

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC

Petitioner

v.

TJTM TECHNOLOGIES, LLC

(record) Patent Owner

IPR2025-00586
Patent No. 8,958,853

**PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL**

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I. INTRODUCTION

As authorized by the memorandum titled *Interim Processes for PTAB Workload Management* (“*Process Memorandum*”), Petitioner submits this opposition to Patent Owner’s request for discretionary denial (Paper 7, “DD Req.”). This opposition is timely filed “within 1 month of the due date for a patent owner discretionary denial brief (i.e., on the [patent owner preliminary response] POPR due date).” *FAQs for Interim Processes for PTAB Workload Management*.

Here, the POPR due date is July 15, 2025 and can be stayed. Petitioner requests that the Director exercise authority under 35 U.S.C. § 313 to hold the POPR due date in abeyance, pending Patent Owner’s ongoing § 101 appeal regarding the challenged patent. Staying this IPR by holding the POPR due date in abeyance will efficiently preserve the Office’s ability to consider whether to institute (both discretionary and merits) in the first instance only if it becomes necessary—i.e., if the Federal Circuit vacates or reverses the district court’s invalidation of the challenged patent claims under § 101. If the Federal Circuit affirms, then a stay of this IPR will have conserved the Office’s resources in deciding any discretionary or merits issues in this IPR, as Petitioner will withdraw its petition prior to institution.

Alternatively, if this IPR is not stayed, then the Director should find that discretionary denial is inappropriate here based on additional considerations not present in the *Hulu* decision on which Patent Owner relies. DD Req. 1.

II. PROCEDURAL HISTORY

Petitioner Google is the fifth defendant that Patent Owner TJTM or its predecessor SMTM has sued for infringement of the '853 patent. In each previous suit, Patent Owner settled or otherwise voluntarily dismissed its suit before filing the next suit against the next defendant. Patent Owner's costly pattern of suing, settling, then suing again is evident in the table below, which shows the date each district court suit was filed and terminated:

District Court Action	Case No.	Filed	Terminated
<i>SMTM Technology, LLC v. Microsoft Corporation</i>	4-15-cv-02396 (N.D. Cal.)	May 29, 2015	Jun. 29, 2015
<i>SMTM Technology, LLC v. Apple Inc.</i>	3-18-cv-04111 (N.D. Cal.)	Jul. 10, 2018	Jul. 24, 2018
<i>SMTM Technology, LLC v. Apple Inc.</i>	4-19-cv-08133 (N.D. Cal.)	Dec. 13, 2019	Oct. 20, 2020
<i>TJTM Technologies, LLC v. Samsung Electronics America, Inc.</i>	4-21-cv-05500 (N.D. Cal.)	Jul. 16, 2021	Jan. 25, 2022
<i>TJTM Technologies, LLC v. Verizon Communications, Inc.</i>	3-22-cv-02081 (N.D. Cal.)	Mar. 31, 2022	May 15, 2023
<i>TJTM Technologies, LLC v. Google LLC</i>	3-24-cv-01232 (N.D. Cal.)	Feb. 29, 2024	(on appeal)

Unlike all four prior defendants, Google did not settle and instead filed a motion to dismiss under Federal Rule of Civil Procedure 12(b)(6) based on invalidity under 35 U.S.C. § 101. The district court granted Google's motion in October 2024. Ex-1018. Patent Owner chose to continue its litigation against Google by appealing that decision. Ex-1020. Patent Owner's appeal is currently pending in *TJTM*

Technologies, LLC v. Google LLC, No. 25-1218 (Fed. Cir.). Briefing in the appeal is completed, and the parties are awaiting scheduling of oral argument. Ex-1030.

With the district court’s § 101 decision still on appeal, Google faced a statutory deadline of March 7, 2025 to file any IPR petition against the ’853 patent. To preserve Google’s right to file an IPR before the statutory deadline, Google filed its IPR petition on March 5, 2025. Google’s petition included a section explaining why discretionary denial under *Fintiv* would not be appropriate. Pet. 71–72 (discussing all six *Fintiv* factors). Google’s petition was accorded a filing date in a notice mailed April 15, 2025, which set a deadline for the POPR three months from the date of the notice. Paper 6. The deadline for the POPR is thus **July 15, 2025**.

On March 26, 2025, the Acting Director issued the *Process Memorandum*, announcing a new bifurcated process for decisions on whether to institute and further announcing additional considerations bearing on whether a petition will be discretionarily denied.

Although Patent Owner’s discretionary denial request was not due until June 15, 2025, Patent Owner filed its request more than two months early (May 2, 2025). In its request, Patent Owner argued primarily that Google’s IPR petition should be discretionarily denied because the challenged patent claims “stand invalid” (despite Patent Owner’s appeal) and that this posture favors denial under the “routine *Hulu* decision” issued by the Acting Director on April 17, 2025. DD Req. 3 (citing *Hulu*,

LLC v. Piranha Media Distribution, LLC, IPR2024-01252, Paper 27 (Apr. 17, 2025)).

