

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ADVANCED MICRO DEVICES, INC. AND PENSANDO SYSTEMS, INC.,

Petitioners,

v.

CONCURRENT VENTURES, LLC AND XTREAMEDGE, INC.,

Patent Owners.

IPR2025-00479

U.S. Patent No. 10,944,634

**PETITIONERS' OPPOSITION BRIEF TO PATENT OWNERS' REQUEST
FOR DISCRETIONARY DENIAL OF INSTITUTION OF INTER PARTES
REVIEW**

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EXHIBIT LIST

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1001	U.S. Patent No. 10,944,634 to Beeson et al. (the '634 patent)
1002	Prosecution History for the '634 patent
1003	Declaration of Mark E. Crovella
1004	U.S. Patent No. 7,742,499 ("Erskine")
1005	U.S. Patent No. 8,000,276 ("Scherzer")
1006	U.S. Patent No. 9,661,553 ("Gillett")
1007	Excerpts from Patent Owner's Infringement Contentions for the '634 Patent
1008	U.S. Patent No. 9,693,276 ("Wuellner")
1009	Computer Networking – A Top-Down Approach, Kurose, Ross (2017)
1010	U.S. Patent No. 8,554,970 ("Suumäki")
1011	U.S. Patent No. 8,977,265 ("Lee")
1012	U.S. Patent No. 9,775,182 ("Gupta")
1013	Case Docket for <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> , No. 1:24-cv-00335 (W.D. Tex. filed March 29, 2024)
1014	Report and Recommendation of Magistrate Judge Lane (Dkt. 58) in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> , No. 1:24-cv-00335 (W.D. Tex. 2024)
1015	Judge Albright's Standing Order Governing Proceedings (OGP)—Patent Cases, March 5, 2025
1016	Email to Judge Albright's Law Clerks dated May 28, 2025
1017	Docket Navigator, Motion to Stay Pending Inter Partes Review success rate data for California Northern District (printed May 5, 2025)
1018	Opposed Motion to Stay Case Pending Resolution of Motion to Transfer
1019	Docket Navigator, Motion to Stay Pending Inter Partes Review success rate data for Judge Albright (printed May 6, 2025)
1020	Lex Machina, time-to-trial data for Western District Texas (printed May 19, 2025)
1021	Judge Albright's May Calendar Printout (printed May 1, 2025)
1022	Order Regarding DII Docket (Dkt. 61) in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> , No. 1:24-cv-00335 (W.D. Tex. 2024)

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1024	Case Docket for <i>LED Wafer Sols. LLC v. Samsung Elecs. Co.</i> , No. 3-22-cv-04809 (N.D. Cal. filed Mar. 25, 2021)
1025	Case Docket for <i>Parus Holdings, Inc. v. Google LLC</i> , No. 22-cv-07830-VC (N.D. Cal. filed June 4, 2021)
1026	Sotera Stipulation (Dkt. 78) in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> , No. 1:24-cv-00335 (W.D. Tex. 2024)
1027	Judge Albright's June, 5 to July 5, 2025 Calendar Printout (printed June 5, 2025)

I. INTRODUCTION

Patent Owners emphasize the district court schedule¹ but fail to disclose that Magistrate Judge Lane has already issued a Report and Recommendation to transfer the case to the Northern District of California, which Judge Albright is expected to rule on by June 25, 2025. It would be fundamentally unfair to discretionarily deny institution before Judge Albright's ruling. A transfer, as recommended by Magistrate Judge Lane, would result in a new case schedule and almost certainly delay trial until well after the Board's Final Written Decision.

Even if transfer does not occur before institution, discretionary denial would still be unwarranted under the *Motorola*² Director Review Decision, the *Memo*,³ as well as other recent PTAB decisions because the district court case remains in its early stages. In contrast to *Motorola*, no depositions have been taken, and expert reports are not planned until January 2026. Additionally, a *Sotera* stipulation has

¹ *Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.*, No. 1:24-cv-00335 (W.D. Tex. filed March 29, 2024).

² *Motorola Sols. Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB Mar. 28, 2025).

³ The Memorandum on Interim Processes for PTAB Workload Management, dated March 26, 2025 ("the *Memo*").

been filed in district court, mitigating any concerns of duplicative efforts between the district court and the Board.

In short, the *Fintiv*⁴ analysis and other discretionary factors favor institution regardless of transfer. Should the district court follow the existing recommendation and transfer the case, the balance against discretionary denial becomes even more overwhelming.

