

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ASUSTEK COMPUTER INC.  
Petitioner,

v.

NOKIA TECHNOLOGIES OY  
Patent Owner.

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Case IPR2025-01154  
Patent 11,805,267

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

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**LIST OF EXHIBITS**

| Exhibit No. | Description                                                                  |
|-------------|------------------------------------------------------------------------------|
| ASUS-1001   | U.S. Patent No. 11,805,267 to Ugur et al. (“the ’267 patent”)                |
| ASUS-1002   | Prosecution File History for the ’267 patent                                 |
| ASUS-1003   | Declaration of Joseph Havlicek                                               |
| ASUS-1004   | RESERVED                                                                     |
| ASUS-1005   | U.S. Patent Application Publication No. 2011/0007799<br>(“Karczewicz-I”)     |
| ASUS-1006   | U.S. Patent Application Publication No. 2009/0257499<br>(“Karczewicz-II”)    |
| ASUS-1007   | Prosecution History for U.S. Patent No. 9,432,693                            |
| ASUS-1008   | U.S. Patent No. 9,344,744 (“Kirchhoffer”)                                    |
| ASUS-1009   | Srinivasan, An Overview of VC-1                                              |
| ASUS-1010   | U.S. Patent Application Publication No. 2003/0112864<br>(“Karczewicz-864”)   |
| ASUS-1011   | Wiegand, Overview of the H.264/AVC Video Coding Standard                     |
| ASUS-1012   | Richardson, The H.264 Advanced Video Compression Standard                    |
| ASUS-1013   | U.S. Patent Application Publication No. 2008/0198935<br>(“Srinivasan-935”)   |
| ASUS-1014   | H.264 Advanced Video Coding for Generic Audiovisual Services<br>(March 2009) |

|                             |                                                                                                                                                                                |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ASUS-1015                   | RESERVED                                                                                                                                                                       |
| ASUS-1016                   | U.S. Patent No. 8,594,188 (“Demos”)                                                                                                                                            |
| ASUS-1017<br>—<br>ASUS-1023 | RESERVED                                                                                                                                                                       |
| ASUS-1024                   | Deposition Transcript of Dr. Iain Richardson                                                                                                                                   |
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| ASUS-1030                   | Deposition Transcript of Immanuel Freedman                                                                                                                                     |
| ASUS-1031                   | Patent Trial and Appeal Board (PTAB) Boardside Chat: Interim Processes Relating to institution in AIA Proceedings (Apr. 17, 2025)                                              |
| ASUS-1032                   | Coke Morgan Stewart, Interim Processes for PTAB Workload Management (Mar. 26, 2025)                                                                                            |
| ASUS-1033                   | Institution Decision IPR2024-00626, Paper 13, September 23, 2024                                                                                                               |
| ASUS-1034                   | Institution Decision IPR2024-00627, Paper 16, September 25, 2024                                                                                                               |
| ASUS-1035                   | August 1, 2025 ASUS Stipulation                                                                                                                                                |
| ASUS-1036                   | Public Version of Initial Determination on Violation of Section 337 and Recommended Determination on Remedy and Bond in Investigation No. 337-TA-1380, dated December 20, 2024 |
| ASUS-1037                   | Patent Owner’s Preliminary Response IPR2024-00626, Paper 8, June 27, 2024                                                                                                      |
| ASUS-1038                   | U.S. Patent No. 10,523,960 to Ugur et al. (“the ’960 patent”)                                                                                                                  |

|           |                                                                             |
|-----------|-----------------------------------------------------------------------------|
| ASUS-1039 | U.S. Patent No. 11,019,354 to Ugur et al. (“the ’354 patent”)               |
| ASUS-1040 | Notice of Allowance issued during prosecution of U.S. Patent No. 10,523,960 |

## I. INTRODUCTION

ASUSTeK Computer Inc. (“Petitioner” or “ASUS”) seeks review of U.S. Pat. No. 11,805,267 (“the ’267 patent”). The factors set forth in the March 2025 memo and subsequent decisions support institution: ASUS repeats a prior successful challenge to a young patent (less than two years old) that was issued in error.

