

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD**

CORETRONIC CORPORATION AND
OPTOMA CORPORATION,

Petitioners,

v.

MAXELL, LTD.,
Patent Owner

Case: IPR2025-00941

U.S. Patent No. 7,159,988

**BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL OF PETITION FOR *INTER PARTES REVIEW*
OF U.S. PATENT NO. 7,159,988**

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EX2001	Complaint, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 1) (filed July 9, 2024)
EX2002	March 26, 2025, Memorandum to All PTAB Judges from Coke Morgan Stewart, Acting Secretary of Commerce for Intellectual Property, Regarding the Interim Processes for PTAB Workload Management
EX2003	Second Amended Docket Control Order, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 116) (July 17, 2025)
EX2004	Claim Construction Order, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 111) (June 30, 2025)
EX2005	Email from D. Min to D. McPhail, dated June 3, 2025
EX2006	United States Courts, United States District Courts—National Judicial Caseload Profile, https://www.uscourts.gov/sites/default/files/document/fcms_na_distpr ofile0331.2025.pdf
EX2007	Order Denying Motion to Transfer, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 85) (March 25, 2025)
EX2008	Order Granting Motion to Dismiss, <i>Optoma Technology, Inc. v. Maxell, Ltd.</i> , No. 3:24-cv-08147-TLT (N.D. Cal.) (Dkt. 58) (March 14, 2025)
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EX2010	Report and Recommendations re [020] Defendants’ Motion to Dismiss, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 96) (May 16, 2025)
EX2011	Report and Recommendations re [022] and [024] Defendants’ Motion to Dismiss, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 97) (May 16, 2025)
EX2012	Plaintiff’s Preliminary Election of Asserted Claims, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (Dkt. 78) (March 11, 2025)
EX2013	Defendants’ Invalidity Contentions, <i>Maxell, Ltd. v. Coretronic Corp.</i> ,

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	No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (served on December 27, 2024)
EX2014	Preliminary Election of Asserted Art, <i>Maxell, Ltd. v. Coretronic Corp.</i> , No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (served on March 25, 2025)
EX2015	March 24, 2025, Memorandum to Members of the Patent Trial and Appeal Board from Scott R. Boalick, Chief Administrative Patent Judge, Guidance on USPTO’s Recission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation”
EX2016	Maintenance Fee Details for U.S. Patent No. 7,159,988

I. INTRODUCTION

Patent Owner Maxell, Ltd. (“Patent Owner”) respectfully requests that the Director deny institution of the Petition filed by Coretronic Corporation and Optoma Corporation (hereinafter “Petitioners”) challenging the patentability of claims 1, 7, and 8 (“challenged claims”) of U.S. Patent No. 7,159,988 (“the ’988 Patent”) (EX1001).

The Director has already denied institution for four petitions related to the same District Court Litigation. *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 1-3 (P.T.A.B. Jul. 10, 2025); *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00475, Paper 11, at 1-3 (P.T.A.B. Jul. 17, 2025). This Petition was filed several months *after* those four petitions. The delay in filing this Petition has only strengthened the factors favoring denial, and thus the Petition should be denied pursuant to 35 U.S.C. § 314(a). *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6 (P.T.A.B. Mar. 20, 2020) (precedential).

Moreover, settled expectations, defects in the Petition, and other factors, also provide ample reasons for denial. Instituting an IPR here would contradict the goal of IPRs as an “effective and efficient alternative” to litigation, particularly given the substantial overlap and the finite resources of the Board. *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16-17 (P.T.A.B. Sept. 6,

2017) (precedential).

Accordingly, the Director should decline to institute the Petition.

II. THE MARCH 26, 2025, ACTING DIRECTOR'S MEMORANDUM

Pursuant to the March 26, 2025, Acting Director's Memorandum ("Memo"), which outlines "Interim Processes for PTAB Workload Management" including a bifurcated approach for considering discretionary denial, Patent Owner respectfully submits that the Director should deny institution of the Petition. This filing is being made within two months of the Notice of Filing Date dated June 10, 2025 (Paper #5), in accordance with the standard briefing schedule for discretionary denial arguments set forth in the Memo.

