

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,
Petitioner,

v.

INTELLECTUAL VENTURES II LLC,
Patent Owner.

IPR2025-00340
U.S. Patent No. 6,894,639

**PETITIONER'S AUTHORIZED RESPONSE TO
PATENT OWNER'S DIRECTOR REVIEW REQUEST**

The Director should deny Patent Owner’s Request for Director Review (“Request,” Paper 15) because there is no legal error in the Institution Decision (“ID,” Paper 13). Patent Owner misinterprets and misapplies the Board’s informative *Cambridge Mobile* decision and the Federal Circuit’s precedential *Samsung* and *Intel* decisions¹ to allege legal error.

In the Petition, Petitioner explicitly informed the Board and Patent Owner how it interpreted the term “*said target feature information*” in limitation [1.3]—as the “*target **specific** feature information*” previously introduced in [1.2]. This is the same interpretation Patent Owner has argued for at district court. The Petition then showed how the prior art teaches limitation [1.3] under that interpretation. In doing so, Petitioner satisfied the requirements of 37 C.F.R. § 42.104(b)(3)-(4) of identifying how the challenged claim is to be construed and how the construed claim is unpatentable over the prior art asserted in the Petition. In the Institution Decision, the Board agreed and preliminarily determined the prior art teaches limitation [1.3] under that interpretation. Importantly, the Board specifically held that the Petition

¹ *Cambridge Mobile Telematics v. Sfara*, IP2024-00952, Paper 12 (PTAB Dec. 13, 2024) (informative); *Samsung Elecs. Am. Inc. v. Priusa Eng’g Corp.*, 948 F.3d 1342, 1355 (Fed. Cir. 2020); *Intel Corp. v. Qualcomm Inc.*, 21 F.4th 801, 813 (Fed. Cir. 2021).

met the requirements of *Cambridge Mobile*, *Samsung*, and *Intel*.

In its Request, Patent Owner creates a legal fiction that Petitioner was required to explain how the prior art renders the claims unpatentable over “multiple, equally plausible” interpretations, instead of “only one” interpretation. No such requirement exists. Consistent with Fed. Cir. precedent and Board guidance, the Board correctly found that Petitioner provided sufficient notice of its claim construction and how the asserted prior art teaches the claim limitations under that construction. There is no legal error in the Institution Decision to correct.

I. Petitioner is not taking inconsistent claim construction positions.

In the Patent Owner Preliminary Response (“POPR,” Paper 8), Patent Owner alleged “Petitioner withheld that it took an inconsistent claim construction position in the district court.” POPR, 9. More specifically, Patent Owner asserted that “[d]espite maintaining an indefiniteness theory in district court, Petitioner failed to disclose that position to the Board in this proceeding.” POPR, 10.

In Petitioner's Authorized Reply to Patent Owner's Preliminary Response (“Reply,” Paper 11), Petitioner demonstrated why Patent Owner is wrong. Reply, 5-7. Petitioner is not taking inconsistent claim construction positions. Instead, the Petition expressly informed the Board and Patent Owner how Petitioner—supported by the testimony of Dr. Rodriguez—is interpreting the claim terms according to their plain and ordinary meaning in compliance with 37 C.F.R. § 42.104(b)(3), while

reserving the right to raise indefiniteness challenges in other forums. Pet., 23 n. 3;

Reply, 6. Specifically, the Petition expressly provided Petitioner's construction for "*said target feature information*" in limitation [1.3]:

[T]he Petition assumes, for purposes of the unpatentability grounds presented herein, that "*said target feature information*" recited in [1.3] is the "*target **specific** feature information*" recited in [1.2], as well as [1.4] and [1.5]. Petitioner reserves the right to raise challenges under 35 U.S.C. § 112 in other forums.

Pet. 23 n. 3.

