

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARASHI VISION (U.S.) LLC (D/B/A INSTA360),
Petitioner,

v.

GOPRO, INC.,
Patent Owner.

Patent No. 10,529,052

Inter Partes Review No. IPR2025-00017

**PETITIONER’S REPLY TO PATENT OWNER’S SUPPLEMENTAL
BRIEF IN SUPPORT OF DISCRETIONARY DENIAL UNDER 35 U.S.C.
§314(a) AND *FINTIV***

I. INTRODUCTION

Pursuant to the Board’s authorization, Petitioner provides this Reply to Patent Owner’s Supplemental Brief (Paper No. 9). Patent Owner repeatedly relies on the co-pending ITC proceeding to urge discretionary denial in its Supplemental Brief. But in doing so, it fails to address the lack of overlapping issues between this proceeding and the ITC proceeding, the merits of the Petition, and the unique circumstances here. In view of these omissions, and recent Board decisions, the Board should decline to exercise discretionary denial under *Fintiv*.

II. THE ITC WILL NOT RESOLVE PATENTABILITY

The thrust of Patent Owner’s Supplemental Brief is that the ITC will resolve the issues before the Board. Wrong. The Petition presents multiple patentability disputes that will not be heard or resolved by the ITC—including for the majority of the patent’s claims—thereby weighing against discretionary denial. (*See e.g.*, IPR2024-01401, Paper 16 (April 8, 2025) (“Klein Tools”); IPR2024-01377, Paper 11 (March 18, 2025) (“POSCO”) (both declining to deny petition under *Fintiv* based on parallel ITC action).) Patent Owner is mistaken in describing the grounds as “identical” between the IPR and ITC proceedings. (Supplemental Brief, 2.) The IPR Petition at page 6 presents three obviousness grounds—Okubo alone (Ground 1), Okubo in view of Sokeila (Ground 2), and Eder alone (Ground 3)—each challenging all 20 claims of the ’052 patent.

In the ITC action, three grounds were presented at trial, but each challenged only four asserted claims (claims 1, 2, 5, and 6). The Petition thus presents 16 claims (3, 4, and 7-20), of the patent's 20 total claims, that will *not* be adjudicated by the ITC. (*See Klein Tools* at 19-20 (finding that the fourth *Fintiv* factor weighed "heavily" against discretionary denial where 17 of the Petition's 23 challenged claims were not challenged in the ITC).) Further, these 16 claims include dependent claims 3, 4, 7-10, 13, 14, and 17-20, each of which includes claim limitations *not* at issue in the ITC proceeding.

Furthermore, Patent Owner fails to mention that it has sued Petitioner in a district court action that is stayed and not bound to any ITC decision. Indeed, Patent Owner has not identified its asserted claims in the district court action, has not waived its right to assert any claim, and has not stipulated that it will not assert claims invalidated by the ITC. Moreover, there will be no overlap between this proceeding and the district court action, because Petitioner hereby stipulates to a *Sotera* stipulation for that action.

III. THE MERITS OF THE PETITION ARE COMPELLING

Nowhere in the Supplemental Brief does Patent Owner address in detail the merits of the Petition, because the merits are compelling and thus weigh against discretionary denial. (*See Klein Tools* at 20; *POSCO* at 16 (both not exercising *Fintiv* denial due to compelling merits).) As one example, Patent Owner attempts

to dismiss Grounds 1 and 2 by inserting a claim requirement of “recording” the input image from which a sub-frame is selected. (POPR, 12-14.) But the claims recite “accessing” the input image, not recording it; and the POPR does not credibly dispute that the references teach accessing an input image. Moreover, Patent Owner’s argument contradicts its position in the ITC, where it did not rely on recording an input image to allegedly show infringement.

