

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD. and
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioner,

v.

SECURE WI-FI LLC,
Patent Owner.

IPR2024-01367
Patent 10,694,384 B2

Before CHRISTOPHER L. OGDEN, FREDERICK C. LANEY, and
MARY C. HOFFMAN, *Administrative Patent Judges*.

LANEY, *Administrative Patent Judge*.

Opinion Dissenting filed by HOFFMAN, *Administrative Patent Judge*.

Opinion Concurring filed by OGDEN, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, “Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–24 of U.S. Patent No. 10,694,384 B2 (Ex. 1001, “the ’384 patent”). Secure Wi-Fi LLC (“Patent Owner”) filed a Preliminary Response (Paper 7, “Prelim. Resp.”). With our authorization, Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 8, “Prelim. Reply”) and Patent Owner filed a Sur-Reply (Paper 9, “Prelim Sur-Reply”).

Under 37 C.F.R. § 42.4(a), the Board has authority to determine whether to institute an *inter partes* review. Applying the standard set forth in 35 U.S.C. § 314(a), we may not institute an *inter partes* review (also “IPR”) unless the information presented in the petition “shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” However, institution of *inter partes* review is discretionary. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). For the reasons stated below, we exercise our discretion not to institute an *inter partes* review.

A. REAL PARTIES IN INTEREST

Petitioner identifies Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. as the real parties in interest. Pet. 1. Patent Owner identifies Secure Wi-Fi LLC as the real party in interest. Paper 6, 2.

B. RELATED PROCEEDINGS

The parties identify *Secure Wi-Fi LLC v. Samsung Elecs. Co. Ltd, et al.*, Case No. 2:24-cv-00047-JRG (E.D. Tex.) (“the parallel proceeding” or

“the parallel litigation”) as challenging the ’384 patent in federal district court. Pet. 1; Paper 6, 2.

Petitioner also identifies co-pending *inter partes* reviews IPR2024-01366 (challenging U.S. Patent No. 9,717,005 B2), IPR2024-01368 (challenging U.S. Patent No. 9,961,552 B2), and IPR2024-01369 (challenging U.S. Patent No. 9,961,552 B2). Pet. 1.

II. BACKGROUND

A. THE ’384 PATENT (EX. 1001)

The ’384 patent describes schemes for connecting to a wireless network while preventing leakage of an end device’s location information to undesirable access points. Ex. 1001, code (54), 3:5–7, 44–45.

Figure 1, below, depicts an exemplary network communications environment including an end device located in a wireless network area provided by an access point. Ex. 1001, 3:46–57.

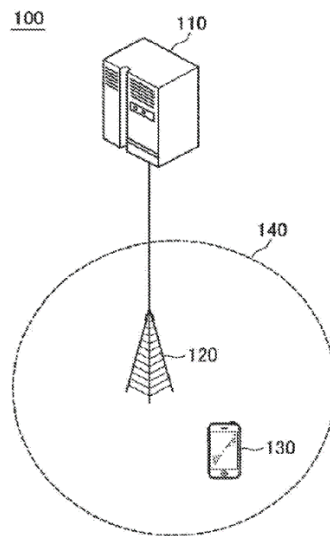


FIG. 1

Figure 1 depicts network communications environment 100 including: end device 130 (e.g., a personal communication terminal such as a cellular

phone), access point 120 providing network area 140, and mobile operating server 110 controlling the access point. Ex. 1001, 3:46–67. The access point may include a Wi-Fi access point. *Id.* Although Figure 1 depicts only one access point, there could more access points around the end device. *Id.*

The '384 patent explains that an end device searches for nearby available access points in order to connect to a wireless local area network (WLAN) such as a Wi-Fi network. Ex. 1001, 3:8–13. When searching, the end device transmits a probe request frame including a device identifier for the end device, such as a media access control (MAC) address. *Id.* at 3:13–17. Because the probe request frame includes the device identifier, the end device's location information may be exposed or leaked to undesirable access points or other devices. *Id.* at 3:17–23.

To prevent leakage of information, the '384 patent discloses that an end device may transmit a probe request frame with a fake device identifier. Ex. 1001, 3:24–27. In response to the probe request frame, the end device may receive a probe response frame from one or more access points. *Id.* at 3:27–29. The probe response frame may include information regarding the access points, such as their MAC addresses or service set identifiers (SSIDs). *Id.* at 3:29–33, 4:17–24. Using the access point information included in the probe response frame, the end device determines whether an access point is an authenticated access point. *Id.* at 3:34–37, 4:17–33.

