

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RESONAC HARD DISK CORPORATION and RESONAC CORPORATION,

Petitioners,

v.

MR TECHNOLOGIES GMBH,

Patent Owner

Case No. IPR2026-00015

Patent No. 11,138,997

**PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF
INSTITUTION**

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PATENT OWNER'S EXHIBIT LIST

No.	Description
2001	U.S. Patent No. 9,928,864 (“the ’864 patent”)
2002	U.S. Patent No. 11,138,997 (“the ’997 patent”)
2003	U.S. Patent No. 12,020,734 (“the ’734 patent”)
2004	Verdict Form dated July 26, 2024 in <i>MR Technologies GmbH v. Western Digital Technologies, Inc.</i> , No. 22-cv-01599 (C.D. Cal. Aug. 26, 2022)
2005	Proposed Rules, Federal Register Vol. 90, No. 99 (Oct. 17, 2025), accessible at: https://www.govinfo.gov/content/pkg/FR-2025-10-17/pdf/2025-19580.pdf
2006	<i>Showa Denko Was Reborn as Resonac on Jan. 1, 2023</i> , https://www.resonac.com/corporate/name-change.html (last visited December 6, 2025)
2007	Excerpts from <i>MR Technologies GmbH v. Western Digital Technologies, Inc.</i> , No. 22-cv-01599, July 23, 2024 Trial Tr. Vol. II at 72:11-24

I. INTRODUCTION

Pursuant to the Director’s March 26, 2025 memorandum regarding Interim Processes for PTAB Workload Management (“March 26, 2025 Memo”), Patent Owner MR Technologies GmbH (“MR Tech”) requests that the Director exercise discretion under 35 U.S.C. § 314(a) and issue a decision denying institution of the Petition for Review of U.S. Patent No. 11,138,997 (“the ’997 patent”). This proceeding is related to challenges brought by Petitioners Resonac Hard Disk Corporation and Resonac Corporation (collectively, “Resonac”) against U.S. Patent Nos. 9,928,864 (“the ’864 patent”) and 12,020,734 (“the ’734 patent”) (both of which are related to the ’997 patent¹) in IPR2026-00014 and IPR2026-00016, respectively.

Resonac knew or should have known of the challenged patents and their relevance to Resonac’s products long ago, and Resonac’s delay in challenging these patents created a strong settled expectation that Resonac would not challenge these patents through the *inter partes* review process. For example, Patent Owner asserted the ’864 and ’997 patents against Resonac customer Western Digital over three years ago in August 2022, accusing hard disk drives (HDDs) containing Resonac’s technology as infringing. And in July 2024, a jury found the ’864 and ’997 patents valid and infringed by Western Digital, awarding a verdict of \$262,388,800. Patent

¹ The ’997 and ’734 patents are the only two child patents of the ’864 patent.

Owner also asserted the '734 patent against Western Digital in August 2024, which was settled in May 2025.

Despite Resonac's knowledge that its customer Western Digital was accused of infringement of the '997 patent as early as August 2022, Resonac took no action to challenge the validity of any patents in that family in IPR until October 2025. The '864 patent had issued over seven years ago, and the '997 and '734 patents are the only child patents of the '864 patent. But Resonac filed its IPR petitions only after it became clear that Western Digital's own attempts to challenge the patents failed, in light of the quarter-billion dollar verdict against Western Digital in August 2024.

In other words, Resonac waited to see if another party, Western Digital, would prevail as to these patents. Only after Resonac saw that Western Digital's challenges failed did Resonac bring its own challenge as to these patents. This is exactly the type of duplicative challenge that the IPR process was designed to avoid. Resonac exacerbates the problem by failing to offer *any* stipulation, effectively preserving its ability to relitigate the same issues in multiple forums and compounding the very inefficiency and unfairness the Director's guidance seeks to prevent.

Resonac thus structured its IPR petitions to allow itself multiple bites at the apple, through the district court cases against Western Digital, Resonac's IPR challenges, and Resonac's declaratory judgment action in district court filed on October 9, 2025. After Resonac chose to wait and see what would happen in the

Western Digital cases, Resonac should not have reasonably expected the Board to entertain this new series of challenges, particularly where Resonac reserves the right to bring yet another challenge in district court. And Patent Owner was justified in expecting that its patents would not be subject to invalidity challenges before the Board by Western Digital's suppliers, particularly after prevailing at trial as to Western Digital.

Patent Owner thus respectfully requests discretionary denial of the Petition.²

II. SETTLED EXPECTATIONS AND OTHER FACTORS FAVOR DENIAL

The March 26, 2025 Memorandum regarding Interim Processes for PTAB Workload Management sets forth various relevant considerations may weigh in favor of discretionary denial, including:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;

² Patent Owner reserves the right to file a Preliminary Response addressing the merits of the Petition pursuant to 37 C.F.R. § 42.107(a) on the schedule set forth by regulation and consistent with the March 26, 2025, Memorandum. *See* 37 C.F.R. § 42.107(b).

- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director’s discretion.

A. The District Court Has Already Adjudicated the Validity of the Challenged Patent Claims

Resonac challenges three patents in the same family, the ’864 parent patent and the only two child patents, the ’997 and ’734 patents. All independent claims of the ’864 and ’997 patents have already been found by a jury to be valid and infringed by Western Digital in *MR Technologies GmbH v. Western Digital Technologies, Inc.*, No. 22-cv-01599 (C.D. Cal. Aug. 26, 2022). Ex. 2004.

The Board’s policy against reconsidering the validity of claim scope previously determined valid by a district court is reinforced by the recent supplementary information to the proposed rules revision (“Proposed Rules”). The USPTO aims to reduce overall costs of patent litigation and increase the reliability of patent rights “by foreclosing most IPR challenges where patent validity has already been tested during examination at the USPTO and at least once in another proceeding (*e.g.*, at the USPTO, in district court, or at the ITC).” *See* Ex. 2005 at 48337. As discussed herein, Resonac chose to delay until Western Digital’s own challenges to the challenged patents were unsuccessful, and in doing so seeks to

increase rather than “*reduce* litigation costs” contrary to the Board’s stated policy objectives. *Id.* (emphasis added).

B. Resonac, Despite Having an Interest in the Outcome of the Western Digital Cases, Delayed Bringing Any Challenges

Resonac had an interest in the outcome of the previous Western Digital cases. Resonac was formerly known as Showa Denko. *See* Ex. 2006. Western Digital testified it purchased from Showa Denko magnetic recording media (hard disks) that were found to infringe. On direct examination, Western Digital’s Director of Revenue Operations and Accounting testified to the following:

Q: And who has Western Digital purchased media from?

A: Showa Denko.

Q: [A]re the Showa Denko medias used in the accused products?

A: Yes.

Q: And do you know if those products that use the Showa Denko media are sold in the U.S.?

A: Yes.

Ex. 2007 at 72:11-73:15.

Resonac, despite supplying Western Digital the same technology accused of infringement in the district court litigation, chose to stand on the sidelines during the prior cases against Western Digital. It did not file any IPR petition during the entirety of the litigation that resulted in the ’864 and ’997 patents being found valid and

infringed. Resonac instead waited more than three years to assert any challenge against any of the patents. This delay is highly prejudicial to Patent Owner, which had the settled expectation that its asserted patents would not be challenged by Resonac years after bringing suit against Resonac's customer Western Digital.

Further, Patent Owner's suits filed in April 2025 against Seagate and Toshiba on all three patents make clear that Resonac should have acted more promptly. On information and belief, Resonac also supplies Western Digital's competitors Seagate and Toshiba in a three-player market. Yet, Resonac still took no action until October 2025.

Resonac's delay in filing the instant Petition is especially improper because it violates the policy underlying the 1-year time bar. Patent Owner brought litigation against Resonac's customer Western Digital for infringement of the '864 and '997 patents on August 26, 2022 with service by August 31, 2022. If Western Digital had itself filed a petition challenging the validity of the '864 and '997 patents, it would have needed to do so by August 31, 2023. But Resonac, despite knowing that the Western Digital litigation implicated Resonac's infringing technology, chose to wait and see what Western Digital would do. Now that Western Digital declined to file its own IPR petition (or post-grant review petition), and after a large verdict against it, Resonac filed this IPR petition well over *three* years after litigation implicated Resonac's own technology as to the '864 and '997 patents.

Even if this does not violate the letter of the one-year time bar provision of 35 U.S.C. § 315(b), it violates the spirit of that provision by allowing an interested party to bring suit *years* after its technology was implicated in litigation involving the '864 and '997 patents.

Accordingly, Resonac's decision to wait more than three years after it knew or should have known that its technology was implicated by Patent Owner's litigation against Western Digital emphasizes Patent Owner's settled expectations, because Patent Owner should not have expected interested parties to the Western Digital litigation (such as supplier Resonac) to challenge the '864 and '997 patents in IPR more than three years after Patent Owner brought suit against Western Digital on that patent.

C. Resonac Attempts Multiple Bites at the Apple and Fails to Offer Any Stipulation

Resonac, after its delay, now wants as many bites at the apple as possible. In addition to filing its Petitions, a day later, Resonac filed a declaratory judgment action for all three patents in the Northern District of California. *See Resonac Hard Disk Corporation et al. v. MR Tech. GmbH*, No. 3:25-cv-08631-PHK (N.D. Cal. Oct. 9, 2025). Exacerbating its duplicative litigation, Resonac offers *no* stipulation regarding litigation issue overlap with *any* of the three ongoing suits (against Seagate and Toshiba and Resonac's declaratory judgment action). *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-0109, Paper 12 (PTAB Dec. 1, 2020) (finding that

“Petitioner’s broad stipulation ensures that an *inter partes* review is a ‘true alternative’ to the district court proceeding”).

