

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ONEPLUS TECHNOLOGY (SHENZHEN) CO., LTD.

Petitioner

v.

PANTECH CORPORATION

Patent Owner

IPR2025-00887

U.S. PATENT 8,995,372

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

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All citations to 35 U.S.C. §§ 102 and 103 in this paper refer to the AIA statutes.

All emphases in quotations are added unless otherwise noted.

Direct quotations of claim language are italicized.

I. INTRODUCTION

Discretionary denial (“DD”) of the instant Petition for *Inter Partes* Review (“IPR”) of U.S. Patent No. 8,995,372 (the “’372 Patent”) is wholly unwarranted. As explained below in detail, Petitioner has also presented arguments about various factors tipping the balance against discretionary denial, which have been found persuasive by the Director in numerous recent DD decisions, including *AMD*, *American Airlines*, *Stratasys*, and *Phelan*. Thus, the same finding should be reached in this proceeding to “maintain consistency with discretionary decisions that the Director has already issued.” See *Interim Director Discretionary Process*, Sec. I.A.¹

First, the Director’s *AMD* decision is particularly applicable here and indeed controlling. *Advanced Micro Devices, Inc. et al. v. Concurrent Ventures, LLC et al.*, IPR2025-00478, Paper 10 at 2-3 (Director July 31, 2025) (“*AMD*”) (finding it is an efficient use of Board resources to address the challenged patent when another patent involved in the same parallel district court proceeding has been referred to the Board **despite the challenged patent having been in force for over 10 years**). Similarly, **here, in a related IPR (IPR2025-00763, the “’763 IPR”) filed by Petitioner against one of the eight patents (U.S. Pat. No. 11,212,838) asserted in the parallel district court litigation—*Pantech II*,² the Director has already referred**

¹ <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>

² *Pantech Corp. et al. v. OnePlus Tech. (Shenzhen) Co., Ltd.*, No. 5:24-cv-00038-RWS-JBB (E.D. Tex.) (“*Pantech II*”). EX1021, 4; EX1026, 2.

the case to a Board panel to consider the merits and non-discretionary considerations. *OnePlus Technology (Shenzhen) Co. Ltd. v. Pantech Corp.*, IPR2025-00763, Paper 4, at 1-2 (August 18, 2025). Accordingly, it is appropriate for the Board to use its resources also to consider the merits of the instant Petition involving another patent asserted in the same parallel litigation—rather than leaving the validity of the asserted patents to be adjudicated piecemeal in two separate forums under different standards—to avoid unnecessary inefficiency and a risk of inconsistent outcomes. *AMD*, IPR2025-00478, Paper 10 at 2-3.

Second, as will be explained in detail in Sections II.B, II.D, and II.E.2, the Director’s ***American Airlines*** decision is also particularly applicable here. *American Airlines, Inc. et al. v. Intellectual Ventures I LLC*, IPR2025-00785 *et al.*, Paper 11 (Director August 29, 2025) (“*American Airlines*”). In that case, **despite the subject patents being in force for 14 and 18 years**, the Director determined that the timeline and diverse set of patents and subject matter in the district court litigations outweighed the patent owner’s strong settled expectations and favored resolution at the PTAB. *Id.* at 2-3.

Specifically to the subject matter, the Director explained that the “large number” (twelve) and “wide scope” (six families) weighed against discretionary denial because “the Board is better suited to review a large number of patents involving diverse subject matter.” *Id.* at 3. **Here, similarly, in *Pantech II*, Patent**

Owner has asserted eight patents from eight different families, each relating to a particular aspect of sophisticated 4G/5G wireless communication technologies.

As to the timing, in *American Airlines*, the Director pointed to the absence of any trial date in the parallel Eastern District of Texas (“EDTX”) proceeding and the currently scheduled January 9, 2027, with time-to-trial statistics indicating August 2027 in the Western District of Texas (“WDTX”) proceeding as indicative that the November 9, 2026 final written decision (“FWD”) date would come first. *American Airlines*, Paper 11 at 2-3. **Here, similarly, there is no scheduled trial date in parallel district court litigation, and in a companion IPR (IPR2025-00637, the “637 IPR”) involving another patent asserted in *Pantech II*, which was filed just one and a half months before this IPR, the Director has already found that “it is likely that a final written decision in this proceeding will issue before the district court trial occurs.” See *OnePlus Technology (Shenzhen) Co. Ltd. v. Pantech Corp.*, IPR2025-00637, Paper 17 at 2 (Director August 14, 2025); EX1039.**

Third, as will be explained in detail in Section II.D, the Director’s ***Stratasys*** decision is also particularly applicable here. *Shenzen Tuozechu Technology Co. Ltd. v. Stratasys, Inc.*, IPR2025-00531, Paper 10 (Director July 17, 2025) (“*Stratasys*”). In that case, one of the patents has been in force for about ten years, but it has never been “commercialized, asserted, marked, licensed, or otherwise applied” in

petitioner’s “particular technology space.” *Id.* at 3. Additionally, the district court litigation parallel to *Stratasys* involves nine patents from six different families with a “diverse range of subject matter.” *Id.* The petitioner there also filed a broad stipulation. The Director ruled that these factors tipped the balance against discretionary denial. *Id.*

Here, similarly, there is *no* evidence that the Patent Owner has “commercialized, asserted, marked, licensed, or otherwise applied” the ’372 Patent in Petitioner’s “particular technology space” before July 2021. Additionally, *Pantech II* involves just one fewer patent—eight—from two more distinct families—eight. These patents also cover a “diverse range of subject matter.” Petitioner here filed an even broader stipulation.

Fourth, as will be explained in detail in Section II.A, the Director’s *Phelan* decision is also particularly applicable here. *Mercedes-Benz Group AG v. Phelan Group, LLC*, IPR2025-00758, Paper 8 at 2 (Director August 14, 2025) (“*Phelan*”). In that case, although **the challenged patent had been in force for over seven years**, the Director still referred the petition to the Board since the Board recently determined that the challenged patent in a related IPR has “similar claims to those challenged in this proceeding,” and the related IPR relies on “prior art similar to the prior art raised in this Petition. *Phelan*, IPR2025-00758, Paper 8, at 2. **Similarly here, the USPTO has determined that the primary reference Tenny’s**

disclosures teach the subject matter in three separate prior decisions of related patents, involving substantially similar claims and the same prior art here.

In sum, although the '372 Patent has been in force for about 10 years, **(1) the lack of a scheduled trial date in *Pantech II* and earlier FWD date, (2) the large number of asserted patents and wide scope of complex subject matters involved in *Pantech II*, (3) the earlier referral of a related IPR involved in *Pantech II* to the Board, (4) the Office's prior findings regarding unpatentability of related patents with similar claims using the same prior art, and (5) the Patent Owner's failure to prove the application of the '372 Patent in cell phone manufacturing before July 2021,** together tips the balance of factors in favor of referral, consistent with *AMD*, *American Airlines*, *Stratasys*, and *Phelan*.³

³ In the companion '637 IPR involving a different patent, the Director granted Patent Owner's Request for Discretionary Denial. '637 IPR, Paper 17. In that case, Petitioner, however, did not have an opportunity to present its arguments based on *AMD*, *American Airlines*, *Stratasys*, and *Phelan* as those decisions were rendered after Petitioner had already filed its opposition in the '637 IPR. Also, the related '763 IPR had not been referred to the Board at the time when the DD decision of the '637 IPR was made precluding the Board from considering the piecemeal issue discretionary denial here would pose. Thus, **the change in circumstances in this IPR warrants a different outcome from the '637 IPR DD decision.** *Arm Ltd. et al. v. Daedalus Prime LLC*, IPR2025-00207, Paper 14, at 2 (Director, August 6, 2025). The '637 IPR is currently pending Director Review in view of the change in circumstances, the newly issued decisions, and other reasons. '637 IPR, Paper 18.

