

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION AND AT&T SERVICES, INC.,
Petitioners,

v.

LEMKO CORPORATION,
Patent Owner.

IPR2025-01142
U.S. Patent No. 8,310,990

**PETITIONERS' OPPOSITION TO PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL**

TABLE OF CONTENTS

	Page
I. INTRODUCTION	1
II. THE UNPATENTABILITY OF NEARLY IDENTICAL CLAIMS OF THE PARENT PATENT TO THE '990 PATENT OUTWEIGHS ANY OTHER DISCRETIONARY CONSIDERATIONS.....	2
III. EVEN IF THE DIRECTOR WERE TO APPLY <i>FINTIV</i> , IT DOES NOT FAVOR DISCRETIONARY DENIAL	10
1. Factor One (Likelihood of Stay) Is Neutral or Weighs Against Discretionary Denial.....	10
2. Factor Two (Timing of Trial) Is Neutral or Weighs Against Discretionary Denial.....	11
3. Factor Three (Investment in Parallel Proceeding) Is Neutral or Weighs Against Discretionary Denial	12
4. Factor Four (Overlap of Issues) Is Neutral	14
5. Factor Five (Same Party) Is Neutral.....	14
6. Factor Six (Other Factors) Weighs Against Discretionary Denial	15
IV. THE BOARD SHOULD NOT DENY INSTITUTION UNDER 35 U.S.C. § 325(D)	16
V. THE MARCH 26 MEMORANDUM VIOLATES THE ADMINISTRATIVE PROCEDURES ACT.....	19
VI. CONCLUSION.....	20

TABLE OF AUTHORITIES

	Page(s)
Cases	
<i>Accenture Global Servs., GmbH v. Guidewire Software, Inc.</i> , 728 F.3d 1336 (Fed. Cir. 2013)	17
<i>Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH</i> , IPR2019-01469, 2020 WL 740292 (P.T.A.B. Feb. 13, 2020)	16, 17
<i>Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH</i> , IPR2019-01469, Paper 6 (P.T.A.B. Feb. 13, 2020).....	16, 18
<i>Apple Inc. v. Fintiv Inc.</i> , IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020)	<i>passim</i>
<i>Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.</i> , IPR2020-00122, Paper 15 (P.T.A.B. May 15, 2020)	15
<i>Commscope Techs. LLC v. Dali Wireless Inc.</i> , IPR2022-01242, Paper 23 (P.T.A.B. Feb. 27, 2023).....	15
<i>CrowdStrike, Inc., v Webroot Inc.</i> , IPR2023-00126, Paper 9 (P.T.A.B. May 5, 2023)	13
<i>Ecto World LLC v. RAI Strategic Holdings, Inc.</i> , IPR2024-01280, Paper 13 (P.T.A.B. May 19, 2025)	18
<i>Illumina, Inc. v. Natera, Inc.</i> , IPR2019-01201, Paper 19 (P.T.A.B. Dec. 18, 2019)	16
<i>Mercedes-Benz Grp. AG v. The Phelan Grp., LLC</i> , IPR2025-00413, Paper 13 (P.T.A.B. June 25, 2025)	8
<i>Mercedes-Benz Grp. AG v. The Phelan Grp., LLC</i> , IPR2025-00919, Paper 8 (P.T.A.B. Sep. 12, 2025).....	8
<i>Microsoft Corp. v. Lemko Corp.</i> , IPR2023-00531, Paper 31 (P.T.A.B. Sep. 10, 2024).....	3, 17

