

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,
Petitioner,

v.

CM HK LIMITED,
Patent Owner.

IPR2025-01071
Patent 11,698,687

**PATENT OWNER'S
DISCRETIONARY DENIAL BRIEF**

EXHIBIT LIST

Ex. No.	Description
2002	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd. et al.</i> , Case No. 4:24-cv-06567 at Docket 1 (N.D. Cal Sep. 18, 2024), Samsung Electronics Co., Ltd., and Samsung Electronics America, Inc.’s Complaint for Declaratory Judgment
2003	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd. et al.</i> , Case No. 4:24-cv-06567 (N.D. Cal March 14, 2025), Samsung Electronics Co., Ltd., and Samsung Electronics America, Inc.’s Patent Local Rule 3-3 Disclosures (Invalidity Contentions)
2004	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd. et al.</i> , Case No. 4:24-cv-06567 (N.D. Cal March 14, 2025), CM HK’s Infringement Contentions Pursuant to LPR 3-1 and 3-2
2005	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd.</i> , Case No. 4:24-cv-06567 at Docket 73 (N.D. Cal May, 15, 2025), Order Granting Defendant CM HK, Ltd.'s Motion To Dismiss
2006	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd.</i> , Case No. 4:24-cv-06567 at Docket 80 (N.D. Cal June 10, 2025), Joint Stipulation and Order to Stay All Deadlines in the Scheduling Order
2007	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd.</i> , Case No. 4:24-cv-06567 at Docket 72 (N.D. Cal May, 13, 2025), Joint Claim Construction and Prehearing Statement
2008	<i>CM HK, Limited, v. Samsung Electronics Co., Ltd., et al.</i> , Case No. 2:24-cv-00880 at Docket 2 (E.D. Tex. November 1, 2024), Plaintiff’s Original Complaint for Patent Infringement
2009	<i>CM HK, Limited, v. Samsung Electronics Co., Ltd., et al.</i> , Case No. 2:24-cv-00880 at Docket 17 (E.D. Tex. Jan 28, 2025), Plaintiff’s Amended Complaint for Patent infringement
2010	<i>Reserved</i>

2011	<i>CM HK, Limited, v. Samsung Electronics Co., Ltd., et al.</i> , Case No. 2:24-cv-00880, (E.D. Tex. Jan. 7, 2025), Plaintiff’s P.R. 3-1 & 3-2 Disclosures
2012	<i>CM HK, Limited, v. Samsung Electronics Co., Ltd., et al.</i> , Case No. 2:24-cv-00880, (E.D. Tex. Mar. 4, 2025), Defendants Samsung Electronics Co., Ltd and Samsung Electronics America, Inc’s Local Patent Rule 3-3 Disclosures
2013	2025.08.12-Dkt091-Joint Discovery Letter Brief regarding Jurisdictional Discovery Issues -24cv6567 copy
2014	<i>Samsung Electronics Co., Ltd., et al., v. CM HK, Ltd. et al.</i> , Case No. 4:24-cv-06567 at Docket 93 (N.D. Cal Aug. 13, 2025),CM HK’s Notice of Motion and Rule 11 Motion for Sanctions
2015	U.S. Patent Publication No. 2011/0199298, Bassompierre et al.
2016	Email from Bratton, Ariell, RE: Samsung v. CM HK, Ltd., Case No. 4:24-cv-06567 (N.D. Cal.), IPR Threats to Evans, Christopher (May 2, 2025)
2017	March 24, 2025 Director’s Memo, <i>Guidance on USPTO's rescission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation”</i> , Boalick, Scott R. (August 7, 2025)
2018	Patent Trial and Appeal Board, FAQs for Interim Processes for PTAB Workload Management (accessed August 15, 2025)
2019	<i>CM HK, Limited, v. Samsung Electronics Co., Ltd., et al.</i> , Case No. 2:24-cv-00880 at Docket 55 (E.D. Tex. Aug 20, 2025), Order staying the case.
2020	U.S. Patent Publication No. 2011/0163950, Ye et al
2021	U.S. Patent Publication No. 2011/0175806, Ye et al
2022	Declaration of Christopher L. Evans

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Patent Owner CM HK Limited (“CM HK” or “Patent Owner”) respectfully requests that the Board exercise its discretion and deny Samsung Electronics Co., Ltd.’s (“Samsung” or “Petitioner”) Petition to institute *inter partes* review of U.S. Patent No. 11,698,687 (the “’687 Patent”). In support of discretionary denial, Patent Owner submits this bifurcated briefing—limited in scope to discretionary denial issues—pursuant to the Director’s March 26, 2025 Memorandum (“Director’s Memo”, Ex. 2017).