II. PROCEDURAL BACKGROUND

The district court action was filed on March 29, 2024. On August 9, 2024, Petitioners filed a motion to transfer to the Northern District of California (“NDCA”) as a more convenient forum. Ex-1013, 4 (Dkt. 33 in Case Docket). Patent Owners were granted a prolonged briefing schedule, which ended September 26, 2024. *Id.*, 6 (Dkt. 47; Text order granting the further briefing request).

On November 22, 2024, Petitioners moved to stay the case in view of impending claim construction deadlines and the pending resolution of the motion to transfer. Ex-1013, 7 (Dkt. 53). Judge Pitman denied, stating that “the Court expects to resolve Defendants’ motion to transfer well in advance of the scheduled

⁴ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”).

Markman hearing[.]” *Id.*; Ex-2001 (December 17, 2024 Court Text Order). The following month, after the holidays, Magistrate Judge Lane submitted a Report and Recommendation finding “[a]ll of the disputed factors favor transfer” and recommending that the motion to transfer be granted. Ex-1013, 7 (Dkt. 58); Ex-1014, 18 (Magistrate Judge Lane’s Recommendation). Magistrate Judge Lane explained in detail the one-sided nature of the facts—Patent Owners have no ties to WDTX; the documents and witnesses are closer to NDCA; and the only tie to WDTX is that Pensando is one of AMD’s 75 subsidiaries—and concluded that both private and public interest factors strongly favor transfer. *Id.*

Three days later, the case was re-assigned to Judge Albright, who recently moved from Waco to Austin. Ex-1013, 7 (Dkt. 61). Judge Albright extended deadlines for claim construction briefing by a month (*id.*, 8-9 (Dkt. 73, Dkt. 75)) and reset the *Markman* hearing to June 25, 2025. Ex-2002 (First Amended Scheduling Order (Dkt. 77)). Judge Albright’s Order Governing Proceedings in patent cases (“OGP”) provides that “[i]f a motion to transfer remains pending, the Court will either promptly resolve the pending motion before the *Markman* hearing, or postpone the *Markman* hearing.” Ex-1015, 6 (Judge Albright’s OGP, March 5, 2025). On May 28, 2025, parties reminded the Court that the motion to transfer is ripe for resolution and remains pending. Ex-1016, 1-2 (email to Judge Albright’s law clerk). Judge Albright’s law clerk confirmed that the Court will

resolve Patent Owners' Objection⁵ to the Recommendation prior to June 25, 2025.

Id., 1. Therefore, Judge Albright would rule on Judge Lane's recommendation for transfer by the *Markman* on June 25, 2025, or postpone the hearing.

III. PATENT OWNERS OMITTED THE COURT'S RECOMMENDATION FOR TRANSFER

Despite spending over 10,000 words briefing the Board on their discretionary denial requests across two related proceedings,⁶ Patent Owners fail to mention, even once, Magistrate Judge Lane's Recommendation to transfer the case—a glaring omission and a lack of candor. This omission is critical because the Recommendation indicates that the Court will likely transfer the case.

Additionally, Patent Owners' arguments and caselaw regarding the transfer issue are predicated on motions that remain pending or for which a magistrate has recommended denial—situations distinguishable from the present case where transfer has been recommended by Magistrate Judge Lane. Even if the Court were

⁵ Ex-1013, 8 (Dkt. 62).

⁶ Patent Owners' Brief consists of 4,130 word. Br. 18. Patent Owners' discretionary denial brief for a related proceeding consists of 6,219 words. *Advanced Micro Devices, Inc. v. Concurrent Ventures, LLC*, IPR2025-00223, Paper 6 at 27 (PTAB Apr. 9, 2025). The combined word count for the two discretionary denial briefs is 10,349.

to conduct a *de novo* review⁷ rather than directly adopt the Recommendation, the Magistrate Judge's analysis and conclusions remain persuasive. *See supra* § II. Unsurprisingly, Judge Albright frequently adopts a Magistrate Judge's recommendation regarding motion to transfer venue after review *de novo*. *See, e.g., CloudfChange, LLC v. Clover Network, Inc.*, No. 6-22-cv-00634, Dkt. 97 (W.D. Tex. June 16, 2023) (adopting Magistrate Judge's recommendation to transfer case to NDCA for more convenient venue); *Arsus, LLC v. Tesla, Inc.*, No. 6-22-cv-00276, Dkt. 59 (W.D. Tex. June 2, 2023) (same).

While impact of the likely transfer would be significant to Patent Owners' discretionary denial analysis, Patent Owners nevertheless craft their argument for discretionary denial upon the flawed assumption that the district court case will stay in WDTX. As further addressed below, Patent Owners' argument for at least *Fintiv* factors 1, 2, and 3 hinges on the current WDTX schedule. *See infra* §§ IV.A-C. The transfer would put the district court case in front of a new judge in a new forum with a new case schedule that would, consistent with NDCA practice, move out deadlines, including the trial date.

