

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FORD MOTOR COMPANY,
Petitioner

v.

AUTOCONNECT HOLDINGS LLC,
Patent Owner

Case No. IPR2025-01524
Patent No. 9,123,186

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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Patent Trial and Appeal Board
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PATENT OWNER’S EXHIBIT LIST

Exhibit	Description
2001	Letter from William Woodford, Counsel for AutoConnect Holdings LLC to Steven Croley, General Counsel for Ford Motor Company, dated December 28, 2023.
2002	Email from Tom Yerbernetsky, Counsel for Ford Global Technologies to William Woodford, Counsel for AutoConnect Holdings LLC, dated March 4, 2024.
2003	Letter from Charles J. Monterio, Jr., Counsel for Ford Motor Company to William Woodford, Counsel for AutoConnect Holdings LLC, dated May 16, 2024.
2004	Letter from Charles J. Monterio, Jr. Counsel for Ford Motor Company to William Woodford, Counsel for AutoConnect Holdings LLC, dated July 22, 2024.
2005	First Amended Docket Control Order, <i>AutoConnect Holdings, LLC v. Toyota Motor Corp.</i> , No. 2:24-CV-00802-JRG-RSP, ECF No. 53 (E.D. Tex. February 13, 2025) (Gilstrap, J.)
2006	ORDER Denying Motion to Dismiss, <i>AutoConnect Holdings, LLC v. Ford Motor Company</i> , No. 1:24-CV-01327-JCG, ECF No. 24 (Dist. of Del. September 24, 2025) (Choe-Groves, J.)
2007	<i>Intentionally left blank</i>
2008	March 24, 2025 Guidance on USPTO’s recission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation”

2009	October 3, 2025 Update to USPTO Interim Director Discretionary Process
2010	USPTO FAQs for Interim Processes for PTAB Workload Management (Archived)
2011	Scheduling Order, <i>AutoConnect Holdings, LLC v. Ford Motor Company</i> , No. 1:24-CV-01327-JCG, ECF No. 27 (Dist. Of Del. October 27, 2025) (Choe-Groves, J.)
2012	USPTO Fee history for U.S. Patent No. 9,123,186
2013	USPTO Decision on Petition to Accept Unintentionally Delayed Payment of a Maintenance Fee for U.S. Patent No. 9,123,186, November 8, 2022
2014	USPTO Decision on Petition to Accept Unintentionally Delayed Payment of a Maintenance Fee for U.S. Patent No. 9,123,186, February 21, 2023
2015	USPTO EPAS Assignment Cover Sheet and Assignment for U.S. Patent No. 9,123,186, Reel 36503, Frame 62, Executed: May 20, 2015, Recorded: August 28, 2015
2016	Ford Motor Company's Motion to Dismiss, <i>AutoConnect Holdings, LLC v. Ford Motor Company</i> , No. 1:24-CV-01327-CFC, ECF No. 12 (Dist. of Del. February 14, 2025)

I. INTRODUCTION

The Board should exercise its discretion to deny institution. The challenged '186 patent issued over ten years ago, well beyond the period in which the Board has repeatedly found that strong settled expectations attach. Despite having actual notice of its infringement since December 2023, Petitioner waited more than twenty months to file this Petition. That extended delay, in conjunction with the patent's decade-long existence, firmly establishes strong settled expectations.

Petitioner has, in other proceedings, attempted to sidestep these settled expectations by offering speculative theories—ranging from licensing assumptions involving a prior assignee to an inadvertent maintenance-fee lapse—without offering any evidence Petitioner ever actually considered any of these issues before now. None of these after-the-fact arguments change the reality that Petitioner chose not to challenge the '186 patent during the many years it was in force or in the nearly two years after receiving a claim chart alleging infringement.

Institution would also be inefficient and duplicative in view of the two ongoing district court litigations involving this same patent. Patent Owner filed suit against Petitioner over eleven months ago in the District of Delaware (the “Ford Action”) asserting the '186 patent along with twelve others. Two months earlier, Patent Owner had filed a separate action against Toyota in the Eastern District of Texas (the “Toyota Action”), which is set for trial in July 2026—approximately

eight months before any final written decision would be due here. These parallel proceedings will address overlapping invalidity issues and claim-construction disputes, creating a substantial and unnecessary risk of inconsistent outcomes.

