Paper No. 10
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., AND
SAMSUNG ELECTRONICS AMERICA, INC.,

Petitioners,

v.

KEYLESS LICENSING LLC,

Patent Owner.

Case No. IPR2025-00527
U.S. Patent No. 10,976,922

PETITIONERS' OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION

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I. INTRODUCTION

The Director should refer this IPR for institution. Keyless cannot have settled expectations in the validity of either U.S. Patent No. 10,976,922, the subject of IPR2025-00527 (this IPR), or U.S. Patent No. 11,503,144, the subject of IPR2025-00528 and IPR2025-00529. Both the '922 patent and '144 patent are young, having issued in 2021 and 2022 respectively. Samsung challenged them early, within two to three years of issuance, and well within the six-year lookback period for damages. As the Director has stated, "[e]arly challenges to patents favor robust, predictable patent rights and weigh against discretionary denial." *Imperative Care, Inc. v. Inari Medical, Inc.*, IPR2025-00289, Paper 9 at 2 (PTAB June 12, 2025) (institution granted). Further, Keyless cannot have settled expectations for U.S. Patent No. 9,304,602, which Samsung is challenging in IPR2025-00526, either because Keyless wrongly asserted the patent against technology Samsung, not Keyless, commercialized before the earliest priority date of the patent. Regardless of the age of the '602 patent, Keyless cannot have settled expectations in the validity of the patent in this situation. Samsung's challenges to all three patents should be heard on the merits to protect its settled expectations that (i) Samsung would be allowed to practice the technology it, not Keyless, developed, and (ii) Samsung would be allowed to defend its ability to do so using the PTAB. Indeed, Samsung, and the rest of the industry, had no reason to challenge any of these patents until last year.

Keyless's first, and only, assertion of its patent rights is these three patents, in the Eastern District of Texas litigation against Samsung.

All three patents are the result of Keyless's abuse of the patent system. Rather than providing real solutions to real problems, its owner Benjamin Firooz Ghassabian has spent the last 20 years accumulating patents. This prosecution has followed a pattern, where a new application will rely on dozens of priority documents and a voluminous, "omnibus" specification, obfuscating what the true priority date is. Each of the challenged patents here is a perfect example. The '602 patent is 101 pages long, and cites to nearly 20 separate priority documents. IPR2025-00526, Paper 1 at 1. The '922 patent is 131 pages long, and cites to over 50. IPR2025-00527, Paper 1 at 1-2. And the '144 patent is 137 pages long and cites to 14. Despite this, Mr. Ghassabian has not assisted the office in locating relevant prior art. In the '602 patent prosecution, he submitted one IDS with two references. In the '922 and '144 patents, he submitted none at all. Equally troubling is Keyless's failure to commercialize these patents, a fact that favors institution. *Intel Corporation v. Proxense LLC*, IPR2025-00327, -00328, -00329, Paper 12 at 2-3 (PTAB Jun 26, 2025) ("There may be persuasive reasons why the Board should review challenged claims several years after their issuance date . . . As another example, a patent may have been in force for years but may not have been

commercialized, asserted, marked, licensed, or otherwise applied in a petitioner's particular technology space, if at all.").

The *Fintiv* factors also favor referral for institution. Samsung submitted a very broad, *Tesla*+ stipulation, ensuring there will be little to no overlap between proceedings. Samsung demonstrated that in each patent, the Office erred by overlooking prior art that clearly disclosed the exact limitations relied upon for allowance. And Samsung was diligent in doing so, filing this petition only three months after it received Keyless's infringement contentions. Only factor 2, the difference between trial and the projected final written decision dates, even arguably weighs meaningfully against institution. But as Samsung explains below, the Office should account for the reality of what the difference will likely be in view of trial statistics, the Office's own delay in according a filing date, and the way factor 2 has been previously applied, which taken together dictate this factor should be neutral or, at most, only weigh slightly against institution. Given the rest of the *Fintiv* factors, and Samsung's settled expectations, this IPR should be referred for institution.

II. SETTLED EXPECTATIONS SUPPORT REFERRAL

Samsung's settled expectations, rather than Keyless's, counsel that this IPR should be referred for institution.

A. Samsung's challenge early in the life of the patent supports referral.

This IPR should be referred for institution because Samsung is challenging the patent very early in its life. The '922 patent issued on April 13, 2021. Ex. 1001 at 1. It is thus still quite young. The Director has been clear that, where a patent is challenged early in its life, like here, it is in the PTAB's interest to *not* discretionarily deny as "[e]arly challenges to patents favor robust, predictable patent rights and weigh against discretionary denial." *Imperative Care, Inc. v. Inari Medical, Inc.*, IPR2025-00289, Paper 9 at 2 (PTAB June 12, 2025) (institution granted).

This includes many patents the same age or *older* than this one. *See, e.g.*, *Cambridge Industries USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00434, -00436, -00437, Paper 11 at 2-3 (PTAB Jun. 26, 2025) (Patents issued in **2020**, **2019**, and **2019**.); *Embody, Inc. and Zimmer Biomet Holdings, Inc. v. LifeNet Health*, IPR2025-00248, -00249, Paper 13 at 2-3 (PTAB Jun. 26, 2025) (Child patent issued in **2022**, parent issued in **2018**.); *Yealink (USA) Network Technology Co., Ltd. and Yealink Network Technology Co., Ltd. v. Barco, N.V.*, IPR2025-00491, Paper 18 at 2-3 (PTAB Jun. 25, 2025) (Patent issued in **2020**.); *Micron Technology, Inc. v. Yangtze Memory Technologies Company, Ltd.*, IPR2025-00190, -00191, -00228, -00244, -00245, -00021, Paper 21 at 3 (PTAB Jun. 25, 2025) (Patents issued from **2021 through 2024**.); *Google LLC v. BrodTi Inc.*, IPR2025-00472, Paper 19 at 2

(PTAB Jun. 25, 2025) (Patent issued in **2022**). Since Samsung has similarly challenged the patent so early in its life, this petition should similarly be referred for a decision on the merits.

Finally, Keyless argues it should be afforded more latitude because it is a "small, inventor-owned company" and it should not have to fight in two venues. However, this ignores that Keyless picked this fight. If it did not want to litigate the patents, it could have approached Samsung about a licensing deal instead. It did not, choosing instead to fight in court. Further, although Keyless has not yet revealed how it is funding its litigation, it is quite common for companies like Keyless to hire lawyers on contingency, or enlist litigation funding. That Keyless chose to attack Samsung would seem to indicate its funding for the litigation due to "small size" is not an issue. Samsung is confident Keyless's very capable team of counsel at three separate firms (Sterne Kessler, Kramer Alberti Lim & Tonkovich, and The Dacus Firm) are more than capable of handling both four IPRs and a single district court action. To the extent Keyless does not wish to litigate in both venues at once, it can stay the district court action and avail itself of the benefits of IPR estoppel, should Keyless prevail.

B. Keyless's alleged settled expectations do not warrant denial.

Keyless argues its "settled expectations" should mean this IPR should be denied. Paper 8 at 10-11. However, this ignores that the patent is *young*. Keyless has

no settled expectations. In fact, Keyless makes no specific allegation of Samsung's knowledge of the '922 patent itself. Instead, it alleges only knowledge of other members in the patent family. Ex. 2005 at ¶123.

Regardless, denial for "settled expectations" alone is a flawed concept. For example, this reasoning is contrary to the Supreme Court Decision, *SCA Hygiene Products v. First Quality Baby Products*, 580 U.S. 328 (2017), because the Office is impermissibly attempting to rewrite the rules on timeliness Congress already decided. In *SCA Hygiene*, the Supreme Court held laches is not available to a defendant whose infringing activity occurred within six years of the complaint being filed—the same statute the Director has relied on to support the "settled expectations" factor. *Dabico Airport Solutions Inc. v. AXA Power APS,* IPR2025-00408, Paper 21 at 3 (PTAB June 18, 2025) (citing 35 U.S.C. § 286). In so holding, the Court said:

> The enactment of a statute of limitations necessarily reflects a congressional decision that the timeliness of covered claims is better judged on the basis of a generally hard and fast rule rather than the sort of case-specific judicial determination that occurs when a laches defense is asserted. Therefore, applying laches within a limitations period specified by Congress would give judges a 'legislation-overriding' role that is beyond the Judiciary's power. As we stressed in Petrella, '**courts are not at**

> **liberty to jettison Congress' judgment on the timeliness of suit.**'"

580 U.S. at 334-335. In other words, Congress has stated patent actions are recoverable for the previous six years of damages. Patent owners are entitled to this damages period regardless of the "settled expectations" of defendants, because Congress already decided the rules on timeliness.

