

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BOE TECHNOLOGY GROUP CO., LTD.,

Petitioner,

v.

PANELTOUCH TECHNOLOGIES LLC,

Patent Owner.

Case IPR2025-01267
U.S. Patent No. 11,126,025

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

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37 C.F.R. § 42.107(a)	1

37 C.F.R. § 42.107(b)	1
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PATENT OWNER'S EXHIBIT LIST

No.	Description
2001	Docket Navigator IPR Stay Statistics
2002	Docket Navigator Judge Gilstrap Median Time-to-Trial Statistics
2003	<i>Dabico Airport Solutions Inc. v. Axa Power Aps</i> , IPR2025-00408 (Paper 21)
2004	BOE Technology, WIKIPEDIA, available at https://en.wikipedia.org/wiki/BOE_Technology (last accessed October 16, 2025).
2005	US11112025B2, GOOGLE PATENTS, available at https://patents.google.com/patent/US11126025B2/en?q=11126025 (last accessed October 16, 2025).
2006	<i>Proposed Revision to Rules of Practice before the Patent Trial and Appeal Board</i> , DEPARTMENT OF COMMERCE (filed Oct. 16, 2025).

I. INTRODUCTION

Pursuant to the Director's March 26, 2025 memorandum regarding Interim Processes for PTAB Workload Management ("March 26, 2025 Memo"), Patent Owner Optronic Sciences LLC 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 *Fintiv* factors and additional relevant considerations weigh strongly in favor of discretionary denial. For Factor 1, the District Court has not entered a stay and a stay is unlikely. For Factor 2, trial in the District Court litigation is likely to occur a month prior to a Final Written Decision in these proceedings. For Factor 3, Petitioner's delay tactics cause this factor to weigh against institution or at least be neutral. For Factor 4, the challenged claims in the Petition cover the majority of the claims, including all independent claims and the *Sotera*-type stipulation does not prevent overlap between this IPR and the District Court proceeding. For Factor 5, Petitioner is the defendant in the District Court litigation. And for Factor 6, additional considerations favor discretionary denial, including Patent Owner's strong settled expectations.

Patent Owner thus respectfully requests discretionary denial of the Petition.¹

¹ Patent Owner will 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).

II. DENIAL OF INSTITUTION UNDER §314 IS WARRANTED.

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. Intrix-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19-21 (PTAB Sept. 12, 2018) (precedential) (“*NHK*”). The Board has set forth six factors for determining whether discretionary denial in light of such 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;
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*”).

