

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,
Petitioner

v.

AUTONOMOUS DEVICES, LLC,
Patent Owner

Case: IPR2023-01173
U.S. Patent No. 11,055,583

PATENT OWNER'S PRELIMINARY RESPONSE

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Exhibit List

Exhibit	Description
2001	Biography of Blair M. Jacobs (previously submitted)
2002	Declaration of Blair M. Jacobs (previously submitted)
2003	Supplemental Declaration of Blair M. Jacobs (previously submitted)
2004	District Court Docket
2005	District Court Scheduling Order
2006	District Court Invalidity Contentions

I. INTRODUCTION

Autonomous Devices, LLC (“Patent Owner” or “Autonomous Devices”) submits this Preliminary Response in accordance with 35 U.S.C. § 313 and 37 C.F.R. § 42.107, responding to the Petition for *Inter Partes* Review (“Petition”) (Paper No. 2) of U.S. Patent No. 11,055,583 (“the ’583 Patent”) filed by Tesla, Inc. (“Petitioner” or “Tesla”).

The Petition challenges claims 10-11, 25, 27, and 30 (“Challenged Claims”) of the ’583 patent with three grounds of unpatentability that rely on U.S. Patent No. 9,604,359 (“Grotmol,” Ex. 1005), U.S. Patent No. 8,639,644 (“Hickman,” Ex. 1007), and/or U.S. Patent No. 9,283,674 (“Hoffman,” Ex. 1009). The Board should deny institution due to deficiencies in the Petition’s analysis of the prior art relied upon in the grounds. Additionally, the Board should exercise its discretion and deny institution under 35 U.S.C. § 314(a).

II. THE ’583 PATENT

The ’583 patent, titled “Machine Learning for Computing Enabled Systems and/or Devices,” discloses systems for machine learning for computing enabled systems and/or devices. Ex. 1001, Abstract, 1:43-65. The ’583 patent discloses systems for capturing “one or more digital pictures, receiv[ing] one or more instruction sets, and learn[ing] correlations between the captured pictures and the received instruction sets.” *Id.*, Abstract.

Prior to the innovations described in the '583 patent, “[a] machine learning solution [was] needed for computing enabled systems and/or devices to be less dependent on or fully independent from user input.” *Id.*, 1:37-39. The '583 patent solved this problem by utilizing a sophisticated system for “learning and/or using visual surrounding for autonomous device operation” comprising “learning one or more digital pictures of a device’s surrounding along with correlated instruction sets for operating the device, storing this knowledge in a knowledgebase (i.e. neural network, graph, sequences, etc.) and autonomously operating a device.” *Id.*, 59:11-12, 14-18.

The '583 patent is directed to artificially intelligent devices, systems, and methods that store a knowledgebase that includes digital pictures of at least a portion of a device’s surroundings correlated with device operating instruction sets, receive or generate new captured digital pictures, match the new pictures with stored pictures in the knowledgebase, and cause the device that captured the new pictures to autonomously execute an instruction set correlated to the matched pictures. *Id.*, 1:43-2:7, 152:33-153:63. Referring to Figure 37 (shown below) and the specification’s description of Figure 37, for example, Computing-enabled machine 98a (a loader) includes Picture Capturing Apparatus 90, which captures digital pictures 525 of Computing-enabled machine 98a’s surrounding. *Id.*, 152:33-153:63. Computing-enabled machine 98a learns User 50-directed collecting, moving,

maneuvering, lifting, and/or unloading in Computing-enabled machine's 98a visual surrounding that includes a pile of material, truck, and/or other objects. *Id.* In the future, when Computing-enabled machine 98a encounters visual surrounding that includes the same or similar objects, or detects the same or similar objects, Computing-enabled machine 98a autonomously implements collecting, moving, maneuvering, lifting, and/or unloading using previously learned instruction sets 526 correlated with previously learned digital pictures 525. *Id.*, 153:59-63.