I. INTRODUCTION

Patent Owner CM HK Limited respectfully requests that the Board exercise its discretion under 35 U.S.C. §§ 314(a) and 325(d) and deny institution of this petition.

This proceeding is not the “quick and cost-effective alternative to litigation” envisioned by Congress, but a tactical maneuver by Samsung to multiply forums, increase costs, and re-litigate art the Patent Office has already considered.

The Petition rests on a French-language PTC Patent Application Publication that is identical to and incorporated into the file wrapper of the corresponding U.S. national stage application published as U.S. Patent Application Publication No. 2011/0199298, which the Examiner considered during prosecution of the ’687 Patent. The Petition provides no allegation that the Office erred. Under *Advanced Bionics*, this alone warrants denial.

Moreover, under *Fintiv*, discretionary denial is justified because the parties and courts have already invested heavily in parallel district-court proceedings, the issues overlap substantially and Samsung has used the IPR process not as a substitute, but as a weapon of procedural attrition.

The weakness of Petitioner’s challenge, its reliance on expert reconstruction, and its forum manipulation all further confirm that discretionary denial is appropriate here.

II. RELATED LITIGATION

As outlined below, Samsung has been involved in patent disputes over patents related to the ’687 Patent since at least 2017. Samsung filed a complaint for declaratory judgment in the Northern District of California seeking only a declaration that it *does not infringe* U.S. Patent No. 10,852,846 (“the ’846 Patent”), the ’687 Patent, and other patents held by the Patent Owner (“the California Litigation”) in September 2024. On November 1, 2024, CM HK filed a complaint for patent infringement in the Eastern District of Texas accusing Samsung of infringing the ’687 Patent and the ’846 Patent (the “Texas Litigation”). Samsung filed this IPR against the ’687 Patent and IPR202401023 against the ’846 Patent in June of 2025. The Texas Litigation is presently stayed pending the outcome of the California Litigation.

A. The California Litigation Filed by Samsung.

On September 18, 2024, Samsung filed a complaint for declaratory judgment in the Northern District of California seeking only a declaration that it *does not infringe* claims 1 and 7 of the '846 Patent, claims 1, 14, and 27 of the '687 Patent, claims 1 and 13 of U.S. Patent 10,275, 038 (the "'038 Patent"), and claims 1 and 10 of U.S. Patent 10,817,072 (the "'072 Patent"). Ex. 2002 at ¶¶ 1, 72, 78, 84, and 90.

On January 28, 2025, CM HK filed a motion to dismiss for lack of personal jurisdiction. Ex. 2005.

Also on January 28, 2025, CM HK served its infringement contentions. Ex. 2004.

And on March 14, 2025, Samsung served its invalidity contentions. Ex. 2003.

On March 28, 2025, the parties exchanged proposed terms for construction under Patent L.R. 4-1.

On May 13, 2025, the parties filed their Joint Claim Construction and Prehearing Statement. Ex. 2007.

On May 15, 2025, the Court granted CM HK's motion to dismiss finding Samsung failed to establish that CM HK is subject to the Court's specific jurisdiction. Ex. 2005 at 18. However, the Court allowed Samsung to seek jurisdictional discovery. *Id.* at 19-20.

At the parties' request, the court then vacated all deadlines from the Scheduling Order. Ex. 2006.

Since then, Samsung has vigorously pursued jurisdictional discovery, including filing a motion to compel on August 12, 2025. Ex. 2013.

Patent Owner filed a motion for sanctions under Rule 11 against Petitioner on August 13, 2025 because Petitioner (i) failed to properly construe the term “predicted axial accelerations” before filing suit and (ii) asserted alter ego allegations factually and legally insufficient. Ex. 2014.