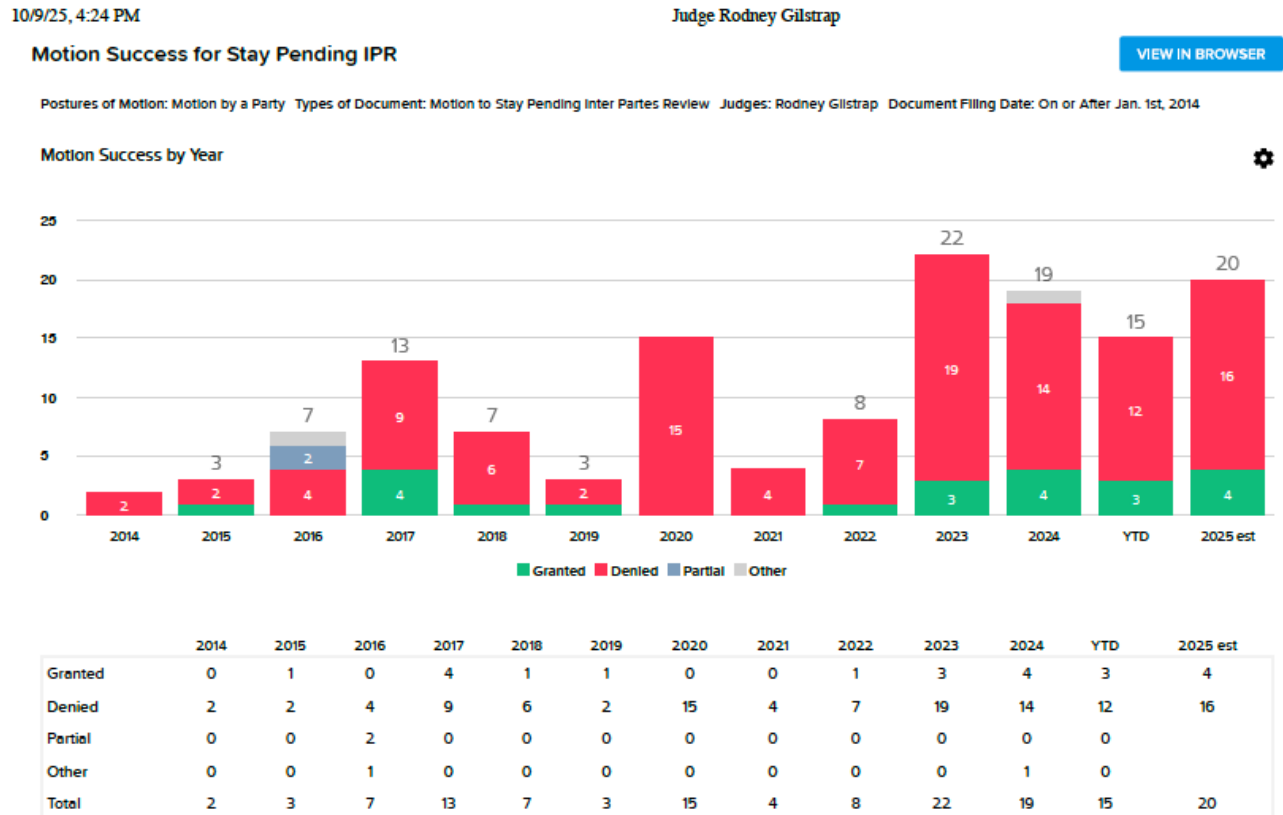
A. *Fintiv* Factor 1: The District Court Is Unlikely To Grant A Stay

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.

Here, the District Court has not granted a stay, and a stay is statistically unlikely. For example, the Petitioner has not yet filed a motion to stay pending IPR in the District Court proceedings. The presiding judge, Judge Rodney Gilstrap, as well as other 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 Ltd. v. Teso LT, UAB*, No. 2:19-CV-00395-JRG, 2020 WL 6803255, at *1 (E.D. Tex. Oct. 30, 2020) (“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 WL 1069179, at *6 (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.*, No. 2:21-CV-00378-JRG, 2022 WL 16856099, at *5 (E.D. Tex. Nov. 10, 2022) (“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.”).

Moreover, even if the Board institutes IPR proceedings, it is statistically unlikely that the District Court would grant a stay. For example, an analysis of the outcomes for motions to stay pending IPR before Judge Gilstrap demonstrates that

the *vast majority* of these motions have been denied:



See Ex. 2001 (Docket Navigator Stay Statistics).

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 (Jun.16, 2020) (informative)), the present facts indicate that it is unlikely that Judge Gilstrap will grant a stay.

The USPTO’s recent proposed revision to the Rules of Practice explains the inefficiencies of parallel validity challenges where a stay is not granted. Ex. 2006 at 6 (“if the district court case is not stayed, the defendant may raise any invalidity

argument in district court while the IPR is pending. In these circumstances, IPRs can add significant expense and delay compared with standalone district court litigation.”). “These serial and parallel patentability challenges have undermined the reliability of patent rights and deterred investment in new technologies.” *Id.* Because a stay is unlikely here, *Fintiv* Factor 1 strongly favors discretionary denial.

B. *Fintiv* Factor 2: The District Court Trial Is Likely to Occur a Month Before the Deadline for a Final Written Decision

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. “If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” *Id.* at 9.

Here, the deadline for a final written decision is February 18, 2027, which may be extended to August 18, 2027 for good cause or in the case of joinder. 37 C.F.R. § 42.100(c). Although a trial date has not yet been set, the median time-to-jury-trial for Judge Gilstrap is twenty-two (22) months. *See* Ex. 2002 (Docket Navigator Median Time-to-Trial Statistics). Because the parallel District Court action was filed on February 28, 2025, this indicates that the District Court trial is likely to occur in December of 2026, two months prior to the statutory deadline for a Final Written Decision.

