

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HISENSE USA CORP.,
Petitioner,

v.

LIGHT GUIDE INNOVATIONS LLC,
Patent Owner.

Case: IPR2025-01526
U.S. Patent No. 8,408,778

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

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PETITIONER’S EXHIBIT LIST

Exhibit No.	Description
1001	U.S. Patent No. 8,408,778 (“’778 Patent”)
1002	File History of U.S. Patent No. 8,408,778 (“’778FH”)
1003	Declaration of Michael Krames, Ph.D.
1004	Certified Translation of Japanese Patent Pub. No. 2005-332963 (P2005—332963A) (“Asada”)
1005	Certified Translation of Japanese Patent Pub. No. 2008-117879 (P2008—117879A) (“Kinoshita”)
1006	Ian Ashdown et al., <i>Binning and Filtering: The Six-Color Solution</i> , Sixth International Conference on Solid State Lighting (14-17 August 2006), also known as volume 6337 of the Proceedings of SPIE -- the International Society for Optical Engineering TK7871.89 .L53S64 2006
1007	Certified Translation of Korean Patent Pub. No. 10-2005-0105823 (“Cho”)
1008	U.S. Patent App. Pub. 2008/0285308 (“Clary”)
1009	International Patent No. WO 2007/055509 A1 (“Oh”)
1010	U.S. Patent App. Pub. 2006/0255711 (“Dejima”)
1011	U.S. Patent App. Pub. 2008/0158907 (“Lin”)
1012	U.S. Patent App. Pub. 2006/0268537 (“Kurihara”)
1013	U.S. Patent No. 7,350,937 (“Yamamoto”)
1014	U.S. Patent App. Pub. 2007/0147081 (“Choi”)
1015	Declaration of Prof. Sylvia Hall-Ellis, Ph.D.
1016	U.S. Patent App. Pub. 2002/0163525 (“Liao”)
1017	ANSI_NSLG C78.377-2008, American National Standard for electric lamps—Specifications for the Chromaticity of Solid State Lighting Products
1018	EP 0 890 996 B1 to Tasaki (“Tasaki”)
1019	Japanese Patent Pub. No. 2005-332963 (P2005—332963A) (“JP-Asada”)
1020	Japanese Patent Pub. No. 2008-117879 (P2008—117879A) (“JP-Kinoshita”)

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Exhibit No.	Description
1021	Korean Patent Pub. No. 10-2005-0105823 (“KR-Cho”)
1022	Judge Schroeder Calendar of Events for 2027 in Marshall Texas
1023	Docket Navigator, the median time-to-trial data for Judge Schroeder
1100	[FILED UNDER SEAL] Confidential list of suppliers

I. INTRODUCTION

The Director should deny Patent Owner's Request for Discretionary Denial (Paper 7) ("Request") for at least three reasons.

First, the *Fintiv* factors weigh in favor of institution and against discretionary denial. It is most likely that the Final Written Decision will issue prior to any trial in the parallel proceeding, *Light Guide Innovations LLC v. Walmart Inc.*, No. 2:25-cv-00312-RWS-RSP ("*Marshall* litigation"). Additionally, there has been little investment by the parties in the *Marshall* litigation, and the claim construction briefing and the Markman hearing will occur many months after institution. Furthermore, Petitioner's *Sotera* plus stipulation eliminates any potential for overlap between the instant IPR and the *Marshall* litigation.

Second, the Office erred in the examination of U.S. Patent No. 8,408,778 ("778 patent") due to Patent Owner's mischaracterization of the prior art of record and the examiner's incorrect analysis of the prior art. *See* Petition ("Pet."), Paper 3, 7-12. Contrary to the prosecution record, the Petition demonstrates that the prior art discloses the claim elements determined by the Examiner to be missing from the prior art. *See Id.* Accordingly, institution is appropriate to correct the material errors committed by the Office during prosecution.

Third, the parties' settled expectations weigh against discretionary denial. Petitioner has a settled expectation of non-enforcement due to a lack of enforcement

by Patent Owner for over 12 years since the issuance of the '778 patent. Thus, Petitioner had settled expectations that its products did not infringe the '778 patent and that the '778 patent would not be asserted against Petitioner.

Accordingly, Petitioner respectfully requests that the Director decline to exercise discretion to deny institution.