As another example, in arguing that the Petition does not meet “different lens distortion effects as a function of the input lens distortion present in the input images,” the POPR relies on improperly importing an unclaimed “varying size and location” requirement from the specification. (POPR, 15.) Patent Owner also suggests that Okubo and Sokeila would not be combined because Okubo applies only to still images—ignoring that Okubo’s vibration correction is also applied to “a moving image.” (POPR, 2; EX1004, [0106].) Patent Owner would not deviate so sharply from the record and its ITC positions, and then remain silent in the Supplemental Brief, if the Petition were not a compelling one.

IV. A BALANCED ASSESSMENT WEIGHS AGAINST DENIAL

Fintiv emphasized, and the USPTO’s recent memorandum reaffirmed, that the *Fintiv* analysis is “holistic,” and makes “a balanced assessment of all the relevant circumstances in the case” to promote “efficiency and integrity of the

system.” (*Fintiv*, 6, 14-16; March 24, 2025 Memorandum (“March 24 Memo”), 3.) Efficiency and integrity would be advanced by instituting the Petition here.

A. Petitioner Relied on the USPTO’s Guidance

In filing the Petition in October 2024, Petitioner acted in reliance on an unambiguous directive from the USPTO: “The PTAB *will not* discretionarily deny petitions based on applying *Fintiv* to a parallel ITC proceeding.” (June 21, 2022 Memorandum (“June 21 Memo”), 6-7 (emphasis added).) This command remained in force until February 28, 2025—after the conclusion of the ITC trial, and only six weeks before the IPR institution decision deadline—when the new USPTO administration unexpectedly reversed its policy. (March 24 Memo, 2.)

Denying the Petition based on this intervening rule change would be manifestly unfair to Petitioner, who placed faith in the USPTO’s guidance when developing and synchronizing its ITC defense and IPR strategies. Petitioner could not reasonably have foreseen policy reversals that would be applied retroactively to previously filed petitions. Denial here would undermine “efficiency and integrity in the system” by signaling to patent challengers, patent owners, and the public that unambiguous USPTO directives—even those expressly promulgated “to benefit the patent system and the public good”—cannot be relied upon in such circumstances. (June 21 Memo, 2.)

B. The ITC's Decision will Not Prevent Claim Assertion

In the March 24 Memo, the USPTO justified applying *Fintiv* to parallel ITC proceedings because “it is difficult as a practical matter to assert patent claims that the ITC has determined are invalid.” (March 24 Memo, 2; *see also Fintiv*, 14-15.) But any ITC determination will not apply to claims 3, 4, and 7-20, and thus cannot prevent Patent Owner from asserting any or all of those claims against Petitioner. And even with respect to claims 1, 2, 5, and 6, while it may be “difficult” to assert those claims if the ITC finds them invalid, *Fintiv* recognizes that the ITC's decision lacks preclusive effect, and thus cannot prevent Patent Owner from asserting any or all claims of the '052 patent against Petitioner. (*Fintiv*, 8-9.)

C. The Board Has Already Instituted Five Parallel Petitions

The Board has already decided to institute trial in five IPR proceedings, with the same parties and counsel and involving four other patents. These proceedings are in their relatively early stages; the first Final Written Decision of the group is not due until December 2025. Further, the challenged patents relate to the same general subject matter (digital image processing). Denying this Petition would only minimally address concerns about “increas[ing] duplication and expenses.” (March 24 Memo, 2.) Instead instituting the Petition would promote integrity by applying Board's discretion consistently across proceedings, including between the same parties, and patents from the same ITC proceeding. (March 24 Memo, 3.)

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Certificate of Service (37 C.F.R. § 42.6(e)(4))

I hereby certify that the attached PETITIONER'S REPLY TO PATENT OWNER'S SUPPLEMENTAL BRIEF IN SUPPORT OF DISCRETIONARY DENIAL UNDER 35 U.S.C. §314(a) AND FINTIV were served on the date listed below via email (by agreement) upon the following counsel of record for Patent Owner.

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Dated: April 10, 2025

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