

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOYOTA MOTOR CORP. AND KIA CORPORATION,
Petitioners,

v.

EMERGING AUTOMOTIVE LLC,
Patent Owner

Case IPR2024-00981
U.S. Patent No. 9,365,188

**PATENT OWNER'S
PRELIMINARY RESPONSE
UNDER 37 C.F.R. §42.107**

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I. Introduction

The Board should deny institution of *inter partes* review of U.S. Patent No. 9,365,188 because (1) of discretionary considerations under both §§325(d) and 314(a); (2) Petitioners fail to demonstrate any reasonable likelihood that any challenged claim is obvious; and (3) §311(b) of the AIA and the Supreme Court's ruling in *SAS* prevent institution.

The Petition first relies on a statutorily prohibited reference—*Kleve*—to challenge each of the '188 patent's independent claims. Should that proscribed ploy fail, Petitioners rehash cumulative art and arguments based on *Zaid*—a reference which was already raised at least eleven times during the prosecutions of the '188 patent and those of its parent and descendent applications. Indeed, *Zaid* was cited by five different examiners, in which they applied and substantively discussed *Zaid* at least four times, for 102 and 103 rejections against substantially similar claims of the '188 patent's descendent patent applications. The Applicants repeatedly traversed the disclosures of *Zaid* that Petitioners again attempt to rely on here.

Should the Board consider the merits, the Petition fails for numerous distinct reasons, as both *Kleve* and *Zaid*—each relied upon alone for various elements—fail to teach or suggest numerous limitations of the challenged independent claims. As one example, *Kleve* fails to teach or suggest the independent claims' recited server

receiving “a request ... to generate an ... e-key ... the request includes a condition of use of the vehicle as set by the user via the user account,” required of claim elements 1[a] / 16[a] / 19[a]. The alleged request of *Kleve* cannot “include” the recited condition of use because *Kleve*’s system generates and distributes a “virtual key” before allowing the owner to set any of the “user restrictions” Petitioners point to as the required “condition of use.” Recognizing this deficiency, Petitioners’ expert proposes a hindsight-based modification to “include” a condition of use in the alleged request for an e-key—thereby “allowing the restrictions to be monitored and enforced.” But a POSITA would not make that modification because *Kleve* already allows its user to monitor and enforce such restrictions, rendering the proposed motivation non-existent. *Zaid* fares no better as to 1[a] / 16[a] / 19[a].

As another example of the Petition’s facial deficiency, Petitioners piece together a mosaic of disparate disclosures from *Zaid*, citing two different platforms with different functionalities to try to satisfy the lone “user account” via which a request is made (“a request ... to generate an ... e-key ... the request includes ...”), but Petitioners still fail to present any teaching or suggestion resembling the recited request to generate an e-key. Compounding this error, Petitioners identify two different “users” of *Zaid*—an owner *and* a renter—as the element’s singular user, each using two different “accounts”—with distinct functionality—as the lone “user

account” via which the recited request is made and the condition of use of the vehicle is set. The confused morass only highlights *Zaid*’s lack of relevant teaching.

Further demonstrating the novelty of the ’188 patent, Petitioner Toyota and its affiliates have filed patent applications with claims that are eerily similar to the claims of the ’188 patent, touting their novelty, years after what Petitioners allege is the priority date.

But the Board need not consider the merits. Applying the *Advanced Bionics* framework, the Board should deny the Petition under §325(d). During prosecution, the Applicants submitted *Zaid*, the primary reference of grounds 4-6, via an IDS. The Examiner noted that it considered *Zaid* before issuing the challenged claims. Moreover, in the prosecutions of related ’659, ’245, and ’666 patents, the Examiner explicitly determined that *Zaid* failed to teach similar claims of requesting and generating e-keys with conditions of use, before allowing the claims of those patents. The Office has considered *Zaid* at least eleven times, including substantive analysis of *Zaid* against substantially similar claims, and Petitioners present no allegation of Office error in any instance. While Petitioners add references for certain dependent claims and select limitations of the independent claims, they offer no argument that the additional references cure *Zaid*’s deficiencies with respect to the challenged independent claims of grounds 4-6.

Recognizing the strong considerations under §325(d), Petitioners add a set of additional grounds based on the *Kleve* reference, even though Petitioners contend that the *Kleve* grounds, alone, invalidate all claims. But this attempt to end-run §325(d) only compounds the case for discretionary denial: it results in voluminous and excessive grounds, which alone warrants denial of institution under §314(a). Seeking to avoid explaining deficient references, the Petition fails to describe its theories with particularity. It provides scant limitation-by-limitation analysis, and repeatedly string-cites paragraphs of a reference, rather than identifying specific disclosures. As the Petition fails to meet the “particularity” requirement because of the excessive and voluminous grounds, the Petition should be denied under *Adaptics Ltd. v. Perfect Co.*, IPR2018-01596, Paper 20 at 15-18 (P.T.A.B. Mar. 6, 2019), and its progeny.

The Board should likewise exercise its discretion to deny institution under *Fintiv*. In the parallel district court proceedings, both Petitioners allege that the same references here invalidate the asserted claims. Yet Petitioners have declined to present a *Sotera* or any other stipulation. And the district court will resolve the issues long before the Board will issue a final written decision, as demonstrated by both the scheduling order entered in the parallel matter and the time to trial statistics at the district court. Especially considering the substantial resources devoted by the

district court and the parties—including an in-person hearing already conducted to address a flurry of technical motions, as well as the commencement of the claim construction process—the Board should decline to expend additional resources and risk inconsistent holdings.

Lastly, an IPR can only be instituted on “prior art consisting of patents or printed publications.” The *Kleve* reference of grounds 1-3 and 7 is neither. Thus, the Board cannot institute grounds 1-3 or 7 and, under the Supreme Court’s ruling in *SAS*, cannot institute on any ground.

II. The ’188 patent

U.S. Patent No. 9,365,188 issued on June 14, 2016. EX1001, Face Page. The ’188 patent was invented by brothers Angel and Albert Penilla and issued to their company, Patent Owner Emerging Automotive LLC, a family-owned automotive innovation company. *Id.* The ’188 patent is titled “Methods and Systems for Using Cloud Services to Assign E-Keys to Access Vehicles” and “relates to systems and methods for generating and sharing electronic keys (e-Keys) with users and cloud-based processing systems.” *Id.*, 1:1-3, 1:33-35, 1:54-63.

The ’188 patent describes providing vehicle access to individuals, including an owner or “guest driver,” e.g., a friend, service person, or valet. *Id.*, 8:40-51. This access can be provided by an electronic key, or e-key, which allows the holder of

the e-key to use the vehicle. *Id.*, 8:52-54. An e-key may be sent from a vehicle owner to another person, such as a guest. *Id.*, 8:54-63. The e-key allows use of the vehicle and can further include conditions of use of the vehicle, including speed limits, geographic restrictions, amount of time, as well as conditions of use defining one or more privileges associated with the use of the e-key. *Id.*; *see also id.*, 2:27-31, 3:35-39.

As an example, “the vehicle can be loaned to a child of driving age ... and the child can be provided with restricted use of the vehicle,” via the transfer of an e-key to the child/teenager. *Id.*, 12:58-60, 40:34-47. For example, the owner or administrator, John, can request that an e-key be sent to the teenager, using John’s user account that has “predefined information associated with the vehicles that John is able to assign e-keys for.” *Id.*, 8:24-27, 43:13-16. John can use his user account to not only request an e-key for a specific recipient, like a teenaged driver, but also set conditions of use which can define that teenaged recipient’s privileges assigned with the e-key. *Id.*, 43:16-23; 3:35-39. That request, sent to cloud services, can include information regarding the privileges, limitations, and/or metadata associated with the request for the electronic keys that are to be sent to the teenager, and via cloud services, the server can access the settings and recipient-specific privileges defined by the user via their user account. *Id.*, 40:42-45, 8:24-27, 8:52-

63. Via the privileges, “specific vehicle aspects are enabled for the vehicle.” *Id.*, 40:1-2. The teenager can then use the e-key to use the vehicle according to the privileges set by John via his user account. *Id.*, 40:45-47.

As claimed, each of the independent claims of the ’188 patent includes “receiving, by a server, a request from a user via a user account that has a vehicle associated therewith to generate an electronic key (e-key) ... the request includes a condition of use of the vehicle as set by the user by the user via the user account.” *Id.*, claims 1, 16 and 19. The e-key is then “generat[ed], by the server ... the e-key being assigned [associated] with the condition of use of the vehicle.” *Id.*

1. File History of the ’188 Patent and Common Art and Rejections Cited in Related Patents

During prosecution, Applicants submitted an information disclosure statement identifying the same *Zaid* reference asserted in this IPR. EX1002, 84. The Examiner, Yalkew Fantu, considered *Zaid*, and provided a signature attesting to that fact. EX1002, 52. Examiner Fantu also initiated and conducted an interview with Applicants, in which he identified application number 14/063,638, patented as U.S. Patent No. 9,189,900 (the “’900 patent”), as presenting a potential obviousness double patenting issue with respect to the then-pending claims of the ’188 patent. EX1002, 21. Applicants agreed to amend claim 1 and file a terminal disclaimer to overcome this potential obviousness double patenting rejection. EX1002, 21

(interview summary), 61 (terminal disclaimer). After approving Applicants' amendments, accepting the terminal disclaimer, and considering the same *Zaid* reference asserted in this IPR, the Examiner allowed the claims, noting that "two references, Teramura and Shiim, are the closest prior art of record." *Id.*, 17-18.

As with the prosecution of the '188 patent, Applicants had also submitted the *Zaid* reference for the Examiner's consideration of the '900 patent application, and the Examiner there likewise confirmed his consideration of *Zaid* before allowing any claims of the '900 patent to issue. EX2015, 226, 262, 301. In addition to the filing of the above-referenced terminal disclaimer, the '900 and '188 patents are undisputedly related because the two share relevant claim limitations and a common specification. EX1002, 61; EX2028; Pet. 4 (showing '188 patent application as continuation of '900 patent application). Accordingly, by the time the Examiner had considered the *Zaid* reference with respect to the patentability of the '188 patent claims, the Patent Office had already evaluated the same *Zaid* reference at least once before in the related '900 patent application.