II. THE *FINTIV* FACTORS FAVOR INSTITUTION

A. Factor 1 (Stay): Does Not Support Discretionary Denial

This factor considers “whether a stay exists or is likely to be granted if a proceeding is instituted.” *Fintiv*, Paper 11 at 6. The Board “will not attempt to predict how the district court ... will proceed” regarding potential stays “because the court may determine whether or not to stay any individual case ... based on a variety of circumstances and facts.” *Sand Revolution II, LLC v. Continental Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 7 (P.T.A.B. Jun. 16, 2020) (informative). Furthermore, the district court case is pending in the Eastern District of Texas, which has granted motions to stay in light of instituted IPRs. Examples include *Resonant Sys., Inc. v. Nintendo Co.*, No. 2:25-cv-90, at *2-3 (E.D. Tex. Jul. 25, 2025) and *Maxeon Solar Pte. Ltd. v. Canadian Solar Inc.*, No. 2:24-cv-210, 2025 WL 1811321, at *2-3 (E.D. Tex. Jul. 1, 2025). The *Marshall* litigation is pending before District Judge Robert W. Schroeder III, and Judge Schroeder has previously stayed district court cases in light of instituted IPRs. *See, e.g., Fall Line Patents*,

LLC v. Zoe's Kitchen, Inc., No. 6:18- cv-407-RWS, 2019 WL 11025871, at *1 (E.D. Tex. Aug. 9, 2019); *Papst Licensing GmbH & Co. v. Apple, Inc.*, No. 6:15-cv-1095-RWS, 2017 WL 11638426, at *2-5 (E.D. Tex. Jun. 16, 2017). Thus, this factor is at worst neutral and does not support discretionary denial.

B. Factor 2 (Trial Date): Weighs Against Discretionary Denial

Fintiv Factor 2 looks to “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision.” *Fintiv*, Paper 11 at 6. The Docket Control Order from the *Marshall* Litigation on August 4, 2025 noted that jury selection was scheduled for February 16, 2027. EX2001, 1. The projected statutory deadline for a Final Written Decision of this IPR is March 22, 2027.

Factor 2 is at worst neutral because of the uncertainty surrounding Judge Schroeder’s availability to oversee the trial involving the ’778 Patent as scheduled given the numerous trials scheduled on that same date and the fact that he borrows the courtroom in Marshall, Texas from Judge Gilstrap because Judge Schroder is typically in Texarkana, Texas. Thus, trial will likely occur during one of Judge Schroeder’s sittings in Marshall, of which there are only two currently scheduled in 2027. *See* Judge Schroeder Calendar of Events for 2027 in Marshall Texas, EX1022, 1-3 (The only sittings Judge Schroeder currently has scheduled for 2027 in Marshall, Texas are for Feb. 16, 2027 and April 19, 2027. There are currently five patent trials scheduled for Judge Schroeder’s February 16, 2027 sitting and seven patent trials

scheduled for Judge Schroeder's April 19, 2027 sitting).

Patent Owner contends that a jury trial is currently scheduled before Judge Schroeder on February 16, 2027. Ex. 2001, 1. However, Patent Owner fails to acknowledge that, as of December 2026, there are five cases scheduled to be tried by Judge Schroeder on that same date, February 16, 2027, and the *Marshall* litigation, involving the '778 patent, is third on the list:

1. *Secure Matrix LLC v. Brookshire Grocery Company*, No. 2:24-cv-01080-RWS-RSP;

2. *Orckit Corporation v. Cisco Systems, Inc.*, No. 2:25-cv-00181-RWS-RSP;

3. ***Light Guide Innovations LLC v. Walmart Inc.*, No. 2:25-cv-00312-RWS-RSP;**

4. *Zugara, Inc. v. Cisco Systems, Inc.*, No. 2:25-cv-00437-RWS-RSP;

5. *Renascent Energy Holdings LLC v. Exxon Mobil Corporation*, No. 2:25-cv-00623-RWS-RSP;

EX1022, 1. As shown above, there are two cases that would be called to trial prior to a trial involving the '778 Patent. Because Judge Schroeder cannot simultaneously try multiple patent cases and *Marshall* litigation involving the '778 Patent is currently third on the Court's schedule, it is speculative to assume that the trial date will hold. And, if it does not, Judge Schroeder currently has only one remaining sitting

in Marshall in 2027 currently scheduled. *See* EX1022, 1-3. Therefore, Patent Owner’s conclusion that “District Court Litigation’s trial will be over a month before the projected statutory deadline” (Request, 6-7) is speculative and unsupported. Accordingly, at the very least, this factor is neutral or at least slightly weighs against exercising discretion to deny the Petition. *Boe Tech. Grp. Co. v. Optronix Scis. LLC*, IPR2024-01130, 2025 WL 305477, at *4 (P.T.A.B. Jan. 27, 2025) (*Fintiv* factor 2 “neutral or weigh[s] slightly in favor of not exercising discretion” where district court “set 10 cases for jury selection on the same day”).

Furthermore, it is statistically unlikely that the current projected trial date of February 16, 2027 is accurate. A more accurate projection can be based on the median time-to-trial data for Judge Schroeder. According to Docket Navigator, the median time-to-trial data for Judge Schroeder is 29 months. *See* Docket Navigator, the median time-to-trial data for Judge Schroeder, EX1023, 1. Accordingly, a more accurate prediction of the trial date would be August 21, 2027, i.e., well after the final written decision statutory deadline of March 22, 2027.

