

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FEDEX CORPORATION and
FEDEX OFFICE AND PRINT SERVICES, INC.,
Petitioners,

v.

VALTRUS INNOVATIONS LTD.,
Patent Owner.

Case IPR2025-01490
Patent 7,120,832

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

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	ARGUMENT	1
A.	The Balance of Settled Expectations Strongly Favors Institution	2
1.	Petitioners FedEx Corp. and FedEx Office Held Firm Expectations Against Assertion of the Expired '832 Patent.....	2
2.	Valtrus, a Foreign Patent Assertion Entity Waging Licensing and Litigation Campaigns Against American Companies, Should Not Have Settled Expectations of Discretionary Denial	5
3.	Valtrus's Abusive Licensing and Litigation Tactics Further Undercut Its Alleged Settled Expectations	7
B.	Institution Is Warranted to Correct Severe Examination Errors	8
C.	The Parallel Reexamination Request Further Supports Institution and Should Be Stayed to Conserve Resources	12
D.	Institution Will Narrow and Simplify the Parallel FedEx Litigation..	13
1.	A Final Written Decision by the Board Will Almost Certainly Precede Any Jury Trial	13
2.	Petitioners' <i>Sotera</i> + Stipulation Will Eliminate Wasteful Duplicative Efforts.....	16
3.	Other Litigations, Including the Home Depot Litigation, Do Not Support Denial	16
III.	CONCLUSION.....	18

LIST OF EXHIBITS

FEDEX-1001	U.S. Patent No. 7,120,832 to Collins et al. (“the ’832 patent”)
FEDEX-1002	Excerpts from the Prosecution History of the ’832 patent
FEDEX-1003	Declaration of Dr. Nenad Medvidovic
FEDEX-1004	U.S. Patent No. 5,287,363 to Wolf et al. (“Wolf”)
FEDEX-1005	U.S. Patent No. 5,584,018 to Kamiyama (“Kamiyama”)
FEDEX-1006	U.S. Patent No. 5,881,311 to Woods (“Woods”)
FEDEX-1007	Excerpts of Cant, “Writing Windows WDM Device Drivers,” (1999)
FEDEX-1008	Excerpts of Nutt, “Operating Systems A Modern Perspective,” Second Edition (2000)
FEDEX-1009	Excerpts of McKusick et al., “The Design and Implementation of the 4.4 BSD Operating System,” (1996)
FEDEX-1010	Excerpts of Que Corporation’s “Using MS-DOS 6, Special Edition,” (1993)
FEDEX-1011	Excerpts of Custer, “Inside the Windows NT File System,” (1994)
FEDEX-1012	Rosenblum et al., “The Design and Implementation of a Log-Structured File System,” ACM Transactions on Computer Systems, Vol. 10, No. 1, February 1992, Pages 26-52
FEDEX-1013	Excerpts of Powers et al., “AS/400 Disk Storage Topics and Tools,” (April 2000)
FEDEX-1014	U.S. Patent Application Publication No. 2003/0046270 to Leung et al.
FEDEX-1015	U.S. Patent No. 6,408,406 (“Parris”)

FEDEX-1016	Complaint, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. May 9, 2025)
FEDEX-1017	October 7, 2025 Stipulation
FEDEX-1018	Voluntary Search Disclosure Declaration
FEDEX-1019–1099	RESERVED
FEDEX-1100	Defendants’ Motion to Dismiss, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. July 28, 2025)
FEDEX-1101	Wikipedia contributors. (2025, November 24). FedEx. In Wikipedia, The Free Encyclopedia. Retrieved from https://en.wikipedia.org/w/index.php?title=FedEx&oldid=1323962065
FEDEX-1102	FedEx Company Structure and Facts. Retrieved from https://www.fedex.com/en-us/about/company-structure.html
FEDEX-1103	Defendant FedEx Office and Print Services, Inc.’s Objections and Responses to Plaintiffs’ First Set of Interrogatories, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. July 28, 2025)
FEDEX-1104	Declaration of Michael A. Bittner in Support of SAP America, Inc.’s Answering Brief in Opposition to Defendants’ Motion to Dismiss, <i>SAP America, Inc. v. Valtrus Innovations Ltd. et al.</i> , Case No. 24-cv-00756 (D. Del. October 2, 2024) (public version)
FEDEX-1105	Valtrus Innovations Ltd. Home Page. Retrieved from https://www.valtrusinnovations.ie/
FEDEX-1106	Letter from Vincent J. Rubino III of Fabricant LLP on behalf of Valtrus Innovations Ltd. to FedEx Corporation (October 16, 2024)