Thus, *Fintiv* Factor 2 weighs in favor of discretionary denial. *See, e.g., Samsung Elecs. Co. v. Mojo Mobility Inc.*, IPR2023-01094, Paper 11 at 8-9 (PTAB Feb. 9, 2024) (“*Mojo*”) (denying institution when trial was set before the final written decision would issue); *BOE Tech. Grp. Co. v. Element Capital Commercial Co.*, IPR2023-00808, Paper 9 at 21-22 (PTAB Nov. 15, 2023) (“*BOE*”) (same); *Vector Flow, Inc. v. HID Global Corp.*, IPR2023-00353, Paper 8 at 19-20 (PTAB July 17, 2023) (“*Vector Flow*”) (same); *Roku, Inc. v. IOEngine, LLC*, IPR2022-01551, Paper 11 at 10-11 (PTAB May 5, 2023) (“*Roku*”) (same).

Indeed, the Board has denied institution on account of even smaller gaps between the final written decision and trial. *See, e.g., EClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper 10 at 9 (PTAB Apr. 13, 2022) (“*EClinicalWorks*”) (finding this factor weighed in favor of discretionary denial and denying institution where “the beginning of the jury trial in the WDTX Cases is roughly *one or two months* before any final decision would have been due had *inter partes* review been instituted”) (emphasis added).

Accordingly, this factor weighs against institution because trial is likely to happen a month before the statutory deadline for final written decision in this IPR. *Fintiv II* at 13.

C. *Fintiv* Factor 3: The Parties’ Investment in the District Court Case At the Time of an Institution Decision

Fintiv Factor 3 looks to 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 I* at 9 (emphasis added). For example, “if, at the time of the institution decision, the district court has issued substantive orders related to the patent at issue in the petition,” this factor favors denial. *Id.* at 9-10. “Likewise, district court claim construction orders may indicate that the court and parties have invested sufficient time in the parallel proceeding to favor denial.” *Id.* at 10.

An institution decision would be due by February 18, 2026. *See* AIA § 6 (codifying 35 U.S.C. § 314(b)). The Court has not entered a scheduling order due to delays caused by Petitioner’s gamesmanship of U.S. procedure, which weighs against institution as explained below.

Thus, *Fintiv* Factor 3 weighs against institution or is neutral.

D. *Fintiv* Factor 4: There is Substantial Overlap Between this IPR and the District Court Proceeding

Fintiv Factor 4 looks to “whether all or some of the claims challenged in the petition are also at issue in district court” and whether the “petition includes the same or substantially the same claims, grounds, arguments, and evidence” as the parallel district court case. *Fintiv I* at 12-13. In short, this factor evaluates “concerns of inefficiency and the possibility of conflicting decisions” when substantially identical prior art is submitted in both the district court and IPR proceeding. *Id.* at 12.

The Petition challenges 13 of the 18 claims of the ’025 Patent (including all

independent claims), so there will be substantial overlap between this IPR and the District Court proceeding.

Additionally, while Petitioner served and filed a *Sotera*-type stipulation stating that Petitioner will not pursue that “claims subject to this IPR are invalid on grounds that were raised in this IPR or grounds that could have reasonably been raised in this IPR” (Paper 7), such a stipulation is not sufficient to ensure that IPR proceedings would be a “true alternative” to the District Court litigation. *See Sotera*, Paper 12 at 19; *see also 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”).

The deficiencies of Petitioner’s stipulation were recently explained in detail in the proposed revision to the USPTO’s Rules of Practice:

[E]ven when a patent is challenged by only one IPR petition, it will usually be challenged twice—once in the IPR and once in district court or at the ITC. PTAB precedent stipulations not to pursue invalidity challenges in district court or at the ITC based on an invalidity ground that a petitioner raised or could have raised in an IPR petition, and the AIA IPR estoppel provisions mitigate these problems, but petitioners still frequently bring “repetitive challenges based on slightly rebranded evidence.” . . .

. . .

