

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.;
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioner

v.

NETWORK-1 TECHNOLOGIES, INC.,
Patent Owner.

Case No. IPR2026-00116
U.S. Patent No. 11,973,864

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

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Ex. No.	Description
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Ex-1033	Boyd, C. and Mathuria, A., Protocols for Authentication and Key Establishment, Springer-Verlag (2003) (“Boyd-Mathuria”)
Ex-1034	Chart comparison of ’864 Patent claims and ’740 Patent claims
Ex-1035	U.S. District Court for the Eastern District of Texas, Judicial Caseload Profile (“Time-to-Trial Statistics”)
Ex-1036	<i>Network-1 Techs., Inc. v. Samsung Elecs. Co.</i> , No. 2:25-cv-00667, Dkt. No. 1 (E.D. Tex. June 27, 2025)

Ex. No.	Description
Ex-1037	U.S. Patent No. 9,628,981 to Park (“Park”)
Ex-1038	Prosecution History of U.S. Patent No. 11,606,204

I. INTRODUCTION

Discretionary denial is not appropriate for at least three reasons. *First*, the parties' settled expectations weigh against discretionary denial. Patent Owner had no settled expectation of validity of the *specific* '864 Patent challenged in this IPR or any of the specific patents challenged in related IPRs. The most Patent Owner can allege is that Petitioner was aware of a *parent* patent to the '864 Patent by 2016. But it is the claims that define the scope of the alleged invention and Patent Owner does not allege infringement of the patent that forms the basis for its settled expectation argument. Instead, Patent Owner had to go back to the Patent Office to obtain a new set of child patents with materially different claims—including the '864 Patent, which issued in April 2024—to have something to assert against Petitioner nine years later. The only settled expectation here is one of non-enforcement.

Second, the *Fintiv* factors weigh in favor of institution and against discretionary denial in this proceeding. Here, the Final Written Decision deadline *leads* the trial date by eighteen days and the time-to-trial statistics for the Eastern District of Texas demonstrate that the trial date is likely to be even later than scheduled, and possibly two months *after* a Final Written Decision is expected. The litigation is also in its earliest stages. An institution decision is expected well before the *Markman* hearing, fact depositions, and expert reports. Further, Petitioner's commitment to a broader-than-*Sotera* stipulation negates *any* concern that any issue

before the Board in this proceeding will be relitigated in the parallel proceeding.

Third, the Petition raises specific material errors made by the patentee and the Patent Office during prosecution that should be addressed. Both Semple (Ex-1005), Petitioner’s primary reference in this IPR, and the issued version of Semple were before the Patent Office during prosecution of the related ’869 Patent (challenged in co-pending IPR2026-00117) by way of an IDS submitted by the patentee. But the patentee never brought Semple to the Office’s attention during prosecution of the ’864 Patent, which was pending before a different Examiner. Had the Examiner been aware of Semple during prosecution, the ’864 Patent would not have issued. Examination was also cursory: the application was allowed without a single prior art rejection. A proper search and examination would have revealed that the prior art, including references presented in the Petition, teaches the same limitations that the Examiner relied on to find patentability.

II. ARGUMENT

A. Settled Expectations Of The Parties Favor Petitioner Not Patent Owner

The Board should deny Patent Owner’s request for discretionary denial in view of the expectations “of the parties.” *See* USPTO “Interim Processes for PTAB Workload Management” (Mar. 26, 2025) at 2. When properly focusing on “[s]ettled expectations of the *parties*,” as Office Guidance requires, it is clear that Petitioner—not the Patent Owner—had the settled expectations.

