UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ERICSSON INC., NOKIA OF AMERICA CORP., AT&T SERVICES, INC., CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS, GOOGLE LLC, AND T-MOBILE USA, INC.,
Petitioners,

v.

PEGASUS WIRELESS INNOVATION LLC,
Patent Owner.

Case IPR2025-00084
U.S. Patent No. 11,219,000

PATENT OWNER'S PRELIMINARY SUR-REPLY

PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Memorandum Opinion and Order in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex Dec. 11, 2024)
2002	Memorandum Opinion and Order in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex Dec. 23, 2024)
2003	Reserved
2004	Defendants' Preliminary Invalidity Contentions in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex May 17, 2024)
2005-2017	Reserved
2018	Comparison of Districts Within the Fifth Circuit — 12-Month Period Ending September 30, 2024 (available at https://www.uscourts.gov/sites/default/files/2025-02/fcms_na_distcomparison1231.2024.pdf)
2019-2022	Reserved
2023	U.S. Patent Pub. No. 2020/0252180 (Takeda counterpart)
2024	U.S. Patent Pub. No. 2017/0265176 (Marinier counterpart)
2025	Appendix G to Defendants' Preliminary Invalidity Contentions in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex May 17, 2024)
2026	Ex. G-9 of Appendix G to Defendants' Preliminary Invalidity Contentions in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex May 17, 2024)
2027	Ex. G-8 of Appendix G to Defendants' Preliminary Invalidity Contentions in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex May 17, 2024)
2028	Ex. G-3 of Appendix G to Defendants' Preliminary Invalidity Contentions in *Pegasus Wireless Innovation LLC v. Verizon Communications Inc. et al.*, Nos. 2:23-cv-00640, 2:23-cv-00638, 2:23-cv-00639 (E.D. Tex May 17, 2024)

2029-2203	Reserved
2204	Fifth Amended Docket Control Order, issued April 14, 2025

As authorized by the Board by email on March 31, 2025, Patent Owner files this Preliminary Sur-Reply in support of its Preliminary Response ("POPR") and in response to Petitioners' Preliminary Reply ("Reply").

A. Factor 1 Favors Denial (Likelihood of Stay)

An institution decision in this case is due about three months before the scheduled trial date (September 8, 2025), and institution decisions for other involved patents are almost two months ***behind this case***. A stay under these circumstances would be unprecedented, and Petitioners have not presented argument or evidence to the contrary. Factor 1 favors denial of institution.

B. Factor 2 Favors Denial (Timing of Trial)

Fintiv factor 2 weighs in favor of denying institution because the district court's scheduled trial is set for September 8, 2025, roughly ten months before the June 9, 2026 date expected for a final written decision. Petitioners argue that "Petitioners comprise multiple entities with different trial dates," but this theory has been debunked in the POPR. *See* POPR, 8-9. Petitioners fail to explain why the earliest trial will not be able to fully resolve all pending validity issues surrounding the '000 patent, including the challenges that cannot be raised in this IPR. Moreover, *HP Inc., et al. v. Neodron Ltd.*, IPR2020-00459, Paper 17 at 36, 38 (PTAB Sept. 14, 2020) does not support Petitioners' theory that different trial dates weigh against discretionary denial. Rather, factor 2 was treated as ***neutral*** where

one litigation—involving two of the co-petitioners—was stayed pending IPR. *Id*., at 34 (noting the "ND Cal. action … has been stayed pending [IPR]."). No stay is in place in this case, and a stay is unlikely to be granted. Further, all three cases are consolidated for all pre-trial purposes and therefore will be on equal procedural footing when the first trial begins on September 8, 2025. Therefore, even the conclusion in *HP Inc*. that this factor was "neutral" cannot apply here.

Petitioners also complain that "Petitioner Google, Inc. is not a party to any trial," but this argument fails. Google joined the named defendants as a co-Petitioner, knowing that Google could be subject to the same post-IPR estoppel statutes as the named defendants. This shows Google's willingness to be treated on parity with the other Petitioners and does not insulate all Petitioners from a *Fintiv* denial. *See Google LLC v. Cerence Operating Co*., IPR2024-01465, Paper 15 at 13-14 (PTAB April 23, 2025) ("Petitioner Google's presence in this proceeding does not raise the concerns that a *Fintiv* analysis is designed to address."). *IQE PLC v. Cornell Rsch. Found. Inc.*, IPR2024-00609, Paper 9 at 12-13 (PTAB Sept. 13, 2024), cited by Petitioners, is completely inapposite, as Petitioners failed to inform the Board that IPR2024-00609 was a ***single-petitioner case***, and did not involve a mixing of defendant and non-defendant petitioners. *IQE* does not even remotely suggest that Google's involvement here insulates the other Petitioners from the *Fintiv* analysis.