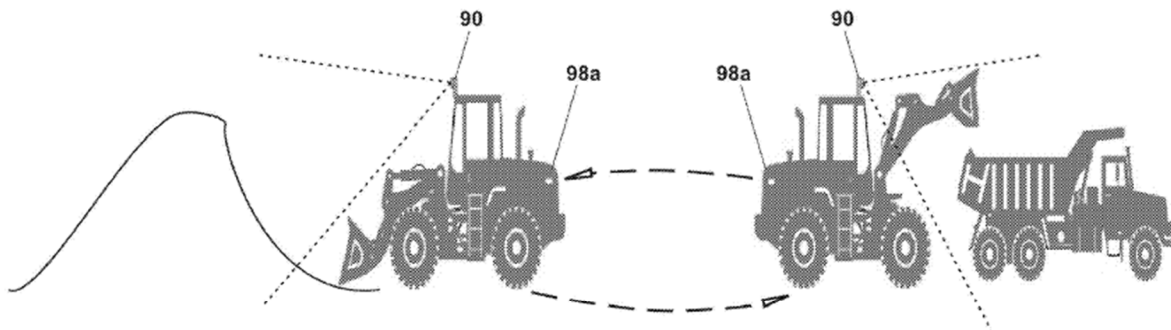


FIG. 37

Ex. 1001, Fig. 37.

The '583 patent describes and claims systems implementing its innovative techniques for autonomous operation. For example, one such method is claimed in claim 1. Claim 1 is directed to a method implemented by a computing system that

uses learning digital pictures to implement autonomous operation. Several other dependent claims provide additional details regarding systems for autonomous operation.

III. PERSON OF ORDINARY SKILL IN THE ART

For purposes of this stage of the proceeding only, Patent Owner adopts Petitioner's definition of a person of ordinary skill in the art (POSA). Petition, 4-5.

IV. ALLEGED PRIOR ART

The Petition relies on three prior art references for its unpatentability grounds, and those references are summarized below.

A. GROTMOL (EX. 1005)

Grotmol discloses a primitive method for training and operating a robotic device to follow a simple trajectory based on a simple sequence (i.e., ordered buffer) of images. Exhibit 1004, Abstract. If any circumstance occurs for which the simple trajectory is not trained (e.g., different objects, etc.), the robot in Grotmol would not know what to do or would collide with an obstacle. The robotic device “may utilize a camera” to store a “sequence of images of a visual scene seen when following a trajectory during training in an ordered buffer.” *Id.*

Figure 1 from Grotmol, shown below, discloses that robot 160 includes sensor 166. *Id.*, 8:57-61. Sensor 166 provides “information associated with objects within the field-of-view 168.” *Id.*, 8:64-68. Grotmol discloses that its device also includes

a memory that stores “training sets,” which may include “an instance of the video frame, an instance of the binary signal, and an instance of a motor control indication configured to cause the robot to execute an action.” *Id.*, 3:35-39. Grotmol’s training sets are inputs into the training process, and Grotmol never discloses learning the digital pictures correlated with instruction sets as required by claim 1 of the ’583 patent.

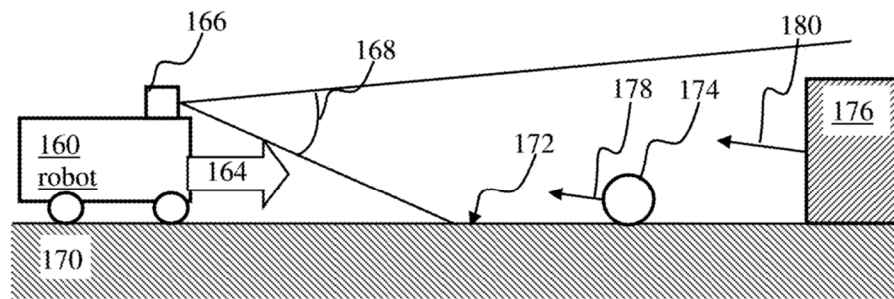


FIG. 1

Ex. 1004, Fig. 1.

