

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIFESCAN, INC., SENSEONICS HOLDINGS, INC., and ASCENSIA
DIABETES CARE HOLDINGS AG,

Petitioners,

v.

CELLSPIN SOFT, INC.,

Patent Owner

IPR2025-00102 (Patent 11,234,121 B2)

IPR2025-00103 (Patent 9,900,766 B2)

IPR2025-00104 (Patent 8,904,030 B2)¹

**PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW
OF INSTITUTION DECISION AND REHEARING DENIAL**

¹ This response addresses issues common to the identified cases.

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I. INTRODUCTION

The Director ordered a standalone institution determination. The Board did not make one. It refused pre-institution briefing, skipped discretionary review, failed to apply *Revvo*, and adopted a hybrid-record approach: it granted institution on the petition-stage record while directing adjudication on the TikTok-developed post-institution record, even though the current Petitioners *disclaimed* TikTok’s claim-construction positions in district court. The Board then treated the absence of briefing as support for institution. That is not harmless error; it is the absence of a valid determination under 35 U.S.C. § 314(a) and a plain failure to consider the merits of these petitions on their own.

The contradiction appears in the Board’s own orders. The Director vacated institution of the TikTok petitions, vacated all joinder orders, and directed the Board to determine whether these petitions “should be instituted on their own.” Paper 42 at 6–7. The Board instead reframed the issue as whether the proceedings could continue “separately from the TikTok IPRs.” Paper 22 at 3. It *refused* Patent Owner’s request for post-vacatur briefing, stating that the Director’s Order “does not contemplate reopening the pre-trial record” for “a ‘fresh *Fintiv* analysis’ and new argument regarding settled expectations.” *Id.* It then granted institution while stating that “Patent Owner presents no arguments against institution.” Paper 18 at 2. And although the Institution Decision rested on the limited petition-stage record, the

Board directed the parties to “adopt and rely upon the post-institution record from the TikTok IPRs” for adjudication. Paper 22 at 6; *see also* Paper 16 at 3. If these petitions had to be evaluated “on their own,” the Board could not deny briefing, refuse fresh discretionary analysis, ignore the absence of any petitioner-specific claim-construction framework, and adjudicate on a TikTok-developed record the current Petitioners *disclaimed*. The Board’s process produced the very absence of argument it then invoked to justify institution.

First, the Board conducted no fresh discretionary analysis in the *post-vacatur* posture, despite Patent Owner’s request to address *Fintiv*, settled expectations, duplication, and the changed posture of the parallel district court litigation.

Second, the Board instituted without any governing claim-construction framework, even though the current Petitioners *disclaimed* TikTok’s claim-construction positions while offering none of their own. Under *Revvo Technologies, Inc. v. Cerebrum Sensor Technologies, Inc.*, IPR2025-00632, Paper 20 at 6–7 (PTAB Nov. 3, 2025) (precedential), that failure ordinarily requires denial of institution.

Third, the Board adopted an impermissible *hybrid-record* approach, granting institution on one record while directing adjudication on another.

II. LEGAL STANDARD AND PROCEDURAL BACKGROUND

Section 314(a) requires a petitioner-specific showing. That burden “never shifts to the patentee,” and the Board must evaluate the case actually presented by

the petitioner, not another party’s record or theory. *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1375, 1380 (Fed. Cir. 2016); *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015).

The institution inquiry also must rest on reasoned agency decision-making and a coherent merits framework. Agency action must be judged on the grounds invoked and must reflect “a rational connection between the facts found and the choice made.” *SEC v. Chenery Corp.*, 318 U.S. 80, 87 (1943); *Motor Vehicle Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983).

The APA also reflects the basic adjudicatory principle that materials filed “in the proceeding” constitute the “exclusive record for decision.” 5 U.S.C. § 556(e). Claim construction, of course, is a key part of that framework where necessary. *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017). Under *Revvo*, a petitioner advancing inconsistent claim-construction positions “should, at a minimum, explain why alternative positions are warranted,” and absent such an explanation, “ordinarily, that would mean a denial of institution.” *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 at 6–7 (PTAB Nov. 3, 2025) (precedential).

