

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., and
SAMSUNG ELECTRONICS AMERICA, INC.,

Petitioners,

v.

HERMES IP MANAGEMENT LLC,

Patent Owner

Case No. IPR2025-00953

U.S. Patent No. 9,613,060

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

TABLE OF CONTENTS

PATENT OWNER’S EXHIBIT LIST	II
I. INTRODUCTION	1
II. THE ’060 PATENT DISCLOSES A METHOD AND SYSTEM OF PROVIDING LOCATION-BASED SERVICES WITH PHOTOS TAKEN BY A CAMERA PHONE USING LOCATION INFORMATION AT THE SHOOTING TIME.	2
III. THE <i>FINTIV</i> FACTORS FAVOR DISCRETIONARY DENIAL UNDER § 314(A).	3
A. Factor 1 –The District Court is Very Unlikely to Stay the Pending Litigation.	4
B. Factor 2 – The Expected Trial Date Favors Denial.	5
C. Factor 3 – The Eastern District of Texas and Both Parties Have Significantly Invested in the Parallel Litigation, Favoring Denial.	5
D. Factor 4 – The Significant Overlap Between Issues Raised in this Proceeding and the Parallel Litigation Favors Denial.	7
E. Even if Samsung filed a timely <i>Sotera</i> stipulation, this will not be dispositive.....	9
F. Factor 5 – Petitioners and Patent Owner Are All Parties to the Parallel Litigation, Favoring Denial.	9
G. Factor 6 – Additional Circumstances Favor Discretionary Denial.	10
H. Additional Consideration Under the Interim Processes for PTAB Workload Management.....	13
IV. CONCLUSION.....	14

PATENT OWNER'S EXHIBIT LIST

Exhibit	Description
2001	Docket Control Order in <i>Hermes IP Management LLC v. Samsung Electronics Co., Ltd. et. al.</i> , 2-24:cv-00540 (E.D. Tex.) D.I. 23
2002	Invalidity Contentions Served by Samsung in <i>Hermes IP Management LLC v. Samsung Electronics Co., Ltd. et. al.</i> , 2-24:cv-00540 (E.D. Tex.)
2003	Samsung's Amended Answer in <i>Hermes IP Management LLC v. Samsung Electronics Co., Ltd. et. al.</i> , 2-24:cv-00540 (E.D. Tex.)

* * * *

USE OF EMPHASIS IN QUOTATIONS

All emphases in quotations and exhibit citations have been added, unless otherwise indicated.

APPLICABLE STATUTES

References to 35 U.S.C. §§ 102 and 103 are to the Pre-AIA versions applicable to the '060 Patent.

I. INTRODUCTION

Petitioners Samsung Electronics Co., Ltd., and Samsung Electronics America, Inc., (collectively “Samsung” or “Petitioners”) challenge claims 1, 3, 4, 6-14 (the “Challenged Claims”) of Patent Owner Hermes IP Management LLC’s (“Hermes” or “Patent Owner”) U.S. Patent No. 9,613,060 (the “’060 Patent”).

Petitioners filed their Petition on May 1, 2025. The facts establish that discretionary denial is appropriate here under Section 314(a). Petitioners were notified of their infringement of the ‘060 Patent in October of 2023. In the Eastern District of Texas, the parties have been litigating the infringement and validity of ‘060 Patent for nearly a year, with trial expected to finish at least 4 and a half months before any final written decision in this IPR. Further, Samsung has asserted the same prior art in the parallel litigation, which would result in duplicating efforts in the parallel litigation and an instituted IPR. Those facts, as well as others detailed below, favor discretionary denial. The petition is also insufficient on the merits, as the cited combination does not render the claims obvious.

Accordingly, Patent Owner respectfully requests that the Board deny the petition for *inter partes* review of claims the Challenged Claims of the ‘060 Patent under §314(a).

II. THE '060 PATENT DISCLOSES A METHOD AND SYSTEM OF PROVIDING LOCATION-BASED SERVICES WITH PHOTOS TAKEN BY A CAMERA PHONE USING LOCATION INFORMATION AT THE SHOOTING TIME.

The '060 Patent was developed by inventors at SK Telecom Co., Ltd., based in South Korea, and has a priority date of April 19, 2005. At the time of the filing of the Korean counterpart, camera phones were in their infancy. For example, the first iPhone was not announced until January of 2007.

The '060 Patent solved problems with the then-existing camera phones. Prior art camera phones were limited in that they only transmitted image information providing the shapes of objects. '060 Patent at 1:24-42. In the prior art, “the conventional camera phone is limited to play a role of showing a user the image information or showing others only the shot photo by transmitting the image information to their mobile communications terminals or computers.” *Id.* at 1:39-42.