In district court, Petitioner argued that the term "*said target feature information*" in limitation [1.3] is indefinite for lack of antecedent basis because the term "target feature information" is not previously recited in claim 1. Petitioner argued in district court that there are at least two options to remedy the absence of antecedent basis:

- (1) "*said target feature information*" could refer to "**a** target feature information," requiring claim 1 to be rewritten, or
- (2) "*said target feature information*" could refer to "*said target **specific** feature information*" in limitation [1.2], which would mean "specific" was omitted erroneously.

Ex.1070, 8-9.

In the Petition, Petitioner expressly interpreted the term "*said target feature*

information” in limitation [1.3] according to option (2) from the district court litigation.² These positions are not inconsistent because Petitioner cannot raise indefiniteness challenges in an IPR. *See* 35 U.S.C. § 311(b) (a petitioner may challenge claims in an IPR “only on a ground that could be raised under section 102 or 103....”); *Samsung Elecs. Am., Inc. v. Prisia Eng’g Corp.*, 948 F.3d 1342, 1350 (Fed. Cir. 2020) (“[T]he Board may not cancel claims for indefiniteness in an IPR proceeding.”). Petitioner is simply pursuing a claim construction position in district court that is statutorily prohibited in an IPR.

² In district court, Patent Owner argued that “*said target feature information*” should be construed to refer to the “*target **specific** feature information*” in limitation [1.2] according to option (2) above, the same interpretation utilized in the Petition. *See* “Plaintiff Intellectual Ventures II LLC’s Response to Opening Claim Construction Brief” (ECF No. 30), 10-12; “Plaintiff Intellectual Ventures II LLC’s Sur-Reply Claim Construction Brief” (ECF No. 33), 1-2, *Intellectual Ventures II LLC v. Tesla, Inc.*, 1:24-cv-00884-ADA. Patent Owner’s above-identified claim construction briefs are not of record in this IPR proceeding but are publicly available. The Board’s email authorizing this Response indicates that “[n]o new evidence is permitted.” Ex.3102. The district court has not yet issued a written claim construction order.

In the Institution Decision, the Board agreed with Petitioner and “decline[d] to deny institution based on Petitioner’s claim construction positions.” ID, 11. More specifically, the Board rejected Patent Owner’s position based on the very decisions Patent Owner now alleges that the Board “failed to follow.” Request, 1; ID, 11-12. The Board explained that “[t]he difference in Petitioner’s construction in one forum versus another is not necessarily inconsistent, and the Board’s rules ‘do not necessarily prohibit petitioners from taking inconsistent claim construction positions before the Board and a district court.’” ID, 11 (citing *Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper 12 at 8 (Dec. 13, 2024) (designated informative Mar. 20, 2025)). The Board further explained that “indefiniteness ‘does not necessarily preclude the Board from addressing the patentability of the claims on section 102 and 103 grounds.’” ID, 11 (citing *Samsung Elecs. Am. Inc. v. Priusa Eng’g Corp.*, 948 F.3d 1342, 1355 (Fed. Cir. 2020); *Intel Corp. v. Qualcomm Inc.*, 21 F.4th 801, 813 (Fed. Cir. 2021) (“The indefiniteness of a limitation . . . precludes a patentability determination only when the indefiniteness renders it logically impossible for the Board to reach such a decision.”)).

The Board has repeatedly granted institution in IPRs where the petitioner explained how it is interpreting the claims for purposes of the unpatentability challenges raised in the IPR proceeding and separately pursued indefiniteness challenges in district court, as is the case here. For example, in *Zillow Group, Inc. v.*

Int'l Business Machines Corp., the Board instituted review based on the petitioner's plain and ordinary meaning construction and rejected the patent owner's argument that denial was warranted because the petitioner had contended before the district court that the claims were indefinite. IPR2020-01656, Paper 8 at 11 (PTAB Mar. 15, 2021) ("Patent Owner cites no authority nor are we aware of any authority for the proposition that we may not assess the patentability of claims in an *inter partes* review because the Petitioner also challenges those claims as indefinite in District Court."); *see also Target Corp. v. Proxicom Wireless, Inc.*, IPR2020-00979, Paper 11 at 16 (PTAB Dec. 4, 2020) ("[In] district court, Petitioner served preliminary constructions stating that 'local or personal area wireless protocol' is indefinite ..., but in this proceeding Petitioner argued that the prior art discloses the elements containing those terms.... Petitioner's alternative pleading before a district court is common practice, especially where it concerns issues outside the scope of *inter partes* review.").

