

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
SAMSUNG ELECTRONICS CO., LTD., and
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioners,

v.

MULLEN INDUSTRIES LLC,
Patent Owner.

Case No. IPR2025-00021
Patent No. 11,096,039

**PETITIONERS' REQUEST FOR REHEARING
OF ORDER GRANTING DIRECTOR REVIEW
AND DENYING INSTITUTION OF *INTER PARTES* REVIEW**

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I. INTRODUCTION

Petitioners respectfully request reconsideration of the Director’s¹ Order (Paper 20, “Order”) granting Patent Owner Mullen’s request for Director Review (Paper 16, “DR-Request”) of the merits panel’s Decision Granting Institution (Paper 14, “DI”) and discretionarily denying institution.² As discussed below, the Order is flawed in multiple respects, each of which warrants vacating the Order and reinstating the merits panel’s DI that correctly instituted this IPR.³

II. THE DIRECTOR’S “SETTLED EXPECTATIONS” FRAMEWORK CALLS FOR REINSTATING INSTITUTION

The ’039 patent issued in 2021. Under the Director’s discretionary-denial framework that looks to “settled expectations”—in particular, *lack thereof*—this should have resulted in upholding the merits panel’s decision to institute this IPR.

In other recent decisions, the Director has held that where “the challenged patent[.]...issued in 2021” (and even earlier in 2020 or 2019), the IPR is an “early challenge[.] [that] favor[s] robust, predictable patent rights and weigh[s] against

¹ References herein to the “Director” include Acting Director Stewart and/or any person to whom she delegated her authority to issue a discretionary decision.

² This de-institution violates 35 U.S.C. §318(a)’s requirement that an FWD on patentability “shall issue” if an IPR is instituted and not dismissed under §317.

³ Unless otherwise noted, emphases herein are added and internal citations omitted.

discretionary denial.” *Microsoft Corp. v. Edge Networking Sys., LLC*, IPR2025-00617, Paper 12 (July 31, 2025); *see also, e.g.*, IPR2025-00619, Paper 12 (July 31, 2025); *CSPC Megalith Biopharma. Co. v. Shanghai Miracogen Inc.*, IPR2025-00685, Paper 9 (July 31, 2025); *TankLogix, LLC v. SitePro, Inc.*, IPR2025-00650, IPR2025-00651, Paper 10 (July 31, 2025).

In *Zhuhai CosMX Battery Co. v. Ningde Ampere Tech. Ltd.*, the Director held that because “the challenged patents have not been in force for a significant period of time (issued in 2024, 2023, and 2021),” this “tip[s] the balance against discretionary denial” despite it being “unlikely that a final written decision...will issue before district court trial occurs.” IPR2025-00385, -00389, -00432, Paper 9 (July 2, 2025); IPR2025-00405, Paper 11 (July 2, 2025); IPR2025-00431, Paper 14 (July 2, 2025). In *Phison Electronics Corp. v. Vervain, LLC*, the Director explained that the fact that the challenged patent issued in 2021 “[o]rdinarily... might favor referral to the Board” despite that the district court’s scheduled trial date was eight months before the FWD date. IPR2025-00215, Paper 15 (July 10, 2025). The only reason IPR was denied in *Phison* was that the petitioner “ha[d] not offered a stipulation to address concerns of duplicative efforts and potentially conflicting decisions” (*id.*); whereas here the Samsung Petitioners offered a *Sotera* stipulation (EX1079), and Google is not a party to any pending litigation.

“Discretion is not whim,” and must be “limited” according to “legal

standards” to “promote the basic principle of justice that like cases should be decided alike.” *Martin v. Franklin Cap. Corp.*, 546 U.S. 132, 139 (2005). As discussed above, the Director has held in other recent cases that a challenged patent having “not been in force for a significant period of time” because it issued in 2021 is a “consideration[] counseling against discretionary denial [that] outweigh[s] those that favor it.” *Zhuhai*, IPR2025-00385, Paper 9. The Director should have denied Mullen’s discretionary-denial request on that same basis here.

