

Microsoft Corp.

Petitioner

v.

Proxense, LLC

Patent Owner

IPR2024-00846

PROXENSE

Background: Microsoft's Requested Stay Flagging APA Concerns

I. Introduction

On May 20, 2025, the Examiner for the 730 EPR issued a non-office action advancing new art rejections almost identical to the invalidity grounds in Microsoft's IPR IPR2024-00775¹, which challenged the 730 patent, and this proceeding. In reply ("NFOA Reply"), Proxense raised arguments similar to its arguments in the 954 IPR. In light of these highly unusual circumstances, Microsoft requests that the Board stay the 730 EPR until a final decision is issued in the 954 IPR. A stay would: (1) reduce the risk of inconsistent outcomes in the 730 EPR and 954 IPR; (2) promote judicial efficiency; and 3) prevent circumvention of the Board.

Paper 16, 1.

To the extent there is any inconsistency, Proxense has already demonstrated that it will likely raise (here or on appeal) APA violation concerns and attempt to bind the Board. Apple 954 IPR, Paper 35, 43-44

Paper 16, 3.

Background: Microsoft's Warned of Converging Proceedings

II. A Stay Would Avoid Inconsistencies Between IPR and EPR Proceedings

The grounds now at issue in the 730 EPR have converged with those of 954

¹ Proxense had this proceeding terminated by seeking and obtaining Adverse Judgement. *See* IPR2024-00775, Papers 14 and 15.

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Proceeding No.: IPR2024-00846
Attorney Docket: 42342-0137IP1

IPR except that 1) the 730 EPR advances a ground based on Burger as a 102 ground rather than a 103 ground; and 2) the 954 IPR has an additional Burger-Orsini ground.

Paper 16, 1-2.

Background: Microsoft Warned of Inconsistent Decisions

Because similar claims, art, rebuttal arguments, and construction issues are being simultaneously addressed in parallel 730 EPR and 954 IPR proceedings, there is a serious risk of inconsistent decisions being issued by different entities (CRU and PTAB) of the same agency (USPTO). Indeed, if the Examiner finds differently than the Board regarding even one claim term, argument, and/or prior art reference, inconsistent decisions may be reached.

Paper 16, 2.

Background: Microsoft Argues the Claims were “Almost Identical”

V. The Patents Claim Substantively Related Subject Matter

The '954 patent is a continuation of the '730 patent, and the claims are almost identical. The Board and the parties involved in post-grant proceedings for these patents have consistently treated the claims across the two patents similarly, and scheduling and hearings have been combined accordingly. IPR2024-00232 (Pap. 35), IPR2024-00233 (Pap. 31).

Paper 16, 5.

Background: But the Panel Lacked the Authority to Stay

But none of these statutes or rules purports to authorize us to stay the reexamination of a patent not involved in the *inter partes* review. This proceeding involves the '954 patent, while the '052 reexam involves a different patent, the '730 patent. Petitioner has offered no authority for us to stay the reexamination of a patent not at issue in this proceeding. Accordingly, we deny Petitioner's Motion.

Paper 23, 4.

“The ‘954 patent is a continuation of the ‘730 patent, and the claims are almost identical.” Paper 16, 5.

Claims 18-34 are rejected on the ground of nonstatutory double patenting as being unpatentable over claims 1-29 of U.S. Patent No. 8,886,954. Although the claims at issue are not identical, they are not patentably distinct from each other because while claim 18 of the ‘052 Reexam recites “wherein the application is selected from a group consisting of a casino machine, a keyless lock, a garage door opener, an ATM machine, a hard drive, computer software, a web site and a file,” claim 1 of the ‘954 Patent omits this limitation. While both claims recite receiving an access message at/by an application from the agent allowing the user access to the application, claim 18 of the ‘052 Reexam recites this is in response to authentication of the one or more codes and the other data values by the agent. Thus, the claims are obvious variants of each other.

