

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AYLO FREESITES LTD,
Petitioner,

v.

DISH TECHNOLOGIES L.L.C.,
Patent Owner.

IPR2024-00517
Patent 11,677,798 B2

Before THU A. DANG, KARL D. EASTHOM, and
JULIET MITCHELL DIRBA, *Administrative Patent Judges*.

DANG, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

A. *Background*

Aylo Freesites Ltd (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–25 (the “challenged claims”) of U.S. Patent No. 11,677,798 B2 (Ex. 1001, “the ’798 patent”). Paper 2 (“Pet.”). DISH Technologies L.L.C. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). With our authorization (*see* Ex. 1012), Petitioner filed a Preliminary Reply (Paper 8, “Pet. Prelim. Reply”) and Patent Owner filed a Preliminary Sur-reply (Paper 9, “PO Prelim. Sur-reply”) limited to addressing Patent Owner’s arguments regarding discretionary denial.

Under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a), the Board has authority to determine whether to institute an *inter partes* review. 35 U.S.C. § 314(a) requires demonstration of a reasonable likelihood that Petitioner would prevail with respect to at least one challenged claim. For the reasons set forth below, we exercise our discretion to deny institution of *inter partes* review.

B. *Real Parties in Interest*

Petitioner identifies Aylo Freesites Ltd (f/k/a MG Freesites Ltd), Aylo Premium Ltd (f/k/a MG Premium Ltd), and Aylo Billing Limited (f/k/a MG Billing Limited) as the real parties-in-interest. Pet. 1. Patent Owner identifies DISH Technologies L.L.C., Sling TV L.L.C., and EchoStar Corp. (Paper 4, 2) as the real parties-in-interest.

C. Related Proceedings

The parties indicate that the '798 patent is the subject of: *DISH Technologies LLC v. MG Premium Limited.*, No. 2:23-cv-00552 (D. Utah) (“the Utah action”); *DISH Technologies LLC et al. v. Aylo Freesites.*, No. 2:24-cv-00066 (D. Utah); *DISH Technologies LLC v. WebGroup Czech Republic A.S. et al.*, No. 2:23-cv-00553 (D. Utah); *DISH Technologies LLC v. iFIT Health & Fitness, Inc. f/k/a ICON Health & Fitness, Inc.*, No. 1:23-cv-00963 (D. Del.); *DISH Technologies LLC v. A Parent Media Co. Inc.*, No. 1:23-cv-01000 (D. Del.); *DISH Technologies LLC v. fuboTV Media Inc.*, No. 1:23-cv-00986 (D. Del.) (“the fuboTV action”); *DISH Technologies LLC v. Beachbody, LLC d/b/a/ BODi*, No. 1:23-cv-00987 (D. Del.); *DISH Technologies LLC v. Vidgo Inc.*, No. 2:23-cv-00624 (D. Utah); *DISH Technologies LLC v. BritBox, LLC*, No. 1:23-cv-08971 (S.D.N.Y.); and *DISH Technologies LLC v. Yanka Industries, Inc. d/b/a/ MasterClass*, No. 1:23-cv-01305 (D. Del.). Pet. 2–3; Paper 4, 2–3.

The parties also indicate that Petitioner concurrently challenges claims of the '798 patent in IPR2024-00043.¹ Pet. 2; Paper 4, 4; *see also* Ex. 2008. Petitioner also indicates the '798 patent is the subject of *fuboTV Media Inc. f/k/a fuboTV Inc. v. DISH Technologies L.L.C.*, IPR2024-00901. Paper 7, 1. Further, Patent Owner indicates that the '798 patent was the subject of *MG Freesites Ltd. v. DISH Technologies LLC*, No. 3:23-cv-03674 (N.D. Cal. filed July 25, 2023) (“the California action”), but the proceeding is no longer pending. Paper 4, 5.

¹ Patent Owner filed the petition in IPR2024-00043 as Exhibit 2008 in this proceeding.

D. The '798 Patent

The '798 patent, titled “Apparatus, System, and Method for Multi-Bitrate Content Streaming,” issued on June 13, 2023. Ex. 1001, codes (45), (54). The application that led to the '798 patent was filed on October 7, 2022, and claims priority to, *inter alia*, a provisional application that was filed on April 30, 2004. Ex. 1001, codes (22), (60).

The '798 patent relates to adaptive-rate shifting of streaming content over packet switched networks such as the Internet. Ex. 1001, 1:34–37. The '798 patent recognizes that “[s]treaming offers the advantage of immediate access to the content” (*id.* at 2:4–6), wherein “a need exists for an apparatus, system, and method [that] would offer instantaneous viewing along with the ability for fast forward, rewind, direct seed, and browse multiple streams.” *Id.* at 2:61–66. Accordingly, the '798 patent addresses a purported need to “utilize multiple connections between a source and destination, requesting varying bitrate streams depending upon network conditions.” *Id.* at 2:67–3:3.

