

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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AMERICAN AIRLINES, INC. AND SOUTHWEST AIRLINES CO.,

Petitioners,

v.

INTELLECTUAL VENTURES II LLC,

Patent Owner.

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Case No. IPR2026-00043

U.S. Patent No. 7,721,282

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**BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR  
DISCRETIONARY DENIAL**

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## PATENT OWNER'S EXHIBIT LIST

|          |                                                                                                                                                                                           |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ex. 2001 | <i>American Airlines, Inc. and v. Intellectual Ventures I LLC</i> , IPR2025-00785 and IPR2025-00786, Paper 11 (PTAB August 29, 2025) (declining to exercise discretion to deny IPRs).     |
| Ex. 2002 | <i>American Airlines, Inc. and v. Intellectual Ventures II LLC</i> , IPR2025-00782 and IPR2025-00931, Paper 12 (PTAB September 19, 2025) (declining to exercise discretion to deny IPRs). |
| Ex. 2003 | <i>American Airlines, Inc. and v. Intellectual Ventures I LLC</i> , IPR2025-00987 and IPR2025-01055, Paper 9 (declining to exercise discretion to deny IPRs).                             |
| Ex. 2004 | Defendant Southwest Airline Co.'s Preliminary Invalidity Contentions                                                                                                                      |
| Ex. 2005 | IAM 2014, <i>What's inside IV's patent portfolio?</i>                                                                                                                                     |
| Ex. 2006 | <i>American Airlines, Inc. and v. Intellectual Ventures I LLC</i> , IPR2025-01055, Paper 11 (PTAB November 21, 2025) (denying institution of IPR)                                         |
| Ex. 2007 | Abstract of Title of U.S. Patent No. 7,721,282                                                                                                                                            |

## I. INTRODUCTION

The Petition challenges U.S. Patent No. 7,721,282 (the ‘282 Patent). The Director should exercise discretion and deny institution.

The ‘282 Patent is part of a parallel district court litigation against Petitioner American Airlines (the American Litigation) involving ten patents (Case 4:24-cv-00890 (EDTX)), and also a part of separate parallel district court litigation against Petitioner Southwest (the Southwest Litigation) involving nine patents (Case 3:25-cv-2885 (NDTX)). In six earlier IPRs involving patents at issue in the American and Southwest Litigations, the Director issued decisions declining to exercise discretion to deny the Petitions. *See, American Airlines, Inc. and Southwest Airlines Co. v. Intellectual Ventures II LLC*, IPR2025-00785 and IPR2025-00786, Paper 11 (PTAB August 29, 2025) (Ex. 2001), *American Airlines, Inc. and Southwest Airlines Co. v. Intellectual Ventures II LLC*, IPR2025-00782 and IPR2025-00931, Paper 12 (PTAB September 19, 2025) (Ex. 2002), and *American Airlines, Inc. and Southwest Airlines Co. v. Intellectual Ventures II LLC*, IPR2025-00987 and IPR2025-01055, Paper 9 (PTAB October 3, 2025) (Ex. 2003) (collectively, the “Earlier Decisions”). However, circumstances have changed since the Director issued those rulings.

In the Earlier Decisions, the Director found that “[t]he large number and wide scope of the patents asserted in the district court litigation weighs against discretionary denial, as the Board is better suited to review a large number of patents

*involving diverse subject matter.”* Ex. 2001, 3; Ex. 2002, 2 and Ex. 2003, 2. Since that time, the Board has denied institution on the merits in every Petition involved in the Earlier Decisions. The table below sets forth the status of each IPR challenging a patent in the parallel litigations. The institution has been denied in all cases highlighted in green, and the four remaining cases (highlighted in blue) do not have institution decisions due for several months.