⁷ Patent Owners filed objections to the Recommendation within fourteen days of service, thereby securing *de novo* review by the Court. Ex-1013, 8 (Dkt. 62).

For example, Patent Owners argue, for *Fintiv* factor 1, that a stay in the district court case is unlikely in view of “Judge Albright’s well-known aversion to granting stays.” Br. 5. Patent Owners’ argument fails to consider that NDCA judges are overwhelmingly willing to grant motions to stay pending IPR. As Judge Albright recognized in a similar case where four IPRs have been filed, “if this case is transferred to NDCA, it will likely be stayed pending the IPRs, and the stay would delay the trial for this case for years.” *Demaray LLC v. Samsung Elecs. Co.*, No. 6:20-CV-00636-ADA, 2021 WL 5316455, at *5 (W.D. Tex. July 29, 2021). So far this year, five motions to stay pending IPR have been filed, with four granted in NDCA. Ex-1017 (Docket Navigator statistics). In 2024, twenty were granted and five were denied. *Id.* Overall, the rate of motions to stay pending IPR being granted in NDCA has been around 80% in the past three years. *Id.* NDCA courts have recognized a “liberal policy in favor of granting motions to stay” pending IPR. *Anderson Power Prods., Inc. v. Bizlink Tech, Inc.*, No. 23-cv-05436-AMO, 2025 WL 474906, at *1 (N.D. Cal. Feb. 12, 2025) (citing *Zomm, LLC v. Apple Inc.*, 391 F.Supp.3d 946, 956 (N.D. Cal. 2019)). Many NDCA judges are willing to grant stay upon institution of IPRs and some grant stays pending institution decision. *See, e.g., Topia Tech., Inc. v. Dropbox Inc.*, No. 23-CV-00062-JSC, 2023 WL 3437823, at *4-6 (N.D. Cal. May 12, 2023) (granting stay request before PTAB made IPR institution decision).

As another example, for *Fintiv* factor 2, Patent Owners point to the presently projected trial date which is June 29, 2026 and “two months before the September 11, 2026 statutory deadline for a FWD.” Br. 8. The district court case, if transferred to NDCA, will likely have delays of much more than two months, putting the trial date beyond the FWD statutory deadline. Indeed, the difference between the average time to trial for patent cases in NDCA is 6 months longer than that in WDTX, as recognized by Patent Owners in their own opposition to the motion to transfer. Ex-1014, 15-16 (“Plaintiffs argue that ‘[o]ver the last five years, the average time to trial for patent cases was 27 months in WDTX and 33 months in NDCA.’”).

As yet another example, for *Fintiv* factor 3, Patent Owners’ argument centers on the projected *Markman* hearing date of June 25, 2025 and that Judge Albright could possibly have issued claim construction rulings before the statutory institution decision deadline of September 11, 2025. Br. 10. However, after transfer, the claim construction deadline would be pushed off and likely require new briefing given the NDCA (and different judges) approach to handling claim construction briefing in contrast to Judge Albright. For example, NDCA judges will have differing approaches to claim construction, not limited to page numbers, timing of briefs, and how to deal with indefiniteness and means plus function arguments. Some will undoubtedly prefer to resolve Petitioners’ motion to

dismiss,⁸ including the § 101 motion to dismiss (which would eliminate a patent from the district court case), before proceeding to claim construction.

As further addressed below, the *Fintiv* factors, considered as a whole, weigh against discretionary denial—even absent transfer.

IV. EVEN WITHOUT TRANSFER, THE *FINTIV* FACTORS FAVOR INSTITUTION

A. Factor 1: Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted

This factor weighs slightly in favor of not exercising discretion or at least is neutral because no motion to stay is pending in the district court case and the court has not ruled on a potential stay pending IPR. *SAP Am. Inc. v. Cyandia, Inc.*, IPR2024-01432, Paper 14 at 7 (PTAB Apr. 7, 2025); *Charter Comms., Inc. v. Adaptive Spectrum Signal Alignment, Inc.*, IPR2024-01379, Paper 16 at 8 (PTAB Apr. 17, 2025).