The end device may recognize an access point as authenticated if the access point is included in an authenticated access point list received from the mobile operating server. Ex. 1001, 4:31–38. An authenticated access point “may include an access point controlled by the mobile operating server

[] and/or an access point previously connected with [the] end device.” *Id.* at 4:39–42.

Once the end device determines a nearby authenticated access point, the end device may transmit a connection request including an authentic device identifier for the end device, such as an original MAC address, to the authenticated access point. Ex. 1001, 3:38–42. The end device may then connect to the wireless local area network provided by the authenticated access point. *Id.* at 3:42–45.

The above-described process of connecting an end device to a wireless network while preventing leakage is illustrated in below Figure 3.

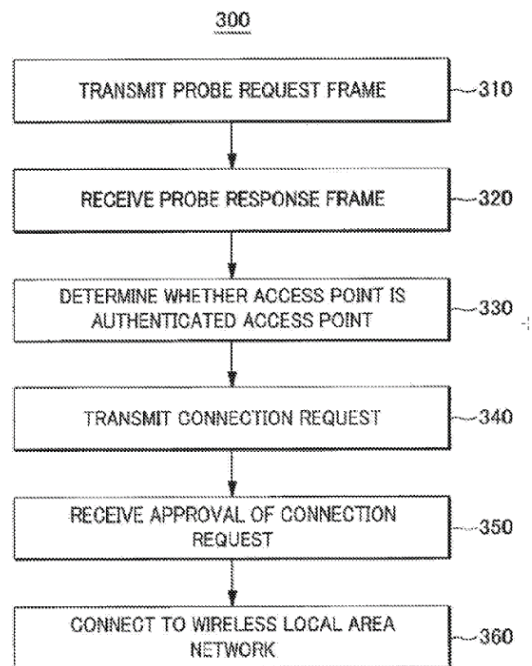


FIG. 3

Figure 3 is a flow diagram of a process of an end device connecting to a wireless local area network. Ex. 1001, 5:5–7. At block 310, the end device transmits a probe request frame including a fake end device identifier (e.g., a fake MAC address) to an access point. *Id.* at 5:19–22. At

block 320, the end device receives a probe response frame from the access point including information regarding the access point (e.g., a MAC address or SSID). *Id.* at 5:26–33. At block 330, the end device determines whether the access point is an authenticated access point. *Id.* at 5:34–50. Although not illustrated in Figure 3, in some embodiments, determination unit 440 determines whether the access point is an authenticated access point by comparing the access point information in the probe response frame to authenticated access point list 200 stored in the end device. *Id.* at 6:45–65. At remaining blocks 340, 350, and 360, the end device transmits a connection request, receives approval, and connects to the wireless local area network. *Id.* at 5:53–6:2.

B. CHALLENGED CLAIMS

The Petition challenges claims 1–24 of the '384 patent. Pet. 17. Claims 1, 9, and 17 are independent claims. Ex. 1001, 11:6–13:12.

Claim 1 of the '384 patent is illustrative and reads as follows¹:

1. *[pre]* A method performed under control of an end device, the method comprising:
 - [1a]* generating, by the end device, a fake media access control (MAC) address for the end device;
 - [1b]* transmitting, by the end device to an access point, a probe request that includes the fake MAC address;
 - [1c]* receiving, by the end device from the access point, a probe response that includes information regarding the access point;
 - [1d]* determining, by the end device, that the access point is an authenticated access point based, at least in part, on the information in the probe response being indicative that the access point was connected with the end device previous to

¹ For ease of reference, we include Petitioner's italicized bracketed designations for the preamble recitation and limitations of claim 1. Pet. vi.

when the access point received the probe request transmitted by the end device; and
[1e] transmitting, by the end device to the access point determined to be the authenticated access point, a connection request that includes an authentic device identifier for the end device.

Ex. 1001, 11:6–11:25.

Independent claim 9 recites a similar method. Ex. 1001, 11:56–12:18. Notably, claim 9 recites “obtaining, by the end device, an authenticated access point list that includes information regarding one or more access points” and “determining, by the end device based at least, in part, on the information regarding the at least one access point that the at least one access point is an authenticated access point.” *Id.*

Independent claim 17 recites subject matter corresponding to claim 1. *Id.* at 12:56–13:12. For example, claim 17 recites “[a]n end device, comprising . . . a processor . . . operable to determine that the access point is an authenticated access point based, at least in part, on the information regarding the access point being indicative that the access point was connected with the end device previous to when the access point received the probe request transmitted from the transmitter.” *Id.*

C. ASSERTED GROUNDS OF UNPATENTABILITY

The Petition advances three grounds challenging the claims of the ’384 patent, as summarized in the table below:

Ground	Claim(s) Challenged	35 U.S.C. ² §	Reference(s)/Basis
1	1–24	103(a)	Vardi ³ , IEEE802.11 ⁴ , Yun ⁵
2	17–24	103(a)	Vardi, IEEE802.11, Yun, Satish ⁶
3	1–24	103(a)	Vardi, IEEE802.11, Yun, Jalfon ⁷

Pet. 17.

