

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CLEARCORRECT OPERATING, LLC,
Petitioner

v.

ALIGN TECHNOLOGY, INC.,
Patent Owner

Case No. IPR2025-00817
U.S. Patent No. 10,791,936

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

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I. Introduction

Denial of institution under 35 U.S.C. § 325(d)/*Advanced Bionics* is inappropriate because this Petition presents new prior art, grounds, and arguments not previously presented to the Office. Patent Owner failed to disclose to the Office a reference (Boerjes) that teaches the very reason the Office gave for allowing the '936 patent claims, resulting in a material error in the Office's allowance of the '936 patent. Patent Owner tries to characterize Boerjes as cumulative of another reference before the Office, but fails to explain how it is cumulative, to show that the cited material in Boerjes is present in the reference before the Office, or to explain why it was never submitted to the Office.¹

Patent Owner does not dispute that Boerjes was not submitted to the Office or considered by the Office. Patent Owner attempts to distract from the new Boerjes reference by focusing its arguments on patents not related to the '936 patent and not

¹ The Petition relies on International Application Publication No. WO 2007/084727 A1 to Boerjes et al. (Ex-1004), which fills in the gap that the Office identified when allowing the '936 patent. Pet., xi, 6, 8, 17-21, 25-83. Boerjes was not cited or considered during prosecution of the '936 patent. Patent Owner refers to WO2007084647 (Kriveshko '647) as a "companion application to the Boerjes reference" and suggests it is cumulative of Boerjes. Req. at 19. It is not.

relevant to this proceeding. For instance, Patent Owner repeatedly refers to several of its other patents subject to IPR petitions as “related” to the ’936 patent, when they are not. *See, e.g.*, Req. at 1 (“related IPR petitions (IPR2025-00814 – IPR2025-00821)”), 2 n.1, 7, 25. Apart from the current IPR, none of the other seven Petitions filed involves the ’936 patent or any patent related to the ’936 patent.

In addition, Patent Owner cites twenty-six reexaminations, wrongly suggesting that they are related to the ’936 patent and somehow relevant to this proceeding. Req. at 4-6. But none of the patents in those proceedings are related to the ’936 patent. In fact, most (if not all) have expired.

Patent Owner also cites the Board’s denial of institution for an IPR petition of U.S. Patent No. 8,038,444 in IPR2017-01829 as purportedly providing a reason to deny institution here. Req. at 9. But that patent and proceeding also have nothing to do with the ’936 patent at issue here. Like the patents at issue in the reexaminations, the ’444 patent is in a different patent family and involves different technology from the ’936 patent. This argument is simply another attempt to distract from the compelling merits of the petition and the issues related to the grant of the ’936 patent, including the Examiner’s error in failing to find and apply Boerjes during prosecution.

Similarly, Patent Owner cites a prior IPR filed by an unrelated third party challenging the '936 patent where institution was denied.² Req. at 1. Patent Owner claims that Petitioner failed to address it and the Office's prior findings. Req. at 1. Not so. Petitioner expressly addressed the other petition, including that the prior IPR was not instituted because the Petitioner there applied a wrong claim construction. Pet., at 6, 8. Patent Owner's brief fails to address or even acknowledge the successful IPR filed challenging U.S. Patent 9,299,192 (the '192 patent)—a parent patent to the '936 patent—where all challenged claims were found to be unpatentable. Unlike the reexaminations and IPRs cited by Patent Owner, the successful IPR challenging the '192 patent is highly relevant here because the claims held unpatentable there are similar to those challenged here in the '936 patent. Pet., 6-8.

II. Examiner Error Supports Referral Under § 325(d)

Advanced Bionics provides a two-part framework for evaluating whether denial under § 325(d) is warranted: (1) whether the same, or substantially the same, prior art or arguments were previously presented to the Office; and (2) if the first

² Patent Owner leads its brief with the specious assertion that Petitioner is seeking a “second bite at the apple” with the instant Petition. Req. 1. But Petitioner never had a first bite of the apple—Petitioner never previously filed an IPR petition challenging the '936 patent.

prong is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of the challenged claims. *See, e.g., Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7–8 (PTAB Feb. 13, 2020).

Here, the Director should not exercise her discretion under 35 U.S.C. § 325(d) to deny institution. The Petition presents non-cumulative prior art—Boerjes—that was not previously presented to or considered by the Office for the ’936 patent and presents materially new arguments and rationales not previously advanced or addressed. Indeed, Boerjes discloses and teaches the very limitation that the Examiner identified as the reason for allowing the ’936 patent. Because Boerjes demonstrates that the Office erred by allowing the ’936 patent, discretionary denial is not warranted.

A. The Petition Includes New Prior Art and Arguments That Were Not Previously Presented to the Office and Presents a Strong Case

1. The Same or Substantially the Same Prior Art or Arguments Were Not Presented During Prosecution of the ’936 Patent

During prosecution, the ’936 patent claims were allowed based on the purported absence of one claim limitation in the prior art of record—that “the intra-oral cavity (e.g. dentition) is modified in between the scans.” Ex-1002, 238-39; Pet., 6; Ex-1003, ¶ 56. The Petition relies on a new prior art reference—International Application Publication No. WO 2007/084727 A1 to Boerjes et al. (Ex-1004)—

showing precisely what the Office said was missing in the prior art when it allowed the patent. Pet., at xi, 3, 8, 17-21, 25-83.

Patent Owner does not dispute that Boerjes was not cited or considered during prosecution of the '936 patent. Req. at 18-22. The Petition shows that Boerjes discloses and renders obvious doing a second scan after modifying the dentition, such as through “additional preparation.” *See, e.g.*, Ex-1004 at Fig. 4, [00199]. Boerjes discloses that new 3D data can be fitted or “stitched” to existing 3D data (Ex-1004, [00144]), and Boerjes specifically explains that “the digital model may be supplemented or replaced with new scan data,” such as new scan data after there has been a physical change to the patient’s intraoral cavity. Ex-1004, [00199]. Indeed, Boerjes then gives two examples of new scan data: (1) “new scanning to replace apparently erroneous or inadequate scan data,” or (2) “a new scan of the dental subject matter following, e.g., additional surface preparation consistent with errors identified during quality control.” *Id.* Boerjes discloses that the new scan data includes “regions of a prepared tooth surface requiring additional preparation or reduction, or regions of a digital model requiring additional or supplemental scanning.” Ex-1004 at [00196]; *see also* Pet., 43-47.

