

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.
Petitioner,

v.

CTEXT IP LLC
Patent Owner.

Case No. IPR2025-01112

U.S. Patent No. 9,246,857

**PETITIONER’S OPPOSITION TO PATENT OWNER’S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	BACKGROUND	2
III.	STIPULATION	4
IV.	ARGUMENT – REFERRAL IS WARRANTED	4
A.	The <i>Fintiv</i> Factors Warrant Referral	4
1.	Factor 1: The district court has stayed the Litigation	5
2.	Factor 2: The Board will certainly issue a final order before the district court holds a trial	5
3.	Factor 3: The parties have made minimal investment of resources in the stayed district court Litigation, and much work remains to be done	5
4.	Factor 4: Petitioner’s <i>Sotera</i> stipulation effectively eliminates overlap	7
5.	Factor 5: The parties before the Board and the district court are the same.....	7
6.	Factor 6: Timing and strength of Petition.....	7
B.	Referral Is Warranted Because PO Could Not Have Reasonably Formed Any Settled Expectations Regarding the Validity of the ’857 Patent During the Time of Its Existence.....	12
1.	PO is not the original assignee of the Asserted Patents.....	12
2.	PO was formed less than four years ago, just prior to acquiring the Asserted Patents	13
3.	PO was informed that the Asserted Patents are invalid within months after PO was formed	14

C. Referral Is Warranted Because of Petitioner’s Settled Expectations
That the ’857 Patent Is Invalid and Has Not Been
Commercialized, Marked, or Successfully Licensed or Asserted16

D. Referral Is Warranted Because of Material Error by the Office18

E. Referral Is Warranted Because There Have Been No Other
Challenges to the ’857 Patent.....19

V. CONCLUSION.....20

PETITIONER’S LIST OF EXHIBITS

<i>Exhibit #</i>	<i>Description</i>
1001	U.S. Pat. No. 9,246,857 (the “’857 Patent”)
1002	Prosecution History of the ’857 Patent
1003	Declaration of Trevor Darrell, Ph.D.
1004	<i>Curriculum Vitae</i> of Trevor Darrell, Ph.D.
1005	U.S. Pat. No. 9,130,893 (“Chang”)
1006	U.S. Pat. No. 9,965,132 (“Stochosky”)
1007	U.S. Pub. No. 2014/0143684 (“Oh”)
1008	Claim charts from Amended Complaint in <i>CText IP LLC v. Apple Inc.</i> , 1:24-cv-8821 (S.D.N.Y.) (the “Litigation”)
1009	Amended Complaint, Litigation, DI 24
1010	U.S. Patent No. 10,009,304 (the “’304 Patent”)
1011	Assignment from CTEXT TECHNOLOGY LLC to Adam Moisa, dated May 4, 2021, PTO Assignment Records
1012	Assignment from Adam Moisa to Allied Security Trust, dated June 14, 2021, PTO Assignment Records
1013	Assignment from Allied Security Trust to CText IP LLC, dated May 27, 2022, PTO Assignment Records
1014	Screenshot from https://www.ast.com/
1015	Certificate of Formation for CText IP LLC, filed with Secretary of State of Texas
1016	LinkedIn bio for Anthony Vecchione

1017	Motion of Apple Inc. to Stay Pending <i>Inter Partes</i> Review, Litigation, DI 32
1018	Apple Inc.’s Memorandum of Law in Support of Its Motion to Stay Pending <i>Inter Partes</i> Review, Litigation, DI 33
1019	Order granting Motion to Stay Pending <i>Inter Partes</i> Review, Litigation, DI 43
1020	Order, Litigation, DI 23
1021	Answer to Amended Complaint, Litigation, DI 39