In support of its arguments, Petitioner relies on a Declaration of Dr. Harry V. Bims. Ex. 1002.

III. DISCRETIONARY DENIAL UNDER § 314(a) and *FINTIV*

Patent Owner asserts that we should discretionarily deny the Petition under 35 U.S.C. § 314(a). Prelim. Resp. 43–54; Prelim. Sur-Reply 3–4. Petitioner argues against discretionary denial. Pet. 91–94; Prelim. Reply 4–5.

² The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”) amended 35 U.S.C. § 103 with an effective date of March 16, 2013. Because the ’384 patent issued on an application filed before March 16, 2013, we refer to the pre-AIA version of § 103.

³ Vardi et al., US 8,126,476 B2, issued February 28, 2012. Ex. 1007 (“Vardi”).

⁴ Part 11: Wireless LAN Medium Access Control (MAC) and Physical Layer (PHY) Specifications, IEEE Standards 802.11-2012, published March 29, 2012. Ex. 1009 (“IEEE802.11”).

⁵ Yun et al., WO 2007/086705 A1, published August 2, 2007. Ex. 1004 (“Yun”).

⁶ Satish et al., US 7,885,639 B1, issued February 8, 2011. Ex. 1012 (“Satish”).

⁷ Jalfon et al., US 2012/0076072 A1, published March 29, 2012. Ex. 1006 (“Jalfon”).

In exercising the Director’s discretion under § 314(a), the Board may consider “events in other proceedings related to the same patent, either at the Office, in district court, or the ITC.” Patent Trial and Appeal Board Consolidated Trial Practice Guide, 58 & n.2 (Nov. 2019) (“CTPG”). *NHK Spring* explains that the Board may consider the advanced state of a related district court proceeding, among other considerations, as a “factor that weighs in favor of denying the Petition under § 314(a).” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential). Additionally, the Board’s precedential order in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–16 (PTAB Mar. 20, 2020) (precedential) (“the *Fintiv* Order”) identifies several factors for analyzing issues related to the Director’s discretion to deny institution in view of related litigation, with the goal of balancing efficiency, fairness, and patent quality.

When considering related litigation, the Board evaluates the following factors (“*Fintiv* 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.

Fintiv Order at 5–6.⁸ We take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review” when evaluating these factors. *Id.* at 6.

A. *FINTIV* FACTOR 1: WHETHER THE COURT GRANTED A STAY OR EVIDENCE EXISTS THAT ONE MAY BE GRANTED IF A PROCEEDING IS INSTITUTED

Patent Owner contends that “Factor 1 . . . favors denial” because “Petitioners’ request for a stay in the district court litigation has been denied” and any renewed request for a stay is “also unlikely” in view of the fact that the case has continued to progress toward a schedule jury trial that will precede a final decision in this proceeding. Prelim. Resp. 44–45 (citing Ex. 2001). Patent Owner contends that “the Board finds that factor 1 weighs in favor of exercising discretion to deny institution, even where a district court’s order denying a motion to stay permits the movant to renew its motion ‘should the PTAB issue a decision on institution or a final determination as to the validity of the asserted claims.’” *Id.* (quoting *Samsung Electronics Co. v. Clear Imaging Research*, IPR2020-01401, Paper 12 at 11 (PTAB. Feb. 17, 2021) (the “*Clear Imaging* Decision”).

Petitioner contends that Factor 1 “is neutral or slightly weighs in favor of Petitioner.” Pet. 91–92. As support, Petitioner contends that “the District Court likely would stay the case pending the outcome of the IPRs in view of

⁸ In considering these factors, we no longer apply the guidance set forth in a Memorandum regarding the “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” issued on June 21, 2022 by former Director Kathi Vidal of the United States Patent and Trademark Office (hereinafter, “Guidance Memo”). This Guidance Memo was rescinded by the United States Patent and Trademark Office on February, 28, 2025.

potentially substantial judicial efficiencies to be gained” and, “[i]ndeed, Judge Gilstrap (who is presiding over the Texas Litigation) granted a stay in a similar patent infringement case where all claims of the asserted patent, including the non-asserted claims, were subject to IPR.” *Id.* at 92 (citing *Comm’ns Techs., Inc. v. Samsung Elecs. Am., Inc.*, No. 2:21-cv-00444-JRG (E.D. Tex. Feb. 2, 2023)). Petitioner contends Patent Owner “wrongly asserts” that a stay in the litigation is unlikely because a “renewed post-institution stay [is actually] more likely to be granted” in view of the fact that Petitioner filed its initial motion to stay within a week of the Petition. Prelim. Reply 4.

