

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.

IPR2025-00486

U.S. Patent No. 10,873,753

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

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1003	Declaration of Donald Alpert, Ph.D.
1004	U.S. Patent App. Pub. No. 2013/0346667A1 ("Stroud")
1005	U.S. Patent No. 9,148,389 ("DaSilva")
1006	Harvey G. Cragon, Memory Systems and Pipelined Processors ("Cragon")
1007	U.S. Patent App. Pub. No. 2002/0087821 ("Saulsbury")
1008	U.S. Patent No. 8,015,386 ("Kulkarni")
1009	<i>Reserved</i>
1010	Kuon et al., "FPGA Architecture: Survey and Challenges" ("Kuon")
1011	Trimberger, "Three Ages of FPGAs: A Retrospective on the First Thirty Years of FPGA Technology" ("Trimberger")
1012	<i>Reserved</i>
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1014	Frey, "The IBM Data Center Family" ("Frey")
1015	Desai et al., "BladeCenter system overview" ("Desai")
1016	Hughes et al., "BladeCenter processor blades, I/O expansion adapters, and units" ("Hughes")
1017	Caldeira et al., "IBM Power Systems S814 and S824 Technical Overview and Introduction" ("Caldeira")
1018	Steffen, "Nallatech Software Tools on the Maxwell FPGA Parallel Computer" ("Steffen")
1019	Nallatech, "H100 Series FPGA Application Accelerators" ("Nallatech")
1020	<i>Reserved</i>
1021	Exhibit C to Concurrent Ventures' and XstreamEdge's Oct. 11, 2024 Preliminary Infringement Contentions
1022	Declaration of J. Munford re Cragon
1023	IETF, RFC 6146 "Stateful NAT64: Network Address and Protocol Translation from IPv6 Clients to IPv4 Servers"
1024	U.S. Patent No. RE45708 ("Frantz")
1025	U.S. Patent No. 9,270,592 ("Sites")
1026	U.S. Patent No. 5,155,833 ("Cullison")
1027	U.S. Patent No. 5,586,293 ("Baron")

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1028	U.S. Patent App. Pub. No. 2018/0088853A1 (“Kotra”)
1029	U.S. Patent No. 9,959,212 (“Takeda”)
1030	U.S. Patent App. Pub. No. 2013/0318196A1 (“Yamamoto”)
1031	U.S. Patent App. Pub. No. 2006/0277365A1 (“Pong”)
1032	U.S. Patent App. Pub. No. 2006/ 0294308A1 (“Bailey”)
1033	U.S. Patent No. 10,847,196 (“Ware”)
1034	U.S. Patent No. 6,029,224 (“Asthana”)
1035	Concurrent Ventures’ and XtreamEdge’s March 29, 2024 Complaint in WDTX 1:24-cv-335
1036	Concurrent Ventures’ and XtreamEdge’s Jan. 23, 2025 Preliminary Claim Construction Disclosures
1037	Declaration of R. Jones re Cragon
1038	Microsoft, Microsoft Computer Dictionary (5th Ed., 2002) (excerpts)
1039	Chambers Dictionary (13th Ed., 2014) (excerpts)
1040	U.S. Patent App. Pub. No. 2014/0115137A1 (“Keisam”)
1041	Exhibit C to Concurrent Ventures’ and XtreamEdge’s Dec. 20, 2024 Supplemented Infringement Contentions
1042	Concurrent Ventures’ and XtreamEdge’s July 22, 2024 Response to Defendant’s Motion to Dismiss
1043	U.S. Patent No. 7,356,047 (“Mahalawat”)
1044	Chu, ENG-46158 rev 1.8 “Serial-GMII Specification”
1045	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) (as of July 3, 2025)
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1047	Judge Albright’s Standing Order Governing Proceedings (OGP)—Patent Cases, March 5, 2025
1048	Email to Judge Albright’s Law Clerks dated May 28, 2025
1049	Docket Navigator, Motion to Stay Pending Inter Partes Review success rate data for California Northern District (printed May 5, 2025)
1050	Opposed Motion to Stay Case Pending Resolution of Motion to Transfer
1051	Docket Navigator, Motion to Stay Pending Inter Partes Review success rate data for Judge Albright (printed May 6, 2025)

