

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

DIALECT, LLC,
Patent Owner.

IPR2025-01352
Patent 8,620,659

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

TABLE OF CONTENTS

	Page
EXHIBIT LIST	v
I. THE EXAMINER MATERIALLY ERRED IN ALLOWING THE '659 PATENT CHALLENGED CLAIM	1
A. The Examiner Failed To Appreciate A Break In Priority And The Grandparent Publication's Status As Prior Art.....	1
B. The Challenged Claim Does Not Include The Subject Matter The Examiner Identified As Allowable.....	5
II. PATENT OWNER UNREASONABLY DELAYED ASSERTION, FURTHER WEIGHING AGAINST DISCRETIONARY DENIAL.....	7
A. Patent Owner Did Not Allege Infringement Until 2024, After The Accused Cortana Was Discontinued, And Based Its Infringement Allegations On Public Documents Dating To 2014.....	8
B. Original Assignee VoiceBox Never Alleged Infringement, Despite Supposedly "Extensive Discussion" With Microsoft	10
C. Former Owner Nuance Never Alleged Infringement, Despite Deep Familiarity With The Accused Azure AI System	11
D. Other Factors Undermine Patent Owner's Settled Expectations	12
III. MICROSOFT NEITHER OWNED NOR BENEFITED FROM THE '659 PATENT, AND ONLY ACQUIRED NUANCE AFTER NUANCE ASSIGNED THE PATENT AWAY.....	13
A. Microsoft Never Owned The '659 Patent And Developed The Accused Technology Independently Of Nuance.....	14
B. Prior Cases Do Not Justify A Finding Of Unfair Dealings.....	15
IV. OTHER FACTORS WEIGH AGAINST DISCRETIONARY DENIAL OR ARE NEUTRAL.....	17
A. Anticipated Trial Date	17

B.	Petitioner’s Broad Stipulation Reduces Potential Overlap	18
V.	DISCRETIONARY DENIAL IS INAPPROPRIATE FOR CONSTITUTIONAL AND OTHER REASONS	19
	CERTIFICATE OF SERVICE	21

TABLE OF AUTHORITIES

Page(s)

Cases

<i>Arista Networks, Inc. v. Cisco Sys., Inc.</i> , 908 F.3d 792 (Fed. Cir. 2018)	19
<i>Arthrex, Inc. v. Smith & Nephew, Inc.</i> , 35 F.4th 1328 (Fed. Cir. 2022)	4, 5
<i>In re Sandisk Techs., Inc.</i> , No. 25-152 (Fed. Cir. Sept. 18, 2025)	19
<i>In re SAP Am., Inc.</i> , No. 25-132 (Fed. Cir. June 16, 2025)	19
<i>Indivior UK Ltd. v. Dr. Reddy's Lab 'ys S.A.</i> , 18 F.4th 1323 (Fed. Cir. 2021)	5

Board Decisions

<i>Analog Devices, Inc., v. Number 14 B.V.</i> , IPR2025-00550, Paper 10 (Director July 16, 2025)	15, 16
<i>Intel Corp. v. Proxense LLC</i> , IPR2025-00327, Paper 12 (Director June 26, 2025)	12
<i>Microsoft Corp. v. Dialect, LLC</i> , IPR2025-00655, Paper 12 (Director Aug. 14, 2025)	16
<i>Microsoft Corp. v. ParTec AG</i> , IPR2025-00318, Paper 9 (Director June 12, 2025)	18
<i>Reckitt Benckiser v. Ansell Healthcare</i> , IPR2017-00063, Paper 38 (PTAB Jan. 30, 2018)	5
<i>Samsung Elecs. Co. v. Wilus Inst. of Standards and Tech. Inc.</i> , IPR2025-00933, Paper 11 (Director Oct. 10, 2025)	18
<i>Skullcandy, Inc., v. Earin AB</i> , IPR2025-00690, Paper 9 (Director July 31, 2025)	7

<i>Tesla, Inc. v. Intellectual Ventures II LLC</i> , IPR2025-00217, Paper 9 (Director June 13, 2025).....	18
<i>Tessell, Inc. v. Nutanix, Inc.</i> , IPR2025-00322, Paper 14 (Director June 12, 2025).....	16

EXHIBIT LIST

LIST OF NEWLY FILED EXHIBITS

Exhibits concurrently filed with Petitioner's Opposition To Patent Owner's
Request For Discretionary Denial:

