UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBUS MEDICAL, INC.

Petitioner

v.

SPINELOGIK, INC.

Patent Owner

Case IPR2025-00225

Patent 9,730,805

BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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LIST OF EXHIBITS

Exhibit No.	Description
2001	Amended Docket Control Order
2002	Preliminary Infringement Contentions
2003	Defendant's Invalidity Contentions

I. INTRODUCTION

Pursuant to the Memorandum by the Acting Director dated March 26, 2025, setting forth "Interim Processes for PTAB Workload Management" (the "March 26 Memorandum"), Patent Owner hereby sets forth the applicable bases for discretionary denial of institution. This filing is being timely made within one month of the date on the date of the March 26 Memorandum, since the Notice of Filing Date Accorded Petition (Paper No. 5) was dated January 17, 2025 and the deadline for filing discretionary briefing had already elapsed when the March 26 Memorandum was issued. As explained more fully below, all of the *Fintiv* factors[1], as well as several additional factors set forth in the March 26 Memorandum, favor the discretionary denial of institution in this case.

With respect to the *Fintiv* factors, Petitioner has served Invalidity Contentions challenging the validity of U.S. Patent No. 8,460,385 ("the '385 Patent) and U.S. Patent No. 9,730,805 ("the '805 Patent") in *Spinelogik, Inc. v. Globus Medical, Inc.,* No. 2:23-cv-00529 (E.D. Tex.) (the "EDTX Case"). As discussed in detail below, the EDTX Case has already progressed significantly, including completion of Preliminary Infringement and Invalidity Contentions, and

[1] *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (PTAB Mar. 20, 2020) (precedential, designated May 5, 2020) ("*Fintiv I*"); *Apple Inc. v. Fintiv, Inc*., IPR2020-00019, Paper 15 at 7-8 (PTAB May 13, 2020) ("*Fintiv II*").

the filing of all claim construction briefing. By the anticipated date of the institution decision in this matter (July 17, 2025), the Court will in all likelihood have issued its claim construction ruling. Ex. 2001 [Amended Docket Control Order]. The Trial is scheduled for August 18, 2025, *a year before the statutory deadline of August 17, 2026 for issuing a Final Written Decision in this matter*. Ex. 2001, 1.

For at least these reasons, and as explained more fully below, the Board should exercise its discretion and deny institution under *Fintiv*.

II. THE FINTIV FACTORS FAVOR DISCRETIONARY DENIAL

Application of the present facts to the *Fintiv* factors demonstrates that there are strong reasons for exercising discretion to deny institution here.

A. Factor 1 weighs against institution because a stay has not been granted in the EDTX Case in connection with the present IPR and there is no evidence that a stay would be granted if this IPR is instituted

The Court in the EDTX Case issued a stay on January 24, 2025 pending resolution of a fully briefed Motion to Transfer filed by Petitioner. EDTX Case, Dkt. 53. All briefing on the Motion to Transfer was completed as of November 20, 2024. Thus, a decision on the Motion to Transfer is imminent, at which time the stay will be lifted and a Markman Hearing will be scheduled.

Once the stay related to the Motion to Transfer is lifted, the Court in the EDTX Case is unlikely to issue another stay based on the present IPR. *Trover Group, Inc. v. Dedicated Micros USA*, No. 2:13-cv-1047- WCB, 2015 WL 1069179, at *6 (E.D. Tex. Mar. 11, 2015) (Bryson, J.) ("This Court's survey of cases from the Eastern District of Texas shows that when the PTAB has not yet acted on a petition for inter partes review, the courts have uniformly denied motions for a stay."); *see also Samsung Elecs. Co. Ltd. v. Evolved Wireless LLC*, IPR2021-00950, Paper 10 at 10-11 (PTAB Nov. 29, 2021) (finding this factor weighed in favor of denial and denying institution where patent owner showed a stay was unlikely based on the advanced stage of the case and the court's past decisions denying stays); *Samsung Elecs. Co. Ltd. v. Clear Imaging Research*, LLC, IPR2020-0152, Paper 12 at 12-13 (PTAB Mar. 3, 2021) (denying institution because, in part, Judge Gilstrap deemed unlikely to stay a case in similar circumstances).