Petitioners argue that the trial date may change, but this is founded entirely on speculation. Reply, 1-2. Speculation is not enough to modify this factor, which weighs heavily in favor of discretionary denial. *See* POPR, 4-5 (collecting cases). Moreover, Petitioners' argument that three trials might lead to "inconsistent" outcomes on validity is uncompelling given that Petitioners are asking this Board to initiate a fourth proceeding. If the risk of inconsistency is of great concern, that concern is not assuaged by launching a fourth parallel proceeding.

C. Factor 3 Favors Denial (Investment in Parallel Proceedings)

Petitioners still provide no explanation for the gap between service of their invalidity contentions in district court and filing their petition. POPR, 9-10. Instead, Petitioners again lean on Google's participation and argue that the Board may only look to "the status of the district court proceedings *at the time the POPR was filed*" (Reply, 2) (emphasis in original) (citing *Motorola Sols., Inc. v. Stellar, LLC*, IPR 2024-01205, Paper 19 at 3 (PTAB Mar. 28, 2025)). Petitioners misread *Motorola* to establish a boundary on what activities may be considered. Substantial activity has occurred in district court, including the March 13, 2025, *Markman* hearing, and opening expert reports have been served. POPR, 11-12. By June 10, expert discovery will be complete, dispositive motions will have been filed, and the parties will be preparing Pretrial Disclosures. Ex. 2204.

Further, Petitioners do not deny the overlap between the printed publications

Petitioners relied on here and in district court. POPR, 13-14. Instead, Petitioners incorrectly assert that "Defendants have *not* proffered any invalidity contentions based on unpublished system prior art." Reply, 2 (emphasis in original). Petitioners' invalidity contentions tell a different tale. *See, e.g.,* Ex. 2004, 14 n.5 ("identify[ing] any systems or products that embody the technology described in any patent or publication identified in these Preliminary Invalidity Contentions"); *id*., 29. Factor 3 weighs in favor of denial.

D. Factor 4 Favors Denial (Overlap of Issues)

Again, Petitioners argue a lack of overlap of issues, but this is founded upon their inaccurate claim of a lack of contentions concerning "system" prior art and their late-filed *Sotera* stipulation. Their argument falls apart when Petitioners' actual invalidity contentions are considered. Indeed, Petitioners' contentions place them in the category of gaming the system that would allow substantial overlap between the challenges presented here and the challenges presented in district court. *See SAP America, Inc. v. Cyandia, Inc*., IPR2024-01432, Paper 14 at 9 (PTAB April 7, 2025) ("Although Petitioner has filed a *Sotera* stipulation, we agree with Patent Owner that the stipulation has limited practical effect in reducing the overlapping efforts here and in the Texas litigation."). Notwithstanding Petitioners' late-filed *Sotera* stipulation, the risk of overlap between Petitioners' evidence in this proceeding and its invalidity theories in the litigation remains high.

Factor 4 also weighs in favor of discretionary denial.

E. Factor 5 Favors Denial (Overlapping Parties)

Both the IPR and the district court litigation involve the same parties. The addition of Google as a co-Petitioner does not change the proper conclusion that Factor 5 weighs strongly in favor of denial for the same reasons presented above for Factor 2.

F. Factor 6 Favors Denial (Other Factors)

For the reasons set forth in the POPR (*see* POPR, 18-28), Factor 6 also weighs in favor of discretionary denial. Petitioners' factor 6 arguments fail because it is proper to consider the other IPRs to provide a big picture of how institution would be unlikely to result in a conservation of resources. Regarding the merits, Petitioners add a two-page explanation of the Petition (Reply, 4-5), which is more than enough circumstantial evidence to demonstrate that the Petition failed to present a compelling case. The Reply's explanation attempts to untangle the internally-inconsistent testimony of Dr. Roy on how a POSITA allegedly would have interpreted the asserted references. But this is ultimately a mess of Petitioners' own making for relying upon expert testimony for claimed features, rather than patents or printed publications. *See* 35 U.S.C. § 311(b). Factor 6 weighs in favor of discretionary denial.

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CERTIFICATE OF SERVICE

Petitioner has consented to e-mail service in this proceeding. Pursuant to 37 C.F.R. §42.6, the undersigned certifies that on this date, a copy of the foregoing document was served by email upon the following counsel at the below email addresses:

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