Similarly, the Board has instituted review when the petitioner raised unpatentability grounds in the IPR based on the same construction patent owner advanced in district court, as is the case here, while also arguing that the claims are indefinite in district court. *See, e.g., Hospira, Inc. v. Amgen Inc.*, IPR2021-00528, Paper 7 at 9 (PTAB Aug. 17, 2021) ("We discern no prejudice against Patent Owner in allowing Petitioner to adopt Patent Owner's claim constructions before the Board

(where Petitioner is precluded from arguing indefiniteness), while arguing that that claim construction is indefinite before the district court.”); *Aptiv Servs. US, LLC, v. Microchip Tech., Inc.*, IPR2024-00646 at 11-12 (PTAB Sept. 25, 2024) (rejecting the patent owner’s argument that institution should be denied because the petitioner argued indefiniteness in district court, when “in its substantive analysis Petitioner argues that the challenged claims are unpatentable even under Patent Owner’s expected proposed constructions in light of the parallel district-court proceeding.”).

The Director should reject Patent Owner’s argument that the Board erred in instituting review of Petitioner’s obviousness challenges that are based on the same construction Patent Owner argued in the parallel district court proceeding.

II. Patent Owner misinterprets and misapplies *Cambridge Mobile, Samsung, and Intel*.

Patent Owner asserts the Board “failed to follow” *Cambridge Mobile, Samsung, and Intel*. Request, 1. However, the Board’s Institution Decision correctly and explicitly relied on these cases. It is Patent Owner that is misinterpreting and misapplying these cases in requesting Director Review.

A. *Cambridge Mobile* supports the Board’s Institution Decision.

Cambridge Mobile explains that the Board’s “rules do not necessarily prohibit petitioners from taking inconsistent claim construction positions before the Board and a district court.” *Cambridge Mobile*, IPR2024-00952, Paper 12 at 8 (citing *10x Genomics, Inc. v. Bio-Rad Lab ’ys, Inc.*, IPR2020-00086, Paper 8 at 18 (PTAB Apr.

27, 2020) (37 C.F.R. 42.104(b) “does not prohibit Petitioner from submitting a claim construction it believes is incorrect and relying on that construction to show how the claim is unpatentable.”)). In the Institution Decision, the Board correctly cited *Cambridge Mobile* in rejecting Patent Owner's arguments. ID, 11 (“The difference in Petitioner's construction in one forum versus another is not necessarily inconsistent, and the Board's rules ‘do not necessarily prohibit petitioners from taking inconsistent claim construction positions before the Board and a district court.’ *Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper 12 at 8 (Dec. 13, 2024) (designated informative Mar. 20, 2025).”).

In its Request, Patent Owner asserts that *Cambridge Mobile* requires “an acceptable rationale ... as to why inconsistent positions are warranted here.” Request, 7-8; *see also id.*, 1. That is not what *Cambridge Mobile* requires. *Cambridge Mobile* simply requires an IPR petition to satisfy the requirements of 37 C.F.R. § 42.104(b)(3), namely identifying how the challenged claim is to be construed. *Cambridge Mobile*, Paper 12 at 9, *see also id.*, 7-8 (“[T]he Petition should have explained why the plain and ordinary meaning of the ‘component’ terms should apply in this proceeding (why the inconsistent positions are warranted) or set forth an alternative means-plus-function claim construction.”) (emphasis added).

Petitioner complied with *Cambridge Mobile* and 37 C.F.R. § 42.104 by providing an express construction for the term “*said target feature information*” in

limitation [1.3] and explaining that it may pursue indefiniteness challenges in district court, which may not be raised in an IPR. In its Reply, Petitioner explained that the allegedly “inconsistent” claim construction positions in the IPR petition and the indefiniteness challenge in district court are warranted because Petitioner is statutorily prohibited from raising indefiniteness challenges in an IPR. Reply, 6-7.