<i>NHK Spring Co. v. Intri-Plex Techs., Inc.</i> , IPR2018-00752, Paper 8 (P.T.A.B. Sep. 12, 2018).....	13
<i>Nintendo Co., Ltd. v. Resonant Sys., Inc.</i> , IPR2025-00680, Paper 18 (P.T.A.B. Aug. 14, 2025).....	3, 8
<i>Oticon Med. AB v. Cochlear Ltd.</i> , IPR2019-00975, Paper 15 (P.T.A.B. Oct. 16, 2019).....	19
<i>Quasar Sci. LLC v. Colt Int’l Clothing, Inc. d/b/a Colt LED</i> , IPR2023-00611, Paper 10 (P.T.A.B. Oct. 10, 2023).....	19
<i>Samsung Bioepis Co. v. Regeneron Pharms., Inc.</i> , IPR2023-00884, Paper 13 (P.T.A.B. Nov. 17, 2023).....	14
<i>Samsung Elecs. Co. v. Mullen Indus. LLC</i> , IPR2024-01472, Paper 9 (P.T.A.B. Mar. 31, 2025)	13
<i>SanDisk Techs., Inc. & W. Digit. Techs., Inc. v. Polaris PowerLEDTechs., LLC</i> , IPR2025-00517, Paper 12 (June 24, 2025).....	19
<i>SimpleAir, Inc. v. Google LLC</i> , 884 F.3d 1160 (Fed. Cir. 2018)	7
Statutes	
35 U.S.C. § 314(a)	20
35 U.S.C. § 316(a)	20
35 U.S.C. § 325(d)	16, 18, 19

Pursuant to the Director’s Memorandum issued March 26, 2025 (“March 26 Memorandum”), Petitioners Microsoft Corporation (“Microsoft”) and AT&T Services, Inc. (“AT&T”) (collectively, “Petitioners”) file this Response on discretionary denial, setting forth reasons why the Director should not exercise discretion to deny the Petition for *inter partes* review (“IPR”) of the challenged claims of U.S. Patent No. 8,310,990 (the “’990 Patent”), as asserted by Lemko Corporation (“Patent Owner” or “Lemko”) in its Request for Discretionary Denial (“DD Req.”).

I. INTRODUCTION

Petitioners respectfully request that the Board not exercise its discretion to deny institution of Petitioners’ IPR Petition under *Fintiv* or any other discretionary factors. The claims at issue here are substantially similar to claims in a related patent—U.S. Patent No. 7,855,988 (“’988 Patent”)—that the Board has already found invalid in a prior Final Written Decision. And contrary to Patent Owner’s representations, Petitioner AT&T was not on notice of the scope of *these* claims. For

these reasons alone, Patent Owner does not have settled expectations, and there is no reason for a different outcome here.¹

Additionally, AT&T has moved to transfer the related district court case from the Eastern District of Texas to the Northern District of Texas under the first-to-file rule, as both cases involve overlapping patents, parties, technology, and accused products. The asserted patents across both cases share the same inventor and similar specifications and claim terms, and terminal disclaimers were filed to address double-patenting. Given the strong likelihood of transfer and the close relationship between the patents, the *Fintiv* factors do not support discretionary denial.

The Director should decline to exercise discretion and permit this Petition to proceed on the merits.

II. THE UNPATENTABILITY OF NEARLY IDENTICAL CLAIMS OF THE PARENT PATENT TO THE '990 PATENT OUTWEIGHS ANY OTHER DISCRETIONARY CONSIDERATIONS

On September 16, 2025, then-Acting Director Stewart issued the Sept. 16 Memorandum under the subject “PTAB consideration of prior findings of fact and conclusions of law.” In that memorandum, the Acting Director explained that when

¹ The former Acting Director’s September 16, 2025 Memorandum (“Sept. 16 Memorandum”) would require a detailed explanation if a different outcome obtains here than was previously reached in the ’988 Patent IPR proceeding.

“substantially similar patent claims, have already been adjudicated, post-issuance, before the Office,” “if the Board reaches an initial or final decision on a finding of fact or conclusion of law that is different than the prior finding or conclusion of the Office,” then “[a] more detailed explanation is required from the Board when the same or substantially the same evidence and/or arguments that were previously presented to the Office . . . are being relied upon in the subsequent AIA trial proceeding.” Sept. 16 Memorandum.