B. The Texas Litigation Filed by CM HK.

On November 1, 2024, CM HK filed a complaint for patent infringement in the Eastern District of Texas accusing Samsung of infringing the ’687 Patent and the ’846 Patent. Ex. 2008. Specifically, CM HK asserted infringement of claims 1, 3, 7, and 9 of the ’846 Patent and claims 1-7, 12, 14, and 25 of the ’687 Patent. Ex. 2009 at ¶¶ 99, 106. The case was assigned to District Judge Rodney Gilstrap. CM HK served its infringement contentions on January 7, 2025. Ex. 2011 at 6. Samsung served its invalidity contentions on March 4, 2025. Ex. 2012 at 85.

The Texas court stayed the case on August 20, 2025 pending the outcome of the California Litigation. Ex. 2019.

C. Prior CyWee Litigation and IPRs Concerning Related Patents.

CyWee Group Limited previously accused Samsung of infringing U.S. Patents 8,441,438 (the “’438 Patent”) and 8,552,978 (the “’978 Patent”) in a suit filed in February 2017 styled *CyWee Group Ltd. v. Samsung Electronics Co. Ltd., et al*, No.

2:17-cv-00140-WCB-RSP (E.D. Tex.) (the “CyWee Litigation”). The ’438 and ’972 Patents are related to U.S. Patent No. 11,698,687 (the “’687 Patent”) at issue here.

CyWee Group, Ltd.¹ also asserted the ’438 and ’978 Patents against Apple, LG, Huawei, HTC, Motorola, Google, and ZTE in the following cases:

CyWee Group Ltd. v. Apple Inc., No. 4:14-cv-01853 (N.D. Cal. 4/22/2014)

CyWee Group Ltd. v. Huawei Technologies Co., Inc. et al, No. 2:17-cv-00495 (E.D. Tex. 6/9/17)

CyWee Group Ltd. v. LG Electronics, Inc. et al, No. 3:17-cv-01102 (S.D. Cal. 5/31/17)

CyWee Group Ltd. v. HTC Corporation et al, No. 2:17-cv-00932 (W.D. Wa. 6/16/17)

CyWee Group Ltd. v. Motorola Mobility LLC, No. 1:17-cv-00780 (D. Del. 6/16/2017)

CyWee Group Ltd. v. ZTE Corp. et al, No. 3:17-cv-02130 (S.D. Cal. 10/17/17)

CyWee Group Ltd. v. Google, Inc., No. 1:18-cv-00571 (D. Del. 4/16/2018)

Petitions for *inter partes* review (“IPR”) were filed by nearly all these defendants and were consolidated into three IPRs: IPR2018-01257, IPR2018-01258 and IPR2019-00143. Samsung was granted permission to join IPR2018-01258 and IPR2018-01258. *See* IPR2019-00535, Paper 10; *and* IPR2019-00534, Paper 10.

In the IPRs, all asserted claims of the ’438 Patent were found unpatentable:

¹ CyWee Group, Ltd. is a prior assignee of the portfolio of patents related to the ’687 Patent.

IPR#	Patent	Unpatentable Claims	Reason
IPR2019-00143	8,441,438	1, 4, 5, 14-17, 19	§103: Yamashita & Bachmann
IPR2018-01258	8,441,438	1, 3-5	§103: Zhang & Bachmann
IPR2018-01257	8,552,978	10, 12	§103: Zhang & Bachmann

The '687 Patent listed explicitly overcame multiple rejections based on

Bachmann and Yamashita:

Date	Title of Action	Rejections	Cite
12/8/2021	Non-Final Rejection	35 USC § 103: Claims 2-8 and 10-16 are unpatentable over Yamashita in view of Bachmann .	Ex. 1004 at 152-166 and 348-364.
3/21/2022	Final Rejection	35 USC § 103: Claims 1-5, 7-19 and 21-28 are unpatentable over Yamashita in view of Bachmann .	Ex. 1004 at 348-364.
8/18/2022	Non-Final Rejection	35 USC § 103: Claims 1-5, 7-19 and 21-30 are unpatentable over Yamashita in view of Bachmann and Zhao et al.	Ex. 1004 at 419-438

III. LEGAL STANDARDS

The Board should deny institution pursuant to discretionary factors committed to the Board's discretion under §314(b), including the *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (PTAB. Feb. 13, 2020) (“*Advanced Bionics*”), Director's Memo Factors, and *Apple, Inc. v. Fintiv, Inc.* IPR2020-00019, Paper 11 (PTAB March 20, 2020) (“*Fintiv*”).

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; and
6. Other circumstances that impact the PTAB's exercise of discretion, including the merits of the petition.