The same logic should apply here for discretionary denials. Congress here, like in the patent damages context, **already set the rules** on timeliness of an IPR challenge—the one-year statutory bar. 35 U.S.C. § 315(b). Patent owners do get settled expectations, but only a year after they assert the patent against an alleged infringer. Patent owners do not get a "settled expectation" that their patents will not be challenged just because they sit on and do not assert their rights.

If Congress had instead intended for these expectations to set upon the issuance of a patent, it could have drafted the statute this way. In fact, it did. PGRs, unlike IPRs, are time-barred based on the issuance of the patent. 35 U.S.C. § 321(c) ("A petition for a post-grant review may only be filed not later than the date that is 9 months after the date of the grant of the patent or of the issuance of a reissue patent (as the case may be)."). IPRs, which were created by the same act, could have been subject to a similar provision, perhaps even applying the six-year limit the Office appears to be using. But they are not. A denial based on "settled expectations" alone

is thus an abuse of discretion, as it impermissibly "jettison[s] Congress' judgment on the timeliness of suit."

Samsung also notes that, to the extent settled expectations can be considered, the *Dabico* reasoning that specific knowledge by the alleged infringer is not required is contrary to how similar "knowledge" issues are handled elsewhere in patent law. *Dabico Airport Solutions Inc. v. AXA Power APS,* IPR2025-00408, Paper 21 (PTAB June 18, 2025). A close analogue to the "settled expectations" analysis is indirect infringement, which like "settled expectations" is concerned with fair notice to the parties involved of the impact of their rights. But claims of indirect infringement—that is, induced or contributory infringement—require proof that the defendant's conduct occurred after the defendant (1) knew of the existence of the asserted patent and (2) knew that a third party's acts constituted infringement of the patent. *Commil USA, LLC v. Cisco Sys., Inc.,* 575 U.S. 632, 638-640 (2015); *see also Global-Tech Appliances, Inc. v. SEB S.A*., 563 U.S. 754, 766 (2011). Mere publication of a patent is not enough for indirect infringement, and it should not be enough to trigger settled expectations in validity.

Even citation of an asserted patent during prosecution of a defendant's patent applications does not, by itself, give rise to sufficient knowledge for indirect infringement or willfulness claims, particularly where the accused infringer has thousands of patents. *See, e.g., Spherix Inc. v. Juniper Networks, Inc*., No. 1:14-CV-

00578-SLR-SRF, 2015 WL 1517508, at *3 (D. Del. Mar. 31, 2015) (dismissing willfulness claim because "[t]he fact that the [asserted] patent was referenced during prosecution of two of defendant's over 1,700 patents . . . is not compelling evidence of knowledge."), *see also*, *Chalumeau Power Sys. LLC v. Alcatel-Lucent*, No. 1:11-CV-01175-RGA, 2012 WL 6968938, at *1 (D. Del. July 18, 2012); *DermaFocus LLC v. Ulthera, Inc.,* 201 F. Supp. 3d 465, 471 (D. Del. 2016); *Soverain IP, LLC v. Microsoft Corp*., No. 2:17-CV-00204-RWS-RSP, 2018 WL 1465792, at *2 (E.D. Tex. Mar. 26, 2018). Citation of an asserted patent during prosecution should likewise not be enough to trigger settled expectations in validity.

Imputing knowledge based on mere citation in an IDS makes no sense, particularly for a large company like Samsung. It would result in a huge burden on the most innovative companies. Samsung is a particularly good example of why. Over the last decade Samsung has been either the first or the second most innovative company, as measured by U.S. patent grants:

Year	**Rank**	**Grants**	**Source**
2024	First	6,377	https://www.ificlaims.com/rankings/top-50-2024/
2023	First	6,165	https://www.ificlaims.com/rankings/top-50-2023/
2022	First	6,248	https://www.ificlaims.com/rankings/top-50-2022/
2021	Second	6,366	https://www.ificlaims.com/rankings/top-50-2021/
2020	Second	6,415	https://www.ificlaims.com/rankings/top-50-2020/

2019	Second	6,469	https://www.ificlaims.com/rankings/top-50-2019/
2018	Second	5,850	https://www.ificlaims.com/rankings/top-50-2018/
2017	Second	5,837	https://www.ificlaims.com/rankings/top-50-2017/
2016	Second	5,518	https://www.ificlaims.com/rankings/top-50-2016/
2015	Second	5,072	https://www.ificlaims.com/rankings/top-50-2015/
2014	Second	4,952	https://www.ificlaims.com/rankings/top-50-2014/
2013	Second	4,676	https://www.ificlaims.com/rankings/top-50-2013/
2012	Second	5,081	https://www.ificlaims.com/rankings/top-50-2012/
2011	Second	4,894	https://www.ificlaims.com/rankings/top-50-2011/

Samsung's tens of thousands of patents have added immensely to America's technical knowledge. Enforcing a rule that forces a company like Samsung to actively fight any patent that is cited during prosecution of any of its patent applications or else forgo the ability to eventually challenge the patent because of "settled expectations" is unworkable, as it would defeat the purpose of the patent system. Instead of focusing on obtaining new patents (and thereby sharing technical knowledge), companies like Samsung would be incentivized to file fewer patents, to limit their exposure to third party prior art that may carry unreasonable expectations that they must be challenged simply because they issued.

No settled expectations warrant denial, much less those alleged by Keyless without proof of any meaningful level of knowledge by Samsung.

III. THE *FINTIV* FACTORS SUPPORT REFERRAL

The Director should not deny the Petition under the *Fintiv*[2] factors. Factor 4 strongly favors referral for institution because of Samsung's "*Tesla*+" stipulation, ensuring institution will create efficiencies for the PTAB, the parties, and the district court. Factors 1, 3, and 6 also favor referral. Where only factors 2 and 5 even potentially favor denial (and both only slightly and being neutral according to some), the Director should refer the petition for institution.

A. *Fintiv* factor 4 weighs strongly against denial because Samsung upgraded its *Sotera* stipulation to a *Tesla*+ stipulation.

Factor 4 strongly favors institution because Samsung's stipulations eliminate the overlap between the proceedings. Keyless argues factor 4 "weighs strongly in favor of denying institution," but focuses only on the overlap in the *contentions*. Paper 8 at 6-8. This ignores Samsung's stipulations, which eliminate this overlap.

1. Samsung's original *Sotera* stipulation warrants referral for institution.

This IPR was filed on February 14, 2025, *before* the February 28, 2025, recission of the June 21, 2022, memorandum entitled "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court

[2] *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (Precedential) ("Fintiv").

Litigation." That memo stated that the Board "**will not** discretionarily deny institution of an IPR … in view of parallel district court litigation where a petitioner stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition"—a *Sotera* stipulation. Samsung so stipulated. Paper 1 at 76-77.

In the June 21, 2022, memorandum, the Director adopted an absolute, "binding" rule restricting the Board's discretion to deny institution of IPR proceedings based on parallel district-court litigation. Samsung had every expectation it could rely on the office's word, that Samsung's IPR petition would be considered on the merits if it entered a *Sotera* stipulation. Relying on this, Samsung undertook the significant burden and expense of preparing this IPR petition. The retroactive application of that recission to this IPR thus violates both the APA and the Fifth Amendment's due-process clause. By now effectively requiring a stipulation more burdensome for institution than the estoppel that would apply after a final written decision, the new discretionary denial guidance violates the Separation of Powers. Moreover, rescinding the binding June 21, 2022, memorandum and implementing new discretionary denial procedures were done without proper process. *See* 5 U.S.C. §§ 3345(a), 3347(a), 3348(b)(1). For the same reasons, the newly listed discretionary denial factors in the March 26 memo, including the settled expectations factor discussed above, violate the APA, the due-

process clause, separation of powers, and have been and are being implemented without proper process. *See supra* Section II.