Patent Owner appears to argue that, even though it did not disclose Boerjes to the Patent Office, a cumulative reference was before the Office. Patent Owner asserts

that the “examiner relied on WO2007084647”³ (Kriveshko ’647) and calls it a “companion application to the Boerjes reference.” Req. at 5. Despite acknowledging that Boerjes is a different reference with different inventors, Patent Owner appears to be arguing that this reference was cumulative of Boerjes.⁴ Req. at 19. A review of each reference, however, shows they are quite different. Indeed, Patent Owner’s equating Boerjes’s disclosure to that of Kriveshko ’647 is disingenuous. Boerjes and Kriveshko ’647 do not have the same inventors. *See* Ex-2007, front page; Ex-1004, front page. And while Kriveshko ’647 and Boerjes both claim priority to the same provisional application filed in January 2006, Kriveshko ’647 also claims priorities to three additional U.S. applications filed eight months after the 2006 provisional

³ Patent Owner identifies this reference as Ex-2013 but did not provide an exhibit Ex-2013. Instead, Patent Owner provided WO2007084647 (Kriveshko ’647) as Ex-2007.

⁴ Patent Owner asserts that Kriveshko ’647 (Ex-2007) and Boerjes (Ex-1004) share “overlapping inventors (including Boerjes himself).” Req. at 19. But Kriveshko is not listed as an inventor of Boerjes (Ex-1004). And Kriveshko ’647 (Ex-2007) does not list any inventor other than Kriveshko. But even if Boerjes was listed as an inventor on Kriveshko ’647, the references do not have the same inventive entity or specification.

application. *See* Ex-2007, front page. Further, a comparison of Kriveshko '647 and Boerjes shows that Boerjes has a 64-page specification, which is over 20 pages more than the 44-page specification of Kriveshko '647. *Compare* Ex-1004 with Ex-2007. And a review of the figures of Kriveshko '647 and Boerjes readily shows that Kriveshko '647 does not disclose the quality control process as shown in Figure 4 and discussed in Boerjes. Ex-1004, [00184]-[00199].

Patent Owner did not address the differences between the references or explain how Kriveshko '647 discloses the same features as Boerjes. For instance, Patent Owner fails to identify the teachings from Boerjes that also appear in Kriveshko '647. Patent Owner does not identify any teaching in Kriveshko '647 that discloses the quality control process as disclosed in Boerjes and discussed in the Petition teaching limitation 1[h] (“replace at least a portion of the removed surface portion of the model using the received second scan data of the patient’s teeth including surface data of a physically changed portion of the patient’s intraoral cavity”). Pet., 43-47; Ex-1003, ¶¶ 108-117. Boerjes’s quality control process receives “real time during a scan, or between successive scans” and allows areas to be identified such as one needing “additional surface preparation consistent with errors identified during quality control.” Ex-1004, [00190], [00199]. Patent Owner did not even identify where Kriveshko '647 teaches that “the digital model may be supplemented or replaced with new scan data,” including following “additional

surface preparation consistent with the errors identified during quality control,” as taught by Boerjes. Ex-1004 at Fig. 4, [00199].

Nonetheless, Patent Owner criticizes Petitioner for not addressing any purported overlap between Boerjes and Kriveshko '647 and for characterizing Boerjes in a way that is inconsistent with the Office's application of Kriveshko '647. Req. at 3, 23; *see also* Req. at 19 (“The petition never addresses this overlap or even acknowledges the Office's prior finding, much less explain the inconsistency between Petitioner's characterization of the Boerjes references with contradictory statements by Boerjes and his co-inventors in a simultaneously-filed application.”). There is no such inconsistency. Although both Kriveshko '647 and Boerjes are directed to systems and methods for providing a three-dimensional dental model, Kriveshko '647 and Boerjes are different applications with different disclosures and inventors. Kriveshko '647 does not disclose the quality control process that includes model evaluation, surface preparation modification, supplemental scanning, and data replacement as disclosed in Boerjes, teaching limitation 1[h] as discussed in the Petition (Ex-1004, Fig. 4, [00184]-[00199]; Pet., 43-47; Ex-1003, ¶¶ 108-117). Regardless, mere overlap between the disclosures of prior art asserted in an IPR and art applied during prosecution does not warrant discretionary denial. *See CallMiner, Inc. v. NICE Ltd.*, IPR2020-00221, Paper 11 at 32 (PTAB June 17, 2020) (declining

to discretionarily deny petition because “some overlap in arguments will likely always occur because the same claims are being analyzed”).

And Petitioner *did* address the prosecution history and what the Office said was missing from Kriveshko '647. Pet., 6. During prosecution, the Office explained that Kriveshko '647 “does not provide for (or suggest) generating a composite scan after intra-oral modifications are made. Rather, it teaches away from this, teaching that entirely new scans should be made.” Ex-1002 at 238; *see also id.* at 239 (stating that Kriveshko '647 teaches “rescanning is done to correct errors with the first scan, and the iterative process disclosed by the reference involves complete rescans (generating an entirely new scan rather than generating a composite scan by using a second scan to update the changed region from the first.)”). The Petition details how that Boerjes addresses the deficiencies of Kriveshko '647 identified by the Office. Boerjes's quality control process not only allows for rescanning to replace erroneous or inadequate scan data similar to Kriveshko '647, but also teaches rescanning following “additional surface preparation.” Ex-1004, [00199] (“If the data is not satisfactory, the process 400 may proceed to step 414 where the digital model may be *supplemented* or *replaced* with new scan data. This may include, for example, new scanning to replace apparently erroneous or inadequate scan data, or a new scan of the dental subject matter following, e.g., *additional surface preparation* consistent

with errors identified during quality control.”) (emphases added); Pet., 43-45; Ex-1003, ¶¶ 109-110.

Patent Owner also argues the Office found that Kriveshko '647 teaches away from the claims and argues that Boerjes somehow also teaches away. Req. at 1, 21. The Office called Kriveshko '647 the closest prior art and said it “does not provide for (or suggest) generating a composite scan after intra-oral modifications are made. Rather it teaches away from this, teaching that entirely new scans should be made.” Ex-1002 at 238. But Boerjes teaches generating a composite scan after intra-oral modifications are made. There can be no doubt that Boerjes teaches making intra-oral modifications between scans. *See, e.g.*, Ex-1004, [00196], [00199]. Patent Owner argues that “Boerjes calls for an *entirely* ‘new scan of the dental subject matter,’ rather than piecemeal updating an old scan with a replacement region showing modified and updated dental structure.” Req. at 21 (emphasis added). Boerjes says no such thing. And Patent Owner’s selective quotation takes Boerjes’s language out of context. Patent Owner suggests that “a new scan of the dental subject matter” means a full rescan of the patient’s entire intraoral cavity, but nothing in Boerjes equates “the dental subject matter” with the patient’s entire intraoral cavity. And in fact, the full context of the quote indicates Boerjes is referring to a new scan of a portion of the intraoral cavity that has been modified by additional surface preparation: “a new scan of the dental subject matter following, *e.g.*, *additional*

surface preparation consistent with errors identified during *quality control*.” Ex-1004, [00199] (emphasis added). That reading meshes perfectly with Figure 4 of Boerjes, which “depicts a *quality control procedure* for use in a digital dental system” and which, as shown below, discloses “supplement[ing]” the scan—not throwing it out and rescanning the patient’s entire intraoral cavity. *Id.* at [00121] (emphasis added), Fig. 4.

