

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MEDIATEK INC,

Petitioner,

v.

DAEDALUS PRIME LLC,

Patent Owner.

Case No.: IPR2025-00243

U.S. Patent No. 8,769,316

PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION

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EXHIBIT LIST

Exhibit No.	Description
2001	<i>SB IP Holdings, LLC v. Vivint, Inc.</i> , No. 4:21-cv-00912 (E.D. Tex. Apr. 6, 2023) Slip Opinion.
2002	<i>Portsmouth Network Corp. v. Cisco Systems, Inc.</i> , No. 2:23-CV-00441 (E.D. Tex. Oct. 21, 2024) Slip Opinion.
2003	Federal Court Management Statistics (Dec. 2024), available at https://www.uscourts.gov/data-news/reports/statistical-reports/federalcourt-management-statistics/federal-court-management-statisticsdecember-2024
2004	<i>Daedalus Prime LLC v. MediaTek Inc.</i> , No. 2:24-cv-235-JRG (E.D. Tex.) MediaTek’s Allegations of Invalidity of the ’316 Patent Based on Felter.
2005	<i>Daedalus Prime LLC v. MediaTek Inc.</i> , No. 2:24-cv-235-JRG (E.D. Tex.) MediaTek’s Allegations of Invalidity of the ’316 Patent Based on Finkelstein.
2006	Gunther, US PG PUB 2008/0136397 A1

This paper is being filed pursuant to the Board’s “Notice Extending Deadline for Discretionary Briefing,” Paper 6, dated March 28, 2025, and the Director’s Memorandum entitled “Interim Processes for PTAB Workload Management,” dated March 26, 2025. USPTO, Resources and guidance: Interim Processes for PTAB Workload Management, [www.USPTO.gov](https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf) (Mar. 26, 2025), <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf>.

I. THE DIRECTOR SHOULD EXERCISE HER DISCRETION AND DENY INSTITUTION OF TRIAL

Institution of *inter partes* review is discretionary. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.” (citing 35 U.S.C. § 314(a)). Congress intended IPRs to be an alternative, and not a companion, to district court litigation. *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16-17 (PTAB Sep. 6, 2017) (precedential in relevant part) (“[A]n objective of the AIA is to provide an effective and efficient alternative to district court litigation.”).

Recently, the USPTO rescinded a June 21, 2022, memorandum entitled “Interim Procedure for Discretionary Denials in AIA Post-Grant

Proceedings with Parallel District Court Litigation,” and advised parties to post-grant proceedings such as this to refer to PTAB precedent, including *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (“*Fintiv I*”) (PTAB Mar. 20, 2020) (precedential) and *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A), for guidance in connection with such matters. *See* USPTO, USPTO Rescinds Memorandum Addressing Discretionary Denial Procedures, [www.USPTO.gov](https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures) (Feb. 28, 2025), <https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures>. Accordingly, institution of IPRs may be denied when there is related litigation and an IPR would not be “an effective and efficient alternative to district court litigation.” *Gen. Plastic Indus. Co.*, IPR2016-01357, Paper 19 at 16-17. Further, when deciding to exercise such discretion, the Director should consider six so-called *Fintiv* factors: (1) “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted”; (2) “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision”; (3) “investment in the parallel proceeding by the court and the parties”; (4) “overlap between issues raised in the petition and in the parallel proceeding”; (5) “whether the petitioner and the defendant in the parallel

proceeding are the same party”; and (6) “other circumstances that impact the Board’s exercise of discretion, including the merits.” *Fintiv I* at 5-6. The *Fintiv* factors favor denial of institution in this case, as explained below.

1. Fintiv Factor 1 – No Stay Has Been Requested and The District Court is Unlikely to Grant a Stay, If Requested

The District Court has not granted a stay in the co-pending litigation and is unlikely to do so should MediaTek decide to request one. If MediaTek does decide to request a stay, Daedalus Prime would strongly oppose that request.