Furthermore, the simplification of the district court case is often limited because the petitioner rarely reduces the number of invalidity theories it advances in district court. Most often, the petitioner substitutes a new invalidity theory in district court for the ones it may be estopped from raising in district court. For example, patent challengers typically do not receive less summary judgment briefing or trial time to address validity when there is a parallel IPR, and the IPR is not likely to simplify expert discovery. Thus, an IPR proceeding does not often materially reduce the resources necessary to resolve the district court dispute. Additionally, 35 U.S.C. 315(e) provides for estoppel following IPR only after the issuance of a final written decision. Therefore, if the district court case is not stayed, the defendant may raise any invalidity argument in district court while the IPR is pending. In these circumstances, IPRs can add significant expense and delay compared with standalone district court litigation.

...

Under the proposed revisions, this section would provide that the Office will not institute an IPR when a petitioner intends to pursue invalidity challenges under §§ 102 or 103 in other venues, such as district court or the U.S. International Trade Commission. This proposed section would further require the Petitioner to file the stipulation in any other venue where it is litigating with the patent owner. The Office's view is that this requirement would promote fairness and efficiency by channeling similar patent challenges to a single forum and ensure that IPRs "should generally serve as a complete substitute for at least some phase of the litigation." S. Rep. No. 110-259 at 72.

Ex. 2006 at 5-6, 12.

Here, Petitioner’s stipulation fails to provide assurance that there will not be substantial overlap between the District Court proceedings and the proposed IPR proceedings, nor has it filed a stipulation in the district court that it will not pursue invalidity challenges under §§ 102 or 103. Petitioner has not yet served invalidity contentions in the district court. But Patent Owner expects that Petitioner’s invalidity contentions include combinations of any art (including the art asserted in this IPR) with unpublished system art, rendering Petitioner’s stipulation insufficient to ensure that the IPR proceedings are a “true alternative” to the District Court proceedings.².

Additionally, Petitioner’s stipulation still permits subsequent *ex parte reexamination* petitions on grounds that could have been raised in the Petition, should Petitioner not receive its preferred outcome here. 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

² *See also* FAQs for Interim Processes for PTAB Workload Management, <https://www.uspto.gov/patents/ptab/faqs> (“Where the petitioner is relying on corresponding system art in a co-pending proceeding and/or several other invalidity theories, a stipulation may not be particularly meaningful because the efficiency gained by any AIA proceeding will be limited.”).

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 similarly problematic. *See* Ex. 2006 at 5–6, 12.

In short, if the Board was to grant institution in this proceeding, the parties will be engaged in “parallel patentability challenges have undermined the reliability of patent rights and deterred investment in new technologies.” would be issuing an opinion on the same claims of the ’025 patent whose validity would have been previously tried before the District Court months prior, and the same claims of the ’025 patent whose validity may subsequently be challenged again during any potential *ex parte reexamination* process. This is the opposite of efficiency and contravenes the very purpose of the IPR process.

Accordingly, *Fintiv* Factor 5 weighs against institution.

E. *Fintiv* Factor 5: Petitioner Is The 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 weighs in favor of discretionary denial.” *Fintiv II* at 15. Here, the Petitioner is the defendant in the parallel litigation.

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

F. *Fintiv* Factor 6: Other Considerations Weigh Against Institution

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 because, as discussed further below, “additional considerations” (as outlined in the Director’s March 26, 2025 Memo) weigh in favor of discretionary denial.

III. Additional Considerations Weigh In Favor Of Discretionary Denial

In addition to the above factors, as explained in the March 26, 2025 Memo, additional 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, as discussed further below: 1) no changes in the law support reconsideration of validity of the '025 patent claims; 2) Patent Owner has developed settled expectations through Petitioner's longstanding awareness of the '025 Patent; 3) the Petition is weak and overly-reliant on expert testimony to gap-fill holes in the prior art; and 4) Petitioner's gamesmanship of U.S. process impedes judicial economy and frustrates the purpose that IPRs serve as a streamlined alternative.

A. No Changes in the Law Support Reconsideration of Validity

First, no changes in the law support reconsideration of the validity of the '025 patent claims, and Petitioner does not identify any such change.

