UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WESTERN DIGITAL TECHNOLOGIES, INC.,
Petitioner,

v.

GODO KAISHA IP BRIDGE 1,
Patent Owner.

Case No. IPR2024-01493
Patent No. 10,680,167

PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW

I. INTRODUCTION

The Board has already denied more than half of the nine IPRs challenging the patents asserted against Petitioner in a parallel litigation. The bulk of these denials were on the merits. As such, Patent Owner submits that good cause exists for the Director to *sua sponte* vacate institution of this IPR so that the entire dispute can be addressed in one forum—the district court. As in the Director's recent decision in *Motorola Solutions, Inc. v. Stellar, LLC*, piecemeal review of only a handful of the eight patents left in dispute is the antithesis of ensuring that IPR serves as a "'true alternative' to the district court proceeding." IPR2024-01205, Paper 19 at 3-4 (P.T.A.B. Mar. 28, 2025). Indeed, Petitioner's tactical choice to string-out its IPR challenges in seriatim, spanning months, was designed to create this exact inefficiency while simultaneously securing feedback from Patent Owner's arguments advanced in the first IPRs for use against it in the later IPR of the same dispute. This gamesmanship should not be rewarded in any event.

II. BACKGROUND

Patent Owner asserted nine patents against Petitioner in a related litigation which is currently pending in the U.S. District Court for the Northern District of California. *Godo Kaisha IP Bridge 1 v. Western Digital Technologies, Inc.*, Case No. 24-cv-06555-RS (N.D. Cal.). Each of these nine asserted patents share a common lineage and subject matter.

Each of the asserted patents in the related litigation, including the patent at issue in this IPR, is directed to a ground-breaking advance to a special kind of solid-state electronics device known as a "magnetic tunnel junction" ("MTJ") device. In essence, MTJ devices have two magnetic electrodes separated by an insulating layer. Under certain conditions, current can flow between the electrodes, through the insulator layer, via a quantum mechanical phenomenon known as "tunneling."

While a staff scientist at Japan's premier National Institute of Advanced Industrial Science and Technology, the sole inventor, Dr. Shinji Yuasa, developed the claimed MTJ device with superior performance than had been achieved previously. Dr. Yuasa is widely recognized as a luminary in the field of MTJs because of his fundamental contributions to the field. His patents cover an innovation that has dramatically improved the density of information that can be accurately written to and read from a hard disk drive and is widely used in industry. For his pioneering contribution to MTJs, Dr. Yuasa has been awarded or co-awarded more than 20 prizes. This innovation was truly groundbreaking at the time of discovery and has since been widely adopted across the hard disk drive industry. Indeed, the patent at issue here expired last month.

Petitioner filed IPRs challenging the nine asserted patents over the span of six months. The Board has already denied institution in five of those IPRs, and four of

those denials were on the merits, demonstrating the time-wasting gamesmanship at play. The Board has only granted institution of the last three of those IPRs, one of which is the subject of this Petition for Director Review.[1] Patent Owner believes the Board erred in instituting this IPR, and to the extent the Director does not exercise her discretion to vacate the IPR, Patent Owner stands ready to defend the patent in the trial phase of the IPR despite the plain inefficiency of doing so.

In more detail:

- Petitioner filed eight Petitions for IPR, between August 30, 2024 and September 27, 2024, challenging eight out of the nine patents Patent Owner asserted against Petitioner in a co-pending litigation;
- The Board has **already denied institution of five of those eight Petitions**, **four of them on the merits**;
- **About a week before the first institution decisions were due, and months after Patent Owner filed its preliminary responses**, Petitioner belatedly filed a ninth IPR (IPR2025-00701) with the same prior art Petitioner cited in the other Petitions **over six months beforehand** (*e.g.*, in IPR2024-01384). Petitioner's delay filing that ninth IPR was a

[1] Patent Owner is also separately seeking Director Review of the other two instituted IPRs.

deliberate tactic by Petitioner to take advantage of POPR arguments in the related IPRs to try to buttress its arguments, and try to extend the stay in the district court litigation. Patent Owner will separately file a paper requesting the Director exercise her discretion to deny institution of that IPR (due by June 16).

Summary of Related IPRs

IPR No.	Challenged Patent No.	Date IPR Filed	Date POPR Filed	Institution Decision
IPR2024-01384	7,884,403	Aug. 30, 2024	Dec. 18, 2024	Denied on merits March 13, 2025
IPR2024-01385	8,319,263	Aug. 30, 2024	Dec. 18, 2024	Denied on merits March 13, 2025
IPR2024-01386	9,608,198	Aug. 30, 2024	Dec. 18, 2024	Denied on merits March 13, 2025
IPR2024-01449	9,123,463	Sept. 16, 2024	Dec. 18, 2024	Denied on merits March 14, 2025
IPR2024-01448	11,737,372	Sept. 16, 2024	Jan. 23, 2025	Denied in light of disclaimer March 26, 2025
IPR2024-01447	8,405,134	Sept. 16, 2024	Jan. 23, 2025	Instituted on April 21, 2025
IPR2024-01493	10,680,167	Sept. 27, 2024	Feb. 4, 2025	Instituted on April 30, 2025
IPR2024-01494	11,968,909	Sept. 27, 2024	Feb. 11, 2025	Instituted on April 30, 2025
IPR2025-00701	10,367,138	March 6, 2025	~July 2025	Due ~Oct. 2025

III. PIECEMEAL REVIEW OF ONLY A HANDFUL OF THE EIGHT ASSERTED PATENTS LEFT IN DISPUTE IN A PARALLEL PROCEEDING IS REPUGNANT TO THE GOAL OF THE AIA TO SERVE AS A LITIGATION ALTERNATIVE AND PROVIDES A ROADMAP FOR STRING-ALONG GAMESMANSHIP

As detailed above, the Board has already denied institution of five of nine IPRs targeting patents that Patent Owner asserted against Petitioner in a parallel litigation. The Board has instituted IPR in only three of these challenges, including this IPR, and a decision in the only pending IPR petition is not due until October 2025.