FEDEX-1107	FedEx Global Economic Impact Report (2025)
FEDEX-1108	Letter from Vincent J. Rubino III of Fabricant LLP on behalf of Valtrus Innovations Ltd. to Starbucks Corporation (February 4, 2025)
FEDEX-1109	Letter from Angela Quinlan of Valtrus Innovations Ltd. to SAP SE (March 4, 2022)
FEDEX-1110	Listing of Active Valtrus Patents. Data retrieved via https://analytics.patsnap.com/
FEDEX-1111	Tax Convention with Ireland (Effective Date: 1998)
FEDEX-1112	Email from Chris Cherry on behalf of FedEx Corporation to Vincent J. Rubino III of Fabricant LLP on behalf of Valtrus Innovations Ltd. (March 12, 2025)
FEDEX-1113	Email from Dave Rosenblatt on behalf of Valtrus Innovations Ltd. to Chris Cherry on behalf of FedEx Corporation (March 14, 2025)
FEDEX-1114	Plaintiffs Valtrus Innovations Ltd. and Key Patent Innovations Ltd.'s Notice of Voluntary Dismissal Without Prejudice, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. August 11, 2025)
FEDEX-1115	Docket Control Order, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. July 25, 2025)
FEDEX-1116	Eric Taufest and Jared Hoggan. Judicial Profile: Hon. Rodney Gilstrap
FEDEX-1117	Consolidation Order, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. June 27, 2025)

FEDEX-1118	Docket Control Orders for Case Nos. 2:25-cv-00438-JRG, 2:25-cv-00554-JRG-RSP, 2:25-cv-00617-JRG, and 2:25-cv-00450-JRG-RSP
FEDEX-1119	CourtLink Docket, Valtrus Innovations Ltd. V. Sap America, Inc. et al., Case No. 2:24-cv-00021 (E.D. Tex.)
FEDEX-1120	LegalMetric District Report: Texas Eastern District Court in Patent Cases, January 2000-July 2025 (excerpt)
FEDEX-1121	DocketNavigator. Patent Research Tools: Time to Trial for Judge Rodney Gilstrap
FEDEX-1122	Defendant FedEx Office and Print Services, Inc.'s disclosures Pursuant to Patent Rules 3-3 and 3-4, <i>Valtrus Innovations Ltd. et al. v. FedEx Corp. et al.</i> , Case No. 2:25-cv-00516 (E.D. Tex. November 19, 2025)
FEDEX-1123	LexMachina. Summary of Resolutions re E.D. Tex. Patent Cases Involving Home Depot Entities
FEDEX-1124	Stipulation to Dismiss Home Depot U.S.A. Inc. Without Prejudice, <i>Promethean Insulation Technology, LLC v. Sealed Air Corp. et al.</i> , Case No. 2:13-cv-01113 (lead) (E.D. Tex. April 15, 2015)
FEDEX-1125–1199	RESERVED
FEDEX-1200	RocksDB Code Library. Retrieved from https://github.com/facebook/rocksdb?tab=readme-ov-file
FEDEX-1201	Dhruba Borthakur (2013). The History of RocksDB. Retrieved from https://rocksdb.blogspot.com/2013/11/the-history-of-rocksdb.html
FEDEX-1202	James Hamilton (2008). Facebook Releases Cassandra as Open Source. Retrieved from https://perspectives.mvdirona.com/2008/07/facebook-releases-cassandra-as-open-source/

FEDEX-1203 Rohit Reddy Nalla (May 2015). A case study on Apache HBase.

FEDEX-1204 U.S. Patent No. 6,571,354 (“Parks”)

**All emphasis is added in this brief.*

I. INTRODUCTION

FedEx Corporation and FedEx Office are premier companies in the logistics and print services industries, respectively. The '832 patent, by contrast, concerns “monitoring performance of a storage device” for computers. FEDEX-1001 at 1:6–9. Still, despite not making or using the accused software, Petitioners are defending a district court infringement suit asserting the '832 patent. How did we get here?

