

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NKT PHOTONICS INC.
and NKT PHOTONICS A/S
Petitioner,

v.

OMNI CONTINUUM LLC,
Patent Owner.

U.S. Patent No. 7,433,116

Case No.: IPR2025-00839

**PATENT OWNER OMNI CONTINUUM LLC'S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION**

TABLE OF CONTENTS

TABLE OF AUTHORITIES	ii
EXHIBIT LIST	iii
I. INTRODUCTION	1
II. LEGAL FRAMEWORK FOR DISCRETIONARY DENIAL	3
III. APPLICATION OF DISCRETIONARY DENIAL FACTORS	5
A. Fintiv Factor 6: Other circumstances	5
1. Patent owner’s settled expectations and petitioner’s delay	5
2. Petition’s reliance on expert testimony	6
B. Fintiv Factor 1: The district court has not granted a stay, nor is one likely	7
C. Fintiv Factor 2: Proximity of the district court’s trial date to the Board’s projected statutory deadline	7
D. Fintiv Factor 3: Significant investment in the parallel proceeding	8
E. Fintiv Factor 4: Substantial overlap between IPR and district court issues	9
F. Fintiv Factor 5: Same parties in both proceedings	10
IV. CONCLUSION	10
Certificate of Service	11
Certificate of Compliance Pursuant to 37 C.F.R. § 42.24	12

TABLE OF AUTHORITIES

Cases

<i>Apple Inc. v. Fintiv, Inc.</i> IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020).....	3
<i>Cuozzo Speed Techs., LLC v. Com. for Intell. Prop.</i> 579 U.S. 261 (2016).....	3
<i>Dabico Airport Solutions Inc. v. AXA Power ApS</i> IPR2025-00408, Paper 21 (June 18, 2025)	6
<i>iRhythm Techs., Inc. v. Welch Allyn, Inc</i> IPR2025-00363 et al., Paper 10 (June 6, 2025).....	4, 5
<i>Motorola Solutions, Inc. v. Stellar, LLC</i> IPR2024-01205 et al., Paper 19 (March 28, 2025).....	9
<i>Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC</i> 584 U.S. 325 (2018).....	3
<i>Sand Revolution II, LLC v. Cont'l Intermodal Grp.—Trucking LLC</i> IPR2019-01393, Paper 24 (PTAB June 16, 2020)	7
<i>Xerox Corp. v. Bytemark, Inc</i> IPR2022-00624, Paper 9 (PTAB Aug. 24, 2022).....	6

Statutes

35 U.S.C. § 314(a)	1, 3, 10
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EXHIBIT LIST

Exhibit No.	Description
2001	April 18, 2024 Affidavit of Service
2002	October 30, 2012 Email Chain re NKT Licensing Call
2003	May 10, 2013 Email attaching Draft License Agreement
2004	Patent Assignment from Cheetah Omni LLC to Omni Continuum, LLC
2005	Omni Complaint for Patent Infringement, D. Mass. Case No. 1:24-cv-11007-IT
2006	D. Mass. Median Time to Trial
2007	NKT's Non-Infringement Contentions for U.S.P.N. 7,433,116, D. Mass. Case No. 1:24-cv-11007-IT
2008	NKT's Invalidity Claim Contentions for U.S.P.N. 7,433,116, D. Mass. Case No. 1:24-cv-11007-IT
2009	Omni's Preliminary Patent-Related Disclosures, D. Mass. Case No. 1:24-cv-11007-IT

I. INTRODUCTION

Omni Continuum LLC (“Omni” or “Patent Owner”) asks the Director to exercise her discretion under 35 U.S.C. § 314(a) and deny institution of the *inter partes* review (“IPR”) petition filed by NKT Photonics Inc. and NKT Photonics A/S (collectively, “NKT” or “Petitioner”) challenging claims of U.S. Patent No. 7,433,116 (“the ’116 patent”). The Director has broad discretion to deny institution of IPRs. The Board can deny institution when doing so promotes “the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete the proceedings.”¹

Denial is justified here because NKT has known about the ’116 patent since 2012, when it sought to license the patent. That delay is exacerbated because NKT filed its IPR petition on April 11, 2025, just days before the April 18, 2025 statutory deadline for filing IPRs (Omni served NKT Photonics Inc. with the infringement Complaint on April 18, 2024, Ex. 2001).

