 11 | further view of the Wei reference. |
| 12 | Petitioner's grounds upon which this IPR was |
| 13 | instituted are as follows: The first ground is that Claims 1 |
| 14 | through 3, 5, 12 through 14, 16, and 28 are unpatentable as |
| 15 | obvious over the Kato reference, which is Exhibit 1002. And |
| 16 | then Claims 6 and 17 are unpatentable over that same Kato |
| 17 | reference in further view of Wei, which is Exhibit 1004. |
| 18 | FastVDO does not dispute that the vast majority of |
| 19 | challenged claim elements are found in Kato. In fact, with |
| 20 | the exception of the storage claims, its sole challenge to |
| 21 | the majority of claims is to argue that one of skill in the |
| 22 | art would not have been motivated to combine Kato's |
| 23 | complementary embodiments either with one another or with the |
| | |

DOCKET

DOCKET A L A R M



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.