USPTO policy confirms that discretionary review is part of institution. The Office’s *Interim Processes for PTAB Workload Management* (Mar. 26, 2025) provides that institution decisions are “bifurcated between: (i) discretionary

considerations ..., and (ii) merits,” and identifies “settled expectations of the parties” as relevant to discretionary denial. Thus, a valid institution decision in this posture required a petitioner-specific merits showing, a governing claim-construction framework, fresh discretionary analysis, and a fair opportunity to develop the record.

The sequence here shows the defect. On March 30, 2026, the Director vacated institution of the TikTok petitions and all joinder orders and directed the Board to determine whether these petitions “should be instituted on their own.” Paper 42 at 6–7. On April 2, the Board stated that the cases were “fully briefed” and could “move directly to Oral Argument.” Paper 12 at 4. Patent Owner filed an April 3 submission raising discretionary denial, *Fintiv*, settled expectations, claim-construction inconsistency, and TikTok-record issues; the Board *expunged* it on April 6. Paper 14 at 2. Patent Owner renewed its request during the April 8 teleconference. On April 15, the Board instituted while stating that “Patent Owner presents no arguments against institution.” Paper 18 at 2. Only after institution did the Board authorize a limited seven-page supplemental merits brief. Paper 19. But the claim-construction and petitioner-specific merits issues addressed in that supplemental brief were part of the § 314(a) institution inquiry, particularly under *Revvo*. They therefore had to be considered before institution, not after it.

That sequence reverses § 314(a). The Board decided institution before allowing the record required by the Director’s Order to develop. Institution cannot

be justified retroactively through post-institution merits briefing on issues that should have informed the institution decision itself at the outset.

III. THE BOARD FAILED TO CONDUCT THE STANDALONE INSTITUTION ANALYSIS ORDERED BY THE DIRECTOR

The Director’s Order *required* the Board to determine whether these petitions “should be instituted on their own.” Paper 42 at 6–7. That required more than merely confirming that the proceedings could continue without TikTok’s formal participation. It required the Board to determine whether the current Petitioners satisfied 35 U.S.C. § 314(a) based on their own showing, under a coherent claim-construction framework, and *after* consideration of the discretionary issues created by the Director’s vacatur. The Board did not perform that analysis.

A. The Board Conducted No Fresh Discretionary Analysis

The Board refused any fresh discretionary analysis in the post-vacatur posture. The Director’s vacatur *eliminated* the prior institutional framework. These petitions were no longer joined to a TikTok-led proceeding, no longer supported by a unified petitioner record, and no longer situated in the same procedural posture. That reset required the Board to reassess discretionary considerations under § 314(a), including *Fintiv*, duplication, settled expectations, and the changed posture of the parallel district court litigation. Yet the Board failed in all respects.

Patent Owner sought to raise those issues *before* institution. In its April 3 submission and again during the April 8 teleconference, Patent Owner identified the need for a fresh discretionary analysis based on current facts, including the status of the district court stay, the advanced posture of the TikTok litigation before the stay, the April 9 Joint Statement in the district court, duplication between the Board and district court proceedings, and *settled expectations* arising from patents that have been in force for eight and eleven years. The Board did *not* analyze those issues. Instead, it stated that the Director's Order "does not contemplate reopening the pre-trial record so that it could raise new discretionary denial arguments (including a 'fresh *Fintiv* analysis' and new argument regarding settled expectations)." Paper 22 at 3.