An illustration of the “system for dynamic rate shifting of streaming content” (*id.* at 4:51–53) is depicted in Figure 1 of the '798 patent, reproduced below:

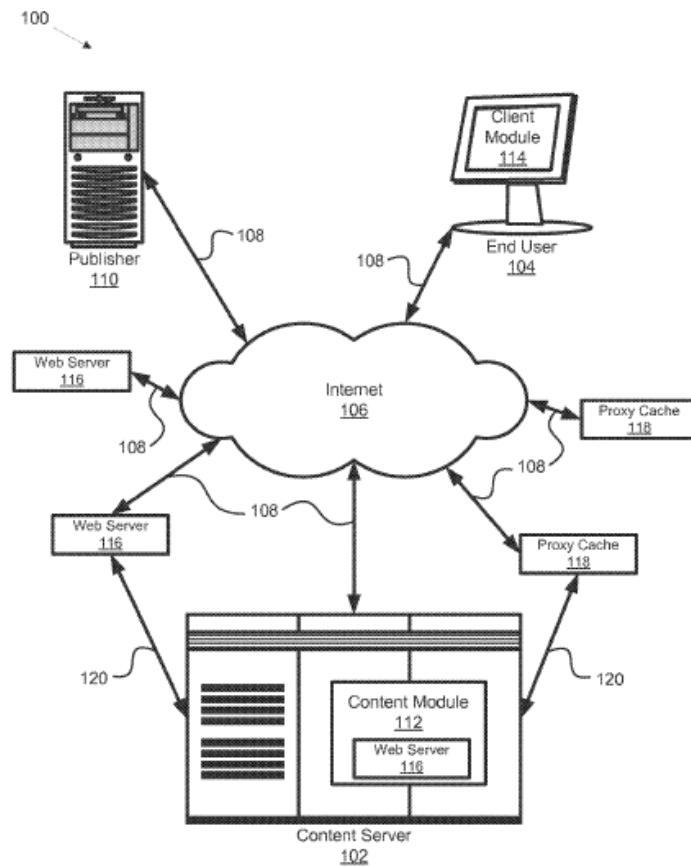


FIG. 1

Figure 1 of the '798 patent shows system 100 comprising content server 102, end user station 104, publisher 110, and web server 116. *Id.* at 6:39–40, 54–55. Content is transferred over Internet 106 to content server 102, and content from content server 102 may be replicated to other web servers 116. *Id.* at 6:59–60, 7:4–6.

An illustration of “a plurality of streams having varying degrees of quality and bandwidth” (*id.* at 4:56–58) is depicted in Figure 2b of the '798 patent, reproduced below.

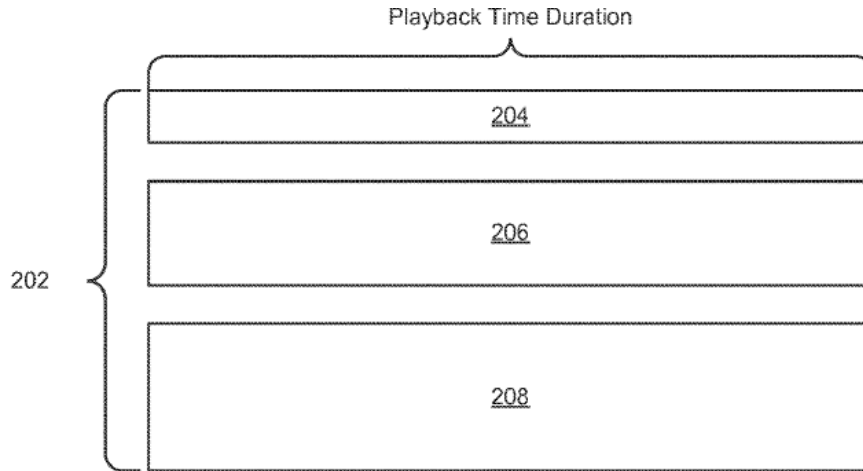


FIG. 2b

Figure 2b shows a plurality of streams 202 comprising low quality stream 204, medium quality stream 206, and high quality stream 208, wherein each of streams 204, 206, 208 is a copy of content file 200 encoded and compressed to varying bit rates. *Id.* at 7:30–34.

An illustration of a stream “divided into a plurality of source streamlets” (*id.* at 4:59–61) is depicted in Figure 3a of the ’798 patent, reproduced below.