In addition to the Examiners' consideration of *Zaid* during the prosecutions of the '188 and '900 patents, both the *Zaid* and *Mottla* references cited in this IPR were applied and substantively discussed in the prosecutions of U.S. Patent Nos. 11,738,659 (the "'659 patent"), 11,104,245 (the "'245 patent"), 11,305,666 (the

“’666 patent”), and 10,442,399 (the “’399 patent”). EX2022 at 184-85, 356-57; EX2021 at 144-50, 247-62, 271, 377-92, 492; EX2024 at 162-65, 174, 279, 297, 310, 315; EX2020 at 172-84, 187, 209, 241, 244. The ’659, ’245, ’666 and ’399 patents are all related to the ’188 patent, linked by continuations—and thus sharing a common specification—and by terminal disclaimers—sharing relevant claim limitations that the Office already determined are not taught or suggested by *Zaid* or *Mottla*, alone or in combination. EX2022, 140 (showing ’659, ’245, ’666, and ’399 patents all related to ’188 patent via continuations), 500-05 (terminal disclaimer); EX2021, 237-41 (terminal disclaimer); EX2024, 298-302 (terminal disclaimer); Pet. 4.

Three Examiners also considered *Zaid* during the prosecutions of additional descendent patents to the ’188 patent, providing signature confirmations during their examination of applications that would become U.S. Patent Nos. 9,499,129 (the “’129 patent”), 9,663,067 (the “’067 patent”), U.S. Patent Nos. 10,407,026 (“the ’026 patent”), and 11,132,650 (“the ’650 patent”). EX2017, 235 (signed IDS), 170-175 (terminal disclaimer); EX2018, 211 (signed IDS), 173-77 (terminal disclaimer); Pet. 4 (showing the applications for the ’129 and ’067 patents are continuations of the ’188 patent); EX2019, 188 (signed IDS), 208-11 (terminal

disclaimer); EX2023, 210 (signed IDS), 154 (showing continuations of '188 patent application).

During prosecution of the '188 patent, and in examinations of related applications, the Office repeatedly evaluated the same *Zaid* art which Petitioners ask the Board to reconsider. *See* Sections IV, VI. As discussed below, while the independent claims of the '188 patent recite that a server must receive a “request from a user via a user account ... to generate an electronic key ... the request includes a condition of use of the vehicle as set by the user via the user account,” *Zaid*’s alleged “reservation”—made by a renter after clicking on a Facebook ad—does not remotely suggest any request to generate an e-key, let alone a request to generate an e-key that includes a condition of use of the vehicle set by this renter. And nothing in *Zaid* suggests any user account via which a user could set a condition of use or send a request to a server to generate an e-key that includes such a condition of use. *See* Section VI.

2. POSITA

Petitioners’ expert opines that “[a] POSITA had at least a four-year undergraduate degree in electrical engineering, automotive engineering, or closely related field and [at] least two years of experience in the field of access control

systems, vehicle electronics, and/or cryptography,” where additional education could “supplement practical experience and vice versa.” Pet. 2.

For purposes of this POPR, Patent Owner and its expert apply this definition, as the Petition fails under any definition of a POSITA. See EX2001, ¶ 36.

3. Toyota’s Recognition of the Importance and Novelty of the ’188 patent.

Toyota and its affiliates’ representations to the Office demonstrate the importance and novelty of the ’188 patent and the challenged claims. Years after the latest possible priority date of the ’188 patent and indeed, after its issuance, Toyota and its affiliates filed patent applications seeking claims parallel to those of the ’188 patent.

For example, in 2020, Toyota filed an application that issued as U.S. Patent No. 11,295,564. Claim 1 of Toyota’s patent recites “key information” “for unlocking the vehicle.” EX2009, claim 1. It also discusses “permissions for a user of the vehicle to use a predetermined service using the vehicle.” *Id.* In addition to the ’564 patent filed in the United States, Toyota filed counterpart applications throughout the world including in South Korea, Europe, China, Japan, Brazil, Russia, and Singapore. EX2011. Toyota’s efforts to obtain strikingly similar patent claims, *after* Emerging Auto, demonstrate that the technological disclosures in the ’188 patent are cutting edge.

Similarly, Tokai Rika, a Toyota affiliate, in 2018 filed an application that issued as U.S. Patent No. 10,493,953. This patent claims “an electronic key system” which determines whether “to permit actuation of a smart function” based on a “condition for permitting actuation.” EX2012, claim 1. This claimed functionality is very similar to the ’188 patent’s requirement of a server receiving a request to generate an e-key for an identified recipient to use the vehicle, the request including a condition of use for the vehicle, and generating by the server the e-key assigned with the condition of use of the vehicle.

Yet again, a Toyota company filed an application in 2018 that issued as U.S. Patent No. 10,614,644. Similar to the ’188 patent, the ’644 patent recites “key information” for “unlocking the vehicle” and “starting the vehicle” and “permission for a user of the vehicle to use a predetermined service using the vehicle.” EX2013, claim 1.

Through these later-filed applications, Toyota and its affiliates demonstrated an implicit belief that the earlier-filed inventions of the ’188 patent were novel technology at the time.

III. The Zaid Reference (EX1008)

U.S. Pub. No. 2011/0112969 by *Zaid* (EX1008) is a patent publication titled “Vehicle Access Control Services and Platform.” *Zaid* was filed on October 28,

2010 and assigned to Getaround Inc. EX1008, face page items. Getaround is a car sharing company that developed a Smart Key Box. EX2005, 1-2. Even before filing its own patent applications, Petitioner Toyota was well aware of Getaround and the Smart Key Box, as Toyota “teamed up with Getaround” and used the Smart Key Box in its vehicles to “conduct a pilot program and study Smart Key Box.” *Id.*, 2. Despite knowing of Getaround and its technology, Toyota later filed its own patent applications, representing that claims substantially similar to the challenged claims were novel (*see* Section II.3), without identifying *Zaid*. In other words, Toyota demonstrated its belief in the inapplicability of *Zaid* by not submitting it in connection with its own later-filed patent applications.

The inapplicability of *Zaid* is manifest in the reference itself. *Zaid* is not directed to any request to a server to generate an e-key, let alone any request to generate an e-key from a user via a user account. EX2001, ¶ 43. Nor does *Zaid* disclose or suggest a request to generate an e-key that includes a condition of use of the vehicle, which is set by the user via the user account. *Id.* Instead, *Zaid* discloses that a prospective vehicle renter can log into their Facebook or a similar social networking site, view an ad for a vehicle, placed by a vehicle owner, and if interested, the renter can click on that ad and make a reservation. EX1008, ¶ 72. Once the renter makes the reservation, that reservation is relayed as an encrypted

message. *Id.*, ¶¶ 125-127. But, contrary to the Petition’s argument, this encrypted reservation message, relayed from the server, is not the generation of an e-key. EX2001, ¶¶ 43, 61, 63-68. Instead, the encryption disclosed by *Zaid* merely converts the reservation message from one form to another. *Id.* As *Zaid* does not disclose a server generating an e-key by relaying this encrypted reservation message, the reservation itself cannot be any request to generate an e-key, as Petitioners contend, simply because it allegedly “results in” the generation of an e-key—it does not. *Id.* Nor is the renter of *Zaid*, who makes a reservation by first clicking on an ad on their Facebook page, a “user” making a request to generate an e-key via a “user account that has a vehicle associated therewith.” *Id.*, ¶¶ 71-77. And there is nothing in *Zaid* suggesting that this renter—or *any* user—has the capability to set a condition of use of the vehicle via that same account, as the claims require. *Id.*, ¶¶ 78-81.

As the Office found in related applications, *Zaid* simply does not disclose or suggest any generation of an e-key, any e-key assigned with conditions of use, nor any request thereof, as the ’188 patent recites. *See* Section VI. It is this same art and argument on which each of the *Zaid*-dependent grounds of the Petition rests and fails.

IV. The Petition should be denied under §325(d) because the Office already determined that *Zaid* fails to teach or suggest similar claim limitations of related patents.

1. *Advanced Bionics* §325(d) Legal Framework

Section 325(d) grants the Director discretion to deny institution where “the same or substantially the same prior art or arguments previously were presented to the Office.” 35 U.S.C. §325(d). The Board’s precedential decision in *Advanced Bionics*, “restat[ed] the framework in [§325(d)’s] statutory language” as a “two-part framework.” *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GMBH*, IPR2019-01469, Paper 6 at 7-11 (P.T.A.B. Feb. 13, 2020) (precedential). The policy undergirding “this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.” *Id.*, 9.

The first part of the *Advanced Bionics* framework considers “whether the same or substantially the same art previously was presented to the Office ... includ[ing] ... examination of the underlying patent application.” *Id.*, 8. Moreover, the *Becton, Dickinson* factors “should be read broadly” “to apply to any situation in which a petition relies on the same or substantially the same art or arguments previously presented to the Office during a proceeding pertaining to the challenged patent.” *Id.*, 8, 10. Thus, while “*Becton, Dickinson* factors (a) and (b) pertain to art evaluated ‘during examination,’ these factors more broadly provide guidance as to

whether the art presented in the petition is the ‘same or substantially the same’ as the prior art previously presented to the Office during *any* proceeding.” *Id.* Indeed, the Office has recognized the prudence of deferring to the Office’s previous evaluations of familial patents where the Office considered the same art and arguments. *See* Fed. Reg. 24,512 (Apr. 21, 2023) (“The Office seeks to clarify that 35 U.S.C. 325(d) applies to art or arguments that were previously addressed during proceedings pertaining to ... other family member application of a challenged patent ... if the claims of the parent application or other family member application contain or contained substantially the same limitations as those at issue in the challenged claims”). At bottom, it is prejudicial to Patent Owners and a waste of Office resources for multiple, serial, and duplicative evaluations of the same prior art reference.