Fintiv, Paper 11 at 5-6. The Board takes a "holistic view" of whether efficiency and integrity of the system are best served by denying or instituting review. *Id.*

The Director's Memo identified a non-exhaustive number of factors that may be considered by the Board when evaluating how to apply the Board's discretion under § 314(b) (hereafter the "Memo Factors") including (but not limited to):

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, above);
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.

Further, the Board's FAQs state: "The 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. 2018 at Q. 12.

IV. DISCRETIONARY DENIAL IS WARRANTED

Institution should be denied for multiple, independent reasons. First, under § 325(d) and the *Advanced Bionics* framework, the Petition relies on the same art the Examiner already considered during prosecution and fails to show or even allege that the Office erred in a manner material to patentability. Second, under the *Fintiv* factors, the balance overwhelmingly favors denial: the parties and courts

have invested substantial resources in parallel district-court actions, the issues overlap extensively, and Petitioner has offered no stipulation to avoid duplicative litigation. Third, the Petition itself is weak—resting on prior art that does not disclose quaternions and on extensive hindsight expert modification to supply missing limitations. Finally, Samsung’s litigation tactics—splitting issues across multiple forums, delaying its IPR filing, and threatening still more petitions—reflect gamesmanship rather than a genuine effort to resolve validity efficiently. Taken together, these considerations show that this proceeding is not the “quick and cost-effective alternative to litigation” contemplated by the AIA, but an abusive attempt to multiply costs and forums. The Board should exercise its discretion to deny institution.

A. Discretionary denial is warranted by § 325(d) and the *Advanced Bionics* framework.

The Petition is based on a single reference (WO2009/156499, “Bassompierre”), that is the French-language version of a reference whose English-language counterpart (US 2011/0199298) was disclosed and considered during prosecution. The only differences between the two references is a result of Samsung’s translation, not any substantive technical teachings. Therefore, the Director should deny institution under 35 USC § 325(d) because Petition’s reference is the same or

substantially the same art previously presented to the office, and the Petition fails to demonstrate that the Office erred in any material way.

“In determining whether to institute or order [and IPR], the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the office.” 35 U.S.C. § 325(d). The Board applies the following two-part framework, referred to as *Advanced Bionics* Part 1 and Part 2, to consider whether to exercise discretion to deny institution under § 325(d):

Part 1: Whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and

Part 2: if either condition of [the] first part of the framework is satisfied, whether the petitioner was demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH, IPR2019-01469, Paper 6 at 8 (PTAB. Feb. 13, 2020) (“[a]t bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown”).

The Director should deny institution here because Petitioner’s reference is the same or substantially the same art previously presented to the Office and the Petition fails to demonstrate that the Office erred in any material way.

i. *Advanced Bionics* Part 1: The Petition’s only reference is substantially the same art previously presented to the Office.

Art previously presented to the Office includes “art made of record by the Examiner, and art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), [or] or in the prosecution history of the challenged patent.” *Advanced Bionics*, 2020 WL 740292, at *3.

Samsung’s IPR petition alleges that claims 1-7, 12, 14, and 25 are obvious under 35 U.S.C. § 103 over an English language translation of WO2009/156499 to Bassompierre² as its single ground for invalidity. Paper 1 at 3.

Ground 1: Claims 1-7, 12, 14 and 25 are unpatentable under pre-AIA 35 U.S.C. § 103(a) as rendered obvious by WO 2009/156499 to Bassompierre *et al.* (“Bassompierre”) (Ex. 1005). A certified translation of Bassompierre is attached as Exhibit 1006.

WO2009/156499 is published *in French*. Ex. 1005.

Samsung’s IPR petition admits that the U.S. equivalent of WO2009/156499, U.S. Patent Publication No. 2011/0199298, was “considered by the Patent Office during prosecution of the ‘687 patent.” Paper 1 at 4. Specifically, it was disclosed

² Note that the Petition refers to both WO2009/156499 (Ex. 1005) and the new English translation of WO2009/156499 (Ex. 1006) as “Bassompierre”. To avoid conflating these two documents, “Bassompierre” is not used as a shorthand herein.

on an Information Disclosure Statement submitted by the Applicant on November 20, 2020 and marked as considered by the Examiner on December 4, 2021. Ex. 1004 at 110, 138 (“All references considered except where lined through. /BE/”).