Here, the '990 Patent is a **continuation** of the '988 Patent—previously the subject of an IPR wherein the Board determined that claims 1, 3-9, and 20 were anticipated by U.S. Publication No. 2007/0021120 A1 to Flore (“Flore” or Ex1005). *See Microsoft Corp. v. Lemko Corp.*, IPR2023-00531 (the “-00531 IPR”), Paper No. 31 (“-00531 FWD”) (P.T.A.B. Sep. 10, 2024). The Board’s decision was appealed to the Federal Circuit where it is fully briefed and awaiting oral argument and a decision. As Patent Owner notes, in a case like this, the Board “find[s] no settled expectations” where “in an *inter partes* review of a continuation patent of the challenged patent, the Board has determined claims that are substantially similar to the challenged claims to be unpatentable.” DD Req. at 10 (citing *Nintendo Co., Ltd. v. Resonant Sys., Inc.*, IPR2025-00680, Paper 18 at 3 (P.T.A.B. Aug. 14, 2025)).

Despite acknowledging that like cases should be decided alike, Patent Owner buries its head in the sand, and asks the Board to join it: Remarkably, Patent Owner

says, “The Challenged Claims at issue here closely resemble those at issue in [IPR2023-00530 (“-00530 IPR”)]” in which the Petitioners challenged unrelated U.S. Patent No. 7,548,763 (“’763 Patent”). DD Req. at 9. “In contrast,” Patent Owner claims, “the Challenged Claims differ substantially from the ’988 Patent claims found anticipated by Flore in the -00531 IPR.” *Id.* at 9–10. For the Board’s ease, Petitioners have reproduced challenged claim 1 from the ’990 Patent (left), unpatentable claim 1 from the ’988 Patent (middle), and claim 1 (the only independent claim) from the ’763 patent—which Patent Owner says bears a “close[] resembl[ance]” to the challenged claims here—in the table below:

’990 Patent, challenged Claim 1	’988 Patent, Unpatentable Claim 1	’763 Patent, Claim 1
1. A non-transitory computer-readable storage medium comprising instructions that, when executed by a processor, cause the processor to:	1. A method, comprising:	1. A system, comprising:
receive, at a first distributed mobile architecture (DMA) gateway of a DMA gateway communications network, communications information associated with a communications network that is accessible by a second DMA gateway of the DMA gateway communications network;	receiving at a first distributed mobile architecture (DMA) gateway communications information for a communications network accessible by a second DMA gateway, the communications information indicating one or more devices accessible by one of a DMA server and a legacy communications network,	a first distributed mobile architecture server comprising:

	wherein the first DMA gateway and the second DMA gateway participate in a DMA gateway communications network;	
store the communications information at a memory of the first DMA gateway;	storing the communications information in a home DMA register of the first DMA gateway;	a first computer readable medium;
receive a communication associated with a destination device that is indicated by the communications information to be served by the second DMA gateway; and	receiving a communication at the first DMA gateway for a target device indicated by the communications information to be served by the second DMA gateway; and	a first mobile switching center module embedded in the first computer readable medium;
route the communication to the destination device by relaying the communication from the first DMA gateway to the second DMA gateway via the DMA gateway communications network.	routing the communication from the first DMA gateway to the target device by relaying the communication from the first DMA gateway to the second DMA gateway via the DMA gateway communications network.	a first base station controller module embedded in the first computer readable medium; and
		a first call detail record (CDR) generation program embedded in the first computer readable medium,
		wherein the first distributed mobile architecture server is in direct physical connection with a first wireless transceiver; and

		a second distributed mobile architecture server, comprising:
		a second computer readable medium;
		a second mobile switching center module embedded in the second computer readable medium;
		a second base station controller module embedded in the second computer readable medium;
		a second call detail record (CDR) generation program embedded in the second computer readable medium; and
		a program to allow a group call among four or more mobile communication devices, wherein the program is embedded in the second computer readable medium,
		wherein the second distributed mobile architecture server is in direct physical connection with a second wireless transceiver;

		wherein telephony traffic received at the first wireless transceiver of the first distributed mobile architecture server is transmitted from the first distributed mobile architecture server to the second distributed mobile architecture server via a peer-to-peer connection.
--	--	---

