Paper No. 12
Filed: April 15, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

HARBOR ISLAND DYNAMIC, LLC,
Patent Owner.

Case IPR2024-01404
U.S. Patent No. 9,147,609

AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST

Patent Owner, recycling its arguments from IPR2024-01403 and IPR2024-01405, primarily argues that the Board erred in determining Factor 2 weighed "slightly in favor of [discretionary denial]," where the "originally-scheduled trial date is far away" and Patent Owner had argued that date is three months before the statutory deadline for the Final Written Decision ("FWD"). Because the Board's reasoning was sound on this and the other Factors, Director Review should be denied.

I. *FINTIV* FACTOR 2: THE PANEL CORRECTLY WEIGHED THE TRIAL DATE AS ONLY SLIGHTLY FAVORING DENIAL

Patent Owner first contends that the Board cannot consider the likelihood that a trial schedule will slip in making its determinations under Factor 2, and that doing so was an abuse of discretion. Paper 11 at 4-6. This is wrong. The March 24, 2025 Memorandum ("March 24 Memo") specifically acknowledges "the Board may consider ***any evidence*** that the parties make of record that bears on the proximity of the district court's trial date or the ITC's final determination target date." March 24 Memo at 3 (emphasis added). Here, the Board correctly noted that the Docket Control Order specifically contemplates situations in which the trial date may be continued, including a specific column for future amended dates. Paper 9 at 8-9.

Further, even assuming the trial date was set in stone, the difference between trial and FWD here does not mean Factor 2 should weigh strongly in favor of denial. Patent Owner claims "the PTAB routinely declines to institute based almost

exclusively on the proximity of the trial date." Paper 11 at 4. Incorrect—a full analysis of all factors is imperative. *E.g.*, *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (P.T.A.B. Mar. 20, 2020) (Emphasizing the Board "balance[s]" the factors, and that the analysis must be "holistic."). But even considering Patent Owner's cited cases, all but one have a much larger delta than three months. *See Supercell Oy v. Gree, Inc.*, IPR2020-00513, Paper 11 at 8-10 (P.T.A.B. June 24, 2020) (Trial scheduled ***ten months*** before the FWD date.); *Edwards LifeSciences Corp. v. Evalve, Inc*., IPR2019-01479, Paper 7 at 7 (P.T.A.B. Feb. 26, 2020) (A delta of more than ***nine months***.); *Samsung Elecs. Am., Inc. v. Uniloc 2017 LLC*, IPR2019-01218, Paper 7 at 7-10 (PTAB Jan. 7, 2020) (A delta of approximately ***six months***; decided before *Fintiv*.); *Cisco Sys., Inc. v. Ramot At Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 7-8 (P.T.A.B. May 15, 2020) (A ***six-month*** delta.). Patent Owner's six-to-ten-month delta cases are not applicable here where Patent Owner has argued a delta of only three months.

The closest case Patent Owner cites to the three-month delta at issue here remains *Next Caller Inc. v. TRUSTID, Inc*., IPR2019-00961, -00962, Paper 10 at 8-16 (P.T.A.B. Oct. 16, 2019) (Trial scheduled for three months before the FWD date.). But as Petitioner has already explained, it is inapposite. First, this case was decided before *Fintiv* and is of limited use in evaluating just Factor 2. *Id.* at 14-15. It considered Factors 2 and 3 together as "Advanced Stage of District Court Proceeding," relying heavily on the case progression through fact discovery, final contentions, and a

Markman decision—all Factor 3 related. *Id.* Second, in *Next Caller* there was a substantial delay in filing the petition; not present here. *Id.* at 15-16. *Next Caller* had previously filed an IPR for a related patent over a year before the institution decision including many of the same references. *Id.* The Board emphasized this unexplained delay in filing the follow-on petition also "favor[ed] denying institution under § 314," not the trial date alone as Patent Owner suggests. *Id.* at 16.