Petitioners expect to move to stay the case pending IPRs once the district court case is transferred to NDCA. Factor 1 evaluates whether a stay would be

⁸ Magistrate Judge Lane recommended that the district judge dismiss without prejudice Petitioners' motion to dismiss to allow refile in the NDCA once the case is transferred. Ex-1014, 18. The motion to dismiss remains pending and ripe for resolution by an NDCA judge.

granted pending resolution of the PTAB trial—an issue that has never been before the Court. *Fintiv* at 6-7. Patent Owners misleadingly refer to the Court’s previous denial of a stay request of a different type. Br. 5 (citing Ex-2001). Indeed, Petitioners’ previous motion requested a stay pending resolution of the transfer motion. Ex-1018 (Opposed Motion to Stay Case Pending Resolution of Motion to Transfer). Judge Pitman denied because “the Court expects to resolve Defendants’ motion to transfer well in advance of the scheduled Markman hearing.” Ex-2001. Sure enough, on January 31, 2025, the Court issued the recommendation to transfer the case to NDCA, rendering the requested stay moot. Ex-1014.

The *10x Genomics*⁹ and *Samsung*¹⁰ PTAB decisions Patent Owners rely on are distinguishable. In *Samsung*, the Board found factor 1 favored denial because the district court had already denied a motion to stay pending IPR and was unlikely to grant a renewed motion. In *10x Genomics*, the Board found factor 1 favored denial in view of “the coordinated schedule with the related cases, the prior denial

⁹ *10x Genomics, Inc. v. President & Fellows of Harvard Coll.*, IPR2023-01299, Paper 15 at 16 (PTAB Mar. 7, 2024).

¹⁰ *Samsung Elecs. Co., Ltd. v. California Inst. of Tech.*, IPR2023-00133, Paper 10 at 14 (PTAB May 4, 2023).

of a motion to stay, and the lack of intent by either party to file a motion to stay.”

Two of these three factors are not present here.

Further, the Board should set aside Patent Owners’ analysis of whether Judge Albright will deny a stay pending IPR. Patent Owners’ analysis ignores that the district court case is likely to be transferred to NDCA. After the transfer, a stay pending the IPR is highly likely, because as already explained above, NDCA judges are overwhelmingly willing to grant motions to stay pending IPR. *See supra* § III. Indeed, even if the district court case remains in WDTX, a stay pending IPR is not unlikely. Judge Albright regularly grants stays pending instituted IPRs. In 2024, Judge Albright granted nine motions to stay pending IPR and denied three. Ex-1019 (Docket Navigator statistics). In 2023, he granted fourteen and denied six. *Id.* Furthermore, the Board has declined to speculate on the likelihood of a stay, particularly when the prospect appears too remote. *Google LLC v. Cerence Operating Co.*, IPR2024-01465, Paper 5 at 7 (PTAB Apr. 23, 2025).

B. Factor 2: Proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision

This factor is at most neutral because the district court trial date is likely to be after the Board’s projected statutory deadline for a FWD. If the trial date is on or after the projected statutory deadline, the Board should look at factors 3 and 4 instead. *Fintiv* at 9. (“If the court’s trial date is at or around the same time as the

projected statutory deadline or even significantly after the projected statutory deadline, the decision whether to institute will likely implicate other factors discussed herein, such as the resources that have been invested in the parallel proceeding.”); *see also Liberty Energy*¹¹ at 17-18 (noting *Fintiv* analysis turns on other factors when trial date might “fall around the same time as the Board’s ... statutory deadline”). Recently, in *Amazon*,¹² the Director denied the Patent Owner’s request for discretionary denial even when the scheduled trial date was *before* the projected FWD date.

Patent Owners argue the trial date is June 29, 2026—before the September 11, 2026 statutory deadline for a FWD. Not only do Patent Owners fail to take into account Judge Lane’s recommendation, but also, even if the case is not transferred, the current trial date is less than 2.5 months before the deadline for the Final Written Decision. In the case that the district court postpones the trial date or the Board advances the issuance of the FWD, the trial date will fall around the same time as, or even behind, the FWD statutory deadline and factor 2 would

¹¹ *Liberty Energy, Inc. v. U.S. Well Servs., LLC*, IPR2025-00031, Paper 9 (PTAB Apr. 29, 2025).

¹² *Amazon.com, Inc. v. NL Giken Inc.*, IPR2025-00250, Paper 14 (PTAB May 16, 2025).

weigh against discretionary denial. *Liberty Energy* at 10-12 (instituting the proceeding when trial date falls “*around the same time* as the projected statutory [FWD] deadline”); *Amazon* at 2 (finding discretionary denial inappropriate where the scheduled trial date was nine days before the projected FWD deadline).

First, the Board frequently issues FWD weeks before the projected statutory deadline, rendering minor timing gap insignificant. This is particularly relevant where there is a related IPR with a slightly earlier statutory FWD deadline. Here, the statutory FWD in the related proceeding IPR2025-00233 is July 15, 2026, less than two months from the September 11, 2026 statutory FWD. The Board might issue decisions in both IPRs around the same time, advancing the date of the FWD in this case.