The '060 Patent provided a “station information of the shot location or global positioning information of a GPS terminal in the image information at the time of shooting the photo with the camera phone” to resolve the above-mentioned problems. *Id.* at 1:53-56. “[U]sing the location information included in photo information enables the user who views the photo to obtain the geographical location information by providing map information on the shot location, and enables the user to get to the location as quickly as possible when the location in the photo catches

the fancy of the user by providing a service of guiding the user to the location in conjunction with a navigation system. *Id.* at 1:63-2:3.

Claim 1 captures this invention and recites:

1. A location-based service method using image data provided by a terminal equipped with a camera, and using location data that includes location information of the terminal, comprising:
generating first image data with the terminal at a predetermined location;
receiving location data of the predetermined location;
prompting a user to choose whether or not to insert the received location data into the first image data to generate a second image data and, when the user chooses to do so, inserting the received location data into the first image data to generate a second image data;
transmitting the second image data, the second image data including the first image data and the location data, to another terminal;
receiving, at the another terminal, a selection input for an image corresponding to the second image data, from the user;
displaying, at the another terminal, an image corresponding to the first image data, and a menu inquiring about whether to select a location-based service;
receiving, at the another terminal, via the displayed menu, a selection input for the location-based service, from the user;
receiving, at the another terminal, location-based service data corresponding to the location data of the selected second image data; and
providing the location-based service to the another terminal by using the received location-based service data.

III. THE *FINTIV* FACTORS FAVOR DISCRETIONARY DENIAL UNDER § 314(A).

The Board should also exercise its §314(a) discretion to deny institution because this proceeding would not promote the efficient and conclusive resolution of the pending litigation dispute regarding the '060 Patent. The Director has

discretion to deny institution under 35 U.S.C. § 314(a). The Board’s precedential decisions in *NHK Spring Co., Ltd. v. Intri-Plex Technologies, Inc.* and *Apple Inc. v. Fintiv Inc.* explain that the Board should consider “whether efficiency, fairness, and the merits support the exercise of authority to deny institution.”¹ As shown below, a majority of *Fintiv*’s factors support the Board’s exercise of discretionary denial because efficiency, fairness, and the merits do not support institution.

A. Factor 1 –The District Court is Very Unlikely to Stay the Pending Litigation.

As mentioned above, there is a pending District Court litigation involving the ’060 Patent as well as 2 other patents asserted by Patent Owner against Samsung (“Litigation”). Petitioners have requested *Inter Partes Review* of one other asserted patent. Given that there are 3 patents asserted in the Litigation and only two of the patents have been challenged in the PTAB, a stay is very unlikely to occur. Furthermore, a stay of the District Court is unlikely as the Eastern District of Texas uniformly denies pre-institution requests to stay. *Tessera Advanced Technologies, Inc. v. Samsung Electronics Co.*, No. 2:17-CV-00671-JRG, 2018 U.S. Dist. LEXIS 120999 (E.D. Tex. July 19, 2018). Here, Patent Owner has asserted two unrelated patents in the parallel litigation. No evidence suggests the district court, and in

¹ IPR2018-00752, Paper 8 (P.T.A.B. Sept. 12, 2018) (designated precedential); IPR2020-00019, Paper 11 at 5 (P.T.A.B. Mar. 20, 2020) (designated precedential).

particularly Judge Gilstrap, would stay the parallel litigation if only a subset of of the three patents in litigation is subject to an IPR.

B. Factor 2 – The Expected Trial Date Favors Denial.

This also factor weighs in favor of discretionary denial. The Board is unlikely to issue a final written decision for this proceeding before *November 2026*. The district court, however, has scheduled the parallel litigation’s final pretrial conference for April 27, 2026 and jury selection for *June 1, 2026*.²

Accordingly, because the deadline for the Board’s final written decision is five months after the scheduled trial timeline, this factor weighs heavily in favor of discretionary denial.

C. Factor 3 – The Eastern District of Texas and Both Parties Have Significantly Invested in the Parallel Litigation, Favoring Denial.

This factor weighs in favor of discretionary denial. Patent Owner submitted infringement contentions on November 15, 2024, and Petitioners submitted their invalidity contentions on February 18, 2025.³ The parties have engaged in written discovery and substantial third party discovery has been undertaken. The Markman hearing will occur on December 5, 2025.⁴

² Ex-2001 (EDTX Docket Control Order).

