

Filed on behalf of: ShopSee, Inc.

Entered: November 17, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TIKTOK INC.,  
Petitioner,

v.

SHOPSEE, INC.,  
Patent Owner.

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IPR2025-01485  
Patent No. 11,134,316

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**PATENT OWNER'S BRIEF ON DISCRETIONARY DENIAL**

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| <b>Exhibit</b> | <b>Description</b>                                                                                                                                                                                                                                                                                   |
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| 2001           | Second Amended Scheduling Order, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex. July 7, 2025), Dkt. No. 65                                                                                                                                                                       |
| 2002           | Joint Motion to Extend the Deadline for TikTok's Response to ShopSee's Objections and Extend the Stay of Transfer, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex. Sept. 22, 2025), Dkt. No. 100                                                                                  |
| 2003           | Defendant TikTok Inc.'s Preliminary Invalidity Contentions, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex. May 22, 2025)                                                                                                                                                         |
| 2004           | Exhibit 316-A13, Invalidity Chart for U.S. Patent No. 11,134,316 In View of Ohliger                                                                                                                                                                                                                  |
| 2005           | Docket Sheet, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex.)                                                                                                                                                                                                                    |
| 2006           | Exhibit 316-A04, Invalidity Chart for U.S. Patent No. 11,134,316 In View of Veepio                                                                                                                                                                                                                   |
| 2007           | Scott R. Boalick, <i>Final Written Decision Procedures for AIA Trial Proceedings</i> , U.S. Pat. & Trademark Off. (July 29, 2025), <a href="https://www.uspto.gov/sites/default/files/documents/20250729095727582.pdf">https://www.uspto.gov/sites/default/files/documents/20250729095727582.pdf</a> |
| 2008           | Andrew Faile, <i>Signatory Authority Program</i> , Pat. Off. & Pro. Ass'n (Oct. 1, 2020), <a href="http://popa.org/static/media/uploads/uploads/2022/SigAuth_UtiExam.pdf">http://popa.org/static/media/uploads/uploads/2022/SigAuth_UtiExam.pdf</a>                                                  |
| 2009           | Excerpts of File History for U.S. Patent No. 11,432,046 ("Ohliger FH Excerpts")                                                                                                                                                                                                                      |
| 2010           | Petition for a Writ of Certiorari, <i>Lynk Labs, Inc. v. Samsung Electronics Co.</i> , No. 2023-2346 (U.S. Sept. 12, 2025)                                                                                                                                                                           |

| Exhibit | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| 2011    | Nomination of John A. Squires To be Under Secretary of Commerce for Intellectual Property and the Director of the United States Patent and Trademark Office, Questions for the Record                                                                                                                                                                                                                                                                                                                                                          |
| 2012    | <i>Contest - ShopSee: US-11134316-B1 (Interactive Video Layers with Video Media)</i> , Patroll, <a href="https://patroll.unifiedpatents.com/contests/pF5hoC6yZGrxMEGBa">https://patroll.unifiedpatents.com/contests/pF5hoC6yZGrxMEGBa</a> (captured October 20, 2025)                                                                                                                                                                                                                                                                          |
| 2013    | <i>\$2,000 Awarded For Shopsee Interactive Video Patent Prior Art</i> , Unified Patents (Mar. 13, 2025), <a href="https://www.unifiedpatents.com/insights/2025/3/13/2000-awarded-for-shopsee-interactive-video-patent-prior-art">https://www.unifiedpatents.com/insights/2025/3/13/2000-awarded-for-shopsee-interactive-video-patent-prior-art</a> (captured October 20, 2025)                                                                                                                                                                 |
| 2014    | Excerpt of Ex. 1004, pp.281-304 - Excel Table reflecting Examiner's search strategy and results                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2015    | Rocky Berndsen, <i>Trends and Implications of Decreasing Average Office Actions Per Patent at the USPTO</i> , Harrity & Harrity (Feb. 29, 2024), <a href="https://harrityllp.com/trends-and-implications-of-decreasing-average-office-actions-per-patent-at-the-uspto/">https://harrityllp.com/trends-and-implications-of-decreasing-average-office-actions-per-patent-at-the-uspto/</a> (captured October 20, 2025)                                                                                                                           |
| 2016    | <i>Shopsee</i> , <a href="https://myshopsee.com/">https://myshopsee.com/</a> (captured October 20, 2025)                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2017    | <i>An Open Letter From America's Innovation Agency</i> , U.S. Pat. & Trademark Off. (Oct. 17, 2025), <a href="https://www.uspto.gov/sites/default/files/documents/open-letter-and-memo_20251017.pdf">https://www.uspto.gov/sites/default/files/documents/open-letter-and-memo_20251017.pdf</a>                                                                                                                                                                                                                                                 |
| 2018    | Coke Morgan Stewart, <i>Enforcement and Non-waiver of 37 C.F.R. § 42.104(B)(4) and Permissible Uses of General Knowledge in Inter Partes Reviews</i> , U.S. Pat. & Trademark Off. (July 31, 2025), <a href="https://www.uspto.gov/sites/default/files/documents/aapa_memo_final_signed.pdf?utm_campaign=subscriptioncenter&amp;utm_medium=email&amp;utm_source=govdelivery">https://www.uspto.gov/sites/default/files/documents/aapa_memo_final_signed.pdf?utm_campaign=subscriptioncenter&amp;utm_medium=email&amp;utm_source=govdelivery</a> |