| <u>IPR/Patent</u>              | <u>Status of Institution Decision</u> | <u>District Court Actions Where Patent Is Asserted American and/or Southwest</u> |
|--------------------------------|---------------------------------------|----------------------------------------------------------------------------------|
| IPR2025-00782/<br>USP 7324469  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-00785/<br>USP 7257582  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-00786/<br>USP 7949785  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-00931/<br>USP 8332844  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-00987/<br>USP 8407722  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-01055/<br>USP 8027326  | Denied                                | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-01509/<br>USP 11032000 | Due<br>3/23/26                        | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2025-01510/<br>USP 10103845 | Due<br>4/14/26                        | American (4:24-cv-00890)                                                         |
| IPR2025-01511/<br>USP 7712080  | Due<br>3/29/26                        | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |
| IPR2026-00043/<br>USP 7721282  | Due<br>4/20/26                        | American (4:24-cv-00890)<br>Southwest (3:25-cv-2885)                             |

As discussed more fully below, as a result of the denial of institution in all of the cases highlighted in **green**, it is respectfully submitted that, at this point, the District Courts -- as opposed to the Board -- are better suited to review the validity of the remaining patents (highlighted in **blue** above) that have yet to reach an institution decision.

Separately, the inconsistent claim construction positions of Petitioner Southwest support a discretionary denial in these proceedings. In the District Court, Petitioner Southwest contends that key claim terms of the ‘282 Patent are “indefinite.” Ex. 2004, 297-299. By contrast, in this IPR, the Petitioner Southwest has abandoned those positions in favor of interpretations intended to support invalidity arguments — **without even acknowledging**,<sup>1</sup> let alone justifying, the inconsistencies. The Director has made clear that such tactics warrant denial of institution. *See, e.g., Revvo Technologies, Inc. v. Cerebrum Sensor Technologies, Inc.*, IPR2025-00632, Paper 20 (Squires November 3, 2025) (precedential) (a

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<sup>1</sup> In another IPR involving the present Petitioners, the Board reminded Petitioner’s counsel “of their duty of candor and good faith to the Office during a proceedings pursuant to 37 C.F.R. § 42.11” and explained that “Patent Owner should not have been the first party to inform the Board as to Petitioner’s different claim construction positions in the two forums.” IPR2015-01055, Paper #11, Institution Decision dated November 11, 2025, at 13 (Ex. 2006). Despite being admonished on the same issue almost a month ago, the present Petitioners failed to take any action to the notify the Board of Petitioners’ inconsistent claim constructions. Once again, the Patent Owner is the first party to inform the Board of Petitioner’s different claim construction positions before the district court and this forum.

petitioner must explain why it takes different claim construction positions in the petition and in district court) and *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 (Squires November 5, 2025) (informative) (a petitioner’s explanation that it could not argue indefiniteness in an IPR is insufficient to show why different claim construction positions are warranted).

Finally, strong settled expectations of the parties favor discretionary denial. The ‘282 Patent was issued over 15 years ago in 2010. Despite the fact that the ‘282 Patent was publicly available and provided notice to Southwest and American, Southwest and American took no steps to challenge the ‘282 Patent during the over 15 years that the patent has been in force. Rather, Southwest and American waited until now to launch their challenges. The significant length of time that the ‘282 Patent has been in force evidences strong well-settled expectations of the parties, which favors discretionary denial. *Samsung v. OS-New Horizon Personal Computing*, IPR2025-00613 (PTAB July 17, 2025), Paper #10 (denying institution where “the challenged patent has been in force for more than 12 years, creating strong settled expectations”) (emphasis added).

For these reasons, and as explained more fully below, the Director should exercise discretion to deny institution.

## II. AS A RESULT OF THE DENIAL OF INSTITUTION IN THE MAJORITY OF IPRS CHALLENGING THE PATENTS-IN-SUIT, THE DISTRICT COURTS ARE BETTER SUITED TO REVIEW THE VALIDITY OF THE REMAINING PATENTS-IN-SUIT INCLUDING THE ‘282 PATENT

In declining to exercise discretion in the Earlier Decisions addressing the six previous IPRs, the Director reasoned:

... Although Patent Owner argues that six of the asserted patents involve only two technology areas (DD Reply 1–2), the challenged patents appear to be directed to a *diverse range of subject matter* (e.g., *Internet hotspots, distributed networking, transceiver operation, computer clusters*) (DD Sur-reply 1–4). The large number and wide scope of the patents asserted in the district court litigation weighs against discretionary denial, as the Board is better suited to review a *large number of patents involving diverse subject matter*. Ex. 2001, 3.

