

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ANALOG DEVICES, INC.,
Petitioner,

v.

NUMBER 14 B.V.,
Patent Owner.

IPR2025-00551
U.S. Patent 7,812,665

**PETITIONER'S OPPOSITION TO PATENT OWNER'S
DISCRETIONARY DENIAL BRIEF**

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Ex. 1005	F. Krummenacher <i>et al.</i> , <i>A High-Performance Autozeroed CMOS Opamp with 50pV Offset</i> , 1997 IEEE International Solid-state Circuits Conference, 1997 (“ <i>Krum</i> ”)
Ex. 1006	U.S. Patent No. 6,130,632 to Opris (“ <i>OprisPat</i> ”)
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Ex. 1010	U.S. Patent No. 5,789,974 to Ferguson <i>et al.</i> (“ <i>Ferguson</i> ”)
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Ex. 1014	U.S. Patent No. 4,336,526 to Weir (“ <i>Weir</i> ”)
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Exhibit	Description
	Yugoslavia (“ <i>Drago</i> ”)
Ex. 1019	U.S. Patent No. 4,465,996 (“ <i>Boyacigiller</i> ”)
Ex. 1020	<i>Number 14 B.V., v. Analog Devices, Inc.</i> , 5:24-cv-02435, Dkt. No. 145 (May 14, 2025)
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Ex. 1024	Northern District of California, Motion For Stay Pending IPR (Post Institution) - DocketNavigator
Ex. 1025	Pendency - Time to Trial

I. INTRODUCTION

The district court action that forms the crux of Patent Owner’s discretionary denial paper is not a patent infringement action and as a result, *Fintiv* does not apply. However, even if it does, the trial date is scheduled to occur ***after*** a final written decision will issue in this proceeding. Ex. 1020. Based on the early responses from the discretionary denial processes, this should be dispositive. *Cf. Arm Ltd. et al. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10 (PTAB May 16, 2025) (granting discretionary denial where the final written decision would be due ***after*** trial in the co-pending district court action); *Ericsson Inc. et al. v. Procomm International Pte. Ltd.*, IPR2025-01455, Paper 15 (PTAB May 16, 2025) (same); *see also Twitch Interactive Inc. v. Razdog Holdings LLC*, IPR2025-00307 (Paper 18) (PTAB May 16, 2025) (denying request for discretionary denial where trial was not set to be before final written decision).

Patent Owner’s assessment of the *Fintiv* factors disregards the reality of the case status in favor of attempting to cherry-pick quotes and soundbites. Its arguments hide the statistically most likely outcomes under the veil of “interpreting” the district court’s orders.

Moreover, Patent Owner’s paper fails to address ***any*** of the other discretionary factors outlined in the April guidance, including the economic interests at issue in this case.

Finally, a brief review of the Petition confirms that the Patent Office made a mistake in issuing the challenged claims of the '665 Patent. Accordingly, Patent Owner's request for discretionary denial should be denied and the Petition should reach a merits determination.

II. DISCRETIONARY FACTORS

The Board takes a holistic approach to discretionary denial, analyzing, among other things, the *Fintiv* factors, the *Advanced Bionics* factors, and the new guidance on workload management. However, at its core, the *inter partes* review process exists to take judicial disputes and resolve them in a more economic manner before specialized finders of fact in the Board. "The AIA was designed to encourage the filing of meritorious patentability challenges, by any person who is not the patent owner, in an effort to further improve patent quality." *Coalition for Affordable Drugs VI, LLC v. Celgene Corp.*, IPR2015-01092, Paper 19 at 4 (PTAB Sept. 25, 2015). Moreover, "[i]n 2011, Congress enacted the Leahy-Smith America Invents Act ('AIA'), Pub. L. No. 112–29, 125 Stat. 284 (2011), to 'improve patent quality and **limit unnecessary and counterproductive litigation costs.**'" *Regents of the Univ. of Minnesota v. LSI Corp.*, 926 F.3d 1327, 1335 (Fed. Cir. 2019) (quoting H.R. Rep. 112–98, pt. I, at 40 (2011)) (emphasis added). Patent Owner's breach of contract claim is exactly that, an unnecessary and counterproductive litigation cost that seeks to extend a non-terminatable contract beyond its useful lifespan.

A. *Fintiv*

The six non-exclusive factors identified in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6 (PTAB Mar. 20, 2020) (precedential), provide a roadmap for when the Board should decline to institute IPRs in favor of parallel district court proceedings. As outlined below, these factors do not favor exercising discretion to deny the Petition and this proceeding should be referred to a merits panel.