The Eastern District of Texas is likely to find that a stay in this situation would unduly prejudice Patent Owner, disfavoring a stay. *See, e.g., MyPort, Inc. v. Samsung Electronics Co., Ltd., et al.*, No. 2:22-cv-00114- JRG, Dkt. No. 73 (E.D. Tex. June 12, 2023) at 4 (Noting that patent owner has an interest in the timely

enforcement of its patent rights and that granting a stay could delay the case by nearly two years where the PTAB decision is not due until over two months after jury trial is set to begin.). The district court is also likely to find that the stage of litigation disfavors a stay. As noted above, the parties have already completed claim construction in the EDTX Case and, as further evidenced by the docket sheet, a substantial amount of work and financial resources have been invested in the EDTX Case. Under similar circumstances, the district court has found that the stage of litigation disfavors a stay. *Id*. at 5.

Thus, this factor weighs against institution.

B. Factor 2 weighs against institution because the EDTX Case has a trial date scheduled before the projected statutory deadline for the Board's final written decision

The trial in the EDTX Case is scheduled for August 18, 2025, a year before the statutory deadline of August 17, 2026 for issuing a Final Written Decision in this matter. As discussed *supra*, a decision on the Motion to Transfer is imminent, at which time the current stay will be lifted. Even if the Court in the EDTX Case pushes the existing trial date by 6 months once the stay is lifted, the trial would still occur *6 months* before the statutory deadline for issuing a Final Written Decision in this matter.

Thus, this factor weighs against institution.

C. Factor 3 weighs against institution because the Parties have already invested significant effort in the EDTX Case

Factor 3 relates to investment in the EDTX Case by the District Court and the parties. *Fintiv*, Paper 11 at 9. This factor is judged from the date of the institution decision, which is expected to be no later than July 17, 2025. *Id.*

As Judge Fink explains in *Fintiv*:

> The Board also considered the amount and type of work already completed in the EDTX Case by the court and the parties at the time of the institution decision. … *[D]istrict court claim construction orders may indicate that the court and the parties have invested sufficient time in the parallel proceeding to favor denial*…. This investment factor is related to the trial date factor, in that more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.

Fintiv II, 9-10 (emphasis added).

The following has already been completed in the EDTX Case:

• PO's Preliminary Infringement Contentions (served March 11, 2024);

• Petitioner's Motion to Transfer (April 4, 2024);

• Petitioner's Preliminary Invalidity Contentions (served May 6, 2024);

- Parties exchanged claim terms for construction (October 9, 2024);
- Parties exchanged proposed claim constructions (October 30, 2024);
- PO's Opposition to Motion to Transfer (November 6, 2024);
- Petitioner's Reply in Support of Motion to Transfer (November 13, 2024);
- PO's Sur-Reply in Opposition to Motion to Transfer (November 20, 2024);
- Parties filed Joint Claim Construction Statement (November 20, 2024);
- PO's Opening Claim Construction Brief (January 8, 2025); and
- Petitioner's Responsive Claim Construction Brief (January 22, 2025).

Clearly, the parties and the Court have already made a substantial investment in the EDTX Case.

Although Petitioner has filed a Motion to Transfer the EDTX Case to the District of Delaware or the Eastern District of Pennsylvania (which is fully briefed), it is highly unlikely that the EDTX Case will be transferred based on information identified during venue discovery. Specifically, Patent Owner has: (1) identified sources of proof, as well as the convenience of its witnesses in the Eastern District of Texas; (2) identified numerous third parties with relevant information who may be subpoenaed in the EDTX, and not the DED or the EDPA; and (3) identified individuals, whether willing or unwilling, who reside in Texas

and thus are not likely available for compulsory process outside of their home state. EDTX Case, Dkt. 43.

