

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,
Petitioner

v.

INTELLECTUAL VENTURES II, LLC,
Patent Owner

IPR2025-00218
U.S. Patent No. 10,136,416

PETITIONER'S REQUEST FOR DIRECTOR REVIEW
37 C.F.R. § 42.75

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I. Introduction

Petitioner Tesla, Inc. (“Tesla”) hereby requests Director Review under 37 C.F.R. § 42.75 of the Board’s Decision on Institution dated June 11, 2025 (“DI”). Director Review is requested to address the Board’s erroneous conclusion of law. The Board committed legal error by (1) adopting a claim construction that is based on Patent Owner’s manufactured drawings rather than what is actually disclosed and (2) adopting a claim construction that excludes all disclosed embodiments. The Board’s legal error also raises an important matter of law and policy—it allows the Patent Owner to extend the scope of the patent beyond what the original inventors originally contemplated.

The Board improperly focused on the language of the claims in isolation and found that the plain and ordinary meaning of “*wherein each of the plurality of bits indicates a respective time interval*” requires a one-to-one correspondence between each bit and a different time interval. That finding, however, overlooks that none of the embodiments disclosed in the specification support the alleged “plain” reading. Indeed, when briefing this issue, Patent Owner pointed not to actual figures in the specification, but to modified, expanded versions created by its expert.

Petitioner notes that the claim language at issue was newly added when the '416 patent was filed, ten years after the original ancestor filing. The claim language was morphed over the course of two continuation applications, untethered to the embodiments disclosed in the original specification. The only support for the new claim features is found in the drawings created by Patent Owner's expert.

The Director should reverse the Board's erroneous legal conclusion and institute because the prior art teaches the claims as properly interpreted, or alternatively remand to address the Petition under the proper claim construction.

II. Legal Standard for Director Review

"Requests for Director Review of a Board's decision on institution...shall be limited to decisions presenting (a) an abuse of discretion, (b) important issues of law or policy, (c) erroneous findings of material fact, or (d) erroneous conclusions of law." *See* USPTO, Director Review Process at 2.B, Availability of Director Review: Proceedings Under Part 42 of 37 C.F.R. (last modified May 23, 2025). An abuse of discretion is found if a decision: (1) is clearly unreasonable, arbitrary, or fanciful; (2) is based on an erroneous conclusion of law; (3) rests on clearly erroneous fact finding; or (4) involves a record that contains no evidence on which the Board could rationally base its decision. *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016). Here, the Board's decision

is an abuse of discretion because it is based on an erroneous conclusion of law, as explained in Section III below. It also raises an important issue of law or policy because it allows Patent Owner to shift the scope of the claims beyond what the inventors had originally conceived, as explained in Section IV.

III. The Board's decision is an abuse of discretion because it is based on an erroneous conclusion of law.

The Board committed legal error for two reasons. First, the Board interpreted the claims to include features that are not supported by any embodiment of the specification of the '416 patent. Rather, the Board's interpretation covers Patent Owner's manufactured drawings, but not what the inventors actually described in their original disclosure. Second, the Board committed legal error when it interpreted the claims in a vacuum and excluded all the embodiments actually disclosed in the specification.

A. The Board's claim interpretation is erroneous because it covers Patent Owner's manufactured drawings rather than what was actually disclosed by the inventors.

The Board committed legal error by interpreting the claims to encompass features that were not originally contemplated by the inventors. The '416 patent, as originally conceived by the inventors, relates to "allocating channel resources within a physical channel of a cellular communication system." Ex.1001, 1:20-21. The '416 patent purports to utilize radio resources (e.g., a timeslot and frequency)

more efficiently by placing a signaling channel into a frame only when needed.

