

IPR2025-00644
Patent No. 9,208,423

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., and
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioners,

v.

ICASHE, INC.,
Patent Owner.

Case IPR2025-00644

Patent No. 9,208,423

**PATENT OWNER'S MEMORANDUM
IN SUPPORT OF DISCRETIONARY DENIAL**

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PATENT OWNER'S EXHIBIT LIST

Ex. 2001	Complaint for Patent Infringement, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, Dkt. 1 (June 6, 2024)
Ex. 2002	Defendants Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.'s Answer and Defenses to Plaintiff's Complaint for Patent Infringement, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, Dkt. 25 (October 1, 2024)
Ex. 2003	Defendants Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.'s Invalidity Contentions, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, (November 20, 2024)
Ex. 2004	Order, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America</i> , Civil Action No. 2:24-cv-00429, Dkt. 38 (May 1, 2025)
Ex. 2005	Affidavit of Service of Complaint, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, Dkt. 11 (June 17, 2024)
Ex. 2006	Plaintiff iCashe, Inc.'s Notice of P.R. 3-1 Disclosures and P.R. 3-2 Production, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, Dkt. 16 (September 5, 2024)
Ex. 2007	Notice of Compliance, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, Dkt. 36 (November 20, 2024)
Ex. 2008	Defendants' Ineligibility Contentions, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, (November 20, 2024)
Exs. 2009	<i>Reserved</i>

– 2020	
Ex. 2021	Defendants’ Invalidity Contentions, Exhibits F-F5, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, (November 20, 2024)
Ex. 2022	<i>Reserved</i>
Ex. 2023	Defendants’ Invalidity Contentions, Exhibits H, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, (November 20, 2024)
Exs. 2024 – 2028	<i>Reserved</i>
Ex. 2029	Defendants’ Ineligibility Contentions, Appendix F, <i>iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.</i> , Civil Action No. 2:24-cv-00429, (November 20, 2024)
Ex. 2030	<i>Reserved</i>

INTRODUCTION

The Director should deny institution of Samsung’s request for *inter partes* review. A trial in the U.S. District Court for the Eastern District of Texas will decide validity of U.S. Patent No. 9,208,423 (“the ’423 patent”) more than five months before the Board’s deadline to issue a final written decision. The district court denied Samsung’s motion to stay, and Samsung’s *Sotera* stipulation does not eliminate overlap between Samsung’s arguments in the district court and in its petition. Institution would result in inefficient use of the PTO’s, the parties’, and the district court’s time and resources. Pursuant to Acting Director Stewart’s March 26, 2025 Memorandum titled “Interim Processes for PTAB Workload Management” (“Stewart Memorandum”), Patent Owner iCashe, Inc. (“iCashe”) respectfully requests that the Director exercise discretion and deny Petitioners Samsung Electronics Co, Ltd.’s and Samsung Electronics America, Inc.’s (“Petitioners” or “Samsung”) request for *inter partes* review of the ’423 patent.

BACKGROUND

iCashe sued Samsung in the Eastern District of Texas on June 6, 2024. *iCashe, Inc. v. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.*, No. 2:24-cv-00429-JRG, Dkt. 1 (E.D. Tex. Jun. 6, 2024). Ex. 2001. The district court scheduled trial for April 6, 2026. Ex. 1050.

iCashe asserts seven patents against Samsung. Ex. 2001. The seven patents are from two patent families and involve reasonably similar subject matter. *See id.* at 6-7. In response, Samsung asserts invalidity of all asserted claims. Ex. 2002 at 42. Samsung served its invalidity contentions on November 20, 2024. Ex. 2007. Over three months later, on March 10 and 11, 2025, Samsung filed seven IPR petitions challenging iCashe's patents. IPR2025-00639; IPR2025-00640; IPR2025-00641; IPR2025-00642; IPR2025-00643; IPR2025-00644; IPR2025-00645. All claims and art at issue in Samsung's seven IPR petitions duplicate arguments that Samsung made in its district court invalidity contentions. *See* Exs. 2003;2021; 2023.

