

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AT&T SERVICES INC.,
Petitioner

v.

USTA TECHNOLOGY, LLC.,
Patent Owner

Case IPR2025-01166
Patent No. RE47,720

PATENT OWNER'S DISCRETIONARY DENIAL BRIEFING

Under 35 U.S.C. § 314(a)

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2002	First Amended Complaint for Patent Infringement, Dkt. 42 in <i>USTA Technology, LLC. v. AT&T Inc., et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)
2003	Second Amended Scheduling Order, Dkt. 41 in <i>USTA Technology, LLC. v. AT&T Mobility LLC, et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)
2004	Scheduling Order, Dkt. 29 in <i>USTA Technology, LLC. v. AsusTek Comp. Inc. et al.</i> , No. 4:24-cv-00512 (E.D. Tex. June 7, 2024)
2005	Order on Jurisdictional Discovery, Dkt. 58 in <i>USTA Technology, LLC. v. Lenovo Group Limited, et al.</i> , No. 4:24-cv-00515 (E.D. Tex. June 7, 2024)
2006	Plaintiff's Disclosure of Asserted Claims and Infringement Contentions Pursuant to P.R. 3-1 in <i>USTA Technology, LLC. v. AT&T Mobility LLC, et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)
2007	Joint Motion to Extend Time for Defendants to Serve P.R. 3-3, P.R. 3-4, Initial, and Mandatory Disclosures, Dkt. 47 in <i>USTA Technology, LLC. v. AT&T Mobility LLC, et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)
2008	Defendants' Unopposed Motion for Extension of Rule 26(f) Conference and Related Deadlines, Dkt. 30 in <i>USTA Technology, LLC. v. Lenovo Group Limited, et al.</i> , No. 4:24-cv-00515 (E.D. Tex. June 7, 2024)
2009	Information Disclosure Statement, filed during prosecution of U.S. Patent App. 13/686,222, dated February 26, 2013
2010	Email from counsel for AT&T to counsel for Patent Owner, dated February 6, 2023
2011	Order granting <i>Ex Parte</i> Reexamination of U.S. Patent RE47,720 in Reexam App. No. 90/019,702, dated December 5, 2024
2012	Office Action in <i>Ex Parte</i> Reexamination, Reexam App. No. 90/019,702, dated March 31, 2025
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2015	Reexam Certificate for Reexam App. No. 90/019,702, issued on August 26, 2025
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2018	Summons Returned Executed as to AT&T Services, Inc., Dkt. 9 in <i>USTA Technology, LLC. v. AT&T Mobility LLC, et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)
2019	Notice of Voluntary Dismissal of Defendant AT&T, Inc. Without Prejudice, Dkt. 13 in <i>USTA Technology, LLC. v. AT&T Mobility LLC, et al.</i> , No. 4:24-cv-00513 (E.D. Tex. June 7, 2024)

I. INTRODUCTION

Patent Owner USTA Technology, LLC (“USTA” or “Patent Owner”) respectfully requests that the Director exercise discretion under 35 U.S.C. § 314(a) to deny Petitioner AT&T Services, Inc.’s Petition for *inter partes* review of U.S. Patent No. RE47,720 (“the ’720 patent”). AT&T Mobility LLC and AT&T Mobility II LLC are named as real parties-in-interest and indicated as subsidiaries of AT&T Inc., which as indicated below was originally a party to the parallel District Court litigation. (Pet. at 3.) AT&T Services, Inc., AT&T Mobility LLC, AT&T Mobility II LLC, and AT&T Inc. operate as a unitary business and thus are functionally the same party for the purposes of the Petition. (*See, e.g.*, Ex. 2002 at ¶¶44-48.) Therefore, for purposes of this discretionary denial brief only, references to “Petitioner” and “AT&T” should be understood to mean one or more of these AT&T entities.

Pursuant to Acting Director Stewart’s March 26, 2025, Memorandum titled “Interim Processes for PTAB Workload Management” (the “PTAB Workload Management Memo”)¹, this brief is limited in scope to Patent Owner’s bases for

¹ <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf>, accessed on July 16, 2025.

discretionary denial.² As discussed below, a holistic assessment of factors bearing on the Director’s discretion strongly supports denying the Petition.

II. LEGAL STANDARDS

The Director has discretion to deny institution under 35 U.S.C. § 314(a). *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 136 S. Ct. 2131, 2140 (2016). In determining whether to deny institution, the USPTO considers the presence and

² In accordance with the Patent Trial and Appeal Board’s (“PTAB”) FAQs for Interim Processes for PTAB Workload Management (“PTAB Interim Workload FAQs”), Patent Owner does “not repeat [its] merits arguments verbatim” in this brief and instead “briefly explain[s] why the merits are relevant [herein].” *See* <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management>, FAQ 12, accessed on July 16, 2025. Patent Owner will separately 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 PTAB Workload Management Memo. *See* 37 C.F.R. § 42.107(b). In accordance with the PTAB Interim Workload FAQs, Patent Owner requests that the Director “consider the merits in the [forthcoming] merits briefing” (i.e., Patent Owner’s Preliminary Response) as part of the discretionary denial analysis. *See PTAB Interim Workload FAQs*, FAQ 12.

status of parallel proceedings involving the same patent, such as district court litigation. *See NHK Spring Co. Ltd. v. Intri-Plex Techs. Inc.*, IPR2018-00752, Paper 8 at 20 (P.T.A.B. Sept. 12, 2018) (precedential); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 17 (P.T.A.B. May 13, 2020) (precedential) (hereinafter “*Fintiv*”); *see also Gen. Plastic Indus. Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 16-17 (P.T.A.B. Sept. 6, 2017) (“[W]e recognize that an objective of the AIA is to provide an effective and efficient alternative to district court litigation”).

