

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.;
SAMSUNG ELECTRONICS AMERICA, INC.,

Petitioners,

v.

SLYDE ANALYTICS, LLC,

Patent Owner.

Patent No. 8,588,033

Filing Date: September 28, 2012

Issue Date: November 19, 2013

Inventors: Pascal Pozzo Di Borgo and Jorg Hysek

Title: WRISTWATCH WITH ELECTRONIC DISPLAY

PATENT OWNER'S PRELIMINARY RESPONSE

Case No. IPR2024-00006

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2001	Second Amended Docket Control Order, Dkt. 33, <i>Slyde Analytics LLC v. Samsung Elecs. Co.</i> , No. 2:23-cv-00083-RWS-RSP (E.D. Tex. October 5, 2023)
2002	Defendants' Joint Patent L.R. 3-3 Invalidity Contentions and Subject Matter Ineligibility Contentions, <i>Slyde Analytics LLC v. Samsung Elecs. Co.</i> , No. 2:23-cv-00083-RWS-RSP, served November 14, 2023

I. INTRODUCTION

On October 16, 2023, Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, “Petitioner” or “Samsung”) submitted a petition (Paper 3, “Petition” or “Pet.”) to institute *inter partes* review (“IPR”) of U.S. Patent No. 8,588,033 (Ex. 1001, the “’033 Patent”), challenging claims 1-19 (the “Challenged Claims”). The Petition asserts that (i) Claims 1 and 11-14 are obvious over Mooring (Ex. 1005) in view of Satoshi (Ex. 1007); (ii) Claims 2-3, 17, and 19 are obvious over Mooring and Satoshi in further view of Lee (Ex. 1008); (iii) Claims 13-16 are obvious over Mooring and Satoshi in further view of Louch (Ex. 1009); (iv) Claims 4-5 are obvious over Mooring and Satoshi in further view of Inoue (Ex. 1010) and Tam (Ex. 1012); (v) Claims 6-10 and 13 are obvious over Mooring and Satoshi in further view of Tam and Ruchonnet (Ex. 1011); and (vi) Claim 18 is obvious over Mooring and Satoshi in further view of Lee, Tam, Inoue, and Ruchonnet. Pet. at 3-4.

The Board should deny instituting the Petition at least because the alleged combination of Mooring with Satoshi rests on the flawed premises that (i) Mooring discloses a simulation of a mechanical watch display and, more specifically, that it uses a microcontroller to simulate a mechanical watch display based on quartz oscillation; and (ii) Satoshi discloses a microcontroller arranged to synchronize the time from a phone’s clock function with the time displayed by a simulated

mechanical watch. Neither Mooring nor Satoshi disclose those portions of the claimed invention in the manner that Petitioner argues, and the Board should reject Petitioner's reliance on the combination of Mooring and Satoshi based on these faulty premises. Petitioner's unsupported expert opinion that a person of ordinary skill in the art (POSITA) would use Mooring's quartz oscillation in a wristwatch with the mobile phone application of Satoshi in the claimed manner is similarly deficient.

The Petition is also deficient because it presents no evidence that a POSITA would combine a reference disclosing processors for a mobile phone application (Satoshi) with a reference related to wristwatches (Mooring) to teach a wristwatch microcontroller. Petitioner also fails to address whether a POSITA would have had a reasonable expectation of success in combining Mooring and Satoshi given the dearth of evidence in the Petition regarding whether quartz oscillation could be used for a mobile phone's clock function or whether a mobile phone's microcontroller could be interchangeable with a wristwatch's microcontroller as of the date of the '033 Patent invention.

The Board should exercise its discretion to deny the Petition under 35 U.S.C. § 314(a) for at least the following reasons: (i) there exists a parallel District Court Litigation between the same parties or real-parties-in-interest; (ii) the District Court Litigation involves the same subject patent (the '033 Patent) with substantially the

same claims; (iii) the District Court’s trial will be more than *two months before* the projected statutory deadline; (iv) the parties have heavily invested in the District Court Litigation and a trial date is set for February 18, 2025; and (v) there is no stay of the parallel District Court Litigation.

II. THE ’033 PATENT

The ’033 Patent “pertains to a wristwatch, in particular an electronic wristwatch having a high-resolution display screen.” ’033 Patent, 1:15-17.

The ’033 Patent describes the advantage of its claimed simulated watch movements as different from real physical hands, dials, gears, etc. in the prior art. *Id.*, 2:40-43 (“This watch thus makes it possible to display a simulated mechanical movement that is as complex as desired whilst avoiding the manufacturing costs of a real, physical and tangible mechanical movement.”).

The ’033 Patent also describes that it provides an invention that is an improvement over the inadequate state of the prior art that incorporates physical dials and hands in combination with the electronic movement of quartz:

Electronic watches, most often regulated by a quartz crystal, have the advantage of great accuracy and moderate cost thanks to industrial manufacturing technology. The time calculated by electronic watches is most often displayed in digital fashion on a liquid crystal segment display or sometimes *by means of hands driven by a stepping motor whose running is regulated by the quartz. . . .* Stepping motors generally cause a jerky

displacement of the hands, considered unquiet and not representative of the continuous passing of time.

Id., 1:22-34 (emphasis added).

As the '033 Patent further describes, at the time of the invention, microcontrollers for wristwatches could not be compared to or be combined with microcontrollers for mobile phones or other larger computing devices because of the size and power consumption limitations that are particular to wristwatches.

The invention is also based on the observation that the computational power of the current watch microcontrollers (i.e. of microcontrollers of a size and with a power consumption compatible with a watchmaking application) enables a realistic simulation of a complex mechanical movement to be calculated and displayed in real time.

Id., 2:53-58.

III. THE ALLEGED PRIOR ART

A. Mooring

Mooring “relates to a modular movement that is both fully functional standalone as well as interchangeable in other portable devices, such as watches.”

Ex. 1005, [0022].

In every disclosure of dials or hands in Mooring, Mooring describes physical dials and hands instead of a simulation. FIG. 1A “illustrate[s] an embodiment where the modular movement 12a is implemented as a mechanical movement,” uses a “dial

and hands.” *See id.*, [0038]. FIGS. 1B and 1C do not show dials and hands but illustrate example embodiments where the modular movements 12b and 12c are implemented as an electronic movement. Examples of an electronic movement may include a quartz movement with an analog or digital display, and with or without a battery.” *Id.*, [0039]. Even if hands and dials are the disclosed analog display in FIGS. 1B and 1C, Mooring makes clear that the hands and dial would be physical:

An example type of electronic movement is a quartz movement used in quartz watches that utilizes frequency of vibrations of a quartz crystal to accurately regulate the operation of the watch. Quartz movements may be automatic (a self-winding rotor mechanism) or battery powered. The majority of watches made today are equipped with electronic movements that feature an ***analog time display having rotating hands on a face or dial.***

Id., [0003] (emphasis added).