The Memo outlines relevant considerations for discretionary denial:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;

- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director's discretion.

As explained more fully below, denial is warranted under 35 U.S.C. § 314(a).

Furthermore, additional considerations warrant discretionary denial, including the Petitioners' undue delay in filing this challenge despite years of notice (EX2001 ¶ 36) and the Petition's failure to satisfy statutory requirements. Thus the Petition is ripe for discretionary denial in light of the Memo's aim to "improve PTAB efficiency, maintain PTAB capacity to conduct AIA proceedings, . . . and promote consistent application of discretionary considerations in the institution of AIA proceedings." EX2002 at 3.

III. DISCRETIONARY FACTORS FAVOR DENIAL OF INSTITUTION

The Petition should be denied pursuant to the Director's discretion to deny institution of petitions. **First**, the Petition should be denied pursuant to 35 U.S.C. § 314(a) and the factors set forth in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020), given the parallel District Court litigation. **Second**, additional factors set forth in the "Interim Processes for PTAB Workload Management" Memorandum favor the Board denying the Petition using its discretion.

A. Application of 35 U.S.C. § 314(a) Weighs in Favor of Discretionary Denial

The Petition should be denied pursuant to 35 U.S.C. § 314(a) because the factors established in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (precedential), weigh strongly in favor of denial due to the parallel District Court Litigation: *Maxell, Ltd. v. Coretronic Corp.*, No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) (filed July 9, 2024) (“District Court Litigation”). The Director has already reviewed and denied institution of four other petitions related to the same District Court Litigation. *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 1-3 (P.T.A.B. Jul. 10, 2025); *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00475, Paper 11, at 1-3 (P.T.A.B. Jul. 17, 2025). Trial is predicted to occur **at least four months** prior to a Final Written Decision (“FWD”) in this proceeding.

Institution of this proceeding would create substantial inefficiencies and prejudice, particularly given the progress of the District Court Litigation and the '988 Patent's expiration on February 15, 2025. Institution would be inconsistent with the AIA's goal of providing an “effective and efficient alternative” where, as here, the District Court is actively adjudicating the same core validity issues. *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8, at 20 (P.T.A.B. Sept. 12, 2018).

1. Status of Motion to Stay in District Court Litigation (Factor 1)

This factor weighs against institution. Petitioners waited nearly a year¹ into litigation to file the Petition and failed to request a stay. Further, circumstances indicate that any requested stay would likely be denied. *See Polaris Power Techs., LLC v. Samsung Elecs. Co.*, No. 2:22-CV-00469-JRG, 2023 WL 12065780, at *1 (E.D. Tex. Aug. 18, 2023) (“[T]his Court has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings.”); *Trover Grp., Inc. v. Dedicated Micros USA*, No. 2:13-CV-1047-WCB, 2015 WL 1069179, at *6 (E.D. Tex. Mar. 11, 2015) (“In this district, that is not just the majority rule; it is the universal practice. This Court’s survey of cases from the Eastern District of Texas shows that when the PTAB has not yet acted on a petition for inter partes review, the courts have uniformly denied motions for a stay.”).

Even in the event of potential institution, the late stage of litigation, prejudice, tactical disadvantage to Patent Owner, and the lack of potential simplification of the issues would weigh strongly against such a motion. *See Croga Innovations Ltd. v. Cisco Sys., Inc.*, No. 2:24-CV-00065-JRG, 2025 WL 1117472, at *2 (E.D. Tex. Apr.

¹ Complaint was filed July 9, 2025, EX2001 at 1, while the Petition was filed almost 10 months later, on May 6, 2025. Paper 5 (Notice of Filing Date Accorded) at 1.

15, 2025) (denying a stay where the final written decision for an IPR would issue four months after scheduled trial and parties had filed claim construction briefs, indicating substantial investment); *Lennon Image Techs., LLC v. Macy's Retail Holdings, Inc.*, 2:13-CV-00235-JRG, 2014 WL 4652117, at *1 (E.D. Tex. Sept. 18, 2014).