See, Ex. 2002, 2 (“This case presents essentially the same discretionary considerations as those presented in IPR2025-00785 and IPR2025-00786); and Ex. 2003 (“These cases present essentially the same discretionary considerations as those presented in IPR2025-00785 and IPR2025-00786”). However, now that the Board has denied institution in the six previous IPRs, it is clear that the Board will *not* be reviewing the patents that were at issue in those proceedings. Rather, the District Courts will now be charged with reviewing those six patents.

The Director found that the six patents at issue in the Earlier Decision spanned a “diverse range of subject matter (Internet hotspots, distributed networking, transceiver operation, computer clusters).” Ex. 2001, 3. Significantly, as illustrated

below, the subject matter areas of the patents where institution was denied (green) *fully encompass* those of the remaining patents (highlighted in blue).

| <u>IPR</u>    | <u>Patent</u> | <u>Status of Institution Decision</u> | <u>Technology Area</u> |
|---------------|---------------|---------------------------------------|------------------------|
| IPR2025-00782 | 7324469       | Denied                                | Internet hot spots     |
| IPR2025-00785 | 7257582       | Denied                                | Distributed Networking |
| IPR2025-00786 | 7949785       | Denied                                | Computer Clusters      |
| IPR2025-00931 | 8332844       | Denied                                | Distributed Networking |
| IPR2025-00987 | 8407722       | Denied                                | Computer Clusters      |
| IPR2025-01055 | 8027326       | Denied                                | Transceiver Operation  |
| IPR2025-01509 | 11032000      | Due 3/23/26                           | Transceiver Operation  |
| IPR2025-01510 | 10103845      | Due 4/14/26                           | Transceiver Operation  |
| IPR2025-01511 | 7712080       | Due 3/29/26                           | Distributed Networking |
| IPR2026-00043 | 7721282       | Due 4/20/26                           | Distributed Networking |

The reasoning of the Earlier Decisions was premised on efficiency and the possibility that the outcomes of the six earlier IPRs (had they been instituted) would lessen the burden on the District Courts to address the validity of patents spanning a “diverse range of subject matter.” For example, if the six IPRs had been instituted and reached Final Written Decisions before the trials in the District Courts, the District Courts could have potentially avoided the need to address the validity of patents spanning diverse subject matter either because (i) the subject patents were not found unpatentable in the IPRs (resulting in Petitioners being estopped from

challenging validity in the District Courts based on prior patents and publications) or (ii) Petitioners prevailed in the IPRs (resulting in the elimination of the subject patents from the District Court Litigations).

However, given the denials of institution in the six previous cases, no results by the Board in the four remaining IPRs will avoid the need for the District Courts to address the validity of patents spanning a “diverse range of subject matter,” including “Internet hotspots, distributed networking, transceiver operation, computer clusters.” More specifically, with respect to the ‘282 Patent at issue in this IPR which falls in the technology area of “distributed networking,” the District Courts will need to address the validity of Patent Nos. 7,257,582 and 8,332,844 (also in the “distributed networking” area) as a result of the denial of institution in IPR2025-00785 and IPR2025-00931, respectively, regardless of any result the Board might render in this IPR.

The most efficient path for avoiding duplication of efforts going forward is to have either the District Courts or the Board -- but not both -- address the validity of the patents in the remaining IPRs. However, since the District Courts are already required to address the validity of patents spanning a “diverse range of subject matter” including that of the ‘282 Patent, it is more efficient for the District Courts (as opposed to the Board) to address the validity of the ‘282 Patent, as the District Courts will already be immersed in the “distributed networking” technology area of

the ‘282 Patent through their exclusive role assessing the validity of U.S. Patent Nos. 7,257,582 and 8,332,844.

