UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,

Petitioner

v.

TELCOM VENTURES LLC,

Patent Owner

Case No. IPR2025-00972
U.S. Patent No. 10,219,199

PATENT OWNER'S DISCRETIONARY DENIAL BRIEF

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Exhibit Number	Description
2001	Interim Processes for PTAB Workload Management, Acting Director Memorandum (March 26, 2025)
2002	FAQs for Interim Processes for PTAB Workload Management
2003	EDTX Litigation Second Amended Docket Control Order (Jan. 29, 2025)
2004	Docket Navigator Statistics for Judge Rodney Gilstrap
2005	Samsung's Preliminary Invalidity Contentions (Feb. 3, 2025)
2006	Exhibit 199-C (Samsung Subject Matter Eligibility Contentions)
2007	Telcom Ventures Complaint for Patent Infringement
2008	Non-Final Office Action, Application No. 17/730,174

I. INTRODUCTION

Telcom Ventures LLC ("Telcom Ventures" or "Patent Owner") respectfully submits this brief requesting that the Board deny institution of the Petition for *inter partes* review (Paper 3, "Petition," or "Pet.") filed by Petitioner Samsung Electronics Co. Ltd. and Samsung Electronics America, Inc. ("Samsung" or "Petitioner") pursuant to § 314(a) and the Acting Director's March 26, 2025 Memorandum[1] titled "Interim Processes for PTAB Workload Management" ("Director Memo").

The Petition seeks *inter partes* review ("IPR") of claims 1-19 (the "Challenged Claims") of U.S. Patent No. 10,219,199 (the "'199 Patent," Ex. 1001). The '199 Patent and seven other patents (collectively, the "Telcom Ventures Patents") all stem from the same parent and are subject of a co-pending patent infringement action that Telcom Ventures brought nearly one year ago against Samsung in the Eastern District of Texas as Civil Action No. 2:24-cv-00691-JRG (the "EDTX Litigation"). Petitioner has filed IPR petitions against all eight of these

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[1] *See* Ex. 2001 (Acting Director Memo) (https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf); Ex. 2002 ("FAQs") (https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management).

patents.[2] Telcom Ventures filed its Discretionary Denial Brief in IPR2025-00957 on August 11, 2025, and the remaining seven Discretionary Denial Briefs (including this brief) are being concurrently filed on August 18, 2025. Patent Owner's Discretionary Denial briefs together and individually demonstrate that Patent Owner has had strong settled expectations for the family of Telcom Ventures Patents going back nearly a decade—which stem from U.S. Patent No. 9,462,411, which was filed on November 4, 2008, and issued on October 4, 2016. Indeed***, the '199 Patent is over six years old*** as it issued on February 26, 2019.[3] Moreover, Samsung knew of

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[2] IPR Nos. 2025-00978, -00977, -00974, and -00973 were accorded the same filing date as the present IPR, while IPR Nos. 2025-00976 and -00975 were accorded a filing date that is one day before the present IPR. IPR2025-00957 was accorded a filing date that is one week before the accorded filing date of the six other IPRs, and is thus one week ahead of these IPRs.

[3] *See, e.g., Samsung Elecs. Co., Ltd. v. Icashe, Inc.*, IPR2025-00639, Paper 11 at 2 (P.T.A.B. Aug. 14, 2025) (the challenged patents "have been in force for over nine, eight, twelve, nine, and nine years, respectively, creating strong settled

the family of patents at least as early as October 5, 2023 (*see* Ex. 2008 (Non-Final Office Action) at 12), but chose not to pursue IPR until over a year and a half later, on May 2, 2025, when it filed its first petition in these IPRs.

The Director should deny institution under 35 U.S.C. § 314(a) because instituting this Petition would require a considerable and inefficient use of the Board's resources. The stage of the EDTX Litigation is already well advanced relative to this IPR proceeding. By the time the institution decision is due in this proceeding, the Texas Court will have already held the *Markman* hearing, and the parties will be just one day away from the close of fact discovery.[4] Worse still, the trial in the EDTX Litigation is scheduled to be held ***six months before*** the final written decision deadline here.

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expectations for Patent Owner"); *Yangtze Memory Techs. Co., Ltd. v. Micron Tech., Inc.*, IPR2025-00498, Paper 11 at 2 (P.T.A.B. Aug. 14, 2025) ("the challenged patents have been in force for approximately ten, six, and six years, respectively, creating strong settled expectations for Patent Owner").

[4] Notably, in the 2025-00976 and -00975 IPRs and in the 2025-00978, -00977, -00974, and -00973 IPRs, the close of fact discovery is just two and one day after the deadline for the institution decisions, respectively.

Denial is also warranted in the interests of efficiency and fairness. Samsung's invalidity arguments in the district court are more expansive, covering each of 35 U.S.C. §§ 101, 102, 103, and 112, and asserting over 380 primary or secondary references, meaning that the EDTX Litigation is the most suitable venue to evaluate all of Samsung's challenges in view of all the evidence. Denial of this Petition—to allow the parties to focus on Samsung's full invalidity challenges in the EDTX Litigation—is the most efficient outcome and achieves the AIA's intended efficiency goals better than would conducting eight IPR proceedings (one for each of the Telcom Ventures Patents) that each ask the Board to issue final written decisions six months ***after*** a jury verdict on those same patents. The prior art will be evaluated in the EDTX Litigation far in advance of any final written decision in these IPR proceedings. In short, institution would create duplicative workloads, add uncertainty, and risk inconsistent positions.

Still further, as highlighted above, Patent Owner has had settled expectations for the family of Telcom Ventures Patents going back nearly a decade. The '411 Patent—the first patent in the family challenged by Samsung—has a priority date of 2008 and has been in force since 2016. The other seven challenged Telcom Ventures Patents are continuations that the Office has issued year after year—in 2017, 2019, 2020, 2023, and 2024. That the Office has continued to review and grant claims across the family underscores Patent Owner's settled expectations for these patents.

Moreover, each of the applications has been directed to the same technology area as the products accused of infringement in the EDTX Litigation. For example, the Telcom Ventures Patents, including the '199 Patent, are directed to financial transactions and wallet applications. Specifically, starting with the first application filed in November 2008, each of the Telcom Ventures Patents is directed to a wallet function on a mobile wireless device such as a smartphone. Ex. 1001 at 1:37-40 ("It would, for example, be desirable to have a mobile wireless device act as a 'wallet' (over and above other functions) only when it is time to pay for an item and not act as a wallet when there is no need to do so."). Indeed, each of the Telcom Ventures Patents relates to the use of a proximity criterion for completing financial transactions. *Id*. at 9:25-29 ("In one embodiment, the detection by mobile subscriber device 14 of a proximity criterion relative to Entity 1 can enable the mobile subscriber device 14 to authorize and complete a financial transaction such as the payment of a toll and/or of an item at a check out line.").

All told, there are many reasons to deny institution, as confirmed by each of the discretionary denial factors. As discussed below, all six of the *Fintiv*[5] factors and

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[5] *Apple v. Fintiv, Inc.*, No. IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (precedential) ("*Fintiv*").

multiple Director Memo factors weigh in favor of denying institution. Accordingly, institution should be denied.

