

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner

v.

FASTVDO LLC,  
Patent Owner

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Case IPR2016-01203  
Patent 5,850,482

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**PATENT OWNER FASTVDO LLC's REQUEST FOR REHEARING ON  
INSTITUTION DECISION PURSUANT TO 37 C.F.R. § 42.71(d)**

IPR2016-01203

Patent No. 5,850,482

Patent Owner FastVDO LLC respectfully requests rehearing pursuant to 37 C.F.R. § 42.71(d) of portions of the Board’s December 16, 2016 Institution Decision (Paper 14, “Dec.”), and specifically those portions instituting *inter partes* review of claims 7-11 and 22-26 of U.S. Patent No. 5,850,482 (“the ‘482 patent”).  
*See* Dec. §§ II.B.3, II.C.3, II.D.4.

**I. The Board Overlooked Petitioner’s Failure to Comply with 37 C.F.R. §§ 42.104(b)(3) and 42.104(b)(4)**

As explained at pages 10-12 of Patent Owner’s Preliminary Response (“POPR”), under 37 C.F.R. § 42.104(b)(3), a petition must explain “[h]ow the challenged claim is to be construed.” Further, “[w]here the claim to be construed contains a means-plus-function ... limitation as permitted under 35 U.S.C. § 112(f), the construction of the claim must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.” 37 C.F.R. § 42.104(b)(3).

Petitioner contended that claims 7, 8, 11, 22-24, and 26 include means-plus-function terms. Pet. at 9-16. However, Petitioner did not describe the structure, materials, or acts corresponding to each term that Petitioner contends are in means-plus-function format. Instead, Petitioner took the position that these claims (claims 7 and 22, and therefore all claims that depend therefrom) are indefinite. *See* Pet. at 9-16. In particular, Petitioner’s *sole theory* regarding the claimed “error protection

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means” as recited in claims 7 and 22 was indefiniteness. Pet. at 9-10. In contrast, for other “means” terms of claims 7, 22, and 24, Petitioner argued indefiniteness but also provided alternative theories. For example, Petitioner argued that:

Claims 7, 22, and 24 recite “first generating means,” “second generating means,” “code word generating means,” and “means for including.” As discussed above, Petitioner believes that these elements are indefinite in view of the lack of corresponding structure in the specification. Regardless, such elements are disclosed by or obvious in view of Kato if they are construed as covering any structure that performs the claimed functions, as argued by Patent Owner in the litigation. (Lippman ¶¶81.)

Pet. at 48 (emphasis added). But Petitioner offered *no alternative theory* for the “*error protection means*” of claims 7 and 22. *See, e.g.*, Pet. at 9-10; 48. Thus, the Petition’s position on claim construction was deficient as to these claims (and all the claims that depend therefrom), and institution of these claims should have been denied.

Nevertheless, on institution, the Board overlooked Petitioner’s failure to comply with 37 C.F.R. § 42.104(b)(3). The Board acknowledged Petitioner’s argument that claims 7 and 22 are indefinite for failure to disclose “any structure for unequal ‘error protection means.’” Dec. at 11-12. But rather than construing the term, the Board should have simply declined to institute any challenge of these claims, particularly where the Petitioner failed to offer a proper theory based on a

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means-plus-function claim construction as required under 37 C.F.R. §

42.104(b)(3). It is the Petitioner's burden to establish unpatentability at institution stage (*see* 37 C.F.R. § 42.108(c)), and the Board should not have overlooked that Petitioner cannot meet this burden where its sole theory for a term is indefiniteness, which cannot form the basis of IPR (*see* 35 U.S.C. § 311(b)). For this reason, Patent Owner respectfully requests that the Board reconsider its decision to institute as to these claims, as argued in Patent Owner's Preliminary Response. POPR at 10-12.

Moreover, Petitioner's failure under 37 C.F.R. § 42.104(b)(3) as to at least the "error protection means" recited in claims 7 and 22 (and the claims that depend therefrom) means that the Petition was necessarily deficient as to these same claims under 37 C.F.R. § 42.104(b)(4). This rule requires a petition to also include the petitioner's statement on "[h]ow the *construed claim* is unpatentable under the statutory grounds identified in paragraph (b)(2) of this section." (emphasis added). Because Petitioner did not present a construction for every alleged means-plus-function terms in claims 7 and 22, Petitioner failed to provide a statement on how the "construed" claims are allegedly unpatentable. *See* POPR at 12 (*citing Gracenote, Inc. v. Iceberg Industries LLC*, Case No. IPR2013-00551, slip op. at 38 (PTAB Feb. 28, 2014) (paper 6) (denying institution as to means-plus-function claims where petitioner failed to identify constructions of the means-plus-function

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elements required by 37 C.F.R. § 42.104(b)(3))). Despite Petitioner's failure to comply with 37 C.F.R. § 42.104(b)(3)-(4), the Board construed "error protection means" and applied its own construction to the applied references. Dec. at 12, 36. But even then, the Board overlooked the deficiencies in the Petition on this term.

## **II. The Board Overlooked Petitioner's Failure to Provide Analysis of "Error Correction Means" Sufficient to Justify Institution of Claims 7 and 22 on Either Ground**

The Board's oversight of Petitioner's failure to present its proposed construction for "error protection means" resulted in irreconcilable inconsistencies in the institution of the Petition's first ground as to claims 7, 10, 11, 22, 25, and 26. For example, Petitioner's claim chart directed to claim 7 pointed to Kato's ECC encoder 603 as the alleged "error protection means." Pet. at 30. But when evaluating dependent claim 10, which recites (in relevant part) "wherein said error protection means [of claim 7] comprises a storage medium," Petitioner did not rely on the ECC encoder 603 for this element. Rather, Petitioner looked to the data store region of a different component, the encoding circuit 602. Pet. at 32. Petitioner next expanded the scope of the alleged structure even further by identifying "a transmitter comprising an encoding circuit, an ECC encoder, a modulation circuit, and an output terminal coupled to a transmission line" when evaluating the elements of dependent claim 11's "error protection means." Pet. at 33.

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