

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Realtime Data, LLC v. Iancu

No. 2018-1154, United States Court of Appeals for the Federal Circuit (January 10, 2019)

SUMMARY

The Federal Circuit affirmed the PTAB's obviousness determination in an IPR, holding that the Board properly relied on a single prior art reference (O'Brien) to find all claim elements disclosed, without needing to find a motivation to combine where a secondary reference (Nelson) was used only to explain that O'Brien's encoder was a dictionary encoder—a point conceded by the patent owner. The court also upheld the Board's claim construction of "maintaining a dictionary," finding that the specification and dependent claims did not require the dictionary to be reset only when full, and that O'Brien disclosed the limitation. Key topics: inter partes review, obviousness under 35 U.S.C. § 103, motivation to combine prior art, claim construction under broadest reasonable interpretation, and reliance on a single reference for obviousness.

CASE DETAILS

COURT	United States Court of Appeals for the Federal Circuit
WRITING FOR THE COURT	Stoll; Dyk; Taranto
JURISDICTION	Federal
DECIDED	January 10, 2019
DOCKET	2018-1154
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2016-00783
STANDARD OF REVIEW	We review the ultimate question of the proper construction of a patent de novo, with any underlying fact findings reviewed for substantial evidence.
PRECEDENTIAL VALUE	Published
PARTIES	Realtime Data, LLC dba IXO v. Andrei Iancu, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office

TOPICS

intellectual property

administrative law

appellate procedure

standard of review

statutory interpretation

PRACTICE AREAS

Intellectual Property

Patent Law

QUESTIONS PRESENTED

1. Whether the Board erred in its determination that a person of ordinary skill in the art would have been motivated to combine O'Brien and Nelson.
2. Whether the Board erred by failing to construe the 'maintaining a dictionary' limitation and in finding that O'Brien disclosed that limitation.

HOLDINGS

1. The Board was not required to make a finding regarding a motivation to combine because it relied on O'Brien alone to disclose every element of the claims, and Nelson was used only to explain that O'Brien teaches a dictionary encoder, a point conceded by Realtime.
2. The Board did not err in finding that O'Brien disclosed the 'maintaining a dictionary' limitation because the dependent claim 4 provides sufficient details to satisfy that limitation, and the specification does not require additional resetting steps.

KEY QUOTATIONS

"1. A method for compressing input data comprising a plurality of data blocks, the method comprising the steps of: detecting if the input data comprises a run-length sequence of data blocks; outputting an encoded run-length sequence, if a run-length sequence of data blocks is detected; maintaining a dictionary comprising a plurality of code words, wherein each code word in the dictionary is associated with a unique data block string; building a data block string from at least one data block in the input data that is not part of a run-length sequence; searching for a code word in the dictionary having a unique data block string associated therewith that matches the built data block string; and outputting the code word representing the built data block string." (at 3)

"4. The method of claim 1, wherein the step of maintaining a dictionary comprises the steps of: dynamically generating a new code word corresponding to a built data block string, if the built data block string does not match a unique data block string in the dictionary; and adding the new code word in the dictionary." (at 4)

"the dictionary is dynamically maintained and updated during the encoding process by generating a new code word corresponding to a built data block string, if the built data block string does not match a unique data block string in the dictionary; and then adding the new code word in the dictionary." (at 13)

"An invention cannot be patented, 'though the invention is not identically disclosed or described as set forth in section 102,' if, at the time of the invention, the differences between the claimed invention and the prior art would have rendered the claimed invention 'obvious' to a person of ordinary skill in the art." (at 7)

FACTUAL BACKGROUND

The '812 patent relates to lossless data compression using run-length encoding and dictionary encoding. Run-length encoding replaces a run of characters with an identifier for each character and the number of repetitions. Dictionary encoding assigns a code word to a data string and maps it to an index. Independent claim 1 combines both techniques. Claim 4 further specifies that maintaining a dictionary includes dynamically generating a new code word and adding it to the dictionary. In the IPR, HP argued that O'Brien, a prior art patent, disclosed all limitations of the claims, with Nelson, a textbook, clarifying that O'Brien's string compression is a form of dictionary encoding. Realtime conceded that O'Brien's encoder is a type of dictionary encoder but argued that O'Brien does not disclose 'maintaining a dictionary' as claimed because O'Brien generates a new dictionary for each data segment, whereas the patent uses a single dictionary that resets only when full. The Board found that O'Brien alone discloses all limitations and that, even if motivation to combine were required, it would be satisfied.

PROCEDURAL HISTORY

HP petitioned for inter partes review of claims 1-4, 8, 14-17, 21, and 28 of U.S. Patent No. 6,597,812, alleging obviousness. The Board instituted review and, in its final written decision, found that all challenged claims would have been obvious over the prior art. Realtime appeals.

DISPOSITION

affirmed

CASES CITED

- Dome Patent L.P. v. Lee, 799 F.3d 1372, 1380 (Fed. Cir. 2015)
- KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 418 (2007)
- Connell v. Sears, Roebuck & Co., 722 F.2d 1542, 1548 (Fed. Cir. 1983)
- In re Fracalossi, 681 F.2d 792, 794 (CCPA 1982)
- Wasica Fin. GmbH v. Cont'l Auto. Sys., Inc., 853 F.3d 1272, 1278 n.3 (Fed. Cir. 2017)
- SAS Inst. Inc. v. ComplementSoft, LLC, 825 F.3d 1341, 1351-52 (Fed. Cir. 2016)
- ZUP, LLC v. Nash Mfg., Inc., 896 F.3d 1365, 1371 (Fed. Cir. 2018)
- Plantronics, Inc. v. Aliph, Inc., 724 F.3d 1343, 1354 (Fed. Cir. 2013)
- Teva Pharm. USA, Inc. v. Sandoz, Inc., 135 S. Ct. 831, 838 (2015)
- Praxair Distrib., Inc. v. Mallinckrodt Hosp. Prods. IP Ltd., 890 F.3d 1024, 1031 (Fed. Cir. 2018)
- HTC Corp. v. Cellular Commc'ns Equip., LLC, 877 F.3d 1361, 1367 (Fed. Cir. 2017)
- Phillips v. AWH Corp., 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en banc)
- In re Cuozzo Speed Techs., LLC, 793 F.3d 1268, 1279 (Fed. Cir. 2015)
- Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc., 200 F.3d 795, 803 (Fed. Cir. 1999)
- Genentech, Inc. v. Chiron Corp., 112 F.3d 495, 501 (Fed. Cir. 1997)

CITED IN

- Realtime Data, LLC v. Iancu, Realtime Data, LLC v. Iancu, 912 F.3d 1368, 1374 (Fed. Cir. 2019)