The difference, Patent Owner contends, is the recitation of the words “computer-readable storage medium.” DD Req. at 9. But the -00530 IPR involved an unrelated patent with substantially different claims based on completely different prior art. *E.g.*, -00530 IPR, Paper 8 (Institution Decision) at 7. That art did not explicitly disclose computer readable media. *Id.* at 24. In contrast, this proceeding involves a continuation patent with substantially similar claims to its parent patent, the claims of which the Board already determined unpatentable based on the exact same art. And Flore explicitly discloses that it can implemented “directly . . . in a software module executed by a processor[.]” Flore at [0067]–[0069]; *see also* Pet. at 15 (citing Ex1005 (Flore) at [0069]).

Further, not only are the claims between the two patents nearly identical, but the applicant filed a terminal disclaimer during the ’990 Patent’s prosecution to

overcome a double-patenting rejection based on the '988 Patent (*see* Ex1002 at 149) because, as the Examiner found, the two patents' claims "are not patentably distinct from each other[.]" Ex1002 at 158; *see also SimpleAir, Inc. v. Google LLC*, 884 F.3d 1160, 1168 (Fed. Cir. 2018). Indeed, the claims of the '988 and '990 Patents share the same distinct elements—e.g., "(DMA) gateways," "communications information," "DMA server," and "legacy communications network".

The Board has repeatedly held that previous findings of unpatentability by the Office for related patents weigh against settled expectations of the patent owner and thus discretionary denial. *See, e.g., Mercedes-Benz Grp. AG v. The Phelan Grp., LLC*, IPR2025-00413, Paper 13, at 2 (P.T.A.B. June 25, 2025) (denying request for discretionary denial based on finding of unpatentability of related patent in an *ex parte* appeal); *Mercedes-Benz Grp. AG v. The Phelan Grp., LLC*, IPR2025-00919, Paper 8, at 2 (P.T.A.B. Sep. 12, 2025) (denying request for discretionary denial because "the Board recently determined that Petitioner demonstrated a reasonable likelihood of prevailing in showing at least one challenged claim is unpatentable in IPR2025-00413" and "[t]he challenged patent in IPR2025-00413 has similar claims to those challenged in these proceedings . . . and relies on [similar] prior art"). Patent Owner agrees. DD Req. at 9. The fact that nearly identical claims of a parent patent of the '990 Patent have already been adjudicated unpatentable demonstrates that

Patent Owner should have no settled expectations with respect to its enforceability. *Cf. Nintendo*, IPR2025-00680, Paper 18 at 3.

Finally, Patent Owner's arguments based on notice are unavailing and self-defeating. It says Petitioner "AT&T has been aware of Lemko's technology for nearly twelve years" and that "AT&T copied Lemko's technology[.]" DD Req. at 4, 7. As Patent Owner shows, however, Petitioner AT&T first published the "Network Functions Virtualization" paper before Patent Owner ever contacted it. Only later did Patent Owner advertise its technology to AT&T, and even then as a "distributed mobile wireless network solution[.]" Ex. 2006 at 1 (email from Lemko); *see also* DD Req. at 6 (Lemko alleging Ex. 2006 describes "the distinguishing features of Lemko's technology"). But the alleged "unique differentiators" of that "distributed network solution," such as, for example, a "distributed" architecture, "peer-to-peer communications," and "preferred [call] routing" are not at all what appear in the claims. *Id.* Rather, as the Board already found, "***these claims do not recite*** a 'distributed computer network,' 'decentralized system,' or 'distributed system.'" - 00531 FWD at 14 n.3 (emphasis added). Similarly, the Board already rejected Patent Owner's constructions that would "rewrit[e]" the claims "to require 'distributed call routing functionality' or 'peer-to-peer connections[.]'" *Id.* at 10. Patent Owner would thus ask the Board to deny Petitioners the ability to challenge patents that do not claim any unique technology of which Petitioner AT&T was allegedly on notice,

but instead of a system “characteristic of legacy networks” that has already been determined to be unpatentable. -00531 FWD at 18, 20, 24. The Board should deny that request.