No.	Description
1029	<i>End of Support For Cortana</i> , Microsoft, available at https://support.microsoft.com/en-us/topic/end-of-support-for-cortana-d025b39f-ee5b-4836-a954-0ab646ee1efa#:~:text=Cortana%20voice%20assistance%20in%20Windows,in%20the%20fall%20of%202023
1030	Chris Paoli, <i>Microsoft to Kill Cortana in Windows</i> , Redmond Magazine, June 5, 2023, available at https://redmondmag.com/articles/2023/06/05/microsoft-to-kill-cortana-in-windows.aspx
1031	<i>Cortana to Open up to New Devices and Developers With Corana Skills Kit and Cortana Devices SDK</i> , Windows Apps Team, Dec. 13, 2016, available at https://blogs.windows.com/windowsdeveloper/2016/12/13/cortana-skills-kit-cortana-devices-sdk-announcement
1032	Appendix I to the Complaint, <i>Dialect, LLC v. Microsoft Corp.</i> , Case 2:24-cv-01067-JRG (E.D. Tex. Dec. 20, 2024)
1033	Daniel B. Kline, <i>Is 2015 the Year Voice Assistants Take Over Your Home?</i> , The Motley Fool, Jan. 25, 2015, available at https://www.fool.com/investing/general/2015/01/25/is-2015-the-year-cortana-echo-and-siri-take-over-y.aspx
1034	Madeline Vuong, <i>VoiceBox and Samsung Announce Partnership for S Voice Technology</i> , GeekWire, Feb. 22, 2016, available at https://www.geekwire.com/2016/voicebox-and-samsung-announce-partnership-for-samsung-voice-services
1035	<i>Nuance and Microsoft Partner to Transform the Doctor-Patient Experience</i> , Microsoft Source, Oct. 17, 2019, available at

No.	Description
	https://news.microsoft.com/source/2019/10/17/nuance-and-microsoft-partner-to-transform-the-doctor-patient-experience
1036	Press Release, Microsoft Corp. and Nuance Communications, Inc., Microsoft Accelerates Industry Cloud Strategy for Healthcare with the Acquisition of Nuance, April 12, 2021, available at https://news.microsoft.com/source/2021/04/12/microsoft-accelerates-industry-cloud-strategy-for-healthcare-with-the-acquisition-of-nuance/
1037	Franchise Tax Account Status, Texas Comptroller of Public Accounts, available at https://comptroller.texas.gov/taxes/franchise/account-status/search/32083980899
1038	<i>A Study of Unpatentability Findings in Inter Partes Review (IPR) Final Written Decisions (FWDs)</i> , United States Patent and Trademark Office, Nov. 21, 2024, available at https://www.uspto.gov/sites/default/files/documents/ppac-aia-ipr-study-20241121.pdf
1039	U.S. District Court – Judicial Caseload Profile, available at https://www.uscourts.gov/sites/default/files/document/fcms_na_distprofile0630.2025.pdf
1040	Press Release, Microsoft Completes Acquisition of Nuance, Ushering in New Era of Outcomes-Based AI, March 4, 2022, available at https://news.microsoft.com/source/2022/03/04/microsoft-completes-acquisition-of-nuance-ushering-in-new-era-of-outcomes-based-ai/
1041	Complaint, <i>Dialect, LLC v. Microsoft Corp.</i> , Case 2:24-cv-01067-JRG (E.D. Tex. Dec. 20, 2024)

LIST OF PREVIOUSLY FILED EXHIBITS

No.	Description
1001	U.S. Patent No. 8,620,659 (“ 659 patent ”)
1002	File History of U.S. Patent No. 8,620,659
1003	Declaration of Paul Jacobs, dated August 5, 2025 (“ Jacobs Decl. ” or “ Jacobs ”)
1004	U.S. Patent Application No. 11/200,164 to Di Cristo et al. (“ Grandparent Application ”)
1005	U.S. Patent Application Pub. No. 2007/0038436 to Di Cristo et al. (“ 2007 Grandparent Pub. ”)
1006	U.S. Patent Application No. 12/571,795 to Di Cristo et al. (“ Parent Application ”)
1007	U.S. Patent Application Pub. No. 2010/0023320 to Di Cristo et al. (“ 2010 Parent Pub. ”)
1008	U.S. Patent Application Pub. No. 2005/0054381 to Lee et al. (“ Lee ”)
1009	U.S. Patent No. 6,622,119 to Ramaswamy et al. (“ Ramaswamy ”)
1010	PCT Patent Application No. WO 2000/011571 to Hartono et al. (“ Hartono ”)
1011	N/A
1012	Order (Construing Claim Terms), <i>Dialect, LLC v. Amazon.com Inc.</i> , Case No. 1:23-cv-00581 (DJN) (E.D. Va.) (April 29, 2024)
1013	Joint Claim Construction and Prehearing Statement, <i>Dialect, LLC v. Bank of America, N.A.</i> , Case No. 2:24-cv-00207-JRG (E.D. Tex.) (May 6, 2025)
1014	Ganesh Ramaswamy et al., <i>A Pervasive Conversational Interface for Information Interaction</i> , 6th Eur. Conf. on Speech Commc’n and Tech. (Sep. 1999)
1015	N/A