Importantly, US2011/0199298 is the U.S. Patent Application Publication No. of U.S. Application No. 13/001,307, which is a national stage entry application of International Patent Cooperation Treaty Application No. PCT/EP2009/058024. Ex. 2015 at 1. PCT/EP2009/058024 was published as WO2009/156499 (the Petition’s Bassompierre reference). Ex. 1005. So, US2011/0199298 is the official English translation of WO2009/156499.

Accordingly, the only differences between US2011/0199298 and the English translation of WO2009/156499 (Ex. 1006) relied on by Samsung would be translation discrepancies. The Director recently held in a precedential paper that “Challenging the claims using the same prior art that was previously presented on an IDS is sufficient to satisfy the first part of the *Advanced Bionics* framework.” *Ecto World, LLC v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 4 (PTAB May 19, 2025) (precedential).

Therefore, WO2009/156499 satisfies the requirements of *Advanced Bionics* Part 1.

ii. *Advanced Bionics* Part 2: Petitioner has failed to demonstrate any material errors by the Office.

Under *Advanced Bionics* Part 2, Petitioner carries the burden of demonstrating a material error by the Office. *Advanced Bionics*, IPR201901469, Paper 6 at 8–9. If “petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review. *Id.* Notably also, “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.” *Id.* at 9. Petitioner has not, and cannot, carry its required burden here.

Petitioners failed to address the second prong of *Advanced Bionics*, much less show that the Examiner erred in a manner material to patentability. *See* Pet. at 110–11. Samsung provides no explanation as to why its translation of Bassompierre should be relied upon instead of the official translation, US2011/0199298, that the Examiner already considered. Nor does Petitioner explain how or even allege that the Examiner materially erred.

The Board may exercise its discretion to deny institution in circumstances where a petitioner does not address whether the Office materially erred. *See Wolfspeed, Inc. v. The Trustees of Purdue Univ.*, IPR2022-00761, Paper 9 at 14–15 (PTAB Nov. 8, 2022) (denying institution when petitioner did not address whether

the Office materially erred); see also *Darfon Elecs. Corp. v. Michael Shipman*, IPR2022-01008, Paper 11 at 14 (PTAB Dec. 2, 2022) (same).

The Director recently issued a binding decision which clarified that a petitioner cannot simply rely on its unpatentability contentions to imply that an error occurred by stating, “[t]his decision resolves that dispute and clarifies that a petitioner must provide an analysis even when the asserted prior art is on an IDS, but the Examiner did not apply the reference... In that analysis, a petitioner must explain, with reference to *Becton Dickinson* factors (c), (e), and (f), how the Examiner erred in overlooking the prior art.” *Ecto World, LLC et al v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 5 (May 19, 2025). This analysis requires Petitioner to explain how the “Examiner materially erred by overlooking certain teachings in the prior art on the IDS.” *Id.* at 5-6. The Petition provides no such analysis and makes no mention whatsoever to *Becton Dickinson*.

In addressing the first prong of *Advanced Bionics*, Samsung’s only argument to overcome denial under 35 U.S.C. § 325(d) is that “Bassompierre was not raised by the Examiner in any rejection.” Paper 1 at 4. This is nearly identical to the facts of *Ecto World* wherein “[i]n addressing the first prong of *Advanced Bionics*, Petitioners note merely that the Petitioner’s references were not applied against the claims during prosecution.” See *Ecto World*, Paper 9 at 38-39 (Dec. 11, 2024).

Samsung's deficiency in making any allegation of an error on the part of the Office is consistent with the facts of *Ecto World*.

Petitioner has not demonstrated or even alleged that the Office erred in a manner material to the patentability of challenged claims as required by *Advanced Bionics* Part 2.

Therefore, the Petition should be denied under § 325(d).

B. Discretionary denial is also warranted by the *Fintiv* framework.

Discretionary denial is also warranted under the *Fintiv* framework because the majority of the *Fintiv* factors favor discretionary denial.

i. *Fintiv* Factor 1: California Litigation is not stayed.

There is currently no stay in the California Litigation, either requested or granted. In addition, the California litigation involves two patents that are not currently the subject of any potential IPR proceedings. Ex. 2002 at ¶ 1 (seeking declaration of noninfringement of 10,275,038 and 10,817,072 that are not the subject of any petitions for IPR).

