

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SANDISK TECHNOLOGIES, INC. AND
WESTERN DIGITAL TECHNOLOGIES, INC.,
Petitioner

v.

POLARIS POWERLED TECHNOLOGIES, LLC,
Patent Owner

Case IPR2025-00516
U.S. Patent No. 8,601,346

**PATENT OWNER POLARIS POWERLED TECHNOLOGIES, LLC'S
REPLY BRIEF ON DISCRETIONARY DENIAL**

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I. INTRODUCTION

The Director should exercise discretion to deny institution. Settled expectations strongly favor denial for three reasons. First, the '346 patent issued over *eleven years* ago, and Polaris has owned it since April 2021. Second, Petitioners waited until Polaris relied on its property right before filing a challenge. And third, the patent has been licensed in Petitioners' technology space. Further, the *Fintiv* factors continue to favor discretionary denial. The district court is a better forum to resolve the parties' dispute in this proceeding and the related IPRs.

II. POLARIS HAS SETTLED EXPECTATIONS TO ITS PROPERTY RIGHT IN THE '346 PATENT.

Petitioners' arguments on settled expectations miss the point—settled expectations are *not* based on when a patent was acquired. *Contra* Opp., 18-19. Rather, this factor is concerned with “the length of time the claims have been in force.” Interim Process Memo, 2. Indeed, “the longer the patent has been in force, the more settled expectations should be.” *Dabico Airport Solutions v. AXA Power Aps*, IPR2025-00408, Paper 21 at 3 (P.T.A.B. June 18, 2025).

The '346 patent has been in force since December 3, 2013—well over eleven years. The patent has been publicly available and Petitioners—large, sophisticated technology companies—could have availed themselves of resources, such as the Office's automated search system and publicly available resources, to easily locate the '346 patent. *See Dabico* at 3. And the patent has been licensed in

Petitioners' technology space. *Cf. Intel v. Proxense*, IPR2025-00327, Paper 12 (P.T.A.B. June 26, 2025). Petitioners' failure to file an early challenge to a patent that issued in 2013, waiting instead until Polaris relied on its property right by filing a complaint to enforce its rights, strongly favors denying institution. *See iRhythm Tech. v. Welch Allyn*, IPR2025-00363, Paper 10 (P.T.A.B. June 6, 2025) (denying institution based on settled expectations where Petitioner was aware of patent as early as 2013); *Dabico* (denying institution based on settled expectations; challenged patent in force for almost eight years).

Additionally, Polaris has settled expectations in the two other patents involved in the district court proceeding and challenged in related IPR2025-00515 and -00517. In the -517 IPR, the challenged '968 patent has been in force since October 8, 2013, and Western Digital was aware of it, having cited it in *ten* of its own applications. *See, e.g., -517 IPR*, EX2017.¹ In the -515 IPR, the challenged '085 patent has been in force since November 10, 2015, and SanDisk was aware of

¹ The '968 patent was also cited in at least U.S. Patent Nos. 10,452,278; 10,466,903; 10,509,569; 10,719,267; 10,725,835; 10,817,182; 11,169,704; 11,487,434; and 11,635,898. And in the '835 patent, the Examiner identified the '938 patent as "pertinent art" in an June 26, 2018 Office Action.

that patent, having cited in two of its applications. *See e.g.*, -515 IPR, EX2015.²

All three proceedings warrant denial based on settled expectations.

III. THE *FINTIV* FACTORS FAVOR DENIAL.

Fintiv makes clear that the factors are evaluated holistically “in view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Fintiv* at 6. Here, the factors favor denial.

The district court’s issuance of a stay should not be weighed strongly against denial here. The parties have an obligation to notify the court “after the PTAB issues **any** rulings” as to the pending IPR within seven days. EX1031, 9. Because the district court has indicated that the stay will be lifted soon after a denial of institution decision, factor 1 weighs, at most, slightly against denial.³

The expected date of the discretionary decision in this IPR is July 27, 2025. If institution is denied, the district court has indicated the stay will be lifted soon

² The ’085 patent was also cited during the prosecution of U.S. 9,411,669.

³ To the extent *Snap v. SRK Tech.*, IPR2020-00820, Paper 15 (P.T.A.B. Oct. 21, 2020) (precedential) dictates that a stay must always be weighed “strongly against” denial—making a “stay” an outcome determinative factor—Polaris requests the Director clarify or reconsider its designation. Weighing one factor as a “super factor” has no place in the balanced assessment. *Cf. Fintiv* at 5.

after denial by ordering the parties to apprise the court within seven days of developments that warrant lifting the stay. *See* EX1031, 9. And prior to the stay, the case was moving faster than initially scheduled (*see* DD. Br., 3-5), making it likely the litigation will resume quickly.

The original trial date was set for June 16, 2026—over 2 months before the FWD. Because it is highly likely the stay will be lifted immediately upon denial, the trial is still likely to occur before, or around, the FWD date of August 27, 2026. In fact, given the accelerated pace of the litigation prior to the stay, the original trial date could even remain in place. Thus, factor 2 weighs in favor of denial.

Factors 3-6 strongly favor denial for the reasons discussed in Polaris’s initial brief. *See* DD. Br. 9-18. Although the district court noted there is more work ahead, that does not negate the substantial investment before the stay—including exchanging claim constructions and related expert reports. And Petitioners have no reasonable excuse here for waiting seven months to file the Petition.

Further, the *Sotera* stipulation should not be considered as Petitioners provide no reason it could not have been submitted earlier (e.g., with the Petition), but instead fault Polaris for filing its brief by the original deadline and not unnecessarily delaying the filing. *See* Opp. 5-7. And the *Sotera* stipulation does not mitigate concerns of duplicate effort because Western Digital relies on system art in its invalidity contentions. *See* Opp. 7 (quoting *Ingenico* to signal it may assert

invalidity based on systems). Even if this IPR is instituted, the district court will still have substantial overlap, and the district court remains a better forum for adjudicating the priority issues of the '968 patent. *See* -517 IPR, Paper 9 at 19-24.

Additionally, the merits remain weak. Despite having Polaris's POPR in hand (which Polaris continues to request the Director consider), Petitioners give short shrift to those arguments and do not even attempt to address most of the weaknesses pointed out by Polaris. *See* Opp. 12-13. Specifically, Petitioners address only the "data blocks" argument in Section III.A of the POPR, but not the arguments in Sections III.B and III.C. *Compare* Opp., 12-13 *with* POPR, 4-17.

Considered as a whole, the *Fintiv* factors weigh in favor of denial. Five factors strongly favor, or favor, denial; and only one factor slightly weighs against denial. Instituting this IPR would result in duplicative effort and cause additional cost to litigate in two forums. Accordingly, the Director should exercise discretion to deny institution in view of the parallel litigation.

IV. CONCLUSION

Polaris has strong settled expectations that its property right to the claims of the '346 patent—which have been in force for well over eleven years—are enforceable. And because the *Fintiv* factors favor denial, institution of this IPR would be duplicative and an inefficient use of the Board's limited resources. Thus, this proceeding, and the related IPRs, should not be instituted.

Respectfully submitted,

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

I certify that the above-captioned **PATENT OWNER'S REPLY BRIEF**
ON DISCRETIONARY DENIAL was served in its entirety on June 30, 2025,
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