Under the second part of the *Advanced Bionics* framework, “if either condition of [the] first part of the framework is satisfied, [the Board determines] whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics*, Paper 6, 8. Examples of material error include “misapprehending or overlooking specific teachings of the relevant prior art where those teachings impact patentability of the challenged claims” and “an error of law, such as misconstruing a claim term, where the

construction impacts patentability of the challenged claims.” *Id.*, 8-9, n.9. The Petitioners carry the burden of demonstrating material error, and indeed, if “the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review.” *Id.*, 8-9; *see also Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17-18 (P.T.A.B. Dec. 15, 2017) (factor (e) asks “whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art.”). Notably, “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability. At bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.” *Advanced Bionics*, Paper 6 at 9 (emphasis added). Accordingly, Petitioners must demonstrate “material error” to avoid discretionary denial.

2. Petitioners advance the same art that the Office previously applied and evaluated.

Part 1 of the *Advanced Bionics* framework is satisfied, because the same art that Petitioners again rely upon here, *Zaid* and *Mottla*, was substantively discussed and applied by multiple Examiners against substantially similar claims. For grounds 4-6, Petitioners rely on the *Zaid* reference. Pet. 2. However, the Office already assessed the meaning and disclosure of *Zaid* no fewer than eleven times against the

claims of the '188 and related patents. *Zaid* was applied and substantively discussed in the prosecutions of the '659, '245, '666, and '399 patents, including the specific *Zaid-Mottla* combination cited by Petitioners, and further evaluated during prosecutions of the '188, '900, '129, '067, '026 and '650 patents. See Section II.1. As detailed above, all of these patents are related to the '188 patent and share relevant claim limitations that the Office already determined are not taught or suggested by *Zaid* or *Mottla*, alone or in combination. *Id.* As such, the Office has repeatedly applied and discussed the same art advanced here, both *Zaid* and *Mottla*.

First, *Zaid* was considered in the prosecution of the '188 patent itself and is listed on its face. EX1001, 3; EX1002, 52. As the Board recognized in the precedential *Advanced Bionics* decision, the listing of *Zaid* and the Examiner's notation that the reference was considered—even in the examination of the '188 patent alone—satisfies the first step regardless of whether it was used as a basis for rejection. *Advanced Bionics*, Paper 6 at 7-8 (precedential) (“[p]reviously presented art includes art made of record . . . such as on an Information Disclosure Statement (IDS).”). Curiously, Petitioners rely on *Nintendo Co., Ltd. et al. v. Gamevice, Inc.*, IPR2023-00643, Paper 11 at 18-19 (P.T.A.B. Nov. 6, 2023) to argue that “there is no evidence that the Examiner considered *Zaid*.” Pet. 68. However, the *Nintendo* case, like *Advanced Bionics*, explicitly holds the opposite: there, the Board found

that “the first part of the *Advanced Bionics* framework [was] satisfied” because “the Examiner acknowledged ... and indicated that he had considered” the reference submitted in an IDS. Under the precedential *Advanced Bionics* decision—and as confirmed by the *Nintendo* decision on which Petitioners rely—the exact same art was considered during prosecution.

Second, *Zaid* was applied and discussed by Examiners during prosecution of numerous descendant continuation applications from the ’188 patent, which issued over *Zaid* and over *Zaid* in combination with *Mottla*, as the ’659 patent, and again over *Zaid* in combination with *Mottla* as the ’245 patent and the ’399 patent. *See* Section II.1. The Patent Office again applied and discussed *Zaid* in a 103 rejection against similar claims which were ultimately issued as the ’666 patent. *Id.* Moreover, the claims of these five patents share relevant similarities, and overcame double patenting rejections via terminal disclaimers. *See, e.g.*, Section II.1; *see also* Fed. Reg. 24,512 (Apr. 21, 2023) (identifying obviousness-type double patenting rejection and terminal disclaimer as examples of how a patent owner can show that “art or arguments presented in a related application” are relevant to “an argument under 35 U.S.C. §325(d)”).

The ’188 patent recites “receiving, by a server, a request ... to generate an e-key ... the request includes a condition of use of the vehicle as set by the user via

the user account” and “generating, by the server, the e-key, the e-key being assigned with the condition of use of the vehicle”; related patents against which *Zaid* was repeatedly applied and discussed during examination include limitations similar to those of the ’188 patent. EX1001, claim 1; EX2025, claim 1; EX2026, claim 1; EX2027, claims 1, 9. As repeatedly traversed by the descendent patents to the ’188 patent, such as the ’645, ’245, and ’666 patents, *Zaid* fails to disclose at least these aspects of the claims.

During prosecution of the descendent ’659 patent, the Examiner determined that *Zaid* fails to teach or suggest similar functionality recited in the ’188, ’659, ’245 and ’666 patents. For example, in an Office Action, the Examiner rejected each then-pending independent claim of the ’659 patent using *Zaid* as a single reference. EX2022, 178. In response, the Applicants explained that “nothing is discussed in *Zaid* regarding a unique access code that includes privilege settings set for additionally limiting types of use of the vehicle when using the ekey with the vehicle.” *Id.*, 334, 336. The Examiner agreed and withdrew the anticipation rejection based on *Zaid*. *Id.*, 310, 315.

Similarly, the Examiner of the descendant ’245 patent applied and discussed disclosures of *Zaid* in obviousness rejections against the then-pending independent claims. Following amendment by Applicants, the Examiner concluded that *Zaid*

fails to “teach ... the restriction is associated with a mode of allowed use that sets limits for operation of the vehicle while the vehicle is accessible.” EX2021, 381, 492-93 (statement of reasons for allowance). And again in the prosecution of the ’666 patent, the Examiner applied and discussed *Zaid* in a 103 rejection of claims reciting types of access of the e-key for use of the vehicle, and the Examiner concluded that the closest prior art, Nishimoto and “Zaid [] do[] not teach or fairly suggest the applicant’s claimed invention.” EX2024, 164, 310.

Similar to the ’659, ’245 and ’666 patents that the Examiner allowed over *Zaid*, the challenged claims of the ’188 patent recite a request to generate an e-key that includes “a condition of use of the vehicle as set by the user” and a server generating the e-key, “the e-key being assigned with the condition of use of the vehicle.” EX1001, claim 1. For both the ’659 and ’245 patent prosecutions, the Examiner applied and discussed specific disclosures from *Zaid* (e.g. citing Figure 5 and [0077]) relied upon by Petitioners as well. EX2022, 348, 351; EX2021 at 254, 256; Pet. 44-47. But the Office already repeatedly applied and discussed the same disclosures from the same reference and concluded that *Zaid* **does not** teach or suggest similar claims.

In sum, the Office has evaluated the *Zaid* reference at least eleven times, including specific applications and discussion of *Zaid* disclosures in 102 and 103

rejections of the challenged claims or substantially similar limitations of the claims. And as the Office has found repeatedly, *Zaid* does not teach or suggest similar functionality of related patent claims. The Office should decline to expend resources on cumulative art and arguments yet again.

3. *Advanced Bionics* Part 2: Petitioners fail to demonstrate how the Examiner or Office erred in a manner material to patentability.

Petitioners fail to demonstrate that the Office materially erred in its consideration of the *Zaid* reference. *Advanced Bionics*, Paper 6 at 8. Petitioners do not contend that the Office “misapprehended or overlooked specific teachings of” *Zaid*. *See id.*, 8-9, n.9. Indeed, Petitioners *could* not advance such an argument; the specific Examiner of the ’188 challenged patent confirmed that he considered *Zaid*, and, for similar claims of descendent patent applications, the Office substantively applied and discussed the same reference in 102 and 103 rejections. *See* Sections II.1, IV.2. At best, Petitioners disregard each of the Office’s previous considerations, erroneously contending that “[n]one of the above references were considered during prosecution” (Pet. 68); however, this cannot demonstrate material error. *Becton, Dickinson*, Paper 8 at 17-18.

The only argument made in the Petition is that *Nintendo*, IPR2023-00643, Paper 11, demonstrates that “there is no evidence that the Examiner considered

Zaid” and the arguments presented here are “non-cumulative” of those in prosecution. Pet. 68. But that’s wrong. As discussed above, the Board in *Nintendo* determined that the Examiner **did** consider the reference when indicating such by signing an IDS (the same facts as here). Moreover, *Nintendo* is inapplicable under part two because the Patent Office has “substantively analyzed Petitioner’s cited art” and the “specific combination” of *Zaid* and *Mottla*. *Nintendo*, Paper 11 at 18-19.

Zaid was presented to Examiner Fantu during examination of the ’188 patent and listed on its face. EX1001. This Examiner considered it at least three times (including related applications) and issued the claims. See Sections II.1, IV.2. The Office substantively analyzed *Zaid* at least four times, applying *Zaid* in 102 and 103 rejections against substantially similar claims during examinations of the descendant ’659 and ’245 patents. *Id.* Petitioners do not, and cannot, identify any Examiner error, any failure to “substantively analyze[]” the art, and thus fail to meet their burden under part 2 of the *Advanced Bionics* framework.

Recognizing the problems with *Zaid* and *Mottla*, Petitioners throw in *Kleve* as a primary reference for grounds 1-3 and 7. The Board should reject Petitioners’ attempt to end-run Section 325(d) by including additional grounds that lack merit. Indeed, not only does *Kleve* fail to teach or suggest numerous limitations, but it is

a statutorily prohibited reference. Since the remaining grounds 4-6 rely on cumulative art and arguments, the Petition should be denied under Section 325(d).

V. The *Kleve*-based grounds each fail because *Kleve* does not teach or suggest at least claim elements 1[a], 16[a] and 19[a] and because neither *Kleve* nor the proposed *Kleve-Sekiyama* combination suggests or teaches elements 1[b], 16[b] and 19[b]

Kleve, the primary reference for grounds 1-3 and 7, fails to teach or suggest a server receiving a “request from a user via a user account ... to generate an electronic key ... the request includes a condition of use of the vehicle as set by the user via the user account,” required by elements 1[a], 16[a], and 19[a]. EX1001, claims 1, 16, 19. This “request” element is recited in, or included by dependency in, all ground 1, 2, 3 and 7 challenged claims. *Id.*; see also *id.*, 49:58-51:9 (claims 2-15), 51:39-53 (claims 17-18), 52:40-52 (claim 20). Though the Petition adds references *Sekiyama*, *Mottla* and *Patenaude* to grounds 2, 3 and 7, these references do not cure *Kleve*’s lack of disclosure or suggestion on these elements, and Petitioners offer no argument or analysis to the contrary. The absence of this element is fatal to grounds 1-3 and 7 of the Petition.

