UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,

Petitioner,

v.

PERCEPTIVE AUTOMATA LLC

Patent Owner.

Case No. IPR2025-01576

Patent No. 11,467,579

PATENT OWNER'S BRIEF IN SUPPORT OF DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit #	Description
2001	Tesla February 1, 2022 IDS
2002	Tesla March 1, 2022 IDS
2003	Tesla March 4, 2022 IDS
2004	Tesla March 17, 2022 IDS
2005	Tesla March 18, 2022 IDS
2006	Tesla March 18, 2022 IDS
2007	Tesla March 21, 2022 IDS
2008	Tesla March 22, 2022 IDS
2009	Tesla March 22, 2022 IDS
2010	Tesla May 4, 2022 IDS
2011	Tesla May 10, 2022 IDS
2012	Tesla May 11, 2022 IDS
2013	Tesla May 11, 2022 IDS
2014	Tesla May 11, 2022 IDS
2015	Tesla May 12, 2022 IDS
2016	Tesla May 12, 2022 IDS
2017	Tesla May 13, 2022 IDS
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2019	Tesla May 25, 2022 IDS
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2025	Perceptive's Opposition to Tesla's Motion to Stay
2026	Tesla's Reply in Support of Motion to Stay
2027	Perceptive's Sur-Reply in Opposition to Motion to Stay
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2043	Tesla's Subpoena to iMotions
2044	Tesla's Subpoena to Many Brains Project
2045	Tesla's Subpoena to Mercedes-Benz USA
2046	Tesla's Subpoena to Mobile Eye Global
2047	Tesla's Subpoena to Waymo

I. INTRODUCTION

Pursuant to 35 U.S.C. §§ 314 and 325 and the Director's Interim Processes for PTAB Workload Management ("Workload Memo"), Patent Owner Perceptive Automata LLC ("Perceptive") respectfully requests that the Director exercise discretion to deny institution of this Petition. Discretionary denial is appropriate for two reasons.

First, Petitioner Tesla, Inc. ("Tesla") has been aware of Perceptive's patent family for at least four years. Indeed, between February and June 2022, Tesla cited one of Perceptive's patents (which is asserted in the parallel district court action and now challenged by Tesla via IPR) at least 20 times as relevant prior art. Tesla's repeated reliance on that patent underscores its longstanding recognition of the patent family and gives rise to settled expectations regarding the validity of the challenged patent.

Second, the *Fintiv* factors favor discretionary denial here. Any final written decision in this proceeding would issue on the eve of trial in the parallel district court action, requiring both the parties and the district court to expend substantial and duplicative resources. There is also little likelihood that the district court will stay the parallel action. In addition, Tesla is not pursuing this IPR as a true alternative to its district court invalidity case, as Tesla is reserving the ability to present certain §§ 102/103 challenges in the parallel action. Also, the parties to this proceeding and

the district court action are the same, and other circumstances (including the settled expectations of the parties and the weak merits of Tesla's petition) favor exercising discretion to deny institution.

II. FACTUAL BACKGROUND

A. The Challenged Patent

The challenged patent (U.S. Patent No. 11,467,579 (the "'579 patent")) claims priority to U.S. Provisional Patent Application Nos. 62/822,269 (filed on March 22, 2019) and 62/802,151 (filed February 6, 2019). The application leading to the '579 patent published on August 6, 2020, and issued on October 11, 2022.

Tesla has long been aware of Perceptive's patent portfolio, including the closely related U.S. Patent No. 10,614,344 (the "'344 patent"). Between February and June 2022 (months before the '579 patent issued) Tesla cited the '344 patent in information disclosure statements filed in connection with at least twenty of its own patent applications. *See* Exs. 2001–2020. Tesla's repeated and contemporaneous reliance on the '344 patent as relevant prior art demonstrates a sophisticated, sustained awareness of Perceptive's patent family.

Despite that longstanding awareness for at least four years (and despite the challenged claims having been in force for six years), Tesla took no action to challenge the validity of the '344 patent, the '579 patent, or any other Perceptive patent (before the Office or otherwise) until the filing of this Petition. Tesla's delay

weighs against institution and reinforces the settled expectations of the parties, favoring discretionary denial under the *Fintiv* framework.

B. The Parallel District Court Action

Perceptive filed suit against Tesla in the U.S. District Court for the Eastern District of Texas on July 23, 2025, asserting the '579 patent, the '344 patent, and three additional patents. *See* Ex. 2021. Since the filing of Perceptive's complaint, the parties have made (and continue to make) substantial investment in the parallel district court action.