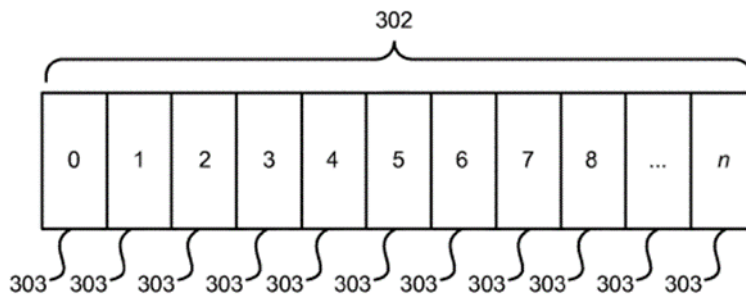


FIG. 3a

Figure 3a shows stream 302 divided into a plurality of source streamlets 303, wherein a “streamlet” is “any sized portion of the content file.” *Id.* at 7:40–43.

An illustration of “sets of streamlets” (*id.* at 4:62–64) is depicted in Figure 3b of the ’798 patent, reproduced below.

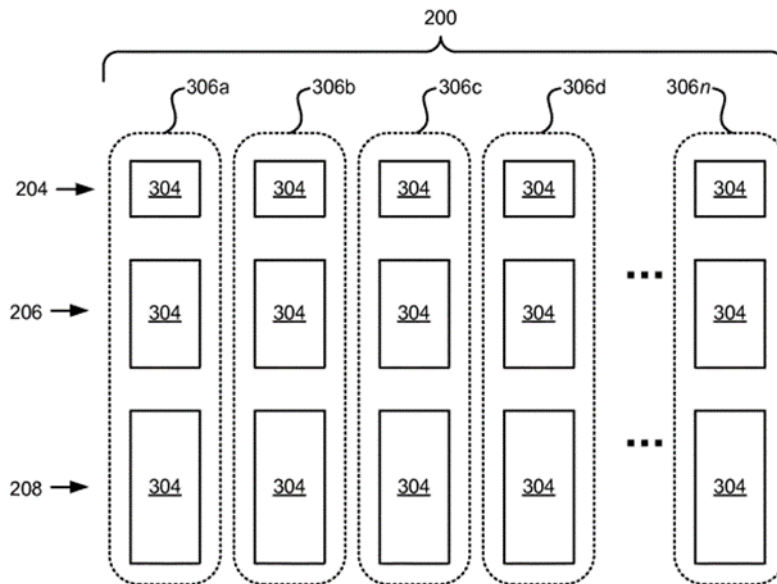


FIG. 3b

Figure 3b shows sets 306 of streamlets, wherein a “set” is a “group of streamlets having identical time indices and durations but varying bitrates.” *Id.* at 7:58–62. As shown in Figure 3b, set 306a includes encoded streamlets 304 having “low, medium, and high 204, 206, 208 bitrates.” *Id.* at 7:64–65.

E. The Challenged Claims

Of the challenged claims, claims 1, 11, and 22 are the independent claims. Claims 2–10 depend from claim 1, claims 12–21 depend from claim 11, and claims 23–25 depend from claim 22. Claim 1 is illustrative, and is reproduced below:

1. A system for adaptive-rate content streaming of digital content that is playable on one or more end user stations over the internet, the system comprising:

at least one storage device storing the digital content, the digital content encoded at a plurality of different bitrates creating a plurality of streams including a first bit rate stream, a second bit rate stream, and a third bit rate stream, wherein the first bit rate stream, the second bit rate stream, and the third bit rate stream each comprise a group of streamlets encoded at a respective one of the plurality of different bit rates, each group of streamlets comprises at least first and second streamlets, each of the streamlets corresponding to a portion of the digital content;

wherein at least one of the first bit rate stream, the second bit rate stream, and the third bit rate stream is encoded at a bit rate of no less than 600 kbps; and

wherein the first streamlet of each of the groups of streamlets has the same first duration and encodes the same first temporal portion of the digital content in each of the first bit rate stream, the second bit rate stream, and the third bit rate stream, and wherein the first streamlet of the first bit rate stream encodes the same first temporal portion of the digital content at a different bit rate than the first streamlet of the second bit rate stream and the first streamlet of the third bit rate stream.

Ex. 1001, 18:27–53.

F. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–25 of the '798 patent on the following grounds (Pet. 4):

Claim(s) Challenged	35 U.S.C. § ²	Reference(s)/Basis
1–9, 11–25	103	Leaning, ³ Allen ⁴
8	103	Leaning, Allen, SMIL 2.0 ⁵
10	103	Leaning, Allen, Dalby ⁶

Petitioner relies on the declaration of Henry Houh, Ph.D. (Ex. 1003) in support the Petition.