On May 1, 2025, the district court denied Samsung's motion to stay the litigation. Ex. 2004. The case is before Judge Rodney Gilstrap. *See, e.g., id.*

ARGUMENT

Considering all relevant factors here, efficiency and integrity of the system are best served if the Director denies institution. Institution of *inter partes* review is a matter of discretion. *Cuozzo Speed Techs. v. Lee*, 579 U.S. 261, 273 (2016) (citing 35 U.S.C. § 314); *Mylan Lab'ys Ltd. v. Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1382 (Fed. Cir. 2021) (“[N]o petitioner has a right to such institution.”). Where institution does not align with the AIA's objective “to provide an effective and efficient alternative to district court litigation,” it should be denied. *Gen.*

Plastic Indus. Co. v. Canon Kabushiki Kaisha, IPR2016-01357, Paper 19 at 16-17 (PTAB Sept. 6, 2017) (precedential). The Board and the Director routinely deny institution where IPR would be inefficient in view of parallel litigation. *See, e.g., Ericsson Inc. v. Procomm Int'l Pte. Ltd.*, IPR2024-01455, Paper 15 at 3 (PTAB May 16, 2025); *Arm Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10 at 2 (PTAB May 16, 2025); *Google LLC v. Cerence Op. Co.*, IPR2024-01465, 2025 WL 1182608, at *7 (PTAB Apr. 23, 2025); *Charter Commc'ns, Inc. v. Adaptive Spectrum & Signal Alignment, Inc.*, IPR2025-00087, 2025 WL 1297798, at *8 (PTAB May 5, 2025).

The Board and the Director take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential) (citing *NHK Spring Co. v. Interi-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential)). When determining whether to exercise its discretion to deny institution under 35 U.S.C. § 314, the Board considers six factors:

- (1) whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
- (2) proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;

- (3) investment in the parallel proceeding by the court and the parties;
- (4) overlap between issues raised in the petition and in the parallel proceeding;
- (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and
- (6) other circumstances that impact the Board’s exercise of discretion, including the merits.

Fintiv, IPR2020-00019, Paper 11 at 6.

In the evaluation and application of the *Fintiv* factors, the Director also may consider the extent of the petition’s reliance on expert testimony and the settled expectations of the parties. Stewart Memorandum at 2-3.

A. The District Court Trial Will Precede a Final Written Decision by Five Months.

The trial date alone is grounds for denial. Five months before the Board must issue a final written decision, a jury will determine validity of the same claims in view of the same art. Consistent with statistics for the Eastern District of Texas, trial is set to begin April 6, 2026.¹ Ex. 1050. If IPR is instituted, a final

¹ Median time-to-trial statistics for the Eastern District of Texas predict trial within 23.5 months of filing suit. “Table C-5—U.S. District Courts—Civil

written decision is not due until October 16, 2026—more than five months later.

See 35 U.S.C. §316(a)(11). Samsung’s seven trailing IPRs, including this one, are not an efficient use of PTO resources. *See Arm*, IPR2025-00207, Paper 10 at 2 (denying institution where trial date would precede final written decision by five months).

Discretionary denial is appropriate where parallel litigation will conclude well in advance of the Board’s statutory decision deadline. *Fintiv*, IPR2020-00019, Paper 11 at 9. Where the gap is as much as five months, this factor weighs “substantially in favor of discretionary denial.” *AT&T Servs. Inc. v. Asus Tech. Licensing Inc.*, IPR2024-00992, 2024 WL 5126018, at *5 (PTAB Dec. 16, 2024). Similar timelines have “led many Board panels to deny institution.” *Samsung Elecs. Co., Ltd. v. Secure Wi-Fi LLC*, IPR2024-01369, 2025 WL 897637, at *5 (PTAB Mar. 24, 2025) (denying institution where trial date preceded final written decision deadline by “nearly five months”); *see also, e.g., AT&T*, 2024 WL 5126018, at *5 (denying institution where trial date preceded final written decision deadline by five months); *Samsung Elecs. Co., Ltd. v. Mojo Mobility Inc.*,

Statistical Tables for the Federal Judiciary,” USCourts.gov (Dec. 31, 2024), <https://www.uscourts.gov/data-news/data-tables/2024/12/31/statistical-tables-federal-judiciary/c-5>.