In another embodiment of Mooring, different from the exemplary embodiment involving the quartz movement as a modular movement, a modular movement could also be a computer-based movement. For example, “FIG. 6 is a block diagram illustrating computer components on the PCB comprising the modular movement 12b according to an exemplary embodiment.” *Id.*, [0055]. Mooring explicitly discriminates between embodiments involving a “quartz movement” and embodiments involving “a computer-based movement with a touchscreen or LCD display.”

An example type of electronic movement is a quartz movement used in quartz watches that utilizes frequency of vibrations of a quartz crystal to accurately regulate the operation of the watch.

...

Other watches equipped with electronic movements may include digital displays and small computers that are used in many types of electronic devices.

Id., [0003]-[0004] (emphasis added).

FIGS. 1B and 1C illustrate example embodiments where the modular movements 12b and 12c are implemented as an electronic movement. Examples of an electronic movement may include a quartz movement with an analog or digital display, and with or without a battery. ***Another example of an electronic movement*** may include a computer-based movement with a touchscreen or LCD display and battery, for instance.

Id., [0039] (emphasis added). By using “other watches” or “[a]nother example,” Mooring differentiates between electronic movement embodiments involving quartz movements from those electronic movement embodiments involving digital displays, such as in FIG. 6.

In Mooring’s embodiment using computer-based movement as a modular movement, Mooring describes the components that would make up the computer-based movement. Mooring states that “[m]icroprocessor 614 and/or DSP may be capable of concurrently executing multiple software routines, including system code, to control the various processes of the modular movement 12b.” *Id.*, [0057].

As another component of this embodiment, Mooring's display controller 630, "may access RAM 622 and transfer processed data, such as time and date and/or a user interface, to the touchscreen 506 for display." *Id.*, [0060].

B. Satoshi

Satoshi "relates to a rotating body image display device and a rotating body image display program for displaying rotating bodies such as gears synchronously rotating together." Ex. 1007, [0001]. In particular, Satoshi is directed to "a program for displaying an animation of interactively operable gears of any number for mobile phone users to arrange and display in a plurality of combinations." *Id.*, [0004].

Satoshi primarily describes how a user can arbitrarily place a plurality of gears meshed together, instead of a preset gear rotating display, and how the system of Satoshi overcomes the difficulty of allowing those arbitrary gears to synchronously rotate together:

Therefore, in order to implement the aforementioned content in mobile phones such as those described above, rather than a preset gear rotating display, an animation is displayed in a state in which a plurality of gears meshed together that a user places arbitrarily are synchronized with each other, which was extremely difficult. That is, the gears meshing together have different rotation rates based on the ratio of the number of their teeth, and because the gears meshed together are synchronized so that the tooth space between the teeth of one gear and the tooth of another gear mesh, displaying an animation of two or more gears having different rotation rates and that are synchronized together was difficult under conditions in

which the functions of a mobile phone are limited as described above.

Id., [0006].

In one embodiment, Satoshi describes that a user can ***manually*** adjust the angles for the hour hand, minute hand, and second hand on its gear display in order to match the mobile phone's clock function:

That is, ***based on an operation by the user***, the current time can be read from the clock function of the mobile phone 1, and corresponding to the hour, minute, and second that was read, ***a process is performed in which the hour hand 9a, the minute hand 9b, and the second hand 9c are respectively set to an angle*** for the current hour, an angle for the current minute, and an angle for the current second (steps S23, 24, and 25). Furthermore, each change operation can be repeated, but by operating the set key, the angles of the hands 9 are fixed and the process ends (step S26).

Id., [0087] (emphasis added). More specifically, a user enters an “editing mode,” where the user rotates the hands to match the phone clock time. After the editing mode, the rotation of the hands recommences in execution mode. Satoshi's disclosure even notes that there “may be ***a long time***” or “***a big difference*** between a time when the editing mode is opened and a time on the clock when the hands 9 are adjusted,” and therefore “angles of the hands 9 when changed ***will not match*** the time when the editing mode was opened, and the time cannot be set accurately.” *Id.*, [0088] (emphasis added). This “difference” is precisely because of delay between

the user actions involved during editing mode and execution mode when the hands start rotating again:

Note that when a time display is enabled using the hand 9a, the minute hand 9b, and the second hand 9c, in editing mode, editing is performed with rotation of the gears 7 in a stopped state (a state upon opening the editing mode in which rotation of the hands 9 is stopped), the execution mode is returned to, rotation of the hands 9 recommences, and when drawing the hands 9, the hands 9 advance to the current time and are redrawn. However, upon opening the editing mode, the clock can actually be seen, and it *may be a long time until the angles of the hands 9 change, there may be a big difference between a time when the editing mode is opened and a time on the clock when the hands 9 are adjusted*, and even if the angles of the hands 9 when the editing mode is opened while the execution mode is opened advance to angles of the hands 9 based on the current time, *angles of the hands 9 when changed will not match the time when the editing mode was opened, and the time cannot be set accurately.*

Id., [0088] (emphasis added). Therefore, any matching of time between Satoshi's display's hands and gears and Satoshi's phone clock is performed through user involvement during an editing mode.

Satoshi discloses a calculation processing part 3 that is responsible for executing the display (*e.g.*, rotating animated gears and hands) or adjusting the color scheme based on user specification (*e.g.*, size of gears, number of teeth per gear, rotation rate, color, etc.):

The calculation processing part 3 executes the rotating body image display program of the present invention and functions as display controlling means and color changing means of the present invention.

Id., [0040]; *see also id.*, [0042] (describing that part 3 “displays an animation of a plurality of gears 7 (spur gears) as rotating bodies”), [0067] (describing that part 3 displays the gears according to user settings in an editing mode), [0080] (“part 3 for performing the color changing process”), [0103] (describing that the calculation processing part 3 ensures “timings are substantially synchronized for switching the image data for the rotating bodies together, which are displayed in a synchronously rotating state” of user-specified gears or other rotating bodies).