### **III. THE INCONSISTENT CLAIM CONSTRUCTIONS OF PETITIONER SOUTHWEST WARRANT DISCRETIONARY DENIAL**

The Petition should also be denied under the Director’s discretionary authority because the Petition is predicated on claim construction positions that cannot be reconciled with those advanced by Petitioner Southwest in the District Court. There, Southwest has taken the position that key claim terms of the ‘282 Patent are “indefinite under 35 U.S.C. § 112(b)” because, according to Southwest, such terms are “open to multiple interpretations, making the claim scope uncertain.” Ex. 2004, 298-299. Yet, in this IPR, Southwest has abandoned those positions in favor of interpretations intended to support invalidity arguments in this forum — *all without even acknowledging*, let alone justifying, the inconsistency. While a Petitioner is not strictly prohibited from advancing inconsistent positions, a Petitioner doing so needs to explain why the inconsistent positions are warranted. *Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper #12, 8 (PTAB December 13, 2024) (informative) (“At a minimum, the Petition should have explained “why the inconsistent positions are warranted”). Petitioners have provided no such explanation because there is no legitimate justification for Petitioners’ strategy of advancing inconsistent positions in multiple proceedings hoping one will prevail.

As detailed below, the indefiniteness allegations of Southwest in the district court cannot be reconciled with Petitioners’ assertion that the Petition “establishes that the challenged claims are obvious under any reasonable interpretation under the *Phillips* standard.” Petition, 11. The indefiniteness positions of Petitioner Southwest in the district court are irreconcilable with those taken by Petitioners in this IPR because a claim term cannot be both “indefinite under 35 U.S.C. § 112, ¶ 2” because it is “open to multiple interpretations, making the claim scope uncertain” and, at the same time, have an ordinary and customary meaning as understood by a person of ordinary skill in the art under the *Phillips* standard. Petitioner’s failure to present a consistent and legally sound claim construction undermines the integrity of this proceeding and provides ample basis for discretionary denial.

**A. “merging the blocks of the root image stored on the first storage unit with the blocks of the leaf image stored in the second storage unit” (Claims 1 and 15)**

By way of example, in the district court, Petitioner Southwest alleges that the phrase “merging the blocks of the root image stored on the first storage unit with the blocks of the leaf image stored in the second storage unit” in independent claims 1 and 15 of the ‘282 Patent, is indefinite. In connection with this limitation, Petitioner Southwest alleges as follows in the district court:

**Indefiniteness:** The claim does not specify what “merging” means in this context. Overwriting blocks in the root image with leaf image data? Appending new blocks without modifying existing ones? Interleaving blocks from the root and leaf images? Ex. 2004, 298 (emphasis added).

By contrast, in this IPR, Petitioner Southwest has no problem mapping the same claim term “under the *Phillips* standard” to Birse. Petition, 47-49.

**B. “a low-level driver” (Claim 1) and “at an operation level” (Claim 26)**

Southwest’s inconsistent claim construction positions are further demonstrated by Southwest’s treatment of the phrases “a low-level driver” and “at an operation level” in independent claim 1 and dependent claim 26 of the ‘282 Patent, respectively. In connection with these limitations, Petitioner Southwest alleges as follows in the district court:

**Indefiniteness:** What is meant by “low level” or “operational level”? Kernel-level operations? Middleware interactions? File system APIs? Without a defined meaning, the phrase is open to multiple interpretations, making the claim scope uncertain. Ex. 2004, 298.

By contrast, in this IPR, Petitioner Southwest has no problem interpreting the same claim terms “under the *Phillips* standard” for the purpose of purporting to map the claim terms to Birse. Petition, 50-51 and 67.