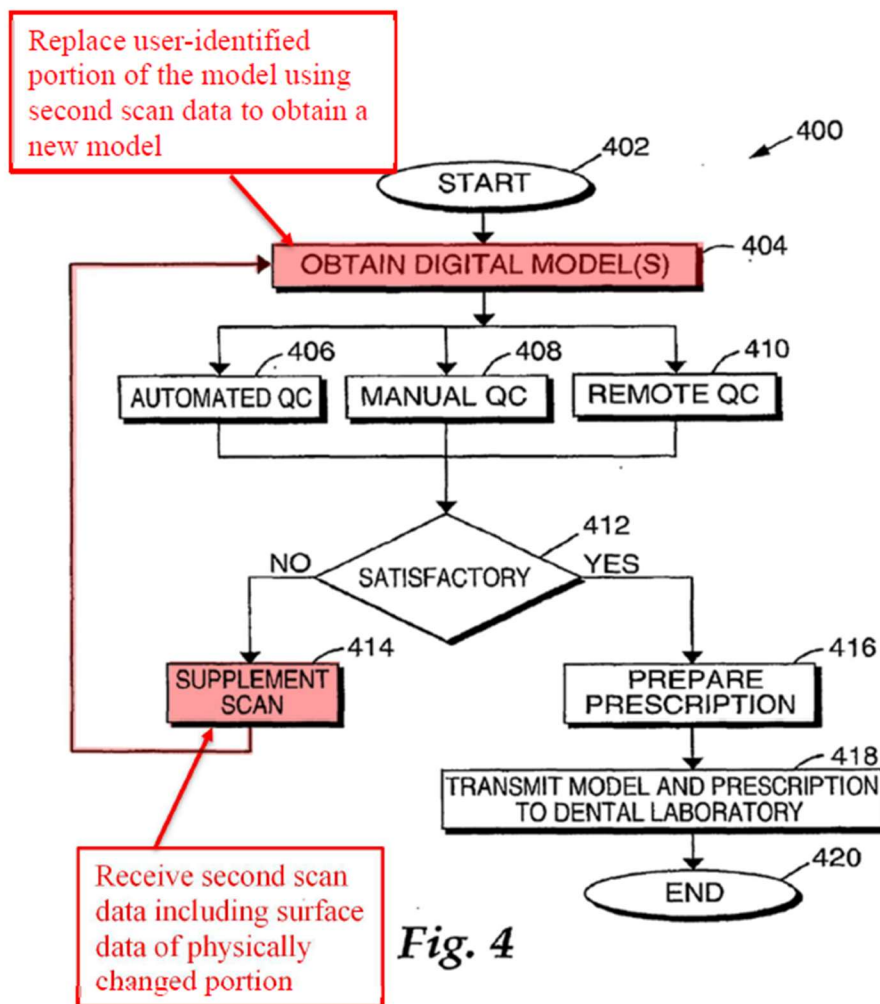


Fig. 4

Ex-1004, Fig. 4 (annotated).

2. The Same or Substantially the Same Prior Art or Arguments Were Not Presented in the Prior IPR of the '936 Patent by 3Shape

As discussed in the Petition, 3Shape's IPR petition challenging the '936 patent relies on a different combination of prior art—Rubbert (Ex-1019), Babayoff (WO 00/08415), and a dental textbook (Rosenstiel). *3Shape A/S v. Align Tech., Inc.*, IPR2021-01241, Paper 16, 2 (PTAB Jan. 26, 2022). The Board thus was not presented with Boerjes and did not have the opportunity to consider Boerjes or any prior art combination including Boerjes.

In the IPR on the parent '192 patent, the Office considered U.S. Patent Appl. Publ. No. 2007/0172112 A1 (Paley, Ex-1008) and U.S. Patent Appl. Publ. No. 2007/0236494 A1 (Kriveshko '494, Ex-1007) and found claims of the '192 patent unpatentable. Ex-1026 at 6-84. The Petition explains how the Board found claims similarly requiring rescanning and replacing scan data after physical modification unpatentable over Paley and Kriveshko '494. Pet., 6-8. The Petition explains how Boerjes teaches this feature as recited in limitation 1[h] (Pet., 43-45; Ex-1003, ¶¶ 109-110), presenting new prior art and arguments for the Challenged Claims not previously before the Office.

B. The Office Erred in a Manner Material to the Patentability of the Challenged Claims

Because the Petition presents new prior art, grounds, and arguments not yet presented to the Office, *Advanced Bionics* step 2 is moot, and the Director need not

consider whether the Office materially erred in its prior evaluation. But even if the Director does reach the second step of *Advanced Bionics*, discretionary denial under § 325(d) would still be improper because the record establishes that the Office committed a material error during prosecution of the '936 patent. As a result, it is appropriate for the Office to use its resources to review that material error. *See Microsoft Corp. v. Partec Cluster Competence Center GmbH*, IPR2025-00318, Paper 9 at 3 (Director June 12, 2025) (“discretionary denial of institution is not warranted because of Petitioner’s showing of material error during patent examination” and “it is an appropriate use of Office resources to review the potential error”); *see also Eunsung Glob. Corp. v. HydraFacial LLC*, IPR2025-00445, Paper 14 at 3 (Director July 10, 2025) (“[d]iscretionary denial is not appropriate” because “the patent examiner overlooked certain teachings in [the prior art] that appear to disclose the allowable features of the claims”); *Tesla, Inc. v. Charge Fusion Techs., LLC*, IPR2025-00152, Paper 11 at 1 (Director June 12, 2025) (finding the examiner “erred in a manner material to the patentability of the challenged claims” by overlooking the teachings of a reference not previously considered by the Office, where Patent Owner did not dispute that the reference teaches a feature that the examiner deemed missing from the prior art); *Embodiment, Inc. v. LifeNet Health*, IPR2025-00248, Paper 12 at 2 (Director June 26, 2025) (finding that discretionary denial of institution is not appropriate where Petitioner shows that new references

not previously considered by the Office disclose limitations Patent Owner argued that the prior art failed to disclose during prosecution).

1. The Examiner Made a Material Error by Failing to Locate and Apply Boerjes

The Examiner erred in a manner material to the patentability of the '936 patent by failing to find and consider the teachings of Boerjes and allowing the claims based on its incorrect determination that the prior art did not show that “the intra-oral cavity (e.g. dentition) is modified in between the scans” as claimed. The Petition establishes that Boerjes discloses and renders obvious this very limitation. Ex-1002, 238-39; Pet., 6; Ex-1003, ¶ 56.

Patent Owner argues that Boerjes teaches only rescanning the entire intraoral cavity when the intraoral cavity is modified. Req. at 21. Patent Owner argues that, “when ‘*additional surface preparation*’ is performed,” Boerjes calls for a new scan rather than piecemeal updating an old scan with a replacement of a region showing modified and updated dental structure. *Id.* (emphasis added). This contradicts Boerjes’s express teaching.