The Petition also cannot meaningfully simplify the Ford Action. Petitioner has sought inter partes review of only some of the thirteen asserted patents, with this being Petitioner's third petition. Whatever happens here, the Ford Action will proceed to trial on a substantial number of patents and invalidity issues, including system art and other theories that a *Sotera* stipulation cannot resolve. An IPR on a single patent cannot materially focus or streamline a case of this breadth.

Finally, the Petition does not present compelling merits. Petitioner advances only obviousness grounds, relies heavily on an expansive expert declaration to fill gaps in the prior art, and takes internally inconsistent claim-construction positions compared to its indefiniteness arguments in district court. The Director has made clear that such inconsistency detracts from the Office's goal of predictability and certainty and weighs against institution.

In sum, the age of the '186 patent, Petitioner's delay, the parallel litigation with impending trial dates, the inability of this Petition to simplify the Ford Action, and the Petition's lack of compelling merits all strongly favor discretionary denial. Institution would undermine the efficiency and integrity of the patent system by duplicating the efforts of different tribunals and risking inconsistent rulings.

II. THE BOARD SHOULD EXERCISE ITS DISCRETION UNDER 314(a) TO DENY INSTITUTION.

The decision whether to institute an *inter partes* review lies with the Board's discretion. *Nautilus Hyosung Inc. v. Diebold, Inc.*, IPR2017-00426, Paper 17 at 11 (PTAB June 22, 2017) (confirming that under § 314(a), "the PTO is permitted, but never compelled, to institute an IPR proceeding"); *see also NHK Spring Co. v. Intriplex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019) (confirming the Board has discretion to deny institution of under 35 U.S.C. § 314(a) due to the advanced state of parallel district court litigation regarding the same issues).

The Board has identified several factors to consider when analyzing whether to discretionarily deny institution, which include:

1. Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. The proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. Investment in the parallel proceeding by the court and the parties;
4. Overlap between issues raised in the Petition and the parallel proceeding;
5. Whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. Other circumstances that impact the Board's exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5-6 (PTAB Mar. 20, 2020).

The Board should also consider the “[s]ettled expectations of the parties, such as the length of time the claims have been in force” and “any other considerations bearing on the Director’s discretion.” Dirs.’ March 26, 2025 Mem., “Interim Processes for PTAB Workload Management” at 2-3.

These factors strongly favor discretionary denial of the Petition.

A. The Parties’ Settled Expectations Warrant Discretionary Denial.

In considering the settled expectations of the parties, “[a]lthough there is no brightline rule on when expectations become settled, in general, the longer the patent has been in force, the more settled expectations should be.” *Dabico Airport Solutions Inc. v. AXA Power APS*, IPR2025-00408, Paper 21 at 3 (Acting Director Stewart June 18, 2025).

1. The ’186 patent is over ten years old, and Petitioner waited nearly two years after being charged with infringement to challenge its validity.

The ’186 patent has been in force for over 10 years, which in and of itself creates settled expectations. *Id.* at 2 (finding “the challenged patent has been in force almost eight years, creating settled expectations.”); *see also Samsung Electronics Co., Ltd. v. Sinotechnix LLC*, IPR2025-00331, Paper 13 at 2 (PTAB July 2, 2025) (“[T]he challenged patents have been in force for more than 10 years, creating strong settled expectations....”); *Kingston Tech. Co., Inc. v. Vervain, LLC*, IPR2025-00614, Paper 12 at 2 (Acting Director Stewart July 16, 2025) (“[T]he challenged patent ...

has been in force for more than 10 years, creating strong settled expectations. Accordingly, the circumstances in this case favor discretionary denial.”). This is because issued patents on their own “provide notice to the public, other inventors, competitors, and commercial interests” such that actual notice is not required to create settled expectations. *Dabico Airport*, Paper 21 at 3.

Strong settled expectations support discretionary denial even when a final written decision will be issued before trial in a parallel proceeding. *OnePlus Tech. Co., Ltd. v. Pantech Corp.*, IPR2025-00637, Paper 17 at 2 (August 14, 2025) (denying institution despite trial date being vacated); *Kahoot! AS v. Interstellar Inc.*, IPR2025-00696, Paper 12 at 2 (July 31, 2025) (denying institution despite case being stayed because of settled expectations over a 6-year-old patent).