IV. CLAIM CONSTRUCTION

For the purposes of this Preliminary Response only and without agreeing to any of Petitioner’s proposed constructions, Patent Owner believes that claim construction is not required to resolve any issues.

V. LEVEL OF ORDINARY SKILL IN THE ART

For the purposes of this Preliminary Response only, Patent Owner utilizes Petitioner’s proposed level of skill in the art: “a bachelor’s degree in electrical engineering, computer science, computer engineering, or a related field, and 2-3 years of experience in the research, design, development, or testing of touchscreen applications and graphical user interfaces for mobile devices, with additional

education substituting for experience and vice-versa.” Pet. at 7 (citations omitted).

**VI. PETITIONER HAS NOT DEMONSTRATED A REASONABLE
LIKELIHOOD OF SUCCESS FOR THE GROUNDS
ADVANCED IN THE PETITION, AND THE PETITION
SHOULD BE DENIED**

The question of obviousness is resolved on the basis of underlying factual determinations, including: (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) so-called secondary considerations where in evidence. *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17-18 (1966); *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious. *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1537 (Fed. Cir. 1983).

The Board has held that a failure to identify the differences between the claimed subject matter and the prior art is fatal to an obviousness challenge. *See, Apple, Inc. v. Contentguard Holdings, Inc.*, IPR2015-00355, Decision Denying Institution of *Inter Partes* Review, Paper 9 at 9-10 (P.T.A.B. June 26, 2015) (denying institution for failure to identify the differences between the claimed subject matter and the prior art).

In arriving at an obviousness determination, the Board must sufficiently explain and support the conclusions that the prior-art references disclose all the elements recited in the Challenged Claims and a relevant, skilled artisan not only could have made, but would have been motivated to combine all the prior art references in the way the patent claims and reasonably expected success. *Pers. Web Techs., LLC v. Apple, Inc.*, 848 F.3d 987, 994 (Fed. Cir. 2017). That is, even if all the claim elements are found across a number of references, an obviousness determination must consider whether a person of ordinary skill in the art would have the motivation to combine those references. *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1368 (Fed. Cir. 2016); *Los Angeles Biomedical Rsch. Inst. at Harbor-UCLA Med. Ctr. v. Eli Lilly & Co.*, 849 F.3d 1049, 1067 (Fed. Cir. 2017) (vacating and remanding an obviousness determination, in part, because the Board did not make factual finding as to whether there was an apparent reason to combine all three prior art references to achieve the claimed invention and whether a person of skill in the art would have had a reasonable expectation of success from such a combination). This combinability determination, as supported by an articulated motivation to combine, requires a plausible rationale as to why those prior art references would have worked together. *Broadcom Corp. v. Emulex Corp.*, 732 F.3d 1325, 1335 (Fed. Cir. 2013). Absent some articulated rationale, a “common sense” finding is no different than the conclusory statement “would have been

obvious.” *In re Van Os*, 844 F.3d 1359, 1361 (Fed. Cir. 2017). Of additional importance, “knowledge of a problem and motivation to solve it are entirely different from motivation to combine particular references. . . .” *Innogenetics, N.V. v. Abbott Lab’ys.*, 512 F.3d 1363, 1373 (Fed. Cir. 2008).

A. Ground 1: Claim 1 is Not Obvious Over the Combination of Mooring in View of Satoshi

- 1. The Petition Does Not Show that the Combination of Mooring in View of Satoshi Discloses “*a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement comprising a gear train, said simulation being visible so as to indicate the time, said microcontroller being further arranged for synchronizing the displayed time by said displayed mechanical movement with that of said quartz oscillator,*” as Required by Claim Element 1[d]**

Claim 1 of the ’033 Patent recites “a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement comprising a gear train, said simulation being visible so as to indicate the time, said microcontroller being further arranged for synchronizing the displayed time by said displayed mechanical movement with that of said quartz oscillator.”

- (a) Mooring Does Not Disclose “*the simulation of a mechanical watch movement,*” as Required by Claim Element 1[d]**

The Petition does not cite any evidence supporting its position that Mooring discloses “the simulation of a mechanical watch movement,” let alone any

simulation. Pet. at 30. The '033 Patent is clear that simulated watch movements are different from real physical hands, dials, gears, etc. '033 Patent, 2:40-43 (“This watch thus makes it possible to display a simulated mechanical movement that is as complex as desired whilst avoiding the manufacturing costs of a real, physical and tangible mechanical movement.”). Despite this disclosure, Petitioner erroneously glosses over the distinction between the claimed simulated movement and real movement and insupportably argues that the actual “movement of an hour hand and minute hand is the claimed ‘simulation of a mechanical watch movement.’” Pet. at 32.

In every disclosure of dials or hands in Mooring, Mooring describes physical dials and hands instead of a simulation. FIG. 1A “illustrate[s] an embodiment where the modular movement 12a is implemented as *a mechanical movement*,” uses a “dial and hands.” See Ex. 1005, [0038] (emphasis added). FIGS. 1B and 1C, on which Petitioner relies, do not show dials and hands, but Petitioner implies that hands and dials are included in the analog display that is operative with a quartz movement in Mooring. *Id.*, [0039] (“FIGS. 1B and 1C illustrate example embodiments where the modular movements 12b and 12c are implemented as an electronic movement. Examples of an electronic movement may include a quartz movement with an analog or digital display, and with or without a battery.”). Even if hands and dials are the analog display contemplated, Mooring makes clear that the

hands and dial would be physical.

An example type of electronic movement is a quartz movement used in quartz watches that utilizes frequency of vibrations of a quartz crystal to accurately regulate the operation of the watch. Quartz movements may be automatic (a self-winding rotor mechanism) or battery powered. The majority of watches made today are equipped with electronic movements that feature an *analog time display having rotating hands on a face or dial*.

Id., [0003] (emphasis added).

Mooring's system that incorporates physical dials and hands with the electronic movement of quartz is exactly the inadequate state of the prior art described in the '033 Patent:

Electronic watches, most often regulated by a quartz crystal, have the advantage of great accuracy and moderate cost thanks to industrial manufacturing technology. The time calculated by electronic watches is most often displayed in digital fashion on a liquid crystal segment display or sometimes *by means of hands driven by a stepping motor whose running is regulated by the quartz*. . . . Stepping motors generally cause a jerky displacement of the hands, considered unquiet and not representative of the continuous passing of time.