Patent Owner submits institution of this IPR should be vacated so that the entire dispute can be addressed in one forum—the district court. As in the Director's recent decision in *Motorola*, piecemeal review of a single patent of a four-patent dispute is the antithesis of ensuring that IPR serves as a "'true alternative' to the district court proceeding." IPR2024-01205, Paper 19 at 3-4. Judge Newman has likewise addressed such wasteful incongruity of related patent claims, explaining: "[t]he exclusion of some of the challenged claims from the statutory procedures and estoppels of the AIA, accomplished by accepting some of the claims for which review is sought while ignoring others. . . serves no purpose other than to negate the intended legislative purpose of the AIA. The PTO practice replaces the benefits of the America Invents Act with **new disadvantages**, for, after the extensive (and expensive) proceedings of *inter partes* review, the parties **are left with unaddressed**

claims to the same patented invention, claims that can be litigated as if no post-grant proceeding had occurred." *SAS Inst., Inc. v. ComplementSoft, LLC.*, 825 F.3d 1341, 1353 (Fed. Cir. 2016) (Newman, J., dissenting), *rev'd and remanded sub nom. SAS Inst., Inc. v. Iancu*, 584 U.S. 357 (2018) (emphasis added).

Petitioner's own argument supports that **at least half the dispute must be resolved in district court** because IPRs on four of the nine originally asserted patents have already been denied institution on the merits (highlighted purple in table below), one of the nine originally asserted patents was disclaimed and is no longer part of the district court action or any PTAB proceeding (highlighted purple in table below), and, at most, only four patents (if institution were granted in IPR2025-00701) would be subject to IPR trials (highlighted green and grey in table below).

	IPR	U.S. Patent	Pet. Filing Date	Institution Status
1	IPR2024-01384	7,884,403	Aug. 30, 2024	Denied
2	IPR2024-01385	8,319,263	Aug. 30, 2024	Denied
3	IPR2024-01386	9,608,198	Aug. 30, 2024	Denied
4	IPR2024-01449	9,123,463	Sept. 16, 2024	Denied
5	IPR2024-01447	8,405,134	Sept. 16, 2024	Granted
6	IPR2024-01448	11,737,372	Sept. 16, 2024	All claims disclaimed
7	IPR2024-01493	10,680,167	Sept. 27, 2024	Granted (April 30, 2025)
8	IPR2024-01494	11,968,909	Sept. 27, 2024	Granted (April 30, 2025) 6 claims disclaimed
9	IPR2025-00701	10,367,138	March 6, 2025	*pending*

IPR2024-01447, Paper 14 (PTAB, May 2, 2025) (excerpted from Petitioner's opposition to Patent Owner's Petition for Director Review).[2]

In opposing Patent Owner's request that the Director *sua sponte* vacate institution of a related IPR (IPR2024-01447) for similar reasons to that here, Petitioner offered no rationale on why the inefficiency of having less than half the dispute addressed by the PTAB and the majority addressed by the district court is warranted.

This is especially inefficient given the different standards that are applied by the PTAB (preponderance of evidence) and district court (clear and convincing). The Federal Circuit recently emphasized that these different applicable standards of proof mean that a PTAB unpatentability finding cannot create collateral estoppel (issue preclusion) and is not binding in district court proceedings with respect to other claims, even if the other claims are from the same patent and materially

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[2] Petitioner in that same opposition paper, attempts to use Patent Owner's disclaimer against it. As shown in the table above, the claims of U.S. Patent No. 11,737,372, subject to IPR2024-01448, were disclaimed. That the Patent Owner has already sacrificed claims to avoid having to fight two battles instead of one is hardly surprising, and the PTO should not establish policy whereby Patent Owners are not only discouraged from such actions, but punished.

identical for invalidity purposes. *Kroy IP Holdings, LLC v. Groupon, Inc.*, 127 F.4th 1376, 1380-81 (Fed. Cir. 2025). So, the PTAB rulings on the instituted IPRs cannot simplify the district court proceedings with respect to the other four patents for which IPRs were denied institution. In such circumstances, "[t]he PTO practice replaces the benefits of the America Invents Act with **new disadvantages**, for, after the extensive (and expensive) proceedings of *inter partes* review, the parties **are left with unaddressed claims** [of related patents]**, claims that can be litigated as if no post-grant proceeding had occurred**." *SAS*, 825 F.3d at 1353 (Newman, J., dissenting).

To the extent that the art in this IPR could even be considered close to this invention (and it cannot), significant factual records, including objective indicia, would nevertheless demonstrate the inapplicability of the art. Fact based witnesses and records are best examined in a forum with full discovery and subpoena power. Such is a far cry from the PTAB, that has only allowed live testimony twice in its 12-year history. This is yet another reason why the district court is the more appropriate forum where the entire dispute between the parties can be resolved.

Accordingly, Patent Owner respectfully submit that *vacatur* is in order.

IV. CONCLUSION

For the reasons detailed above, discretionary denial is in order.

Respectfully submitted,
GODO KAISHA IP BRIDGE 1

Date: May 6, 2025

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CERTIFICATE OF SERVICE UNDER 37 C.F.R. § 42.6 (e)(4)

I certify that on May 6, 2025, a copy of the foregoing document, including any exhibits filed therewith, is being served via electronic mail, as previously consented to by Petitioner, upon the following:

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