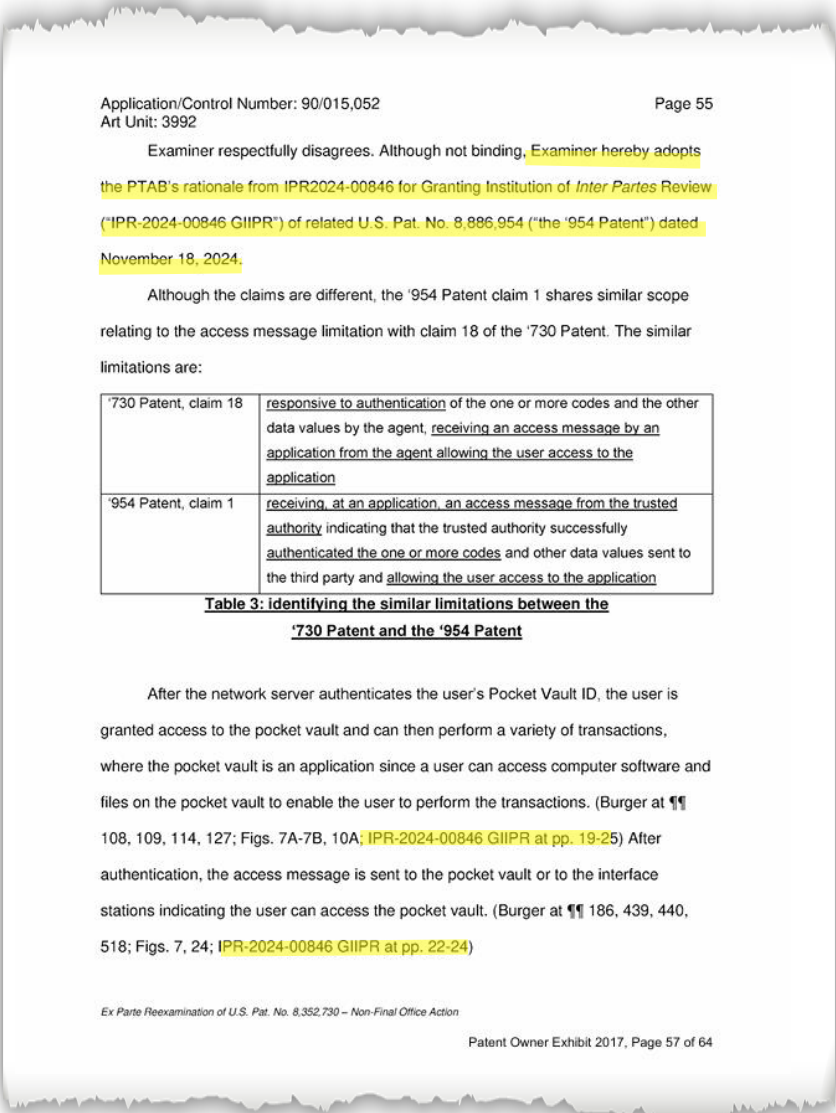
Ex. 2017 (730 EPR Office Action), 12.

“The grounds now at issue in the 730 EPR have converged with those of the 954 IPR” Paper 16, 1-2

Although not binding, Examiner hereby adopts the PTAB’s rationale from IPR2024-00846 for Granting Institution of *Inter Partes* Review (“IPR-2024-00846 GIIPR”) of related U.S. Pat. No. 8,886,954 (“the ‘954 Patent”) dated November 18, 2024.

Ex. 2017 (EPR Office Action), 57.

“The grounds now at issue in the 730 EPR have converged with those of the 954 IPR” Paper 16, 1-2



Ex. 2017 (EPR Office Action), 57.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

III. THE CHALLENGED CLAIMS ARE UNPATENTABLE

- A. [GROUND 1] – **Burger Renders Obvious** Claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, 26-29

Paper 2 (Petition), 4.