I. INTRODUCTION

Petitioner Apple Inc. (“Apple”) opposes Patent Owner’s Request for Discretionary Denial of Institution (Paper 7, “PO Brief”). The related Litigation¹ has been stayed and with this Opposition, Petitioner makes a *Sotera* stipulation. As such, this proceeding is a true alternative to the district court Litigation and discretionary denial under *Fintiv* is not warranted. Nor are there any settled expectations or any other factors that favor denial of institution. The Petition (Paper 2, “Pet.”) was filed on July 7, 2025. At that time, Patent Owner (“PO”) had only owned U.S. Pat. Nos. 9,246,857 (“the ’857 Patent”) and 10,009,304 (“the ’304 Patent”) (collectively, the “Asserted Patents”) for just over three years. And shortly after PO had acquired the Asserted Patents and contacted Apple about taking a license, Apple presented PO with clear evidence that the ’857 Patent was unpatentable over the prior art. Thus, PO could not have reasonably formed any settled expectations that the ’857 Patent would not be challenged. Rather, it was Apple’s settled expectations that the claims of the ’857 Patent are invalid as it had previously demonstrated to PO, and as such, it was not necessary for Apple to file for *inter partes* review (IPR) against the same. In this way, Apple tried to avoid burdening the Patent Trial and Appeal Board (“PTAB” or “Board”) with an IPR,

¹ *CText IP LLC v. Apple Inc.*, 1:24-cv-882, S.D.N.Y. (the “Litigation”).

thereby keeping with the PTAB and the acting Director’s goals of “improv[ing] PTAB efficiency” and “maintain[ing] PTAB capacity to conduct AIA proceedings.” March 26, 2025, Memorandum for Interim Processes for PTAB Workload Management (“Interim Processes Memo”) at 3. Apple only filed the Petition for this proceeding after PO—despite having been presented with clear evidence that the patent was invalid—persisted in pressing its claims and sued Apple in the Litigation. This is the first IPR challenge against the ’857 Patent and—in view of the prior art, material error by the Office, and stay of the related Litigation—an appropriate use of the Board’s resources. For these and the reasons below, Petitioner respectfully requests that the Director decline to exercise his discretion to deny institution, and refer this IPR to the Board.

II. BACKGROUND

The PO here is CText IP LLC, which purports to be “the sole and exclusive owner of all right, title, and interest in the Asserted Patents.” EX1009 at ¶ 7.

PO acquired the Asserted Patents from Allied Security Trust by way of an assignment dated May 27, 2022. EX1013. Allied Security Trust is “a Member-driven cooperative that provides to some of the world’s most innovative and recognized technology companies patent risk mitigation services, market insights, and a forum for IP leaders to interact and form business relationships.” EX1014.

CText IP LLC was formed on May 18, 2022—only a few weeks prior to its

acquisition of the Asserted Patents from Allied Security Trust. EX1015. CText IP LLC is a “Texas limited liability company located in Dallas, Texas.” EX1009 at ¶ 2. PO’s Certificate of Formation lists Anthony Vecchione as the registered agent and managing member. EX1015. Anthony Vecchione is an attorney. EX1016. At the time that the Asserted Patents were issued—on January 26, 2016, for the ’857 Patent, and June 26, 2018, for the ’304 Patent—Mr. Vecchione was working at the law firm of Nelson Bumgardner. EX1016.

“On January 5, 2023, [CText IP LLC] sent a letter to Apple, inviting Apple to take a license to the Asserted Patents.” EX1009 at ¶ 42; EX2003. Less than three months after receiving the letter, Apple responded with its own letter and analysis demonstrating that the Asserted Patents were not infringed and, furthermore, that the Asserted Patents were invalid in light of the prior art. EX2005. Apple and PO continued their discussions through at least May 2024, with Apple explaining in detail how various claim limitations of the Asserted Patents were disclosed in the prior art. *See* EX2006, EX2007, EX2008, EX2009. In those discussions, Apple reiterated and elaborated upon its invalidity analysis with respect to the prior art, answering PO’s questions and responding to any and all new arguments raised. *See e.g.*, EX2007; EX2009.

At the end of the licensing discussions, because Apple had explained to CText IP LLC how the Asserted Patents were not infringed and furthermore were

invalid, Apple believed that “it [did] not need a license to the CText Patents.”

EX2009. Apple tried to avoid burdening the PTAB with IPRs. Indeed, Apple only filed the Petitions for this proceeding and IPR2025-01113 when CText IP LLC persisted in asserting the invalid ’857 and ’304 Patents in the Litigation.

III. STIPULATION

If IPR is instituted in IPR2025-01112, unless institution is later vacated, reversed, or otherwise withdrawn by rehearing or Director Review, Apple stipulates that, consistent with *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 13-14 (PTAB Dec. 1, 2020) (precedential as to § II.A.), Apple will not pursue in Civil Action No. 1:24-cv-882 (the Litigation), against the ’857 Patent, (i) the specific grounds asserted in IPR2025-01112, or (ii) any other ground that was raised or could have been reasonably raised in an IPR (i.e., any ground that could be raised under §§ 102 or 103 on the basis of prior art patent or printed publications).