IPR2023-01092, Paper 11 at 11 (PTAB Jan. 8, 2024) (same); *Bentley Motors Ltd. v. Jaguar Land Rover Ltd.*, IPR2019-01539, Paper 9 at 14 (PTAB Mar. 10, 2020) (same).²

Samsung's argument that the district court trial may be delayed is speculative. Pet. at 19-20. It is not the PTO's duty to forecast or second guess the district court's trial schedule. *Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 13 (PTAB May 13, 2020) (informative) ("We generally take courts' trial

² In its Petition, Samsung cites two cases where the Board instituted IPR despite such a five-month gap. Pet. at 20. In both cases, the Board determined that the trial date weighed in favor of *denying* institution, but that facts specific to those cases, and not applicable here, carried greater weight. *Coolit Sys., Inc. v. Asetek Danmark A/S*, IPR2021-01195, Paper 10 at 11, 13-14 (PTAB Dec. 28, 2021) (petition included prior art combinations that the Board previously considered and found persuasive in a related IPR in which all claims were invalidated); *Lego Sys., Inc. v. MQ Gaming LLC*, IPR2020-01445, 2021 WL 606917, at *4, 7 (PTAB Feb. 16, 2021) (petitioner's IPRs did not challenge all asserted patents, thus reducing concerns of inefficient duplication of resources; merits of the petition appeared strong).

schedules at face value absent some strong evidence to the contrary.”). Samsung’s reliance on *BOE Technology* is misplaced. In *BOE Technology*, the court’s trial date preceded the final written decision deadline by only three weeks, such that *any* postponement would likely push the trial beyond the Board’s statutory deadline. *BOE Tech. Grp. Co., Ltd. v. Optronic Scis. LLC*, IPR2024-01130, 2025 WL 305477, at *4 (PTAB Jan. 27, 2025).

In contrast, the trial date here precedes the final written decision deadline by more than five months. Even if the district court postpones the trial in favor of other cases on its docket, trial likely will still precede any final written decision by a significant margin. Therefore, discretionary denial is appropriate. *See Google*, 2025 WL 1182608, at *4 (denying institution despite “a number of cases . . . scheduled for jury selection on the same day as the District Court Litigation.”).

B. Samsung Waited More Than Nine Months to File Its Petitions for *Inter Partes* Review.

Samsung’s delay weighs in favor of denial. A petitioner’s delay in filing its petition favors discretionary denial, particularly “if the petitioner cannot explain the delay in filing its petition.” *Fintiv*, IPR2020-00019, Paper 11 at 12. *Ericsson*, IPR2024-01455, Paper 15 at 2 (denying institution and noting that petitioner “does not explain sufficiently” how patent owner’s amended infringement contentions impacted the delayed timing of the petition); *see also AT&T*, 2024 WL 5126018, at

*5 (denying institution where petitioner filed petition five months after receiving infringement contentions and failed to “present[] any factual evidence to justify this delay”).

Samsung’s own actions caused the gap between the trial date and final written decision deadline. iCashe served its complaint on June 12, 2024. Ex. 2005. iCashe served infringement contentions on September 4, 2024, and Samsung served invalidity contentions on November 20, 2024. Exs. 2006; 2007. Yet Samsung waited until March 11, 2025—nine months after the complaint, more than six months after infringement contentions, and more than three months after its own invalidity contention—to file its IPR petitions. *See generally* Pet. Samsung’s Petition provides no explanation for its significant delay. *Id.* at 19-21. Due to Samsung’s delay, the district court trial will conclude well in advance of the Board’s statutory deadline.

Samsung’s reliance on the Board’s decision in *Lego* is misplaced. *Id.* at 21. The *Lego* petitioner’s delay was caused by the patent owner’s assertion of 17 patents and over 500 claims. *Lego*, 2021 WL 606917, at *5. Samsung faced no such concerns here, and discretionary denial is appropriate. *See Next Caller, Inc. v. TRUSTID, Inc.*, IPR2019-00961, Paper 10 at 16 (PTAB Oct. 16, 2019) (denying institution in view of petitioner’s “unexplained delay” and noting that had the

petitioner filed the petition concurrent with its invalidity contentions, the IPR may have concluded prior to the court's trial date).