VIII. MANNER IN WHICH THE PRIOR ART REFERENCES RENDER THE '954 CLAIMS UNPATENTABLE

- A. Ground 1: Claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, and 26-29 are **obvious over Burger**

Traynor Decl., Ex. 1003, 56.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

- The Petition asserted three (four) “transaction” examples as being “obvious to a POSITA.”
 - Payment Information; or authorization for a cc / bank account
 - Hotel/Building Key
 - Advertisement Content

Transaction	Second Party	Third party	Trusted authority
Obtaining pay-ment infor-mation or au-thorization for charging a credit card or bank account	Financial media is-suer 112 (e.g., bank or credit card com-pany)	Party operat-ing the net-work server	The network server 114, as a whole, or, in some cases, a portion (a con-troller 402 and database 406) of the network server
Obtaining au-thorization to	Non-financial media		

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enter a secure building or fa-cility	issuer 110 (e.g., ho-tel card key issuer, library, building management for company)		
Obtaining ad-vertisement content or re-lated infor-mation	Advertiser(s) 108		

Petition, Paper 2, 35-36;
Traynor Decl., Ex. 1003, ¶ 106

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

71. The network server 114 then determines whether the Pocket Vault is authorized to be used, e.g., by checking whether the transmitted Pocket Vault ID matches a stored ID in the network server 114, and then transmits an approval message for the transaction. MSC-1005, FIGS. 19 (steps 1920, 1922), 24 (steps 2006, 2406, 2408), 25 (Steps 2506), ¶¶[0511]-[529], [182].

115. It would have been obvious that an application in the Pocket Vault would have received an access message from the controller 402 of the network server (“receiving, at an application, an access message from the trusted authority”) to allow users access to the application after the controller 402 and database 406 of the network server authenticated the Pocket Vault ID that was sent to the network server so that the Pocket Vault grants access to a user and displays sensitive information (e.g., credit or debit card info) for conducting a transaction.

Traynor Decl., Ex. 1003, ¶¶ 71, 115

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

71. The network server 114 then determines whether the Pocket Vault is authorized to be used, e.g., by checking whether the transmitted Pocket Vault ID matches a stored ID in the network server 114, and then transmits an approval message for the transaction. MSC-1005, FIGS. 19 (steps 1920, 1922), 24 (steps 2006, 2406, 2408), 25 (Steps 2506), ¶¶[0511]-[529], [182].

106, 107), Burger also discloses that, in some cases, the communications may be directly between the Pocket Vault and the network server, and thus, it would have been obvious that the encrypted approval message could be sent to the Pocket Vault in addition to or instead of being sent to the interface stations. MSC-1005, ¶[101]. This may particularly be the case when a credit or debit card just needs to be displayed by the Pocket Vault or token coupled to the Pocket Vault.

Traynor Decl., Ex. 1003, ¶¶ 71, 116.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

71. The network server 114 then determines whether the Pocket Vault is authorized to be used, e.g., by checking whether the transmitted Pocket Vault ID matches a stored ID in the network server 114, and then transmits an approval message for the transaction. MSC-1005, FIGS. 19 (steps 1920, 1922), 24 (steps 2006, 2406, 2408), 25 (Steps 2506), ¶¶[0511]-[529], [182].

software. MSC-1005, ¶[0242], FIGS. 26H-26K, 14. Again, it would have been obvious that for the Pocket Vault to be allowed to display the advertisements and home menu, the controller of the Pocket Vault would have received an access message from the network server (“receiving, at an application, an access message from the trusted authority”) to “allow[] the user access to an application” after and conditioned on the network server successfully authenticating the Pocket Vault ID that was sent to the network server (“the trusted authority successfully authenticated the one or more codes and other data values sent to the third party”).

Traynor Decl., Ex. 1003, ¶¶ 71, 117.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

“application”	Implementation in Burger (after the Pocket Vault has been authenticated by the network server)
File or computer software (when a user is involved in a financial transaction with a retailer or credit card company)	A file or computer software that stores credit card information is accessed and data therein is displayed. A specific software (e.g., credit card specific user interface) is accessed to display credit card information.
File, computer software, or web site (in a non-financial transaction)	A file or computer software containing advertising data is accessed and data therein is displayed. A particular website is accessed and displayed to display advertisement data.
Keyless lock	A room key (showing the hotel logo) is downloaded and displayed, and the Pocket Vault can be used to unlock the guest’s hotel room.