IV. ARGUMENT – REFERRAL IS WARRANTED

A. The *Fintiv* Factors Warrant Referral

Here, the *Fintiv* factors weigh against discretionary denial. The parallel district court Litigation is stayed pending completion of the IPRs. EX1017; EX1018; EX1019. Furthermore, with this Response, Petitioner makes a *Sotera* stipulation (Section III *supra*) that effectively eliminates all potential overlap with

the Litigation. As such, this IPR is a “true alternative” to the parallel Litigation, and an appropriate use of Board resources.

1. Factor 1: The district court has stayed the Litigation

Factor 1 weighs heavily against discretionary denial. The parallel district court Litigation has been stayed pending final resolution of the IPR proceedings. EX1017; EX1018; EX1019.

2. Factor 2: The Board will certainly issue a final order before the district court holds a trial

Because the parallel Litigation has been stayed pending the outcome of the IPR2025-01112 and -01113 proceedings, no trial date is set. EX2012, 31:12-13. Thus, if IPR is instituted, not only is it highly likely—but it is **almost certain**—that the Final Written Decision will issue before a district court trial occurs in the Litigation. Thus, Factor 2 weighs against discretionary denial.

3. Factor 3: The parties have made minimal investment of resources in the stayed district court Litigation, and much work remains to be done

PO notes that in the parallel Litigation Apple filed two early motions to dismiss the complaint based on subject matter ineligibility, which the district court considered and denied. PO Brief at 2. But this investment of resources in the district court Litigation is minimal, especially when compared to what remains to be done.

While the case was initially filed on November 20, 2024, PO was required to

file an Amended Complaint by March 3, 2025. EX1020. Apple filed its Answer to the Amended Complaint just one week before the district court stayed the Litigation. EX1019; EX1021. As such, as the district court itself has noted, the Litigation is still in its “very early stage” and “[d]iscovery has not yet begun.” EX2012 at 29:11-13. Indeed, as seen in the proposed scheduling orders for the Litigation, the parties have yet to produce documents, serve interrogatories, exchange infringement and invalidity charts, exchange expert reports, and take depositions of fact and expert witnesses. EX2010; EX2011. Nor has the *Markman* process commenced—the parties have yet to exchange preliminary constructions or prepare claim construction briefing, and the district court has yet to conduct a *Markman* hearing. *Id.* The parties have yet to prepare and submit dispositive and *Daubert* motions, and the district court has yet to conduct a hearing for and rule on the same. *Id.* After all of that, the parties and the court still need to try the case. Indeed, because of the stay, no schedule is set for any of these events in the Litigation and the court “won’t enter a case management plan.” EX2012, 31:12-13.

As such, Factor 3 weighs heavily against discretionary denial because the Litigation was stayed before the parties and the court invested substantial resources in the case, and much work remains to be done.

4. Factor 4: Petitioner's *Sotera* stipulation effectively eliminates overlap

As set forth in Section III, Petitioner stipulates that if the Board institutes IPR here, then Petitioner will not pursue in the district court Litigation the specific grounds identified in the Petition, or on any other ground for which the Board institutes, that was raised or could have been reasonably raised in an *inter partes* review. This *Sotera* stipulation effectively eliminates all potential overlap of the invalidity challenges covered in this proceeding and the Litigation, and mitigates concerns of duplicative efforts or potentially conflicting decisions. Particularly where, as here, the Litigation is stayed, the stay ensures there will no duplicative effort. Thus, Factor 4 weighs against discretionary denial.

5. Factor 5: The parties before the Board and the district court are the same

While the parties in the Litigation are the same as here, Factor 5 alone does not favor denial, particularly where, as here, the Petition demonstrates strong merits of unpatentability.

6. Factor 6: Timing and strength of Petition

Considerations under Factor 6 weigh against discretionary denial.

When viewed holistically, the timing of the present Petition was reasonable, as there has been limited investment in the co-pending Litigation before the stay.