Additionally, Mullen has never commercialized any product or service practicing the ’039 patent—indeed, Mullen makes no products, offers no services, and has no apparent business other than filing lawsuits. And Mullen did not assert the patent until recently in 2022. These facts, too, should have weighed against discretionary denial under the framework the Director has promulgated.⁴ See *Shenzhen Tuozhu Tech. Co. v. Stratasys, Inc.*, IPR2025-00438, -00531, -00532, -00585, Paper 10 (Director July 17, 2025) (declining to discretionarily deny IPRs on patents issued in 2015, 2020, and 2021 despite district-court trial date, explaining that “evidence that the challenged patents have never been

⁴ Petitioners reserve the right to challenge the frameworks developed under the March 26, 2025 Interim Process for PTAB Workload Management at least because it is legally invalid as (1) exceeding the Director’s authority, (2) arbitrary and capricious, and (3) adopted without notice-and-comment rulemaking.

‘commercialized, asserted, marked, licensed, or otherwise applied’ in Petitioner’s ‘particular technology space’” weighs against denial) (quoting *Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12 (Director June 26, 2025)).

The Order should be reversed and the IPR institution should be reinstated.

III. THE ORDER’S APPLICATION OF *FINTIVIS* FLAWED, AND INAPPROPRIATE UNDER CHANGED CIRCUMSTANCES

Like in the recent *Arm Ltd. v. Daedalus Prime LLC* case where the Director vacated her discretionary-denial decision, “circumstances have changed because the parallel litigation has been dismissed” as to the ’039 patent. IPR2025-00207, Paper 14 at 2 (Aug. 6, 2025). Pursuant to settlement, Mullen dismissed with prejudice its infringement claims against Samsung for the ’039 patent on August 1, 2025. Therefore, the Order denying institution “should be vacated because the related litigation upon which the [Order] relied, and Petitioner [Google] was not a party to, settled and was dismissed with prejudice...after the [Order] issued.” *Id.* (vacating discretionary denial because Daedalus settled and dismissed its litigation asserting the challenged patent against co-petitioner MediaTek).

Even as to the previously existing circumstances, the Order did not properly weigh other factors against the trial timing as required by *Fintiv*. See *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5 (Mar. 20, 2020) (precedential) (“As with other ***non-dispositive*** factors considered for institution under 35 U.S.C. § 314(a), an early trial date should be weighed as part of a ‘balanced assessment of

all relevant circumstances of the case, including the merits.”) (quoting Consolidated Trial Practice Guide November 2019 (“TPG”) at 58). For example, the Order does not mention, much less properly address and weigh, significant facts and arguments that Petitioners raised under *Fintiv* Factors 4-6, discussed further below. *See* Petitioners’ Response (Paper 17, “DR-Response”) at 1-3, 4-5. Additionally, the Order’s assessment of the trial timing itself was inaccurate.

A. The Order Did Not Acknowledge and Properly Weigh the Significant Number and Percentage of the Patent’s Claims That Would Not Be Addressed in the District Court

The ’039 patent contains 19 claims. This IPR’s Petition demonstrates all of them unpatentable. In district court, Mullen originally asserted six of those claims, requiring Samsung to address those six in contentions and then two of them in claim construction; but by the time of the panel’s institution decision, Mullen had elected *only one* claim to potentially expose at trial. *See* IPR2025-00365, EX1085 at 2. All 19 of the ’039 patent’s claims are unpatentable as demonstrated in the Petition, but the district court would never have had the opportunity to address 95% of them (18 of the 19 claims). DR-Response at 2. By discretionarily denying this IPR, the Director guaranteed that Mullen would emerge from its Samsung litigation holding 18 intact claims to assert against companies, including Google, that actually provide products or services in the United States, consuming their resources, despite that Mullen has no valid right to those unpatentable claims.

This near-complete lack of overlap between the 19 claims demonstrated unpatentable in this Petition and the single claim that was asserted in the district-court litigation by the time of the institution decision should have weighed heavily against denying institution based on the litigation. Yet the Order did not even mention it. And as discussed below, in the time since the Order issued, Mullen has withdrawn even the single remaining claim from consideration in the district court, such that there is no longer *any* overlap in claims that will be addressed.⁵

⁵ Numerous recent Director discretionary decisions have found discretionary denial inappropriate where the patent is not asserted against the petitioner in litigation. *See, e.g., CSPC Pharm. Grp. Ltd. v. Ipsen Biopharm Ltd.*, IPR2025-00505, Paper 11 (July 16, 2025); *Charles River Labs., Inc. v. Seikagaku Corp.*, IPR2025-00440, Paper 9 (July 10, 2025); *Ajinomoto Co. v. AbTis Co.*, IPR2025-00283, Paper 13 (July 2, 2025). As Petitioners have pointed out in IPR2025-00227, Paper 14 at 9-12, a patent's dismissal from district court provides no basis to deny IPR. In 35 U.S.C. §311(a), Congress chose not to limit IPR access to petitioners (currently sued for infringement. The specific litigation-based restrictions that Congress incorporated into other statutory provisions (e.g., §315(a), §315(b), §315(e)(2), and the restrictions for CBMs) demonstrate that Congress purposefully placed no requirement for standing. based on assertion of the patent. on filing or institution of