No.	Description
1016	Julie A. Jacko and Andrew Sears, <i>The Human-Computer Interaction Handbook - Fundamentals, Evolving Technologies and Emerging Applications</i> , Lawrence Erlbaum Assocs. (2003)
1017	Mazin Rahim et al., <i>Robust Numeric Recognition in Spoken Language Dialogue</i> , Speech Comm., Vol. 34, 195-212 (2001)
1018	Ganesh N. Ramaswamy and Jan Kleindienst, <i>Hierarchical Feature-Based Translation for Scalable Natural Language Understanding</i> , 6 th Int'l Conf. on Spoken Language Processing (Oct. 2000)
1019	N/A
1020	Craig A. Knoblock and Yigal Arens, <i>An Architecture for Information Retrieval Agents</i> , AAAI Tech. Rep. SS-94-03, 49-56 (1994)
1021	Lawrence R. Rabiner, <i>A Tutorial on Hidden Markov Models and Selected Applications in Speech Recognition</i> , IEEE, Vol. 77, No. 2, 257-286 (Feb. 1989)
1022	Jelinek, F. et al., <i>Design of a Linguistic Statistical Decoder for the Recognition of Continuous Speech</i> , IEEE Transactions of Info. Theory, Vol. IT-21, No. 3, 250-256 (May 1975)
1023	Sadaoki Furui, <i>Speaker-Independent Isolated Word Recognition Using Dynamic Features of Speech Spectrum</i> , IEEE Transactions on Acoustics Speech and Signal Processing, Vol. ASSP-34, No. 1, 52-59 (Feb. 1986)
1024	PCT Patent Application No. WO 2004/021706 to Goronzy et al.
1025	Mikael Sollenborn and Peter Funk, <i>Category-Based Filtering and User Stereotype Cases to Reduce the Latency Problem in Recommender Systems</i> , 6th Eur. Conf. on Case Based Reasoning, 395-405 (Sep. 2002)
1026	Diane Kelly and Nicholas J. Belkin, <i>A User Modeling System for Personalized Interaction and Tailored Retrieval in Interactive IR</i> , ASIST, 316-325 (2002)

No.	Description
1027	Dan Ariely, et al., <i>Learning by Collaborative and Individual-Based Recommendation Agents</i> , Journal of Consumer Psychology, 14(1&2), 81-95 (2004)
1028	Email correspondence from Carrie A. Beyer to Garland Stephens, Richard Koehl and Heng Gong dated August 8, 2025 (“ Sotera Plus Stipulation ”)

I. THE EXAMINER MATERIALLY ERRED IN ALLOWING THE '659 PATENT CHALLENGED CLAIM

A. The Examiner Failed To Appreciate A Break In Priority And The Grandparent Publication's Status As Prior Art

The Examiner erred in examining the '659 patent because the Examiner failed to recognize that Applicant added claims lacking written description and enablement support, thereby precluding priority to the '659 patent's Parent Application (Application No. 12/571,795) or Grandparent Application (Application No. 11/200,164), and therefore failed to appreciate the publication of the Grandparent Application (the "2007 Grandparent Pub.", EX1005) as prior art.

The application that issued as the '659 patent, Application No. 13/022,370 (the "'370 application"), was filed on February 7, 2011. EX1001, 1. Challenged Claim 42 of the '659 patent was added as claim 46 in prosecution of the '370 application via amendment on July 3, 2013. EX1002, 334-335. Challenged Claim 42 requires that its computer-implemented method performs the step of **"determining whether a personalized cognitive model associated with the user includes sufficient information for predicting one or more subsequent actions associated with the user."** EX1001, 36:59-62 (emphasis added). This limitation was first added when claim 46 was introduced in prosecution of the '370 application on July 3, 2013 (EX1002, 334-335), subject to a minor examiner's amendment on August 22, 2013 (*id.*, 384).

