

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KIA CORP.,
TOYOTA MOTOR CORP.,
Petitioner,

v.

EMERGING AUTOMOTIVE LLC,
Patent Owner.

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

PETITIONERS' PRE-INSTITUTION REPLY

EXHIBIT LIST

Ex.	Description
1001	U.S. Patent No. 9,365,188 (“’188 patent”)
1002	Prosecution History for U.S. Patent No. 9,365,188
1003	Declaration of Dr. Almeroth
1004	U.S. Pat. Pub. No. 2014/0129053 (“Kleve”) (prior art under at least §§ 102(a)(2) or pre-AIA § 102(e))
1005	Certified translation of JP2010126949A (“Sekiyama”) (prior art under at least Section §§ 102(a)(1), (2) or pre-AIA § 102(a), (e))
1006	JP 2010126949
1007	Declaration of Herman Kahn
1008	U.S. Pat. Pub. No. 2011/0112969A1 (“Zaid”) (prior art under at least §§ 102(a)(1), (2) or pre-AIA §§ 102(a), 102(b), 102(e))
1009	U.S. Pat. Pub. No. 2011/0312273A1 (“Harris”) (prior art under at least §§ 102(a)(1), (2))
1010	U.S. Pat. Pub. No. 2011/0060480A1 (“Mottla”) (prior art under at least §§ 102(a)(1), (2) or pre-AIA § 102(a), (b), (e))
1011	U.S. Pat. Pub. No. 2006/0136106 (“Patenaude”) (prior art under at least §§ 102(a)(1), (2) or pre-AIA § 102(a), (b),(e))
1012	U.S. Pat. App. No. 61/478,436
1013	U.S. Pat. App. No. 61/745,729
1014	U.S. Pat. App. No. 13/452,882
1015	U.S. Pat. App. No. 13/842,158
1016	U.S. Pat. App. No. 14/063,638

1017	Order Granting Request For Ex Parte Reexamination, Reexamination Control No. 90/019,456, Patent No. 11,738,659 (April 15, 2024)
1018	Text Comparison of U.S. Pat. App. No. 13/842,158 to U.S. Pat. App. No. 14/063,638
1019	<i>Curriculum Vitae</i> of Dr. Almeroth
1020-1039	Intentionally Left Blank
1040	RPX Q1 in Review, April 2024 and RPX Q2 in Review, July 2024
1041	Ryan Davis, <i>Judge-Shopping Guidance Unlikely to Affect Patent Hot Spots</i> , Law360 (Mar. 27, 2024)
1042	Dani Kass, <i>EDTX Eclipses WDTX As Top Patent Venue</i> , Law360 (Feb. 7, 2024)
1043	Collection of Orders Consolidating Cases signed by Judge Rodney Gilstrap (annotated, striking dismissed cases)
1044	Docketing Statement in <i>In re Kia Corp.</i> , Case No. 24-138, Dkt. No. 12 (CAFC, July 26, 2024)
1045	Order on Discovery Motions, <i>Emerging Auto. LLC v. Kia Corp.</i> , No. 2:23-cv-437-JRG, Dkt. No. 94 (E.D. Tex. Sep. 5, 2024)
1046	Order Denying-as-Moot Toyota's Rule 12(c) Motion for Partial Judgment on the Pleadings, <i>Emerging Auto. LLC v. Kia Corp.</i> , No. 2:23-cv-437-JRG, Dkt. No. 96 (E.D. Tex. Sep. 11, 2024)
1047	Time to Trial Statistics for Judge Rodney Gilstrap

Petitioners’ diligence filing the present IPR, its broad stipulation, and the petition’s strong merits outweigh other applicable factors and favor institution.

Factor 1 – Neutral: *Fintiv* cautions against speculating whether the district court would grant a stay. The absence of a stay is, at most, *neutral*. *Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019-15 at 12 (PTAB May 13, 2020).

Factor 2 – Does Not Warrant Denial: Trial is set for July 21, 2025, less than five months before the FWD deadline. EA provides district-wide time-to-trial statistics that are less useful for the EDTX, where >70% of cases are assigned to Judge Gilstrap, delays are common, and case filings have skyrocketed. Ex. 1040 at 7, 24; Ex. 1041 at 2; Ex. 1042 at 1. For Judge Gilstrap, statistics for 12 months prior confirm that time-to-trial is on the rise. Ex. 1047. Judge Gilstrap now has fifteen trials set for July 21, 2025. Ex. 1043. EA’s speculation that this case would be prioritized *and* that EDTX’s trial backlog would be clear is extremely unlikely.

Further, EA’s shorter median times for *disposition* (POPR, 52) are irrelevant, as neither *Fintiv* nor the June 21, 2022 Guidance Memo support weighing statistics for disposition *other than by trial*. In any case, the district court trial date alone is not determinative. Guidance Memo at 8; *Google LLC v. Proxense, LLC*, IPR2024-00232-10 at 28–29 (PTAB Jul. 24, 2024) (instituting where trial preceded FWD by five months; same stipulation as here); *Samsung Electronics America, Inc. v. Cobblestone Wireless, LLC*, IPR2024-00137-15 at 11–

12 (PTAB May 22, 2024) (*Sand* stipulation, eight months); *SRAM, LLC v. FOX Factory, Inc.*, IPR2024-00216-11 at 52 (PTAB June 7, 2024) (no stipulation, four months). EA’s citations (POPR, 51-52) do not involve effective stipulations and predate the Guidance Memo’s clarification that this factor does not outweigh the rest. Guidance Memo at 8.