II. ANALYSIS

A. *Discretionary Denial Under 35 U.S.C. § 314(a)*

Patent Owner contends that “Petitioner has already filed an IPR Petition challenging most of the claims of the same patent at issue here—the ’798 Patent.” Prelim. Resp. 1 (citing Ex. 2008). According to Patent Owner, Petitioner “provides no reasonable justification for harassing Patent

² The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. § 103. Because the ’798 patent claims priority to applications that were filed before March 16, 2013, the effective date of the relevant amendment, we assume that the pre-AIA version of § 103 applies. However, our Decision does not address the grounds of unpatentability and therefore would be the same under the current version of the statutes.

³ PCT Publication No. WO 02/49343 A1, published June 20, 2002 (Ex. 1004, “Leaning”).

⁴ PCT Publication No. WO 02/075482 A2, published Sept. 26, 2002 (Ex. 1005, “Allen”).

⁵ *Synchronized Multimedia Integration Language (SMIL 2.0)*, published Aug. 7, 2001 (Ex. 1006, “SMIL 2.0”).

⁶ U.S. Patent 6,002,440, issued Dec. 14, 1999 (Ex. 1021, “Dalby”).

Owner with a second Petition.” *Id.* Thus, Patent Owner requests that “the Board should exercise its discretion to deny this Petition.” *Id.*

Section 314(a) of title 35 of the United States Code provides that “[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that 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.” The U.S. Supreme Court has explained that, because § 314 includes no mandate to institute review, “the agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.” *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016); *see also Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (explaining that under § 314(a), “the PTO is permitted, but never compelled, to institute an IPR proceeding”). A decision whether to institute *inter partes* review is within the Director’s discretion that has been delegated to the Board. *See General Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 15, 18–19 (PTAB Sept. 6, 2017) (precedential as to § II.B.4.i) (“*General Plastic*”); 37 C.F.R. § 42.4(a).

In *General Plastic*, the Board enumerated non-exhaustive factors that the Board would consider in exercising discretion on instituting *inter partes* review as to petitions challenging the same patent as challenged previously in an *inter partes* review. The non-exhaustive *General Plastic* factors are:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;

3. whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic at 16 (citing *NVIDIA Corp. v. Samsung Elecs. Co.*, IPR2016-00134, Paper 9 at 6–7 (PTAB May 4, 2016)). The *General Plastic* factors generally have been used to analyze situations in which the same party files multiple petitions challenging the same patent. These *General Plastic* factors are not dispositive, but are part of a balanced assessment of the relevant circumstances in a particular case. We consider these *General Plastic* factors enumerated above.

1. *General Plastic Factor 1*

For the first *General Plastic* factor, we consider “whether the same petitioner previously filed a petition directed to the same claims of the same patent.” *General Plastic* at 16. Petitioner contends that “[t]his factor favors institution or is at least neutral” because “Petitioner additionally challenges

claims 10, 20, and 25—which were not challenged in [IPR2024-00043].”
Pet. 61.

Patent Owner contends that “[t]here is no dispute that . . . ‘the same petitioner’ . . . previously filed a petition [in IPR2024-00043] directed toward the ’798 Patent, which is the same patent at issue here.” Prelim. Resp. 3. Patent Owner further contends that the two petitions “address the exact same claimed subject matter across 25 challenged claims.” *Id.* at 4. According to Patent Owner, “[c]laims 10, 20, and 25, the only nonoverlapping claims between the two petitions, depend from claims 1, 9, 11, 12, and 22, which were challenged in [IPR2024-00043].” *Id.* Thus, Patent Owner contends this factor “weighs strongly against institution.” *Id.* at 6.

Here, Petitioner filed two staggered petitions challenging 22 common claims, including all of the independent claims (i.e., claims 1, 11, and 22) of the ’798 patent. *See* Pet. 4; Ex. 2008, 3. Only three dependent claims (i.e., claims 10, 20, and 25) challenged in the Petition are not included in the earlier petition. *Id.* We have reviewed the distinct claim sets challenged in the two petitions, and find that the two claim sets have significant overlapping claimed subject matter. *Id.* The *General Plastic* framework is applicable when there are significant overlaps in the claimed subject matter. *See, e.g., Club Champion LLC v. True Spec Golf LLC*, IPR2019-01569, Paper 9 at 9 (PTAB Mar. 17, 2020).

Given that each of the two petitions challenges nearly all of the same claims of the ’798 patent, including all independent claims, we find that *General Plastic* factor 1 weighs in favor of exercising discretion to deny institution.

