

## **Fed. Circ. Backs More Roku PTAB Wins In Ruling By Newman**

By **Ryan Davis**

*Law360 (August 28, 2023, 5:35 PM EDT)* -- In a decision by Judge Pauline Newman, the Federal Circuit on Monday upheld Patent Trial and Appeal Board decisions invalidating claims of two Universal Electronic remote control patents challenged by Roku, the last of six related appeals to reach the appeals court.

Judge Newman, who has been prohibited from being assigned new cases since March amid a probe by her colleagues into the 96-year-old jurist's fitness to remain on the bench, was on a panel that heard arguments in Universal's appeal in November. The appeals court concluded that the board correctly invalidated several claims of the patents.

There was "substantial evidence in support of the board's conclusion of obviousness of the challenged claims" in the inter partes reviews requested by streaming equipment maker Roku, Judge Newman wrote for the three-judge panel on Monday.

The two related Universal patents at issue cover remote controls with touch-sensitive displays. The board and the Federal Circuit agreed that they are invalid as obvious in view of three earlier patents and applications.

Universal accused Roku of infringing nine patents in a suit in the Central District of California, which has been stayed pending the outcome of the PTAB cases. The suit alleges that Roku's remote controls infringe patented technology used in Universal's QuickSet remote software.

Roku challenged all nine patents in inter partes reviews. The PTAB agreed to review six of them, but turned down Roku's challenges on three other patents, leaving them intact, according to a status report filed last month by both parties in the district court case.

In the six reviews, the board found claims invalid in five of them, but upheld all the challenged claims in the last one. The Federal Circuit has now ruled on the appeals of all six PTAB decisions.

In March, the appeals court affirmed the decision that upheld claims in one of Universal's patents. That case split the panel, with Judge Newman writing in dissent that she would have found the patent to be invalid, and that her colleagues erred by not reviewing a key issue afresh on appeal.

Roku asked the full Federal Circuit to review that decision, saying it sets a "dangerous obviousness precedent — one as far-reaching as it is misguided." The court refused last month to take up the case.

Then, earlier this month, in an opinion by Judge Newman, the Federal Circuit affirmed PTAB decisions that invalidated claims of three other Universal patents.

In Monday's decision, Judge Newman wrote for the court that the board correctly rejected Universal's argument that one of the earlier inventions cited by Roku was not "analogous art" that could be used to invalidate the patent. The appeals court found that invention to be "reasonably pertinent" to Universal's patented technology.

Universal also accused Roku of infringing patents in a separate case at the U.S. International Trade Commission. The ITC concluded in 2021 that Roku infringed a Universal patent that is not at issue in the district court case, and issued an exclusion order barring Roku from importing products that infringe that patent.

Roku has appealed the ITC decision to the Federal Circuit, which is scheduled to hear oral arguments on Sept. 5.

Counsel for the parties could not immediately be reached for comment Monday.

The patents at issue in Monday's decision are U.S. Patent Nos. 7,821,504 and 7,821,505.

U.S. Circuit Judges Pauline Newman, Jimmie Reyna and Kara Farnandez Stoll sat on the panel for the Federal Circuit in Monday's decision. The same three judges were on the two previous appeals of the related PTAB cases.

Universal Electronics is represented by Michael Nicodema, Benjamin Gilford and James Lukas Jr. of Greenberg Traurig LLP.

Roku is represented by Debra McComas, Raghav Bajaj, David O'Brien, Jonathan Bowser and Angela Oliver of Haynes & Boone LLP.

The case is Universal Electronics Inc. v. Roku Inc., case number 21-2128, in the U.S. Court of Appeals for the Federal Circuit. The underlying case is Universal Electronics Inc. v. Roku Inc., case number 8:18-cv-01580, in the U.S. District Court for the Central District of California.

--Editing by Alanna Weissman.