Thus, because the California Litigation is not stayed and is unlikely to be stayed, *Fintiv* Factor 1 is neutral.

ii. *Fintiv* Factor 2: Neither District Court Case is Currently Set for Trial.

This is the only *Fintiv* factor that favors a referral to the Board. The California Litigation is not currently set for trial. Ex. 2006. The Texas Litigation was recently

stayed. Ex. 2019. The Board's projected final written decision due date is December 23, 2026.³ Thus, it appears that the final written decision may issue before either district court case would go to trial, favoring referral.

iii. *Fintiv* Factor 3: The District Courts and Parties Have Heavily Invested Time and Resources in Parallel Proceedings.

The California Litigation was initiated *by Petitioners* almost a year ago on September 18, 2024. Ex. 2002. The Texas Litigation was initiated on November 1, 2024. Ex. 2008. Both the parties and the district courts have heavily invested time and resources in the parallel proceedings, making this factor weigh heavily in favor of discretionary denial.

First, Patent Owner served infringement contentions on January 7, 2025 in the Texas Litigation and January 28, 2025 in the California Litigation. Ex. 2004; Ex. 2011. Petitioner served invalidity contentions on March 4, 2025 in the Texas Litigation and March 14, 2025 in the California Litigation. Ex. 2003; Ex. 2012.

Second, the parties have exchanged substantial written discovery. CM HK has served 32 requests for production, 15 interrogatories, 5 requests for admissions, and 1 deposition notice combined in both the Texas and California Litigations. Ex. 2022 at ¶ 4. Samsung has served 96 requests for production, 29 interrogatories, 13 requests

³ The Notice of Filing Date Accorded to Petition was mailed on June 23, 2025. Paper 3 at 1. A Final Written Decision will therefore be due by December 23, 2026. *See* 35 U.S.C. § 316(a)(11).

for admissions, and 4 depositions notices combined in the Texas and California Litigations. *Id.* at ¶ 5. CM HK has produced 1796 documents and conducted a deposition of a Samsung fact witness. *Id.* at ¶ 4. Samsung has produced 1154 documents. *Id.* at ¶ 5. CM HK and Samsung have entered into an agreed Stipulated Protective Order with Qualcomm Incorporated, a third-party. *Id.* at ¶ 6. CM HK has undergone the process of retaining experts and scheduling source code review with both Samsung and Qualcomm Incorporated. *Id.*

Third, the parties have exchanged proposed claim constructions and filed a Joint Claim Construction and Prehearing Statement in the California Litigation. Ex. 2007.

Fourth, the parties have filed numerous motions that the district courts have ruled on. In the Texas Litigation, Petitioner filed a Motion to Dismiss, Transfer or Stay and then a Renewed Motion to Stay, that the district court recently granted. Ex. 2019. In the California Litigation, Patent Owner has filed a Motion to Dismiss (granted), a motion to transfer (denied), and a motion for sanctions under Rule 11 (pending). Ex. 2005; Ex. 2014.

Fifth, Samsung chose to file a declaratory judgment action in California and its actions have demonstrated a preference for that forum. Samsung filed its declaratory judgment action on September 18, 2024, two months after learning about this patent from Patent Owner's counsel on July 29, 2024. Ex. 2002 at ¶¶ 33-34. Petitioner then waited eight months to file this Petition on May 30, 2025. Petitioner has not moved

to stay the California Litigation pending the outcomes of these IPRs (or for any reason). And Petitioner has sought extensive jurisdictional discovery, including filing a motion to compel on August 12, 2025. Ex. 2013. If Samsung had timely sought review here instead of waiting nearly a year to file this Petition, the parties and courts could have saved significant time and resources. Petitioner could allow the California Litigation to expire since all claims are currently dismissed. Ex. 2005. But Petitioner will not give up that forum.

The Board has held that a delay in filing the petition coupled with “not insubstantial” efforts in the district court favors discretionary denial. *Immersion Sys. LLC v. Midas Green Techs., LLC*, PGR2021-00104, Paper 15 at 10 (P.T.A.B. Jan. 31, 2022).

Therefore, this factor weighs in favor of discretionary denial because CM HK and Samsung have expended significant resources in the parallel litigations, and Samsung unnecessarily delayed in filing this Petition.

iv. *Fintiv* Factor 4: The Issues Raised in the Petition Substantially Overlap with Issues Raised in the Texas Litigation and the IPR is not a “true alternative” to the Parallel Litigation.