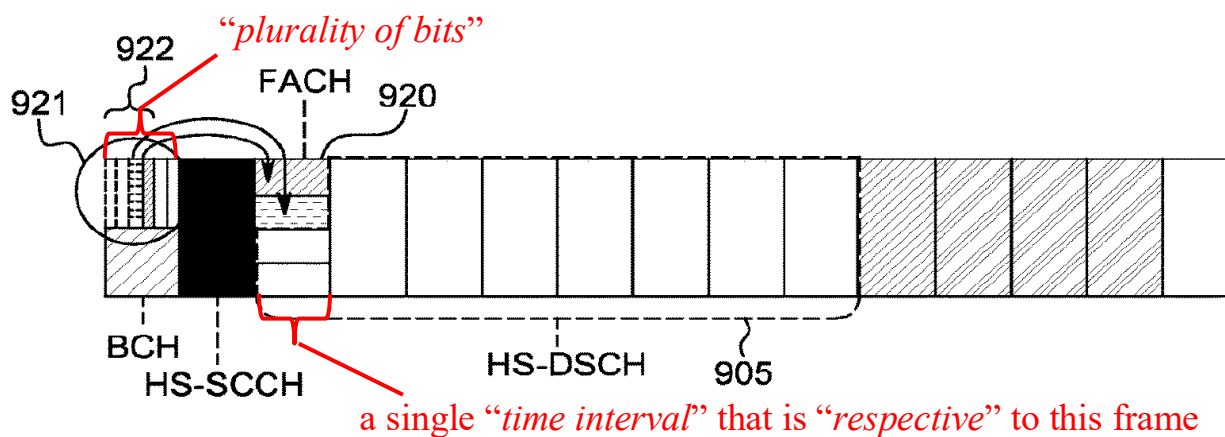
Specifically, certain bits within the Broadcast Channel BCH are used to indicate to terminals whether a particular timeslot is to be used as a signaling channel (for paging) or a shared channel (for data). See Ex.1001, 9:53-58.

The claim language at issue is “*wherein each of the plurality of bits indicates a respective time interval.*” The Board—relying on the plain language itself along with Patent Owner’s alleged support—concluded that the above claim language should be interpreted as follows: “[T]here is a one-to-one correspondence between each of the plurality of bits used to indicate the respective intervals and the respective time intervals themselves, such that each single bit (in the plurality of bits) indicates whether a different (respective) time interval is used to signal channels.” DI, 10. Without addressing the substance of Petitioner’s reply arguments regarding lack of specification support, the Board summarily concluded “that the ’416 specification informs, and is consistent with, the plain reading of limitation 1.2. *See* Ex. 1001, 13:63–14:25, 14:44–53, Figs. 7, 9.” DI, 13.

But the Board’s interpretation is not supported by any embodiment of the specification, which is legal error. Specifically, the Board’s interpretation is not supported by either the cited figures (Fig. 7 and Fig. 9) or the cited description in the ’416 patent. For example, Fig. 9 below and its accompanying description provide a case where each of a plurality of bits indicate different channels within a

single time interval (not “different” time intervals, as required by the Board).

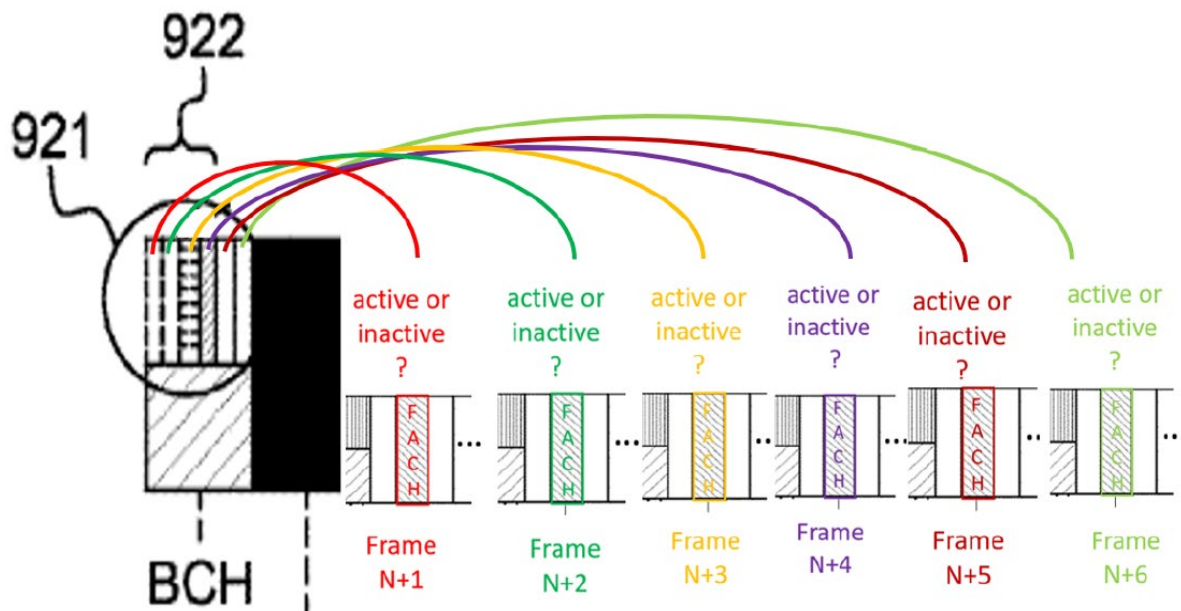
Ex.1001, 14:11-53. In other words, there is a many-to-one relationship between the plurality of bits and the single time interval shown in Fig. 9 below, rather than a one-to-one correspondence between a single bit and a “different” time interval according to the Board's construction.