II. DISCRETIONARY DENIAL IS INAPPROPRIATE UNDER 35 U.S.C. § 314(a)

A. Discretionary Denial Is Inappropriate Given the Strong Merits of the Unpatentability Challenge

Discretionary denial is unwarranted considering the strong merits of the unpatentability grounds set forth in the Petition, consistent with the Acting Director's *Interim Processes for PTAB Workload Management* ("Director Memo"). As detailed below, the Petition presents particularly strong merits because it: (i) relies on prior art and arguments already deemed meritorious for substantially similar claims; and (ii) identifies material error made by the Office during prosecution of the '372 Patent and related filings.

1. Post-Grant Findings of Related Patents Weigh Strongly Against Discretionary Denial

The USPTO has already found in three separate determinations that U.S. Pat. App. Pub. No. 2011/0158116 ("Tenny," EX1004), the primary reference in each of the Petition's four grounds, discloses subject matter substantially similar to the claims challenged here. The '372 Patent's inventors, Kibum Kwon and Myungcheul Jung, are also the named inventors of U.S. Pat. No. 9,854,545 ("the '545 Patent") and its continuation U.S. Pat. No. 11,012,954 ("the '954 Patent"). EX1039; EX1040. In each of IPR2023-01269 ("the '269 IPR"), Reexam. No. 90/019,704 ("the '704 Reexam"), and Reexam. No. 90/019,726 ("the '726 Reexam"), the USPTO has determined that the contents of Tenny teach the subject matter claimed by Kwon and

Jung. EX1036 ('704 Reexam Order); EX1037 ('726 Reexam. Order); EX1038 ('269 IPR Institution Decision).

Like the '372 Patent, which claims priority through a Korean patent application for Kwon and Jung's work from March 2010, the '545 and '954 Patents also claim priority back to February and March of 2010 through another two Korean patent applications. EX1001, 1; EX1039, 1; EX1040, 1. All three of the '372, '545, and '954 Patents and claims are directed towards establishing wireless communications between devices grouped based on "uplink timing information" using a "delegate" for configuration and organization. *See generally*, EX1001, 1:60-2:4; EX1039, 2:17-29; and EX1040, 2:39-53. Reflecting the substantially similar subject matter and claims of these three patents, the specifications contain substantially similar disclosures, including essentially identical Figures 1-3, as well as '372 Figs. 4-9 and 14 which are respectively substantially similar to Figures 1-6, 9, and 11.

The substantially similar scope is further reflected in the claims as shown in the table below, with bold content indicating parallel subject matter between each exemplary claim. EX1001, Claim 1; EX1039, Claim 2; EX1040, Claim 6.

'372 Pat.	'545 Pat.	'954 Pat.
1. A method of performing random access in a wireless communication system ,	2. A method for establishing an uplink (UL) synchronization by a User Equipment (UE) ,	6. A communication apparatus for a user equipment (UE) comprising:

the method comprising:	the method comprising:	a memory; and a processor operably coupled to the memory; wherein the processor, when executing program instructions stored in the memory, is configured to:
configuring a uplink (UL) timing group including at least one of CCs having a difference in center frequencies within a threshold range, CCs having the same beamforming scheme, CCs having the same timing advance (TA) value, and CCs having the same reference downlink (DL) CC for obtaining a TA value, from among a plurality of CCs;	receiving a Radio Resource Control (RRC) signaling including a UL timing group information set, configuring one or more UL timing groups based on the UL timing group information set, the one or more UL timing groups each comprising one or more UL CCs; which has been set by an evolved NodeB (eNB); transmitting a Random Access Preamble (RAP) through one or more UL CCs,	cause the apparatus to receive a Radio Resource Control (RRC) message through a primary Component Carrier (CC), wherein the primary CC belongs to a first uplink (UL) timing group, the RRC message comprises information related to a second UL timing group, which has been set by an evolved Node B (eNB), the second UL timing group includes a secondary CC; cause the apparatus to receive information indicating a random access preamble; cause the apparatus to transmit the random access preamble according to a non- contention selection, through CC one or more UL CCs,
setting a CC satisfying at least one of a CC having a lowest center frequency value, a CC	each of the one or more UL CCs transmitting an RAP being set as a delegate CC in the	each of the one or more UL CCs transmitting the random access preamble being set as a delegate

having a center frequency value that is closest to a mean value, a CC having a highest center frequency value, a CC having a broadest frequency band, and a CC in which a radio link monitoring (RLM) is defined, in the configured UL timing group as a delegate CC;	respective UL timing group;	CC for a respective second UL timing group;
obtaining a TA value to be used for obtaining a UL timing through the delegate CC; and	receiving a Random Access Response (RAR) including a Timing Advanced (TA) value for UL CCs in the respective UL timing group,	cause the apparatus to receive a random access response through the primary CC, the random access response includes a Timing Advanced(TA) value for the secondary CC for the respective second UL timing group,
updating a TA value of the corresponding UL timing group based on the obtained TA value.	wherein each TA value is transmitted from the eNB for the respective UL timing group based on the transmitted RAP associated with a delegate CC of the respective UL timing group; and applying each TA value to CCs in the respective UL timing group.	wherein each TA value is transmitted from the eNB for the respective second UL timing group based on the transmitted random access preamble associated with the delegate CC of the respective second UL timing group; and cause the apparatus to apply each TA value to the secondary CC for the respective second UL timing group.

In light of the strong parallels between these two Kwon and Jung families of patents, the post-grant findings by the patent office have particular relevance to the challenged claims of the '372 Patent.

In each of the '269 IPR and '704 Reexam (which both challenged the '545 Patent) and the '726 Reexam (which challenged the '954 Patent), the USPTO has determined that the Tenny reference disclosed subject matter highly relevant to the work of Kwon and Jung. As described by the Board in instituting the '269 IPR, "Tenny 'relates generally to wireless communications, and more particularly to methods and apparatuses that facilitate maintaining timing synchronization for user equipment in a multicarrier Long Term Evolution Advanced (LTE-A) system.' EX1036, 14. In so doing, the Board determined that Tenny disclosed nearly every element of claim 2 of the '545 Patent, and that "Petitioner shows a reasonable likelihood of prevailing in demonstrating that claim 2 is unpatentable... ." EX1036, 21.

While the '545 Patent survived the IPR due to a settlement shortly after institution, the same claims are currently subject to a Final Rejection in the '704 Reexam. '269 IPR, Paper 32; EX1041. In the Final Action, the examiner explains that Tenny discloses all but one element of claim 2 of the '545 Patent, the random access preamble and response, which is not specifically claimed in the challenged claim 1 of the '372 Patent. EX1041, 14-18.

The '954 Patent faces a similar fate in the '726 Reexam, where claims are also finally rejected over combinations of the same Tenny reference, as well as U.S. Pat. No. 9,426,765 ("Wang," EX1008) included in Ground 3 of the Petition. EX1042, 58-63. The examiner again confirms Tenny discloses all but the random access preamble and response absent from the challenged claim 1 of the '372 Patent. EX1042, 62.

Here, where the USPTO has already determined Tenny's disclosures teach the subject matter taught by Kwon and Jung in three separate decisions of related patents, involving substantially similar claims and the same prior art, is therefore a proper and efficient use of the Board's resources to review the patentability of challenged claims.

The Director has repeatedly found that it is efficient for the Board to review IPR because a similar claim in a related patent has been found likely unpatentable in an earlier IPR proceeding. *See, e.g., Mercedes-Benz Group AG v. Phelan Group, LLC*, IPR2025-00758, Paper 8 at 2 (Director August 14, 2025) ("Phelan") (referring the petition to the Board was warranted since the Board recently determined that the challenged patent in a related IPR has "similar claims to those challenged in this proceeding," and the related IPR relies on "prior art similar to the prior art raised in this Petition"); *Arm Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 14 at 3 (Director August 6, 2025) ("Arm") (finding that it was "efficient" for the Board to

institute IPR because the “Board already has determined that ‘substantially identical claims’ in a related patent to the challenged patent are unpatentable based on one of the prior art references asserted” in the proceeding.); *Nintendo Co., Ltd. v. Resonant Systems, Inc.*, IPR2025-00680, Paper 18 at 3 (Director August 14, 2025) (“*Nintendo*”) (same); *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2 (Director June 13, 2025) (“*Tesla*”) (reasoning “[t]he merits are strong because the Board previously determined there was a reasonable likelihood that similar claims of an ancestor patent were unpatentable in three separate proceedings” and considering this factor against discretionary denial).