II. LEGAL STANDARDS

It is Petitioner's burden to demonstrate unpatentability by a preponderance of the evidence. The Petition must establish, with particularity, the grounds and evidence that support invalidating the patented claims. 35 U.S.C. § 312(a)(3). Petitioner "must 'specify where each element of the claim is found in the [relied upon] prior art patents.'" *In-Depth Geophysical, Inc. v. ConocoPhillips Co.*, IPR2019-00850, Paper 56 at 27 (P.T.A.B. Sept. 3, 2020) (quoting 37 C.F.R. § 42.104(b)(4)). Petitioner must demonstrate that the prior art "discloses[] within the four corners of the document . . . all of the limitations claimed," and that disclosure must be "arranged or combined in the same way as recited in the claim." *Net MoneyIN, Inc. v. VeriSign, Inc.,* 545 F.3d 1359, 1371 (Fed. Cir. 2008).

35 U.S.C. § 314(a) gives the Director discretion to deny institution of IPR due to the advanced state of parallel district court litigation regarding the same issues. *See NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19-21 (P.T.A.B. Sept. 12, 2018) (precedential). The Director Memo outlines several discretionary factors committed to the Director's discretion under § 314(b), including the *Fintiv* factors and Director Memo factors.

The *Fintiv* factors include:

1. Whether the court has granted a **stay** or evidence exists that one may be granted if an IPR is instituted.
2. The **proximity of the court's trial date** to the PTAB's projected statutory deadline for a final written decision.
3. The **investment** in the parallel proceeding by the court and the parties.
4. The **overlap** between issues raised in the petition and those in the parallel proceeding.
5. Whether the petitioner and the defendant in the parallel proceeding are the **same party**.
6. **Other circumstances** that impact the PTAB's exercise of discretion, **including the merits** of the petition.

Fintiv, Paper 11 at 6. The Board takes a "holistic view" of whether efficiency and integrity of the system are best served by denying or instituting review. *Id.*

Furthermore, the Director Memo identifies a non-exhaustive set of factors that the Board may consider when evaluating how to apply its discretion under § 314(b) ("Director Memo Factors"), including:

1. Whether the PTAB or another forum has **already adjudicated** the validity or patentability of the challenged patent claims;
2. Whether there have been **changes in the law** or new judicial precedent issued since issuance of the claims that may affect patentability;

3. The **strength** of the unpatentability challenge (related to *Fintiv* Factor 6);
4. The extent of the petition's **reliance on expert testimony**;
5. **Settled expectations** of the parties, such as the length of time the claims have been in force;
6. **Compelling** economic, public health, or national security **interests**; and
7. Any **other considerations** bearing on the Director's discretion.

Director Memo at 2-3. The Board's FAQs indicate that "[t]he Process Memorandum includes a ***non-exhaustive*** list of issues that may be raised in discretionary briefing. Parties are encouraged to address ***any*** fact or circumstance they believe bears on the Director's discretion to institute, including reasons not discussed in current Board precedent or in the Process Memorandum." Ex. 2002 (FAQs), at Q.11 (emphasis added).

III. THE BOARD SHOULD DENY INSTITUTION OF INTER PARTES REVIEW UNDER § 314(a)

The Director should deny institution on all grounds because of the significant overlap with the EDTX Litigation, which is scheduled for trial well before a Final Written Decision would be expected here.

As shown below, the *Fintiv* factors all weigh in favor of denying institution

under 35 U.S.C. § 314(a). *See NXP USA, Inc. v. Impinj, Inc.*, PGR2022-00005, Paper 18 at 7 (P.T.A.B. May 2, 2022) (weighing *Fintiv* factors and denying institution). Moreover, many of the Director Memo Factors weigh in favor of denying institution, including Patent Owner's settled expectations, the Petition's extensive reliance on expert testimony, and other considerations.

A. The *Fintiv* Factors Weigh Against Institution

1. *Fintiv* Factor 1: The District Court Has Already Stated It Will Not Issue a Stay in Similar Circumstances, Which Favors Denial

***Fintiv* Factor 1** favors denial of institution because of the co-pending EDTX Litigation.

While Patent Owner recently filed a motion to stay in the EDTX Litigation—a month and a half after filing the instant IPR Petition—the evidence shows that a stay is unlikely to be granted. First, it is "well established that [the Eastern District of Texas court] will not, barring exceptional circumstances, grant a stay of proceedings for the mere filing of an IPR." *Tessera Advanced Techs., Inc. v. Samsung Elecs. Co., Ltd.*, No. 2:17-cv-00671-JRG, 2018 U.S. Dist. LEXIS 120999, at *10-11 (E.D. Tex. July 19, 2018); *see also Luminati Networks Ltd. v. Teso LT, UAB*, No. 2:19-cv-00395- JRG, 2020 U.S. Dist. LEXIS 219284, at *3 (E.D. Tex. Oct. 30, 2020) ("[T]his Court has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings."); *Viavi Sols. Inc. v.*

Zhejiang Crystal-Optech Co., No. 2:21-cv-00378-JRG, 2022 U.S. Dist. LEXIS 205106, at *15 (E.D. Tex. Nov. 10, 2022) ("It is the Court's established practice to consider that motions to stay pending IPR proceedings which have not been instituted are inherently premature and should be denied as such."). Samsung's request for a stay in the district court does not offer a single circumstance it claims to be "exceptional" to justify its request. Indeed, Samsung's motion did not even ***mention*** any exceptional circumstances.

Second, Samsung would need to prevail on institution of all eight IPR petitions for there to be any chance of a stay in the EDTX Litigation—an unlikely outcome (particularly in view of the weak merits). As noted, the Eastern District Texas Court is on record that it "has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings" as to all patents at issue. *Force MOS Tech. Co., Ltd. v. ASUSTeK Computer, Inc.*, No. 2:22-cv-000460-JRG, 2024 U.S. Dist. LEXIS 66423, at *9 (E.D. Tex. Apr. 10, 2024) (citations omitted). According to the Court, "IPRs cannot simplify the issues to the extent necessary to justify a stay" when fewer than all of the patents at issue are subject to IPRs. *Id*. at *10.

Third, each of the three factors analyzed by the Court when evaluating a stay weigh in Patent Owner's favor, rendering a stay unlikely. *See NFC Tech. LLC v. HTC Am., Inc.*, No. 2:13-cv-1058-WCB, 2015 U.S. Dist. LEXIS 29573, at *5 (E.D.

Tex. Mar. 11, 2015) (discussing the factors considered when determining whether to grant a stay pending *inter partes* review).

First, Telcom Ventures would be unduly prejudiced by a stay because, as the Texas Court has stated, "[a] plaintiff has a right to the timely enforcement of its patent rights" and "a delay in recovering monetary damages is 'far from non-prejudicial.'" *Saint Lawrence Commc'ns LLC v. ZTE Corp.*, No. 2:15-cv-00349-JRG, 2017 U.S. Dist. LEXIS 84290, at *11 (E.D. Tex. Jan. 17, 2017); *Koninklijke KPN N.V. v. Telefonaktiebolaget LM Ericsson*, No. 2:21-cv-001113-JRG, 2022 U.S. Dist. LEXIS 222809, at *5 (E.D. Tex. July 7, 2022).

