

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VOLKSWAGEN GROUP OF AMERICA, INC.,

Petitioner,

v.

LONGHORN AUTOMOTIVE GROUP LLC,

Patent Owner.

Patent No. 8,085,192

Filing Date: April 5, 2010

Issue Date: December 27, 2011

Title: DEVICE, SYSTEM AND METHOD FOR
CONTROLLING AND STORING SENSITIVE
INFORMATION ON A GPS DEVICE

Inter Partes Review No. IPR2025-00925

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

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List of Exhibits

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1001	U.S. Patent No. 8,085,192 (“the ’192 patent”)
1002	Declaration of William R. Michalson, Ph.D. (“Michalson”)
1003	Prosecution History of the ’192 Patent (“Prosecution History”)
1004	U.S. Patent No. 6,490,513 to Fish et al. (“ <i>Fish</i> ”)
1005	U.S. Patent Publication No. 2004/0103288 A1 to Ziv et al. (“ <i>Ziv</i> ”)
1006	U.S. Patent No. 6,310,542 to Gehlot (“ <i>Gehlot</i> ”)
1007	European Patent Application No. EP0962894 A2 to Stevenson et al. (“ <i>Stevenson</i> ”)
1008	U.S. Patent No. 4,114,155 to Raab (“ <i>Raab</i> ”)
1009	U.S. Patent No. 5,751,228 to Kamiya et al. (“ <i>Kamiya</i> ”)
1010	U.S. Patent No. 4,161,730 to Anderson (“ <i>Anderson</i> ”)
1011	International Publication No. WO 91/09275 to Kyrtos et al. (“ <i>Kyrtos</i> ”)
1012	International Publication No. WO 89/05255 to Whyntie (“ <i>Whyntie</i> ”)
1013	U.S. Patent No. 5,525,998 to Geier (“ <i>Geier</i> ”)
1014	Reissued Patent No. RE 35,920 to Sorden et al. (“ <i>Sorden</i> ”)
1015	U.S. Patent No. 5,416,712 to Geier et al. (“ <i>Geier IP</i> ”)
1016	U.S. Patent No. 5,777,580 to Janky et al. (“ <i>Janky</i> ”)
1017	U.S. Patent No. 5,508,931 to Snider (“ <i>Snider</i> ”)
1018	U.S. Patent No. 6,791,472 to Hoffberg (“ <i>Hoffberg</i> ”)
1019	Model Year 2005 Acura RL Navigation System User Manual (“ <i>Acura User Manual</i> ”)
1020	U.S. Patent No. 6,801,855 to Walters et al. (“ <i>Walters</i> ”)
1021	U.S. Patent No. 6,748,536 to Madau (“ <i>Madau</i> ”)
1022	U.S. Patent No. 7,212,989 to Taniguchi et al. (“ <i>Taniguchi</i> ”)
1023	U.S. Patent No. 5,926,546 to Maeda et al. (“ <i>Maeda</i> ”)
1024	U.S. Patent No. 6,950,013 to Scaman et al. (“ <i>Scaman</i> ”)
1025	Prosecution History of U.S. Patent Application No. 13/326,214
1026	Curriculum Vitae of William R. Michalson, Ph.D.
1027	Fourth Amended Docket Control Order, <i>Longhorn Automotive Group LLC v. Volkswagen AG</i> , Case No. 2:24-cv-00933-JRG (E.D. Tex. May 15, 2025) (ECF No. 58)
1028	Plaintiff Longhorn Automotive Group LLC’s Notice of Compliance with Service of Its P.R. 3-1 and 3-2 Infringement Contentions,

Exhibit	Description
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1032	Civil Court Docket, <i>Longhorn Automotive Group LLC v. Volkswagen AG</i> , Case No. 2:24-cv-00933-JRG (Aug. 20, 2025)
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1039	First Amended Docket Control Order, <i>Pictiva Displays International Ltd. v. Samsung Electronics Co., Ltd. et al.</i> , Case No. 2:23-cv-00495-JRG-RSP (E.D. Tex. April 21, 2025) (ECF No. 224)
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1041	Docket Control Order, <i>Cyandia, Inc. v. SAP America, Inc. and SAP SE</i> , Case No. 2:24-cv-00096-JRG (E.D. Tex. June 17, 2024) (ECF No. 32)
1042	First Amended Docket Control Order, <i>Cyandia, Inc. v. SAP America, Inc. and SAP SE</i> , Case No. 2:24-cv-00096-JRG (E.D. Tex. May 9, 2025) (ECF No. 102)
1043	Civil Court Docket, <i>Cyandia, Inc. v. SAP America, Inc. and SAP SE</i> , Case No. 2:24-cv-00096-JRG (E.D. Tex. 2025)
1044	Docket Control Order, <i>Emerging Automotive LLC v. KIA Corporation et al.</i> , Case No. 2:23-cv-00437-JRG (E.D. Tex. Feb. 6, 2024) (ECF No. 40)
1045	First Amended Docket Control Order, <i>Emerging Automotive LLC v. KIA Corporation et al.</i> , Case No. 2:23-cv-00437-JRG (E.D. Tex. May 21, 2025) (ECF No. 265)

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1049	Assignment Record 65227-107
1050	Assignment Record 65015-773
1051	Assignment Record 37535-104
1052	Assignment Record 27990-946
1053	Assignment Record 27990-854
1054	Assignment Record 22427-208
1055	Assignment Record 27983-476
1056	“Critics Call Him a Patent Troll. He Prefers Modern-Day Edison,” Bloomberg Law (Oct. 23, 2023)
1057	Defendant Volkswagen AG’s Motion to Dismiss, <i>Longhorn Automotive Group LLC v. Volkswagen AG</i> , Case No. 2:24-cv-00933-JRG (E.D. Tex. April 4, 2025) (ECF No. 28)
1058	Civil Court Docket, <i>Longhorn Automotive Group LLC v. Volvo Car Corp. et al.</i> , Case No. 2:24-cv-00603-JRG (E.D. Tex. Aug. 21, 2025)
1059	About Volkswagen Group of America, Inc. (2025)
1060	Chattanooga Facts Official Media Site Newsroom (2025)

I. Introduction

Longhorn's request for discretionary denial (Paper 6, "Request") should be rejected. There is no dispute that (1) the Examiner objectively erred during prosecution in understanding what limitations the claims contained; (2) the lead prior art reference here, *Fish*, remedies that misunderstanding; (3) this IPR challenges three claims not asserted by Patent Owner in district court litigation; and (4) the official and most recent federal government statistics demonstrate that the actual trial date will likely be 1.5 months *after* a FWD from the Board here. Patent Owner's settled expectations when buying the '192 patent must necessarily account for the fact that the patent was allowed in error, *Fish* remedies that error, and indeed the '192 patent's child application was abandoned after *Fish* was eventually discovered and applied in rejections during prosecution of the child application. Given the uncontested facts here, Patent Owner must have known and expected that the '192 patent should never have issued.

Every other consideration also weighs against discretionary denial or is neutral. Patent Owner has served no discovery requests to Petitioner in litigation—whether interrogatories, document requests, requests for admission, requests for deposition, or otherwise. Contrary to Patent Owner's unexplained generalities, it is untrue that "the parties (and Patent Owner in particular) have invested significant resources" in the litigation. Paper 6, at 3. The court likewise has not issued any

substantive rulings in the litigation. This Petition was extraordinarily timely, coming just three weeks after infringement contentions and five months before invalidity contentions. And while Petitioner included a broad stipulation in the Petition, it includes a far broader stipulation here, ensuring this IPR will be the sole proceeding adjudicating the patentability of the '192 patent based on prior art. Numerous other considerations too, as detailed below, demonstrate that this IPR is worthy of the Board's resources to review.

Patent Owner's arguments for discretionary denial are all misplaced. They range from factual errors (e.g., asserting that "the issues in the parallel District Court litigation are identical to this proceeding"), *id.* at 3, to procedural errors (e.g., identifying only a preliminarily scheduled trial date, not the statistics-based trial date as embraced by the Board), *id.* at 1, to legal errors (e.g., considering under *Fintiv* Factor 1 whether a stay is likely pre-, not post-institution), *id.* at 8-9.

II. The '192 Patent Was Allowed in Error

The '192 patent was allowed with an incorrect understanding of what its claims recite. Paper 1, at 1, 5. The Examiner allowed all of claims 1-22 based on the following conclusion:

Allowable Subject Matter

1. The following is an examiner's statement of reasons for allowance: The closest prior arts does not teach or make obvious:
 - "A **removable storage module** for storing the encrypted location ..."

Ex-1003, at 143 (emphasis added). No other reason for allowance was identified.

The Examiner's conclusion was mistaken because only independent claims 1 and 19 recite a "***removable*** storage module." Independent claims 13 and 22 more broadly recite a "***storage module***."

This misapprehension of the claims makes the present IPR challenge especially apt, since prior art not before the Examiner—e.g., *Fish*—plainly teaches this purportedly missing claim element. Indeed, *Fish* teaches a "removable storage module" in precisely the same form as the '192 patent itself: e.g., secure digital (SD) memory. Paper 1, at 1, 5. While *Fish* was not considered during examination of the '192 patent, it was cited by the Examiner during prosecution of the child application, and was used in a claim rejection before the applicant abandoned that application. See Ex-1002, ¶123.

Fish discloses "a data archive system for securely archiving signals, and, more particularly, to a mobile data archive system which authenticates and records operational and situational data concerning a[] vehicle." Ex-1004, at 1:6-9. Like

the '192 patent, *Fish* discloses storing sensitive vehicle data securely, including GPS location information. *Id.*, at Abstract, 1:5-9, 4:22-29, 5:27-32, 7:6-52, Figs. 1-2; Ex-1002, ¶¶124-125. Just like the '192 patent, *Fish* uses “**secure memory 18** [which may be] a **removable** non-volatile memory device such as a **secure digital (SD) memory** device or any of a number of other commercially available non-volatile memory devices.” Ex-1004, at 7:6-29 (emphasis added); Ex-1002, ¶¶127, 170. The '192 patent's removable memory is likewise described as “removable memory cards or cartridges including CompactFlash, **SD memory**, Memory Stick, etc.” Ex-1001, at 2:3-5 (emphasis added); *see also id.*, at 4:52-53 (“**SD (Secure Digital) memory**; or any other memory storage that exists currently or will exist in the future.”). *Fish*'s “**secure memory 18** is **removable** to allow for easy access to the data after an accident.” Ex-1004, at 7:6-29; Ex-1002, ¶170; Paper 1, at 38. *Fish*'s **removable secure memory 18** is shown in Fig. 2, reproduced below with annotations.

