UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AYLO FREESITES LTD,
PETITIONER,

v.

DISH TECHNOLOGIES L.L.C.,
PATENT OWNER.

IPR2024-00518

U.S. PATENT NO. 9,407,564

PATENT OWNER'S PRELIMINARY SUR-REPLY

I. INTRODUCTION

Aylo's arguments fail to justify its abusive serial IPR petition. Aylo has only itself to blame for failing to locate and raise the Leaning reference in its first round of IPR petitions. Indeed, it was Aylo, not DISH, who decided when to file the first round of IPR petitions and what references to rely upon in those petitions. Moreover, the USPTO already considered the relevant teachings of Leaning during the prosecution of the '564 Patent. The Board's discretionary denial powers are meant to prevent this exact type of serial, duplicative attack on a patent.

II. THE TIMING OF AYLO'S FIRST IPR PETITION WAS OF ITS OWN MAKING

Aylo fails to adequately explain why it had to file its first round of IPRs when it did based on different art, rather than after Aylo had completed its prior art search that purportedly uncovered the Leaning reference. Aylo claims that it was forced to move too quickly because DISH filed a preliminary injunction ("PI") motion "without warning" and that it had "only one month to respond."[1] POPR Rep. at 1-2. But in opposing that same PI motion, Aylo criticized DISH for "wait[ing] so long to seek" the motion, acknowledging that DISH disclosed its infringement position to Aylo "as early as March 17, 2023, when DISH first wrote to Aylo." *DISH Techs.*

[1] The local rules only provide 14 days to respond to a PI Motion. Utah Local Rule DUCivR 7-1(a)(4)(C)(iii). Here, DISH generously agreed to a 16-day extension—more than double the time typically allowed. *See DISH Techs. v. MG Premium Ltd,* No. 2:23-cv-552, D.I. 24 (D. Utah Sept. 24, 2023).

v. MG Premium Ltd, No. 2:23-cv-552, D.I. 40 at 12 (D. Utah Oct. 13, 2023). Aylo could have begun its prior art search and preparation of its IPRs then.

Equally unavailing is Aylo's argument that the IPRs were needed "to show the Utah court that Aylo's invalidity arguments were not mere conjecture." POPR Rep. at 1-2. Aylo could, and did, make its invalidity arguments to the District Court; and those arguments were not made more or less conjectural by filing them with this Board. That Aylo decided to file IPR petitions before the completion of its prior art search was a tactical decision that Aylo now must live with. Moreover, even accepting Aylo's premise for the sake of argument, Aylo makes no attempt to explain why it could not find Leaning in the shortened timeline it set for itself.

Furthermore, Aylo's statement that, "on May 24, 2024, the Utah court . . . rejected the reasons for DISH's PI Motion" misleadingly suggests that the Utah court evaluated the merits of Aylo's invalidity challenge. POPR Rep. at 2. To the contrary, the Utah Magistrate Judge's Decision said very little about DISH's pending PI Motion or Aylo's invalidity assertions, beyond providing a superficial analysis of irreparable harm a stay would pose to DISH. Regardless, DISH has filed objections to the Magistrate Judge's Decision, pointing out it is in conflict with controlling authority that requires the Court to address the PI Motion before any stay can be entered. *DISH Techs.,* No. 2:23-cv-552, D.I. 106 (D. Utah Jun. 7, 2024).

III. AYLO FAILS TO ADEQUATELY EXPLAIN WHY IT COULD NOT FILE ITS IPR PETITION AFTER RECEIVING DISH'S INFRINGEMENT CONTENTIONS

Aylo asserts that it could not have waited to receive DISH's infringement contentions before filing its IPR petition because "DISH would have just amended its asserted claims." POPR Rep. at 2-3. This risk is well-understood by PTAB practitioners, and the solution is to challenge all claims that could plausibly be asserted in the future when filing a single petition (or simultaneously filing parallel petitions), not filing an improper serial petition months later. *See* Strategic Considerations before Filing an IPR, Landslide Vol 7, No.2 2014 ("Practice Tip: Consider challenging all the patent's claims in an IPR and ***not just the accused claims*** . . ..") (emphasis supplied). Congress gave petitioners one year to file petitions at least in part to address this concern. It was Aylo's decision, no one else's, to move more quickly.

