

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMERICAN AIRLINES, INC. AND SOUTHWEST AIRLINES CO.,

Petitioners,

v.

INTELLECTUAL VENTURES I LLC,

Patent Owner.

Case No. IPR2025-00785

U.S. Patent No. 7,257,582

**BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL**

TABLE OF CONTENTS

PATENT OWNER’S EXHIBIT LIST	iv
I. INTRODUCTION	1
II. THE DIRECTOR SHOULD EXERCISE DISCRETION AND DENY INSTITUTION BECAUSE PETITIONERS AND UNIFIED PATENTS ARE ENGAGING IN A CAMPAIGN TO HARASS PATENT OWNER WITH MULTIPLE CHALLENGES TO THE SAME PATENTS.....	4
A. The Business Model Of Unified Patents.....	6
B. Portions of The Reexamination Request Filed By Unified Patents Parrot Petitioners’ Inter Partes Review Petition Almost Verbatim.....	8
C. Unified Patents And Petitioners Also Appear To Be Coordinating The Timing Of Their Challenges.....	10
D. Multiple Challenges To The Same Patent Risks Harassment Of Patent Owners	10
III. THE DIRECTOR SHOULD EXERCISE DISCRETION AND DENY INSTITUTION BECAUSE THE PETITION IS FACIALLY DEFICIENT.....	11
A. The Fact That References Relate To The Same Field Standing Alone Is Insufficient To Establish A Motivation To Combine	13
B. The Lack Of A Non-Conclusory Explanation “Why” The References Would Be Combined Is Fatal.....	14
C. A Reasonable Expectation Of Success Is Insufficient To Establish A Motivation To Combine	16
D. The Testimony Of Petitioners’ Declarant Parrots The Words Of The Petition And Provides No Additional Explanation Or Citations Supporting The Alleged Motivation To Combine ...	17
IV. ADDITIONAL FACTORS SET FORTH IN THE MEMORANDUM SUPPORT DISCRETIONARY DENIAL	17
A. The Petition Relies Extensively on Expert Testimony	18
B. The ‘582 Patent Has Been In Force Since 2007	20
V. THE FINTIV FACTORS FAVOR DISCRETIONARY DENIAL	22

A.	Factor 1 Weighs Against Institution Because A Stay Has Not Been Granted In Either The Southwest Or American District Court Litigation And There Is No Evidence That A Stay Would Be Granted If This IPR Was Instituted.....	24
B.	Factor 2 Weighs Against Institution Because The Parallel Litigation Has A Trial Date Scheduled Before The Projected Statutory Deadline For The Board’s Final Written Decision	24
C.	Factor 3 Weighs Against Institution Because The Parties Will Have Invested Significant Effort In The Southwest And American District Court Litigations By The Time The Board’s Institution Decision Is Due	26
D.	Factor 4 Weighs Against Institution Because There Is Substantial Overlap Between The Southwest And American District Court Litigations And This IPR, And Petitioners’ <i>Sotera</i> Stipulation Will Not Mitigate Such Overlap.....	28
	1. There is substantial overlap in the claims challenged in the Southwest and American District Court Litigations and this IPR, and the lack of complete overlap was of Petitioners’ own making.....	28
	2. Petitioners’ <i>Sotera</i> stipulation will not mitigate the overlap between the Southwest and American District Court Litigations and this IPR	29
E.	Factor 5 Weighs Against Institution Because The Patent Owner Is The Same And The Petitioner Are The Same Parties As In The Parallel Litigation	30
F.	Factor 6 Weighs Against Institution Because The Merits Of Petitioner’s Challenge Is Weak.....	30
VI.	PETITIONERS’ GAMESMANSHIP IN CONNECTION WITH CLAIM CONSTRUCTION WARRANTS DISCRETIONARY DENIAL	31
VII.	CONCLUSION.....	34

PATENT OWNER’S EXHIBIT LIST

Ex. 2001	https://www.unifiedpatents.com/faq
Ex. 2002	https://www.unifiedpatents.com/members
Ex. 2003	Reexamination Request challenging U.S. Patent 7,257,582 filed by Unified Patents (No. 90/015,337)
Ex. 2004	Reexamination Request challenging U.S. Patent 8,332,844 filed by Unified Patents (No. 90/019,938)
Ex. 2005	Petition filed in IPR2025-00931
Ex. 2006	Docket from <i>Intellectual Ventures I LLC et al. v. Southwest Airlines, Co.</i> , 7:24-cv-277 (WDTX)
Ex. 2007	www.txwd.uscourts.gov/for-attorneys/judge-albright-courtroom-faq/
Ex. 2008	Docket from <i>Intellectual Ventures I LLC et al. v. American Airlines, Inc.</i> , 4:24-cv-980 (EDTX)
Ex. 2009	Defendant American Airlines, Inc.’s P.R. 3-3 Invalidity Contentions in <i>Intellectual Ventures I LLC et al. v. American Airlines, Inc.</i> , 4:24-cv-980 (EDTX)
Ex. 2010	Defendant Southwest Airlines Co.’s Preliminary Invalidity Contentions in <i>Intellectual Ventures I LLC et al. v. Southwest Airlines, Co.</i> , 7:24-cv-277 (WDTX)

I. INTRODUCTION

Pursuant to the Memorandum by the Acting Director dated March 26, 2025, setting forth “Interim Processes for PTAB Workload Management” (the Memorandum), Patent Owner hereby sets forth the applicable bases for discretionary denial of institution. This filing is being made within two months of the date on which the PTAB entered a Notice of Filing Date Accorded Petition, which occurred on May 9, 2025 (Paper #5).

The Director should exercise discretion and deny institution because Petitioners and Unified Patents are engaging in a campaign to harass patent owner with multiple coordinated challenges to the same patents, including U.S. Patent No. 7,257,582 (the ‘582 Patent) which is the subject of this *inter partes* review. Portions of Unified Patents’ reexamination request with respect to the ‘582 Patent were cut and pasted almost verbatim (with minor stylist revisions) from Petitioners’ *inter partes* review Petition in this proceeding. In addition, there is substantial circumstantial evidence that one or both of Petitioners are “members” of Unified Patents, and that Unified Patents is filing reexamination requests because Unified Patents was paid in the form of “membership fees” by one or both of the Petitioners. In addition to being unfair to Patent Owner, entertaining multiple challenges to the same patents is not a good use of the Office’s limited resources.

The Director should also exercise discretion and deny institution because the Petition is facially deficient. All of the grounds in the Petition are predicated on combining at least Chow and Reiffin. The Petition makes only limited and conclusory allegations with respect to any motivation to combine these references. The Petition's motivation to combine argument relies heavily on Petitioners' contentions that Chow and Reiffin purportedly relate to the same field or goal (Pet. at 8, 11). However, the law is clear that simply being in the same field of endeavor or having the same goal does not by itself establish a reason to combine references. The weakness of the Petition's motivation to combine arguments is compounded by its reliance on an expert declaration that is entitled to little if any weight, as it contains essentially a verbatim restatement of the motivation to combine allegations in the Petition.