| Exhibit | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| 2019    | John A. Squires, Precedential Designation of <i>Corning Optical Communications RF, LLC v. PPC Broadband Inc.</i> , IPR2014-00440, Paper 68 (PTAB Aug. 18, 2015) (except for § II.E.1), U.S. Pat. & Trademark Off. (Oct. 28, 2025), <a href="https://www.uspto.gov/sites/default/files/documents/Precedential_designation_of_Corning_Optical_Communications_RF_LL_C_v._PPC_Broadband_Inc_Memo_-_Dated_10_28_25.pdf">https://www.uspto.gov/sites/default/files/documents/Precedential_designation_of_Corning_Optical_Communications_RF_LL_C_v._PPC_Broadband_Inc_Memo_-_Dated_10_28_25.pdf</a> |
| 2020    | First Amended Complaint, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex. Mar. 10, 2025), Dkt. No. 28                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2021    | Defendant's Corporate Disclosure Statement, <i>Shopsee, Inc. v. Tiktok Inc.</i> , No. 7:24-cv-00333 (W.D. Tex. Feb. 24, 2025), Dkt. No. 14                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## **I. Introduction**

Patent Owner ShopSee, Inc. (“ShopSee” or “Patent Owner”) respectfully submits that the Director should exercise discretion to deny institution of the Petition filed by TikTok Inc. (“TikTok” or “Petitioner”) for three independent reasons.

**First**, the Director should deny institution under 35 U.S.C. § 314(a) and the *Fintiv* factors. Rather than efficiently choose the PTAB to determine validity early in the parties’ dispute, TikTok sat on its hands and waited to file its Petition until nine months after it was sued, causing undue prejudice to ShopSee. Unsurprisingly, during TikTok’s unexplained delay, the parties made significant progress in the parallel litigation, including serving substantial written discovery, producing a significant amount of documents, serving infringement and invalidity contentions, and completing claim construction briefing. And, although TikTok had more than ample time to develop its unpatentability arguments and evidence, the Petition is duplicative of TikTok’s district court invalidity arguments. Both facially lack merit, as will be detailed in ShopSee’s forthcoming Preliminary Response. As particularly relevant to *Fintiv* Factor 6 and the factors outlined in the March 26, 2025 Memorandum by the then-Acting Director addressing “Interim Processes for PTAB Workload Management” (“Process Memo”), TikTok’s Petition has numerous substantive failures on the merits, warranting discretionary denial.

**Second**, ShopSee has a settled expectation in the ’316 Patent’s (Ex.1001),

validity that should not be disturbed. The '316 Patent's prosecution history was remarkably lengthy, with multiple rounds of rejections and responses, two examiner interviews, and comprehensive consideration of relevant prior art by the Examiner. ShopSee invested heavily in obtaining the '316 Patent, and relied on its thorough examination and presumed validity after issue when seeking investment and developing technology implementing the '316 Patent. The Office did not err in examining the '316 Patent; TikTok does not allege otherwise. Rather, the Office did not consider or apply the primary reference in TikTok's Petition because it was confidential and not publicly available until **after** the '316 Patent issued. Office policy should not condone such challenges, which seek to re-open prosecution using references the Office could not consider; these types of challenges run counter to the Office's goals of predictability in patent rights created after exhaustive examination.