Furthermore, the merits of the Petition are strong, supported by compelling

evidence of unpatentability. The '857 Patent relates to messaging or “chat” communications, and purports to recognize the problem that “chats often form an extended dialogue between multiple parties, stretching across multiple conversation topics and extended periods of time,” such that “it is not always clear what earlier comment a particular comment is responsive to.” Pet. at 1.

To address this problem, the '857 Patent provides “methods and systems for correlating conversations in a messaging environment.” *Id.* at 2. In operation, the user may wish to continue a conversation. When the user creates a new message, the message is “displayed with a visual cue shared with other messages associated with the active conversation....” *Id.* at 3-4. The visual cue may be a color, text size, symbols or icons appended to the message.” *Id.*

During prosecution, the Examiner allowed the claims, making an amendment to add the limitation, e.g., “*changing a visual element of the message entry location upon receipt of the first indication to match a first visual cue shared by messages associated with the active conversation.*” *Id.* at 6.

The Petition shows that the methods and systems claimed in the '857 Patent—including the limitations added to secure allowance—were well known in the art before the '857 Patent. Pet. at 6-95. For example, U.S. Pat. No. 9,130,893 (“Chang”), is in the same field as the '857 Patent, i.e., electronic messaging and chat. *Id.* at 7. Chang recognizes the same problem as the '857 Patent: in messaging

systems that display multiple chats or conversations to the user, it may be difficult for the user to follow or keep track of the chats. And Chang provides the same solution: using a different background color, shade, or other visual element to intuitively distinguish between different chats. *Id.* at 9. Furthermore, Chang discloses the '857 Patent claim limitations—e.g., “*changing a visual element of the message entry location upon receipt of the first indication to match a first visual cue shared by messages associated with the active conversation*”—that were added during prosecution to secure allowance. Chang describes that the background color, shading, or other visual element of a message input window may be changed to be the same as that of the selected chat. *Id.* at 9.

As such, the merits of the Petition are particularly strong. PO's assertions to the contrary are without merit for several reasons.

First, while acknowledging that the Petition includes three grounds challenging the '857 Patent claims as being obvious in view of the prior art, PO argues that “Petitioner’s failure to identify any anticipatory art serves as an initial indication of the weaknesses of the Petition’s merits.” PO Brief at 14. This argument fails because it reflects a fundamental lack of understanding of patent law. Non-obviousness under 35 U.S.C. § 103 is an independent condition for patentability, separate from the condition of novelty under 35 U.S.C. § 102. Even if a patent claim satisfies the novelty requirement under § 102 because no

particular prior art reference anticipates that claim, the claim may still be unpatentable because it is obvious in view of the prior art, thereby failing to satisfy § 103. Here, the Petition is strong because it provides multiple grounds (including based on Chang) demonstrating that the claims of the '857 Patent are obvious.

Second, PO argues that the Petition is “weak because it often fills holes in the references themselves with declarative statements about ‘common sense,’ what ‘would be obvious to a POSITA,’ and expert testimony.” PO Brief at 14. In support, PO cites to the Acting Director’s Memorandum of July 31, 2025 (the “July 2025 Memo”). PO Brief at 14; EX2013. This argument likewise fails.

The July 2025 Memo states that it “will apply to any petition for IPR filed on or after September 1, 2025” (EX2013 at 3), and thus is inapplicable to the Petition here filed on July 7, 2025. Furthermore, even assuming *arguendo* that the July 2025 Memo applies, PO seems to suggest that the July 2025 Memo leaves no room whatsoever in IPRs for the use of common sense, the knowledge of a POSITA, and expert testimony. That is demonstrably false. The subject line of the July 2025 Memo expressly states that there are “PERMISSIBLE USES OF GENERAL KNOWLEDGE”² in IPRs. EX2013 at 1. As the July 2025 Memo

² Tellingly, PO did not refer to the July 2025 Memo by its subject line. PO Brief at 14. This is in contrast to PO’s treatment of the Acting Director’s March 26, 2025

explains: “General knowledge may still be used in an IPR to support a motivation to combine or to demonstrate the knowledge of a person having ordinary skill in the art.” EX2013 at 1-2. In support, the memorandum cites *Unification Techs. v. Micron Tech.*, 2024 WL 3738401, at *7 (Fed. Cir. Aug. 9, 2024), noting that this decision “affirm[s] **use of general knowledge** in an IPR proceeding in the form of expert testimony and AAPA **to demonstrate how a skilled artisan would have understood a prior art reference’s disclosure as teaching a claim limitation.**” EX2013 at 1-2 (emphases added). PO completely ignores this authority.