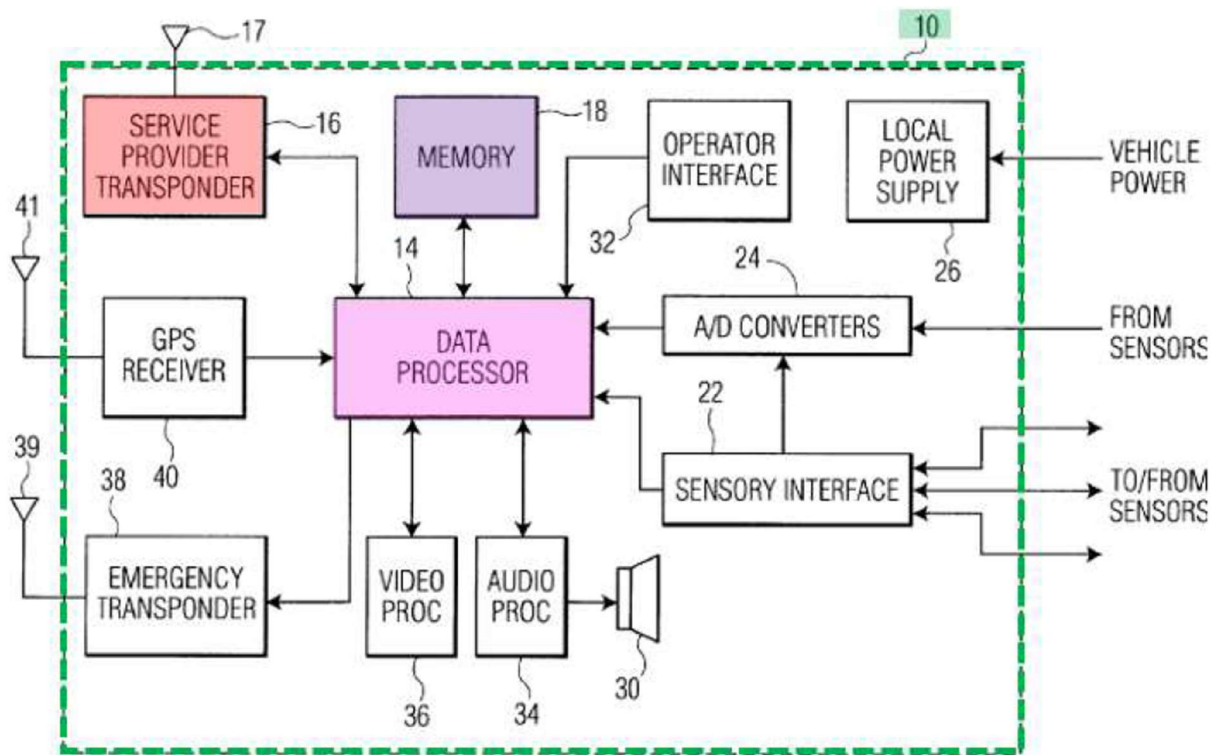


FIG. 2

Petitioner explained this error by the Examiner in detail. Paper 1, at 1, 5. Petitioner also explained how *Fish* remedies the supposed deficiency in the prior art before the Examiner. *Id.*, at 5, 13, 38-39. Patent Owner does not respond. *See generally* Paper 6. Patent Owner does not address the Examiner's reason for allowance or the "removable" storage module limitation. Nor does Patent Owner address *Fish* at all. On this record, it is undisputed that the '192 patent was allowed in error and that *Fish* discloses what the Examiner believed was missing in the art.

When the Office materially errs during prosecution, this weighs heavily against discretionary denial, regardless of the trial date or issue date of the challenged patent. *See, e.g., Microsoft Corp. v. Partec Cluster Competence Ctr.*

GmbH, IPR2025-00318, Paper 9, at 3 (P.T.A.B. June 12, 2025) (“Although the scheduled district court trial is set to *precede* the expected final written decision due date by a month [], discretionary denial of institution is not warranted because of Petitioner’s showing of material error during patent examination.”) (emphasis added); *Anthony, Inc. v. Controltec, LLC*, IPR2025-00559, Paper 12, at 2 (P.T.A.B. July 16, 2025) (referring to the panel and finding that petitioner’s showing of material error favored referring to panel for *17- and 18-year old patents*); *Tesla, Inc. v. Charge Fusion Techs., LLC*, IPR2025-00152, Paper 11, at 2 (P.T.A.B. June 12, 2025) (referring to the panel where “Petitioner provides persuasive evidence that the Office erred in a manner material to the patentability of the challenged claims by overlooking the teachings of [a reference during prosecution].”). Indeed, the error during examination here is virtually identical to that considered in *Skullcandy, Inc. v. Earin AB*, IPR2025-00690, Paper 9 (P.T.A.B. July 31, 2025). There, the “examiner identified a ‘wherein’ clause listing various structural features . . . as the reason for allowance of the challenged claims,” yet “[t]he challenged claims . . . do not recite those features.” *Id.*, at 2. Because of this “material error by the Office,” IPR was deemed an “appropriate use of Board resources” and discretionary denial was rejected. *Id.* The same is true here, and *Fish*’s clear teaching of what the Examiner believed was missing weighs even more heavily against discretionary denial.

Here, the Examiner's mistake during prosecution, *Fish's* negation of the Examiner's reason for allowance, and Patent Owner's silence regarding these facts all weigh strongly against discretionary denial.

III. The *Fintiv* Factors Weigh Against Discretionary Denial

A. Factor 1 (Likelihood of a Stay) is Neutral Given the Many Ongoing Post-Grant Challenges to the Asserted Patents

Factor 1, considered in terms of how the district court actually rules on post-institution motions to stay, is neutral. Patent Owner's argument to the contrary is legally erroneous: it focuses on the likelihood of a stay "before institution" and fails to address the district court's willingness to grant stays post-institution. Paper 6, at 8-9.

Fintiv Factor 1 is concerned with whether a stay exists or may be granted "if a proceeding is *instituted*." *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6 (P.T.A.B. Mar. 20, 2020) (emphasis added). Patent Owner argues "there is no stay in the parallel District Court Litigation, and a stay will likely not be entered before an institution decision here." Paper 6, at 3; *see also id.*, at 8. This argument is circular and incomplete—it fails to address the likelihood of a *post*-institution stay, as contemplated by *Fintiv*. Where, as here, "the record contains adequate evidence that the District Court may grant a stay upon institution," even if "not specifically directed to this proceeding," this weighs against discretionary denial. *See Juniper*

Networks, Inc. v. Packet Intelligence LLC, IPR2020-00336, Paper 21, at 16 (P.T.A.B. Sept. 10, 2020) (“[T]he District Court’s statements provide some evidence that it *may* grant a stay upon institution considering all circumstances at the time the motion is filed”—“This is all the first *Fintiv* factor asks.”) (emphasis in original).

Given the facts here, a stay is possible. In the district court case, a *Markman* hearing will not be held until **three months** after the DI deadline, confirming the district court will have yet to invest significant resources. Ex-1027 at 4. Indeed, *Markman briefing* will not have begun by then. *Id.* at 5. Moreover, fact discovery will remain open more than **four months** thereafter, and expert discovery will not have begun. *Id.* at 4. As the court has characterized a more advanced schedule, “[t]he most burdensome parts of the case—filing and responding to pretrial motions, preparing for trial, going through the trial process, and engaging in post-trial motions practice—all lie in the future.” *Cywee Grp. Ltd. v. Samsung Elecs. Co.*, No. 2:17-CV-00140-WCB, 2019 WL 11023976, at *6, *10 (E.D. Tex. Feb. 14, 2019) (Bryson, J., of the Federal Circuit sitting by designation) (granting stay although “claim construction had been conducted and discovery was nearly complete”). By the DI deadline in the present case, the *Markman* hearing, fact and expert discovery, and all the “most burdensome parts” of the case will have yet to occur.

The district court often stays litigation even when the FWD deadline lags the scheduled trial date by several months. *See, e.g., Commc’n Techs., Inc. v. Samsung*

Elecs. Am., Inc., No. 2:21-cv-00444-JRG, 2023 WL 1478447, at *1, *5 (E.D. Tex. Feb. 2, 2023) (Gilstrap, J.) (five months); *Broadphone LLC v. Samsung Elecs. Co.*, No. 2:23-cv-00001-JRG, 2024 WL 3524022, at *2-3 (E.D. Tex. July 24, 2024) (Gilstrap, J.) (three months). Here, a FWD will likely *precede* the expected trial date by 1.5 months. *See infra* § III.B. This timing is more favorable for a stay than many cases in which the court has granted a stay. *See, e.g., Resonant Sys., Inc. v. Samsung Elecs. Co., Ltd.*, No. 2:22-cv-00423-JRG, 2024 WL 1021023, at *2-4 (E.D. Tex. Mar. 8, 2024) (Gilstrap, J.) (granting stay with claim construction briefing underway, two depositions taken, close of fact discovery two months away, and IPR filed three months after invalidity contentions); *Commc’n Techs.*, 2023 WL 1478447, at *3 (“[W]ith the close of discovery, the claim construction hearing, and the trial setting all in the future, the Court concludes that this factor weighs in favor of a stay. . . .”); *Broadphone*, 2024 WL 3524022, at *2-3 (granting stay motion where “[a] significant amount of discovery remains, the claim construction hearing has not occurred, and trial is currently [7 months away]”); *e-Watch Inc. v. Apple, Inc.*, No. 2:13-cv-1061-JRG, 2015 WL 12915668, at *3 (E.D. Tex. Mar. 25, 2015) (granting a stay partially because, “[b]y the time [Defendant] filed its renewed motion, the claim construction briefing process . . . had not yet fully completed, . . . over three-and-a-half months remained within the fact discovery period . . . and over five months remained within the expert discovery period” (citations omitted)).