Accordingly, the prior adjudication of a related patent and the compelling merits presented in the Petition outweigh any other discretionary factors, including any settled expectations of Patent Owner.

III. EVEN IF THE DIRECTOR WERE TO APPLY *FINTIV*, IT DOES NOT FAVOR DISCRETIONARY DENIAL

The *Fintiv* factors, as addressed by Patent Owner in its Request for Discretionary Denial, all either support the institution of the IPR or are neutral on the issue. Overall, given Microsoft’s position as a Petitioner, but not a litigant in the AT&T litigation involving the ’990 Patent, the *Fintiv* factors all support that this proceeding should progress into an adjudication of the merits.

1. Factor One (Likelihood of Stay) Is Neutral or Weighs Against Discretionary Denial

Factor one of the *Fintiv* analysis is **neutral or weighs against** discretionary denial. As indicated below in factor five, even though Petitioner Microsoft’s products are accused of infringement *by other patents*, there is no parallel district court proceeding for Microsoft involving the ’990 Patent, so there is no district court case to be stayed involving Petitioner Microsoft.

Given Microsoft's role as Petitioner with no parallel district court proceeding, *Fintiv* factor one is **neutral or weighs against** discretionary denial.

2. Factor Two (Timing of Trial) Is Neutral or Weighs Against Discretionary Denial

Factor two of the *Fintiv* analysis is **neutral or weighs against** discretionary denial because the '990 Patent is not asserted in any litigation to which Petitioner Microsoft is a party, and therefore there is no trial date at which Microsoft will have the opportunity to challenge the '990 Patent.

In addition, Petitioner AT&T has moved the Eastern District of Texas ("EDTX") to transfer this case under the first-to file rule to the Northern District of Texas ("NDTX"), where Plaintiff Lemko first filed a closely related case involving substantially overlapping patents (including the '988 Patent), parties, technology, and accused products. Petitioner AT&T has asserted that the circumstances present a straightforward application of the first-to-file rule and expects a transfer, which will substantially postpone any trial. For example, in the second-filed EDTX case involving AT&T, Patent Owner Lemko alleges infringement of seven patents (including the '990 Patent at issue here) directed to Lemko's "distributed mobile architecture." In the first-filed NDTX case, Lemko alleges infringement of eight patents directed to Lemko's "distributed mobile architecture." All 15 patents share the same sole named inventor—Shaowei Pan. Four asserted patents in EDTX—including the '990 Patent—are related to five asserted patents in the first-filed case.

Those patents share, respectively, the same specifications, drawings, prior art, and priority dates and many identical or nearly identical claim terms. The claims of the patents are so similar that Lemko had to file terminal disclaimers to overcome double-patenting rejections between three of the asserted patents in the EDTX case over three of the asserted patents in the first-filed case. One of those terminal disclaimers was filed in the '990 Patent examination with respect to the '988 Patent. Ex1002 at 149. Thus, when considering the strong likelihood of transfer, the *Fintiv* factors are either **neutral or weigh against** denial. And even considering Petitioner Microsoft's trial date (which would not include the '990 Patent), that date—March 1, 2027—is approximately three months after the Final Written Decision due date. Petitioner AT&T's trial date is likely to be even later than that upon transfer.

3. Factor Three (Investment in Parallel Proceeding) Is Neutral or Weighs Against Discretionary Denial

Factor three is **neutral or weighs against** discretionary denial. Patent Owner states that by the time of the Institution Decision, “the parties will have already expended significant resources in the District Court Action, including serving infringement contentions (already served July 23, 2025), subject matter eligibility contentions and invalidity contentions (due September 17, 2025).” DD Req. at 13–14. However, once again, Patent Owner's reliance solely on Petitioner AT&T to perform analysis of the *Fintiv* factors as though Microsoft and AT&T are one and

the same is flawed and ignores the reality that Petitioner Microsoft will not be able to challenge the '990 Patent in its NDTX litigation.