A further consideration relevant to discretionary denial is the length of time the claims have been in force. Here, the claims of the '582 Patent have been in force for almost 18 years, and will expire in August 2025, before the anticipated date of institution on October 9, 2025. The length of time that the claims have been in force is a further factor that favors discretionary denial.

The *Fintiv* factors also favor the discretionary denial of institution in this case. Petitioner Southwest Airlines is the defendant in parallel litigation overseen by Judge Albright. In that case, Judge Albright has set the Markman Hearing for

7/29/2025 and has scheduled Trial for 7/27/2026. Thus, the anticipated date of the institution decision in this IPR (11/9/2025) will be three and a half months after the Markman Hearing, and the due date for a final written decision in this IPR (if it were instituted) would not be until 11/9/2026 -- which will be three and a half months after the Trial date. Neither party has even asked Judge Albright to move the trial date, and Judge Albright has made clear that he will only move the trial date in “extreme circumstances,” which are not even alleged to be present here.

The policies behind *Fintiv*, including reducing the potential for duplicative efforts and inconsistent results, also favor discretionary denial. For example, it will already be necessary for there to be three claim constructions involving the ‘582 Patent, namely one by Judge Albright in the Southwest litigation, another by Judge Mazzant in the American litigation, and a third by the Examiner in the Central Reexamination Unit (CRU) handling the reexamination request filed by Unified Patents. If this IPR goes forward, three Administrative Patent Judges at the PTAB will also need to conduct their own claim construction analysis of the ‘582 Patent. Thus, if this IPR were to go forward, the resources of 5 judges (two district court judges and three PTAB judges), as well as the CRU, will be needed to construe the claims. Clearly, the addition of a further claim construction analysis by the PTAB (on top of two District Courts and the CRU) only increases the potential for duplicative efforts and inconsistent results.

Finally, in the district courts, Petitioners have taken the position that key claim terms of the ‘582 Patent are “indefinite” because they “fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention,” while, in this IPR, the Petitioners have abandoned those positions in favor of interpretations intended to support invalidity arguments in this IPR—without acknowledging, let alone justifying, the inconsistency. This type of gamesmanship also favors discretionary denial.

For all of these reasons, and as explained more fully below, the Director should exercise her discretion to deny institution.

II. THE DIRECTOR SHOULD EXERCISE DISCRETION AND DENY INSTITUTION BECAUSE PETITIONERS AND UNIFIED PATENTS ARE ENGAGING IN A CAMPAIGN TO HARASS PATENT OWNER WITH MULTIPLE CHALLENGES TO THE SAME PATENTS

After Patent Owner asserted patents against Petitioners, Petitioners and Unified Patents have waged separate post-grant challenges against some of the patents. As shown below, the ‘582 Patent (that is the subject of this IPR) and U.S. Patent No. 8,332,844 (the ‘844 Patent) are being challenged by way of a reexamination request filed by Unified Patents and separately challenged by way of an *inter partes* review petition filed by Petitioners.

Patent Asserted in <u>District Court</u>	Reexamination Filed By Unified Patents	IPR Filed By Petitioners
8,332,844	Reexam No. 90/019,938, filed April 30, 2025	IPR2025-00931, filed April 30, 2025
7,257,582	Reexam No. 90/015,337, filed June 20, 2025	IPR2025-00785, filed April 10, 2025

It is clear that these attacks are coordinated. For example, with respect to the ‘844 patent, Unified Patent’s reexamination request (Ex. 2004) and Petitioner’s *inter partes* review petition (Ex. 2005) were filed the same day. See first line of chart above (Unified Patents and Petitioners, respectfully, filed a reexamination request and an *inter partes* review challenging U.S. Patent 8,332,844 on April 30, 2025.) Moreover, portions of Unified Patents’ Reexamination Request (Ex. 2003) with respect to the ‘582 Patent (challenged in this IPR) were cut and pasted almost verbatim (with minor stylist revisions) from Petitioner’s *inter partes* review Petition in this proceeding, indicating that Unified Patents had at least a draft of Petitioners’ IPR Petition in this proceeding when Unified Patents prepared its parallel Reexamination Request directed to the ‘582 Patent.

As explained more fully below, there is substantial circumstantial evidence that one or both of Petitioners are “members” of Unified Patents, that Unified Patents filed the reexamination requests because Unified Patents was paid substantial sums in the form of “membership fees” by one or both of the Petitioners, and that Petitioners and Unified Patents are coordinating multiple attacks on Patent Owner’s

patents for the purpose of harassing Patent Owner. In addition to being unfair to Patent Owner, entertaining multiple challenges to the same patents is not a good use of the Office's limited resources. These facts favor discretionary denial.

A. The Business Model Of Unified Patents

The business model of Unified Patents is well documented. Unified Patents accepts “subscription fees” from members and uses the subscription fees to challenge the validity of patents asserted in litigation against members. *See Unified Patents v. American Patents*, IPR2019-00482, Paper 115 at 41 (PTAB Aug. 13, 2020) (“*Am. Patents*”) (“Petitioner’s primary activity is filing IPRs”) and Ex. 2001 (Unified monitors “litigation to track activity and ... files post-grant procedures against patents.”) Although Petitioner states it has many members, only a fraction of its members actually pay subscription fees. *Am. Patents*, Paper 115 at 40 (“Petitioner has approximately 200 members—approximately fifty of those members pay a yearly subscription fee based on annual revenue, but small companies pay nothing.”); *see also* Ex. 2002 (requiring members with greater than \$20 million in revenue to pay subscription fees). The large member companies of Unified Patents fund the bulk of the organization’s activities and clearly benefit from the activities of Unified Patents. *See Am. Patents*, Paper 115 at 47 (“Some facts suggest an implied agreement for Petitioner to take actions that will (directly or indirectly) benefit Member These efforts can (and do) result in patent invalidations or licenses that

benefit Member, and in at least some cases, Petitioner’s activity has resulted in the dismissal of a litigation filed against Member”).

Thus, it is not a coincidence that Unified Patents is filing reexamination requests challenging patents that Patent Owner is asserting against Petitioners in District Court. Unified Patents did not file these reexamination requests out of happenstance, or out of the goodness of its heart. Rather, Unified Patents files patent challenges when one or more members of Unified Patents are sued for patent infringement *because the members of Unified Patents pay Unified Patents substantial membership fees each year to do so*. Unified Patents’ cleverly worded messaging does nothing to dispel the *quid pro quo* that is plainly apparent – namely, that in exchange for membership fees, Unified Patents files patent challenges that align completely with the litigation objectives of its members.