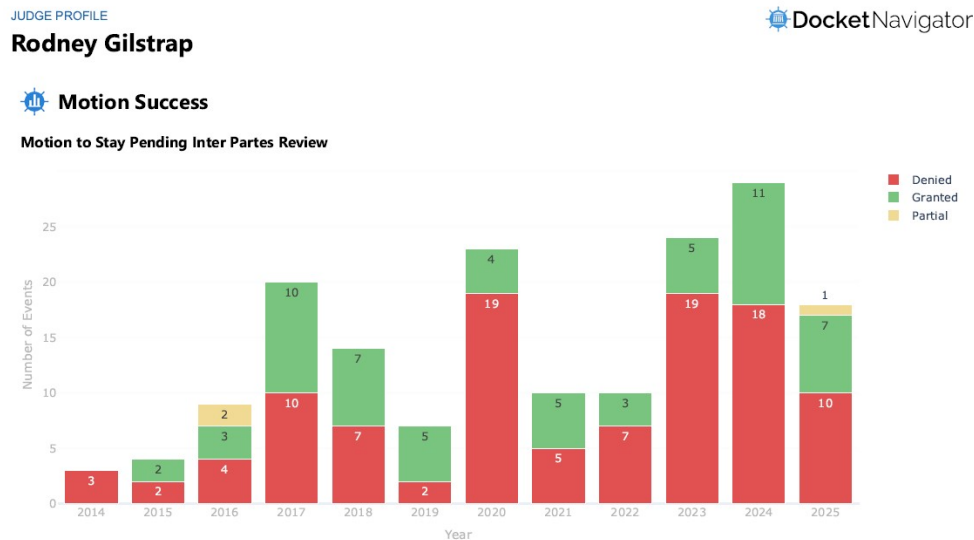
Further, Petitioner diligently and expeditiously filed the Petition just **three weeks** after Patent Owner’s service of infringement contentions. Ex-1028. That is extraordinarily fast. *See Samsung Elecs. Co., Ltd v. Mojo Mobility Inc.*, IPR2023-01090, Paper 11, at 19 (P.T.A.B. Jan. 11, 2024) (finding “Petitioner was diligent in filing the Petition, which was filed within **four months** of service of infringement contentions”) (emphasis added); *Samsung Elecs. Co., Ltd. v. CardWare Inc.*, PGR2023-00012, Paper 14, at 19 (P.T.A.B. Aug. 11, 2023) (finding “the Petition was expeditious” where filed “**four months** after the service of preliminary infringement contentions”) (emphasis added). Indeed, the Petition was filed **five months before** invalidity contentions are due. Ex-1027. That is also extraordinarily quick. *See Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01374, Paper 19, at 19 (P.T.A.B. Apr. 29, 2025) (finding “Petitioner was diligent in filing its Petition” two months before invalidity contentions); *Tesla, Inc. v. Autonomous Devices, LLC*, IPR2023-01172, Paper 21, at 9 (P.T.A.B. Jan. 8, 2024) (finding petitioner’s “diligence in filing the Petition . . . before serving its initial invalidity contentions . . . weighs against discretionary denial”); *Apple Inc. v. Parus Hldgs., Inc.*, IPR2020-00686, Paper 9, at 14-15 (P.T.A.B. Sept. 23, 2020) (finding “Petitioner acted expeditiously” where petition was filed “just after” invalidity contentions). As discussed above, Judge Gilstrap grants stays in cases with more

advanced schedules than the present case. *See, e.g., Commc'n Techs.*, 2023 WL 1478447, at *3; *Resonant Sys.*, 2024 WL 1021023, at *2-4.

Lastly, while Patent Owner asserts that the court “routinely denies requests to stay pending IPRs before institution on all asserted claims of all Asserted Patents,” Paper 6 at 8, here each of Patent Owner’s five asserted patents has an active post-grant validity challenge. In addition to the present proceeding, U.S. Patent No. 7,513,238 is challenged in *Nissan Motor Co., Ltd. v. Longhorn Automotive Group LLC*, IPR2025-01089 (P.T.A.B.); U.S. Patent No. 7,987,002 is challenged in *Ex Parte* Reexamination Control No. 90/019,867, with an office action dated August 6, 2025, rejecting 10 claims; U.S. Patent No. 8,265,353 is challenged in *Volkswagen Group of Am., Inc. v. Longhorn Automotive Group LLC*, IPR2025-01064 (P.T.A.B.); and U.S. Patent No. 8,810,803 is challenged in *Koito Mfg. Co., Ltd. v. Longhorn Automotive Group LLC*, IPR2025-00955 (P.T.A.B.). Nevertheless, given the pending status of these challenges to the asserted patents, and the potential for others in the future, this factor should be weighed neutrally. *See Nikon Corp.*, IPR2024-01374, Paper 19, at 10 (concluding “[w]e will not attempt to predict how the court in the parallel district court proceedings would proceed if a stay is requested because the court may determine whether or not to stay any individual case based on a variety of circumstances and facts beyond our control and to which the Board is not privy,” and weighing Factor 1 neutrally). By contrast, Patent Owner’s reliance on *Force*

Mos Technology, Co., Ltd. v. ASUSTek Computer, Inc. is inapt, since in that case only two of the three asserted patents were challenged, the petition was filed nearly a year after the case was filed, and the petition was filed more than five months after infringement contentions were served. No. 2:22-CV-00460-JRG, 2024 WL 1586266, at *3 (E.D. Tex. Apr. 11, 2024). No comparable circumstances exist here.

Further, based on Docket Navigator statistics, Judge Gilstrap has trended toward granting motions to stay both IPRs and requests for reexamination in recent history. *See* Ex-1029, Ex-1030.



Ex-1029

JUDGE PROFILE

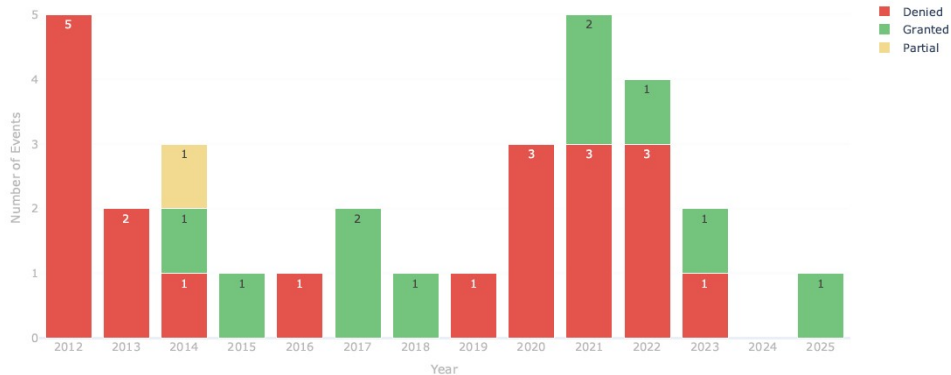
Rodney Gilstrap

 DocketNavigator



Motion Success

Motion to Stay Pending Reexamination



This chart shows the [Results](#) of the selected [Type of Document](#) decided by the selected Judge. [Results](#) are grouped into one of three broad categories: Granted, Denied, and Partial. [Learn more here.](#)

Ex-1030

Notably, included in the calculations of denials are requests for stay filed prior to the institution of Patent Office challenges which are denied without prejudice, with the understanding that motions will be refiled and likely granted following institution. The actual grant-rates are thus higher than they may appear. Based on these statistics and trends, it is likely that a stay will be granted in the parallel litigation post-institution.

Thus, Factor 1, properly considered for how the district court will likely rule post-institution under the particular facts here, should weigh neutrally.

B. Factor 2 (Parallel Trial Date) Weighs Against Discretionary Denial Because the Board is Likely to Issue a Final Written Decision 1.5 Months Before a District Court Trial

Factor 2 weighs against discretionary denial because the Board will likely issue its FWD **1.5 months before** any district court trial, and well before the district court renders its final judgment. Patent Owner’s contrary argument is artificial because it fails to account for any statistical time-to-trial data for the district court, which the Board regularly considers instead of just initially scheduled trial dates. According to the current and official federal government statistics for the Eastern District of Texas, trial is expected to begin approximately 25.9 months from the filing of the case. Ex-1031 at 35.¹ Trial will likely begin in **mid-January 2027**—1.5 months **after** a FWD.

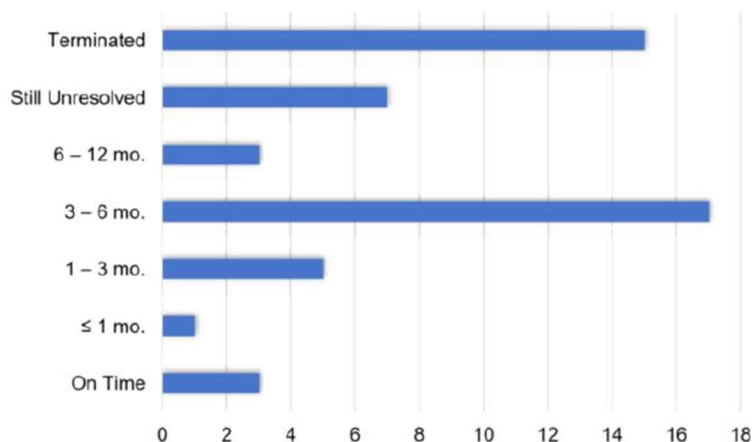
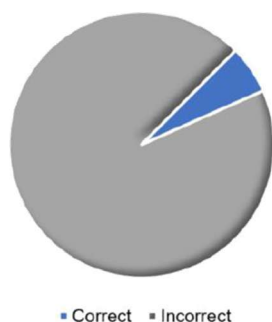
The Board routinely considers statistical time-to-trial data for cases before the district court in evaluating *Fintiv* Factor 2, not merely initially scheduled trial dates. *See, e.g., Aylo Freesites Ltd v. WellcomeMat, LLC*, IPR2024-00710, Paper 13, at 14-15 (P.T.A.B. Sept. 5, 2024) (considering “recent **median time-to-trial statistics** for the Eastern District of Texas” making FWD date two months before expected trial date, and finding “*Fintiv* Factor 2 weighs against” discretionary denial) (emphasis

¹ The actual date is likely to be later, since this case took substantial time to accomplish service for the foreign defendants—2.5 months for Volkswagen AG and 6 months for Audi AG. Ex-1032, at 5, 8.

added); *Shenzhen Tuozhu Tech. Co., Ltd. v. Stratasys, Inc.*, IPR2025-00321, Paper 10, at 10 (P.T.A.B. June 18, 2025) (considering “recent ***median time-to-trial statistics*** for Judge Gilstrap” and finding “this factor is neutral or weighs slightly against discretionary denial”) (emphasis added); *BOE Tech. Group Co., Ltd. v. Optronix Sciences, LLC*, IPR2024-01133, Paper 16, at 10-11 (P.T.A.B. Jan. 27, 2025) (considering “***median time to trial***” statistics for Judge Gilstrap to conclude that trial “is around the same time or after the” FWD date, and thus “this factor weighs against” discretionary denial) (emphasis added).