¹ As outlined in the Consolidated Trial Practice Guide (p. 5), available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>, and reinforced by the Director’s March 26, 2025 Memorandum on Interim Processes for PTAB Workload Management (“Guidance”), available at <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf>.

NKT's petition has fundamental weaknesses. It is largely a verbatim copy of NKT's expert's declaration and has been filed at an advanced stage of the parallel district court litigation in the District of Massachusetts, *Omni Continuum LLC v. NKT Photonics Inc. et al.*, Civil Action No. 1:24-cv-11007-IT. This makes institution an inefficient and duplicative use of resources for both the parties and the Board. In the district court, the parties have exchanged detailed infringement and validity contentions, fully briefed claim construction, and NKT raises two of the same prior art references in its IPR petition as in its district court invalidity contentions. Based on a holistic assessment of all relevant considerations, particularly the *Fintiv* factors and Guidance from the Director, institution would not serve the interests of efficiency or the integrity of the patent system.

II. LEGAL FRAMEWORK FOR DISCRETIONARY DENIAL

The Director’s authority to deny institution comes from 35 U.S.C. § 314(a), which states that the Director may not institute an IPR unless she “determines that the information presented in the petition ... shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” The Supreme Court has affirmed the Director’s discretion in deciding whether to institute a petition. *Oil States Energy Servs., LLC v. Greene’s Energy Grp., LLC*, 584 U.S. 325, 331 (2018), citing *Cuozzo Speed Techs., LLC v. Com. for Intell. Prop.*, 579 U.S. 261, 273 (2016).

In exercising its discretion, the Director considers various factors to balance considerations of “system efficiency, fairness, and patent quality” when a patent owner raises an argument for discretionary denial due to the advanced state of parallel proceedings. *Apple Inc. v. Fintiv, Inc.* (“*Fintiv*”), IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential). The factors are:

1. Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.
2. Proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision (“FWD”).
3. Investment in the parallel proceeding by the court and the parties.

4. Overlap between issues raised in the petition and in the parallel proceeding.
5. Whether the petitioner and the defendant in the parallel proceeding are the same party.
6. Other circumstances that impact the Board's exercise of discretion, including the merits.

In addition to the *Fintiv* factors, the Director's Guidance specifies further considerations, including the settled expectations of the parties and the extent of the petition's reliance on expert testimony. The Board's policy is to take a "holistic" view of these factors. *See, e.g., iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363 et al., Paper 10 at 3 (June 6, 2025).

III. APPLICATION OF DISCRETIONARY DENIAL FACTORS

The applicable factors, when viewed holistically, strongly support discretionary denial of NKT's IPR petition.

A. Fintiv Factor 6: Other circumstances

1. Patent owner's settled expectations and petitioner's delay

NKT has known about the '116 patent since 2012, when it tried to license the patent (Ex. 2002; Ex. 2003.) In *iRhythm*, the Director denied institution where the petitioner had known of the patent since 2013, having cited it in an Information Disclosure Statement. IPR2025-00363, Paper 10 at 3. The situation here is more deliberate than in *iRhythm* because in 2012, NKT sought a license that included the '116 patent.² (Ex. 2002; Ex. 2003.) The parties negotiated but were unable to agree on terms, so no license agreement was concluded. After license negotiations ended, NKT took no action. Even after Omni sued NKT for infringement of the '116 patent in April 2024, NKT waited nearly a full year before filing its IPR petition. Now,

² Cheetah Omni LLC, a sister company to Omni, owned the '116 patent in 2012 when NKT sought the license. Cheetah transferred the '116 patent to Omni in November 2013. (Ex. 2004.)

thirteen years later, NKT has filed an IPR petition upsetting the parties' settled expectations for the '116 patent.

“[I]n 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 at 2–3 (June 18, 2025). The '116 patent has been in force since October 2008 and has now expired. This fact, coupled with NKT's long-standing awareness of the patent and its delay in filing the IPR until just before the statutory deadline, supports denying institution based on “[s]ettled expectations of the parties.” Guidance at 2; *Dabico*, IPR2025-00408, Paper 21 at 2-3. NKT's thirteen years of inaction, followed by a last-minute filing, suggests strategic gamesmanship rather than a genuine effort to offer an efficient alternative to litigation.

