## UNITED STATES PATENT AND TRADEMARK OFFICE

### BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETFLIX, INC., Petitioner

v.

REALTIME ADAPTIVE STREAMING LLC, Patent Owner

> Case IPR2018-01169 Patent 8,934,535

## PATENT OWNER'S RESPONSE

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## **Table of Contents**

| I. Introduction   |
|---|
| II. Summary of '535 Patent (Ex. 1001) and Challenged Claims   |
| III. Level of Ordinary Skill in the Art 5   |
| IV. Claim Construction of "Access Profile"  |
| A. Patent Owner's construction comes directly from the '535 patent  |
| B. Petitioner's construction is incorrect and unsupported   |
| C. Petitioner does not contend that "access profile" has a plain and ordinary meaning, or that its construction is that meaning |
| D. The '535 claims do not support Petitioner's construction   |
| E. Petitioner's construction is based on importing limitations from embodiments contrary to Federal Circuit law                 |
| F. Petitioner's construction is substantively wrong 13  |
| V. Summary of Prior Art   |
| A. Overview of Imai Primary Reference (Ex. 1005)  |
| B. Overview of Ishii Secondary Reference (Ex. 1007) 17  |
| VI. The Petition's Obviousness Theory for Claim 1 Fails 19  |
| A. Petitioner's combination theory depends on applying Ishii's "frequency of access" to Imai's "digital signals."               |
| B. In Imai, the frequency of access of "digital signals" is different from the frequency of access of "units of frame."         |
| C. There is no evidence that Ishii's disclosure of frequency of access is applicable to Imai's "digital signals."               |
| 1. Ishii's encoder selection is based on the frequency of the same data block, not any other data block                         |

| <ul> <li>2. A POSITA would not know how to use frequency of access of "digital signals" in Imai based on Ishii</li></ul> |
|--|
| VII. The Petitioner's Motivation to Combine Theory Fails   |
| A. There is no reason to choose Imai's compressor based on "frequency of access."  |
| B. The Petition fails to show <i>how</i> Imai would use access frequencies for units of frame                            |
| C. Imai and Ishii have different principles of operation that teach away from their combination                          |
| D. The Petition fails to show that a POSITA would be motivated to add more criteria for selecting encoders to Imai       |
| IX. Under the Correct Construction of "Access Profile," Petitioner's Obviousness<br>Theory Fails                         |
| A. Petitioner should not be allowed to add a new theory in reply   |
| B. Ishii does not disclose an "access profile" under the correct construction 42   |
| X. The Petition Fails to Show Invalidity for Any Challenged Claim 45   |
| XI. Conclusion   |

## **EXHIBIT LIST**

| Exhibit No. | Description  |
|-------------|--|
| 1001        | U.S. Patent No. 8,934,535 to Fallon et al. ("'535 Patent")           |
| 1002        | Prosecution File History for the '535 Patent                         |
| 1003        | Expert Declaration of James A. Storer                                |
| 1004        | Japanese Patent Application Publication No. H11331305 to Imai        |
|             | et al. ("Imai")  |
| 1005        | Certified English Translation of Imai                                |
| 1006        | U.S. Patent No. 6,507,611 to Imai et al. ("Imai '611")               |
| 1007        | U.S. Patent No. 5,675,789 to Ishii et al. ("Ishii")                  |
| 1008        | Excerpt from Andreas Spanias et al., Audio Signal Processing         |
|             | and Coding (John Wiley & Sons, Inc., 2007)                           |
| 1009        | Excerpt from Raymond Westwater et al., Real-Time Video               |
|             | Compression Techniques and Algorithms (Kluwer Academic               |
|             | Publishers, 1997)  |
| 1010        | Excerpt from David Salomon, A Guide to Data Compression              |
|             | Methods (Springer-Verlag New York, Inc., 2002)                       |
| 1011        | International PCT Application Publication WO 00/51243 to Park        |
| 1012        | U.S. Patent No. 5,873,065 to Akagiri et al.                          |
| 1013        | Memorandum Opinion and Order, Realtime Data, LLC v.                  |
|             | <i>Rackspace US, Inc. et al.</i> , No. 6:16-CV-00961, Dkt. 183 (E.D. |
|             | Tex. June 14, 2017)  |
| 1014        | Memorandum Opinion and Order, Realtime Data, LLC v. Actian           |
|             | Corp. et al., No. 6:15-CV-00463, Dkt. 362 (E.D. Tex. July 28,        |
|             | 2016)  |
| 1015        | U.S. Patent No. 6,195,024 to Fallon                                  |
| 1016        | Notice of Interested Parties, Realtime Adaptive Streaming, LLC       |
|             | <i>v. Hulu LLC</i> , No. 2:17-CV-07611, Dkt. 18 (C.D. Cal. Oct. 24,  |
|             | 2017)  |
| 2001        | Expert Declaration of Kenneth A. Zeger, Ph.D.                        |
| 2002        | Transcript of Deposition of James A. Storer on March 13, 2019        |

#### I. Introduction

Petitioner Netflix, Inc.<sup>1</sup> challenges claims 1–14 of U.S. Patent No. 8,934,535 ("'535 patent"). The Petition presents a single ground for invalidity: that all challenged claims are obvious based on Imai as the primary reference and Ishii as the secondary reference. The lynchpin of Petitioner's theory is combining Imai's Fig. 5 embodiment with Ishii's alleged disclosure of (i) tracking access frequency and (ii) encoder selection based on access frequency. But as discussed more fully in this Response, Petitioner's theory fails because:

- Petitioner's Imai-Ishii combination depends on applying Ishii's "frequency of access" to Imai's requested digital signals.
- But Petitioner alleges that the claimed "data block" is satisfied by Imai's units of frame, which are not digital signals and in fact created by cutting the entire digital signal. And the frequency of access of digital signals is entirely different from the frequency of access of units of frame.
- There is no evidence that that Ishii's disclosure of frequency of access of the data block to be compressed is applicable to Imai's "digital signals" before data blocks are even created.
- Further, a POSITA would not be motivated to modify Imai's encoder selector to account for frequency of access. Nor would a POSITA know how or be motivated to this given the differences between Imai and Ishii.

<sup>&</sup>lt;sup>1</sup> The original Petitioners were Hulu, Inc., Amazon.com, Inc. and Netflix, Inc. On October 18, 2018, the Board granted the parties' joint motion to terminate as to Petitioners Hulu and Amazon.com. Paper 18. Thus, Netflix, Inc. is the only remaining Petitioner in this proceeding.

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