The Board considers statistically forecasted trial dates over initially scheduled dates for good reason. The district court case here is scheduled for jury selection on August 17, 2026, but 10 cases are scheduled to begin jury selection that day alone, with 31 cases scheduled to begin jury selection throughout August 2026. *See* Ex-1033. The trial date is statistically very likely to be delayed, as shown below. *See* Ex-1034 (studying reliance on the initially scheduled trial dates in *Fintiv* analysis and finding the dates were “wrong 94% of the time” compared to the actual trial dates, the vast majority being delayed 3-6 months). Statistically, trial in the present case likely will begin well after the FWD deadline.

PTAB Accuracy Predicting Future Trial Dates



Ex-1034, at 2-3

As described in the table below, data from Docket Navigator indicates that of the cases before Judge Gilstrap making it to trial in the last year, *all* cases except one were delayed—half by four months or more. Ex-1035. Statistically, therefore, the Board will likely reach a FWD before trial begins (especially since the Board often issues DIs and FWDs before their statutory deadlines).

Case	Filing	Original Trial	Actual Trial	Days Trial Delayed
<i>Mojo Mobility Inc v. Samsung Elecs. Co., Ltd., et al.</i> , No. 2-22-cv-00398	10/7/2022	8/5/2024	9/6/2024	32
<i>Pardalis Tech. Licensing, LLC v. Int'l Bus. Machines Corp.</i> , No. 2-22-cv-00452	11/22/2022	8/19/2024	9/20/2024	32

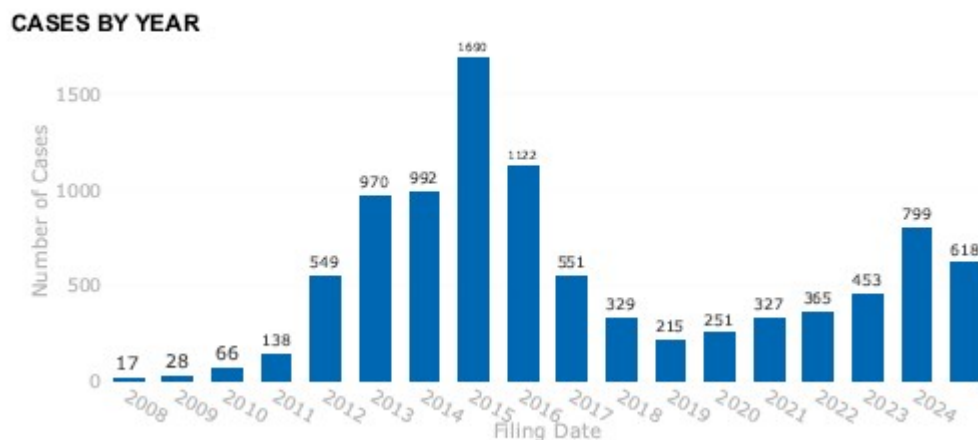
<i>Touchstream Techs., Inc. d/b/a Shodogg v. Charter Commc'ns, Inc. et al.</i> , No. 2-23-cv-00059	2/16/2023	10/28/2024	3/3/2025	126
<i>Headwater Research LLC v. Samsung Elecs. Co., Ltd. et al.</i> , No. 2-23-cv-00103	3/10/2023	1/6/2025	4/21/2025	105
<i>General Access Solutions, Ltd. v. T-Mobile US, Inc. et al.</i> , No. 2-23-cv-00158	4/6/2023	1/27/2025	4/7/2025	70
<i>Daingean Techs. Ltd. v. T-Mobile USA, Inc. et al.</i> , No. 2-23-cv-00347	7/24/2023	4/7/2025	7/7/2025	91
<i>Headwater Research LLC v. Verizon Commc'ns Inc. et al.</i> , No. 2-23-cv-00352	7/28/2023	5/19/2025	7/16/2025	58
<i>Empire Tech. Development LLC v. Samsung Elecs. Co., Ltd. et al.</i> , No. 2-23-cv-00427	9/18/2023	6/23/2025	6/23/2025	0
<i>Netlist, Inc. v. Samsung Elecs. Co., Ltd. et al.</i> , No. 2-22-cv-00293	8/1/2022	4/15/2024	11/12/2024	211
<i>Correct Transmission, LLC v. Nokia Corp. et</i>	9/2/2022	4/15/2024	10/30/2024	198

<i>al.</i> , No. 2-22-cv-00343				
<i>Headwater Research LLC v. Samsung Elecs. Co., Ltd. et al.</i> , No. 2-22-cv-00422	10/26/2022	8/5/2024	1/13/2025	161
<i>Force MOS Tech. Co., Ltd. v. ASUSTeK Computer, Inc.</i> , No. 2-22-cv-00460	11/28/2022	10/7/2024	2/7/2025	123
<i>Multimedia Techs. Pte. Ltd. v. LG Elecs. Inc. et al.</i> , No. 2-22-cv-00494	12/23/2022	11/18/2024	5/19/2025	182
<i>General Access Solutions, Ltd. v. Cellco Partnership d/b/a Verizon Wireless et al.</i> , No. 2-22-cv-00394	10/10/2022	6/24/2024	12/6/2024	165
			Average	111

Ex-1035 Judge Gilstrap Trial Delays (Past Year)

These delays are almost certain to worsen by the scheduled jury selection date here. The trials above involve cases filed in 2022 and 2023. *Id.* The present case was filed in late 2024. As indicated below, the district court’s case filings have essentially ***doubled*** since 2022 and 2023—a continuing trend—with 927 cases projected by the end of 2025 based on caseload to date. *See* Ex-1036. This is also suggested by the federal judicial data noted above, which show a continuously

increasing time-to-trial in the Eastern District of Texas: 19.0 months in 2023, 21.3 months in 2024, and 25.9 months in 2025. Ex-1031. Delays are thus likely to lengthen, and delays last year already averaged nearly four months, ranging up to seven months. See Ex-1035. Just 1 of 14 jury trials began as scheduled. *Id.*



Ex-1036 Judge Gilstrap Docketed Cases by Year

The main purpose of *Fintiv* Factor 2 is to ensure efficiency and avoid duplicative efforts. Given Petitioner’s broad stipulations here, there can be no repetition or inefficiency: the IPR would be a true alternative for prior art challenges, as Congress intended. See 77 Fed. Reg. at 48612 (Aug. 14, 2012) (“The purpose of the AIA and this final rule is to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.”).

Patent Owner’s cited cases are all irrelevant because, unlike here, they concern situations where a district court trial date precedes a FWD. In *Supercell Oy*

v. Gree, Inc., the trial date was nearly 11 months **before** the FWD date, and had special certainty since it was “accelerated” by two weeks by the court and the petitioner’s request for a continuance was denied. IPR2020-00513, Paper 11, at 9 (P.T.A.B. June 24, 2020). By contrast, here the expected trial date is 1.5 months **after** the FWD date and no special certainty exists as in *Supercell*. Likewise, in *Edward LifeSciences Corp. v. Evalve, Inc.*, a trial was scheduled nine months **before** the FWD and the court’s “comments in the docket reflect an intent to preserve this trial date.” IPR2019-01479, Paper 7, at 7 (P.T.A.B. Feb. 26, 2020). Similarly, in *Samsung Elecs. Am., Inc. v. Uniloc 2017 LLC*, trial was set six months **before** a FWD. IPR2019-01218, Paper 7, at 9-10 (P.T.A.B. Jan. 7, 2020). In *Next Caller Inc. v. TRUSTID, Inc.*, the trial was not only set to occur “several months” **before** a FWD, but was also “on track.” IPR2019-00961, Paper 10, at 14-15 (P.T.A.B. Oct. 16, 2019). In *Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, trial was set six months **before** a FWD. IPR2020-00122, Paper 15, at 7 (P.T.A.B. May 15, 2020). In *Cisco Sys., Inc. v. Esteche Sys., Inc.*, **two** trials **preceded** a FWD: one by 11 months and the other by 7 months. IPR2021-00329, Paper 13, at 7-15 (P.T.A.B. Jul. 6, 2021). In *F5 Networks, Inc. v. WSOU Invs., LLC*, trial was set for six months **before** a FWD and, “even if [petitioner’s] requested extension were granted, the ‘trial would still occur nearly five months **before** a FWD.’” IPR2022-00239, Paper 12, at 8 (P.T.A.B. May 19, 2022) (emphasis added). In *Google LLC v. EcoFactor, Inc.*, trial was set

“more than six months *before*” a FWD, and the “parties agreed that trial should proceed” within one month of scheduling. IPR2021-00488, Paper 12, at 12 (P.T.A.B. Aug. 11, 2021) (emphasis added). In *Cisco Sys., Inc. v. Oyster Optics, LLC*, trial was set for seven months *before* a FWD. IPR2021-00238, Paper 10, at 12 (P.T.A.B. Jun. 1, 2021). Lastly, in *Samsung Elecs. Co. v. Truesight Commc’ns LLC*, trial was “likely to occur at least six months *before* the projected statutory deadline for a” FWD. IPR2025-00123, Paper 12, at 7 (P.T.A.B. Apr. 22, 2025) (emphasis added). Patent Owner’s argument that the “final rule governing Director Review of PTAB decisions” postdated *Fintiv* also misses the point. Paper 6, at 7. The authority cited and compared in detail above by Petitioner postdates *Fintiv* and considers FWD deadlines, not Director Review deadlines, under the *Fintiv* framework. Not surprisingly, Patent Owner offers no legal authority to support its challenge to the Board’s established practice of considering FWD dates under *Fintiv*. *Id.*, at 7-8. Indeed, Patent Owner’s argument about post-FWD Director Review deadlines backfires, because the district court analog would be post-trial briefing, which extends for several months²—much longer than Director Review decisions. If

² A post-trial motion may be filed 28 days after entry of judgment. Fed. R. Civ. P. 59(b). Once a motion is filed, a response is due in 14-days, a reply is due 7 days thereafter, and a sur-reply may be filed 7 days after that—unless these dates are extended. E.D. Tex. Local Rule CV-7(e)-(f). After this of 56 days of briefing, which often is extended, the motion is submitted to the court for consideration in due course.