Additionally, due to Samsung's delay, significant resources will be invested before the Board makes institution decisions. The parties have already exchanged invalidity and infringement contentions in the district court proceeding. By the Board's institution deadline of October 16, 2025, all claim construction briefing and claim construction discovery will be complete, and the parties will have completed 12 months of fact discovery, with only one month of fact discovery remaining. *See* 35 U.S.C. §314; Ex. 1050. The parties' and the district court's meaningful investment in the proceedings weighs in favor of discretionary denial. *See Advanced Micro Devices, Inc. v. Concurrent Ventures, LLC*, IPR2025-00223, Paper 9 at 2 (PTAB Jun. 12, 2025).

C. The District Court Denied Samsung's Motion to Stay and Will Likely Reject a Renewed Motion.

The Director should deny institution because the district court is unlikely to stay the litigation. Discretionary denial is appropriate absent evidence that the district court will stay the parallel proceeding. *See Ericsson*, IPR2024-01455, Paper 15 at 2; *Arm*, IPR2025-00207, Paper 10, at 2. Even where the court indicates a willingness to reconsider a stay after institution, such willingness does not necessarily weigh in favor of institution. *Fintiv*, IPR2020-00019, Paper 11 at 7.

Although the district court denied Samsung's early motion without prejudice, it is unlikely to grant a post-institution stay. Ex. 2004. The district court recently denied a post-institution motion to stay proceedings under similar circumstances due to (1) undue prejudice to the patent owner, and (2) the inability of the IPR to moot the petitioner's invalidity case. *Lionra Techs. Ltd. v. Cisco Sys., Inc.*, No. 2:24-cv-00097-JRG, 2025 WL 1239317, at *2-4 (E.D. Tex. Apr. 28, 2025). For the same reasons, the district court is unlikely to grant a post-institution stay here.

The district court will likely find that a post-institution stay would unduly prejudice iCashe. In *Lionra*, the court determined that a stay would unduly prejudice the patent owner's "ability to vindicate its patent rights" because the PTAB's final written decision, "which could be subject to further appeals, is not due until a date more than five months after the jury trial is set to begin." *Lionra*, 2025 WL 1239317, at *2. iCashe faces the same timeline here and the same inability to vindicate its patent rights should the district court grant a post-institution stay. By the Board's institution deadline of October 16, 2025, trial will be fewer than six months out. Ex. 1050. A stay at that late stage would halt proceedings for, at minimum, eleven months while the district court awaits a final written decision.

Additionally, the district court will likely determine that Samsung's IPRs do not moot its invalidity case. In *Lionra*, the court denied a post-institution stay where "the IPR only cover[ed] a portion of Defendant's invalidity arguments" and it was "far from a certainty" that the IPR could simplify the issues of the case. *Lionra*, 2025 WL 1239317, at *4. The same is true here. Like in *Lionra*, Samsung's invalidity contentions assert §§ 101 and 112 grounds that the IPRs would not address. Exs. 2008; 2029; 2003 at 42-55. In addition, Samsung's invalidity contentions assert seven prior art systems that the IPRs will not address. Ex. 2003 at 40-41. For the reasons cited in *Lionra*, Samsung likely will not succeed in delaying the April 2026 trial date. The Director should exercise discretion to deny institution.

D. *Inter Partes* Review Will Not Moot the District Court Proceeding.

Samsung's *Sotera* stipulation is inadequate. Ex. 1062; *see Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential). A petition that "includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding" favors denial. *Fintiv*, IPR2020-00019, Paper 11 at 12 (noting that "concerns of inefficiency and the possibility of conflicting decisions [are] particularly strong" in such circumstances). Although a *Sotera* stipulation may be considered, it "will not

be dispositive by itself.” Boalick Memorandum at 3.³ Institution should be denied if the stipulation “does not ensure that the[] IPR proceedings would be a ‘true alternative’ to the district court proceeding.” *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 4-5 (PTAB Mar. 28, 2025) (quoting *Sotera*, IPR2020-01019, Paper 12 at 19) (vacating institution decision and noting that the Board gave “too much weight to Petitioner’s *Sotera* stipulation”).