Second, and critically, the EDTX Litigation is already at an advanced stage and is becoming more advanced every day, cutting against any possibility of a stay. Samsung delayed filing these IPR petitions until ***nine months*** after Telcom Ventures filed the EDTX Litigation against Samsung. As a result of Samsung's delay, the Board's institution decisions are not expected until after claim construction is complete (including the *Markman* hearing) and mere days before the close of fact discovery in the EDTX Litigation. Moreover, the IPRs will not conclude until six months after the scheduled jury trial.

Third, a stay would not simplify any issues in the EDTX Litigation since it is scheduled to conclude six months before any final written decision here. *See, e.g.*, *Arm Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10 at 2 (PTAB May 16,

2025) (denying petition where corresponding district court trial was set to conclude three months before the final written decision, making it "unlikely that a final written decision in this proceeding will issue before district court trial occurs"). Moreover, a stay would not simplify the issues because, as the Texas Court has ruled in similar circumstances, "the IPR only covers a portion of Defendant's invalidity arguments" involved in the litigation. *Lionra Techs. Ltd. v. Cisco Sys.*, No. 2:24-cv-00097-JRG, 2025 U.S. Dist. LEXIS 80719, at *11 (E.D. Tex. Apr. 28, 2025). Here, the Petition presents just one invalidity theory (§ 103) and two prior art references (Jain and Dua) compared to the EDTX Litigation where Samsung raises four invalidity theories (§§ 101, 102, 103, and 112) and relies on more than 380 prior art references. Further, Petitioner's stipulation merely limits Samsung's ability to rely on patents and printed publications as a "***primary reference***" while retaining the "reservation of rights to use patents or printed publications as ***secondary references***." Pet. at 70 (emphasis added). That distinction has no legal significance, giving Samsung's qualified stipulation little to no value. *See, e.g.*, *In re Mouttet*, 686 F.3d 1322, 1333 (Fed. Cir. 2012) ("But where the relevant factual inquiries underlying an obviousness determination are otherwise clear, characterization by the examiner of prior art as 'primary' and 'secondary' is merely a matter of presentation with no legal significance."). By reserving the right to rely on printed publications to prove obviousness, Petitioner nullifies the entire purpose of a stipulation and opens the

door to retrying exceedingly similar issues here, and before the jury. Thus, all three pertinent factors weigh against a stay.

To be sure, Petitioner presents no evidence in the Petition that a stay is likely. When petitioners present no evidence that a stay is likely in parallel proceedings, the Board has found *Fintiv* Factor 1 to favor discretionary denial. *See Luxshare Precision Industry v. Amphenol Corp.*, IPR2022-00132, Paper 10 at 9 (P.T.A.B. May 3, 2022). The high likelihood of an eventual district court trial on at least one patent claim weighs against the likelihood of the EDTX Litigation being stayed and therefore strongly favors denial. *See, e.g.*, *MyPort, Inc. v. Samsung Elecs. Co., Ltd.*, No. 2:22-cv-00114-JRG, Dkt 73 (E.D. Tex. June 13, 2023) (denying request for stay when final written decision in pending IPRs were scheduled to issue two months after trial, even though the Court had not yet held a *Markman* hearing, in view of the parties' substantial investment in the case and the plaintiff's interest in timely vindication of its patent rights).

For the reasons shown, the Texas Court is extremely unlikely to stay the underlying action, particularly in view of the Court's "established practice" of denying a stay while institution decisions remain pending in an IPR proceeding. *Viavi Sols.*, 2022 U.S. Dist. LEXIS 205106, at *15 (E.D. Tex. Nov. 10, 2022). Thus, because of the EDTX Litigation, *Fintiv* Factor 1 weighs heavily against institution.

2. *Fintiv* Factor 2: Any Final Written Decision Would Occur Six Months After the District Court's Scheduled Jury Trial Date

***Fintiv* Factor 2** weighs heavily against institution.

In the EDTX Litigation, trial is scheduled for June 1, 2026. Ex. 2003 (EDTX Litigation Second Amended Docket Control Order). Trial on the Telcom Ventures Patents will therefore be complete ***more than six months before*** December 17, 2026, the statutory deadline for the Board to issue a final written decision in this IPR (assuming the Board's institution decision is dated December 17, 2025).[6] *Id.*

The currently scheduled trial date of June 1, 2026, is both conservative and achievable in view of the Texas Court's median time-to-trial statistics. The median time to jury trial in patent cases filed before Judge Gilstrap after January 1, 2020 (which is a conservative estimate because it includes many cases delayed due to the Covid-19 pandemic) is less than 22 months after the filing of the complaint. Ex. 2004

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[6] In Patent Owner's Discretionary Denial Brief for IPR2025-00957, Patent Owner mistakenly stated that Final Written Decisions for the IPRs with later filing dates would issue five months after trial is complete in the EDTX Litigation. Assuming the Board issues Final Written Decisions by the statutory deadline, trial would be complete ***six months before the statutory deadline in all the IPRs***.

(Docket Navigator Statistics). Applying that median time to the Telcom Ventures complaint filed on August 21, 2024, suggests an expected trial date in mid-to-late June of 2026. Thus, the statistics indicate that the trial date set in the EDTX Litigation is conservative.

When considering the scheduled jury trial date, which is consistent with the median time-to-trial statistics, Samsung's eight petitions challenging the Telcom Ventures Patents would not result in final written decisions (if the IPRs were instituted) until the very end of 2026. This would be more than six months ***after*** the jury will have already issued its verdict.

The Director has denied institution in view of smaller gaps between trial and later final written decisions. *See, e.g.*, *Samsung Elecs. Co., Ltd. v. Mobile Data Techs., LLC,* IPR2025-00535, Paper 16 at 2 (Director July 10, 2025) (finding this factor weighed in favor of discretionary denial and denying institution where the trial date (April 20, 2026) was over four months before the final written decision date (September 2026)); *Samsung Elecs. Co. Ltd. v. SinoTechnix LLC*, IPR2025-00331, Paper 13 at 2 (Director July 2, 2025) (finding this factor weighed in favor of discretionary denial and denying institution where the trial date (May 4, 2026) was about four months before the final written decision date (September 6, 2026)); *Cisco Sys., Inc. v. WSOU Investments LLC d/b/a Brazos Licensing & Dev.*, IPR2025-00429, Paper 15 at 2 (Director June 25, 2025) (finding this factor weighed in favor

of discretionary denial and denying institution where the trial date (March 2026 or April 20, 2026) was three-to-five months before the final written decision date (July 30, 2026)); *Advanced Micro Devices, Inc. et al. v. Concurrent Ventures, LLC et al.*, IPR2025-00223, Paper 9 at 2 (Director June 12, 2025) (finding this factor weighed in favor of discretionary denial and denying institution where trial was only 16 days before the final written decision date); *EClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper 10 at 9 (P.T.A.B. Apr. 13, 2022) (finding this factor weighed in favor of discretionary denial and denying institution where "the beginning of the jury trial in the WDTX Cases is roughly one or two months before any final decision would have been due had *inter partes* review been instituted"); *Resmed Corp. v. Cleveland Med. Devices Inc.*, IPR2023-00565, Paper 13 at 11 (P.T.A.B. Sept. 25, 2023) (denying institution where trial was scheduled to occur "approximately one month" before the final written decision date).