Prior cases rejecting arguments that Unified Patents is doing the bidding of its members are inapposite, as none of them involved discretionary denial in combination with the pattern of post-grant filings on behalf of a member that is present here. For example, in *Unified Patents, LLC v. Argina*, IPR2022-00285, Paper 10, p. 6-7 (June 17, 2022), the Board found that there was “*no specific evidence* that the Petition was filed” at the behest of the Unified Member, and that “Patent Owner’s contentions ... *amount to general statements that membership in Unified Patents is enough* to make any member that has been sued

on a patent an RPI ...” In this case, Patent Owner is not arguing that mere membership in Unified Patents is sufficient to confer RPI status. Rather, Patent Owner is arguing that the specific evidence of *quid pro quo* that is plainly apparent here -- namely, substantial membership payments likely made by one or both of Petitioners to Unified Patents, in combination with a track record of Unified Patents filing post-grant challenges supporting one or both of Petitioners’ litigation positions -- is a basis for discretionary denial of the present *inter partes* review because, *inter alia*, it unfairly affords Petitioners multiple bites at the apple and wastes the Office’s limited resources.

B. Portions of The Reexamination Request Filed By Unified Patents Parrot Petitioners’ Inter Partes Review Petition Almost Verbatim

The coordination between Unified Patents and Petitioners is also evident from the fact that aspects of the Reexamination Request filed by Unified Patents (Ex. 2003) on the ‘582 Patent (subject to this IPR) parrot the present Petition almost verbatim. Clearly, Unified Patents is motivated to take positions that are consistent with (and never contradict) positions taken by the members funding Unified Patents. The color-coded excerpts set forth below (coloring added by Patent Owner) comparing passages from the present Petition with the Reexamination Request filed by Unified Patents show the lengths to which Unified Patents has gone to maintain consistency with the positions taken by Petitioners herein.

<u>IPR Petition On ‘582 Patent</u>	<u>Reexamination Petition On ‘582 Patent</u>
The ‘582 Patent relates to well-known load balancing using multiple computer processors. Ex.1001 (1:14-17). In other words, the ‘582 Patent deals with “a way to split the performance of a given task among a plurality of processing units which can all access, directly or indirectly, the input data and the devices on which the output data is to be stored.” <i>Id.</i> Further, “[t]he principal object of the present invention is to enable the decomposition of a certain type of linear processes that currently use a single computer, into equivalent parallel processes that can efficiently use any number of potentially heterogeneous computers, taking the available capacity of each of these computers into account while optimizing execution.” <i>Id.</i> (1:48-54). Petition, 5-6.	The ‘582 Patent relates to conventional load balancing using multiple computer processors—i.e., a “multiprocessor.” EX1001, 1:14-17, 2:37. Specifically, the ‘582 Patent describes a long-known “way to split the performance of a given task among a plurality of processing units which can all access, directly or indirectly, the input data and the devices on which the output data is to be stored.” <i>Id.</i>; see also <i>id.</i>, 1:48-54 (“The principal object of the present invention is to enable the decomposition of a certain type of linear processes that currently use a single computer, into equivalent parallel processes that can efficiently use any number of potentially heterogeneous computers, taking the available capacity of each of these computers into account while optimizing execution.”). Ex. 2003, 8.
... a POSITA “would have had a bachelor’s degree in computer science, computer engineering, electrical engineering, or related field, and at least two years of experience in computer networking and parallel computing, or a person with a master’s degree in one of the foregoing and at least one year of experience in the aforementioned fields. Additional education could substitute for professional experience, and vice-versa. Petition, 7.	[A POSITA] ... would have had a bachelor’s degree in computer science, computer engineering, electrical engineering, or related field, and at least two years of experience in computer networking and parallel computing or have had a master’s degree in one of the foregoing and at least one year of experience in the aforementioned fields. Additional education could substitute for professional experience, and vice versa. Ex. 2003, 13.

C. Unified Patents And Petitioners Also Appear To Be Coordinating The Timing Of Their Challenges

The coordination between Unified Patents and Petitioners is also evident from the fact that Unified Patents and Petitioners appear to be coordinating the timing of their different challenges. For example, Unified Patents and Petitioners, respectfully, filed a reexamination request and an *inter partes* review challenging U.S. Patent 8,332,844 on the same day, i.e., April 30, 2025. Ex. 2004, 145 and Ex. 2005, 82.

D. Multiple Challenges To The Same Patent Risks Harassment Of Patent Owners

As set forth in the legislative history of the AIA, “[a]llowing similar, serial challenges to the same patent, by the same petitioner, risks harassment of patent owners and frustration of Congress’s intent in enacting the Leahy-Smith America Invents Act.” H.R. Rep. No. 112-98, pt. 1, at 48 (2011). Here, there is substantial circumstantial evidence that Unified Patents filed a parallel reexamination challenge because Unified Patents was paid by one or both of the Petitioners, and that Petitioners and Unified Patents are coordinating multiple parallel attacks on Patent Owner’s patents for the purpose of harassing Patent Owner. In addition to being unfair to Patent Owner, fielding multiple challenges to the same patents is not a good use of the Office’s limited resources. These circumstances favor discretionary denial.

III. THE DIRECTOR SHOULD EXERCISE DISCRETION AND DENY INSTITUTION BECAUSE THE PETITION IS FACIALLY DEFICIENT

The Petition sets forth two Grounds, both of which are seriously flawed. *Both Grounds are predicated on combining at least Chow and Reiffin.* More specifically, Ground 1 alleges obviousness based on a combination of Chow and Reiffin, and Ground 2 alleges obviousness based on a combination of Chow, Reiffin and Kurowski. Pet., 7. After alleging that Chow and Reiffin are “in the same field of endeavor” (Pet., 8) and “share” the same goal (Pet., 11), the Petition makes only limited and conclusory allegations with respect to any motivation to combine the references. The *totality of the Petition’s motivation to combine argument for Chow and Reiffin* is limited to the following conclusory statements:

Chow is ready for improvement. Ex. 1022 ¶ 134. Chow focuses on multiprocessing systems consisting of a single computer with multiple processors executing programs in parallel. *Id.* Reiffin expands this concept to multiple networked computers. *Id.* A POSITA would have recognized that benefit of combining Reiffin with Chow would be increased computational power and the ability to solve larger problems. *Id.*

Combining Chow’s multi-processing system with Reiffin’s teachings of a distributed parallel processing network would have been the simple combination of known elements to obtain a predictable result and thus obvious to a POSITA. Ex.1022 ¶ 135.