Boerjes discloses that, during the quality control process, a user can identify “*regions* of a prepared tooth surface requiring additional preparation or reduction, or *regions* of a digital model requiring additional or supplemental scanning due to incomplete, erroneous, or potentially erroneous data.” Ex-1004, ¶ [00196] (emphases added). According to Boerjes, “a determination may be made as to

whether a scan and/or surface preparations are satisfactory. If the data is not satisfactory, the process 400 may proceed to step 414 where the digital model may be supplemented or replaced with new scan data.” *Id.* at Fig. 4, [00199]. Boerjes further discloses that the new scan data “may include, for example, new scanning to replace apparently erroneous or inadequate scan data, or a new scan of the dental subject matter following, e.g., additional surface preparation consistent with errors identified during quality control.” *Id.*, [00199].

Patent Owner’s made-up distinction of Boerjes’s rescanning to address “erroneous or inadequate scan data” and rescanning after “*additional surface preparation*” contradicts Boerjes’s express and consistent teaching that the rescanning (“new scan data” or “new scanning”) is “*consistent with errors identified,*” which are “*regions*” of the digital model. *See, e.g.*, Ex-1004, [0037], [0039], [00196], [00199] (emphasis added). Nowhere does Boerjes disclose only performing exclusively a full rescan of the patient’s intraoral cavity as Patent Owner asserts. And nowhere does Boerjes limit the new scans to the entire area previously scanned.

Thus, Patent Owner’s attempt to narrow Boerjes to *only* doing an entire rescan when the intraoral cavity is modified fails to consider all of Boerjes’s express teachings and how one of ordinary skill in the art would understand Boerjes. Indeed, there can be no dispute that Boerjes teaches modifying part of the intraoral cavity

(e.g., “additional surface preparation”) between the scans (Ex-1004, [00196], [00199]; Pet., 19-20, 40-46; Ex-1003, ¶¶ 107-110), which the Office said was missing from the prior art when allowing the claims (Ex-1002, 238-39). Given that this was the Office’s only basis for allowing the ’936 patent claims, Boerjes illustrates that the Office made a material error in allowing the claims, which, by itself, favors referral.

2. Additional Evidence Warrants Referral

The Examiner made a material error by failing to locate and apply Boerjes, which was not presented to the Office and teaches the identified allowable subject matter. “Even if a petitioner fails to make a persuasive argument that the Examiner erred by overlooking particular teachings in the prior art provided on an IDS, a petitioner may be able to demonstrate that discretionary denial is inappropriate under *Becton Dickinson* factor (f).” *Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 6 (Director May 19, 2025). “That factor considers the extent to which additional evidence and facts warrant reconsideration of the prior art or arguments.” *Id.*

Here, additional evidence and facts call for referral. First, the Office erred by not fully considering the IPR on the parent ’192 patent, which found all challenged claims unpatentable, including claims very similar to the ’936 patent. Pet., 1, 6-9, 15. The ’192 patent even included claims involving rescanning a patient’s intraoral

cavity after it was physically changed. Pet., 7-8; *see also* Ex-1025, 31:34-40, 63-32:3, claim 13, claim 18. The Board found those claims unpatentable. Ex-1026 at 59. By failing to fully consider that decision and the similarity of the claims, the Office committed an error when it allowed the '936 patent claims. *See* Ex-1002 at 378 (showing Examiner's search notes indicating the Examiner only reviewed the IPR petition on the parent '192 patent and did not review the final written decision issued in July 2020, two months before the '936 patent claims were allowed).

Moreover, although Patent Owner attempts to characterize Boerjes as a "companion publication" to Kriveshko '647 (Req. at 19), Patent Owner never submitted Boerjes to the Office during prosecution of the '936 patent. There is no doubt that Patent Owner was well aware of Boerjes but it did not submit it to the Examiner during prosecution of the '936 patent. Patent Owner and inventor Kopelman of the '936 patent were aware of Boerjes and submitted Boerjes years before the grant of the '936 patent when they were prosecuting Patent Owner's other patents, such as '873 patent. *See* Ex-1047 (US 9,451,873 B1), front page (*citing* US 8,454,365 B2 to Boerjes et al.⁵). The '873 patent was granted on September 27, 2016, but Patent Owner never submitted Boerjes or any of its family members during

⁵ US 8,454,365 is U.S. National Phase Entry of WO2007/084727 to Boerjes et al. (Ex-1004), previously published as US 2009/0298017 A1.

prosecution of the '936 patent, which issued in 2020. *See* Ex-1002, *generally*; *see also* Ex-1048 (US 10,004,572 B2), page 2 (*citing* US 8,454,365 to Boerjes et al.); Ex-1049 (US 10,123,706 B2), page 4 (*citing* US 2009/0298017 A1 to Boerjes et al.); Ex-1051 (US 10,219,875 B2), page 2 (*citing* US 8,454,365 to Boerjes et al.); Ex-1052 (US 10,380,212), page 5 (*citing* US 2009/0298017 A1 to Boerjes et al.); Ex-1053 (US 10,470,846), page 2 (*citing* US 8,454,365 to Boerjes et al.); Ex-1054 (US 0,507,087), page 4 (*citing* US 2009/0298017 A1 to Boerjes et al.); Ex-1055 (US 0,675,130), page 3 (*citing* US 8,454,365 to Boerjes et al.). Such omission during the examination of the '936 patent warrants reconsideration of the Challenged Claims.

C. Evidence of Material Error Favors Referral

The Director should not discretionarily deny the Petition, even if other considerations support discretionary denial, because it is an appropriate use of Office resources to review the evidence of material error. Thus, even if the Director were to find that discretionary denial is permissible under either of Patent Owner's other arguments—*Fintiv* and settled expectations—it would be appropriate to deny Patent Owner's Request. This is because “the determination not to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented.” *Microsoft*, IPR2025-00318, Paper 9 at 3 (denying request for discretionary denial because Petitioner showed material error, despite the scheduled

district court trial date weighing in favor of discretionary denial); *Eunsung Glob.*, IPR2025-00445, Paper 14 at 2 (denying request for discretionary denial because Petitioner showed material error, despite the challenged patent having issued in 2017, which “would ordinarily favor denying institution”).

III. Additional Factors Set Forth in the Workload Memorandum Do Not Support Discretionary Denial

The March 26, 2025 Memorandum (“Workload Memo”) states that “parties are permitted to address all relevant considerations” and then identifies several example considerations. Patent Owner identifies two considerations: the petition presents a deficient case and the Office’s prior expenditures and the parties settled expectations. Req. at 18-25. But these factors do not support discretionary denial, nor do any of the other factors identified in the Workload Memo. On the contrary, these factors strongly favor referral for consideration on the merits.

