

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SHENZHEN QIANFENYI INTELLIGENT TECHNOLOGY CO., LTD.,
(A.K.A. MAXEYE)
Petitioner,

v.

WACOM CO. LTD.,
Patent Owner.

Case IPR2025-01495
Patent 9,933,866

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	Assignment from Atmel Corp. to Wacom Co., Ltd., Reel 047640, Frame 0227 (Sept. 25, 2018)
2002	Second Amended Complaint, <i>Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.</i> , Civ. No. 2:24-cv-702 (E.D. Tex. Oct. 27, 2025)
2003	Defendant's Preliminary Invalidity Contentions, <i>Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.</i> , Civ. No. 2:24-cv-702 (E.D. Tex. Mar. 4, 2025)
2004	Agreed Docket Control Order, <i>Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.</i> , Civ. No. 2:24-cv-702 (E.D. Tex. Feb. 6, 2025)
2005	U.S. District Courts - Federal Court Management Statistics– Comparison Within Circuit (June 30, 2025) (available at https://www.uscourts.gov/sites/default/files/document/fcms_na_distcomparison0630.2025.pdf) (annotated)
2006	Memorandum Order, <i>Headwater Research LLC v. Samsung Electronics Co., Ltd.</i> , Civ. No. 2:23-CV-00103 (Dec. 11, 2024)

IPR2025-01495 Patent Owner's Request for Discretionary Denial

Pursuant to the Director's Memorandum issued on March 26, 2025, Patent Owner Wacom Co. Ltd. ("Patent Owner" or "Wacom") files this request and brief on discretionary denial, setting forth reasons why the Director should exercise discretion to deny the Petition for *inter partes* review ("IPR") of claims 1-7, 15, and 16 of U.S. Patent No. 9,933,866 (the "'866 patent"), as requested by Shenzhen Qianfenyi Intelligent Technology Co., Ltd. (a.k.a Maxeye) ("Petitioner" or "Maxeye").

I. INTRODUCTION

Petitioner waited more than a year after the initiation of the parallel district court litigation, and roughly five years after learning of Patent Owner's patent portfolio, to file this Petition. As a result of Petitioner's extensive and unexplained delay, the '866 patent is the subject of a parallel district court infringement proceeding that is already well underway, with trial scheduled for July 2026. In contrast, a final written decision in this proceeding would not be expected until March 2027, nearly nine months after the scheduled district court trial date. Indeed, an institution decision will not be due in this proceeding until March 10, 2026, less than three months before the district court's Final Pretrial Conference on June 1, 2026, and only four months before trial is scheduled to begin.

Therefore, the parties will litigate, and the district court will resolve, the same validity issues Petitioner raises here (and more) long before an IPR final

written decision could issue in this proceeding. Allowing the IPR to proceed would constitute an inefficient use of Office resources, a fact reinforced by Petitioner's delay in filing its parallel IPRs—several years after Petitioner was placed on notice of Patent Owner's portfolio and more than a year after Patent Owner initiated district court litigation.

Further, the '866 patent benefits from strong settled expectations given its seven-year existence, recognized commercial value, and Patent Owner's established licensing practices. The '866 patent, issued to Atmel Corporation in 2018 and subsequently acquired by Patent Owner, represents a valuable asset within the stylus technology industry. Since the acquisition of the '866 patent, Patent Owner has maintained an active licensing program and has consistently demonstrated its willingness to license its standards-essential patents. Patent Owner has been open to discussions regarding the licensing of standards-essential and non-standards-essential stylus patents, like the '866 patent, to industry participants on reasonable terms. Coupled with the advanced state of the parallel district court litigation, the strong settled expectations for the '866 patent provide compelling reasons for the Director to discretionarily deny the Petition.

For these reasons, the Director should exercise its discretionary authority to deny the Petition.

II. ARGUMENT

The Petition should be denied in view of the strong settled expectations of the '866 patent, coupled with the fact that trial will occur in the litigation between Petitioner and Patent Owner well before a final written decision could issue in this proceeding.

A. The Scheduled Trial Date and Advanced State of District Court Activities Weigh in Favor of Denial

Prior to raising the present dispute in district court, as early as 2020, Patent Owner approached Petitioner offering to license stylus patents owned by Wacom. Ex2002, ¶¶16-27. Despite being made aware of Patent Owner's stylus patent portfolio in 2020, Petitioner did not begin to file its IPRs against Patent Owner's portfolio until late 2025, and Petitioner has now filed four such IPRs.¹ And even those IPRs were filed at nearly the last possible moment before Petitioner's statutory bar date. Patent Owner initiated district court action on August 28, 2024, and Petitioner became aware of that action at least by September 19, 2024. Due to service requirements to a Chinese company, service was not perfected until October 17, 2024 as Petitioner concedes. *See* Pet., 3. Nevertheless, Petitioner

¹Petitioner has filed validity challenges against Patent Owner in IPR2025-01495, IPR2025-01533, IPR2025-01556, and IPR2025-01596.

waited a full year after the district court action was filed before Petitioner began to file its IPR petitions, which it completed on September 30, 2025.

The District Court trial is scheduled to commence on July 6, 2026. Ex2004. Due to Petitioner's delay, and the pace that courts in the United States can resolve disputes, trial in the parallel district court case is scheduled to occur many months before a final written decision could be expected in this proceeding, around March 10, 2027. This nine-month difference in timing is also consistent with the time-to-trial statistics for the Eastern District of Texas, which predict trial significantly before March 2027, on or around September 2026 (a six-month difference). *See* Ex2005, 5 (annotated) (indicating 25.1 month time-to-trial for period ending June 30, 2025).