Factor 3 – Favors Institution: EA has described the case as “in the initial stages” to the Federal Circuit. Ex. 1044. EA cites to “a flurry of technical motions,” yet all but one were denied as moot by agreement of the parties, and the last was summarily denied. Exs. 1045, 1046. By time of institution, fact discovery and claim construction will be ongoing (*Markman* scheduled for January 16, 2025). The district court’s substantive investment regarding invalidity will be nil. See *Samsung Electronics America, Inc. v. Cobblestone Wireless, LLC*, IPR2024-00606-13 at 40-41 (PTAB Sept. 10, 2024) (claim construction and close of fact discovery occurring after institution weighs against denial).

Factor 4 – Favors Institution: Petitioners offer a “*Sand* plus” stipulation: If the Board institutes, Petitioners will not pursue any invalidity ground that includes *Kleve*, *Sekiyama*, *Mottla*, *Zaid*, *Harris*, or *Patenaude* against the ’188 patent in the related litigation. Moreover, EA does not deny that this IPR will address issues not present in the district court.

Factor 5 – Neutral/Does Not Warrant Denial: EA asserts that this factor favors

denial if trial precedes the FWD, (POPR, 60), but EA cannot be sure of that. This factor is neutral or, at most, weighs only slightly against institution.

Factor 6 – Strongly Favors Institution: The petition’s grounds are compelling and speak for themselves. Indeed, EA’s only analysis for this factor is that “[t]here are no ‘other circumstances’ that support institution.” POPR, 60. This runs counter to the Director’s Guidance that this factor can outweigh the remaining factors. Guidance Memo at 4-5. Regardless, EA’s challenges to the petition are flawed and each is already addressed by the Petition.

First, EA argues that Kleve’s “virtual key [is] distributed before any restrictions can be set by the user.” POPR 26-35. The Petition addressed this, quoting Kleve’s express disclosure that “terms and conditions for the rental period” are agreed to before the virtual key is generated. Pet. 15 (quoting Ex. 1004, ¶38). *Second*, EA argues that modifying the request to include restrictions “makes no sense[] since *Kleve* already recites that the owner can ‘control usage’ ...” POPR 31. However, the Petition explained that including the restrictions is a necessary or obvious way to implement monitoring and control. Pet. 16. *Third*, EA argues the “encrypted reservation” is “no e-key.” POPR, 36-38. But the Petition relies on Zaid’s express disclosure that the encrypted reservation grants “vehicle access,” *i.e.* an electronic key. Pet. 45 (quoting Ex. 1008, ¶129). EA also does not address the Petition’s argument that it would be obvious to combine Zaid with Harris’s

teachings of an e-key. Pet. 39-41, 45-46. *Fourth*, EA argues that Zaid’s user account is for the renter, not the owner. POPR 40-48. As the Petition explained, a POSITA would understand and also consider it obvious that the owner also accesses the reservation application via a user account to announce vehicle availability, set conditions, and choose renters as Zaid discloses. Pet. 42-43. EA provides no explanation for how an owner could perform these operations on the reservation application without a user account.

Regarding § 325(d), the *Kleve*-based grounds use art that were not considered by the examiner. EA’s only argument is that these grounds are “voluminous and excessive,” but seven grounds (only 3 of which address the independent claims) is in no way voluminous—especially since the Petition meets the word limitation. Regardless, Zaid was buried in a 364-reference IDS, raising doubt as to whether the examiner substantively considered its disclosures. IPR2022-00445-9 at (PTAB July 22, 2022) (instituting when prior art was part of IDS with 300 references). Moreover, Petitioner relies on the combination of Zaid and Harris (including for e-key), which was not considered by the examiner.

Second, EA argues that Zaid was considered in the descendent ’659 patent application but neglects to mention the clear differences in claim scope between the ’026 and ’659. As an initial matter, EA does not cite to any authority which suggests that the examiner’s consideration of the same art in a different,

subsequent application would warrant Section 325(d) discretionary denial.

Regardless, the examiner allowed the claims over Zaid after they were amended to require “a **unique access code** that includes privilege settings for additionally limiting **types of use** of the vehicle . . .” Ex. 2022, 334. By contrast, the ’188 patent does not recite a “**unique access code**” nor does it require “**types** of use”—it merely recites an “e-key,” with no restriction on format or uniqueness, that is assigned some “condition of use,” unconstrained by “type.” EA points to ’659 patent claim 18, which was originally amended with the other independent claims to include the “type” language to overcome Zaid, but later amended to remove the “type” requirement. Ex. 2022, 495 (application claim 25). This does not overcome the differences between “e-key” and “unique access code.” And the applicant’s explanation for the later amendment merely stated it was intended to “provide clarification,” and made no mention of Zaid. *Id.*, 498. By allowing applicant to remove (in just one independent claim) language that overcame an earlier rejection, the Office materially erred, because as explained in the Petition, Zaid does in fact disclose privilege settings.

Regarding §311(b): At POPR, 60-62, EA advocates a position contrary to the law applied by the PTAB. *Patent Quality Assurance, LLC v. VLSI Tech. LLC*, IPR2021-01229-129, at 27–29 (PTAB June 13, 2023); *Purdue Pharma L.P. v. Iancu*, 767 F. App’x 918, 925 (Fed. Cir. 2019).

Respectfully submitted,

Dated: October 22, 2024

By: /s/ James M. Glass

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing **Petitioner's Pre-Institution Reply** was served on October 22, 2024 via email directed to counsel of record for Patent Owner at the following.

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