In any event, what is relevant to factor three is whether “at the time of the institution decision, the district court has **issued substantive orders related to the patent at issue** in the petition,” and, if so, “this fact favors denial” of the Petition. *CrowdStrike, Inc., v Webroot Inc.*, IPR2023-00126, Paper 9, at 10 (P.T.A.B. May 5, 2023) (citing *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 at 9–10 (P.T.A.B. Mar. 20, 2020)) (emphasis added). No such orders will exist at the time of the Institution Decision, and Patent Owner does not allege that there will be.

Patent Owner appears to fault Petitioners for delaying in filing their IPR despite filing approximately three months after the filing of the Complaint—both before the infringement contentions were served and prior to any claim construction. The Board has found that similar diligence by a petitioner was reasonable and weighed against denial. *See Samsung Elecs. Co. v. Mullen Indus. LLC*, IPR2024-01472, Paper 9 at 10 (P.T.A.B. Mar. 31, 2025) (“Petitioner’s diligence in filing its Petition (a) less than five months after receiving Patent Owner’s infringement contentions and (b) prior to the parties briefing claim construction issues weighs against exercising discretionary denial.”).

This Petition was therefore timely, and Patent Owner has not pointed to any tactical advantage gained from the three-month “delay” in filing of the petition,

which further weighs against denial. *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19 (P.T.A.B. Sep. 12, 2018) (precedential) (“The Petition, therefore, was timely, and Patent Owner does not apprise us of any tactical advantage, or opportunity for tactical advantage, that Petitioner gained by waiting to file the Petition.”).

Accordingly, this factor is **neutral or weighs against** discretionary denial.

4. Factor Four (Overlap of Issues) Is Neutral

Factor four of the *Fintiv* analysis is **neutral and weighs against** denial because Petitioner Microsoft is not a party to Petitioner AT&T’s litigation, and therefore, no overlap of issues exists at least with respect to the NDTX proceeding.

Taken together, the unique facts of this Petition and the role of Petitioners in parallel litigation demonstrate that factor four of the *Fintiv* is **neutral** with respect to discretionary denial.

5. Factor Five (Same Party) Is Neutral

Petitioners are parties to two different proceedings in district court, and the ’990 Patent has not been asserted against Petitioner Microsoft. Therefore, this factor is neutral given the different Petitioners involved. As the Board has repeatedly held, *Fintiv* factor five weighs against denial when the petitioner is unrelated to the defendant in the earlier court proceeding. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (P.T.A.B. Mar. 20, 2020) (precedential); *Samsung Bioepis Co. v.*

Regeneron Pharms., Inc., IPR2023-00884, Paper 13 at 71 (P.T.A.B. Nov. 17, 2023) (“It is undisputed that Petitioner is not a party to the district court action, which we determine weighs very heavily against exercising our discretion to deny institution.”). In addition, although Petitioner AT&T is a party to the EDTX litigation involving the ’990 Patent, as one Board member has noted, *Fintiv* “says nothing about situations in which the petitioner is the same as, or is related to, the district court defendant.” *Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 10–11 (P.T.A.B. May 15, 2020) (Crumbly, APJ, dissenting) (arguing this factor should not “tip the scales against a petitioner merely for being a defendant in the district court”).

Accordingly, *Fintiv* factor five is **neutral**.

6. Factor Six (Other Factors) Weighs Against Discretionary Denial

Fintiv factor six requires the Board to consider other circumstances that impact the Board’s exercise of discretion, including whether or not the Petition presents compelling merits. *Fintiv* explains that “an early trial date should be weighed as part of a ‘balanced assessment of all relevant circumstances of the case, including the merits.’” *Fintiv*, Paper 11 at 5 (quoting PTAB Consolidated Trial Practice Guide (Nov. 2019) at 58). Even when the other discretionary factors might warrant denial, the Board can consider compelling merits and institute IPR on that basis. See *Commscope Techs. LLC v. Dali Wireless Inc.*, IPR2022-01242, Paper 23