Valtrus is a foreign entity who purchased a large portfolio including the challenged '832 patent in 2021 and has been demanding licenses from companies operating in the United States ever since. Valtrus's demand letters are predatory, and they attempt to prey on end-users rather than software developers or providers. The letters say the target company requires a portfolio license based on a smattering of old patents, some of which are expired, and without identifying any specific products that use the accused software. When targets pay, Valtrus funnels the royalties overseas to other foreign entities; when they do not, Valtrus sues, which it has done at least twenty-eight times in the last four years. Petitioners did not pay.

This IPR deserves the Board's attention and resources. Petitioners are stalwart American companies who did not, and should not, expect to be sued in the United States by a foreign entity asserting an expired patent unrelated to logistics or print services. *Infra*, § II.A. Institution is also warranted to correct dire examination errors and to conserve resources in parallel proceedings. *Infra*, §§ II.B–D.

II. ARGUMENT

A. The Balance of Settled Expectations Strongly Favors Institution

1. Petitioners FedEx Corp. and FedEx Office Held Firm Expectations Against Assertion of the Expired '832 Patent

Patent Owner Valtrus sued Petitioners FedEx Corp. and FedEx Office in the Eastern District of Texas on May 9, 2025 (“the Parallel FedEx Litigation”). FEDEX-1016 at 1. Valtrus’s complaint falsely accuses FedEx Corp. and FedEx Office of making or using open-source data storage software (RocksDB) and open-source distributed database software (Apache Cassandra & Apache HBase) that purportedly infringe the ’832 patent.¹ *Id.* at 1–3, 7, 44–72. But Petitioners never should have been sued in the first place. In fact, as explained below, they each held firm expectations against a baseless patent infringement assertion like Valtrus’s.

To start, it is common knowledge that FedEx Corp. is a holding company and “does not offer products or services at all.” FEDEX-1100 at 6; *see also id.* at 2; FEDEX-1101 at 1. FedEx Corp. does not use the open-source “big data” software that Valtrus accuses, nor was it reasonable for Valtrus to assume so.

¹ RocksDB is open-source data storage software initially developed at Facebook. FEDEX-1200; FEDEX-1201. Apache Cassandra & Apache HBase are open-source distributed database software developed at Facebook and a search engine company called Powerset, respectively. FEDEX-1202; FEDEX-1203 at 4.

FedEx Office had a similarly strong expectation that it would not be sued on any patent that purportedly covers the accused open-source “big data” software. It is beyond debate that FedEx Office did not develop the accused software. That is not FedEx Office’s business. FedEx Office provides copying, digital printing, professional finishing, signs, corporate print solutions, packing services, and shipping services to its customers. FEDEX-1102 at 10. Moreover, in providing these services, FedEx Office “does not itself employ any of the third-party software packages set forth in [Valtrus’s] complaint.” FEDEX-1103 at 16.

Even setting aside that neither entity uses the accused software, the ’832 patent has never been “commercialized, asserted, marked, licensed, or otherwise applied” in Petitioners’ “particular technology space.” *See Shenzhen Tuozhu Tech. Co. v. Stratatsys, Inc.*, IPR2025-00438, Paper 10 at 3 (Director Jul. 17, 2025). Indeed, the original owner—Hewlett Packard—never asserted the ’832 patent in litigation. The ’832 patent laid dormant for 15 years, until Valtrus, a shell entity created for patent assertions, began to execute its acquire-and-assert scheme. FEDEX-1104 at 83–86 (financial statements), 94–95; *see also id.* at 19, 42, 71–79.

Valtrus does not commercialize the ’832 patent in the traditional sense because Valtrus is a patent assertion entity that does not make products or offer services. FEDEX-1105. For this same reason, Valtrus has no products to mark. Although Valtrus is presently asserting the ’832 patent in multiple lawsuits, none of

the defendants compete or collaborate with FedEx Corp. or FedEx Office in the marketplace. *See* EX2005 (Home Depot); EX2011 (Lenovo); EX2008 (NetApp). In addition, to the extent the '832 patent is licensed, Valtrus merely contends that it is part of much broader licenses to the entire portfolio of patents obtained from a Hewlett Packard entity in 2021. *See* EX2017 ¶¶ 3–4. None of Valtrus's assertion activities undermine FedEx Corp. and FedEx Office's settled expectations that they would not be the target of a baseless infringement suit involving the '832 patent and "big data" software packages that neither entity developed or even used.