'033 Patent, 1:22-34 (emphasis added). Petitioner also tacitly concedes that Mooring does not disclose the claimed "a simulation of a mechanical watch movement *comprising a gear train*," nor does Mooring mention any gears in its entire disclosure, real or simulated.

Because displaying physical hands or dials is not a simulation, even if associated with quartz movement, Petitioner fails in showing that Mooring discloses a simulation of a mechanical watch movement.

For these reasons, the Petition is deficient because it fails to show that the combination of Mooring in view of Satoshi renders obvious claim element 1[d].

(b) Mooring Does Not Disclose “*a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement,*” as Required by Claim Element 1[d]

As noted in Section VI.A.1(a) above, Mooring does not disclose a simulation of a mechanical watch movement, and therefore cannot disclose “*a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement.*”

Additionally, Petitioner either misinterprets or misrepresents the functions of various computer elements of Mooring in arguing that Mooring discloses the claimed microcontroller. These errors allow Petitioner to allege that “[t]he claimed ‘microcontroller’ corresponds to display controller 630 together with microprocessor 614 and/or digital signal processor (DSP) 616 in Figure 6 of

Mooring.” Pet. at 30 (citing to Ex. 1002, ¶ 147).¹ Each of these components is taken in turn below.

First, Petitioner fundamentally misinterprets the functions of Mooring’s microprocessor 614 and/or DSP 616. Mooring states that “[m]icroprocessor 614 and/or DSP may be capable of concurrently executing multiple software routines, including system code, to control the various processes of the modular movement 12b.”² Ex. 1005, [0057]. That the microprocessor and/or DSP of Mooring “control the various processes of the modular movement 12b” (*e.g.*, quartz movement) is inapposite to reproducing a simulation of a mechanical watch movement.

Second, Petitioner misinterprets the function of Mooring’s display controller 630, which “may access RAM 622 and *transfer processed data, such as time and date and/or a user interface*, to the touchscreen 506 for display.” *Id.*, [0060] (emphasis added). A device controller “[t]ransferring processed data, such as time

¹ The relationship between Mooring’s display controller 630 and microprocessor 614 with DSP 616 is unclear in Mooring’s specification. *See* Ex. 1005, [0056]-[0062]. Petitioner also does not explain this relationship in context to this claim and, for this reason, fails to show how the combination of Mooring’s display controller 630, microprocessor 614, and DSP 616 comprise the claimed microcontroller. Petitioner thus fails to show that Mooring discloses this claim limitation.

² Mooring earlier describes modular movement 12b as an electronic movement, such as a quartz movement. Ex. 1005, [0039] (“modular movements 12b and 12c are implemented as an electronic movement. Examples of an electronic movement may include a quartz movement.”).

and date” directly to a touchscreen for display does not disclose or suggest reproducing a simulated mechanical watch movement, as required by the claim.

Aside from not disclosing any simulation of mechanical watch movement in Mooring, Petitioner also does not show how Mooring’s display controller 630, microprocessor 614, and DSP 616, alone or collectively, are arranged for reproducing a simulated mechanical watch movement display. For these reasons, Mooring does not disclose “a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement.”

(c) Petitioner Fails to Provide a Necessary Motivation to Combine Two Separate Embodiments of Mooring to Teach the Claimed “*microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement*” with the Claimed “*quartz oscillator*,” as Required by Claim Element 1[d]

The Petition is deficient for not articulating a necessary motivation to combine the two separate embodiments in Mooring that Petitioner relies on to teach the use of the claimed microcontroller in combination with quartz oscillation. Mooring’s description of the computer components of FIG. 6 (which Petitioner relies upon to disclose the claimed microcontroller)³ is in a separate embodiment from the embodiment that Petitioner relies upon to show that Mooring discloses quartz

³ “The claimed ‘microcontroller’ corresponds to display controller 630 together with microprocessor 614 and/or digital signal processor (DSP) 616 *in Figure 6 of Mooring*.” Pet. at 30 (citing to Ex. 1002, ¶ 147) (emphasis added).

movement. Petitioner never articulates a motivation to combine those two embodiments to the extent it is even possible to do so.

“FIG. 6 is a block diagram illustrating *computer components on the PCB comprising the modular movement 12b* according to an exemplary embodiment.”

Ex. 1005, [0055] (emphasis added). This embodiment where computer components comprise the modular movement 12b is different than the exemplary embodiment involving the quartz movement as modular movement 12b. Mooring explicitly discriminates between embodiments involving a “quartz movement” and embodiments involving “a computer-based movement with a touchscreen or LCD display.”

An example type of electronic movement is a quartz movement used in quartz watches that utilizes frequency of vibrations of a quartz crystal to accurately regulate the operation of the watch.

...

Other watches equipped with electronic movements may include digital displays and small computers that are used in many types of electronic devices.

Id., [0003]-[0004] (emphasis added).

FIGS. 1B and 1C illustrate example embodiments where the modular movements 12b and 12c are implemented as an electronic movement. Examples of an electronic movement may include a quartz movement with an analog or digital display, and with or without a battery. *Another example of an electronic movement* may include a

computer-based movement with a touchscreen or LCD display and battery, for instance.

Id., [0039] (emphasis added). By using “other watches” or “[a]nother example,” Mooring differentiates between electronic movement embodiments involving quartz movements from those electronic movement embodiments involving digital displays, such as in FIG. 6.

Because Mooring uses separate embodiments for computer-based movement (*i.e.*, the embodiment which Petitioner relies on for disclosing a microcontroller”) and quartz oscillation movement, a POSITA would require some motivation to combine the two embodiments of Mooring to teach the combination of the claimed “quartz oscillator” with the claimed “microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement” that is required in claim element 1[d]. Petitioner does not provide any such motivation to combine.