2. Samsung's additional *Tesla+* stipulation further warrants referral for institution.

Keyless's focus on the *Motorola Solutions* decision in arguing this factor is misplaced, because Samsung did not stop at a *Sotera* stipulation. Paper 8 at 7-8 (*citing Motorola Solutions, Inc. v. Stellar,* LLC, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025)). After the February recission, following the new guidance of the Director, Samsung entered a new, much broader stipulation in each petition. Keyless mischaracterizes Petitioner's stipulation as just adding printed publications as evidence of features of devices. But that is not Samsung's stipulation. Samsung actually agreed not to pursue:

> 1. [T]he specific grounds [asserted in IPR2025-00527], or … any other ground … that was raised or could have been reasonably raised in an IPR (i.e., any ground that could be raised under §§ 102 or 103 on the basis of prior art patent or printed publications)" (*see Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 13-14 (PTAB Dec. 1, 2020) (precedential as to § II.A));

2. Any grounds that use patents or publications as a primary or secondary reference in any invalidity combination;
3. Any grounds that include any reference named in IPR2025-00527's petition's grounds (*i.e.*, *Goktekin* (Ex. 1059), *Koch* (Ex. 1060), *Sirpal* (Ex. 1061), *Vincent* (Ex. 1062), *Aravamudan* (Ex. 1063), *Matthews* (Ex. 1064)); or
4. Any grounds that use any patent or printed publication that is cited in the petition as evidence of features of any devices that are used as primary or secondary references in any invalidity combination.

Paper 7 at 1-2.

Samsung's stipulation is not just a "*Sotera+*" stipulation. It is a *Tesla+* stipulation. In *Tesla v. Intellectual Ventures II*, the petitions were referred in part because "Petitioner has filed a broad stipulation." *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, -00219, -00220, -00221, -00222, -00339, Paper 9 at 2 (PTAB Jun. 13, 2025); *see also Tesla, Inc. v. The United States of America as represented by the Secretary of the Navy,* IPR2025-00341, Paper 12 (PTAB Jun. 13, 2025). While the opinion does not specify what that broader stipulation was, the briefing does. That stipulation states:

> [I]f the PTAB institutes an IPR (and does not subsequently vacate institution) in response to Defendant's petition against Plaintiff's U.S. Patent No. 7,181,743 (IPR2025-00341), Defendant will not pursue in this litigation against the claims challenged in IPR2025-00341, (i) the specific grounds raised in IPR2025-00341, (ii) any other grounds that could have reasonably been raised before the PTAB in that instituted proceeding (i.e., any ground that could have reasonably been raised under §§ 102 or 103 on the basis of prior art patents or printed publications), or (iii) any ground based on a combination of system prior art and the references asserted as part of a ground raised in IPR2025-00341, as reflected in the table summarizing the Statutory Grounds for Challenges on page 18 of the Petition.

IPR2025-00341, Paper 11 at 10-11. Put in plain text, the "plus" was Tesla giving up grounds based on system art combined with the **asserted** documentary references.

Samsung's stipulation not only forgoes any grounds based on combining system art with the references from the petition, it goes further. Samsung also is giving up any combination that includes patents or printed publications (asserted or otherwise), any use of any documentary evidence from the petition as teaching references, and any use of the patents or printed publications from the petition to demonstrate features in any system art. Put in the inverse, Samsung will be limited

to only system art grounds, without the benefit of patents and printed publications as primary or secondary references with the system grounds, or any documents from the IPRs to explain the system grounds.

Finally, to address Keyless's footnote, Keyless is incorrect that the stipulation would not apply to the exhibits to the petition. Paper 8 at n.2. All exhibits are cited in the petitions, at least insofar as they are included in the exhibit list. But contrary to Keyless's representation, they are cited in the petition body as well. Only in IPR2025-00526 does Keyless give any examples of documents allegedly not cited in the petitions, and there only two, EX1008 and EX1009. IPR2025-00526, Paper 8 at n.2. But Ex. 1008 is cited on page 10, and is the translation of Ex. 1007, Hisatomi, one of the prior art grounds. Ex. 1009, on the other hand, is a reserved exhibit number. In IPR2025-00527, -00528, and -00529, Keyless identifies no examples.

Nevertheless, for the avoidance of doubt, it is Samsung's intent that the stipulation apply to all exhibits it included with the petition. To the extent the Director disagrees that the stipulation as drafted covers all exhibits, Samsung is happy to submit revised language. Samsung's very broad *Tesla*+ stipulation avoids overlap between the proceedings, and should not only weigh strongly against denial but also warrant referral for institution.

B. *Fintiv* factor 1 weighs against denial because the stay motion was denied only as premature.

Keyless argues Factor 1 is "neutral" because "the District Court denied the motion [to stay] as being premature." Paper 8 at 2-3 (*citing* Ex. 2006). But this ignores that the stay motion was *only* denied as premature. In such situations, factor 1 weighs at least marginally against denial. *Green Revolution Cooling, Inc. v. Midas Green Technologies, LLC*, IPR2025-00196, Paper 7 (PTAB May 23, 2025) (institution granted).

For example, in *Green Revolution*, the petitioner's motion to stay the related district court proceeding was denied. *Id*. at 9. However, the denial stated "that a stay is not appropriate at this juncture" and noted that the "IPR has not yet been instituted." *Id.* As the Board recognized, this "suggests that the district court is likely to at least consider granting a stay if it becomes 'appropriate,' i.e., if this inter partes review is instituted." *Id.* Thus, *Fintiv* factor 1 weighed *against* denial. In the Board's words:

> *Fintiv* states that, if a district court has denied "a motion for stay without prejudice and indicated to the parties that it will consider a renewed motion or reconsider a motion to stay if a PTAB trial is instituted," as appears to be the present circumstances, then this "suggests the district court may be willing to avoid duplicative efforts and await the PTAB's final resolution of the patentability issues

> raised in the petition before proceeding with the parallel litigation." *Fintiv*, Paper 11 at 6–7. It further states: "[t]his fact has usually weighed against exercising authority to deny institution under *NHK*." *Id.* at 7 (footnote omitted) (proximity of a court's trial date and investment in the litigation, considered under Factors 2 and 3, remain important considerations)
>
> Accordingly, on this record, **factor 1 weighs marginally against discretionary denial**

Id. at 10.

That is precisely the situation here. Samsung's motion was denied, but Judge Gilstrap was clear in his order that the motion to stay was *only* denied as premature, with an express invitation to refile after institution:

> Considering these circumstances, the Court concludes that the Motion is premature, and a stay of these proceedings in advance of the PTAB's institution decision should be denied. Accordingly, the Motion is **DENIED WITHOUT PREJUDICE** to refiling of the same, which shall be permitted within fourteen (14) days following the PTAB's institution decision

Ex. 2006 at 2. As *Fintiv* states, where the district court has indicated it will reconsider a stay after institution (like here), factor 1 "has usually weighed against exercising authority to deny institution." *Fintiv* at 7. Factor 1 thus weighs against denial.

C. *Fintiv* factor 3 weighs against denial because Samsung was diligent and there has been little investment in the district court.

Factor 3 favors referral for institution. Keyless argues this factor "weighs strongly in favor of denying institution" because the case is advanced and Samsung was not diligent. But the case is *not* advanced, as it will not have reached *Markman* at institution, and Samsung diligently filed its petition three months after Samsung answered the complaint and Keyless served its initial infringement contentions.