As the Director previously observed, that Petitioners "did not have reason to anticipate assertion of the patent against [them]" is a factor that weighs against Valtrus's settled expectations and "outweigh[s] [any other] considerations favoring discretionary denial." *Home Depot U.S.A., Inc., v. H2 Intellect LLC*, IPR2025-00480, Paper 11 at 2–3 (Director Sept. 4, 2025).

Further still, Petitioners FedEx Corp. and FedEx Office held reasonable and firm expectations against assertion of the '832 patent even at the time Valtrus sent its first licensing demand letter in October 2025. FEDEX-1106. The '832 patent had been expired for years by then. *See* FEDEX1001 Cover (noting a filing date of Sept. 27, 2001 and 658 days of patent term adjustment). Time and again, the Director (including via delegates) has acknowledged that defendants targeted by patent owners who waited until after patent expiration to file their infringement suits

have strong settled expectations against enforcement that outweigh other discretionary denial considerations. *See Apple Inc. v. Ferid Allani*, IPR2025-00856 Paper 11 (Sept. 5, 2025) (finding “discretionary denial is not appropriate” where “Patent Owner did not assert the challenged patents against Petitioner until after they expired”); *Google LLC v. Sandpiper CDN, LLC*, IPR2025-00806, Paper 13 at 2–3 (Sept. 12, 2025) (similar); *Globus Med., Inc. v. Spinelogik, Inc.*, IPR2025-00226, Paper 8 at 3 (Jun. 12, 2025) (similar).

2. Valtrus, a Foreign Patent Assertion Entity Waging Licensing and Litigation Campaigns Against American Companies, Should Not Have Settled Expectations of Discretionary Denial

Valtrus cannot reasonably expect that the United States Patent Office will refuse to review patents wielded by a foreign entity against American companies like Petitioners who power the domestic economy. *See FEDEX-1107* at 9 (indicating “\$47.4 billion” in supply chain spending by FedEx Corp.’s operating companies within the United States and explaining how such spending supports “the small business sector and makes significant contributions to local economies”), 12 (explaining that FedEx Corp.’s operating companies in the shipping and logistics space “play a particularly large role in the U.S. Transportation and Warehousing sector,” directly contributing “an estimated 6.6% of the sector’s total net economic output in FY2025”), 13 (explaining that FedEx Corp.’s operating companies employ “approximately 275,000 team members around the country”).

Valtrus is a patent assertion entity based in Ireland. FEDEX-1016 at 1–2; EX2017 ¶¶ 1–2. Valtrus has no known connection to the United States beyond that it sends generic cookie-cutter licensing demand letters to companies operating in the United States and files lawsuits against those who don’t submit. *Compare* FEDEX-1106 (FedEx), *with* FEDEX-1108 (Starbucks), *and with* FEDEX-1109 (SAP).

Despite its Irish roots, Valtrus’s patent assertion business model is narrowly focused on the United States. Because all (or virtually all) of its active patent portfolio seemingly consists of United States patents, Valtrus conducts its patent assertion activities on U.S. soil, backed by the strong United States court system and financially sheltered by an international tax treaty. FEDEX-1110; FEDEX-1111 at 16–18 (Article 12 Royalties). Thanks to its extensive United States patent portfolio, Valtrus has extracted tax-sheltered royalty payments from “more than fifty entities.” EX2017 ¶ 3. Those funds all flow across the Atlantic from here to Ireland with no benefit at all to the United States Government, economy, or citizens.

Although existing laws do not preclude foreign entities like Valtrus from asserting United States patents against American companies like FedEx Corp. and FedEx Office, such a foreign entity ought not harbor an expectation that the United States Government would categorically decline a merits review of the foundational rights underpinning such a strategy.

3. Valtrus’s Abusive Licensing and Litigation Tactics Further Undercut Its Alleged Settled Expectations

Valtrus’s abusive licensing and litigation tactics further erode any would-be settled expectations based on the ’832 patent’s age.