While the declaratory judgment action is currently on non-infringement, there is nothing precluding Resonac from adding invalidity contentions, particularly in the absence of any stipulation. Indeed, it is standard litigation practice for declaratory judgment plaintiffs to exploit the “loophole left by the statutory scheme” by first filing such declaratory judgment actions for non-infringement and then, only after the patent owner files compulsory infringement counterclaims, answering with invalidity affirmative defenses. *See, e.g., Epic Games, Inc. v. Acceleration Bay LLC*, No. 4:19-cv-04133-YGR, 2020 WL 1557436, at *3 (N.D. Cal. Apr. 1, 2020) (denying motion to strike accused infringer’s counterclaims-in-reply of invalidity, even though “the Court recognizes the apparent loophole left by the statutory scheme governing IPR availability”). Here, not only are Resonac’s IPR petitions duplicative of the likely scope of invalidity issues in the district court proceedings, they are on patents that have been tried and upheld by a jury. “[A]llowing multiple, often duplicative patentability challenges against the same patent can reduce competition” and “jeopardize the reliability of patent rights and incentives to invest in new technologies.” *See* Ex. 2005 at 48337. Resonac should not be allowed to benefit from any loopholes, and Patent Owner should not have to defend its patents (again) in multiple forums.

D. Additional Factors Favor Discretionary Denial

Here, additional factors also favor discretionary denial. The '864 patent issued on March 27, 2018, and has been in effect for over seven years. *See* Ex. 2001. Accordingly, the settled expectations of Patent Owner of being able to adjudicate its patent claims before an Article III Court (as it did in the Western Digital litigation) weigh against institution. The '997 patent is a continuation of the '864 patent, with the '997 patent having issued on October 5, 2021. Ex. 2002. The Patent Owner reasonably expected that because the validity of the claims of the '864 patent were not challenged for over seven years, the claims of the '997 patent would likewise not be subject to an *inter partes* review.

Additionally, no changes in the law support reconsideration of the validity of the patents, and Resonac does not identify any such change.

Further, the Petition relies extensively on 113 pages of expert testimony (Ex. 1003) to explain the relevance of the prior art, even though witness credibility is better evaluated by a District Court than the PTAB (which typically does not consider live witness testimony). And the fact that Resonac requires this extensive expert testimony, coupled with the fact that the Petition does not even allege any anticipatory prior art, shows that the unpatentability challenge here is not strong.

Finally, as noted above in Section II.B, Resonac chose to delay bringing its IPR challenges despite ongoing litigation against Western Digital. The policy

against delay applies especially strongly here because Japan-based Resonac chose to sit back and place the burden of challenging the validity of the '734 patent (and the other challenged patents) on the United States corporation Western Digital. In addition to the policy concerns underlying any such delay, the concerns are even more pronounced here because Resonac is headquartered in Japan whereas Western Digital is headquartered in the United States, such that by delaying its challenges to the '997 and other challenged patents, Resonac attempted to shift the expense and effort of challenging those patents to U.S.-based Western Digital. The Board should discourage other foreign entities from similarly attempting to shift litigation expenses to United States entities by exercising its discretion to deny institution.

Accordingly, these considerations weigh heavily in favor of discretionary denial of institution. And as discussed in the following section, many of the *Fintiv* factors additionally weigh against institution.

III. *FINTIV* FACTORS ALSO WEIGH AGAINST INSTITUTION

In addition to the factors discussed above, the Board has set forth six factors for determining whether discretionary denial in light of parallel litigation is appropriate:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. 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 in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party;
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) (precedential) (“*Fintiv I*”). In evaluating these factors, the Board “takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 7-17 (PTAB May 13, 2020) (informative) (“*Fintiv II*”).

As explained below, many of the *Fintiv* factors weigh in favor of discretionary denial in light of the related district court litigation of: (1) *MR Tech. GmbH v. Seagate Tech. LLC et al.*, No. 0:25-cv-01460 (D.M.N. Apr. 15, 2025); (2) *MR Tech. GmbH v. Toshiba Am. Elec. Components, Inc. et al.*, No. 8:25-cv-00786 (C.D. Cal. Apr. 15, 2025); and (3) *Resonac Hard Disk Corporation et al. v. MR Tech. GmbH*, No. 3:25-cv-08631-PHK (N.D. Cal. Oct. 9, 2025).

1. *Fintiv* Factor 1: The likelihood of a stay is neutral.