Indeed, the appropriateness of referral is underscored by the Board’s prior institution of earlier-filed petitions by Amazon, Inc. on the *same* challenged claims of the ’267 patent based on the *same* prior art (Karczewicz-I and Karczewicz-II) that ASUS applies in the present Petition. *See* ASUS-1033 (IPR2024-00626); ASUS-1034 (IPR2024-00627).<sup>1</sup> Through institution of Amazon’s Petitions, the Office already found a reasonable likelihood that the Challenged Claims are unpatentable over Karczewicz-I and Karczewicz-II. ASUS-1033, pp. 24-28; ASUS-1034, pp. 23-29. ASUS simply asks the Board to pick back up where it left off in reviewing a ground that the Board previously endorsed in Amazon’s Petitions.

In addition, the ’267 patent is young, as it issued less than two years ago in 2023. And the challenge leveraged in the present petition was first made by Amazon on March 15, 2024 when the ’267 patent was less than five months old. Accordingly,

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<sup>1</sup> IPR2024-00626 and IPR2024-00627 terminated pursuant to settlement shortly after institution. ASUS was not a party to these proceedings.

Nokia has not yet developed settled expectations in its recently-issued patent. *See Cambridge Indus. USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00433, Paper 12 at 2-3 (Stewart June 26, 2025) (finding that patents issued in 2019 and 2020 have “not been in force for a significant period of time” and thus Patent Owner’s settled expectations “[did] not favor discretionary denial”).

Further, as discussed in more detail below, Examiner error occurred in the Office’s issuance of the ’267 patent. Specifically, the Examiner overlooked relevant disclosure in Karczewicz-II that the Board has already endorsed. In issuing the ’267 patent, the Examiner also improperly relied on examination of the parent applications to the ’267 patent without adequately searching for the subject matter claimed in the ’267 patent.

To sum, at least the three reasons discussed above (and reproduced below) justify the use of PTAB resources in the dispute between Nokia and ASUS:

- 1) Grounds based on a prior successful challenge;
- 2) Early challenge to a patent where expectations are not settled; and
- 3) Correction of errors that occurred during examination.

Each of these justifications has been identified by the Deputy Director as warranting use of PTAB resources. And each is applicable to the Nokia/ASUS dispute for reasons that are similar to prior cases that have been referred.

Although each of these factors alone justifies referral of the present Petition,

taken collectively, these factors strongly favor institution and override any concern over parallel proceeding overlap. This is particularly true here where ASUS has eliminated potential overlap by offering a sweeping *Sotera*-plus stipulation that includes foregoing the use of the asserted art in combination with system art (or any prior art) in accordance with the Deputy Director's *Motorola* decision.

Finally, the merits of the Petition are strong and well-supported by competent expert testimony and contemporaneous third-party evidence. Thus, under these facts and given the present record, ASUS respectfully requests that the Deputy Director decline Nokia's request to discretionarily deny institution of this IPR and refer ASUS's Petition for a determination on the merits.

## **II. *INTER PARTES* REVIEW IS AN APPROPRIATE USE OF OFFICE RESOURCES**

### **A. The Petition Presents a Strong Patentability Challenge Based on the Same Prior Art That the PTAB Previously Endorsed Through Institution of Earlier IPRs Challenging the '267 Patent**

The Petition presents straightforward obviousness grounds that are especially strong on the merits. This is evident from the Board's prior institution of Amazon's petitions challenging the '267 patent based on the *same* prior art—Karczewicz-I and Karczewicz-II—that ASUS applies in the current Petition. *Compare* Paper 2, with ASUS-1033; ASUS-1034. For example, the present Petition relies in Ground 1 on Karczewicz-I and Karczewicz-II to demonstrate obviousness of claims 1-36 of the

'267 patent. The Board's institution decisions in the Amazon proceedings addressed similar contentions of obviousness based on Karczewicz-I and Karczewicz-II and found that the combination renders obvious all limitations of the claims. ASUS-1033, pp. 24-28; ASUS-1034, pp. 23-29.