The PTAB Workload Management Memo enumerated a number of additional considerations for 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.

PTAB Workload Management Memo, 2-3.

Fintiv “sets forth factors that balance considerations of system efficiency, fairness, and patent quality when a patent owner raises an argument for discretionary denial due to the advanced state of a parallel proceeding.” *Fintiv*, Paper 15 at 7-8. Under *Fintiv*, the factors the Board considers in determining whether to exercise its discretion are: (1) whether the court granted a stay or evidence exists that a stay may be granted; (2) proximity of the court’s trial date to the Board’s projected deadline for a FWD; (3) investment in the parallel proceeding by the court and parties; (4) overlap between issues raised in the petition and the parallel proceeding; (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and (6) other considerations that impact the Board’s discretion, including the merits. *Fintiv*, IPR2020-00019, Paper 15 at 7-8.

III. BACKGROUND ON PARALLEL DISTRICT COURT LITIGATION

Patent Owner filed its Complaint (Ex. 2001) against AT&T on June 7, 2024, in the Eastern District of Texas and a First Amended Complaint (“FAC”) (Ex. 2002) on April 23, 2025. The FAC is currently the live complaint, and the case is captioned *USTA Tech., LLC v. AT&T Inc. et al.*, No. 4:24-cv-00513-SDJ (E.D. Tex. June 7, 2024) [hereinafter “the AT&T case” or “the parallel litigation”].

Patent Owner has also filed related lawsuits in the Eastern District of Texas against other defendants, which are currently active:

- *USTA Tech., LLC v. Lenovo Group Limited et al.*, No. 4:24-cv-00515-SDJ (E.D. Tex. June 7, 2024) [hereinafter “the Lenovo case”];
- *USTA Tech., LLC v. AsusTek Comp. Inc. et al.*, No. 4:24-cv-00512-SDJ (E.D. Tex. June 7, 2024) [hereinafter “the AsusTek case”];
- *USTA Technology, LLC v. T-Mobile USA, Inc.*, No. 4-25-cv-00820 (E.D. Tex. July 29, 2025);
- *USTA Technology, LLC v. Comcast Corporation et al.*, No. 4-25-cv-00819 (E.D. Tex. July 29, 2025); and
- *USTA Technology, LLC v. Charter Communications, Inc. et al.*, No. 4-25-cv-00818 (E.D. Tex. July 29, 2025).

In the parallel litigation and the AsusTek case, the parties are set to have a Final Pretrial Conference on November 18, 2026, with trial to follow shortly thereafter, *before* the projected date of the FWD in this proceeding. (Exs. 2003 (the AT&T case schedule), 2004 (the AsusTek case schedule).) Currently the Lenovo case is behind due to jurisdictional briefing that culminated on August 13, 2025 (*see* Ex. 2005), though Patent Owner believes it likely that the Lenovo case Defendant will coordinate its schedule with the other proceedings. The suits against T-Mobile USA, Inc., Comcast Corporation et al., and Chart Communications, Inc. et al. were only recently filed on July 29, 2025, and are still in very early stages.

In the parallel litigation, the '720 patent is the only patent at issue, and all of the claims challenged in this Petition are also at issue in the parallel litigation. In fact, the parallel litigation and the AsusTek case include the claims at issue in this Petition plus three additional claims conspicuously absent in this proceeding, claims 34, 35, and 76—claims 19, 22-43, 45-58, 60-93, and 95-96 are at issue in the District Court (Ex. 2006 (Patent Owner's Disclosure of Asserted Claims)), while claims 19, 22-33, 36-43, 45-58, 60-75, 77-93, and 95 are challenged here (Pet. at 15, 80). The Lenovo case currently includes only challenged claims 53 and 95, but Patent Owner plans to assert all 73 claims currently asserted in the parallel litigation against Lenovo after the Court's ruling on jurisdictional briefing.

Moreover, AT&T and AsusTek have coordinated schedules and effort throughout the District Court proceedings, including serving *joint* invalidity contentions. (*See, e.g.*, Ex. 2007 (“[the parties] jointly submit this Motion to extend the deadline . . . to allow Defendants [AT&T] and AsusTek to coordinate production of one set of Invalidity Contentions”)). And, prior to the jurisdictional delay, Lenovo requested that the Court align the schedule with that of the other defendants, (*e.g.*, Ex. 2008), so there is also no reason to think that Lenovo will not coordinate with the other defendants for invalidity assertions against the '720 patent in the District Court. Thus, this Petition serves as *every defendant's* additional bite at the apple for the challenged claims. Further, given the scheduled trial date in the parallel

litigation—as soon as practicable after the Final Pretrial Conference on November 18, 2026—the at-issue claims of the ’720 patent for this IPR, plus the additional claims at issue in District Court, would already have their invalidity resolved at trial prior to the FWD deadline of January 7, 2027.