**C. “modifying the leaf image in response to the compute node’s access to the application environment” (Claim 16)**

Southwest’s inconsistent claim construction continues with Southwest’s treatment of the phrase “modifying the leaf image in response to the compute node’s access to the application environment” in dependent claim 16 of the ‘282 Patent,

respectively. In connection with that limitation, Petitioner Southwest alleges as follows in the district court:

**Indefiniteness:** This phrase refers to modifying a leaf image in response to a compute node accessing an application environment, but the term “access” is undefined and ambiguous. What type of access qualifies? Write operations only? Read operations? Execution of code within a block? Any attempted access, even if the operation is unsuccessful? The claim does not clarify whether a single access event is sufficient to trigger modification, or if modification occurs in response to a write request. Ex. 2004, 298-299.

By contrast, in this IPR, Petitioner Southwest has no problem interpreting the same claim term “under the *Phillips* standard” for the purpose of purporting to map the claim term to Birse. Petition, 56-58.

**D. The Director’s Recent Decisions In *Revvo* And *Tesla* Demonstrate That The Failure Of Petitioner Southwest To Explain Its Inconsistent Claim Construction Positions Is Fatal**

In *Revvo Technologies, Inc. v. Cerebrum Sensor Technologies, Inc.*, IPR2025-00632, Paper 20 (Squires November 3, 2025) (precedential), the Director explained:

The Board’s claim construction rules are designed to ensure that the Board correctly construes claim terms to minimize inconsistency in claim construction between forums. See Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board, 83 Fed. Reg. 51,340, 51,349 (Oct. 11, 2018). To the end, the rules discourage petitioners from seeking broader constructions at the Board to support a patentability challenge while seeking narrower constructions in litigation to avoid infringement. As the Office explained when it changed the claim construction stand used in *inter partes* reviews and post-grant reviews to match the standard used in litigation, “[petitioners] will have less flexibility to advance inconsistent arguments about claim scope, and will instead be required to choose a single claim construction that best

captures the meaning the patent claim.” *Id.* That is not the case here, however, as petitioners continue to propose different claim constructions in the two forums.

Allowing petitioner to continue this practice does not further the Office’s goal of “providing greater predictability and certainty in the patent system.” 83 Fed. Reg. at 51,342-343. (emphasis added).

Similarly, in *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 (Squires November 5, 2025) (informative), the Director vacated an institution decision where -- identical to the present facts -- the Petitioner argued in district court that certain claim terms were indefinite while maintaining in the IPR that the same terms be given “their plain and ordinary meaning.” *Id.*, at 2-3.

Simply put, the strategy adopted by Southwest of advancing inconsistent positions in multiple proceedings, hoping one will prevail, is a waste of the resources of the PTAB and favors discretionary denial.

#### **IV. THE WELL-SETTLED EXPECTATIONS OF THE PARTIES FAVOR DISCRETIONARY DENIAL**

The settled expectations of the parties also favor discretionary denial. The ‘282 Patent issued over 15 years ago in 2010. Despite the fact that the ‘282 Patent was publicly available and provided notice to Southwest and American, Southwest and American took no steps to challenge the ‘282 Patent during the over 15 years that the patent has been in force. Rather, Southwest and American waited until now to launch their challenges.

The long period of time that the ‘282 Patent has been in force evidences strong settled expectations. “Although there is no bright-line rule when expectations become settled, in general, the longer the patent has been in force, the more settled expectations should be.” *Dabico Airport Solutions v. AXA Power ApS*, IPR2025-00408 (PTAB June 18, 2025), Paper #21. Moreover, to the extent Southwest or American were to assert that they had no actual notice of the patent, the Board has explained that actual notice of the patent or of possible infringement is not required to create to settled expectations. For example, in *Dabico*, the Board explained:

... patent applications (after 18 months) and issued patents are almost always publicly available to provide notice to the public, other inventors, competitors, and commercial interests. 35 U.S.C. § 122. Interested parties may find published patents and patent applications using the Office’s automated search systems as well as publicly available resources on the Internet. See 35 U.S.C. § 41(i). As such, actual notice of a patent or of possible infringement is not necessary to create settled expectations. (emphasis added).