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1052	Lex Machina, time-to-trial data for Western District Texas (printed May 19, 2025)
1053	Judge Albright's May Calendar Printout (printed May 1, 2025)
1054	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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1057	Case Docket for <i>Parus Holdings, Inc. v. Google LLC</i> , No. 22-cv-07830-VC (N.D. Cal. filed June 4, 2021)
1058	Sotera Stipulation (Dkt. 78) in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> , No. 1:24-cv-00335 (W.D. Tex. 2024)
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1060	Order Cancelling Markman Hearing Via Zoom (Dkt. 88) dated June 24, 2025 issued in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> ; No. 1:24-cv-00335-ADA (W.D. Tex.)
1061	Order Vacating Report and Recommendation of U.S. Magistrate Judge Mark Lane and Order for Venue Discovery (Dkt. 89) dated June 24, 2025 issued in <i>Concurrent Ventures, LLC v. Advanced Micro Devices, Inc.</i> ; No. 1:24-cv-00335-ADA (W.D. Tex.)

I. INTRODUCTION

Patent Owners emphasize the district court schedule¹ that had, at one time, scheduled a trial date before the FWD, but this is no longer the case. Not only has the scheduled Markman hearing been canceled (Ex-1060 (Dkt. 88)), Judge Albright has also stayed all deadlines in the case until after the parties complete venue discovery, followed by further briefing of the motion to transfer. Ex-1061 (Dkt. 89).

There is no deadline for when Judge Albright will rule on the motion to transfer. Ex-1061. At the earliest, the motion to transfer will not be addressed until at least several weeks after full venue briefing, meaning at least several weeks past October 1, 2025. As a result of this stay, any trial will take place at least nearly four months later than the previously scheduled date of June 29, 2026—meaning trial will occur at the earliest, around the Board’s October 7, 2026 FWD deadline. It would be speculative² to estimate a trial date—discretionary denial based on a speculative trial date would be fundamentally unfair. If there is one thing that is

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

² Patent Owners’ reliance on the previously projected schedule date, in spite of the pending transfer motion, has been proven speculative and ultimately incorrect.

certain, it is that the trial date will be delayed. And a transfer would further 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 is unwarranted under the *Motorola*³ Director Review Decision, the *Memo*,⁴ and other recent PTAB decisions because the parties' investment has been minimal and the district court case remains in its early stages. In contrast to *Motorola*, no depositions have been taken, the Markman hearing was canceled and expert reports are not planned until January 2026. Additionally, a *Sotera* stipulation has been filed in district court, mitigating the concern of duplicative efforts between the district court and the Board.

In short, the *Fintiv*⁵ analysis and other discretionary factors favor institution regardless of whether the case is ultimately transferred or not. Should the district

³ *Motorola Sols. Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB Mar. 28, 2025).

⁴ The Memorandum on Interim Processes for PTAB Workload Management, dated March 26, 2025 ("the *Memo*").

⁵ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv*").

court transfer the case following venue discovery, the balance tips overwhelmingly against discretionary denial.

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-1045, 7 (Dkt. 33 in Case Docket). Patent Owners were granted a prolonged briefing schedule, which ended September 26, 2024. *Id.*, 9 (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-1045, 10 (Dkt. 53). Judge Pitman denied, stating that “the Court expects to resolve Defendants’ motion to transfer well in advance of the scheduled 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-1045, 10 (Dkt. 58); Ex-1046, 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. Ex-1046, 18.

Three days later, the case was re-assigned to Judge Albright, who recently moved from Waco to Austin. Ex-1045, 11 (Dkt. 61). Judge Albright extended deadlines for claim construction briefing by a month (*id.*, 12 (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-1047, 6 (Judge Albright’s OGP, March 5, 2025).

On June 24, 2025, Judge Albright cancelled the *Markman* hearing with no new scheduled date. Ex-1060; Ex-1045, 13 (Dkt. 88). Judge Albright vacated the magistrate judge’s transfer recommendation, and stayed all deadlines in the case until after the completion of venue discovery and briefing of the motion to transfer. Ex-1061; Ex-1045, 13 (Dkt. 89).