³ Ex-2001 (Docket Control Order); Ex-2002 (Invalidity Contentions - 060 Chart).

⁴ Ex-2001 (Docket Control Order)

Further, the Board will likely issue its institution decision after the Deadline to Substantially Complete Document Production (October 20, 2025), and after the Deadline to Complete Claim Construction Discovery (October 10, 2025). Accordingly, both parties and presiding Judge Gilstrap will have already made significant investments into the parallel litigation before the Board issues its institution decision.

This expenditure of resources was avoidable. Patent Owner informed Petitioners of their infringement of the '060 Patent in October of 2023 and then filed the complaint in the Litigation on July 16, 2024. Petitioner waited nearly nineteen months from being made aware of its infringement and nearly ten months after the filing of the Complaint to file its petition on May 1, 2025. During those nearly nineteen months of combined discussions and litigation, Hermes IP and Petitioners expended significant resources (and continue to do so). The Board has found that this weighs in favor of discretionary denial.⁵

Even if Petitioner had filed its petition in a timely manner after the initiation of the Litigation, this factor would still weigh in favor of discretionary denial. As explained, diligence in filing the petition doesn't overcome the concern over

⁵ *Immersion Sys. LLC v. Midas Green Techs., LLC*, PGR2021-00104, Paper 15 at 10 (P.T.A.B. Jan. 31, 2022).

expended resources in the parallel litigation.⁶ And even the remaining work before trial is not significant enough to overcome the extensive efforts already exerted by the parties and the court.⁷ Because Hermes IP, Petitioners and the district court have expended significant resources in the parallel litigation, this factor weighs against institution.

D. Factor 4 – The Significant Overlap Between Issues Raised in this Proceeding and the Parallel Litigation Favors Denial.

Again, this factor weighs in favor of discretionary denial. If the Board institutes this proceeding, Petitioner has not stipulated to ceasing the assertion of any references in the parallel litigation. This means that there will be duplicative efforts expended on overlapping issues in the parallel litigation and an instituted IPR.⁸ For example, as Petitioner’s preliminary invalidity contentions show, the parties will still

⁶ *Verizon Business Net. Servs. LLC v. Huawei Techs. Co. Ltd.*, IPR2020-01278, Paper 12 at 11 (P.T.A.B. Jan. 26, 2021) (weighing claim construction and Markman hearing favored exercise discretion despite Petition’s filing date only 2 months after service).

⁷ *NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 10 at 8-9 (P.T.A.B. Apr. 21, 2022) (internal citations omitted).

⁸ *eClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper 10 (P.T.A.B. Apr. 13, 2022) (weighing petition’s overlap in both grounds and claims along with Petitioner’s failure to adequately stipulate strongly in favor of exercising discretion to deny).

be expending efforts to address overlapping obviousness arguments in the parallel litigation.

This runs directly counter to the *Fintiv* ascribed purpose of Factor 4 stipulations to reduce “inefficiency and the possibility of conflicting decisions.”⁹

Further, institution would open the door to conflicting and inefficient rulings regarding validity. We note that Petitioner could have stipulated that it would not pursue any ground raised or that could have been reasonably raised in an inter partes review, that is, any ground that could have been raised under 35 U.S.C. §§ 102 or 103 on the basis of prior art patents or printed publications.”¹⁰

⁹ *Fintiv*, Paper 11 at 12; *Verizon Business Network Services LLC v. Huawei Technologies Co. Ltd.*, IPR2020-01278, Paper 12 at 12-13 (P.T.A.B. Jan. 26, 2021); *compare Immersion Systems LLC v. Midas Green Technologies, LLC*, PGR2021-00104, Paper 15 at 14-15 (P.T.A.B. Jan. 31, 2022) (discounting Petitioner’s stipulation due to multiple contingencies); *with Sotera*, IPR2020- 01019, Paper 12 at 18 (concerning a stipulation (Ex. 1038 in that proceeding) that required institution of an IPR, but addressed all challenges brought or that could have been brought in the IPR); *Sand Revolution II LLC v. Continental Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 11–12 (P.T.A.B. Jun. 16, 2020) (informative) (concerning a stipulation (Ex. 1015 in that proceeding) that required institution of an IPR, but addressed the challenges brought in the IPR).

¹⁰ *See Verizon Business Network Services LLC v. Huawei Technologies Co. Ltd.*, IPR2020-01278 Paper 12 at 12 (P.T.A.B. Jan. 26, 2021); *see also Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (P.T.A.B. Dec. 1, 2020)

E. Even if Samsung filed a timely *Sotera* stipulation, this will not be dispositive.

As this Board has stated in its March 24, 2025, Guidance, the Board will consider a [*Sotera*] stipulation as part of its holistic analysis under *Fintiv*. As such, this stipulation would be only one factor. Here, Samsung has not provided such a stipulation.