Considering only cases applying *Fintiv* before the now rescinded June 21, 2022 *Fintiv* guidance further belies Patent Owner's position. In cases with equivalent or larger deltas between trial and FWD the Board has often found Factor 2 weighs toward either ***not*** exercising its discretion not to institute, or ultimately determined institution was appropriate despite Factor 2 weighing slightly toward denial. *See, e.g.*, *Sand Revolution II, LLC v. Cont'l Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 8-10 (PTAB Jun. 16, 2020) (Trial scheduled for ***four months*** before the FWD date was "in relatively close proximity" to the FWD and weighed "marginally in favor of not exercising discretion to deny institution;" institution granted.); *NetNut Ltd. v. Bright Data Ltd.*, IPR2021-01492, Paper 12 at 10-11 (P.T.A.B. Mar. 21, 2022) (Trial date scheduled ***six months*** before FWD "only slightly favors" denial; institution granted.); *Protect Animals With Satellites v. OnPoint Sys., LLC.*, IPR2021-01483, Paper 11 at 12-13 (P.T.A.B. Mar. 4, 2022) (Trial date scheduled ***two months*** before FWD was "neutral;" institution granted.); *Verizon Bus. Network Servs. Inc. v. Huawei*

Techs. Co. Ltd., PTAB-IPR2020-01141 Paper 12 at 8-10 (P.T.A.B. Jan. 14, 2021) (Trial date scheduled ***three and a half months*** before FWD "does not weigh against discretionary denial;" institution granted.). The Board's decision here, finding Factor 2 weighed slightly toward denying institution, was in keeping with prior decisions.

Finally, Patent Owner's reliance on the March 24 Memo's guidance regarding the ITC is misplaced. Patent Owner contends the Memo creates a new rule that the final determination date of ITC investigations is dispositive for *Fintiv*, and that this rule should apply in District Court as well. Paper 11 at 6. But this misreads the Memo, which in fact states the PTAB will apply *all* the *Fintiv* factors going forward in ITC investigations. March 24 Memo at 2. The guidance Patent Owner cites is giving instruction as to *how* Factor 2 will be applied in ITC investigations. There, "trial" happens before an ALJ, who makes an initial determination. Then, four to six months later at the "Target Date," the full Commission makes its final determination. The Memo clarifies it is the later Target Date that is to be considered, not trial. Indeed, Factor 2 only "slightly favors discretionary denial" when the target date is "more than three months" before the FWD date—the same as here. *Samsung Electronics Co., Ltd. V. SiOnyx, LLC*, IPR2024-01431 Paper 21 at 13-14 (P.T.A.B. Apr. 10, 2025).

II. *FINTIV* FACTOR 3: THE PANEL CORRECTLY WEIGHED THE INVESTMENT IN THE DISTRICT COURT PROCEEDING

Patent Owner contends the Board should have given more weight to the

investment of the parties, citing no supporting authority. Paper 11 at 7. However, in IPR2024-01403 and -01405, Patent Owner relied on the recent *Motorola* Director Review Decision. *E.g.,* IPR2024-01403, Paper 11 at 7, *citing Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205 [], Paper 19 at 3 (P.T.A.B. Mar. 28, 2025). That decision remains illustrative, as that case involved substantially more investment than here. In *Motorola*, "the parties had served extensive infringement and invalidity contentions, served opening and rebuttal expert reports, filed claim construction briefs, [] conducted several depositions," and "held a claim construction hearing and construed the disputed claim terms." *Motorola Sols.*, IPR2024-01205, Paper 19 at 3. Here, as the Board explained, only initial contentions have been exchanged, and "substantial work remains" including "fact and expert discovery, claim construction briefing and decision, pretrial motions, and preparation of a joint pretrial order." Paper 9 at 9. Factor 3 clearly supports institution because there has been limited investment by the court and parties, as the Board has determined in similar circumstances. *See, e.g.*, *NetNut*, IPR2021-01492, Paper 12 at 11-12 (Factor 3 "strongly favors" institution where "a *Markman* hearing has not been held, nor has fact or expert discovery ended.").

Where, as here, factors 3, 4, and 6 weigh for institution (4 strongly), factors 2 and 5 weigh against (2 weakly), and factor 1 is neutral, the Board correctly determined discretionary denial was inappropriate. Paper 9 at 6-12.

Respectfully submitted,

Dated: April 15, 2025

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing **Authorized Response to Director Review Request** was served electronically via email on April 15, 2025, in its entirety on the following:

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Patent Owner has consented to service by email.

Dated: April 15, 2025

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