For example, Tesla moved to dismiss Perceptive's complaint, asserting improper venue and challenging the patent eligibility of all five asserted patents. *See* Ex. 2022. Perceptive responded by filing a detailed, 230-page amended complaint setting forth extensive factual allegations addressing Tesla's § 101 arguments. *See* Ex. 2023. Tesla renewed its motion to dismiss on December 15, 2025. *See* Ex. 2039. In parallel, Tesla moved to stay of the district court action in view of its petitions in this and four other IPR proceedings (IPR2025-01573, -01574, -01576, and -01577). *See* Ex. 2024. Perceptive opposed the stay on November 14, 2025, Tesla replied on November 21, 2025, and Perceptive filed a sur-reply on December 1, 2025. *See* Exs. 2025-2027.

These proceedings reflect significant and substantive investment by both parties and the district court well beyond the pleadings stage. The district court has

already been required to engage with threshold issues and will imminently expend additional resources to resolve substantive matters related to venue, patent eligibility, and whether to stay the case.

The district court has also actively managed the parallel action. The court held a scheduling conference in the parallel district court action on September 30, 2025 and entered a schedule in the case on October 10, 2025. *See* Ex. 2028. The parties negotiated and submitted (and the court has issued) a discovery order, and the parties negotiated and submitted a competing protective orders, for which the Court had to issue a ruling. *See* Exs. 2029-2030. These rulings reflect meaningful judicial investment in the case.

The parties' investment is also substantial. Perceptive served 550 pages of infringement contentions, and Tesla served ***over 10,000 pages*** of invalidity contentions. The parties are also already heavily invested and actively engaged in fact discovery. The parties have already produced over 285,000 pages of documents, made source code available for inspection, and served interrogatories and a document request letter. *See* Ex. 2032-2034. In addition, Tesla served seven subpoenas for documents and depositions, all of which are currently noticed to take

place in January 2026. *See* Exs. 2041-2047.[1] This level of judicial oversight and party effort goes well beyond preliminary stages and reflects significant advancement of the parallel proceeding.

Under the district court's operative schedule (*see* Ex. 2031), the court will hold a claim construction hearing on November 12, 2026, fact discovery will close in December 2026, expert discovery will close in February 2027, and the district court will conduct jury selection and begin trial on May 17, 2027. In contrast, the Board will issue its institution decision in this proceeding by April 16, 2026, and if the Board were to institute trial in this proceeding (which it should not), a final written decision would not be due until April 16, 2027, a mere four weeks before trial in the parallel district court action.

By the time any final written decision would issue, the parties will have completed discovery, including expert reporting and depositions, briefed summary judgment and *Daubert* motions, negotiated and submitted a pretrial order, and will

[1] Subsequent to filing Patent Owner's Brief in Support of Discretionary Denial in IPR-2025-01573, -01574, and -01575 on December 8, 2025, Tesla has served over 10,000 pages of invalidity contentions, served seven subpoenas, produced over 275,000 pages of documents, made source code available for inspection, and renewed its motion to dismiss.

have attended the Court's April 12, 2027 pretrial conference. *Id.* Instituting review under these circumstances would provide little practical benefit and would risk duplicative and inefficient use of resources.

On November 10, 2025, Tesla filed a "Notice of Broadened *Sotera* Plus Stipulation" in the parallel district court action. In that notice, Tesla stipulated that, if the Board institutes trial in this proceeding, Tesla would not assert at trial that any challenged claim is invalid based on:

> Tesla will not assert or otherwise argue at trial that any claim of the patent is invalid on the basis of: (i) the specific grounds raised in the instituted IPR, (ii) any other grounds that could have reasonably been raised before the PTAB in that instituted proceeding (i.e., any ground that could have reasonably been raised under §§ 102 or 103 on the basis of prior art patents or printed publications), or (iii) any ground based on a combination of system prior art and the references asserted as part of a ground raised in the corresponding instituted IPR.