Identifying the *Clear Imaging* Decision again as support, Patent Owner states “Petitioner does not address [the] fact” that “the Board weighs this factor against institution when the district court denies a motion to stay, even if the motion may be renewed.” Prelim. Sur-Reply 3. Patent Owner argues that Petitioner fails to “offer any rebuttal” to the contention that “regardless of whether [Petitioner] were to renew its motion to stay, it is unlikely to be granted” when the schedule jury trial is set to precede the projected final decision in this proceeding. *Id.*

In the parallel litigation here, Judge Gilstrap simply denied without prejudice Petitioner’s motion to stay and indicated that Petitioner may refile the motion following PTAB’s institution decision. Ex. 2001, 2. Importantly, in that denial, Judge Gilstrap offered no indication about whether a subsequent request for a stay is more or less likely to be granted or denied. *See id.* This is an important distinction from the facts presented in the *Clear Imaging* Decision where the Board explained that, although the petitioner was allowed to renew its request for a stay, the district court’s order denying

the original motion “specifically stated [the court’s view] that a stay will unduly prejudice Patent Owner, and ‘[t]he late stage of the current case also disfavors a stay.’” IPR2020-01401, Paper 12 at 10. As a result, we find Patent Owner’s reliance on the *Clear Imaging* Decision to be misplaced.

On this record, we decline to infer, based on actions taken in different cases with different facts and parties, how the district court may rule in the parallel litigation between these parties should a renewed request for a stay be made. As a result, the potential for a stay in the parallel litigation has not been persuasively shown to weigh either for or against discretionary denial in this case. Therefore, we find Factor 1 to be neutral.

B. *FINTIV* FACTOR 2: PROXIMITY OF THE COURT’S TRIAL DATE TO THE BOARD’S PROJECTED STATUTORY DEADLINE FOR A FINAL WRITTEN DECISION

Patent Owner contends that Factor 2 “weighs in favor of denying institution because the district court is set to complete trial on November 3, 2025, nearly five months before the Board’s final decision would be due, on March 2[6], 2026.” Prelim. Resp. 45 (citing Ex. 2002). Furthermore, Patent Owner contends that “Judge Gilstrap’s time-to-trial statistics predict an even earlier trial date lends credibility to the November 2025 scheduled jury trial and weighs significantly in favor of denial.” *Id.* at 47–48 (citing Ex. 2004, Ex. 2005).

Petitioner concedes Factor 2 favors denial, but argues not much weight should be giving to this factor because uncertainties exist with any scheduled trial date. Notably, however, Petitioner fails to offer any basis to support a finding by us that there are uncertainties with their particular scheduled trial date; nor does Petitioner address Judge Gilstrap’s time-to-trial statistics that, as Patent Owner argues, “lends credibility” to that date.

Accordingly, because the parallel litigation is likely to address the same validity issues relating the '384 patent addressed in this proceeding about five months before we would reach a final determination, we determine that Factor 2 weighs heavily in favor of discretionary denial.

C. *FINTIV* FACTOR 3: INVESTMENT IN THE PARALLEL PROCEEDING BY THE COURT AND THE PARTIES

Patent Owner contends that “Factor 3 weighs in favor of denial because both Secure Wi-Fi and Samsung will have expended considerable resources in the parallel litigation, including on the merits of Samsung’s invalidity positions, by the time the Board issues an institution decision.” Prelim. Resp. 48 (citing *Sand Revolution II, LLC v. Cont’l Intermodal Grp.*, IPR2019-01393, Paper 24 at 10 (PTAB. June 16, 2020) (noting that investment in invalidity contentions is relevant to this factor)). By the time this Decision is entered, Patent Owner contends that the parties have expended time and resources preparing infringement/validity contentions, conducted nine months of discovery, which includes third-party discovery and reviewing large amounts of source code data for various versions of Petitioner’s accused products. *Id.* at 49–50. Patent Owner notes that within several days of this Decision, March 31, 2025, substantially all document production, privilege logs, and the opening claim construction briefs are due. *Id.* (citing Ex. 2002).