Notably, the Deputy Director has repeatedly referred petitions challenging claims on which the Board previously instituted an IPR challenge or which the Board had finally determined to be unpatentable. *See Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9, at 2-3 ("Other considerations, however, counsel against discretionary denial. For example, Petitioner ... asserts that the merits are strong because the Board previously determined there was a reasonable likelihood that similar claims of an ancestor patent were unpatentable in three separate proceedings with respect to some of the challenged patents in these proceedings."); *Posco Co., LTD. V. Arcelormittal*, IPR2025-00370, Paper 10 at 3 (PTAB Jun. 25, 2025) ("[I]t is an appropriate use of Office resources to provide consistency and predictability to the public and to ensure that a patent applicant or owner does not take action inconsistent with the judgment in a prior Office proceeding."); *Mercedes-Benz Group AG v. The Phelan Group, LLC*, IPR2025-00758, Paper 8 at 2 (PTAB August 14, 2025) (referral decision highlighting that "[t]he challenged patent" in a recently instituted IPR "has similar claims to those challenged in this proceeding"); *Padagis US v. Neurelis*, IPR2025-00464, Paper 12 at 2-3 (PTAB July 16, 2025) (a

prior decision indicating unpatentability of claims of a related patent reciting similar subject matter as the challenged claims weighs against discretionary denial); *Nintendo Co., LTD et al., v. Resonant Systems*, IPR2025-00680, Paper 18 at 3 (PTAB August 14, 2025) (“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.”). The principle highlighted in these decisions should apply in even greater force here where ASUS’s petition does not merely challenge “similar” or “related” claims to those challenged in a previously instituted IPR, but rather challenges the *same* claims as those challenged in the instituted Amazon petitions based on overlapping prior art.

Notably, Nokia does not raise any road mapping concerns as ASUS stayed true to the arguments set forth in Amazon’s petitions. And ASUS took steps to make the Amazon petitions more efficient for the Board and the parties. Specifically, ASUS consolidated the two Amazon petitions into a single petition and also removed the grounds based on Walker, a reference considered in the prior ITC case against Amazon. Thus, ASUS’s petition was crafted with fairness and efficiency in mind.

Nokia contends that the ITC is best positioned to consider the prior art advanced in the petition because the “ITC is very familiar with both the ’267 patent and the asserted prior art.” Paper 10, p. 17. Not so. The ITC only considered one prior art reference against the ’267 patent—Walker. ASUS-1036, pp. 133-140. And,

as discussed above, ASUS has removed the Walker grounds from the Amazon petitions to avoid the inefficiency of repeating challenges that have previously been considered, despite Walker being successful at the ITC in rendering claims 7, 25, and 26 obvious. *Id.* To be clear, the ITC did not review the prior art advanced in this petition—Karczewicz-I and Karczewicz-II. *Id.*

But the Board did. As set forth in its Institution Decision, the Board completed a detailed review of the '267 patent and offered detailed analysis of the same prior art combination advanced in the Petition. ASUS-1033, pp. 21-28. From the Board's prior review, it is the Board that is best positioned to consider the prior art advanced in the Petition. For these reasons, it would be most efficient to allow the Board to pick back up where it left off in review of Karczewicz-I and Karczewicz-II.

**B. Wilus Has Little to No Settled Expectations in the '267 Patent**

The '267 patent issued on October 31, 2023, and has thus been in force for less than two years. Because the '267 patent has not been in force “for a significant period of time,” Nokia “has not developed strong settled expectations that favor discretionary denial.” *Cambridge Indus.*, Paper 12 at 2-3 (Stewart June 26, 2025). Indeed, “early challenges favor robust, predictable patent rights and weigh against discretionary denial.” *Alliance Laundry Systems, LLC v. Payrange LLC*, IPR2025-00573, Paper 9, at 2 (Stewart July 17, 2025)(referring patent “issued in 2022”). And early challenges, such as ASUS's here, have been found to “tip the balance

against discretionary denial” even when “it is unlikely that a final written decision ... will issue before district court trial occurs.” *Zhuhai Cosmx Battery Co., LTD. v. Ningde Amperex Technology Limited*, IPR2025-00385, at 2-3 (Stewart July 2, 2025)(“Although there may be some inefficiencies with two proceedings operating in parallel, the early challenges to the patents [issued in 2024, 2023, and 2021] tip the balance against discretionary denial.”)