Similarly here, the statutory deadline for institution (December 10, 2025) occurs almost four months *after* fact discovery closes (August 21, 2025) and over a month after expert discovery closes (October 23, 2025). EX2003 at 3-4. The Director has already indicated that “there has been meaningful investment in the parallel proceeding by the parties” in reference to an the investment of the parties at an *earlier* point in time. *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 1-3 (P.T.A.B. Jul. 10, 2025); *see also* *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00475, Paper 11, at 1-3 (P.T.A.B. Jul. 17, 2025).

These investments have only grown since. The District Court has now issued a claim construction order and depositions have been held. EX2004 (Claim Construction Order); *see* EX2005; *see Intell. Ventures II v. FedEx Corp.*, No. 2:16-cv-00980-JRG, Dkt. 141 at 5 (E.D. Tex. Oct. 24, 2017) (“The Court agrees that the Parties have already invested substantial effort and resources during discovery and

in preparing claim construction briefing. . . . These circumstances weigh against staying this case.”).

Thus, the first factor weighs against institution.

2. Proximity Of The District Court's Trial Date (Factor 2)

The Director has already denied four petitions related to the same District Court litigation, noting that based on the district court's scheduled trial date and the time-to-trial statistics, “it is unlikely that a final written decision in these proceedings will issue before the district court trial occurs.” *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 1-3 (P.T.A.B. Jul. 10, 2025); *see also Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00475, Paper 11, at 1-3 (P.T.A.B. Jul. 17, 2025).

The projected trial date, based on time-to-trial statistics, precedes the Board's projected statutory deadline for the final written decision by several months. The Director and Board have routinely found such cases to weigh strongly in favor of denying institution. *See Dell Inc.*, Paper 12, at 10 (finding this factor “strongly favors exercising discretionary denial” when both scheduled and statistical trial dates preceded expected final written decision date by several months); *Charter Comms., Inc. v. Adaptive Spectrum & Signal Alignment, Inc.*, IPR2024-01379, Paper 16, at 10-11 (P.T.A.B. Apr. 17, 2025) (finding this factor favors exercising discretionary

denial when “regardless of which trial date estimate is considered, they all provide for a trial date months before a projected statutory deadline for a final written decision in this proceeding”); *Int’l Business Machines Corp. v. Digital Doors, Inc.*, IPR2023-00969, Paper 8, at 10-11 (P.T.A.B. Dec. 5, 2023).

For example, statistics show that the case will be tried approximately 25.9 months from filing, around September 2026. EX2006 at 35. This projected trial date precedes the expected final written decision date by approximately **four** months.

Recently, the court issued a second docket control order that changed the scheduled trial date. EX2003. While the pretrial conference date is scheduled for March 24, 2026, the actual trial date will be rescheduled. *See* EX2003. The scheduled pretrial conference date indicates an even earlier trial date than the time-to-trial statistics, because the pretrial conference is slated for over **eight** months before the statutory deadline for issuing a Final Written Decision in this matter on December 10, 2026. EX2003 at 1. The pretrial conference date is indicative of the trial date. Fed. R. Civ. P. 16(e) (“The court may hold a final pretrial conference to formulate a trial plan, including a plan to facilitate the admission of evidence. **The conference must be held as close to the start of trial as is reasonable, . . .**”). Given that the “statistical” trial dates are well before the due date for the Final Written Decision, the second factor strongly favors discretionary denial. *See Dell Inc.*, Paper

12, at 10 (finding this factor “strongly favors exercising discretionary denial” when both scheduled and statistical trial dates preceded expected final written decision date by several months); *Charter Comms., Inc. v. Adaptive Spectrum & Signal Alignment, Inc.*, IPR2024-01379, Paper 16, at 10-11 (P.T.A.B. Apr. 17, 2025) (finding this factor favors exercising discretionary denial when “regardless of which trial date estimate is considered, they all provide for a trial date months before a projected statutory deadline for a final written decision in this proceeding”).