**Third**, national security interests support denial of the Petition. In light of the Director's memorandum issued October 28, 2025, re-affirming enforcement of the statutory real party in interest requirement and identifying Petitioner TikTok as a deemed national security threat, the Petition should be denied.

## **II. The *Fintiv* Factors Strongly Favor Discretionary Denial**

Each *Fintiv* factor favors discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv*").

### **A. Factors 1-2 (Trial Date Proximity and Stay) Support Denial**

In the district court case, the Court scheduled trial for October 5, 2026 (*see* Ex.2001, 3). A final written decision is not due in this IPR until March 16, 2027 — more than five months after trial. Accordingly, there is substantial risk of duplicative efforts and increased cost by simultaneously litigating in two forums.

While the district court case is temporarily stayed while the Court considers ShopSee's pending appeal/objections to the Court's order transferring the case to another forum (*see* Ex.2002), a stay is not dispositive: institution has been discretionarily denied in multiple cases having similar circumstances after holistically assessing all evidence and arguments. *See, e.g., Amazon.com, Inc. v. Virtamove, Corp.*, IPR2025-00561, Paper 9 at 2 (Dir. July 11, 2025) (denying institution despite stay while patent owner appealed transfer order); *Kahoot! AS v. Interstellar Inc.*, IPR2025-00696, Paper 12 at 2 (Dir. July 31, 2025) (denying institution despite parallel litigation stay); *Amazon.com, Inc. v. KAIFI LLC*, IPR2025-00624, Paper 16 at 2 (Dir. July 29, 2025) (denying institution despite 45-day litigation stay because of potential for "significant duplication of effort" and "risk of inconsistent decisions"). If the Court agrees with ShopSee and the case remains (as it should) in the Western District of Texas, the case will resume, and trial will be delayed, at most, by mere weeks; any rescheduled trial would still occur before the final written decision due date by multiple months.

Factors 1 and 2 accordingly weigh strongly in favor of denial.

**B. Factor 3 (Investment in Litigation) Supports Denial**

The Petition's timing and the degree of investment by the parties and the district court support denial. *Fintiv*, 9-12. In particular, Factor 3 favors discretionary denial "if the petitioner cannot explain the delay in filing its petition" (*id.*, 11-12), and though "a [challenger] has one year to file a petition, it may impose unfair costs to a patent owner if the petitioner ... waits until the district court trial has progressed significantly before filing a petition." *Id.*, 11.

TikTok delayed filing its Petition until September 3, 2025—nearly nine months after ShopSee served its complaint alleging infringement on TikTok (December 20, 2024). TikTok fails to explain its delay. Nor could it. Other than seeking to obtain a tactical advantage, there is no legitimate reason for TikTok waiting so long to file its Petition. *See Next Caller Inc. v. TrustID, Inc.*, IPR2019-00961, Paper 10 at 15-16 (PTAB Oct. 16, 2019) ("[Petitioner's] delay in filing the Petition weighs in favor of the Board exercising discretion to deny institution"). TikTok's delay is particularly inexcusable because the Petition relies primarily on Ohliger, which TikTok knew about at least by May 2025 (if not earlier), when it served invalidity contentions in the district court citing Ohliger, including a **721-page claim chart** purporting to map Ohliger's teachings to the '316 Patent's claims. Exs.2003-2004. During TikTok's unexplained delay, the parties invested substantial resources litigating. For example, before the Petition was filed, claim construction

was fully briefed. *See* Ex.2005, 12 (Reply Claim Construction Brief filed August 14, 2025). Had TikTok expeditiously filed the Petition, significant amounts of the parties' and Court's investment in the litigation could have been avoided. Accordingly, Factor 3 strongly supports denial.

**C. Factor 4 (Overlap) Heavily Supports Denial**

TikTok challenges all claims asserted in the district court. Although TikTok provided a stipulation (*see* Paper 6), stating it will not pursue the Petition's Grounds or any other ground that could have reasonably been raised based on patents or printed publications, its stipulation is effectively meaningless. Inevitably, the claims and prior art evaluated by the Board will overlap with the court's invalidity issues, strongly supporting denial. *Fintiv*, 12-13.