B. The Order Did Not Acknowledge and Properly Weigh the Fact That Petitioner Google Is Not a Party to the Litigation

As Petitioners' Response explained, Google is a party to this IPR but is not a party to the district-court proceeding. DR-Response at 4-5. And in the time since the Director's Order, Mullen has now reached a settlement agreement *with Samsung only* by which Mullen has dismissed the '039 patent with prejudice from the Samsung lawsuit. Mullen's choice to do so ensures that this district-court proceeding will *never* address Google's challenge and Google's interest in preventing the patent's 19 unpatentable claims from being asserted against Google, and other future targets, beyond Samsung. DR-Response at 2, 4-5.

This factor should have weighed heavily against denial; yet the Order does not even mention it. Denying this IPR because of the litigation against Samsung perversely penalizes Google for conserving the Board's resources by filing one Petition together with the Samsung co-Petitioners rather than each entity filing its own separate petition. The Order should be reconsidered and reversed.

C. The Order Did Not Properly Weigh the Merits of the Petition's Unpatentability Challenge Against the Trial Timing

The PTAB's *Fintiv* precedent requires a "balanced assessment of all relevant circumstances of the case, *including the merits*." *Fintiv*, IPR2020-00019, Paper

IPR. Discretionary denial cannot properly be used to frustrate the statute and its embodiment of Congress's intent.

11 at 5 (quoting TPG at 58). The merits of this IPR’s Petition were thoroughly evaluated by the panel, who correctly concluded that “[d]ue to ***strong merits***, this factor weighs against exercising discretionary denial.” DI at 12. In reaching this conclusion, the panel explained that “Petitioner has shown that at least some claims of the ’039 patent recite well-known and obvious features,” and that “Patent Owner’s arguments do not undermine Petitioner’s showing.” DI at 11-12, 26.

The Order glosses over this required factor in the *Fintiv* analysis, by simply concluding without explanation that “the merits of the Petition...do not outweigh *Fintiv* factors 2 and 3.” Order at 3. The Order lacks the “balanced assessment” that *Fintiv* precedent requires. IPR2020-00019, Paper 11 at 5.

Additionally, in properly granting institution of this IPR, the panel noted that the unpatentability “issues raised by Petitioner are similar, if not identical, to those raised in IPR2023-00096, in which we [the Board] instituted.” DI at 11. This Petition presents grounds against all of the ’039 patent’s claims that mirror the Sheha-based grounds in Apple’s prior IPR2023-00096, which was instituted and then terminated due to settlement before FWD. The Order improperly does not acknowledge or address this fact. Like in the Director’s recent *Tesla* decisions, “discretionary denial of institution is not appropriate” here, where “the merits are strong because the Board previously determined there was a reasonable likelihood” that the claims “were unpatentable.” *Tesla, Inc. v. Intellectual Ventures II LLC*,

IPR2025-00217, -00219, -00220, -00221, -00222, Paper 9 at 2 (June 13, 2025);

IPR2025-00339, Paper 10 at 2 (June 13, 2025); *see* DR-Response at 3.

D. The Order Inaccurately Assessed the Prospective Timing of the District-Court Trial

Although the scheduled trial date in Mullen’s lawsuit against Samsung in the Eastern District of Texas (“EDTX”) is in November 2025, the Order states that “the median time-to-trial statistics suggest a trial beginning in September 2025.” This is not accurate. The most recently reported median time-to-trial for EDTX is 25.9 months, which would place the district-court trial in March 2026. *See* IPR2025-00365, EX1099 at 35. That is only two months before the May 2026 projected FWD due date here. And EDTX has likely become only more congested since this most recent statistic was compiled for the period ending March 31, 2025.

Further, Judge Gilstrap has multiple trials scheduled for the same days as Samsung’s that cannot possibly all proceed simultaneously, and post-trial briefing and decisions will likely take four months or more, such that the Board’s final written decision may well precede the district court’s final judgment. *See* IPR2025-00365, EX1087. And of course, the trial timing is even less relevant at all now that the ’039 patent has been dismissed from the Samsung litigation.