B. HICKMAN (EX. 1007)

Hickman relates to “shared robot knowledge bases for use with cloud computing systems.” Ex. 1007, Abstract. “[T]he cloud computing system” in Hickman “collects data from a robot about an object the robot has encountered in its environment, and stores the received data in the shared robot knowledge base.” *Id.*

Hickman provides a basic method for storing and sharing object information. As shown below in Figure 4 from Hickman, robot 404 may obtain object information

via one or more sensors. *Id.*, 25:14-19. That information is transmitted to cloud computing system 401, where it is stored and can be used. *Id.*, 25:24-27:26. Hickman fails to disclose how this object information is stored, processed, and utilized, including correlations and how those correlations are stored, to autonomously operate a device.

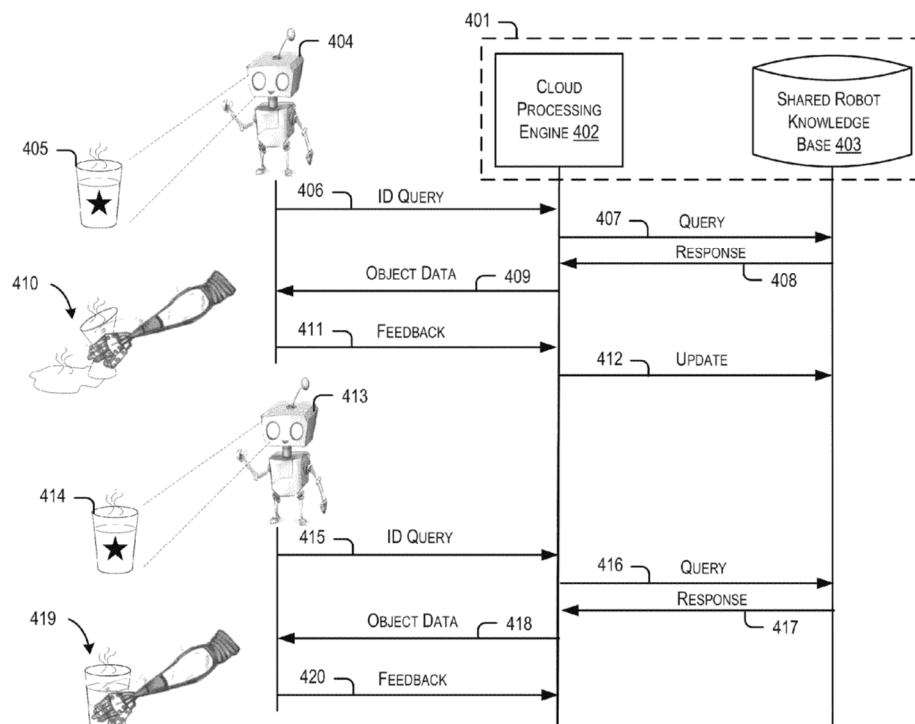


FIGURE 4

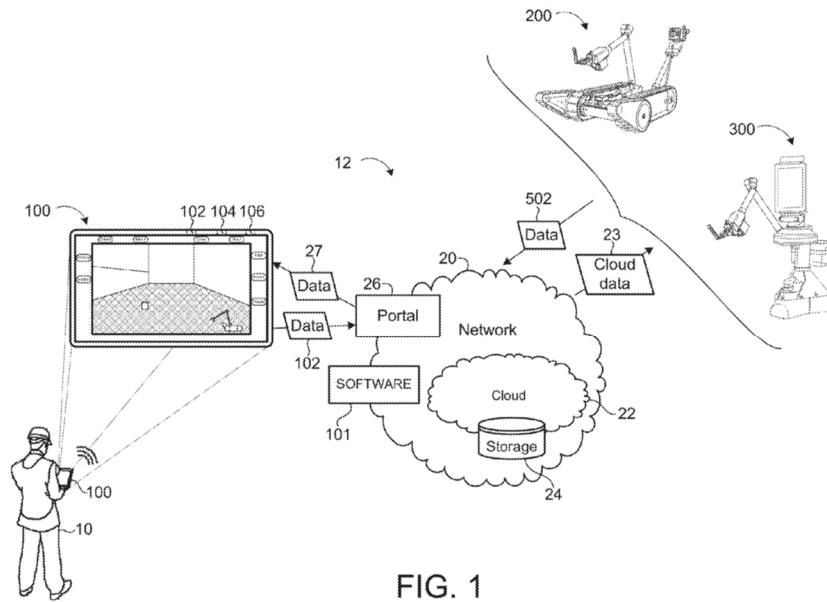
Ex. 1007, Fig. 4.