Conversely, Petitioner contends that Factor 3 “weighs against discretionary denial” because “there has been minimal investment” in the parallel proceeding. Pet. 92. Petitioner argues that “[t]he parties’ investment in the parallel proceedings is not as extensive as Patent Owner asserts” and “significant work remains . . . including fact discovery, *Markman* [with

opening briefs due March 31, 2025], Final Invalidity Contentions, and expert discovery,” which would all occur after the Board’s decision on institution. Prelim. Reply. 4–5.

Although there has been significant investment by the parties, because there is still much work to be done by the parties in the parallel litigation and because the district court has not yet issued any substantive orders (nor does it appear as if it will until after the May 12, 2025 *Markman* Hearing almost two months after this Decision), we find Factor 3 weighs against discretionary denial.

D. *FINTIV* FACTOR 4: OVERLAP BETWEEN ISSUES RAISED IN THE PETITION AND IN THE PARALLEL PROCEEDING

Patent Owner contends that “Factor 4 weighs in favor of discretionary denial because there is substantial overlap between the claims [(i.e., claims 1–4, 6–15, 17–20 and 22–24)], arguments, and evidence raised in the Petition and in [Petitioner’s] invalidity contentions in the parallel district court proceeding;” in particular, Petitioner’s “invalidity contentions challenge the same claims using at least the same asserted references of its Petition—*Vardi*, *Yun*, *IEEE802.11*, *Satish*, and *Jalfon*.” Prelim. Resp. 50 (citing Pet. 17, Ex. 2003, 16–24). And, Patent Owner argues, Petitioner’s additional claims challenged in the Petition (i.e., dependent claims 5, 16, and 21) do not alter the degree of overlap between the Petition and the invalidity contentions in the parallel litigation. *Id.* at 51–52.

Petitioner contends that Factor 4 “weighs against discretionary denial” and offers a stipulation that “if IPR is instituted, Petitioner will not pursue in the [parallel litigation] the same grounds asserted in this Petition.” Pet. 92. Petitioner also argues complete overlap does not exist because dependent

claims (i.e., 5, 16, and 21) are challenged here, but not in the parallel litigation. *Id.*

Petitioner does not meaningfully dispute there is substantial overlap between the claims, arguments, and evidence raised in the Petition and in the parallel district court proceeding, and we agree with Patent Owner that, in this circumstance, challenging several dependent claims does not mitigate any of the concerns that guide our analysis. *See Fintiv* at 12–13. Thus, the only issue is to what degree Petitioner’s stipulation mitigates the existing concerns against potentially duplicative efforts.

Patent Owner argues that Petitioner’s “lesser stipulation” falls short of a *Sotera* stipulation and “does not fully resolve concerns about overlap, duplicative efforts, and conflicting decisions.” Prelim Resp.51.

Petitioner provides no explanation regarding how such a stipulation would mitigate concerns here. *See* Pet. 92; *see generally* Prelim. Reply. In the record before us, we have (1) Petitioner’s three asserted grounds in the Petition (Pet. 20), (2) Petitioner’s general assertions in its invalidity contentions from the parallel litigation that “the prior art references . . . anticipate and/or render obvious, alone or in combination, one or more of the Asserted Claims of the ’384 [p]atent” (Ex. 2003, 16), and (3) a few general statements regarding what Petitioner contends would have been known or obvious regarding the ’384 patent’s claimed subject matter, with a few citations to *Vardi* (*id.* at 21). In those invalidity contentions, Petitioner identifies *ten* references (WO 2007/086705 (*Yun*), US 2012/0076072 (*Jalfon*), US 7,885,639 (*Satish*), US 2004/0006642 (*Jang642*), US 2003/0177267 (*Orava*), US 2007/0211653 (*Mizukoshi*), IEEE Standard 802.11 (IEEE 802.11 Standard(2012)), US 8,824,678 (*Ochikubo*), US

8,126,476 (*Vardi*), JP 200939513 (*Matsudaira*)) that it represents “anticipate and/or render obvious, alone or in combination, one or more of” claims 1–4, 6–15, 17–20 and 22–24 of the ’384 patent. Ex. 2003, 16.