Valtrus’s unfair tactics date back to October 16, 2024, when Valtrus first accused FedEx Corp. of infringing a list of patents attached to a short two-page letter. FEDEX-1106 at 1–3. The letter failed to identify any specific products or services purportedly offered by FedEx Corp. and lacked even a single perfunctory claim chart for any of the asserted patents.² *Id.* Worse, at least three of the listed patents that Valtrus said required a license, including the ’832 patent, were already expired or on the verge of expiring. *Id.* at 3 (identifying expired patents U.S. 7,120,832, U.S. 7,376,953, U.S. 8,379,538); *Brulotte v. Thys Co.*, 379 U.S. 29, 32 (1964) (“[W]e conclude that a patentee’s use of a royalty agreement that projects beyond the expiration date of the patent is unlawful per se.”). When FedEx Corp. explained the letter’s clear deficiencies, Valtrus reiterated its licensing demand without supplementing its allegations and later filed suit. *See* FEDEX-1112 (FedEx Corp. email dated March 12, 2025, explaining that “Valtrus’s letter provides absolutely no basis to conclude that FedEx uses the various software packages listed” and that “[a]

² Valtrus is defending claims of bad-faith patent assertion for sending a carbon copy demand letter to Starbucks. *See* EX2012 at 7–16; FEDEX-1108.

list of patent numbers devoid of any explanation is simply not a sufficient basis for FedEx to conduct a reasonable investigation”); FEDEX-1113 (Valtrus email dated March 14, 2025); FEDEX-1016 (complaint dated May 9, 2025).

Valtrus’s lawsuit was yet another act in bad faith. The complaint accuses FedEx Corp. and FedEx Office of infringement with no factual allegations connecting either entity to the accused software. It is a matter of public record, discoverable by any sensible investigation, that FedEx Corp. is a holding company and does not offer products or services to consumers. *Supra*, § II.1. Valtrus tacitly conceded its misstep by dismissing FedEx Corp. from the Parallel FedEx Litigation. FEDEX-1114. As for FedEx Office, Valtrus’s complaint cites personal LinkedIn profiles as purported proof of use, but none list FedEx *Office* as an employer. FEDEX-1100 at 16–17; FEDEX-1016 at 45–49, 56–57, 67–68.

Valtrus’s expectation that it can harass American companies with unfair patent licensing and litigation campaigns launched from the other side of the Atlantic absent any and all oversight from the United States Government is unreasonable and does not support discretionary denial.

B. Institution Is Warranted to Correct Severe Examination Errors

The Examiner repeatedly rejected the ’832 patent’s claims during prosecution because the claimed features were “very obvious,” “intuitive to a person having ordinary skill in the art,” and something the skilled artisan “would have been

motivated to do” in view of the prior art. *E.g.*, FEDEX-1002 at 260–263. Then, suddenly, with the claims finally rejected and an appeal to the Board pending, the Examiner reversed course. Contradicting his prior analysis—which was correct and amply supported—the Examiner second-guessed himself and gave a Notice of Allowance. *See id.*, 317–323. Petitioners seek to remedy the Examiner’s erroneous allowance and restore his warranted rejection. He had it right the first time.

The Notice of Allowance says the Examiner was persuaded by the Applicant’s Appeal Brief remarks, particularly those regarding the claim feature of “responding to a decline in the performance of said storage device . . . by automatically reallocating at least some data on said storage device.” FEDEX-1002 at 321. Yet the Appeal Brief did not address the crux of the standing rejection on this issue, leaving the Examiner’s reversal without rational basis.

Stepping back, the Examiner first established the obviousness rejection on appeal in a Non-Final Office Action dated June 23, 2005 based on “Parris (US Patent 6,408,406) in view of Parks et al. (US Patent 6,571,354).” FEDEX-1002 at 217; *see also generally id.* at 212–225. There, the Examiner explained that “Parris substantially teaches the invention,” including the ability to analyze intercepted communications to determine disk drive performance degradation, but that Parris lacks explicit disclosure of responsively “reallocating” data. *Id.* Even so, the Examiner advised, “Parks explicitly teaches . . . reallocation [of] data in responding

to a result of suffering from reduced performance of [the] storage device [figs. 3, 4, and 11; col. 9, lines 8–16].” *Id.* at 218 (w/o emphasis). Next, the Examiner found it would have been obvious to incorporate Parks’s data reallocation teachings “in conjunction with the method for testing defective disk drive storage parameters . . . disclosed by Parris in order to enhance the storage device memory programming efficiency.” *Id.* at 218–219.