Even assuming the latest possible FWD, the district court could postpone the trial date to the extent that it falls around the same time as, or even behind, the statutory FWD deadline. Here, the complaint was filed on March 29, 2024. The median time-to-trial in WDTX is 892 days (over 29 months). Ex-1020 (Lex Machina Statistics). This suggests the trial would not begin until September 2026, which is around the same time as the projected FWD. In *Amazon*, the scheduled trial date was nine days before the projected FWD deadline. *Amazon* at 2. The Director found discretionary denial inappropriate because the time-to-trial statistics

suggest trial would not begin until six months later than the currently set trial date.

Id.

Furthermore, as is typical with many judges, Judge Albright schedules multiple trials on the same date, and frequently moves trial dates when the conflicting trial dates have not been resolved. For example, Judge Albright's calendar for May 2025 shows he has seven jury trials scheduled on May 19, 2025 to begin at 9:00 AM. Ex-1021, 18 (Judge Albright's May Calendar Printout on May 1, 2025). The same shows two trials were scheduled for May 21, 2025 at 10 AM and 10:30 AM and eight trials were scheduled for May 27, 2025 at 9AM. *Id.*, 26-27, 34-40. Judge Albright's calendar for June and July tells a similar story. Currently, 10 trials are scheduled on June 23, 2025 at 9AM and 26 trials on June 30, 2025, at 9AM. Ex-1027, 30-34, 44-53. Thus, the practice of scheduling multiple trials also creates a likely scenario of the FWD issuing before a trial where a small gap exists between the deadline for the FWD and the current trial date.¹³

¹³ Indeed, even as to the trial date in this case, June 29, 2026, there is already another trial scheduled for the same day. Ex-1023, 3 (Scheduling Order in *Irons v. Paccar, Inc.*, No. 1:24-cv-01553-ADA, Dkt. 11 (W.D. Tex. 2024)).

Additionally, Patent Owners fail to mention that Judge Albright recently moved from Waco, Texas to Austin, Texas. On January 31, 2025, the Austin Division had civil and criminal cases on the DII Docket re-assigned so 40% of the docket (hundreds of cases) went to Judge Albright, including this parallel case. Ex-1022 (Order Regarding DII Docket). At the same time, Judge Albright, after moving to Austin, is still managing the Waco docket until his successor is appointed there. Ex-1014, 16 (Magistrate Judge Lane's Recommendation); Ex-1021 (Judge Albright's May Calendar Printout on May 1, 2025); Ex-1027 (Judge Albright's June 5 to July 5, 2025 Calendar Printout). With the significantly increased caseload, the likelihood is even greater than previously that the trial date may be pushed off at least a few weeks or more.

The fact pattern here stands in stark contrast to that in the recent Director Review Decision in *Motorola* and other PTAB decisions. In *Motorola*, the Director found that the district court trial date was “*eleven months* before the Board's projected final written decision date” strongly favored discretionary denial. *Motorola* at 3 (emphasis added). In each of the PTAB decisions cited by Patent Owners, although the trial date and the statutory FWD deadline were two to three months apart, a primary factor that prompted the Board to find factor 2 slightly favorable to denial was the lack of uncertainty surrounding the scheduled

trial date. *Cisco*¹⁴ at 12 (finding “no indication of similar uncertainty for the scheduled trial date in the Cisco litigation”); *Fintiv II*¹⁵ at 13 (seeing no reason why the jointly agreed-upon trial date “which already has been postponed by several months” would be postponed again); *Next Caller*¹⁶ at 14-15 (noting district court proceeding was in advanced stage and progressing “reportedly [] on track”).

C. Factor 3: Investment in the parallel proceeding by the court and the parties

This factor weighs in favor of not exercising discretion because *at the time of the institution decision*, the district court case will still be at an early stage and Petitioners promptly prepared and filed this IPR after understanding what claims are relevant to the litigation. *Fintiv* at 10-11.

In *Motorola*, the Director found factor 3 strongly favors discretionary denial because “by the time Patent Owner filed its Preliminary Response[], the parties had served extensive infringement and invalidity contentions, served opening and

¹⁴ *Cisco Sys., Inc. v. Portsmouth Network Corp.*, IPR2024-00503, Paper 7 (PTAB Aug. 6, 2024).

¹⁵ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 (PTAB May 13, 2020) (informative) (“*Fintiv II*”).

¹⁶ *Next Caller Inc. v. TrustID, Inc.*, IPR2019-00961, Paper 10 (PTAB Oct. 16, 2019).

rebuttal expert reports, filed claim construction briefs, and conducted several depositions.” *Motorola* at 3. The case disposition here is highly distinguishable from that in *Motorola*.