(d) Satoshi Does Not Disclose the Claimed “*said microcontroller being further arranged for synchronizing the displayed time by said displayed [simulation of a] mechanical movement with that of said quartz oscillator,*” as Required by Claim Element 1[d]

The Petition is deficient because it erroneously relies on Satoshi to teach “synchronizing the display time with the more accurate time of the clock function of the mobile phone.” Pet. at 36. This claim element requires that “*said microcontroller*

[is] further arranged for synchronizing,” but Satoshi teaches that synchronization is done through manual user involvement. As Petitioner admits, “Satoshi further teaches that *the user can request* to set the watch hands to “the current time . . . read from the clock function of the mobile phone.” *Id.* (citing Ex. 1007, ¶ 87) (emphasis added); *see also* Ex. 1002, ¶ 159 (“*the user request taught in Satoshi would synchronize* the time displayed by the watch hands”) (emphasis added). Petitioner and Petitioner’s expert mislead the Board when they fail to note Satoshi’s further description of this “user [] request.” In the very same paragraph cited by Petitioner, Satoshi describes that a user *manually* adjusts the angles for the hour hand, minute hand, and second hand, to match the mobile phone’s clock function:

That is, *based on an operation by the user*, the current time can be read from the clock function of the mobile phone 1, and corresponding to the hour, minute, and second that was read, *a process is performed in which the hour hand 9a, the minute hand 9b, and the second hand 9c are respectively set to an angle* for the current hour, an angle for the current minute, and an angle for the current second (steps S23, 24, and 25). Furthermore, each change operation can be repeated, but by operating the set key, the angles of the hands 9 are fixed and the process ends (step S26).

Ex. 1007, [0087] (emphasis added). More specifically, a user enters an “editing mode,” where the user rotates the hands to match the phone clock time. After the editing mode, the rotation of the hands recommences in execution mode. Satoshi’s disclosure even notes that there “may be *a long time*” or “*a big difference* between

a time when the editing mode is opened and a time on the clock when the hands 9 are adjusted,” and therefore “angles of the hands 9 when changed ***will not match*** the time when the editing mode was opened, and the time cannot be set accurately.” *Id.*, [0088] (emphasis added). This “difference” is precisely because of delay between the user actions involved during editing mode and execution mode when the hands start rotating again:

Note that when a time display is enabled using the hand 9a, the minute hand 9b, and the second hand 9c, in editing mode, editing is performed with rotation of the gears 7 in a stopped state (a state upon opening the editing mode in which rotation of the hands 9 is stopped), the execution mode is returned to, rotation of the hands 9 recommences, and when drawing the hands 9, the hands 9 advance to the current time and are redrawn. However, upon opening the editing mode, the clock can actually be seen, and it ***may be a long time until the angles of the hands 9 change, there may be a big difference between a time when the editing mode is opened and a time on the clock when the hands 9 are adjusted***, and even if the angles of the hands 9 when the editing mode is opened while the execution mode is opened advance to angles of the hands 9 based on the current time, ***angles of the hands 9 when changed will not match the time when the editing mode was opened, and the time cannot be set accurately.***

Id. (emphasis added). Therefore, any matching of time or synchronization between Satoshi’s display’s hands and gears and Satoshi’s phone clock is performed through user involvement during an editing mode instead of a microcontroller.

Satoshi’s lack of the claimed microcontroller that performs synchronization is

further confirmed by the remainder of its disclosure. While Petitioner argues that Satoshi's "calculation processing part 3" discloses the claimed microcontroller (Pet. at 32), Satoshi's calculation processing part 3 is not "arranged for synchronizing the displayed time by said displayed [simulation of a] mechanical movement." Satoshi's calculation processing part 3 is only responsible for executing the display (*e.g.*, rotating animated gears and hands) or adjusting the color scheme based on user specification (*e.g.*, size of gears, number of teeth per gear, rotation rate, color, etc.):

The calculation processing part 3 executes the rotating body image display program of the present invention and functions as display controlling means and color changing means of the present invention.

Ex. 1007, [0040]; *see also id.*, [0042] (describing that part 3 "displays an animation of a plurality of gears 7 (spur gears) as rotating bodies"), [0067] (describing that part 3 displays the gears according to user settings in an editing mode), [0080] ("part 3 for performing the color changing process"), [0103] (describing that the calculation processing part 3 ensures "timings are substantially synchronized for switching the image data for the rotating bodies together, which are displayed in a synchronously rotating state" of user-specified gears or other rotating bodies).

Therefore, the Petition is deficient and misleading because nowhere in the entirety of Satoshi's disclosure does Satoshi describe a microcontroller "further arranged for synchronizing the displayed time by said displayed [simulation of a]

mechanical movement” with Satoshi’s mobile phone clock, let alone the claimed “with [the displayed time] of said quartz oscillator,” as required by claim element 1[d].

(e) **A Person of Ordinary Skill in the Art Would Not Be Motivated to Combine Mooring with Satoshi to Teach “a microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement comprising a gear train, said simulation being visible so as to indicate the time, said microcontroller being further arranged for synchronizing the displayed time by said displayed mechanical movement with that of said quartz oscillator,” as Required by Claim Element 1[d]**

i) **Petitioner’s Alleged Motivation to Combine is Flawed and Baseless**

Petitioner’s alleged motivation to combine Mooring with Satoshi rests upon the flawed and baseless presumption that “in applying Satoshi’s disclosure of synchronization to the wristwatch of Mooring (which is not a mobile phone), a POSITA would have understood to synchronize the displayed time (based on the rotation of the gears) with the time in clock 620, which is based on a quartz oscillator as explained in Element 1[d].”⁴ This alleged motivation to combine should be rejected by the Board.

⁴ Petitioner’s alleged combination appears to be using Satoshi for disclosing “synchronize the displayed time (based on the rotation of the gears) with the time in clock 620” and Mooring for disclosing “the wristwatch” and “the displayed time . . . based on a quartz oscillator” to collectively teach all aspects of claim limitation 1[d].

First, as noted in Section VI.A.1(d), contrary to Petitioner’s statement, Satoshi does not “disclos[e] synchronization to the wristwatch of Mooring” or “synchronize the displayed time (based on the rotation of the gears) with the time in clock 620” because a user is necessarily involved in manually setting the configuration of Satoshi’s image display to match a clock function instead of “*said microcontroller being further arranged for synchronizing.*”

Second, as noted in Sections VI.A.1(a)-(c), contrary to Petitioner’s statement, Mooring does not describe “the displayed time . . . based on a quartz oscillator.” In the claim, “the displayed time” is a “*simulation* of a mechanical watch movement” but Mooring only discloses physical hands or dials associated with quartz movement. *See supra* Section VI.A.1(a). Mooring also fails to disclose “*a microcontroller* being arranged for reproducing on said electronic display the simulation of a mechanical watch movement.” *See supra* Section VI.A.1(b). Indeed, Petitioner provides no motivation to combine Mooring’s separate embodiment of computer-based movements and elements relied upon by Petitioner to disclose the claimed “microcontroller being arranged for reproducing on said electronic display the simulation of a mechanical watch movement” with the embodiment disclosing quartz movement to collectively teach “the displayed time . . . based on a quartz oscillator.” *See supra* Section VI.A.1(c).