Assuming an institution date at the last possible moment, October 9, 2025, the following will be true of the district court, based on the current schedule:

- Keyless served its infringement contentions on October 9, 2024. Ex. 1070 at 11.
- Samsung answered the Complaint on October 10, 2024. Ex. 1082 at 32.
- Samsung served its invalidity contentions on January 29, 2025. Ex. 2003 at 59; Ex. 2004 at 56.
- Samsung filed this petition on February 14, 2025. Paper 1.
- Claim construction briefing will be complete. Ex. 2001 at 4-5.
- A claim construction hearing will **not** have occurred. *Id.* at 4.
- A claim construction order will **not** have issued. *Id.*
- Fact discovery will **not** have closed. *Id.* at 3.
- Expert discovery will **not** be open. *Id.*

- Dispositive motions will **not** be due. *Id.*
- Trial will **not** be imminent. *Id.* at 1.

The key for evaluating the investment of the parties is the line between what will have occurred at institution, and what is yet to come. Here, that line is between the completion of claim construction briefing and the yet-to-occur claim construction hearing.

In cases like this one where the claim construction hearing will not yet have occurred, but the briefing will be complete, factor 3 favors referral for institution. *See, e.g.*, *Liberty Energy, Inc. et al. v. U.S. Well Services, LLC*, IPR2025-00031, Paper 9 at 12-15 (PTAB Apr. 29, 2025) (Factor 3 "weighs against exercising discretion to deny institution" where claim construction briefing was complete "but the Markman hearing has not yet been held and no claim construction rulings have been issued.") (institution granted); *SAP America, Inc., v. Cyandia, Inc.*, IPR2024-01433, Paper 13 at 10-11 (PTAB Apr. 7, 2025) (Factor 3 "favors institution" where claim construction briefing claim construction hearing had not occurred) (institution granted, Director review denied); *Samsung Electronics Co., Ltd., Samsung Electronics America, Inc. v. Mullen Industries LLC*, IPR2024-01472, Paper 9 at 9-10 (PTAB Mar. 31, 2025) (Factor 3 "weighs against exercising discretionary denial" where Markman briefing would be complete but no hearing had occurred.) (institution granted).

Moreover, Samsung was diligent. Keyless's allegations of knowledge based on citation of related patents by the USPTO in unrelated prosecution filings are flawed, as addressed above. *See supra* Section II. Regardless, the more relevant dates are those in the case schedule of the parallel litigation. As noted above, Samsung filed the petition only three months after answering the complaint and receiving Keyless's infringement contentions. Even looking back to the service of the complaint, Samsung filed its petition only seven months later, well within the 12-month statutory time limit.

Of these dates, the infringement contention date is the most critical. Keyless only asserted four total claims across three patents in the complaint. Ex. 2005 at 18, 34, 45. In the infringement contentions, Keyless asserted **70 *new* claims**, for a total of 74. Ex. 1070 at 2.

Samsung was correct to wait until the contentions were served to see what claims were asserted, in order to preserve the resources of the PTAB, by only challenging the asserted claims. Keyless alleged Samsung infringes claims 1-13, 15-19, and 21-36 of the '602 patent, claims 1-21 of the '922 patent, and claims 1-5 and 7-20 of the '144 patent. Ex. 1070 at 2. Those are precisely the claims Samsung challenges. IPR2025-00526, Paper 1 at 11; IPR2025-00527, Paper 1 at 17-18; IPR2025-00528, Paper 1 at 23; IPR2025-00529, Paper 1 at 15. This promotes efficiency for the PTAB, as it need not engage with analyzing unasserted claims.

Even ignoring these facts and focusing on only the seven-month delta between the filing of the complaint and the filing of an IPR, that is well within the range of diligence. *Samsung Electronics Co., Ltd. et al. v. Mullen Industries LLC*, IPR2024-01472, Paper 9 at 9-10 (PTAB Mar. 31, 2025) (Filing petition 8 months after filing of the complaint and 5 months after infringement contentions was found to be diligent) (institution granted); *Samsung Electronics Co., Ltd. v. Headwater Research LLC*, IPR2024-01396, Paper 13 at 6-7 (PTAB Apr. 1, 2025) ("Petitioner's diligence in filing its Petition approximately 4 months before it was statutorily required to do so, and while litigation is in its early stages, weighs against denial, not for it.") (institution granted).

D. *Fintiv* factor 6 weighs against denial for several reasons, including strong merits showing the office erred.

Factor 6 weighs in favor of referral for institution for several reasons. The merits are not only strong, but they specifically show the office erred in overlooking clearly material prior art to the reason for allowance. This was further exacerbated by Patent Owner's failure to assist the office with its own prosecution. Keyless's intentionally complicated prosecution makes this case particularly suited for resolution by the PTAB, not the district court. In addition, Samsung purposefully limited its challenge to only the asserted claims, promoting efficiency, which also weighs toward referral.

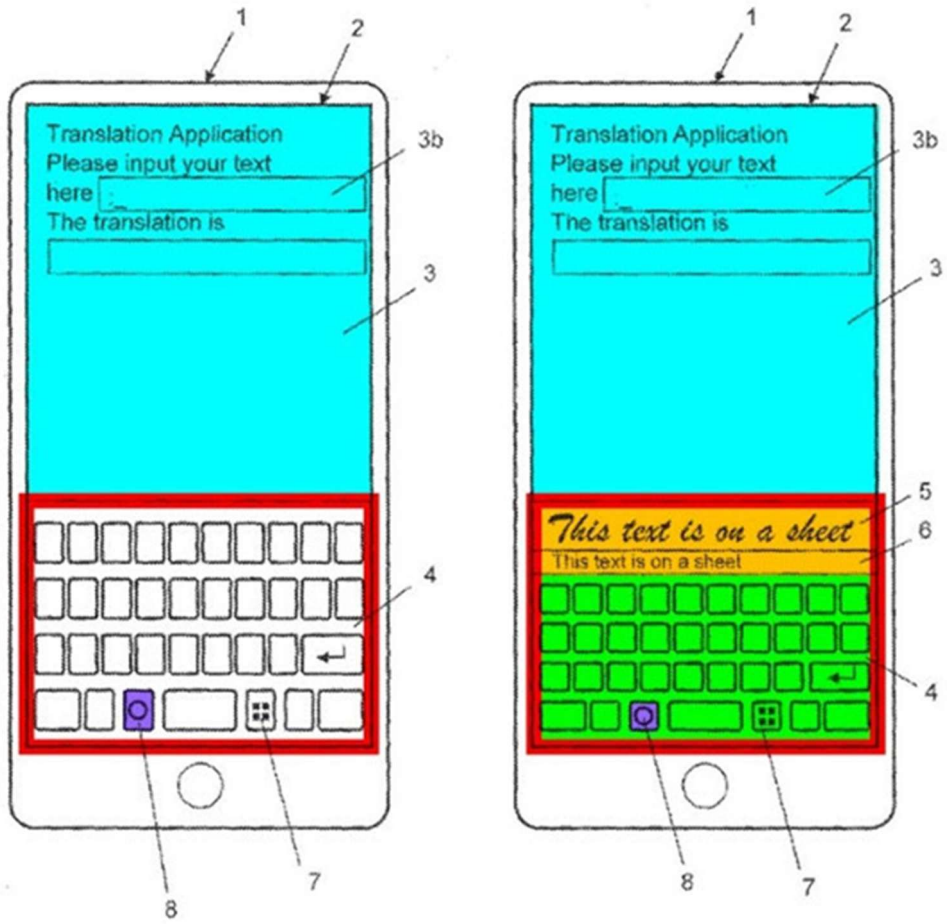
Starting with the merits, Keyless makes no attempt to argue them as part of the discretionary denial process. This demonstrates Keyless's arguments are weak. *See e.g., Samsung Electronics Co., Ltd., v. Sionyx, LLC*, IPR2024-01431, Paper 21 at 17 (PTAB Apr. 10, 2025) ("On the present record, the merits of the Petition are strong … We emphasize that Patent Owner provides very little argument, on the merits, with regard to the Haddad138 reference."). Instead, Keyless attempts only to incorporate by reference a document that does not exist and will not exist until after Samsung's response brief is due, but this does not accord with the principles of due process.