It would have been routine to add the features of Reiffin to the system of Chow. Ex.1022 ¶ 136. A POSITA would have thus been motivated to combine Chow and Reiffin with a reasonable expectation of success. *Id.* Petition, 10-11.

The Petition's conclusory statements fail to establish the necessary motivation to combine the references. Instead of providing reason and evidence of *why* a POSITA would be motivated to combine Chow and Reiffin, the Petition offers only a conclusory allegation that "Chow is ready for improvement" -- without any evidence or explanation to support that conclusion or show *why* a POSITA would have considered Chow "ready for improvement." Petitioners' next two sentences which allege that "Chow focuses on multiprocessing systems consisting of a single computer with multiple processors executing programs in parallel" while "Reiffin expands this concept to multiple networked computers," is factually incorrect. Petition, 10-11 (emphasis added). Rather, Chow was directed to "multiprocessing environments'... where multiple computers, digital data processing units, threads, or other processes perform concurrent tasks." Ex. 1003, 1:27-30 (emphasis added). Given that Chow was already directed to the use of multiple computers to perform concurrent tasks, why would a POSITA have looked to Reiffin for this same concept? The Petition doesn't say.

Petitioners' allegations that the references each supposedly belong to the same field is insufficient to establish a motivation to combine. In sum, the Petition offers nothing more than unsupported conclusions regarding motivation to combine, which fail to add up to a reasonable likelihood of prevailing. *See Johns Manville Corp. v. Knauf Insulation, Inc.*, Case IPR2018-00827, Paper 9, at 10-13 (PTAB Oct. 16,

2018) (designated informative) (rejecting a similar same-field, beneficial-combination rationale and denying institution); *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016) (a petitioner cannot satisfy its burden of proving obviousness by employing “mere conclusory statements,” but “must instead articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness”).

A. The Fact That References Relate To The Same Field Standing Alone Is Insufficient To Establish A Motivation To Combine

Petitioners’ contentions that Chow and Reiffin purportedly relate to the same field or goal (Pet. at 8, 11) do not by themselves establish a reason to combine the references. *Securus Techs., Inc. v Glob. Tel*Link Corp.*, 701 F. App’x 971, 976-77 (Fed. Cir. 2017) (non-precedential) (holding that “[s]uch short-cut logic would lead to the conclusion that any and all combinations of elements known in [a] broad field would automatically be obvious, without the need for further analysis.”); *Microsoft Corp. v. Enfish, LLC*, 662 F. App’x 981, 990 (Fed. Cir. 2016) (non-precedential) (holding that “the Board correctly concluded” that the petitioner “did not articulate a sufficient motivation to combine” where the only reason given was “that the references were directed to the same art or same techniques”); *Johns Manville*, IPR2018-00827, Paper 9 at 10-11 (rejecting an argument that two references were similar and belonged to the same field as an insufficient reason to combine those

references). Petitioners' same field/same goal argument is "simply too conclusory" to show that a POSITA would have combined the references in the manner claimed. *Securus Techs., Inc.*, 701 F. App'x at 976.

B. The Lack Of A Non-Conclusory Explanation "Why" The References Would Be Combined Is Fatal

The remainder of Petitioners' arguments for combining the references fares no better. The Petition (at 11) makes the conclusory assertion that "[a] POSITA would have recognized that [the] benefit of combining Reiffin with Chow would be increased computational power and the ability to solve larger problems" -- but provides no evidence or explanation demonstrating how or why a POSITA would have recognized such a benefit. For example, Chow was already directed to "multiprocessing environments'... where multiple computers, digital data processing units, threads, or other processes perform concurrent tasks." Ex. 1003, 1:27-30. Given that combining multiple computers to increase computational power was a concept already present in Chow, why would a POSITA have looked to Reiffin for this same concept? The Petition doesn't say. Similarly, what "larger problems" existed that required computational power beyond what Chow already provided, and how would the supposed combination of Chow and Reiffin be any better at solving such "larger problems" than Chow alone? Again, the Petition doesn't say. *TP-Link Corp. Ltd. v. Netgear*, IPR2023-01429, Paper #10, 2024 Pat.

App. LEXIS 1168 (Routine Opinion) (finding the petition lacked sufficient explanation “why the integration would have been an improvement, let alone why Sinha was ready for improvement”).

In the present case, the lack of a “why” is dispositive: a determination of obviousness cannot be reached where the record lacks an “explanation as to how or why the references would be combined to produce the claimed invention.” *TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1066 (Fed. Cir. 2016); *Virtek Vision Int’l ULC, Inc.*, 97 F.4th at 886 (“These disclosures, however, do not provide any reason why a skilled artisan would use 3D coordinates instead of angular directions in a system”).

Petitioners’ conclusory assertion that “[c]ombining Chow’s multi-processing system with Reiffin’s teachings of a distributed parallel processing network would have been the simple combination of known elements to obtain a predictable result and thus obvious to a POSITA” (Pet., 11-12) also lacks supporting evidence or an explanation demonstrating how or why a POSITA would have combined the references. Given that Chow already disclosed an implementation using parallel computing, why would a POSITA have looked to Reiffin for “distributed” parallel computing? The Petition doesn’t say. In addition, the Petition fails to explain how Chow’s parallel computers would be combined with Reiffin’s distributed parallel computers to solve “larger problems” that Chow alone would have been unable to

solve. For example, what aspects of Reiffin would be substituted into Chow in order to solve “larger problems” that Chow alone could not solve? Again, the Petition doesn’t say. All the Petition includes is the conclusory statement that Chow and Reiffin represented a “simple combination of known elements” that could be combined “to obtain a predictable result” -- which is too conclusory to support a motivation to combine.

C. A Reasonable Expectation Of Success Is Insufficient To Establish A Motivation To Combine

The Petition’s conclusory assertion that “[a] POSITA would have thus been motivated to combine Chow and Reiffin with a reasonable expectation of success” (Pet., 12) addresses the wrong issue and is also totally conclusory. “The obviousness inquiry does not merely ask whether a skilled artisan could combine the references, but instead asks whether ‘they would have been motivated to do so.’” *Adidas AG v. Nike, Inc.*, 963 F.3d 1355, 1359 (Fed. Cir. 2020) (quoting *InTouch Techs., Inc. v. VGO Commc’ns, Inc.*, 751 F.3d 1327, 1352 (Fed. Cir. 2014)). In other words, a reasonable expectation of success (“could combine references”) does not establish a motivation to combine (“would have been motivated to do so”). An expectation of success cannot cure the deficiencies of Petitioners’ conclusory allegations that a POSITA would have been motivated to combine Chow and Reiffin.

