

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,
Petitioner

v.

GRANITE VEHICLE VENTURES LLC,
Patent Owner

Inter Partes Review Case No. IPR2025-00943
U.S. Patent No. 11,597,402

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

Patent Owner's Reply provides no basis to grant Patent Owner's Request for Discretionary Denial.

First, Patent Owner tries to sidestep the Patent Office's material error during the examination of the '402 Patent by concocting purported errors in Tesla's analysis and misapprehending the proper focus of the "material error" inquiry. That inquiry focuses on errors material to the validity of the Challenged Claims **generally**, not on errors related to specific prior art, as Patent Owner contends. *See W. Digital Techs., Inc. v. Godo Kaisha IP Bridge 1*, IPR2025-00701, Paper 9 at 2 (PTAB Aug. 14, 2025) (material error was the erroneous identification of the allowable subject matter); *see also id.*, Paper 1 at 6 (presenting grounds not including the reference underlying the material error). Like *Western Digital*, the Office's material error during examination of the '402 Patent was its identification of the fault limitations as the allowable subject matter. Paper 14, 6–8. Such material error is not "second-guessing and pure speculation." Paper 15, 1. Applicant expressly argued:

Stenneth does not teach, "whether a fault has occurred". ...

Stenneth is discussing adjusting a confidence level and not determining a fault has occurred. Applicant claims the use of a, **"fault-remediation table"** which allows for decision based on the type of fault occurring.

... [I]t is clear that Stenneth has a binary decision. ... However, [Stenneth's decision] **is not the result of a fault remediation table[.]**"

EX1002, 3401 (emphasis added). It is irrelevant that the Notice of Allowance did not mention the fault limitations. Paper 15, 1. That the allowance followed the Applicant's arguments presupposes the Examiner's agreement with those arguments. Otherwise, the Examiner would have maintained his anticipation rejection. And even if the Examiner accepted only the Applicant's arguments for the *whether a fault has occurred* (Paper 15, 1) limitation, Tesla demonstrated that there still was a material error. Paper 14, 6–12. Patent Owner does not contest Tesla's showing. Paper 15, 1. Finally, the Applicant's narrower claim 6 argument and claim 15 amendment do not moot the Examiner's material error because the Applicant's fault limitations argument applied to other claims. Paper 15, 2; EX1002, 3401 (identifying claims 1, 2, 4, 6-7, 12-13, 15-19, and 21-30). Thus, having established prior material error, the grounds presented in the Petition rectify that error by demonstrating the obviousness of the fault limitations and the Challenged Claims overall.

Turning to the Examiner's search, Tesla did not misquote it. Paper 15, 2. Tesla expressly stated it was identifying "[s]ome of the relevant aspects of the Examiner's search string" to highlight that the Examiner searched for prior art relevant to the fault limitations. Paper 14, 10 n.2. Tesla also filed the entire search history with its brief as evidentiary support. So, while Tesla did not recite some of the keywords in

the OR combinations of the search string, those keywords did not pertain to the fault limitations and are irrelevant to the material error identified by Tesla.

Second, Tesla demonstrated that Judge Gilstrap's recent patent trials are regularly rescheduled. Paper 14, 15. Tesla provided the recent patent cases' docket sheets to illustrate this. *Id.* Tesla did not then "switch[]" to the median time to trial. Paper 15, 3. Instead, Tesla demonstrated that the average time-to-trial for Judge Gilstrap's recent patent cases aligns with the median time-to-trial statistics for the Eastern District. Paper 14, 15. Tesla also justified limiting its analysis to Judge Gilstrap's recent patent trials that were rescheduled. *Id.*, 16–17. Judge Gilstrap currently has seven other cases scheduled for trial on the same day as the Parallel Litigation. *Id.* Consequently, it is highly unlikely the Parallel Litigation will be able to go to trial as scheduled. Thus, the statistics for Judge Gilstrap's other rescheduled cases are the most relevant to the time-to-trial analysis. Regardless, whether trial occurs shortly after the Board's final decision, as Tesla showed is likely, or slightly before, as Patent Owner contends, *Fintiv* Factor 2 is, at worst, neutral.¹

¹ Patent Owner's inflammatory suggestion that Tesla is "attempt[ing] to blame *the Board*" for NFDA's timing is plainly incorrect. Paper 15, 3. Tesla does not and could not place blame on the Board because the Director's guidance was issued **after** the NFDA.

