

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HOME DEPOT U.S.A., INC.
Petitioner

v.

SECURITY TECHNOLOGY, LLC
Patent Owner

Inter Partes Review No.: IPR2024-01420

**PETITIONER'S RESPONSE TO
PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW**

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I. THE PANEL CORRECTLY ANALYZED THE *FINTIV* FACTORS

A. Factor 1 is Neutral.

Petitioner agrees with PO that this factor is neutral. Request, 2.

B. Factor 2 Favors Institution

The statutory deadline for the FWD is March 24, 2026—predating both the anticipated trial date of June 2026 (computed in accordance with EX1008) and the currently scheduled trial date of April 20, 2026. Moreover, district court trial dates frequently slip. For example, the district court *Fintiv* case has still not gone to trial. *See also, e.g., Mylan Pharmaceuticals Inc., v. Sanofi-Aventis Deutschland GMBH*, IPR2018-01680, Paper 22 at 17, n. 6 (P.T.A.B. Apr. 3, 2019) (“In the district court case running parallel to *NHK Spring*, the court ultimately moved the trial date back six months, illustrating the uncertainty associated with litigation schedules.”). If new evidence is allowed, Petitioner will establish that this Judge’s current average time to trial is 23 months (indicating a July 2026 trial date), and this trial is the 10th in the Judge’s queue for trial that same day. In contrast to these frequent district court slippages, the Board adheres to the one-year statutory deadline for FWDs prescribed by 35 U.S.C. § 316(a)(11).

C. Factor 3 Favors Institution

The district court has not made a single substantive ruling regarding invalidity of the ’402 patent, which alone favors institution. “If, at the time of the institution decision, the district court has not issued orders related to the patent at

issue in the petition, this fact weighs against exercising discretion to deny institution under *NHK*. ” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 10 (P.T.A.B. Mar. 20, 2020) (precedential) (“*Fintiv*”). Moreover, much more work remains to be done in the district court as shown below:

Date	Event	Time from Institution
June 4, 2025	Exchange Proposed Claim Terms	72 days
August 27, 2025	Opening Claim Construction Brief	156 days
Sept. 10, 2025	Resp. Claim Construction Brief	170 days
October 8, 2025	Claim Construction Hearing	198 days
Nov. 14, 2025	Close of Fact Discovery	235 days
January 8, 2026	Expert Discovery Closes	290 days
April 20, 2026	Jury Selection	392 days

PO’s reliance on *Fintiv II* to support its assertion that factor 3 weighs in favor of denial is severely flawed because far less work has been done in the parallel district court case here. In *Fintiv II*, the *Markman* briefing had been completed, the district court had held a *Markman* hearing and issued its *Markman* order, *final* (not initial) infringement and invalidity contentions had been served, and depositions were underway. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 13-14 (P.T.A.B. May 13, 2020) (“*Fintiv II*”) at 13-14. None of that has happened here (only venue-related depositions taken in the prior case and none were taken in the current case). Under *all* of the relevant circumstances, the Board correctly found that Factor 3 favors institution. *E.g.*, *SAP America, Inc. v. Cyandia*, IPR2024-01432, Paper 14 (PTAB Apr. 7, 2025) (factor 3 favored institution even *after* district court *Markman* briefing was completed but prior to hearing).

PO makes a meritless allegation that the panel erred in analyzing Factor 3 because the Petitioner was allegedly not diligent in filing its Petition. Request, 5. Though this patent was at issue in a previous litigation, the complainant dismissed that action before significant work had occurred in that litigation. *See Fintiv, Inc.*, Paper 11 at 11 (analyzing whether the “the district court trial has progressed significantly” in determining whether to institute). Thus, the Board correctly found that Factor 3 favors institution for all of the above reasons.

D. Factor 4 Strongly Favors Institution

A *Sotera* stipulation is already in place. Petitioner hereby further stipulates that, if the Institution Decision is affirmed and this IPR proceeds, Petitioner will not assert in the related district court proceeding any § 103 defense based on a combination of any system prior art with any prior art raised in the Petition. Thus, there will be *no* overlap between the issues raised in the Petition and the district court, and this IPR will serve as a “true alternative” to the district court proceeding.

E. Factor 5 Favors Institution

Because the statutory deadline for the final written decision predates both the scheduled and calculated trial dates (*See* §I(C)), this factor weighs against discretionary denial. *Samsung Elecs. Co. Ltd. v. Staton Techiya, LLC*, IPR2022-00282, Paper 12, 17-18 (P.T.A.B. Jun. 17, 2022).

F. Factor 6 Favors Institution

“user profile” and **“unique identifier”** PO’s argument that Petitioner pointed to Grannan’s user profile to meet both the “user profile” and “unique identifier” claim limitations is incorrect. Petitioner’s position is that the “user profile” limitation is met by Grannan’s user profile and the “unique identifier” limitation is met by information *within* Grannan’s user profile. Pet. 19-20 (identifying ***“unique user profile data***, demographics and past behavior/settings” as examples of “unique identifier”); Pet. 20 (PIC score weighted based on information within user profile such as, “ages, family size, ethnicity, language spoken, address, ***subscriber user identifiers*** for family members, etc.”); Pet. 22 (citing FIG. 4 in Grannan disclosing need to ascertain unique ***subscriber ID***). The Board therefore found correctly that Grannan’s user profile includes identifiers for the subscribers meeting the “unique identifier” limitation. DI, 26-27.

“first search”, **“first purchase”**, **“second search”**, and **“second purchase”**

On the “first search” of element 1[b], PO fails to address the Board’s correct reasoning (supported by the Petition and Dr. Sherwood’s declaration) that: (i) Grannan discloses “use of monitored event data to calculate PIC scores;” (ii) Chung teaches that “event data may include searches;” (iii) this all supports Dr. Sherwood’s testimony that it would have been obvious to use searches to calculate PIC scores; and (iv) PO “does not contest that Chung discloses user search queries are events used to determine user scores.” DI at 23-24.

The POPR expressly took the position that no construction of the claim terms is necessary (POPR, 9), but PO now raises claim construction arguments that it failed to raise in the POPR. For example, PO asserts that the claim term “search” means user queries and excludes the web browsing searches expressly disclosed in Grannan. Request, 10. PO also says that the Board waves away the requirement of a “first purchase,” but PO ignores that the plain language of the claim makes the “first purchase” *optional*—i.e. “a first search ... *or* ... a first purchase.” Request, 10-11; EX1001, claim 1. Similarly, for element 1[d], PO takes issue with the Board purportedly not fully analyzing the optional “second purchase” where the claim requires “a second search *or* ... a second purchase.” *Id.* PO argues incorrectly that the Board filled the gaps in Petitioner’s arguments by constructing a system from Grannan relying on portions of Grannan that were not included in the Petition Request, 11 (citing Grannan ¶¶ 83, 100). But the Petition in discussing element 1[d] cites and discusses those very paragraphs in explaining PIC score dynamic updates. Pet. 24-25. Moreover, the Petition explained why Grannan modified with Chung’s disclosure would have rendered the claim obvious citing the very portions on which the Board relied. Pet. 26-28 (citing at p. 26, Chung, 6:38-41 relied on by Board at DI 31).

II. CONCLUSION

The Board’s Decision on Institution was correct for all of the above reasons.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies pursuant to 37 C.F.R. §§42.6(e) that on April 15, 2025 a true and correct copy of the PETITIONER'S RESPONSE TO PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW was served via email:

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Respectfully submitted,

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