In addition, the '267 patent was first challenged on March 15, 2024 when the '267 patent was less than five months old. The prior successful challenge unsettled any expectations Nokia had in the '267 patent. Nokia also is still pursuing a continuation in this family (*see* U.S. Patent App. No. 18/497,312), further confirming that any rights related to this patent are not settled. With active prosecution, the public would benefit from Board review since a substantive review of the petition’s grounds would help guide examination of the pending continuation and help ensure the examiner reaches the correct patentability decision in the continuation application.

**C. Material Error by the Office Warrants Referral Where the Examiner Missed Relevant Disclosure in Karczewicz-II and Improperly Relied On Examination of Parent Applications in Issuing the '267 Patent**

Material error during prosecution weighs heavily against discretionary denial. When the Office has committed a material error in prosecution of a

challenged patent, correction of such an error has been deemed to be of paramount importance, often overcoming facts that otherwise would have resulted in a *Fintiv* denial. *See, e.g., Microsoft Corp. v. Partec Cluster Competence Cent. GmbH*, IPR2025-00318, Paper 9, 3 (Stewart June 12, 2025) (“*Microsoft v. Partec*”); *Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12, 3 (Stewart July 16, 2025); *Tesla, Inc. v. Charge Fusion Techs., LLC*, IPR2025-00152, Paper 11, 2 (Stewart June 12, 2025); *Anthony Inc. v. ControlTec, Inc.*, IPR2025-00559, Paper 12, 2 (Stewart July 16, 2025) (“*Anthony*”); *USAA Federal Savings Bank v. PACid Technologies, LLC*, IPR2025-00697, Paper 9, 2-3 (Stewart August 14, 2025); *Samsung Electronics Co., Ltd., v. Wilus Institute of Standards*, IPR2025-00935, Paper 12, 2-3 (September 26, 2025). Indeed, when “[p]etitioner appears to show a material error by the office,” the Deputy Director has found that “it is an appropriate use of Office resources to review the potential error”—***even if the trial date in the copending litigation precedes the FWD date.*** *Microsoft v. Partec*, IPR2025-00318, Paper 9, 3 (referring to the panel, despite a later trial date, because “Petitioner appears to show a material error by the Office and it is an appropriate use of Office resources to review the potential error”); *Taiwan Semiconductor Manufacturing Co. Ltd. v. Marlin Semiconductor Ltd.*, IPR2025-00847, Paper 11, 3-4 (Stewart September 3, 2025) (referring to the panel where petitioner had shown “a material error by the Office” despite co-pending ITC litigation). Here, the

Examiner erred by overlooking relevant disclosure from Karczewicz-II and improperly relying on examination of parent patent applications, despite significant differences in the language of the claims.

***1. The Examiner Overlooked Relevant Disclosure in Karczewicz-II***

Karczewicz-II was cited, among other Karczewicz references, on an Information Disclosure Statement considered by the Examiner during prosecution. ASUS-1002, p. 144. Instead of applying Karczewicz-II in a rejection of the claims, however, the Examiner issued an Office Action that raised only a double patenting rejection over parent patents for the '267 patent. *Id.*, pp. 123-130. Nokia was able to overcome the double patenting rejection by filing a terminal disclaimer and the Examiner issued a Notice of Allowance. *Id.*, pp. 181-188.

By offering little resistance during examination, the Examiner committed material error by overlooking relevant disclosure from Karczewicz-II. As explained in the Petition, Karczewicz-II provides highly relevant disclosure of features set forth in the independent claims. *See* Paper 2, pp. 29-51 (referencing Karczewicz-II in demonstrating obviousness of each feature of the independent claims of the '267 patent). Indeed, the Board has considered Karczewicz-II and found that it establishes a reasonable likelihood of success in rendering obvious the challenged claims of the '267 patent. ASUS-1033, pp. 24-28 ("At this stage and

on this record, Petitioner has shown a reasonable likelihood of prevailing as to the unpatentability of claims 1, 7, and 13 under its ground based on Karczewicz I and Karczewicz II”); ASUS-1034, pp. 23-29 (similar for “claims 19, 25, and 31”). Because the Examiner missed the highly relevant disclosure relied on by the Board, the Examiner committed material error.