The Applicant responded by adding an intended-use limitation indicating that the purpose of the reallocation is “to enhance continued operation of the storage device”³ and arguing that the prior art fails to teach it because [i] “Parris only discloses marking the disk drive as failed” and [ii] “Parks discloses removing the storage device based on a decline in performance.” FEDEX-1002 at 231, 239.

The Examiner’s Final Office Action incorporated his prior analysis by reference and concluded that the Applicant’s assertion that Parris and Parks are deficient “is not true.” FEDEX-1002 at 259, 262 (original emphasis). For example,

³ That the Examiner ultimately gave this intended-use language patentable weight under the broadest reasonable interpretation standard is a compounding error. *See In re Anderson*, 662 F. App’x 958, 963 (Fed. Cir. 2016) (upholding the Board’s adoption of an examiner’s construction that intended-use language “does not add a structural limitation to the claimed system or method”).

Parks does not only disclose “removing the storage device,” as the Applicant wrongly suggested (FEDEX-1002 at 231), but also says the device can be “repaired” or “utilized for other purposes” following the data reallocation step (FEDEX-1204 at 9:52–57). The Examiner added that Parris and Parks are each directed to enhancing the performance of memory storage devices, which makes the intended-use claim language “very obvious.” FEDEX-1002 at 262.

The Applicant’s Appeal Brief reiterated the argument that Parks is limited to “removing the storage device.” FEDEX-1002 at 282. But that mischaracterization was no truer on appeal than when the Examiner previously rejected it. FEDEX-1002 at 262 (“***not*** true” (original emphasis)). The Examiner’s capitulation on this point without new evidence or argument from the Applicant was a mistake. Another mistake was overlooking the Applicant’s failure to contest that Parks teaches data reallocation and that Parks’s purpose is enhancing memory storage performance. *See id.* at 283. These unchallenged factual findings were more than enough to sustain a *prima facie* obviousness case over Parris and Parks, which the Examiner failed to realize.

The severity of the Examiner’s erroneous self-reversal is obvious: It denied the Board an opportunity to assess the ’832 patent’s claims before they issued and before they could be eventually asserted by a foreign entity like Valtrus against American companies like FedEx Corp., FedEx Office, NetApp, and Starbucks.

Petitioners respectfully ask the Director to remedy this missed opportunity and allow the Board to review the '832 patent in this IPR.

C. The Parallel Reexamination Request Further Supports Institution and Should Be Stayed to Conserve Resources

Valtrus has it backwards. The co-pending *ex parte* reexamination (“EPR”) does not counsel toward denial; it favors institution. Br. at 19–20.

First, unlike a final written decision in this IPR, any rejection from the EPR will not be upheld by the Board in time to narrow or moot the ongoing litigations involving the '832 patent. *See infra*, § II.D. Although Valtrus says “the average pendency of an EPR is only approximately 15 months,” that statistic conceals the time consumed by an appeal to the Board. Br. at 20 (citing EX2018). According to Valtrus’s source, the “Avg. pendency if appealed” for EPR is “32.35 months.” EX2018 at 7. If the '832 patent’s claims are unpatentable—and they are—a Board decision saying so in June 2028 will not affect jury trials likely to occur in 2027. *See infra*, § II.D. It is better for the Board to speak sooner rather than later.

Second, Valtrus is wrong to suggest that the Wolf reference appearing in both Petitioners’ earlier-filed petition and the later-filed EPR request somehow compels denial. Br. at 19–20. To start, the EPR should be stayed pending the result of this

IPR to conserve resources. *See* 35 U.S.C. § 325(d).⁴ In that case, the CRU need never address the Wolf grounds, either because Wolf’s teachings will have rendered the ’832 patent’s claims unpatentable in this IPR, thus mooted the EPR, or because Wolf’s teachings will have been deemed deficient, preempting a rejection based on Wolf. Moreover, that two parties independently discovered and applied the Wolf reference against the ’832 patent’s claims is yet another sign that the examination process was deficient. *See* Br. at 20 (arguing otherwise). Had the Examiner not limited himself to narrow keywords like “reallocate” that mimic the claim language verbatim, he would have found more pertinent prior art like Wolf. *See* FEDEX-1002 at 303; *see also* FEDEX-1018 (detailing Petitioners’ more nuanced, thorough, and advanced prior art searching).

