Director_PTABDecision_Review@uspto.gov
571.272.7822

Paper 27
Date: April 17, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

HULU, LLC,
Petitioner,

v.

PIRANHA MEDIA DISTRIBUTION, LLC,
Patent Owner.

IPR2024-01252
IPR2024-01253
Patent 11,463,768 B2[1]

Before COKE MORGAN STEWART, *Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent and Trademark Office.*

ORDER
Granting Director Review, Vacating the Decision Granting Institution, and Denying Institution of *Inter Partes* Review

[1] This order applies to each of the above-listed proceedings.

Piranha Media Distribution, LLC ("Patent Owner") filed a request for Director Review of the Decision granting institution ("Decision") in each of the above-captioned cases, and Hulu, LLC ("Petitioner") filed an authorized response to each request. *See* Paper 19 ("DR Request"); Paper 21.[2] In each request, Patent Owner argues that Director Review should be granted to clarify that a district court final judgment of invalidity favors denial of *inter partes* review under *Fintiv*.[3] DR Request 5–11. Patent Owner requests reversal of the Decision and the exercise of discretion to deny institution because, before the Decision, the district court entered final judgment that the claims challenged in these proceedings are invalid under 35 U.S.C. § 101. *Id.* at 10–11. Petitioner argues that Director Review is not warranted. *See* Paper 21, 1–4.

In the district court litigation, Petitioner filed a motion to dismiss under Rule 12(b)(6), asserting that the claims challenged in this proceeding are invalid as reciting ineligible subject matter under § 101. The district court agreed with Petitioner and issued a decision granting Petitioner's motion to dismiss and dismissing with prejudice Patent Owner's infringement claim. Ex. 2010. Because the patent claims already stand invalid, it is unnecessary to institute another proceeding to review them for patentability under other grounds. In the event the Federal Circuit reverses the district court's decision, Petitioner may raise such invalidity arguments

[2] All citations are to the record in IPR2024-01252. Similar papers were filed in IPR2024-01253.
[3] *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential).

in the district court on remand. Under these circumstances, that is the better and more efficient approach.

Although the Board applied the *Fintiv* framework in this case, as Board decisions have recognized, that framework generally addresses the impact of an ongoing proceeding in another tribunal that is progressing in parallel with the Board proceeding. *See*, *e.g.*, *Snap Inc. v. Sanderling Mgmt. Ltd.*, IPR2021-00781, Paper 20 at 10 (PTAB Nov. 9, 2021); *Snap Inc. v. Blackberry Ltd.*, IPR2020-00392, Paper 8 at 10 (PTAB July 13, 2020). Thus, the *Fintiv* framework does not fit neatly with the circumstances of this case, where the district court already had determined that the challenged claims are invalid under § 101 before the Board's Decision. Nevertheless, the *Fintiv* framework emphasizes efficiency concerns, and *Fintiv* encourages the parties to explain the impact of other facts and circumstances that exist in their proceeding on efficiency and integrity of the patent system. *Fintiv*, Paper 11 at 16. Here, as explained above, where a district court already has found the challenged claims invalid, the efficiency and integrity of the patent system is best served by denying institution.

In consideration of the foregoing, it is:

ORDERED that Director Review is granted;

FURTHER ORDERED that the Board's Decision granting institution of *inter parties* review (Paper 16) is vacated; and

FURTHER ORDERED that the Petition is *denied*, and no trial is instituted.

For PETITIONER:

Harper Batts
Jeffrey Liang
Christopher Ponder
Fangzhou Qiu
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
hbatts@sheppardmullin.com
jliang@sheppardmullin.com
cponder@sheppardmullin.com
fqiu@sheppardmullin.com

For PATENT OWNER:

David L. Alberti
Sal Lim
KRAMER ALBERTI LIM & TONKOVICH LLP
dalberti@krameralberti.com
slim@krameralberti.com

Kenneth J. Weatherwax
Kenneth Wang
LOWENSTEIN & WEATHERWAX LLP
weatherwax@lowensteinweatherwax.com
wang@lowensteinweatherwax.com