Ex.1001, Fig. 9 (annotated).

Rather than rely on Fig. 9, Patent Owner instead relied upon a modified, expanded drawing created by its expert (reproduced below). *See* POPR, 14. Patent Owner admits that “the embodiment depicted in FIG. 9 included four FACH channels in the same timeslot.” POPR, 13 (emphasis added). Patent Owner, however, theorized that “the embodiment of FIG. 9 could be extended to a system where the plurality of indicator bits 922 are used to signal whether FACH channels across multiple timeslots are each active.” POPR, 13 (emphasis added). But what the specification “could be” extended to describe is a statement of obviousness,

and obviousness does not create written description support. *See Los Angeles Biomedical Research Inst. at Harbor-UCLA Med. Ctr. v. Eli Lilly & Co.*, 849 F.3d 1049, 1057 (Fed. Cir. 2017) (“A disclosure in a parent application is not sufficient if it ‘merely renders the later-claimed invention obvious ...; the disclosure must describe the claimed invention with all its limitations.’”) (quoting *Tronzo v. Biomet, Inc.*, 156 F.3d 1154, 1158 (Fed. Cir. 1998)). Similarly, “[i]t is not sufficient...to speculate as to the modifications that the inventor might have envisioned, but failed to disclose.” *D Three Enterprises, LLC v. SunModo Corp.*, 890 F.3d 1042, 1050 (Fed. Cir. 2018). Patent Owner’s expert’s “modifications” that speculate as to how Fig. 9 might be extended are below:

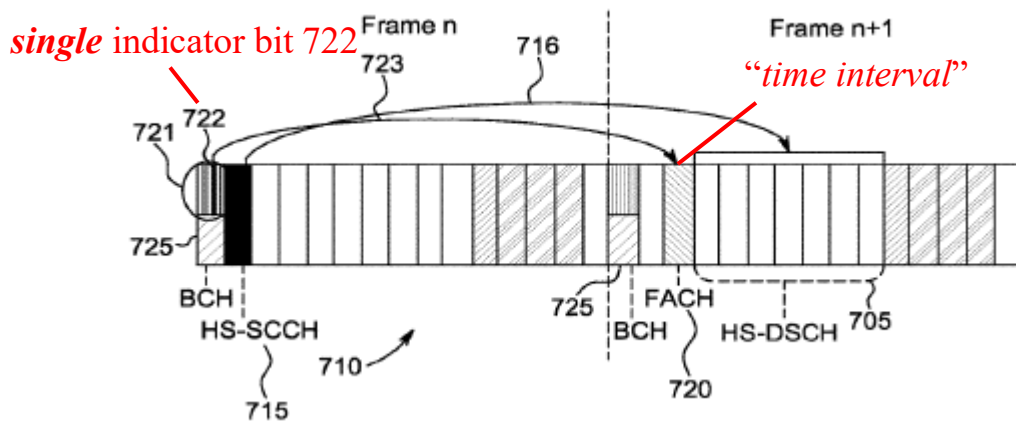


Ex.1001, Fig. 9 (modified by patent owner); POPR, 14.