Finally, Petitioner created this situation by waiting ***nine months*** after Telcom Ventures initiated the EDTX Litigation to file this IPR. Had Petitioner been diligent in its filing, perhaps it could have avoided trial occurring so far in advance of any final written decision deadline. Indeed, Petitioner even inexplicably delayed filing this IPR Petition until ***three months after serving its invalidity contentions*** in the EDTX Litigation (and more than six months after receiving Telcom Ventures' infringement contentions), where Samsung cited and relied on the very art presented

in the Petition (Jain and Dua). Because of Petitioner's delay, patentability will be resolved in the EDTX Litigation six months prior to a final written decision in these proceedings.

Thus, because of the EDTX Litigation, *Fintiv* Factor 2 weighs heavily against institution.

3. *Fintiv* Factor 3: The Court and Parties Have Already Invested Significant Effort and Resources in the Parallel District Court Case

***Fintiv* Factor 3** weighs heavily against institution.

Fintiv Factor 3 looks to the "amount and type of work already completed in the parallel litigation by the court and the parties ***at the time of the institution decision***." *Fintiv*, Paper 11 at 9 (emphasis added). For example, "district court claim construction orders may indicate that the court and parties have invested sufficient time in the parallel proceeding to favor denial." *Id*. at 10. In this case, there is no doubt that by the time of Institution, both the Texas Court and the parties will have made meaningful investments in the parallel litigation.

In the EDTX Litigation, by this IPR's institution deadline (December 17, 2025), the parties will have already exchanged initial infringement contentions (completed November 21, 2024) and invalidity contentions (completed February 3, 2025) and conducted extensive discovery, including most or all depositions and written discovery since the deadline for the close of fact discovery (December 18,

2025) is just one day after the institution deadline. Ex. 2003 (EDTX Litigation Second Amended Docket Control Order). Samsung has made gigabytes of highly confidential source code available for inspection by Telcom Ventures' expert, who has already spent at least fourteen days reviewing it. Samsung has also produced (and Telcom Ventures has reviewed) over 14,000 documents, many of which comprise technical documents for the accused products implicated by Telcom Ventures' infringement contentions.

Further, as of this paper's filing, Samsung has already served eighteen third-party subpoenas seeking documents and deposition testimony pertaining to alleged prior art in an attempt to bolster its validity challenges before the district court. Although the subpoenas ostensibly sought information about prior art systems, Samsung did not limit the subpoenas' scope to exclude prior art printed publications about such systems, demonstrating Samsung's intent to maintain parallel and duplicative validity challenges between this tribunal and the district court. ***Twelve*** of these third parties have already produced responsive documents, and the parties have spent significant time and resources reviewing those third-party productions.

In addition, the *Markman* process has already commenced—months before the institution deadline in this IPR—as the parties exchanged claim terms for construction on August 6, 2025—and the *Markman* hearing is scheduled to take

place ***before institution*** on December 3, 2025. Ex. 2003 (EDTX Litigation Second Amended Docket Control Order). In other words, all claim construction deadlines including the *Markman* hearing and claim construction discovery will occur before the deadline for an institution decision in this IPR. *See id*. (detailing nine deadlines for claim construction, starting on August 6, 2025, and ending on December 3, 2025).

Given the significant resources already invested by both Telcom Ventures and Samsung in the EDTX Litigation, as well as the Court's and parties' investment of time into the *Markman* Hearing that will occur before the institution decision date, *Fintiv* Factor 3 weighs heavily against institution.

4. *Fintiv* Factor 4: The Overlap Between the Asserted Art and Petitioner's Invalidity Arguments in the Parallel District Court Case Is Significant, and Petitioner's Stipulation Is Ineffective

***Fintiv* Factor 4** also weighs against institution.

Samsung's massive invalidity contentions in the EDTX Litigation include complete overlap with the prior art and grounds presented in this IPR, and much more. To be sure, Samsung's validity challenges in the Texas Court are expansive to say the least. For the Telcom Ventures Patents, Samsung asserts a staggering ***200 individual claim charts*** that add up to ***over 29,897 pages***. As to the '199 Patent, there is complete overlap between this IPR and Samsung's validity challenges in the

Texas Court because in the litigation Samsung asserts both Jain and Dua alone and/or in combination, as shown in the excerpt below:

VI. INVALIDITY UNDER 35 U.S.C. §102 AND §103

A. Anticipation

Samsung contends that the Asserted Claims are invalid as anticipated under 35 U.S.C. § 102 in view of each of the prior art references charted in Exhibits 411-A01-A23, 708-A01-A23, 199-A01-A23, 432-A01-A23, 756-A01-A23, 743-A01-A23, 172-A01-A23, and 793-A01-A23:

Exhibit No.	Prior Art
-A01	US 2006/0165060 (Dua 060)
-A02	WO 2002/049322 (Holloway 322)
-A03	US 2008/0046366 (Bemmel 366)
-A04	US 2009/0069049 (Jain 049)

Ex. 2005 (Samsung Preliminary Invalidity Contentions) at 88, 90 (alleging that "each anticipatory prior art reference disclosed in the preceding section as invalidating an Asserted Claim also renders that claim obvious").

Beyond this, Samsung asserts at least sixteen prior art systems and products in its invalidity contentions in the EDTX Litigation, as shown in the excerpt below:

Prior Art	Date of Public Use, Sale, Offer, or Availability	Offering Entity
"Kyocera": the Cellular South / Kyocera / ViVOtech / MasterCard mobile payment technologies and systems and their related phones, software, products, and public U.S. trials, including without limitation the Kyocera's Tempo E2000 handset demonstrated at the CTIA Wireless 2008 trade show in Las Vegas and used as part of the Cellular South WirelessWallet service and trial conducted in 2007, Kyocera E2000 handsets and ViVOtech software used thereon as part of the Cellular South trial or any other trials, and the MasterCard PayPass used in the Cellular South trial for OTA provisioning of credit cards on Kyocera smartphones.	On or before April 2008	Cellular South, Kyocera Wireless, ViVOtech, MasterCard
"Nokia": Nokia phones with Near Field Communication ("NFC") capabilities, including the Nokia 3220 Series with the Nokia NFC shell used in a 2006 market trial with MasterCard, the Nokia 6131 Series revealed in 2007 at the Consumer Electronics Show (CES), and the Nokia 6212 Classic released in early 2008, as well as the mobile payment technologies and OTA provisioning capabilities provided by Cingular, Visa, Chase, ViVOtech, MasterCard, and others for use with those Nokia phones for mobile payments, including in U.S. mobile payment market trials.	On or before Q3 2008	Cingular, Nokia, Visa, ViVOtech, Chase, MasterCard, Citigroup, 7-Eleven, People's Bank of Paris (Texas), Wells Fargo
"Motorola": Motorola phones with used in mobile payment market trials and the mobile payment technologies and OTA provisioning capabilities provided for use with those phones as part of those market trials.	On or around February 2007	Discover, Motorola Mobility, C-Sam, Inc.
PayPal Mobile Payment System	On or before 2007	PayPal
"Fujitsu": Fujitsu and NTT DoCoMo mobile payment technologies and systems and their related phones, software, products, and public U.S. trials, including without limitation the Fujitsu DoCoMo FOMA F900i Series handset and other aspects of mobile payment system including but not limited to Osaifu-Keitai and FeliCa, and Edy.	On or before August 2008	NTT DoCoMo, Fujitsu
Handset as configured and used in MasterCard/HSBC trial	On or before January 2007	HSBC, MasterCard, ViVOtech.
Alipay	2004	Alibaba Group
Metavante / Monitise System	2007	Metavante and