Aylo's Reply also fails to meaningfully respond to DISH's argument that the addition of two new claims in the second petition is insufficient to avoid discretionary denial, as the new analysis was superficial at best. As discussed in DISH's POPR, "Aylo devotes less than four pages of text to addressing claims 9 and 11." POPR at 4.

IV. AYLO'S PROPOSED FASTER TIMELINE DOES NOT RESOLVE THE PROBLEMS CAUSED BY AYLO'S MULTIPLICITY OF GROUNDS

Rather than directly address the problems created by Aylo's delay in filing serial petitions based on Leaning, Aylo scrambles to correct problems that cannot be

corrected unilaterally. POPR Rep. at 3-4. Aylo may be willing to shorten its Petitioner Reply deadline, but largely ignores that neither it, nor DISH, can shorten the time to oral arguments and a final written decision. In doing so, Aylo also ignores the prejudicial burden it would place on the Board, DISH, and DISH's witnesses to respond to two separate sets of grounds on an expedited schedule.

V. AYLO RELIES ON FAULTY ANALYSIS TO CONCLUDE THAT "THE EXAMINER MATERIALLY ERRED IN ALLOWING THE PATENT CLAIMS"

Aylo does not contest DISH's showings that all relevant teachings cited in the serial petition were before the Examiner during prosecution. POPR at 16-20. Instead, Aylo attempts to distract from the fact that Leaning US and Leaning are *substantively identical* by focusing instead on the "title, abstract, and claims" of Leaning US; and using them as an excuse to blame the Examiner for not realizing that Leaning US includes the same disclosures relied on by Aylo in its serial petition. POPR Rep. at 5. Aylo then doubles down, arguing that the recent allowance of a related DISH patent over ***Leaning itself*** was "just another error by the same examiner." *Id.* at 4. Aylo thereby establishes the irrelevance of the "title, abstract, and claims" to the Examiner's decisions. The Examiner found the claims allowable in both instances, as it should have.

As alleged support for its position that the Examiner erred, Aylo mischaracterizes post-filing statements made by DISH in the UK High Court. Aylo contends that Leaning is such a strong reference that DISH indicated to the UK court

that it must amend its claims to overcome Leaning. POPR Rep. at 6. But DISH's statements about a different patent with different claims than those at issue here, before a UK court applying different patent laws, are largely irrelevant. Even so, DISH's statements about Leaning were that an amendment was ***not*** required:

> UK JUSTICE: For all I know, [counsel], you have reached the conclusion that you have to ***amend over Leaning*** and you just do not want to have to front up with that.
>
> DISH'S UK COUNSEL: My Lord, certainly ***in terms of novelty*** our position is that ***we do not*** do [sic].

EX1016 at 65:12-16 (emphasis added). Thus, Aylo is incorrect to suggest that the statements made before the UK court are relevant here.

The Board decisions Aylo relies upon to argue that "it is not uncommon for examiners to err" are also readily distinguishable. POPR Rep. at 5-6. For example, none of those Board decisions involved the submission of the petitioner's ***own*** petition (*i.e.*, the instant Petition) to the Examiner. *Compare Keysight Techs., Inc. v. Centripetal Networks.*, IPR2022-01421, Paper 14 at 4-8 (PTAB Aug. 24, 2023); *Hanshow Am. Inc. v. Ses-Imgotag Inc.*, IPR2024-00208, Paper 14 at 11-17 (PTAB May 20, 2024); *Amcol Int'l Corp. v. Oil-Dri Corp. of America*, IPR2022-01107, Paper 10 at 10-13 (PTAB Dec. 5, 2022) *with* EX2005 (450 IDS) at 2-3. Nor do those Board decisions support the inference that, just because the Examiners erred in those three cases, the Examiner of the '234 Patent also erred. Regardless, the time to argue

that the Examiner erred by allowing the ’564 Patent over Leaning has passed and Aylo’s attempt at a do-over with its second IPR petition should be denied.

VI. CONCLUSION

For the foregoing reasons, DISH respectfully requests the Board deny Petitioner’s request for IPR of U.S. Patent No. 9,407,564.

Respectfully Submitted,

June 27, 2024

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e), we certify that an electronic copy of the foregoing PATENT OWNER'S PRELIMINARY SUR-REPLY along with any accompanying exhibits was served on Petitioner's counsel of record at the following address:

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