UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AT&T SERVICES INC., T-MOBILE USA, INC., CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS, ERICSSON INC., AND NOKIA OF AMERICA CORPORATION,
Petitioners

v.

INNOVATIVE SONIC LIMITED,
Patent Owner

Case IPR2024-01143
U.S. Patent No. 7,664,059

PETITIONERS' PRELIMINARY REPLY

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LIST OF EXHIBITS

Exhibit No.	Description	Previously Submitted
1001	U.S. Patent 7,664,059 ("the '059 patent")	X
1002	Declaration of Dr. Zygmunt J. Haas	X
1003	Curriculum Vitae of Dr. Zygmunt J. Haas	X
1004	3GPP TS 04.60 V8.6.0 (2000-10): 3rd Generation Partnership Project; Technical Specification Group GSM EDGE Radio Access Network; General Packet Radio Service (GPRS); Mobile Station (MS) - Base Station System (BSS) interface; Radio Link Control/ Medium Access Control (RLC/MAC) protocol (Release 1999) ("3GPP-4.60-v860-Specification")	X
1005	3GPP TS 25.322 V6.3.0 (2005-03): 3rd Generation Partnership Project; Technical Specification Group Radio Access Network; Radio Link Control (RLC) protocol specification (Release 6) ("3GPP-25.322-v630-Specification")	X
1006	Declaration of Craig Bishop	X
1007	File history of U.S. Patent 7,664,059	X
1008	U.S. Patent Pub. No. 2004/0208160 to Petrovic ("Petrovic")	X
1009	U.S. Patent No. 6,483,855 to Mingawa ("Mingawa")	X
1010	U.S. Patent Pub. No. 2006/0067238 to Olsson ("Olsson")	X
1011	June 21, 2022 Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings With Parallel District Court Litigation	X
1012	Docket Control Order	X
1013	Consolidation Order	X
1014	Order Granting Intervention	X

Exhibit No.	Description	Previously Submitted
1015	December 10, 2024 Letter to Litigation Counsel re Prior Art Stipulation in IPR2024-01142; IPR2024-01143; IPR2024-01144	
1016	Memorandum Order, Staying Case No. 2:23-cv-00486-JRG-RSP (Lead Case)	
1017	Memorandum Order, Denying Expedited Briefing on Patent Owner Motion to Lift the Stay, Case No. 2:23-cv-00486-JRG-RSP (Lead Case)	

Petitioners AT&T Services Inc., T-Mobile USA, Inc., Cellco Partnership d/b/a Verizon Wireless, Ericsson Inc., and Nokia of America Corporation (collectively, "Petitioners") submit this Preliminary Reply as authorized by the Board in its email dated December 17, 2024. The Board should not deny institution under *Fintiv* because Petitioners have minimized any risk of duplicative litigation by stipulating that they will not pursue invalidity challenges in the underlying district court litigation on **the grounds or the primary prior art references asserted in this Petition**. Ex-1015 (prior art stipulation). Moreover, in contrast with the cases cited by Patent Owner in its discussion of *Fintiv* Factor 4, **this case has been stayed**. Ex-1016 (December 6, 2024 Order staying the case); Ex-1017 at 2, 1 (December 19, 2024 Order denying Patent Owner request for expedited briefing and setting hearing for January 23, 2025) (holding that "[t]he Court reminds [Patent Owner] Plaintiffs that the case is stayed pending further order of the Court, not when Plaintiffs unilaterally decide that the stay should be lifted" and that "Plaintiffs have clearly not done 'everything they can to keep this case on track.'").

Petitioners' stipulation addresses the concerns raised in the Patent Owner Preliminary Response (POPR, Paper 12) analysis of *Fintiv* Factor 4 (POPR at 35-37) that "*Sands Revolution*-style stipulations do little to eliminate overlap with the district court litigations." POPR at 26. Under Petitioners' stipulation, there will be little overlap between the evidence of unpatentability presented in this proceeding

and any invalidity analysis presented in the related district court case because Petitioners have agreed not to pursue invalidity arguments in the district court litigation against the Challenged Claims on the grounds or primary prior art references asserted in this Petition.

The cases cited by Patent Owner in connection with its analysis of *Fintiv* Factor 4 are distinguishable on the facts. In *LG Elecs., Inc. v. Ancora Techs., Inc.*, No. IPR2021-00581, Paper 16 at 9-10 (PTAB June 10, 2021), the Board held that "Petitioner LG's stipulation, however, somewhat mitigates the 'concerns of inefficiency and the possibility of conflicting decisions.'" *Id*. Moreover, the Board's *Fintiv* analysis in that case turned on Factor 2 and the fact that trial in the underlying litigation was set to begin more than *eight months* before a Final Written Decision would be due in the proceeding which Petitioner seeks to join" as well as Factor 3 and the fact that "the parties have already finished claim construction and expert discovery, and dispositive motions including summary judgment are fully briefed." *Id*. at 8 (emphasis in original), 9.

Similarly, in *Samsung Elecs. Co., LTD. v. California Institute of Technology*, IPR2023-00130, Paper 10 (PTAB May 4, 2023), the Board held that "Petitioner's stipulation mitigates some concerns of duplicative efforts between the district court and the Board." *Id*. at 19. The Board's decision in that case turned, again, on other facts, including its Factor 3 analysis where "[b]oth parties acknowledge that the

court in the Underlying Litigation has already issued a claim construction order" and that "the advanced stage of expert discovery is the most significant factor for our analysis" because "Petitioner should have already served its opening expert report on validity" and "the deadline for rebuttal expert reports is only days away." *Id*. at 17. Further, the *Samsung* petition was "the sixth IPR against the '710 patent, and none of the prior five found even a single claim unpatentable." *Id*. at 21.

Thus, in both *LG* and *Samsung*, the Board recognized that the *Fintiv* stipulations mitigated concerns regarding duplicative results. The ultimate *Fintiv* analysis, however, was clouded by facts that do not exist in this proceeding. Further, in this case Petitioners' stipulation minimizes overlap between prior art asserted in the Petition and in the district court.

The investment in the district court case has been minimal because fact discovery is in its infancy, the parties have not engaged in expert discovery, there have been no substantive orders in the case, and, as noted above, **the case is stayed**. Petition (Paper 1), 50-52; Ex-1012 at 5 (Docket Control Order); Ex-1016 (Order staying the case); Ex-1017.

Because the stipulation offered by Petitioners simplifies issues between the Board and the district court, and because it minimizes overlap between those proceedings, the Board should weigh the *Fintiv* factors in favor of Petitioners and not exercise its discretion to deny institution.

Date: December 24, 2024

Respectfully submitted,

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CERTIFICATION OF SERVICE

The undersigned hereby certifies that the above-captioned **PETITIONERS' PRELIMINARY REPLY** is being served on counsel for Patent Owner via electronic mail to the following attorneys of record:

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