As detailed in the Petition, this “determining” step of claim 42 lacks both written description and enablement support under 35 U.S.C. 112(¶1) (pre-AIA) in the specifications of applications to which the ’659 patent claims priority (i.e., the parent and grandparent Ancestor Applications, which share identical specifications aside from their claims). *See* Petition, 9-16. In particular, the Ancestor Applications have no written description of **determining whether any personalized cognitive model includes sufficient information for predicting user actions**. *See* Petition, 12-14. At most, the Ancestor Applications’ specifications state that “[w]hen the system is attempting to predict user behavior, the personalized cognitive model may be consulted first[,]” and that a general cognitive model “may be used when the user interacts with the system in a way that is not handled in the personalized cognitive model.” EX1005, [0101]-[0102]; EX1007, [0101]-[0102]; *see also* EX1001, 13:12-14, 13:23-26 (cited by Petition at 12). But the specifications provide no description of (1) determining whether a personalized cognitive model includes sufficient information for predicting user actions; (2) what information is included in the personalized cognitive model; (3) how to measure or otherwise quantify such information; and (4) how to determine whether the information is sufficient or insufficient (or what it means to be sufficient or insufficient). *See* Petition, 13. Based on the limited disclosure of the Ancestor Applications, a POSITA would not have understood the ’659 patent Applicant to be in possession of a method that

“determines whether a personalized cognitive model associated with the user includes sufficient information for predicting one or more subsequent actions associated with the user.” *See* Petition, 12-13.

The Ancestor Applications also do not enable a POSITA to practice the “determining” step of claim 42 without undue experimentation. *See* Petition, 14-16. The ’659 patent and Ancestor Application specifications list 21 separate “example applications for the invention,” but fail to provide guidance how a POSITA would determine sufficiency of information included in a personalized cognitive model for even a single one of those applications. For example, the Ancestor Application specifications “provide no indication of what constitutes ‘sufficient information;’ provide no objective metric, threshold, or test for determining sufficiency; and provide not a single example or embodiment that performs such a determination.” *See id.*, 15. A POSITA would thereby be left to develop from scratch through excessive experimentation a mechanism for evaluating sufficiency of information in a user model to predict user action for each type of user application contemplated by the ’659 patent.

Because Challenged Claim 42 lacks Section 112 written description and enablement support, it is not entitled to priority to its Ancestor Applications (*see* Petition, 9-10), and the 2007 Grandparent Pub. is therefore prior art to the ’659 patent under at least Section 102(b) (pre-AIA) because the 2007 Grandparent Pub.

published more than a year before the '659 patent's filing date (*See* Petition, 16). As the Petition explains, the 2007 Grandparent Pub. alone teaches every limitation of Challenged Claim 42 except for the “determining” step for which the Ancestor Applications do not provide written description or enablement support. *See* Petition, 23-25, 28-29 (explaining the 2007 Grandparent Pub.'s disclosure of claim 42's limitations [42.1]-[42.5] and [42.7]). The Petition also explains how a POSITA would have been motivated to combine the 2007 Grandparent Pub. with Lee (EX1008) to teach claim 42's “determining” step (limitation [42.6]). *See* Petition, 25-28.

Because the examiner did not appreciate the break in priority caused by the '659 patent's lack of written description and enablement support and accordingly did not consider any Section 103 prior art combinations including the prior art 2007 Grandparent Pub. (such as the combination with Lee presented in Ground 1), it is an appropriate use of the Board's resources to refer this case to the Board to consider the merits of such a combination.

While Patent Owner argues that the Petition's Ground 1 challenge based on a priority break due to lack of written description and enablement is inappropriate as nonstatutory (Request, 3, 7-8), this argument is baseless and has been conclusively rejected by the Federal Circuit. *See, Arthrex, Inc. v. Smith & Nephew, Inc.*, 35 F.4th 1328, 1344–45 (Fed. Cir. 2022) (finding that “there is no merit to [the patent owner's] argument that the Board lacked statutory authority to decide whether

the '707 application meets the written description requirement” where the Board “needed to determine whether the '707 application satisfied the written description requirement” to resolve the petitioner’s prior art challenge). Indeed, the Board regularly determines whether an alleged priority claim is broken due to lack of Section 112 support and Patent Owner provides no reasons for why the district court would be a more appropriate forum for resolving this issue. *See, e.g., Indivior UK Ltd. v. Dr. Reddy's Lab'ys S.A.*, 18 F.4th 1323, 1330 (Fed. Cir. 2021); *Arthrex*, 35 F.4th at 1328; *Reckitt Benckiser v. Ansell Healthcare*, IPR2017-00063, Paper 38 at 12-15 (PTAB Jan. 30, 2018).

**B. The Challenged Claim Does Not Include The
Subject Matter The Examiner Identified As Allowable**

The Examiner erred in overlooking that Challenged Claim 42 does not include the allegedly allowable subject matter of the other independent claims of the '659 patent. The Examiner allowed the other independent claims because they recite a step of “updating a personalized cognitive model and predicting actions using the updated model.” Challenged Claim 42, however, does not recite updating a personalized cognitive model or predicting actions using the updated model.