A. The Petition Presents a Strong Case

As discussed above, the Petition presents a strong case of unpatentability. *See supra* Section II. The Petition relies on a primary reference, Boerjes, that undisputedly was not presented to the Office during prosecution and was not considered by the Office. While Patent Owner claims Boerjes was cumulative of Kriveshko ’647, Patent Owner nowhere shows where Boerjes’s disclosure can be found in Kriveshko ’647. The strength of the Petition weighs against discretionary denial and in favor of referral. *See supra* Section II.A.1.

B. The Office's Prior Expenditures and the Parties' Settled Expectations Do Not Support Discretionary Denial

1. The Office's Prior Expenditure of Resources in Other Proceedings Does Not Warrant Denial

Patent Owner argues that the Office's prior expenditures favor denial. Req. at 23-25. It largely bases that argument on patents not related to the '936 patent and having minimal relevance to the current proceeding. *Id.* Patent Owner argues that because reexaminations and Petitions related to other patents have failed, this Petition should be discretionarily denied as a waste of resources. Req. at 24-25. But the earlier reexams and IPRs involving patents unrelated to the '936 patent have no bearing on this case. And the completed IPR on the parent '192 patent supports Petitioner's position.

For instance, the prior IPR on the parent '192 patent found *all challenged claims* of the '192 patent unpatentable and those claims are similar to the '936 claims. *See supra* Section II.B.2; Pet., 6-8. The Examiner of the '936 patent did not consider those findings, however, including that claims similar to the '936 claims were held unpatentable. *See supra* Sections II.B, II.C. Finding the '192 patent claims unpatentable was not a waste of Office resources, and it likewise would not waste the Office's resources to consider the Petition's new obviousness arguments because the Petition presents an opportunity to rectify the material error the Examiner made when allowing the '936 patent. *Id.*

The prior IPR challenging the '936 patent was not instituted because Petitioner 3Shape had used the wrong claim construction. *See supra* Section I; Pet., at 6, 8. The Petition here does not suffer from that same flaw. Further, the Petitioner there did not submit Boerjes, so that third party IPR should not prevent a chance for the Office to rectify the material error made during prosecution.

2. Patent Owner Has No Settled Expectations

The '936 patent was not granted until October 2020, and the Director has referred IPR challenges to recently issued patents, including patents issued in 2020. *See Yealink (USA) Network Technology Co., Ltd. et al v. Barco NV*, IPR2025-00491, Paper 18 (Director June 25, 2025) (denying request for discretionary denial because Petitioner showed that the examiner made a material error and the challenged patent issued recently, in 2020); *Berkshire Hathaway Energy Company et al v. Midwest Energy Emissions Corp. n/k/a Birchtech Corp.*, IPR2025-00281, Paper 23 (Director July 2, 2025) (“[T]he challenged patents issued in 2019 and 2020, such that Patent Owner has not developed strong settled expectations that favor discretionary denial.”); *Cambridge Industries USA Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00437, Paper 10 (Director June 26, 2025) (finding Patent Owner has not developed strong settled expectations that favor discretionary denial for challenged patents issued in 2019 and 2020); *Micron Technology, Inc. v. Yangtze Memory Technologies Company, Ltd.*, IPR2025-00190, Paper 21 (Director June 25, 2025) (finding early

challenges to patents issued from 2021 through 2024 weigh against discretionary denial). The fact that the '936 patent issued recently strongly weighs against a finding that Patent Owner enjoyed any settled expectations regarding the patent's validity.

This lack of settled expectations is even more pronounced here because the IPR challenging the parent '192 patent found unpatentable claims invalidated similar to those challenged here. *See supra* Section II.B.2; Pet., at 6-8. Patent Owner was well aware that the Board found the parent '192 patent unpatentable. Given the similarity between the '936 patent claims and the '192 patent claims, *see, e.g.*, Pet., 6-8, 33-34, Patent Owner should not have had any settled expectations of validity.

The prior IPR filed by 3Shape on the '936 patent also should not have given Patent Owner any settled expectation of validity. It was not instituted because it was brought using an erroneous interpretation of the claims which sought to have no temporal relationship between a first scan and a second scan. *3Shape*, IPR2021-01241, Paper 16 at 8-10; Pet., 8. The Board disagreed and applied the claim's plain meaning of the claim. *3Shape*, IPR2021-01241, Paper 16 at 9-10; Pet., 8. In contrast, to 3-Shape's Petition, this Petition has been brought based on the Board's plain meaning construction.

Also, contrary to Patent Owner's assertion, any time that passed between the prior challenges and this IPR does not reflect ClearCorrect's "acquiescence to the

validity of Align’s patents.” *See* Req. at 3, 7, 25. Rather, it demonstrates Petitioner’s commonsense approach of not burdening the Board with IPRs challenging patents that may never be asserted against Petitioner. Indeed, during the time between the earlier set of lawsuits and the filing of the recent parallel litigation in 2024, Petitioner’s settled expectation, based on the Office’s invalidation of the parent ’192 patent and Patent Owner’s delay in asserting the ’936 patent, was that Patent Owner did not have a claim against Petitioner.

IV. The *Fintiv* Factors Favor Institution

The *Fintiv* factors support institution in this case. Petitioner provided a full *Sotera* stipulation, mitigating the risk of duplicative proceedings or inconsistent outcomes. The Petition presents strong evidence of unpatentability and corrects material errors by the Office—none of which are persuasively rebutted by Patent Owner. Significant work remains in the parallel litigation—institution would come before expert reports, expert discovery, expert depositions, and pre-trial motions. Further, based on Judge Albright’s median time-to-trial, trial in the district court will likely occur months or even a full year after a final written decision is issued. The investment in the district court case has been limited, particularly with respect to the issues raised in the Petition, and Petitioner acted consistently with the statutory timeline and in reliance on then-operative guidance. The record demonstrates that institution of this Petition will further the Director’s and the Office’s goals of an

efficient, focused proceeding that is not duplicative of efforts by the district court. Each factor either weighs against discretionary denial or is, at worst, neutral. None justifies denying institution.

A. The Fintiv Factors Weigh Strongly Against Discretionary Denial

1. Factor 1 (Likelihood of Stay) Is Neutral

The Board has consistently declined to weigh factor 1 against discretionary denial where a Patent Owner relies on mere speculation, as Patent Owner does here. *See Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 at 7 (PTAB June 16, 2020) (informative); *see also Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative); *Western Digital Corp. v. Kuster*, IPR2020-01391, Paper 10 at 8–9 (PTAB Feb. 16, 2021). In light of this past Board precedent, this factor should be treated as neutral.

2. Factor 2 (Parallel Trial Date) Weighs Against Discretionary Denial

Trial in the parallel litigation is likely to occur *after* a final written decision would issue in this IPR. Updated time-to-trial statistics, Judge Albright’s recent reassignment and corresponding substantially increased caseload, and Patent Owner’s own litigation conduct all confirm the unreliability of the current schedule. These factors collectively support the conclusion that trial will take place months—if not a full year—after the Board issues its decision.