The “routine *Hulu* decision” was designated as “informative” on May 7, 2025.¹ Shortly thereafter, Petitioner’s counsel contacted Patent Owner’s counsel to ask if Patent Owner would oppose a stay of this IPR, given that, unlike the *Hulu* IPR, this proceeding was in a pre-POPR stage and could still be stayed. Patent Owner’s counsel responded on May 19, 2025, indicating it opposed a stay. That same day, Petitioner’s counsel emailed the Board to request a conference call to discuss authorizing a motion to stay the IPR proceeding, noting that Petitioner’s request for a stay presents an “issue of first impression in the wake of *Hulu*.” Ex-3101, 2–3. The Board denied authorization to file a motion to stay, and no conference call was held. Ex-3101, 1. Instead, the Board stated that “Petitioner may address the impact of *Hulu* on this proceeding in its opposition to Patent Owner’s request for discretionary denial.” Ex-3101, 1.

On May 14, 2025—within one month of the Board’s notice according the petition a filing date—Petitioner sent Patent Owner a *Sotera* stipulation stating that

¹ The *Hulu* decision is available at

<https://www.uspto.gov/sites/default/files/documents/ipr2024->

[01252_01253_hulu_v_piranha_media_distribution_paper_27_inform.pdf](https://www.uspto.gov/sites/default/files/documents/ipr2024-01252_01253_hulu_v_piranha_media_distribution_paper_27_inform.pdf).

if this IPR is instituted, then Petitioner would not assert in the district court litigation any ground that Petitioner “raised or reasonably could have raised” during the IPR. Ex-1031.

III. ARGUMENT

A. This IPR Proceeding Should Be Stayed Pending Resolution of Patent Owner’s Appeal of the District Court’s § 101 Decision

a. The Director has statutory authority to stay this IPR

This case presents a unique opportunity for the Director to establish an alternative approach that was neither requested nor available in *Hulu*. In *Hulu*, the Acting Director faced a situation in which the patent owner had already filed its POPR, the panel had already issued its institution decision, and no party had requested a stay of the IPR pending resolution of the Federal Circuit appeal of the challenged patent. *Hulu*, IPR2024-01252, Paper 10 (POPR), Paper 12 (Reply to POPR), Paper 16 (Institution Decision). The Acting Director in *Hulu* thus faced a binary choice: either deny the petition or maintain the instituted IPR.

This case offers a third option: stay the IPR pending resolution of the Federal Circuit appeal. Unlike other IPR deadlines that Congress set by statute, the deadline for filing a POPR is “set by the Director.” 35 U.S.C. § 313. That authority gives the Director the ability to stay an IPR proceeding by holding the POPR deadline in abeyance. *See, e.g., St. Jude Med., LLC v. Regents of the Univ. of Cal.*, IPR2017-01338, Paper 23 (PTAB Feb. 5, 2018) (extending POPR deadline pending resolution

of a motion to dismiss for sovereign immunity); *Samsung Elecs. Co., Ltd. v. Telefonaktiebolaget LM Ericsson*, IPR2021-00487, Paper 8 (extending POPR deadline pending resolution of a motion to dismiss based on settlement).

Here, the current POPR deadline is **July 15, 2025**. Paper 6, 1. Because that deadline is “set by rule,” it “may be modified by order.” 37 C.F.R. § 42.5(c)(1). The Board may remove any prior authorization for filing a paper—including by waiving or suspending any rule previously authorizing a paper under part 42 of title 37—and may expunge any paper that is filed contrary to a Board order. *See* 37 C.F.R. § 42.5(a), § 42.5(b), § 42.7. Using this authority, the Board may set a new deadline for the POPR, remove Patent Owner’s authorization to file any POPR before the new deadline, and expunge any POPR filed before the new deadline.

b. A stay of this IPR is appropriate under the circumstances

Staying this IPR, rather than denying the petition as in *Hulu*, would better serve the Office’s goals of maximizing efficiency, fairness, and the integrity of the patent system. The appellate ruling—if it affirms invalidity—would conclusively moot the IPR and eliminate any further need to litigate the validity of those claims in any forum. But, should the appellate court vacate or reverse, a stay of this IPR will preserve the Office’s ability to consider the petition in the first instance in the future. A stay thus preserves the statutorily granted authority of the Board to adjudicate meritorious IPR petitions, as well as the statutory right of petitioners to

request review of vulnerable patents in the expert forum Congress specifically created for this purpose.