Ex. 2035. Notably, Tesla's stipulation is materially narrower than a true *Sotera* plus stipulation. By its express terms, the stipulation is limited to (a) invalidity theories based on "prior art patents or printed publications" and (b) invalidity theories "based on a combination of system prior art and the references asserted as part of a ground raised in the corresponding instituted IPR." *Id.* Tesla is thus reserving the ability to pursue invalidity theories in the parallel district court action based on system prior art alone, as well as combinations of system prior art with patents/publications other

than those references specifically raised in grounds in its petitions. Moreover, Tesla's stipulation only applies on a patent-by-patent basis; in other words, if the Board were to institute some (but not all) of Tesla's IPR petitions, Tesla is expressly reserving the right to pursue ***all*** prior art invalidity theories as to any patents for which IPR is not instituted. *Id.*

In addition, Tesla's filings in the parallel district court confirm that it intends to continue litigating substantive non-infringement and validity-related issues in parallel with this proceeding notwithstanding its stipulation. Specifically, Tesla has already indicated that it intends to pursue inequitable conduct claims in the parallel district court action (*see* Ex. 2036), and Tesla has moved to dismiss the district court case arguing that inventions are all directed to ineligible subject matter (*see* Ex. 2022). As a result, Tesla's stipulation does not meaningfully reduce overlap or the risk of duplicative proceedings.

III. LEGAL STANDARD

35 U.S.C. § 314 provides the Director with discretion regarding whether to institute an IPR proceeding. *See In re Motorola Sols., Inc.*, No. 2025-134, 2025 WL 3096514, at *3 (Fed. Cir. Nov. 6, 2025); *see also Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 273 (2016) ("[T]he agency's decision to deny a petition is a matter committed to the Patent Office's discretion."); *SAS Inst. Inc. v. Iancu*, 584 U.S. 357, 366 (2018) ("[Section] 314(a) invests the Director with discretion on the question

whether to institute review … .") (emphasis omitted); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) ("[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.").

As discussed in the Interim Process Memo, among the criteria that the Director may consider in determining whether to exercise discretion to deny institution are "[s]ettled expectations of the parties," "[t]he strength of the unpatentability challenge," and "[a]ny other considerations bearing on the Director's discretion."

IV. THE DIRECTOR SHOULD EXERCISE DISCRETION TO DENY INSTITUTION BECAUSE OF THE PARTIES' SETTLED EXPECTATIONS

Tesla has had knowledge of Perceptive's patents since at least early 2022, when Tesla identified the '344 patent as relevant prior art at least 20 times between February and June 2022 during the prosecution of its own patent applications. *See* Exs. 2001-2020. The '344 patent, the '579 patent, and other Perceptive patents are directed to groundbreaking inventions associated with autonomous vehicles, making it unsurprising that Tesla was fully aware of these patents while developing its autonomous-vehicle technologies and related patent portfolio during this same time period. Indeed, Tesla identified the '344 patent as relevant prior art across a plethora of its patent families directed to different aspects of autonomous vehicles. Thus, Tesla likely knew about the '344 patent much earlier than the aforementioned dates

of Tesla notifying the USPTO that the ’344 patent was relevant prior art to at least 20 of its pending patent applications.

At no point during the nearly four years since Tesla learned of the Perceptive patent portfolio did Tesla ever contend that the ’344 patent, the ’579 patent, or any other Perceptive patent was invalid, or otherwise challenge the validity of the ’344 patent, the ’579 patent, or any other Perceptive patent, through an IPR petition, other USPTO proceeding, or through a declaratory judgment action in district court.

The settled expectations of the parties thus favors exercising discretion to deny institution of Tesla’s IPR petition. *See iRhythm Techs., Inc. v. Welch Allyn, Inc.*, Nos. IPR2025-00363, Paper 10 at 3 (P.T.A.B. June 6, 2025) (petition discretionarily denied institution under settled expectations when petitioner cited then-pending application in an IDS in its own patent application).

V. THE *FINTIV* FACTORS FAVOR EXERCISING DISCRETION TO DENY INSTITUTION

The Director should also exercise discretion to deny institution under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (P.T.A.B. Mar. 20, 2020) (“*Fintiv*”). Because of the substantial efforts by the parties (and the district court) in the parallel district court action, the low likelihood of a stay, and Tesla’s efforts to pursue invalidity challenges in both the district court and before the Board, the *Fintiv* factors favor exercising discretion to deny institution.

Factor 1 (likelihood of a stay): Tesla has asked the district court to stay the

parallel district court action. *See* Ex. 2024. However, as Perceptive noted in opposing Tesla's motion, the district court's practice is to deny motions to stay when the IPR petition(s) have not been instituted. *See* Ex. 2025; *see also, e.g.*, *Arbor Global Strategies v. Samsung Elecs. Co.*, No. 2:19-cv-333-JRG-RSP, 2021 U.S. Dist. LEXIS 2434, at *7 (E.D. Tex. Jan. 7, 2021) ("The 'universal practice' in this District, as well as the practice of most district courts, is to deny a motion to stay when the Board has not yet acted on the IPR petition(s).").