Even after its stipulation, TikTok retains the ability in district court to argue invalidity over its identified prior art systems. One identified prior art system is Veepio, which TikTok charted in Exhibit A04 to its invalidity contentions. *See* Ex.2003, Ex.2006. Veepio Holdings, LLC is the assignee of Ohliger, the foundational reference of TikTok's Petition. *See* Ex.1006, (71); Pet.2. TikTok's invalidity contentions' chart for Veepio contends Ohliger "describe[s] the relevant functionality of Veepio" (Ex.2006, 2) and the Veepio chart "**incorporate[s] by reference**" (*id.* at fn.2 (emphasis added)), the 721-page invalidity contention chart (Ex.2004), mapping Ohliger to the '316 Patent's claims. So even if IPR is instituted,

triggering TikTok's stipulation, TikTok will **still** advance invalidity based on Ohliger, leading to needless duplicative work and a significant possibility of inconsistent outcomes. The significant overlap between proceedings strongly supports discretionary denial. *See Cisco Sys. Inc. v. WSOU Inv. LLC*, IPR2025-00188, Paper 14 at 3 (Dir. Aug. 22, 2025) (denying review in part because stipulation did not ensure IPR would be a true district court alternative, where stipulation allowed invalidity arguments including petition's prior art combined with systems).

**D. Factor 5 (Same Parties) Supports Denial**

Factor 5 weighs in favor of discretionary denial because "the petitioner and the defendant in the parallel proceeding are the same party." *Fintiv*, 13-14.

**E. Factor 6 (Other Issues, Including Weak Merits) Supports Denial**

The sixth *Fintiv* factor favors denial because TikTok's Petition violates the Board's rules and guidance, and an IPR will not provide an alternative to the district court litigation. Further, the Petition's merits are weak, as ShopSee will establish more fully in its forthcoming Preliminary Response.<sup>1</sup>

**1. TikTok's Lack of Compliance with Rules, and District Court Indefiniteness Positions, Support Denial**

TikTok concedes that, in the district court, it contends the "software module"

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<sup>1</sup> The Process Memo's factors also include the strength of the challenge and the extent of reliance on expert testimony; both are addressed in this section.

terms of claim 18” are indefinite. Pet.15. But because TikTok believes those terms are means-plus-function terms, 37 C.F.R. § 42.104(b)(3), and the Board’s *Cambridge Mobile* informative decision mandate that the Petition “identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function”; if a petitioner does not do so, the petitioner must explain “why the plain and ordinary meaning of the [“software module”] terms should apply in this proceeding (why the inconsistent positions are warranted) or set forth an alternative means-plus-function claim construction.” *Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper 12 at 8 (PTAB Dec. 13, 2024) (informative); *see also Revvo Techs., Inc. v. Cerebrum Sensor Techs. Inc.*, IPR2025-00632, Paper 20 (Squires Nov. 3, 2025) (precedential) (petitioners must explain why different claim construction positions are warranted between district court and PTAB). TikTok has done neither. It does not even address *Cambridge Mobile*. Accordingly, TikTok failed to comply with 37 C.F.R. § 42.104(b)(3) and the Director should reject its Petition on this basis alone.

Even if such non-compliance were excused, TikTok concedes it is alleging in district court that other claim terms are also indefinite (*see* Pet.9-15), so conducting an IPR will not serve as a “true alternative” to the district court validity challenges. *Motorola Sols. Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3 (PTAB Mar. 28, 2025) (Director review). The Board cannot resolve indefiniteness issues; thus

TikTok's indefiniteness positions further support denial so that all invalidity issues can be efficiently resolved in one forum, the court, rather than piecemeal between here and the district court. *See, e.g., Arthrex, Inc. v. MedShape, Inc.*, IPR2025-00053, Paper 11 at 14-15 (PTAB Apr. 25, 2025) (“In sum, for some of the Challenged Claims Petitioner identifies issues of indefiniteness ... that we cannot resolve in this proceeding.... This suggests that even if Petitioner has shown a reasonable likelihood of prevailing ... Petitioner’s disputes as they relate to the Challenged Claims, as a whole, may be more efficiently addressed in the Parallel Proceeding.”); *Nokia of Am. Corp. v. Pegasus Wireless Innovation LLC*, IPR2025-00037, Paper 14 at 13 (PTAB Apr. 25, 2025) (noting that even a timely filed stipulation is not dispositive because the Board “agree[d] with Patent Owner that some issues will remain—the district court will still have to resolve various § 112 issues raised by the Petitioner”); *Tesla, Inc. v. Intell. Ventures II LLC*, IPR2025-00340, Paper 18 at 3 (Squires Nov. 5, 2025) (informative) (allowing petitioner to advance construction in IPR while making district court indefiniteness arguments detracts from “providing greater predictability and certainty in the patent system”).