D. Institution Will Narrow and Simplify the Parallel FedEx Litigation

1. A Final Written Decision by the Board Will Almost Certainly Precede Any Jury Trial

The Board’s projected final written decision date is March 5, 2027, and the District Court’s Docket Control Order lists March 1, 2027 as the date for “Jury Selection.” FEDEX-1115 at 1. If the District Court’s schedule holds, the jury verdict and the Board’s decision would come to fruition at approximately the same

⁴ Petitioners hereby commit to seek authorization from the Board for a motion to stay upon institution or earlier if authorized by the Director.

time. *See* FEDEX-1116 at 2 (“The majority of patent jury trials in [Judge] Gilstrap’s court are conducted in approximately a week’s time[.]”); Br. at 11 (“coterminous”).

But, these days, scheduled trial dates rarely hold in Texas’s Eastern District. This venue is the busiest patent court in the nation, and Judge Gilstrap’s docket is jam-packed with overlapping trial schedules. To start, the Docket Control Order that applies to Valtrus’s lawsuit against FedEx Office also applies to the separate lawsuit Valtrus filed against NetApp. The cases have been consolidated for pretrial activities but the “[i]ndividual cases remain active for trial.” FEDEX-1117. Both trials cannot start on the scheduled date of March 1, 2027. And even assuming the case against FedEx Office goes first, there are still *six other lawsuits* on Judge Gilstrap’s docket with jury trials scheduled to begin that same day. FEDEX-1118.

Lawsuits on Judge Gilstrap’s Docket Scheduled for Trial on March 1, 2027		
No.	Parties	Case ID
1	Gamba Group Holdings LLC v. Samsung Electronics America, Inc.	2:25-cv-00438
2	BrowserKey, LLC v. Ally Financial, Inc.	2:25-cv-00442 ⁵
3	BrowserKey, LLC v. Capital One Services LLC	2:25-cv-00443 ⁶
4	Malikie Innovations Ltd. v. ADT Inc.	2:25-cv-00554
5	Malikie Innovations Ltd. v. Vivint, LLC	2:25-cv-00555 ⁷
6	Linda Dorsey v. Eastman Chemical Company	2:25-cv-00617

⁵ Consolidated for pre-trial activities with Case No. 2:25-cv-00450.

⁶ Consolidated for pre-trial activities with Case No. 2:25-cv-00450.

⁷ Consolidated for pre-trial activities with Case No. 2:25-cv-00554.

The reality is that the scheduled trial date will be delayed in the Parallel FedEx Litigation, a fact Valtrus knows better than most. Valtrus's recent lawsuit against SAP America experienced three separate trial date delays before the parties finally gave up and settled their dispute. FEDEX-1119 at 41–42. Rather than the Docket Control Order, it is more accurate to predict the trial date based on Judge Gilstrap's average time to a jury trial in patent cases, which is about 24 or 27 months.⁸ FEDEX-1120; FEDEX-1121. Applying this statistic to the filing date of May 9, 2025 suggests any jury trial is likely to occur between May and August 2027, *after* the Board's final written decision deadline in this IPR *and after* the other IPRs Petitioners filed to address the three additional patents Valtrus asserted. *See* IPR2025-01491 (Mar. 5, 2027), IPR2026-00039 (Apr. 21, 2027), IPR2026-00060 (Apr. 22, 2027). As a result, institution presents an opportunity to significantly narrow the number of patents presented to a jury or even moot the trial altogether.

⁸ Valtrus cites statistics from a cherry-picked timeframe that excludes many years' worth of trials from the sample. *See* Br at 11 (citing EX2013). Valtrus also focuses on the median time-to-trial statistic, which is less relevant. For one, using the median of 21 months yields a date in February 2027, which is *before* the scheduled trial date and thus not predictive. As discussed, Judge Gilstrap's current docket is incredibly congested and the recent trend has been to delay trials, not move them up.