Even if Petitioner were to move to stay post-institution, the district court is unlikely to grant such a stay. *See* Ex. 2037 (showing that, of the 45 decisions on opposed motions to stay after IPR institution in the district court, only 14 such motions were granted). Moreover, in the rare instances in which the district court granted motions to stay, the proceedings were in such an early stage at that time that final written decisions would be several months to a year before the district court's trial date, which is not the case here. *See, e.g.*, *Resonant Sys., Inc. v. Nintendo Co.*, No. 2:25-cv-00090, 2025 WL 2097883, at *2 (E.D. Tex. Jul. 25, 2025) (FWD "expected to issue … more than a year before this case goes to trial"); *Analytical Techs., LLC v. Little Caesar Enterprises, Inc.*, No. 2:24-cv-00090, Dkt. 21 at 3-4 (E.D. Tex. Jul. 25, 2025) (same); *Foras Techs. Ltd. v. Aptiv plc*, No. 2:23-cv-00314, Dkt. 92 at 4 (E.D. Tex. Jul. 25, 2024) (FWD expected to issue more than four months before trial).

Thus, there is "insufficient evidence that the district court is likely to stay its proceeding even if the Board were to institute trial." *See, e.g., Cerence Op. Co. v. Samsung Elecs. Co.*, IPR2025-00458, Paper 14 at 2 (June 25, 2025); *Cisco Systems, Inc. v. WSOU Investments LLC*, IPR2025-00429, Paper 15 at 2 (June 25, 2025); *Full-Metal-Power B.V. v. InFocus Downhole Solutions USA LLC*, IPR2025-00391, Paper 14 at 2 (June 25, 2025); *Neogenomics Laboratories, Inc. v. Natera, Inc.*, IPR2025-00455, Paper 13 at 2 (June 12, 2025). This factor, therefore, favors denying institution.

Factor 2 (proximity of district court trial date): As discussed above, should the Board institute trial in this proceeding, a final written decision will issue only approximately four weeks before the district court's scheduled trial date. Moreover, time-to-trial statistics support that this case will be tried on or around the currently scheduled trial date. *See* Ex. 2038. This factor thus favors denying institution. *See, e.g.*, *Shenzen Tuozhu Tech. Co. v. Stratasys, Inc.*, IPR2025-00354, Paper 11 at 2 (PTAB June 12, 2025) (denying institution and finding that, "[u]nder the circumstances of this case, it will be inefficient to maintain two parallel proceedings when the district court scheduled trial date and the projected final written decision due date are in close proximity" and that "[e]xercising discretion to deny the petition in this case reduces the inefficiencies and burdens on the parties to maintain two parallel proceedings").

Factor 3 (investment in parallel proceeding): As discussed above, the parties have already made substantial investment in the parallel district court action and will continue to do so between now and any institution decision in this proceeding. Tesla has already filed three substantive motions before the district court. In its motion to dismiss, Tesla not only raised arguments about allegedly improper venue based on substantive infringement issues, but also argued that all of the asserted patents are invalid for lack of patentable subject matter. *See* Ex. 2022. Tesla has also moved to stay the parallel district court action, and briefing on that motion is now complete. The parties also had to file a motion regarding a dispute over the protective order, which the district court has already decided. *See* Exs. 2029-2030. Thus, the parties will have filed ten substantive briefs[2] and a 230-page amended complaint in just the first few months of the parallel district court action's pendency. The issues presented in that briefing will require the district court to invest time and resources into considering and deciding the issues presented—including one dispute it has already decided.

[2] These include Tesla's original motion to dismiss; a motion, response, reply, and sur-reply on Tesla's motion to stay; a motion, response, reply, and sur-reply on Tesla's renewed motion to dismiss; and the joint motion presenting the protective order dispute.

In addition, the parties are already heavily invested in their fact discovery efforts, including producing over 285,000 pages of documents, serving interrogatories, and serving a document request letter. *See* Exs. 2032-2034. Patent Owner has prepared and served extensive infringement contentions comprising over 550 pages of detailed analysis. Tesla has made substantial discovery efforts of its own, including serving over 10,000 pages of invalidity contentions, making source code available for inspection, serving interrogatories, serving seven subpoenas for documents and noticing seven prior art depositions for January 2026. *See* Exs. 2041-2047. These facts alone favor denial. *See Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3 ("Motorola Solutions") (PTAB March 28, 2025) (holding this factor strongly favors denial because, among other things, "the parties had served extensive infringement and invalidity contentions").