The '370 application was filed with 44 original claims targeting an adaptive misrecognition engine that determines whether the interpretation of an utterance is correct based on one or more monitored actions. EX1002, 71-79. The '370

application claims were subject to a series of Office action rejections and Applicant amendments, and after the third Office action, Applicant, on July 3, 2013, added new independent claims 45 and 46 and new dependent claim 47. *Id.*, 334-335. In response, on July 30, 2013, the Examiner contacted Applicant and identified allowable subject matter in newly added independent claim 45, namely “features of updating a personalized cognitive model and predicting actions using the updated model,” and suggested adding such features to original independent claims 1 and 26. *Id.*, 351. Following a subsequent August 9, 2013, examiner interview in which Applicant authorized the Examiner’s proposed amendments, the Examiner issued a Notice of Allowance on August 22, 2013, which included an Examiner’s amendment to incorporate the alleged allowable subject matter of claim 45 into claims 1 and 26. *Id.*, 364-385.

Notably, the Examiner did not address newly added independent claim 46 of the ’370 application (i.e., Challenged Claim 42 of the ’659 patent) in the July 30, 2013, interview in which the Examiner identified the allowable subject matter contained in claim 45. *Id.*, 351. Moreover, claim 46 did not contain the limitation of claim 45 that the examiner found to contain allowable subject matter (i.e., “updating a personalized cognitive model...; and predicting one or more actions associated with the user based on the updated personalized cognitive model.”). *See id.*, 334-335. The Examiner therefore erred in allowing claim 46 of the ’370 application,

because the Examiner did not address that claim 46 did not include the feature that the Examiner expressly identified as allowable subject matter and recommended to be included in all other independent claims to place them in condition for allowance. *Cf. Skullcandy, Inc., v. Earin AB*, IPR2025-00690, Paper 9 at 2 (Director July 31, 2025) (finding that examiner erred where the “examiner identified a ‘wherein’ clause listing various structural features of an earbud housing as the reason for allowance of the challenged claims” but identified clause was absent from challenged claims). It is therefore an appropriate use of Board resources to reconsider Challenged Claim 42.

II. PATENT OWNER UNREASONABLY DELAYED ASSERTION, FURTHER WEIGHING AGAINST DISCRETIONARY DENIAL

Patent Owner took no action during the roughly 10-year life of the now-accused Cortana product, waiting until Cortana had been “retired” for almost twenty months before alleging infringement of the ’659 patent. EX1045, ¶119. Prior owner VoiceBox had supposedly identified the ’659 patent to Microsoft during “extensive discussions” about a possible acquisition (*id.*, ¶¶101-103) but never suggested infringement by any Microsoft technology. Another prior owner, Nuance, never suggested infringement despite intimate knowledge of another now-accused product, Azure AI. *See* EX1035. These actions, and Patent Owner’s undue delay outweigh any settled expectations based on the age of the ’659 patent.

If anything, Microsoft had settled expectations that no VoiceBox patents would be asserted against it, given that neither VoiceBox nor any subsequent owner suggested infringement of any of those patents from April 2012 to December 2024. Microsoft certainly had settled expectations that those patents would not be asserted against its discontinued Cortana offering or the Azure AI technology used by Nuance when Nuance owned the '659 patent before being acquired by Microsoft. *See id.*

A. Patent Owner Did Not Allege Infringement Until 2024, After The Accused Cortana Was Discontinued, And Based Its Infringement Allegations On Public Documents Dating To 2014

Patent Owner waited to assert the '659 patent until after Microsoft had discontinued accused product Cortana. Not only that, but its infringement allegations were based on public documents from as early as 2014, showing that it knew or should have known about the allegedly infringing conduct long before the complaint and long before the discontinuation of Cortana. This lay-in-the weeds approach undercuts Patent Owner's allegations of settled expectations and cements Microsoft's own expectation that it would not face any infringement allegations.

Patent Owner filed its complaint on December 20, 2024 (EX1041), less than eight months before the '659 patent expired and identified Cortana as an accused product (*e.g., id.*, ¶¶45, 116-119). Yet Patent Owner admits that Cortana had existed since 2014 (*id.*, ¶116) and was discontinued by 2023 (*id.*, ¶119 (“[I]n 2023, Microsoft retired Cortana and replaced it with Copilot as the new virtual assistant in

Windows.”) (citing EX1029); *see also* EX1030.

Moreover, the complaint’s infringement allegations relied on old documents, showing Patent Owner knew or should have known about the allegedly infringing acts for years. For example, the December 2024 Complaint cited to a 2016 webpage in alleging that Microsoft “advertised the Accused Products with instructions to users to encourage infringement” (EX1041, ¶¶332-333 (citing EX1031)) and incorporated a supposed infringement claim chart that cited to *inter alia* a 2015 YouTube video (EX1032 at 1), a 2016 IEEE publication (*id.* at 5-7), a 2015 article (*id.* at 3), and a 2017 article (*id.* at 10).