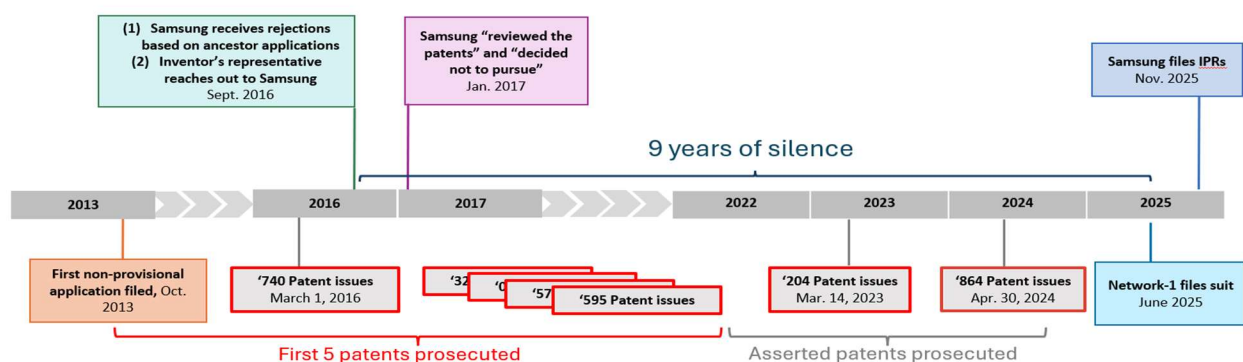
Patent Owner’s central argument for denial rests on its specious claim of “settled expectations” of validity of the ’864 Patent based on Petitioner’s alleged pre-suit knowledge by 2016 of the *great-great-great-great-grandparent* patent to the ’864 Patent, the ’740 Patent. Paper 8 at 5-7. Specifically, Patent Owner argues that Petitioner “was made aware of the disclosures of each of the Challenged Patents” during prosecution of Petitioner’s patent applications “when it received a rejection citing” the ancestor’s disclosures. Paper 8 at 5-6. But Petitioner’s alleged knowledge of the ancestor patent, which includes 17 pages of drawings and 100 columns of text, is irrelevant here; it was never asserted against Petitioner and its claims are materially different from those that are asserted. Significantly, Patent Owner does not allege that Samsung was ever actually aware of the challenged ’864 Patent, which published June 29, 2023 and issued on April 30, 2024.

Patent Owner also argues that Petitioner learned about the “*inventions* as part of monetization discussions between Samsung and the inventor” in 2016-2017. Paper 8 at 6-7. But Patent Owner provides no actual communications to or from Samsung. Instead, it relies on (1) correspondence between the inventor and his representative, Andrew Bezaitis, where Mr. Bezaitis states “Nothing yet back from ... Samsung” and that he “just sent a note to Dr. Kim at Samsung – an old contact of mine that runs the Networking division” (Ex-2020); and (2) correspondence between Mr. Bezaitis and an individual named Kang Lee, who allegedly “has many

high level connections at Samsung.” Ex-2023. The correspondence from Mr. Lee’s g-mail address states that he “received an update from Samsung over the holiday and told me that their lawyers have reviewed the patents and decided not to pursue.” Ex-2023. This is all objectionable hearsay. But again, even if Patent Owner’s allegations are true, the “inventions” that Petitioner allegedly “learned about” were those claimed in the ancestor patents, not the ’864 Patent, which issued much later in 2024. Significantly, there is no record evidence of attempts to license, commercialize, or otherwise monetize any of the patents at issue.

Indeed, as shown below, Patent Owner asserts only newly issued sixth and seventh-generation patents (including the ’864 Patent) from this family, all in force for less than four years.

The 204/864 prosecution timeline



It is improper to attribute the age or alleged “settled expectations” of the non-asserted, ancestor patents to Petitioner, especially given their materially different claims. The ’864 Patent is a continuation of the ’740 Patent, but as shown in Ex-1034, its claims include important differences. For example, Claim 1 of the ’740

Patent recites receiving and/or authenticating first, second, third, and fourth messages, which include additional parameters such as a first source Internet protocol address and port (IP:port) number, a second source IP:port number a third source IP:port number, a second module public key, and a module digital signature, and sending a first response and a second response, which include additional parameters such as a security token and a key generation command for generating a public key infrastructure (PKI) key pair. *See* Ex-1034 ('740 Patent, Cl. 1). These limitations are not recited in any '864 Patent claims. *See id.* When claims of ancestor patents are so different, the Board has referred these for consideration on the merits. *See, e.g., EvenFlo Co. v. Baby Jogger, LLC*, IPR2025-01140, Paper 9 at 6-7 (PTAB Oct. 8, 2025) (making similar arguments), Paper 12 (PTAB Nov. 20, 2025) (referred for institution).¹ *See also Dialect, LLC v. Bank of Am., N.A.*, No. 2:24-CV-00207-JRG, 2024 WL 4980794, at *3 (E.D. Tex. Dec. 4, 2024) (knowledge of a parent patent insufficient to show knowledge of asserted patent for purposes of willful infringement or inducement).