The Petition uses general knowledge and expert testimony exactly in the way permitted by the July 2025 Memo, i.e., to demonstrate how a POSITA would have understood a prior art reference’s disclosure as teaching a claim limitation. This is seen in the examples given in PO’s brief as well as below:

- **“Based on the disclosure of Chang and common sense, a POSITA would have understood** that, over the course of participating in various group and private chats, the user may enter multiple touch inputs at the mobile terminal.” Pet. at 28-29 (emphases added).
- **“A POSITA would have understood**—as a matter of **common sense and**

Memorandum with the subject line “Interim Processes for PTAB Workload Management,” which PO refers to as “Process Memorandum.” PO Brief at 4.

experience—that, in the example of FIG. 9, the “*first message*” is part of the existing or “*active conversation*” relating to the availability of the chat participants on a particular day.” Pet. at 73-74 (emphases added).

As discussed above, each *Fintiv* factor is either neutral or favors referral, and thus, all *Fintiv* factors weigh against denial on discretion

B. Referral Is Warranted Because PO Could Not Have Reasonably Formed Any Settled Expectations Regarding the Validity of the '857 Patent During the Time of Its Existence

CText IP LLC argues that the length of time the claims of the Asserted Patents have been in force “create[s] strong settled expectations.” PO Brief at 4-5. But that argument fails for the reasons discussed below.

1. PO is not the original assignee of the Asserted Patents

In deciding whether or not to discretionarily deny institution of an IPR proceeding, the Director may take into account “the settled expectations **of the parties.**” Interim Processes Memo (emphasis added). The parties to the present proceeding are Petitioner and PO. It is important to note who exactly is the PO.

The entity named as the assignee on the cover of the Asserted Patents is CTEXT TECHNOLOGY LLC. EX1001, cover; EX1010, cover. CTEXT TECHNOLOGY LLC is located in New York, New York. *Id.* CTEXT TECHNOLOGY LLC no longer owns the Asserted Patents, having assigned its rights to Adam Moisa on May 4, 2021. EX1011. Mr. Moisa, in turn, assigned the

Asserted Patents to Allied Security Trust on June 14, 2021. EX1012. Thereafter, Allied Security Trust assigned the Asserted Patents to yet a different entity on May 27, 2022. EX1013. None of CTEXT TECHNOLOGY LLC, Adam Moisa, or Allied Security Trust is a party to this proceeding or the present owner of the Asserted Patents. Paper 4.

As such, any settled expectations that CTEXT TECHNOLOGY LLC, Adam Moisa, or Allied Security Trust might have regarding the '857 Patent during the time that they owned the Asserted Patents are simply not relevant for purposes of deciding whether to discretionarily deny institution.

2. PO was formed less than four years ago, just prior to acquiring the Asserted Patents

The PO in this proceeding, and the entity asserting the '857 and '304 Patents in the Litigation, is CText IP LLC. PO Brief at 1; EX1009. CText IP LLC is based in Dallas, Texas, and its certificate of formation lists Anthony Vecchione as manager, director, and agent. EX1015. Anthony Vecchione is an attorney residing in Dallas, Texas. EX1016.

CText IP LLC did not exist when the Asserted Patents issued (on January 26, 2016, for the '857 Patent, and June 26, 2018, for the '304 Patent). Instead, CText IP LLC was formed less than four years ago, on May 18, 2022. EX1015. This is only a few weeks before CText IP LLC acquired the Asserted Patents from

Allied Security Trust by way of an assignment dated May 27, 2022. EX1013.

3. PO was informed that the Asserted Patents are invalid within months after PO was formed

About eight months after acquiring the Asserted Patents, CText IP LLC “sent a letter to Apple, inviting Apple to take a license to the Asserted Patents.” EX1009 at ¶ 42; EX2003. Apple responded expeditiously, informing CText IP LLC, in a letter dated March 29, 2023, that the Asserted Patents were invalid in light of the prior art, such as U.S. Pat. No. 8,166,408 (“Castellucci”). EX2005 at 6-8. In that response, Apple explained how Castellucci “discloses all the limitations of the ’857 and ’304 patent claims, including the exact element – changing a visual element of the message entry location – that the applicant claimed as the inventive feature during prosecution.” *Id.* Thus, within months of acquiring the Asserted Patents, CText IP LLC was shown that these patents were invalid.