From this information, and without any guidance from Petitioner, we simply have no meaningful way of evaluating how much, if any, mitigation of overlap Petitioner’s stipulation provides. Although Petitioner’s stipulation would presumably prevent the *same grounds* asserted in this Petition from being pursued in the parallel litigation, it is not at all apparent that this would actually result in any significant avoidance of duplicative efforts. For example, it is clear from the Petition and Preliminary Response that a central issue is whether Vardi and IEEE802.11 disclose or suggest “determining, by the end device, that the access point is an authenticated access point based, at least in part, on the information in the probe response being indicative that the access point was connected with the end device previous” (limitation 1(d)). *See* Pet. 31–33, 76; Prelim. Resp. 20–27; Prelim. Reply 1–3; Prelim. Sur-Reply 1–3. In view of Petitioner’s stipulation here and its invalidity contentions in the parallel litigation, we see no clear reason why Petitioner could not simply swap one of the other cited references relied on for another claim limitation (e.g., swap *Jalfon* for *Orava* for limitation 1(a) (*see e.g.*, IPR2024-01366, Paper 1, 25) to create a ground that is not one of the “same grounds asserted in this Petition,” but still would result in the exact same central issue needing to be decided based on the exact same evidence (Vardi and IEEE802.11) and arguments presented in the Petition for limitation 1(d).

Thus, although we acknowledge Petitioner’s stipulation is not without any meaning or weight, we find that the evidence here on this record

provides little basis to give that stipulation a significant amount of weight to guard against concerns of duplicative efforts. Accordingly, we find that Factor 4 does not, at least in any meaningful way, weigh against discretionary denial.

E. *FINTIV* FACTOR 5: WHETHER THE PETITIONER AND THE DEFENDANT
IN THE PARALLEL PROCEEDING ARE THE SAME PARTY

Patent Owner asserts Factor 5 weighs in favor of denial because “Patent Owner is the plaintiff and Petitioners are the defendants in the parallel litigation.” Prelim. Resp. 53 (citing Ex. 2002). Petitioner does not dispute this assertion. Pet. 93. We weigh this factor at least slightly in favor of denial. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential as to § II.A). Our decision not to institute does not depend on the degree of weight we give this factor.

F. *FINTIV* FACTOR 6: OTHER CIRCUMSTANCES THAT IMPACT THE
BOARD’S EXERCISE OF DISCRETION, INCLUDING MERITS

The sixth *Fintiv* factor takes into account other circumstances that may bear on the decision to exercise discretion to deny, such as the merits of the patentability challenges. *Fintiv*, Paper 11 at 14–16.

A central disputed issue in this case is whether Vardi discloses or suggests limitation 1(d), “determining an access point is an authenticated access point,” as recited in each of the independent claims. *See* Pet. 31–33, 76; Prelim. Resp. 20–27; Prelim. Reply 1–3; Prelim. Sur-Reply 1–3. Having considered the evidence and arguments presented by both parties, we do not find the merits to be particularly strong on the current record. Accordingly, we find that the sixth *Fintiv* factor does not weigh against discretionary denial.

G. BALANCING THE *FINTIV* FACTORS

We have considered the circumstances and facts before us in view of the *Fintiv* factors. We take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review” when evaluating these factors. *Fintiv*, Paper 11 at 6. As discussed above, only Factor 3 weighs against discretionary denial, Factor 1 is neutral, and Factors 2 and 5 weigh in favor of discretionary denial of institution, with Factor 2 weighing heavily in favor. Moreover, Petitioner has not persuasively shown, on this record, that its submitted stipulation does much to guard against overlap with its district court invalidity arguments under Factor 4, and likewise, the Petition does not show that the merits of its patentability challenges are particularly strong under Factor 6.

Accordingly, we determine that the evidence of record favors exercising our discretion under 35 U.S.C. § 314(a) to deny institution of an *inter partes* review.

IV. CONCLUSION

For the foregoing reasons, the evidence of record favors exercising our discretion to deny institution of an *inter partes* review under 35 U.S.C. § 314(a).

V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is *denied*, and no trial is instituted.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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HOFFMAN, *Administrative Patent Judge*, dissenting.

I respectfully disagree with the conclusion that we should exercise discretion to deny institution under 35 U.S.C. § 314(a), based upon the analysis of the discretionary denial factors articulated in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential) (hereafter “*Fintiv*”). I agree with the majority’s analysis of *Fintiv* factors 1–5 but, for reasons explained below, I differ as to factor 6. I further determine that the factors, on balance, weigh against exercising discretion to deny institution.