Consistent with the guidance provided in earlier rulings, the Director has found settled expectations sufficient to deny institution where a patent has been in force for as little as seven years. *Dabico*, IPR2025-00408, Paper #21 (finding that settled expectations favored discretionary denial where the challenged patent had been in force for over seven years); *see also*, *Intel Corp. v. Proxense LLC*, IPR2025-00327 (PTAB June 26, 2025), Paper #12, 2 (denying institution based on settled expectations where the “challenged patents have been in force over nine years”);

*Cambridge Industries v. Applied Optoelectronics*, IPR2025-00434 (PTAB June 26, 2025), Paper #11, 3 (denying institution where the challenged patents had been in force for nine and seven years).

Moreover, guidance from the Director goes a step further in cases where the patent has been in force for even longer periods, such as 12 years, characterizing it as “creating strong settled expectations.” *Samsung v. OS-New Horizon Personal Computing*, IPR2025-00613 (PTAB July 17, 2025), Paper #10 (“the challenged patent has been in force for more than 12 years, creating strong settled expectations”); *see also*, *International Business Machines Corp. v. Virtamove Corp.*, IPR2025-00591 (PTAB July 17, 2025), Paper #8 (“the challenged patents have been in force for over fifteen years, creating strong settled expectations”); *Carvana, LLC v. International Business Machines Corporation*, IPR2025-00564 (PTAB July 10, 2025), Paper #11 (“the challenged patent has been in force for approximately 15 years, creating strong settled expectations”).

These precedents demonstrate that where, as here, the patent has been in force for almost 15 years, there are strong settled expectations that weigh in favor of denying institution. Simply put, the exceptional length of time during which the ‘282 Patent has been in force strongly favors discretionary denial.

The Director’s decision in *Shenzhen Tuozhu Technology Co., Ltd. v. Stratasy, Inc.*, IPR2025-00438, Paper 10, is inapposite. There, the Director found that the

“challenged patent has never been ‘commercialized, asserted, marked, licensed, or otherwise applied’ in Petitioner’s ‘particular technology space,’” and concluded that this lack of activity undermined any argument that the petitioner could have had settled expectations about being free from suit. *Id.* (emphasis added). That rationale has no application here. It has been well-known for over a decade that the Patent Owner (Intellectual Ventures)<sup>2</sup> negotiates primarily portfolio-wide licenses that license all of its patent rights (including rights under the ‘282 Patent) to each licensee. Intellectual Ventures’ reputation for licensing its portfolio of patent rights was so well known that, by 2014, one magazine published an “Action Plan” that included “determin[ing] what your initial exposure to IV looks like.” Ex. 2005, 11.

Unlike in *Shenzhen Tuozhu*, the challenged patent has not lain dormant or been restricted to unrelated fields. Rather, the ‘282 Patent has been continuously and

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<sup>2</sup> Since 2012, the ‘282 Patent has been owned by companies owned and controlled by Intellectual Ventures’ Invention Investment Fund II, LLC (IIF II). *See*, Abstract of Title, Ex. 2007, Assignment #5 (transferring rights in the ‘282 Patent to Emendable Assets Limited Liability Company in May, 2012 (a company owned/controlled by IIF II)), Assignment #6 (merging Emendable Assets Limited Liability Company into Xenogenic Development Limited Liability Company in August, 2015, a company owned/controlled by IIF II), and Assignment #7 (transferring rights in the ‘282 Patent from Xenogenic Development Limited Liability Company to Intellectual Ventures II LLC in November 2023, another company owned/controlled by IIF II). These assignments were all timely recorded.

purposefully licensed in the very same technology space that is the subject of the infringement claims pending against Petitioners in the district courts.

The reasoning in *Shenzhen Tuozhu* is intended to prevent the IPR process from undermining a reasonable reliance on, *inter alia*, a longstanding absence of licensing activity. But that logic does not apply where, as here, there has been consistent licensing of the patent over its long life. Accordingly, this case presents none of the equitable considerations present in *Shenzhen Tuozhu*. The Director should therefore deny institution based on settled expectations.