2. *General Plastic Factor 2*

As to the second factor, we consider whether, at the time of filing the petition in IPR2024-00043, Petitioner “knew of the prior art asserted in [this] petition or should have known of it.” *General Plastic* at 16. There is no dispute that Petitioner knew of Allen and SMIL 2.0 at the time of filing the earlier petition because they are asserted in IPR2024-00043. *See* Ex. 2008, 3. Petitioner does not state when it first became aware of Dalby and makes no attempt to establish reasonable diligence with respect to Dalby. *See generally* Pet.; *cf. id.* at 62 (addressing Allen and SMIL 2.0, but not Dalby, in the *General Plastic* analysis). Thus, the only remaining issue for us to consider under this factor is whether Petitioner, with the exercise of reasonable diligence, could have found Leaning, the primary reference in this Petition, before filing the petition in IPR2024-00043. *See General Plastic* at 20.

Petitioner only addresses Leaning by contending that it first became aware of Leaning on January 5, 2024. Pet. 61. According to Petitioner, “[o]nce Leaning was discovered and sufficiently analyzed, Petitioner immediately and diligently proceeded to draft and file this Leaning-based Petition.” *Id.* Regarding the “knew or should have known” aspect of this factor, Petitioner contends that Leaning “was not discovered or relied upon by any USPTO examiners, the respondents at the ITC, or prior targets of [Patent Owner’s] district court assertions of related patents to the ’798 Patent.” *Id.* at 61–62. Although Petitioner acknowledges that the ’798 patent cites U.S. Patent Application Publication No. 2004/0030547 (Ex. 2001, “Leaning US”), another reference by the same inventors of Leaning, Petitioner contends that Leaning US “is not in the same family as

the Leaning reference relied upon in this Petition.” *Id.* at 62 (citing Ex. 1001, code (56)). Further, according to Petitioner, Leaning US “is just one of more than 400 references cited on the face of the ’798 Patent,” wherein “it was never used by the Examiner or identified by the Applicant during prosecution of the ’798 Patent or any related patents other than being cited in an IDS [Information Disclosure Statement].” *Id.* (citing Ex. 1001, 1–7); *see* also Pet. Prelim. Reply 4–6 (arguing that the patent examiner materially erred in allowing the claims of the ’798 patent over Leaning US).

Patent Owner argues that Petitioner “left the record ‘devoid of any explanation why Petitioner could not have found the newly asserted prior art in any earlier search(es) through the exercise of reasonable diligence.’” Prelim. Resp. 6 (quoting *General Plastic* at 20). According to Patent Owner, Petitioner’s initial searching was not and could not have been diligent given that the ’798 patent lists Leaning US “on its face,” wherein Leaning US “includes disclosure that is virtually identical to the Leaning reference” that Petitioner “was, purportedly, unable to find despite its earlier ‘diligent’ searching.” *Id.* In particular, Patent Owner contends that “Leaning is not difficult to find,” wherein “[e]ven a cursory review of the ’798 Patent would have led a skilled searcher to discover Leaning” because the two references “share the same two inventors,” “have the same applicant/assignee,” “claim priority to the same filing date,” and “share virtually identical specification including identical figures.” *Id.* at 7 (emphasis omitted) (citing Ex. 2001; Ex. 2002 (redline comparison of Leaning and Leaning US)). According to Patent Owner, “every citation to Leaning relied upon by Petitioner has equivalent, and in most cases,

identical, corresponding disclosure in Leaning US.”⁷ *Id.* at 6 (citing, *inter alia*, Ex. 2002), 28–37 (appendices comparing Leaning and Leaning US citations)).

Patent Owner also notes that the petition in IPR2024-00043 was “filed early in the statutory time period” and “Petitioner gives no explanation as to why petitioning for *inter partes* review could not have waited until [its prior art] search was complete.” Prelim. Resp. 8.

We agree with Patent Owner that Petitioner fails to provide any evidence or testimony to substantiate the manner and timing of its search efforts. *See* Prelim. Resp. 6–9. Here, Petitioner merely provides an attorney argument that Petitioner discovered Leaning on January 5, 2024 (*see* Pet. 61), which is almost three months after Petitioner filed the petition in IPR2024-00043. Petitioner makes no attempt to establish that it could not have known of Leaning at the time of the IPR2024-00043 petition or that it could not have found Leaning by exercising reasonable diligence at that time. Furthermore, although Petitioner contends that Leaning was not discovered or relied upon by USPTO examiners, ITC respondents, or other litigants (*see* Pet. 61), allegedly fruitless search efforts of others do not justify Petitioner’s actions. On this record, we find that Petitioner has not sufficiently explained why it could not have found Leaning in earlier searches through the exercise of reasonable diligence before it filed the petition in IPR2024-00043. *See General Plastic* at 20.

⁷ On this basis, Patent Owner also argues that we should exercise our discretion to deny institution under 35 U.S.C. § 325(d). Prelim. Resp. 16–23. We need not reach this issue.