at 3–6 (P.T.A.B. Feb. 27, 2023) (precedential) (“The Board should first address *Fintiv* factors 1-5; if that analysis supports discretionary denial, the Board should engage the compelling merits question.”); *see also* March 26 Memorandum (noting that the “strength of the unpatentability challenge” should be considered); *Illumina, Inc. v. Natera, Inc.*, IPR2019-01201, Paper 19 at 8 (P.T.A.B. Dec. 18, 2019) (finding strong merits can “outweigh[] relatively weaker countervailing considerations of efficiency”). Patent Owner does not argue that there are any “circumstances” under *Fintiv* factor six that favor denial, other than to reference IPRs for unrelated patents (and ignoring the IPR for the ’988 Patent). Indeed, as explained in Section II, the Board has already found that substantially identical claims were invalid based on the exact same prior art and arguments raised in this proceeding.

Factor six therefore **weighs heavily against** discretionary denial.

IV. THE BOARD SHOULD NOT DENY INSTITUTION UNDER 35 U.S.C. § 325(D)

Petitioners dispute that the first part of the *Advanced Bionics* framework is met because the Petition presents new prior art not previously presented to the Office. Under Section 325(d), the Board applies a two-part framework: “(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 (2) if either condition of first part of the framework is satisfied, whether the petitioners have 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, 2020 WL 740292, at *3 (P.T.A.B. Feb. 13, 2020). The Board should consider *Becton Dickinson* factors (a), (b), and (d), as to the first question, and (c), (e), and (f), as to the second. *Id.* at *4.

Advanced Bionics Part One: This Petition presents both new art and arguments. The Examiner did not consider Flore, or anything like it. As the outcome of the -00531 IPR demonstrates, had the Examiner considered Flore in view of the claims of the '990 Patent, the Examiner would have found at least all the challenged claims to be invalid. It appears the only distinction identified by Patent Owner is the recitation of a computer-readable storage medium in the preamble rather than a system. But the mere recitation of a “computer-readable storage medium” does not transform those otherwise invalid claims of the '988 Patent into something patentable. *Cf. Accenture Global Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336 (Fed. Cir. 2013) (patentability is not preserved just because claim would “limit the use of [the idea] to a particular technological environment.” (citations omitted)). In any event, Flore discloses that its hardware functions can be implemented in software, and certainly in as much detail as is provided in the '990 Patent. Indeed, as explained above, the Flore reference expressly discloses that it “may be embodied directly in hardware, in a software module executed by a processor, or a combination of the two.” Pet. at 15 (citing Ex1005 (Flore) at [0069]).

Advanced Bionics Part Two: The second part of the *Advanced Bionics* framework need not be reached where Part One is not met. Even assuming it is, denial under Section 325(d) is not warranted because the three relevant *Becton* factors for part two, as applied in *Ecto World*, weigh against discretionary denial of this Petition. *Ecto World LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 (P.T.A.B. May 19, 2025) (precedential as to (§ A)) (citing *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8 (P.T.A.B. Feb. 13, 2020)). As the Board expressly recognized in *Ecto World*, it “should consider a petitioner’s argument based on the volume of the references submitted to the Office during examination[.]” *Ecto World*, Paper 13 at 6. The Board highlighted that an unusually large number of references can weigh against discretionary denial under Section 325(d). *Id.* Thus, the fact that the ’990 Patent has dozens of references cited in its information disclosure sheet weighs against discretionary denial under Section 325(d), as it raises a substantial likelihood that the Examiner could not have meaningfully considered each reference in depth.

Becton factor “c” weighs against denial because the Flore reference was not included in the Examiner’s substantive analysis and thus did not form the basis of the Examiner’s opinions. Similarly, factors “e” and “f” also favor institution. The file history of the ’990 Patent demonstrates that the Examiner erred in its analysis of the prior art based upon the apparent absence of any review of anything like Flore.