		Monitise Ltd.,
MobileLime	2005	MobileLime (now Catalina Marketing)
Obopay	2007	Obopay
Blaze Mobile Wallet	On or before January 2008	Blaze Mobile
iPhone, Original	June 28, 2007	Apple
iPhone 3G	June 9, 2008	Apple
T-Mobile G1 / HTC Dream	September 2008	HTC, T-Mobile
BlackBerry 8820	September 2007	RIM, AT&T, T-Mobile
"NFC": Near-field communication mobile payment technologies and systems and any NFC-enabled mobile devices, software, products, and public U.S. trials	On or before November 7, 2008	NFC Forum, ISO/IEC, ECMA, Smart Card Alliance, other vendors

Samsung has begun to take discovery of third parties, but the process of identifying and engaging with entities that may have prior art from twenty or more years ago is ongoing. Samsung reserves the right to conduct such discovery and supplement these Invalidity Contentions to include any prior art systems and products that render the asserted claims invalid, if necessary. Samsung may use documentation and publications, physical samples, executable software, or source code as evidence of the relevant functionality of these prior art products or services. Samsung will make available for inspection any physical samples of products, systems, or software listed above, and/or any source code therefor, that it has in its possession or that becomes available during discovery.

Id. at 24-26. Aside from the prior art systems and products, Samsung also challenges the '199 Patent as claiming ineligible subject matter under Section 101, and as not compliant with the indefiniteness, written description, and enablement requirements of Section 112. *Id.* at 130 (citing Exhibit 199-C (Ex. 2006, Subject Matter Eligibility Contentions for '199 Patent)); *id*. at 118-121 (challenging claims under Section 112); *id.* at 121-130 (challenging the claims as lacking written description, lacking enablement, and indefinite).

It is clear that this IPR, much less all of Samsung's IPRs challenging the

Telcom Ventures Patents, will not streamline Samsung's validity case in the parallel EDTX Litigation. Indeed, Samsung's proposed stipulation leaves open the possibility that in the EDTX Litigation it will rely on patents and printed publications as secondary references. As noted earlier, the Federal Circuit has held that characterizing "prior art as 'primary' and 'secondary' is merely a matter of presentation with no legal significance," thus giving Petitioner's stipulation little to no value.[7] *Mouttet*, 686 F.3d at 1333. Petitioner's proposed stipulation is simply not meaningful. *See* Ex. 2002 (FAQs), at Q.14 ("The Director will take into account whether the stipulation materially reduces overlap between the proceedings. Where the petitioner is relying on corresponding system art in a co-pending proceeding and/or several other invalidity theories, a stipulation may not be particularly meaningful because the efficiency gained by any AIA proceeding will be limited.").

Regardless, even if this IPR were to be instituted, and Samsung were to refrain from advancing any prior art or ground that was raised or reasonably could have

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[7] Petitioner also appears to have left open the possibility for anticipation grounds based on Jain or Dua as Samsung's proposed limitation states that it will not rely on "any ground that includes Jain or Dua ***in an obviousness combination***." Pet. at 70 (emphasis added).

been raised in this IPR, the Texas Court would ***still*** have to address Samsung's voluminous validity challenges that encompass system and product prior art as well as questions of patent-eligible subject matter, written description, enablement, and definiteness.

Samsung's reliance on corresponding system and product prior art and several other invalidity theories in the EDTX Litigation while at the same time pressing these IPRs defeats the AIA's stated purpose of increased efficiency. And for the reasons noted earlier, Petitioner's proposed stipulation does not meaningfully affect the duplications because the Texas Court and jury would still have to conduct a simultaneous, and robust, validity analysis regardless of the outcome of these IPRs. For at least these reasons, *Fintiv* Factor 4 favors denial.

5. *Fintiv* Factor 5: The Parties Are the Same Here and in the Parallel District Court Case, and Thus the Identity of the Parties Weighs Against Institution

***Fintiv* Factor 5** also weighs against institution because Petitioner (Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.) is the accused infringer and defendants in the EDTX Litigation, and Patent Owner (Telcom Ventures LLC) is the plaintiff in that litigation. Ex. 2007 (Complaint). Therefore, there is complete identity of the parties.

6. *Fintiv* Factor 6: The Merits of the Petition Are Weak

***Fintiv* Factor 6** relates to the weakness of the Petition on the merits, which

weighs against institution.

While the merits will be addressed more fully in Patent Owner's Preliminary Response (which is incorporated herein by reference pursuant to the Interim Director Discretionary Process Website, II.C.i), a few examples are provided below to illustrate the weakness of Petitioner's arguments:

i. Jain Does Not Disclose or Render Obvious the Claimed "[a] method of operating a smartphone"

Petitioner's first ground asserts that the Challenged Claims would have been obvious over Jain (Ex. 1017). In this ground, Petitioner fails to demonstrate that Jain renders obvious each of the elements recited in the Challenged Claims. Instead, Petitioner identifies disparate disclosures within Jain and draws flawed conclusions contrary to the reference's teachings to try to reach the claimed invention of the '199 Patent.

For instance, Petitioner asserts that the claimed "smartphone" (and method of operating a device) can be met by two items, a "mobile device" and a separate and distinct "transaction card." *See* Pet. at 9-11. Despite the claim requiring "in response to at least the proximity condition having been satisfied between the smartphone and the entity and in response to a physiological parameter, wirelessly providing by the smartphone," Petitioner then proceeds to rely on the functionality of the "mobile device" as allegedly meeting some claim limitations (e.g., such as the "smartphone-

based sensor") while relying on the functionality of the "transaction card" (which is not alleged to include a "smartphone-based sensor") as allegedly meeting others. Petitioner's unsupported attempt to integrate these separate and distinct structures fails.