As a matter of efficiency, staying an IPR prior to a preliminary response requires less work than conducting the multi-factor discretionary analyses required by each of *Fintiv* (six factors), *General Plastic* (seven factors), *Advanced Bionics* (two-part framework), *Becton Dickinson* (seven factors) and the *Process Memorandum* (seven considerations). If the case is stayed and the Federal Circuit affirms the district court's § 101 decision, the Office will avoid extensive work analyzing those discretionary considerations (as well as the merits), because the patentability of the challenged claims will be moot, and Petitioner will withdraw its petition and seek dismissal of this proceeding prior to any decision on institution. *Cf. Apple v. Voip-Pal.com*, 976 F.3d 1316, 1321 (Fed. Cir. 2020) (affirmance in parallel proceeding renders moot CBM proceeding); *Facebook, Inc. v. EveryMD.com*, IPR2017-02027, Paper 24 at 2–4, 9 (PTAB Oct. 9, 2018) (affirmance in parallel proceeding renders moot IPR proceeding).

A stay of this proceeding will also efficiently preserve the Office's ability to consider the IPR petition later—only if needed—if the Federal Circuit reverses or vacates the district court's § 101 decision. If the case returns to the district court, the Director could then assess whether to exercise discretion under the normal circumstance contemplated by *Fintiv*: a choice between two active proceedings

facing the same or overlapping prior-art grounds. Here, there is already evidence that the district court would likely prefer that the Board take the lead in deciding such grounds and will stay any ongoing litigation. *See* Ex-1022 (Judge Thompson granting majority of motions to stay pending IPR). And to ensure that only the Board decides such IPR grounds, Petitioner has already agreed to a *Sotera* stipulation. Ex-1031. But again, a stay now will permit the Director to make this discretionary choice later under its normal factors—only if and when it becomes necessary in the future.

A stay would also be fairer than a denial because it would preserve Petitioner’s ability to have its IPR petition considered in the future. By contrast, denial now would prevent Petitioner from ever challenging the ’853 patent before the PTAB, as the § 315(b) time-bar that has now passed. Ex-1014. A stay of this IPR would not prejudice Patent Owner: the district court proceeding is currently terminated pending appeal (Ex-1021, 1) and Patent Owner will not need to file any further papers in this IPR proceeding if the Federal Circuit affirms. If the Federal Circuit instead reverses or vacates the district court judgment, Patent Owner will still have the right to file a POPR and seek denial of the petition.

A stay, rather than a cursory non-merits denial, would also better serve the integrity of the patent system. Congress intended the Board’s post-grant system to be the preferred venue for “improving patent quality,” “providing a more efficient

system for challenging patents that should not have issued,” and “reducing unwarranted litigation costs.” H. REPT. NO. 112-98, at 39–40 (Jun. 1, 2011). By staying this IPR, the Director will preserve the Office’s authority and option to review Petitioner’s IPR grounds in the future—and not foreclose the Board’s adjudicative role prematurely, merely because claims of dubious validity happen to be on appeal on different grounds.

Accordingly, Petitioner submits that this IPR proceeding be stayed pending the issuance of a mandate in Federal Circuit appeal no. 25-1218. In addition, to prevent Patent Owner from attempting to short-circuit the stay, the Director should remove Patent Owner’s authorization to file any POPR before the new deadline and expunge any POPR filed before the new deadline. *See* 37 C.F.R. § 42.5, § 42.7.

B. Alternatively, if This Proceeding is Not Stayed, Then Additional Considerations Not Present in *Hulu* Make Discretionary Denial Inappropriate Here

Even if this IPR is not stayed, discretionary denial is inappropriate in view of key differences between this case and *Hulu*. Those key differences bear on new “relevant considerations” for discretionary denial announced in the *Process Memorandum* that issued after *Hulu*. Moreover, unlike the petitioner in *Hulu*, Petitioner here has agreed to a *Sotera* stipulation, which continues to be “highly

relevant”² and shifts the *Fintiv* analysis in favor of maintaining the IPR. Finally, Patent Owner’s merits-based arguments are woefully weak and serve only to confirm the “strength of the unpatentability challenge”—another relevant consideration under the *Process Memorandum*.

1. Patent Owner’s pattern of serial litigation bears on new considerations in the *Process Memorandum* not present in *Hulu*

In *Hulu*, the request for Director review of the institution decision was filed on March 18, 2025—before the *Process Memorandum* issued. *Hulu*, IPR2024-01252, Paper 19 (DR Request). The *Process Memorandum*, dated March 26, 2025, announced new “relevant considerations” for discretionary denial that parties may raise in the bifurcated discretionary denial briefing, including: “Compelling economic, public health, or national security interests;” and “Any other considerations bearing on the Director’s discretion.” *Process Memorandum*, 2–3.

Given the timing of the briefing in *Hulu*, the parties there did not raise any of the new “relevant considerations.” *Hulu*, IPR2024-01252, Paper 19 (DR Request), Paper 21 (Pet’r Resp.). Nor were those considerations addressed in the Acting Director’s decision. *Hulu*, IPR2024-01252, Paper 27. For example, the patent

²Memorandum, Chief APJ Boalick (Mar. 24, 2025) (stating that *Sotera* stipulations remain “highly relevant” in any *Fintiv* analysis).

owner's litigation history was not raised as a relevant consideration: the patent owner in *Hulu* had no history of serially suing and settling with a series of defendants. In fact, the challenged patent in *Hulu* had only ever been asserted in a single suit against a single defendant (the petitioner). *Hulu*, IPR2024-01252, Paper 5 (PO Mandatory Notice).