F. Factor 5 – Petitioners and Patent Owner Are All Parties to the Parallel Litigation, Favoring Denial.

The Board has consistently found parallel proceedings with the same parties to weigh in favor of exercising discretion to deny institution.¹¹ Accordingly, because

(precedential) (finding that the petitioner’s stipulation “mitigates any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions,” where the petitioner “broadly stipulates to not pursue ‘any ground raised or that could have been reasonably raised’”); *NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 10 at 9-10 (P.T.A.B. Apr. 21, 2022) (“Because the Petition challenges all of the ’198 patent claims asserted in the parallel proceeding, and also asserts the same prior art combinations in both proceedings, this factor weighs in favor of discretionary denial.”).

¹¹ *Immersion Systems LLC v. Midas Green Technologies, LLC*, PGR2021-00104, Paper 15 at 15 (P.T.A.B. Jan. 31, 2022); *eClinicalWorks, LLC, Medical Software Solutions, Inc., and NextGen Healthcare, Inc. v. Decapolis LLC*, IPR2022-00229, Paper 10 (P.T.A.B. Apr. 13, 2022) (weighing even only two of three petitioner’s status in parallel proceeding as favoring discretionary denial); *NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 10 at 10 (P.T.A.B. Apr. 21, 2022); *cf. TCO AS*

there is no dispute of the parties’ roles in both proceedings, this factor weighs against institution.

G. Factor 6 – Additional Circumstances Favor Discretionary Denial.

This factor favors discretionary denial. Among the additional factors considered are the merits of the proposed grounds and the necessity for third party discovery. Both considerations favor discretionary denial.

1. The Weakness of Grounds 1-2 Weighs Against Institution.

“Although we need not undertake a full merits analysis when evaluating *Fintiv* Factor 6, we consider the strengths and weaknesses of Petitioner’s case, where stronger merits may weigh against discretionary denial and weaker merits may favor exercising discretion to deny institution.”¹² “[I]f the merits of the grounds raised in

v. NCS Multistage Inc., PGR2020-00078, Paper 16 at 11 (P.T.A.B. Feb. 18, 2021) (weighing petitioner’s absence from parallel proceedings against discretion).

¹² *Immersion Systems LLC v. Midas Green Technologies, LLC*, PGR2021-00104, Paper 15 at 16 (P.T.A.B. Jan. 31, 2022) (weighing weak disclosures and lack of motivation to combine for exercising discretion to deny); *TCO AS v. NCS Multistage Inc.*, PGR2020-00078, Paper 16 at 22-27 (P.T.A.B. Feb. 18, 2021) (weighing failure to map prior art disclosures to claims sufficiently and weak proposed grounds weighed in favor of exercising discretion).

the petition are a closer call, then that fact has favored denying institution when other factors favoring denial are present.”¹³

The cited prior art does not disclose or render obvious all of the claimed elements. For example, Petitioners cite to Singh’s appending metadata to images as disclosure of inserting the received location data into the first image data to generate a second image data. However, appending metadata does not constitute inserting as required by the claims.

Accordingly, the merits of the proposed grounds are not “sufficiently strong to override the concerns about duplication of effort by the Board and the district court.”¹⁴ As a result, this factor weighs against institution.

2. Discovery Issues

This proceeding may require third party discovery due to “unusual issues in

¹³ *Fintiv* at 15.

¹⁴ *Immersion Systems LLC v. Midas Green Technologies, LLC*, PGR2021-00104, Paper 15 at 16 (P.T.A.B. Jan. 31, 2022) (weighing weak disclosures and lack of motivation to combine for exercising discretion to deny); *TCO AS v. NCS Multi-stage Inc.*, PGR2020-00078, Paper 16 at 22-27 (P.T.A.B. Feb. 18, 2021) (weighing failure to map prior art disclosures to claims sufficiently and weak proposed grounds weighed in favor of exercising discretion).

the case [that] are better resolved by the District Court.”¹⁵ In its amended answer in the parallel litigation, Petitioners assert that Hermes IP’s claims for relief may be barred in whole or in part by one or more express and/or implied licenses.”¹⁶ Petitioners also assert that “Plaintiff does not own or lacks all substantial rights in the Asserted Patents. Thus, Plaintiff either (1) lacks standing to assert the Asserted Patents; or (2) lacks a statutory cause of action to assert the Asserted Patents without joining one or more third parties.” EX2003 at 11. As a result, resolution of these issues will require fact intensive third-party discovery from prior Korean owners of the ’060 Patent, corporate entities, and legal representatives.