IV. CONSIDERATIONS FAVORING DENIAL

A. Settled Expectations

Under the interim process, the Director can consider “[s]ettled expectations of the parties, such as the length of time the claims have been in force” when deciding whether to exercise discretion to deny institution. Interim Processes for PTAB Workload Management at 2 (Mar. 26, 2025). Here, the ’720 patent was originally issued on January 27, 2009, as U.S. Patent 7,483,711 (“the ’711 patent”)—sixteen years ago—and later reissued as the ’720 patent on November 5, 2019—nearly six years ago. Had Petitioner objected to the issuance of the ’720 patent (or the ’711 patent), it could have raised challenges years ago. 35 U.S.C. §§ 302 (permitting any person at any time to file a request for reexamination), 311 (permitting *inter partes* review 9-months or more after issuance), and 321 (permitting post-grant review challenges up to 9-months after issuance). Instead, Petitioner waited nearly eleven months after the filing of the Complaint to file its Petition, all but ensuring that the validity of the ’720 patent claims would be decided in parallel district court litigation before a FWD in this proceeding.

The length of time the claims of the '720 patent have been in force—almost six years—and the length of time the claims of its predecessor '711 patent were in force—over sixteen years—favor discretionary denial.

Moreover, due to the early priority date of the '720 patent, it served as prior art to many other patent applications in the industry, including AT&T's own filings. AT&T was aware of the '720 patent's specification at least as early as February 26, 2013, based on references cited during prosecution of AT&T's own patents.

For example, AT&T's own US8923809B2 ("the '809 patent") cites to the '711 patent, which later reissued as the '720 patent, the patent at issue. Indeed, during prosecution of U.S. patent application 13/686,222 ("the '222 application") that would become AT&T's '809 patent, *AT&T* disclosed the '711 patent in an Information Disclosure Statement ("IDS") filed on February 26, 2013. (Ex. 2009 at 1.) Therefore, AT&T has been aware of the '720 patent's specification and subject matter, since at least February 26, 2013, before which AT&T substantively analyzed it for potential rejection of its own patent claims.

Despite knowing of the '720 patent's precursor '711 patent for over a decade, AT&T did nothing, creating a settled expectation between the parties. *See iRhythm, Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 3 (P.T.A.B. June 6, 2025). In *iRhythm*, the Director found that such an expectation outweighed factors such as (1) timing of the FWD "likely" issuing before trial in the parallel district court litigation,

(2) “little investment by the parties” in the parallel litigation, (3) “high likelihood of a stay” in that parallel litigation if the IPR was instituted, and (4) proper use of expert evidence under the PTAB Workload Management Memo. *Id.* at 2-3. The Director indicated in *iRhythm* that the Petitioner “cited the then-pending application that issued as the challenged patent in an Information Disclosure Statement Petitioner filed in its own patent application,” and thus the Petitioner’s “awareness of Patent Owner’s applications and failure to seek early review of the patents favors denial and outweighs the above-discussed considerations.” *Id.* at 3. Here, the facts favor discretionary denial even more than in *iRhythm* because AT&T cited a ***patent in-force*** that it could have challenged, not a pending ***application*** prior to issue.

Though AT&T attempts to distance itself from the ’720 patent by stating that “all of [the Challenged Claims] were substantially amended or added during reissue” (Pet. at 12), what AT&T fails to indicate is that challenged independent claim 19 of the ’720 patent was actually ***broader*** prior to reissue. In fact, prior to reissue, claim 19 comprised ***just ten lines*** of the ’711 patent’s disclosure. (Ex. 1004 at 28:44-53.) After reissue, claim 19 of the now-’720 patent comprises ***forty-two lines***, the first ten of which remain almost entirely intact from the ’711 patent. (Ex. 1001 at 28:64-29:38.) AT&T derives the vast majority of its arguments for all challenged claims from those arguments it makes for independent claim 19 (*see generally* Pet. at IX.A.6), thereby admitting its belief that the subject matter of claim 19 is present in

the rest of the challenged claims. AT&T had knowledge of the precursor '711 patent since February 26, 2013. AT&T cannot artificially shorten its knowledge of the claimed subject matter of the '711 patent by relying on the reissue date of the '720 patent when the '720 patent's claims are narrower than those of the '711 patent. AT&T's lack of action since 2013 ratified a settled expectation between the parties.

Moreover, counsel for AT&T received a letter from Patent Owner offering a license to the '720 patent, among other patents. Delivery of that letter was confirmed on November 10, **2022**. On February 6, **2023**, counsel for AT&T indicated that "AT&T does not interpret USTA's inquiry as an allegation of infringement." (Ex. 2010 (email from AT&T counsel).) But it was not until June **2025**, two and a half years after reception of the notice letter, that AT&T filed this Petition. Infringement allegation or not, AT&T chose not to challenge validity of the '720 patent until now. There was a settled expectation that AT&T would not be challenging the '720 patent in this manner. This favors discretionary denial.

The '720 patent is also set to expire in August 2026, leaving the '720 patent with only ***one*** remaining year of term. Given the short amount of patent term left and the decade-long delay in addressing the validity of the '720 patent claims, there was a settled expectation that the '720 patent would not be challenged.