The -00531 FWD further demonstrates that the Examiner materially erred by not substantively evaluating the Flore reference, or art that did not require a distributed architecture. Where a reference was never “substantively discussed by the Examiner[,]” “a petitioner’s showing that the challenged claims are unpatentable over the asserted prior art may itself be evidence of material error by the Office during prosecution.” *Quasar Sci. LLC v. Colt Int’l Clothing, Inc. d/b/a Colt LED*, IPR2023-00611, Paper 10 at 14 (P.T.A.B. Oct. 10, 2023). Further, the Examiner never had an opportunity to evaluate the validity of the ’990 Patent in light of Dr. Proctor’s detailed expert testimony supporting this Petition. *SanDisk Techs., Inc. & W. Digit. Techs., Inc. v. Polaris PowerLED Techs., LLC*, IPR2025-00517, Opp’n to Request for Discretionary Denial, at 28 (June 24, 2025) (citing the principle that the missing review of expert testimony is evidence of error by the Examiner). Finally, the Board has found the *Becton* factors favor institution where even a single noncumulative secondary reference distinguished the prior-art ground, regardless of other overlapping references. *Oticon Med. AB v. Cochlear Ltd.*, IPR2019-00975, Paper 15 at 9–20 (P.T.A.B. Oct. 16, 2019) (precedential). Therefore, *Becton* factors “e” and “f” favor institution, and denial under Section 325(d) is not warranted.

V. THE MARCH 26 MEMORANDUM VIOLATES THE ADMINISTRATIVE PROCEDURES ACT

While the above briefing addresses the USPTO’s most recent guidance on institution as Petitioners understand it, Petitioners respectfully submit that the

March 26 Memorandum violates the Administrative Procedures Act, and requests that the USPTO Director maintain the standards for institution in place before that memorandum, until such time as new guidance is issued following a proper notice and comment period. The March 26 Memorandum did not go through notice-and-comment and exceeds the Director's Authority under the Patent Act. The March 26 Memorandum introduces nebulous and arbitrary factors that improperly attempt to confer absolute discretion on the Director whether to institute, exceeding his statutory authority.

Many of the new "considerations" proposed in the March 26 Memorandum fail to "set[] forth the standards for the showing of sufficient grounds to institute a review under section 314(a)." 35 U.S.C. § 316(a). They lack precedent at the Board or Federal Circuit, such that Petitioners cannot predict how they will be applied. Petitioners respectfully request that the Board and Director maintain the standards for institution in place at the time this Petition was filed.

VI. CONCLUSION

For the reasons stated above, Petitioners respectfully request that the Board not exercise its discretion to deny Petitioners' IPR of the '990 Patent.

Dated: October 8, 2025

Respectfully submitted,

/ Scott M. Border /
Scott M. Border
(USPTO Reg. No. 77,744)

Lead Counsel for Petitioners

CERTIFICATION OF COMPLIANCE

Pursuant to 37 C.F.R. §42.24 and the Interim Process for PTAB Workload Management, the undersigned hereby certifies that the word count for the foregoing PETITIONERS' OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL totals 20 pages. Accordingly, this Opposition is 20 pages.

Dated: October 8, 2025

Respectfully submitted,

/ Scott M. Border /
Scott M. Border
(USPTO Reg. No. 77,744)
Winston & Strawn LLP
1901 L Street, N.W.
Washington D.C., 20036-3506
D: 202.282.5054
M: 703.899.4136
sborder@winston.com

Lead Counsel for Petitioners

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e)(4) and 42.205(b), I hereby certify that on October 8, 2025, I caused to be served a true and correct copy of the foregoing “PETITIONERS' OPPOSITION TO PATENT OWNER’S REQUEST FOR DISCRETIONARY DENIAL” by email on the following:

James Hannah
James.Hannah@hsfkramer.com
Aaron M. Frankel
Aaron.Frankel@hsfkramer.com
Jeffrey H. Price
Jeffrey.Price@hsfkramer.com
Jeffrey Eng
Jeffrey.Eng@hsfkramer.com

svdocketingus@hsfkramer.com

Dated: October 8, 2025

Respectfully submitted,

/ Scott M. Border /
Scott M. Border
(USPTO Reg. No. 77,744)
Winston & Strawn LLP
1901 L Street, N.W.
Washington D.C., 20036-3506
D: 202.282.5054
M: 703.899.4136
sborder@winston.com

Lead Counsel for Petitioners