Moreover, Petitioner has been on actual notice of its infringement of the ’186 patent since Patent Owner’s December 2023 letter. After receiving this notice, Petitioner “diligently review[ed] the patents and [infringement] claim charts” provided by Patent Owner. Ex. 2002. When Petitioner finally provided a substantive response, it never even addressed the validity of the ’186 patent. Ex. 2003. Nor did Petitioner ever question the validity of the ’186 patent in subsequent correspondence. Ex. 2004. It was not until 20 months after receiving notice of its infringement, and AutoConnect filed a lawsuit against Petitioner, that Petitioner filed the instant petition. Petitioner’s inaction reflects a conscious decision to accept the

validity of the '186 patent claims, reinforcing Patent Owner's settled expectations. *See iRhythm Techs., Inc. v. CardioNet, LLC*, IPR2025-00363, Paper 10 at 3 (Acting Director Stewart June 6, 2025) ("failure to seek early review of the patents favors denial."). The parties' settled expectations support discretionary denial.

Petitioner asserts that "although the '186 Patent issued over [10] years ago ... PO had not commercialized, asserted, marked, licensed, or otherwise applied the '186 Patent before contacting Petitioner in December 2023." Paper 2 at 2. Even if that were accurate—and it is not because Patent Owner had already charged other parties with infringement—the Board has expressly rejected this argument. *Google LLC v. SoundClear Techs. LLC*, IPR2025-00344, Paper 15 at 2 (August 4, 2025) (holding that "Petitioner's argument that Patent Owner does not have strong settled expectations because the patent was not 'commercialized, asserted, marked, licensed, or otherwise applied in a petitioner's particular technology space,' without more, does not defeat Patent Owner's strong settled expectations"); *Kahoot!*, Paper 12 at 2 (holding that Patent Owner "not previously assert[ing] the challenged patent against Petitioner does not defeat Patent Owner's settled expectations.").

2. Petitioner's relationship with the prior owner cannot eliminate the parties' settled expectations.

Petitioner has suggested in other proceedings involving different AutoConnect patents that its business relationship with Flextronics—a prior assignee of the application underlying the '186 patent—somehow undermines

settled expectations. *See, e.g., Ford Motor Company v. AutoConnect Holdings, LLC*, IPR2025-01383, Paper 9 at 18-19 (November 19, 2025). Specifically, Petitioner may argue that (1) Flextronics supplied Petitioner with vehicle components, (2) Flextronics once owned the application leading to the '186 patent, (3) Flextronics would not have assigned the patents without securing a license to practice them, and (4) “[t]he first sale doctrine and the doctrine of patent exhaustion prevent Flextronics from asserting its patents against products it sells to Ford.” None of these arguments withstand scrutiny, and none provide a basis to disturb the settled expectations that flow from a patent in force for more than a decade.

The threshold problem is that Petitioner lacks evidence (*i.e.*, declarations, testimony, or documents) establishing that it actually held any belief about Flextronics’ patent rights, let alone that it relied on such a belief for nearly a decade. Settled expectations cannot be defeated by speculative attorney argument. For example, for the alleged exhaustion to apply, Petitioner must demonstrate that the components alleged to infringe the '186 patent were supplied by Flextronics. Petitioner must also demonstrate that it actually believed that Flextronics had rights to the '186 patent and relied on that belief. Petitioner has not previously even attempted such a showing.

Petitioner’s theory is also factually impossible. The accused Phone As A Key functionality did not exist when Flextronics assigned its patent rights to

AutoConnect in 2015. Ex. 1005 at ¶ 153; Ex. 2015 at 4 (Assignment executed May 20, 2015, and recorded August 28, 2015). Petitioner could not have reasonably assumed that Flextronics retained license rights in May 2015 for products that would not come into existence until many years after the assignment. Nor has Petitioner offered evidence it ever held such an assumption, and there is no precedent supporting a finding of “settled expectations” on the basis of such speculation.

The Board’s settled-expectations cases focus on the patent’s age, the public notice it provides, and the petitioner’s delay in challenging the Patent. Petitioner’s argument would nullify this system by allowing alleged infringers to ignore recorded assignments and instead speculate, years or decades later, about licensing deals with prior owners. That is the opposite of settled expectations; it is Petitioner’s manufactured uncertainty.