In contrast to *Motorola*, the close of fact discovery will be 6 months out and no expert reports will have occurred. To date, neither party has conducted any depositions. Parties are still in the process of negotiating an ESI Order as well as a modified Protective Order. Fact discovery is set to close January 21, 2026 and expert discovery is set to close March 18, 2026. Ex-2002 (First Amended District Court Scheduling Order).

Contrary to Patent Owners’ assertion, the Court likely would not have held the claim construction hearing before the statutory institution deadline, let alone issuing any claim construction order. As explained, Judge Albright’s law clerk recently informed parties that the Court will rule on the transfer motion before the *Markman* hearing. *See supra* § III (discussing Ex-1016 (email to Judge Albright’s law clerk) and Ex-1015 (Judge Albright’s OGP, March 5, 2025)).

If the district court case is transferred to NDCA, a new schedule would even further push out deadlines. As widely recognized, NDCA embraces a less aggressive scheduling order for setting a trial date. *See supra* § III. Take the

development in *LED Wafer Sols. LLC v. Samsung Elecs. Co.*¹⁷ as an example.

Before transfer, the case was in WDTX and in front of Judge Albright. On February 11, 2022, Judge Albright issued a third amended scheduling order, setting the trial date to be February 16, 2023. Ex-1024, 7 (Dkt. 57 in Case Docket). The case was later transferred to NDCA on August 22, 2022 and assigned to Judge Vince Chhabria. *Id.*, 11-12 (Dkt. 94, Dkt. 116). On October 5, 2022, Judge Chhabria held an initial case management conference, and reset the trial date to October 7, 2024, moving the trial date by more than 1.5 years. *Id.*, 14 (Dkt. 133). Moreover, a stay will be highly likely after transfer, given NDCA's "liberal policy in favor of granting motions to stay" pending IPR. *See supra* § III. *Parus Holdings, Inc. v. Google LLC*,¹⁸ is one of many cases that were stayed after transferred in NDCA. The case transferred to NDCA from WDTX on December 12, 2022. Ex-1025, 11 (Dkt. 79 in Case Docket). A month later, a motion to stay pending IPRs was filed. *Id.*, 13 (Dkt. 94). The court granted the motion to stay on February 7, 2023, and the case remains stayed till today. *Id.*, 15 (Dkt. 109).

Petitioners also did not delay filing of the IPR. In *Motorola*, the petition was filed 11 months after the filing of the district court case. Here, the Petition was

¹⁷ No. 3-22-cv-04809 (N.D. Cal. filed Mar. 25, 2021).

¹⁸ No. 22-cv-07830-VC (N.D. Cal. filed June 4, 2021).

filed within 10 months of the complaint and 3 months of receiving infringement contentions from the Patent Owners, which allowed Petitioners to identify what claims are relevant to the litigation. Faced with similar facts, the Panel in *Liberty Energy* held that the Petitioner was reasonably diligent in filing the petition. *Liberty Energy* at 12-15. The Board noted that infringement contentions “inform Petitioner of the claims that are in fact at issue, as well as how Patent Owner views the scope of the claims, both of which are material considerations in preparing a petition.” *Id.*, 14-15.

Patent Owners unfairly accuse Petitioners of “exacerbat[ing] the district court and parties’ significant investment in resources due to their delay in filing this petition.” Br. 11. But even if it were considered a delay, Patent Owners contributed to it by requesting extensions and additional briefing in the district court and should not be allowed to profit from it. Patent Owners have requested and obtained at least three weeks of extension in the district court. Ex-1013, 3-4, 7 (Dkt. Nos. 27, 29, 34, 54 in Case Docket).

Patent Owners’ complaint that serving a Patent Owner Response and preparing fact discovery at the same time poses “significant hardship” rings hollow. Parties in litigation navigate the competing constraints of parallel proceedings all the time.

Patent Owners’ argument that its investment in the district court “is particularly significant” based off the difference in parties’ revenues is also misplaced. Any such difference has no bearing on the case schedule or on the investment of the parties and the court. Factor 3 only requires consideration of “the amount and type of work already completed in the parallel litigation by the court and the parties.” *Fintiv* at 9.

D. Factor 4: Overlap between issues raised in the petition and in the parallel proceeding

This factor weighs in favor of not exercising discretion because Petitioners have filed a *Sotera* stipulation. Ex-1026 (*Sotera* Stipulation). *Fintiv* at 12; *Sotera*¹⁹ at 17.

Patent Owners admit that a *Sotera* stipulation is in place. Br. 13. Rather, Patent Owners complain that the *Sotera* stipulation would not make this proceeding a “true alternative” to the district court case. *Id.* Patent Owners’ such concern is unwarranted.