Apart from the improper reliance on obviousness, the portions of the

specification cited by Patent Owner (and repeated by the Board) do not support extending Fig. 9 such that the plurality of bits each indicate different time intervals, i.e., a one-to-one correspondence between a single bit and a different time interval. The specification merely states that “more than one timeslot may be allocated for FACH channels” and that “where more than one timeslot is allocated for FACH channels, the one or more timeslots may, individually or collectively, and as a whole or partly, be re-allocated for use by other channels.” Ex.1001, 14:44-53. But the mere existence of more FACH channels within a frame does not indicate that each of the plurality of bits indicates a *different* FACH channel as Patent Owner asserts. And it certainly does not support Patent Owner's hypothetical modification of Fig. 9 shown above.

Fig. 7 and its accompanying description likewise do not provide written description support for the Board's interpretation. Unlike the claim language requiring a “*plurality of bits*,” the Fig. 7 embodiment discloses a ***single*** FACH indicator bit 722 to “indicate[] the state of the FACH 720 in a subsequent frame” rather than the current frame. Ex.1001, 13:24-25, 13:31-34. Fig. 7 is shown below.



Ex.1001, Fig. 7 (annotated).

Patent Owner again admits that “the example depicted in Figure 7 shows an embodiment where there was only one FACH channel 720 (in frame n+1).” POPR, 10. And Patent Owner again relies on statements of obviousness to support a modification of Fig. 7: “[T]he embodiment of FIG. 7 **could be** extended to a system where the plurality of indicator bits 722 are used to signal whether FACH channels spanning multiple timeslots are each active.” POPR, 10 (emphasis added). But nowhere does the specification contemplate that each of a “*plurality*” of indicator bits indicate different time intervals in subsequent frames, as Patent Owner’s expert has modified Fig. 7 to show:

processor in a manner unsupported by the intrinsic evidence.” IPR2024-00040, Paper 14 at 8 (August 2, 2024). The Director held that it was improper to interpret a term “solely on extrinsic evidence without first thoroughly considering all of the intrinsic evidence.” *Id.* The Board made the same error here—it gave too much weight to extrinsic evidence (Patent Owner’s manufactured drawings) and failed to fully consider the intrinsic evidence (the specification). The Director should address this error by granting Petitioner’s request for Director Review.

Constrained by the specification, Petitioner interpreted the claim language (newly added in the ’416 patent) as reasonably as possible. Given that the only disclosed embodiments show a many-to-one interpretation, Petitioner identified prior art that renders the claims obvious under that interpretation.

B. The Board reached an erroneous conclusion of law by interpreting the claims in a vacuum and adopting a construction that excluded all embodiments in the specification.

Federal Circuit precedent provides that the claims cannot be interpreted such that there is no written description support in the specification. Even where the plain reading of a claim term may suggest a particular meaning, one is “not required” to interpret a term “according to its most common usage in the dictionary’ rather, we must interpret the term to give proper meaning to the claim in light of the language and intrinsic evidence.”” *Kaufman v. Microsoft Corp.*, 34 F.4th 1360, 1373 (Fed. Cir. 2022). Here, the Board erred by failing to give proper

meaning to the claim terms in light of the intrinsic evidence of the specification. Instead, the Board interpreted the claim language in isolation from the disclosed embodiments as suggesting a “one-to-one” correspondence, despite the fact that the claim language does not recite a “one-to-one” correspondence.

By siding with Patent Owner, the Board adopted a construction for which no embodiment provides written description support. That is, the Board improperly adopted a construction that excludes all embodiments. *See Oatey Co. v. IPS Corp.*, 514 F.3d 1271, 1276 (Fed. Cir. 2008) (“We normally do not interpret claim terms in a way that excludes embodiments disclosed in the specification.”); at 1277 (“At leas[t] where claims can reasonably to interpreted to include a specific embodiment, it is incorrect to construe the claims to exclude that embodiment, absent probative evidence on the contrary.”); *Kaufman*, 34 F.4th at 1372-73 (finding that the defendant “cannot meet the high bar required to conclude that the patent excludes the only embodiment described in the specification.”); *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996) (if the proposed claim construction were adopted, “a preferred (and indeed only) embodiment in the specification would not fall within the scope of the patent claim. Such an interpretation is rarely, if ever, correct”).