D. The Testimony Of Petitioners’ Declarant Parrots The Words Of The Petition And Provides No Additional Explanation Or Citations Supporting The Alleged Motivation To Combine

The cited testimony from Petitioner’s declarant, Dr. Shamos, does not cure the Petition’s deficiencies. Ex.1022 ¶¶ 134-136. The cited testimony largely repeats (word-for-word) the petition’s conclusory assertions. *Compare* Pet. at 11-12 with Ex. 1022, ¶¶134-136. For that reason, the testimony of Dr. Shamos is entitled to little if any weight. *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15-17 (PTAB Aug. 24, 2022) (designated precedential) (according “little weight” to declaration testimony that contains a verbatim restatement of a petition’s conclusory assertions without additional supporting evidence or reasoning).

In summary, the deficiencies in the motivation to combine argument upon which the Petition is predicated favors discretionary denial.

IV. ADDITIONAL FACTORS SET FORTH IN THE MEMORANDUM SUPPORT DISCRETIONARY DENIAL

In addition to the *Fintiv* factors (discussed later) and the deficiencies in the Petition itself, the Board should also consider two additional factors identified in the Director’s March 26, 2025 Memorandum entitled “Interim Processes for PTAB Workload Management.” First, the Memorandum instructs the Board to consider “[t]he extent of the petition’s reliance on expert testimony.” Here, the Petition is supported by a lengthy expert declaration that adds little more than a verbatim restatement of the Petition’s conclusory motivation to combine allegations, and thus

is entitled to little, if any, weight on that issue under controlling PTAB and Federal Circuit precedent. Second, the Memorandum identifies as relevant “[s]ettled expectations of the parties, such as the length of time the claims have been in force.” The ‘582 Patent has been in force for nearly 18 years and will expire before the expected date of institution. Both of these considerations strongly favor discretionary denial.

A. The Petition Relies Extensively on Expert Testimony

A relevant consideration identified in the Memorandum was “[t]he extent of the petition’s reliance on expert testimony.” Memorandum, at 1. Here, the Petition extensively relies on a 96-page expert declaration that largely parrots *verbatim* the wording of the Petition. Ex. 1003. For example, as set forth below, the following paragraphs of the expert declaration essentially parrot the Petition word-for-word:

<u>Argument In Petition</u>	Argument Repeated Almost Verbatim In Expert Declaration (Ex. 1022)
Ground 1 - Motivation to combine Chow and Reiffin (Pet., 11-12).	¶¶133-136.
Ground 1 - Discussion of [1pre] (Pet., 12).	¶¶140-142.
Ground 1 - Discussion of [1a] (Pet., 13-15).	¶¶144-146.
Ground 1 - Discussion of [1b] (Pet., 15-16).	¶¶ 149-151
Ground 1 - Discussion of [1c] (Pet., 16-17).	¶¶ 152-155
Ground 1 - Discussion of [1d] (Pet., 17-18).	¶¶ 156-159

Ground 1 - Discussion of [1e] (Pet., 19).	¶¶ 161-165
Ground 1 - Discussion of Claim 2 (Pet., 20-21).	¶¶ 168-171
Ground 1 - Discussion of Claim 3 (Pet., 21-22).	¶¶ 172-176
Ground 1 - Discussion of Claim 4 (Pet., 22-23).	¶¶ 177, 179-181
Ground 1 - Discussion of Claim 5 (Pet., 23-24).	¶¶ 188-190
Ground 1 - Discussion of Claim 6 (Pet., 24-25).	¶¶ 191, 193-196
Ground 1 - Discussion of Claim 7 (Pet., 25-26).	¶¶ 197, 199-201
Ground 1 - Discussion of Claim 8 (Pet., 26-27).	¶¶ 202, 204-208
Ground 1 - Discussion of Claim 9 (Pet., 25-26).	¶¶ 209, 211-214
Ground 1 - Discussion of Claim 10 (Pet., 28-29).	¶¶ 215, 217-228
Ground 1 - Discussion of Claim 11 (Pet., 29-30).	¶¶ 221-227
Ground 1 - Discussion of Claim 12 (Pet., 30-32).	¶¶ 228, 230-234
Ground 1 - Discussion of Claim 13 (Pet., 32-33).	¶¶ 235-240
Ground 1 - Discussion of Claim 14 (Pet., 33-34).	¶¶ 241-246
Ground 2 (Pet. 34-37).	¶¶ 247-252
Ground 2 - Discussion of [1pre] (Pet., 37-38).	¶¶ 253, 255-256
Ground 2 - Discussion of [1a] (Pet., 38-39).	¶¶ 257, 259-260
Ground 2 - Discussion of [1b] (Pet., 39).	¶¶ 262-264
Ground 2 - Discussion of [1c] (Pet., 40).	¶¶ 265, 267-268
Ground 2 - Discussion of [1d] (Pet., 41).	¶¶ 269, 271-272
Ground 2 - Discussion of [1e] (Pet., 42).	¶¶ 273, 275-276
Ground 2 - Claim 2 (Pet., 43-44).	¶¶ 277-278, 281-282

Since the expert declaration contains essentially a verbatim restatement of the allegations in the Petition, the declaration relied on by the Petition is entitled to little if any weight. *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15-17 (PTAB August 24, 2022) (designated precedential) (according “little weight” to declaration testimony that contains a verbatim restatement of a petition’s conclusory assertions without additional supporting evidence or reasoning). The Petition’s extensive reliance on expert testimony that is mostly a verbatim restatement of the Petition is a further factor that favors discretionary denial. *See also, Facebook v. Windy City Innovations, LLC*, 973 F.3d 1321, 1340-41 (Fed. Cir. 2020) (affirming the Board’s holding that a claim was not unpatentable when “the Board considered Facebook’s expert’s testimony but determined that it did not add materially to Petitioner’s unpersuasive attorney argument,” because it merely repeated Petitioner’s argument, nearly verbatim, without citation to the basis for his testimony”).

B. The ‘582 Patent Has Been In Force Since 2007

A further relevant consideration identified in the Memorandum was “[s]ettled expectations of the parties, such as the length of time the claims have been in force.” Memorandum, at 1. In this case, the claims of the ‘582 Patent have been in force for

almost 18 years, and will expire in August 2025, before the anticipated date of institution on October 9, 2025. The length of time that the claims have been in force is a further factor that favors discretionary denial.

As Acting Director Stewart explained, “[a]lthough there is no bright-line rule on when expectations become settled, in general, the longer the patent has been in force, the more settled expectations should be.” *Dabico Airport Solutions Inc. v. Axa Power Aps*, IPR2025-00408, Paper 21, 3. Consistent with this guidance, the Board has found settled expectations where a patent has been in force for as little as seven years. For example, in *Dabico*, the Board found that settled expectations favored discretionary denial where the challenged patent had been in force for over seven years. Likewise, in *Intel Corp. v. Proxense LLC*, the Board concluded that the “challenged patents have been in force over nine years,” and that this weighed in favor of denial. IPR2025-00327, Paper 12, 2. Similarly, in *Cambridge Industries v. Applied Optoelectronics*, the Board exercised its discretion to deny institution in view of settled expectations, emphasizing that the challenged patents had been in force for nine and seven years. IPR2025-00434, Paper 11, 3.