Director Review and post-trial motions were considered in the *Fintiv* calculus—which they are not—the result would weigh even more against discretionary denial.

Underscoring the inapplicability of discretionary denial here, denial has been withheld in recent cases where—unlike here—scheduled trial dates predated the FWD deadline. *See Samsung Display Co., Ltd. v. Pictiva Displays Int’l Ltd.*, IPR2024-01222, Paper 12, at 7, 24 (P.T.A.B. Mar. 6, 2025) (seven-month difference); *SAP Am., Inc. v. Cyandia, Inc.*, IPR2024-01433, Paper 13, at 9, 27 (P.T.A.B. Apr. 7, 2025) (six-month difference); *Kia Corp. v. Emerging Automotive LLC*, IPR2024-01167, Paper 14, at 15, 49 (P.T.A.B. Jan. 27, 2025) (same); *IBM Corp. v. Digital Doors, Inc.*, IPR2023-00973, Paper 10, at 12, 25 (P.T.A.B. Jan. 19, 2024) (five-month difference); *Tesla, Inc. v. Autonomous Devices, LLC*, IPR2023-01172, Paper 21, at 7, at 17 (P.T.A.B. Jan. 8, 2024) (same); *MediaTek Inc. v. Daedalus Prime LLC*, IPR2025-00100, Paper 10, at 27, 35 (P.T.A.B. May 19, 2025) (four-month difference). The circumstances here are much more favorable for institution, and unsuitable for discretionary denial, since the FWD will significantly predate the expected trial and Petitioner has entered stipulations far broader than in any of these exemplary cases. *See Tesla, Inc. v. U.S. Sec’y of the Navy*, IPR2025-00341, Paper 12, at 2-3 (P.T.A.B. June 13, 2025) (broad stipulation outweighed other *Fintiv* factors, including trial date). For all of these reasons, *Fintiv* Factor 2 weighs against discretionary denial.

C. Factor 3 (Investment in Parallel Proceeding at the DI Deadline) Weighs Against Discretionary Denial Because the District Court Case Will be in Its Early Stages, With the *Markman* Hearing After the DI Deadline

“If, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution.” *Fintiv*, IPR2020-00019, Paper 11, at 10. Factor 3 thus weighs against discretionary denial, because the DI deadline (November 25, 2025) is before the onset of even claim construction *briefing* (January 15, 2026-February 5, 2026), let alone the *Markman* hearing (February 26, 2026), and the court has yet to hold any hearings or issue any substantive decisions related to the ’192 patent. Ex-1027. Indeed, Petitioner’s invalidity contentions for the ’192 patent are not due until September 27, 2025. *Id.* This weighs against discretionary denial. *See Nikon Corp.*, IPR2024-01374, Paper 19, at 18 (granting institution where “the district court has not issued any substantive orders related to the” challenged patent).

Longhorn points only to its infringement contentions and the fact that “claim construction proceedings will begin on October 23, 2025, a month before the institution deadline” in support of discretionary denial. *See* Paper 6, at 8. That is not enough. *See SAP*, IPR2024-01433, Paper 13, at 10-11 (rejecting the notion that such activities constitute significant investment and concluding Factor 3 favors institution); *Kia*, IPR2024-01167, Paper 14, at 16-17 (same); *Autonomous Devs.*,

IPR2023-01172, Paper 21, at 7-9 (same). No party has served interrogatories in the parallel litigation, and the only document productions to date have been those strictly required by the Eastern District of Texas local rule P.R. 3-2 (document production accompanying initial disclosures). Indeed, Longhorn has produced only a single PDF file compromised of public information. Ex-1037. No third-party discovery has been requested or occurred. No answer has been filed in response to the complaint, and two motions to dismiss remain pending before the Court. Ex-1032. The close of fact discovery, expert discovery, and the claim construction hearing fall well after the DI deadline. Ex-1027. It is thus false for Patent Owner to claim—without any legal or factual support—that “[t]he parties’ and the Court’s investment in the parallel proceeding weighs strongly in favor of discretionary denial.” Paper 6, at 8. Factor 3 weighs strongly ***against*** discretionary denial. *See SAP*, IPR2024-01433, Paper 13, at 11 (finding Factor 3 weighs against discretionary denial where *Markman* hearing was rescheduled from before DI deadline to after DI deadline); *Kia*, IPR2024-01167, Paper 14, at 17 (finding Factor 3 weighs against discretionary denial where “[f]act and expert discovery are ongoing [for six more weeks and 11 more weeks], respectively” and *Markman* hearing was rescheduled from before DI deadline to after DI deadline); *Autonomous Devs.*, IPR2023-01172, Paper 21, at 8-9 (finding Factor 3 weighs against discretionary denial where “fact discovery is

ongoing[and] expert discovery has not begun” and “the District Court has yet to issue a claim construction order”).

Comparing the timeline in the present case to other cases with analogous timelines, as in the table below, confirms that Factor 3 weighs against discretionary denial. *Compare* Ex-1027, *with* Ex-1038-Ex-1046.

Stage	<i>SAP</i> (Instituted)	<i>Kia</i> (Instituted)	<i>Pictiva</i> (Instituted)	Parallel Case
Service of Complaint	219 days (9½ mos.) before IPR	294 days (10 mos.) before IPR	287 days (9½ mos.) before IPR	86 days (<3 mos.) before IPR
Invalidity contentions	127 days before IPR	109 days before IPR	62 days before IPR	
	IPR Filed			
				156 days after IPR
CC Briefing ³	47 days before DI	53 days before DI	72 days before DI	
CC Hearing			30 days before DI	
	Decision on Institution (DI)			
CC Briefing				51 days after DI
CC Hearing	17 days after DI	18 days after DI		93 days after DI
Fact Discovery Close	1 month after DI	1 month after DI	4 days after DI	4 months after DI
Expert Discovery Close	2½ months after DI	2½ months after DI	1½ months after DI	5 months after DI
Est. Trial	4 days before FWD	2 months before FWD	2½ months before FWD	
	Final Written Decision (FWD)			
Est. Trial				1½ months after FWD ^{4,5}

³ Using the due date for the Opening Claim Construction Brief.

⁴ Using 25.9 months from the filing of the Complaint as estimated in current federal government statistics for Eastern District of Texas. Ex-1031.

⁵ Using estimated FWD of November 25, 2026.

In all three cases above, Factor 3 was found to weigh affirmatively *against* discretionary denial. *See SAP*, IPR2024-01433, Paper 13, at 11 (“We conclude that [Factor 3] *favours institution*.” (emphasis added)); *Kia*, IPR2024-01167, Paper 14, at 17 (finding Factor 3 “weighs *against discretionary denial*” (emphasis added)); *Pictiva*, IPR2024-01222, Paper 12, at 7 (finding Factor 3 “*weighs against denial*” (emphasis added)). There is no reason to find otherwise in the present case, where the case schedule has not advanced as much.

Unlike the cases above, the DI deadline in the present case precedes claim construction briefing. It also precedes the *Markman* hearing by three months—far more than in any of the cases above. The present case is much less advanced by comparison. Each of the dates for the close of fact discovery, close of expert discovery, and trial are months longer relative to the DI deadline when compared to the cases above.

Moreover, as explained for Factor 1, “the most burdensome parts of the case” still “all lie in the future” after the DI deadline. *Cywee*, 2019 WL 11023976, at *6. Comparing the present case to comparable cases before Judge Gilstrap demonstrates that the court itself would agree the stage of this case is not advanced. *See supra* § III.A. What matters, as shown above, is the significant substantive work that would remain after the DI deadline, such that investment in the parallel proceedings before the DI deadline will have been minimal. So much time remains in the

schedule after the DI deadline that instituting IPR would minimize (perhaps altogether eliminate) the investment by the parties and the court necessary to resolve the disputes. Tellingly, Longhorn provides no legal authority in support of its position that Factor 3 supports denial of institution. *See* Paper 6, at 8.

Lastly, Patent Owner’s unexplained assertion of “[d]elay” by Petitioner is incorrect. Paper 6, at 8. Because Petitioner was diligent filing the Petition, this further weighs against discretionary denial under *Fintiv* Factor 3. The Petition was filed within **three weeks** of Patent Owner’s infringement contentions in district court, and the Board has held filing a petition “within four **months**” shows diligence. *See Mojo Mobility*, IPR2023-01090, Paper 11, at 19 (“this factor weighs against exercising discretion to deny institution”). Further, the Petition was filed such that the *Markman* hearing is scheduled three months after the DI, which also demonstrates diligence. *See Canadian Solar Inc. v. Maxeon Solar Pte. Ltd.*, IPR2024-01038, Paper 13, at 31 (P.T.A.B. Jan. 14, 2025) (petitioner acted “expeditiously” where “the Markman hearing is not scheduled to occur for several months”). Indeed, petitions are deemed “expeditious” even if filed such that the DI occurs **after** the *Markman* hearing but before an order. *See CardWare Inc.*, PGR2023-00012, Paper 14, at 19 (“[T]his factor weighs slightly against exercising discretion to deny institution”). By any measure, the Petition here was expeditious and Petitioner was diligent.

Because investment in the parallel district court litigation has been and will remain minor by the DI deadline, Factor 3 weighs against discretionary denial.

D. Factor 4 (Overlap Between Petition and Parallel Proceeding) Weighs Against Discretionary Denial Because Petitioner Has Committed to Extraordinarily Broad Stipulations and the Petition Includes Additional Claims

Factor 4 weighs strongly against discretionary denial because Petitioner has committed to extremely broad stipulations that would eliminate all overlap between this IPR and the district court action, and this IPR challenges three claims of the '192 patent not asserted in district court, making this IPR the only avenue to assess their patentability.