That reasoning cannot be reconciled with the Director's Order or the Office's own institution policy. The *Interim Processes for PTAB Workload Management* confirms that institution decisions are bifurcated between discretionary considerations and merits. Discretionary review is therefore part of institution, not a procedural luxury. Once the Director vacated the prior institutions and joinders and required the Board to evaluate these petitions "on their own," the Board could not carry forward the old posture and refuse to consider discretionary issues arising from the reset. The omission was material: current discretionary facts could have supported denial without reaching the merits.

B. The Board Instituted Without a Governing Claim-Construction Framework

The Board also instituted review without any governing claim-construction framework. In the post-vacatur posture, the only developed claim-construction positions in the record were TikTok's. The current Petitioners, however, expressly *disclaimed* TikTok's positions in the parallel district court litigation, stating that "TikTok's claim construction positions in its district court case are *not relevant to this case*, which does not even involve TikTok," and that "just because TikTok took certain positions does not mean the PTAB will adopt those positions." *See Cellspin Soft, Inc. v. Senseonics Holdings, Inc.*, No. 2:24-cv-00263-JRG-RSP (E.D. Tex.) ("EDTX Case"), Senseonics Reply, Dkt. 66 at 5 & n.2. Petitioners cannot simultaneously disclaim TikTok's constructions in district court while relying on a Board record developed under those constructions. Having disclaimed the only developed constructions in the record, Petitioners were required to identify the constructions governing their challenges and explain why their positions diverged from the framework under which the record had been developed. They did neither. That failure is dispositive under *Revvo*. Again, the Director has explained that when a petitioner advances inconsistent claim-construction positions, it "should, at a minimum, explain why alternative positions are warranted," and that absent such an explanation, "ordinarily, that would mean a denial of institution." *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 at 6–7 (PTAB Nov. 3,

2025) (precedential). Here, the problem is even more severe than in *Revvo*: Petitioners did not merely advance an inconsistent construction; they disclaimed the only developed claim-construction framework while offering none of their own. The Board did not require Petitioners to reconcile their positions. It did not identify a governing construction itself. It did not apply *Revvo*, distinguish *Revvo*, or acknowledge the claim-construction problem before institution. Because the Board expunged Patent Owner’s April 3 submission and denied pre-institution briefing, the claim-construction issue was never developed before the institution decision was made. Claim construction is not peripheral. It defines the scope of the claims and therefore the scope of the prior-art analysis. Without a governing construction, there is no meaningful basis to determine whether Petitioners have shown a reasonable likelihood of prevailing. A petitioner cannot satisfy § 314(a) in the absence of a coherent claim-construction framework, particularly where (as here) it has expressly disclaimed and distanced itself from the only framework in the record.

C. The Board Adopted an Impermissible Hybrid-Record Approach

The Board’s hybrid treatment of the record independently confirms the absence of a valid standalone institution analysis. The Institution Decision relied on the petition-stage record to justify institution. At the same time, the Board directed that *adjudication would proceed on the post-institution record developed in the TikTok IPRs*. Specifically, the Board stated that the proceeding would continue on

“the record that had been previously developed in the TikTok IPRs.” Paper 16 at 3. The Board later directed the parties to “adopt and rely upon the post-institution record from the TikTok IPRs” for oral argument and the remainder of the proceeding. Paper 22 at 6. Those records are not interchangeable. The petition-stage record on which institution was granted is distinct from the post-institution record developed by TikTok, which includes the Patent Owner Response, expert rebuttal testimony, depositions, reply and sur-reply briefing, and motion practice. More importantly, the TikTok-developed record was created in response to TikTok’s theories and under claim-construction positions that the current Petitioners expressly disclaimed.

Nor were any of those post-institution materials filed in these proceedings. The Patent Owner Response, reply, sur-reply, expert rebuttal, deposition, and motion-practice materials were developed in the TikTok IPRs, not in IPR2025-00102, IPR2025-00103, or IPR2025-00104. The Board’s directive that the parties “adopt and rely upon the post-institution record from the TikTok IPRs,” Paper 22 at 6, therefore imports an adjudicatory merits record from different proceedings into these proceedings.