These precedents demonstrate that where a patent has been in force for a substantial period (i.e., seven years or more) the parties’ settled expectations weigh heavily against institution. Here, the claims of the ‘582 Patent were in force for nearly eighteen years, and the patent will expire before the anticipated date of the

institution decision. The exceptional length of time during which the patent was in force—far exceeding the threshold found sufficient in *Dabico*, *Intel*, and *Cambridge*—strongly favors discretionary denial.

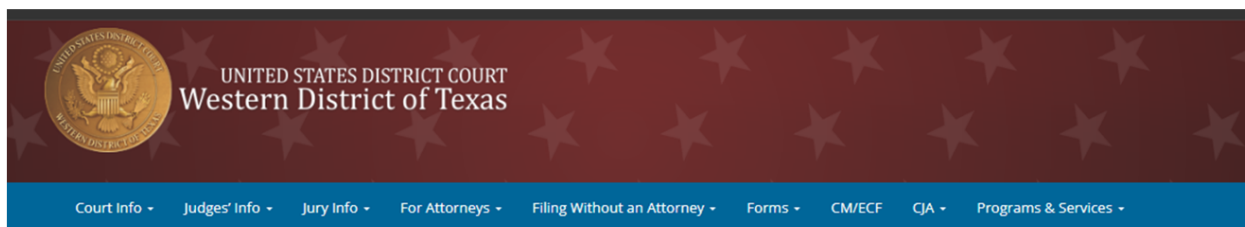
V. THE FINTIV FACTORS FAVOR DISCRETIONARY DENIAL

The precedential order in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB March 20, 2020) (“*Fintiv*”) identifies six factors for the Board to consider in deciding whether to exercise discretion to deny institution based on parallel proceedings involving the same patent. Application of the present facts to these factors demonstrates that there are strong reasons for exercising discretion to deny institution here.

Each of the Petitioners in this IPR is a defendant in a different parallel district court litigation involving the ‘582 Patent. Petitioner Southwest Airlines (Southwest) is the defendant in *Intellectual Ventures I LLC et al. v. Southwest Airlines, Co.*, 7:24-cv-277 (WDTX) (the Southwest District Court Litigation), which is overseen by Judge Albright. In that case, Judge Albright has set the Markman Hearing for 7/29/2025 and has scheduled Trial for 7/27/2026. Ex. 2006, 7 (Dkt. #24). Thus, the anticipated date of the institution decision in this IPR (11/9/2025) will be three and a half months after the Markman Hearing in the Southwest District Court Litigation. In addition, the due date for a final written decision in this IPR (if it were instituted)

would not be until 11/9/2026 -- which will be three and a half months after the Trial in the Southwest District Court Litigation.

Judge Albright, who is overseeing the Southwest District Court Litigation, has made crystal clear that he will not move the trial date “except in extreme circumstances.” Judge Albright posts the following admonition on the Court’s website:



Judge Albright Patent FAQ

Q. When will the Court set the trial date?

A. At or before the CMC, the Court will provide an estimated trial date based on the number of patents-in-suit, the complexity of the case, etc. To the extent the parties would like to reset the trial date, the parties should raise that at the end of the Markman hearing. After the trial date is set, the Court will not move the trial date except in extreme situations. To help the parties prepare for trial, the Court is available on very short notice to help the parties resolve issues or provide guidance that can help the case move forward. The Court is also willing, if circumstances permit, to reduce the time it has to review summary judgment and Daubert motions. To the extent a party believes that the circumstances warrant continuing the trial date, the parties are directed to contact the Court to request a telephonic hearing.

Ex. 2007, 1 (www.txwd.uscourts.gov/for-attorneys/judge-albright-courtroom-faq/).

There is no evidence of any such “extreme circumstances” in the present case, nor have Petitioners even alleged that such “extreme circumstances” exist here.

Petitioner American Airlines (American) is the defendant in *Intellectual Ventures I LLC et al. v. American Airlines, Inc.*, 4:24-cv-980 (EDTX) (the American District Court Litigation), which is overseen by Judge Mazzant. In that case, Judge

Mazzant has set the Markman Hearing for 10/14/2025 and has scheduled the Final Pretrial Conference for 10/19/2026. Ex. 2008, 7-8 (Dkt. #44). Thus, the anticipated date of the institution decision in this IPR (11/9/2025) will be almost a month after the Markman Hearing in the American District Court Litigation.

A. Factor 1 Weighs Against Institution Because A Stay Has Not Been Granted In Either The Southwest Or American District Court Litigation And There Is No Evidence That A Stay Would Be Granted If This IPR Was Instituted

No stay has even been requested in either the Southwest District Court Litigation or the American District Court Litigation.. Pet., 44. In addition, even if this IPR was instituted (which would not occur until on or around October 9, 2025), it is unlikely that the Court (Judge Albright) would grant a stay. *See, generally, Continental Intermodal Grp. v. Sand Revolution LLC*, No. 7:18-cv-00147 (W.D. Tex. July 22, 2020) (Judge Albright) *Multimedia Content Mgmt. LLC v. Dish Network*, No. 6:18-CV-00207-ADA, 2019 U.S. Dist. LEXIS (W.D. Tex. May 30, 2018) (Judge Albright) (denying stay).

Thus, the first factor weighs against institution.

B. Factor 2 Weighs Against Institution Because The Parallel Litigation Has A Trial Date Scheduled Before The Projected Statutory Deadline For The Board's Final Written Decision

As explained above, the Trial in the Southwest District Court Litigation is scheduled for July 27, 2026, over 3 months before the statutory deadline for issuing a Final Written Decision in this matter on November 9, 2026. Without any evidence

to back it up, the Petition asserts that the trial date “often changes.” Petition, 45. In support of this assertion, the Petition cites the median time to trial statistics which aggregate data for all judges and all types of civil cases across the district. This data is consistent with some judges in the district taking longer to bring some types of cases to trial longer than others. Nothing about this data shows that any trial date in the district was postponed after its originally scheduled date -- let alone that Judge Albright “often” postpones trial dates. Rather, the evidence demonstrates that Judge Albright will not move the trial date “except in extreme circumstances” - which are not even alleged to be present here. Ex. 2007, 1. Given that the actual trial date in the Southwest District Court Litigation is months before the due date for the date that the Final Written Decision is due, the second factor favors discretionary denial.