Thus, the third factor weighs against institution.

D. Factor 4 weighs against institution because there is substantial overlap between the EDTX Case and this IPR, and Petitioner's *Sotera* stipulation does not eliminate the possibility of conflicting decisions

There is substantial overlap between the invalidity arguments raised in the Petition and the invalidity arguments raised in the EDTX Case. Claims 1, 5, 11, 15, 16 and 17 of the '805 Patent have been asserted in the EDTX Case. Ex. 2002 [Preliminary Infringement Contentions].

Set forth below is an excerpt from the Petition summarizing the grounds raised in the Petition with respect to the '805 Patent, and the prior art asserted in each ground:

Ground	Claims	Basis	References
1	1–6, 11, 12, 15–17	§ 102/103[1]	U.S. Patent 8,172,854 ("Blain")
2	1–6, 11, 12, 15–17	§ 103	Blain and U.S. Patent No. 7,985,255 ("Bray")
3	5, 16	§ 103	Blain (with or without Bray) and U.S. Patent No. 4,790,303 ("Steffee")

Pet., at 11. With the exception of a secondary reference (Steffee) applied in Ground 3, there is complete overlap between the references advanced by the Petitioner in this IPR and those advanced by the Petitioner in the EDTX Case. Set forth below is an excerpt from Petitioner's Preliminary Invalidity Contentions in the Parallel Litigation showing the prior art relied on there by Petitioner:

Exhibit	Asserted Patent	Prior Art
A-2	'385 patent	Bray '255
A-3	'385 patent	Moskowitz
A-4	'385 patent	LeHuec
A-5	'385 patent	Benzel
A-8	'385 patent	Donner
A-14	'385 patent	Allain
B-1	'805 patent	Blain '854
B-2	'805 patent	Donner
B-3	'805 patent	Moskowitz
B-4	'805 patent	Bray '255
B-5	'805 patent	Synthes SynFix
B-6	'805 patent	Allain
B-7	'805 patent	RSB InterPlate
B-8	'805 patent	Dinville

Ex. 2003, at 11.

In both this IPR and the EDTX Case, Petitioner's invalidity challenges are based on Blain (Ex. 1004) and Bray (Ex. 1006). The only difference between the art relied on in the two proceedings involves a secondary reference (Steffee) that is used to challenge dependent claims 5 and 16. Thus, there is complete overlap with respect to the arguments and evidence presented here and in the EDTX Case for

Grounds 1 and 2, and substantial overlap for Ground 3 as it relates to Blain and Bray. That the EDTX Case involves additional prior art references not asserted in this IPR is "not relevant to the question of the degree of overlap for this factor." *Fintiv II,* at 15. The fact that the Petition challenges additional claims does not warrant institution. *See, e.g., Next Caller Inc. v. TRUSTID, Inc*., IPR2019- 00961, Paper 10 at 14 (PTAB Oct. 16, 2019) (denying institution where the district court case involved only a subset of the challenged claims).

Petitioner provided a *Sotera* stipulation, stipulating "that if the PTAB institutes this IPR petition, then Petitioner will not pursue in the co-pending district court proceeding (*Spinelogik, Inc. v. Globus Medical, Inc.*, No. 2-23-cv-00529) any grounds that were raised or could reasonable been raised in this IPR." Pet., 91 (*citing Sotera Wireless, Inc. v. Masimo Corp.*, IPR2019-01019, Paper 12 (PTAB Dec. 1, 2020)).

On March 24, 2025, the Chief Administrative Patent Judge issued a Memorandum titled "Guidance on USPTO's recission of 'Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation'" ("March 24 Memorandum). With regards to *Sotera* stipulations, the March 24 Memorandum states that "a timely-filed *Sotera* stipulation . . . will not

be dispositive by itself. Instead, the Board will consider such a stipulation as part of its holistic analysis under *Fintiv*." March 24 Memorandum, 2-3 (citations omitted).