Traynor Decl., Ex. 1003, 86.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

The Petition asserts grounds of invalidity that are incompatible with the plain meaning of the claims and go well beyond the broadest reasonable interpretation. The explicit language of the claims recites “third-party trusted authority” that is a third party to a transaction in which the principal parties are a user being allowed access and an application being accessed. Yet, the Petition asserts grounds of invalidity based upon transactions wherein the “third-party trusted authority” is a third-party with respect to a user and a bank, an advertiser, or a hotel. The Petition attempts to make up for these shortcomings with conclusionary statements of its expert that are devoid of any articulated reasoning and rational underpinning. Additionally, the proposed modification would render the prior art inoperable. Consequently, the Petition fails to establish the unpatentability of claims 1-29 of the 954 Patent.

Paper 10 (PO Resp.), 1.

III. RESPONSE TO GROUNDS FOR INVALIDITY RAISED

A. [GROUND 1] – Claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, and 26-29 Are Not Rendered Obvious by Burger

The Petition asserts three examples of how Burger (U.S. Publication No. 2005/0050367) supposedly renders obvious claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, and 26-29 of the 954 Patent. The first relies on conclusory statements, devoid of any articulated reasoning and rational underpinning, which propose an inoperable modification. The second goes well beyond any reasonable interpretation by conflating separately recited elements of the claims. The third also exceeds any reasonable interpretation of the claims by rendering claim limitations meaningless.

1. Petitioner’s First Example is Inoperable

The first example asserted in the Petition relies on conclusory statements devoid of any articulated reasoning and rational underpinning. Additionally, the proposed modification would render the prior art inoperable. Consequently, the first example fails to establish the unpatentability of claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, and 26-29 of the 954 Patent.

Paper 10 (PO Resp.), 7.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

Petitioner asserts it would have been obvious to receive an access message so that the Pocket Vault grants access to a user and displays sensitive information (e.g., credit or debit card info) for conducting a transaction. Paper 2, 42-48 (citing Ex. 1005 ¶¶ 101, 103, 155 158, 182-186, 320, 517-527, Figs. 7B, 10A, 19, 24, 25; Ex. 1003 ¶¶ 115, 116). Neither the Petition nor Dr. Traynor offer anything more than a conclusory statement devoid of any articulated reasoning and rational underpinning. But “rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006). Such, however, cannot be provided because the proposed modification would break the prior art system and render it inoperable.

Paper 10 (PO Resp.), 8.

However, the Petition asserts the claims at issue are obvious over Burger; not anticipated by Burger. Accordingly, as clarified in Petitioner’s Reply, where Petitioner quotes verbatim from the conclusory statement of its own expert:

It would have been obvious that an application in the Pocket Vault would have received an access message from the controller 402 of the network server (“receiving, at an application, an access message from the trusted authority”) *to allow users access to the application after the controller 402 and database 406 of the network server authenticated the Pocket Vault ID* that was sent to the network server so that the Pocket Vault *grants access to a user and displays sensitive information (e.g., credit or debit card info) for conducting a transaction.*

Paper 14, at 11 (emphasis in original).

Paper 17 (PO Sur-Reply), 4.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

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Examiner respectfully disagrees. **Although not binding, Examiner hereby adopts the PTAB's rationale from IPR2024-00846 for Granting Institution of Inter Partes Review ("IPR-2024-00846 GIIPR") of related U.S. Pat. No. 8,886,954 ("the '954 Patent")** dated November 18, 2024.

Although the claims are different, the '954 Patent claim 1 shares similar scope relating to the access message limitation with claim 18 of the '730 Patent. The similar limitations are:

'730 Patent, claim 18	responsive to authentication of the one or more codes and the other data values by the agent, receiving an access message by an application from the agent allowing the user access to the application
'954 Patent, claim 1	receiving, at an application, an access message from the trusted authority indicating that the trusted authority successfully authenticated the one or more codes and other data values sent to the third party and allowing the user access to the application

Table 3: Identifying the similar limitations between the '730 Patent and the '954 Patent

After the network server authenticates the user's Pocket Vault ID, the user is granted access to the pocket vault and can then perform a variety of transactions, where the pocket vault is an application since a user can access computer software and files on the pocket vault to enable the user to perform the transactions. (Burger at ¶¶ 108, 109, 114, 127; Figs. 7A-7B, 10A; IPR-2024-00846 GIIPR at pp. 19-25) After authentication, the access message is sent to the pocket vault or to the interface stations indicating the user can access the pocket vault. (Burger at ¶¶ 186, 439, 440, 518; Figs. 7, 24; IPR-2024-00846 GIIPR at pp. 22-24)

Ex Parte Reexamination of U.S. Pat. No. 8,352,730 – Non-Final Office Action

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Ex. 2017 (730 Office Action), 57.