Petitioner asserts that the Jain transaction card interfaces with the mobile device and thus can be included as part of the mobile device. Pet. at 11 (citing Jain ¶¶[0019], [0029]. But this conclusory statement is non-sensical. Jain touts that the "mobile device 110 does not require additional hardware, software, and/or firmware" ***because*** the transaction card itself already has the required functionalities, such as NFC. *See* Jain ¶[0018] ("An intelligent card is a device configured to . . . access or otherwise execute services (e.g., transactions) independent of the host device."). In fact, Jain discloses a transaction card that "include[s] any software, hardware, and/or firmware configured to wirelessly execute transactions with the POS device 114" ***independent of the mobile device***. Jain ¶[0023] (explaining that "the transaction card 112 may include one or more chipsets that execute an operating system and security processes to independently execute the transaction"). For example, the Jain transaction card itself includes hardware to transmit short range signals, such as NFC. *Id.*

Contrary to Petitioner's assertion, Jain specifically requires a ***distinct*** transaction card that is "***independent***" of the mobile device. Jain ¶[0076] ("The

intelligent card 806 is configured to . . . execute transactions ***independent of the host device 810***.") (emphasis added); *see also id.* ¶[0023] ("[T]he transaction card 112 may wirelessly execute transactions ***without aspects of the transaction being executed by the mobile device 110.***") (emphasis added). Jain also makes clear that the transaction card alone, rather than the combination of the transaction card and mobile device, is essential to executing transactions. *See id.* ¶[0018] ("***By providing the intelligent card***, the system 100 may wirelessly execute transactions . . . .") (emphasis added). Accordingly, because Jain discloses an independent transaction card separate from the mobile device, the transaction card cannot be considered part of the mobile device such that the combination of the two devices disclose the claimed "smartphone."

Next, Petitioner alleges that the integration of the mobile device and the transaction card would have been obvious because "separability of the transaction card is not always advantageous." Pet. at 12. Petitioner then asserts that it might not have been advantageous to have a separate transaction card because of (1) the cost of implementing an independent transaction card and (2) the possible inadvertent loss of the transaction card. Pet. at 12-13 (citing Ex. 1002 ¶ 64). But Jain does not support Petitioner's argument. Contrary to Petitioner's argument, Jain touts the benefit that the "mobile device 110 does not require additional hardware, software, and/or firmware" and thus, reduced the cost of having to modify an existing mobile

device. Jain ¶[0023]. Under Petitioner's theory, the inadvertent loss of a transaction card is simply replaced by the inadvertent loss of a smartphone which provides no added benefit.

Jain emphasizes, as a stated benefit of the invention, using a separate and distinct transaction card capable of executing transactions independently of the mobile device. An independent transaction card capable of executing transactions allows for greater versatility in the types of host mobile devices—a benefit that would be lost if the transaction card were integrated into the mobile device. *See id.* ¶[0021] (identifying digital cameras, pagers, MP3 players, camcorders, and portable computers as possible mobile devices); *see also id.* ¶[0037] ("For example, the user may want to re-personalize the transaction card 112 ***to change host devices, to have multiple host devices***, and/or other reasons.") (emphasis added). Finally, Jain discloses that the "mobile device does not require additional hardware, software, and/or firmware to wirelessly execut[e] a transaction," which is a benefit directly attributable to the transaction card being independent of the mobile device. Jain ¶[0023].

Therefore, Jain fails to disclose or render obvious at least the "method of operating a smartphone" of independent claim 1, nor the claimed "smartphone" of independent claim 10.

ii. Jain Does Not Disclose or Render Obvious "in response to at least the proximity condition having been satisfied . . . and in response to a physiological parameter, wirelessly providing by the smartphone . . . information to the entity and wirelessly receiving by the smartphone . . . information from the entity"

Jain does not disclose limitation 1.c, which claims "in response to at least the proximity condition having been satisfied . . . and in response to a physiological parameter, wirelessly providing by the smartphone . . . information to the entity and wirelessly receiving by the smartphone . . . information from the entity." *See also* claim limitation 10[d].

Petitioner identifies the "authentication process for 'automatically bootstrapping' transaction card 112 to mobile device 110" as set forth in Figure 7B as generally providing the necessary "physiological parameter." Pet. at 23 (quoting Jain ¶¶[0072], [0075]. Petitioner relies on this "bootstrapping" because the disclosed process includes an alternate disclosure in which a user may be authenticated using biometric information. Pet. at 25. But this process does not render obvious the limitations of the '199 Patent, which claim providing and receiving information by the smartphone ***in response to both*** a proximity criterion ***and*** a physiological parameter.

The process described in Figure 7B is the process of "automatically bootstrapping an intelligent card in response to at least insertion into a host device."

Jain ¶[0072]. This bootstrapping process of Jain is done independently of any process involving the first air interface, alleged to be NFC in Jain. *See* Pet. at 23. Instead, the PIN and/or "biometric information" of Jain is input through GUI 111 and is checked against "a locally stored PIN" on the on the "intelligent card." Jain ¶[0075]. This authentication process is triggered not by a connection using the first air interface, but merely by inserting the card into the wireless device. Jain ¶[0072].

Petitioner then alleges that Jain renders this limitation obvious utilizing the "automatic[] bootstrapping" process in connection with the use of a separate process—NFC for transactions, pointing to Jain ¶[0029]. *See* Pet. at 25. This is incorrect because Petitioner is again conflating two different processes—the "bootstrapping process" that it relies on with respect to Figure 7B and the distinct transaction process that Petitioner alleges is disclosed in Jain ¶[0029].

Regardless, Jain ¶[0029] never contemplates the use of the GUI 111[8] of the wireless device (or the wireless device at all) for providing user authentication in manner contemplated by the bootstrapping process of Jain ¶[0075]. Instead, Jain ¶[0029] discusses an alternative embodiment of the overall intelligent card system,

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[8] Jain discloses: "Again returning to the example, the transaction card 112 may present a request for the user to enter a PIN through the GUI 111." Jain ¶[0075].

in which the intelligent card of Jain is physically embodied in a periphery device such as a "Key FOB and remains live outside the mobile device 110 as a FOB." Jain ¶[0029]. In this embodiment, "[a]fter the antenna of the transaction card 112 is activated in this mode, a merchant terminal may detect the presence of a host device with the transaction card 112 and prompt the user to authorize the transaction such as by entering a PIN, signing on a terminal interface, confirming the amount of the transaction, and/or other action." *Id.* The transaction card 112 acts "as a contactless plastic payment card." *Id.* But Petitioner overlooks and thus does not explain that these authentication steps are contemplated as actions between the user and the ***merchant terminal*** via the transaction card and are unrelated to the wireless device itself. *Id.* Nowhere does Jain contemplate making modifications to merchant terminals such that they could accept biometric information. Such modifications would significantly complicate the system and incur material additional costs.

Jain does not disclose, and does not render obvious at least the claimed "in response to at least the proximity condition having been satisfied . . . and in response to a physiological parameter, wirelessly providing by the smartphone . . . information to the entity and wirelessly receiving by the smartphone . . . information from the entity" of independent claim 1, nor the claimed "in response to at least the proximity condition having been satisfied . . . and in response to a physiological parameter, wirelessly providing . . . information to the entity and wirelessly receiving . . .

information from the entity" of independent claim 10.

iii. Petitioner Fails to Establish that Dua Discloses or Renders Obvious "detecting by the smartphone that a proximity condition is satisfied between the smartphone and the entity"

The '199 Patent claims "detecting by the smartphone that a proximity criterion is satisfied between the smartphone and an entity." In its attempt to address this limitation, Petitioner merely points to high-level language regarding the use of a "short range wireless link" Pet. at 47 (citing Dua Abstract) and then relies on conclusory statements by Dr. Almeroth to tie such short range communications to NFC technology disclosures that are absent from the system of Dua itself. Pet. at 48. Petitioner thus fails to carry its burden with respect to limitation 1.a.