2. Petitioners’ *Sotera*+ Stipulation Will Eliminate Wasteful Duplicative Efforts

Petitioners’ *Sotera*+ stipulation rules out the vast majority of prior art, leaving only two types of §§ 102/103 invalidity grounds for a jury trial—(1) grounds consisting *solely* of system prior art that does not correspond to any of the asserted IPR references; and (2) grounds consisting of such system art paired with printed publications that are *not* the asserted IPR-ground references. FEDEX-1017. FedEx Office’s invalidity contentions list only *two* prior art systems for the ’832 patent, neither of which plays a role in this IPR. FEDEX-1122 at 13. The likelihood of duplicative efforts and inconsistent outcomes between this IPR and the Parallel FedEx Litigation is vanishingly small. Valtrus’s “leaves the door open” argument has no substance. Br. at 16.

3. Other Litigations, Including the Home Depot Litigation, Do Not Support Denial

Valtrus should not be permitted to leverage its licensing and litigation attacks to shield the ’832 patent from review. The only reason a trial involving the ’832 patent looks like it *may* occur before a final written decision from the Board is because the first target Valtrus sued—Home Depot—did not petition for *inter partes* review. *See* Br. at 10–11 (touting Home Depot Litigation trial date). If this circumstance alone were enough to warrant denial, the potential for abusive defendant-shopping tactics by high-volume-filing foreign patent assertion entities

like Valtrus would be extraordinary. In truth, the Home Depot Litigation is hardly relevant to the *Fintiv* analysis vis-à-vis Petitioners because there is no reason to believe it will ever reach a jury trial.⁹ See Br. at 10–11.

Home Depot entities have been sued in the Eastern District of Texas many times. Of the approximately sixty patent cases that have reached a resolution, Home Depot has not taken any of them to trial. FEDEX-1123.¹⁰ If past is prologue, Home Depot will bow out long before the '832 patent's validity is ever tested before a jury.

As for the remaining parallel litigations, all were filed contemporaneously or after the lawsuit involving Petitioners, and none have an expected trial date ahead of the Board's final written decision deadline in this IPR. A finding by the Board that the '832 patent's claims are unpatentable would narrow these other litigations just

⁹ In addition to the analysis that follows, the Home Depot Litigation may not survive the pending motion to dismiss for improper venue. And even if the case did reach trial, there is no guarantee that Valtrus would maintain its assertion of the '832 patent, one of five asserted patents in the Home Depot Litigation.

¹⁰ Note that the “1” trial indicated in the Lex Machina data is 2:13-cv-01113, a case with which Home Depot was at one point consolidated. But Home Depot, as is its custom, seems to have settled with the plaintiff before the jury trial. FEDEX-1124.

as it would for the Parallel FedEx Litigation. This opportunity to conserve resources in multiple lawsuits with a single IPR is a strong justification for institution.

III. CONCLUSION

This IPR is a compelling and necessary use of the Board's limited resources. Petitioners could not have foreseen Valtrus's baseless infringement suit, and allowing foreign entities to launch legal attacks against unsuspecting American companies to extract tax-sheltered royalties without oversight would erode confidence in the U.S. patent system and invite further abusive litigation. Equally important, the '832 patent only issued because the Examiner reversed his own final rejection without any rational basis. This error prevented the Board from reviewing the '832 patent's claims before issuance. Petitioners' IPR is the most timely, efficient, and fair opportunity to fix that mistake.

For all these reasons, we respectfully ask the Director to institute.

Respectfully submitted,

Dated: December 4, 2025

/Kenneth Wayne Darby Jr./

Kenneth Wayne Darby Jr., Reg. No. 65,068

David M. Hoffman, Reg. No. 54,174

Fish & Richardson P.C.

60 South Sixth Street, Suite 3200

Minneapolis, MN 55402

T: 202-783-5070

F: 877-769-7945

Counsel for Petitioners

CERTIFICATE OF SERVICE

Pursuant to 37 CFR §42.6(e)(4), the undersigned certifies that on December 4, 2025, a complete and entire copy of this Petitioner's Opposition and its supporting exhibits were provided via email, to the Patent Owner by serving the email correspondence addresses of record as follows:

Richard J. Botos (Reg. No. 32,016)
Raymond B. Churchill, Jr. (Reg. No. 44,617)

BOTOS CHURCHILL IP LAW LLP
430 Mountain Avenue, Suite 401
New Providence, N.J. 07974
Tel. (908) 738-1772
Fax. (908) 320-4441

PTAB@bciplaw.com

/Crena Pacheco/
Crena Pacheco
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
Tel: 202-783-5070
Fax: 877-769-7945
pacheco@fr.com