

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,

Petitioner

v.

HEADWATER RESEARCH LLC,

Patent Owner

Case No. IPR2025-00482

Patent No. 11,405,429

**PATENT OWNER'S REPLY IN SUPPORT OF REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION¹**

¹ Patent Owner submits this Reply as authorized by the Board's June 10, 2025 email correspondence, to address the impact of Petitioner's updated stipulation.

PATENT OWNER'S EXHIBIT LIST

No.	Description
2001	DocketNavigator statistics regarding motions to stay pending IPR decided by Judge Gilstrap
2002	August 9, 2024 Docket Control Order in <i>Headwater v. Samsung</i> , Case No. 2:24-CV-00228-JRG-RSP (E.D. Tex.)
2003	DocketNavigator statistics regarding average time to trial in the Eastern District of Texas
2004	Headwater's July 12, 2024 Infringement Contentions in <i>Headwater v. Samsung</i> , Case No. 2:24-CV-00228-JRG-RSP (E.D. Tex.)
2005	Samsung's September 12, 2024 Invalidity Contentions in <i>Headwater v. Samsung</i> , Case No. 2:24-CV-00228-JRG-RSP (E.D. Tex.)
2006	Declaration of Erik de la Iglesia in Support of Patent Owner's Preliminary Response to Petition
2007	<i>Curriculum vitae</i> of Erik de la Iglesia
2008	Petitioner Samsung's Stipulation in IPR2024-00341
2009	Excerpts of Opening Expert Report of Petitioner Samsung's expert, Ian Foster, in <i>Headwater v. Samsung</i> , No. 2:23-cv-103 (E.D. Tex.)

After Patent Owner Headwater filed its request for discretionary denial of the Petition, Petitioner Samsung filed an updated stipulation with the Board (*see* Ex. 1071), and argued the stipulation would “eliminate any possible perception of overlap between the PTAB and District Court.” Paper No. 13 (“Opp.”) at 11. But just as the Acting Director found in *Motorola v. Stellar*, even with Petitioner’s stipulation, “Petitioner’s stipulation does not ensure that these IPR proceedings would be a ‘true alternative’ to the district court proceeding.” *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (“*Motorola*”) at 3–4 (Mar. 28, 2025).

Specifically, Samsung’s updated stipulation still creates significant potential for duplicative efforts and inefficiency under factor four of *Fintiv*. Regarding the first aspect of the stipulation, Samsung commits only to avoiding any “**ground**” that was or could have been raised in this proceeding. But Samsung will likely contend any ground that involves even a **single** piece of prior art that is not a “patent[] or printed publication[]” is a ground that could not have been raised in this proceeding. *See* 35 U.S.C. §311(b) (limiting the scope of *inter partes* review requests to “prior art consisting of patents or printed publications”). Thus, this portion of Samsung’s stipulation raises the possibility that it will attempt to use any art it could have raised in this proceeding, so long as Samsung packages that art into a “ground” that involves at least one piece of system art (no matter how trivial).

Although the above risk may strike the PTAB as theoretical or unfounded,

Samsung has proven that it is willing to take an extraordinarily narrow view of its obligations regarding stipulations presented to the Board. Specifically, in IPR2024-00341, Samsung stipulated that it would “not... pursue the same grounds... in the district court litigation” as asserted in the IPR, which grounds included a combination of “TS-23.140 and Ogawa.” *See* Ex. 2008 (Samsung’s stipulation). Nevertheless, in the parallel district court proceeding, Samsung argued invalidity in the parallel district court proceeding, using *the exact same references* of TS-23.140 and Ogawa. The only additional substantive evidence that Samsung presented was that the Motorola E815 mobile phone (i.e., a device that is not *itself* a “patent” or “printed publication” pursuant to 35 U.S.C. §311(b)) was compatible with the TS-23.140 standard (in addition to trivialities such as that device including a memory and a modem, features also disclosed by TS-23.140). *See* Ex. 2009 at ¶¶283-346 (Samsung’s invalidity theory of “Motorola E815 in view of Ogawa, citing TS-23.140 *over 70 times* as evidence of the E815’s operation).

The second portion of Samsung’s stipulation also does not rule out Samsung attempting to assert duplicative grounds before the District Court. Although Samsung commits to not pursuing “combinations of the [exact] prior art asserted in this proceeding with published system prior art (or any other type of prior art)” (Opp. at 11), that would not prevent Samsung from again attempting to use the art asserted in this proceeding as *evidence* of how related system art operated (such that there

would be no “combination[] of the prior art asserted in this proceeding” according to Samsung). Nor would Samsung’s stipulation prevent Samsung from asserting a ground involving any *other* non-patent or non-printed publication art in combination with other types of art, even if that ground presents cumulative arguments as those considered by the PTAB.²

In sum, Samsung’s stipulation will still not allow the instant IPR to be a “true alternative” (*Motorola* at 3–4) to the District Court litigation because Samsung may attempt to present any ground involving *any* patent or printed publication other than Schmidt, DeBeer, Bittman, or Smith, by adding on a superficial non-patent or non-printed publication aspect to the District Court ground. And Samsung may even attempt to utilize *the exact same* art at issue in the IPR as evidence of how prior art systems operated, similar to how Samsung has approached prior stipulations to the PTAB. Accordingly, Samsung’s updated stipulation should be given little weight in the *Fintiv* analysis.

² Samsung also does not rule out *ex parte* review (“EPR”) of the ’429 patent. *See* Opp. at 12 n.6. Samsung argues any concern is “speculative,” but such speculation could have easily been resolved via stipulation. Notably, Samsung does not dispute that Samsung may attempt an EPR request *before* final written decision is reached in this proceeding. *See id.* (addressing only “subsequently-filed” EPR requests).

Date: June 13, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above document was served on June 13, 2025 by filing this document through the Patent Trial and Appeal Case Tracking System (PTACTS) as well as delivering a copy via electronic mail upon the following attorneys of record for Petitioner:

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