The Board has long held a *Sotera* type stipulation “mitigates any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions.” *Sotera* at 19. This is true even where

¹⁹ *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential).

“Petitioner’s invalidity arguments in the district court are more expansive and include combinations of the prior art asserted in these proceedings with unpublished system prior art.” *Motorola* at 4 (recognizing “Petitioner’s *Sotera* stipulation may mitigate some concern of duplication”).

Patent Owners cite *Motorola* and *SAP* as support. Both cases are distinguishable.

Motorola merely confirms a *Sotera* stipulation alone does not outweigh *Fintiv* factors 1, 2, and 5. It does not stand for the proposition that any overlap categorically renders a *Sotera* stipulation moot. In *Motorola*, the Board noted the Petitioner’s invalidity expert report “repeats all of the assertions in th[e] Petition.” *Motorola* at 3. Here, no invalidity expert report has been prepared yet. Patent Owners point to Petitioners’ invalidity contentions. However, it is common for expert reports to further narrow the grounds submitted in invalidity contentions, especially after IPR is instituted, and consistent with a *Sotera* stipulation. In addition, Petitioners have raised different systems in the district court case, including anticipatory art to the ’634 patent, that do not overlap with the three prior-art patents used in this IPR. Ex-2005, 75.

In *SAP*, the Petitioner asserted the IBM WebSphere product as system art in district court. The Board noted that “Petitioner describes the primary references [in the IPR] as ‘books describing aspects of the same IBM system: WebSphere.’”

SAP at 10. Here, all three prior-art references for the IPR are patent documents. Patent Owners do not contend that the references are in any way related to the Verizon and Google system art raised in the district court.

Lastly, Patent Owners’ argument that the *Sotera* stipulation is ineffective because “[a]lmost half of Petitioners’ alleged prior art in the parallel proceeding is system prior art” is unfounded. *Fintiv* factor 4 addresses “the concerns of inefficiency and possibility of conflicting decisions” when the Board is presented with prior art arguments substantially identical to those in the parallel proceeding. *Fintiv* at 12-13. As a result, *Fintiv* guides the Board to weigh the *overlap* between proceedings in claims, grounds, arguments, and evidence. *Id.* System art cannot be raised in the IPR. 35 U.S.C. § 311(b). The fact that almost half of the prior art alleged in the district court is system art is a testament that the overlap is insignificant. Therefore, factor 4 weighs against discretionary denial.

E. Factor 5: Whether the petitioner and the defendant in the parallel proceeding are the same party

Petitioners are defendants in the co-pending litigation. This factor follows factor 2 and thus is at most neutral. *Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01372, Paper 17 at 23-24 (PTAB Apr. 23, 2025) (citing an abundance of prior PTAB decisions) (“Prior Board decisions have found that factor 5 generally follows factor 2, such that ‘this factor favors denial if trial precedes the Board’s Final Written Decision and favors institution if the opposite is true.’”).

F. Factor 6: Other circumstances that impact the Board’s exercise of discretion, including the merits.

Under *CommScope*,²⁰ factor 6 is considered only when factors 1-5 favor a denial. As discussed above, that is not the case here. Nonetheless, the merits of the Petition make a very compelling case for institution.

The ’634 patent relates to “[a] method for network connection optimization.” Ex-1001, Abstract. The patent does not purport to invent network communication, networking frames and protocols that it references, or generic network components such as tuning servers. Pet. 6. According to the specification, the purportedly inventive concept of the ’634 patent is determining that a next network connection matches a geographical area of a past network connection. *Id.*; Ex-1001, Abstract. However, during prosecution, the Applicant did not dispute the Examiner’s prior art disclosed this feature. Pet. 6; Ex-1002, 000107-113, 000146-150. Rather, the Applicant argued that the art does not disclose that the determining is performed by a server distinct from the endpoint devices. Ex-1002, 000146-147.

Both of these concepts are taught by the prior art. For Ground 1, Erskine teaches a call server (teaching a tuner server) consulting a QoS data structure table and determining that a next call is to be initiated over the link between two zones

²⁰ *CommScope Techs. LLC v. Dali Wireless, Inc.*, IPR2022-01242, Paper 23 at 6 (PTAB Feb. 27, 2023) (precedential).

that matches a link identified in the table (e.g., Zone-5 and Zone-8), where each zone represents a “geographically distinct zone.” Pet. 21-26; Ex-1004, 2:59-3:10. The call server determines that the next call matches a geographical area of a past network connection. Erskine’s call servers and communication devices (teaching endpoint devices) are distinct, separate components that perform their respective roles in the network. Pet. 21; *e.g.*, Ex-1004, 3:11-29, 3:44-4:20, Fig. 1.