Here, by contrast, the history of the '853 patent reveals a pattern of serial assertions and relatively quick, voluntary terminations, which are nonetheless costly to defend against. Before suing Google in 2024, Patent Owner or its predecessor sued Microsoft (2015), then Apple (2018 & 2019), then Samsung (2021), and then Verizon (2022). Each time, Patent Owner or its predecessor waited until it settled with the prior defendant before starting a new suit with a new defendant.

The economic impact of Patent Owner's serial litigation campaign raises a "[c]ompelling economic ... interest[]" that weighs against denial. *Process Memorandum*, 2. During the period of Patent Owner's suits against the four prior defendants between 2015 and 2022, the AIPLA's Report of the Economic Survey shows the following median litigation costs for defending claims of patent infringement brought by a non-practicing entity:

MEDIAN LITIGATION COSTS (CONTINUED)		\$000s			
	2014	2016	2018	2020	2022
///					
PATENT INFRINGEMENT, DEFENDING CLAIMS OF PATENT INFRINGEMENT BY NON-PRACTICING ENTITY					
LESS THAN \$1 MILLION AT RISK					
Initial case management	N/A	\$25	\$40	\$50	\$45
Inclusive of discovery, motions, and claim construction	\$300	\$200	\$250	\$350	\$325
Inclusive of pre and post-trial, and appeal when applicable	\$500	\$500	\$750	\$725	\$750
Cost if dispute was resolved through mediation	\$100	\$25	\$45	\$50	\$108
\$1-\$10 MILLION AT RISK					
Initial case management	N/A	\$50	\$75	\$75	\$88
Inclusive of discovery, motions, and claim construction	\$570	\$500	\$750	\$500	\$800
Inclusive of pre and post-trial, and appeal when applicable	\$1,000	\$850	\$1,875	\$1,750	\$1,500
Cost if dispute was resolved through mediation	\$113	\$35	\$50	\$63	\$150
\$10-\$25 MILLION AT RISK					
Initial case management	N/A	\$55	\$125	\$100	\$150
Inclusive of discovery, motions, and claim construction	\$1,200	\$713	\$1,500	\$1,500	\$1,450
Inclusive of pre and post-trial, and appeal when applicable	\$2,000	\$1,250	\$3,000	\$3,000	\$3,200
Cost if dispute was resolved through mediation	\$200	\$50	\$90	\$75	\$175
MORE THAN \$25 MILLION AT RISK					
Initial case management	N/A	\$100	\$200	\$400	\$240
Inclusive of discovery, motions, and claim construction	\$2,000	\$1,100	\$2,500	\$2,500	\$2,000
Inclusive of pre and post-trial, and appeal when applicable	\$3,750	\$2,000	\$4,500	\$4,000	\$3,875
Cost if dispute was resolved through mediation	\$213	\$63	\$100	\$120	\$250

Ex-1032, 62 (annotated). Defending against a practicing entity costs even more.

Ex-1032, 61. The rows highlighted in yellow above show the cost of litigating beyond initial case management for cases with over \$1 million at risk.³ As seen above, defending a claim of patent infringement, even for a relatively brief period (i.e., beyond initial case management), ranges from \$500,000 to \$2.5 million.

When a patent is serially asserted against five different defendants in separate

³ Rows with less than \$1 million at risk are not highlighted because this amount is significantly below the typical amount at risk in patent litigation. Ex-1033, 8.

district courts, granting the IPR offers a much more efficient and cost-effective path to resolving validity, both for the parties and the courts. The Director should thus consider the history and costs associated with Patent Owner’s serial, multi-defendant litigation strategy—a pattern absent from *Hulu*—and determine that these constitute “[c]ompelling economic” and “other considerations,” which weigh against discretionary denial.

2. Petitioner’s *Sotera* stipulation changes the *Fintiv* analysis compared to *Hulu*

Another difference between this case and *Hulu* is that no *Sotera* stipulation was offered in *Hulu*, whereas here Petitioner has offered one. Ex-1031. Such a stipulation remains “highly relevant” in any *Fintiv* analysis today.⁴ Moreover, Petitioner made this stipulation within one month of the Board’s notice according the petition a filing date. The timing of Petitioner’s *Sotera* stipulation comported with the Office’s new announcement that any such stipulation should be filed within this one-month period, so that patent owners will have time to address the relevance of any such stipulation in their discretionary denial brief.⁵

⁴ Memorandum, Chief APJ Boalick (Mar. 24, 2025).

⁵ PTAB Boardside Chat: Interim processes relating to institution in AIA proceedings (Apr. 17, 2025), <https://www.youtube.com/watch?v=TwatG4pbfPg>.