IV. THE ORDER’S FAILURE TO CREDIT PETITIONER’S *SOTERA* STIPULATION IS IMPROPER

On June 21, 2022, the Office issued a Memorandum authored by then-

Director Vidal (“Vidal Memo”) stating that, “[c]onsistent with *Sotera Wireless, Inc.*, the PTAB will **not** discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB.” Vidal Memo⁶ at 3 (citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (Dec. 1, 2020) (precedential as to §II.A)). The Vidal Memo states that it was “issued under the Director’s authority to issue **binding agency guidance to govern** the PTAB’s implementation of various statutory provisions.” Vidal Memo at 3 (citing 35 U.S.C. 3(a)(2)(A)).

Over the course of several months in 2024, in reliance on this “**binding** agency guidance,” Petitioners prepared and filed this IPR to challenge all 19 claims of the ’039 patent, as well as ten additional IPRs against 320 claims of seven other patents that Mullen had asserted against Samsung. While Petitioners were diligent in preparing all these IPRs, Petitioners nonetheless also relied on the Vidal Memo and reasonably expected that there would be no risk of discretionary denial in view of the parallel EDTX proceeding even if it took several months to fully develop robust and thoroughly supported patentability challenges to all 339 claims of these eight asserted patents. That is, Petitioners understood that there was no need to

⁶ https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf

“race to the PTAB” so long as Samsung was willing to present a *Sotera* stipulation.

The Samsung Petitioners presented precisely such a stipulation by agreeing to “not pursue in the [district court] litigation any grounds that were raised or reasonably could have been raised in the IPR” if the IPR were instituted. EX1079. This is undisputably the type of *Sotera* stipulation that the Vidal Memo said in no uncertain terms would dispositively prevent the PTAB from discretionarily denying institution in view of parallel district court litigation. Vidal Memo at 3 (“the PTAB will **not** discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation...”), 7 (“the PTAB will **not** discretionarily deny...”), 9 (“PTAB will **not** deny...”).⁷

Then, on February 28, 2025, the Office under new Acting Director Stewart rescinded the Vidal Memo without notice and without providing any explanation as to why the Vidal Memo was being rescinded. In rescinding the Vidal Memo,

⁷ Mullen’s assertion that Director Vidal “clarified” in district-court briefing that the Vidal Memo did not make *Sotera* stipulations dispositive against *Fintiv* denial (Paper 9 at 32-35) is incorrect. Mullen quotes Director Vidal as saying that “**the *Fintiv* factors**” are not dispositive; but neither the Vidal Memo nor a *Sotera* stipulation is a “*Fintiv* factor.” Director Vidal’s same briefing said that the Vidal Memo “**replace[d]** the *Fintiv* factors or **supplement[ed]** them with additional instructions”—to **not** apply *Fintiv* factors if a stipulation is made. EX2017 at 18.

the Office did not suggest that the rescission should be applied retroactively and did not seek public comment on any such retroactive application.

A month later, the Office issued a new Memorandum by Judge Boalick (“Boalick Memo”)⁸ stating that, contrary to the Vidal Memo’s guidance, “a timely-filed *Sotera* stipulation...will not be dispositive by itself,” and that the Vidal Memo’s “recission applies to any case in which the Board has not issued an institution decision, or where a request for rehearing or Director Review of an institution decision was filed and remains pending.” Boalick Memo at 2-3. Thus, after having induced Petitioners’ reliance on the Vidal Memo’s guidance that the *Sotera* stipulation would dispositively preclude discretionary denial based on the district court proceeding, the Office unfairly changed the rules of the game by retroactively applying the rescission of the Vidal Memo to this IPR whose Petition had long since been filed and whose timing could not possibly be changed.