In the present case, there is no dispute that the Petition explains how the challenged claim is to be construed. In fact, Patent Owner explicitly acknowledges that Petitioner adopts “only one interpretation of the claim language” in the Petition. Request, 6 (emphasis original); *see also id.*, 1, 4-5. Therefore, the Board was correct in concluding the requirements of 37 C.F.R. § 42.104(b)(3) are satisfied and citing to *Cambridge Mobile* in support of its determination. There is no legal error.

B. *Samsung* and *Intel* support the Board's Institution Decision.

Samsung and *Intel* both support the position that indefiniteness does not preclude the Board from addressing patentability. For example, *Samsung* explains that indefiniteness “does not necessarily preclude the Board from addressing the patentability of the claims on section 102 and 103 grounds.” *Samsung*, 948 F.3d 1342, 1355. Similarly, *Intel* notes that “[t]he indefiniteness of a limitation ... precludes a patentability determination **only when** the indefiniteness renders it **logically impossible** for the Board to reach such a decision.” *Intel*, 21 F.4th 801, 813 (emphasis added). In the Institution Decision, the Board correctly cited *Samsung* and

Intel in rejecting Patent Owner's arguments. ID, 11-12.

In the Request, Patent Owner asserts that “[t]he Institution Decision fails to explain how it would be logically possible to apply the prior art to the claims” under Petitioner's *district court* indefiniteness position. Request, 8. However, the Petition explicitly explains how the challenged claim is being construed for purposes of *the IPR*. Pet., 23 n. 3. Specifically, the Petition explains that the term “*said target feature information*” in limitation [1.3] is being interpreted as the “*target **specific** feature information*” previously introduced in limitation [1.2]—the same interpretation Patent Owner has argued for at district court. *Id.* Based on this interpretation, the Board logically explains in the Institution Decision how the prior art reads on the claims, including limitation [1.3]. ID, 21-35. Accordingly, consistent with *Intel*, it is logically possible for the Board to reach a decision on the unpatentability of the claims based on the construction advanced by Petitioner—the same construction Patent Owner argued in district court. Thus, the Board was correct in concluding the requirements of 37 C.F.R. § 42.104(b)(3)-(4) are satisfied, and *Samsung* and *Intel* support the Board's determination.

III. Conclusion

There is no legal error in the Institution Decision. The Director should deny Patent Owner's Request.

Respectfully submitted,

Date: September 12, 2025

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PETITIONER'S EXHIBIT LIST

Ex.1001	U.S. Patent No. 6,894,639 to Katz ("639 patent")
Ex.1002	Prosecution File History of U.S. Patent No. 6,894,639
Ex.1003	Declaration of Jeffrey J. Rodriguez, Ph.D. under 37 C.F.R. § 1.68
Ex.1004	<i>Curriculum Vitae</i> of Jeffrey J. Rodriguez, Ph.D.
Ex.1005	U.S. Patent No. 5,027,413 to Barnard ("Barnard")
Ex.1006	PCT Application Publication WO 90/16038 to Lawrence ("Lawrence")
Ex.1007	U.S. Patent No. 5,341,439 to Hsu ("Hsu")
Ex.1008	U.S. Patent No. 5,341,142 to Reis et al. ("Reis")
Ex.1009	"Bayesian and neural network pattern recognition : a theoretical connection and empirical results with handwritten characters" ("Lee")
Ex.1010	IV's Complaint, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , No. 6:24-cv-188-ADA (WDTX)
Ex.1011	Proposed Scheduling Order, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , No. 6:24-cv-188-ADA (WDTX)
Ex.1012	Statistics on District Court Timing
Ex.1013	Interim Procedure for Discretionary Denials in AIA Parallel District Court Litigation, June 21, 2022
Ex.1014	IV's Preliminary Infringement Contentions, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , No. 6:24-cv-188-ADA (WDTX)
Ex.1015	"Artificial Neural Networks for Automatic Target Recognition" ("Rogers"), Published in Proceedings of SPIE Conference on Applications of Artificial Neural Networks, Orlando, Florida April 1990 (Paper Number 1294-01)
Ex.1016	U.S. Patent No. 4,881,270 ("Knecht")
Ex.1017	U.S. Patent No. 5,010,512 ("Hartstein")