This unreasonable delay by Patent Owner—withholding allegations despite long-accessible documents that purportedly showed infringement—suggests that Microsoft reasonably could have expected not to have been accused of infringing the ’659 patent. And even though Patent Owner was assigned the ’659 patent in May 2022, it delayed another 18 months before bringing suit. Moreover, its delay was preceded by 10 additional years during which prior owners never suggested that Microsoft infringed the patent, despite interactions with Microsoft and knowledge of Microsoft’s offerings. *Infra* Sections II.B-C. Notably, Patent Owner does not allege that it or any of its predecessors accused Cortana (or any other Microsoft product) of infringing the ’659 patent prior to its December 2024 Complaint.

Patent Owner's delay prejudiced Microsoft, which reasonably did not expect any infringement assertion. That prejudice extended to other accused products, such as Copilot. Had Patent Owner timely raised its infringement allegations regarding Cortana, Microsoft could have accounted for and dealt with those allegations prior to developing and deploying any follow-on Azure and Copilot technologies.

B. Original Assignee VoiceBox Never Alleged Infringement, Despite Supposedly “Extensive Discussion” With Microsoft

Patent Owner's predecessor and original assignee VoiceBox never suggested any infringement by Microsoft, despite allegations that it identified that patent (and many others) to Microsoft in 2012 and continued acquisition discussions with Microsoft for years. Patent Owner alleges that, in April 2012, as part of discussions about a possible acquisition, VoiceBox sent a “Patent Status Chart” listing “VoiceBox's patents and patent applications,” including the '659 patent. EX1041, ¶¶100-101. Patent Owner further alleges “extensive discussion between VoiceBox and Microsoft during this time” (*id.*, ¶103) and interactions up through 2018, after VoiceBox assigned the patent away (*id.*, ¶¶105-109). Notably, Patent Owner makes no allegations that VoiceBox ever alleged infringement of the '659 patent by Cortana (or any other product), even though key VoiceBox employees knew of Cortana (*e.g.*, EX1033 (article on Cortana and other voice assistants, quoting VoiceBox CEO); EX1034 (article on VoiceBox partnership to help Samsung “keep up with” Cortana).

Given that VoiceBox never alleged infringement of the '659 patent during prolonged efforts to forge a partnership with Microsoft, there was no reason for Microsoft to think any of its products infringed that patent. If it had thought this patent was in any way relevant to Microsoft's technologies, then surely VoiceBox would have held onto it instead of assigning it away.

**C. Former Owner Nuance Never Alleged Infringement,
Despite Deep Familiarity With The Accused Azure AI System**

In January 2015, VoiceBox assigned the '659 patent and other patents to Nuance, which owned them until January 2021. According to Patent Owner, Nuance also had a “long history of interactions” with Microsoft. EX1041, ¶96. Indeed, by at least 2019 Nuance had deployed its products using Microsoft's Azure AI. *E.g.*, EX1035 (explaining Nuance migration of its products to Microsoft Azure to “apply the power of Azure and Azure AI” to the challenge of healthcare); EX1040 (Nuance “offerings built on Microsoft Azure”). Despite apparently deep knowledge of Microsoft Azure AI, Nuance never suggested infringement of the '659 by Microsoft.

As explained below (*infra* Section III.A), well before being acquired by Microsoft, Nuance itself assigned the VoiceBox patents away in January 2021. That decision—just prior to being acquired by Microsoft—shows that Nuance too did not think the '659 patent was relevant to Microsoft's technologies. This further confirms that Microsoft should not have expected any allegations of infringement.

D. Other Factors Undermine Patent Owner's Settled Expectations

In addition to the decade-plus delay that preceded assertion of the '659 patent against a discontinued product (*supra* Section II.A), various other factors undermine Patent Owner's settled expectations.

There is no evidence that the '659 patent was ever commercialized or marked or asserted until recently. *See Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12 at 2-3 (Director June 26, 2025) ("There may be persuasive reasons why the Board should review challenged claims several years after their issuance date.... As another example, a patent may have been in force for years but may not have been commercialized, asserted, marked, licensed, or otherwise applied in a petitioner's particular technology space, if at all.").

Concerning commercialization, there is no evidence that Patent Owner itself creates, sells, or commercializes any products whatsoever. Patent Owner was not formed as a business entity until April 5, 2022. EX1037. There is no evidence that any prior owner commercialized any product embodying the claims of the '659 patent. This is confirmed by an apparent lack of marking, with no evidence that any product was ever marked as practicing the claims of the '659 patent.¹

¹ While the Challenged Claim (claim 42) is a method claims that would not require marking, the '659 patent also includes system claims.