Granting a stay of the litigation would unduly prejudice Daedalus Prime because such a stay pending a possible institution decision, a final written decision, and a potential Federal Circuit appeal of the IPR decision would deprive Daedalus Prime of its right to timely enforcement of its patent. The claim construction hearing in the District Court is scheduled to take place July 31, fact discovery closes August 28, expert discovery closes October 9, and trial is scheduled to commence January 26, 2026. Ex. 1014 at 8-10. This is consistent with the District Court’s mean time-to-trial. Ex. 2003. A final written decision in this case (if trial is instituted) would not be expected until July 2026, well after the conclusion of the District Court trial.

To date, no stay in the District Court has been granted. Indeed, none has been sought. Further, the District Court does not have a track record of granting stays prior to institution. *See, e.g., SB IP Holdings, LLC v. Vivint, Inc.*, No. 4:21-cv-00912, slip op. at 2 (E.D. Tex. Apr. 6, 2023) (“When a motion to stay is filed before the PTAB institutes post-grant review, courts in this district typically refrain from ruling on the motion pending action by the PTAB or deny the motion without prejudice to refiling in the event that the PTAB institutes a proceeding.”) (Ex. 2001); *Portsmouth Network Corp. v. Cisco Systems, Inc.*, No. 2:23-CV-00441, slip op. at 2 (E.D. Tex. Oct. 21, 2024) (“[T]his Court has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings.”) (Ex. 2002).

Even if trial in this case were instituted, the ’316 patent is but one of eight patents that are at issue in the District Court. *See generally* Ex. 1013. Thus, regardless of whether trial with respect to this patent is instituted, it will not materially simplify the issues before the District Court. And, by the time any institution decision in this case is likely to be issued (July 2025), the parties will have already completed claim construction discovery and filed their claim construction briefs and technology tutorials. Ex. 1014 at 10-11. Additionally, fact and expert discovery will be well underway. *Id.* at 10. Recognizing that these activities will have involved significant time and

effort on the parts of the parties, the District Court is unlikely to render those actions ineffectual by issuing a stay.

Accordingly, *Fintiv* factor 1 favors discretionary denial.

2. *Fintiv* Factor 2 – The “Proximity of the Court’s Trial Date to the Board’s Projected Statutory Deadline for a Final Written Decision” Favors Denial

As noted above, the District Court trial is scheduled to conclude well before the expected date of a final written decision in this case. Ex. 1014 at 8. In comparable cases, the Board has found that this factor favors discretionary denial. *See, e.g., Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 (“*Fintiv II*”) at 12-13 (PTAB May 13, 2020) (informative).

3. *Fintiv* Factor 3 – The “Investment in the Parallel Proceeding by the Court and the Parties” Is and Will Be Substantial

Factor 3—investment in the litigation—also supports discretionary denial of this petition. As noted, a pre-institution stay in the District Court is extremely unlikely. Moreover, by the time any institution decision in this case is likely to be issued, claim construction discovery and briefing will be complete, and discovery will be ongoing (indeed, fact discovery will be nearly complete). Ex. 1014 at 10. Because claim construction is such an important component of any patent litigation, *see generally*, Hon. Kathleen

M. O'Malley et al., A Panel Discussion: Claim Construction from the Perspective of the District Judge, 54 Case W. Res. L. Rev. 671 (2004), the Director can appreciate that the discovery and briefing leading up to the claim construction hearing will entail significant efforts and investments of the parties. As the district court litigation will not be stayed, the parties will have no choice but to make those investments in the litigation. And because claim construction is an important aspect of a litigation, the parties will know that they cannot minimize those efforts. Thus, the Director can expect that the investment in the litigation prior to any institution decision will be substantial.

Accordingly, *Fintiv* factor 3 favors discretionary denial.