The “settled expectations” inquiry is an equitable consideration tied to the existence of an enforceable patent right. The focus is how long an asserted patent

¹ This is particularly true for the '780, '094, and '893 Patents, which are challenged in IPR2026-00114, -00118, and -00119, because Petitioner disputes whether the newly issued claims are even supported by the parent specification that Patent Owner allegedly made Petitioner aware of in 2016-2017. *See id.* at 7. This argument will be addressed in the discretionary denial papers for those IPRs.

“has been in force.” *Dabico Airport Solutions Inc. v. AXA Power APS*, IPR2025-00408, Paper 21 at 3 (PTAB June 18, 2025) (informative). The Director has found that patents issued less than six years ago “have not been in force for a significant period of time ..., and, accordingly, Patent Owner has not developed strong settled expectations,” which weighs against discretionary denial. *See, e.g., Samsung Elecs. Co. v. Wilus Inst. of Standards & Tech. Inc.*, IPR2025-00935, Paper 12 at 2 (PTAB Sep. 26, 2025); *Samsung Elecs. Co. v. Wilus Inst. of Standards & Tech. Inc.*, IPR2025-00933, Paper 11 at 3 (PTAB Oct. 10, 2025) (finding “Patent Owner has not developed strong settled expectations” when “challenged patents issued between 2020 and 2023”); *Cambridge Indus. USA, Inc. v. Applied Optoelecs., Inc.*, IPR2025-00434, Paper 11 at 2-3 (PTAB June 26, 2025) (patent that issued in 2019 had “not developed strong settled expectations”); *Berkshire Hathaway Energy Co. v. Birchtech Corp.*, IPR2025-00274, Paper 23 at 2-3 (PTAB July 2, 2025) (same for patents “issued in 2019 and 2020”); *Apple Inc. v. Apex Beam Techs., LLC*, IPR2025-00896, Paper 10 at 3 (PTAB Sept. 3, 2025) (same for patents “issued in 2021-2023”).

Patent Owner’s argument that “Samsung never moved to challenge any patents in the Challenged Patent families prior to November 2025” (Paper 8 at 7) is a red herring. It is Patent Owner that delayed nine years after allegedly contacting Petitioner before asserting only newly-issued child patents against Petitioner. It would have been reasonable for one in Petitioner’s position to assume this was

because Patent Owner understood that the ancestor patents that Petitioner allegedly “decided not to pursue” were not applicable to Petitioner’s products or technologies. Indeed, it took nine years for the Patent Owner to obtain the challenged patents between 2022-2025 with markedly different claims before it could assert them against Petitioner.

Recent precedent makes clear that Patent Owner’s non-enforcement negates any settled expectations. For example, the Director referred a petition for consideration in circumstances similar to those here:

Petitioner acknowledges that it was aware of the challenged patent in IPR2025-00856 in 2012, when Patent Owner first contacted Petitioner about the challenged patent in a letter. Petitioner, however, contends that it “*did not expect enforcement*” of the patent challenged in IPR2025-00856 because it concluded that it did not require a license to the patent and advised Patent Owner of its position, and because Patent Owner did not assert the challenged patent against Petitioner until eleven years after the parties’ discussion about that patent.