III. PATENT OWNERS’ ARGUMENTS ARE PREDICATED ON A SPECULATIVE TRIAL DATE

Patent Owners failed to mention, even once, Magistrate Judge Lane’s Recommendation to transfer the case—a glaring omission and a lack of candor. Furthermore, events have overtaken the Patent Owners’ original arguments. Judge

Albright has canceled the Markman hearing without re-scheduling it, and has stayed all case deadlines. Even though the Court has elected to conduct a *de novo* review⁶ rather than directly adopt the Recommendation, the Magistrate Judge's analysis and conclusions remain persuasive. *See supra* § II. Furthermore, the review of a non-dispositive issue such as transfer is under the abuse of discretion standard, making adoption likely.

In contrast to the facts here, where transfer had been recommended by Magistrate Judge Lane, Patent Owners' arguments and caselaw regarding the transfer issue address the situation where motions remained pending without a recommendation for transfer, or for which a magistrate has recommended denial.

Moreover, in the case of a likely transfer, the district court case would be put 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. 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

⁶ Patent Owners filed objections to the Recommendation within fourteen days of service. Ex-1045, 11 (Dkt. 62). The Court incorrectly stated that *de novo* review would be applied.

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).

As another example, for *Fintiv* factor 2, Patent Owners point to the previously projected trial date which was June 29, 2026 and “more than three months before the October 4, 2026 statutory deadline for a FWD.” Br. 8. As the district court case stands, the trial schedule is already subject to a delay of nearly four months. This puts the trial date close to or after the statutory deadline for the FWD, with potential for further delay.

If transferred to NDCA, the case will likely experience additional delays, putting the trial date squarely 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-1050, 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 previously scheduled *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 October 7, 2025. Br. 11. Judge

Albright has cancelled the *Markman* hearing without setting a new date. Any conjecture as to when the Court might eventually rule on claim construction would be purely speculative. What is certain is that the Court will not hear the parties' arguments, nor rule on claim construction until after the motion to transfer is resolved.

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 against discretionary denial. Factor 1 evaluates whether a stay would be granted pending resolution of the PTAB trial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential). Judge Albright's venue discovery order stayed all deadlines in the district court case and ensures the case will remain stayed for over three months. Ex-1061; Ex-1045, 13 (Dkt. 89).

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-1050 (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-1046.

The *10x Genomics*⁷ and *Samsung*⁸ 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 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. A stay pending IPR is plausible. Judge Albright regularly grants stays pending instituted IPRs. In 2024, Judge Albright granted nine motions to stay pending IPR and denied three. Ex-1051

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

⁸ *Samsung Elecs. Co., Ltd. v. California Inst. of Tech.*, IPR2023-00133, Paper 10 at 14 (PTAB May 4, 2023).

(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).

Additionally, Petitioners expect to move to stay the case pending IPRs once the district court case is 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.

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

This factor weighs against discretionary denial because the district court trial date is now likely to be around or 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*⁹ at 17-18 (noting

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

Fintiv analysis turns on other factors when trial date might “fall around the same time as the Board’s ... statutory deadline”). Recently, in *Amazon*,¹⁰ the Director denied the Patent Owner’s request for discretionary denial even when the scheduled trial date was *before* the projected FWD date.

All district court case deadlines have been stayed and will not occur until sometime after the parties complete venue briefing by October 1, 2025 (over three months, and nearly four months later), and the court subsequently resolves Petitioners’ motion to transfer. As a result, the earliest possible trial date will be weeks after October 1, 2026—close to or likely past the projected FWD date for this IPR of October 7, 2026. Hence, factor 2 weighs 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).

Further trial delay is also likely, even if the court denies transfer after the parties complete venue discovery and briefing. Judge Albright schedules multiple trials on the same date, and frequently moves trial dates when the conflicting trial

¹⁰ *Amazon.com, Inc. v. NL Giken Inc.*, IPR2025-00250, Paper 14 (PTAB May 16, 2025).

dates have not been resolved. 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.¹¹

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-1054 (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-1046, 16 (Magistrate Judge Lane's Recommendation); Ex-1053 (Judge Albright's May Calendar Printout on May 1, 2025); Ex-1059 (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.