Furthermore, Petitioner does not sufficiently address whether it “should have known” of Leaning, particularly in view of the fact that a substantially similar reference was cited during prosecution. Here, Patent Owner points out substantial similarities between Leaning and Leaning US, which is cited on the ’798 patent. *See* Prelim. Resp. 6–7, 28–37; Ex. 2002. For example, both the instant Petition and the earlier petition in IPR2024-00043 address the limitation “the digital content [is] encoded at a plurality of different bitrates creating a plurality of streams including a first bit rate stream, a second bit rate stream, and a third bit rate stream.” Ex. 1001, 18:30–34; Pet. 17–18; Ex. 2008, 17–18. We note that all of Petitioner’s citations to the written description of Leaning for this limitation (*see* Pet. 17–18) are disclosed in identical language in Leaning US. *Compare* Ex. 1004, 6:13–26, 9:3–7, 16:6–12, *with* Ex. 2001 ¶¶ 45–48, 57, 90–91. This supports Patent Owner’s argument that Petitioner should have known of Leaning at the time it filed the petition in IPR2024-00043. That is, because Leaning US was cited during prosecution, and because Leaning and Leaning US have substantially similar disclosure in relevant part, it stands to reason that a reasonably diligent searcher would have located both Leaning and Leaning US.

We are also not persuaded by Petitioner’s contention that Leaning is not in the same patent family as Leaning US and that Leaning US is one of over 400 references cited on the ’798 patent. *See* Pet. 62; Ex. 1001, 1–7. These facts do not excuse Petitioner’s failure to show that Leaning could not have been found with reasonable diligence and do not outweigh the circumstances discussed above. We note that Petitioner neither asserts that

it was unaware of Leaning US at the time it filed the petition in IPR2024-00043 nor explains why it did not rely on Leaning US in the earlier petition.

Petitioner knew of Allen and SMIL 2.0 at the time of the earlier petition. Petitioner also fails to explain what steps it took to identify relevant prior art before filing the petition in IPR2024-00043, wherein a reference nearly identical to Leaning is cited on the '798 patent. Based on these considerations, we find that *General Plastic* factor 2 weighs strongly in favor of exercising discretion to deny institution.

3. *General Plastic* Factor 3

For the third *General Plastic* factor, we consider whether Petitioner had already received Patent Owner's preliminary response or our institution decision in IPR2024-00043 prior to filing the present Petition. *See General Plastic* at 16.

Petitioner acknowledges that it filed the instant Petition 12 days after Patent Owner filed its preliminary response in IPR2024-00043. Pet. 63. However, Petitioner argues that, because its arguments in IPR2024-00043 were "directed to the Ogdon reference—not Leaning," it did not and could not use that preliminary response as a roadmap for the instant Petition. *Id.* Patent Owner argues that Petitioner filed the instant Petition over three months after filing the petition in IPR2024-00043, and "well after" receiving the preliminary response in IPR2024-00043. Prelim. Resp. 9. Thus, according to Patent Owner, Petitioner had "ample opportunity" to study and respond to Patent Owner's preliminary response in IPR2024-00043, which "details, in depth, the technical deficiencies with the grounds asserted" in the earlier case. *Id.* Patent Owner points out that Petitioner even "admits" that

it knew of Leaning on January 5, 2024, “well before” Patent Owner filed its preliminary response on January 18, 2024. *Id.*

Here, as Petitioner acknowledges, it filed the instant Petition after Patent Owner filed its preliminary response in IPR2024-00043. Pet. 63. Thus, Petitioner cannot deny that it had a window of time to review and respond to Patent Owner’s preliminary response in IPR2024-00043. Accordingly, we agree with Patent Owner that this factor weighs in favor of exercising discretion to deny institution.

4. *General Plastic Factor 4*

As to the fourth *General Plastic* factor, we consider “the length of time that elapsed between the time the petitioner learned of the prior art asserted in the [instant] petition and the filing of the [instant] petition.” *General Plastic* at 16.

Petitioner argues that it filed the instant Petition “shortly after discovering Leaning.” Pet. 63. In particular, Petitioner filed the Petition on January 30, 2024, which is 25 days after its asserted discovery of Leaning on January 5, 2024. *See* Pet. 61. However, Patent Owner points out that Petitioner did not “submit a declaration or other factual evidence” related to the manner and timing of its search efforts. Prelim. Resp. 7–8.

Although 25 days may be a reasonable time frame for filing a new petition after discovering a new reference, Petitioner does not provide any testimony or other evidence to establish this alleged time frame, or the circumstances of Petitioner’s search efforts. Accordingly, we find this factor to be neutral.

5. *General Plastic Factor 5*

For the fifth *General Plastic* factor, we consider “whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent.” *General Plastic* at 16.