4. *Fintiv* Factor 4 – There is Substantial “Overlap Between Issues Raised in the Petition and in the Parallel Proceeding”

Factor 4, the overlap between the issues raised in the petition and the District Court, also supports discretionary denial in this case, as there is substantial overlap between these proceedings involving the '316 patent, and thus “concerns of inefficiency and the possibility of conflicting decisions [are] particularly strong.” *See Fintiv I* at 12.

In the District Court, MediaTek raises the same prior art arguments as are raised in the current petition. *See, e.g., Ex. 2004* (MediaTek's

Allegations of Invalidity of the '316 Patent Based on Felter), and Ex. 2005 (MediaTek's Allegations of Invalidity of the '316 Patent Based on Finkelstein). And while Petitioner alleges that the inclusion of claims 13-15 in this proceeding—which are not involved in the District Court litigation—weighs in favor of institution, Pet. at 83, the reverse is actually true. Since these challenged claims are not at issue in the District Court litigation, Petitioner has little or nothing at stake with respect to same. Hence, there is no compelling reason for the Board to invest its resources with respect to a challenge to those claims' validity.

Notably, MediaTek's petition failed to include any representation that it will drop any of its invalidity contentions in the District Court proceeding even if this *inter partes* review is instituted. The absence of such a stipulation heightens Factor 4's concerns regarding duplicative efforts and the possibility of conflicting decisions and favors denial of institution. *See, e.g., Sand Revolution II, LLC v. Cont'l Intermodal Grp. – Trucking LLC*, IPR2019-01393, Paper 24 at 12 n. 5 (PTAB Jun. 16, 2020) (informative); *see also Apple Inc. v. Seven Networks, LLC*, IPR2020-00506, Paper 11 at 23 (PTAB Sep. 1, 2020).

On April 28, 2025 (the due date for this brief), counsel for MediaTek filed Ex. 1016, an April 22, 2025 email to the undersigned stating, "In

accordance with *Sotera Wireless v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020), Petitioner, MediaTek, stipulates not pursue in the parallel litigation any ground that was raised or reasonably could have been raised in IPR2025-00243 if the Board institutes an IPR.”¹ This representation comes too late for it to warrant consideration.

During a PTAB “Boardside Chat” on Thursday, April 18, 2025, a panel that included Acting USPTO Senior Advisor Michelle Ankenbrand and Vice Chief Administrative Patent Judge Kalyan Deshpande indicated (twice) that if IPR petitioners are going to offer a *Sotera-* or *Sand Revolution*–type stipulation, the time to offer that stipulation was no later than one month after the PTAB notices the filing date of a petition. In the present case, that one-month date would have been February 28, 2025. MediaTek’s Ex. 1016 was filed two months after this deadline. As such, the Director should accord it no weight when considering discretionary denial.

Thus, *Fintiv* factor 4 favors denial of institution.

¹ MediaTek’s filing was apparently in response to an email from the Board dated April 28, 2025, advising Mediatek to file a stipulation “as soon as practicable.”

5. *Fintiv* Factor 5 – There is Substantial Overlap Between the Parties in the Parallel Proceedings

Factor 5 also supports denial in this case, as the parties in this IPR and the related litigation are the same. Pet. at 82. Rather than constituting a “neutral” factor, as MediaTek contends, *id.*, this is the canonical scenario where *Fintiv* Factor 5 favors denial of the Petition. *See, e.g., Fintiv I* at 13-14; *Intel Corp. v. VLSI Tech. LLC*, IPR2020-00158, Paper 16 at 12-13 (PTAB May 20, 2020).

Thus, *Fintiv* Factor 5 favors denial of the Petition.

6. *Fintiv* Factor 6 – Other Circumstances that Impact the Board’s Exercise of Discretion Favor Denial

Petitioners assert that institution is warranted because “the merits of [the] petition are compelling.” Pet. at 83. But in fact, the references cited in the petition are cumulative to the art already considered during prosecution of the ’316 patent.