That is not a permissible adjudicatory posture under § 314(a) or the APA. Section 556(e) provides that “[t]he transcript of testimony and exhibits, together with all papers and requests filed in the proceeding, constitutes the exclusive record for decision.” 5 U.S.C. § 556(e). Put simply, the “exclusive record” is the record of the

proceeding being decided, not the record of the vacated TikTok proceedings. That rule matters here because the Patent Owner Response, TikTok reply, sur-reply, expert rebuttal, deposition, and motion-practice materials were *not* filed in IPR2025-00102, IPR2025-00103, or IPR2025-00104. They were developed in different proceedings by TikTok, which was later deemed ineligible to file an IPR.

The Supreme Court has long held that an agency may not base an adjudicatory decision on materials outside the record without affording notice and a meaningful opportunity to respond. *Ohio Bell Tel. Co. v. Pub. Utils. Comm'n of Ohio*, 301 U.S. 292, 300–03 (1937). Agency action also must stand or fall on “the grounds invoked by the agency,” *Chenery*, 318 U.S. at 87, and must reflect “a rational connection between the facts found and the choice made.” *State Farm*, 463 U.S. at 43. Consistent with those principles, the Federal Circuit has vacated Board decisions where the Board relied on theories or evidence without giving the patent owner a fair opportunity to respond. *Dell Inc. v. Acceleron, LLC*, 818 F.3d 1293, 1301 (Fed. Cir. 2016); *In re NuVasive, Inc.*, 841 F.3d 966, 971–72 (Fed. Cir. 2016).

Those principles apply with particular force here. Petitioners cannot obtain institution on the petition-stage record and then adjudicate unpatentability on a different petitioner’s post-institution record, especially where that record was never filed in these proceedings and was built under claim-construction positions the current Petitioners refuse to adopt.

The burden problem is fundamental. Petitioners bear the burden to prove unpatentability, and that burden “never shifts.” *Magnum Oil*, 829 F.3d at 1375. The Board must evaluate the case actually presented by the petitioner, not a record developed by another party. *Id.* at 1380; *Dynamic Drinkware*, 800 F.3d at 1378.

The Board’s approach does the opposite, permitting the current Petitioners to proceed on a TikTok-developed merits record while disclaiming the claim-construction positions underlying it, even though the Director vacated the TikTok institutions, denied the TikTok petitions, vacated the joinder orders, and determined that TikTok was “deemed ineligible to file an IPR.” Paper 42 at 6–7. That cannot be reconciled with the Director’s instruction to determine whether these petitions should be instituted “on their own.” Paper 42 at 6–7. A proceeding that depends on the post-institution record of a petitioner deemed ineligible to file an IPR, developed under disclaimed claim constructions and never filed in these cases, is not a standalone proceeding. It is a continuation of the vacated TikTok framework under different party names. The Board therefore failed to conduct the independent institution analysis required by the Director’s Order and § 314(a).

IV. THE BOARD’S PROCEDURE INDEPENDENTLY PRECLUDED A VALID INSTITUTION DETERMINATION

Even apart from the substantive defects, the Board’s procedure independently requires vacatur. The Board *prevented* Patent Owner from developing the very

arguments it later treated as absent, relied on irreconcilable premises, and incorrectly suggested that Patent Owner agreed to proceed on the TikTok-developed record.

A. The Board Created the Absence of Briefing It Relied Upon

The Institution Decision stated that “Patent Owner presents no arguments against institution.” Paper 18 at 2. But that statement was a product of the Board’s own procedure. Patent Owner attempted to present arguments against institution in the post-vacatur posture. It filed an April 3 submission addressing discretionary denial, *Fintiv*, settled expectations, claim-construction inconsistency, and the impropriety of relying on the TikTok-developed record. The Board *expunged* that submission. Paper 14 at 2. Patent Owner then again requested the opportunity to brief those issues during the April 8 teleconference. The Board *declined* to permit full briefing and proceeded to institution.