Samsung’s *Sotera* stipulation does little to mitigate overlap between these parallel proceedings. First, Samsung’s stipulation does not prevent Samsung from relying in the district court on references that it raised or could have raised in the IPR as evidence of other invalidity grounds. For example, Samsung’s district court invalidity contentions assert several prior art systems, including systems purportedly owned by assignees of patents and printed publications that are asserted in the Petition. *See* Ex. 2003 at 40-42. The stipulation does not prevent

³ March 24, 2025 Memorandum authored by Chief Administrative Patent Judge Scott R. Boalick, titled “Guidance on USPTO’s Recission of ‘Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation,’”
https://www.uspto.gov/sites/default/files/documents/guidance_memo_on_interim_procedure_recission_20250324.pdf (“Boalick Memorandum”).

Samsung from relying on, e.g., patents or printed publications assigned to NXP Semiconductors as evidence relating to an asserted prior art system attributed to NXP Semiconductors. *See Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354, 1366 (Fed. Cir. 2025) (“IPR estoppel does not preclude a petitioner from relying on the same patents and printed publications as evidence in asserting a ground that could not be raised during the IPR.”).

Second, Samsung’s stipulation does not prevent Samsung from combining asserted prior art systems with any of the 25 patents and printed publications in Samsung’s invalidity contentions that are not specifically cited in the Petition. Ex. 2021 (citing 22 publications other than Doughty, Bursch, and Fox). Samsung’s *Sotera* stipulation does not ensure that the IPR would be a true alternative to resolution in the district court trial, and discretionary denial is appropriate. *See Ericsson*, IPR2024-01455, Paper 15 at 2 (denying institution despite petitioner’s *Sotera* stipulation); *Arm*, IPR2025-00207, Paper 10 at 2 (same).

E. The Petition Relies on Extensive Expert Testimony.

Samsung’s 118-page expert declaration largely parrots verbatim attorney argument from the Petition and raises credibility issues better resolved by the district court. For example, Samsung’s assertion that the ’423 patent claims are obvious over Doughty (Ex. 1005), Fox (Ex. 1009), and Bursch (Ex. 1010) relies on

conclusory expert testimony that will be contested and contravened in and with iCashe's forthcoming Patent Owner Preliminary Response.

To support an obviousness challenge, "[t]he petitioner must . . . articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness." *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016). The petitioner must demonstrate both that a POSITA (1) would have had a reason to combine the asserted references, and (2) would have had a reasonable expectation of success from doing so. *Honeywell Int'l Inc. v. Mexichem Amanco Holding S.A. DE C.V.*, 865 F.3d 1348, 1355 (Fed. Cir. 2017) (quoting *Redline Detection, LLC v. Star Envirotech, Inc.*, 811 F.3d 435, 449 (Fed. Cir. 2015)). Conclusory expert testimony is not sufficient to demonstrate a "reasonable expectation of success." *See, e.g., Juniper Networks, Inc. v. Correct Transmission, LLC*, IPR2021-00682, 2022 WL 5061984, at *11 (PTAB Oct. 3, 2022) (petitioner's reliance on "conclusory" expert testimony alone was "not persuasive" and failed to demonstrate a reasonable expectation of success), *aff'd*, No. 2023-1046, 2024 WL 3517862, at *4 (Fed. Cir. July 24, 2024) (affirming Board's determination that expert testimony that was "conclusory," "not credible," and did not evidence a reasonable expectation of success).

Like in *Juniper Networks*, Samsung's purported evidence demonstrating a reasonable expectation of success is threadbare, conclusory, and unpersuasive. As

one example, Samsung asserts that, in view of Fox, a POSITA would have been motivated to implement Doughty in a mobile phone. Pet. at 69-71. But neither Samsung nor its expert articulate specific reasoning, based on evidence of record, *why* a POSITA would have had a reasonable expectation of success in doing so. Instead, Samsung and its expert merely assert that “a POSITA would have had a reasonable expectation of success,” “would have known such a combination . . . would predictably work,” and would have found such combination “straightforward and advantageous.” Pet. at 30, 70; Ex. 1003, ¶¶ 87-88, 191-192. These conclusory statements are inadequate to demonstrate a reasonable expectation of success.