By delaying over twelve years from the date it first became aware of the precursor application to the '720 patent, and delaying two and a half years from

receiving an explicit notice letter from Patent Owner, AT&T created an implicit expectation between the parties, as well as an acquiescence regarding the patentability of the claims of the '720 patent. The decade-long delay in addressing the validity of the '720 patent, to the point that it expires next year, further favors exercising discretion and denying this Petition.

To the extent there is dispute regarding AT&T's knowledge of citations during prosecution, the Director has indicated that "actual notice of a patent or of possible infringement is not necessary to create settled expectations." *AXA Power ApS v. Dabico Airport Solutions Inc.*, IPR2025-00408, Paper 21 at 3 (P.T.A.B. June, 18, 2025). Therefore, the actual notice present here, both during prosecution and via notice letter, strongly indicates a settled expectation between the parties and favors discretionary denial.

Finally, the FWD deadline is currently *after* the trial date of the parallel litigation. (*See* Ex. 2003 at 4.) But even if the trial date is extended, the settled expectations above outweigh consideration of the FWD issuing concurrently with, or shortly before, trial. The Director has previously discretionarily denied Petitions due to settled expectations even when no trial date was scheduled. *See, e.g., Intel Corporation v. Proxense LLC*, IPR2025-00327, Paper 12 at 2 (P.T.A.B. June 26, 2025).

For at least the foregoing reasons, the Petition should be discretionarily denied due to settled expectations of the parties.

B. Extensive Reliance on Expert Testimony

AT&T's extensive reliance on an expert declaration supports discretionary denial. As discussed in the PTAB Interim Workload FAQs, "[w]hile the Board may consider expert testimony, as a matter of efficiency, extensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court." (FAQ 21.) Here, as noted above, the Petition relies on a 127-page expert declaration (Ex. 1002) that is cited over 200 times over the course of the Petition. (*See generally* Pet.) Yet its declarant added little (if any) value to its analysis, frequently providing conclusory statements without evidentiary support and merely repeating/rewording the contents of the legal brief verbatim. Such conclusory analysis is not helpful to the trier of fact, and AT&T's heavy reliance on it is another reason that the Petition should be discretionarily denied.

In addition to the conclusory nature of the expert testimony, AT&T also uses the expert testimony to "fill gaps in the prior art" for its invalidity assertions. (*See, e.g.*, Pet. at 47 ("While Walton does not provide a timescale on which the channel might change and CSI updates are sent, a POSITA would have understood that this time period is much less than one second"); at 49 ("obvious to a POSITA to design

access point 104 such that it includes different transceivers for different sectors . . . [though] Walton does not provide hardware implementation details”); at 59 (alternate POSITA interpretations to meet the claim language: “a POSITA would have understood this as Alternatively, . . . it would have been obvious for a POSITA to explicitly include one or more”); at 60 (“Walton uses the term ‘cell,’ but a POSITA would understand Walton’s cells to be analogous to the basic service set (BSS) used in 802.11.”); at 28 (in a hypothetical combination and citing only expert opinion, “a POSITA would understand that each terminal would implement Hamabe’s method in order to detect interfering devices in various geographic locations within the system”); at 38 (“a POSITA would understand that decompressing feedback is necessary to utilize the CSI to perform MIMO preconditioning as discussed with respect to Walton”).)

The Director has implied that such testimony is the type contemplated by FAQ 21 and that supports discretionary denial. *See iRhythm*, IPR2025-00363, Paper 10 at 2 (Though “Patent Owner argues that discretionary denial is warranted because Petitioner is over-reliant on expert testimony, Patent Owner does not identify any portions of the expert testimony that suggest Petitioner is using its expert to fill gaps in the prior art.” (citations omitted)); *Cambridge Industries USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00433, Paper 11 at 2 (P.T.A.B. June 27, 2025) (same).

Another reason for discretionary denial under this consideration is that Patent Owner plans to present expert testimony with its POPR that disputes AT&T's expert's opinion on dispositive issues, creating a dispute the PTAB Interim Workload FAQs indicate "are better resolved in an Article III court." (FAQ 21.)

C. The '720 Patent Is the Subject of Repeated Challenges

The Board should deny institution because, in addition to invalidity contentions in the parallel litigations, the '720 patent has been and is being subjected to multiple, overlapping invalidity proceedings.

For example, the '720 patent was recently subjected to an *ex parte* reexamination ("reexam") proceeding, assigned to U.S. Patent App. No. 90/019,702. That reexam was filed on October 14, 2024, by Unified Patents. (Ex. 2011.) A non-final rejection issued on March 31, 2025 (Ex. 2012). Then on April 29, 2025, District Court Defendant Lenovo and its real party-in-interest Intel filed IPR2025-00838, challenging independent claims 53 and 95 of the '720 patent. *See Intel Corp. and Lenovo (United States) Inc. v. USTA Technology, LLC*, IPR2025-00838, Paper 1 (P.T.A.B. Apr. 29, 2025).

Patent Owner's response to the reexam's non-final rejection, without amendments, was timely filed on June 2, 2025 (Ex. 2013). As part of that response, Patent Owner filed an Information Disclosure Statement submitting Lenovo's Petition and its prior art references to the Office to consider when evaluating

patentability of the '720 patent's claims. (Ex. 2013 at 7.) The Office, after considering Patent Owner's arguments *and* that Petition (Ex. 2014 at 15-19), issued a Notice of Intent to Issue a Reexam Certificate on July 15, 2025. (Ex. 2014 at 1-8.) The Reexam Certificate issued on August 26, 2025. (Ex. 2015.) Thus, the Office has already considered arguments from reexam petitioner Unified Patents and those of Petitioners Lenovo and Intel, and the Board should not spend its resources on this third set of invalidity arguments from AT&T.