By the time of the institution decision in April 2026, the parties' ongoing investment in the parallel district court proceeding will be even more substantial. The parties' efforts and costs with the production and review of all discovery, including extensive source code produced by each party, will be well underway. And, Tesla will have already burdened the district court with deciding a substantive motion concerning § 101 subject matter eligibility. Given the substantial time and effort the parties and the district court will have already invested in the parallel litigation, this factor weighs in favor of denial. The Board has repeatedly found this

factor to at worst be neutral (and has still denied institution) in such situations. *See, e.g.*, *Int'l Business Machines Corp. v. Digital Doors, Inc.*, IPR2023-00970, Paper 8 at 11 (P.T.A.B. Jan. 12, 2024); *see also, e.g.*, *Fintiv*, Paper 11 at 9-10 ("[I]f at the time of the institution decision, the district court has issued substantive orders related to the patent at issue in the petition, this fact favors denial.").

Factor 4 (overlap with parallel proceeding): As discussed above, while Tesla has offered a so-called "*Sotera* plus" stipulation, Tesla has reserved its ability to pursue invalidity theories in the parallel district court action based on system art alone or in combination with patents/publications other than those used in the grounds in the Petition. *See* Ex. 2035. Indeed, Tesla acknowledges that "Tesla's *Sotera* Plus stipulation above is not intended to limit Tesla's ability to assert invalidity of any claims of the patents-at-issue in this lawsuit based on any other ground." Ex. 2035 at 2. Moreover, Tesla's stipulation only applies on a patent-by-patent basis, and Tesla thus would only be foreclosed from pursuing certain invalidity theories if all of its IPR petitions are instituted. *Id.* Thus, Tesla is not using its Petition here as a true alternative to litigating validity in the district court, which demonstrates that this factor favors exercising discretion to deny institution. *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (Director review decision vacating institution of IPR and finding this factor to favor denying institution despite *Sotera* stipulation because "Petitioner's stipulation does not

ensure that these IPR proceedings would be a 'true alternative' to the district court proceeding") (quoting *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020)).

Tesla's *Sotera* plus stipulation does not ensure that this IPR proceeding or the four other IPR proceedings (IPR2025-01573, -01574, -01576, and -01577) are a true alternative to the parallel district court proceeding. For example, Tesla's invalidity contentions in the district court proceeding allege that two of its systems (Tesla – Hardware 1 and Tesla – Hardware 2) and six other systems (Daimler/Mercedes, Uber/Aurora, Waymo, iMotions, TestMyBrain.com, and Zoox) each respectively anticipate claims of the '579 patent, which is not covered by Tesla's *Sotera* plus stipulation. *See* Ex. 2040 at 152-153. Furthermore, Tesla's invalidity contentions allege that each of the Waymo, Uber, and Mercedes systems in combination with references not asserted in the IPRs render claims of the '579 patent obvious, which is not covered by Tesla's *Sotera* plus stipulation. *See id.* at 155-157. Tesla's invalidity contentions also allege that claims of the '579 patent and each patent challenged in the four other IPR proceedings (IPR2025-01573, -01574, -01576, and -01577) are invalid pursuant to section 101, which is not covered by Tesla's *Sotera* plus stipulation. *See id.* at 262-277.

Additionally, Tesla's pleadings in the parallel district court make clear that Tesla intends to litigate issues beyond infringement in the parallel district court case

despite its stipulation. Specifically, Tesla has already indicated in its initial disclosures that it intends to pursue inequitable conduct claims in the parallel district court action (*see* Ex. 2036), and its *Sotera* plus stipulation does not address those claims (*see* Ex. 2035). Thus, even if the Board were to institute Tesla's IPR petition here, Tesla would still burden the parties and the district court with litigating at least those myriad of issues in parallel.[3]