For Grounds 2 and 3, Scherzer teaches that a client queries a database at the server that stores data regarding various access points to obtain information regarding a preferred access point for the client’s location and connects to the access point if available. Pet. 61-62; *e.g.*, Ex-1005, 2:42-50, 5:9-33, 5:58-6:27. In response to the client’s query, the server transmits to the client selected data “correspond[ing] to access points in a geographical proximity to the corresponding client.” Pet. 62-63; *e.g.*, Ex-1005, 3:30-43. The selected data includes data for a past network connection, such as historical data about access points used to establish a past connection. Pet. 63-64; *e.g.*, Ex-1005, 5:34-46, 8:64-9:20, 13:13-40. This teaches determining that the client’s next connection via the access points matches a geographical area of a past network connection. Scherzer’s server (teaching turner server) and clients (teaching endpoint devices) are distinct, separate components that perform their respective roles in the network. Pet. 61; *e.g.*, Ex-1005, 2:42-50, 5:9-46, 6:4-27.

Patent Owners also argue that the Petition relies on expert testimony because the expert declaration “largely parrots the petition.” Br. 15-16. Patent Owners miss the point. The *Memo* refers to case law and the Consolidated Trial Practice Guide to explain: “[e]xpert testimony, however, cannot take the place of a disclosure in a prior art reference.” *Consolidated Trial Practice Guide (CTPG)* (Nov. 2019), 36 (citations omitted); *see also FAQs for Interim Processes for PTAB Workload Management*, No. 21 (“[E]xtensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court. The statute and our reviewing court require that petitions be based on prior art patents and printed publications. ... The failure to provide focused expert testimony may weigh against institution.”). The fact that Petitioners adopted most of their expert’s explanation in the Petition is both proper and irrelevant for this issue.

What matters is that the Petition’s invalidity arguments are grounded in the teachings of the prior art references. Patent Owners do not allege that the Petition relied on expert testimony to provide for limitations that were not taught by the prior art. Indeed, the passages that Patent Owners cherry picked from the Petition shows the very opposite. Br. 16 (citing Pet. 64, 25, 36-38 and Ex-1003, ¶139, ¶52, ¶72, ¶76). The passages demonstrate that the Petition relied on prior art references with direct quotes and cites, and that these were *further* supported by the expert’s

analysis of the same disclosures. For example, the reproduced passage from page 64 of the Petition discusses Scherzer's teachings of determining that the client's next connection via access points matches a geographical area of a past network connection. Pet. 62-64 (citing and quoting Ex-1005, 2:42-50, 3:30-43, 3:55-67, 5:34-46, 6:28-45, 6:59-66, 8:64-9:20, 11:28-50, 13:13-40, Abstract, Fig. 1). The other cited passages of the Petition similarly rely on teachings from prior art. Pet. 25 (citing and quoting Ex-1004, Abstract, 7:11-25, 7:64-8:10), 36-37 (Ex-1004, 3:44-67), 38 (citing and quoting Ex-1004, 10:26-38, 3:44-67, 6:55-7:3, 8:36-51, 9:37-59). In short, the Petition presented a strong showing on the merits, based on multiple independent grounds, which weighs towards institution.

V. OTHER FACTORS WEIGH AGAINST DISCRETIONARY DENIAL

The *Memo* encourages parties to also address factors other than those analyzed above, including "[a]ny other considerations bearing on the Director's discretion." *Memo* at 2-3. Such considerations, as applicable to this case, also weigh against exercising discretion to deny institution. Discretionary denial is inappropriate here because the validity or patentability of the '634 patent claims has not been adjudicated in another forum. As explained above, the Petition presents strong unpatentability challenges that are based on the disclosure of prior art patents and printed publications. The challenges do not rely extensively on expert testimony to stand in for prior art. The parties also have no settled

expectations regarding the '634 patent. For all these reasons, discretionary denial is inappropriate here.

VI. CONCLUSION

For the foregoing reasons, Petitioners respectfully request that the Director decline to exercise discretion to deny institution and let the panel decide whether to institute based on the merits of the Petition.

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

This Petitioners' Opposition Brief to Patent Owners' Request for Discretionary Denial of Institution of Inter Partes Review complies with the type-volume limitation of 14,000 words, comprising 5,652 words, as counted using the Microsoft Word software that was used to prepare this paper, excluding the parts exempted by 37 C.F.R. § 42.24(a).

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 11, 2025, a true and correct copy of the Petitioners' Opposition Brief to Patent Owners' Request for Discretionary Denial of Institution of Inter Partes Review was served in entirety via email to all parties to this proceeding at the addresses indicated:

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