There are also equitable considerations favoring discretionary denial. It was only after the reexam's non-final rejection issued *and* after District Court defendant Lenovo filed IPR2025-00838 did Petitioner file this Petition, subjecting Patent Owner to *three* invalidity fronts simultaneously. (See Pet.; Ex. 2012; and IPR2025-00838, Paper 1.) Petitioner admits as much. (Pet. at 4.) At every turn in the parallel District Court litigations, the defendants have coordinated their schedules (*e.g.*, Exs. 2007, 2008); there is no reason to think they are not coordinated now, inundating Patent Owner with multiple simultaneous invalidity attacks to use the Office and the Board to get multiple bites of the apple. Petitioners should not get to coordinate their efforts and use the Board for multiple attacks when validity will be ruled upon by the District Court prior to any FWD, especially after patentability of 21 claims of the '720 patent have been upheld *within the last month* by the Office, including at-

issue claims 53-56, 64-66, 70, 81-84, and 87-94, plus claim 76 not at issue in this Petition (Ex. 2015).

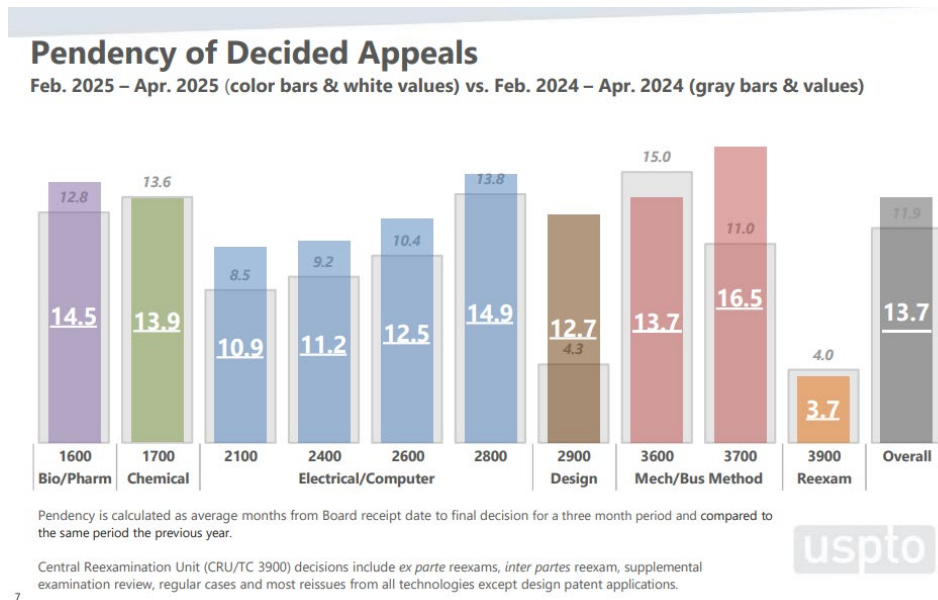
The Board has recently found that challenging a patent that has “already been the subject of multiple proceedings” favors discretionary denial because, in such circumstances and absent “persuasive reasoning,” an IPR is not “an appropriate use of Board resources.” *WebGroup Czech Republic, A.S. and NKL Assoc., S.R.O. v. Dish Tech. LLC*, IPR2025-00467, Paper 14 at 2-3 (P.T.A.B. July 16, 2025). Here, the ’720 patent has just overcome *ex parte* reexam and is subject to multiple IPR petitions. The Office has already considered the reexam and upheld patentability, even after the Lenovo IPR Petition was cited in an IDS. AT&T does not provide persuasive reasoning that this IPR is “an appropriate use of Board resources” given the multiple challenges the ’720 patent has overcome and continues to be subject to. The Petition should be discretionarily denied.

D. The Board’s Resources Are Better Spent Elsewhere

The Board should deny institution because its limited resources are better spent on the growing backlog of *ex parte* appeals. In 35 U.S.C. § 6(b)(1), the Board is tasked with “review[ing] adverse decisions of examiners upon applications for patent pursuant to section 134(a).” Congress also tasked the Board with reviewing appeals of reexaminations, derivation proceedings, IPRs, and PGRs. 35 U.S.C. § 6(b)(2)-(4). But current Office policy is to focus on *ex parte* appeals: “To ensure

that the PTAB continues to meet its statutory obligations as to *ex parte* appeals, while continuing to maintain its capacity to conduct AIA proceedings, the Director will exercise her discretion on institution of AIA proceedings” Interim Processes for PTAB Workload Management at 1 (Mar. 26, 2025).

In 2025, the pendency for *ex parte* reexams has increased in almost every technical center. Shown below, the time (in months) to a final decision has increased in 2025 (shown with the color bars and white values) compared to the same data from 2024 (shown with the gray bars and gray values). For the technology center of the ’720 patent—2600—the pendency has increased from 10.4 months to 12.5 months, over a 20% increase.



(Ex. 2016 at 7.)

