UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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UNIFIED PATENTS INC.,
Petitioner,

v.

VELOS MEDIA, LLC,
Patent Owner.

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IPR2019-00757
Patent 9,930,365 B2

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Before MONICA S. ULLAGADDI, JASON W. MELVIN, and
AARON W. MOORE, *Administrative Patent Judges.*

ULLAGADDI, *Administrative Patent Judge.*

JUDGMENT
Final Written Decision
Determining None of the Challenged Claims to be Unpatentable
35 U.S.C. § 318(a)

I. INTRODUCTION

Unified Patents Inc.[1] ("Petitioner") requested an *inter partes* review of claims 1–20 (the "challenged claims") of U.S. Patent No. 9,930,365 B2 (Ex. 1001, "the '365 patent"). Paper 2 ("Petition" or "Pet."). Velos Media, LLC ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp.").

On September 11, 2019, we entered a Decision on Institution ("Institution Decision" or "Inst. Dec.," Paper 7) instituting an *inter partes* review as to all of the challenged claims on all of the grounds set forth in the Petition.

After institution of trial, Patent Owner filed a Patent Owner Response ("PO Resp.," Paper 18), to which Petitioner filed a Reply ("Pet. Reply," Paper 26).[2] Patent Owner filed a Sur-reply ("Sur-Reply," Paper 31).[3] A hearing was held on June 16, 2020. The transcript of the hearing has been entered into the record. Paper 39 ("Transcript" or "Tr.").

We have jurisdiction under 35 U.S.C. § 6. This final written decision is issued pursuant to 35 U.S.C. § 318(a). As explained below, we determine Petitioner has not shown by a preponderance of the evidence that claims 1–20 of the '365 patent are unpatentable.

II. BACKGROUND

A. Related Proceedings

Petitioner and Patent Owner indicate that the '365 patent is not asserted in any related district court proceedings. In particular, Petitioner

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[1] Petitioner has informed the Board that it has changed its name to Unified Patents, LLC. Paper 20.

[2] Ex. 1024 is the redacted version of the Patent Owner's Response. Ex. 1023 is the redacted version of the Petitioner's Reply.

[3] Ex. 1038 is the redacted version of Patent Owner's Sur-reply.

states that it "is unaware of any law suits in which the '365 Patent is asserted or challenged" (Pet. 64), and Patent Owner states that, at the time of the Preliminary Response, it "has not filed a patent infringement lawsuit" (Prelim. Resp. 1).

Although Patent Owner states that "Petitioner has now filed thirteen IPRs against Velos patents," specifically, IPR2019-00194, IPR2019-00635, IPR2019-00660, IPR2019-00670, IPR2019-00707, IPR2019-00710, IPR2019-00720, IPR2019-00749, IPR2019-00757, IPR2019-00763, IPR2019-00806, IPR2019-00883, and IPR2019-01130, other than the instant proceeding (IPR2019-00757), none of these proceedings appear to concern either the '365 patent or a patent related to the '365 patent. *Id.* at 1–2 n.1.

B.   *The '365 Patent (Ex. 1001)*

The '365 patent issued on March 27, 2018, based on application No. 15/696,263, which claims priority to, among other applications, provisional application Nos. 61/102,787 filed October 3, 2008, 61/144,357 filed January 13, 2009, and 61/166,631 filed April 3, 2009. Ex. 1001, codes (21), (45), (60). The '365 patent concerns techniques for encoding and decoding digital video data using macroblocks. *Id.* at code (57). Figure 12 of the '365 patent is reproduced below.
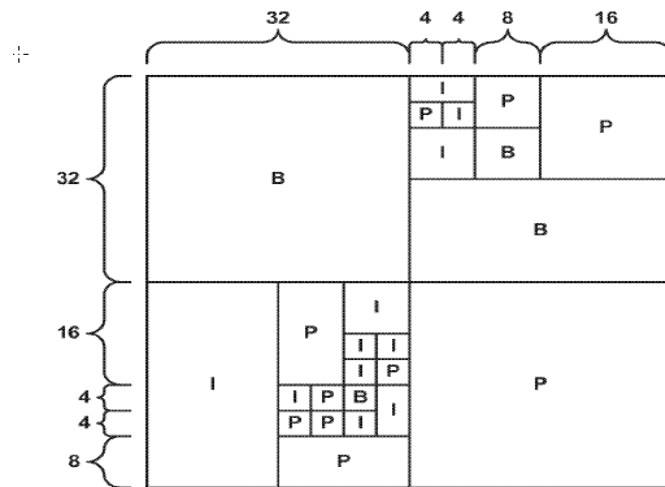
Figure 12 of the '365 patent illustrates a 64×64 pixel macroblock that has been partitioned into sub-partitions of varying sizes, each of which has an encoding mode. *Id.* at 6:22–24

"[V]ideo encoder 20 may receive a set of various-sized blocks for a coded unit," which "may comprise a video frame, a slice, or a group of pictures (also referred to as a 'sequence')," and includes a macroblock or a partition of a macroblock. *Id.* at 12:19–21, 38:45–47, 52–54. As shown in Figure 12, a large, 64×64 pixel macroblock has different sub-block partitions within the same large macroblock; these sub-blocks have different coding modes for each partition. *Id.* at 33:35–37, 33:47–49. The differently coded sub-blocks include, for example, a 32×32, B-coded partition and an 8×8, I-coded partition. *Id.* at 34:26–31. The encoder "generate[s] block-type syntax information that . . . identifies the partitions and the encoding modes used to encode the partitions." *Id.* at 13:56–58. The syntax information further "includes values corresponding to the largest block in the coded unit and the smallest block in the coded unit." *Id.* at 39:21–24.

A video decoder receives the "coded unit and the syntax information for the coded unit from the video encoder." *Id.* at 39:27–28. The video decoder "determine[s] when a block does not have further separately encoded sub-partitions based on the indication in the coded unit syntax information of the smallest encoded partition." *Id.* at 39:37–41. For example, when "the largest block is 64×64 pixels and the smallest block is also 64×64 pixels, then it can be determined that the 64×64 blocks are not divided into sub-partitions smaller than the 64×64 size." *Id.* at 39:41–44. Alternatively, when "the largest block is 64×64 pixels and the smallest block is 32×32 pixels, then it can be determined that the 64×64 blocks are divided into sub-partitions no smaller than 32×32." *Id.* at 39:44–48.

Using syntax information that identifies the encoding mode, the decoder "decode[s] the video block based on the block-type syntax information" that identifies the encoding mode. *Id.* at 14:19–21.

C.   Challenged Claims

Challenged claims 1, 7, and 15 are independent. Challenged claims 2–6, 8–14, and 16–20 depend from claims 1, 7, and 15. Independent claim 1 is illustrative and is reproduced below.

1. A method of decoding video data, the method comprising:

decoding a first syntax element associated with a sequence of pictures of the video data, the first syntax element representing a minimum size of blocks of the sequence of pictures;

decoding a second syntax element, separate from the first syntax element, associated with the sequence of pictures, the second syntax element representing a maximum size of the blocks of the

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