According to the 2024 Federal Court Management Statistics (the most recent available), the median time-to-trial in the Western District of Texas as a whole is 33.9 months. That, placing trial in February 2027—*three months after* the expected final written decision in this IPR. Ex-1028 (National Judicial Caseload Profile). That would place trial here in February 2027—*three months after* any final written decision in this IPR. Judge Albright’s own median time-to-trial has been steadily increasing since 2021, reaching 34.6 months in 2024, and now 42.6 months in the first half of 2025, pushing the expected trial date to November 2027—a full year after any final written decision. Ex-1029 (Legal Metric WDTX Time-to-Trial Statistics).

The increasing delays from case filing to trial are unsurprising and likely to persist given Judge Albright’s recent reassignment within the Western District of Texas to the Austin Division, which has more than double the caseload of the Waco Division, where Judge Albright was previously assigned. Ex-1030 (WDTX 2024 Statistical Report) (compare 809 case filings in Waco to 1,765 case filings in Austin in 2024). Chief Judge Alia Moses has ordered Judge Albright to retain 100% of the Waco Division docket while simultaneously taking over 40% of the Austin Division docket along with any additional patent cases filed in the district and assigned to him according to the standard procedure. Ex-1031 (Jan. 31, 2025, WDTX Amended Order Assigning Business of the Court) at 3; Ex-1032 (May 30, 2024, WDTX Order

Assigning the Business of the Court as it relates to Patent Cases). As of this writing, 400 cases—including 72 patent cases—have been reassigned to Judge Albright since Chief Judge Moses’s order. Ex-1033 (Lex Machina, Cases Reassigned to Judge Albright); Ex-1034 (Lex Machina, Patent Cases Reassigned to Judge Albright). This substantial growth in Judge Albright’s docket, unsurprisingly, results in extended trial timelines.

Patent Owner’s reliance on the current trial schedule is misplaced because it ignores the above facts. The scheduled trial date is inconsistent with Judge Albright’s current caseload, the history of the case, and recent median time-to-trial statistics. Where median time-to-trial statistics place trial after the final written decision, the Director has declined to exercise discretion to deny institution even where the scheduled trial date is before the final written decision. *See, e.g., Amazon.com, Inc. v. NL Giken Inc.*, IPR 2025-00250, Paper 14 at 2 (Director May 16, 2025) (finding discretionary denial inappropriate where, “[i]n particular,” time-to-trial statistics shifted the likely trial date from before the final written decision to after).

Patent Owner cites outdated statistics that fail to reflect the reality of Judge Albright’s current docket. The median time-to-trial cited by Patent Owner is based on data that is already five years old and therefore fails to accurately reflect current practices and trends both in the district at large and in cases assigned to Judge

Albright. Req. at 10-12 (citing median time-to-trial statistic based on data going back five years). As explained above, the most current data available suggests a likely trial date several months, or even a full year, after the final written decision.

The “Patent FAQ” that Patent Owner cites as its only evidence that the current trial date supposedly will not change is outdated and unreliable. PO’s Br., 12 (citing five-year-old informal “Patent FAQ” (Ex-2005)). Specifically, the statement that Patent Owner relies on is from September 2020—five years ago, when Judge Albright’s median time-to-trial was significantly lower than today and before Judge Albright’s reassignment. Req. at 11; Ex-2005.

Judge Albright delays scheduled trial dates when necessary and appropriate. For example, in a recent case, Judge Albright delayed trial by six months despite the case being well into fact discovery and involving only three patents. *ParkerVision, Inc. v. NXP Semiconductors N.V.*, No. W-23-CV-00389-ADA, slip op. at 2 (W.D. Tex. May 27, 2025). This example undermines any claim that the current trial schedule in the parallel litigation is set in stone. Indeed, as Patent Owner admits, Judge Albright already delayed trial by several months in the parallel litigation. Ex-1035 (Fourth Scheduling Order, *Align Tech., Inc. v. ClearCorrect Operating, LLC*, No. 6:24-cv-00187-ADA-DTG (W.D. Tex. June 12, 2025)); Req. at 7. This is particularly relevant given Patent Owner’s ongoing failure to meet discovery obligations and request to stay certain discovery obligations, which Patent Owner

argued would impose a “staggering burden.” Ex-1036 at 1 (Redacted Copy of Patent Owner’s Motion to Stay June 17, 2025, Discovery Order Regarding Align’s Production of Customer Contracts, *Align Tech., Inc.*, No. 6:24-cv-00187-ADA-DTG (W.D. Tex. July 8, 2025)). Patent Owner’s stay request was denied, casting further doubt on its ability to meet its discovery obligations. Ex-1037 (Order, *Align Tech., Inc.*, No. 6:24-cv-00187-ADA-DTG (W.D. Tex. July 8, 2025)).

Even if the parallel district court trial were to occur before the Board’s final written decision, which is unlikely for all the reasons explained above, this factor alone is not dispositive. *See Shenzen Tuo Zhu Tech. Co., Ltd v. Stratasy, Inc.*, IPR2025-00438, Paper 10 (Director July 17, 2025) (referring petition despite scheduled trial date and median time-to-trial date being months earlier than final written decision date). More importantly, the weight of the evidence, including up-to-date trial statistics, Judge Albright’s expanded docket, and Patent Owner’s discovery delays in the parallel litigation, indicate that trial will take place several months, and potentially a full year, after the final written decision. In this case, where the current median time-to-trial, both in the district and before Judge Albright, specifically, is well after the expected final written decision, this factor weighs *against* discretionary denial. *Amazon.com, Inc.*, IPR2025-00250, Paper 14 at 2 (finding discretionary denial inappropriate because “time-to-trial statistics suggest trial would not begin until” after the projected final written decision date); USPTO

Guidance of March 24, 2025 (“Boalick Memo”) (“the Board may consider ... median time-to-trial statistics”).

Here, the totality of circumstances—including Patent Owner’s inability to meet deadlines, Judge Albright’s growing case load, and the current median time-to-trial (which puts trial well after the expected final written decision)—strongly supports the conclusion that the IPR will be over well before any trial occurs. Factor 2 therefore weighs against discretionary denial.

3. Factor 3 (Investment in Parallel Proceeding) Weighs Against Discretionary Denial or Is Neutral

Factor 3 weighs in favor of institution because: the investment in the parallel district court litigation has been limited with respect to the issues addressed in this case; the Petition includes a broad *Sotera* stipulation that mitigates the concern for conflicting decisions and duplicative efforts; the Petition’s filing date both met statutory requirements and comported with prior guidance regarding the effectiveness of a *Sotera* stipulation in the June 21, 2022 Interim Procedure for Discretionary Denials (“Vidal Memo”), which was in force for nearly the entire one-year statutory period.