3. There is no evidence Petitioner was aware of a missed maintenance fee, which error was promptly resolved.

Petitioner has also attempted to undermine Patent Owner’s strong settled expectations based on an unintentional failure to timely pay a maintenance fee. *See, e.g., Ford Motor Company v. AutoConnect Holdings, LLC*, IPR2025-01342, Paper 8 at 19 (November 7, 2025). That argument fails at the outset because Petitioner identifies no evidence that it was even aware of this temporary lapse before the litigation. A maintenance-fee issue cannot possibly defeat settled expectations when the alleged infringer had no contemporaneous knowledge of it. Petitioner has

represented that it did not even know Flextronics had assigned the patents to AutoConnect until AutoConnect asserted infringement in 2023. *See id.* at 18; *Ford Motor Company v. AutoConnect Holdings, LLC*, IPR2025-01383, Paper 9 at 19 (November 19, 2025). If Petitioner was unaware who owned the patent, it is implausible that it undertook the far more detailed diligence necessary to discover a historical maintenance fee issue.

In any event, Patent Owner corrected the missed maintenance fee. Within four months of the September 2019 final deadline, Patent Owner submitted the maintenance fee as well as the petition fee. Ex. 2012. Patent Owner believed the issue was resolved, but a required petition form had been mistakenly omitted. Patent Owner was unaware of this until 2022, and then promptly filed the proper form in June 2022. *See* Ex. 2013. The USPTO requested additional information in November 2022. *Id.* After receiving that information in January 2023, the USPTO revived the '186 patent in February 2023. Ex. 2014. Thus, because “the Director accept[ed] payment of the maintenance fee upon petition, the patent shall be considered as not having expired.” 37 CFR 1.378(a). Petitioner cannot rely on an unknown technical lapse that, by operation of law, must be considered as not having occurred.

Far from showing any indifference toward maintaining its rights, the record demonstrates that Patent Owner took prompt corrective action at every stage,

responded to the USPTO's requests, and succeeded in revival. Patent Owner also maintains a portfolio of nearly 100 patents, and the few lapses Petitioner identifies all stem from a single, discrete administrative circumstance, with every patent at issue fully revived. This record is entirely inconsistent with any suggestion that Patent Owner allowed its rights to lapse or treated its patents casually.

B. *Fintiv* Factor 1 Favors Denial Because the Ford Action Has Not and Will Not Be Stayed.

The Ford Action was filed nearly a year ago and neither party has requested a stay. Consequently, this factor supports discretionary denial.

Even if Petitioner were to request a stay based on this Petition, it would invariably be denied. *See Mylan Labs. Ltd. v Janssen Pharm. NV*, IPR2020-00440, Paper 17 at 13-14 (PTAB Sep. 16, 2020) (“[N]o stay is likely to be entered [], and therefore *Fintiv* factor 1 leans towards denial of institution.”). The challenged '186 patent is merely one of thirteen asserted patents. It is highly unlikely that any district court judge would stay a litigation based on IPR challenges that do not address many of the asserted patents.¹ The District of Delaware routinely denies motions to stay

¹ Petitioner has suggested it plans to challenge all patents by December 6, but as it stands four asserted patents remain unchallenged, and an IPR petition for one of those patents has already been denied. IPR2025-00891, Paper 9. Further, three of these patents issued in 2015, the fourth issued in 2021, and Petitioner was charged

under such circumstances. *Siemens Indus., Inc. v. Westinghouse Air Brake Techs. Corp.*, No. CV 16-284-LPS, 2018 WL 3046511, at *1 (D. Del. June 20, 2018) (denying stay where IPR proceedings were instituted for 8 of 12 patents because it “may slightly simplify some portion of the issues for trial, but would not simplify the majority of the case”); *TwinStrand Biosciences, Inc. v. Guardant Health, Inc.*, No. CV 21-1126-GBW-SRF, 2023 WL 2563179, at *2 (D. Del. Mar. 17, 2023); *Toshiba Samsung Storage Tech. Korea Corp. v. LG Elecs., Inc.*, 193 F. Supp. 3d 345, 349 (D. Del. 2016) (denying stay where “a PTAB decision that is totally favorable to [defendant] will leave behind a lot to (at least potentially) be litigated”).

Because no stay has been or will be entered, this factor favors denial of institution. *Mylan*, IPR2020-00440, Paper 17 at 13-14.

with infringing each of them in 2023, indicating the patents come with strong settled expectations. Petitioner has previously argued the subject matter of all the asserted patents substantially overlaps to suggest a stay would simplify the case even if not all patents are challenged at the USPTO. But the fact that the challengers rely on distinct prior art for different patents and the wide range of Accused Instrumentalities identified in the Ford Complaint demonstrate that their subject matter does not substantially overlap. Ex. 1005.