Notably, in each of these prior decisions, despite at least one patent at issue having been in force for a period greater than seven years, purportedly creating strong settled expectations for the patent owner, the Director still referred the IPR to the Board for consideration. *See, e.g.*, Patent 8,984,228 in *Arm*; Patent 9,908,508 in *Phelan*; Patent 8,860,337 in *Nintendo*; Patents 7,916,180, 9,232,158, and 9,706,500 in *Tesla*.

Accordingly, consistent with the Director’s decisions in *Phelan*, *Arm*, *Nintendo*, and *Tesla*, it would be an “efficient” use of the Board’s resources to review the patentability of the challenged claims of the ’372 Patent here.

2. Discretionary denial is not warranted because a material error was committed by the Office during patent examination

In instituting the '269 IPR, the Board considered the fact that Tenny's teachings could be considered cumulative over combinations of U.S. Pat. App. Pub. No. 2009/0279495 ("Yoo") and secondary references considered during the original examination of the '545 Patent. EX1038, 12. Problematically, the Board noted that "prosecution history does not provide much insight into why the claims were allowed." However, based on the disclosures and their coverage of the claimed scope, the Board was able to determine that "the Office erred in a manner material to the patentability of the challenged claims by allowing the claims over Marinier in combination with Yoo and Narasimha." EX1038, 12.

Here too, the examiner considered the same Yoo reference, which is cited on the face of the '372 Patent, and here too, the examiner allowed the claims despite the strong disclosures in Yoo and other prior art references. And just as the record failed to identify the novelty of the '545 Patent, the Notice of allowance fails to illuminate the novelty of the '372 Patent over the cited references. EX1002, 39. Thus, just as the Board has already found and rectified material error in the prosecution of the Kwon and Jung patent claims through the '269 IPR and '704 Reexam, the '372 Patent claims also issued as a result of material error by the examiner, and can be corrected by instituting the present IPR.

Discretionary denial is inappropriate because the Petition establishes that the Office committed material errors during examination of the '372 patent. As a result, it would be appropriate for the Office to use its resources to review that material error. *See Microsoft Corporation v. Partec Cluster Competence Center GMBH*, IPR2025-00318, Paper 9 at 3 (Director June 12, 2025) (“*Microsoft*”) (finding that “discretionary denial of institution is not warranted because of Petitioner’s showing of material error during patent examination” and that “it is an appropriate use of Office resources to review the potential error”).

B. The PTAB Is Better Suited to Review a Large Number of Patents Involving Diverse and Complex Subject Matter

Discretionary denial is inappropriate here given the large number of asserted patents and the diverse, complex subject matter involved. The '372 Patent is asserted in *Pantech II* filed on March 14, 2024. In that parallel district court case, Patent Owner asserts eight patents from eight different families, each relating to a different aspect of sophisticated 4G/5G wireless communication technologies. *See* EX1021, 4-6, 13, 16, 19-20, 23, 26, 29, 32, 35; EX1026, 2-4.

In the related '763 IPR against one of the eight patents at issue in *Pantech II*, the Director has already referred the case to a Board panel to consider the merits and non-discretionary considerations of the petition. '763 IPR, Paper 4, at 1-2. Accordingly, it is warranted for the Board to devote its resources to evaluate

the merits of the present Petition, which concerns another patent asserted in the same parallel litigation. The fact that a Board panel will consider the merits of a related IPR petition asserted in the same parallel litigation strongly tips the balance against discretionary denial. *AMD*, IPR2025-00478, Paper 10 at 3. Otherwise, the parties would face inconsistent and inefficient outcomes, with the validity of patents asserted in the same litigation being adjudicated piecemeal by two separate tribunals under different standards.

Further, it is unreasonable to expect a jury to fully adjudicate eight patents, each hailing from a different patent family, in a single trial. In prior litigation between the same parties before the same judge stemming from the same monetization campaign by Patent Owner—*Pantech Corp. et al. v. OnePlus Tech. (Shenzhen) Co., Ltd.*, No. 5:22-cv-00069-RWS (E.D. Tex) (“*Pantech I*”), Patent Owner similarly asserted eight patents from eight different families, four of which also involved the 4G/5G communication technologies. *See* EX1022, 4-6, 12-13, 15-16, 24-26, 35-36. In *Pantech I*, despite requests from both sides for a longer trial, Judge Schroeder limited the trial to five days. *See* EX1023, 18-19. As a result, each side was allotted just 11 hours for all direct, cross, and rebuttal examinations. Indeed, due to these time constraints and the complexity of the issues, the invalidity of the asserted communications patents was not addressed during the trial. EX1031, 5 (seeking verdict regarding invalidity of only two non-communications patents).

Other experienced district court judges have similarly recognized the difficulty of presenting multiple patents to a jury in a limited trial setting. *See, e.g.*, EX1024, 1 (Judge Albright stating that he does not think “it’s fair to have a jury trying to handle more than two or three patents at a time”); EX1025, 2 (letter brief quoting Judge Andrews stating in a scheduling conference that a five-day trial should be appropriate for only a two-patent case). Accordingly, there will be significant practical difficulties in fully litigating the validity of the patents, including the ’372 Patent, in the *Pantech II* case.

In such cases as this one, the Director has refused to discretionarily deny the petitions because “the Board is better suited to review a large number of patents involving diverse subject matter.” *American Airlines*, IPR2025-00785 *et al.*, Paper 11 at 3; *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2-3 (Director June 13, 2025) (“*Tesla*”). For example, in *American Airlines*, despite the subject patents being in force for 14 and 18 years, the Director determined that the timeline and diverse set of patents and subject matter in the suits against American Airlines (EDTX) and Southwest Airlines (WDTX) outweighed any settled expectations and favored resolution at the PTAB. *American Airlines*, IPR2025-00785 *et al.*, Paper 11 at 3. As a further example, in *Tesla*, the Director denied the Patent Owner’s discretionary denial request even though the scheduled trial date preceded the projected FWD date and meaningful investment in the parallel

litigation had occurred, and despite the fact that some asserted patents have been in force for over seven years. *Tesla*, IPR2025-00217, Paper 9 at 2. The Director found that “Petitioner’s arguments regarding the complex and diverse litigation proceeding tip the balance against discretionary denial” because “[t]he large number and vast scope of the patents asserted in the district court litigation ... weighs against discretionary denial, as the Board is better suited to review a large number of patents involving diverse subject matter.” *Id.* at 2-3; *see also Tesla, Inc. v. The United States of America as Represented by the Secretary of the Navy*, IPR2025-00341, Paper 12 at 2-3 (Director June 13, 2025); *Stratasys*, IPR2025-00531, Paper 10 at 3; *American Airlines*, IPR2025-00785 *et al.*, Paper 11 at 3.