C. HOFFMAN (EX. 1009)

Hoffman is titled “Remotely operating a mobile robot,” and relates to “operating a robot includes electronically receiving images and augmenting the

images by overlaying a representation of the robot on the images.” Ex. 1009, Abstract. The method in Hoffman involves “electronically displaying the augmented images and receiving an indication of a selection of at least one user-selectable portion of the robot representation.” *Id.* A user can input a command to the robot based on interacting with the user-selectable portion of the robot representation. *Id.*

Figure 1 from Hoffman, shown below, discloses a user interacting with a screen to provide commands to a robot. Ex. 1009, Fig. 1. As shown in Figure 1, “cloud service 22 executes an application outputting data 23 that may be communicated to the robot 200.” *Id.*, 8:3-5. Hoffman discloses that the controller 400 “may issue drive commands to the drive 10 system 215 based on the received processed data set 23 for maneuvering about an area.” *Id.*, 8:9-11.



V. CLAIM CONSTRUCTION

The claims in an *inter partes* grant review are construed using the same standard that applies in district court proceedings, as set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). 37 C.F.R. § 100(b) (2019). Claim terms are afforded “their ordinary and customary meaning,” which is “the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention.” *Phillips*, 415 F.3d at 1312–13. “In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution history, if in evidence.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek*,

Inc., 469 F.3d 1005, 1014 (Fed. Cir. 2006) (citing *Phillips*, 415 F.3d at 1312-17). The Board, however, only construes the claims when necessary to resolve the underlying controversy. *Toyota Motor Corp. v. Cellport Systems, Inc.*, IPR2015-00633, Paper No. 11 at 16 (Aug. 14, 2015) (citing *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)).

Patent Owner believes there is no need to construe any terms of the Challenged Claims, as there is not any underlying controversy regarding any terms at this time.

**VI. PETITIONER HAS NOT ESTABLISHED A REASONABLE
LIKELIHOOD THAT THE CITED PRIOR ART RENDERS THE
CHALLENGED CLAIMS UNPATENTABLE**

A. Ground 1 Fails

Regarding Ground 1, Petitioner has not established that Grotmol renders claims 10 and 11 of the '583 patent obvious in view of the knowledge of a POSA. The Petition has not established that Grotmol in view of the knowledge of a POSA discloses learning digital pictures correlated with instruction sets as required by limitation [1.6] of claim 1.¹ Because claims 10 and 11 depend from claim 4, which

¹ While claim 1 is not a Challenged Claim in the Petition, Patent Owner discusses claim 1 in this Preliminary Response because claim 1 is the base claim from which the Challenged Claims ultimately depend.

depends from claim 1, Grotmol fails to disclose claims 10 and 11, as they include the claim limitations of claim 1.