C. *Fintiv* Factor 2 Favors Denial Because There Are Multiple Parallel Proceedings and One of Them is Scheduled for Trial Eight Months Before a Final Written Decision is Expected Here.

Discretionary denial is also appropriate here due to the parallel Ford and Toyota Actions. It would not be an effective use of resources to have three separate proceedings involving validity challenges of the '186 patent, which would not only cause needless duplication of effort but risk inconsistent claim constructions and validity determinations.

The Ford Action has been pending since December 2024. Rather than file an Answer to Patent Owner's complaint, however, Petitioner filed a partial motion to dismiss that challenged only a subset of the patents. Specifically, the motion argued that the claims in six of the thirteen asserted patents, including the '186, were indefinite due to the use of "and/or" in both the subjunctive and conjunctive. But numerous courts have already ruled that the subjunctive and conjunctive combination of "and/or" is not indefinite. *Pavilion Techs., Inc. v. Emerson Elec. Co.*, No. A-05-CA-898-SS, 2006 WL 6210180 (W.D. Tex. Sept. 5, 2006); *In re Qualcomm Litig.*, No. 17-CV-00108-GPC-MDD, 2018 WL 2229344, at *19 (S.D. Cal. May 16, 2018). Although Petitioner's baseless motion has now been denied, it achieved its likely goal of delaying the progression of the case, resulting in trial date in October 2027. Ex. 2011 at 26. The deadline for a final written decision, if the Board were to institute the instant petition, would be March 23, 2027. Thus, the trial

in the Ford Action will occur after a final written decision would be issued.

This ignores, however, the fact that the Ford Action is only one of two parallel litigations involving the '186 patent. The Toyota Action is currently set for trial on July 20, 2026, in the Eastern District of Texas. Ex. 2005 at 1. This date “cannot be changed without an acceptable showing of good cause.” *Id.* at 6; *see also* E.D. Tex. L.R. CV-83(a) (characterizing set trial dates as “firm trial dates”). Thus, trial in the Toyota Action will begin about *eight months* before any final written decision in this *inter partes* review. This timing favors discretionary denial. *See AT&T Services Inc. v. ASUS Tech. Licensing Inc.*, IPR2024-00992, Paper 14 at 10-11 (PTAB Dec. 16, 2024) (denying institution because *Fintiv* factor 2 substantially favored discretionary denial when there was a parallel trial scheduled “four to five months prior” to the final written decision deadline). While the Toyota Action involves a different party, that trial would still serve to focus the validity challenges Petitioner makes in the Ford Action. Thus, under the circumstances of this proceeding, *Fintiv* factor 2 favors discretionary denial.

D. *Fintiv* Factor 3 is Neutral Because Petitioner Delayed Progress in the Ford Action.

As noted above, the only reason the Ford Action is not further developed at this stage, despite having been filed over 11 months ago, is that Petitioner filed a motion to dismiss that served no purpose other than to delay progress of the Ford Action. Additionally, Petitioner delayed its Petition until 9 months after Patent

Owner filed its infringement complaint (and over 20 months after being informed of its infringement of the '186 patent). Petitioner should not benefit from its pursuit of a motion with little or no expectation of success, and this factor should be neutral.

E. *Fintiv* Factor 4 Favors Denial Because the Issues in the Parallel Proceeding Overlap with the Issues Raised in the Petition.

The Board should also discretionarily deny institution because the grounds set forth therein will likely overlap with Petitioner's invalidity arguments contentions in the Ford Action. Acknowledging this likely overlap, Petitioner filed a *Sotera* stipulation. Paper 5 at 2-3. This type of stipulation, however, is not dispositive. Ex. 2008 at 2-3. Indeed, the USPTO has indicated that reliance on system art and other invalidity theories renders a *Sotera* stipulation "not ... particularly meaningful because the efficiency gained by an AIA proceeding will be limited." Ex. 2009 at 3. For example, this stipulation does not prevent Petitioner from relying on the same prior art in district court in support of combinations involving non-printed publication art, e.g., prior art based on public use or an on sale-bar. *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354, 1365–66 (Fed. Cir. 2025) ("IPR estoppel does not preclude a petitioner from relying on the same patents and printed publications as evidence in asserting a ground that could not be raised during the IPR, such as that the claimed invention was known or used by others, on sale, or in public use."). Similarly, the *Sotera* stipulation does not prevent Petitioner from relying on system art that embodies the teachings of the printed publications it relies upon in its