B. Patent Owner's Settled Expectations: Petitioner Has Long Been Aware of the '025 Patent

In *Irythm Technologies, Inc. v. Welch Allyn, Inc.*, IPR2025-00363 (Paper 10), the USPTO denied institution because the Petitioner had long been aware patents being challenged. *Id.* at 3. The *Irythm* petitioner "cited the then-pending application . . . in an Information Disclosure Statement. . . . 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.* Here, at least three families of BOE's Chinese patent applications cited the '025 Patent or its family. Ex. 2005 at 15 (highlighting BOE's Chinese name); Ex. 2004 (confirming BOE's Chinese name). Despite Petitioner's awareness of the '025 Patent and its family, Petitioner did not seek early review of the '025 Patent. Petitioner's early awareness of the '025

Patent and its family built a foundation of settled expectations by the Patent Owner, providing a reasonable expectation that the presumptively valid patent claims—which already passed thorough examination by the Office—may be relied upon to defend Patent Owner’s intellectual property rights.

When a patent has strong settled expectations like the ’025 Patent, a petitioner must provide “persuasive reasoning” to disturb those settled expectations. *See* Ex. 2003 at 3. No such reasoning exists here. Thus, the settled expectations of the parties is an additional relevant consideration weighing against institution.

C. Strength of the Unpatentability Challenge: The Petition Fails to Meet Its Burden and is Over-Relies on Expert Testimony

The Petition is particularly weak and overly reliant on unreliable expert testimony to gap-fill holes in the prior art. For example, as discussed in the FAQs for Interim Processes for PTAB Workload Management, “[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.”³ Thus, a “failure to provide focused expert testimony may weigh against institution.” *Id.*

³ FAQs for Interim Processes for PTAB Workload Management, https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management?utm_campaign=subscriptioncenter&utm_content=&utm_medium=e

The Petition relies on **167 pages** of expert testimony in an attempt to cobble together multiple different prior art references to support the Petition's invalidity grounds. *See, e.g.*, Petition at *passim*; Ex. 1003 (Flask Decl). This over-reliance on expert testimony to gap-fill holes in the prior art is an additional relevant consideration weighing against institution.

D. Other Considerations: Petitioner's Manipulation Of Their Status As A Foreign Entity

Petitioner is a Chinese company. As such, in order to effect formal service, Patent Owner was required to engage in lengthy foreign service protocols that can take a year or longer. Petitioner has used these requirements to slow down the litigation while accelerating its effort to file its Petition.

Petitioner was notified of the district court complaint shortly after filing because Patent Owner quickly provided a copy to Petitioner. Patent Owner provided this courtesy copy to Petitioner because, among other things, it sought to have Petitioner agree to waive formal service. Petitioner declined to do so until July 23, 2025 (over **five months** after filing) before waiving service. While refusing to accept service, Petitioner used the delay afforded by its foreign status to prepare and file several IPR petitions, including IPR2025-01245 (filed July 10, 2025) and IPR2025-01245 (filed July 10, 2025), followed closely by the instant IPR (filed August 5, 2025) and two additional IPRs (IPR2025-01482 and IPR2025-01483). Such gamesmanship will result in delays that prejudice Patent Owner (including upsetting

Patent Owner's settled expectations) and undermine the efficiency of both district court litigation and AIA proceedings. Patent Owner expects Petitioner will use the gap in between filing and its waiver of formal service to its advantage by disagreeing as to the likely trial date. Allowing Petitioners to manipulate timing in this manner incentivizes strategic delays, contrary to congressional intent that IPRs serve as a streamlined and efficient alternative—not a tactical weapon that frustrates judicial economy.

Accordingly, the Director should exercise discretion to deny institution and discourage abuse of U.S. process.

IV. THE BALANCE OF EVIDENCE FAVORS DENIAL

The *Fintiv* Factors and additional relevant considerations weigh in favor of discretionary denial. Thus, considered as a whole, the relevant facts all weigh in favor of exercising discretionary denial.

V. CONCLUSION

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

Date: October 20, 2025

Respectfully submitted,

/Jefferson Cummings/

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CERTIFICATE OF PAGE LIMIT

I certify that there are less than 20 pages in this request for discretionary denial, in accordance with the current interim director discretionary process, available at <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>.

/Jefferson Cummings/
Jefferson Cummings (Reg. No. 81,926)

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e)(1))

The undersigned hereby certifies that the above document was served on October 20, 2025, by filing this document through the P-TACTS system as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioner:

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