Fintiv Factor 1 looks to “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Fintiv I* at 5-6. The Board ordinarily “will not attempt to predict” how a district court will proceed if a stay has

not been granted (*see Sand Revolution II, LLC v. Continental Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 7 (Jun.16, 2020) (informative)). Here, a stay has not been granted in any of the pending cases.³ Therefore, this factor is neutral.

2. *Fintiv* Factors 2-3: Time to trial and amount of work already completed are outweighed by other factors.

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 I* at 5-6. *Fintiv* Factor 3 looks to “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 I* at 9.

Here, the district court litigations against Seagate and Toshiba would normally have seen significant progress, given they were filed in April 2025. However, due to Seagate’s failed motion to disqualify and pending motion to dismiss, the district court litigation has been delayed. Similarly, Toshiba filed a motion to dismiss and motion to stay in that case. And in any event, even to the extent these factors do not weigh in favor of discretionary denial, numerous other factors discussed above and below do weigh in favor of discretionary denial.

³ In the case filed against Toshiba, Toshiba filed a motion to stay on October 31, 2025 under the customer-suit exception. The motion has yet to be fully briefed.

3. *Fintiv* Factor 4: There is likely to be substantial overlap between this IPR and the district court proceeding.

Fintiv Factor 4 evaluates “concerns of inefficiency and the possibility of conflicting decisions” when substantially identical prior art is submitted in both the district court and the IPR proceeding. *Fintiv I* at 12. Here, all independent claims of the patents (and most of the dependent claims) are challenged such that all or most of the claims that are asserted in district court are necessarily challenged here.

The lack of *any* stipulation ensures that the invalidity challenges would substantially overlap between the IPR and the district court proceedings. It also would allow Resonac to seek *ex parte* review of the ’997 patent before a final written decision is reached, causing further duplication. See *In re Gesture Tech. Partners, LLC*, No. 2025-1075, 2025 WL 3439349, at *3 (Fed. Cir. Dec. 1, 2025) (upholding USPTO’s decision to terminate a reexamination requested by a petitioner in an IPR in which a final written decision had issued because “the estoppel provision of 35 U.S.C. § 315(e)(1) is inapplicable against the Patent Office to ongoing *ex parte* reexamination proceedings”).

The Board has held this factor to weigh significantly against institution in cases even where the Petitioner *did* offer a stipulation. For instance, the Board has previously held that even a *Sotera*-type stipulation is insufficient to “ensure that these [*inter partes* review] proceedings would be a ‘true alternative’ to the district court proceeding.” *Motorola v. Stellar*, IPR2024-01205, Paper 19 at 3–4 (Mar. 28,

2025). This rationale applies with far more force where, as here, Resonac has offered no stipulation whatsoever.

In short, if the Board were to grant institution in this proceeding, it would be considering the same claims of the '997 which would be independently tried (and have already been tried and upheld) before a district court, and which may subsequently be challenged again during any potential *ex parte* reexamination process. This is the opposite of efficiency and contravenes the very purpose of the IPR process.

Thus, *Fintiv* Factor 4 weighs in favor of discretionary denial.

4. *Fintiv* Factor 5: Resonac is a party or supplier of defendants in the district court litigation.

Fintiv Factor 5 looks to “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv I* at 5-6. Specifically, when “the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.” *Fintiv II* at 15. Here, Resonac is the plaintiff in its declaratory judgment action. And as discussed above, on information and belief, Resonac supplies Seagate and Toshiba, defendants in the current district court litigations. And Resonac predecessor Showa Denko also supplied previous district court defendant Western Digital. Thus, *Fintiv* Factor 5 weighs in favor of discretionary denial.

5. *Fintiv* Factor 6: Other considerations support discretionary denial.

Fintiv Factor 6 looks to “other circumstances that impact the Board's exercise of discretion, including the merits.” *Fintiv I* at 5-6. This factor also weighs heavily against institution for at least two reasons.

First, contrary to Resonac’s assertions, the Petition fails to present any compelling merits of unpatentability. The Petition does not present anticipatory prior art under §102. Instead, the Petition relies solely on obviousness §103. *See generally* Petition. Patent Owner reserves the right to highlight specific deficiencies in its POPR merit-based briefing.

Second, as discussed above, the factors discussed in the Director’s March 26, 2025 Memorandum regarding Interim Processes for PTAB Workload Management weigh ***strongly*** in favor of discretionary denial, including that Resonac failed to take any action until the claims were found valid by a jury (thus creating settled expectations that Resonac would not later challenge their validity before the Board), and is now attempting to take even more bites of the invalidity apple by failing to offer any stipulation.

IV. CONCLUSION

Patent Owner respectfully requests that the Director exercise discretion under Section 314(a) to deny institution.

Date: December 8, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above document was served on December 8, 2025 by filing this document through the Patent Trial and Appeal Case Tracking System (PTACTS) as well as delivering a copy via electronic mail upon the following attorneys of record for Petitioner:

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