I. DISCRETION TO DENY INSTITUTION UNDER § 314(a)

A. *FINTIV* FACTOR 6: OTHER CIRCUMSTANCES THAT IMPACT THE BOARD’S EXERCISE OF DISCRETION, INCLUDING MERITS

“[I]f the merits of a ground raised in the petition seem particularly strong on the preliminary record, this fact has favored institution.” *Fintiv*, Paper 11 at 14–15. I find that factor 6 strongly weighs against exercising discretion to deny institution, because the merits are particularly strong with respect to the alleged obviousness of the claims over Vardi, IEEE802.11, and Jaflon. I now briefly address the Petition’s merits, focusing on claim 1.

1. Merits: Obviousness over Vardi, IEEE802.11, and Jaflon

Petitioner advances arguments that map with particularity every limitation of claim 1 to teachings in Vardi, IEEE802.11, and Jaflon, and sufficiently articulates rationales to combine these references. Pet. 22–41, 69–77. At this preliminary stage, Patent Owner disputes Petitioner’s showing for two limitations, 1a and 1d. Prelim. Resp. 20–27, 41–43.

(a) Limitation 1a

Limitation 1a recites “generating, by the end device, a fake media access control (MAC) address for the end device.” Ex. 1001, 11:9–10. Petitioner identifies Jaflon’s teaching of generating, by wireless communication device 110, a fake MAC address. Pet. 74 (citing Ex. 1006 ¶¶ 14–15, 35; Ex. 1002 ¶ 245). Patent Owner argues that Jaflon’s wireless communication device does not generate, but rather selects, a fake MAC address. Prelim. Resp. 15, 41–42.

Paragraph 35 of Jaflon explains that “[f]or example, a MAC address may be selected,” but also explains “[i]n other embodiments, a MAC address . . . may be randomly, pseudo-randomly, or otherwise generated.” Ex. 1006 ¶ 35. Furthermore, Jaflon explicitly teaches, in claims 10 and 14, that the

wireless communication device, at its controller, generates a fake MAC address. Ex. 1006 ¶ 29.

After considering the arguments and evidence at this stage of the proceeding, I determine that Petitioner has shown that Jaflon teaches generating a fake MAC address, as recited in limitation 1a.

(b) Limitation 1d

Limitation 1d recites the step of “determining, by the end device, that the access point is an authenticated access point based, at least in part, on the information in the probe response being indicative that the access point was connected with the end device previous” Ex. 1001, 11:16–21.

Because claim 1 recites that an access point is determined as authenticated “based, at least in part” on the access point being previously connected, I conclude that the claim language encompasses authenticity determinations based entirely on the access point being previously connected. Furthermore, according to the ’384 patent’s specification, and as acknowledged by both parties, determining that the access point is “authenticated” includes determining that the access point was previously connected with the end device. Ex. 1001, 4:39–42; 6:45–65; *see also, e.g.*, Pet. 31 (“[A]n authenticated [access point] can be an [access point] previously connected with the end device.”); Prelim Resp. 2 (“[T]he end device determines whether the access point is authenticated (i.e., the probe response indicates that the access point is one to which the end device was previously connected).”). Moreover, this interpretation of limitation 1d is consistent with the ordinary and customary meaning of the term “authenticated” in light of the ’384 patent’s specification, because an access point that was previously connected to the end device is already known,

trusted, and verified by the end device. *See* Prelim. Resp. 20 (explaining that the ordinary and customary meaning of the term “authenticated” is “known, trusted, and verifiable”).

In the ’384 patent, determining that an access point was previously connected may be accomplished by comparing information in the probe response with a list of previously connected access points stored in the end device and then determining whether the information is included in the list. Ex. 1001, 4:39–42; 6:45–65; Ex. 1003 ¶ 64.

Petitioner identifies Vardi’s teaching that “it was well known . . . to cache information related to an access point to which the mobile device has connected before . . . [and] use[] the information in the cache to automatically reconnect.” Pet. 31–32; Ex. 1007, 12:24–30. According to Petitioner’s expert, Vardi shows that it was known to store a list of MAC addresses of previously connected access points, compare a MAC address of a scanned access point to the stored list, and if matched, select the scanned access point for automatic connection. Ex. 1002 ¶ 73.

Patent Owner argues that “Petitioner does not analyze that disclosure.” Prelim. Resp. 25 (referring to Vardi at 12:24–30). On the contrary, the Petition and supporting testimony sufficiently identify this portion of Vardi as determining whether a scanned access point is a previously connected access point. Pet. 31–32; Ex. 1002 ¶¶ 73, 117–118. Vardi compares a cache list of previously connected access points to scanned access point information in the probe response, and upon finding a match, executes “*automatically* selecting and connecting” to the scanned access point. *Id.* Thus, by matching and automatically reconnecting to the scanned access point (or not), a determination is made as to whether the

scanned access point is a previously connected (i.e., an authenticated) access point.