TikTok's numerous indefiniteness positions support discretionary denial.

## **2. Need for Discovery of Objective Indicia Supports Denial**

Not only is the district court a better forum to address validity because of TikTok's indefiniteness positions, but additionally, resolving the '316 Patent's

validity likely will require extensive discovery to demonstrate the objective indicia supporting non-obviousness, further confirming the district court is a better forum.

TikTok asserts only obviousness grounds against all claims (*see* Pet.2), and precedent requires that any obviousness determination consider objective indicia of non-obviousness, including commercial success and copying. *See Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). As ShopSee's amended complaint explains, TikTok projected \$17.5 billion in sales in 2024 alone, of which TikTok claimed an 8% commission as revenue, which was enabled by the '316 Patent's claimed technology. Ex.2020 ¶39. The extensive discovery required to show TikTok's copying of the claimed technology and resultant commercial success driven by TikTok's copying would unnecessarily burden the Office's finite resources, and confirms the Petition should be denied so that the "robust discovery" available in district court can be leveraged. *Fujirebio Diagnostics, Inc. v. Quanterix Corp.*, IPR2025-01060, Paper 13 at 2-3 (Dir. Oct. 17, 2025) (denying institution).

### **3. TikTok's Weak Petition Supports Denial**

TikTok's Petition is also weak on the merits, further supporting denial. Three illustrative examples are discussed below.

**First**, TikTok's Petition is not supported by reasoned expert testimony. The Petition relies extensively on Dr. Almeroth's expert declaration. *See generally* Pet. and Ex.1002. But for multiple limitations, Dr. Almeroth simply restates TikTok's

bare (and incorrect) attorney argument without additional explanation other than conclusory assertions untethered to any objective supporting evidence.

The Petition's limitation 1[c][iv] analysis is instructive. TikTok asserts as an alternative argument that "Ohliger renders obvious" this subject matter, citing multiple paragraphs of Dr. Almeroth's declaration in support, including to support a hypothetical redesign of Ohliger's user interface that Ohliger does not disclose or contemplate. *See* Pet.55-56. In the cited paragraphs, Ex.1002 ¶¶158-163, Dr. Almeroth baldly states various "benefit[s]" would result from modifying Ohliger accordingly, but he cites **no evidence** to show that the user interface modifications were possible, or evidence to support such purported benefits exist, much less that benefits exist at all. Such testimony, which lacks any factual basis, should be accorded (at most) "little weight." *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15-17 (PTAB Aug. 24, 2022) (precedential); 37 C.F.R. § 42.65(a) ("Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight."); *see also Upjohn Co. v. Mova Pharm. Corp.*, 225 F.3d 1306, 1311 (Fed. Cir. 2000) ("Lack of factual support for expert opinion going to factual determinations, however, may render the testimony of little probative value in a validity determination."); *Facebook, Inc. v. Windy City Innovations, LLC*, 973 F.3d 1321, 1340-41 (Fed. Cir. 2020) (affirming the Board's decision upholding a claim: "the Board considered Facebook's expert's testimony

but determined that it did not add materially to Petitioner's unpersuasive attorney argument") (citation omitted). Obviousness cannot be sustained by conclusory expert testimony. For at least this reason, the Petition's weak merits support denial.

**Second**, TikTok repeatedly improperly relies on expert testimony to supply missing limitations. For example, claim 15 recites that the claimed layers are "unaffected by adblocking software," but Ohliger does not mention "ad blocking software." Pet.76. So, TikTok handwaves, and contends the claim's subject matter was "known" or obvious, relying on Dr. Almeroth to fill Ohliger's disclosure gap. But in petitions filed after September 1, 2025, like TikTok's Petition, "expert testimony ... may not be used to supply a missing claim limitation" (Ex.2018, 1), without violating Rule 104(b)(4). This merits failure also compels denial.