These considerations weigh in favor of discretionary denial.

V. ANALYSIS OF THE *FINTIV* FACTORS

The above reasons favor discretionary denial regardless of the *Fintiv* factors. Still, the *Fintiv* factors, analyzed holistically, also support discretionary denial.

A. Factor 1: A Stay at the District Court Is Unlikely

Here, a stay has not been requested in the parallel litigation, and the District Court is statistically unlikely to grant one should it be requested. For example, even if a Petitioner filed a motion to stay pending IPR in the District Court proceedings, judges in the Eastern District have consistently explained that it is the practice of the Eastern District to deny motions to stay where, as here, IPRs have not been instituted. *See, e.g., Luminati Networks v. Teso LT*, No. 2:19-CV-00395-JRG, 2020 U.S. Dist. LEXIS 219284, at *3 (E.D. Tex. Oct. 29, 2020) (Gilstrap, J.) (“this Court has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings.”); *see also Trover Grp., Inc. v. Dedicated Micros USA*, No. 2:13-CV-1047-WCB, 2015 U.S. Dist. LEXIS 29572, at *17 (E.D. Tex. Mar. 11, 2015) (Bryson, J.) (“it is the universal practice” in this District to deny pre-institution motions to stay); *Viavi Sols. Inc. v. Zhejiang Crystal-Optech Co Ltd.*, No. 2:21-CV-00378-JRG, 2022 U.S. Dist. LEXIS 205106, at *15 (E.D. Tex. Nov. 10, 2022) (Gilstrap, J.) (“It is the Court’s established practice to consider that motions to stay pending IPR proceedings which have not been instituted are inherently premature and should be denied as such.”).

Judge Jordan of the Eastern District of Texas, overseeing the parallel litigation, is also likely to find that Patent Owner would suffer undue prejudice, because “a stay would delay its interest in the timely enforcement of its patent rights” and “since the final written decision for the IPR *could* issue after the scheduled trial, this factor weighs against a stay.” *Cobblestone Wireless, LLC v. Cisco Systems, Inc.*, No. 2:23-cv-00454-JRG-RSP, Dkt. 80 (E.D. Tex. Dec. 9, 2024) (emphasis added), *see also Cellspin Soft, Inc., v. ByteDance LTD., et al.*, No. 2:23-cv-00496-JRG-RSP, Dkt. 106 (E.D. Tex. Jan. 26, 2025). This sentiment is even truer here, where additional claims are at issue in the parallel District Court litigations, and the FWD will issue after the scheduled trials.

Thus, while Patent Owner recognizes that the Board ordinarily “will not attempt to predict” how a district court will proceed if a stay has not been granted (*see Sand Revolution II, LLC v. Continental Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 7 (P.T.A.B. June 16, 2020) (informative)), the present facts indicate both that (1) even if a Petitioner were to request a stay, any stay request will be denied because it is the Eastern District of Texas’s practice to not grant stays prior to institution, and (2) even if the Board institutes IPR proceedings, it is still unlikely that the presiding judge, Judge Jordan, will grant a stay.

Fintiv Factor 1 thus weighs in favor of discretionary denial.

B. Factor 2: Proximity of the Court’s Trial Date to the Board’s Projected Statutory Deadline for a Final Written Decision

The precedential *Fintiv* decision, IPR2020-00019 at Paper 11, in discussing the earlier *NHK* decision, expressly noted that:

[U]nder § 314(a) the Board considered the fact that the parallel district court proceeding was scheduled to finish before the Board reached a final decision as a factor favoring denial. The Board found that the earlier district court trial date presented efficiency considerations that provided an additional basis, separate from the independent concerns under 35 U.S.C. § 325(d), for denying institution. Thus, *NHK* applies to the situation where the district court has set a trial date to occur earlier than the Board’s deadline to issue a final written decision in an instituted proceeding.

Fintiv, IPR2020-00019, Paper 11 at 3. The rationale for discretionary denial in *NHK* also applies here, where the anticipated trial date is scheduled before the expected FWD date.

In the parallel litigation, the Final Pretrial Conference is currently scheduled for November 18, 2026, with trial expected to begin as soon as practicable thereafter. (Exs. 2003, 2004.) In other words, if the Board were to institute trial here, the district court trial is scheduled to conclude before the expected FWD in early January 2027. This earlier trial date presents efficiency considerations that are an independent basis for the Board to discretionarily deny institution.

The Board has consistently denied institution in cases involving similar gaps between the trial date and the statutory deadline for a FWD. *See, e.g., E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16, at 6–9 (P.T.A.B. May 15, 2019) (*one-*

month gap); *ZTE USA Inc. v. Fractus SA*, IPR2018-01461, Paper 10, 16-17 (P.T.A.B. Feb. 28, 2019) (“substantially the same grounds” raised, court “likely to go to trial before a final decision is reached”); *Fintiv, Inc.*, IPR2020-00019, Paper 15 at 13 (trial occurring two months before the expected FWD favored discretionary denial).