PO argues that it “refuted Petitioner’s stated invalidity positions to such a degree that Petitioner’s current IPRs abandoned any mention of the only prior art reference used by Petitioner in its letters” such that PO’s “expectations settled even further.” PO Brief at 6. But that is demonstrably false.

In continued discussions between the parties, Apple reiterated and elaborated upon its invalidity analysis with respect to Castellucci, answering CText IP LLC’s questions and responding to any and all new arguments raised. *See e.g.*,

EX2009 at 4-5. Apple stood by its positions. As PO notes in its brief: “Each of Petitioner’s substantive letters includes the conclusion, ‘If you disagree with our assessment, please provide a detailed explanation of your position. Otherwise, we will consider this matter closed.’” PO Brief at 9, fn 3. All the while, Apple made clear that the arguments set forth in its correspondence “are merely examples” and “are not intended to be exhaustive.” EX2005 at 8; EX2007 at 3; EX2009 at 5.

With the filing of the Petitions in this proceeding and IPR2025-01113, Apple has shown that additional prior art, beyond the example of Castellucci, also discloses all the claim limitations of the Asserted Patents. Pet. at 7-95. This additional prior art includes Chang (discussed in Section IV.A.6) and U.S. Pub. No. 2014/0143684 (“Oh”). *Id.* The examples of Castellucci, Chang, and Oh prove the point of the Petition that “the methods and systems claimed in the ’857 Patent—including the limitations added to secure allowance—were well known in the art before the earliest priority date of the ’857 Patent.” Pet. at 6.

Thus, for the large majority of time that CText IP LLC has been in existence and owned the Asserted Patents (over two out of three years), CText IP LLC has known that the Asserted Patents were invalid in light of the prior art. As such, CText IP LLC could not have reasonably formed any settled expectations that the ’857 Patent was valid and would not be challenged by Apple or any other party against whom CText IP LLC asserted the patent. To the contrary, PO should have

had settled expectations of *invalidity* for the '857 Patent. The '857 Patent is “highly vulnerable to invalidation[,]” thereby “tip[ping] the balance against discretionary denial.” *POSCO Co., Ltd. v. ArcelorMittal*, IPR2025-00370, Paper 10 at 2–3 (PTAB June 25, 2025). Contrary to PO’s argument, its settled expectations do not warrant discretionary denial, but instead warrant referral.

C. Referral Is Warranted Because of Petitioner’s Settled Expectations That the '857 Patent Is Invalid and Has Not Been Commercialized, Marked, or Successfully Licensed or Asserted

PO fails to address the settled expectations of the other party to the proceeding, i.e., Petitioner. This is not surprising. Petitioner’s settled expectations—which weigh against PO’s claim of settled expectations—also warrant referral to the Board.

Regarding the settled expectations of a petitioner, the Director has considered, for example, that “a patent may have been in force for years but may not have been commercialized, asserted, marked, licensed, or otherwise applied in a petitioner’s particular technology space.” *Intel Corp. v. Proxense LLC*, IPR2025-00327, -00328, -00329, Paper 12, at 2-3. Such example “provide[s] considerations that weigh against a patent owner’s claim of settled expectations and bears on the Director’s discretion.” *Intel*, IPR2025-00327, at 3.

There is no evidence that any of the prior owners of the Asserted Patents—i.e., CTEXT TECHNOLOGY LLC, Adam Moisa, or Allied Security Trust—

attempted to commercialize, mark, license, or assert the patents. The lack of evidence of any such conduct suggests that the Asserted Patents are not relevant to Petitioner and/or that their validity would not survive scrutiny.

Nor is there any evidence that the Asserted Patents have ever been commercialized or marked by PO. From what Petitioner can tell, PO does not have a website, nor does it make or sell anything. Certainly, PO does not allege or identify any commercialization efforts or marking in its brief or in its Amended Complaint. PO Brief; EX1009.

The only evidence of assertion or licensing of the Asserted Patents appears to be PO's letters to, and filing of the Litigation against, Apple. Those interactions establish Apple's settled expectations that the '857 Patent is invalid. During the discussions with PO, Apple demonstrated how claim limitations of the Asserted Patents were disclosed in the prior art, including Castellucci, with Apple concluding that "it [did] not need a license to the CText Patents." EX2009.