The Director’s Order vacates and rescinds the institution of this IPR based on finding that “Petitioner’s *Sotera* stipulation do[es] not outweigh *Fintiv* factors 2 and 3.” Order at 3. This basis for discretionary denial undisputably would not have been available under the Vidal Memo in view of Petitioner’s *Sotera* stipulation. It is a violation of due process and the APA for the Director to

⁸ https://www.uspto.gov/sites/default/files/documents/guidance_memo_on_interim_procedure_recission_20250324.pdf

retroactively apply the rescission of the Vidal Memo’s “binding” guidance to this Petition that had already been filed months before the Vidal Memo was rescinded, and whose timing in relation to the district court proceeding had already been set in reliance on that guidance. *See, e.g., Perry v. Sindermann*, 408 U.S. 593, 601 (1972) (“A person’s interest in a benefit is a ‘property’ interest for due process purposes if there are such rules or mutually explicit understandings that support his claim of entitlement to the benefit...”); *FDA v. Wages & White Lion Invs., LLC*, 145 S. Ct. 898, 918 (2025) (“[W]hen an agency issues guidance, it cannot ‘change the requirements set forth therein without consideration of applicants’ reasonable reliance interests, proper notice to applicants, and a reasonable opportunity for applicants to conform to the changed requirements.”); *Dep’t of Homeland Sec. v. Regents of the Univ. of Cal.*, 591 U.S. 1, 30-31 (2020) (similar); *Mexichem Fluor, Inc. v. EPA*, 866 F.3d 451, 462 (D.C. Cir. 2017) (“The Due Process Clause limits the Government’s authority to retroactively alter the legal consequences of an entity’s or person’s past conduct. To satisfy the Due Process Clause, [an agency] must at a minimum ‘provide regulated parties fair warning of the conduct a regulation prohibits or requires.’”); *Smith v. Metro. Sch. Dist. Perry Twp.*, 128 F.3d 1014, 1039-40 (7th Cir. 1997) (“[W]e must...refrain from giving retroactive effect to agency policy guidelines.”); *McDonald v. Watt*, 653 F.2d 1035, 1044 (5th Cir. 1981) (“In general, the ill effect of retroactivity is the frustration of the

expectations of those who have justifiably relied on a prior rule.”).

The Office’s recent FAQ #14⁹ advises that “[w]here the petitioner is relying on corresponding system art in a co-pending proceeding and/or several other invalidity theories, a stipulation may not be particularly meaningful.” Likewise, recent Director discretionary decisions have only credited a petitioner’s stipulation as weighing against discretionary denial if the stipulation is “broad”—i.e., even broader than the scope of §315(e) estoppel invoked in *Sotera*. See *Shenzhen, IPR2025-00438*, Paper 10 at 3; *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2 (June 13, 2025). The implication of the Order here is that the Director faulted Samsung’s *Sotera* stipulation for not agreeing to forego in the district court Samsung’s “other invalidity theories,” including those relying on “system art” that could never have been brought in IPR. FAQ #14. This *ultra vires* basis for the Order further violates the APA and separation of powers by end-running around the statute establishing the type of grounds permitted in IPR and the proper scope of estoppel (i.e., the grounds that an IPR petitioner should forego in district court) that already ensures IPR is a true alternative to the district court and *vice versa*. 35 U.S.C. §311(b), §315(e); see, e.g., *Util. Air Regul. Grp. v. EPA*, 573 U.S. 302, 327-28 (2014) (“[A]n agency may not rewrite clear statutory terms

⁹ <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management>

to suit its own sense of how the statute should operate.”) (“Were we to recognize the authority claimed by [the agency], we would deal a severe blow to the Constitution’s separation of powers.”); DR-Response at 1-3.

As the Federal Circuit explained in *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354, 1365 (Fed. Cir. 2025), “Congress intentionally limited an IPR’s scope to invalidity challenges based on ‘prior art consisting of patents or printed publications.’ 35 U.S.C. § 311(b). By design, a petitioner has no opportunity to challenge that the claimed invention was known or used by others, on sale, or in public use at IPR” based on system art. The IPR system that Congress designed by statute “does not preclude a petitioner from asserting” in district court “different grounds that could not be raised during an IPR.” *Ingenico*, 136 F.4th at 1367. The Director does not have discretion to pressure petitioners to forego district-court defenses that could never have been raised in IPR in order to have their much more limited IPR grounds even considered on the merits.

For each of these reasons and those already discussed in Petitioners’ DR-Response at 1-3, the Order’s failure to credit the *Sotera* stipulation and uphold the merits panel’s institution of this IPR is improper and should be reversed.

V. CONCLUSION

For each reason above, the Order vacating institution should be reversed.

/Elisabeth Hunt/ August 15, 2025
Elisabeth Hunt, Reg. No. 67,336

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

I certify that on August 15, 2025, a copy of the foregoing document, including any exhibits or appendices filed therewith, is being served via electronic mail, as previously consented to by Patent Owner, upon the following:

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Date: August 15, 2025

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