

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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LIVEINTENT, INC. and VIANT TECHNOLOGY LLC,

Petitioners,

v.

ALMONDNET, INC.,

Patent Owner

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Case No. IPR2025-01163

Patent No. 8,959,146

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**PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF  
INSTITUTION**

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## **I. INTRODUCTION**

Pursuant to the Director’s March 26, 2025 memorandum regarding Interim Processes for PTAB Workload Management (“March 26, 2025 Memo”), Patent Owner AlmondNet Inc. requests that the Director exercise discretion under 35 U.S.C. § 314(a) and issue a decision denying institution of the Petition.

As discussed further below, the settled expectations of the parties weigh heavily against institution because the challenged U.S. Patent No. 8,959,146 (“’146 Patent”) was issued over *ten years ago*. And many of the traditional *Fintiv* factors additionally weigh in favor of discretionary denial.

Patent Owner thus respectfully requests discretionary denial of the Petition.<sup>1</sup>

## **II. DENIAL OF INSTITUTION UNDER §314 IS WARRANTED.**

### **A. Settled expectations and other factors favor denial of institution.**

35 U.S.C. § 314(a) gives the Director discretion to deny institution of IPR due to the advanced state of parallel district court litigation regarding the same issues. *See NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19-21 (PTAB Sept. 12, 2018) (precedential) (“*NHK*”).

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<sup>1</sup> Patent Owner reserves the right to file a Preliminary Response addressing the merits of the Petition pursuant to 37 C.F.R. § 42.107(a) on the schedule set forth by regulation and consistent with the March 26, 2025, Memorandum. *See* 37 C.F.R. § 42.107(b).

The March 26, 2025 Memorandum regarding Interim Processes for PTAB Workload Management sets forth various relevant considerations may weigh in favor of discretionary denial, including:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director's discretion.

Here, the '146 Patent issued on February 17, 2015, and has been in effect for over *ten years*. *See* Ex. 1001. Accordingly, the settled expectations of Patent Owner of being able to adjudicate its patent claims before an Article III Court weigh against institution.

Additionally, no changes in the law support reconsideration of the validity of the '146 Patent claims, and Petitioner does not identify any such change.

Furthermore, the Petition relies extensively on expert testimony (Ex. 1003) to explain the relevance of the prior art, even though witness credibility is better evaluated by a District Court than the PTAB (which typically does not consider live

witness testimony). And the fact that Petitioner requires this extensive expert testimony, coupled with the fact that the Petition does not even allege any anticipatory prior art, shows that the unpatentability challenge here is not strong.

Additionally, the PTAB has already “adjudicated the validity or patentability of the challenged patent claims” when it evaluated whether to institute an IPR brought by Meta Platforms against the ’146 Patent. There, the Board found that petitioner Meta “has not shown a reasonable likelihood of prevailing with respect to any challenged claim.” *See Meta Platforms, Inc. v. AlmondNet, Inc.*, IPR2022-01480, Paper No. 9 at 23 (PTAB Mar. 2, 2023). And both the PTAB **and** a district court have already evaluated the validity of related U.S. Patent No. 8,671,139, the parent application to the ’146 patent with similar independent claims, with the PTAB denying institution and the jury finding no invalidity. *Meta Platforms, Inc. v. AlmondNet, Inc.*, IPR2022-01480, Paper No. 9 at 23 (PTAB Mar. 2, 2023) <https://ipfray.com/internet-advertising-firm-almondnet-wins-122m-patent-verdict-against-amazon-in-western-district-of-texas/> (summary of jury verdict finding no invalidity).<sup>2</sup>

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<sup>2</sup> Two other patents in the same family have also been evaluated by the PTAB, with the PTAB upholding all challenged claims in one case and finding the claims unpatentable in another, in two final written decisions. *See Samsung Electronics Co. Ltd., v. AlmondNet, Inc.*, IPR2022-01259, Paper No. 28 (PTAB Feb. 2, 2024)

Accordingly, these considerations weigh heavily in favor of discretionary denial of institution. And as discussed in the following section, many of the *Fintiv* factors additionally weigh against institution.