3. Significant Investment In The Parallel Proceeding (Factor 3)

The investment in the parallel District Court Litigation strongly weighs in favor of discretionary denial. This factor is judged from the date of the institution decision, which is expected to be no later than December 10, 2025. *See Fintiv*, Paper 11, at 9.

The Director has already indicated that there has been “meaningful investment in the parallel proceeding,” in denying institution of four petitions related to the same District Court Litigation. *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 1-3 (P.T.A.B. Jul. 10, 2025); *see also Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00475, Paper 11, at 1-3 (P.T.A.B. Jul. 17, 2025). This Petition was filed several months after those four petitions, meaning the investments in the parallel proceeding have only increased.

For example, the Director indicated that “the parties have participated in a *Markman* hearing” as a sign of meaningful investment. *Id.* The District Court has now issued a claim construction order based on the *Markman* hearing. EX2004.

Further, by the time of the institution decision, fact discovery will be complete on August 21, 2025, approximately four months before the statutory institution date, December 10, 2025. EX2003 at 4. Expert discovery will similarly be complete on October 23, 2025, approximately two months before the statutory date institution date. EX2003 at 3. The parties have already exchanged extensive infringement and invalidity contentions. Opening and rebuttal expert reports will have been served on September 18, 2025, and October 9, 2025, respectively, after substantial expense and effort by counsel and experts on both sides, all which precedes the statutory institution date. EX2003 at 3-4.

Further, the District Court has invested many hours in holding arguments and issuing numerous rulings on Petitioners' motions to dismiss and the parties' other various motions. *See, e.g.*, EX2004. For example, the Court has considered and denied a motion to transfer to the Northern District of California, and a district court in the Northern District of California has already dismissed a related declaratory judgment action filed by Petitioners' subsidiary, Optoma Technology, Inc., which is now pending appeal at the Federal Circuit. EXS2007-2009. The Court has also

considered numerous motions to dismiss and issued reports and recommendation denying these motions to dismiss. *See, e.g.*, EX2010; EX2011. This extensive activity shows a significant investment by both the parties and the courts. *See Motorola Sols., Inc., v. Stellar, LLC*, Paper 19, at 3 (Mar. 28, 2025) (finding “substantial time and effort” invested by parties and the district court, where the district court held a claim construction hearing, parties had served extensive infringement and invalidity contentions, parties had served opening expert reports, and conducted several depositions).

As explained in *Fintiv*, the investment in the District Court Litigation by the District Court and the parties is judged from the date of the anticipated institution decision, which is expected to be about December 10, 2025. As presented above, the District Court and the parties have made and will continue to make substantial investments in the District Court Litigation. Those investments will continue to compound in the four months between now and the due date for an institution decision. Indeed, at Institution, the District Court Litigation will essentially be ready for trial. This *Fintiv* factor strongly weighs in favor of denial.

4. There Is Significant Overlap Between Issues Raised In The Petition And In The District Court Litigation (Factor 4)

The issues in this proceeding are substantially the same as in the District Court Litigation. Here, Petitioners assert that Claims 1, 7, and 8 of the '988 Patent are

unpatentable. Pet. 2. These claims fully overlap with the claims asserted by Maxell against Petitioners in the District Court Litigation. EX2012 at 1. Furthermore, the references that Petitioners rely upon in supporting its Petition include the same references Petitioners rely upon to challenge the validity of the '988 Patent in the District Court Litigation. These references are explicitly listed in Petitioners' own Invalidity Contentions served in the district court case on December 27, 2024, EX2013 at 6-7, and listed in the Preliminary Election of Asserted Prior Art, served March 25, 2025. *Compare* Pet. 7-8 with EX2013 at 6-7 and EX2014 at 1.