That same rationale applies here. In addition to this Petition, Petitioner has filed seven other IPR petitions against all eight patents asserted in *Pantech II*. *See also*, IPR2025-00637, -00720, -00756, -00762, -00763, -00783, and -00888. It is impractical to expect a jury to, over the course of a trial of limited duration, fully adjudicate (i) the validity of eight patents from eight different families—each involving distinct aspects of complex 4G/5G wireless communication technologies, (ii) infringement issues of those same, eight patents, (iii) damages, (iv) issues related to fair, reasonable, and non-discriminatory (“FRAND”) obligations, and (v) any counterclaims. It is far more practical and efficient for the PTAB, with its technical

expertise and patent experience, to resolve the 35 U.S.C. §§ 102 and 103 issues through IPR proceedings.⁴

Moreover, *Pantech II* involves only claims 8-11 and 14 of the '372 Patent, whereas the instant Petition challenges those five claims as well as unasserted claims 1-4 and 7. EX1026, 4, 24; Pet. 3. Thus, even if invalidity issues concerning the five asserted claims of the '372 Patent could be addressed within the trial in *Pantech II*, the trial would not resolve the validity of the remaining additional five claims challenged in the present petition (claims 1-4 and 7), which likewise raise strong unpatentability concerns, USPTO consistency issues, and material examination errors warranting review, as discussed in Section II.A above.

Furthermore, there is no risk of duplicative work here. Petitioner has provided a broad, unequivocal stipulation that it will not pursue “**any** invalidity grounds under 35 U.S.C. §§ 102 and 103 against the '372 Patent” if this IPR is instituted. EX1020. This stipulation is both broader and more straightforward than the *Sotera-plus* stipulation recently found by the Director to weigh against discretionary denial in *Tesla* and *Stratasys*. *Tesla*, IPR2025-00217, Paper 9 at 2, EX1067 (*Sotera-plus* stipulation); *Stratasys*, IPR2025-00531, Paper 10 at 3, EX1033 (*Sotera-plus*

⁴ Indeed, institution would resolve all prior art-based disputes between the Parties. Petitioner has stipulated that if this IPR is instituted, Petitioner will not pursue **any** invalidity grounds under 35 U.S.C. §§ 102, 103. EX1020.

stipulation). Petitioner has firmly committed that, if the Board institutes review, it will not only withdraw any §§ 102 and 103 grounds it raised or could have raised in the IPR, but will also withdraw all §102 and §103 challenges entirely in *Pantech II*—ensuring this IPR serves as a true alternative to district court litigation. *See Motorola Solutions Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB March 28, 2025). This stipulation fully eliminates any concern of duplication between this proceeding and *Pantech II*.

Accordingly, institution is a practical, efficient, and non-duplicative alternative to the district court litigation—Patent Owner’s request should be refused on this basis alone.

C. There Are Compelling Economic Interests in Preventing a Non-Practicing Entity from Using Defective Patent Claims Against Manufacturers to Avoid its FRAND Obligations

There are compelling economic and public policy interests favoring institution of this IPR. Patent Owner is an NPE engaged in an ongoing campaign to monetize a portfolio of weak patents that it did not invent. Its strategy typically begins with demands for excessive royalties, followed by serial litigation when those demands are not met. This conduct has already contributed to the withdrawal of multiple cell phone manufacturers from the U.S. market. Despite repeated and meritorious challenges to its portfolio, Patent Owner’s litigation campaign persists unchecked. Under these circumstances, institution of this IPR is not only appropriate—it is

necessary to protect manufacturers, promote judicial efficiency, and preserve the integrity of the patent system.

Patent Owner is a known NPE.⁵ According to the USPTO Assignment Database, Patent Owner acquired the patent rights to the '372 Patent, along with more than 200 other U.S. patents, through an “Intellectual Property Sale and Purchase Agreement” in 2020. *See* EX1027, 1, 8. Patent Owner’s portfolio includes numerous patents it claims are standards-essential patents (SEPs), which must be licensed on FRAND terms. *TCL Commc’n Tech. Holdings Ltd. v. Telefonaktiebolaget LM Ericsson*, 943 F.3d 1360, 1364 (Fed. Cir. 2019).

As explained below, during its ongoing monetization campaign against numerous manufacturers, including Petitioner, Patent Owner has demanded unreasonable royalty rates that violate its FRAND obligations for its patent portfolio. *See infra*, Section III. Since 2021, Patent Owner has filed a slew of patent infringement actions against a range of manufacturers, including LG Electronics Inc., Asustek Computer Inc., BLU Products Inc., GNJ Manufacturing Inc., CoolPad Ground Limited, Lenovo Group Ltd., Lenovo (United States) Inc., Motorola

⁵ *See, e.g.*, <https://portal.unifiedpatents.com/ptab/case/IPR2025-00637> (identifying Patent Owner as “NPE (Patent Assertion Entity)”); <https://ai-lab.exparte.com/case/ptab/IPR2025-00637/oneplus-technology-shenzhen-co-ltd-et-al-v-pantech-corporation> (similarly identifying Respondent (Patent Owner) as “NPE”).

Mobility LLC, TCL Industries Holdings Co., Ltd., Tinno USA, Inc., HMD America, Inc., and Petitioner. These proceedings further illustrate Patent Owner's business model of asserting patents against manufacturers to extract royalties.

Alarming, the patents that Patent Owner are weaponizing in this campaign are not good patents. Although Patent Owner undoubtedly attempted to pick its best patents from a field of over 200 U.S. patents to assert in litigation, the Patent Office has consistently found serious patentability issues with those patents. For example, all seven patents asserted by Patent Owner from this same portfolio in its district court litigation against LG Electronics Inc. were found likely unpatentable in the institution decisions across seven IPR proceedings filed by LG Electronics Inc. *See Pantech Corporation et al v. LG Electronics Inc et al.*, 5:22-cv-00113-RWS, (E.D. Tex) (the "LG case"); IPR2023-01267, -01268, -01269, -01270, -01271, -01272, -01273. Petitioner has also filed five *Ex Parte* Reexamination ("EPR") requests against five other patents in Patent Owner's patent portfolio, *all* of which were ordered based on findings of substantial new questions of patentability. *See* 90/019,553, 90/019,559, 90/019,641, 90/019,704, 90/019,726. Four of those patents were asserted in *Pantech I* (with the fifth being a related family member), yet their invalidity was not adjudicated at trial due to the compressed schedule and complex and diverse subject matter.

The fact that nearly all of the carefully selected, first-tier patents Patent Owner asserted in its initial wave of litigation against LG Electronics Inc. and Petitioner were found to have defective claims strongly suggests that the eight patents from the same portfolio asserted in its second wave of litigation (*Pantech II*)—including the ’372 Patent—are even more vulnerable to unpatentability challenges in the eight pending IPRs filed by Petitioner.

Finally, Patent Owner’s weaponization of these questionable patents against cell phone manufacturers appears unending. On July 3, 2025, Patent Owner initiated a third wave of district court litigation against five cell phone manufacturers, including Petitioner, in the same district court—*Pantech Corp. v. OnePlus Tech. (Shenzhen) Co., Ltd.*, No. 5:25-cv-00089 (E.D. Tex.) (*Pantech III*)⁶—asserting four patents, two of which are continuations of a patent involved in *Pantech II*.⁷ See EX1028. On the same day, Patent Owner also filed a Section 337 investigation complaint with the U.S. International Trade Commission (“ITC”), asserting four of the same *Pantech III* patents against Petitioner and several other respondents, all of

⁶ The other four district court cases are *Pantech Corp. v. Shenzhen Inno Mobile Tech. Corp.*, No. 5:25-cv-00090 (E.D. Tex.); *Pantech Corp. v. TCL Indus. Holdings Co., Ltd.*, No. 5:25-cv-00091 (E.D. Tex.); *Pantech Corp. v. HMD Global Oy*, No. 5:25-cv-00092 (E.D. Tex.); and *Pantech Corp. v. Lenovo Group Ltd.*, No. 5:25-cv-00093 (E.D. Tex.)

⁷ U.S. Patent Nos. 11,051,344 and 12,267,876 asserted in *Pantech III* are continuations of U.S. Patent No. 9,288,824, which is currently asserted in *Pantech II* and challenged in IPR2025-00783. EX1028, 4-5.

whom are cell phone manufacturers in the U.S. market. *See In the Matter of Certain Mobile Cellular Communications Devices*, Inv. No. 337-TA-3835 (ITC).