**Third**, TikTok advances needlessly duplicative and confusing grounds, supporting denial. Each ground challenges all claims using Ohliger as the base reference. Pet.2. Ground 1 asserts obviousness over Ohliger alone. With little explanation, TikTok's Grounds 2-4 layer on teachings of Sakhartov, Kaiserlian, and Tapissier, in various permutations. Then, TikTok presents one attempted catch-all ground, Ground 5, confusingly labeled "Ohliger, Sakhartov, and Kaiserlian or Tapissier" (i.e., two Grounds labeled as Ground 5). Pet.2. Ground 5's explanation provides no insight to ShopSee or the Board as to "where each element of the claim is found in the prior art ... relied upon." 37 C.F.R. § 42.104(b)(4). Instead, TikTok

vaguely contends: “For the reasons set forth in Grounds 3-4, it would further be obvious to combine Ohliger and Sakhartov (Ground 2) with either Kaiserlian (Ground 3) or Tapissier (Ground 4) to arrive at the challenged claims.” Pet.108.

The Petition's vagueness and unnecessarily numerous Grounds support discretionary denial. TikTok's failure to present adequate reasoning results in a deficient obviousness analysis under the *Graham* factors, as TikTok does not elucidate the “differences between the prior art and the claims at issue.” *Graham*, 383 U.S. at 17. For example, it is unclear **why** TikTok adds Sakhartov to Ground 2. TikTok does not explain why Ohliger's alleged teaching is inadequate for the limitation it turns to Sakhartov for. Nor does TikTok allege, for example, that a particular claim construction dispute necessitates adding Sakhartov. The same failure of explanation applies for Grounds 3-5.

TikTok's failure also unnecessarily burdens ShopSee and the Board. The Trial Practice Guide advises parties to “focus on concise, well-organized, easy-to-follow arguments”; TikTok's meandering Petition is the opposite. *See Trial Practice Guide* II(3); *see also Arashi Vision (U.S.) LLC v. GoPro, Inc.*, IPR2024-01434, Paper 9, 10-11 (PTAB Mar. 31, 2025) (denying institution in part because numerous grounds unduly burdened patent owner and “ma[de] inefficient use of the Board's resources.”); *Am. Airlines, Inc. v. Intell. Ventures I LLC*, IPR2025-00785, Paper 14 at 13-16 (PTAB Nov. 4, 2025) (denying institution in part because “Petitioner

improperly punts *its* burden to define *its* obviousness challenges *to the Board* (and Patent Owner).”) (italics in original). If IPR is instituted, ShopSee will be forced to respond to a nebulous set of prior art grounds, and TikTok will likely seek to impermissibly rehabilitate its deficient Petition on Reply; unpatentability arguments are forbidden from being a moving target. *See Wasica Fin. GmbH v. Cont'l Auto Sys., Inc.*, 853 F.3d 1272, 1285-87 (Fed. Cir. 2017) (“Shifting arguments ... is foreclosed by statute, our precedent, and Board guidelines.”) (citations omitted). Further, the Board will be burdened by TikTok’s unfocused approach, as the final written decision must address “all grounds raised in the petition.” Ex.2007.

Finally, the questionable merits of TikTok’s Petition are also revealed by the prior art it chose for its Grounds. TikTok contributed to a crowdsourced prior art search with a \$2,000 bounty for finding relevant prior art (*see* Exs.2012-2013), but TikTok’s Petition uses none of the “winning” references found by that effort. Instead, TikTok was forced to cobble together other disparate references, none of which individually or collectively render any claim obvious, confirming the strength and validity of the ’316 Patent, and the lack of merit in TikTok’s Grounds.

*Fintiv* Factor 6 strongly supports denial.

#### **F. *Fintiv* Factor Summary**

When the *Fintiv* factors are holistically evaluated, the “efficiency and integrity of the system are best served by denying ... review,” considering TikTok’s delay in

filing the Petition, the advanced stage of the litigation, and the numerous substantive failures in the Petition's merits. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15, 6-8 (PTAB May 13, 2020) (informative). The Director should deny institution.

### **III. Other Considerations Support Discretionary Denial**

The Process Memo's additional considerations for determining whether to exercise discretion, including the settled expectations of the parties, other considerations bearing on the Director's discretion, and compelling national security interests, also heavily favor denial.

#### **A. ShopSee's Settled Expectations Support Denial**

The application that resulted in the '316 Patent was filed by ShopSee's predecessor, SeeTv Global, Inc. ("SeeTv"), in December 2017. At filing, and throughout prosecution, SeeTv was a small entity (*see* Ex.1004, 1) that dedicated significant resources to the patent application's preparation, and which continued to invest heavily to advance the application through its extraordinary examination.