Though not strictly a change in law, recent changes to USPTO practice further weaken Patent Owner's settled expectations. In particular, older patents did not have the benefit of examination using modern examination tools, including Patents End-to-End (PE2E) and AI-enhanced prior art search introduced in 2021. EX1038, 10. Prosecution of such older patents, including the '659 patent, was less likely to uncover the most pertinent prior art or the most relevant disclosures within that prior art, such as the disclosures of Belfiore and Kennewick that were not appreciated by the Examiner in prosecution. Therefore, the '659 patent's age should subject its claims to more, not less, scrutiny of their settled validity.

III. MICROSOFT NEITHER OWNED NOR BENEFITED FROM THE '659 PATENT, AND ONLY ACQUIRED NUANCE AFTER NUANCE ASSIGNED THE PATENT AWAY

Patent Owner alleges "unfair dealings" and that, before challenging the '659 patent, Microsoft benefited from it because "[f]rom 2015 to 2021, the '659 patent was owned by Petitioner's wholly owned subsidiary, Nuance." Request, 1-2. But Microsoft acquired Nuance in March of 2022, more than 14 months after Nuance sold the patent. Microsoft had no ownership interest in Nuance when Nuance owned the patent (2015–2021) and Nuance had no ownership interest in the patent when Microsoft acquired it. Thus, Microsoft never benefited from the '659 patent.

While Director decisions have based discretionary denial on prior ownership and later unfair dealings by a Petitioner, as discussed more fully below (*infra* Section

III.B), those cases involved either (1) named inventors who assigned patent rights and then defected to a company that challenged the patent, (2) a company that controlled prosecution of a patent and licensed it for years before being acquired and then challenging the patent, or (3) a company that claimed a license from former owner of a patent and that was real party in interest to an IPR challenge of the patent after being sued for infringement. Here, by contrast, Microsoft never owned the '659 patent and developed technology accused of infringement prior to its acquisition of Nuance and independent thereof.

A. Microsoft Never Owned The '659 Patent And Developed The Accused Technology Independently Of Nuance

As Patent Owner notes, Nuance acquired the '659 patent from VoiceBox Technologies Corporation in January 2015 (EX2002) and sold it to Voice Inventions, LLC, in January 2021 (EX2003). However, during that six-year period, Nuance was a wholly independent corporate entity with no corporate relationship to Microsoft. Microsoft did not announce its intent to acquire Nuance until April 2021 (EX1036) and the acquisition was not completed until March 2022 (EX1040), over a full year after Nuance had assigned the '659 patent. As such, Microsoft never owned or controlled prosecution or enforcement of the '659 patent and no owner of the '659 patent had a corporate relationship with Microsoft while they held ownership of the '659 patent.

Nor did Microsoft benefit from Nuance's prior ownership of the patent. In the parallel district court litigation, Patent Owner accuses of infringement the following Microsoft products: (1) Cortana virtual assistant, (2) Copilot virtual assistant, (3) Azure AI services, and (4) Azure OpenAI services. *See* EX1041, ¶7. However, Patent Owner itself recognizes that nearly all of these products were developed prior to Microsoft's acquisition of Nuance in 2022. *See id.*, ¶116 (deployment of Cortana virtual assistant between 2014 and 2015); ¶121 (launch of Azure AI services and Azure Open AI services in 2016 and 2021, respectively). And while Copilot virtual assistant launched in 2023, that product was not jointly developed with Nuance or based on Nuance technology. Because Microsoft never owned or controlled the '659 patent and derived no benefit from Nuance's prior ownership, there is no inequity in Microsoft challenging the validity of the patent.

B. Prior Cases Do Not Justify A Finding Of Unfair Dealings

The facts here differ from other cases in which the Director has found it not an appropriate use of Office resources for a party to advocate for a patent's unpatentability based on the patent's former ownership. For example, in *Analog Devices, Inc., v. Number 14 B.V.*, IPR2025-00550, Paper 10 at 2 (Director July 16, 2025), the Director found an IPR challenge to be not appropriate where the petitioner's real party in interest had both controlled the prosecution of the patent and licensed the patent. Notably, the Director noted that the real party in interest was

“now [a] wholly owned subsidiary” of the petitioner but did not—as Patent Owner advocates for here—base her decision on that distinction. *Id.* Instead, her decision found not appropriate for a real party in interest with prior control of a patent to challenge such patent. *Id.* Here, unlike the petitioner in *Analog Devices*, Microsoft did not file the Petition on behalf of a subsidiary that owned the patent but rather is acting solely in Microsoft’s own interest to challenge patents asserted against it.

As another example, in *Tessell, Inc. v. Nutanix, Inc.*, IPR2025-00322, Paper 14 at 2 (Director June 12, 2025), the Director found “unfair dealings” where inventors applied for and were issued a patent and then advocated for its unpatentability after being hired by the petitioner. But as explained above, Microsoft never owned, prosecuted, or maintained the ’659 patent and there is therefore no unfair dealing in its current challenge of the patent.