Despite Petitioner's timely *Sotera* stipulation, Patent Owner chose to file its discretionary denial request before receiving Petitioner's *Sotera* stipulation. Thus, Patent Owner's discretionary denial request did not address the *Sotera* stipulation or its impact on the *Fintiv* analysis.

Petitioner's *Sotera* stipulation here further distinguishes this case from *Hulu*, where no stipulation of any kind was offered. *Hulu*, IPR2024-01252, Paper 12 (reply to POPR), Paper 16 (institution decision), Paper 19 (DR Request), Paper 21 (Pet'r Resp.). Absent any stipulation that would have accelerated the raised-or-reasonably-could-have-raised estoppel to the IPR institution date, it is perhaps unsurprising that the Acting Director believed the "more efficient approach" in the event of a Federal Circuit reversal was for all validity issues to be decided in the district court rather than in both the PTAB and the district court. *Hulu*, IPR2024-01252, Paper 27 (DR Decision).

Here, by contrast, the "more efficient approach" in the event of a Federal Circuit reversal would be to permit consideration of Petitioner's IPR grounds on the merits, given that Petitioner's *Sotera* stipulation means that none of the IPR grounds will be raised in the district court if this IPR is instituted. Moreover, as discussed *infra* regarding *Fintiv* Factor 1 (likelihood of stay), it is likely that Judge Thompson would stay the litigation in favor of the IPR, thus eliminating any overlap of grounds between the two proceedings.

Considering Petitioner's *Sotera* stipulation and other procedural aspects of this case, the six *Fintiv* factors weigh against discretionary denial or are neutral:

Factor 1: *whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.* Patent Owner asserts that the “district court case cannot be stayed because it has concluded” (DD Req. 7) but ignores that Patent Owner is actively trying to reverse the district court’s conclusion via appeal. If Patent Owner obtains the relief it seeks from the Federal Circuit—reversal of the Rule 12(b)(6) dismissal—then the case would return to the district court, essentially restarting the case from the beginning. If that were to happen, then the district court is likely to grant a stay if this IPR is instituted. Ex-1022 (Judge Thompson’s stay statistics). Petitioner cited these statistics in its petition. Pet. 71. Patent Owner did not dispute or even address those statistics in its discretionary denial request.

Moreover, Petitioner’s *Sotera* stipulation (Ex-1031) will increase the likelihood of a stay, given that the stipulation will mean that none of the IPR grounds will be raised in the district court if this IPR is instituted. Accordingly, Factor 1 weighs against denial.

Factor 2: *proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision.* Patent Owner asserts that the district court “has completed its consideration of the [’853] patent” (DD Req. 7 (alteration in original)), but Patent Owner again pretends as if its appeal does not exist. Patent

Owner is actively seeking reversal of the Rule 12(b)(6) dismissal so that the district court will need to take up its infringement complaint and give it the “jury trial” that it “demands” of the district court. Ex-1009, 24.

The second *Fintiv* factor asks about the proximity of the court’s “trial date.” To obtain a “trial date,” Patent Owner first would need to prevail in its appeal, and then—given that the complaint was dismissed before any answer was filed—the district court case would essentially need to restart from the beginning. The Federal Circuit’s median time-to-disposition for district court appeals is 16.1 months. Ex-1023. The Northern District’s average time to jury trial is 30.3 months. Ex-1024.⁶ Thus, a trial in the district court (if any) might occur in September 2028 (46.4 months from the appeal docketing date), which is well after a final written decision would likely issue in this IPR. Petitioner cited these statistics in its petition. Pet. 71–72. Patent Owner did not dispute or even address those statistics in its discretionary denial request. Accordingly, Factor 2 weighs against denial.

Factor 3: *investment in the parallel proceeding by the court and the parties.*

The investment in the district court proceeding was limited to Petitioner’s Rule 12(b)(6) motion to dismiss based on § 101. No answer was filed. No claim

⁶ Memorandum, Chief APJ Boalick (Mar. 24, 2025) (explaining that the Board may consider “median time-to-trial statistics” for this *Fintiv* factor).

construction was done. Nevertheless, Patent Owner claims this *Fintiv* factor weighs in its favor simply because a § 101 invalidation is a “substantive order related to the [’853] patent.” DD Req. 7 (alteration in original). But this assertion ignores the procedural posture of the case, the relatively small amount of time the parties and court needed to invest in the case, and the fact that a Rule 12(b)(6) motion focuses on “only the allegations contained in the pleadings” and must “accept[] all factual allegations in the complaint as true.” Ex-1018, 4–5.

Patent Owner filed its original complaint on February 29, 2024. Less than two months later, Petitioner filed its motion to dismiss on April 17, 2024. Ex-1021, 5. Four months later, the district court granted the motion on August 20, 2024. Ex-1021, 7. Patent Owner filed an amended complaint on September 3, 2024, and Petitioner filed a motion to dismiss the amended complaint on September 17, 2024. Ex-1021, 7. The district court reviewed the parties’ papers and determined that the motion could be decided without oral argument. The district court granted Petitioner’s motion to dismiss the amended complaint on October 22, 2024 and entered judgment the same day. Ex-1021, 8–9. Thus, based on the relatively short lifespan of this case prior to entry of judgment, Factor 3 weighs against denial.