Even assuming that the February 2027 date were to hold and the Final Written Decision (“FWD”) may come after the trial date, this is not an impediment to institution of IPR. The Board has instituted trial based on many of factors present here, such as diligence in filing the petition, a stipulation not to pursue the asserted grounds in litigation, minimal investment in litigation, and the merits of the

challenge are strong. *Lego Sys., Inc. v. Mq Gaming LLC*, No. IPR2020-01445, 2021 WL 606917, at *8 (finding jury trial “five months before a final written decision” outweighed by “low” “investment by the court and parties in the [parallel case] on” common issues, Petitioner’s *Sotera* stipulation, and strong merits to the challenge); *Verizon Business Network Services, Inc. v. Huawei Techs. Co.*, IPR2020-01141, Paper 12 (Jan. 14, 2021).

Thus, factor 2 weighs against discretionary denial.

C. Factor 3 (Parallel Proceeding): There Has Been Minimal Investment in the Related Litigation

This factor considers “the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, Paper 11 at 9. “If, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution.” *Id.* at 10. Here, the district court has not made any substantive rulings on the challenged patents, and it is unlikely to do so prior to the institution decision on March 22, 2026. EX2004 (Docket Control Order), 6.

Investment in the parallel proceeding weighs against discretionary denial because the parties have invested little in the district court litigation to date. For example, claim construction briefing is not scheduled to begin until July 6, 2026,

more than three months after the intuition decision. *See* EX2001, 4. Furthermore, the Markman hearing is not scheduled until August 14, 2026, well after the institution decision. In fact, Petitioner only recently filed its Answer to Patent Owner’s Amended Complaint on October 10, 2025.

The early stage of the case and the minimal investment by the parties weighs heavily in favor of institution.

D. Factor 4 (Issue Overlap): Petitioner’s *Sotera*+ Stipulation Eliminates Any Potential Overlap

Petitioner’s broad stipulation outweighs every other *Fintiv* factor. *See* Pet., 3. Petitioner broadly stipulated that, “if the PTAB institutes review in this proceeding, Petitioner will not pursue any grounds raised in this Petition, or any grounds Petitioner could have reasonably raised in this Petition, in the Litigation or any parallel proceeding. *Id.* (citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 12-13 (PTAB Dec. 1, 2020) (precedential)). Petitioner further stipulated that, “if the PTAB institutes review in this proceeding, it will not rely in the Litigation on any product or system that is ‘based on the same evidence presented’ in this IPR and will not advance a theory of obviousness based on the combination of prior art that is asserted in any ground presented in the Petition with any other prior art, including product or system prior art, against the challenged claims.” *Id.* (citing Cf. *SAP America, Inc. v. Cyandia, Inc.*, IPR2024-01496, Paper

13 at 9 (PTAB Apr. 7, 2025)).

This stipulation not only includes the standard *Sotera* stipulation but also addresses duplication between product art and IPR art. *See id.* Accordingly, Patent Owner’s allegations that there “is overlap between the claims and grounds at issue in this Petition and the” *Marshall* litigation (Request, 5) lacks basis because this “broad stipulation ... reduces the concern of inconsistent outcomes or significant duplication of efforts.” *Samsung Electronics Co., Ltd. v. Wilus Inst. of Standards and Technology Inc.*, IPR2025-00933, Paper 11 at 3 (Director Oct. 10, 2025); *see also Shenzen Tuozhu Tech. Co. v. Stratasys, Inc.*, IPR2025-00438, Paper 10 at 3 (Director Jul. 17, 2025) (“a broad stipulation” helped “tip the balance against discretionary denial”).

E. Factor 5 (Same Party): The Parties Are the Same

Because Patent Owner and Petitioner are the parties in the *Marshall* litigation, and because the Board will likely issue an FWD before any trial in the *Marshall* litigation, this factor weighs against discretionary denial. *Samsung Elecs. Co. v. Staton Techiya, LLC*, IPR2022-00302, Paper 13 at 18-19 (P.T.A.B. July 11, 2022) (factor five weighs against discretionary denial when the statutory deadline for FWD is before the expected trial date in parallel litigation); *CrowdStrike, Inc. v. Open Text Inc.*, IPR2023-00289, Paper 7 at 16 (P.T.A.B. July 21, 2023) (same).

F. Factor 6 (Other Considerations): Other Circumstances Weigh in Favor of Institution

Factor 6 weighs heavily against discretionary denial because the Petition provides strong arguments on the merits of the '778 patent's validity and addresses errors made by the Patent Office during prosecution.

