

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

JUMIO CORPORATION,
Petitioner,

v.

FACETEC, INC.,
Patent Owner.

Patent No. 10,776,471

Inter Partes Review No. IPR2025-00106

AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST

Petitioner submits this response to Patent Owner’s Request for Director Review (“Request”) of the Board’s Decision on Institution (“DI”).

I. INTRODUCTION

PO’s Request should be denied because it fails to show that the Board misapprehended or overlooked a material issue of fact or law. The Board properly exercised its discretion in weighing the *Fintiv* factors and alleged “settled expectations” do not warrant further review. If anything, the Nevada district court’s recent stay of that litigation—which PO misrepresents in its Request (Request, 4)—tilts the *Fintiv* factors even further in favor of institution.

A. The Board Correctly Found That a Stay, or Likelihood of a Stay, is at Least Neutral (Factor 1)

PO’s argument that the Board wrongly found Factor 1 to be neutral is baseless. (Request, 7.) The court in the California case recently directed that “Jumio may also notice a renewed motion to stay the case pending *inter partes* review.” *FaceTec, Inc. v. Jumio Corp.*, Case No. 5:24-cv-3623 (N.D. Cal.), Dkt. 102. And Jumio will renew that motion *regardless* of how the court rules on FaceTec’s pending disqualification motion. Moreover, this factor now clearly weighs *in favor of institution* because the court in the Nevada case granted iProov’s motion to stay the case pending completion of this IPR after the Board’s decision. *FaceTec, Inc. v. iProov, Ltd.*, Case No. 2:21-cv-02252-ART-BNW (D. Nev.), Dkt. 188. FaceTec did not disclose this important development in its Request.

B. The Board Correctly Found That the Trial Dates Weighed in Favor of Institution (Factor 2)

PO's argument that the Board's findings for Factor 2 "reward[s] Perkins Coie's ethical misconduct" is wrong. (Request, 7-8.) It overlooks that the original trial date in the California action was set for two months after the FWD even *before* PO moved to disqualify Perkins Coie. Accordingly, Factor 2 did not favor denial even if that issue was ignored. *Apple v. Fintiv*, IPR2020-00019, Paper 11, 9 (PTAB); *compare Shenzhen Tuozhu Tech. Co., Ltd. v. Stratasys, Inc.*, IPR2025-00354, Paper 11, 2 (PTAB) (FWD due six weeks *after* the trial date).

The reality now, as the Board recognized, is that trial in the California action will take place well after the original trial date. (DI, 7.) According to the original schedule, the parties were to have completed all claim construction briefing and held their Markman hearing by now. *FaceTec, Inc. v. Jumio Corp.*, Dkt. 38. But the parties have not even submitted the joint claim construction statement that would have been due on Feb. 25, 2025. *Id.* The parties are therefore already four months behind schedule, and the court has yet to rule on PO's motion to disqualify Morrison & Foerster. That motion is entirely without merit. *Id.*, Dkt. 119. And the stay of the Nevada case tilts this factor even further in favor of institution.

C. The Board Correctly Found the Relative Lack of Investment in the Parallel Litigation Weighed in Favor of Institution (Factor 3)

PO's assertion that the Board "underestimated" the parties' investment in the

district court cases and that their investment “mirrors” that in *Fintiv* (Request, 9) is incorrect. In *Fintiv*, the Board expressly stated that this factor (1) favors denial if the court has issued a claim construction or other substantive orders related to the patent and (2) favors institution if the court has not issued any such orders. *Fintiv*, Paper 11, 10. The Board in *Fintiv* found this factor “somewhat” favored denial because, *inter alia*, the court held a Markman hearing and issued “a detailed 34-page claim construction order construing seven claim terms.” *Fintiv*, Paper 15, 13-14. Here, the courts have not issued any claim construction or other substantive orders relating to the patent—and the parties have not even begun to brief claim construction in the California action. *Fintiv*, Paper 11, 10; *AT&T Servs. Inc. v. Asus Tech. Licensing Inc.*, IPR2024-00992, Paper 14, 12 (PTAB) (Factor 3 weighs against denial where “the court ha[d] not issued any substantive orders”).