If the case transfers to NDCA, even greater delays are likely, as the trial date will likely be reset according to NDCA's slower scheduling practices. *See supra* §

¹¹ Indeed, even as to the trial date in this case, June 29, 2026, there is already another trial scheduled for the same day. Ex-1055, 3 (Scheduling Order in *Irons v. Paccar, Inc.*, No. 1:24-cv-01553-ADA, Dkt. 11 (W.D. Tex. 2024)).

II. In *LED Wafer Sols. LLC v. Samsung Elecs. Co.*,¹² the case was originally in WDTX before Judge Albright, who set a trial date of February 16, 2023 by third amended scheduling order. Ex-1056, 7 (Dkt. 57 in Case Docket). After transfer to NDCA and reassignment to Judge Chhabria on August 22, 2022, the trial date was reset to October 7, 2024—over 1.5 years later. Ex-1056, 11-12, 14 (Dkt. Nos. 94, 116, 133). Moreover, NDCA’s liberal policy in favor of granting motions to stay pending IPR is illustrated in *Parus Holdings, Inc. v. Google LLC*,¹³ where after transfer from WDTX on December 12, 2022, the NDCA granted a stay pending IPR a month later, and the case remains stayed. Ex-1057, 11, 13, 15 (Dkt. Nos. 79, 94, 109 in Case Docket).

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 relative certainty surrounding the scheduled trial date. *Cisco*¹⁴ at 12 (finding “no indication of similar uncertainty for the scheduled trial date in the Cisco

¹² No. 3-22-cv-04809 (N.D. Cal. filed Mar. 25, 2021).

¹³ No. 22-cv-07830-VC (N.D. Cal. filed June 4, 2021).

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

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 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*.

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).

In contrast to *Motorola*,¹⁷ where factor 3 favored discretionary denial due to extensive investment in the case (including exchanged contentions, expert reports, and multiple depositions) (*Motorola* at 3), here *zero* depositions have been taken, *zero* expert reports have been exchanged, no claim construction hearing has occurred or is even scheduled, and all case deadlines have been stayed. Judge Albright will not hold a claim construction hearing or issue a claim construction order before the October 7, 2025 institution deadline. *Compare* Ex-1061, *with*, Br. 11. As reflected in Judge Albright's OGP, Judge Albright will rule on any transfer motion before having a *Markman* hearing, or otherwise postpone the hearing. *See supra* § II (discussing Ex-1047, 6 (Judge Albright's OGP, March 5, 2025)). This approach was confirmed here when Judge Albright canceled the *Markman* hearing that had been scheduled for June 25, 2025.

Petitioners also did not delay filing of the IPR. Here, the Petition was filed within 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

¹⁷ *Motorola Sols. Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB Mar. 28, 2025).

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. 12. 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-1045, 7-8, 10 (Dkt. Nos. 27, 29, 34, 54 in Case Docket). As noted above, the level of investment of resource in this case has been limited as the case rests in its early stages.

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-1058 (*Sotera* Stipulation). *Fintiv* at 12; *Sotera*¹⁸ at 17.

Patent Owners admit that a *Sotera* stipulation is in place. Br. 14. 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 “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”).

¹⁸ *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential).

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 '753 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 “Petitioners’ top three alleged prior art references in the parallel proceeding are all 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 three prior art references alleged in the district court are system art is a testament that the overlap is insignificant. The assignment of Stroud, presented in the Petition, to BreakingPoint Systems, Inc here is hardly relevant. Br. 14. Petitioners have not relied on Stroud as evidence of BreakingPoint’s prior art system—in fact, Petitioners have presented Stroud separately from the prior art system, which is described in various product documentation. Nor do Patent Owners present any substantive evidence of overlap. As Patent Owners’ admit, their argument is nothing but a “specter”—a ghost with no substance. Br. 15. 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*,¹⁹ 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 ’753 patent relates to “one or more swappable pods or cards in one or more chassis, coupled through a module messaging interface network.” Ex-1001, Abs. During prosecution, the originally-filed independent claims were directed to a chassis with swappable cards having hardware or software modules, but were amended to overcome a §103 rejection by reciting identifiers in a packet header: “a chassis identifier, a board identifier, a module identifier, an instance identifier, and a type identifier.” Ex-1002, 000108; Ex-1001, 3:4-7, Fig. 6A:

¹⁹ *CommScope Techs. LLC v. Dali Wireless, Inc.*, IPR2022-01242, Paper 23 at 6 (PTAB Feb. 27, 2023) (precedential).