## **V. CONCLUSION**

The facts have materially changed since the Director entered the Earlier Decisions declining to exercise discretion to deny institution in the six earlier IPRs challenging patents-in-suit in the American and Southwest District Court Litigations. As a result of the Board's denial of institution in all of those cases on the merits, the District Courts -- as opposed to the Board -- are better suited to review the validity of the remaining patents (including the '282 Patent) that have yet to reach an institution decision.

In addition, in the district court, Petitioner Southwest has taken the position that key claim terms of the '282 Patent are "indefinite," while, in this IPR, Southwest has abandoned those positions in favor of interpretations intended to support

invalidity arguments in this IPR—without acknowledging, let alone justifying, the inconsistency. This aspect of the Petition also favors discretionary denial.

Finally, the Director should exercise discretion to deny institution because the settled expectations of the parties strongly favor discretionary denial. Petitioners took no steps to challenge the ‘282 Patent during the almost 15 years that the patent has been in force and waited until now to initiate their challenge. The significant length of time that the ‘282 Patent has been in force evidences strong well-settled expectations of the parties, which favors discretionary denial.

For these reasons, the Director should deny institution.

Respectfully submitted,

Dated: December 19, 2025

By: /Daniel H. Golub/  
Daniel H. Golub  
Registration No. 33,701  
*Counsel for Patent Owner and  
Intellectual Ventures II LLC*

## **CERTIFICATE OF COMPLIANCE WITH WORD COUNT**

Pursuant to 37 C.F.R. § 42.24(d), I certify that this **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** complies with the type-volume limits set forth in the Memorandum and 37 C.F.R. § 42.24 because it contains 3,867 words, excluding the parts of the Brief that are exempted by 37 C.F.R. § 42.24(a), according to the word processing system used to prepare this Brief.

Respectfully submitted,

Dated: December 19, 2025

By: /Daniel H. Golub/  
Daniel H. Golub  
Registration No. 33,701

*Counsel for Patent Owner and  
Intellectual Ventures II LLC*

## **CERTIFICATE OF SERVICE**

The undersigned certifies that pursuant to 37 C.F.R. § 42.6(e), a copy of the foregoing **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** was served via email (as consented to by counsel) on December 19, 2025 to lead and backup counsel of record for Petitioner as follows:

Keith D. Harden  
[kharden@munckwilson.com](mailto:kharden@munckwilson.com)  
Munck Wilson Mandala, LLP  
2000 McKinney Ave., Ste. 1900  
Dallas, TX 75201

Daniel E. Venglarik  
[dvenglarik@munckwilson.com](mailto:dvenglarik@munckwilson.com)  
Munck Wilson Mandala, LLP  
2000 McKinney Ave., Ste. 1900  
Dallas, TX 75201

S. Wallace Dunwoody  
[wdunwoody@munckwilson.com](mailto:wdunwoody@munckwilson.com)  
Munck Wilson Mandala, LLP  
2000 McKinney Ave., Ste. 1900  
Dallas, TX 75201

Michael C. Wilson  
[mwilson@munckwilson.com](mailto:mwilson@munckwilson.com)  
Munck Wilson Mandala, LLP  
2000 McKinney Ave., Ste. 1900  
Dallas, TX 75201

John B. Campbell  
[jcampbell@McKoolSmith.com](mailto:jcampbell@McKoolSmith.com)  
McKool Smith P.C.  
303 Colorado Street  
Suite 2100  
Austin, TX 78701

Casey Shomaker  
[cshomaker@mckoolsmith.com](mailto:cshomaker@mckoolsmith.com)  
McKool Smith, P.C.  
300 Crescent Court, Suite 1200  
Dallas, TX 75201

Emily Tannenbaum  
[etannenbaum@mckoolsmith.com](mailto:etannenbaum@mckoolsmith.com)  
McKool Smith, P.C.  
1301 Avenue of the Americas, Fl. 32  
New York, NY 10019

SWA-IV@munckwilson.com

AA\_Intellectual\_Ventures@mckoolsmith.com

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By: /Daniel H. Golub/  
Daniel H. Golub  
Registration No. 33,701

*Counsel for Patent Owner and  
Intellectual Ventures II LLC*