Under the USPTO's existing guidance, Keyless should have at least previewed what these merits arguments might be. FAQ 12 states that the parties "should briefly explain why the merits are relevant." Ex. 2008 at 4. Similarly, FAQ 25 states that, "[n]otwithstanding the prohibition on incorporation by reference in 37 C.F.R. § 42.6(a)(3), when filing a brief for discretionary denial, a patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits." Ex. 2008 at 7. Taken together, this does **not** allow mere incorporation by reference, as Keyless did here. Rather, the patent owner is required to direct attention to what the argument and evidence will be. This makes sense, as a contrary rule would have serious due process issues, as petitioners would be unable to respond. Therefore, any

argument Keyless makes regarding the merits in its potential POPR should be ignored for discretionary denial purposes.

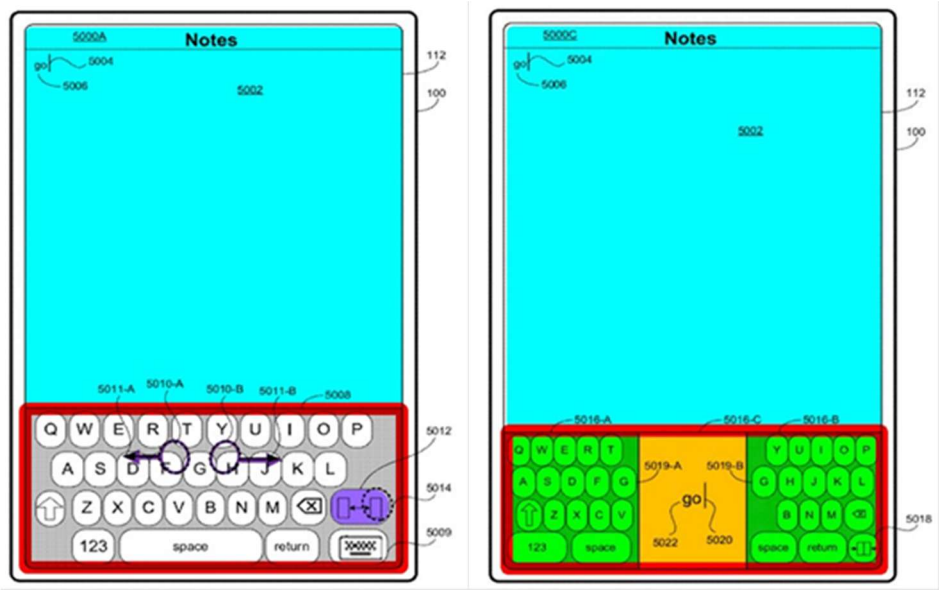
By contrast, the "other circumstances" here clearly support institution. Specifically, the merits are strong because the petition demonstrates that the '922 patent issued due to Office error. *See* Paper 1 at 6. During prosecution, the Applicant overcame the Examiner's rejection by arguing that three limitations—all added via amendment—were missing from the prior art: (1) using a keyboard-based condition to "activate[] a second application," (2) displaying both the second-application interface and a "reduced interface corresponding to said keyboard" on the second zone, and (3) both application interfaces and the reduced keyboard interface are "simultaneously displayed." *Id.* That combination of features, however, was well known. Indeed, each primary reference asserted in the Petition discloses this combination of features **by itself**. *See id.* at 3-4.

For example, *Goktekin* disclosed that pressing a keyboard key (highlighted purple below, left) would cause a second-application interface (orange below, right) and reduced keyboard interface (green below, right) to be displayed simultaneously with a first-application interface (cyan below, right). Thus, *Goktekin* demonstrates that the Office erred in allowing the claims to issue.



Paper 1 at 3-4.

Likewise, *Koch* disclosed that pressing a keyboard key (highlighted purple below, left) would cause a second-application interface (orange below, right) and reduced keyboard interface (green below, right) to be displayed simultaneously with a first-application interface (cyan below, right). Thus, *Koch* provides a second, independent, reason why the Office erred in allowing the claims to issue.



Paper 1 at 3-4.

Institution is necessary to correct these and other errors on the part of the Office, caused in part because of Keyless's failure to assist in its own prosecution. In the '602 patent, for example, Keyless submitted only one, very limited information disclosure statement of two references, and only because those were the references included in the further cited PCT search report. IPR2025-00526, Ex. 1002 at 393. In both the '992 and '144 patents, Keyless submitted none. IPR2025-00527, Ex. 1002; IPR2025-00528, Ex. 1002; IPR2025-00529, Ex. 1002. As contemplated in *Ecto World*, the Board should take into account the assistance of the patent owner (or lack thereof) in prosecuting its own patents when making its institution decisions on discretionary factors. *Ecto World LLC and SV3, LLC v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 6-7 (PTAB May 19, 2025) (Precedential) ("Further, the parties should address, and the Board should consider, whether

discretionary denial is appropriate in view of the 1,000-reference IDS and the applicant's tacit refusal to identify references in response to the Examiner's request.") Keyless's failure to assist contributed directly to the Office's error in overlooking the art at issue in this petition.

As another reason for referral, Keyless's patents present uniquely complicated facts that make the PTAB the best forum to decide their validity. *Tesla v. United States*, IPR2025-00341 and *Tesla v. Intellectual Ventures II*, IPR2025-00217, -00219, -00220, -00221, -00339 (PTAB June 13, 2025). ("[C]omplex and diverse litigation proceeding[s]" counsel institution where "the Board is better suited" to review the patents.) For example, all three specifications are unusually long, at over 100 pages a piece. The '144 and '992 patents also each cite to not one, but dozens of individual provisional applications. The '144 patent cites to 14 provisional applications, and the '922 cites to a staggering 53. Indeed, the complicated knot of priority documents must be analyzed for both patents, to determine what truly is prior art, as evidenced by Samsung's petitions. This overinclusive "shotgun" style patent application strategy does not assist the Office in distilling what the invention is truly about. But the Office is in the best position to unwind it, as the Office is the entity in charge of propagating the rules about reliance on provisional applications and the building of patent families.

Finally, referral makes sense because Samsung actively chose to limit its challenge to only the necessary claims—the ones asserted in the litigation. This too has been found to favor institution under Factor 6. *Samsung Electronics Co., Ltd., v. Sionyx, LLC*, IPR2024-01431, Paper 21 at 17 (PTAB Apr. 10, 2025) ("We also note that, because of Patent Owner and Petitioner both narrowing the scope of the present dispute, the burden of an inter partes review trial on both the parties and the Board is minimized.").

On balance, Factor 6 weighs against denial and for referral.

E. *Fintiv* factor 5 is either neutral or only "slightly" favors denial where the parties are the same.

Factor 5 is neutral or, at worst, weighs only "slightly" in favor of denial. Samsung agrees that the parties in the parallel litigation are the same. Paper 8 at 8. However, Keyless's reliance on *Fintiv II* to argue this factor "favors" denial is misplaced. *Id.* (*citing Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 15 (PTAB May 13, 2020) ("*Fintiv II*"). More recent decisions have indicated that where the parties are the same, Factor 5 is either neutral or only "slightly" weighs for denial. *Liberty Energy Services LLV and Liberty Energy Inc. v. U.S. Well Services, LLC*, IPR2025-00139, Paper 14 at 14 (PTAB Jun. 11, 2025) (Factor 5 weighed only "slightly in favor of denying institution") (institution granted); *Innolux Corporation c. Phenix Longhorn LLC*, IPR2025-00043, Paper 10 at 13 (PTAB May 15, 2025)

("There is no dispute that the parties in this proceeding are identical to the parties in the Texas litigation. Thus, the facts underlying this factor are neutral.") (institution denied); *Samsung Electronics Co. Ltd. v. Headwater Research LLC*, IPR2024-01407, Paper 9 at 9 (PTAB Mar. 20, 2025) (Factor 5 weighed only "somewhat in favor of denying institution" where parties were the same.) (institution granted). The same should be true here.

F. *Fintiv* factor 2 is either neutral or only slightly favors denial when accounting for trial statistics, the Office's delay in according a filing date, and the way factor 2 has been previously applied.