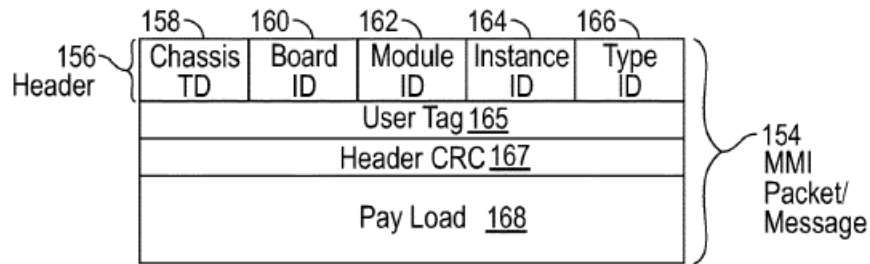


FIG. 6A

Additionally, dependent claim 7 was amended to recite “a plurality of types of memory and memory superposition with selectable arrangement of the plurality of types of memory as multilevel cache, interleaved memory, swapped memory over a specified address range, and memory allocated to specified address ranges according to parameterized task needs.” Ex-1002, 000110.

However, the prior art references in the Petition’s grounds clearly teach these purportedly novel features, as well as the rest of the limitations. For example, Stroud teaches a chassis platform with “modular” cards, that have hardware and software modules. Pet. 17; Ex-1004, ¶¶98-107, Fig. 3. Stroud’s cards communicate over an Ethernet backplane, using identifiers in the subfields of a packet’s MAC address. Pet. 18; Ex-1004, ¶99, ¶101, ¶¶366-372. Stroud teaches all of the claimed identifiers, except for a “chassis identifier.” Pet. 41-46; Ex-1004, ¶¶368-372, ¶347. DaSilva provides this element, teaching the use of a “chassis ID.” Pet. 47-49; Ex-1005, 9:58-10:14 (“The hardware device information includes, for example, *chassis ID*....”), 5:13-18, 7:58-64, Fig. 4.

Ground 2 addresses the arrangements for memory superposition of claim 7, with a textbook from 1996: Cragon. Pet. 68-69, 74-77; Ex-1006, 000048, 000071-73, 000219-220 (multi-level cache), 000496-497 (interleaved memory), 000255-265 (swapped memory), 000413-415 (memory allocated according to parameterized task needs), 000536-548 (memory allocated according to parameterized task needs). Cragon also teaches these memory arrangements are selectable. Pet. 73-47; Ex-1006, 000413-414, 000536-548. For Ground 3, the prior art reference Saulsbury further teaches the selectable memory arrangements by “*switch[ing] the memory mode* between physical memory and cache memory, depending on the particular application of the processor and memory chip.” Pet. 84-85; Ex-1007, ¶3, ¶65, Fig. 1.

Second, Patent Owners argue that the Petition relies on expert testimony because the expert declaration “largely parrots the petition.” Br. 17-19. 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 paragraph Patent Owners reproduce from the Petition shows the very opposite. It demonstrates that the Petition relied on the prior art reference Stroud, which was supported by the expert’s analysis of the same portions of Seshadri. Br. 17-18 (reproducing Pet. 31 and Ex-1003, ¶94, both quoting Ex-1004, ¶83, ¶¶103-109, ¶188).

Lastly, Patent Owners also raise a novel argument that “[f]orcing a small company like [Patent Owners] to litigate and win serial invalidity challenges against an adversary with essentially unlimited resources would be fundamentally unfair.” Br. 19. Petitioners have filed a single petition against the ’753 patent.

In short, the Petition presented a strong showing on the merits, which are not affected by Patent Owners’ dubious arguments, and thus 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 ’753 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 ’753 patent. For all these reasons, discretionary denial is inappropriate here.

VI. CONCLUSION

Given the recent development in the district court proceeding, including cancellation of the Markman hearing and the staying of all court deadlines, discretionary denial is inappropriate here. 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 4,931 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 July 7, 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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