

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner

v.

INTERDIGITAL PATENT HOLDINGS, INC.
Patent Owner

Case No. IPR2024-00537
U.S. Patent No. 8,737,933

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

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

LIST OF NEWLY-FILED EXHIBITS

Exhibit	Description
2013	June 6, 2024 Email from the Board to Counsel granting Microsoft's request for permission to file a Reply to the InterDigital POPRs

LIST OF PREVIOUSLY-FILED EXHIBITS

Exhibit	Description
2001	Declaration of George Edwards
2002	June 21, 2022 Memorandum from Director Vidal to the Members of the Patent Trial and Appeal Board regarding Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation
2003	Case Management Order, <i>InterDigital, Inc. et al. v. Lenovo Group Limited et al.</i> , Case No. 5:23-CV-493-FL, Dkt. No. 33 (E.D.N.C. Nov. 30, 2023)
2004	Respondents' Invalidity Contentions in <i>Certain Electronic Devices, Including Smartphones, Computers, Tablet Computers, and Components Thereof</i> , Investigation No. 337-TA-1373 (ITC Nov. 28, 2023)
2005	Defendants' Preliminary Invalidity Contentions, <i>InterDigital, Inc. et al. v. Lenovo Group Limited et al.</i> , Case No. 5:23-CV-493-FL (E.D.N.C. Jan. 18, 2024)
2006	Transcript of the March 14, 2024 deposition of Mr. Alexander Reznik in <i>Certain Electronic Devices, Including Smartphones, Computers, Tablet Computers, and Components Thereof</i> , Investigation No. 337-TA-1373 (ITC)
2007	Shor, Godi, <i>How Bluetooth, UWB, and 802.11 stack up on power consumption</i> , EETimes April 15, 2008, available at

	https://www.eetimes.com/how-bluetooth-uw-b-and-802-11-stack-up-on-power-consumption/ .
2008	Jani, Jay and Mahendra Maheta, <i>Wireless Computing with Bluetooth & Wi-Fi</i> , 4 th International Convention CALIBER-2006, Gulbarga, February 2-4, 2006, available at https://ir.inflibnet.ac.in/bitstream/1944/1103/1/59.pdf .
2009	Kuo, Cynthia, Jesse Walker, and Adrian Perrig, <i>Low-cost Manufacturing, Usability, and Security: An Analysis of Bluetooth Simple Pairing and Wi-Fi Protected Setup</i> , NetSec 2007, available at https://netsec.ethz.ch/publications/papers/kuo_walker_perrig_simple.pdf .
2010	Tabona, Andrew, <i>802.11b vs. Bluetooth</i> , Techgenix April 19, 2005, available at https://techgenix.com/80211b-bluetooth/ .
2011	Paulus, Wolf, <i>Data Transfer Speeds Compared</i> , July 4, 2006, available at https://web.archive.org/web/20200919150247/https://wolfpaulus.com/dts/ .
2012	Foley, Michael, <i>How Bluetooth and 802.11 will team up to deliver high speed wireless connections</i> , EETimes May 13, 2008, available at https://www.eetimes.com/how-bluetooth-and-802-11-will-team-up-to-deliver-high-speed-wireless-connections/ .

In its email to the Parties of June 6, 2024, the Board authorized Microsoft to submit a Reply addressing “the relevance of Lenovo’s Sand II stipulation, the trial date or absence thereof, the trial court’s median time-to-trial statistics, and any alleged inaccuracies in the Fintiv analysis provided in Patent Owner’s preliminary responses.” Ex-2013, 1. Disregarding the Board’s instructions, Microsoft elected to focus almost entirely on Factor 6 and present new argument absent from its Petition while criticizing the arguments and evidence presented in InterDigital’s POPR without a showing of good cause. This is improper, and Microsoft’s untimely attempt to reargue the basis for its Petition should be rejected.

Regardless, Microsoft has failed to show that its Petition presents a compelling case on the merits, and goes so far as to suggest that “***Factor 6 (other factors)*** need not be evaluated since Factors 1-5 weigh against discretionary denial.” Paper 8, 2. Yet Microsoft then spends more than half of its allotted pages challenging InterDigital’s arguments in its POPR, recognizing that its Petition is flawed—which supports InterDigital’s contentions that institution should be denied on the merits. Paper 8, 2-4.