[3] These arguments favoring discretionary denial as to this proceeding also apply to Patent Owner's Brief in Support of Discretionary Denial in each of IPR-2025-01573, -01574, and -01575 filed on December 8, 2025 prior to Tesla's service of its invalidity contentions on December 9, 2025. *See, e.g.*, Ex. 2040 at 15-16, 112, 233 (seven systems alleged to anticipate claims of the '344 patent, '889 patent, and '046 patent); *id*. at 23-25, 115-116 (the Waymo, Autopilot HW1, Autopilot HW2, and Mercedes systems each combined with non-asserted references alleged to render obvious claims of the '344 patent and '889 patent in IPR-2025-01573 and -01574, respectively); *id*. at 23-25, 115-116 (the Test My Brain, iMotions, Daimler/Mercedes systems each combined with non-asserted references alleged to render obvious claims of the '046 patent in IPR-2025-01575); *id*. at 262-277 (section 101 invalidity allegations against all claims in all patents challenged in the collective IPRs); and

Factor 5 (same parties): Both Perceptive and Tesla are the parties to this IPR proceeding and the parallel district court action. This factor thus also favors exercising discretion to deny institution.

Factor 6 (other circumstances, including the merits): Several other circumstances also favor exercising discretion to deny institution.

(a) Settled expectations: As discussed above, the settled expectations of the parties favor exercising discretion to deny institution because Tesla has been highly aware of Perceptive's patents (including the '344 patent) for at least four years.

(b) Weak merits: As Perceptive will explain in its forthcoming preliminary response, the merits of the Petition are weak—a fact which also favors exercising discretion to deny institution.

(c) Petitioner's extensive reliance on expert testimony: "The extent of the petition's reliance on expert testimony" is an enumerated consideration set forth in the Workload Memo. Since the memo issued, the Office has further explained that extensive reliance on expert testimony on dispositive issues may suggest that the questions are better resolved in an Article III court and further explaining that the failure to provide focused expert testimony may weigh against institution. FAQs for

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id. at 278-280 (section 112 invalidity allegations against the '344 patent and '889 patent).

Interim Processes for PTAB Workload Management, at #22, *available at* https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management (last visited December 2, 2025) ("FAQ #22").

This consideration favors discretionary denial because the Petition relies heavily on the unfocused declaration testimony of Petitioner's purported technical expert, Dr. Jason Janét. Indeed, Dr. Janét's declaration consists of 193 paragraphs of testimony spanning 99 pages. *See generally* Ex. 1003. The Petition extensively cites to and relies upon his testimony, including attempting to plug holes by arguing that certain features not disclosed on the relied-on references would have been obvious. *See e.g.*, Pet. at 21 ("A POSITA would also implement AA's 'feature vector' stage to make Djuric's model more effective."); 31 ("A POSITA would have understood that "ground truth"—in the context of a supervised trained model, using labeled data—reflects how a human should respond when presented with an image."). Indeed, the word "POSITA" appears 52 times in the Petition.

Further, Dr. Janét's declaration contains much of the same language as the Petition, even including the same annotations and color-coding used in the Petition. *Compare, e.g.,* Pet. 16-55 (analysis of Ground 1), *with* Ex. 1003 at 25-70 (analysis of Ground 1); Pet. 55-65 (Ground 2 analysis), *with* Ex. 1003 at 70-80 (Ground 2 analysis); Pet. 65-68 (Grounds 3 and 4 analysis), *with* Ex. 1003 at 80-83 (Grounds 3 and 4 analysis); Pet. 68-73 (Grounds 5 and 6 analysis), *with* Ex. 1003 at 83-90

(Grounds 5 and 6 analysis); Pet. 74-77 (Printed Matter analysis), *with* Ex. 1003 at 90-92 (Printed Matter analysis). However, the Board has been skeptical of petition arguments repeated verbatim by a witness purporting to give expert testimony. *Kinetic Techs., Inc. v. Skyworks Sols., Inc.*, IPR2014-00529, Paper 8 at 14-15 (PTAB 2014) (denying institution). Such skepticism is warranted in reviewing the Petition, in light of Dr. Janét's extensive repetition of the Petition in his declaration. *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9, at 15, 19 (P.T.A.B. Aug. 24, 2022) (denying institution). The Board's resources would be better allocated to other petitions more grounded in substance.

Finally, as the Board has repeatedly recognized (including in *Fintiv*), no single factor is dispositive, and the Board "takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review." *Fintiv*, Paper 11 at 6. Given that the above factors favor exercising discretion to deny institution, the Director should deny institution for these reasons as well.

VI. CONCLUSION

For at least the reasons above, the Director should exercise discretion to deny institution of Tesla's IPR petition.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Patent Owner's Brief in Support of Discretionary Denial was served on December 16, 2025, to Lead and Back-up Counsel for Petitioner at the service address provided in Petitioner's Mandatory Notices:

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