While Petitioners have made a *Sotera* stipulation, the effect is muted and cannot outweigh the other factors. EX1016. For example, Petitioner's stipulation will not "mitigate[] any concerns of duplicative efforts between the [D]istrict [C]ourt and the Board" or "of potentially conflicting decisions." *Sotera Wireless, Inc. v. Masimo Corp.*, No. IPR2020-01019, Paper 12 at 19 (P.T.A.B. Dec. 1, 2020). Before the Board is scheduled to issue an institution decision, on December 10, 2025, opening and rebuttal expert reports, expert discovery, and summary judgment motions in District Court addressing many of the same references asserted here will have already been completed. *See, e.g.*, EX2003 at 3-4. Because the parties will have already invested a substantial amount of time and effort addressing issues in District Court involving many of the same references presented here, Petitioner's stipulation

fails to mitigate concerns of duplicative efforts and provide a true alternative to the process and outcomes that would be achieved in District Court.

Further, Petitioners' stipulation cannot outweigh the other *Fintiv* factors. A *Sotera* stipulation is not dispositive on its own. EX2015 at 2-3 (stating that a *Sotera* stipulation would be "highly relevant, but will not be dispositive by itself"). Given that the Petition is directed toward the same patent, encompasses the claims at issue in the parallel District Court Litigation, involves overlapping prior art and arguments, and does not seek to mitigate concerns regarding duplicative efforts or potentially conflicting decisions via a *Sotera* stipulation, this factor strongly favors denial of institution. *See, e.g., Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 2 (P.T.A.B. March 28, 2025) (overall weighing of the *Fintiv* factors was erroneous because the Board did not give enough weight to the investment in the parallel proceeding and gave too much weight to Petitioner's *Sotera* stipulation); *Cisco Systems, Inc. v. Estech Systems, Inc.*, IPR2021-00333, Paper 12 at 12-13 (P.T.A.B. July 7, 2021) (denying institution under *Fintiv* based on holistic analysis of all factors even when petitioner filed a *Sotera* stipulation because the Board was "not persuaded ... the stipulations proffered here are sufficient when weighed against other factors.").

5. The District Court Litigation And The Petition Involve The Same Parties (Factor 5)

As noted in Patent Owner's Mandatory Notice, there exists a parallel District Court Litigation between the same parties regarding the same subject patent (the '988 Patent). Petitioners are both parties to the District Court Litigation. Accordingly, this factor weighs in favor of discretionary denial. *See Sotera*, IPR2020-01019, Paper 12, at 19 (stating that this factor supports denying institution when the "parties are the same in the *inter partes* proceeding and in the parallel proceeding").

6. Other Factors Favor Discretionary Denial (Factor 6)

The '988 Patent is expired. Petitioners waited over two years after receiving notice of the '988 patent on **April 27, 2023** (EX2001 ¶ 36) to file this IPR, only after substantial litigation progress. This delay suggests tactical gamesmanship aimed at disrupting the District Court case. As recognized in the Memo regarding discretionary denials, such considerations regarding case management, efficient use of resources, and potential abuse of process may be relevant to the denial analysis and weigh against institution here.

Although Petitioners filed the Petition prior to the statutory deadline (July 2025), they did not do so as quickly as they might have. Indeed, rather than prioritize this proceeding, Petitioners filed three motions to dismiss (including two based on

invalidity) in the District Court Litigation, a motion to transfer venue, and a declaratory judgment action. Plainly, the Petition was not a priority for Petitioners, and this factor favors denial in light of settled expectations and Petitioners' failure to articulate its claim construction of a means-plus-function term. *See infra* Section III.B.1.

**B. ADDITIONAL FACTORS SET FORTH IN THE
MEMORANDUM SUPPORT DISCRETIONARY DENIAL**

Beyond the established framework of *Fintiv*, the Memo clarifies that the Director may weigh additional considerations relevant to fairness and efficiency. Several such considerations further support denying institution here, including that the '988 Patent is expired.