Microsoft first suggests that “[t]he POPR does not dispute that the asserted prior art (Forutanpour) satisfies all claims elements,” but this argument is a straw man. *Id.* InterDigital need not even address Forutanpour because Forutanpour is, without question, ***not prior art*** to the ’933 or ’054 Patents. Paper 7, 14-46. Moreover,

Microsoft cannot escape the fact that a POSITA reading the plain language of the '948 Application, to which both the '933 and '054 Patents claim priority, would understand that the inventors were in possession of the idea that nearby WTRUs could be detected using Bluetooth and that data could be transferred between nearby WTRUs using Wi-Fi. *See, e.g.*, Paper 7, 18-19; 34-45. Microsoft conflates “what a POSITA would have found obvious” (Paper 8, 3) with the fact that “the disclosure of the application relied upon [for priority] reasonably conveys to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date.” Paper 7, 19 (collecting cases). Nowhere does the POPR suggest that the claimed combination of using Bluetooth for detection and Wi-Fi for transmission would have been *obvious* to a POSITA; rather, InterDigital shows that “[a] POSITA would have understood the benefits and tradeoffs between customer and carrier demand and would have understood that the inventors, contemplating these tradeoffs, likewise understood the benefits of using Bluetooth for WTRU detection and WiFi for data transfer.” *See, e.g.*, Paper 7, 22.

Mr. Reznik, one of the named inventors of both the '933 and '054 Patents, testified that the inventors contemplated using Bluetooth for WTRU detection and Wi-Fi for data transfer. Paper 7, 23-26. Microsoft's suggestion that Mr. Reznik's testimony concerning his invention is “self-interested” is baseless. Paper 8, 4. Mr. Reznik was deposed by Microsoft RPI Lenovo, and the testimony cited in the POPR

was in answer to questions posed by Lenovo—not InterDigital. Mr. Reznik is employed by Dell, not InterDigital (Ex-2006, 15:11-23), has no monetary interest in this case or the underlying ITC investigation (Ex-2006, 201:8-25), and answered Lenovo attorneys’ questions in response to a Lenovo subpoena (Ex-2006, 14:11-20). Microsoft has not identified case law contradicting the Federal Circuit holdings that “[a]n inventor is a competent witness to explain the invention and what was intended to be conveyed by the specification and covered by the claims” and that “[t]he testimony of the inventor may also provide background information, including explanation of the problems that existed at the time the invention was made and the inventor’s solution to these problems.” Paper 7, 23 (citations omitted). Mr. Reznik’s testimony is relevant to the priority issue raised by Microsoft in its Petition, and the fact that Microsoft goes to such lengths in its Reply to criticize this testimony does nothing more than prove its relevance to the priority challenge and the fact that Microsoft’s lead reference in both IPR2024-00537 and -00538—Forutanpour—is not prior art to the Challenged Claims. For these reasons, the **Factor 6** analysis—which Microsoft suggests need not be considered—shows that Microsoft’s Petitions are meritless.

The other *Fintiv* arguments presented by Petitioner in its Reply (Paper 8) are unpersuasive, and institution should be denied for the reasons identified in the POPR (Paper 7). Rather than simplifying or streamlining existing proceedings, Petitioner

is seeking to offer its RPI, Lenovo, four distinct opportunities to challenge the claims of these patents. **Factor 1** weighs in favor of denial. RPI Lenovo has not requested a stay of the district court case. Moreover, petitions for IPR have not been filed challenging other patents at issue in the case (IPR2024-00305 Paper 10, 2), which makes a stay unlikely. **Factor 2** is at best neutral because Petitioner is asking the Board to speculate as to the trial date, which “is not by itself a good indicator of whether the district court trial will occur before the statutory deadline for a final written decision.” Ex-2002, 8. **Factor 3** weighs against institution. As noted in the POPR, and despite Petitioner’s suggestions to the contrary, there continues to be substantial investment in the underlying district court litigation. That case is proceeding, without stay, toward claim construction, and fact discovery is open and ongoing. Paper 8, 2. **Factor 4** at best weighs only slightly against discretionary denial. Petitioner has filed a *Sand Revolution* style stipulation in the district court case, but the Board has held that *Sand Revolution* stipulations, and even hybrid stipulations, which extend beyond the scope of *Sand Revolution* stipulations yet fall short of full *Sotera* stipulations, do not eliminate the concerns regarding duplicative proceedings and may be insufficient to merit institution. *Samsung Electronics Co., Ltd. v. Mojo Mobility Inc.*, IPR2023-01092, Paper 11 at 15-17 (PTAB Jan. 8, 2024).

Microsoft provides no argument suggesting that **Factor 5** weighs against institution.

Dated: June 21, 2024

Respectfully submitted,

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CERTIFICATION OF SERVICE

The undersigned hereby certifies that the above-captioned **PATENT OWNER'S SUR-REPLY IN SUPPORT OF PATENT OWNER'S PRELIMINARY RESPONSE** is being served on counsel for petitioner via electronic mail on, in its entirety on the following counsel of record for Petitioner:

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