Third, conveniently, throughout Petitioner's entire section on the motivation of a POSITA to combine Mooring with Satoshi for element 1[d], Petitioner does not even mention the claimed "microcontroller," which is not disclosed in either Mooring or Satoshi. *See* Pet. at 34-36; *see supra* Sections VI.A.1(a)-(d).

Aside from being flawed, Petitioner's alleged motivation to combine is baseless. Petitioner's expert fails to provide any evidence or citations for his empty statement that "it would have been obvious to a POSITA that the user request taught in Satoshi would synchronize the time displayed by the watch hands (based on the rotation of the gears) with the clock time based on the quartz oscillator in Mooring."⁵ *See* Ex. 1002, ¶¶ 159-162. Petitioner's purported motivation to combine Mooring with Satoshi relies *exclusively* on those cited Paragraphs 159-162 of its expert's declaration and, like Petitioner's expert declaration, is also baseless. *See* Pet. at 36.

For at least these reasons, the Petition is deficient because Petitioner's and Petitioner's expert's rationale for combining Mooring and Satoshi to teach claim element 1[d] is flawed and baseless.

⁵ Here, Petitioner's expert actually acknowledges that a user request taught in Satoshi would synchronize the time rather than the claimed microcontroller, supporting Patent Owner's argument in Section VI.A.1(d).

ii) A POSITA Would Not Be Motivated to Combine a Mobile Phone Application Reference With a Wristwatch Reference to Teach the Claimed Invention

The Petition is deficient in showing that a POSITA would be motivated to combine Mooring and Satoshi to teach the claimed invention at least because Petitioner presents no evidence that a POSITA would combine a reference disclosing processors for a mobile phone application with a reference related to wristwatches to teach a wristwatch microcontroller.

Satoshi is not directed to wristwatches and focuses exclusively on an animation application of a mobile phone. Ex. 1007, [0004] (“a program for displaying an animation of interactively operable gears of any number for mobile phone users to arrange and display in a plurality of combinations”). Petitioner and Petitioner’s expert do not explain why a person of ordinary skill in the art would be motivated to combine a reference for *mobile phone applications* with a wristwatch reference to teach the claimed wristwatch. As the ’033 Patent describes, microcontrollers for wristwatches cannot be compared to or combined with microcontrollers for mobile phones or other larger computing devices because of the size and power consumption limitations that are particular to wristwatches.

The invention is also based on the observation that the computational power of the current watch microcontrollers (i.e. of microcontrollers of a size and with a power consumption compatible with a

watchmaking application) enables a realistic simulation of a complex mechanical movement to be calculated and displayed in real time.

'033 Patent, 2:53-58.

For at least this reason, the Petition is deficient in describing how a POSITA would be motivated to combine Mooring and Satoshi to teach claim element 1[d].

iii) The Petition is Deficient in Showing that the Combination of Mooring and Satoshi Would Be Reasonably Successful

The Petition is deficient in showing that the combination of Mooring and Satoshi would reasonably succeed because Petitioner fails to address whether the combination of Mooring and Satoshi is technically feasible given the dearth of evidence in the Petition regarding (i) whether quartz oscillation could be used for a mobile phone's clock function; and (ii) whether capabilities of microcontrollers between mobile phones and wristwatches were interchangeable as of the date of the '033 Patent invention, as required by Petitioner's alleged motivation to combine.

In particular, Petitioner makes a conclusory statement that a "POSITA would have understood that different electronic watch displays (analog or digital in Mooring; analog with gears in Satoshi) are programmable on standard microprocessors and displayable on standard LCD screens and are interchangeable," citing only unsupported expert testimony. Pet. at 25 (citing Ex. 1002 ¶¶ 57-63, 64-68, 130). But Petitioner fails to address the more fundamental question about

whether a POSITA would reasonably succeed in combining “different electronic watch displays” on different types of devices. Petitioner presents no evidence that a POSITA would reasonably succeed in combining Mooring and Satoshi in the absence of quartz oscillation as a time-keeping mechanism in mobile phones⁶ as of the date of the ’033 Patent invention, or the differing size and power capabilities of microcontrollers between mobile phones and wristwatches as of the date of the ’033 Patent invention. Pet. at 23-25.

For at least this reason, the Petition is deficient in describing how a POSITA would have had a reasonable expectation of success from combining Mooring and Satoshi to teach claim element 1[d].

2. The Combination of Mooring in View of Satoshi Does Not Render Claims 11-14 Obvious

Claims 11-14 are dependent on Claim 1. Therefore, Claims 11-14 are not rendered obvious by the combination of Mooring in view of Satoshi for at least the same reasons as Claim 1.

⁶ Petitioner and Petitioner’s expert are silent regarding whether quartz oscillation was even possible or used in mobile phones as of the date of the invention of the ’033 Patent, and therefore fail to provide a sufficient explanation as to why a POSITA would be motivated to combine the mobile application of Satoshi with the wristwatch quartz oscillation of Mooring as of the time of the invention of the ’033 Patent.

B. Ground 2: Claims 2-3, 17, and 19 are Not Obvious Over the Combination of Mooring and Satoshi in Further View of Lee

Claims 2-3 are dependent on Claim 1 and are therefore not rendered obvious by Mooring and Satoshi in further view of Lee for at least the same reasons as Claim 1 noted for Ground 1.

Claims 17 is not rendered obvious by Mooring and Satoshi in further view of Lee for at least the same reasons as noted for Ground 1, on which Petitioner's Ground 2 relies.

Claim 19 is dependent on Claim 17 and is therefore not rendered obvious by Mooring and Satoshi in further view of Lee for at least the same reasons as Claim 17.

C. Ground 3: Claims 13-16 are Not Obvious Over the Combination of Mooring and Satoshi in Further View of Louch

Claims 13-15 are dependent on Claim 1. Therefore, Claims 13-15 are not rendered obvious by Mooring and Satoshi in further view of Louch for at least the same reasons as Claim 1 noted for Ground 1 on which Petitioner's Ground 3 relies.

Claim 16 is an independent claim, which is not rendered obvious by Mooring and Satoshi in further view of Louch, for at least the same reasons as noted for Ground 1 on which Petitioner's Ground 3 relies.