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claim limitation 1.4 in the context of claim limitation 1.5, “receiving, at an application, an access message from the trusted authority indicating that the trusted authority successfully authenticated the one or more codes and other data values sent to the third party and allowing the user access to the application.”

As to claim limitation 1.5, Petitioner argues that, after Burger’s network server 114 authenticates the user’s pocket vault ID, the user is granted access to pocket vault 102 and can select a transaction from a displayed menu. Pet. 42–44 (citing Ex. 1005 ¶¶ 95–96, 125, 155–158, 189, 236–238, 320, Figs. 7B, 10A, 19). In one example, Petitioner argues, pocket vault 102, or token 102a coupled to it, displays credit card information to be used by a retailer in a transaction. *Id.* **Dr. Traynor testifies that it would have been obvious that pocket vault 102 would have received an access message from network server 114 in order for pocket vault 102 to grant access to the user and display credit card information. Ex. 1003 ¶ 115.** In a related example, Petitioner argues that the encrypted approval message from network server 114 can be transmitted to an interface station (e.g., 104c, 106, 107). Pet. 45–48 (citing Ex. 1005 ¶¶ 101, 182–186, 517–527, Figs. 24, 25; Ex. 1003 ¶ 116). **Dr. Traynor testifies that it would have been obvious that the encrypted approval message from network server 114 could be sent to the pocket vault 102 in addition to or instead of interface stations 104c, 106, 107. Ex. 1003 ¶ 116.**

In Petitioner’s first example, and pursuant to claim limitation 1.5, the “application” that is accessed is “a file” or computer software that stores credit card information. Pet. 52. As to claim limitation 1.4, Petitioner argues that the first party to the transaction is the user of pocket vault 102, the second party is either the retailer or financial media issuer 112 (e.g., a

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Paper 8 (ID), 20.

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merchant would send the Pocket Vault transaction approval to payment processor to be presented to Pocket Vault acting as the issuing bank. Pocket Vault would then transfer the funds to the merchant account for deposit into the merchant’s account.”). From this, Patent Owner concludes that “server 114 **is the system being accessed to authorize the transaction** by issuing credit to the Pocket Vault user, making it a party to the transaction.” *Id.* at 20; *see also id.* at 21–23 (similar arguments for the example of Exhibit 1005 ¶¶ 436–437, Figs. 17A–17B).

We disagree with Patent Owner’s understanding of Burger. First, it does not account for Petitioner’s characterization of Burger, supported by **Dr. Traynor’s testimony, in which an access message is sent from network server 114 to pocket vault 102 allowing access to credit card information that can be provided, via token 102a, to commercial card reader 106 or commercial bar code reader 107.** Pet. 42–48 (citing Ex. 1005 ¶¶ 95–96, 101, 155–158, 182–186, 189, 236–238, 320, 517–527, Figs. 7B, 10A, 19, 24, 25; Ex. 1003 ¶¶ 114–116). In this scenario, the user of pocket vault 102 and token 102a is the first party and either the retailer or the bank/credit card company is the second party, with the application accessed being the file or computer software that stores credit card information. *Id.* at 34–35, 52. As token 102a presents credit card information to commercial card reader 106 or commercial bar code reader 107, the preliminary record suggests that a financial media issuer (e.g., financial media issuer 112), and not network server 114, is acting as the bank, or approver of the credit card information. Ex. 1005 ¶¶ 95, 97, 103, 158, 242. In this case, network server 114 determines that pocket vault 102 is authorized to be used and sends a message to pocket vault 102 allowing the user to access credit card

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Paper 8 (ID), 22.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

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Although the claims are different, the '954 Patent claim 1 shares similar scope relating to the access message limitation with claim 18 of the '730 Patent. The similar limitations are:

'730 Patent, claim 18	<u>responsive to authentication</u> of the one or more codes and the other data values by the agent, <u>receiving an access message by an application from the agent allowing the user access to the application</u>
'954 Patent, claim 1	<u>receiving, at an application, an access message from the trusted authority</u> indicating that the trusted authority successfully <u>authenticated the one or more codes</u> and other data values sent to the third party and <u>allowing the user access to the application</u>

Table 3: Identifying the similar limitations between the '730 Patent and the '954 Patent

After the network server authenticates the user's Pocket Vault ID, the user is granted access to the pocket vault and can then perform a variety of transactions, where the pocket vault is an application since a user can access computer software and files on the pocket vault to enable the user to perform the transactions. (Burger at ¶¶ 108, 109, 114, 127; Figs. 7A-7B, 10A; **IPR-2024-00846 GIIPR at pp. 19-25**) After authentication, the access message is sent to the pocket vault or to the interface stations indicating the user can access the pocket vault. (Burger at ¶¶ 186, 439, 440, 518; Figs. 7, 24; **IPR-2024-00846 GIIPR at pp. 22-24**)

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information. Ex. 1003 ¶¶ 115–116. Thus, on the current record, network server 114 acts as a third-party that operates a trusted authority.

Moreover, even in the scenario where network server 114 transmits an approval message directly to commercial card reader 106 or commercial bar code reader 107 (Ex. 1005 ¶ 518), the current record does not suggest that network server 114 is acting as an issuing bank or ATM machine, authorizing credit, or issuing a promissory note. Rather, Burger explains that network server 114 can “serve as . . . a service provider for financial and non-financial media issuers, [and] advertisers,” such as computers 108, 110, and 112. *Id.* ¶ 98. “[N]etwork server 114 may facilitate transactions involving media issued by media issuers.” *Id.* ¶ 117. Thus, on the current record, it appears that network server 114, at most, acts as an intermediary between a user of pocket vault 102 and financial media issuer 112.

In another example, Petitioner argues, Burger describes that pocket vault 102 receives and displays, on its screen, an advertising message from advertiser 108 via network server 114. Pet. 39–41 (citing Ex. 1005 ¶¶ 117, 146, 189–195, 236–238, 541, Figs. 1, 10, 11; Ex. 1003 ¶¶ 111–112), 48–51 (citing Ex. 1005 ¶¶ 110, 194, 236–237, 242, Figs. 7B, 10A, 14, 26H–26K). **Dr. Traynor testifies that it would have been obvious that, for pocket vault 102 to display an advertisement, it would have received an access message from network server 114 conditioned on network server 114 authenticating the pocket vault ID.** Ex. 1003 ¶ 117. In this example, and pursuant to claim limitation 1.5, the “application” that is accessed is a file, computer software, or a website containing advertising data that are displayed. Pet. 52. As to claim limitation 1.4, Petitioner argues that the first party to the transaction is the user of pocket vault 102, the second party is advertiser 108, and the third

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Paper 8 (ID), 23.

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transaction is between the advertiser and the pocket vault user. As explained in Burger, “network server 114 may serve as a conduit for advertisers to target particular classes of Pocket Vault holders, and channel information to them.” Ex. 1005 ¶ 117. “The advertiser 108 (FIG. 1) may, for example, have made arrangements with the company operating the network server 114 to have certain advertising information uploaded to Pocket Vaults 102 when particular Pocket Vault holders interface their Pocket Vaults 102 with their personal interface stations 104b.” *Id.* ¶ 237. Network server 114 may send to pocket vault 102 an advertisement received from advertiser 108. *Id.* ¶¶ 237–238. However, the transaction is between the user and the advertiser. **Dr. Traynor testifies that it would have been obvious that network server 114 would send to pocket vault 102 a message allowing it to access the advertisement upon authenticating the pocket vault ID.** Ex. 1003 ¶ 117. We credit this uncontroverted testimony at this stage of the proceeding. Thus, on the current record, network server 114 acts as a third party that operates a trusted authority in this example as well.