Much of the district court litigation has focused on issues unrelated to the IPRs, such as infringement, antitrust, false advertising, and unfair competition claims. *See* Ex-1038 (Complaint); Ex-1039 (Answer). These issues fall outside the scope of *inter partes* review and do not reflect investment in the invalidity issues

raised in the Petition. Most of the district court's investment therefore is irrelevant. *See Sand Revolution*, IPR2019-01393, Paper 24 at 10 (June 16, 2020) (informative) (“[M]uch of the district court's investment relates to ancillary matters untethered to the validity issue itself.”).

Even where invalidity has been addressed, the parties and the district court have not needed to engage in substantial work on prior-art-based invalidity issues, further minimizing the relevance of any investment in the district court. For example, dispositive motions still remain, and the district court has not made any determination on the merits of any issues related to invalidity of the '936 patent.

Patent Owner's statement that the district court has issued a final claim construction order is both incorrect and irrelevant with respect to the '936 patent. Req.at 9. *First*, only one term from the '936 patent has been preliminarily construed and it was given its plain and ordinary meaning. Thus, claim construction in the district court required little investment on issues related to the '936 patent. Ex-1040 (Claim Construction Order); Ex-1041 (Joint Claim Construction Statement) at 10; *see Zynga Inc. v. IGT*, IPR2022-00200, Paper 10 at 10-11 (PTAB June 7, 2022) (weighing factor 3 against discretionary denial where “the district court's claim construction order does not address any claim terms of the [challenged] patent.”).

Second, the existing claim construction order, issued by Magistrate Judge Gilliland, consists of a table of constructions and is not final. Ex-1040 (Claim

Construction Order). Judge Gilliland has yet to issue the “more-detailed order explaining [the court’s] analysis.” *Id.* The time period for the parties to file objections to the final constructions has not yet even begun to run. *Id.* Instead, Judge Gilliland’s order must still be reviewed, and then revised or adopted by Judge Albright. In short, claim construction in the parallel proceeding is far from complete.

As to investment beyond claim construction, fact discovery remains ongoing due to Patent Owner’s repeated document production delays. Notably, on July 1, 2025, Patent Owner sought a stay of a discovery order compelling production of third-party contracts, citing the purportedly significant resources required to comply. Ex-1039 (Redacted Copy of Patent Owner’s Motion to Stay June 17, 2025, Discovery Order Regarding Align’s Production of Customer Contracts, *Align Tech., Inc. v. ClearCorrect Operating, LLC*, No. 6:24-cv-00187-ADA-DTG (W.D. Tex. Jul. 8, 2025)). This request highlights that significant discovery remains outstanding.

The court has already extended the deadline for substantial completion of document production twice. First, the court delayed the deadline by six weeks, from March 17, 2025, to April 28, 2025, based on agreement by the parties. Ex-1042 (March 18, 2025, Stipulated Joint Motion to Amend the Case Schedule); Ex-1043 (March 20, 2025, Third Scheduling Order). The court delayed the deadline again, by nearly 12 additional weeks to July 18, 2025, due to Patent Owner’s inability to meet the prior deadline. Ex-1035 (June 12, 2025, Fourth Scheduling Order); Ex-1044

(June 6, 2025, Joint Motion to Amend the Case Schedule). Thus, while even the extended substantial completion deadline has passed, document production is ongoing due to Patent Owner's delays. Patent Owner should not now argue that the litigation has progressed too far to institute review here, while simultaneously failing to meet discovery deadlines and seeking to delay compliance with court orders.

The Board has previously found that, where discovery is ongoing and significant work remains, Factor 3 weighs against denial. *See Bio-Rad Lab 'ys., Inc. v. Cal. Inst. of Tech.*, IPR2024-01451, Paper 11 at 9-10 (PTAB Mar. 27, 2025). Here, opening expert reports are not due until November 14, 2025, after the institution decision, and expert discovery will not close until January 21, 2026. Ex-1035 (Fourth Scheduling Order), 2. Substantive motion practice will not yet have commenced at the time of institution. *Id.* at 2-3. Accordingly, because much of the investment relevant to issues of invalidity will occur after institution, this factor weighs against denial. In *Bio-Rad*, a recent Board panel applying *Fintiv* under the 2025 Guidance on Discretionary Denial reached the same conclusion on similar facts. IPR2024-01451, Paper 11 at 9-10 (concluding that Factor 3 “weighs against exercising our discretion to deny institution” where the *Markman* hearing was held, but “much more work remains, including, expert reports, expert discovery, expert depositions, and pretrial motions and disclosures”).

Importantly, Petitioner filed this petition within the statutory one-year deadline and included a full *Sotera* stipulation, committing that, if the IPR is instituted, Petitioner would not pursue in district court any ground that was raised or reasonably could have been raised in the IPR. 35 U.S.C. § 315(b); Pet., 84; Paper 6. This stipulation, recognized by the Board and the Director as strongly favoring institution, further supports the conclusion that Petitioner acted in good faith and with procedural efficiency.

In preparing the Petitions, Petitioner relied on the Vidal Memo's assurance that "the PTAB will not discretionarily deny institution of an IPR or PGR in view of parallel district court litigation where a petitioner stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have been reasonably been raised in the petition." Vidal Memo, 7. The rescission of the Vidal Memo and subsequent replacement with the Boalick Memo less than three weeks before the petitions were filed eliminated the safe harbor of the *Sotera* stipulation that Petitioner had relied on in setting out its litigation and IPR timeline. Ex-1046 (Feb. 28, 2025, USPTO Notice); Boalick Memo. The timing of the Petition's filing—shortly after the guidance was replaced—reflects a prompt and reasonable response to a sudden change in policy.

The Boalick Memo on discretionary denial, despite altering the guidelines regarding the impact of a *Sotera* stipulation, nevertheless maintains the importance

of the stipulation in mitigating concerns for duplication between the district court and Board. Boalick Memo, 2-3 (“a timely-filed *Sotera* stipulation ... is highly relevant”). And Board panels applying the Boalick Memo have relied on similar stipulations in instituting review. *See, e.g., Stingray Group Inc. v. Hernandez-Mondragon*, IPR2025-00349, Paper 19 at 7-8 (PTAB June 13, 2025) (“Although not dispositive by itself, Petitioner’s stipulation, like the one in *Sotera*, mitigates ‘concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions.’”).

In light of the limited investment in the district court litigation on the issues raised in the IPRs, the ongoing nature of expert discovery, and the Petitioner’s economical approach consistent with the Vidal Memo and subsequent Boalick Memo—including timely filing, reliance on preliminary claim constructions, and a full *Sotera* stipulation—Factor 3 weighs in favor of institution.