The Petition focuses on the fact that the American District Court Litigation may go to trial after the Final Written Decision is due, arguing that this cuts against discretionary denial. However, the Petition has failed to explain why, in a case such as this, where there are multiple petitioners, the second *Fintiv* factor must be satisfied for both Petitioners in order to support a discretionary denial. On the contrary, the policies behind *Fintiv*, including reducing the potential for duplicative efforts and inconsistent results, favor discretionary denial even if the second *Fintiv* factor is met for one Petitioner. For example, prior to the anticipated date of institution (11/9/25) there will already be two claim construction hearings in the District Courts (one in

the Southwest District Court Litigation (on 7/29/25) and one in the American District Court Litigation (on 10/14/25)), as well as a claim construction performed in the Reexamination Request filed by Unified Patents, all involving the ‘582 Patent. If this IPR goes forward, the PTAB will also need to conduct its own claim construction analysis of the ‘582 Patent. Thus, if this IPR were to go forward, the resources of 5 judges as well as the Central Reexamination Unit (CRU) will be needed to construe the claims -- i.e., Judge Albright, Judge Mazzant, the three Administrative Patent Judges assigned to this IPR, and an Examiner from the CRU. Certainly, the addition of a further claim construction analysis by the PTAB (on top of two District Courts and the CRU) only increases the potential for duplicative efforts and inconsistent results in connection with claim construction.

C. Factor 3 Weighs Against Institution Because The Parties Will Have Invested Significant Effort In The Southwest And American District Court Litigations By The Time The Board’s Institution Decision Is Due

Factor 3 relates to investment in the Southwest and American Litigations by the District Court and the parties. *Fintiv*, Paper 11 at 9. This factor is judged from the date of the institution decision, which is expected to be no later than November 9, 2025. *Id.* By the time the Board’s institution decision is due (on 11/9/25), all of the Markman briefing and the Markman Hearings in both the Southwest and American District Court Litigations (scheduled for 7/29/25 and 10/14/25,

respectively) will have been completed, and in all likelihood one or both of Judges Albright and Mazzant will have issued their claim construction rulings. Clearly, the parties and the Courts will have made a substantial investment by the expected date of the institution decision on November 9, 2025.

The Petition was filed on April 10, 2025. At that time, Petitioners asserted that the Petition was filed “well before the start of the of the claim construction process.” Pet., at 45. Patent Owner disagrees that the Petition was filed before the start of the claim construction process. However, even if Petitioners’ assertion about the state of affairs on April 10, 2025 was accurate, it is irrelevant. As explained in *Fintiv*, the investment by the District Courts and the parties is judged from the date of the anticipated institution decision, which is expected to be about November 9, 2025 -- rather than April 10, 2025. *Fintiv*, Paper 11 at 9. There can be no argument that by November 9, 2025 the claim construction process in both the Southwest and American District Court Litigations will be complete (or nearly complete) and thus the District Courts and the parties will have made a substantial investment in the parallel litigations by that time.

Thus, the third factor weighs against institution.

D. Factor 4 Weighs Against Institution Because There Is Substantial Overlap Between The Southwest And American District Court Litigations And This IPR, And Petitioners’ *Sotera* Stipulation Will Not Mitigate Such Overlap

1. There is substantial overlap in the claims challenged in the Southwest and American District Court Litigations and this IPR, and the lack of complete overlap was of Petitioners’ own making

The Petitioners have filed Invalidity Contentions in the Southwest and American District Court Litigations that include all of the grounds asserted in this IPR. Ex. 2009, 9 (identifying Chow, Kurowski and Reiffin as the first three references relied on for invalidity of the ‘582 Patent) and note 6 on page 9 (incorporating “by reference, in full, the Petition and the Exhibits in IPR2025-00785); Ex. 2010, 168-169 (identifying as Chow, Kurowski and Reiffin as the first three references relied on for invalidity of the ‘582 Patent).

Moreover, there was nothing prohibiting Petitioners from challenging the validity of all of the claims of the ‘582 Patent in either or both of the Southwest and American District Court Litigations. To the extent that there is a lack of complete overlap between the claims challenged in this IPR and in the District Courts, it is a situation of Petitioners’ own making, as Petitioners chose which claims to challenge in each of the forums. It would only invite gamesmanship to reward Petitioners’ strategy of engineering a lack of complete overlap in challenged claims by finding that such a situation weighs against discretionary denial.

2. Petitioners' *Sotera* stipulation will not mitigate the overlap between the Southwest and American District Court Litigations and this IPR

In addition to citing to Chow, Kurowski and Reiffin, Petitioners' Invalidity Contentions in the Southwest and American District Court Litigations allege that the '582 Patent claims are invalid over Chow, Kurowski and Reiffin in combination with the so-called "Gamma System" -- which does not appear to be a patent or printed publication. Ex. 2009, 9-10 and 76-130 and Ex. 2010, 170 and 388-439. Significantly, these claim charts demonstrate that, in the District Courts, Petitioners are relying on the so-called "Gamma System" solely for information cumulative of what is already shown in Chow, Kurowski and Reiffin. Ex. 2009, 76-130 (mapping multiple claim elements to both the Gamma System and one or more of Chow, Kurowski and Reiffin) and Ex. 2010, 388-439 (same).

Petitioners' strategy is crystal clear. If this IPR is instituted, Petitioners will argue invalidity in the District Courts based on Chow, Kurowski and Reiffin in combination with the so-called "Gamma System." Petitioners will argue that this combination is not covered by the *Sotera* stipulation because one of the four references in the combination -- the "Gamma System" -- is not a patent or printed publication. Nonetheless, because the "Gamma System" is cumulative of Chow, Kurowski and Reiffin, Petitioner will be advancing in the District Court arguments identical to the ones raised here, just with different "window dressing." Thus, under

the present fact, Petitioners' *Sotera* stipulation will do nothing to mitigate the overlap in invalidity arguments raised by Petitioners in this IPR and in the Southwest and American District Court Litigations.

Because there will be significant overlap between this IPR and the Southwest and American District Court Litigations, there are particularly strong "concerns of inefficiency and the possibility of conflicting decision" if this IPR is instituted. *Fintiv*, Paper 11 at 12.

Thus, the fourth factor weighs against institution.

E. Factor 5 Weighs Against Institution Because The Patent Owner Is The Same And The Petitioner Are The Same Parties As In The Parallel Litigation

Patent Owner and Petitioners are the same parties as in the Southwest and American District Court Litigations.

Thus, the fifth factor weighs against institution.

F. Factor 6 Weighs Against Institution Because The Merits Of Petitioner's Challenge Is Weak

As explained above, the merits of the Petition are weak because, inter alia, the Petition fails to articulate a motivation to combine Chow and Reiffin, which weighs against institution under the sixth *Fintiv* factor.