In considering this factor, the Director should consider whether *inter partes* review would be a “true alternative” to parallel district court litigation. See *Motorola Solutions, Inc. v. Steller, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB March 28, 2025) (Director vacating decision granting institution where the petitioner’s

“stipulation does not ensure that these [inter partes review] proceedings would be a ‘true alternative’ to the district court proceeding”).

This factor weighs in favor of discretionary denial because there is substantial overlap in the invalidity theories presented in the Petition and in the Texas Litigation. Petitioner’s invalidity arguments in the Texas and California Litigation are more expansive, including the two references asserted in these proceedings (Bassompierre and Nasiri), in addition to many others, including unpublished system prior art. Ex. 2003 at 6-11; Ex. 2012 at 6-11. Petitioner has not offered a *Sotera* stipulation; so this IPR proceeding would not be a “true alternative” to the Texas Litigation. *Motorola Solutions*, IPR2024-01205, Paper 19 at 4 (holding not a true alternative when “invalidity arguments in the district court are more expansive and include combinations of the prior art asserted in these proceedings with unpublished system prior art”).

Accordingly, this factor weighs in favor of discretionary denial.

v. *Fintiv* Factor 5: The Petitioner is a Defendant in Both the Texas and California Litigation.

Petitioner Samsung and Patent Owner CM HK are both parties to the District Court Proceeding. See Pet. at 1 (related matters). When the parties are the same—like in this case—this factor supports denying institution. *Sotera Wireless, Inc. v.*

Masimo Corp., IPR2020-01019, Paper 12 at 19 (P.T.A.B. Dec. 1, 2020) (precedential).

vi. *Fintiv* Factor 6: The Merits of the Petition are Lacking, and Other Discretionary Factors Supporting Denial.

Factor 6 strongly favors denial because the Petition rests on art the Patent Office has already considered and fills critical gaps with hindsight expert argument. Petitioner relies solely on Bassompierre, a reference whose U.S. counterpart was disclosed on an IDS and marked “considered” by the Examiner. *Supre* § IV(A)(i). Under § 325(d) and *Advanced Bionics*, this alone undercuts the strength of the Petition.

By asserting Bassompierre under 35 U.S.C. § 103 rather than §102, Petitioner admits that its new translation fails to disclose every claim limitation.

Even on the merits, Bassompierre does not teach what every challenged claim requires: quaternions. The reference describes Euler-angle state vectors, not quaternion-based sensor fusion. Ex. 1002 at ¶¶ 55-56. Petitioner tacitly concedes as much by presenting only a § 103 theory and by devoting eighteen pages of its expert declaration to rewriting Bassompierre’s equations to include quaternions. Pet. at 3; Ex. 1002 at ¶¶ 55-85. That exercise does not cure the gap; it merely confirms that the gap exists. And the Petition admits that Bassompierre only

“discloses or suggests” every claim limitation that requires a quaternion. Pet. at 32, 36, 38, 42, 44, 48, 51, 53, 57, 58, 59, 64, 65, 66, and 68.

Moreover, the Petition’s reliance on expert say-so underscores its weakness. It cites the Sarrafzadeh declaration more than 100 times, often verbatim, to supply limitations missing from Bassompierre. *generally* Pet. (citing “1002”). For example, Dr. Sarrafzadeh’s description of Bassompierre’s EKF Algorithm in paragraphs 47-53 is nearly identical to pages 16-20 of the Petition. *Compare* Ex. 1002 at ¶¶ 47-53; *with* Pet. at 16-20.⁴ And the Appendix to his declaration tracks the wording of the Petition exactly. *Compare* Ex. 1002, Appendix 56-87; *with* Pet. at 25-68. This extensive reliance on expert testimony to fill gaps in the prior art strongly favors discretionary denial.

C. Settled Expectations Favor Denial.

Instituting this IPR would unjustly deprive CM HK of its reasonable and settled expectation that it may rely on its property rights in the ’687 Patent. The Board has found that challenged patents that have been in force for six years have a strong settled expectation to not be disturbed. IPR2025-00781, Paper 11 at 2; IPR2025-00500, Paper 10 at 2; IPR2025-00663 Paper 12 at 2. .

⁴ This is just a representative sample, not an exhaustive list of all portions of the Petition that are identical to the expert declaration.