Patent Owner neither makes nor sells any products and therefore does not compete in the market against Petitioner and these other manufacturers. Instead, Patent Owner evidently seeks to use the ITC proceedings and its remedy of an exclusion order as a club to bully Petitioner and other cell phone manufacturers into accepting a supra-FRAND license rate. The threat of an exclusion order tilts any negotiation concerning the patents-in-suit heavily in favor of Patent Owner and fosters an environment of patentee “hold up.” *See Apple, Inc. v. Motorola, Inc.*, 869 F.Supp.2d 901, 914 (N.D. Ill. 2012) (“[A] royalty negotiation that occurs under threat of an exclusion order may be weighted heavily in favor of the patentee in a way that is in tension with the RAND commitment.... [T]he threat of an exclusion order may allow the holder of a RAND-encumbered SEP to realize royalty rates that reflect patent hold-up, rather than the value of the patent relative to alternatives.”) (citation omitted).

The Federal Circuit has held that “a party that has made an ETSI FRAND commitment must have complied with the commitment’s obligation to negotiate in good faith over a license to its SEPs before it pursues injunctive relief based on those SEPs.” *Telefonaktiebolaget LM Ericsson v. Lenovo (United States), Inc.*, 120 F.4th 864, 876 (Fed. Cir. 2024). Patent Owner has never offered Petitioner a license

specifically to the patents asserted in *Pantech II* or in *Pantech III* and the ITC on any terms, let alone FRAND terms. Patent Owner instead demanded that Petitioner license Patent Owner's *entire patent portfolio*, which includes both SEPs and non-SEPs, at a supra-FRAND rate. Following the damages retrial in that case, the jury rejected Pantech's damages theory based on its supposed FRAND rate, awarding significantly lower damages. EX1032 at 2; EX1033 at 15-16. The trial record demonstrates that Patent Owner did not comply with its FRAND obligations by failing to offer a license to OnePlus on similar terms to those the prior patent owner had granted other competitors in the market.

Patent Owner's aggressive monetization campaign has real and harmful economic consequences. Patent Owner's repeated demands for non-FRAND royalty rates have placed a significant burden on manufacturers, even contributing to the withdrawal of companies from the U.S. cellphone market, such as GNJ Manufacturing Inc. and CoolPad Group Limited. This underscores the strong economic interest in preventing Patent Owner from using defective patent claims to extract unjustified royalties from manufacturers. *See also*, Federal Trade Commission, "The Evolving IP Marketplace: Aligning Patent Notice and Remedies with Competition," March 2011, at 5 ("Patent hold-up can overcompensate patentees, raise prices to consumers who lose the benefits of competition among technologies, and deter innovation by manufacturers facing the risk of hold-up.").

The PTAB plays a vital role in addressing such defective patents. The Board's institution of IPRs on all seven asserted patents led to a prompt settlement between Patent Owner and LG Electronics Inc., eliminating the need for a district court trial.⁸ This outcome further demonstrates that the PTAB is a more efficient forum for resolving such disputes. In contrast, Patent Owner's recent filing of *Pantech III* and the ITC complaint is a strong indication that it does not expect to resolve its disputes with Petitioner in *Pantech II*. Therefore, the PTAB's review of the patents asserted in *Pantech II*—including the '372 Patent at issue here—would be, as in the *LG* case, an efficient engine to drive the settlement of disputes between Patent Owner and Petitioner here, thereby making institution an appropriate and efficient use of the Office's resources.

Given Patent Owner's track record of asserting weak patents to demand excessive royalties in violation of its FRAND obligations, institution of this IPR is not only warranted but necessary to protect manufacturers, promote judicial efficiency, and uphold the integrity of the patent system.

⁸ IPR was instituted in March and April 2024; the parties jointly moved to dismiss the case in view of settlement agreement shortly afterwards, on August 13, 2024. See IPR2023-01267 to -01273; *Pantech Corporation v. LG Electronics Inc.*, 5:22-cv-00113-RWS, (E.D. Tex), Dkt. No. 376 (Joint motion to dismiss).

D. Patent Owner Has Not Established Settled Expectations Regarding the Validity of the '372 Patent

Patent Owner has not established settled expectations regarding the '372 Patent. Patent Owner only acquired the patent rights through an “Intellectual Property Sale and Purchase Agreement” in 2020. (*see* EX1027, 1, 8) and, **according to Patent Owner, did not begin attempting to monetize the patent until July 2021.** DD Req. 12.

Although the '372 Patent issued in 2015, Patent Owner had no basis for any settled expectation prior to its acquisition. As the Director has previously explained, even though “[a] patent may have been in force for years,” the fact that a patent has not been “commercialized, asserted, marked, licensed, or otherwise applied in a petitioner’s particular technology space, if at all” will “weigh against a patent owner’s claim of settled expectations and bear[] on the Director’s discretion.” *Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12 at 2-3 (Director June 26, 2025); *see also Stratasys*, IPR2025-00531, Paper 10 at 3 (finding the challenged patents have never been “commercialized, asserted, marked, licensed, or otherwise applied” in Petitioner’s “particular technology space”).

As explained above in Section II.C, unlike innovators who develop and own patents through their own research and development, Patent Owner—an NPE—acquired the patent portfolio solely for monetization. **As an NPE, Patent Owner**

has never commercialized or marked the '372 Patent in its products, nor has it shown any manufacturer ever commercialized the claimed technology of the '372 Patent or marked products with the '372 Patent to reflect licensed use.

Any expectation that its patents would remain unchallenged could not reasonably begin before its enforcement campaign. This is especially true here, where (i) numerous Office proceedings have already raised serious patentability questions about its portfolio, in particular, to related patents with substantially similar claims (*see* Sections II.A.1 and II.C), and (ii) Petitioner has consistently contested the validity of the patent portfolio since receiving Patent Owner's initial licensing demand, including asserting numerous invalidity defenses in district court and EPRs since the filing of *Pantech I*. Under these circumstances, Patent Owner cannot credibly claim that it had settled expectations that its patents were valid and enforceable. To the contrary, the settled expectations of the parties—Patent Owner and Petitioner—are that Petitioner will challenge the validity and enforceability of any patent that Patent Owner asserts against Petitioner.

Indeed, Patent Owner concedes that its asserted “settled expectation” regarding the '372 Patent spans only “almost three years,” measured from its first monetization effort against Petitioner in July 2021. DD Req. 12-13. Moreover, there is no evidence that Patent Owner “commercialized, asserted, marked, licensed, or otherwise applied” the '372 Patent in Petitioner's technology space before its first

assertion efforts in July 2021. *Id.* Patent Owner’s own admission of having “***almost three years***” of settled expectation falls squarely within the Director’s guidance in *Intel*, which explains that a lack of commercialization, assertion, or any other application of the patent in a petitioner’s technology area weighs against finding strong settled expectations. *Id.*

Stratasys is particularly applicable here, as its facts closely resemble those at issue. In *Stratasys*, the Director recognized that the challenged patent had never been “commercialized, asserted, marked, licensed, or otherwise applied in a petitioner’s particular technology space” because: (i) *Stratasys* expressly stated it “does not intend to rely on the assertion that its own products or other instrumentalities practice the claimed invention,” (ii) *Stratasys* provided no evidence of meeting its marking obligations for the ’698 patent, and (iii) *Stratasys* had never previously asserted the patent until the recent district court litigation. *See Stratasys*, IPR2025-00531, DD Opp. 4–5.

Similarly, as an NPE, Patent Owner does *not* make products or instrumentalities that could practice the claimed invention of the ’372 Patent. Patent Owner has provided *no* evidence of meeting any marking obligations. *Nor* has Patent Owner offered any evidence that it previously asserted or licensed the ’372 Patent before July 2021. Patent Owner also failed to show any manufacturer ever commercialized the claimed technology of the ’372 Patent

or marked products with the '372 Patent to reflect licensed use. Thus, like in *Stratasys*, the '372 Patent has *never* been “commercialized, asserted, marked, licensed, or otherwise applied in a petitioner’s particular technology space” before July 2021.