Kleve also fails to teach or suggest “generating, by the server, the e-key, the e-key being assigned with the condition of use of the vehicle,” as required by elements 1[b] and 19[b] or “generating, by the server, the e-key, the e-key being associated with the condition of use of the vehicle,” as recited by element 16[b].

Petitioners effectively concede *Kleve*'s failure to teach these elements and thus propose to add the *Sekiyama* reference for ground 2, but *Sekiyama* fails to cure *Kleve*'s deficiencies. Likewise, Petitioners' addition of the *Mottla* and *Patenaude* references for grounds 3 and 7 do not cure *Kleve*'s failure for this element, and Petitioners offer no argument or analysis to the contrary.

The fatal flaws concerning each independent claim (grounds 1 and 2) discussed herein demonstrate the Petition's failure to establish a reasonable likelihood of proving any challenged claim unpatentable for at least grounds 1-3 and 7.

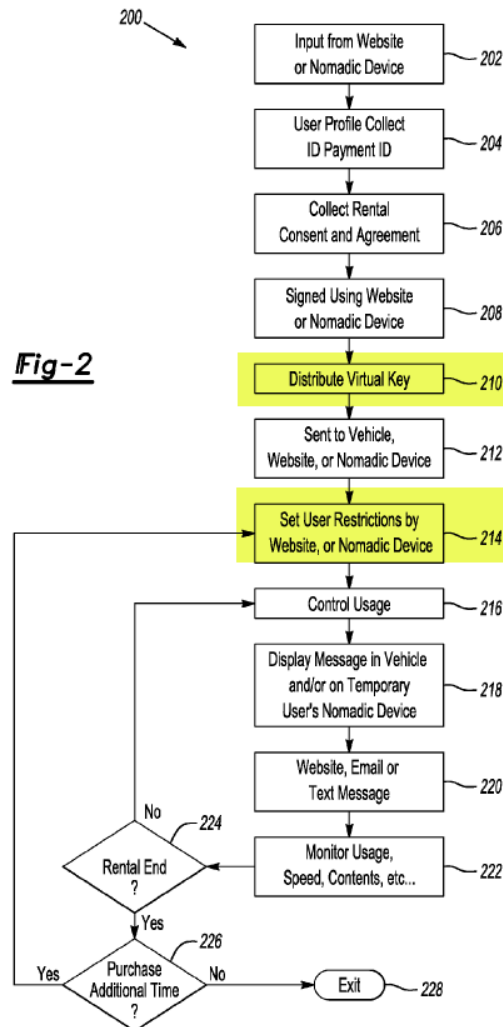
- 1. Ground 1 fails because Petitioners have not shown that *Kleve* teaches or suggests a “request from a user via a user account ... to generate an electronic key ... the request includes a condition of use of the vehicle as set by the user via the user account”**

Petitioners rely only on *Kleve* for claim elements 1[a], 16[a], and 19[a], but the Petition fails to show that *Kleve* teaches or suggests a “request from a user via a user account that has a vehicle associated therewith to generate an electronic key ... the request includes a condition of use of the vehicle as set by the user via the user account,” as required by those elements, and by dependency, all claims challenged in the *Kleve*-based grounds.

Conceding that *Kleve* has no actual teaching or disclosure that a server receives “a request from a user via a user account that has a vehicle associated therewith to generate an electronic key,” Petitioners rely on Dr. Almeroth’s opinion that “it would have been obvious to have the request made via a user account ... to know which vehicle and which Temporary User the virtual key is intended for, since the Vehicle Owner profile has the vehicle and rental agreement information.” Pet. 8, 11-12 (citing EX1003, ¶ 109). Assuming *arguendo*, that the required “request from a user via a user account ...” would have been an obvious modification in order to “to know which vehicle and which Temporary User the virtual key is intended for,” as the Petition contends, neither the Petition nor Dr. Almeroth offer any similar suggestion or rationale that could render obvious the requirement that this same request “include[] a condition of use of the vehicle as set by the user via the user account.” EX1001, claims 1, 16, 19. Instead, *Kleve* teaches that any alleged “restrictions”—relied on by Petitioners as the required “condition of use”—are requested only *after* the alleged e-key is generated and distributed.

Petitioners fail to identify any disclosure in *Kleve* that even remotely suggests the alleged request to generate an e-key “includes” anything related to “a condition for use of the vehicle as set by the user via the user account.” *Id.* While Petitioners

point to *Kleve*'s disclosure of alleged "restrictions," a POSITA would understand that *Kleve* discloses that none of the restrictions would, or could, be *included in a request to generate an e-key*. Pet. 15-16 (citing EX1004 ¶¶ 38-40, 47, 51, 68, 73, 75); EX2001, ¶¶ 45-54. Indeed, the Petition and Dr. Almeroth cite to *Kleve* paragraph 39 as allegedly supporting the conclusion that "rental agreement restrictions were sent with the request ...," but this portion of *Kleve* teaches the opposite in fact. EX1003, ¶ 120; EX1004, ¶ 39; EX2001, ¶ 50. *Kleve*'s paragraph 39, detailing specific steps of Figure 2, instructs that a vehicle owner's ability to "set user restrictions by website, or nomadic device"—at step 214—can occur only after the distribution of a virtual key—step 210. EX1004, Fig. 2, ¶¶ 39-40; EX2001, ¶¶ 48-50.



Id. (highlighted). As taught by *Kleve*, and demonstrated for example in Figure 2, the vehicle owner does not even “have access to control usage of the vehicle being rented by the Temporary User” until step 214, after a virtual key is distributed. *Id.*; see *id.*, ¶ 40. Accordingly, *Kleve*’s virtual key—distributed before any restrictions can be set by the user (alleged to be the recited “condition of use as set by the user”)—cannot teach or suggest the required “request ... to generate an e-key ...

the request includes a condition of use as set by the user via the user account.”
EX1001, claims 1, 16, 19; EX1004; EX2001, ¶¶ 45-50.

Also misplaced is Petitioners’ reliance on *Kleve*’s disclosure that a “virtual key may also be sent to the vehicle configuring the VCS to enable the keyless drive system for the appropriate Temporary User during a given rental period”—at step 212. *E.g.*, Pet. 15. While the Petition contends that the sending of this virtual key for the renter “during a given rental period” discloses the recited “the request includes a condition for use of the vehicle ...” (*id.*), Petitioners’ admissions and *Kleve* itself say otherwise. EX2001, ¶¶ 49-50. Indeed, this *Kleve* disclosure shows that a “virtual key” *already exists when it is “sent to the vehicle,”* and therefore cannot be the recited “request” preceding the recited “generating” of the e-key. *Id.*; EX1004 at ¶ 39, Fig. 2; EX1001, claims 1, 16, 19.

Taking a scattered shot approach to try to identify some disclosure for this limitation, Petitioners next contend that a vehicle owner “requests” the server to generate an e-key by entering the renter’s “credential” at step 502. Pet. 10-12 (citing EX1004, Fig. 5, ¶ 62). This also fails: *Kleve*’s Figure 5 directly belies the notion that entering a credential “includes” a “given rental period,” showing instead that at step 506—only after that “credential” is entered by the vehicle owner—the “vehicle owner (VO) sends credential to vehicle” “at rental time.” EX1004, Fig. 5,

¶ 66; EX2001, ¶¶ 51-52. Petitioners point to no disclosure in *Kleve* that teaches or suggests that this alleged “request” – *entering a renter’s ID “credential”*—somehow includes a condition for use of the vehicle. Pet. 10-12. But in any event, *Kleve* repeatedly shows that it is only “**when the scheduled rental period of time begins** [that] the vehicle Owner may send the credentials to the vehicle with the use of a server 506.” EX1004, ¶ 66, Fig. 5; EX2001, ¶¶ 51-52. Sending the credentials to the vehicle, *after* the virtual key is created, cannot be suggesting any request to generate an e-key that includes a “condition of use.” *Id.* Accordingly, *Kleve* offers no teaching that entering a credential—alleged to be the recited “request”—includes a condition of use, or that the vehicle owner may “set” a condition of use when entering that credential. EX1004; EX2001, ¶¶ 45-52. Instead, *Kleve* teaches away from any such suggestion, offering a solution in which the vehicle owner need not include any “condition for use” in the request—such as the alleged rental time period—because the vehicle owner is sending the credentials to the renter “at rental time.” *Id.*; EX1004, ¶ 66, Fig. 5.

Realizing that their various theories fail, Petitioners resort to hypothesis by Dr. Almeroth, wherein he ignores the disclosure of *Kleve* to make the conclusory declaration that this unsuggested limitation is “obvious.” EX1003, ¶ 122. While Dr. Almeroth proposes modifying his already-modified disclosures of *Kleve* to include

“conditions in the request, so that the generated virtual key is associated with such restrictions, ***allowing the restrictions to be monitored and enforced***” (*id.*), such a modification makes no sense, since *Kleve* already recites that the owner can “control usage” and “monitor usage, speed, contents, etc.” EX1004, Fig. 2 (“Step 216” and “Step 222”), ¶¶ 40 (“[a]t step 216, the control parameters use restrictions may be monitored”), 41 (“[a]t step 222, control use may limit the Temporary User from exceeding the restrictions the Owner has set”); EX2001, ¶ 53.