These facts mirror those in PGR2020-00078, where the Board determined that the fact-intensive discovery necessary regarding allegations of prior use weighed against institution because “it appears that third-party discovery is required to resolve the issue ... of prior art as a ‘public use.’”¹⁷ Here, the consequences of the

¹⁵ *TCO AS v. NCS Multistage Inc.*, PGR2020-00078, Paper 16 at 21 (P.T.A.B. Feb. 18, 2021) (weighing need for discovery from extraterritorial third party in favor of exercising discretion to deny).

¹⁶ Ex. 2003 at 11 (Amended Answer)

¹⁷ *TCO AS v. NCS Multistage Inc.*, PGR2020-00078, Paper 16 at 21 (P.T.A.B. Feb. 18, 2021) (weighing need for discovery from extraterritorial third party in favor of exercising discretion to deny).

pending discovery go even further than prior-art status. Based on Petitioner's assertions, Petitioner is contending that it is already licensed to the '060 Patent. Accordingly, if the Board were to institute these proceedings and Petitioner's ownership contentions are born out in the parallel litigation, the petition would be made superfluous. Accordingly, third party discovery on Petitioner's license defense cannot be resolved in the PTAB and must be resolved in the parallel litigation. Thus, this factor further weighs against institution.

* * * *

In sum, all six *Fintiv* factors (Factors 1-6) weigh against institution. Accordingly, Patent Owner respectfully request that the Board discretionarily deny this petition under §314(a).

H. Additional Consideration Under the Interim Processes for PTAB Workload Management

This Board in its March 26, 2025 Interim Processes for PTAB Workload Management set forth additional factors that may be considered.

1. The Extent of the Petition's Reliance on Expert Testimony

In their Petition, Petitioners heavily rely on expert testimony to support its arguments to combine the prior art. For example, Petitioners argue that "[t]hus, a POSITA would therefore have considered applying Abram's teaching to Singh to be obvious to try, as it amounts to choosing from a finite number of identified,

predictable solutions (i.e., receiving the position information before or after capturing the image).” Petition at 21. Rather than the combination inherently teaching the benefits of the combination, Petitioners have to concoct motivations using its expert which differ from the ‘060 Patent as neither reference teaches the creation of “second image data” as claimed. Furthermore, Petitioners include numerous additional expert testimony citations to state a POSITA would have understood some disclosure in the prior art means something different than explicitly stated in the reference.

The Board should consider such heavy reliance on expert testimony as another factor that supports this petition under § 314(a).

ii. “settled expectations” of the parties - e.g., how long the patent has been enforced or if the patent is near expiry

Here, the ‘060 Patent is set to expire April 27, 2032. The patent has been enforced for many years. This factor weighs heavily in favor of discretionary denial.

IV. CONCLUSION

The Board should exercise its discretion to deny institution on *Fintiv* grounds. Accordingly, Patent Owner respectfully requests the Board deny institution of this petition as an IPR would not serve the AIA goals of promoting efficient and conclusive rulings.

Respectfully Submitted,

/Neal Massand /

Neal Massand (Reg. No. 54,296)

nmassand@nilawfirm.com

Ni, Wang & Massand, PLLC

8140 Walnut Hill Lane, Suite 615

Dallas, Texas 75231

(t) (972) 331-4600

(f) (972) 314-0900

CERTIFICATE OF COMPLIANCE

Per 37 C.F.R. §42.24(a) and (d), the undersigned hereby certifies that the Petition complies with the type-volume limitation of 37 C.F.R. §42.24(a)(i) because, exclusive of exempted portions, it contains 3143 words as counted by the word-processing program used to prepare it.

Respectfully Submitted,

/Neal Massand/
Neal Massand (Reg. No. 54,296)
nmassand@nilawfirm.com
Ni, Wang & Massand, PLLC
8140 Walnut Hill Lane, Suite 615
Dallas, Texas 75231
(t) (972) 331-4600
(f) (972) 314-0900

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), the undersigned certifies that the above-captioned document was served on counsel of record for the Petitioner by filing this document through the Patent Review Processing System as well as by delivering a copy via electronic mail to:

ali.sharifahmadian@arnoldporter.com

patrick.reidy@arnoldporter.com

kyle.tsui@arnoldporter.com

Dated June 24, 2025

/Neal Massand/
Neal Massand (Reg. No. 54,296)