1. Settled Expectations

The '988 Patent expired on February 15, 2025, several months before the Petition was filed, and prior to that the '988 Patent was in force for eighteen years. The Memo notes that "settled expectations of the parties, such as the length of time the claims have been in force" may be considered. The '988 Patent issued in January 2007 and relates to technology covered by a family of patents. The '988 Patent was assigned several times throughout its lifespan, and all maintenance fees were paid, showing an intent to keep the patent alive and enforce the patent. The '988 Patent expired on February 15, 2025, after Patent Owner had paid the full term of the patent,

and the '988 Patent was in effect for the full term before this Petition was filed. EX2016 (showing maintenance fees paid). Between grant of the patent and expiration, the patent was in force *for over eighteen years*. This weighs in favor of denial because of the strong settled expectations surrounding the '988 Patent. *Apotex Inc. v. Alkermes Pharma Ireland Limited*, IPR2025-00514, Paper10, at 2 (Jul. 2, 2025) ("In particular, the challenged patent has been in force for more than 14 years, creating strong settled expectations, and Petitioner does not provide any persuasive reasoning why an *inter partes* review is an appropriate use of Board resources.").

In addition, Petitioners were aware of the '988 Patent for over two years prior to the filing of the Petition, as Maxell sent notice letters regarding the '988 Patent in April 2023. EX2001 ¶ 36. This history contributes to settled expectations regarding the patent's validity. Settled expectations regarding other patents asserted in the same district court litigation contributed to denial of those petitions. *Coretronic, Corp. v. Maxell, Ltd.*, IPR2025-00474, IPR2025-00476, IPR2025-00477, Paper 11, at 2 (P.T.A.B. Jul. 10, 2025) ("Furthermore, the challenged patents have been in force for approximately eight, twelve, and fifteen years, creating strong settled expectations, . . .").

2. Patent Expiration and Efficient Resource Allocation

The Memo states that discretionary denial decisions will consider factors bearing on the efficient use of PTAB resources and overall workload management. Instituting review of the '988 Patent, which is expired, presents a clear case of inefficiency warranting denial.

The institution decision in this matter is anticipated around December 2025. Proceeding with an IPR on an expired patent is a demonstrably inefficient use of the Board's and the parties' resources. While the Board clearly has jurisdiction to do so in its discretion, committing substantial Board and party resources to adjudicate this patent under these circumstances, particularly while the same validity challenges are concurrently proceeding in the District Court Litigation, is contrary to the goals of improving PTAB efficiency and managing workload, as highlighted in the Memo. This warrants discretionary denial.

3. Failure to Satisfy 37 C.F.R. § 42.104

The Petition fails to set forth how the challenged claim is to be construed, in conflict with 37 C.F.R. § 42.104. While Petitioners allege that "projection optical unit" is a means-plus-function term, Petitioners never identify a function for the term and therefore fail to provide for how the challenged claim is to be construed.

For example, on page 10 of the Petition, Petitioners state that “projection optical unit” is a means-plus-function term and should be interpreted as “constituting one or more lens group [sic] having a positive refractive power.” Pet. 10-11. However, Petitioners fail to identify any function associated with the term, projection optical unit.

[1.0] A projection optical unit..., comprising;

The term “projection optical unit” is a means-plus-function term and so should be interpreted as covering the corresponding structure described in the specification and equivalents thereof. The specification of '988 Patent describes the structure for a “projection optical unit” as constituting one or more lens group having a positive refractive power. EX1004, ¶¶41-42. More specifically, the specification states that

In the present invention, the projection optical unit for providing an enlarged projection of the images displayed by image display elements is divided into two lens groups. One of the lens groups constitutes a first projection optical unit that forms a first enlarged image, and the other lens group constitutes a second projection optical unit that forms a second enlarged image...the second projection optical unit having positive refractive power.

EX1001, 7:8-14.

Pet. 10-11. Throughout the entirety of the section (related to element [1.0]) on pages 10-12, Petitioners fail to identify any “function” at all.

This failure to define the function of “projection optical unit” pervades the Petition. When “projection optical unit” is recited in other claim limitations, Petitioners merely reference back to element 1.0:

[1.1] a first projection optical unit...; and

The construction of the term “projection optical unit” is discussed above. *See* Section VIII.A.2.a.[1.0].

Pet. 12.

[1.2] a second projection optical unit...;

The construction of the term “projection optical unit” is discussed above. *See* Section VIII.A.2.a.[1.0].

Pet. 13.