The Board cannot both deny Patent Owner the opportunity to present arguments and then rely on the resulting absence of arguments to support institution. Nor was the defect cured by the Board’s later authorization of a limited seven-page supplemental merits brief, which was expressly limited to non-discretionary topics. Paper 19. By then, the Board had already made the institution decision, which determined whether the proceeding should exist at all. The issues addressed in that supplemental brief, including claim construction and the petitioner-specific merits framework, bore directly on the § 314(a) institution inquiry, particularly under

Revvo. Institution must be based on the record and analysis existing when institution is granted; it cannot be justified retroactively through post-institution merits briefing on issues that should have informed institution in the first instance.

The Board *granted institution on the petition-stage record while directing adjudication on the TikTok-developed post-institution record*. Paper 22 at 6; *see also* Paper 16 at 3. It relied on the absence of Patent Owner arguments while having expunged Patent Owner’s submission. And it substituted the wrong inquiry for the Director’s directive: the Director required a determination whether the petitions “should be instituted on their own,” but the Board asked only whether they could continue “separately from the TikTok IPRs.” Paper 22 at 3.

Agency action must reflect “a rational connection between the facts found and the choice made.” *State Farm*, 463 U.S. at 43; *see also Chenery*, 318 U.S. at 87. Where the agency’s reasoning depends on premises that cannot be reconciled, no reasoned decision-making path exists.

B. Patent Owner Did Not Agree to Proceed on the TikTok-Developed Record

Any suggestion that Patent Owner agreed to proceed on the TikTok-developed record is unsupported and legally irrelevant. The Board did not offer Patent Owner a choice or solicit agreement; it stated that the cases could “move directly to Oral Argument.” Paper 12 at 4. The record reflects objection, not agreement. Patent

Owner objected in its April 3 submission and again during the April 8 teleconference, seeking to address the TikTok-record issue, fresh discretionary analysis, and the absence of a governing claim-construction framework. The Board expunged the April 3 submission and denied full briefing. Patent Owner preserved the same position in its Board-authorized May 6 supplemental brief, which was post-institution and cannot cure the absence of a developed petition-stage record.

In any event, agreement cannot supply what § 314(a) requires. Petitioners must show a reasonable likelihood of success based on their own showing, not another party's record or Patent Owner's consent. *Magnum Oil*, 829 F.3d at 1375. Nor can waiver or consent cure the absence of a governing claim-construction framework. The institution decision must stand or fall on the Board's reasoning, not on any characterization of agreement.

V. THE ERRORS ARE STRUCTURAL, PREJUDICIAL, AND REQUIRE VACATUR

The Board's errors are structural and prejudicial because they concern the validity of the institution determination itself. Section 314(a) required a petitioner-specific institution decision before institution, under a coherent analytical framework, and after consideration of relevant discretionary issues. The Board did not apply that framework. Each defect mattered. Fresh discretionary analysis could have resulted in denial without reaching the merits. A governing claim-construction

framework was necessary to evaluate whether Petitioners showed a reasonable likelihood of success. The hybrid-record approach allowed Petitioners to proceed on a TikTok-developed record they neither created nor reconciled. None of those defects was cured by the later seven-page supplemental merits brief. Because the Board failed to conduct the standalone analysis required by the Director's Order and § 314(a), the Institution Decision and Rehearing Denial should be vacated. See *State Farm*, 463 U.S. at 43.

VI. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Director grant review, vacate the April 15, 2026 Institution Decision and the April 28, 2026 Rehearing Denial, and deny institution. In the alternative, Patent Owner requests remand with instructions to permit full briefing and conduct a proper standalone institution evaluation.

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Date: May 8, 2026

Respectfully submitted,

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CERTIFICATION OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(b), the undersigned certifies that on May 8, 2026, a copy of the foregoing document was served by electronic mail on the following:

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