1. Claims 10 and 11: Grotmol Does Not Disclose or Suggest Learning Digital Pictures Correlated With Instruction Sets

Petitioner fails to show that Grotmol renders obvious claims 10 and 11 of the '583 patent because Grotmol does not disclose learning digital pictures correlated with instruction sets as claimed in claim 1 and therefore in claims 10 and 11 and Petitioner has not established that it would have been obvious to modify Grotmol's system to implement this feature which is not disclosed in Grotmol. Both claims 10 and 11 depend from claim 4, which depends from claim 1. Limitation [1.6] of claim 1 recites: "[code that . . . causes the one or more processors to perform . . .] learning the first one or more digital pictures correlated with the first one or more instruction sets for operating the first device." Ex. 1001, Claim 1. Thus, claim 1 requires code that causes a processor to learn digital pictures correlated with instruction sets, where the learned correlations are not pre-correlated, but are the results (*outputs*) of the learning in the claimed system. On the other hand, the training sets in Grotmol cited by Petitioner are pre-associated and are *inputs* into Grotmol's process that simply stores them with no learning that includes correlating. Grotmol's "storing" is not the claimed "learning" since learning includes knowledge structuring (i.e. correlating) that simple storing does not include. Grotmol fails to

disclose the specifically claimed learning system of claim 1, which is also claimed in claims 10 and 11 due to their dependency from claim 1 via intervening claim 4.

Petitioner appears to argue that Grotmol's generation or storage of training sets is equivalent to the claimed "learning the first one or more digital pictures correlated with the first one or more instruction sets." Petition, 15-18. Petitioner is incorrect. *First*, the claimed correlation between digital pictures and instruction sets is the result (output) of the learning recited in claim 1, whereas Grotmol's training sets are inputs into Grotmol's process that simply stores the pre-associated training sets with no need for learning the correlations since Grotmol's images and commands are already associated in the training sets. Therefore, Grotmol does not disclose the claimed "learning the first one or more digital pictures correlated with the first one or more instruction sets" because Grotmol does not need such learning.

Figure 2 of the '583 patent (shown below) makes clear that the claimed learning takes digital pictures and instruction sets as inputs and learns, as the result (output), correlations between those pictures and instruction sets. Picture Capturing Apparatus 90 captures digital pictures 525 of Device 98's surrounding. Ex. 1001, 69:58-70:44. Acquisition Interface 120 also acquires Instruction Sets 526. *Id.* The distinct uncorrelated pictures and instruction sets are transmitted to Artificial Intelligence Unit 110, *id.*, where the Artificial Intelligence Unit 110 is configured to

then learn the digital pictures correlated with the one or more instruction sets for operating the device. *Id.*, 68:10-67.

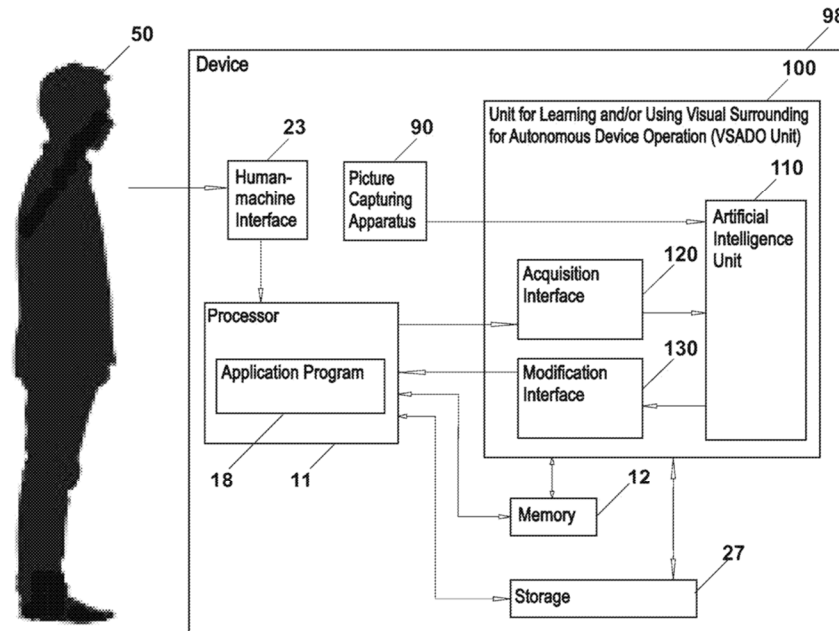


FIG. 2

Ex. 1001, Figure 2. In addition to Figure 2, Figures 11 and 13 of the '583 patent confirm that the learned correlations of pictures and instruction sets are the result (output) of the learning disclosed in claim 1. *Id.*, 88:44-90:38, 94:15-21.