Accordingly, all of the *Fintiv* factors weigh against institution of the IPR and institution should therefore be denied.

VI. PETITIONERS' GAMESMANSHIP IN CONNECTION WITH CLAIM CONSTRUCTION WARRANTS DISCRETIONARY DENIAL

Finally, the Petition should be denied under the Director's discretionary authority because the Petition is predicated on claim construction positions that cannot be reconciled with those advanced by Petitioners in the Southwest and American District Court Litigations. In the district courts, Petitioners have taken the position that key claim terms of the '582 Patent are "indefinite under 35 U.S.C. § 112, ¶ 2" because they "fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." Ex. 2009, 36-37 and Ex. 2010, 200-201. Yet, in this IPR, the Petitioners have abandoned those positions in favor of interpretations intended to support invalidity arguments in this IPR—without acknowledging, let alone justifying, the inconsistency. This type of gamesmanship is precisely the type of conduct that favors denial of institution.

As detailed below, Petitioners indefiniteness allegations in the district courts cannot be reconciled with Petitioners' position here that, under *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005), "Petitioners do not believe explicit construction is needed to resolve this petition." Petition, 6 (emphasis added). Under *Phillips*, claim terms are typically given their "ordinary and customary meaning" which "is the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention." *Id.*, at 1313. Petitioners' indefiniteness

positions in the district courts are irreconcilable with those taken by Petitioners in this IPR because a claim term cannot be both “indefinite under 35 U.S.C. § 112, ¶ 2” because it fails “to inform, with reasonable certainty, those skilled in the art about the scope of the invention” and, at the same time, have an “ordinary and customary meaning” as understood by “a person of ordinary skill in the art in question at the time of the invention.” Petitioner’s failure to present a consistent and legally sound claim construction, and their stated “belief” in these proceedings in claim interpretations they have elsewhere disparaged, undermine the integrity of this proceeding and provide ample basis for discretionary denial.

By way of example, in the district court, Petitioner Southwest Airlines alleges that “automatically determining file allocation” in claim 1 “is vague and undefined” because the criteria that “define “automatic” allocation” is unclear, and raises questions such as whether the allocation is “based on file size, content, metadata, or another heuristic,” whether “manual intervention” can “be involved at any stage and still meet this limitation.” Ex. 2010, 200-201. Petitioner American Airlines asserts that the same phrase is indefinite in the district court. Ex. 2009, 37. Similarly, in the district court, Petitioner Southwest Airlines alleges that the phrase “logically subdividing records” is “also ambiguous,” and raises questions such as “[w]hat constitutes a logical subdivision,” “[d]oes the subdivision require a specific algorithm or data structure,” and [i]f different methods (e.g., fixed-size vs. content-

based) could be used, which ones fall under the claim scope.” Ex. 2010, 200-201. Again, Petitioner American Airlines asserts that the same phrase is indefinite in the district court. By contrast, in this IPR, Petitioners purport to convey their “*belief*” that, under *Phillips*, no explicit construction is necessary because the very same claim terms can be given their “ordinary and customary meaning.” *Phillips*, 415 F.3d 1303, 1313. These positions are diametrically opposed. A claim term that is “vague and undefined” does not have any “ordinary and customary meaning” as understood by a POSITA. Congress did not create the IPR process to provide an accused infringer with a mechanism for simultaneously advancing irreconcilable positions in different forums. The fact that the Petitioners are engaging in this type of gamesmanship provides a further basis for discretionary denial.

Petitioner’s indefiniteness positions in the district court are not limited to the terms described above but extend to other terms in claim 1 of the ‘582 Patent. More specifically, in the district courts, Petitioners contend that a POSITA would not have been able to understand the meaning of (i) “simultaneously executing at least a respective one of the subtasks of the computer-executable process in each of at least some of said processors on a respective one of the partitions with each subtask reading and processing the respective partition so as to process the respective partition and produce respective subtask output” and (ii) “repeating step (c) in at least some of the subtask processors each with another unprocessed partition on a

first-come/first-served basis.” Ex. 2009, 36-37 and Ex. 2010, 200-201. Again, these district claim construction positions are diametrically opposed to ones taken by Petitioners in this IPR, and provide a further basis for discretionary denial.

Under 37 C.F.R. § 42.104(b)(3), a petitioner must provide a clear articulation of “[h]ow the challenged claim is to be construed.” Here, the Petitioners failed to meet this burden by basing the Petition on claim constructions that Petitioners believe are incorrect. These aspects of the Petition favor discretionary denial.

VII. CONCLUSION

The Director should exercise discretion and deny institution because Petitioners and Unified Patents are engaging in a campaign to harass Patent Owner with multiple coordinated challenges to the same patents, including the ‘582 Patent. Multiple challenges to the same patent is unfair to Patent Owner and not a good use of the Office’s limited resources.

The Director should also deny institution because the Petition is facially deficient. The Petition makes only limited and conclusory allegations with respect to a motivation to combine these references. In this regard, the declaration of Petitioners’ expert is entitled to little if any weight, as it contains essentially a verbatim restatement of the motivation to combine allegations in the Petition.

The length of time the claims have been in force also favor discretionary denial. Here, the claims of the ‘582 Patent have been in force for almost 18 years,

and will expire in August 2025, which is before the anticipated date of institution on October 9, 2025.

The *Fintiv* factors also favor discretionary denial. Petitioner Southwest is the defendant in parallel litigation with a trial date two and half months before the due date for a final written decision. Permitting this IPR to proceed will exacerbate the risk of inconsistent results, as two district court judges, the PTAB and the CRU will all be required to separately construe the claims.

Finally, in the district courts, Petitioners have taken the position that key claim terms of the ‘582 Patent are “indefinite” because they “fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention,” while, in this IPR, the Petitioners have abandoned those positions in favor of interpretations intended to support invalidity arguments in this IPR—without acknowledging, let alone justifying, the inconsistency. This type of gamesmanship also favors discretionary denial.

For all of these reasons, the Director should deny institution.

Respectfully submitted,

Dated: July 9, 2025

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CERTIFICATE OF COMPLIANCE WITH WORD COUNT

Pursuant to 37 C.F.R. § 42.24(d), I certify that this **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** complies with the type-volume limits set forth in the Memorandum and 37 C.F.R. § 42.24 because it contains 8,162 words, excluding the parts of the Brief that are exempted by 37 C.F.R. § 42.24(a), according to the word processing system used to prepare this Brief.

Respectfully submitted,

Dated: July 9, 2025

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CERTIFICATE OF SERVICE

The undersigned certifies that pursuant to 37 C.F.R. § 42.6(e), a copy of the foregoing **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** was served via email (as consented to by counsel) on July 9, 2025 to lead and backup counsel of record for Petitioner as follows:

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