First, a *Sotera* stipulation remains a weight “*strongly against*” denial. *Samsung Elecs. Co. v. Truesight Commc’ns LLC*, IPR2024-01477, Paper 12, at 14 (P.T.A.B. Apr. 21, 2025) (emphasis added). Petitioner offered a *Sotera* stipulation here with the Petition. Paper 1, at 88. Patent Owner identifies no issue with this stipulation. *See generally* Paper 6. Thus, this stipulation alone weighs heavily against discretionary denial.

Additionally, to avoid any doubt about potential overlap between this IPR and the district court proceeding, Petitioner now further offers a stipulation that extends well beyond *Sotera*, making this IPR an absolute alternative to district court for invalidity based on prior art. Specifically, Petitioner stipulates that if the Board

institutes this IPR and institution is not subsequently vacated, reversed, or otherwise withdrawn by rehearing or Director Review, Petitioner will not pursue against any of the claims challenged in this IPR proceeding, in any pending district court litigation, the following: (i) the specific grounds raised in the instituted IPR proceeding; (ii) any other grounds that reasonably could have been raised before the Board in the instituted IPR proceeding (i.e., any ground that reasonably could have been raised under pre-AIA §§ 102 or 103 on the basis of prior art patents or printed publications); or (iii) any other invalidity ground under pre-AIA §§ 102 or 103 involving any type of legally recognized prior art, including any patent, printed publication, or system art.

These stipulations weigh very heavily against discretionary denial. *See, e.g., Tesla*, IPR2025-00341, Paper 12, at 2; *Tesla, Inc. v. Intell. Ventures II*, IPR2025-00339, Paper 10, at 2 (P.T.A.B. June 13, 2025). They would ensure that this IPR, if instituted, would be a true alternative to litigation and would substantially simplify issues in district court. *See Shenzhen Tuozhu Technology*, IPR2025-00321, Paper 10, at 13-14 (noting that “Patent Owner does not address Petitioner’s updated second stipulation” and broad stipulation “weighs against exercising discretion to deny institution”).

Second, the Petition here challenges three claims (7, 8, and 10) not asserted in the district court litigation. Paper 1, at 88. While Patent Owner acknowledges this

midway through its brief, Paper 6, at 4, Patent Owner makes repeated misleading characterizations about the claims challenged in the two proceedings. According to Patent Owner:

- “the District Court Litigation involves the . . . *same claims*” (*id.* at 1, emphasis added)
- “the issues in the parallel District Court litigation are *identical* to this proceeding” (*id.* at 3, emphasis added)
- “the District Court Litigation involves the *same claims* at issue in the Petition” (*id.* at 3, emphasis added)
- “There is *complete overlap* between the claims at issue in this Petition and the District Court Litigation . . .” (*id.* at 4, emphasis added)

These statements are not true. Because this IPR challenges three claims not at issue in the district court litigation, this IPR is the sole vehicle addressing their patentability. Unlike in the proceeding cited by Patent Owner, *Cisco Systems, Inc. v. Ramot at Tel Aviv University Ltd.*, where all four claims challenged via IPR were also asserted in the parallel district court litigation, here three claims are challenged via IPR but not asserted in litigation. IPR2020-00122, Paper 9, at 15 (P.T.A.B. Feb. 18, 2020).

In circumstances like those here, the *non*-overlap between proceedings weighs against discretionary denial. Under *Fintiv*, “if the petition includes

materially different grounds, arguments, and/or evidence than those presented in the district court, this fact has tended to weigh against exercising discretion to deny institution.” *Fintiv*, IPR2020-00019, Paper 11, at 12-13. That is the case here, since the Petition asserts two references against claims 7, 8, and 10—*Gehlot* (Ex-1006) and *Stevenson* (Ex-1007)—not asserted against the majority of challenged claims, including those challenged based on *Fish* and/or *Ziv* (claims 1-4, 11-17, and 19-22). Paper 1, at 2. Claims 7, 8, and 10, respectively, address subject matter of “retinal scanning,” a “finger print reader,” and “DNA detection”—none of which are recited in the other claims of the ’192 patent and none of which are at issue in the district court case. “The patentability of this subject matter will not be resolved in the district court litigation.” *MED-EL Elektromedizinische Geräte Ges.m.b.h. v. Sonova AG*, IPR2021-00023, Paper 10, at 18 (P.T.A.B. Apr. 6, 2021). This weighs against discretionary denial. *Id.*; see also *Comcast Cable Commc’ns, LLC v. Touchstream Techs., Inc.*, IPR2024-00325, Paper 13, at 12-13 (P.T.A.B. July 26, 2024) (“[T]he fact that the Petition challenges claims that are not asserted in the litigation shows that there is not a complete overlap” and “factor four weighs slightly against denial.”).

E. Factor 5 (Whether the Parties Are the Same) Does Not Favor Discretionary Denial Because the Parties Are Almost Always the Same

The parties or RPIs here overlap with those at the district court. Although the Board has taken varying approaches to the weighing of this factor under such circumstances, persuasive Board authority reasons that this factor should be considered “neutral” where, as here, other *Fintiv* factors more heavily guide the analysis. “Under these circumstances, the fifth *Fintiv* factor’s weight is neutral.” *Shenzhen Root Tech. Co., Ltd. v. Chiaro Tech. Ltd.*, IPR2024-01296, Paper 9, at 20 (P.T.A.B. Feb. 25, 2025). Patent Owner’s position to the contrary, Paper 6 at 4, fails to account for this authority, or indeed any Board authority at all.

F. Factor 6 (Other Considerations—including Settled Expectations, Material Error During Prosecution, Complexity of the Case, and the Strength of the Petition) Weighs Against Discretionary Denial

All considerations under Factor 6 weigh heavily *against* discretionary denial, as discussed further below.

1. Settled Expectations Weigh Against Discretionary Denial

Patent Owner’s “settled expectations” argument, Paper 6 at 9-10, is refuted by consistent Board decisions rejecting discretionary denial where a material mistake was made during examination. Settled expectations cannot be selective. They must account for a patent’s full life, including examination, as the Board’s decisions reflect. In addition to being contrary to caselaw, Patent Owner’s argument is a

classic conclusory statement lacking reasoning, particularly, or evidence of any kind. The Board gives conclusory arguments like Patent Owner's little or no weight. When settled expectations are considered in full, they weigh strongly against discretionary denial for several reasons.

a. A Material Error by the Patent Examiner Outweighs Alleged Settled Expectations

The Board consistently finds that a material error during examination is sufficient reason to reject discretionary denial, regardless of the duration of a Patent Owner's alleged settled expectations. The Board's reasoning is made clear in numerous recent decisions:

- *Anthony*, IPR2025-00559, Paper 12, at 2-3 (given Examiner's material error in prosecution, rejecting discretionary denial for **17- and 18-year old** patents);
- *Microsoft Corp. v. XI Discovery, Inc.*, IPR2025-00253, Paper 13, at 2-3 (P.T.A.B. June 25, 2025) (given Examiner's material error in prosecution, rejecting discretionary denial for **17-year old, 8-year old, and 5.5-year old** patents);
- *Skullcandy*, IPR2025-00690, Paper 9, at 2 (given Examiner's mistake about what claim limitations were present in claims, rejecting discretionary denial for **9-year old** patent);

- *Eunsung Global Corp. v. Hydrafacial LLC*, IPR2025-00445, Paper 14, at 2-3 (P.T.A.B. July 10, 2025) (given Examiner's mistake about prior art's disclosure, rejecting discretionary denial for **8.5-year old** patent); and
- *Embodiment, Inc. v. Lifenet Health*, IPR2025-00248, Paper 13, at 2-3 (P.T.A.B. June 26, 2025) (given prior art remedying reason for allowance, rejecting discretionary denial for **6.5-year old** patent).

Just as in *Anthony*, where a prior art reference was found to likely remedy the Examiner's error, here Petitioner explains how *Fish* does the same. *Anthony*, IPR2025-00559, Paper 12, at 2. Indeed, the significance of this error by the Examiner and *Fish*'s pertinence are magnified because *Fish* teaches the supposedly missing claim element (removable storage) in the same way as the '192 patent itself (e.g., SD memory), and Patent Owner fails to contest any of these facts (nor can it). *See supra* § II. Indeed, in *Skullcandy*, the Examiner's error alone was deemed sufficient to reject discretionary denial, with no mention of remediating prior art or silence by the Patent Owner. IPR2025-00690, Paper 9, at 2. The facts here weigh particularly heavily against discretionary denial, since the Examiner's misapprehension of the claim language is not disputed (nor can be disputed), *Fish*'s disclosure of what the Examiner believed was missing in the prior art is not disputed (not can be disputed), and *Fish*'s materiality is underscored because it was applied

to reject the claims of the '192 patent's child application, in response to which the application was abandoned. *See* Ex-1002, ¶123.

Patent Owner's sole cited authority, *Dabico Airport Sols. Inc. v. AXA Powers Aps*, is readily distinguishable because there "Petitioner does not provide any persuasive reasoning why an *inter partes* review is an appropriate use of Office resources." IPR2025-00408, Paper 21, at 3 (P.T.A.B. June 18, 2025). In *Dabico* it was thus appropriate to consider "the absence of any such information" weighing in favor of discretionary denial. *Id.* But here as explained above each of the *Fintiv* factors and the Examiner's material error during examination weigh heavily against discretionary denial. Patent Owner fails to identify any caselaw or other authority addressing settled expectations with facts akin to the present case. Consistent with the Board's caselaw as addressed above, settled expectations here weigh heavily against discretionary denial.

b. Patent Owner's Alleged Settled Expectations are Conclusory, Unexplained, and Entitled to No Weight

Longhorn references the age of the '192 patent and then concludes—without any explanation, particularity, or evidence—"Patent Owner has settled expectations at this point." Paper 6, at 10. This is a purely conclusory statement. Nowhere does Patent Owner explain, much less substantiate, *what* its supposed expectations are. For example, if Patent Owner means to contend that it expects the '192 patent to be

valid, this is objectively implausible under the unique facts here, where the patent was undisputedly allowed in error and invalidating prior art was used to reject the child application, which was then abandoned. *See supra* § II. Alternatively, if Patent Owner means to contend that it expected no IPR to be filed challenging the '192 patent, this too is implausible. Patent Owner's decision to purchase and then litigate the patent, prompting this IPR, was a choice entirely within Patent Owner's control. Indeed, if Patent Owner's expectation was to do what it did—purchase and litigate the '192 patent—Patent Owner should have expected⁶ those it sued to challenge the validity of the patent. Patent Owner further fails to provide any evidence or argument supporting settled expectations based on any amount of financial, time, or other investments dedicated to research, development, or other activities. *Cf. Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9, at 2-3 (P.T.A.B. July 24, 2025) (considering such factors).