Nor is Samsung’s expert’s conclusion supported by the references themselves. For example, Doughty does not enable the implementation in a mobile phone that Samsung alleges would be “straightforward.” *See, e.g., In re Morsa*, 803 F.3d 1374, 1377 (Fed. Cir. 2015) (“Enablement of prior art requires that the reference teach a skilled artisan—at the time of filing—to make or carry out what it discloses in relation to the claimed invention without undue experimentation.”). Doughty, directed principally to improving security and authentication of smart cards through “the use of on-card/device biometric authentication of the user and programmable magnetic stripes” does not mention mobile phones at all. Ex. 1005 at [0008]-[0009]. Rather, Doughty gives only passing reference to a laundry list of

devices into which its invention could be integrated, including “a telecommunications device,” but also “a passport,” “jewelry,” and “eye glasses.” *Id.* at [0046]. Doughty provides no instruction to a person of skill in the art as to how the invention’s substrate would be integrated into these different formats, nor how, in 2003, a mobile phone would be able to support use with the biometric sensors and programmable magnetic stripe required by Doughty. *See, e.g., id.* at [0042] (“The biometric sensor 310 may include a fingerprint sensor, retina sensor or voice sensor or other sensor device capable of detecting unique characteristics of a person that can be compared to stored data.”). Thus, operating in possession of Doughty’s teachings, a POSITA would be required to engage in undue experimentation before possibly arriving at the invention of the ’423 patent. *See Enzo Biochem, Inc. v. Calgene, Inc.*, 188 F.3d 1362, 1374 (Fed. Cir. 1999) (“Tossing out the mere germ of an idea does not constitute enabling disclosure.”).⁴ The conclusory testimony of Samsung’s expert does not fill in the gaps for how to

⁴ For these same reasons, and as will be explained in Patent Owner’s forthcoming Preliminary Response including supporting expert testimony, Samsung’s arguments that rely on Doughty alone to disclose the claimed mobile phone also fail. *See Pet.* at 6, 30-33.

combine the invention of Doughty with the mobile phone of Fox. *See* Pet. at 69-71; Ex. 1003, ¶¶ 191-192.

Samsung’s extensive expert testimony, which will be countered by expert testimony accompanying iCashe’s forthcoming Patent Owner Preliminary Response, demonstrates issues better resolved at the district court.⁵ Discretionary denial is appropriate.

F. Samsung Delayed Challenging the ’423 Patent for Nearly Ten Years.

The ’423 patent, which issued in December 2015, belongs to a family of patents that claims priority back to 2005. In evaluating whether to exercise discretion to deny institution, the Director may consider the settled expectations of the parties, such as the length of time the claims have been in force. Stewart Memorandum at 2. Discretionary denial is appropriate when a petitioner has had nearly a decade in which to challenge a patent but chose not to. *iRhythm, Inc. v. Welch Allyn, Inc.*, IPR2025-00378, Paper 10 at 3 (PTAB Jun. 6, 2025).

⁵ *See* “FAQs for Interim Processes for PTAB Workload Management,” USPTO, <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management> (“[A]s a matter of efficiency, extensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court.”).

The length of time that the '423 patent has been in force favors discretionary denial. The '423 patent claims priority to 2005, when inventors Dr. Narendra, Mr. Tadepalli, and Mr. Spitzer envisioned a future in which consumers would use their phones for payments instead of cash, checks, or credit cards. The '423 patent and other related patents are the foundation on which iCashe—and its predecessor, Tyfone—built its business. The claims of the '423 patent have been in force since December 2015. To reevaluate this patent now, after nearly a decade of being in force, would be contrary to the settled expectations of the parties, as well as the industry.

CONCLUSION

For the foregoing reasons, discretionary denial is appropriate, and the Director should decline to institute *inter partes* review of the '423 patent.

IPR2025-00644
Patent No. 9,208,423

Dated: June 16, 2025

Respectfully Submitted,

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WORD-COUNT CERTIFICATE

The undersigned certifies that the foregoing Patent Owner's Memorandum in Support of Discretionary Denial complies with the type-volume limitation of 37 C.F.R. § 42.24(a) and (b) and contains 3,745 words in 14-point Times New Roman font as calculated by the word count feature of Microsoft Office. This word count is inclusive of all text and footnotes but does not include the table of contents, table of authorities, certificates or service or word count, or appendix of exhibits or claim listing.

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Patent Owner's Memorandum in Support of Discretionary Denial was served on June 16, 2025, by electronic mail to Petitioners' counsel at the following addresses indicated in Petitioners'

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