In addition, Dr. Almeroth’s proposed motivation to modify *Kleve* to allow the virtual key to be *associated* with the restrictions is fundamentally and technically flawed. EX2001, ¶ 54. To have the virtual key of *Kleve* *associated* with the user restrictions does not disclose “the request includ[ing] a condition of use of the vehicle,” as Dr. Almeroth incorrectly contends. *Id.* Instead, a request to generate a virtual key and a request containing restrictions for a virtual key can be received in two messages (as already disclosed in *Kleve*). *Id.*; EX1004. Even if it would have been obvious to modify *Kleve* as Dr. Almeroth contends, the modification would nevertheless fail. And as discussed above, such a modification would not have been obvious.

Accordingly, the modification motivation proposed by Dr. Almeroth, and relied upon by Petitioners for their obviousness challenge, is non-existent and indeed belied by *Kleve* itself.

Petitioners offer no additional bases for claim elements 16[a] or 19[a]. Pet. 30 (“same reasons as set forth above”), 33 (same). At bottom, the alleged e-key in *Kleve* is wholly unrelated to any alleged “condition of use” of the vehicle.

2. The *Kleve*-based grounds fail because Petitioners have not shown that *Kleve* teaches or suggests “generating, by the server, the e-key, the e-key being assigned [associated] with the condition of use of the vehicle” of independent claims 1, 16 and 19

Petitioners’ reliance on *Kleve* for claim elements 1[b] / 16[b] / 19[b] is similarly misplaced. These elements require “generating, by the server, the e-key, ***the e-key being assigned with the condition of use of the vehicle.***” But as described above, the alleged request to generate an e-key is wholly unrelated to the alleged condition of use. Here again, Petitioners rely on *Kleve*’s virtual key that may be “sent to a vehicle configuring the VCS to enable the keyless drive system for the appropriate Temporary User during a given rental period.” Pet. 15-16 (citing EX1004, ¶¶ 38-39). However, as demonstrated above, *Kleve* makes clear that the virtual key is sent to the vehicle—at step 212—**before** the user “may set restrictions”—at step 214. EX1004, Fig. 2, ¶ 40 (“[a]t step 214, the Owner may

have access to the control usage of the vehicle being rented ... the Owner may set user restrictions by use of the website or nomadic device”); EX2001, ¶¶ 55-58. For example, *Kleve* teaches a system in which information about payment, vehicle make and model, and user ID is inputted (steps 202, 204), a “rental consent” and agreement is signed (step 206), and then, at step 210, **the virtual key is distributed**. EX1004, Fig. 2; EX2001, ¶¶ 56-57. Importantly, before the key is distributed in *Kleve*, it has already been “generated.” EX1004, Fig. 2, ¶ 39 (“at step 210, once the Temporary User selects the vehicle, pays the appropriate amount and signs a consent agreement, th[e]n the system **may generate a virtual key to distribute**”). Thereafter, “at step 212,” that virtual key may be sent to a vehicle, website or nomadic device. *Id.* And only **subsequent to** the virtual key’s **generation and distribution** can the vehicle owner set “user restrictions,” alleged “conditions of use”—at step 214. *Id.*; *see id.*, ¶ 40. Accordingly, sending the virtual key “to the vehicle to enable the keyless drive system for the appropriate Temporary User during a given rental period”—at “step 212”—cannot teach or suggest the required generating an e-key that is “**assigned with** the condition of use of the vehicle,” let alone generating an e-key that is “assigned with the condition of use of the vehicle *as set by the user via the user account*.” EX1001, claims 1, 16, 19; EX1004. As described above, *Kleve*’s solution actually teaches away from the generation of an

e-key assigned with or associated with the alleged condition of use, as *Kleve* does not permit the vehicle owner to set “user restrictions” until after the virtual key is generated and distributed. EX1004, Fig. 2; EX2001, ¶57. Moreover, because *Kleve* fails to disclose a *request* to generate an e-key that includes a condition of use of the vehicle as set by the user via the user account,” the antecedent basis for element 1[b], *Kleve* cannot teach or suggest a server generating an e-key with the required condition of use of element 1[a]. EX2001, ¶¶ 55-58; EX1001.

For ground 2, Petitioners add *Sekiyama* in an attempt to cure *Kleve*’s deficiencies regarding a server “generating an e-key” (Pet. 35 (“[t]o the extent that PO argues *Kleve*’s server does not generate e-keys...”), 37 (“*Sekiyama* discloses a server that generates an e-key”), but Petitioners do not rely on *Sekiyama*, or otherwise identify any disclosure in *Sekiyama*, for the alleged teaching of a server generating an e-key “***assigned [associated] with the condition of use of the vehicle as set by the user via the user account,***” as the independent claims require. Pet. 36-37. Indeed, none of the identified disclosures even suggests or discloses any user account, any user account by which a user can request a server to generate an e-key which includes a condition for use of the vehicle, and likewise no suggestion or disclosure of a server generating an e-key assigned with the condition of use of the vehicle as set by the user via the user account.” Pet. 36-37; EX2001, ¶¶ 59-60.

Petitioners' failure to demonstrate any teaching or suggestion of independent claim elements 1[b], 16[b] and 19[b] therefore provides an independent basis for denying each of grounds 1-3 and 7.

VI. The *Zaid*-based grounds fail to establish a reasonable likelihood of proving any challenged claim unpatentable because *Zaid* does not teach or suggest at least claim elements 1[a], 16[a] and 19[a]

For grounds 4-6, the Petition relies on *Zaid*'s "vehicle reservation" as the claimed "request from a user via a user account ... to generate an electronic key." Pet. 44 (citing EX1008, ¶¶ 72, 77, 79, 125). This underlying premise fatally infects Petitioners' effort to satisfy claim elements 1[a], 16[a], and 19[a], because *Zaid*'s reservation—made by a renter, not a vehicle owner—does not suggest or teach a request to a server to generate an e-key. Compounding this deficiency, Petitioners do not show that the reservation of *Zaid* "includes a condition of use of the vehicle," and do not show that such a reservation is made *from a user via a user account*, the same account via which *the user sets a condition of use of the vehicle*.

For grounds 4-6, Petitioners add *Harris*, *Mottla*, and *Patenaude*, only with respect to other independent claim elements or dependent claims. These additional references do not cure any of the deficiencies of *Zaid* with respect to missing limitations of independent claims 1, 16 and 19, and Petitioners offer no argument

to the contrary. As such, no ground of the Petition has any reasonable likelihood of success, and the Petition should be denied.

1. Petitioners cannot show that either *Zaid*, alone or in combination, discloses or suggests a server receiving a “request ... to generate an electronic key (e-key) ...,” as required by elements 1[a] / 16[a] / 19[a]

The Petition fails to demonstrate that either *Zaid* alone, or in combination with *Harris*, teaches or suggests a server receiving “a request ... to generate an electronic key (e-key)” as each of the independent claims require. EX1001, claims 1, 16, 19; EX2001, ¶ 61. Petitioners point to *Zaid*’s server’s receipt of a vehicle reservation as the claimed “request ... to generate an electronic (e-key),” but, as *Zaid* makes clear, a “reservation” is just that—it reserves the vehicle for later use. EX2001, ¶ 62; EX1005, ¶ 124. Ultimately, Petitioners fail to show that *Zaid*’s server ever generates an e-key—the relied upon encrypted reservation message of *Zaid* is no e-key generated by a server, as shown below. Petitioners are equally wrong in their contention that *Zaid*’s “reservation” teaches or suggests any “request ... to generate an electronic key,” as required by elements 1[a] / 16[a] / 19[a].

Zaid discloses that a user may book a reservation for a vehicle at a central server, and because the central server does not have direct communication with the vehicle, the reservation information is passed to a wireless communication device *through an encrypted message*. EX1008, ¶¶ 70, 125; EX2001, ¶ 63.

Recognizing that a mere reservation is not an e-key, Petitioners conflate *Zaid*'s cryptography teachings—e.g. encrypting and decrypting data for “verified communication”—as somehow generating an electronic key. *Id.* (alleging that “the encrypted reservation is an e-key”). Pet. 45. They are not. *Zaid*'s mere encryption of the reservation is not generating an electronic key. EX2001, ¶¶ 64-66. Encryption merely converts the reservation from one form to another. *Id.*

The asymmetric cryptography scheme disclosed in *Zaid* includes two keys, a “private” key and a “public” key. “Private” keys are intended to be kept secret, while “public” keys are public and shared openly. EX1008, ¶¶ 65-66; EX2001 ¶¶ 67-68. Any entity or person—whether authorized or not—can encrypt and transmit a message using a public key, however, only someone with the corresponding private key can decrypt the message. *Id.* For example, the encryption scheme described by *Zaid* ensures that only the mobile device (or other device having the private key) can decrypt the message—which maintains message confidentiality and, at best, ensures that the intended recipient is receiving the reservation, rather than anyone that intercepts it. EX1008, ¶¶ 65-66, 126; EX2001 ¶¶ 67-68.

Zaid explains that “the vehicle reservation is communicated to a wireless device” and then “decrypts the first layer of encryption encrypted using the public key” by using a private key. EX1008, ¶ 126. This “ensure[s] and authenticates that

the intended wireless communication device is receiving the vehicle reservation rather than one that intercepts the vehicle reservation.” *Id.* As such, *Zaid* makes clear what a POSITA would understand—decrypting using a private key maintains confidentiality of the message and ensures it may only be decrypted by intended recipients. EX2001, ¶¶ 66-68.

Zaid further confirms that instructions for car entry, such as unlocking doors, are received through direct commands, not merely passing through reservation requests, as the Petition misstates. EX1008, ¶ 100; Pet. 8, 44-45; EX2001, ¶ 65. As such, the server of *Zaid* merely passes along a rental reservation as a “verified communication” to a user, but is not generating any e-key. *Id.*, ¶¶ 125-127; EX2001, ¶ 65. After the vehicle receives the relayed reservation, and the message is “decrypted to verify the authenticity of the wireless communication device,” the device may send commands to unlock the car. EX1008, ¶¶ 70, 100. Accordingly, a POSITA would understand that the functionality of the server passing along a message regarding a reservation for a vehicle, e.g. to authenticate the vehicle reservation, does not suggest or teach a request received by a server to generate an electronic key for an identified recipient to use the vehicle. EX2001, ¶¶ 61-68.