In contrast, Grotmol's training sets are pre-associated, simply stored, and used for autonomous operation as inputs in Grotmol's system/process. Grotmol explains that its device includes a memory that stores "training sets," which may include "an instance of the video frame, an instance of the binary signal, and an instance of a

motor control indication configured to cause the robot to execute an action.” Ex. 1005, 3:35-39. As noted in the Petition, Grotmol’s training sets are generated and stored to achieve autonomous operation (Petition, 15-16), and this generation and storage is different than the claimed learning of digital pictures correlated with instruction sets, which specifically involves correlating uncorrelated pictures and instruction sets. Ex. 1001, Claim 1.

Second, Petitioner incorrectly applies statements in Grotmol regarding autonomous operation to support its contention that Grotmol discloses the learning of digital pictures correlated with instruction sets as recited in claim 1. Petitioner’s argument that the association of video frames with motor control indications in Grotmol discloses the claimed learning is wrong. Petition, 15-17. While Grotmol discloses “learning of associations between sensory context . . . and a respective action . . . during training,” Ex. 1005, 33:59-62, those associations (i.e., training sets) are used during the training process as inputs (hence the term “training sets”), as discussed above. Further, the associations disclosed by Grotmol are associations between a sensory context (not a digital picture, as claimed) and an action (not an instruction set, as claimed). Petition, 15-18.

Because claims 10 and 11 are dependent claims that inherit the limitations of claim 1, Grotmol fails to disclose these claims for at least the same reasons as those discussed regarding claim 1.

B. Ground 2 Fails

Regarding Ground 2, Petitioner has not established that Grotmol renders claims 25 and 27 of the '583 patent obvious in view of Hickman. For the reasons discussed above, the Petition has not established that Grotmol discloses or suggests learning digital pictures correlated with instruction sets as required by limitation [1.6] of claim 1, and the Petition does not rely on Hickman for that limitation of claim 1 (*see* Petition, 27-37). Because claims 25 and 27 ultimately depend from claim 1, Grotmol in view of Hickman fails to disclose or suggest claims 25 and 27, as these dependent claims include the claim limitations of claim 1.

C. Ground 3 Fails

Regarding Ground 3, Petitioner has not established that Grotmol in view of Hoffman renders claim 30 of the '583 patent obvious. For the reasons discussed above, the Petition has not established that Grotmol discloses learning digital pictures correlated with instruction sets as required by limitation [1.6] of claim 1, and the Petition does not rely on Hoffman for that limitation of claim 1 (*see* Petition, 37-43). Because claim 30 ultimately depends from claim 1, Grotmol in view of Hoffman fails to disclose or suggest claim 30, as claim 30 includes the claim limitations of claim 1.

VII. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. § 314(a)

Petitioner has failed to show a reasonable likelihood of prevailing as to any Challenged Claim, as discussed above. Denial of institution is further warranted under the discretion accorded to the Board in 35 U.S.C. §314(a). Petitioner’s failure to address the Board’s discretion in its Petition confirms that the Board should use its discretion to deny institution.

Apple, Inc. v. Fintiv, Inc. provides a multifactor test for the Board to consider when exercising its discretion to deny institution. IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). While the Director has identified three circumstances in which denial under *Fintiv* is inappropriate (*see* Katherine K. Vidal, *Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation* (June 21, 2022) (“*Fintiv Memo*”)), none of those circumstances apply. In addition, the enumerated factors in *Fintiv* favor denial in this case. In view of *Fintiv*, the Board should exercise its discretion to deny institution of this IPR.