To the extent the Board’s analysis combined embodiments using obviousness, that too is improper. *Lockwood v. American Airlines, Inc.*, 107 F.3d

1565, 1571-72 (Fed. Cir. 1997) (“Entitlement to a filing date does not extend to subject matter which is not disclosed, but would be obvious over what is expressly disclosed. The question is **not whether a claimed invention is an obvious variant** of that which is disclosed in the specification. Rather, **a prior application itself** must describe an invention.”).

The Board's purported plain and ordinary meaning interpretation contradicts Federal Circuit precedent by interpreting the claim such that no embodiment in the specification provides written description support. For at least this reason, the Director should grant this request for Director Review.

IV. The Board's decision raises an important matter of policy by permitting Patent Owner to shift claim scope away from the original disclosure.

The Board's erroneous claim interpretation also raises an important issue of law or policy—should an applicant be permitted to shift the scope of a continuation patent away from what was originally contemplated by the inventors? It should not.

If the Board's claim interpretation is correct, the Office erred when it granted the '416 patent. Continuation claims must be supported by the originally filed specification to prevent applicants from crafting new claims to cover products and concepts not originally contemplated by the inventors. That scenario, however, appears to have played out here. The first patent in the '416 patent family was filed

in 2007. The LTE cellular system accused of infringement was first described in a 3GPP specification in 2014. The '416 patent with the claim language at issue was filed in 2017.

The Board's adoption of Patent Owner's unsupported claim interpretation is inconsistent with the public policy behind the written description requirement. The Federal Circuit "has repeatedly stated, the purpose of the written description requirement is to 'ensure that the scope of the right to exclude, as set forth in the claims, does not overreach the scope of the inventor's contribution to the field of art as described in the patent specification.'" *Ariad Pharms., Inc. v. Eli Lilly and Co.*, 598 F. 3d 1336, 1353-54 (Fed. Cir. 2010). This prohibition against introducing new subject matter serves to prevent an applicant from adding information that goes beyond the subject matter originally filed. *See In re Rasmussen*, 650 F.2d 1212, 1214, 211 USPQ 323, 326 (CCPA 1981).

The Board's erroneous claim construction and denial of institution is further inconsistent with AIA's goal of allowing defendants to "challeng[e] patents that should not have issued." *See House Report (H.R. Rep. 112-98, 2011), 39-40.* Even if the Board's construction is correct (it is not), then the '416 patent should not have issued given that it includes claim language unsupported by its specification. By interpreting the claims to include features that were not described in the specification, the Board has declined to prevent Patent Owner from improperly

expanding the scope of its patent. The Director can address the Office's mistake of issuing the '416 patent by granting institution and interpreting the claim language within the confines of the original specification.

V. Conclusion

For the above reasons, Petitioner respectfully requests that the Director reverse the Board's erroneous legal conclusion and institute trial because the cited prior art teaches the claims as properly interpreted, or alternatively remand to the Board to address the Petition under the proper claim construction.

Respectfully submitted,

Dated: July 11, 2025
HAYNES AND BOONE, LLP
2801 N. Harwood St., Suite 2300
Dallas, Texas 75201
Customer No. 27683

/Scott T. Jarratt/
Scott T. Jarratt
Lead Counsel for Petitioner
Registration No. 70,297

CERTIFICATE OF SERVICE

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e),
service was made on Patent Owner as detailed below.

Date of service July 11, 2025

Manner of service Electronic Email: BTheiss@vklaw.com;
DGolub@vklaw.com; RODonnell@vklaw.com;
RLeonard@vklaw.com; rrigby@intven.com

Documents served **Petitioner's Request for Director Review**

Persons served Brandon R. Theiss
Daniel H. Golub
Ryan W. O'Donnell
Robert D. Leonard
VOLPE KOENIG
30 S. 17th Street, Suite 1800
Philadelphia PA 19103

Russell J. Rigby
Intellectual Ventures II LLC
3150 139th Avenue Southeast Building 4
Bellevue, WA 98005

/Scott T. Jarratt/
Scott T. Jarratt
Lead Counsel for Petitioner
Registration No. 70,297