In a third example, Petitioner argues that Burger describes a user downloading a hotel room key to pocket vault 102, and using pocket vault 102 to unlock a guest room. Pet. 52–53 (citing Ex. 1005 ¶¶ 94, 102, 128–129, 679–680). In this example, and pursuant to claim limitation 1.5, the “application” that is accessed is a keyless lock. *Id.* at 52. As to claim limitation 1.4, Petitioner argues that the first party to the transaction is the user of pocket vault 102, the second party is non-financial media issuer 110 (e.g., hotel card key issuer), and the third party, a third party that operates a trusted authority, is network server 114 and the party that operates it. *Id.* at 35–36.

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Paper 8 (ID), 25.

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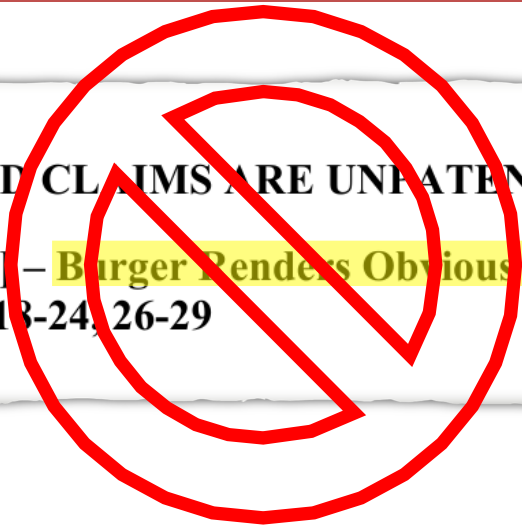
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III. THE CHALLENGED CLAIMS ARE UNPATENTABLE

A. [GROUND 1] – Burger Renders Obvious Claims 1, 2, 4, 5, 7-13, 15, 16, 18-24, 26-29



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Claims 18, 19, 21-26, 29, and 31-34 are rejected under pre-AIA 35 U.S.C. 102(e) as being anticipated by U.S. Pub. No. 2005/0050367 to Burger et al. ("Burger")

Ex. 2017, 15.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

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Claims 18, 19, 21-26, 29, and 31-34 are rejected under pre-AIA 35 U.S.C.

102(e) as being anticipated by U.S. Pub. No. 2005/0050367 to Burger et al.

(“Burger”)

Ex. 2017 (730 IPR), 15.

Example 1: the Pocket Vault is an application

As evidenced by the citations below, the Pocket Vault is an application the user accesses as it contains software and files in the form of credit cards, driver's license, library card, frequent flier card, program for RFID functionality, and advertisements.

Ex. 2017, 20.

[0178] “**FIG. 7** is a flow diagram illustrating an example implementation of a primary routine 700 that may be executed by the controller 202 of the Pocket Vault 102. Instructions for the routine 700 may be stored, for example, in the "applications" section 508 of the memory 210 of the Pocket Vault 102.”

Ex. 2017, 21.

[0127] “The memory 210 may have instructions stored therein which, when executed by the controller 202, cause the controller 202 to implement the routines/software described below in connection with **FIGS. 7-12** and/or FIG. 28. Of course, the memory

Ex. 2017, 21.

[0176] “As mentioned above, **FIGS. 7-12** are flow diagrams illustrating an example implementation of software that may be executed by the controller 202 of the Pocket Vault 102. As described below, this or additional proprietary software may enable menu

Ex. 2017, 22.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

“[T]he issues should be *sufficiently focused to enable the examiner to make a definitive first ex parte action on the merits which should clearly establish the issues which exist between the examiner and the patent owner* insofar as the patent is concerned. In view of the fact that the examiner’s first action will clearly establish the issues, the first action should include a statement cautioning the patent owner that a complete response should be made to the action since the next action is expected to be a final action.”

MPEP §2260.

“The examiner’s first Office action will be a statement of the *examiner’s position and should be so complete* that the second Office action can properly be made a final action. The first Office action must be sufficiently detailed that the pertinency and *manner of applying the cited prior art to the claims in each rejection is clearly set forth therein.*”

MPEP §2262.

“[I]f the Examiner finds differently than the Board regarding even on claim term, argument, and/or prior art reference, inconsistent decision may be reached.” Paper 16, 2.