The extensive contributions of ShopSee and the Office during the '316 Patent's notable prosecution are revealed, for example, by the six office actions (three non-final and three final) issued by the Office and responded to by ShopSee before allowance. The six office actions before issue is more than **triple** the 1.733 average office actions per patent granted in 2021 for the '316 Patent's technology center, TC 2400. Ex.2015. Prosecution also included two interviews between

ShopSee's attorneys and the Examiner; during both interviews, ShopSee's representatives discussed proposed amendments in an effort to "advance prosecution and identify patentable subject matter." MPEP § 713; Ex.1004, 209-212; 307-309.<sup>2</sup>

Unlike applications that are assigned to an assistant examiner whose work is then reviewed by a primary examiner, ShopSee's application was examined throughout by a primary examiner. Primary examiners have Signatory Authority, a status only granted "to those examiners whose performance and conduct clearly demonstrate that they are competent and trustworthy" (Ex.2008, 1), and whose duty it is "to review the application thoroughly." MPEP § 707.01. And the '316 Patent Examiner's particularly noteworthy efforts show such a thorough review of the application occurred. Not only did the Examiner consider, as required, the 39 references submitted by ShopSee in an IDS (*see* Ex.1004, 119-120), but the Examiner performed multiple independent searches of the claimed subject matter before issuing each of the six office actions (*see* Ex.1004, 117, 155, 193, 234, 279, 332). In one search, conducted before the fifth issued office action, the Examiner performed a search of non-patent literature (NPL) via a third-party tool, which returned 24 pages of results, containing over 2,000 titles of potentially-relevant NPL

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<sup>2</sup> SeeTv changed its name to ShopSee in 2021 (Ex.1004, 396-397), and ShopSee later timely notified the Office of its change to large entity status (*id.*, 426).

art. Ex.1004, 281-304; *see also* Ex.2014 (spreadsheet counting NPL references).

After this intensive prosecution process, and upon issue, ShopSee had a settled expectation that its efforts and resources, as well as the Office's efforts, dedicated to an error-free prosecution process—where all relevant prior art was identified—culminated in a “born strong” patent. Ex.2011, 23 (Dir. Squires: “[I]t is to the benefit of all stakeholders if prior art is identified and applied at the earliest stage of examination ... as we benefit as a society from patents ‘born strong,’ beginning with the original patent grant.”); *see also Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 2 (Dir. July 24, 2025) (“there may be good reasons why a patent owner has strong settled expectations in a patent ... for example an explanation of how an extraordinary amount of investment, time, and resources ... correlates to settled expectations.”). This extensive prosecution history also led to ShopSee having a strong expectation in the '316 Patent's validity, based on its thorough examination, when developing technology implementing the '316 Patent's claims; ShopSee's technology implements the '316 Patent squarely in TikTok's technology space of social media videos. *See* Ex.2016 (ShopSee website: “Our patented technology allows you to embed purchasable products directly into videos.”) *cf. Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12 at 2 (Dir. June 26, 2025) (lack of commercialization may weigh against settled expectations).

Where TikTok's Petition is demonstrably weak, and represents nothing more

than a strategic move to impose additional costs and pressure on ShopSee, the Director can, and should, put a stop to TikTok's poor use of the Office's resources by discretionarily denying the Petition. ShopSee's settled expectations resulting from the precision of an unusually-extensive prosecution process should not be disturbed by forcing it, and the Office, to again address the validity of its patent.

**B. The Interests of the Office and Public in Predictable Patent Rights Support Denial**

Denying institution also promotes predictability in the patent system.

As detailed above, TikTok's Petition relies heavily on Ohliger. The '316 Patent's application was filed December 2017, and the '316 Patent issued September 2021. During that entire period, Ohliger was **unavailable to the public**: Ohliger's application was filed June 13, 2016 and not published until the Ohliger patent issued August 30, 2022, after the '316 Patent issued.

TikTok vaguely states Ohliger "is prior art under at least AIA 35 U.S.C. § 102(a)" (Pet.16), unhelpfully concealing which subsection applies. For good reason: Ohliger would only qualify under AIA § 102(a)(2) as a patent allegedly "effectively filed before the effective filing date of the" '316 Patent, because it was **not** "available to the public before the effective filing date of the claimed invention" under § 102(a)(1). Critically, Ohliger's application was filed with a **non-publication request**, meaning that it would be hidden from the public and not published 18 months after filing pursuant to 35 U.S.C. § 122(b). Ex.2009, 9. Instead of being

published, Ohliger's application was "kept in confidence" and not available to the public or the examiner, until issuance in 2022. 35 U.S.C. § 122(a); 37 C.F.R. § 1.14(a).