**B. *Fintiv* factors also weigh against institution.**

In addition to the factors discussed above, the Board has set forth six factors for determining whether discretionary denial in light of parallel litigation is appropriate:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party;

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(finding all challenged claims of U.S. Pat. No. 8,200,822 **not** unpatentable); *Meta Platforms, Inc. et al. v. AlmondNet, Inc.*, IPR2022-01064, Paper No. 33 (finding all challenged claims of U.S. Pat. No. 9,830,615 unpatentable). The patent claims at issue in these final written decisions were far less similar in scope than the '139 and '146 patent claims, and the record shows that the PTAB (in either institution decisions or final written decisions) has found invalidity challenges in three out of four proceedings involving this patent family to be deficient on the merits, with a district court likewise finding the invalidity challenge deficient.

6. other circumstances that impact the Board's exercise of discretion, including the merits.

*Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv I*”). In evaluating these factors, the Board “takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 7-17 (PTAB May 13, 2020) (informative) (“*Fintiv II*”). As explained below, many of the *Fintiv* factors weigh in favor of discretionary denial in light of the related district court litigation of *AlmondNet, Inc. et al. v. LiveIntent Inc.*, Case No. 24-cv-831-MN (D. Del.).

**1. *Fintiv* Factors 1-3 are outweighed by other factors.**

*Fintiv* Factor 1 looks to “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Fintiv I* at 5-6. *Fintiv* Factor 2 looks to “proximity of the court's trial date to the Board's projected statutory deadline for a final written decision.” *Fintiv I* at 5-6. *Fintiv* Factor 3 looks to “amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv I* at 9.

Regarding the first *Fintiv* factor, the district court has granted a stay in the case involving Petitioner Viant (but not in the case involving Petitioner LiveIntent). However, the litigation involving Petitioner LiveIntent (*AlmondNet Inc. et al. v. LiveIntent, Inc.*, No. 24-cv-831-MN (D. Del.)) has also been delayed due to motion

practice on the pleadings in which the court denied LiveIntent's motion to dismiss and granted AlmondNet's motion to dismiss LiveIntent's counterclaims. As such, the district court litigation in has been delayed, such that trial is not set until October 4, 2027. Despite the fact that these cases are either stayed or have a trial date set for after the date of an anticipated final written decision, numerous other factors discussed above and below do weigh in favor of discretionary denial.

**2. *Fintiv* Factor 4: There is likely to be substantial overlap between this IPR and the district court proceeding.**

*Fintiv* Factor 4 evaluates “concerns of inefficiency and the possibility of conflicting decisions” when substantially identical prior art is submitted in both the district court and the IPR proceeding. *Fintiv I* at 12. Here, although not all claims of the '146 Patent are challenged, all of the independent claims are challenged. Furthermore, to the extent Patent Owner asserts any claims that are not challenged by this proceeding, this proceeding is an inefficient alternative to evaluating validity before the district court (because it will not resolve challenges to all claims like a district court validity evaluation would).

Furthermore, while Petitioners filed a stipulation asserting that “Petitioners will not pursue in [the] related District Court Case[s] (i) the specific grounds raised in IPR2025-01163, (ii) any other grounds that could have reasonably been raised before the PTAB in that instituted proceeding (i.e., any ground that could have reasonably been raised under §§ 102 or 103 on the basis of prior art patents or printed

publications), or (iii) any ground based on a combination of system prior art and the references asserted as part of a ground raised in IPR2025-01163” (Ex. 1030), the scope of Petitioners’ stipulation is not sufficient to ensure that IPR proceedings would be a “true alternative” to the District Court litigation. *See Motorola v. Stellar*, IPR2024-01205, -01206, -01297, -01208, Paper 19 at 3–4 (March 28, 2025) (Director vacating decision granting institution where the petitioner’s “stipulation does not ensure that these [inter partes review] proceedings would be a ‘true alternative’ to the district court proceeding”).

Here, Petitioners’ stipulation only warrants that it will not pursue the same grounds as those raised in this IPR proceeding (or that could have been reasonably raised in this IPR proceeding), along with combinations of unpublished system art with any of the *specific* art asserted in its petitions. Thus, the stipulation does not cover any combinations of system prior art with prior art *not* asserted in these proceedings, rendering Petitioners’ stipulation insufficient to ensure the IPR proceedings are a “true alternative” to the District Court proceedings.<sup>3</sup>

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<sup>3</sup> To be clear, Patent Owner is not suggesting that Petitioners must give up *every* validity defense in the parallel District Court proceedings in order for a *Sotera*-type stipulation to be sufficient. But here, Petitioners’ *Sotera*-type stipulation does not even cover the full scope of prior art that can be asserted during the IPR process, as their stipulation only covers combinations of the prior art *asserted in this IPR* with unpublished system prior art. Ex. 1104 at 1. Petitioners’ stipulation thus omits all