A. *Fintiv* Applies To This Proceeding

This proceeding does not implicate any of the circumstances in which *Fintiv* is inapplicable. First, although *Fintiv* would not apply to a co-pending ITC proceeding, *Fintiv Memo*, 7, this exception is not relevant because the co-pending proceeding—*Autonomous Devices, LLC v. Tesla, Inc.*, No. 1:22-cv-01466-MN (D.

Del) (the “Delaware Litigation”)—relevant to this proceeding is a district court (not ITC) case. Second, *Fintiv* would be inapplicable if the petition includes a *Sotera*-type stipulation that forecloses from the district court proceeding all grounds that were raised or reasonably could have been raised in an IPR. *Fintiv* Memo, 7. This exception does not apply here because Petitioner made *no* stipulation, let alone a *Sotera* stipulation, in its petition. *See generally* Petition.

Finally, *Fintiv* would not apply where the merits are compelling. *Fintiv* Memo, 4-5. This bar is a higher standard than for institution; it is only met if it is “highly likely that the petitioner would prevail with respect to at least one challenged claim.” *OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102 at 49 (PTAB Oct. 4, 2022) (precedential). Here, the merits are not compelling. As discussed above, the cited references suffer from numerous fatal deficiencies. In light of these deficiencies, the Petition is not likely to succeed with respect to any remaining claim and thus *Fintiv* is applicable here.

B. The *Fintiv* Factors Weigh In Favor of Denying Institution

Fintiv provides a six-factor test to guide the Board’s discretion in whether to grant or deny institution. As discussed below, the *Fintiv* factors favor denial.

1. Factor 1: No Motion to Stay has been filed and the district court is unlikely to grant a stay

Factor 1 asks “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Fintiv*, 6. This factor favors denial of institution because presently there is no stay in the district court proceeding, and there is a low likelihood of a stay. The advanced stage of the underlying litigation disfavors a stay and a stay is unlikely to simplify the issues in the underlying litigation. Thus, factor 1 weighs against institution.

2. Factor 2 is not dispositive

The projected statutory deadline for a final written decision in this IPR is January 2025—barely 5 months prior to the June 23, 2025 district court trial date. Ex. 2005 (district court scheduling order). To the extent this factor may favor institution, no single factor is dispositive, *see Snap, Inc. v. SRK Technology LLC*, IPR2020-00820, Paper 15 at 19 (PTAB Oct. 21, 2020), and the other *Fintiv* factors favor denial.

3. Factor 3: The parties and district court have invested significant time into the district court litigation

Factor 3 strongly favors denial because the parties have invested and will continue to invest significant resources in the parallel district court litigation. The Board weighs “the amount and type of work already completed in the parallel

litigation by the court and the parties at the time of the institution decision.” *Fintiv*, 9.

The Board will decide whether to institute this IPR on or around January 10, 2024. By that time, the district court and the parties will have completed the following: motion to dismiss briefing, exchanged preliminary infringement and invalidity contentions, exchanged list of claim terms and proposed constructions, and substantially completed document production. *See* Ex. 2004 (showing the district court docket); Ex. 2005 (district court scheduling order). Moreover, fact discovery closes on February 23, 2024. Patent Owner has spent hundreds of hours reviewing Tesla’s technical production and the parties have exchanged thousands of documents. Further, by January 2024 (the institution decision deadline), the parties will have likely begun deposition discovery. Finally, Petitioner waited over seven months after the parallel district court litigation was filed to file its petition. *See* Ex. 2004 (showing the district court docket and filing of complaint on November 7, 2022); Petition, 66 (showing Petition filed on June 30, 2023). This unreasonable delay counsels against institution.

As discussed above, the parties have invested and will continue to invest significant resources in the parallel district court litigation, and accordingly, this factor favors denial.

