

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BMW of North America, LLC and Robert Bosch LLC,

Petitioners,

v.

Foras Technologies Ltd.,

Patent Owner.

Case IPR2023-01373

Patent 7,502,958

PATENT OWNER'S PRELIMINARY SUR-REPLY

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	First Amended Docket Control Order (Foras v. Kia - EDTX)
2002	Docket (Foras v. Kia - EDTX)
2003	Subject Matter Contentions (Foras v. Kia - EDTX)
2004	Invalidity Contentions Cover Pleading (Foras v. Kia – EDTX)
2005	Infringement Contentions Cover Pleading (Foras v. Kia – EDTX)

I. INTRODUCTION

Patent Owner Foras Technologies Ltd. (“Patent Owner”) submits this preliminary sur-reply to Petitioners BMW of North America, LLC and Robert Bosch LLC’s (“BMW” or “Petitioners”) preliminary reply (“Reply”) for *inter partes* review of U.S. Patent No. 7,502,958 (“the ’958 patent”).

The Board should exercise its discretion to deny the petition in light of an active district court case in the Eastern District of Texas involving the same patent, the same claims, and the same prior art (“Kia Litigation”). That case is set for trial on January 6, 2025. On balance, the *Fintiv* factors weigh against institution and Petitioner’s Reply does not show otherwise.

Accordingly, the Board should deny institution.

II. PETITIONER’S FINTIV ANALYSIS IS FLAWED

A. **Factor 1: The Eastern District of Texas court has not granted a stay, nor is there any evidence that a stay will be granted.**

Petitioners argue that the Kia Litigation is likely to be stayed based on Kia’s opposed motion to stay under the customer-suit exception filed on January 11, 2024. Reply at 1. But the Eastern District of Texas court has not stayed the pending litigation, nor is there any evidence that a stay is likely to be granted. Foras’s response in opposition to Kia’s motion is not due until February 8, 2024. Petitioner’s reliance on the stay granted in the copending litigation against Toyota is not persuasive because that motion was filed as a Joint Motion to stay the claims against

Toyota. In contrast, Kia’s motion is opposed and therefore does not involve “nearly identical facts.” Reply at 2.

Allowing this IPR to proceed simultaneously with the district court trial would be wasteful and inefficient. This factor weighs against institution, or at “the very worst” is neutral as Petitioner concedes. Reply at 2.

B. Factor 2: The Eastern District of Texas trial will occur before the final written decision in this proceeding.

As discussed above, a stay of the Kia Litigation is unlikely, and therefore the Kia trial date is not uncertain. As Petitioner concedes, the Kia Litigation’s trial date would precede the final written decision (“FWD”) by approximately three months, and even Petitioner’s cited median-time-to-trial statistics confirm that the Kia trial date would precede the FWD. Reply at 4.

Petitioner further argues that the Board has instituted trial where the trial date precedes the FWD. Yet the Board has also exercised its discretion to deny institution where the trial date precedes the FWD under nearly identical circumstances to those at issue here. *See, e.g., Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 7–8, at 13 (PTAB May 13, 2020) (“Fintiv II”); *Samsung Elecs. Co. Ltd. v. Evolved Wireless LLC*, IPR2021-00950, Paper 10 at 10–11 (PTAB Nov. 29, 2021) at 13; *Immersion Systems LLC v. Midas Green Techs., LLC*, IPR2021-01176, Paper 16 at 12–13 (PTAB Jan. 6, 2022) (“Midas”).

Because the district court trial will occur before the deadline for the FWD in this matter, this factor weighs in favor of a discretionary denial. *See Fintiv II* at 13.

C. Factor 3: By the time an institution decision is reached, there will have been a substantial amount of work completed in the Kia Litigation.

Discovery in the Kia Litigation is ongoing, and the claim construction process will begin prior to the institution decision. Ex. 2001. At worst, this factor is neutral.

D. Factor 4: There is substantial overlap between this IPR and the Eastern District of Texas court proceedings.

Petitioner “stipulate[s], if IPR is instituted, not to pursue any invalidity challenges to the ’958 patent that rely on any references used in the Petition (Bigbee and Nguyen).” Reply at 6. This narrow stipulation is insufficient, only concerning the particular references for which trial is instituted. Critically, Petitioner fails to make a Sotera stipulation—Petitioner’s limited stipulation does not eliminate the concerns about overlapping issues and duplicative efforts. As explained in *Sand*, Petitioner could have stipulated that it “would not pursue any ground raised or that could have been reasonably raised in an IPR, i.e., any ground that could be raised under §§ 102 or 103 on the basis of prior art patents or printed publications.” *Sand Revolution II, LLC, Continental Intermodal Grp. – Trucking LLC*, IPR2019-013393, Paper 24 at 12 n.5 (PTAB June 16, 2020). Such a stipulation “might better address concerns regarding duplicative efforts and potentially conflicting decisions in a much more substantial way ... [and] might help ensure that an IPR functions as a

true alternative.” *Id.* Accordingly, Factor 4 favors denial. At most, Petitioner’s stipulation only weighs “marginally in favor of not exercising discretion.” *Sand* at 12; *Evolved* at 15.

Next, the fact that the Petition challenges additional claims does not warrant institution. *See, e.g., NextCaller Inc. v. TRUSTID, Inc.*, IPR2019- 00961, Paper 10 at 14 (PTAB Oct. 16, 2019) (denying institution where the district court case involved only a subset of the challenged claims).

Finally, that the district court case involves additional prior art references not asserted in this IPR is “not relevant to the question of the degree of overlap for this factor.” *Fintiv II* at 15. And Petitioner does not (as it cannot) dispute that Kia’s invalidity contentions assert Bigbee in view of Nguyen.

This factor thus weighs in favor of a discretionary denial. *See Fintiv II* at 15; *NHK Spring* at 19–20; *see also, NextCaller*, IPR2019-00961, Paper 10 at 14 (denying institution where the district court case involved only a subset of the challenged claims).

E. Factor 5: Even though Petitioner is not a defendant in the Eastern District of Texas litigation, this IPR would be highly duplicative.

“Even when a petitioner is unrelated to a defendant ... the Board may, nonetheless, exercise the authority to deny institution.” *Fintiv I* at 14. Therefore, this factor is neutral, and Petitioner does not identify any cases with similar facts to the contrary.

F. Factor 6: The petition is without merit and unlikely to succeed.

With respect to the sixth *Fintiv* factor, “a full analysis of the merits is not necessary to evaluate [the sixth *Fintiv*] factor.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 17 (PTAB May 13, 2020) (decision denying institution of *inter partes* review) (“*Fintiv II*”). Where, as here, the Petition is based entirely on alleged obviousness (Petition at 1), and relies on a reference (Exhibit 1005) that was already cited during the prosecution history of the ’958 patent, it cannot be said that the Petition presents a compelling unpatentability challenge. And, it is important to note that the compelling merits standard is a higher standard than the standard for institution set by statute. “A challenge can only ‘plainly lead to a conclusion that one or more claims are unpatentable’ 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, 49 (PTAB Oct. 4, 2022) (precedential). Petitioner has not done so here, and, when considered together with the other *Fintiv* factors discussed above, this factor also favors discretionary denial.

III. CONCLUSION

As set forth above, the *Fintiv* factors strongly favor discretionary denial, and the Petition should be denied for this reason alone.

Respectfully submitted,

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Date: January 26, 2024

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above document was served on January 26, 2024, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioner:

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