Additionally, Petitioners's stipulation still permits subsequent *ex parte* reexamination petitions on grounds that could have been raised in the Petition. Thus, Petitioner's stipulation still allows for repeated challenges to the same patent by the same defendant in multiple venues, obviating the very purpose of the IPR process to streamline the patent system and reduce litigation costs. *See, e.g.*, H.R. Rep. No. 112-98, at 39–40 (2011) (“The legislation is designed to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.”). While the Director's concerns in *Motorola v. Stellar* focused on concerns over the duplication between the PTAB and district court proceedings, expecting the Patent Office (through the PTAB and the Central Reexamination Unit) to hear two serial challenges to the same patent is little better.<sup>4</sup>

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other analogous art that *could* have been raised, so long as Petitioners combine them in *any* way with system prior art. Petitioners' *Sotera*-type stipulation thus provides no meaningful protection against duplicate validity challenges across multiple tribunals.

<sup>4</sup> While 35 U.S.C. § 315(e) does preclude a petitioner from filing an *ex parte* re-examination based on any invalidity grounds “which petitioner raised or reasonably could have raised,” this language does not fully protect patent owners from serial validity attacks using substantially the same prior art. As the Federal Circuit has explained, if a petitioner seeks to serially challenge a patent (i.e., by filing an *ex parte* re-examination right after conclusion of an IPR proceeding against the same patent), “[t]he burden of proving, by a preponderance of the evidence, that a skilled

In short, if the Board were to grant institution in this proceeding, it would be considering the same claims of the '146 Patent whose validity would have been previously tried before the District Court *months* prior, and the same claims of the '146 Patent whose validity may subsequently be challenged again during any potential *ex parte* reexamination process. And, as noted above, Petitioners did not even challenge all claims of the '146 Patent, such that it is possible that any determination of validity (and the scope of estoppel) will have no impact on the actual claims brought in the district court. This is the opposite of efficiency and contravenes the very purpose of the IPR process.

Thus, *Fintiv* Factor 4 weighs in favor of discretionary denial.

**3. *Fintiv* Factor 5: Petitioner is a defendant in the district court litigation.**

*Fintiv* Factor 5 looks to “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv I* at 5-6. Specifically, when “the petitioner and the defendant in the parallel proceeding are the same party, this factor

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searcher exercising reasonable diligence would have identified an invalidity ground rests on the *patent holder*.” See *Ironburg Inventions Ltd. v. Valve Corp.*, 64 F.4th 1274, 1298-99 (Fed. Cir. 2023). Thus, petitioners may still abuse the system by withholding certain prior art during the initial IPR challenge, then filing an *ex parte* proceeding if the IPR challenge fails, forcing the patent owner to then carry the burden of proving that the petitioner could have found the additional references with reasonable diligence.

weighs in favor of discretionary denial.” *Fintiv II* at 15. Here, Petitioners are each a defendant in the respective parallel litigations.

Thus, *Fintiv* Factor 5 weighs in favor of discretionary denial.

**4. *Fintiv* Factor 6: Other considerations support discretionary denial.**

*Fintiv* Factor 6 looks to “other circumstances that impact the Board's exercise of discretion, including the merits.” *Fintiv I* at 5-6. This factor also weighs heavily against institution for at least two reasons.

First, contrary to Petitioners’ assertions, the Petition fails to present any compelling merits of unpatentability. The Petition does not present anticipatory prior art under §102. Instead, the Petition relies solely on obviousness §103. *See generally* Petition. Patent Owner reserves the right to highlight specific deficiencies in its POPR merit-based briefing.

Second, as discussed above, the factors discussed in the Director’s March 26, 2025 Memorandum regarding Interim Processes for PTAB Workload Management weigh ***strongly*** in favor of discretionary denial, including the length of time the challenged claims have been in effect as well (over ten years).

**III. CONCLUSION**

Patent Owner respectfully requests that the Director exercise discretion under Section 314(a) to deny institution.

Date: September 8, 2025

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**CERTIFICATION REGARDING WORD COUNT**

Pursuant to 37 C.F.R. §42.24(d), Patent Owner certifies that there are 2,360 words in the paper excluding the portions exempted under 37 C.F.R. §42.24(a)(1).

Date: September 8, 2025

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

The undersigned hereby certifies that the above document was served on September 8, 2025 by filing this document through the Patent Trial and Appeal Case Tracking System (PTACTS) as well as delivering a copy via electronic mail upon the following attorneys of record for Petitioner:

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