The next recitation of “function” is around fifty pages later in the Petition. However, it is unclear if these terms are associated with the term “projection optical unit.” These references to “function” are characterizations of the cited references and Petitioners fail to associate them with the term “projection optical unit.” *See* Pet. 63, 65. Further, these “functions” differ from each other so it is unclear which “function” should attach to the term “projection optical unit.” *See* Pet. 63, 65.

Kurematsu discloses the second projection optical unit has a positive refractive power because FIG. 1 shows that the main projection lens 2 is a convex lens. EX1004, ¶232. It is well known by a POSITA that a convex lens has positive refractive power. *Id.* Moreover, a POSITA would have understood from FIG. 1 and from the working principle of the projector, that the main projection lens 2 must have a positive refractive power and, necessarily, a larger magnifying power than the auxiliary projection lens in order to achieve the intended function of projecting an enlarged image. *Id.*

Pet. 63 (describing that a POSITA would understand Kurematsu to have an intended function of projecting an enlarged image).

Further, a POSITA would have understood from FIG. 1 and the intended function of Kurematsu's projector that magnification M2 is larger than magnification M1. EX1004, ¶237.

Pet. 65 (describing that a POSITA would understand Dorval to have an intended function of a magnification M2 larger than a magnification M1).

Further obfuscating Petitioners' intention of what should attach to the "function" of "projection optical unit, is the fact that the claims of the '988 Patent recite language such as "for forming a first enlarged image" and "a magnification M1 of the first enlarged image is smaller than a magnification M2 of the second enlarged image." As such, any reference to terms such as "projecting an enlarged

image” or “function . . . that magnification M2 is larger than magnification M1” that appears on pages 63 and 65 of the Petition appear to be a mapping to these portions of the claim language instead of a mapping to any intended function of “projection optical unit” proposed by Petitioners.

Such lack of clarity means Patent Owner cannot discern any intended function associated with the term “projection optical unit.” Such failure to identify a function in connection with an alleged “means-plus-function” term means the Petition should be denied. *See, e.g., Samsung Electronics Co., Ltd. v. Power2B Inc.*, IPR2022-01378, Paper 12 (P.T.A.B. Mar. 15, 2023); *Ebates Performance Marketing, Inc. d/b/a Rakuten Rewards v. International Business Machines Corp.*, IPR 2022-00439, Paper 11 (P.T.A.B. Oct. 3, 2022).

4. Petitioners' Undue Delay and Gamesmanship

The Memo permits consideration of factors bearing on the efficient use of Board resources and potential abuse of process. Here, Petitioners waited nearly two years to file this Petition after first learning of Maxell's infringement allegations in April 2023. EX2001 ¶ 36.

This IPR was filed only after substantial progress had been made in the parallel District Court Litigation, including extensive motion practice and exchange of contentions. Such a lengthy and unexplained delay strongly suggests tactical

gamesmanship aimed at disrupting the District Court Litigation rather than seeking an efficient alternative to litigation early in the dispute. This weighs in favor of discretionary denial.

These additional factors, highlighted by recent Office guidance, provide further independent bases for the Director to exercise discretion and deny institution of this IPR petition.

IV. CONCLUSION

For at least the foregoing reasons, the Board should deny institution of the Petition.

Dated: August 11, 2025

Respectfully submitted,

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Patent No. 7,159,988

Brief in Support of Patent Owner's Request for Discretionary Denial

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of August, 2025, a copy of the attached **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** was served by electronic mail to the attorneys of record, at the following addresses:

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CERTIFICATION PURSUANT TO 37 C.F.R. § 42.24(d)

Pursuant 37 CFR 42.24(d), the undersigned certifies that this Brief in Support of Patent Owner's Request for Discretionary Denial and complies with the type-volume limitation of 37 CFR §42.24(a). The word count application of the word processing program used to prepare this Brief in Support of Patent Owner's Request for Discretionary Denial indicates that the Brief in Support of Patent Owner's Request for Discretionary Denial contains 4,215 words, excluding the parts of the brief exempted by 37 C.F.R. § 42.24(a).

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