1. *Fintiv* Factor 1 – Stays in NDCA are Common

While the court did deny Petitioner’s pre-institution stay, that does nothing to undermine the established track record in the Northern District of California of granting stays upon institution. Ex. 1024. Judges in the Northern District of California routinely grant stays *after* IPR institution. *Id.* Over the past twelve years, judges in the district have granted or partially granted 76% of all post-institution motions to stay pending *inter partes* review. *Id.* And in 2025 alone, *all* such motions have been granted. *Id.* Patent Owner does nothing to address the statistics, despite their wide availability. It is highly likely that a stay will be granted.

As Patent Owner acknowledges, Petitioner’s request for a stay was denied *without* prejudice, inviting the request to be renewed upon institution. Ex-2006, 11:23–12:7.

Patent Owner attempts to place itself in the mind of the judge and asks the Board to do the same. *See generally* Paper 6 at 11-13. However, conjecture about

how a future motion may be handled is beyond what the Board should do. *Western Digital v. Kuster*, IPR2020-01391, Paper 10 at 9 (PTAB Feb. 16, 2021). Courts in the Litigation’s district (the Northern District of California) routinely stay patent cases where IPR has been instituted on one or more patents or even where institution is still pending. *See, e.g., Finjan, Inc. v. Symantec Corp.*, 139 F. Supp. 3d 1032, 1035 (N.D. Cal 2015); *Google LLC v. EcoFactor, Inc.*, No. 21-cv-03220-HSG, 2022 WL 6837715 (N.D. Cal. Oct. 11, 2022).

Factor 1 is either neutral or weighs against exercising discretion.

2. *Fintiv* Factor 2 – Trial is after any Final Written Decision

There is zero doubt that trial is scheduled to commence *after* a final decision would be due in this proceeding. Paper 6 at 13. Moreover, the Judge has already moved trial once in the related district court case. *Id.* Contrary to Patent Owner’s argument, even this rescheduled trial date is well behind the average time to trial in the district. *See* Ex. 1025 at 9 (an average time to trial of 34.5 months). The breach of contract litigation was filed in April 2024, placing the average trial date no earlier than March of 2027.

While again Patent Owner attempts to place itself in the mind of the judge, it cannot escape (and does not address) the facts surrounding the Northern District of California.

Factor 2 weighs against exercising discretion.

3. *Fintiv* Factor 3 – Almost no resources have been spent on patent issues, as admitted by Patent Owner

Petitioner filed its Petition at an early stage of Litigation—a fact that “has weighed against exercising the authority to deny institution.” *Apple v. Seven Networks*, IPR2020-00156, Paper 10 at 11-12 (PTAB June 15, 2020). Fact discovery only recently opened and initial invalidity contentions won’t be served until late June, with claim construction terms being exchanged in late July. Ex. 1023. No *Markman* hearing is scheduled, and fact discovery extends through almost the end of the year. Ex. 1020.

The parties have not expended serious resources and will not by the time this Petition is instituted. Institution is proper where the parties have not yet invested significant resources directed to invalidity. *See Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 (PTAB June 16, 2020). Moreover, Patent Owner concedes that the patent issues in the case are in their infancy. Paper 6 at 15 (“To be sure, the district court has not yet issued any substantive orders *related to* the Patents”).

Patent Owner conflates the duration of pendency with resources invested. Paper 6 at 15. That the case languished for 18 months does not have any impact on where the case sits procedurally. Patent Owner’s arguments are premised on a stay not being granted, which is not only at odds with the Northern District’s established

practices, but is pure conjecture. Rather, the proper inquiry is where will the case be at institution. A *Markman* hearing, presently unscheduled, is unlikely to occur in the next three months given exchange of terms is not set to occur until at least the end of July. Ex. 1023. Exchange of constructions and briefing will extend through August and September, with a *Markman* hearing unlikely until well into the fall and after institution. *Id.*

Factor 3 weighs against exercising discretion.

4. *Fintiv* Factor 4 – Overlap of Issues

While some of the issues to be decided in the Petition may overlap certain issues in the district court case, resolution of those issues here will prevent the need for those issues to be resolved by a jury or judge.

Factor 4 is either neutral or weighs in favor of exercising discretion.

5. *Fintiv* Factor 5 – The parties are the same

The parties are the same, but as such, this factor should be given little to no weight. *Shenzhen Root Technology v. Chiaro Technology Ltd. d/b/a Elvie*, IPR2024-01296, Paper 9, 19-20 (PTAB Feb. 25, 2025). If anything, because Factor 2 favors not exercising discretion, so too should this factor. *BOE Technology Group Co., Ltd. V. Optronics Sciences LLC*, IPR2024-01130, Paper 16, 13 (PTAB Jan. 27, 2025).

Factor 5 is either neutral or weighs against exercising discretion.

6. *Fintiv* Factor 6 – Other factors

While there is indeed a contractual agreement between the parties, the plain language of that contract confirms that this type of proceeding was not only contemplated, but invited by the parties as a manner of termination of the agreement. *See* Section II.C. Moreover, the strength of the Petition (Section II.B) further confirms that the Board should not exercise its discretion to deny institution.