Indeed, even before the Board's March 10, 2026 deadline for deciding whether to institute this proceeding, the parties will have fully briefed claim construction to the District Court, the District Court will have conducted a Markman Hearing (on January 13, 2026), and the parties will be deep into expert discovery, with Rebuttal Expert Witness reports due on March 9, 2026 and an expert discovery deadline of March 23, 2026. *See* Ex2004, 3-4. At that point, the parties will be scrambling to complete all necessary litigation activities leading up to the Final Pretrial Conference on June 1, 2026. Ex2004, 2. Even if the District Court's trial date shifts closer to the statistical trial date of September 2026, the

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parties and District Court will have invested significant effort in the litigation even before the Board's Institution Decision issues.

Moreover, it would be unprecedented for the District Court for the Eastern District of Texas to stay a parallel case if an IPR were to be instituted here, because Petitioner has only challenged four of the seven patents involved in the parallel proceeding. The uniform practice in EDTX has been to proceed to trial when only a subset of patents involved in the case are the subject of parallel Patent Office proceedings. *See, e.g., Headwater Research LLC v. Samsung Electronics Co., Ltd.*, Civ. No. 2:23-CV-00103, slip. op. at 4 (Dec. 11, 2024) ("Here, the PTAB decided to deny institution on one of the IPRs for the '733 patent and denied institution for the '117 patent...As such, even an ultimate finding in favor of Samsung invalidating all claims of the patents in the instituted IPRs would leave material disputes for the Court to decide. This factor weighs against a stay.") (submitted as Ex2006).

Other details support discretionary denial so that the resolution of the parties' dispute can play out fully and completely in District Court. For example, Petitioner's challenges in this IPR are based on the Kremin, Partow, and Westhues references, and Petitioner has presented overlapping validity contentions in the parallel District Court proceeding. *See, e.g., Ex2003, 21-23* (pdf page) (citing Kremin and Partow). In addition, in District Court, Petitioner contends that the

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claims of the '866 patent are “insolubly ambiguous” (Ex2003, 36 (pdf page)) but makes no such contention, or even suggestion, here that the construction of the '866 patent in this IPR possesses these complications. *See* Pet., 9-10. These inconsistencies further support discretionary denial. *See Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 (November 5, 2025) (informative) (a petitioner's complaint that it could not argue indefiniteness in an IPR is insufficient to warrant a petitioner advancing inconsistent claim construction positions in district court and before the Board).

Thus, Petitioner's inconsistent positions between this proceeding and in District Court, along with the earlier scheduled outcome of the parallel litigation, ensure that this IPR would not be an efficient use of Office resources. Not only will the District Court be able to address the additional claim construction issues Petitioner presents exclusively there, but if Petitioner succeeds in invalidating the '866 patent in district court litigation, then this IPR would not be needed. On the other hand, if Patent Owner is successful in defending the '866 patent's validity in the parallel litigation, then that outcome should also be persuasive evidence to the Board that the same outcome should be reached here. Either way, an outcome in District Court is scheduled to occur well before a final decision would be reached in this IPR, and this timing weighs strongly in favor of discretionary denial.

B. Strong Settled Expectations Favor Denial

Also weighing in favor of discretionary denial, the '866 patent has strong settled expectations. The '866 patent is over seven (7) years old, having issued on April 3, 2018. It was filed by, and issued to Atmel Corporation of San Jose, California. Ex1001.

Soon after its issuance, the '866 patent was subject to a commercial transaction providing compensation to Atmel Corp. It was acquired by Patent Owner on September 25, 2018, in a Patent Sale Agreement between Patent Owner and Microchip Technology Inc., a Delaware corporation and its affiliates, including Atmel Corporation. Ex2001 (assignment). Patent Owner, a practicing Japanese stylus manufacturer with a United States presence, has since maintained the '866 patent as part of its portfolio of patents relating to stylus products.

In fact, Patent Owner is a willing licensor of patents in its stylus patent portfolio, and has discussed with Petitioner the option to license all of the patents in the District Court case, including standards-essential patents and non-standards-essential patents such as the '866 patent. As noted above, prior to raising the present dispute in District Court, as early as 2020, Patent Owner approached Petitioner with an offer to license certain standards-essential patents in Patent Owner's patent portfolio. Ex2002, ¶¶16-27.

Thus, the commercial transaction leading to acquisition of the '866 patent, and others relating to licensing of patents in Patent Owner's stylus patent portfolio, show that the '866 patent has a recognized value in the industry, and Wacom is a willing licensor of patents in its portfolio. Now, Maxeye, a Chinese corporation, seeks to invoke the power of the Board in an attempt to maintain sales of imported Chinese goods into the United States without respecting the value of the '866 patent. The Director should decline Maxeye's invitation to upset the settled expectations of the '866 patent. As a matter of policy, the IPR system should not be employed by petitioners as a tool for hold outs to gain leverage in negotiations against a willing licensor.

III. CONCLUSION

When considered individually, the early scheduled trial date, the advanced stage of the co-pending litigation, and the strong settled expectations each weigh strongly in favor of discretionary denial and would be sufficient to warrant denial. However, when these factors are evaluated together, discretionary denial is extremely compelling and should be granted. For the reasons presented above, Patent Owner respectfully asks that the Director exercise discretion to deny the Petition. No *inter partes* review should be instituted.

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Dated: November 10, 2025

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CERTIFICATE OF SERVICE

I hereby certify that on this date, a true and correct copy of the foregoing document was served via email, by consent, to Petitioner by serving the correspondence email address of record as follows:

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