And although Karczewicz-I was not considered by the Examiner during prosecution, that does not absolve the Examiner from appreciating the relevance of Karczewicz-II and rejecting the claims. By its own admission, Nokia has acknowledged that “the same bi-prediction teaching relied upon in Karczewicz-I was before the Patent Office in numerous other references during the prosecution of the ’267 Patent and its priority applications, including Ye ’262, Panchal, and Karczewicz ’057.” ASUS-1037, p. 43. Accordingly, the Examiner should have appreciated the relevance of Karczewicz-II’s techniques to bi-prediction processes and issued a rejection consistent with the Board’s findings in the prior Amazon IPRs. ASUS-1033, pp. 24-28; ASUS-1034, pp. 23-29.

**2. *The Examiner Provided Only a cursory Review of the ’267 Patent, Improperly Relying on Examination of Parent Patents With Different Claims***

In addition to overlooking disclosure from Karczewicz-II, the Examiner erred by improperly relying on examination of parent patents. Specifically, during prosecution of the ’267 patent, the Examiner did not raise any rejections beyond

double patenting. *See* ASUS-1002; *Alliance Laundry Systems, LLC v. Payrange LLC*, IPR2025-00573, Paper 9, at 2 (Stewart July 17, 2025)(“the patent examiner did not apply any art or reference during prosecution”). In the Notice of Allowance, the Examiner noted that “[t]he claims comprise claim limitations set forth similar to the claim limitations of the parent cases which are now U.S Patents 10,523,960 and 11,019,354.” ASUS-1002, p. 186. However, the claims of the ’267 patent are different in material ways from the claims of its parent patents.

Specifically, U.S. Patent Nos. 10,523,960 and 11,019,354 have claims focused on pixels and pixel locations. *See* ASUS-1038; ASUS-1039. For instance, claim 1 of U.S. Patent No. 11,019,354 recites “determining a ***first reference pixel location*** in a first reference block” and “using said ***first reference pixel location*** to obtain a first prediction.” *See* ASUS-1039. By contrast, the ’267 patent has claims that focus on blocks, instead of pixels—“determining, for a current block, a ***first reference block***” and “using said ***first reference block*** to obtain a first prediction.” *See* ASUS-1001. Despite this change, the Examiner relied on the earlier search and examination of the different pixel location claims and did not adequately consider prior art from the block perspective.

In fact, the Examiner’s search strategy reveals the incorrect focus on pixel limitations. *See* ASUS-1002, pp. 135-143. As the time stamps in the Examiner’s search history reveals, the Examiner relied heavily on searches that were

conducted years before the '267 patent was filed. *Id.* (showing heavy reliance on searches conducted between 2015-2019). And because the claims in the parent patents focused on pixels and pixel locations, so did the Examiner's earlier searches. *Id.* (see below search history from searches conducted in 2015).

**Searches From 2015 Focused on Pixel Limitations**

**PE2E SEARCH - Search History (Prior Art)**

| Ref # | Hits  | Search Query                                                                                                           | DBs               | Default Operator | Plurals | British Equivalents | Time Stamp             |
|-------|-------|------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|---------|---------------------|------------------------|
| L2    | 1     | 13/344893.app.                                                                                                         | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>09:24 PM |
| L3    | 6190  | (H04N19/42 OR<br>H04N19/523 OR<br>H04N19/577).CPC.                                                                     | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>09:26 PM |
| L4    | 38055 | (bit NEAR2 pixel)                                                                                                      | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>09:48 PM |
| L5    | 4413  | (bit NEAR2 pixel) WITH<br>(resolution)                                                                                 | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>09:49 PM |
| L6    | 4897  | (bit NEAR2 pixel) WITH<br>(resolution precision)                                                                       | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>09:49 PM |
| L7    | 7265  | ((bit NEAR2 pixel) (bit<br>NEAR2 depth)) WITH<br>(resolution precision)                                                | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>10:35 PM |
| L8    | 160   | ((((bit NEAR2 pixel) (bit<br>NEAR2 depth) (number<br>NEAR2 bits)) WITH<br>(resolution precision)<br>WITH (predict\$3)) | (US-PGPUB; USPAT) | OR               | ON      | ON                  | 2015/07/15<br>10:37 PM |

Notably, as shown below, the Examiner cited and bolded reference pixel location features in the reasons for allowance of parent patent, U.S. Patent No. 10,523,960. ASUS-1040, pp. 6-7.