Third, Patent Owner's characterization of Tesla's typical document production evidence as "extraordinary" fails. Paper 15, 4. Tesla's evidence aligns with the Federal Circuit's observation that "it is not uncommon for an accused infringer to produce **millions of pages of documents.**" *Eon-Net LP v. Flagstar Bancorp*, 653 F.3d 1314, 1327 (Fed. Cir. 2011) (emphasis added). Moreover, Patent Owner cites no contrary evidence of its own nor disputes that much of the identified discovery was directed to venue transfer.

Fourth, Patent Owner's attempt to minimize Tesla's authority supporting its "number of references" argument because those cases did not involve IPRs lacks merit. Paper 15, 4. The legal standard for obviousness does not change between examination, reexam, and IPR. Critically, the Board has affirmed Tesla's very argument. *See Silicon Lab's, Inc. v. Cresta Tech. Corp.*, IPR2015-00626, Paper 65 at 55 n.42 (PTAB Aug. 11, 2016) ("The proper criterion is not the number of references; rather, the proper criterion is what the references would have meant to a [POSITA.]") (citing *In re Gorman*, 933 F.2d 982, 987 (Fed. Cir. 1991).

Biogen, relied on by Patent Owner, supports Tesla's argument, not Patent Owner's. Paper 15, 5 (citing *Biogen, Inc. v. Iancu*, No. 19-1364). There, the Federal Circuit **summarily affirmed** the Board's decision finding the challenged claims obvious over a five-reference combination. *Biogen, Inc. v. Iancu*, 831 F. App'x 506,

507 (Fed. Cir. 2020); *Pfizer, Inc. v. Biogen, Inc.*, IPR2017-01168, Paper 59 (PTAB Oct. 31, 2018) (final decision on appeal). The Board, likewise, has invalidated claims as obvious based on five-reference combinations. *E.g.*, *Facebook, Inc. v. Express Mobile Inc.*, IPR2021-01456, Paper 38 at 89 (PTAB Mar. 1, 2023); *Silicon Lab 'ys*, Paper 65.

Finally, Patent Owner does not dispute Tesla's cited authority evidencing that the convoluted nature of the Challenged Claims **favors Board review**. Paper 15, 5; Paper 14, 26. Moreover, as Tesla demonstrated in its Petition and Discretionary Denial Response, *Attard* alone or in combination with *Hampiholi*, "teaches or renders obvious the majority of the Challenged Claims' limitations." Paper 14, 25–26 (citing Paper 1). The recitation of extraneous, well-known limitations throughout the Challenged Claims does not, in and of itself, render the Claims non-obvious. *Id.*; *see, e.g. Sundance, Inc. v. DeMonte Fabricating Ltd.*, 550 F.3d 1356, 1366–67 (Fed. Cir. 2008) (explaining that often a [POSITA] can fit prior art teachings together like puzzle pieces, and the resulting combination will more likely be obvious where the combination arranges known elements to perform their same functions).

Fifth, Tesla maintains its constitutional and policy arguments (Paper 14, 34–42) and disputes Patent Owner's contention that *SAS* empowers the Director to deny institution for any reason. Paper 15, 5.

Respectfully submitted,

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COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE ON PATENT OWNER
UNDER 37 C.F.R. § 42.105

I hereby certify that a true and correct copy of the foregoing *Petitioner's*
Reply to Patent Owner's Response to Opposition To Patent Owner's Request For
Discretionary Denial was served on September 22, 2025, by email on the
following counsel of record for Petitioner:

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