2. Petition's reliance on expert testimony

NKT's expert's declaration is nearly a verbatim copy of the petition. This approach to presenting arguments, where the expert merely parrots the legal brief, is a problematic use of expert testimony and can merit little weight from the Board. *See, e.g., Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 16 (PTAB Aug. 24, 2022) (precedential) (petitioner's expert offered “only a *verbatim* restatement” of the petition's assertion) (emphasis in original). It suggests a lack of independent, substantive expert analysis and indicates weak, conclusory arguments that do not genuinely advance the unpatentability challenge.

B. Fintiv Factor 1: The district court has not granted a stay, nor is one likely

Factor 1 weighs in favor of denial because the district court has not granted a stay of the parallel litigation, and there is no indication that it will do so. Omni sued NKT on April 17, 2024 (Ex. 2005), and the litigation is ongoing.

While the Board generally “will not attempt to predict” how a district court will proceed if no stay has been granted, *Sand Revolution II, LLC v. Cont'l Intermodal Grp.—Trucking LLC*, IPR2019-01393, Paper 24 at 7 (PTAB June 16, 2020) (informative), NKT has not even requested a stay in the district court. And a stay is unlikely because the district court case involves another patent (U.S. Patent No. 7,519,253) not subject to an IPR. (Ex. 2005 at 15.) The district court is unlikely to halt its progress simply because an IPR petition was filed for the '116 patent, especially given Petitioner's long delay in filing its Petition.

C. Fintiv Factor 2: Proximity of the district court's trial date to the Board's projected statutory deadline

Factor 2 examines the timing of the district court trial compared to the potential FWD. If the district court trial is scheduled to conclude *before* the PTAB's FWD, this factor supports discretionary denial.

Omni sued NKT on April 17, 2024. (Ex. 2005.) The median time to trial in the District of Massachusetts is 27 months. (Ex. 2006.) This would project a trial date around July 2026. NKT filed its IPR petition on April 11, 2025, and the PTAB

accorded NKT a filing date on May 15, 2025. If the IPR were instituted (*e.g.*, around November 2025), an FWD would typically be due within one year, around November 2026. So, any actual trial date set by the District of Massachusetts for this case would likely come several months before the FWD, making the IPR process redundant. Instituting an IPR under these circumstances would be a waste of judicial resources because the district court can resolve the invalidity issues first.

D. Fintiv Factor 3: Significant investment in the parallel proceeding

Factor 3 favors discretionary denial. NKT filed its IPR petition on April 11, 2025, just a few days before the one-year IPR filing deadline. This is a significant delay on Petitioner's part, considering Omni served the Complaint on April 18, 2024. (Ex. 2001.) The Board consistently views unexplained delays in filing petitions as a factor supporting denial, especially when the district court litigation has progressed significantly.

By waiting until the eleventh hour, NKT has forced Omni and the District of Massachusetts to invest substantial resources into the litigation. Specifically, the parties have already fully briefed claim construction (Ex. 1014) and have served extensive infringement, non-infringement, and invalidity contentions (Ex. 2007; Ex. 2008; Ex. 2009.) This level of investment, including discovery and motion practice, is a well-recognized reason to deny institution. Forcing a patent owner to defend the

same claims in two forums due to a petitioner's delay creates an undue burden and is inefficient.

E. Fintiv Factor 4: Substantial overlap between IPR and district court issues

Factor 4 supports discretionary denial. The challenged claims and the asserted claims in the district court are the same. (Ex. 2009.) In the IPR, NKT relies on two of the nineteen invalidity references asserted in the district court litigation. (Ex. 2008.) This leads to duplicative efforts and the potential for conflicting decisions, undermining the efficiency and integrity of the patent system.