Petitioner’s Authorized Response to Patent Owner’s Director Review Request
IPR2025-00340 (U.S. Patent 6,894,639)

Ex.1018- Ex.1052	Reserved
Ex.1053	Statistics on District Court Timing (Mar. 31, 2025)
Ex.1054	WDTX 2024 Statistical Public Report, available at https://www.txwd.uscourts.gov/court-information/district-statistics/
Ex.1055	Amended Order Assigning the Business of the Court (Judge Moses, Jan. 31, 2025)
Ex.1056	LexMachina docket report
Ex.1057	LexMachina docket report
Ex.1058	“Albright Worried Multipatent Trials Ask Too Much Of Jurors,” Law360 (Dec. 18, 2020), at https://www.law360.com/articles/1337976/albright-worriedmultipatent-trials-ask-too-much-of-jurors
Ex.1059	Bifurcation Order – Videolabs, Inc. v. Asustek Computer, Inc. 6:22-cv-00720-ADA (WDTX)
Ex.1060	Joint Claim Construction Statement, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , 1:24-cv-884-ADA, ECF No. 37 (WDTX) (March 28, 2025)
Ex.1061	“The economic contributions of Tesla to the California economy, 2018–2021,” IHS Markit (Oct. 2022), available at https://digitalassets.tesla.com/tesla-contents/image/upload/Tesla-California-Economic-Impact-Final-Report-October-2022
Ex.1062	“Tesla’s ‘American-made’ cars won’t get hit as hard by the auto tariffs,” CNN.com, https://www.cnn.com/2025/03/29/cars/american-made-cars-tesla-auto-tariffs/index.html , retrieved Apr. 14, 2025
Ex.1063	“An Assessment of the Impact of the Inter Partes Review Process

Petitioner's Authorized Response to Patent Owner's Director Review Request
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	under the Patent Trial and Appeal Board on the US Economy,” The Perryman Group, available at https://www.perrymangroup.com/publications/report/2021/9/23/an-assessment-of-the-potential-impact-of-expanding-inter-partes-review-ipr-under-the-america-invents-act-on-the-us-economy/
Ex.1064	'639 Patent Assignment Recordation
Ex.1065	“Tesla’s California Footprint,” https://www.tesla.com/blog/teslas-california-footprint (retrieved Apr. 25, 2025)
Ex.1066	“FAQs for Interim Processes for PTAB Workload Management,” available at https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management (retrieved May 13, 2025).
Ex.1067	Notice of <i>Sotera Plus</i> Stipulation for Defendant Tesla, Inc., <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , 1:24-cv-884-ADA, ECF No. 66 (WDTX) (June 24, 2025)
Ex.1068	Order Granting Motion to Extend Time to File Infringement Contentions, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , 1:24-cv-884-ADA, ECF No. 60 (WDTX) (May 27, 2025)
Ex.1069	Judge Albright Patent FAQ, available at https://www.txwd.uscourts.gov/for-attorneys/judge-albright-courtroom-faq/ (retrieved June 2, 2025)
Ex.1070	Tesla, Inc.’s Opening Claim Construction Brief, <i>Intellectual Ventures II, LLC v. Tesla, Inc.</i> , 1:24-cv-884-ADA, ECF No. 26 (WDTX) (January 9, 2025)

CERTIFICATE OF SERVICE

The undersigned certifies, under 37 C.F.R. § 42.6, that service was made on the Patent Owner as detailed below.

Date of service September 12, 2025

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