On this record, Patent Owner's invocation of "settled expectations" is generic, unexplained, and conclusory—the type of contention given no weight by the Board in every other context. *Cf.* 37 C.F.R. §§ 42.104(b)(4)-(5) (conclusory arguments and references to evidence in petition are inadequate); 37 C.F.R. § 42.65(a) (conclusory

⁶ These actions by Patent Owner all predated the Office's March 26, 2025 memorandum on Interim Processes for PTAB Workload Management, and thus Patent Owner cannot claim settled expectations derived from that memorandum.

expert testimony receives “little or no weight”); *Avant Tech., Inc. v. Anza Tech., Inc.*, IPR2018-00828, Paper 7, at 10-11 (P.T.A.B. Oct. 16, 2018) (citing *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016) (conclusory statements cannot show obviousness); *Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01372, Paper 17, at 40 (P.T.A.B. Apr. 23, 2025) (conclusory statements cannot defeat obviousness); *Intuitive Surgical, Inc. v. Ethicon LLC*, IPR2018-01248, Paper 34, at 41 (P.T.A.B. Feb. 6, 2020) (conclusory statements cannot show anticipation); *Denso Corp. v. Collision Avoidance Techs. Inc.*, IPR2017-01709, Paper 28, at 21 (P.T.A.B. Jan. 22, 2019) (citing *Phillips v. AWH Corp.*, 415 F.3d 1303, 1318-39 (Fed. Cir. 2005)) (conclusory statements cannot support claim construction); *Samsung Elecs. Co., Ltd. v. Sung*, IPR2024-00534, Paper 14, at 29 (P.T.A.B. Sept. 18, 2024) (conclusory statements cannot show level of skill in the art); *HTC Corp. v. Uniloc 2017 LLC*, IPR2018-01589, Paper 9, at 9 (P.T.A.B. Feb. 27, 2019) (conclusory statements do not support joinder); *Hanshow Am. Inc. v. SES-Imagotag Inc.*, IPR2024-00190, Paper 10, at 9-10 (P.T.A.B. May 20, 2024) (conclusory statements do not show differences between parallel IPRs for purposes of discretionary denial); *Nokia of Am. Corp. v. General Access Solutions, Ltd.*, IPR2024-00461, Paper 13, at 19 (P.T.A.B. June 14, 2024) (conclusory statements do not show privity or real party-in-interest for purposes of discretionary denial); *Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot Corp.*, IPR2018-00882,

Paper 9, at 11 (P.T.A.B. Oct. 1, 2018) (conclusory statements about petitioner’s knowledge of prior art do not support discretionary denial). There is no reason to credit Patent Owner’s conclusory assertion of settled expectations here when such assertions are given no weight in every other context.

c. Petitioner’s Broad Stipulation and Patent Owner’s Diverse Assertion of Patents Weighs Against Discretionary Denial

The Board also finds that broad stipulations by a petitioner combined with sprawling allegations in district court by a patent owner weigh against the age of challenged patents, thus weighing against discretionary denial. These circumstances are present here.

In *Tesla, Inc. v. Intellectual Ventures II LLC*, the petitioner “filed a broad stipulation and asserts that the merits are strong” based on prior successful validity challenges. IPR2025-00217, Paper 9, at 2 (P.T.A.B. June 13, 2025). The petitioner also noted “the complex and diverse litigation,” which spanned many patent families and involved “a diverse range of subject matter,” which helped “tip the balance against discretionary denial.” *Id.* at 2-3. “The large number and vast scope of the patents asserted in the district court litigation . . . weigh[ed] against discretionary denial,” even though—unlike here—the trial date preceded a FWD date, there was insufficient evidence regarding a potential stay, and the parties made meaningful investments in the parallel litigation. *Id.* at 2-3. These considerations prevailed in

the analysis for six challenged patents, including one **14-years old**, one **9.5-years old**, and one **8-years old**. *Id.* at 2-3. Similarly, in *Tesla, Inc. v. The United States of America*, the Board made essentially the same findings with respect to litigation scope and diversity, and rejected discretionary denial for a patent **18-years old**. IPR2025-00341, Paper 12, at 2-3. *See also Shenzen Tuozhu Tech. Co., Ltd. v. Stratasys, Inc.*, IPR2025-00438, Paper 10, at 3 (P.T.A.B. July 17, 2025) (“The large number and vast scope of the patents asserted in” litigation “weighs against discretionary denial, as the Board is better suited to review a large number of patents involving diverse subject matter.”).

Consistent with the Board’s reasoning in both *Tesla* matters and *Shenzen Tuozhu*, here Petitioner has filed not only a broad stipulation in its Petition, Paper 1, at 88, but also a much broader stipulation here, *supra* § III.D. These stipulations go beyond basic IPR estoppel, ensuring that that this proceeding, if instituted, will serve as the sole proceeding to adjudicate the patentability of the ’192 patent based on prior art.

Also consistent with both *Tesla* matters, Patent Owner’s allegations in district court are diverse and sprawling. Patent Owner asserts five patents in the parallel litigation—each coming from different and unrelated owners and inventors, and each covering unrelated technology. Specifically, Patent Owner alleges that U.S. Patent No. 8,810,803 relates to “headlight systems,” Ex-1047 ¶16; U.S. Patent No.

7,987,002 relates to mobile applications, *id.* ¶17; U.S. Patent No. 7,513,238 relates to pistons in “internal combustion engines,” *id.* ¶18; U.S. Patent No. 8,265,353 relates to imaging used in “driver assistance systems,” *id.* ¶19; and the ’192 patent relates to vehicle navigation systems, *id.* ¶20. Patent Owner purports to accuse 23 different vehicle models, among two different brands, of infringing these five unrelated patents, including “all trims and configurations” across an unlimited period of time.⁷ *See id.* ¶15; *see also id.* ¶¶24, 38, 53, 69, 87. Consistent with the Board’s approach in these circumstances, the diverse and wide-ranging nature of Patent Owner’s allegations in district court weigh further against according any weight to Patent Owner’s purported settled expectations.

d. Patent Owner’s Alleged Settled Expectations are Overcome by a Lack of Commercialization, Marking, or Assertion

Based on all evidence available to Petitioner, Patent Owner (and its predecessors in ownership) have not commercialized, marked, or asserted the ’192 patent, which further counsels against discretionary denial. Nor does Patent Owner contend that it or its predecessors have engaged in any of these activities. *See* Paper 6, at 9-10. This weighs against Patent Owner’s contention of settled expectations.

⁷ Patent Owner’s allegations are sprawling and diverse, but also lacking in particularity and support as required by the district court’s caselaw and local rules.

In *Intel Corp. v. Proxense LLC*, the Board explained that “[t]here may be persuasive reasons why the Board should review challenged claims several years after their issuance date,” including when “a patent may have been in force for years but may not have been commercialized, asserted, marked, licensed, or otherwise applied in a petitioner’s particular technology space, if at all.” IPR2025-00327, Paper 12, at 2-3 (P.T.A.B. June 26, 2025). Here, Patent Owner, a non-practicing entity, acquired the ’192 patent from another non-practicing entity, AI-Core Technologies, on October 6, 2023. Ex-1048. Prior to this assignment, the ’192 patent was owned by a series of non-practicing entities and holding companies. Ex-1049-Ex-1055 (owned by Intellectual Ventures Assets 190 LLC, Xenogenic Development Limited Liability Company, Flaxen Holdings LLC, Reagan Inventions, LLC, Rothschild Trust Holdings, LLC). The only other owner, the sole inventor of the ’192 patent, considers himself “among the most prolific inventors of his generation” and when interviewed readily admits his entire business model is built around monetizing his intellectual property through litigation and licensing, not selling products based on his inventions. Ex-1056. There is no evidence that any of these owners has ever commercialized, marked, or asserted the ’192 patent. Regarding marking under 35 U.S.C. § 287(a), in response to a motion to dismiss highlighting Patent Owner’s failure to allege marking, Ex-1057, Patent Owner responded with an amended complaint retaining the exact same deficient allegations

of compliance with the statute but no allegations of marking, Ex-1047. Further, none of these entities compete with Petitioner or any real party-in-interest. Because Patent Owner and its predecessors failed to commercialize, mark, or assert the '192 patent for nearly the entire life of the patent—or make any allegation that such activities occurred—this too weighs against Patent Owner's alleged settled expectations.

e. Settled Expectations Instruct Rothschild Patents Are Vulnerable to Invalidity Challenges Before the Office

The litigation track record of the sole inventor of the '192 patent further demonstrates that any purchaser of the '192 patent cannot have a settled expectation of validity. As referenced above, Leigh Rothschild, the sole inventor of the '192 patent, is a self-proclaimed prolific inventor who obtains patents primarily for settlement fees rather than to develop products or serve consumers. Ex-1056, at 1. Of the 80 lawsuits asserting patent infringement in federal courts between 2021 and October 2023 by Rothschild-affiliated non-practicing entities, none reached a jury. *Id.* Mr. Rothschild has been described as a nuisance to the patent system, and the “litany of cases brought on by Rothschild . . . rekindled talk of patent system changes” to discourage the use of the patent system in the way Rothschild has through his own patents. *Id.* at 3. The “vexatious litigation” conduct of at least one Rothschild-affiliated entity has been publicly discussed in at least one Federal Circuit opinion. *Rothschild Connected Devices Innovations, LLC v. Guardian Prot.*

Servs., Inc., 858 F.3d 1383 (Fed. Cir. 2017) (finding an exceptional case under 35 U.S.C. § 285, given “a pattern of litigation abuses characterized by the repeated filing of patent infringement actions for the sole purpose of forcing settlements, with no intention of testing the merits of one’s claims, is relevant to a district court’s exceptional case determination under § 285.”).

