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 IPR2025-01556
Patent 9,280,220

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, *Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.*, Civ. No. 2:24-cv-702 (E.D. Tex. Oct. 27, 2025)
2003	Defendant's Preliminary Invalidity Contentions, *Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.*, Civ. No. 2:24-cv-702 (E.D. Tex. Mar. 4, 2025)
2004	Agreed Docket Control Order, *Wacom, Co., Ltd. v. Shenzhen Qianfenyi Intelligent Technology Co., Ltd.*, 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, *Headwater Research LLC v. Samsung Electronics Co., Ltd.*, Civ. No. 2:23-CV-00103 (Dec. 11, 2024)

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 1-5, 7-11, and 13-17 of U.S. Patent No. 9,280,220 (the "'220 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 '220 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 23, 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 '220 patent benefits from strong settled expectations given its nine-year existence, recognized commercial value, and Patent Owner's established licensing practices. The '220 patent, issued to Atmel Corp. in 2016 and subsequently acquired by Patent Owner, represents a valuable asset within the stylus technology industry and is a standards-essential patent. Since the acquisition of the '220 patent, Patent Owner has maintained an active licensing program and has consistently demonstrated its willingness to license its standards-essential patents. Coupled with the advanced state of the parallel district court litigation, the strong settled expectations for the '220 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 '220 patent coupled with the fact that trial will occur in the parallel litigation involving Petitioner and Patent Owner well before a final written decision could issue in this IPR 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 certain standards-essential 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. Nevertheless, Petitioner waited a full

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

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 23, 2027. This eight-month difference in timing is also consistent with the time-to-trial statistics for the Eastern District of Texas, which predict trial around September 2026 (a six-month difference). Ex2005 (25.1 month time-to-trial for period ending June 30, 2025).

Indeed, even before the Board's March 23, 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

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 Kaneko, Vuppu, Cao, King-Smith, Harley, and Kremin references, and Petitioner has presented overlapping validity contentions in the parallel District Court proceeding. *See, e.g.,* Ex2003, 14-18 (pdf page) (citing Kaneko, Cao, King-Smith, and Kremin). Thus,

Petitioner's inclusion of the same and other invalidity theories in District Court as compared to this proceeding, along with the earlier 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 any additional issues Petitioner presents exclusively there, but if Petitioner succeeds in invalidating the '220 patent in district court litigation, then this IPR would not be needed. On the other hand, if Patent Owner is successful in defending the '220 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 '220 patent has strong settled expectations. The '220 patent is over nine (9) years old, having issued on March 8, 2016. It was filed by, and issued to Atmel Corp. of San Jose, California. Ex1001.

Two years 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 '220 patent as part of its portfolio of patents relating to stylus products.

In fact, Patent Owner is a willing licensor of the standards-essential patents in its stylus patent portfolio. 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, and specifically notified Petitioner about the '220 patent in a letter dated December 4, 2023. Ex2002, ¶¶16-27.

Thus, the commercial transaction leading to acquisition of the '220 patent, and activities relating to licensing of standards-essential patents in Patent Owner's stylus patent portfolio, show that the '220 patent has a recognized value in the industry. 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 '220 patent. The Director should decline Maxeye's invitation to upset the settled expectations of the '220 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 of a standards-essential patent.

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.

Dated: November 21, 2025

/*Wayne M. Helge*/
Wayne M. Helge, Reg. No. 56,905
James T. Wilson, Reg. No. 41,439
BUNSOW DE MORY LLP
277 S. Washington St., Suite 210 #1088
Alexandria, VA 22314
T: (571) 208-0186
Email: whelge@bdiplaw.com
Email : jwilson@bdiplaw.com

Richard C. Lin, Reg. No. 56,682
BUNSOW DE MORY LLP
701 El Camino Real
Redwood City, CA 94063
T: (650) 351-7248
Email: rlin@bdiplaw.com

Counsel for Patent Owner

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:

DORSEY & WHITNEY LLP
Mark A. Miller (miller.mark@dorsey.com)
Shannon L. Bjorklund (bjorklund.shannon@dorsey.com)
Anthony Jones (jones.anthony@dorsey.com)

Dated: November 21, 2025

/*Wayne M. Helge*/
Wayne M. Helge (Reg. No. 56,905)
Counsel for Patent Owner