Section 325(d) provides that the Director may elect to not institute a proceeding if the challenge to the patent is based on matters previously presented to the Office. 35 U.S.C. § 325(d). The cumulative nature of prior art references is among the factors that go into such considerations. *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8, slip

op. at 21-22 (PTAB Dec. 15, 2017). The same considerations apply when considering *Fintiv* factor 6. *Fintiv I* at 16.

Prior art references are considered cumulative when they substantially reiterate or provide no more than what was already taught by previously cited or considered prior art. *See, e.g., Halliburton Co. v. Schlumberger Technology Corp.*, 925 F.2d 1435, 1440-1442 (Fed. Cir. 1991); *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1580-1581 (Fed. Cir. 1997); *University of California v. Eli Lilly and Co.*, 119 F.3d 1559, 1574-1575 (Fed. Cir. 1997). Both Finkelstein and Felter fall into this category.

During prosecution the examiner cited and relied on Gunther, US PG PUB 2008/0136397 (Ex. 2006). Ex. 1002 at 123 *et seq.* Gunther discloses a multidomain integrated circuit, which in one example includes a multicore processor with cores of different types. Ex. 2006 at FIGs. 1, 2, 4, and 5, [0009], [0013], and [0017]. The different domains are operable at different voltages and frequencies, e.g., through the actions of power management units that include various sensors and power regulators. *Id.* at [0008], [0010], [0014]. The power management units dynamically allocate a power budget (provided by a power supply) among the different domains according to their power consumption targets. *Id.* at [0008], [0010]-[0016].

Finkelstein, relied on for challenges to claims 8 and 12-17 in the present petition, is not materially different. In the context of systems that employ multiple power planes, Finkelstein describes an approach to power distribution “among different power planes under energy-based definitions.” Ex. 1005 at [0009]; [0027]. This approach takes into account various per-domain constraints and controls a set of per-domain energy budgets over time. *Id.* at [0028], [0034]-[0035]. An unused portion of a domain’s power budget can be allocated to another domain. *Id.* at [0035]. This approach to allocating power distribution described by Finkelstein is thus substantially similar to that described by Gunther and was considered during prosecution of the application which became the ’316 patent.

The same is true for the teachings of Felter, cited in connection with challenges to claims 8 and 12-17. Felter describes managing power in a data processing system by predicting activity levels of components of the system and allocating a power budget among those components. Ex. 1006 at [0010], [0030]. The system predicts the activity of individual system components for an upcoming (rather than a current) interval of time. *Id.* at [0019]. If the level of activity of a component exceeds its limit, the system will throttle or otherwise constrain the activity for the corresponding component, *id.* at [0019], [0030], for example, using dynamic voltage-frequency scaling. *Id.* at

[0036]. Gunther, the reference cited and relied on during prosecution of the subject application, described similar frequency-scaling techniques to control component activity. *See, e.g.*, Ex. 2006 at [0010], [0012].

Thus, as Finkelstein and Felter are merely cumulative to the art already considered in connection with the prosecution of the application that became the '316 patent, *Fintiv* factor 6 favors denial of institution.

II. CONCLUSION

Inasmuch as all the *Fintiv* factors favor denial of institution, the Board should exercise its discretion and deny institution of this proceeding.

Dated: April 28, 2025

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WORD-COUNT CERTIFICATE

I certify that the foregoing document complies with the type-volume limitation of 37 C.F.R. § 42.24(a) and (b) and contains 2,415 words (including words in drawings created by the Patent Owner or as annotations added by the Patent Owner to images reproduced in this document) based on the word count indicated by Microsoft® Word for Mac v. 16.84, excluding those portions exempted by the rule.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing
PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION
was served on April 28, 2025, by filing this document through the PTAB P-
TACTS System as well as by delivering a copy via email directed to the
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The parties have agreed to electronic service in this proceeding.

Respectfully submitted,

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