Petitioner alleges that Dua "teaches that its short-range communications protocol may be NFC." Pet. at 48. Not so. The sole reference to NFC in Dua is in the background of the technology section. Dua ¶[0016]. Even after acknowledging its existence, Dua then omits NFC entirely from the list of network protocols contemplated by the invention of Dua, which include "GSM/GPRS, CDMA2000, W-CDMA, EDGE, HDR, 1xRTT, UMTS, IMT-2000, 802.11a, 802.11b, 802.11g, or BLUETOOTH." Dua ¶[0041]. In fact, in every example where Dua discusses available "wireless" protocols, Dua omits any discussion or even mention of NFC. *See* Dua ¶[0318].

With nothing in Dua itself to rely on, Petitioner instead relies on the conclusory statement of Dr. Almeroth that Dua's reference to a separate standard, ISO/IEC 14443 (*see* Dua ¶[0013]) would have motivated a POSITA to look to the standard for NFC. Pet. at 48 (citing Ex. 1002 ¶156). This statement, based simply on a background mention of NFC that is unrelated to (and excluded from) the actual system of Dua, apparently does all of the work of setting up any relationship between the proximity requirements of NFC and the disclosure of Dua itself. Pet. at 48. Further, Dua itself contradicts Dr. Almeroth as it specifically recites its own concepts for protocols that could be used for connectivity. For example, Dua discloses that for short range communications, "[c]onnectivity could initially be established by exchanging encryption keys via RFID that allow the devices to establish connectivity via an alternate channel securely so no other device can listen in to the communication. Keys could also initially be exchanged via infra-red technology." Dua ¶[0318]. Similarly, the 30-second connectivity time out cited by Petitioner is itself an example of an independent connectivity process. Dua ¶[¶[0383], [0384]. These examples illustrate that it would not have been obvious to a POSITA to seek out and rely on undiscussed NFC standards relating to proximity.

In sum, Petitioner tries to gap fill Dua's paltry disclosure of NFC, which is not used in or relied on by the Dua system, with Dr. Almeroth's unsupported bare allegation that a single reference in Dua's background would have motivated a

POSITA to look outside the four corners of Dua and to a standard for NFC. This is impermissible. Petitioner has not established that Dua discloses nor renders obvious "detecting by the smartphone that a proximity criterion is satisfied between the smartphone and the entity" of independent claims 1 and 10.

* * *

These exemplary failures of the Petition are fatal and themselves warrant denial of institution. Compounded with the additional discretionary denial factors, these failures strongly favor denial.

Additional details as to the merits will be presented in Patent Owner's Preliminary Response.

B. The Director Memo Factors Weigh Against Institution

1. Patent Owner's Settled Expectations Favor Denial

The '199 Patent belongs to a family of patents with strong settled expectations. "Settled expectations" is generally directed to the length of time the claims have been in force. This factor weighs in favor of denying institution.

At issue in these eight IPRs is a single set of eight continuation patents. This single family of patents, whose priority date is in 2008, embodies the inventions of two inventors, Peter D. Karabinis and Rajendra Singh. By the time of the institution decisions in these proceedings, the '411 Patent (the oldest family member) will have been in force for more than nine years—since October 4, 2016—and the

continuation '199 Patent itself has been in force since February 26, 2019. This creates strong settled expectations for Telcom Ventures. *See, e.g.*, *Icashe*, Paper 11 at 2 (granting discretionary denial where the challenged patents "have been in force for over nine, eight, twelve, nine, and nine years, respectively, creating strong settled expectations for Patent Owner"); *Yangtze*, Paper 11 at 2 (granting discretionary denial where "the challenged patents have been in force for approximately ten, six, and six years, respectively, creating strong settled expectations for Patent Owner").

Moreover, the Office has continually issued patents in this family over the last nine years. As such, starting with the original filing in 2008 (and issuance in 2016), Patent Owner has invested a significant amount of time and resources into this family of patents, none of which have ever been challenged before, and the Office has continuously granted patent after patent in the family after rigorous examination by the Examiners. Petitioner does not—and cannot—provide any persuasive reasoning for why an *inter partes* review of eight patents in the same family is an appropriate use of Board resources. *Icashe,* Paper 11 at 3 (granting discretionary denial of seven IPRs even though some of the patents had not been in force as long as others); *Yangtze*, Paper 11 at 2 (declining to "disturb the strong settled expectations of Patent Owner" where Petitioner failed to provide persuasive reasoning for why IPR is an appropriate use of Board resources).

The fact that the first patent in the Telcom Ventures Patent family issued about

nine years ago and the ’199 Patent has been in force since 2019, coupled with the substantial investments by Patent Owner (both then and in the many years since then) as the Office granted issuance of each family member, demonstrates settled expectations that warrant denial of institution. *See, e.g.*, *iRhythm Techs., Inc. v. Welch Allyn*, IPR2025-00363, Paper 10 at 3 (Director June 6, 2025) (denying institution where “one of the patents has been in force since as early as 2012”); *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 at 2–3 (Director June 18, 2025) (“[T]he challenged patent has been in force almost eight years, creating settled expectations.”); *Samsung Elecs., Co., Ltd. et al. v. Cerence Operating Co.*, IPR2025-00458, Paper 14 at 2 (Director June 25, 2025) (“[T]he challenged patents issued over 11 years ago . . . . Patent Owner’s settled expectations also weigh toward discretionary denial.”). The longstanding nature of the ’199 Patent (and the family as a whole), and the Office’s regular and consistent granting of each patent in the family over the last nine years, demonstrates settled expectations surrounding Messrs. Karabinis and Singh’s inventions that support discretionary denial.

Moreover, Samsung knew of the family of patents at least as early as October 5, 2023 (*see* Ex. 2008 (Non-Final Office Action) at 12), but chose not to pursue IPR until over a year and a half later, on May 2, 2025. *See iRhythm Techs.*, Paper 10 at 3 (“Petitioner’s awareness of Patent Owner’s applications and failure to seek early

review of the patents favors denial and outweighs the above-discussed considerations.”).

Taken together, Patent Owner’s settled expectations weigh against institution.

2. The Extent of the Petition’s Reliance on Expert Testimony Favors Denial

In evaluating discretionary denial, the Acting Director also considers the “extent of the petition’s reliance on expert testimony.” Director Memo at 2. The FAQs explain:

> While the Board may consider expert testimony, as a matter of efficiency, extensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court. The statute and our reviewing court require that petitions be based on prior art patents and printed publications. As the judges have technical and legal expertise, it is not necessary for an expert to explain every aspect of the prior art. It is most helpful if an expert is providing focused testimony, for example to provide helpful context or to explain terms of art. The failure to provide focused expert testimony may weigh against institution.