Petition. Additionally, the Sotera stipulation may not simplify the issues in the Ford Action because Petitioner may assert the same prior art against other asserted patents. *See, e.g., SAP Am., Inc. v. Cyandia, Inc.*, IPR2024-01495, Paper 13, 8-9 (Apr. 7, 2025); *Motorola Sols. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3–4 (PTAB Mar. 28, 2025) (denying institution despite Petitioner’s *Sotera* stipulation, in part, because “Petitioner’s invalidity arguments in the district court are more expansive” and “Petitioner’s stipulation does not ensure that the[] IPR proceedings would be a ‘true alternative’ to the district court proceeding”).

Because of the likely overlap in issues between the petition and the parallel proceeding, as well as the limited impact of Petitioner’s stipulation, the objectives of efficiency and fairness behind *Fintiv* would be defeated if the Board were to institute *inter partes* review. This factor favors discretionary denial.

F. *Fintiv* Factor 5 Favors Denial Because the Parties in the Parallel Proceeding are Identical.

The parties in this proceeding are the same as in the Ford Action. Thus, *Fintiv* Factor 5 favors denial. *Fintiv*, Paper 11 at 13-14; *see also Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020).

While the Toyota Action involves a different party, it also involves validity challenges to the ’186 patent. This further supports discretionary denial.

G. *Fintiv* Factor 6 Favors Denial Because the Merits of the Petition are Not Compelling and the Petition Relies Extensively on an Expert Declaration to Try to Fill the Gaps.

“A full merits analysis is not necessary as part of deciding whether to exercise discretion not to institute, but rather the parties may point out, as part of the factor-based analysis, particular ‘strengths or weaknesses’ to aid the Board in deciding whether the merits tip the balance one way or another.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 15 (PTAB May 13, 2020). Institution may not be appropriate even when the merits of the petition are strong. *E.g., Samsung Elecs. Co., Ltd. v. SiOnyx, LLC.*, IPR2025-00065, Paper 16 at 19-20 (PTAB June 6, 2025) (denying institution despite “Petitioner’s strong case on the merits”); Ex. 2008 at 3.

Here, the strength of the merits are inadequate to warrant institution. The Petition does not contend that a single claim is anticipated, instead advancing three different grounds of obviousness. To fill in the gaps between the prior art and the claims, the Petition extensively relies on an expert declaration from Mr. Scott Andrews, Ex. 1003, which it cites at least 233 times. The Andrews Declaration extends 253 pages, comprising 516 paragraphs, while the Petition is only 96 pages long. Such extensive reliance on an expert is telling as to the lack of disclosure in the prior art and further indicates that the validity determination will turn on competing expert analysis, which is best assessed through live expert testimony in district court. Ex. 2010 at Q.22 (explaining that “extensive reliance on expert testimony . . . may suggest that the questions are better resolved in an Article III court” and that “the failure to provide focused expert testimony may weigh

against institution”); Ex. 2009 (confirming that “the extent of the petition’s reliance on expert testimony” remains a relevant consideration).

In addition, there are numerous flaws in Petitioner’s arguments that ensure that claims would survive institution of this proceeding and need to be addressed at trial in the Ford Action. Patent Owner is not cataloging every omission or weakness in the Petition; rather, the examples discussed below highlight glaring deficiencies that ensure a trial will be required in the Ford Action.

First, Petitioner’s inconsistent positions on claim construction sink the Petition. Each independent claim contains the element “determining ... at least one of an area and/or zone occupied by the vehicle occupant and an operating state of the vehicle.” Petitioner argued in district court that “[i]t is impossible to determine if” this claim language “requires ‘at least one of’ (i) the ‘area’ and ‘zone’ limitations, (ii) the ‘area and/or zone’ limitation and the ‘operating state’ limitation, (iii) any one of the ‘area,’ ‘zone,’ and ‘operating state’ limitations, or some other combination of features.” Ex. 2016 at 13. Here, Petitioner takes the position that only one of the listed options is required. Paper 2 at 9-10. Petitioner acknowledges the inconsistency of these positions. Petition at 9, 10.