“Both the patent owner and the examiner should recognize that a reexamination proceeding may result in the final cancellation of claims from the patent and that the patent owner does not have the right to renew or continue the proceedings by refiling under **37 CFR 1.53(b)** or **37 CFR 1.53(d)** or former 37 CFR 1.60 or 1.62, nor by filing a request for continued examination under **37 CFR 1.114**. *Complete and thorough actions by the examiner coupled with complete responses by the patent owner*, including early presentation of evidence under **37 CFR 1.131(a)** or **37 CFR 1.132**, will go far in avoiding such problems and reaching a desirable early termination of the reexamination prosecution.”

MPEP §2271.

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

“There is, however, no blanket prohibition against the introduction of new evidence during an inter partes review proceeding. In fact, ‘the introduction of new evidence in the course of the trial is to be expected in inter partes review trial proceedings and, as long as the opposing party is given notice of the evidence and an opportunity to respond to it, the introduction of such evidence is perfectly permissible under the APA.’”

Anacor Pharm., Inc. v. Iancu, 889 F. 3d 1372, 1380 (Fed. Cir. 2018) (emphasis added).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

“A patent owner ... is undoubtedly entitled to notice of and a fair opportunity to meet the grounds of rejection. ‘The indispensable ingredients of due process are notice and an opportunity to be heard by a disinterested decision-maker.’ Abbott Labs. v. Cordis Corp., 710 F.3d 1318, 1328 (Fed.Cir.2013)... [T]he Administrative Procedure Act requires the PTO to “timely inform[]” a patent owner of ‘the matters of fact and law asserted’ in an inter partes review of its patent... Section 554(b)(3) has been applied to mean that ‘an agency may not change theories in midstream without giving respondents reasonable notice of the change’ and ‘the opportunity to present argument under the new theory.’

Belden Inc. v. Berk-Tek LLC, 805 F. 3d 1064, 1080 (Fed. Cir. 2015) (emphasis added).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

“It is *the petitioner that bears the burden of proof in IPRs*, however. See 35 U.S.C. § 316(e) (“In an inter partes review instituted under this chapter, the *petitioner* shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.”) (emphasis added)... But it is still a system that is predicated on a petition followed by a trial in which the *petitioner bears the burden of proof*. Given that framework, we find *no support for the PTO’s position that the Board is free to adopt arguments on behalf of petitioners* that could have been, but were not, raised by the petitioner during an IPR. Instead, the Board must base its decision *on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.*”

In re Magnum Oil Tools International, Ltd., 829 F.3d 1364, 1388-81 (Fed. Cir. 2016) (emphasis added).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

“An *agency's refusal to consider evidence* bearing on the issue before it is, by definition, *arbitrary and capricious within the meaning of APA*, which governs review of agency adjudications. That means that the *agency must take account of all the evidence of record*, including that which detracts from the conclusion the agency ultimately reaches.”

Aqua Prods., Inc. v. Matal, 872 F.3d 1290, 1325 (Fed. Cir. 2017) (en banc) (emphasis added).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

“Under the APA, we must set aside an agency action that is either an abuse of discretion or *arbitrary and capricious*... Agency action that ‘*departs from established precedent without a reasoned explanation is arbitrary and capricious.*’”

In re Vivint, 14 F.4th 1342, 1351-52 (Fed. Cir. 2021) emphasis added); *see also id.* at 1352-1355 (holding that the Office acted arbitrarily and capriciously when the CRU and PTAB in IPR proceedings applied the same law to the same facts and achieved inconsistent results).

“Because the Board did not provide any reasoned explanation for the inconsistent result across the two reexaminations, we vacate and remand the Board’s decision[.]”

Vicor Corp. v. SynQor, Inc., 869 F.3d 1309, 1323 (Fed. Cir. 2017).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

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In re Magnum Oil Tools International, Ltd., 829 F.3d 1364, 1388-81 (Fed. Cir. 2016) (emphasis added).

“To the extent there is any inconsistency ... it will likely raise (here or on appeal) APA violation concerns” Paper 16, 3.

(d) MULTIPLE PROCEEDINGS.—

Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of any post-grant review under this chapter, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the post-grant review or other proceeding or matter may proceed, including providing for the stay, transfer, consolidation, or termination of any such matter or proceeding. In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.

35 U.S.C. § 325(d).