Additionally, since the Complaint was filed in the parallel litigation, the median time-to-trial for the Eastern District of Texas for jury trial has been approximately 23 months. (*See* Ex. 2017 (Docket Navigator median time-to-trial statistics for the Eastern District of Texas, June 7, 2024-Sept. 8, 2025).) Because the parallel District Court actions were filed on June 7, 2024, trial would be expected to occur in early May 2026, roughly eight months prior to the statutory deadline for the FWD on January 7, 2027. Here, trial is set as soon as practicable after the Final Pretrial Conference on November 18, 2026, several months after the expected median time-to-trial date and more than a month earlier than the statutory deadline of the FWD. The Board has found “[t]he fact that the time-to-trial statistic is earlier than the trial date set by [the Court] confirms that the schedule set by the District Court is credible and should be given weight.” *HP Inc. et al v. Universal Connectivity Technologies Inc.*, IPR2024-01429, Paper 11 at 9 (P.T.A.B. Apr. 16, 2025). The Board continued, “From this evidence, we are persuaded that we should rely on the trial date in the [District Court] litigation as the main indicator of a trial

court reaching the merits of the invalidity of the patent-at-issue before we issue a final written decision.” *Id.* “Accordingly, this factor strongly favors exercising discretionary denial.” *Id.* Thus, here, the trial date occurring after the median time-to-trial date should be given weight, and this factor strongly favors denial.

Additionally, it is important to note that Petitioner waited 364 days after the District Court complaint was served to file the Petition, a single day prior to the one-year statutory bar set forth by 35 U.S.C. § 315(b). (Ex. 2018 (Proof of Service).) Had AT&T been diligent in filing its Petition rather than delaying for a full year, AT&T could have avoided the trial date being scheduled before the FWD deadline. Now, because of AT&T’s delay, the question of patentability will already be resolved by the District Court prior to the FWD in these proceedings. Moreover, while Patent Owner understands that a petitioner may wait to file an IPR petition until after the petitioner has seen what claims are being asserted in district court, AT&T was served with infringement contentions on October 21, 2024, almost *eight months* prior to the 12-month deadline to file the Petition. (Ex. 2006.) Even so, AT&T chose not to challenge all asserted claims.

Thus, Factor 2 weighs heavily in favor of discretionary denial.

C. Factor 3: Both Parties and the Court Have Invested Substantial Effort in the Parallel Litigation and Will Invest Even More Before an Institution Decision

The PTAB “consider[s] the 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, Inc.*, IPR2020-00019, Paper 11 at 9. By the expected institution decision date, January 7, 2026, the parties will have expended significant effort, including, among other things, preparing and serving thousands of pages of infringement and invalidity contentions, propounding and responding to numerous interrogatories, requests for productions, and requests for admissions, producing and reviewing thousands of pages of discovery, conducting depositions of fact witnesses and any third-party witnesses, and going through the *Markman* process. Indeed, AT&T (with AsusTek) has already served thousands of pages of invalidity contentions and the parties are beginning the *Markman* process imminently. (See Ex. 2003.) Thus, it cannot be said that the parallel litigation is or will be in its early stages as of the expected institution decision date of January 7, 2026.

By the expected institution decision date, the District Court will also have invested substantial resources in the parallel litigation and related litigations, including presiding over, and likely ruling on, the *Markman* hearing. (See Exs. 2003, 2004.) The *Markman* hearing is scheduled to occur approximately two weeks prior to the institution deadline. (See Ex. 2003.) And, given the timing, it is still possible for the Lenovo case’s *Markman* process to be consolidated with that of the other cases, piling on additional Court investment to consider.

Under similar circumstances, the PTAB has declined to institute IPR. *See, e.g., 10X Genomics v. Pres. And Fellows of Harvard College*, IPR2023-01299, Paper 15 at 18 (P.T.A.B. Mar. 7, 2024) (denying institution of IPR when district court case had proceeded through *Markman* hearing and parties had exchanged contentions and completed substantial fact discovery); and *Samsung Elecs. Co. v. Mojo Mobility Inc.*, IPR2023-01098, Paper 11 at 8-9 (Feb. 9, 2024) (denying institution of IPR when district court case had proceeded through fact discovery and the *Markman* hearing).

Therefore, Factor 3 also weighs heavily in favor of discretionary denial.

D. Factor 4: Overlap of Issues Raised in the Petition and the Parallel District Court Litigation

Claims 19, 22-33, 36-43, 45-58, 60-75, 77-93, and 95 of the '720 patent are challenged in the Petition. (Pet. at 15, 80.) Currently, those claims and three additional claims are at issue in the parallel litigation. (*See Ex. 2006.*) Thus, there is overlap with the references and arguments relied on in the Petition and the parallel litigation, *plus* the District Court will rule on additional claims not present in the Petition. So, institution of this IPR would have the potential to resolve validity of only a subset of the claims asserted against AT&T in the parallel litigation. Such duplication is an inefficient use of the Board's and the Court's resources, especially when the Court will resolve validity not just of the claims challenged in the Petition, but of *all* asserted claims. *See, e.g., Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 10 (P.T.A.B. May 15, 2020) ("In at least these ways,

the parallel proceedings would duplicate effort. This is an inefficient use of Board, party, and judicial resources and raises the possibility of conflicting decisions.”).

In addition, AT&T has not filed, nor indicated that it intends to file, a *Sotera* stipulation or other stipulation that could mitigate concerns of duplicative efforts between the District Court and the Board. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18-19 (P.T.A.B. Dec. 1, 2020) (precedential as to §II.A). Indeed, the invalidity contentions that AT&T and AsusTek jointly served in the parallel litigation include all of the prior art references AT&T cites in the Petition. The absence of any such stipulation indicates that AT&T is using the IPR process in conjunction with the District Court to have the Board duplicate the Court’s efforts and get two bites at the apple.