The petition in IPR2024-00043 was filed on October 13, 2023 (Ex. 2008, 83), and the instant Petition was filed on January 30, 2024 (Pet. 66), which means that approximately 3½ months elapsed between the two filings. Petitioner argues that the timing of the petition in IPR2024-00043 “was due to [Patent Owner] filing a preliminary-injunction (‘PI’) motion in [Utah] district court seeking to shut down [Petitioner’s] business.” Pet. Prelim. Reply 1. Petitioner further argues that, in light of the PI motion, Petitioner “had only one month to respond and prove that [Patent Owner] was unlikely to succeed on the merits at trial, including that [Patent Owner’s] patents were likely invalid.” *Id.* at 1–2. Accordingly, Petitioner contends that it “moved as quickly as possible to draft and file IPRs on all of [Patent Owner’s] asserted patents based on the best art [Petitioner] was aware of at that time, i.e., Ogdon, to show the Utah court that [Petitioner’s] invalidity arguments were not mere conjecture.” *Id.* at 2.

Patent Owner argues that Petitioner “could, and did, make its invalidity arguments to the District Court; and those arguments were not made more or less conjectural by filing them with this Board.” PO Prelim. Sur-reply 2. Accordingly, Patent Owner argues that Petitioner’s decision to file IPR petitions before the completion of its prior art search “was a tactical decision that [Petitioner] now must live with.” *Id.*

We are not persuaded by Petitioner’s attempted justification that it filed its petition in IPR2024-00043 early in the one-year statutory period under 35 U.S.C. § 315(b) based on Patent Owner’s act of filing a motion for a PI in the Utah action. *See* Pet. Prelim. Reply 1–2. In particular, we are not aware of any substantive reason why Petitioner would have been compelled to file an early IPR petition to respond to the PI motion in district court. Thus, to the extent that Petitioner’s early filing bears on the elapsed time between the two petitions, we do not agree that Patent Owner’s PI motion provides an adequate justification. Instead, we agree with Patent Owner that the timing of Petitioner’s early filing in IPR2024-00043 was a matter of Petitioner’s own choosing. *See* PO Prelim. Sur-reply 2.

As to whether the two petitions are “directed to the same claims of the same [’798] patent” (*General Plastic* at 16), Patent Owner asserts that Petitioner could have awaited Patent Owner’s infringement contentions that were disclosed on November 21, 2023, in which case Petitioner would have known to include the additional dependent claims, for example, claims 10 and 25, challenged in the instant Petition. Prelim. Resp. 12 (citing Ex. 2004 (Infringement Contentions)).

However, Petitioner argues that the November 21, 2023, infringement contentions referenced by Patent Owner were served not in the Utah action, but rather a separate California action. Pet. Prelim. Reply 2. Petitioner further argues that it “could not have waited for [Patent Owner’s] contentions in the [California] action because [Petitioner] was facing [Patent Owner’s] PI motion in Utah and also because [Patent Owner] had moved to dismiss the [California] action months before its contentions were due (which the [California] court ultimately granted).” *Id.* Petitioner

additionally argues that Patent Owner’s “choice of asserted claims is a moving target,” since Patent Owner was granted leave in Delaware to add claims in the fuboTV action “soon after fuboTV filed copycat petitions of [Petitioner’s] Ogdon and Leaning petitions.” *Id.* at 3.

In its Preliminary Sur-reply, Patent Owner argues that the risk of changes in the claims asserted in a parallel litigation “is well-understood by PTAB practitioners, and the solution is to challenge all claims that could plausibly be asserted in the future when filing a single petition (or simultaneously filing parallel petitions),” rather than “filing an improper serial petition months later.” PO Prelim. Sur-reply 3.

Similar to our finding above, we do not agree with Petitioner that Patent Owner’s PI motion in the Utah action necessitated immediate action in this forum by Petitioner such that it “could not have waited.” Pet. Prelim. Reply 2. Moreover, we find that Petitioner’s choice to challenge a slightly smaller set of claims in IPR2024-00043 at a relatively early juncture represents its own tactical decision. At the time of filing of the petition in IPR2024-00043, Petitioner reasonably could have anticipated shifts in Patent Owner’s identification of asserted claims—both in the Utah action and in other parallel litigation—given that further disclosures about Patent Owner’s asserted claims were forthcoming. We also note that the scope of the instant Petition goes far beyond challenging just the newly asserted claims; it relies on a new primary reference, Leaning, and challenges all of the claims previously challenged in IPR2024-00043 as well as one additional dependent claim that was not implicated by the infringement contentions (i.e., claim 20). Thus, to the extent that changes in asserted claims bear on

the elapsed time between the two petitions, we do not find that such changes provide an adequate justification.