“[W]hen a petitioner advances different positions before the Board and a district court, that petitioner is *required* to explain why those different positions are warranted.” *Tesla Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 at

3-4 (Director November 5, 2025). The Petition attempted to do so here by adopting Patent Owner’s proposed construction. But that is not adequate.² *See id.* at 3; *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 at 5 (Director Nov. 3, 2025) (precedential). Further, Petitioner has not “shown that, notwithstanding the alleged indefiniteness of the claim term, an ordinarily skilled artisan would understand that the asserted art satisfies the claim limitation.” *Tesla* at 3-4. And Petitioner cannot do so because it never shows how the prior art teaches “determining . . . at least one of an area and/or zone occupied by the vehicle occupant.” It would “detract[] from, the Office’s goal of ‘providing greater predictability and certainty in the patent system’” to allow a petitioner to advance a claim construction before the Board that is at odds with its positions in district court. *Revvo* at 4-5. Petitioner’s inconsistent constructions supports discretionary denial.

Second, Petitioner fails to articulate, in any of its obviousness combinations, that a POSA would have had a reasonable expectation of success in making the alleged combinations. “A party that petitions the Board for a determination of

² The failure to provide such an explanation in the Petition itself is grounds for discretionary denial. *Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper 12 at 8-9 (PTAB Dec. 13, 2024) (“37 C.F.R. § 42.104(b)(3) mandates that the Petition...explain...why the inconsistent positions are warranted...”)

obviousness must show that ‘a skilled artisan would have been motivated to combine the teachings of the prior art references to achieve the claimed invention, ***and that the skilled artisan would have had a reasonable expectation of success in doing so.***’” *Apotex Inc. v. Wyeth LLC*, IPR2014-00115, Paper 94, slip op. at 11 (Apr. 20, 2015) (emphasis added). A petition that “itself does not show, let alone with the particularity required by statute, a reasonable expectation of success,” fails to demonstrate that the claims would have been obvious over the alleged combination. *Juniper Networks, Inc. v. Correct Transmission, LLC*, IPR2021-00682, Paper 26 at 26, 35 (PTAB Oct. 3, 2022). Because all obviousness grounds contain this deficiency, the Petition lacks compelling merits.

Third, Petitioner fails to prove that Gratz in view of Bosch teaches or suggest determining “at least one of an area and/or zone occupied by the vehicle occupant and an operating state of the vehicle,” as set forth in the independent claims. Petitioner alleges that a “POSA would have understood vehicle speed to be an ‘*operating state of the vehicle*’.” Paper 2 at 32. Petitioner, and its expert, provide no support for the conclusory statement that vehicle speed is an operating state. Petitioner’s expert’s testimony cannot supply this missing element. *K/S Himpp v. Hear-Wear Techs., LLC*, 751 F.3d 1362, 1366 (Fed. Cir. 2014) (“the Board cannot accept general conclusions about what is ‘basic knowledge’ or ‘common sense’ as a replacement for documentary evidence for core factual findings in a determination

of patentability.”); *Xerox Corp. et al. v. Bytemark*, IPR2022-00624, Paper 9, 14-16 (PTAB Aug. 24, 2024) (finding expert’s verbatim restatement of Petitioner’s attempt to supply a missing element without support or technical reasoning “particularly problematic”). For this reason, the petition fails to set forth compelling merits.

Fourth, ground 2—which is limited to some of the dependent claims—merely adds a third prior art reference to the address the additional limitations in those claims. Since the issues identified with respect to Ground 1 lie with the independent claims, Ground 2 fails for the same reasons set forth with respect to Ground 1.

These are merely examples why the petition lacks compelling merits and why factor 6 supports discretionary denial.

III. CONCLUSION

The ’186 patent issued over a decade ago, giving Patent Owner strong settled expectations. Those expectations were reinforced by Petitioner’s failure to challenge the validity of the ’186 patent until over 20 months after AutoConnect provided a claim chart explaining Petitioner’s infringement. In addition, the ’186 patent is but one of thirteen patents asserted in the parallel Ford Action, such that this proceeding would not meaningfully focus the case for trial. Institution here would wholly defeat the goals of discretionary denials—efficiency and integrity of the system. Patent Owner requests discretionary denial of the Petition.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** and associated exhibits (Exhibits 2001-2016) were served electronically via e-mail on November 24, 2025, in their entireties on the following counsel of record for Petitioner:

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