Apple Inc. v. Allani, IPR2025-00856, Paper 11 at 3 (PTAB Sept. 5, 2025) (informative). Another IPR petition was referred for consideration on the merits in *Apple Inc. v. Vampire Labs, Inc.*, IPR2025-01215, Paper 9 (PTAB Nov. 20, 2025), after a similar argument in Petitioner’s discretionary denial opposition. *See* Paper 8 at 2 (PTAB Oct. 17, 2025) (“Because Patent Owner ... delayed fifteen years from first contacting Petitioner regarding the claimed technology before filing suit, Patent Owner’s assertion of settled expectations rings hollow.”).

If anything, in the present case, Petitioner had settled expectations that it

would not be sued on these patent families. By remaining silent for nearly a decade after allegedly contacting Petitioner, Patent Owner fostered not an expectation of enforcement, but of acquiescence and non-enforcement. *See Allani*, IPR2025-00856, Paper 11 at 3 (informative).

B. The *Fintiv* Factors Favor Institution

1. Factor 1: Likelihood of a stay weighs against discretionary denial

Patent Owner’s argument that Petitioner’s “motion to stay the parallel District Court Proceeding ... will almost certainly be denied” (Paper 8, 10-11) is premised on its argument that Judge Gilstrap often denies stay motions (without prejudice) before IPRs are instituted. But the general practice before Judge Gilstrap is for the moving party to renew the stay motion after institution, and for an early-filed motion and institution before *Markman*, which would be the case here, Judge Gilstrap’s record on granting stays is far more favorable. *See, e.g., Communication Techs., Inc. v. Samsung Elecs. Am., Inc.*, No. 2:21-CV-00444-JRG, Dkt. No. 134 at 6 (E.D. Tex. Feb. 2, 2023) (“[W]ith the close of discovery, the claim construction hearing, and the trial setting all in the future, the Court concludes that this factor weighs in favor of a stay.”); *Maxeon Solar Pte. Ltd. v. Canadian Solar Inc.*, No. 2:24-CV-210-JRG, 2025 WL 1811321, at *2 (E.D. Tex. Jul. 1, 2025) (“Given that *inter partes* review ha[s] been instituted on all Asserted Claims of all Asserted Patents on multiple grounds, there is a material likelihood of simplification of the issues in this case. ...

Also, the Court has not yet begun the claim construction process, and such hearing is not scheduled until later this summer.” (citation omitted)). Additionally, Judge Gilstrap has granted stays when, as here, the Final Written Decision is expected *before* the trial date. *Maxeon*, 2025 WL 1811321, at *2 (“Given that the PTAB is expected to issue its final written decisions [January 14] before this case goes to trial [January 26, 2026], it is possible if not likely that its decision will simplify the issues in this case ,... this factor weighs in favor of granting a stay.”). Considering this is a six patent case, referral and possible institution may simplify the case substantially. Thus, Factor 1 weighs against discretionary denial.

2. Factor 2: Trial date weighs against discretionary denial

The Final Written Decision for the ’864 Patent is expected by May 20, 2027, which is at least eighteen days before the current trial date, June 7, 2027. Additionally, the official time-to-trial statistics for Judge Gilstrap in the Eastern District of Texas demonstrate that the most recent median time-to-trial is 24.5 months, which would place the trial sometime in mid-July 2027—two months after a Final Written Decision is expected. *See* Ex-1035 (Time-to-Trial Statistics); Ex-1036 (Complaint, filed June 27, 2025). As such, it is likely that a Final Written Decision will issue before the trial occurs, “reducing the concern of inconsistent outcomes or significant duplication of efforts.” *Apex Beam*, IPR2025-00896, Paper 10 at 2 (finding discretionary denial “not appropriate” where “the projected final

written decision due date ... is November 18, 2026,” “scheduled trial date is December 7, 2026,” and “time-to-trial statistics suggest trial could begin in January 2027”). Thus, Factor 2 weighs against discretionary denial.