Petitioner then argues that it “has been diligent in searching for prior art and first became aware of the primary reference Leaning on Friday January 5, 2024,” after filing the petition in IPR2024-00043. Pet. 61. This suggests that Petitioner’s search efforts continued after the petition was filed in IPR2024-00043. Yet Petitioner provides no explanation of its initial search methodology or of “how or when it changed its search methodology that led to the discovery of Leaning,” as Patent Owner correctly observes. Prelim. Resp. 8. In the absence of any explanation, we see no basis to excuse the 3½ month gap between the two petitions.

For these reasons, we find that this factor weighs in favor of exercising discretion to deny institution.

6. *General Plastic Factor 6*

As for the sixth *General Plastic* factor, we consider “the finite resources of the Board.” *General Plastic* at 16. Petitioner argues that the “two petitions collectively consist of only two primary references.” Pet. 63. Further, Petitioner contends that, in the event we were to exercise discretion to deny institution here, “the Board will see a similar or copycat Leaning-based petition in the future” from other parties that Patent Owner has sued in district court for infringement of the ’798 patent. *Id.* at 64. In its Preliminary Reply, Petitioner proposes “to consolidate proceedings and align deadlines” between this case and IPR2024-00043 “such that the Board may issue a combined final written decision on Ogdon and Leaning.” Pet. Prelim. Reply 3–4 (citing Ex. 1013 (proposed schedule)).

Patent Owner argues that, although the Board has previously observed that it would be most efficient to coordinate or consolidate proceedings in two *inter partes* reviews and adopt a common schedule (Prelim. Resp. 14–15 (citing *ByteDance, Ltd. v. Thriller, Inc.*, IPR2021-00774, Paper 6 at 13 (PTAB Oct. 12, 2021)), “due to the more than three-month delay,” it is no longer feasible to consolidate the two proceedings. *Id.* According to Patent Owner, the Board would have to conduct two separate proceedings based on different evidentiary records. *Id.* at 15. Therefore, Patent Owner contends this would be an inefficient use of the Board’s resources. *Id.* at 16.

We have considered Petitioner’s proposal to consolidate this case with IPR2024-00043 and shorten various deadlines to align the schedules in the two cases. *See* Pet. Prelim. Reply 3–4; Ex. 1013. Although Petitioner highlights that it would “agree to a 4-week response time for its Petitioner Reply” (Pet. Prelim. Reply 3), we note that Petitioner’s proposal also assumes the Board would (1) institute this case over a month earlier than required, and (2) issue a Final Written Decision several months earlier than required. *See* Pet. Prelim. Reply 3–4; Ex. 1013. Further, instituting this proceeding would double the number of unpatentability grounds at issue to include the Leaning grounds with the Ogdon grounds. Thus, even under Petitioner’s proposal, our workload would increase and our normal time frames for completing the work would shrink. Given these negative impacts on the resources of the Board, we find that this factor weighs in favor of exercising discretion to deny institution.

7. *General Plastic Factor 7*

General Plastic factor 7, i.e., the last factor, pertains to the requirement under 35 U.S.C. § 316(a)(11) that we must issue a final determination within one year of institution. *See General Plastic* at 16. Petitioner argues this factor is neutral because “[a]ny trial in the present proceeding could be resolved within the one-year statutory timeframe.” Pet. 64. Patent Owner relies on the same arguments that we have already discussed with respect to factor 6. *See Prelim. Resp.* 14–16.

We have already considered the potential impact of issuing an early final determination (in accordance with Petitioner’s proposed schedule) in our analysis of *General Plastic* factor 6. Absent any other evidence that bears on *General Plastic* factor 7, we agree with Petitioner that this factor is neutral.

B. *35 U.S.C. § 314(a) Conclusion*

Of the *General Plastic* factors, factors 1, 3, 5, and 6 favor exercising our discretion to deny institution, factor 2 strongly favors exercising the discretion, and factors 4 and 7 are neutral. Therefore, based on a balanced assessment of these factors, we exercise our discretion to deny institution of an *inter partes* review.

III. CONCLUSION

For the reasons above, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

IPR2024-00517
Patent 11,677,798 B2

IV. ORDER

Accordingly, it is

ORDERED that the Petition is denied as to all challenged claims, and no *inter partes* review is instituted.

IPR2024-00517
Patent 11,677,798 B2

For PETITIONER:

Frank Gasparo
Ian Paquette
VENABLE LLP
fmgasparo@venable.com
igpaquette@venable.com

For PATENT OWNER:

Eliot Williams
George Guy
Ali Dhanani
Thomas Carter
BAKER BOTTS L.L.P.
eliot.williams@bakerbotts.com
hop.guy@bakerbotts.com
ali.dhanani@bakerbotts.com
thomas.carter@bakerbotts.com