Factor 4: *overlap between issues raised in the petition and in the parallel proceeding.* Patent Owner treats this factor as though it addresses only what patent *claims* were challenged in the petition and litigated in the district court. Specifically,

the sole reason Patent Owner argues this factor favors denial is that “all . . . of the *claims* challenged in the petition are also at issue in district court.” DD Req. 7 (alteration in original, emphasis added). Patent Owner says nothing about what *issues* were raised in the two proceedings.

Contrary to Patent Owner’s simple focus on “claims,” Factor 4 asks what “issues” were raised in the petition and in the parallel proceeding. Subject-matter eligibility under § 101 is the only “issue” of patent validity that was raised in the district court. No answer was filed, so no affirmative defenses or counterclaims under §§ 102 or 103 have been asserted in the district court. Petitioner’s IPR petition, by contrast, does not (and cannot) raise § 101 as a ground, and instead raises only § 103 obviousness based on patents and printed publications. Moreover, Petitioner’s *Sotera* stipulation (Ex-1031) is “highly relevant” to this *Fintiv* analysis,⁷ as it eliminates any potential overlap by ensuring that no grounds in this IPR will be raised in the district court if the IPR is instituted.

Given the absence of any overlapping *issues* between the two proceedings, this factor weighs against denial.

Factor 5: *whether the petitioner and the defendant in the parallel proceeding are the same party.* Patent Owner sued Petitioner for infringement of

⁷ Memorandum, Chief APJ Boalick (Mar. 24, 2025).

the '853 patent after serially suing and settling with four other defendants. Petitioner is the only defendant to have filed any dispositive motion based on invalidity. Patent Owner chose to continue its litigation against Petitioner by appealing the district court's § 101 invalidation to the Federal Circuit. While the appeal was pending, Petitioner faced a statutory deadline of March 7, 2024 to file any IPR petition against the '853 patent. Petitioner filed its petition to preserve its right to adjudicate the IPR unpatentability grounds before the Office, in the event the § 101 decision is reversed or vacated. Given that the '853 patent has been serially asserted against five different defendants in separate district courts, and considering the costs associated with those assertions (see *supra* §III.B.1), this factor is either neutral or weighs against denial.

Factor 6: *other circumstances that impact the Board's exercise of discretion, including the merits.* The merits of the petition support institution. As explained in the following section, Patent Owner's merits-related arguments ignore both the express teachings of the prior art and the articulated rationales of the petition.

3. The Merits Support Institution—Not Discretionary Denial

Patent Owner makes three merits-related arguments under the headings: “Interface” (DD Req. 10); “Suppression Missing from Cazanas” (*id.* at 13); and “Suppression Missing from Any Combination Without Hindsight” (*id.* at 15). Each of these arguments disregards the text of the prior art disclosures and the evidence-

based reasoning articulated in the petition.

a. Interface claim element

Patent Owner refers to the “interface elements [1d]-[1g].” DD Req. 10. However, the only “interface” recited anywhere in the claims is a “graphical user interface,” which is mentioned only once, in limitation [1e]. Neither the “graphical user interface” nor any other interface is mentioned in limitations [1d], [1f], or [1g].

The “graphical user interface” of limitation [1e] is expressly disclosed verbatim in Cazanas (**bolded** below):

The display 56 and keypad 58 are the physical elements providing a textual or **graphical user interface**. In addition to normal telephone related input/output, these elements are also used for display of menus and other information to the user and user input of selections. For example, these elements can be used to input information related to the response message or to configure other parameters of the DNDA 15. Also, the SMS options panel provided on certain mobile stations can be used to input information related to the response message. Of course other user interface elements may be used, such as a stylus and touch sensitive display screen, as in a PDA or mobile smartphone.

Ex-1004, 11:33-56 (emphases added) (cited at Pet. 34–35). The underlined text shows that Cazanas’ graphical user interface allows a user to customize one or more functions of the mobile device, including the mobile device’s response message and

Do Not Disturb Application (DNDA 15). Pet. 34–36.