Because Ohliger's application was confidential and unavailable to the public during the '316 Patent's prosecution, ShopSee could not have reviewed it to determine whether it may have been relevant and cited in an IDS. Nor could ShopSee, for example, have amended the claims to distinguish Ohliger (which would have been unnecessary because, as the POPR will explain, it does not disclose or render obvious the claim limitations). Similarly, the Examiner could not access Ohliger's disclosure or consider it during prosecution. TikTok therefore cannot show the Examiner erred by not applying Ohliger because, due to its secrecy, finding or applying it during prosecution was an impossibility.

It would be unfair, then, to **only after issuance**, have the Board review the '316 Patent's patentability over Ohliger. IPR was meant to be a "second look" at the Office's patent grant. *Cuozzo Speed Techs., Inc. v. Lee*, 579 U.S. 261, 279 (2016). But instituting IPR on the '316 Patent over Ohliger would defy the legislative purpose of IPR and instead would be a re-do of the **first look** by the Office, applying art that the Examiner never could have applied against the claims during prosecution.

A currently-pending petition for certiorari seeks the Supreme Court's review of a similar issue, in the context of a reference applied during IPR that only qualified

under pre-AIA § 102(e). Ex.2010. The certiorari petitioner contends § 311(b) does not authorize IPR over a patent application that was not published at the time of the challenged patent's priority date. *See, e.g., id.*, 14-15. The outcome of that petition, and the Supreme Court's potential review of that issue, would directly impact this case, as Ohliger was similarly not published at the time of the '316 Patent's priority date, and would not qualify as permissible prior art under § 311(b).

But the Director need not wait for the Supreme Court to act. Instead, the Director can, and should, exercise discretion to deny TikTok's belatedly-filed petition. The Office's resources should be used to provide and improve "consistency" and "predictability" to the public, consistent with the reasoning of other rules issued by the Office. 83 Fed. Reg. 51340, 51342 (Oct. 11, 2018); *see also* Ex.2017, 3 ("public interest" served by "maintaining a patent system that is" "predictable"). ShopSee did not predict that, after the '316 Patent's thorough prosecution, the patent would be later evaluated over a reference that was confidential until after the '316 Patent's issuance. Nor would any other similarly-situated patent owner. The Director should deny TikTok's Petition.

### **C. Compelling National Security Interests Support Denial**

Statute requires that a petition identify "all real parties in interest." 35 U.S.C. § 312(a)(2). On October 28, 2025, the Director issued a memorandum regarding the RPI requirement, which returns the Office to prior practice, where "§ 312(a) must

be satisfied before the Director can institute trial.” Ex.2019 (“RPI Memo”), 1.

The RPI Memo explains that, over time, “countervailing policy considerations” have increased the importance in enforcing the RPI requirement, including “significant national-security concerns” related to “[s]tate-linked entities” (e.g., those on the Department of Commerce’s Entity List). *Id.* at 1-2. Additionally, the RPI Memo references Congress’s concern regarding TikTok’s use by foreign governments to track locations of Federal employees and conduct corporate espionage. The RPI Memo thus concludes that “AIA proceedings should not be used by foreign adversaries to harass American patentees” and confirms the Office will preserve national security by strictly enforcing the requirement for a petitioner to name all real parties in interest, including, for example, entities Congress has raised concerns of, like TikTok. *Id.* at 3; *see also* Pub. L. 118-50, div. H § 2(G)(3)(A)(ii) (Apr. 24, 2024) (defining “foreign adversary controlled application”).

The concerns identified in the RPI Memo, including compelling national security interests, provide yet another basis for the Director to deny institution. Additionally, TikTok has not shown it has complied with § 312(a), because it failed to identify its corporate parents as RPIs, further supporting denial. *See* Ex.2021.

#### **IV. Conclusion**

For the reasons above, the Director should deny TikTok’s Petition.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

Pursuant to 37 C.F.R. § 42.6(e), I certify that on this 17th day of November, 2025, a true and correct copy of the foregoing **Patent Owner's Brief on Discretionary Denial and all Exhibits** were served by electronic mail on Petitioner's lead and backup counsel at the following email addresses:

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