NKT has not submitted a *Sotera*-type stipulation to limit the arguments it would raise in the district court if the IPR were instituted. Without it, NKT may pursue the same or similar invalidity theories in both forums, a strategy that burdens the system rather than streamlines it. In *Motorola Solutions, Inc. v. Stellar, LLC*, the Director denied institution where district court invalidity arguments were more expansive, preventing the IPR from being a “true alternative.” IPR2024-01205 et al., Paper 19 at 3–4 (March 28, 2025). Here, where NKT is asserting only a small subset of the prior art and has not submitted a *Sotera*-type stipulation, the inefficiencies are even more pronounced.

F. Fintiv Factor 5: Same parties in both proceedings

Factor 5 favors discretionary denial. The petitioners are the defendants in the parallel district court litigation, and Omni, the patent owner, is the plaintiff. (Ex. 2005.) When the parties are the same in both proceedings, this factor supports denying institution because the petitioner has a full and fair opportunity to litigate its invalidity contentions in the district court. Instituting an IPR would merely create a second, parallel avenue for litigation between the exact same parties on the same issues.

IV. CONCLUSION

Omni asks the Director to exercise her discretion under 35 U.S.C. § 314(a) and deny institution of NKT's IPR petition against U.S. Patent No. 7,433,116. NKT's attempt to license and knowledge of the '116 patent for thirteen years before filing its Petition is ample reason to deny institution.

Dated: June 27, 2025

Respectfully submitted,

/ Thomas A. Lewry /
Thomas A. Lewry (Reg. No. 30,770)
John S. LeRoy (Reg. No. 48,158)
Christopher C. Smith (Reg. No. 59,669)
BROOKS KUSHMAN P.C.
150 W. Second St., Suite 400N
Royal Oak, MI 48067-3846
(248) 358-4400

*Attorneys for Patent Owner,
Omni Continuum LLC*

Certificate of Service

The undersigned certifies that on **June 27, 2025**, a complete and entire copy of **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION**, was served via electronic mail to the attorneys listed below:

LEAD COUNSEL	BACK-UP COUNSEL
Todd R. Walters (Reg. No. 34,040) Buchanan Ingersoll & Rooney PC 1737 King Street, Suite 500 Alexandria, VA 22314 Tel: (703) 838-656 Fax: (703) 836-2021 todd.walters@bipc.com	James T. Moore (Reg. No. 35,619) Buchanan Ingersoll & Rooney PC 500 Delaware Ave., Suite 500 Wilmington, DE 19801 Tel: (603) 573-7380 james.moore@bipc.com
BACK-UP COUNSEL	BACK-UP COUNSEL
Robert L. Wagner, Ph.D. (Reg. No. 63,924) Buchanan Ingersoll & Rooney PC 501 Grant Street, Suite 200 Pittsburgh, PA 15219 Tel: (412) 562-1570 Fax: (412) 562-1041 robert.wagner@bipc.com	Jason P. Camillo (Reg. No. 69,615) Buchanan Ingersoll & Rooney PC 501 Grant Street, Suite 200 Pittsburgh, PA 15219 Tel: (412) 392-1676 Fax: (412) 562-1041 jason.camillo@bipc.com

Respectfully submitted,

/ Thomas A. Lewry /
Thomas A. Lewry (Reg. No. 30,770)
John S. LeRoy (Reg. No. 48,158)
Christopher C. Smith (Reg. No. 59,669)
BROOKS KUSHMAN P.C.
150 W. Second St., Suite 400N
Royal Oak, MI 48067-3846
(248) 358-4400

*Attorneys for Patent Owner,
Omni Continuum LLC*

Certificate of Compliance Pursuant to 37 C.F.R. § 42.24

This paper complies with the type-volume limitation of 37 C.F.R. § 42.24. The paper contains 1,894 words, excluding the parts of the paper exempted by § 42.24(a).

This paper also complies with the typeface and type style requirements of 37 C.F.R. § 42.6(a).

Date: June 27, 2025

Respectfully submitted,

/ Thomas A. Lewry /
Thomas A. Lewry (Reg. No. 30,770)
John S. LeRoy (Reg. No. 48,158)
Christopher C. Smith (Reg. No. 59,669)
BROOKS KUSHMAN P.C.
150 W. Second St., Suite 400N
Royal Oak, MI 48067-3846
(248) 358-4400

*Attorneys for Patent Owner,
Omni Continuum LLC*