Factor 2 weighs is either neutral or only slightly favors denial because the trial and final written decision ("FWD") would be expected to occur within only 2-4 months of each other, but for the Office's delay in issuing a Notice of Filing Date Accorded ("NOFDA") and Judge Gilstrap setting a trial date that is not realistic in light of his trial statistics and his scheduling of many other trials for the same day. Keyless argues factor 2 weighs "heavily in favor" of denial, based on a "nearly six months" delta between the current trial date and the current FWD target. But even assuming these dates, a five-and-a-half-month difference at most "favors" denial, not "strongly favors."

Jury selection under the current district court schedule begins April 20, 2026. Ex. 2001 at 1. The latest projected FWD deadline is October 9, 2026. So, looking at the difference in the worst possible light, that is 172 days, or five months and two

weeks. But it is highly unlikely that the existing trial date will stand. Judge Gilstrap currently has ten separate matters scheduled for jury selection on the same day. Ex. 1083. As Keyless itself acknowledges, trial statistics also indicate that the trial date is unlikely to hold. Based on median-time-to trial statistics, trial would be May 20, 2026. Paper 8 at 4. That is 142 days, or four months and two weeks.

The delta should be further shortened given the unusually long NOFDA delay in this case. Samsung filed its petition on February 14, 2025. Paper 1. But the NOFDA was not entered until April 9, 2025, 54 days later. Paper 6. This is far longer than usual. Ex. 1084. (*How delayed Notice of Date Accorded mailings may affect inter partes review*). The historical average processing time is only approximately 19 days. *Id.* And the NOFDA can be entered even faster than that, in as little as two days. *See, e.g.*, *Shenzhen Tuozhu Technology Co., Ltd. v. Stratasys, Inc.*, IPR2025-00311, Paper 3 (PTAB December 20, 2024) (NOFDA entered two days after petition was filed).

Assuming only the historical average of 19 days had applied, the NOFDA date would have been March 5, 2025—over a month earlier. That would accordingly have placed the FWD deadline on September 5, 2026. The delta would then be only three months and two weeks.

However, this estimate does not consider the likely actual date of a FWD. Just like how median time-to-trial statistics help understand the reality of district court

schedules, the PTAB's statistics should also be considered. The PTAB often does not wait until the deadline. The PTAB has issued decisions as early as nine months after institution and will often issue decisions within eleven. Ex. 1085 (*PTAB Average Time-to-Decision in IPRs May Surprise You*). This further speaks to the narrowing of the delta when considering past practices and outcomes.

So, accounting for all this information, a more accurate estimate would be three to four months (which could have been closer to two months had the Office entered the NOFDA within a more reasonable amount of time). It has been long standing practice for the Board to weigh factor 2 either "marginally in favor" of institution, or as "slightly favors denial" or "does not weigh against discretionary denial" where the difference between the projected FWD date and trial is only three to four months. *See, e.g.*, *Sand Revolution II, LLC v. Cont'l Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 8-10 (PTAB Jun. 16, 2020) (FWD **four months** after trial was "in relatively close proximity" and weighed **"marginally in favor of not exercising discretion to deny** institution.") (institution granted); *Cisco Sys., Inc. v. WSOU Investments d/b/a Brazos Licensing and Development*, IPR2025-00188, Paper 10 at 12-13 (PTAB Jun. 13, 2025) (FWD **approximately three months** after trial only "**somewhat favors the exercise of discretionary denial.**") (institution granted); *NetNut Ltd. v. Bright Data Ltd.*, IPR2021-01492, Paper 12 at 10-11 (PTAB Mar. 21, 2022) (FWD **six months** after trial "**only slightly favors"**

denial.) (institution granted); *Protect Animals With Satellites v. OnPoint Sys., LLC*, IPR2021-01483, Paper 11 at 12-13 (PTAB Mar. 4, 2022) (FWD **two months** after trial was "**neutral.**") (institution granted); *Verizon Bus. Network Servs. Inc. v. Huawei Techs. Co. Ltd.*, PTAB-IPR2020-01141 Paper 12 at 8-10 (PTAB Jan. 14, 2021) (FWD **three and a half months** after trial "**does not weigh against discretionary denial**.") (institution granted).

None of the cases Keyless cites compel a different result. Paper 8 at 4-5. First, considering Keyless's best case, while in *Arm v. Daedalus* institution was denied where trial was scheduled five months before the FWD date, the director's decision did not assign a weight to this factor. *Arm Ltd. et al. v. Daedalus Prime LLC,* IPR2025-00207, Paper 10 at 2 (PTAB May 16, 2025) (director review pending). Nor, relatedly, did it include a full analysis of the *Fintiv* factors. *Id.* Looking at the briefing, there were material differences between that case and the current IPR. For example, petitioners only submitted a *Sotera* stipulation, not a "*Tesla*+" stipulation like Samsung. *Arm,* Paper 9 at 3. Further, to the extent the Director decision is read to say five months *on its own* merits denial, the Director decision would be a strong outlier. As described above, even 3-4 months on its own is usually not enough of a delay to warrant denial without considering other factors. As such, *Arm* is of limited use in evaluating factor 2.

Notably, virtually all of the decisions under the new bifurcated process are similarly of little value in evaluating the weight to provide factor 2. That is, they do not include in the opinion the amount a particular factor weighs for or against denial. Instead, whether the trial date is at approximately the same time (*Full-Metal-Power B.V. v. InFocus Downhole Solutions USA LLC,* IPR2025-00391, Paper 14 at 2 (PTAB June 25, 2025) or nine months before the FWD target (*Cellco Partnership d/b/a Verizon Wireless, et al. v. Pegasus Wireless Innovation LLC*, IPR2025-00292, Paper 17 at 3-4 (PTAB Jun. 26, 2025)), the decisions simply say discretionary denial "is appropriate."

Keyless's other cases fare worse. In *Ericsson v. Procomm*, the trial taking place "substantially before" a FWD referred to a delta of **over 9 months**—not 5. *Ericsson Inc. et al. v. Procomm Int'l PTE. LTD.*, IPR2024-01455, Paper 15 at 2 (PTAB May 16, 2025). Further, the petitioner in *Ericsson* waited a full year to file the petition, whereas Samsung has been diligent, filing three months after Samsung's answer and Keyless's infringement contentions. *Id*; *see also supra* Section III.C.

In *AT&T v. ASUS*, there were **six** parallel litigations, consolidated for pretrial matters. *AT&T Services Inc. et al. v. ASUS Tech. Licensing Inc*., IPR2024-00992, Paper 14 at 6-7, 10-11 (PTAB Dec. 16, 2024). The Board relied heavily on this to find "at least one of the proceedings would likely begin and conclude" before FWD.

Id. Here, there is just one parallel litigation. The petitioner in *AT&T* also only made a *Sand Revolution* stipulation, not a *Tesla+* stipulation like Samsung. *Id.* at 12-14

Finally, Keyless misrepresents the holding of *Ericsson v. Active Wireless*. *Ericsson Inc. et al. v. Active Wireless Techs. LLC*, IPR2024-00886, Paper 8 at 8-9 (PTAB Nov. 12, 2024). Keyless says trial was scheduled four months before FWD. Paper 8 at 4-5. However, Trial was scheduled for March 17, 2025, and the FWD was expected November 2025. That is a ***nine-month*** difference, not four. None of these decisions support a finding here that factor 2 weights "heavily" in favor of denial.

Further, even under the best reading of the timeline for Keyless (just over five-month delta), this factor at most "favors" denial, not "strongly favors." *See, e.g., Google LLC et al. v. Mullen Industries LLC*, IPR2025-00021, Paper 14 at 9 (PTAB May 14, 2025) (FWD "more than six months" after trial only "weighs in favor of exercising discretion.") (institution granted); *SAP America, Inc., v. Cyandia, Inc.*, IPR2024-01433, Paper 13 at 9-10 (PTAB Apr. 7, 2025) (FWD six months after trial only "favors discretionary denial.") (institution granted; Director review denied). Thus, although the Director should account for the NOFDA delay and trial statistics (both EDTX and PTAB) to find that this factor is neutral or only slightly favors denial, at worst this factor can only "favor" denial.

