

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

REGIONS BANK
Petitioner,

v.

UNITED SERVICES AUTOMOBILE ASSOCIATION
Patent Owner.

Case No. IPR2025-01356
U.S. Patent No. 12,211,095

**PETITIONER'S SUR-REPLY TO PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION**

TABLE OF CONTENTS

	Page
I. THE OFFICE’S INTEREST IN CONSISTENCY STRONGLY FAVORS CONSIDERATION ON THE MERITS	1
II. THE EXAMINER MATERIALLY ERRED BY FAILING TO ADDRESS INVALIDATING ART AND THE BOARD’S PRIOR ASSESSMENT OF THAT ART.....	3
III. PETITIONER HAS MITIGATED THE RISK OF DUPLICATIVE DISTRICT COURT PROCEEDINGS	4
IV. CONCLUSION.....	5

TABLE OF AUTHORITIES

Federal Cases	Page(s)
<i>United Servs. Auto. Ass’n v. PNC Bank N.A.</i> , 139 F.4th 1332 (Fed. Cir. 2025)	3
<i>United Servs. Auto. Ass’n v. PNC Bank N.A.</i> , Nos. 23-1778, 25-1277, 2025 WL 1662737 (Fed. Cir. June 12, 2025)	3
Agency Decisions	
<i>ClearCorrect Operating, LLC v. Align Tech., Inc.</i> , IPR2025-00814, -00815, -00816, -00817, -00818, -00819, -00820, -00821, Paper 14 (P.T.A.B. Aug. 29, 2025)	3
<i>Motorola Solutions, Inc. v. Stellar, LLC</i> , IPR2024-01205, Paper 19 (Director Review Mar. 28, 2025).....	4
<i>Padagis US LLC v. Neurelis, Inc.</i> , IPR2025-00464, -00465, -00466, Paper 12 (P.T.A.B. July 16, 2025)	5

The Petition demonstrates the obviousness of the challenged claims based upon prior art that the Board and Federal Circuit already have held invalidates Patent Owner's related patents reciting similar elements. The examiner materially erred by failing to engage with that invalidating art and the Board's final written decisions applying it. The Board's merits review will advance the Office's strong interest in consistency, which outweighs the other discretionary factors.

Patent Owner's additional briefing confirms that discretionary denial is not appropriate. Patent Owner has no meaningful response to the high degree of overlap between the grounds presented in the Petition and the prior IPRs based on the same art that resulted in all challenged claims of related patents being held unpatentable. Patent Owner instead repeatedly argues the merits of the proposed grounds, which reinforces the need for the Board's substantive review of the Petition.

I. THE OFFICE'S INTEREST IN CONSISTENCY STRONGLY FAVORS CONSIDERATION ON THE MERITS.

Patent Owner does not dispute that there is significant overlap between the grounds presented in the Petition and the issues already decided by the Board and Federal Circuit in five prior IPRs. As Petitioner's discretionary denial opposition showed (Paper 13 at 3-6), those prior IPRs held Patent Owner's claims reciting similar limitations unpatentable over the same art presented in the Petition. Patent Owner criticizes Petitioner's use of charts comparing claim 1 of the '095 patent to

the invalidated claims of multiple other patents. Paper 14 at 1-2. But that chart reinforces the inconsistency between the examiner's allowance of the claims of the '095 patent and the Board's five prior final written decisions addressing similar claim limitations. *See* Paper 13 at 4-5. The fact that the '095 patent's claims repeat the elements of other already-invalid claims is precisely the problem. Combining the elements of obvious claims simply results in more obvious claims, and the allowance of the challenged claims is inconsistent with the prior IPR decisions.

Patent Owner criticizes Petitioner for focusing on five prior IPRs in which Patent Owner's other patents were invalidated and notes that Patent Owner "prevailed by decision or termination" in 39 other proceedings. Paper 14 at 2. But the five IPRs addressed in Petitioner's discretionary denial opposition overlap with the grounds in the Petition, and each resulted in the invalidation of all challenged claims. *See* Paper 13 at 2. The Board's prior findings concerning the disclosure of the prior art, motivation to combine, and reasonable expectation of success apply equally to the overlapping grounds here and highlight the need for the Board's review to maintain consistency.