Patent Owner’s claim that there are strong settled expectations because the '372 Patent “is a standard essential patent (‘SEP’)” should be rejected. DD Req. 12. As an initial matter, the inclusion of any technology in the 3GPP standard is not predicated on it being new or nonobvious or otherwise an innovation over the prior art. Rather, “[w]hen a technology is incorporated into a standard, it is typically chosen from among different options. Once incorporated and widely adopted, that technology is not always used because it is the best or the only option; it is used because its use is necessary to comply with the standard.” *Ericsson, Inc. v. D-Link Systems, Inc.*, 773 F.3d 1201, 1233 (Fed. Cir. 2014). Furthermore, Patent Owner cannot rely on whatever SEP status the '372 Patent has to establish “settled expectations” when it has violated its FRAND obligations in its monetization campaign.

Patent Owner’s suggestion that Petitioner should have filed IPRs earlier after receiving its 2021 licensing demand is misplaced. DD Req. 12. Given Patent Owner’s demand for a portfolio-wide license covering hundreds of patents it would have been inefficient and impractical for Petitioner to preemptively challenge each

of the over 200 U.S. patents in Patent Owner’s portfolio. *See generally* EX2003, 6-13 (providing an “Exemplary List of Pantech Wireless Patents” containing 224 patents). Moreover, Patent Owner deliberately chose not to assert the ’372 Patent in *Pantech I* filed in 2022. Until Patent Owner filed *Pantech II* in March 2024—including the ’372 Patent—Petitioner had no reason to believe the ’372 Patent would be asserted over the hundreds of other patents in Patent Owner’s recently acquired portfolio. The timing of this IPR is thus directly attributable to Patent Owner’s dilatory and piecemeal litigation strategy.

In sum, under the Director’s guidance in *Intel* and based on Patent Owner’s own admission, any settled expectations regarding the ’372 Patent can only be measured from July 2021—when Patent Owner first began its monetization efforts. From that point, Patent Owner has not developed settled expectations that would support discretionary denial here. *See Cambridge Industries USA Inc., v. Applied Optoelectronics, Inc.* IPR2025-00434 Paper 11 at 2-3 (Director June 26, 2025) (finding Patent Owner has not developed strong settled expectations that favor discretionary denial for patents issued in 2020 and 2019); *Berkshire Hathaway Energy Company et al. v. Birchtech Corp.*, IPR2025-00274, Paper 23 at 3 (Director July 2, 2025) (same).

Even if the Director were to find Patent Owner had settled expectations regarding the validity of the '372 Patent, discretionary denial remains unwarranted because of the following reasons.

***First*, it is an efficient use of Board resources to address the challenged patent when another patent involved in *Pantech II* has already been referred to the Board in the related '763 IPR. *AMD*, IPR2025-00478, Paper 10 at 2-3 (despite the challenged patent having been in force for over 10 years, finding it is an efficient use of Board resources to address the challenged patent when another patent involved in the same parallel district court proceeding has been referred to the Board). Similar to *AMD*, the patent challenged in the related '763 IPR, which is involved in the same *Pantech II* case, has been referred to the Board. Thus, although the '372 Patent has been in force for over seven years, like the challenged patent in *AMD*, it is an efficient use of Board resources to address the '372 Patent as well. *AMD*, IPR2025-00478, Paper 10 at 2-3.**

***Second*, even if the Director were to find Patent Owner did have settled expectations regarding the validity of the '372 Patent, discretionary denial remains unwarranted given the Office's prior findings regarding unpatentability of related patents with similar claims using the same prior art (see Section II.A.2). See, e.g., *Phelan*, IPR2025-00758, Paper 8 at 2.**

Third, even if the Director were to find Patent Owner did have settled expectations regarding the validity of the '372 Patent, discretionary denial remains unwarranted given other factors tipping the balance, including (i) the large number and vast scope of the patents in *Pantech II* (see Section II.B), (ii) the lack of scheduled trial date in *Pantech II* and earlier FWD date (see Section II.E.2), and (iii) Patent Owner's failure to commercialize, assert, mark, license, or otherwise apply the '372 Patent in Petitioner's particular technology space until July 2021 (see Section II.D). See *Stratasys*, IPR2025-00531, Paper 10 at 3 (finding Petitioner's arguments that these factors, including the large number and vast scope of the patents asserted in the district court litigation, the broad stipulation, and the patent owner's failure to apply the challenged patent in petitioner's particular technology space, tip the balance against discretionary denial are persuasive); see also, *American Airlines*, IPR2025-00785 *et al.*, Paper 11 at 2-3.

In sum, Patent Owner has not developed settled expectations that would support discretionary denial here. As detailed in Sections II.A, II.B, II.C, and II.D, Petitioner has provided over 30 pages of detailed, compelling reasons why institution of this IPR is an appropriate and efficient use of Board resources, consistent with recent Director decisions. See *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 at 2–3 (Director June 18, 2025). This conclusion is fully aligned with the Director's reasoning in numerous recent,

analogous decisions, such as *AMD*, *American Airlines*, *Stratasys*, *Tesla*, and *Phelan*. Accordingly, discretionary denial is not warranted.

E. Patent Owner’s Other *Fintiv* Arguments Are Unavailing

1. Factor 1: Petitioner has requested a stay, which is very likely to be granted

Petitioner has filed a motion for a stay of the parallel *Pantech II* litigation based on Patent Owner’s recent ITC complaint. EX1043. Given the overlap of issues and the presence of two patents from the same family in the ITC as those asserted in *Pantech II* (*compare generally* EX1028 *with* EX1021), such a stay *must* be granted. *See, e.g.*, 28 U.S.C. § 1659(a) (“the district court *shall* stay, until the determination of the Commission becomes final, proceedings in the civil action with respect to any claim that involves the same issues involved in the proceeding before the Commission”); *Vicor Corp. v. FII USA Inc.*, 132 F.4th 1, 7 (1st Cir. 2025) (holding “the phrase ‘the same issues’ means what it says and applies whenever a district court proceeding shares issues with an ITC proceeding”) (citation omitted). Petitioner also intends to seek a stay after IPR institution is granted, and the district court has previously granted stays in similar circumstances. *See, e.g., Papst Licensing GMBH & Co. v. Apple, Inc.*, 2017 U.S. Dist. LEXIS 223280, *1-16 (E.D. Tex. June 16, 2017); *Resonant Sys., Inc. v. Samsung Elecs. Co., Ltd.*, 2024 U.S. Dist. LEXIS 41002 (E.D. Tex. March 8, 2024). This also supports the likelihood of

staying *Pantech II* after institution here.

Patent Owner’s accusation that Petitioner engaged in “dilatory tactics” lacks merit and is premised on purely attorney arguments. DD Req. 5. The parties mutually agreed to stay *Pantech II* pending resolution of Patent Owner’s standing, which the court ultimately decided in Patent Owner’s favor in a “close” decision. *Pantech I*, 2024 LEXIS 242332, *9 (E.D. Tex. August 14, 2024). Petitioner’s disagreement about lifting the stay—given that the decision is pending on appeal—was reasonable and intended to conserve judicial resources. *See Pantech Corp. v. OnePlus Tech. (Shenzhen) Co., Ltd.*, Appeal No. 2025-1628 (Fed. Cir. 2025). Thus, this factor weighs against denial.

2. Factor 2: The FWD is likely to issue before the actual trial date in the district court litigation

There is currently no trial date set in the parallel litigation. EX 1035, 1 (trial date is “TBD”). The court, on July 17, 2025, *sua sponte*, modified the schedule by extending certain deadlines and vacating the trial date. *See* EX1034; EX1035. Specifically, the court reset the pretrial conference to April 28, 2026 (EX1035, 1) and ordered that “jury selection and trial date will now be set following the pretrial conference.” EX1034.

The court explained that the adjustments are intended to resolve issues pretrial to ensure trial presentations are fully developed and efficiently delivered. EX1034.