Reinforcing Apple's settled expectations of non-enforcement and invalidity for the patents, Apple did not hear any more from PO for over sixth months. As the court in the Litigation noted with respect to PO's delay, "CText itself ... waited nearly 18 months to file its lawsuit after first raising the issues with Apple." EX2012, 30:2-4. After CText IP LLC sued Apple in the Litigation, Apple filed its Petitions for this proceeding and IPR2025-01113, further demonstrating that "the methods

and systems claimed in the '857 Patent—including the limitations added to secure allowance—were well known in the art,” including Chang and Oh. Pet. at 6. PO’s attempts to assert or license the '857 Patent have not been successful.

In view of the above, Petitioner did not expect enforcement of the '857 Patent. Petitioner has formed settled expectations that the '857 Patent is invalid and has not been commercialized, marked, or successfully licensed or asserted, thus warranting referral to the Board for decision on the merits.

D. Referral Is Warranted Because of Material Error by the Office

The '857 Patent’s examination leaves significant questions regarding the Examiner’s conclusions and indicates the Examiner materially erred. The application was filed December 23, 2014, and issued just over a year later on January 26, 2016. EX1001. In the only Office Action, the Examiner rejected all pending claims as unpatentable over the prior art. EX1002 at 242-56. Regarding dependent claim 13, the Examiner stated that the McKinley prior art discloses “changing a visual element of the message entry location upon receipt of the first indication to match the first visual cue.” *Id.* at 253. In response, the Applicant initiated and held an interview with the Examiner. *Id.* at 69-70. Thereafter, the Examiner amended the independent claims to incorporate the respective limitations of claim 13 and similar claim 18, and allowed the claims. *Id.* at 52-58. Beyond contradicting the earlier rejection of claim 13, when the Examiner amended the

claims, he allowed them without searching for art that taught those limitations. *Id.*

Nor did the Examiner's initial search include terms matching claim 13's limitations. *Compare id.* at 258 (EAST search history), *with id.* at 313 (claim 13).

Additionally, the Examiner materially erred by not conducting a full examination or even considering the most applicable prior art, including Castellucci, Chang, and Oh. *Id.* These references are entirely new and not cumulative or redundant of the prosecution prior art. EX1001; EX1002. As explained herein and in the Petition, each of Castellucci, Chang, and Oh disclose the limitations central to allowance of the '857 Patent claims. Indeed, as discussed in Section IV.A.6, Chang recognizes the same problem as the '857 Patent, and provides the same solution. The Examiner erred in a manner material to the patentability of the claims by failing to identify any of these references and, in turn, overlooking their teachings. The Examiner's original examination was thus incomplete. Such material error—which led the Examiner to prematurely allow the claims during prosecution—should more than justify referral to the Board.

E. Referral Is Warranted Because There Have Been No Other Challenges to the '857 Patent

No forum has yet adjudicated the validity or patentability of the '857 Patent's claims. The only district court case involving the '857 Patent is the related Litigation against Apple, which has been stayed. No claim of the '857 Patent has

been reexamined, and the '857 Patent has not been reissued. Nor have there been serial attacks against the patent. This is the first post-grant challenge against the '857 Patent. The Petition's merits are particularly strong (as discussed in Section IV.A.6) and address a material error by the Office (as discussed in Section IV.D). As such, referral is warranted because institution is an appropriate use of the Board's resources, especially when the Board is not retreading ground covered by it or any other tribunal.

V. CONCLUSION

When viewed holistically, the Petition's timing is reasonable, the parallel Litigation is stayed, and the Petition provides an overwhelming case of unpatentability for a patent that has never been commercialized, marked, or successfully licensed or asserted. These considerations greatly outweigh any settled expectations that PO might have for a patent that PO has known to be invalid for most of its existence. The Director should decline to exercise his discretion and allow the Petition to be considered on its merits as a good and appropriate use of the Board's resources.

Date: October 17, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(a), the undersigned certifies that on October 17, 2025, a copy of the foregoing Petitioner's Opposition to Patent Owner's Request for Discretionary Denial of Institution and all supporting exhibits were served by electronic means to counsel of record in the present IPR:

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