Patent Owner also argues that Vardi teaches away from using the prior art cache as disclosed in column 12, lines 24–30, because Vardi’s invention uses unauthenticated third party data from the server. Prelim. Resp. 25–26. Vardi’s use of third party data does not “criticize, discredit, or otherwise discourage” using the prior art cache disclosed by Vardi, but instead simply represents an alternative. *In re Fulton*, 391 F.3d. 1141, 1146 (Fed. Cir. 2004); Ex. 1002 ¶ 73 (“*Vardi*’s system and method is built on what *Vardi* confirms was known in the art.”). Moreover, Vardi teaches that using third party data is not required. *See* Ex. 1007, 4:24–27, 55–57 (explaining that the method “may” further comprise receiving third party cached data from the server).

After considering the arguments and evidence at this stage of the proceeding, I determine that Petitioner has shown that Vardi teaches the step of “determining, by the end device, that the access point is an authenticated access point based, at least in part, on the information in the probe response being indicative that the access point was connected with the end device previous, as recited in limitation 1d.

(c) Conclusion on the Merits

Having considered the Petition and Patent Owner’s arguments, I conclude that Petitioner has made a particularly strong case that Vardi, IEEE802.11, and Jaflon teach all the limitations of claim 1, including limitations 1a and 1d. Pet. 22–41, 69–77. Further, Petitioner advances arguments that map with particularity every claim limitation of challenged claims 2–24. *Id.* at 41–62, 77–91. For the reasons discussed above, I

conclude that Petitioner's argument that the combined teachings of Vardi, IEEE802.11, and Jaflon render claims 1–24 unpatentable as obvious is particularly strong.

B. CONCLUSION ON § 314(A) AND *FINTIV* FACTORS

As discussed above, I have considered the circumstances and facts in view of the six *Fintiv* factors. In summary, for the reasons set forth by the majority, I weigh factor 1 as neutral, factors 2, 4, and 5 as in favor of exercising discretion to deny, and factor 3 as against exercising discretion to deny. I differ from the majority in that I weigh factor 6 as strongly against exercising discretion to deny institution. Holistically weighing all six factors, they weigh against exercising discretion to deny institution. Accordingly, I would not discretionarily deny institution of the Petition under § 314(a), and I respectfully dissent.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD and
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioner,

v.

SECURE WI-FI LLC,
Patent Owner.

IPR2024-01368
Patent 9,961,552 B2

OGDEN, *Administrative Patent Judge*, concurring.

I join the majority decision, including the determination that the *Fintiv* factors as a whole weigh in favor of discretionary denial of the Petition. Although I also agree with some aspects of my colleague’s dissenting opinion, I do not view the case to be so strong on the merits that the sixth *Fintiv* factor would outweigh the heavily weighted second factor under these circumstances.

Limitation 1d recites that an “authenticated access point” may be “based, at least in part,” on determining whether the access point was previously connected with the end device. Logically, if the determination of whether an access point is authenticated can be based *at least* in part on this

factor, one might reasonably think it could be based on it *more than* just in part—or in other words, it could be based *entirely* on this factor. Thus, I agree with my dissenting colleague that, as a matter of claim interpretation, there is a case to be made that determining whether an access point is “authenticated” could simply be a matter of checking whether the access point has previously connected to the end device.

While seemingly supported by the plain claim language, this observation is *sua sponte* and does not appear to be consistent with the ordinary and customary meaning of the term “authenticated” in light of the ’384 patent’s specification. I am mindful that there are only two circumstances in which a construction of a term may depart from its ordinary and customary meaning: “1) when a patentee sets out a definition and acts as [their] own lexicographer, or 2) when the patentee disavows the full scope of a claim term either in the specification or during prosecution.” *Thorner v. Sony Comput. Entm’t Am. LLC*, 669 F.3d 1362, 1365 (Fed. Cir. 2012). Moreover, any such special meaning of a term “must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention.” *Multiform Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998). It is not clear to me that Petitioner, in its Petition or Preliminary Reply, has made a sufficient case that a person of ordinary skill in the art would have clearly understood there to be a departure from the ordinary and customary meaning of the term, such that authentication may be based solely on whether there had been a previous connection between the access point and the end device.

Thus, while I tend to agree with much of my dissenting colleague's analysis, I do not view the Petition as so strong on the merits as to tip the balance of *Fintiv* factors in favor of institution.

IPR2024-01367
Patent 10,694,384 B2

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