By contrast, Patent Owner has not identified any risk of inconsistency with the 39 other proceedings. Nor is Patent Owner telling the whole story. Eight terminations were the result of post-institution settlements after the Board already concluded that the petitioner was likely to succeed, and four others were terminated

before any decision on institution. The Federal Circuit ultimately confirmed the invalidity of all challenged claims of every one of Patent Owner's patents that it has addressed—nine patents in total. *See* Paper 13 at 2 (citing Federal Circuit decisions in IPR appeals); *United Servs. Auto. Ass'n v. PNC Bank N.A.*, 139 F.4th 1332 (Fed. Cir. 2025) (invalidating one patent under § 101); *United Servs. Auto. Ass'n v. PNC Bank N.A.*, Nos. 23-1778, 25-1277, 2025 WL 1662737 (Fed. Cir. June 12, 2025) (invalidating three patents under § 101). The '095 patent should fare no better.

Patent Owner's complaints of serial petitions are inapplicable here. This is the first and only petition challenging the '095 patent, which issued within the last year. Petitioner cannot be faulted for seeking review of a new patent claiming the same subject matter that the Board has previously held unpatentable.

II. THE EXAMINER MATERIALLY ERRED BY FAILING TO ADDRESS INVALIDATING ART AND THE BOARD'S PRIOR ASSESSMENT OF THAT ART.

Despite the clear relevance of the art that invalidated Patent Owner's related patents, the examiner did not apply any of those references during prosecution or even discuss—let alone distinguish—the Board's prior written decisions addressing that art. *See* Paper 13 at 6-8; Paper 14 at 4. "[A]llowing the claims after the Board determined that substantially similar claims are unpatentable" is clear error. *ClearCorrect Operating, LLC v. Align Tech., Inc.*, IPR2025-00814, -00815, -00816, -00817, -00818, -00819, -00820, -00821., Paper 14 at 2 (P.T.A.B. Aug. 29, 2025).

Patent Owner asserts that there are differences between the claims of the '095 patent and the claims of its other patents already held unpatentable over the same art. Paper 14 at 2, 4. But as the Petition showed (Paper 3 at 38, 43-47)—and as Petitioner explained in its discretionary denial opposition (Paper 13 at 17-18)—the live video and software abstraction layer elements are taught by Luo, Meier, and Goyal. In fact, Meier and Goyal teach controlling a phone's camera through a software abstraction layer using the same mobile operating system elements as the '095 patent. *See* Paper 13 at 18. These elements are therefore not a basis for patentability. To the extent that Patent Owner is disputing that disclosure, that issue goes to the merits and confirms the need for the Board's review, since that was an issue never addressed by the examiner during original prosecution.

III. PETITIONER HAS MITIGATED THE RISK OF DUPLICATIVE DISTRICT COURT PROCEEDINGS.

The obviousness grounds presented in the Petition should be decided by the Board, which can most efficiently correct the examiner's material error. Indeed, the Board already has institutional familiarity with the issues from its prior written decisions addressing the same prior art. Petitioner's *Sotera* stipulation mitigates the risk of duplicative district court proceedings, and the district court proceedings here are far less advanced than cases where the Board has found a *Sotera* stipulation outweighed by other factors. *Compare Motorola Solutions, Inc. v. Stellar, LLC*,

IPR2024-01205, Paper 19 at 3 (Director Review Mar. 28, 2025) (parties had completed claim construction, taken several depositions, and exchanged opening and rebuttal expert reports), *with* Paper 13 at 12 (parties here have not started claim construction, taken any deposition, or exchanged expert reports).

Patent Owner also ignores the possibility that the parallel district court case will be stayed upon institution of this IPR. *See* Paper 13 at 14-15. Indeed, the district court litigation is particularly amenable to a stay, given that it is at an early stage and the IPR petitions are dispositive of all asserted claims of Patent Owner's patents.

In any event, the examiner's material error and inconsistency with the prior IPRs that held Patent Owner's related patents unpatentable over overlapping grounds outweighs any countervailing considerations under *Fintiv*. *See, e.g., Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, -00465, -00466, Paper 12 at 2-3 (P.T.A.B. July 16, 2025) ("[T]he Petitioner appears to show a material error by the Office, and it is an appropriate use of Office resources to review the potential error."). The Office's interest in consistency and the correction of material error should be dispositive of the other discretionary factors.

IV. CONCLUSION

Petitioner respectfully requests that the Director deny Patent Owner's request for discretionary denial and allow institution of an *inter partes* review.

Date: November 24, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on November 24, 2025, a true and correct copy of the foregoing materials:

- Petitioner's Sur-Reply to Patent Owner's Discretionary Denial Brief

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