4. Factor 4: There is significant overlap between this proceeding and the district court case

Factor 4 assesses the overlap between the issues raised in the petition and in the parallel proceeding. *Fintiv*, 11. The Board should deny institution because Petitioner has not stipulated to limit its ability to challenge the '583 patent claims in the district court case with prior art similar to that asserted in this proceeding. Further, Petitioner has not filed a stipulation in the district court, giving Petitioner the opportunity to avail itself of duplicative efforts between the district court proceeding and the Board. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18-19 (PTAB Dec. 1, 2020).

Petitioner appears to be positioning itself to be able to reassert in the district court case, following the conclusion of the IPR process, some or all of the very same references that it has petitioned the Board to review or that it reasonably could have raised before the Board. For example, in Petitioner's invalidity contentions it has identified the petitioned references with various other references. See Ex. 2006 (Petitioner's district court invalidity contentions). These invalidity theories rely on the exact same art asserted in this IPR. *See Samsung Elecs. v. Clear Imaging Research, LLC*, IPR2020-01400, Paper 13 at 20-21 (PTAB Feb. 3, 2021) (finding that the petition included sufficient overlap of issues with the parallel district court where the petitioner relied on "substantially identical prior art" in both proceedings).

Thus, Petitioner will argue the same references, using the same evidence and likely the same expert at the district court level—which will greatly overlap the issues in this IPR and the district court case.

Petitioner’s failure to provide a stipulation regarding prior art that it will not pursue in the district court case leaves open the possibility of parallel litigation for the same claims using printed publications and various system combinations not asserted in the Petition. A meaningful stipulation would be broad, tracking the estoppel language of 35 U.S.C. § 315(e), and would be filed in the parallel district court proceeding. Accordingly, efficiency would not be served in the present IPR by allowing Petitioner to challenge the ’583 patent claims with the same prior art references, after expending considerable resources in the district court. *See Fintiv*, 13.

5. Factor 5: The parties in both proceedings are the same

“If a petitioner is unrelated to a defendant, the Board has weighed this fact against exercising discretion to deny institution under *NHK*.” *SK Innovation Co. LTD., v. LG Chem, LTD.*, IPR2020-01239, Paper 14 at 20-21 (PTAB Jan. 12, 2021). However, when the parties are the same in a parallel proceeding and the IPR, as they are here, “Factor 5 weighs in favor of exercising discretion to deny.” *Id.* Accordingly, Factor 5 weighs in favor of denial of institution.

6. Factor 6: The merits of Petitioner’s petition are not strong

This factor favors denial of institution given the Petition’s weakness on the merits. *E-One Inc. v. Oshkosh Corp.*, IPR2019-00162, Paper 16 at 13-20 (PTAB June 5, 2019). “[I]f the merits of the grounds raised in the petition are a closer call, then that fact has favored denying institution when other factors favor denial are present.” *Fintiv*, 15. As analyzed in the preceding sections, the merits of the Petition are weak in light of at least Petitioner’s failure to demonstrate that the cited references disclose all of the limitations of the claims discussed above in Section VI. Accordingly, this factor weighs in favor of denial.

VIII. CONCLUSION

Accordingly, for at least the reasons set forth above, institution of *inter partes* review should be denied.

Dated: October 10, 2023

Respectfully submitted,

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CERTIFICATION OF WORD COUNT

The undersigned hereby certifies that the portions of the above-captioned **PATENT OWNER'S PRELIMINARY RESPONSE** specified in 37 C.F.R. § 42.24 have 3,940 words, in compliance with the 14,000 word limit set forth in 37 C.F.R. §42.24(b)(1). This word count was prepared using Microsoft Word 2016.

Dated: October 10, 2023

By: /Arvind Jairam/
Arvind Jairam, Reg. No. 62,759

CERTIFICATION OF SERVICE

The undersigned hereby certifies that a copy of this **PATENT OWNER'S PRELIMINARY RESPONSE** has been served on Petitioner via email on the following counsel of record for Petitioner:

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Dated: October 10, 2023

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