This is understandable, given that the litigation involves eight patents from eight different families, each relating to distinct aspects of sophisticated 4G/5G technologies. *See* Section II.B; *see also Tesla*, IPR2025-00217, Paper 9 at 2-3; *Stratasys*, IPR2025-00531, Paper 10 at 3. It is highly unlikely that the district court will be able to adjudicate all the complex issues involving these eight patents in a single trial. Indeed, it is more likely that multiple trials will be needed to try all eight patents to avoid jury confusion and overload and undue complexity, and to ensure that due process is respected by allowing sufficient time and clarity for each issue to be adjudicated.

Patent Owner contends that the trial will take place “shortly after the pretrial conference.” DD Req. 4. This is pure speculation. To the contrary, Judge Schroeder’s median time-to-trial of 30 months—which, accounts for the more than three-month stay, places the trial no earlier than mid-December 2026, and more likely in early 2027 in view of year-end holidays. Given that the anticipated date of an institution decision is before December 12, 2025, this means that the FWD is likely to issue before the actual trial date. EX1029, 2; *see also* EX1030, 3 (Patent Owner acknowledging that stay was desirable to promote judicial efficiency and that the stay would “not prejudice either Party”). The Director and Board have routinely considered median time-to-trial statistics of *the presiding judge* to more accurately predict actual trial timing. *See, e.g., Amazon.com, Inc. v. NL Giken Inc.*, IPR2025-

00250, Paper 14 at 2 (Director May 16, 2025) (using Judge Noreika’s time-to-trial statistics to predict actual trial timing instead of relying on the scheduled date); *Stratasys*, IPR2025-00321, Paper 10 at 10 (finding *Fintiv* factor 2 neutral or slightly against discretionary denial based on Judge Gilstrap’s time-to-trial statistics, despite an earlier scheduled trial date).

In addition, the very real possibility of a stay being entered in *Pantech II* in view of the newly filed ITC complaint and *Pantech III* further undermines the certainty of the current trial date in *Pantech II*. Post-trial proceedings in *Pantech II* could also substantially delay the final judgment. For example, in *Pantech I*, the final judgment was issued almost 10 months after the first trial. *Compare* EX1031 (first jury verdict dated April 1, 2024) *with* EX1032 (final judgement dated January 23, 2025).

Since no trial is scheduled and Petitioner has requested a stay, trial is unlikely to occur before Judge Schroeder’s median time-to-trial— mid-December 2026, and more likely in early 2027—after the projected FWD date before December 12, 2026. Conversely, the Eastern District of Texas’s median-time-to-trial data (EX2002, 35) cited by Patent Owner is inapplicable because it projected a trial date (January 2026) that falls before the scheduled pretrial conference date (April 28, 2026), which is nonsensical. DD. Req. 6. Under *Fintiv* factor 2, these facts weigh heavily against discretionary denial. *See RØDE Microphones LLC v. Zaxcom, Inc.*, IPR2025-00557,

Paper 11 at 2 (Director July 17, 2025).

Notably, in the companion '637 IPR involved in the same *Pantech II* case and was filed just one and a half months before this IPR, the Director has found that “it is likely that a final written decision in this proceeding will issue before the district court trial occurs.” '637 IPR, Paper 17, at 2. Thus, the same finding should be made here as well.

3. Factor 4: Petitioner’s stipulation to withdraw all §§ 102 and 103 challenges weighs strongly against discretionary denial

Patent Owner mischaracterizes Petitioner’s second stipulation (EX1020) as merely “a *Sotera* stipulation.” DD Req. 9. As explained in Section II.B above, Petitioner’s stipulation is both broader and more straightforward than the *Sotera-plus* stipulation. *See Tesla*, IPR2025-00217, Paper 9 at 2, EX1067 (*Sotera-plus* stipulation); *Stratasys*, IPR2025-00531, Paper 10 at 3, EX1033 (*Sotera-plus* stipulation). Given Petitioner’s broad, categorical stipulation covering all §§ 102 and 103 invalidity grounds, this factor strongly weighs against discretionary denial.

Patent Owner’s arguments regarding adding Guangdong OPPO Mobile Telecommunications Corp., Ltd. (“OPPO”) as a party in *Pantech II* are completely baseless and purely speculative. DD Req. 9. Petitioner does not seek to add OPPO as a party. Indeed, no pleading in *Pantech II* seeks to add OPPO, and Patent Owner

provides no evidence to the contrary. Tellingly, Patent Owner also did not name OPPO as a party in its recently filed *Pantech III* and ITC complaint.

4. Factor 5: The parties are not identical

Factor 5 is whether the petitioner and the defendant in the parallel proceeding are the same party. Here, the parties are not identical. OPPO is identified as a real party-in-interest (“RPI”) in this IPR, but is not a party to *Pantech II*.

5. Factor 6: The strong merits of the Petition weigh against discretionary denial

As explained above in Section II.A, the strong merits of the Petition weigh heavily against discretionary denial. In analyzing this factor, Patent Owner does not dispute the strength of the merits. DD Req. 10.

Instead, Patent Owner asserts that “[t]he district court is fully capable of resolving all issues, and there is no compelling public interest that would justify institution in this case.” *Id.* However, as discussed above, it is unrealistic to fully litigate the invalidity issues in *Pantech II* given the complexity and number of asserted patents, and there is a compelling economic interest in reviewing defective patent claims asserted by an NPE against manufacturers. *See* Sections II.B, II.C.

6. Factor 3: The investment has not been substantial

Because *Pantech II* was stayed for over three months soon after its inception, the investment has not been substantial. Although fact and expert discovery will have closed, that alone does not reflect significant investment—particularly where

(i) fact discovery does not involve substantive rulings on the patents-in-suit, (ii) Patent Owner's discovery responses largely duplicate those from the earlier *Pantech I* case, and (iii) pre-trial briefing will not have been filed. EX1035. Given the complexity of the case and the fact that no trial date is scheduled, as discussed above, it is likely that further modifications to the schedule including fact and expert discovery will take place.

Even if the Director considers the possibility that the trial may occur before the projected FWD date and/or there is meaningful investment in the district case, discretionary denial remains inappropriate. The PTAB is still better suited to review the Petition in this particular case because (i) the prosecution record shows a clear material error by the Office regarding the patentability of the claims (*see* Section II.A.2), and (ii) the parallel district court litigation involves numerous patents covering diverse and complex technologies, making full adjudication impractical (*see* Section II.B)—both consistent with the Director's several recent decisions. *See Microsoft*, IPR2025-00318, Paper 9 at 3 (finding that “it is an appropriate use of Office resources to review the potential error” despite earlier trial date where the petitioner showed material Office error); *Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12 at 3 (Director July 16, 2025) (same); *Tesla*, IPR2025-00217, Paper 9 at 2-3 (finding that “Petitioner's arguments regarding the complex and diverse litigation proceeding tip the balance against discretionary denial” even

with an earlier trial date, no likelihood of stay, and meaningful investment in the district case); *Stratasys*, IPR2025-00531, Paper 10 at 2-3 (finding that Petitioner’s arguments that these factors tip the balance against discretionary denial are persuasive even with an earlier trial date and the patent being in force for about 10 years).

This case particularly parallels *Tesla* and *Stratasys*. In *Tesla*, the Director identified two key factors weighing against discretionary denial: a broad stipulation and strong merits. *Tesla*, IPR2025-00217, Paper 9 at 2. As discussed above, Petitioner’s stipulation here is at least as broad and even more straightforward than in *Tesla* (see Sections II.B, II.E.4), and the Petition similarly presents strong merits, including prior findings regarding unpatentability of related patents with similar claims using the same prior art, and clear examiner error (see Section II.A). Moreover, as in *Tesla*, Petitioner has explained that *Pantech II* involves complex and diverse subject matter across eight patents, making it highly impractical for the district court to fully adjudicate validity—including that of the ’372 Patent—within the limited trial framework. See Section II.B. Such considerations were so strong that the Director found these considerations outweighed the fact that, in *Tesla*, “the scheduled trial date precedes the projected final written decision due date” and that “there has been meaningful investment in the parallel proceeding by the parties.” IPR2025-00217, Paper 9 at 2.

