

Newman Issues Fed. Circ. Decision Affirming Roku PTAB Wins

By **Andrew Karpan**

Law360 (August 18, 2023, 7:50 PM EDT) -- U.S. Circuit Judge Pauline Newman, who's fighting with her Federal Circuit colleagues to remain on the bench, on Friday penned an opinion on behalf of the appeals court affirming Patent Trial and Appeal Board decisions that invalidated patent claims challenged by streaming equipment manufacturer Roku.

Judge Newman delivered a 24-page nonprecedential decision in an appeal that she and two other judges heard back in November over findings from the PTAB that had scratched out claims in patents owned by a Roku Inc. rival called Universal Electronics Inc.

"We have considered all the arguments concerning these three patents and affirm the board's decisions of invalidity of the claims at issue," wrote Judge Newman for the panel.

On Aug. 4, a panel of three other judges on the Federal Circuit released a 111-page report recommending that Judge Newman be suspended from the court for a year for not cooperating with an ongoing investigation into claims that she is not mentally fit to remain on the bench. Judge Newman's response to those recommendations is due on Aug. 31.

Nevertheless, Judge Newman has continued to pen opinions on cases she heard before she was blocked from hearing new cases in April. Some of these decisions have involved dissents on issues like the current state of patent eligibility law or how the patent board handles obviousness. In interviews, she's mused that she isn't sure "that [the court] can be salvaged or restored, either in the public mind or in the judicial structure of the nation."

Friday's decision, however, was an affirmation. In the finding, Judge Newman wrote that the patent board was right to wipe out some patent claims, and the two other judges who heard the case agreed.

Universal, a Scottsdale, Arizona-based electronics company, had asserted the patents in an infringement case against Roku back in 2018. Universal alleged that a variety of Roku's remote control devices infringed a collection of patents connected to remote control configuration software that Universal markets under the brand name QuickSet.

That dispute would later be put on hold after Universal also took its issues to the U.S. International Trade Commission. The trade commission would eventually issue a decision maintaining that the original software for Roku's Ultra and Soundbar brand products infringed one of Universal's patents, but that an updated model did not. Roku is appealing that decision and oral arguments in that appeal are scheduled

to take place at the Federal Circuit during its session next month.

Roku would also head to the patent board to argue that some of those Universal patents weren't legally valid either. It succeeded in wiping out some of them, but also failed to convince judges there that four of the challenged claims in one of Universal's patents were invalid.

Roku did not appeal the holding that it lost, but Universal did, filing a set of appeals over the various decisions it lost that were eventually consolidated into a single case in front of the panel.

To no avail, wrote Judge Newman.

"The board found that a person of ordinary skill in this field would have been motivated to combine known modulation techniques with known wireless transmission, for the references are in closely related fields of endeavor, and the board's conclusion was supported by expert testimony and citations to relevant references," she said.

Counsel representing the two electronics companies did not respond to a request for comment.

The patents-in-suit are U.S. Patent Nos. 7,589,642; 8,004,389; 9,911,325.

U.S. Circuit Judges Pauline Newman, Jimmie V. Reyna and Kara Farnandez Stoll sat on the panel for the Federal Circuit.

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

Roku is represented by Jon Wright, Richard Crudo and Lestin L. Kenton of Sterne Kessler Goldstein & Fox PLLC, and Jonathan Daniel Baker and Michael David Saunders of Dickinson Wright PLLC.

The cases are Universal Electronics Inc. v. Roku Inc., case numbers 21-1992, 21-1993 and 21-1994, all in the U.S. Court of Appeals for the Federal Circuit.

--Additional reporting by Dani Kass, Ryan Davis, Alyssa Aquino and Adam Lidgett. Editing by Scott Russell.