D. The Board Properly Considered the Overlap Between the Issues Raised in the Petition and the Parallel Proceeding (Factor 4)

PO’s two arguments: that the Board should have “afforded [F]actor [4] even more weight” because it “did not comment on” the lack of a *Sotera* stipulation, and that there are now “three proceedings addressing the claims of the challenged patent,” should be rejected. The Board already found that this factor “weighs against institution” (DI, 8) *after considering* PO’s argument regarding the lack of a *Sotera* stipulation (POPR, 61-62). Moreover, PO itself is responsible for

unnecessarily multiplying these proceedings by filing different cases against iProov (Nevada) and Jumio (California).¹ PO cannot now contend that its decision to multiply these proceeding should weigh against institution.

E. The Board Properly Considered the Overlap in Parties in the Parallel Proceedings (Factor 5)

PO's argument that the Board should have found Factor 5 weighed "more than marginally" in favor of denial (Request, 10-11) is grounded in its flawed assertion that the Nevada action must weigh in favor of denial even though Jumio is not a party. But PO's cited decisions do not support that claim. In *Fintiv*, the Board found that a parallel case in which petitioner is not a party can weigh in favor of denial "if the issues are the same, or substantially similar to those *already or about to be litigated*." *Fintiv*, Paper 11, 14 (emphasis added). In *Mylan*, the Board found Factor 5 favored denial where parallel cases against Mylan and Teva both involved "substantially the same" issues as raised in the petition and there was no stay, pending motion to stay, or stated intent to move to stay in either case. *Mylan Laboratories Ltd. v. Janssen Pharmaceutica N.V.*, IPR2020-00440, Paper 17, 1 (PTAB). Here, there are no issues in the Nevada case that have been or are about to be litigated, and that case has now been stayed. Nevada action, Dkt. 188.

¹ iProov is a foreign corporation and there does not appear any reason FaceTec could not have filed suit against iProov and Jumio in California.

F. Other Circumstances Support Institution—Not Discretionary Denial (Factor 6)

PO's Factor 6 arguments both fail. The Board did *not* find the merits to be “weak.” (Request, 12.) Rather, the Board “d[id] not find the merits . . . to be of particular significance” and therefore correctly found this factor not to weigh in favor or against denial. (DI, 9.) *TCL* and *Pharaoh* are inapposite. In *TCL*, the Board found that petitioner failed to meet the reasonable likelihood standard. *TCL Electronics Holdings Ltd. v. Univ. of Rochester*, IPR2024-01245, Paper 10, 16 (PTAB). And in *Pharaoh*, none of the factors weighed against denial. *Pharaoh Energy Servs., LLC v. Flex-Chem Holding Co., LLC*, IPR2024-00822, Paper 6, 30 (PTAB).

G. There Is No Settled Expectation of the Parties That Warrants Discretionary Denial

PO's new argument regarding “settled expectations” (Request, 14) is waived and meritless. Petitioner filed the petition within four years of the '471 Patent issuing, and less than four months after PO filed the California case. Moreover, iProov challenged the validity of the '471 Patent in the Nevada action just 19 months after the patent issued. Nevada action, Dkt. 22, 7, 13. PO also did not bring infringement claims against Petitioner in that case, creating a reasonable expectation on Petitioner's part that PO did not intend to bring claims against it, and that there was no need for it to also challenge validity at that time.

Dated: June 27, 2025

By: /s/ Alex S. Yap
Alex S. Yap
Reg. No.: 60,609
MORRISON & FOERSTER LLP
707 Wilshire Blvd., Suite 6000
Los Angeles, CA 90017
Email: AYap@mofo.com
Tel: 213-892-5200

Counsel for Petitioner

CERTIFICATE OF SERVICE

I hereby certify that the attached AUTHORIZED RESPONSE TO
DIRECTOR REVIEW REQUEST were served as of the below date via email (by
agreement) on the Patent Owner to the following counsel of record:

Joshua L. Goldberg (Reg. No. 59,369)
Christopher C. Johns (Reg. No. 68,664)
Chen Zang (Reg. No. 81,568)
Anthony Berlenbach (Reg. No. 77,963)
Finnegan, Henderson, Farabow, Garrett, & Dunner LLP
901 New York Avenue NW
Washington, DC 20001-4413
Email: Joshua.Goldberg@finnegan.com
Email: Christopher.Johns@finnegan.com
Email: Chen.Zang@finnegan.com
Email: Anthony.Berlenbach@finnegan.com
Email: FaceTec-Jumio-IPRs@finnegan.com

Jason Stach (Reg. No. 54,464)
Finnegan, Henderson, Farabow, Garrett, & Dunner LLP
271 17th Street, NW, Suite 1400
Atlanta, GA 30363-6209
Email: Jason.Stach@finnegan.com

Dated: June 27, 2025

/s/ Alex S. Yap
Alex S. Yap