Ex. 2002 (FAQs), at Q.21.

This factor favors denial because, as explained above with respect to *Fintiv* Factor 6, Petitioner relies heavily on expert testimony, assumptions, and inferences to fill in the gaps of the prior art in order to allegedly arrive at the claimed invention. Also, Petitioner’s expert testimony is oftentimes superficial and at all times lengthy, covering every claim limitation and every asserted ground, rather than providing a focused expert declaration addressing only the limitations for which expert

testimony is strictly warranted. *See generally* Ex. 1002.

Petitioner's expert declaration lacks focus because, for example, it provides only a cursory analysis of the prior art using language that tracks the Petition (*compare* Ex. 1002, ¶¶ 61-64 *with* Pet. at 9-12; *compare* Ex. 1002, ¶¶ 65-69 *with* Pet. at 12-15; *compare* Ex. 1002, ¶ 70 *with* Pet. at 16-17; *compare* Ex. 1002, ¶¶ 84-86 *with* Pet. at 20-22, *compare* Ex. 1002, ¶ 87 *with* Pet. at 22-23; *compare* Ex. 1002, ¶¶ 88-92 *with* Pet. at 23-26; *compare* Ex. 1002, ¶ 93 *with* Pet. at 26; *compare* Ex. 1002, ¶¶ 94-96 *with* Pet. at 26-27; *compare* Ex. 1002, ¶¶ 97-99 *with* Pet. at 27-30; *compare* Ex. 1002, ¶¶ 100-101 *with* Pet. at 30; *compare* Ex. 1002, ¶¶ 102-103 *with* Pet. at 31; *compare* Ex. 1002, ¶ 104 *with* Pet. at 31-32). Worse, Petitioner's obviousness grounds—based on Jain and Dua, respectively—rely on expert testimony to establish what Petitioner's contend would have been the relevant knowledge of a POSITA, including how a POSITA would have artificially reconstructed these references to fit the language of the Challenged Claims. *See, e.g.*, Pet. at 11-12 (in the Jain ground for limitation 1[pre][i], the missing limitation would have been obvious and "[a] POSITA would make this change" based on the testimony of Petitioner's expert), Pet. at 19 (in the Jain ground for limitation 1[a], asserting that "a POSITA would be motivated to implement" certain functionality, "rather than define a proprietary approach" (such as the approach defined in Jain)); Pet. at 25 (in the Jain ground for limitation 1[c][i], asserting "it would have at least

been obvious for a POSITA to replace the disclosed PIN in ¶[0029] with user authentication via biometrics"), Pet. at 19 (in the Jain ground for limitation 1[d], asserting what "[a] POSITA would understand" based on the testimony of Petitioner's expert).

Petitioner's substantial reliance on expert testimony underscores that the arguments presented in the Petition are more appropriately resolved in the EDTX Litigation—further supporting discretionary denial.

Patent Owner will explain in its POPR why Petitioner's (and its expert's) arguments, assumptions, and inferences are incorrect and do not meet the claim limitations. Regardless, because of Petitioner's extensive reliance on superficial but extensive expert testimony in an attempt to establish unpatentability of the Challenged Claims, this dispute is better suited to resolution in an Article III district court, specifically the EDTX Litigation that is already far advanced (as described earlier). Thus, this factor favors denial of institution. *See* Ex. 2002 (FAQs), at Q.21.

3. Other Considerations Favor Denial

Finally, Petitioner has filed eight separate petitions challenging the eight Telcom Ventures Patents, all of which are asserted in the EDTX Litigation that Patent Owner filed in August 2024. Samsung waited nine months (until May 2025) to file these IPR petitions with a goal of avoiding or delaying the single streamlined district court trial scheduled for June 2026 (six months before the institution decision

dates, as described earlier). The purpose of discretionary denial is to "allay[] concerns about inefficiency and duplication of efforts." *Fintiv*, Paper 11 at 6. Instituting eight separate IPRs to address only two issues—Jain under § 103 and Dua under § 103—out of the hundreds of issues raised by Samsung in the single, mature district court case—where Samsung asserts more than 380 references, ***including Jain and Dua***, and involving questions of eligibility, anticipation, obviousness, written description, enablement, and definiteness under §§ 101, 102, 103, and 112—would frustrate the intended efficiencies of the AIA and be an unnecessary and unwarranted expenditure of the Board's resources.

In essence, Petitioner attempts to convert a single district court case into ***that same*** district court case ***plus*** eight separate IPR trials, and to do so where the district court case will finish six months before the IPR final written decisions.[9] These IPR

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[9] Moreover, the '199 Patent along with the other seven Telcom Ventures Patents are also part of another district court litigation, which involves Patent Owner and Apple Inc. styled *Telcom Ventures LLC v. Apple Inc.*, No. 3:25-cv-05041-RFL (N.D. Cal.). Because there are multiple ongoing district court proceedings, discretionary denial

Petitions create the duplicative workloads, inefficiencies, and potential for inconsistent results that the Acting Director's interim guidance is designed to prevent. *See, e.g.*, *Comcast Cable Commc'ns, LLC d/b/a Xfinity v. Entropic Commc'ns, LLC*, IPR2025-00183, Paper 11 at 3 (Director June 25, 2025) ("The presence of multiple parallel proceedings and avoidance of duplicative workloads and inconsistent outcomes favor discretionary denial."). The Article III proceeding in the EDTX Litigation will be faster than these IPRs and additionally will be able to provide the most efficient resolution of the parties' many extensive disputes over validity, all of which favors denial of institution.

IV. CONCLUSION

Taken together, the *Fintiv* factors and Director Memo factors weigh strongly in favor of discretionary denial. Thus, for the reasons discussed, Patent Owner respectfully submits that the Board should deny institution of all Grounds of the Petition.

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will reduce the chances of duplicative workloads and inconsistent outcomes. *Comcast Commc'ns, LLC v. Entropic Commc'ns, LLC*, IPR2025-00183, Paper 11 at 3 (Director June 25, 2025).

Dated: August 18, 2025

Respectfully submitted,

By: / Christopher TL Douglas /
Christopher TL Douglas, Reg. No. 56,950

CERTIFICATION UNDER 37 C.F.R. §42.24

Pursuant to 37 C.F.R. §42.24(d), I certify that this brief complies with the type-volume limits of 37 C.F.R. §42.24 and the Director Memo because it contains 8,763 words, according to the word-processing system used to prepare this brief, excluding the parts that are exempted by 37 C.F.R. §42.24 (including the table of contents, a table of authorities, a listing of facts which are admitted, a certificate of service or this certificate word count, and appendix of exhibits).

Dated: August 18, 2025

By: / Christopher TL Douglas /
Christopher TL Douglas

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §42.6(e), the undersigned hereby certifies that true and correct copies of the above-captioned **PATENT OWNER'S DISCRETIONARY DENIAL BRIEF and Exhibits 2001 – 2008** were served in its entirety on August 18, 2025 via filing through the Patent Trial and Appeal Case Tracking System (P-TACTS) and electronic mail on the following counsel of record for Petitioner:

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