As depicted in Figure 2 below, the “graphical user interface” of Cazanias consists of display 56 and keypad 58, which are physical components of mobile station 13:

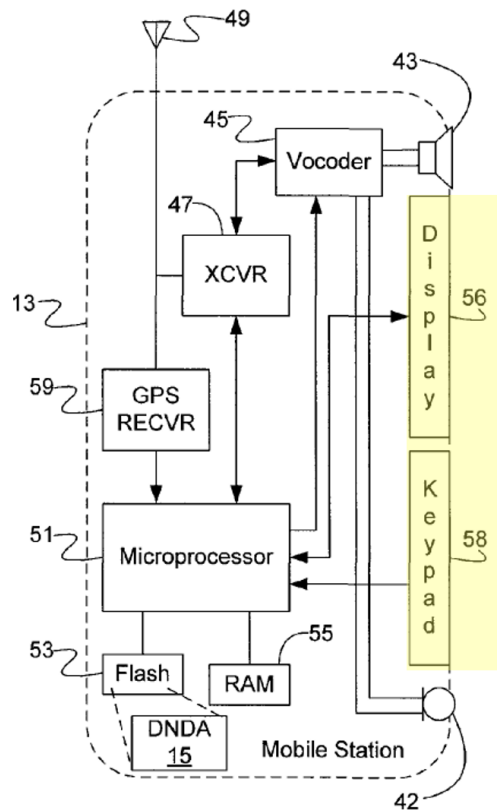


FIG. 2

Ex-1004, Fig. 2 (cited at Pet. 29) (highlighting added).

Patent Owner’s characterization of Cazanias’ mobile station 13 as a “flip phone” that only supports a “numeric menu interface” (DD Req. 11–12) is wrong and misleading. First, Cazanias never uses those terms. Second, Cazanias states that “[m]obile stations 13 typically take the form of **portable handsets, smart-phones** or **personal digital assistants**, although they may be implemented in other form

factors.” Ex-1004, 4:47–51 (emphasis added); Ex-1002, ¶61. Third, rather than being limited to what Patent Owner coins a “numeric interface,” Cazanans expressly states that its graphical user interface may take the form of a **“touch sensitive display screen, as in a PDA or mobile smartphone.”** Ex-1004, 11:54–56 (emphases added). In fact, Patent Owner expressly concedes that “the iPhone had reached version 4 by 2010” (Cazanans’ filing date). DD Req. 12. The iPhone was thus a “mobile smartphone,” with a “touch sensitive display screen,” exactly as contemplated by Cazanans. Ex-1004, 11:54–56.

Finally, Patent Owner incorrectly asserts that the petition “alternatively purports to rely on Frye to teach the graphical user interface claim element [1e].” DD Req. 13. For limitation [1e], the petition does not cite Frye for the claimed “graphical user interface,” only for the “inactive mode.” Pet. 33–34 (“To the extent that the claim language ‘inactive mode’ itself requires suppression of communication cues that Cazanans does not expressly disclose, then it would have been obvious to include Frye’s suppression functionality (e.g., Ex-1005, ¶¶0123–0137) into Cazanans’ DNDA”).

b. Suppression in Cazanans

Patent Owner asserts that Cazanans does not mention “either the problem of distracting phone rings or buzzes or the claimed solution of ‘suppressing one or more sound, visual, or vibration communication cues.’” DD Req. 13. Patent Owner is

wrong.

Cazanas discloses the mobile station 13 “can include a ‘Do Not Disturb’ Application (DNDA) 15.” Pet. 22 (quoting Ex-1004, 4:50-56). The “DNDA can be activated to enable the mobile station 13 to begin automatically responding to incoming messaging services messages” when a user is driving. Pet. 23 (quoting Ex-1004, 5:23-35). Cazanas explains that “[s]uch an application provides, for example, **increased safety** when the end-user of the mobile station is operating a vehicle.” Pet. 23 (quoting Ex-1004, 3:58-4:8). Thus, Cazanas acknowledges the safety hazards of receiving messages while operating a vehicle and further discloses that a solution to this problem is the DNDA. It is hard to imagine how Cazanas’ DNDA application, which is expressly intended to “**Not Disturb**” the driver, could provide “increased safety,” if incoming communication cues are permitted to continue disturbing the driver. Patent Owner does not explain how this could be, as it never addresses this disclosure in Cazanas. DD Req. 13–14.

Nevertheless, the petition did not rest on Cazanas alone for the claimed “suppressing” step of limitation [1d] or the claimed “inactive mode” of limitation [1d]. For both terms, the petition combined Cazanas’ DNDA with Frye’s suppression of communication cues. Pet. 33–34, 49–52. Frye expressly discloses that “disabling of the message notification function includes the disabling of a ring mode or vibration mode of the user’s device 98 whenever a new text message is

received.” Pet. 50 (quoting Ex-1005, ¶0134). As the petition explained, “Incorporating Frye’s teachings of suppression of notifications as part of Cazan’s DNDA operation . . . renders the DNDA an ‘inactive mode’—i.e., ‘a mode in which user notifications relating to incoming communications are suppressed.’” Pet. 50 (quoting Ex-1016, 9).

c. Alleged Hindsight Bias of Cazan-Frye Combination

Having argued against the references individually, Patent Owner makes a final argument about the Cazan-Frye combination, alleging it relies on hindsight. DD Req. 15. But while alleging hindsight, Patent Owner never addresses the multiple, independent rationales set forth in the petition articulating why the prior art motivated this specific combination. Pet. 50–53 (providing four enumerated reasons to combine). All four motivations in the petition were based on express prior art teachings, not hindsight. And all four motivations provided a specific reason “to incorporate Frye’s teachings of suppression of notifications to ensure that Cazan’s DNDA would similarly suppress communication cues when the DNDA is activated.” Pet. 50.