3. Factor 3: Investment in parallel proceeding weighs against discretionary denial

There has been little investment in the parallel district court litigation. The Court has issued no substantive orders related to the patent. Institution will occur almost seven months before the *Markman* hearing (scheduled for December 14, 2026), and well before the close of fact and expert discovery. Such timing weighs against discretionary denial. *See, e.g., Tesla v. Autonomous Devices*, IPR2023-01172, Paper 21 at 8-9 (PTAB Jan. 8, 2024) (“the District Court has yet to issue a claim construction order addressing any terms of the [] patent,” “fact discovery is ongoing,” and “expert discovery has not begun”); *see also Western Digital Techs., Inc. v. Godo Kaisha IP Bridge 1*, IPR2025-00701, Paper 9 at 2 (PTAB Aug. 14, 2025) (“There has not been significant investment by the parties in the parallel proceeding.”); *Nintendo Co. v. Resonant Sys., Inc.*, IPR2025-00680, Paper 18 at 2 (PTAB Aug. 14, 2025) (same). Thus, Factor 3 weighs against discretionary denial.

4. Factor 4: Lack of overlap, given Petitioner’s broader-than-Sotera stipulation, weighs against discretionary denial

Petitioner’s broader-than-*Sotera* stipulation mitigates concerns about duplicative efforts, committing not to pursue in the parallel district court litigation

“any ground of invalidity raised or that reasonably could have been raised in this proceeding.” Paper 7. It further goes beyond *Sotera* to forgo “any ground arising from 35 U.S.C. §§ 102 or 103 that includes any reference that forms the basis of any ground raised in” the IPR. *Id.* Thus, if instituted, none of the prior art asserted in the Petition will be used in the litigation—even in combination with unpublished system art. As such, there will be no overlap between this proceeding and the parallel litigation, thereby negating any duplication of effort and inefficiency concerns. Thus, Factor 4 weighs against discretionary denial. *See, e.g., Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2 (PTAB June 13, 2025) (informative) (finding that Tesla’s broad *Sotera*+ stipulation “counsel[s] against discretionary denial”); *see also Shenzhen Tuozhu Tech. Co. v. Stratasys, Inc.*, IPR2025-00438, Paper 10 at 3 (PTAB July 17, 2025) (“Petitioner has also filed a broad stipulation. ... Petitioner’s arguments that these factors tip the balance against discretionary denial are persuasive.”); *Wilus*, IPR2025-00933, Paper 11 at 3 (“Petitioner has filed a broad stipulation that reduces the concern of inconsistent outcomes or significant duplication of efforts.”).

Patent Owner incorrectly suggests that Petitioner’s stipulation was not timely filed (Paper 8, 14-15), when, in fact, it was filed less than a month after a filing date was accorded, providing Patent Owner ample time to address it in its discretionary denial briefing. Petitioner’s timing follows PTAB guidance and falls in line with

recently instituted petitions.²

5. Factor 6: Strong merits of the Petition weighs against discretionary denial

Factor 6 weighs against discretionary denial because the Petition provides strong arguments on the merits and addresses material errors made by both the patentee and the Office during prosecution.

Patent Owner argues that “the merits of the Petition are weak” because Semple transmits an IMSI “in the clear—one of the problems the ’864 Patent solves.” Paper 8, 16. But that is precisely why the Petition uses Wang, which expressly teaches the need to modify a system like Semple to encrypt the IMSI (a feature also suggested by the Park reference that was before the Examiner during prosecution). “In Wang’s method, ‘[a]n initial connection signaling message for network attachment, and a user ID, (e.g., an IMSI), are ciphered using the initial security parameters even before the WTRU is authenticated.’” Paper 3, 17 (quoting Ex-1006 ¶15). The combination of Semple and Wang thus “results in a more secure authentication process that both protects the IMSI by encrypting it instead of sending it in the clear, and performs that encryption using the secure key derivation process taught by Semple for protecting communications between the mobile device and

² For example, in IPR2025-01215, a filing date was accorded on June 17, 2025, and petitioner filed its stipulation on August 14, 2025. *See Vampire*, IPR2025-01215, Papers 3, 6. The IPR was instituted on December 1, 2025. *Id.*, Paper 10.

authentication server.” Paper 3, 17-18. Thus, Factor 6 weighs strongly against discretionary denial.