4. Factor 4 (Overlap Between Petition and Parallel Proceeding) Weighs Strongly Against Discretionary Denial Because Petitioner Committed to *Sotera* Stipulations

Petitioner provided a full *Sotera* stipulation, committing that “if IPR is instituted for the ’936 patent, it will not pursue in the parallel district court case for the ’936 patent any ground raised or that could have been reasonably raised in this Petition, and all defendants to the litigation have agreed to be bound by this stipulation.” Pet., 84; Paper 6 (Petitioner’s Stipulation). As the Board explained in

Sotera Wireless, Inc. v. Masimo Corp. (“*Sotera*”), such a stipulation “mitigates any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions,” “ensur[ing] that an *inter partes* review is a ‘true alternative’ to the district court proceeding.” IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential as to relevant part). In light of the stipulation, the Board in *Sotera* found that factor 4 “weighs *strongly* in favor of not exercising discretion to deny institution.” *Id.*

Numerous panels have since reaffirmed that a full *Sotera* stipulation strongly favors institution. For example, in *LinkedIn Corp. v. Ebuddy Technologies B.V.*, where the Petitioner provided a *Sotera* stipulation, the Board emphasized that “[b]ecause of Petitioner’s stipulation, we find this factor weighs *strongly* against exercising discretion to deny *inter partes* review.” IPR2022-00176, Paper 13 at 14 (PTAB May 17, 2022). And in *Liberty Energy Services LLC v. U.S. Well Services, LLC*, where “Petitioner’s stipulation is similar to that provided in *Sotera*,” the Board recently determined that “the facts underlying this factor weigh *strongly* against exercising our discretion to deny institution.” IPR2025-00139, Paper 14 at 13–14 (PTAB June 11, 2025).

Current USPTO guidance affirms the precedential nature of *Sotera*, and the “highly relevant” nature of a timely-filed *Sotera* stipulation to the *Fintiv* analysis. Boalick Memo, 1, 2-3. Panels applying the 2025 Guidance have continued to rely

on *Sotera* stipulations in declining to exercise discretion under *Fintiv*. In *Stingray Group*, for example, the Board found that a *Sotera* stipulation “mitigates ‘concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions,’” leading to the conclusion that “the fourth *Fintiv* factor *weighs strongly* in favor of not exercising discretion to deny institution.” IPR2025-00349, Paper 19 at 7–8 (quoting *Sotera*, Paper 12 at 19 (precedential in relevant part)). Likewise, in *Kubota North America Corp. v. Vermeer Manufacturing Co.*, the Board noted that a *Sotera* stipulation mitigates “concerns of duplicative efforts” and “potentially conflicting decisions” and further that it “ensures that an *inter partes* review is a ‘true alternative’ to the district court proceeding.” IPR2025-00170, Paper 15 at 13 (PTAB June 10, 2025) (declining to discretionarily deny the Petition and weighing factor four against denial).

Petitioner’s stipulation here mirrors the language approved in *Sotera* and has the same effect: “mitigat[ing] any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions” and further “ensur[ing] that an *inter partes* review is a ‘true alternative’ to the district court proceeding.” *Sotera*, 19 (precedential as to relevant part).

Patent Owner admits that a *Sotera* stipulation is in place but asserts (in direct contradiction to Board precedent) that it “does little to mitigate overlap of issues.” Req. at 16; *Sotera*, 19 (precedential as to relevant part) (explaining that a *Sotera*

stipulation “mitigates any concerns of duplicative efforts between the district court and the Board.”). Patent Owner’s reliance on *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (Director Mar. 28, 2025) is misplaced. *Motorola* merely confirms that, under recent guidance, a *Sotera* stipulation *alone* does not outweigh *Fintiv* factors 1, 2, and 5, where the invalidity expert report in the parallel litigation includes combinations of the prior art asserted in IPR with unpublished system prior art. IPR2024-01205, Paper 19 at 3-4. It does not stand for the proposition that any combination of system art and prior-art publications in a parallel litigation categorically renders a *Sotera* stipulation moot. *Motorola* itself acknowledged as much. *Motorola*, IPR2024-01205, Paper 19 at 3-44 (recognizing “Petitioner’s *Sotera* stipulation may mitigate some concern of duplication”).

Further, *Motorola* is distinguishable for multiple reasons. In *Motorola*, the Board noted the Petitioner’s invalidity expert report in the parallel litigation “repeats all of the assertions in th[e] Petition.” *Motorola*, 3. Here, any invalidity expert report will not be prepared until after an institution decision. Ex-1035 (Fourth scheduling order). Patent Owner points to Petitioner’s preliminary invalidity contentions as including system prior art. But it is common for final invalidity contentions and expert reports, neither of which have been completed, to narrow the grounds submitted in initial invalidity contentions, especially after IPR is instituted and consistent with a *Sotera* stipulation.

Patent Owner, without explanation or legal support, suggests that Petitioner's decision not to challenge the unrelated '444 Patent in IPR somehow weakens the effect of Petitioner's *Sotera* stipulation in the '936 patent IPR. Req. at 17. Not so. The scope and issues presented by the two patents are different, as are the prior-art references asserted against them in the district court. Ex-2009 (Invalidity Contentions). Thus, even if filed, a petition against the '444 patent and any corresponding stipulation, would have had no substantial impact on the overlap of issues between the district court and the '936 patent IPR proceeding. Instead, Petitioner's selectivity in bringing IPR challenges reflects a commitment to efficiency in both forums and respect for Board resources.

Petitioner's comprehensive *Sotera* stipulation ensures that the IPR will not duplicate district court efforts and will instead serve as a true alternative forum for resolving validity. Consistent with Board precedent and the Boalick Memo, this factor weighs strongly in favor of institution.

5. Factor 5 (Whether the Parties Are the Same) Is Neutral

The parties before the Board and district court are the same, as in almost all IPRs. Although Factor 5 can weigh slightly in favor of discretionary denial under such circumstances, it may also be neutral since it is so frequently true. It is not dispositive, and it must be considered in the context of all other factors. *See, e.g.,*

Kubota, IPR2025-00170, Paper 15 at 15-16 (refusing to exercise discretionary denial).

6. Factor 6 (Other Considerations)—Including the Strength of the Petition—Weigh Strongly Against Discretionary Denial

Factor 6 weighs strongly against discretionary denial because the Petition presents strong merits, while also addressing material errors committed by the Office. *See supra* Section II. Patent Owner’s brief does not persuasively rebut these strong merits. Req. at 18-24.

V. CONCLUSION

For the reasons above, Petitioner requests that the Director not exercise its discretion to deny institution of this proceeding.

Respectfully submitted,

Dated: August 8, 2025

By: /Kathleen A. Daley/
Kathleen A. Daley,
Reg. No. 36,116

CERTIFICATE OF COMPLIANCE

Pursuant to §42.24(d) and the Director's Memorandum on Interim Processes for PTAB Workload Management, the undersigned certifies that this paper contains no more than 14,000 words, not including the portions of the paper exempted by §42.24(b). According to the word-processing system used to prepare this paper, the paper contains 8,806 words.

Respectfully submitted,

Dated: August 8, 2025

By: /Kathleen A. Daley/
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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing **Petitioner's Opposition to Patent Owner's Request for Discretionary Denial** was served on August 8, 2025, via email directed to counsel of record for the Patent Owner at the following:

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