Patent Owner purports to use past-dealings to prove the need to keep the patents intact, but it ignores two things: 1) Number 14 is the sole patent owner and 2) the agreement expressly invites a challenge to the '665 Patent as a mechanism to terminate the agreement. To prevent this challenge from reaching even a merits decision on institution under a discretionary decision would be fundamentally unfair and beyond the scope of what was contemplated when the agreement was first entered into.

Finally, Patent Owner's failure to file any preliminary response confirms that the merits of the challenge are particularly strong. That preliminary response was due June 17, 2025, and at this point, the failure to file cannot be corrected. This acquiescence to the strength of the Petition should be accounted for and further favors not exercising discretion to deny the Petition.

As a result, Factor 6 should further favor not exercising discretion to deny the Petition.

Balancing all six factors, Factor 1 is either neutral or weighs against exercising discretion to deny. Factors 2, 3, and 6 weigh against exercising discretion. Factors 4 and 5 are either neutral or weigh in favor of exercising discretion to deny. Even under the most favorable weighing for Patent Owner, three factors (including the most important time-to-trial factor) weigh against not exercising discretion to deny the Petition, one factor is neutral, and two less important factors weigh in favor of denial. Under a more reasonable weighing, three factors (including the most important time-to-trial factor) weigh in favor of not exercising discretion to deny, three factors are neutral. Either weighing results in not exercising discretion to deny the Petition.

B. *The Challenged Claims Should Not Have Issued*

The factors in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17-18 (PTAB Dec. 15, 2017), favor institution. *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8-11 (PTAB Feb. 13, 2020) (precedential).

Krum plainly teaches all the structural elements of the claims, and as set forth in the Petition, lacks only disclosure of the specific radix value that is claimed. As explained in the Petition (Petition at 17-21), a POSITA would have not only known that the specifically claimed radix value simply provided an already recognized solution (promoting monotonicity and providing approximation without gaps in

resolution), but would have been motivated to adopt this known type of DAC given the lack of disclosure in *Krum* of any specifics of *Krum*'s own DAC. The proposed combination confirms that the examiner misapprehended the applicability of the teachings of *Krum*, and that oversight led to the issuance of claims that are broader than should have ever issued.

The examiner was instead focused on a less applicable reference, Lueng, and found that Lueng did not disclose the claimed second switch (but acknowledged that the radix value not expressly described in *Krum* was known and predictable. Petition at 5-6.

While *Krum* was cited in an IDS (Ex. 1002, 83), it was not used in a rejection and the clear teachings in *Krum* of the sole element the examiner found to be lacking in the prior art confirm that the examiner erred and overlooked the teachings of *Krum* as it relates to the '665 Patent.¹

¹ Patent Owner attempts to argue that it was Petitioner who controlled prosecution. However, that is demonstrably false. Petitioner is not the Patent Owner, Petitioner was not the Applicant, and Petitioner decidedly believes the challenged claims are, and were, invalid. Only now, because it was sued, has Petitioner elected to expend resources to invalidate the Challenged Claims. However, this decision does not

The remaining references were not before the patent office and no rejections over any prior art occurred during prosecution. As such, neither the same, nor substantially the same arguments were previously presented.

C. *Economic Interests*

The license agreement that is the subject of the co-pending district court breach of contract case states that the agreement “shall continue in full force and effect until terminated.” Ex. 2001 at 7. However, it also states that the agreement “can only be terminated with the explicit written consent of the Parties.” *Id.* The license states that the license “will terminate upon expiration, nullification or revocation of the particular” patent. *Id.* at 8. The parties have agreed that nullification (e.g., cancellation) is the mechanism to determine the termination, thereby acquiescing to the jurisdiction of the PTO for exactly this type of proceeding. This was the intent of the license, as confirmed by the parties expressly carving out the ability to terminate the license in the event of revocation of a patent claim.

Patent Owner’s now about-face sets aside the plain language of the negotiated agreement, that nullification and revocation are the mechanism to terminate certain rights under the agreement. To conform with the Parties’ negotiated agreement, the

somehow lead to an acquiescence to the validity of the Challenged Claims. Rather, the cost-benefit analysis has simply changed.

invalid claims of the '665 patent should be subject to *inter partes* review so they can be cancelled.

Moreover, the work associated with this proceeding is relatively small given the minimal number of claims challenged. While there are only a subset of claims challenged, the challenge of this subset of claims is of particular economic importance to Petitioner.

III. CONCLUSION

Petitioner requests denial of Patent Owner's request for discretionary denial, assignment to a merits panel, institution of *inter partes* review and cancellation of Claims 1-7 and 9.

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Respectfully submitted,

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The undersigned hereby certifies that the foregoing contains 2,363 words according to the word count of the word-processing software used to prepare the foregoing.

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CERTIFICATE OF SERVICE

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