**REASON FOR ALLOWANCE**

[1] The invention claimed is a method/apparatus for decoding or encoding with the distinct limitation (emphasis added): “A method for decoding or encoding a block of pixels, the method comprising: for the block of pixels, **determining a first reference pixel location in a first reference block and a second reference pixel location in a second reference block, wherein the pixels have values with a first precision, and wherein the first precision indicates a number of bits needed to represent the values of the pixels; using said first reference pixel location to obtain a first prediction, said first prediction having a second precision, which is higher than said first precision; using said second reference pixel location to obtain a second**

Yet, the '267 patent does not include these features. Thus, the Examiner should not have relied on them and, instead, should have conducted a thorough search directed to the specific aspects of the claims of the '267 patent. *Activision Blizzard, Inc. v. Milestone Entertainment, LLC*, IPR2025-00708, pp. 2-3 (Deshpande August 14, 2025) (referring Petition based on “evidence that the challenged claims omit limitations added during prosecution of the parent patent that appear to have been the patent examiner’s reason for allowing the parent patent’s claims.”)

However, as shown below, the Examiner’s search history indicates ***only five*** searches that occurred after the '267 patent was filed (one search on November 1, 2022 at 3:08 AM; four searches in the 5 minutes between November 1, 2022 at

11:57 PM and November 3, 2022 at 12:02 AM). ASUS-1002, p. 141, p. 143.

**Five Searches From After Application Filing Date**

|     |    |                                                                                                                                                            |                   |    |    |    |                        |
|-----|----|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----|----|----|------------------------|
| L83 | 5  | 17/328750.app.<br>16/729974.app.<br>15/876495.app.                                                                                                         | (US-PGPUB; USPAT) | OR | ON | ON | 2022/11/01<br>03:08 AM |
| L84 | 10 | (block SAME pixels<br>SAME reference SAME<br>precision SAME shift\$3<br>SAME bit).clm.                                                                     | (US-PGPUB; USPAT) | OR | ON | ON | 2022/11/02<br>11:57 PM |
| N84 | 10 | (block SAME pixels<br>SAME reference SAME<br>precision SAME shift\$3<br>SAME bit).clm.                                                                     | (US-PGPUB; USPAT) | OR | ON | ON | 2022/11/02<br>11:57 PM |
| N85 | 71 | (block WITH (reference<br>motion NEAR2 vector))<br>WITH shift\$5 WITH bit<br>WITH (decreas\$5<br>lower\$5 reduc\$5))                                       | (US-PGPUB; USPAT) | OR | ON | ON | 2022/11/03<br>12:02 AM |
| N86 | 50 | (block WITH (reference<br>motion NEAR2 vector))<br>WITH shift\$5 WITH bit<br>WITH (decreas\$5<br>lower\$5 reduc\$5))<br>SAME (encod\$5<br>decod\$5 cod\$5) | (US-PGPUB; USPAT) | OR | ON | ON | 2022/11/03<br>12:02 AM |