G. *Fintiv* factors 1, 3, 4, and 6 weigh against denying institution and outweigh factors 2 and 5.

Weighing the *Fintiv* factors together, the Director should decline to discretionarily deny institution. Only factors 2 and 5 potentially favor denial, and only slightly. Samsung's *Tesla+* stipulation, diligence in filing the petition, and strong merits, plus the potential for a stay of the related litigation, mean this IPR should be referred for an institution decision.

IV. EFFICIENCY SUPPORTS INSTITUTION

Keyless argues, in what appears to largely be a repackaged *Fintiv* factor 4 analysis, that instituting an IPR would not reduce the issues to be adjudicated by the district court. Paper 8 at 11-13. But as Samsung has already explained above, this argument ignores the full impact of Samsung's *Tesla+* stipulation.

Keyless focuses on Samsung's contentions, asserting that "Petitioner is asserting numerous invalidity anticipation and obviousness grounds against the '922 patent." Paper 8 at 11-12. This is true, but the contentions include the full scope of Samsung's invalidity case if the IPR is *not* instituted. As explained above, Samsung's stipulation does reduce the number of issues for the district court as all grounds that use patents or publications as a primary or secondary reference will be dropped. Keyless has not (and cannot) identify overlap of the system art with the references at issue in the IPR grounds—indeed, under Samsung's stipulation, the

documents in the IPR cannot be used to demonstrate features in any system art. So, unlike in *Motorola*, the two tribunals will not be dealing with the same issues.

Keyless says the IPRs do not reduce issues because Samsung does not give up 112 or 101 arguments. However, those can never be raised in an IPR, by statute, and are unrelated to the issues the PTAB must decide in an IPR. By the same token, the district court will still need to decide infringement should the patent not be invalidated, but that is not an issue the PTAB would ever address either. Denying based on issues the PTAB could never address, which Congress specifically carved out, has no legal foundation and would be bad policy.

Keyless finally argues instituting the IPR would not reduce claim construction issues. However, the parties recently exchanged claim terms, and Keyless identified no claim terms for construction. Ex. 1086. As Samsung agrees no claim terms need be construed for the purposes of these IPRs, institution would reduce the burden on the district court to construe claim terms without incurring any additional burden on the PTAB. Institution is more efficient.

V. THE PATENT OFFICE IS IN THE BEST POSITION TO UNWIND PRIORITY DATE ISSUES BASED ON THE AIA

In IPR2025-00527, Keyless argues the petition should be denied because it would require Board resources to determine the correct application of the AIA to the respective patents and their priority claims. Paper 8 at 13-18. However, as these

issues are specifically tied up in the application of the AIA statute, the Board is in the best position to resolve them.

As Samsung explained in its petition, the ’922 patent is a *post-AIA* patent, not a *pre-AIA* patent, because the subject matter it claims was not disclosed until after the AIA cut-off date of March 16, 2013. The subject matter of the ’922 patent was disclosed, at the earliest, on December 24, 2013. IPR2025-00527, Paper 1 at 6-11. Because of this, it is a very straightforward application of the law that the provisions of the AIA apply. *See* 35 U.S.C. § 100 (note); Pub. L. 112-29, sec. 3(n)(1), 125 Stat. 284, 293 (2011).

Keyless’s argument for discretionary denial is flawed because it is premised on “complicated” facts that stem from Keyless’s own abuse of the prosecution process. It was Keyless who chose to incorporate in the priority chain of the patent an unusually large number of provisional applications and priority claims. Any complication of the record is Keyless’s own doing, and should not, on the equities, be a reason for it to escape IPR scrutiny. But even so, the USPTO is in a better position than the district court to deal with diverse issues involving primarily patent law. *Tesla v. United States*, IPR2025-00341 and *Tesla v. Intellectual Ventures II*, IPR2025-00217, -00219, -00220, -00221, -00339 (PTAB June 13, 2025) (“complex and diverse litigation proceeding tip the balance against discretionary denial.”).

Further, the determination here does not require voluminous discovery or testimony. Whether the claimed priority date of the provisional applications apply is, contrary to Keyless's claims, a simple factual question requiring only two documents: the patent, and the priority application. Either the claimed subject matter is disclosed, or it isn't. Therefore, the district court does not afford any special advantage due to, for example the need for multiple witnesses or a large factual record. In fact, the Board is in a better position, since this factual question involves only reading and understanding patent documents—something the USPTO does more than any other forum.

Notably, while Keyless calls Samsung's analysis that the subject matter is not disclosed "conclusory," Keyless makes no attempt whatsoever to point to where in the priority applications the subject matter is disclosed. IPR2025-00527, Paper 8 at 15-16. Samsung has effectively pointed to the absence of a disclosure: Keyless cannot make it appear by waving its hands. The USPTO is in a better position to resolve the priority date issues.

VI. THE BOARD IS CAPABLE OF CONDUCTING BOTH IPRS AND *EX PARTE* APPEALS

Keyless argues the Director should deny "because the Board's limited resources are better spent on the growing backlog of *ex parte* appeals." Paper 8 at 18-20. But this broad policy argument, untethered to this specific matter, ignores

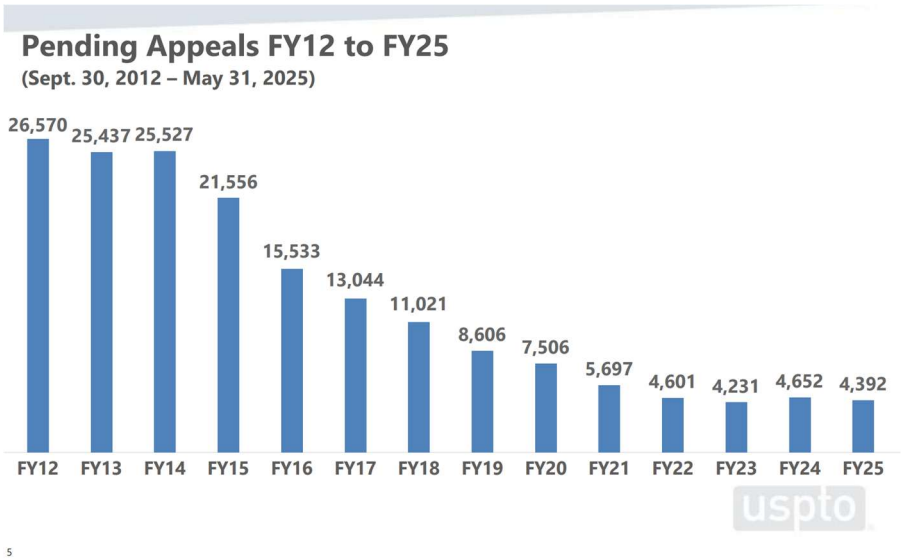
two important facts. First, the PTAB has made clear statements that it both can, and wants to, do both. Second, looking at the statistics beyond a single year, *ex parte* appeal pendency is far from out of control as it is still way down from its peak.

Keyless's argument is unrelated to the specific facts of this case. Not once in this section does Patent Owner mention the parties, the patent, or their dispute other than a vague reference to "the circumstances presented here." Paper 8 at 18-20. Instead, Keyless makes a blanket argument that no IPRs should be instituted, because the PTAB should focus on appeals instead. But the PTAB has been clear it can do both. For example, on May 7, 2025, in a webinar hosted by the USPTO as part of its "USPTO Hour" series, Chief Judge Scott Boalick stated "[w]e do have enough staff so we can handle both the appeals and the trials with the judges and staff on board." Ex. 1087 (*Chief Patent Board Judge Waves Off Workforce Attrition Concerns*); *see also* USPTO Hour: PTAB, https://rev-vbrick.uspto.gov/sharevideo/f51a6f65-6fea-4a3a-bd52-25d52dbc9b34?startAt=46m31s.