While Petitioners add *Harris*, *Mottla* or *Patenaude* to grounds 4-6, Petitioners do not cite to or rely on any of these references as disclosing or rendering

obvious the server receiving a “request ... to generate an electronic key,” as recited by all independent claims. At bottom, none of the additional references can cure the deficiencies of *Zaid*, and Petitioners make no argument to the contrary. EX2001, ¶ 82.

2. Petitioners cannot show that either *Zaid*, alone or in combination, discloses or suggests a “request from a user via a user account that has a vehicle associated therewith... to generate an e-key ... the request includes a condition of use of the vehicle as set by the user via the user account,” as required by elements 1[a] / 16[a] / 19[a]

Having pointed to a mere rental reservation as the alleged “request ... to generate an e-key”—*it is not*—Petitioners further fail to show that such a reservation is “from a user via a user account that has a vehicle associated therewith” or that *Zaid*’s reservation “includes a condition of use of the vehicle as set by the user via the user account.” EX2001, ¶ 69. Each of the independent claims of the ’188 patent require a server receiving a request that is not only “**from** a user via a user account that has a vehicle associated therewith” but also that the request’s inclusion of “a condition of use of the vehicle” must be “set by **the user**” who made the request to generate the e-key and the condition of use must also be set via “**the user account**” from which the request was made. EX1001, claims 1, 16, 19. Therefore, even if *Zaid*’s reservation could somehow suggest the recited request to generate an e-key, the *Zaid*-based grounds nevertheless fail because *Zaid* fails to

teach any “request from a user via a user account that has a vehicle associated therewith ... to generate an electronic key” or “the request includes a condition of use of the vehicle as set by the user via the user account,” as required by claim elements 1[a], 16[a] and 19[a]. EX1001, claims 1, 16, 19; EX2001, ¶¶ 69-81. The Petition’s failure to show that *Zaid* teaches or suggests these elements of each independent claim provides a separate and independent basis for denying each of grounds 4-6. Petitioners do not argue that *Harris*, or any other reference, renders obvious any of these independent claim elements. Pet. 41-43, 47.

a. *Zaid*’s disclosure of a Facebook account, accessed by a vehicle renter, does not disclose or suggest any “user account” via which a user requests a server to generate an e-key, as Petitioners allege

Petitioners cobble together disparate, unrelated disclosures of *Zaid* in an attempt to meet the required elements of 1[a]/ 16[a]/ 19[a]. Petitioners’ theory is that the claimed “user account” is a vehicle owner’s Facebook or other social networking account. Pet. 41. But Petitioner does not even attempt to show that the alleged server receives a request to generate an e-key via *that* “user account,” as claimed. This is because first, as shown above, the relied-upon disclosures do not remotely suggest a request to generate an e-key, and second, as shown below, *Zaid* teaches that a vehicle reservation—the alleged “request”—is *not* sent via a vehicle owner’s Facebook account, as the Petition contends.

Petitioners allege that *Zaid* discloses or renders obvious a “vehicle owner (**user**) that can use a user account (such as through Facebook) to facilitate a vehicle rental reservation...” Pet. 41 (emphasis in original). But the alleged “user account” identified in the Petition is that of the renter, not the vehicle owner. EX1008, ¶72; EX2001, ¶¶ 70-74. *Zaid* instructs that a vehicle owner can *advertise their vehicle* on social networking sites, like Facebook, but it is the renter of the vehicle—not the vehicle owner—that “must first **log into the social networking website** before he/she can view the advertisement and **make** [sic, a] **reservation**.” EX1008, ¶72. The relied upon disclosures of *Zaid* make clear that “the user” referred to here is the renter, that is, the **person who makes the reservation**—not the vehicle owner, as Petitioners erroneously contend. *Id.*; EX2001, ¶¶ 70-74. Further compounding Petitioners’ misunderstanding, the “user account” of *Zaid*, e.g. Facebook, is the **renter’s** account, not the owner’s. *Id.* Petitioners’ misunderstanding of *Zaid* renders their theories for *Zaid*-based grounds meritless.

While *Zaid* teaches that a vehicle owner may have an **advertisement** appear on *others’* Facebook accounts—i.e. wherein the vehicle reservation is *advertised to prospective renters*—no POSITA would understand these disclosures to suggest that a *vehicle owner* must first log into his/her own Facebook account “before he/she can view the advertisement” of *their own vehicle* available for rent. EX2001,

¶¶ 70-74; EX1008, ¶ 72. Nor would a POSITA conclude that the vehicle owner “must first log into” *their own* Facebook account to “make [a] reservation” of *their own vehicle*. *Id.* Advertising on social networking sites, such as Facebook, was certainly commonplace at the time of the invention, and a POSITA would understand that social networking sites allowed advertisers to track data of account users who, e.g., “view the advertisement” and click on such an ad, e.g., to “make [a] reservation.” See EX1008, ¶¶ 72; EX2001, ¶ 73. Therefore, in reality, a POSITA would understand that a vehicle owner may have an advertisement of their vehicle on others’ Facebook accounts, and may even obtain data to maintain some “control over the type of user the owner is lending/sharing/renting [a] vehicle to,” but when a user clicks on that ad to “make a reservation,” there is no reason to conclude this reservation is *from the owner via the vehicle owner’s account*, as Petitioners allege. EX2001, ¶¶ 70-74; Pet. 41, 44-45. Reality notwithstanding, Petitioners and Dr. Almeroth make the incredible leap that “because the owner advertises when the vehicle is available for reservation, and the owner has ‘control over the type of user the owner is lending/sharing/renting [a] vehicle to’” “[a] POSITA would understand that the vehicle reservation request is sent to the server **from the owner’s user account**.” Pet. 44. As shown above, *Zaid* discloses the opposite.

Indeed, *Zaid* teaches away from such a conclusion. No POSITA would understand *Zaid* as teaching or suggesting that *an advertiser/owner*—whether or not they obtain tracking data for the account user who clicks on the ad—“must first log into the social networking website before he/she can view the advertisement” *of their own product*, and likewise require an advertiser/owner to “first log into” their own Facebook account to “make [a] reservation” *of their own advertised product*. EX1008, ¶ 72; EX2001, ¶¶ 70-74. The conclusion here of Petitioners and their expert has no basis in fact, nor any connection to the actual disclosures of *Zaid*.

Similarly untethered from reality is Petitioners’ alternative theory that “a POSITA would have found it obvious that the reservation request is sent by the owner through the owner’s account ... [s]ince both the renter and the owner accounts are involved in making the reservation[.]” Pet. 44. But the premise of this theory is wrong: as detailed above, the identified disclosures of *Zaid* do not refer to an “owner account,” but instead describe **a renter** who “must first log into the social networking website before he/she can view the advertisement and make [a] reservation.” EX1008, ¶ 72; EX2001, ¶¶ 75-76. *Zaid* does not present a “mere design choice” between sending a request from a renter’s Facebook account or an owner’s account, as Petitioners incorrectly state, at least because *Zaid* presents no

“choice” at all—*Zaid* never mentions or suggests any *owner account* from which such a request can be made. Pet. 44; EX1008, ¶ 72; EX2001, ¶¶ 75-76.

As an equally untenable alternative theory, Petitioners propose that “[a] POSITA would alternatively consider it obvious for an owner to access the rental application through a user account to associate their vehicle with the account.” Pet. 42-43. Again, the relied on “user account” of *Zaid* actually refers to the **renter’s** Facebook account or other social networking website account, not the owner’s. EX1008, ¶ 72; EX2001, ¶ 77. Another fatal flaw in this theory is that Petitioners point to *Zaid*’s “reservation” as the recited “request ... to generate an electronic key,” but *Zaid*’s disclosed *rental application* offers no means by which to “make [any] reservation.” EX1008, ¶ 77; EX2001, ¶ 77. Instead, *Zaid* instructs that its rental application enables updates to be “announce[d]” and “advertise[d],” such as the location of the vehicle or when it will be available for sharing, but does not disclose functionality to make any reservation. *Id.*

Petitioners’ failure to demonstrate any disclosure of *Zaid* which teaches or suggests the required request to generate an e-key from a vehicle owner’s Facebook page, the alleged user via a user account that has a vehicle associated therewith, is fatal to grounds 4-6 of the Petition. EX1001, claims 1, 16, 19. The Petition offers

no disclosure or argument that any additional reference allegedly teaches or suggests this limitation required of each independent claim.

b. *Zaid* offers no teaching or suggestion that “the request includes a condition of use of the vehicle as set by the user via the user account”

Petitioners misapprehend claim elements 1[a] / 16[a] / 19[a], which recite that *the same request* to generate an e-key also “includes” a condition of use (“a request ... the request includes...”), *the same user* makes the request and sets the condition of use (“request from a user ... set by the user”), and it is *the same user account* via which the request is made and the condition is set (“via a user account ... as set ... via the user account”). EX1001, claims 1, 16, 19. Instead, Petitioners rely on different “user accounts,” different “users,” and different “requests,” conflating and misstating disclosures of *Zaid* to suggest teachings that simply don’t exist. EX2001, ¶ 78.

For example, as explained above, as a “user account” via which the claimed request is made, Petitioners point to *Zaid*’s disclosure of a renter logging into their Facebook account to view an ad and “make [a] reservation.” EX1008, ¶ 72; EX2001, ¶ 79. But later, for the recited “condition of use is set by the user **via the user account**,” Petitioners say this is set “when the owner ‘announces when the vehicle is available for sharing.’” Pet. 47 (citing ¶ 77). Paragraph 77 describes an

application in which an owner or renter can advertise or announce updated information, such as a location or when the vehicle is returned, but this application does not enable the “reservation” identified as the alleged “a request from a user via a user account ... to generate an e-key,” and therefore cannot be “*the* user account” via which the user sets a condition of use for the vehicle. EX1008, ¶ 77; EX2001, ¶ 79. In other words, for the antecedent “a user account” from which the request is made, Petitioners point to a reservation made via Facebook ads or those on similar social networking sites (Pet. 42 (citing EX1008, ¶ 72)), but for the very same “user account” via which a condition for use is set, the Petition relies on an unrelated “vehicle rental application” where announcements may be made—an application unrelated to Facebook or another social networking site and, importantly, an application *lacking* the Facebook ad reservation feature Petitioners relied on as “a request from ... *a user account* that has a vehicle associated therewith.” Pet. 47 (citing EX1008, ¶ 77); EX2001, ¶ 79.