Although some of these searches used to the term block, it was too little too late and did not reflect a complete examination of the claims that issued in the '267 patent. Indeed, beyond failing to account for any late publishing or issuing prior art patent applications (e.g., patent applications that were filed with non-publication requests that issued after 2015 and, as such, would not have been uncovered in searches conducted in 2015), the old searches focused on old claim language. With an incorrect focus, the old searches did not justify the Examiner's limited review and minimal searching. Instead of relying on the old searches and rubber stamping the claims of the '267 patent, the Examiner should have considered the actual claim language of the '267 patent and performed a thorough

search and examination during prosecution of the '267 patent, which would have led the Examiner to references, such as Walker, Karczewicz-I, and Karczewicz-II, that have been endorsed by the Board and the ITC as supporting meritorious challenges to the '267 patent. For these reasons, the Examiner committed material error during examination of the '267 patent. *USAA Federal Savings Bank v. PACid Technologies, LLC*, IPR2025-00697, p. 3 (Stewart August 14, 2025) (“It appears that the Office erred in maintaining the same prior art discussed in the ancestor application during the prosecution of the child applications, even though the child applications are directed to different technologies, and it is an appropriate use of Office resources to review the potential error.”)

### **III. DISCRETIONARY DENIAL IS NOT WARRANTED**

#### **A. Discretionary Denial is Not Warranted Under *Fintiv***

For ITC cases, *Fintiv* is judged based on the ITC’s Final Determination date relative to the Board’s deadline for issuing a Final Written Decision. Here, the ITC’s target date for the Final Determination is October 3, 2026, which is just three months prior to the Board’s deadline. Also, the parallel district court case filed by Nokia against ASUS—*Nokia Technologies Oy v. ASUSTeK Computer Inc. et al.*, 2-25-cv-03053 (CDCA), filed April 07, 2025—is stayed and remains well behind the Board’s deadline for the Final Written Decision.

As *Fintiv* instructs, in cases where both parallel district court and ITC cases

are ongoing, the focus should be on “whether the patentability disputes before the ITC will resolve all or substantially all of the patentability disputes between the parties, regardless of the stay.” *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 at 9 (PTAB Mar. 20, 2020) (precedential). Here, if IPR is instituted, the ITC will not resolve the grounds in this petition and, thus, cannot “resolve all or substantially all of the patentability disputes between the parties.” *Id.*

Specifically, ASUS has stipulated to forgo pursuing “the specific grounds asserted in *inter partes* review in IPR2025-01154, or any other ground that could have been reasonably raised in IPR2025-01154 (i.e., any ground that could have been raised under §§ 102 or 103 on the basis of prior art patents or printed publications).” *See Sotera Wireless, Inc. v. Masimo Corporation*, IPR2020-01019, Paper 12 (PTAB December 1, 2020). ASUS also stipulated that, “if the PTAB institutes review in IPR2025-01154, ASUS will not pursue in the co-pending litigation combinations of the prior art asserted in IPR2025-01154 with unpublished system prior art (or any other type of prior art).” *See Motorola*, IPR2024-01205, IPR2024-01206, IPR2024-01207 & IPR2024-01208, Paper 19; ASUS-1054. ASUS’s stipulation mitigates the risk of significant duplication of effort, additional expense for the parties, and the risk of inconsistent decisions by removing from the litigation invalidity contentions that include not only the prior art references from these grounds, but also system prior art that could be combined

with the prior art references and combinations presented in the Petition. ASUS's willingness to forgo such a large swathe of prior art from the litigation is indicative of two things: 1) ASUS's commitment to the IPR process as the appropriate forum for adjudicating the question of patentability, and 2) ASUS's confidence in the strength of the merits of the grounds in the Petition.

Contrary to Nokia's assertion, ASUS diligently filed the '267 patent petition just over two months from the filing of the ITC complaint and nearly ten months prior to ASUS's bar date. And despite the time difference between the ITC Final Determination and the projected Final Written Decision, ASUS filed its Petitions with the express purpose of pursuing the question of unpatentability to a final decision before the Board. The fact that ASUS is committed to the IPR process and the removal of bad patents, regardless of the outcome of the ITC case, demonstrates its dedication to strengthening the patent landscape and reducing the economic impact of bad patents for all stakeholders.

What's more, when "[p]etitioner appears to show a material error by the office," the Director has found that "it is an appropriate use of Office resources to review the potential error"—*even if the trial date in the copending litigation precedes the FWD date*. *Microsoft v. Partec*, IPR2025-00318, Paper 9, 3.

Also, based on the Board's previous institution of the same grounds, there is no question that the Petition presents a compelling case for unpatentability.