D. Ground 4: Claims 4-5 are Not Obvious Over the Combination of Mooring and Satoshi in Further View of Inoue and Tam

Claims 4-5 are dependent on Claim 1. Therefore, Claims 4-5 are not rendered obvious by Mooring and Satoshi in further view of Inoue and Tam for at least the same reasons as Claim 1 noted for Ground 1, on which Petitioner's Ground 4 relies.

E. Ground 5: Claims 6-10 and 13 are Not Obvious Over the Combination of Mooring and Satoshi in Further View of Tam and Ruchonnet

Claims 6-10 and 13 are dependent on Claim 1. Therefore, Claims 6-10 and 13 are not rendered obvious by the combination of Mooring and Satoshi in further view of Tam and Ruchonnet for at least the same reasons as Claim 1 noted for Ground 1, on which Petitioner's Ground 5 relies.

F. Ground 6: Claim 18 is Not Obvious Over the Combination of Mooring and Satoshi in Further View of Lee, Tam, Inoue, and Ruchonnet

Claim 18 is dependent on Claim 17 and is therefore not rendered obvious by Mooring and Satoshi in further view of Lee, Tam, Inoue, and Ruchonnet for at least the same reasons as Claim 17 noted for Ground 2.

Claim 18 is also not rendered obvious by the combination of Mooring and Satoshi in further view of Lee, Tam, Inoue, and Ruchonnet for at least the same reasons as noted for Grounds 2, 4, and 5, which Petitioner's Ground 6 relies on.

**VII. THE PETITION SHOULD BE DENIED IN THE DISCRETION
OF THE DIRECTOR UNDER 35 U.S.C. § 314(a)**

Based on Petitioner’s reasons regarding § 314(a), the Board should exercise its discretion to deny this Petition.

The circumstances of the parallel District Court Litigation necessitate denial of the Petition under the Board’s precedent, as every factor considered in relation to efficiency, fairness, and the merits supports denial. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6 (P.T.A.B. Mar. 20, 2020) (precedential) (considering (a) “whether the petitioner and the defendant in the parallel proceeding are the same party”; (b) “overlap between issues raised in the petition and in the parallel proceeding” (c) “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision”; (d) “investment in the parallel proceeding by the court and the parties”; (e) “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted”; and (f) “other circumstances that impact the Board’s exercise of discretion, including the merits.”).

As set forth below, these factors collectively demonstrate that efficiency and integrity of the AIA are best served by denying review. First, the Petitioner is the Defendant in the parallel proceeding. *See infra* Section VII.A. Second, the asserted claims in the District Court Litigation are all at issue in the Petition. *See infra* Section II.B. Third, trial in the District Court Litigation is set for February 18, 2025, more

than two months prior to the projected statutory deadline for a Final Written Decision of this Petition in April 26, 2025. *See infra* Section VII.C. Fourth, the parties (and Patent Owner in particular) have invested significant resources on developing legal and factual issues of validity and infringement in the District Court Litigation and will have invested substantially more resources before any decision on this Petition. *See infra* Section VII.D. Fifth, the Court has neither granted nor denied a stay pending this Petition. *See infra* Section VII.E. Finally, no other factors favor institution. *See infra* Section VII.F.

Accordingly, the Board should exercise its discretion under § 314(a) and deny the Petition because institution of this proceeding would not be consistent with the objective of the AIA to “provide an effective and efficient alternative to district court litigation.” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8, at 20 (P.T.A.B. Sept. 12, 2018) (quoting *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, at 16–17 (P.T.A.B. Sept. 6, 2017) (precedential)).

**A. The Parallel District Court Litigation and the Petition
Involve the Same Parties**

As noted in Patent Owner’s Mandatory Notice, there exists a parallel District Court Litigation between the same parties regarding the same subject patent (the ’033 Patent). *Samsung Elecs. Co., v. Slyde Analytics, LLC*, IPR2024-00006, Paper 5

at 2 (P.T.A.B. October 30, 2023); Pet. at 1. Petitioner is a party to the District Court Litigation captioned as *Slyde Analytics LLC v. Samsung Elecs. Co.*, Case No. 2-23-cv-00083 (E.D. Tex.) (the “District Court Litigation”). Accordingly, this factor weighs in favor of discretionary denial.

B. The District Court Litigation Involves Substantially the Same Claims

All of the asserted claims of the '033 Patent in the District Court Litigation are at issue in this Petition. “In at least these ways, the parallel proceedings would duplicate effort. This is an inefficient use of Board, party, and judicial resources and raises the possibility of conflicting decisions.” *Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 10 (P.T.A.B. May 15, 2020). Accordingly, this fact weighs in favor of discretionary denial.

C. Proximity of the District Court’s Trial Date

The proximity of the District Court Litigation’s trial date to the Board’s projected statutory deadline for a Final Written Decision strongly weighs in favor of discretionary denial.

The parties’ trial is scheduled for February 18, 2025. Exhibit 2001 (Second Amended Docket Control Order, Dkt. 33, *Slyde Analytics LLC v. Samsung Elecs. Co.*, No. 2:23-cv-00083-RWS-RSP (E.D. Tex. October 5, 2023)). Pursuant to 35 U.S.C. §§ 314(b)(1) and 316(a)(11), the projected statutory deadline for a Final

Written Decision of this Petition is April 26, 2025.⁷ As the District Court’s trial will be more than *two months before* the projected statutory deadline, this factor weighs strongly in favor of denying institution. *See Supercell Oy v. Gree, Inc.*, IPR2020-00513, Paper 11 at 10-12 (P.T.A.B. June 24, 2020) (denying institution where the jury trial was scheduled to conclude approximately ten months before the statutory deadline); *Edward LifeSciences Corp. v. Evalve, Inc.*, IPR2019-01479, Paper 7, at 6-13 (P.T.A.B. Feb. 26, 2020) (denying institution where jury trial would conclude more than nine months before a final decision would be due); *Samsung Elecs. Am., Inc. v. Uniloc 2017 LLC*, IPR2019-01218, Paper 7, at 7-10 (P.T.A.B. Jan. 7, 2020) (denying institution where jury selection was scheduled for approximately six months before trial in the Board proceeding would conclude); *Next Caller Inc. v. TrustID, Inc.*, IPR2019-00961, -00962, Paper 10, at 8-16 (P.T.A.B. Oct. 16, 2019) (denying institution where trial was scheduled to conclude “several months,” before a final decision would be due); *Cisco Sys., Inc.*, IPR2020-00122, Paper 15 at 8 (“Because the trial date is substantially earlier than the projected statutory deadline for the Board’s final decision, this factor weighs in favor of discretionary denial.”).