Accordingly, Petitioners fail to point to one “user account” which is both the user account via which a request to generate an e-key is made and the user account via which the user sets a condition of use of the vehicle. In any event, Petitioners fail to offer any teaching or suggestion in *Zaid* that an owner making an “announcement” via a “vehicle reservation application” can somehow enable a user

to set a condition of use for a vehicle to be included in a request for an e-key. EX1008, ¶ 77; EX2001, ¶ 80; Pet. 42-47.

Likewise problematic for the Petition is its reliance on different “users” as involved in making the same “request”: Petitioners point to *Zaid* paragraph 72, in which **a renter** makes a reservation (alleged to be the “request [to the server] ... to generate an [] e-key”) and **an “owner** [who] ‘announces when the vehicle is available for sharing’” (alleged to be “the request includes a condition of use as set by the user via the user account”). Pet. 44, 47; EX2001, ¶ 81. These two different individuals cannot be the same “a user” and “the user” recited by claim elements 1[a] / 16[a] / 19[a]. *Id.* Assuming *arguendo* that the reservation is a request to the server to generate an e-key—it is *not*—there is no teaching or disclosure that the same user who is making the reservation by clicking on a Facebook ad can also use their same social networking account to set a condition for use of the vehicle. EX2001, ¶ 81; EX1008, ¶ 72.

Petitioners’ imaginative contortions of *Zaid* notwithstanding, the Petition fails to point to any disclosure suggesting or teaching the recited elements “a request from a user via a user account having a vehicle associated therewith ... to generate an [] e-key ... the request includes a condition of use of the vehicle as set

by the user via the user account.” The Petition’s grounds 4-6 fail for this reason alone.

VII. The Board Should Deny Institution Under *Fintiv*.

The Board should exercise its discretion to deny institution under §314(a).

To do so, the Board balances six factors:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the Petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5-6 (P.T.A.B. Mar. 20, 2020).

“These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* “In evaluating these factors, the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.*

In addition, the USPTO Director issued an “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“Interim *Fintiv* Procedure”) dated June 21, 2022, which is addressed below.

A balance of the *Fintiv* factors –in view of the Interim *Fintiv* Procedure – warrants denial of institution.

A. The Board need not address the merits of the Petition because the factors favor denial

1. Factor 1 Favors Denial (Likelihood of Stay)

Factor 1—which considers whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted—favors denial of institution.

Emerging Auto filed the parallel district court proceedings on September 20, 2023, which was assigned to Judge Rodney Gilstrap. EX2007; EX2008. Judge Gilstrap has since consolidated that lawsuit against Toyota with Emerging Auto’s infringement action against Kia Corporation, also assigned to Judge Rodney Gilstrap. EX2007. Petitioners have not filed any motion to stay in the district court case, but even if they were to request a stay, the request would likely be denied.

Courts in the Eastern District of Texas, and Judge Gilstrap in particular, disfavor, and as a general rule, deny motions to stay pending IPRs. *See, e.g., Force Mos Tech., Co. v. ASUSTek Comput., Inc.*, No. 2:22-CV-00469-JRG, 2024 WL

1586266 (E.D. Tex. Apr. 11, 2024) (Judge Gilstrap); *Koninklijke KPN N.V. v. Telefonaktiebolaget LM Ericsson*, No. 2:21-CV-00113-JRG, 2022 WL 17484264 (E.D. Tex. July 7, 2022) (Judge Gilstrap); *Nanoco Techs. Ltd. v. Samsung Elecs. Co.*, No. 2:20-cv-00038-JRG, 2021 WL 3027335 (E.D. Tex. Jan. 8, 2021) (Judge Gilstrap).

The stay is even less likely here, given the significant case progression (discussed in factor 3) and the scheduled jury trial preceding any final written decision (discussed in factor 2). The first *Fintiv* factor supports denying institution. *See, e.g., Mylan Labs. Ltd. v. Janssen Pharmaceutica NV*, IPR2020-00440, Paper 17 at 13-14 (P.T.A.B. Sept. 16, 2020) (“We consequently conclude that the balance of facts in the two litigations indicate that no stay is likely to be entered in either, and therefore *Fintiv* factor 1 leans towards denial of institution.”).

2. Factor 2 Favors Denial (Timing of Trial)

Fintiv factor 2 weighs in favor of denying institution because the district court is set to complete trial in July 2025 (EX2003), five months before the Board’s final decision from the Board would be due, on December 20, 2025. “If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” *Fintiv*, IPR2020-00019, Paper 11 at 9.

This timeline undisputedly favors denial, as the Board has previously held that a trial date which precedes a final written decision deadline by five, four and even one-to-two months favors discretionary denial. *See, e.g., Samsung Elecs. Co., Ltd. v. Mojo Mobility Inc.*, IPR2023-01092, Paper 11 at 11 (P.T.A.B. Jan 8, 2024) (denying institution, finding trial date, “about five months before the projected statutory deadline” favored discretion to deny); *Bentley Motors Ltd., Jaguar Land Rover Ltd.*, IPR2019-01539, Paper 9 at 14 (P.T.A.B. Mar. 10, 2020) (denying institution where trial set to occur five months before final written decision); *Immersion Sys. LLC v. Midas Green Techs., LLC*, PGR2021-00104, Paper 15 at 11 (P.T.A.B. Jan. 31, 2022) (jury trial four months prior favored discretionary denial); *see also, NXP USA, Inc. v. Impinj, Inc.*, PGR2022-00005, Paper 18 at 8-9 (P.T.A.B. May 2, 2022) (finding two-month period between trial date and deadline for final decision weighed in favor of discretionary denial); *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16 at 6-9 (P.T.A.B. May 15, 2019) (finding one-month period between trial date and deadline for final written decision weighed in favor of discretionary denial); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12-13 (P.T.A.B. May 13, 2020) (factor disfavors institution when “the currently scheduled District Court trial is scheduled to begin two months before our deadline to reach a final decision”); *eClinicalWorks, LLC v. Decapolis LLC*, IPR2022-

00229, Paper 10 at 9 (P.T.A.B. Apr. 13, 2022) (determining denial favored where beginning of jury trial was “roughly one to two months” before final decision was due).

Additionally, the USPTO’s Interim *Fintiv* Procedure provides that the “[p]arties may present evidence regarding the most recent statistics on median time-to-trial for civil actions in the district court in which the parallel litigation resides for the PTAB’s consideration ... the PTAB will also consider additional supporting factors, such as the speed and availability of other case dispositions. See Interim *Fintiv* Procedure, 8-9. Here, the median time-to-trial is 21.1 months and the median time from filing to case disposition in the Eastern District of Texas is 7.8 months. EX2006, Judicial Caseload Profile, Table T-3 at 2, Table C-5 at 2 (Mar. 2024). Considering the 7.8-month median time for disposition in the Eastern District of Texas, the parallel litigation will likely be disposed of in 2024, over a year before the December 2025 statutory deadline for the final decision. *Id.*, Table C-5 at 2; see also EX2007 (showing September 2023 complaint filing); EX2008 (same). Moreover, the median time-to-trial statistics for the district predict a trial date of June 2025 (EX2006), and for Judge Gilstrap in particular, the trial would be between eight to ten months prior to the institution date, in February or April 2025 (EX2016) (showing 20-month average time-to-trial, excluding transfers, and

median time-to-trial of 18 months). That Judge Gilstrap’s time-to-trial statistics predict an even earlier trial date lends credibility to the July 2025 scheduled jury trial and weighs significantly in favor of denial. *Samsung Electronics*, Paper 11 at 11-12 (statistics predicting even earlier trial date “confirm[] that the schedule set by the district court is credible and should be given weight”).

Judge Gilstrap has already set the jury trial, and that jury trial will conclude well before the Board’s projected statutory deadline. EX2003. Additionally, because of the stage of the underlying case and the speed with which the Eastern District of Texas reaches case dispositions, there are likely to be district court determinations relating to the validity of the ’188 Patent in advance of the Board’s projected statutory deadline. EX2006. Thus, *Fintiv* factor 2 favors discretionary denial.

3. Factor 3 Favors Denial (Investment in Parallel Proceedings)

Factor 3 strongly weighs in favor of denial because both Emerging Auto and Petitioners will have expended considerable resources in the parallel litigation, including on the merits of Petitioners’ invalidity positions, by the time the Board issues an institution decision. *See Sand Revolution II, LLC v. Cont’l Intermodal Grp.*, IPR2019-01393, Paper 24 at 10 (P.T.A.B. June 16, 2020) (noting that investment in invalidity contentions is relevant to this factor).

For factor 3, the Board considers “the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, IPR2020-00019, Paper 11 at 9. “This investment factor is related to the trial date factor, in that more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.” *Id.*, 10.

Here, the Board is projected to issue an institution decision on December 20, 2024. Emerging Automotive served its infringement contentions on January 18, 2024, and on March 28, 2024, Petitioners served their invalidity contentions, nearly seven months before the projected institution decision. EX2004. Petitioners’ invalidity contentions include claim charts addressing the same primary references (*Kleve* and *Zaid*) asserted by Petitioners in the grounds of their Petition for the asserted claims in the co-pending litigation. EX2005.

Judge Gilstrap has already conducted a hearing and issued decisions for five motions pertaining to technical aspects of the asserted patents – a motion to compel documents and discovery responses from Toyota, Toyota’s motion to compel documents from Emerging Auto, Toyota’s motion to amend its invalidity contentions, and Toyota’s motion to strike Emerging Automotive’s Infringement

Contentions—a motion that argued both claim construction and the merits of infringement allegations. *See* EX2007, ECF Nos. 54, 61, 63, 65, 91.