Indeed, even the Interim Processes Memo makes clear the PTAB wants to do both. It includes as a goal "continuing to maintain its capacity to conduct AIA proceedings." Interim Processes Memo, 1. This makes sense, as the PTAB has a statutory mandate to conduct *both ex parte* appeals *and* IPRs. *See, e.g.,* 35 U.S.C. § 311(a) ("[A] person who is not the owner of a patent ***may file with the Office a petition*** to institute an inter partes review of the patent. The Director ***shall*** establish

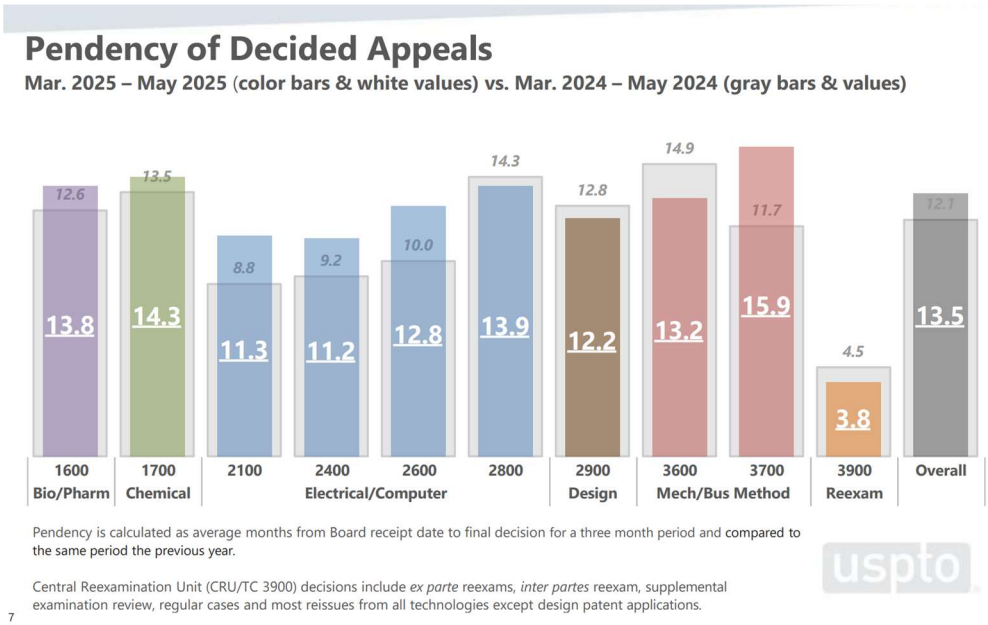
by regulation, fees to be paid by the person requesting the review."); 35 U.S.C. § 314(b) ("The Director ***shall determine whether to institute*** an inter partes review.") Just as it would be bad policy for the PTAB to ignore all *ex parte* appeals and focus only on IPRs, the inverse is bad policy as well.

Keyless's argument also ignores the larger historical context: *ex parte* appeals are very much still under control. Keyless focuses on only the pendency numbers from April of 2025, as compared to April of 2024, noting they are up year-over-year. Paper 8 at 18-20. But the broader data tells a different story. For example, looking at the May 2025 statistics, the total number of *ex parte* appeals in inventory has remained flat since 2021, at around 4,000-5,000 appeals. Indeed, this year is down year-over-year from 2024, by about 300 appeals. Comparatively, these numbers are a fraction of the over 20,000 *ex parte* appeals in inventory in 2012-2015.



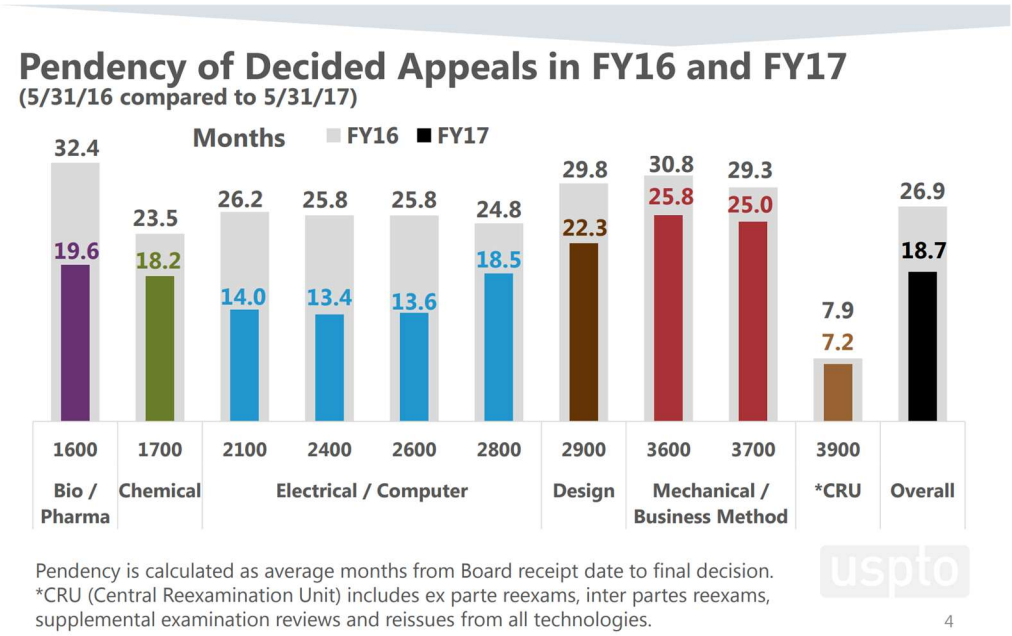
Ex. 1088 at 5.

Even considering just Keyless's chosen metric of pendency, *ex parte* appeals are under control. The May 2025 year-over-year numbers show only about a month and a half difference—13.5 months in 2025, compared to 12.1 months in 2024.



Ex. 1088 at 7.

This is already ***down*** from April 2025. *Compare* Ex. 2007 at 7 (13.7 months), *to* Ex. 1088 at 7 (13.1 months). And it is significantly down from historical peaks. For example, the May 2017 pendency was 18.7 months, while the May 2016 pendency was ***26.9 months***. Ex. 1089 at 4.



Ex. 1089 at 4.

Both are much higher than either this year's pendency of 13.1 months, or last year's of 12.1. Given all this, there is no justification for a blanket rule denying IPRs solely so the USPTO can focus on *ex parte* appeals, as Patent Owner proposes. Particularly where, as here, there are compelling reasons to refer for institution.

VII. 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.

Date: July 9, 2025

Respectfully submitted,

/Joshua L. Goldberg/
Joshua L. Goldberg
Lead Counsel
Reg. No. 59,369

CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24 and the Memorandum on Interim Processes for PTAB Workload Management, dated March 26, 2025, Petitioners certify that the word count of the foregoing **Petitioners' Opposition to Patent Owner's Request for Discretionary Denial of Institution** as measured by Microsoft Word is 9,040 words, excluding those portions identified in 37 C.F.R. § 42.24(a).

/Joshua L. Goldberg/
Joshua L. Goldberg
Lead Counsel
Reg. No. 59,369

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **Petitioners' Opposition to Patent Owner's Request for Discretionary Denial of Institution** was served on July 9, 2025, via email directed to counsel of record for the Patent Owner at the following:

David L. Alberti
Sal Lim
Zack Higgins
Kramer Alberti Lim & Tonkovich, LLP
950 Tower Lane, Suite 1725
Foster City, California 94404
dalberti@krameralberti.com
slim@krameralberti.com
zhiggins@krameralberti.com
KramerAlberti-KeylessLicensing-Samsung@krameralberti.com

Jason A. Fitzsimmons
Richard M. Bemben
Michael D. Specht
Jennifer Meyer Chagnon
Sterne, Kessler, Goldstein & Fox PLLC
1101 K Street, NW, 10th Floor
Washington, DC 20005
jfitzsimmons-PTAB@sternekessler.com
rbemben-PTAB@sternekessler.com
mspecht-PTAB@sternekessler.com
jchagnon-PTAB@sternekessler.com
PTAB@sternekessler.com

Patent Owner has consented to electronic service by e-mail.

Dated: July 9, 2025

/William Esper/
William Esper
Senior Litigation Paralegal
Finnegan, Henderson, Farabow,
Garrett & Dunner LLP