Indeed, *Sotera* stipulations are intended to address "concerns of duplicative efforts and potentially conflicting decisions" between the Board and the district court and "ensure[] that an inter partes review is a 'true alternative' to the district court proceeding." *Sotera Wireless*, Paper 12 at 19. Simply stipulating not to raise grounds of invalidity that were raised or reasonably could have been raised in an IPR petition does not per se accomplish those goals. Such is the case here.

In the EDTX Case, Petitioners state that "discovery is ongoing and Globus anticipates that additional discovery, including third party discovery, may reveal *prior art systems* that invalidate the asserted claims of the Asserted Patents" and it "expects additional system art to be revealed as discovery progresses." Ex. 2003 [Defendant's Invalidity Contentions], at 8. Because unpublished "system prior art" is not eligible for inclusion in an IPR, it is not prior art that Petitioner reasonably could have raised in the present Petition. Thus, Petitioner's *Sotera* stipulation does not cover potential invalidity theories based on system prior art that Petitioner could bring in the EDTX Case.

Accordingly, Petitioner's *Sotera* stipulation does not offer the benefits sought by *Sotera Wireless*. Specifically, duplicative efforts are not avoided and Petitioner is not approaching the IPR proceeding as a "true alternative" to the district court. Further, the district court in the EDTX Case could be burdened with wading through "system prior art" evidence and deciding whether the same claims challenged here are invalid — potentially reaching a decision that conflicts with the Board's ultimate decision in this proceeding, were it to continue.

Because the EDTX Case will address substantially the same invalidity arguments presented by Petitioner in the present Petition and may also address other § 102 and/or § 103 invalidity theories that Petitioner could not have raised in the present Petition, the fourth factor weighs against institution.

E. Factor 5 weighs against institution because the patent owner is the same and the Petitioner is the same party as in the EDTX Case

Patent Owner and Petitioner are the same parties as in the EDTX Case.

Thus, the fifth factor weighs against institution.

F. Factor 6: Other circumstances that impact the Board's exercise of discretion weigh against institution

A relevant consideration identified in the March 26 Memorandum is "[s]ettled expectations of the parties, such as the length of time the claims have been in force." March 26 Memorandum, at 2. In this case, the claims of the '805

Patent have been in force for almost 8 years. The length of time that the claims have been in force is a further factor that favors discretionary denial.

Another relevant consideration identified in the March 26 Memorandum is "[t]he extent of the petition's reliance on expert testimony." *Id.* Here, the Petition relies on a 131-page expert declaration that largely parrots the wording of the Petition. Ex. 1002. The Petition's extensive reliance on expert testimony that is mostly a restatement of the Petition is a further factor that favors discretionary denial.

Thus, the sixth factor weighs against institution.

III. CONCLUSION

All of the *Fintiv* factors favor a discretionary denial of the Petition. The EDTX Case between Petitioner and Patent Owner has already progressed significantly. In addition, the Petitioner is relying on essentially the same prior art in the EDTX Case and this IPR, the trial in the EDTX Case is scheduled to occur well before the due date for the Final Written Decision, and Petitioner's *Sotera* stipulation does not cover potential invalidity theories based on system prior art that Petitioner could bring in the EDTX Case.

For at least these reasons, the Board should exercise its discretion to deny institution under 35 U.S.C. § 314(a).

Date: April 25, 2025

Respectfully submitted,

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CERTIFICATION UNDER 37 C.F.R. § 42.24(d)

This **Brief in Support of Patent Owner's Request for Discretionary Denial** complies with the requirements of 37 C.F.R. § 42.24. As calculated by the word count feature of Microsoft Word, it contains 2,400 words, excluding the parts of the Brief that are exempted by 37 C.F.R. § 42.24(a).

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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 April 25, 2025, a copy of the foregoing PATENT OWNER'S MANDATORY NOTICES UNDER 37 C.F.R. § 42.8 was served by electronic mail on the following:

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