Additionally, the parties have already exchanged interrogatory responses, exchanged document productions, and completed several depositions. *Id.* Moreover, Emerging Auto has spent hours reviewing materials on a “source code” computer, and Toyota will take the depositions of the two inventors, Angel and Albert Penilla, on October 16 and 17. Before the projected institution deadline, therefore, the parties will have completed numerous witness depositions, the parties will have substantially completed document productions, and the Court will have completed hearings and issued rulings on five substantive motions. *Id.*; EX2003, 4-5. The parties further will have submitted the Joint Claim Construction Statement, completed claim construction discovery and substantially completed claim construction briefing. EX2003, 4-5. While claim construction may not be completed before the institution decision, it will be close to completion (*Markman* hearing will be completed less than a month following institution decision deadline), and since neither party has contended that claim construction is necessary to resolve the merits of the Petition (Pet. 8), an order coming shortly after the institution deadline does not overcome the substantial resources expended by the court and parties. *See, e.g., Mylan Labs.*, IPR2020-00440, Paper 17 at 18 (finding court’s issuance of orders

avored denial despite no claim construction order because “neither party has acknowledged any potential issues of claim construction that need to be resolved”) (citing *Fintiv*, IPR2020-00019, Paper 11 at 9)); *see also* EX2003, 4-5.

By the time the Board issues an institution decision, the district court has, and will have, spent considerable time and resources dealing with substantive motions. This factor favors denial. *Mylan Labs.*, IPR2020-00440, Paper 17 at 15, 18 (“Specifically, if, at the time of the institution decision, the district court has issued substantive orders related to the patent at issue in the petition, this fact favors denial.”) (citing *Fintiv*, IPR2020-00019, Paper 11 at 9 and citing *E-One*, IPR2019-00161, Paper 16 at 8, 13, 20).

Moreover, both Emerging Auto and Petitioners will have expended substantial resources in the parallel litigation, including on the merits of Petitioners’ invalidity positions, where—as detailed below—there is significant overlap of issues.

Discretionary denial is therefore favored here, since the parties and the court will have invested substantial time and resources, including substantial motion practice and ongoing fact discovery, by the December 20, 2024 institution deadline.

4. Factor 4 Favors Denial (Overlap of Issues)

Factor 4 weighs strongly in favor of discretionary denial because there is substantial overlap between the claims, arguments, and evidence raised in the Petition and in Petitioners' invalidity contentions in the parallel district court proceeding. Petitioners' failure to offer any stipulation or other action to reduce the overlap between the proceedings only highlights the concerns of duplicative efforts and conflicting outcomes raised by *Fintiv* and the USPTO's Interim *Fintiv* Procedure.

The Petition challenges each asserted claim in the district court litigation (i.e., 1-20). Pet. 2. In the district court litigation, Petitioners challenge each asserted claims using the same asserted references—*Kleve*, *Sekiyama*, *Mottla*, *Zaid*, *Harris*, and *Patenaude*. EX2004, 10, 13-15; Pet. 2. Thus, Petitioners' invalidity contentions served in district court allege that the same references invalidate the asserted claims. Petitioners' common prior art and common challenges to the claims renders the “overlap between the two proceedings [] substantial.” *Code200 Uab v. Luminate Networks Ltd.*, IPR2020-01506, Paper 10 at 11-12 (P.T.A.B. Feb. 16, 2021).

Moreover, Petitioners' district court assertion of additional prior art and theories than those asserted here does nothing to alter the degree of overlap between the Petition and their invalidity contentions. *See, e.g., Fintiv*, IPR2020-00019, Paper

15 at 15 (finding the petitioner’s assertion of additional invalidity contentions “not relevant to the question of the degree of overlap for this factor”). Petitioners incorrectly argue that the Petition’s challenge of additional dependent claims weighs against discretionary denial, but the Board has repeatedly ruled that such a fact does nothing to mitigate “substantial” overlap in issues between the proceedings where common prior art is presented and common independent claims are challenged. *Code200 Uab*, IPR2020-01506, Paper 10 at 11-12 (“In light of the common prior art asserted here and in the [] district court case, as well as the common challenge to the sole independent claim and all but two dependent claims ... the overlap in issues between the two proceedings is substantial.”); *see also Teso LT UAB v. Luminati Networks Ltd.*, IPR2021-00122, Paper 12 at 10 (P.T.A.B. Apr. 20, 2021) (denial of institution favored where Petition’s prior art references were all identified in district court invalidity contentions, same independent claims were challenged in both proceedings, and “the *additional* claims challenged in the Petition are all dependent claims”).

Therefore, with this substantial overlap between the Petition and the parallel district court matter, there are particularly strong “concerns of inefficiency and the possibility of conflicting decisions” if the IPR is instituted. *See, e.g., Fintiv*, IPR2020-00019, Paper 11 at 12.

Accordingly, factor 4 weighs strongly in favor of denial of institution. *See Teso LT*, IPR2021-00122, Paper 12 at 10 (finding “the overlap in issues between the two proceedings is substantial” where both proceedings presented common art and common challenges to independent claim); *see also eClinical Works*, IPR2022-00229, Paper 10 at 12 (finding factor 4 weighed in favor of denial where Preliminary Invalidity Contentions showed overlap of asserted claims, art and arguments asserted in the Petition); *U.S. Venture, Inc. v. Sunoco Partners Mktg. & Terminals L.P.*, IPR2020-00728, Paper 10 at 12-14 (P.T.A.B. Oct. 1, 2020) (finding overlap between primary references asserted in Petition and litigation favored denial).

Finally, Petitioners offer no stipulation, *Sotera* or otherwise. Because “both the Board and the district court would be analyzing and interpreting the same pieces of art, duplicating effort and potentially reaching inconsistent results,” factor 4 weighs heavily against institution. *See Samsung Elecs. Co. v. Clear Imaging Research, LLC*, IPR2020-01401, Paper 12 at 21 (P.T.A.B. Feb. 17, 2021) (finding overlapping claims challenged on the same prior art favored discretionary denial because duplication of work and potential for inconsistent decisions remained despite the petitioner’s stipulation to forego grounds asserted in Petition).

For each of these reasons, factor 4 strongly favors discretionary denial.

5. Factor 5 Favors Denial (Overlapping Parties)

As Patent Owner is the plaintiff and Petitioners are defendants in the parallel litigation (EX2007; EX2008), “this factor weighs in favor of discretionary denial.” *Samsung*, Paper 12 at 21-22 (quoting *Fintiv*, IPR2020-00019, Paper 15 at 15) (finding factor 5 weighs in favor of discretionary denial given petitioner’s status as co-defendant in parallel litigation). Moreover, because the district court proceeding “is scheduled to go to trial before the Board’s final decision would be due” here, this factor decidedly weighs in favor of discretionary denial. *Id.* (quoting *Sand Revolution*, IPR2019-01393, Paper 24 at 12-13).

6. Factor 6 Favors Denial (Other Circumstances)

There are no “other circumstances” that support institution.

VIII. Section 311(B) of the AIA and the SCOTUS Ruling in SAS Prevent Institution

The Petition must be denied under 35 U.S.C. §311(b). Regardless of whether *Kleve* is prior art under 35 U.S.C. §102, it cannot be used for IPR. While Section 102 identifies numerous disclosures that qualify as “prior art,” an IPR may only be instituted on a subset of that art. Specifically, §311(b) allows *inter partes* review “only on the basis of prior art consisting of patents or printed publications.” 35 U.S.C. §311(b). Petitions thus may not be instituted on prior art consisting of

“public use” or “sales,” as recited in §102(a)(1) or a patent application that was filed before the effective date, but published after, as contemplated in §102(a)(2).

The '188 patent properly claims priority to U.S. Appl. No. 14/063,638, filed on October 25, 2013, which includes the same specification because it is linked only by a continuation. EX1001, face page item 63. As such, there is no, and can be no, dispute that the '188 patent is entitled a priority date of at least October 25, 2013.¹ *Id.*; Pet., 4.

Kleve is not “prior art consisting of patents or printed publications” as required by §311(b). *Kleve* is a patent publication, and thus not prior art consisting of a patent. EX1004, 1. Moreover, *Kleve* was not published until May 8, 2014 (*id.*), well after the priority date of the '188 patent, whether it be October 25, 2013 or earlier. Petitioners make no argument that *Kleve* was publicly available before its publication. As such, *Kleve* is not prior art consisting of a printed publication because “[f]or a reference to qualify as a printed publication, ‘before the critical date the reference must have been sufficiently accessible to the public interested in

¹ While Petitioners argue that the '188 patent is not entitled to its April 22, 2011 priority date, the Board need not resolve that question to deny institution under any of the arguments presented herein, as the Petition fails regardless.

the art.”” See, e.g., *Valve Corp. v. Ironburg Inventions Ltd.*, 8 F.4th 1364, 1373 (Fed. Cir. 2021) (quoting *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1568 (Fed. Cir. 1988)). As such, grounds 1-3 and ground 7 of the Petition cannot be instituted because it relies on Kleve.²

Moreover, because the Supreme Court’s decision in *SAS Institute, Inc. v. Iancu*, 584 U.S. 357 (2018) prohibits institution on fewer than all petitioned grounds, the entirety of the Petition, grounds 1-3 and 7, must be denied. Under SAS, because institution is not authorized for grounds 1-3 and 7, institution is not authorized for any additional grounds.

IX. Conclusion

For the foregoing multitude of reasons, institution should be denied.

Dated: September 20, 2024

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² Patent Owner recognizes and notes that this issue is currently on appeal before the Federal Circuit in *Lynk Labs, Inc. v. Samsung Electronics Co.*, No. 2023-2346 (Fed. Cir.).

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37 C.F.R. §42.24(d) CERTIFICATION

The undersigned hereby certifies that this submission, excluding the table of contents, table of authorities, exhibit list, certificate of word count, and certificate of service, contains 13,963 words, as determined using the standard word counting feature of the Microsoft Word program.

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CERTIFICATE OF SERVICE

Petitioner has consented to e-mail service in this proceeding. Pursuant to 37 C.F.R. §42.6, the undersigned certifies that on September 20, 2024, a copy of the foregoing document was served by email upon the following counsel at the below email addresses:

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