⁷ The statutory deadline for institution is April 17, 2024, “three months after receiving a preliminary response to the petition under section 313.” *See* 35 U.S.C. § 314(b)(1). If instituted, the statutory deadline for Final Written Decision is April 17, 2025, “not later than 1 year after the date on which the Director notices the institution of a review.”

Petitioner does not contest that the proximity of the trial favors denial of institution. Thus, this factor also weighs in favor of discretionary denial.

D. Significant Investment and Petitioner's Delay in Filing the Petition

The parties' investment in the parallel proceeding weighs in favor of discretionary denial. In the District Court Litigation, the Court has already entered three Docket Control Orders (Dkts. 28, 31, 33), Discovery Order (Dkt. 29), Protective Order (Dkt. 41), and E-Discovery Order (Dkt. 40). Discovery is also well under way. The parties have already exchanged infringement contentions pursuant to P.R. 3-1, and invalidity contentions pursuant to P.R. 3-3, and a trial date is set for February 18, 2025, which is only about a year away. Ex. 2001. Thus, the parties' and Court's substantial investment in this proceeding weighs in favor of denial of institution under this factor.

E. No Stay of the Parallel District Court Litigation

There is no stay of the parallel District Court Litigation. Even if the Petition were instituted and Petitioner filed a motion to stay the District Court Litigation, prejudice, tactical disadvantage to Slyde Analytics, the late stage of the litigation, and the lack of potential simplification would weigh strongly against such a motion. *See Lennon Image Techs., LLC v. Macy's Retail Holdings, Inc.*, 2:13-CV-00235-JRG, 2014 WL 4652117, at *1 (E.D. Tex. Sept. 18, 2014). The statutory deadline

for institution is not until after claim construction discovery begins.⁸ Ex. 2001; *see Intell. Ventures II v. FedEx Corp.*, No. 2:16-cv-00980-JRG, Dkt. 141 at 5 (E.D. Tex. Oct. 24, 2017) (“The Court agrees that the Parties have already invested substantial effort and resources during discovery and in preparing claim construction briefing. . . . These circumstances weigh against staying this case”).

Moreover, a stay would not decrease the burden on the Court and the parties since any instituted IPR would not cover any of the references that Petitioner raised in the District Court Litigation for both anticipation or any of the combinations of obviousness, and do not include Petitioner’s challenges under § 112 or § 101. *See generally* Ex. 2002, at 7-51, 169-172, 179-182, 188-190. *Intell. Ventures II*, No. 2:16-cv-00980-JRG, Dkt. 141 at 3-4 (“[T]he instituted IPRs only cover a narrow slice of the invalidity arguments Defendants have raised in this case. For example, Defendants have argued that the ’715 Patent is invalid under § 102 with respect to at least eight references . . . under § 103 with respect to at least twenty-six combinations . . . under § 112 [], and under § 101.”).

Accordingly, it would be unlikely for the Court to hold that a stay would streamline the litigation and this factor supports denial of institution.

⁸ As noted above, the statutory deadline for institution is April 26, 2024. *See supra* n. 1. Per Ex. 2001, the date for compliance with P.R. 4-1 (Exchange Proposed Claim Terms) is March 22, 2024.

F. Other Factors Favor Discretionary Denial

Petitioner does not present a strong case on the merits, further supporting denial of institution. *See supra* Section VI. Petitioner also does not identify any other factors which weigh against discretionary denial. Pet. at 88-91.

Thus, when viewing the factors together, the Petition should be denied in the Director’s discretion under 35 U.S.C. § 314(a).

VIII. THE BOARD SHOULD REJECT ANY LATE SOTERA STIPULATION

Petitioner has not made a *Sotera*-style stipulation that “if IPR is instituted, [Petitioner] will not pursue in the District Court Litigation any ground raised or that could have been reasonably raised in an IPR” in its Petition, which weighs further in favor of discretionarily denying institution. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, 13-14 (P.T.A.B. Dec. 1, 2020) (designated Dec. 17, 2020).

The Board should not accept any late *Sotera* stipulation after this Patent Owner Preliminary Response. Petitioner has known about the related District Court Litigation since Patent Owner filed a Complaint asserting infringement of the ’033 Patent against Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (February 28, 2023) over 7 months before this Petition (October 16, 2023) and has had three docket control orders for the District Court Litigation, each

anticipating a trial date for February 18, 2025. Docket Control Order, Dkt. 28, *Slyde Analytics, LLC v. Samsung Elecs. Co.*, No. 2:23-cv-00083-RWS-RSP (E.D. Tex. September 20, 2023). Any withholding of the *Sotera* stipulation in its Petition is gamesmanship and prejudicial to Patent Owner in this proceeding and is inconsistent with 37 C.F.R. § 42.1(b)'s mandate to "secure the just, speedy, and inexpensive resolution of every proceeding."

Both the Board and the Director are abundantly clear that Petitioner cannot wait until after the Board renders its Institution Decision to address the issue of *Fintiv*, the Board's discretionary authority, and to submit a *Sotera* stipulation. *NXP USA, Inc. v Impinj, Inc.*, IPR2021-01556, Paper 12, 5-6 (P.T.A.B. Aug. 25, 2022); *see also id.*, IPR2021-01556, Paper 13, 3-4 (P.T.A.B. Sept. 7, 2022) (the Director finding "that the Board correctly determined that a stipulation, offered by a petitioner for the first time after a decision denying institution, is not a proper basis for granting rehearing of the decision on institution;" "[p]ermitting a petitioner to wait and see if the Board denies institution under *Fintiv*, and then offer such a stipulation for the first time on rehearing, frustrates these goals [of avoiding conflicting decisions] and would open the door to gamesmanship;" "***the only appropriate time for a petitioner to offer a stipulation related to the Fintiv factor 4 analysis is prior to the Board's decision of whether to institute review.***") (emphasis added).

IX. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Board deny institution of the Petition in its entirety.

Respectfully submitted,

Dated: January 26, 2024

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CERTIFICATE 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 has 8,735 words in compliance with the 14,000 word limit set forth in 37 C.F.R. § 42.24. This word count was prepared using Microsoft Word for Office 365.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

A copy of PATENT OWNER'S PRELIMINARY RESPONSE and
EXHIBITS 2001 through 2002 have been served on Petitioner's counsel of record
as follows:

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