1. *The Petition Provides Strong Arguments on the Merits*

Patent Owner's Request for discretionary denial makes the conclusory assertion that the Petition includes an "Excessive Number of Grounds and Weak Merits." Request, 2. Specifically, Patent Owner argues that "the Petition asserts a patchwork of four obviousness grounds combining five different references." *Id.* Yet, Patent Owner fails to acknowledge that USPTO office actions and IPR petitions routinely provide multiple obviousness grounds based on five or more references. Further, the Board has routinely relied on such petitions as demonstrating the unpatentability of the challenged claims. Indeed, "[t]he criterion...is not the number of references, but what they would have meant to a person of ordinary skill in the field of the invention." *In re Gorman*, 933 F.2d 982 (Fed. Cir. 1991); *see also* MPEP § 707.07(f). Notably, Patent Owner offers no support for its allegation that the petition "would be excessively burdensome." Request, 3. Many years of Board precedent reviewing and analyzing similar petitions belie Patent Owner's allegations. Furthermore, Patent Owner alleges that the petition has "Weak Merits"

(Request, 2), but fails provide any substantive analysis of the alleged weakness in the obviousness grounds proposed in the petition. As established in detail in the Petition, each of the obviousness grounds persuasively illustrates the unpatentability of the challenged claims of the '778 patent.

2. *The Material Errors Committed by the Office During Prosecution Favors Institution*

During prosecution, the examiner committed material errors in the examination of the '778 patent. *See* Pet., 7-12. In the Notice of Allowance, the examiner alleged that the limitations in the independent claims specifying the relative positioning of various layers were not disclosed in the prior art. EX1002 at 273-76. More particularly, the Examiner was convinced by the Patent Owner's arguments regarding the Kurihara reference, but the Examiner failed to considered FIG. 5 of Kurihara and its related disclosures, which teach the limitations the applicant argued were missing from the prior art. *See* Pet., 9-11 (citing EX1012-Kurihara at FIG. 5, 0077). The examiner further stated that "Choi" – a previously undiscussed reference – was "the closest prior art" and that it, too, "fails to disclose teach or render obvious an optical sheet on a light guide plate in combination with the claimed structural arrangement of the optical sheets and conversion sheets." EX1002, 275-76. However, the examiner's statement is incorrect given that Choi's figures disclose a conventional backlighting arrangement rather than side-emission; thus, Choi does not illustrate a light guide plate in its device. Pet. 11-12 (citing

EX1014-Choi at Fig. 1). Choi also fails to disclose a fluorescent (phosphor) conversion layer; thus, Choi was irrelevant in regards to the features applicant argued were missing from the art. Pet. 12 (citing EX1003-Krames at ¶55).

Accordingly, the examiner's prosecution of the '778 Patent included numerous material errors. Institution is appropriate here as it would provide an opportunity for the Office to correct these material errors.

III. SETTLED EXPECTATIONS SUPPORT A MERITS CONSIDERATION

The Board should also deny PO's discretionary denial in view of the expectations of the parties. *See* USPTO "Interim Processes for PTAB Workload Management," Mar. 26, 2025, 2 ("relevant considerations" for discretionary denial may include "[s]ettled expectations of *the parties*") (emphasis added).

Contrary to Patent Owner's argument, Petitioner has a settled expectation of non-enforcement and non-infringement. *See Apple Inc. v. Allani*, IPR2025-00856, Paper 11 at 3 (P.T.A.B. Sept. 5, 2025) (finding a settled expectation of non-enforcement where patent owner did not file suit "until eleven years after the parties' discussion about that patent" and where "Patent Owner did not assert the challenged patents against Petitioner until after they expired."); *Globus Med., Inc. v. Spinelogik, Inc.*, IPR2025-00225, Paper 8 at 2 (P.T.A.B. June 12, 2025) (patent expiring "almost four years ago" supported expectation of "non-enforcement of the challenged

patent”). The ’778 patent issued on April 2, 2013, yet Patent Owner chose not to attempt to enforce the patent against any defendant until January 17, 2025.

Accordingly, Petitioner had a settled expectation based on the lack of assertion by Patent Owner of the ’778 patent for over 12 years.

IV. CONCLUSION

For these reasons, Petitioner respectfully requests that the Director decline to exercise discretion to deny institution and institute the Petition on the merits.

Dated: December 22, 2025

Respectfully submitted,

/Trenton A. Ward/

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Counsel for Petitioner

CERTIFICATE OF SERVICE

The undersigned certifies that on December 22, 2025, I caused true and correct copies of PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION AND EXHIBITS 1022 and 1023 to be served on Patent Owner by filing this document and associated exhibit through the Patent Trial and Appeal Case Tracking System (P-TACTS) and transmitting these documents via electronic mail upon counsel of record for the Patent Owner as follows:

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