UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COMCAST CABLE COMMUNICATIONS, LLC,
Petitioner,

v.

TOUCHSTREAM TECHNOLOGIES, INC.,
Patent Owner.

Case No. IPR2024-00325
U.S. Patent No. 11,086,934

PATENT OWNER'S SUR-REPLY IN SUPPORT OF PATENT OWNER'S PRELIMINARY RESPONSE

PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Declaration of Stephen Wicker
2002	Lex Machina Report – District Judge James Rodney Gilstrap Order Stats between Jan. 1, 2012 – April 12, 2024
2003	Docket Control Order (Dkt. 71) filed June 16, 2023
2004	Docket Navigator – Judge Rodney Gilstrap Milestone timeline accessed April 10, 2024
2005	2:23-cv-00060 (E.D. Tex. 2023), Dkt 1 (Feb. 17, 2023)
2006	2:23-cv-00060 (E.D. Tex. 2023), Dkt 159 (Order Denying Transfer)
2007	Touchstream's First Supplemental Disclosure of Asserted Claims and Infringement Contentions and Accompanying Document Production to Comcast Defendants' dated May 26, 2023
2008	Charter Notice of Preliminary Election of Asserted Prior Art dated April 4, 2024
2009	Defendants' Third Supplemental Disclosures Pursuant to P.R. 3-3 and 3-4 dated March 27, 2024
2010	Defendants' Disclosures Pursuant to P.R. 3-3 and 3-4 dated August 4, 2023
2011	Comcast Defendants' Preliminary Election of Asserted Prior Art dated (April 4, 2024)
2012	Comcast Defendants' Stipulation Regarding Invalidity Defenses (Dkt. 129) filed January 9, 2024
2013	2:23-cv-00060 (E.D. Tex. 2023), Dkt 158 (Order deconsolidating cases and reconsolidating to 2:23-cv-00059)
2014	U.S. Patent No. 11,048,751 issued June 29, 2021 titled *Play Control of Content on a Display Device*
2015	RESERVED
2016	RESERVED
2017	RESERVED

2018	Comcast Docket Sheet (2:23-cv-00062-JRG) as of April 23, 2024
2019	Charter Docket Sheet (2:23-cv-00059-JRG) as of April 23, 2024
2020	Altice Docket Sheet (2:23-cv-00060-JRG) as of April 23, 2024
2021	Declaration of Philip Eckert
2022	Post-Trial Motions Hearing Transcript (Excerpt) dated January 3, 2024
2023	2024-05-08 US PAIR As Filed Statutory Disclaimer
2024	Lex Machina Report – District Judge James Rodney Gilstrap Order Stats between Jan. 1, 2012 – April 12, 2024, filtered for "Stay Pending PTAB"

The Board can and should deny the Petition on its merits for at least the reasons set forth in Patent Owner's Preliminary Response (Paper 9). The facts here also warrant the exercise of discretion to deny institution under 35 U.S.C. § 314(a) and *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (hereinafter "*Fintiv*") (precedential). Petitioner fails to show otherwise in its Reply.

I. APPLYING THE *FINTIV* FACTORS, THE BOARD SHOULD EXERCISE DISCRETION TO DENY INSTITUTION UNDER 35 U.S.C. § 314

Petitioner fails to address at least three of the *Fintiv* factors, which undisputedly weigh in favor of denying institution. *Compare* Paper 9, 34–39, 42 *with* Paper 11. *See also* Pet., 9 (asserting that Factors 2, 3, and 5 "do[] not warrant denial"). Petitioner also conceded that Factor 1 is, at best, neutral. *See* Pet., 8. And Petitioner fails to make a "compelling" case of obviousness on the merits, notwithstanding unsupported claims to the contrary. *E.g.*, Paper 11, 5. *See generally* Paper 9. The balance of *Fintiv* factors therefore favors denial, independent of the Reply arguments, which are baseless, irrelevant, or both.

A. Factor 1 – Likelihood of a Stay

Petitioner complains that the statistics on stay motions in the district court (*see* Ex.2002) include motions filed prior to institution. *See* Paper 11, 1 (claiming "33 of the 58 denials" resulted from "premature" motions). But Petitioner fails point to a *single case* denying stay in a case as advanced as this—where fact discovery and expert reports will be complete prior to an institution decision, and trial is set a mere

three months later. The advanced stage of the litigation weighs heavily against a stay. *See* Paper 9, 34. Petitioner makes no effort to dispute that. *See* Paper 11, 1–2.

In addition, Petitioner fails to mention that the statistics *granting* stays include ***stipulated*** stays. *See, e.g.*, Ex. 2002, 148; *Uniloc USA Inc. v. Amazon.com, Inc.*, No. 2:18-cv-00123, Dkt. 19 (E.D. Tex. Aug. 6, 2018). Indeed, 16 of the 25 granted "Stays Pending PTAB" were stipulated.[1] *See generally* Ex. 2024.[2] Focusing only on *contested* motions filed *after institution* (and omitting dispositions labeled "unknown" and "moot"), leaves 9 stays granted, 25 stays denied (based on Petitioner's count), and one "partial" grant. *See* Ex.2024. With only 25% of contested stay motions granted, the numbers confirm that "a stay seems unlikely" and that "Factor 1 thus favors discretionary denial." Paper 9, 34.

B. Factor 4 – Overlap of Issues

Petitioner fails to address the salient issue: institution would waste public resources and risk inconsistent outcomes. The district court *will* hold a trial on invalidity months before the Board reaches final written decision. And even though the Petition challenges claims not asserted in the district court, the court will resolve

[1] This label also includes joint and unopposed motions.

[2] Exhibit 2024, provided for convenience, is a filtered version of the report filed as Exhibit 2002, using the same date range and limited to "Stay Pending PTAB."

overlapping validity issues for the asserted claims, making it "inefficient to proceed" with the IPR. *Fintiv*, at 13.

Indeed, Petitioner ignores that claims 2 and 5–7 have been disclaimed (*see* Ex.2023) and makes no attempt to show that claims 3, 12–13, and 15–16 present different issues of invalidity from claims 17–20 (which are asserted in the district court) to justify a duplicative use of Board resources. *See* Paper 11, 2–3. Petitioner offers mere speculation about its future plans to market hypothetical infringing services. *See id.* Beyond the speculative nature of this argument, it ignores the tools courts employ to avoid overlapping issues and inconsistent outcomes in later disputes between the parties—such as various forms of estoppel. If instituted, Petitioner's own delay renders those tools ineffective to prevent overlap and inconsistency between the parallel proceedings.

Any mitigating effect Petitioner's stipulation might have had is extinguished by Charter's ongoing pursuit of invalidity defenses based on the same prior art. Whether Charter is a "co-defendant" for *trial*, or should have been named a Real-Party in Interest in this proceeding, is irrelevant: Petitioner admits to a joint defense-agreement with Charter, and the two continue to coordinate on their invalidity defenses. Because of this, Patent Owner must still prepare for and defend against the petitioned grounds in a jury trial, regardless whether the Board institutes on the Petition. Petitioner's stipulation therefore does not eliminate the risk that Patent

Owner will face a trial on invalidity based on the Petitioned grounds during this proceeding. That is an overlap of issues that weighs in favor of denying institution under *Fintiv*.

II. CONCLUSION

For the reasons herein and in its Preliminary Response, Patent Owner respectfully requests that the Board deny institution.

Dated: June 3, 2024

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on June 3, 2024, a complete and entire copy of the foregoing Patent Owner's Sur-Reply in Support of Patent Owner's Preliminary Response and Exhibit 2024 were provided via email to Petitioner's counsel of record as follows:

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