Similarly, in *Stratasys*, the Director highlighted three factors that tip the balance against discretionary denial despite the facts that the FWD will likely be issued after the district court trial and the patent has been in force of about 10 years: (i) a broad stipulation, (ii) the large number and vast scope of the patents asserted in the district court litigation, and (iii) the patent owner's failure to apply the patent in the petitioner's particular technology area. *Stratasys*, IPR2025-00531, Paper 10 at 2-3. All these three factors are similarly present in this IPR proceeding as explained in detail in Sections II.B, II.D, and II.E.4.

III. PATENT OWNER'S CONDUCT IN RELATED LITIGATION, NEGOTIATIONS, AND THIS PROCEEDING WEIGHS AGAINST DISCRETIONARY DENIAL

Patent Owner distorts and mischaracterizes the parties' prior litigation in *Pantech I*, notably without citing the actual record. A full review of that case shows that both the district court and the jury found Patent Owner engaged in improper conduct, violating its FRAND obligations. Patent Owner's pattern of litigation and licensing misconduct—along with its continued gamesmanship in this IPR—weighs against discretionary denial and supports institution.

A. Patent Owner's Allegations of "Bad Faith" Are Baseless and Ignore Its Own Misconduct

Patent Owner's allegations of Petitioner's "bad faith" are unfounded and overlook its own conduct. DD Req. 13-14.⁹ Beginning in July 2021, Patent Owner demanded that Petitioner engage in negotiations for a license to a patent portfolio including over 1,400 patents. Patent Owner has never offered Petitioner a license to the '372 Patent by itself. Petitioner neither needs nor wants a license for the entire portfolio.

Patent Owner's portfolio includes numerous patents it claims are standards-essential patents (SEPs), which must be licensed on FRAND terms. *TCL Commc'n Tech. Holdings Ltd. v. Telefonaktiebolaget LM Ericsson*, 943 F.3d 1360, 1364 (Fed. Cir. 2019). Petitioner, for its part, responded to Patent Owner's licensing demands by requesting details regarding Patent Owner's infringement allegations and raising concern that Patent Owner's offered rate was not FRAND. Rather than ignoring Patent Owner, Petitioner showed its commitment to complete the task of identifying the patents in Patent Owner's portfolio, which were truly SEPs and would be licensed at a FRAND rate. But Patent Owner abandoned negotiations and chose to litigate on a small subset of patents.

⁹ Patent Owner's entire argument about Petitioner's supposed bad faith and Patent Owner's alleged license offers based on FRAND terms is based solely on attorney argument without any supporting documentation. DD Req. 13-14.

In fact, the record in *Pantech I* confirms that Petitioner has consistently negotiated licenses in good faith. Petitioner has entered into licensing agreements with more than a dozen other companies—including NPEs like Patent Owner.

B. Patent Owner’s Litigation Misconduct Incited the Bias of the First Jury and Required a Second Trial

Patent Owner’s invocation of “the equities for the parties’ conduct” (DD Req. 14) and its self-serving contentions that it engaged in “good-faith efforts” (*id.*) ignore its misconduct during *Pantech I*. Following the trial in that case, the district court found that the Patent Owner’s conduct before the jury was so prejudicial that a retrial on damages was required. *Pantech I*, 2024 LEXIS 242332, *37–44 (E.D. Tex. August 14, 2024) (finding, *inter alia*, that “[m]ost prejudicial are Pantech’s excessive questions about litigation in the United Kingdom and Germany and Pantech’s closing arguments that suggested to the jury that they should increase the damages to punish OnePlus for its holdout behavior” and that “Pantech also inappropriately leveraged this prejudicial evidence during its closing arguments to seek punitive damages.”). This same misconduct infected the jury’s findings as to infringement, willfulness, and invalidity—findings that are currently the subject of an appeal. *See Pantech Corp. v. OnePlus Tech. (Shenzhen) Co., Ltd.*, Appeal No. 2025-1629 (Fed. Cir. 2025).

Patent Owner relies upon a finding of willful infringement by the first jury to paint Petitioner in a bad light. However, that verdict was clouded by bias and prejudice, and the district court declined to enhance damages. EX1032 at 2; EX1033 at 15 (“the infringement period was not long, and the accused products used on the off-the-shelf components and publicly available code, and Defendant’s pre- and post-trial behavior as to the SEPs was tied closely to its reasonable belief that Plaintiffs’ offer was not FRAND”).

C. The Jury Verdict Demonstrates Patent Owner’s Licensing Demands Constituted “Holdup”

Indeed, the unreasonableness of Patent Owners’ licensing demands is evident in view of the recent jury verdict in *Pantech I*, awarding Patent Owner only a fraction of that amount, which is less than what Patent Owner requested the jury to award. The second jury’s findings in *Pantech I* illustrate Patent Owner’s failure to comply with its own FRAND obligations, *i.e.*, its own holdup conduct, which weighs against its equity-focused argument for discretionary denial. *See Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324 U.S. 806, 814 (1945) (“he who comes into equity must come with clean hands”) (internal citations and quotation marks omitted).

D. Patent Owner’s Conduct in this Proceeding Should Not Be Rewarded

Patent Owner has also repeatedly engaged in procedural gamesmanship throughout this IPR proceeding.

First, Patent Owner repeatedly delayed filing its Mandatory Notices in nearly all eight IPR proceedings against the patents asserted in *Pantech II*—ignoring the 21-day deadline set by 37 C.F.R. § 42.8(a)(2), despite multiple reminders from Petitioner. For example, in this proceeding, Patent Owner filed its Mandatory Notice 22 days after service of the Petition. Similar delays occurred in the '763 IPR (3 months and 12 days), '637 IPR (27 days), IPR2025-00888 (25 days), IPR2025-00783 (25 days), IPR2025-00720 (22 days), and IPR2025-00756 (22 days).

Second, Patent Owner's DD Request contains clear misrepresentations. For example, Patent Owner contends that, in *Pantech I*, “the court denied Petitioner's motions for judgment as a matter of law.” DD Req. 14. In reality, the district court in *Pantech I* **granted** judgment of a matter of law of non-infringement for one of the patents Patent Owner raised at trial, finding that Patent Owner failed to meet its burden. *Pantech I*, 2024 LEXIS 242332, *13-18 (E.D. Tex. August 14, 2024). In alleging Petitioner's “refusal to negotiate in good faith and its holdout tactics,” Patent Owner claims that “Petitioner's conduct has already been found to be unjust.” DD Req. 14-15. This is untrue. As noted above, the district court found that Petitioner actions were supported by its reasonable belief that Patent Owner was not making a FRAND offer.

Such repeated gamesmanship by Patent Owner in this proceeding should not be rewarded with discretionary denial of institution.

IV. CONCLUSION

For the above reasons, Petitioner respectfully requests that the Director refrain from exercising discretion to deny this Petition, and instead pass it to a merits panel for consideration.

Respectfully submitted,

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CERTIFICATION UNDER 37 C.F.R. § 42.24

This Petitioner's Opposition to Patent Owner's Request for Discretionary Denial complies with the requirements of 37 C.F.R. § 42.24. As calculated by the word count feature of Microsoft Word, it contains 10,544 words, excluding the parts exempted by § 42.24.

/Zhiwei Zou/

Zhiwei (Wayne) Zou

Registration No. 66,041

Lead Counsel for Petitioner

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing **Petitioner's Opposition to Patent Owner's Request for Discretionary Denial and Exhibits 1021-1043** were served on September 12, 2025, via email, as agreed to by counsel of record for the Patent Owner, at the following.

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Dated: September 12, 2025

/Zhiwei Zou/

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