Rather than grapple with any of the rationales set forth in the petition, Patent Owner proposes its own alternative combination: a “functional combination” of Cazan and Frye that “allows a driver to talk on the phone and to receive and reply to SMS messages legally, hands free, while driving.” DD Req. 16 (“So, the

combination of Frye with Cazanias would comply with the new laws by forcing placement of the cell phone where it could ring and legally be used in a hands-free manner.”).

But Patent Owner’s “functional combination” ignores the recognition in the art—cited under Petitioner’s second rationale for its own combination—of the “*known crash risk posed by both hands-free and hand-held mobile device use.*” Pet. 51 (emphasis added); *see id.* (quoting prior art: “Researchers have shown that using mobile phones while driving is four times as likely to get into crashes, and the *increased crash risk is similar for hands-free and hand-held phones.*” (quoting Ex-1008, ¶0001)) (emphasis added). Patent Owner’s proposed combination, which would *allow* hands-free mobile device use, would thus not solve the known problem that both “hands-free and held-held” mobile device usage have “similar” “crash risk.” Ex-1008, ¶0001.

Finally, Patent Owner’s proposed “structural combination” of Cazanias and Frye is premised on the flawed assertion that requires adopting Frye’s RFID connection. The petition relies on Cazanias as the primary reference in its grounds, not Frye. As explained in the petition, Cazanias teaches that “the mobile station can include a *Bluetooth transceiver*” which “can be used *to pair the mobile station 13 with a portion of the vehicle 14.*” Pet. 23 (emphasis added) (citing Ex-1004, 10:35-38, 5:17-22, 5:28-35, 12:34-39, 13:20-29, 3:62-67, 2:5-9). The petition relies on

Cazanas for its disclosure of the claimed “automatically initiate the inactive mode in response to the pairing of the mobile device with a vehicle” of limitation [1f]. Pet. 37. Specifically, Cazanas teaches that “The [Do Not Disturb] application can be triggered to automatically execute based on ... the *pairing of the mobile station with a portion of a vehicle*.” Pet. 38 (quoting Ex-1004, 3:62-66) (emphasis added).

Because Cazanas already provides a way to pair a mobile device to a vehicle (Ex-1004, 3:62-66), a PHOSITA would not need to modify Cazanas to include an RFID connection. The functionality Frye provides is suppression of communication cues, and an RFID connection is not required to implement Frye’s suppression functionality. Nor is Frye restricted to the use of RFID: Frye discloses “BLUETOOTH®” connectivity 14 times, including for connecting the mobile device to a portion of the vehicle (its telematics unit). Ex-1005, ¶29 (“communication between the mobile device 98 and the telematics unit 14 may be established via short range wireless connection (e.g., by pairing the telematics unit 14 and the mobile device 98 using a BLUETOOTH® or the like”), ¶81, ¶108, ¶117.

But again, because Canazas’s DNDA application is already triggered by pairing via Bluetooth—and because Frye’s RFID is merely an alternative way to connect that is not needed to implement suppression in Cazanas’ DNDA application—the combination of the two references is a “simple combination of prior art elements to achieve predictable results—namely, a DNDA application that both

sends an away message and suppresses incoming communication cues.” Pet. 52 (citing Ex. 1002, ¶113 (Houh expert declaration)).

In sum, Patent Owner fails to address any of the rationales for the combination in the petition (Pet. 50–53), and instead proposes its own “functional and structural combination” that ignores relevant teachings in the prior art. The weakness of Patent Owner’s merits arguments above serves only to confirm the “strength of the unpatentability challenge” as one more “relevant consideration[.]” weighing against discretionary denial (*Process Memorandum*, 2).

IV. CONCLUSION

Given that at least one month remains before the POPR due date, Petitioner respectfully requests that the POPR due date be held in abeyance and the IPR proceeding be stayed, pending the issuance of a mandate in Federal Circuit appeal no. 25-1218. Alternatively, if the IPR is not stayed, then Patent Owner’s discretionary denial request should be denied so that the grounds can be reviewed on the merits.

Date: June 13, 2025

/Andrew S. Baluch / (RN 57,503)

Andrew S. Baluch

Reg. No. 57,503

SMITH BALUCH LLP

Counsel for Petitioner Google LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing opposition, together with all exhibits and other documents filed therewith, was served on June 13, 2025, on the Patent Owner's counsel of record at the United States Patent & Trademark Office having the following address:

docket@hmbay.com
ebffel@hmbay.com
kgibson@hmbay.com

Date: June 13, 2025

/Andrew S. Baluch/ (RN 57,503)

CERTIFICATE OF WORD COUNT

The undersigned hereby certifies that the foregoing opposition contains 5,892 words according to the word processing program used to prepare it.

Date: June 13, 2025

/Andrew S. Baluch/ (RN 57,503)