

REALTIME DATA, LLC v. IANCU, Appeal No. 2018-1154 (Fed. Cir. January 10, 2019).  
Before Dyk, Taranto and Stoll. Appealed from the Patent Trial and Appeal Board.

Background:

Hewlett Packard (HP) sought *inter partes* review (IPR) of Realtime Data's patent. The patent disclosed a method for providing lossless data compression using "dictionary" encoding. "Dictionary" encoding is a form of lossless data compression that assigns a code word to a particular data string, maps that code word to an index, and replaces every matching data string with the corresponding code word.

HP argued in its petition that certain claims of the patent would have been obvious over O'Brien in view of Nelson. HP argued that O'Brien disclosed all substantive steps of the challenged claims. Because O'Brien did not specifically use the claim term "dictionary," however, Nelson was relied on to prove that a skilled artisan would have recognized that O'Brien's string compression is indeed a "dictionary"-based algorithm.

The Board instituted the IPR and, in its final decision, found that all challenged claims of the patent would have been obvious over O'Brien and Nelson. Realtime appealed the Board's decision arguing that there was no motivation to combine O'Brien and Nelson.

Issue/Holding:

Did the Board err in its determination that the challenged claims would have been obvious over O'Brien in view of Nelson? No, affirmed.

Discussion:

The Federal Circuit noted that O'Brien alone disclosed every element of the claims, and Nelson was relied on merely to explain that O'Brien's encoder corresponds to a "dictionary" encoder used in the patent. The Federal Circuit stated that, because the Board did not rely on Nelson for disclosure of a particular element or teaching, the Board had no obligation to find a motivation to combine O'Brien and Nelson.

The Federal Circuit also said that, even if the Board were required to make a finding regarding a motivation to combine O'Brien and Nelson, the Board's finding is supported by substantial evidence. The Federal Circuit noted that HP brought in Nelson merely to provide a more explicit teaching of "dictionary," and that the Board found that a skilled artisan would have consulted Nelson because Nelson is well-known, the compression techniques taught in Nelson that were described as "dictionary" encoders share striking similarities to O'Brien's compression techniques, and O'Brien itself suggested that a wide variety of adaptive compression algorithms could be used. The Federal Circuit said that this was enough evidence to support a finding that the skilled artisan would have looked to Nelson to better understand or interpret O'Brien.