Finally, though the asserted claims may get narrowed throughout progress in the District Court, it is unlikely that the three claims unchallenged in the Petition will be dropped, if for no other reason than they are not subject to Board review in this proceeding. The validity of the challenged claims, plus those additional claims, will be resolved sooner and more comprehensively by the District Court than in this IPR should it be instituted.

Factor 4 thus weighs in favor of denying institution.

E. Factor 5: Petitioner Is Represented in the Parallel District Court Litigation

AT&T is a party to the parallel litigation, as are the named real parties-in-interest. (*Compare, e.g.*, Ex. 2007 caption *with* Pet. at 3.) Though AT&T Inc. has since been dismissed without prejudice from the parallel litigation (Ex. 2019), the interests of AT&T Services, Inc., AT&T Mobility LLC, AT&T Mobility II LLC, AT&T Inc., and AT&T Inc.’s other subsidiaries are fully aligned. Beyond the parent and subsidiary interests they share, they operate as a unitary business, and thus they are functionally the same party for the purposes of this Petition. (*See, e.g.*, Ex. 2002 at ¶¶44-48.)

There is no unrelated third party involved in either the IPR or the parallel litigation, and adjudication in the District Court proceeding will therefore resolve all claims between the parties.

Factor 5 therefore weighs in favor of discretionary denial. *See Fintiv II*, IPR2020-00019, Paper 15 at 15.

F. Factor 6: Petitioner’s Grounds Do Not Rise to the Level of “Compelling Evidence of Unpatentability”

Under the sixth *Fintiv* factor, the Board may consider other circumstances that impact the Board’s exercise of discretion, including the merits. *Fintiv*, IPR2020-00019, Paper 11 at 14-15; *see also PTAB Workload Management Memorandum* at 2 (stating that “consistent with the discretionary considerations enumerated in existing Board precedent . . . and the Consolidated Trial Practice Guide (Nov. 2019),” the parties may address all relevant considerations, including “[t]he strength of the

unpatentability challenge” and “[t]he extent of the petition's reliance on expert testimony.”).

Here, the '720 patent has overcome reexamination after submission of the Lenovo IPR Petition in an IDS, and this Petition has overlapping art to what has been considered; thus Patent Owner refers to the reexamination File History in support of this factor.

In addition, Petitioner has failed to identify a “first signal,” a “second signal,” a “filtered first transmission signal,” and a “filtered second transmission signal,” as recited in independent claims 19 and 53. To the extent Petitioner alleges to identify any signals in prior art as corresponding to the claimed “signals,” those alleged signals fail to satisfy all of the recited requirements of each claimed “signal,” such as each’s specific claimed attributes and functionality. Instead, Petitioner appears to assume each claimed signal having its respective attributes and functionality is present, based merely on the fact that certain arbitrary signals are transmitted, but does not identify which of those arbitrary signals correspond to the recited claim elements and why. This is insufficient.

Further, for independent claim 95, Petitioner mistakes which node performs the claimed method step of “simultaneously transmitting to one or more other nodes.” Petitioner merely refers back to arguments made with respect to claim 19, which recites different nodes performing claimed method steps, and overlooks

critical distinctions between the claims. This is fatal to Petitioner’s argument and insufficient for a finding of invalidity.

Therefore, the *Fintiv* factors collectively weigh in favor of discretionary denial, and the Board should deny institution under § 314(a).

VI. DENIAL OF THE PETITION UNDER § 315(d) IS APPROPRIATE

When there are parallel proceedings pending before the Patent Office—such as multiple IPR petitions and a reexam—“the Director may determine the manner in which the *inter partes* review or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, ***or termination*** of any such matter or proceeding.” 35 U.S.C § 315(d) (emphasis added).

The Office ordered an *ex parte* reexam of the ’720 patent on December 5, 2024, regarding claims 53-56, 64-66, 70, 76, 81-84, and 87-94 of the ’720 patent. (Ex. 2011.) Though the Office issued a Reexam Certificate on August 26, 2025 (Ex. 2015), the reexam was still pending at the time this Petition was filed.

In addition, the Office is concurrently considering Lenovo’s Petition of IPR2025-00838, filed on April 29, 2025, during pendency of the reexam, challenging claims of the ’720 patent.

In view of the finite resources of the Board and the reexam and co-pending IPR Petition, the Director should deny this Petition under 35 U.S.C § 315(d).

VII. CONCLUSION

Holistically, the above considerations favor discretionary denial. The Board should therefore exercise its discretion to deny institution.

Respectfully submitted,

Dated: September 8, 2025

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CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITS

This Patent Owner's Discretionary Denial Briefing consists of 6,509 words, excluding cover page, table of contents, table of authorities, certificate of service, this certificate, or table of exhibits. The brief complies with the type-volume limitation of 14,000 words as mandated in 37 C.F.R. §42.24. In preparing this certificate, counsel has relied on the word count of the word-processing system used to prepare the paper (Microsoft Word).

/ Andrew Sherman /
Andrew Sherman

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was served electronically via electronic mail on September 8, 2025, on the following counsel of record for Petitioner:

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