The '687 Patent issued from U.S. Patent Application No. 16/953,771 filed on Nov. 20, 2020, which is a continuation of U.S. 15/611,970 filed on June 2, 2017, which is a continuation of U.S. 13/072,794, filed on March 28, 2011, which is a continuation-in-part of U.S. 12/943,934 filed on November 11, 2010, which claims priority to Provisional U.S. Patent Application No. 61/292,558 filed on January 6, 2010. Ex. 1001 at 1-2.

The first patent publication in this family is of U.S. 12/943,934 published as U.S. Patent Application Pub. No. 2011/0163950 A1 on July 7, 2011. Ex. 2020 at 1. The first patent publication following a continuation-in-part priority claim is of U.S. 13/072,794 published as U.S. Patent Application Pub. No. U.S. 2011/0175806 A1 on July 21, 2011. Ex. 2021 at 1.

Thus, the public has been on notice of the subject matter claimed in the '687 Patent for 14 years.

Petitioner has known about the '687 Patent's predecessor patents since February 2017 and has known about the '687 Patent since July 2024. Ex. 2002 at ¶¶32-34. Additionally, the Patent will expire in November 2030—about four years after a final written decision would issue in this IPR. The district court is a better forum to resolve invalidity issues in this circumstance.

D. Samsung's Conduct Warrants Discretionary Denial.

Samsung's procedural conduct confirms that institution would not serve the AIA's purpose of providing a "quick and cost-effective alternative to litigation." H.R. Rep. No. 112-98, at 48 (2011)); S. Rep. No. 110-259, at 20 (2008). From the outset, Samsung has treated the IPR process not as an alternative, but as a parallel weapon to multiply proceedings and increase CM HK's costs.

First, Samsung deliberately structured its California declaratory judgment complaint to assert only non-infringement claims, omitting invalidity. Ex. 2002. That maneuver was designed to avoid the statutory bar of 35 U.S.C. § 315(a)(1), which prevents petitioners from pursuing IPRs after filing a civil action challenging validity. This type of forum manipulation is precisely what Congress sought to prevent.

Second, Samsung has simultaneously pressed two district-court actions while filing this IPR—and has even threatened additional IPRs against patents CM HK has not asserted. Ex. 2016. This conduct reflects not a genuine attempt to resolve validity, but a campaign of procedural proliferation.

Third, Samsung's strategy undermines the estoppel framework Congress enacted to prevent "second bites at the apple." 35 U.S.C. § 315(e). By splitting issues across multiple forums and timing this Petition nearly a year after initiating

litigation, Samsung seeks to preserve procedural leverage while driving up costs for its adversary.

The PTAB has emphasized that AIA trials must be “just, speedy, and inexpensive.” 37 C.F.R. § 42.1(b). Samsung’s approach flouts those principles. Its tactical choices show that its primary aim is not efficiency, but leverage. The Board should send a clear message that IPR is not available to parties who attempt to game the system in this way.

Therefore, Samsung’s conduct also strongly supports discretionary denial.

V. CONCLUSION

For the reasons set forth above, the Petition should be denied. Samsung’s challenge is based on art previously presented to the Office, fails to allege or identify any material error by the Examiner, and relies heavily on hindsight expert modification to fill critical gaps. The parallel district-court proceedings are well underway, the issues substantially overlap, and Samsung’s litigation conduct undermines the AIA’s goal of efficient, streamlined adjudication. Taking a holistic view under § 325(d), *Advanced Bionics*, and the *Fintiv* framework, efficiency and fairness are best served by declining institution. Patent Owner therefore respectfully requests that the Board deny institution of *inter partes* review.

Respectfully Submitted,

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CERTIFICATE OF WORD COUNT (37 C.F.R. § 42.24(d))

This Patent Owner's Brief on Discretionary Denial complies with the type-volume limitation pursuant the Director's Memo and consistent with the 37 C.F.R. § 42.24, I certify that this Brief in Support of Discretionary Denial complies with the type-volume limits of the Director's Memo because it contains fewer than 14,000 words. The word processing system used to prepare this brief counts 5,052 words excluding the parts exempted by 37 C.F.R. § 42.24(a)(1).

Respectfully submitted,

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Date

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above document was served August 22, 2025 by filing this document through the Patent Trial and Appeal Case Tracking System (P-TACTS) as well as delivering a copy via electronic mail to the following practitioners of record for Petitioners:

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