A review of Mr. Rothchild’s patents challenged before the PTAB supports a lack of settled expectations that the ’192 patent would survive a validity challenge when purchased. Of the readily identifiable petitions for IPR and CBM of a patent invented by Mr. Rothschild, fourteen resulted in a favorable outcome for the patent challenger,⁸ whether through an unpatentability finding or an agreement not to contest the IPR. Unsurprisingly, an additional ten resulted in settlement.⁹ Only two IPRs (IPR2020-01407 and IPR202-01406—both regarding the same patent) survived a patent challenge. Many of the patent challenges with unfavorable rulings for the patent owner include patents in technology fields overlapping or adjacent to the ’192 patent. *See* IPR2015-00624 (patent owner receiving an adverse finding

⁸ *See* IPR2015-00624, IPR2015-00622, IPR2015-00623, IPR2015-00620, IPR2015-00621, IPR2015-01364, IPR2016-00443, IPR2016-00472, IPR2018-00745, IPR2018-00746, IPR2019-00855, IPR2019-00856, CBM2020-00015, IPR2022-00429.

⁹ *See* IPR2015-00474, IPR2015-00793, IPR2015-001181, IPR2016-00535, IPR2017-01514, IPR2017-02022, IPR2018-01001, IPR2021-00448, IPR2022-00708, IPR2023-00031.

after declining to contest challenges to patent regarding user verification and “locational . . . verification device”); IPR2018-00746 (patent owner receiving an adverse finding after declining to contest challenges to patent directed to verified identification system); IPR2022-00429 (finding unpatentable all challenged claims of patent for “[d]evice, system and method for controlling speed of a vehicle using a positional information device”). Therefore, any purchaser of the ’192 patent could not have had settled expectations of validity given this strong historical headwind of weak patents.

2. The Strength of Petitioner’s Grounds Weighs Against Discretionary Denial

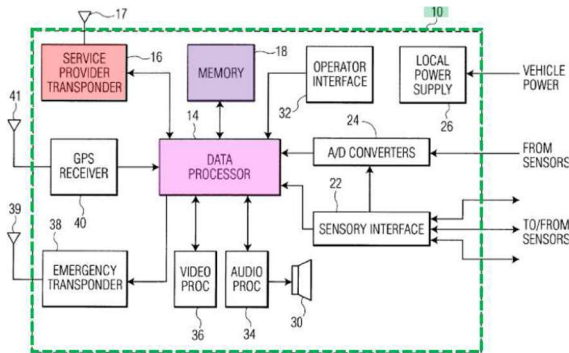
Patent Owner’s assertion that “the Petition is weak,” Paper 6 at 9, is not only conclusory and unexplained, but demonstrably false. According to Longhorn, “[n]ot including the discussion of discretionary denial, the Petition is 86 pages long” yet the expert declaration “is also nearly 50 pages longer than the substantive portion of the Petition.” *Id.* This does not demonstrate weakness. Nor does it show that the “Petition is effectively a copy-and-paste of the expert declaration.” *Id.* Because “none of these allegations are sufficiently explained,” they should be rejected. *Twitch Interactive, Inc. v. Razdog Hldgs. LLC*, IPR2025-00307, Paper 18, at 3 (P.T.A.B. May 16, 2025). It is also not surprising that Petitioner’s expert declaration is longer than the Petition. In his declaration, Dr. Michalson explains his own

experience and credentials (Ex-1002, ¶¶8-19), relevant legal standards (*id.*, ¶¶33-53), and the background knowledge of a person of ordinary skill in the art (*id.* ¶¶64-80), in addition to his substantive analysis of claim construction, the prior art, and patentability (*id.* ¶¶84-282). This appropriate presentation of expert opinion “also weighs ***against*** discretionary denial.” *See iRythm Tech., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10, at 2-3 (P.T.A.B. June 6, 2025) (emphasis added) (finding use of “expert to explain the background knowledge of a person of ordinary skill in the art” and “provide[] citations to evidence in support of his statements in the required manner” weighed against discretionary denial).

The strength of Petitioner’s grounds is also demonstrable. As discussed above, the Examiner materially erred in prosecution by believing that each claim required a “removable storage module,” when in fact independent claims 13 and 22 do not contain that limitation. *See supra* § II. Here, *Fish* teaches exactly that subject matter—in the same manner as the ’192 patent itself—and was used to reject the ’192 patent’s child application claims before that application was abandoned. *Id.* This objectively reflects the merits of *Fish* and Petitioner’s grounds based on *Fish*.

The compelling strength of *Fish* and Petitioner’s other cited art is also readily apparent from a simple comparison of the claim language to the art’s disclosure. While the Petition explains this correspondence in much greater detail and with much more citation to evidence, the simplified chart below highlights this point.

'192 Patent, Claim 1	<i>Fish's Disclosure</i>
[1pre] A location information device with secure data storage comprising:	<i>Fish</i> teaches storing and encrypting location information in “data archive 10 located in [the] vehicle.” Paper 1, at 30-31. FIG. 1 FIG. 2
[1a] a housing;	“The data archive 10 of the exemplary embodiment is preferably housed in

	a sealed cabinet. ” <i>Id.</i> at 32.
[1b] a locational information module for determining location information of the device, the determined location information being at least one route traveled by the device;	Data archive 10 may include GPS receiver 40 , which determines location information. <i>Id.</i> at 32. GPS receiver 40 is used to store routes traveled by the device. <i>Id.</i> at 33-35.
[1c] an encryption module for encrypting the determined location information;	Data processor 14 of data archive 10 encrypts and stores location information in memory 18 . <i>Id.</i> at 36-37.
	 FIG. 2
[1d] a removable storage module for storing the encrypted location information, the removable storage module being removably disposed in the housing; and	“ Secure memory 18 [may be] a removable non-volatile memory device such as a secure digital (SD) memory device. ” <i>Id.</i> at 38-39.

[1e] a processing module for sending the encrypted location information to the removable storage module removably disposed in the housing and retrieving the encrypted location information from the removable storage module.	Data processor 14 encrypts location data and stores it in secure memory 18 . <i>Id.</i> at 40-41. Data processor 14 then retrieves such stored data, allowing the device to function as a “data archive” for data retrieval. <i>Id.</i> at 41-42.
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The merits here are strong. Because the merits are demonstrable and Patent Owner has made no specific argument to the contrary, *see* Paper 6 at 9, this further supports rejecting discretionary denial on this record.

3. No Forum Has Adjudicated Any Claim of the '192 Patent, Which Weighs Against Discretionary Denial

No forum has yet considered the validity of the '192 patent, and with Petitioner's broad stipulations, this IPR if instituted would be the sole proceeding to do so. Only three cases have been filed involving the '192 patent: (1) the Petition here, (2) the above-referenced district court action against VW, Audi, and Mazda in which the '192 patent was only asserted against VW and Audi, and (3) *Longhorn Automotive Group LLC v. Volvo Car Corp., et al.*, No. 2:24-CV-00603-JRG (E.D. Tex.) where Volvo was not required to file an answer to the complaint until August 18, 2025. *See* Ex-1058. No claim of the '192 patent has been reexamined, and the

'192 patent has not been reissued. There is thus no prospect of “multiple, serial” petitions here. *See Code200, UAB v. Bright Data Ltd.*, IPR2022-00861, Paper 18, at 3-6 (P.T.A.B. Aug. 23, 2022) (citing *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (P.T.A.B. Sept. 6, 2017)) (discussing considerations for discretionary denial involving serial challenges). This too weighs against discretionary denial.

IV. *Inter Partes* Review of the '192 Patent Is an Appropriate Use of Office Resources in View of Compelling Economic Considerations

Compelling economic and policy considerations also make IPR of the '192 patent an appropriate and valuable use of the Office's resources. Petitioner is a vibrant U.S. company and a significant contributor to the U.S. economy. Petitioner, an indirect subsidiary of Volkswagen AG, handles operations of a worldwide family of storied automotive brands. Ex-1059. In addition, Volkswagen Group of America Chattanooga Operations, LLC, a wholly owned subsidiary of Petitioner, operates a state-of-the-art assembly facility in Chattanooga, Tennessee. *Id.* Petitioner's headquarters are in Reston, VA.

Petitioner has approximately 10,000 employees in the United States. *Id.* Of these employees, approximately 4,500 are based in Chattanooga, TN, where Petitioner's 3.8 million square-foot facility produces models such as the Volkswagen ID.4, Atlas, and Atlas Cross Sport. Ex-1060, at 1. Since 2008, Petitioner invested

more than \$4.3 billion in the Chattanooga assembly plant, which has led to more than 125,000 direct and indirect jobs. *Id.*, at 3. Indeed, the unemployment rate in Chattanooga in 2008 was more than 10%, but by 2023 it dropped to 3.5%—a testament to Petitioner’s commitment to job creation in the United States. *Id.* The facility and several employees are pictured below:



In view of Petitioner’s significant positive impact on and contribution to the U.S. economy, sound economic and public policy rationales support Petitioner being able to bring the present Petition for consideration by the Office. By contrast, Petitioner is aware of no comparable evidence of Patent Owner’s contributions or support. On balance, therefore, this factor should weigh against discretionary denial.

V. Conclusion

For the foregoing reasons, under the particular facts of this case this Petition should be referred to the Board panel with instructions to consider the merits.

Dated: August 25, 2025

Respectfully submitted,

/Elliot C. Cook/

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CERTIFICATE OF COMPLIANCE

As calculated by the “Word Count” feature of Microsoft Word for Microsoft 365, the foregoing **Petitioner’s Opposition to Patent Owner’s Discretionary Denial Request** contains 10,441 words, excluding this Certification and the following: Table of Contents, Table of Authorities, List of Exhibits, and Certificate of Service.

Dated: August 25, 2025

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **Petitioner's Opposition to Patent Owner's Discretionary Denial Request and Exhibits 1027-1060** were served on August 25, 2025, via e-mail directed to counsel of record for Patent Owner at the following:

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Patent Owner has consented to electronic service by email.

Dated: August 25, 2025

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