ASUS-1033; ASUS-1034. Indeed, the PTAB has already recognized the strong merits of the grounds asserted against the '267 patent by Amazon, the same grounds presented in this IPR. *Id.* (decisions to institute IPR trial on the merits).

These factors outweigh concerns of parallel proceeding overlap, particularly because ASUS's stipulation confirms that the ITC will not resolve all or substantially all of the patentability disputes between the parties. Indeed, it would be most efficient for the Board to resume its prior review of the grounds set forth in the present petition. For these reasons, based on (1) the prior successful challenge before the Board, (2) the early challenge to a patent without settled expectations, and (3) material errors in examination that led to the '267 patent, the Board is the most appropriate forum to consider the grounds advanced here.

**B. Discretionary Denial is Not Warranted Based On the Prior ITC Investigation Involving Amazon**

The prior ITC case does not warrant denial of the present petition. As discussed above, the ITC only considered one prior art reference against the '267 patent—Walker. ASUS-1036, pp. 133-140. Accordingly, the ITC's validity review was narrow, involving only one ground—obviousness over Walker. *Id.* And, as discussed above, ASUS has removed the Walker ground from the Amazon petitions to avoid the inefficiency of repeating challenges that have previously been considered. By limiting its petition to a single set of grounds that was not addressed

in the prior ITC case, ASUS has narrowly tailored its petition to focus only on grounds that were previously found to be successful by the Board.

Without question, the ITC did not review the prior art advanced in this petition—Karczewicz-I and Karczewicz-II. ASUS-1036, pp. 133-140. Thus, the prior ITC case, which was narrowly focused on a single ground, should not be used to justify denial of the present petition.

Also, in pursuing the single ground before the ITC, Amazon was successful. ASUS-1036, pp. 133-140 (finding claims 7, 25, and 26 obvious). ASUS should not be penalized when a prior litigant successfully pursues a validity challenge at ITC and the Patent Owner continues to assert a patent with claims found unpatentable.

Finally, the same three factors that outweigh Fintiv concerns—(1) the prior successful challenge before the Board, (2) the early challenge to a patent without settled expectations, and (3) material errors in examination that led to the '267 patent—outweigh concerns over the prior ITC case involving the '267 patent.

**C. The Focused and Well-Reasoned Expert Testimony Supports Institution**

Nokia argues that ASUS's use of two expert declarations supports denial of institution. Not so. Because Dr. Freedman was unavailable to serve as an expert for ASUS, ASUS hired Dr. Havlicek to support its petition. And because ASUS's petition is based on a prior successful challenge supported by Dr. Freedman's

declaration, ASUS asked Dr. Havlicek to review Dr. Freedman's declaration, rather than drafting a new declaration from scratch. Dr. Havlicek reviewed Dr. Freedman's declaration and offered a focused declaration that endorsed Dr. Freedman's analysis. By providing a relatively short declaration that relies on Dr. Freedman's analysis, Dr. Havlicek's testimony was focused and efficient, supporting institution.

Nokia also contends that the Petition uses paragraph 196 of Dr. Freedman's declaration to fill the gaps left by the prior art. But Nokia offers no explanation of what is being gap-filled. And a review of Paragraph 196 confirms that Paragraph 196 has only one sentence and provides ample citations to Karczewicz-I with parenthetical quotations. Nothing in Paragraph 196 provides gap-filling for the prior art. Thus, the petition advances strong and meritorious grounds that are supported by focused and corroborated expert testimony.

#### **IV. CONCLUSION**

For the foregoing reasons, a holistic evaluation of the prior successful challenge to the '267 patent, the weak settled expectations, and the material errors committed during examination strongly weigh against discretionary denial. Petitioner therefore respectfully requests that this case proceed to an institution determination on the merits.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

Pursuant to 37 CFR §§ 42.6(e)(4)(i) *et seq.* and 42.105(b), the undersigned certifies that on October 7, 2025, a complete and entire copy of this Petitioner's Opposition To Patent Owner's Request For Discretionary Denial Of Institution and the associated exhibits were provided via email to the Patent Owner via electronic mail on Patent Owner's lead and backup counsel listed below at the following email address:

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