Patent Owner also relies on previous Microsoft petitions against related patents. Request, 1-2 (citing *Microsoft Corp. v. Dialect, LLC*, IPR2025-00655, Paper 12 at 2-3 (Director Aug. 14, 2025) (also listing IPR2025-0657) (EX2001)). But the current case is also distinguishable from those earlier petitions. The earlier petitions were filed with Bank of America, N.A. (“BANA”), as a real party in interest and

BANA asserted that it received a license to the challenged patent from Nuance.² Thus, in those prior petitions Microsoft had challenged patents that were previously owned by Nuance being asserted against an alleged licensee of those patents. This case is different because, as explained, Microsoft does not allege that it licensed the challenged patent, developed its accused technology independently of Nuance, and has not otherwise benefited from the challenged patent.

IV. OTHER FACTORS WEIGH AGAINST DISCRETIONARY DENIAL OR ARE NEUTRAL

A. Anticipated Trial Date

The Federal Courts' time-to-trial statistics show uncertainty as to whether the parallel district court trial will occur before the Board's FWD. The most recent time-to-trial statistics show an average 25.1 month period from filing to trial. EX2006, 5. Given the December 20, 2024, date of the Complaint's filing in the district court, this would put the trial date around January 25, 2027. Given the August 1, 2025, Notice of Filing Date Accorded (Paper 3), a FWD is estimated to be issued in this IPR no later than February 1, 2027. Therefore, there is little time between the estimated trial date based on the statistics and the anticipated FWD. Moreover, the statistics show a trend of increasing times-to-trial over recent years, casting further

² See generally *Dialect LLC v. Bank of Am., N.A.*, No. 2:24-cv-00207 (E.D. Tex. June 26, 2025) ECF Nos. 76-1, 87-1 (demonstrating BANA's license assertions).

doubt on trial occurring before a FWD. *See* EX1039, 35 (16.7 months in June 2023; 21.6 months in June 2024; 25.1 months in June 2025). Therefore, this factor is at most neutral and is outweighed by Office’s interest in reviewing the material error in prosecution described above. *See Microsoft Corp. v. ParTec AG*, IPR2025-00318, Paper 9 at 3 (Director June 12, 2025).

B. Petitioner’s Broad Stipulation Reduces Potential Overlap

Petitioner has broadly stipulated that, should IPR be instituted, Defendant will not pursue any of “(i) the specific grounds raised in IPR2025-01193, (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 asserting a combination of system prior art with any reference asserted as part of a ground raised in IPR2025-01193.” EX1028. The Director has found similarly broad stipulations to “reduce[] the concern of inconsistent outcomes or significant duplication of efforts,” and thereby weigh against discretionary denial. *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2 (Director June 13, 2025); *Samsung Elecs. Co. v. Wilus Inst. of Standards and Tech. Inc.*, IPR2025-00933, Paper 11 at 3 (Director Oct. 10, 2025).

**V. DISCRETIONARY DENIAL IS INAPPROPRIATE
FOR CONSTITUTIONAL AND OTHER REASONS**

Depending on the Director’s rationale, discretionary denial would also be unconstitutional, a violation of the APA, and inconsistent with Federal Circuit precedent. Applying extra-statutory institution criteria such as “settled expectations” and heightened estoppel exceeds the power Congress gave the Patent Office, violating the Constitution’s separation of powers and the APA. *See, e.g., In re Sandisk Techs., Inc.*, No. 25-152 (Fed. Cir. Sept. 18, 2025), ECF No. 2-1 (extra-statutory criteria); *In re SAP Am., Inc.*, No. 25-132 (Fed. Cir. June 16, 2025), ECF No. 2 (heightened estoppel).

Applying extra-statutory institution criteria retroactively, or without notice-and-comment rulemaking, to this petition would violate due process and the APA. *See, e.g., Sandisk*, No. 25-152, ECF No. 2-1. And applying assignor estoppel, even when called “unfair dealings,” is inconsistent with Federal Circuit precedent. *See Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 804 (Fed. Cir. 2018) (explaining that the IPR statute “unambiguously dictates that assignor estoppel has no place in IPR proceedings”).

Respectfully submitted,

Dated: November 13, 2025

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**CERTIFICATE OF SERVICE
IN COMPLIANCE WITH 37 C.F.R. § 42.6 (e)(4)**

The undersigned certifies that on November 13, 2025, a complete copy of the **PETITIONER’S OPPOSITION TO PATENT OWNER’S REQUEST FOR DISCRETIONARY DENIAL** and **EXHIBITS 1029 – 1041** were served on counsel for the Patent Owner via electronic mail as follows:

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