C. Institution Of Petitioner’s IPR Petition Is Appropriate Because The Patent Office And Applicant Erred During Prosecution

PTAB review of the ’864 Patent is further warranted, and discretionary denial is inappropriate, because both patentee and the Office committed specific material errors during the patent’s prosecution. *See, e.g., Microsoft Corp. v. Partec Cluster Competence Ctr. GmbH*, IPR2025-00318, Paper 9 at 3 (PTAB June 12, 2025) (“it is an appropriate use of Office resources to review the potential error”).

1. Patentee failed to cite Semple during prosecution of the Challenged Patent but cited it during prosecution of a related application

Both Semple (Ex-1005), which is used as a primary reference in the ’864 IPR Petition, and the issued version of Semple (U.S. 7,715,822) were before the Office during prosecution of the related ’869 Patent (challenged in IPR2026-00117) by way of an IDS submitted by the patentee. Ex-1025 (’869 File History), 239, 241, 486 (initialed as considered by the Examiner). Yet the patentee never brought it to the attention of the different Examiner involved in the prosecution of the co-pending ’864 Patent. As Patent Owner acknowledges, the ’864 Patent and ’869 Patent “address[] related subject matter,” “are interrelated,” and “cross-cite to one another.” Paper 8 at 3-4. In fact, Patent Owner notes that the ’869 Patent cites to the *parent* application of the ’864 Patent “as related subject matter” (Paper 8 at 4), which makes

it even more surprising that the patentee did not bring Semple to the Office's attention during prosecution of the co-pending '864 Patent. The patentee's failure to cite Semple across the related applications led to the erroneous issuance of the '864 Patent. The Board has referred for institution when similar arguments were made by petitioners. For example, in *Apple Inc. v. Apex Beam Techs., LLC*, IPR2025-00896, Paper 10 (PTAB Sept. 3, 2025), the petitioner argued among other things:

Th[e] omission [of the Tdocs] denied the Examiner an opportunity to fully assess the true state of the art This reflects material error during examination, where applicants acknowledged through the existence of relevant activities within 3GPP, but withheld the most relevant and material documentary evidence describing it. Such conduct frustrates the Office's examination process and disturbs the settled expectations of implementers and the public.

Id., Paper 9 at 14-15 (PTAB Aug. 18, 2025) (Petitioner's discretionary denial opposition). The petition was referred for consideration of the merits. *Id.*, Paper 10. A petition was similarly referred for consideration in *BOE Tech. Grp. V. PanelTouch Techs., LLC*, IPR2025-01482, Paper 10 (PTAB Jan. 16, 2026). Among other things, petitioner argued:

Here, not only did the Examiner overlook material U.S. patent publication prior art, but the lead inventor affirmatively failed to disclose it, ***making a merits review highly equitable. ... Simply put, the inventor's omission led to the erroneous issuance of the '762 patent.*** ... Applicant's own recognition of the relevance of Anno '704, [by citing it on an IDS in a child] and its failure to disclose it during the prosecution of the '762 patent, contradict any expectations, let alone settled expectations, regarding the validity of the patent.

Id., Paper 9 at 2, 5-6 (PTAB Dec. 23, 2025) (Petitioner's discretionary denial

opposition).

As explained in the Petition, Semple in view of Wang³ teaches every limitation of independent Claim 1. Paper 3, 16-44. Had the Examiner been made aware of Semple during prosecution, the '864 Patent would not have issued. Institution is appropriate here to review this material error.

2. Had the Examiner performed a proper search and examination, the '864 Patent never would have issued

Moreover, the Examiner erred during prosecution of the '864 Patent by failing to perform a proper search and examination. In the Notice of Allowance, the Examiner determined that three claim elements were missing from the prior art: “(1) storing a server public key, a module identity, cryptographic algorithms, and a pre-shared secret key, wherein the module identity comprises a permanent identifier for a mobile device and the cryptographic algorithms includes a symmetric ciphering algorithm”; “(5) sending a message to a server for a wireless network, the message comprising the module encrypted data and the module public key, wherein the server mutually derives the symmetric ciphering key using at least the module public key, and wherein the wireless network selects the pre-shared secret key for the mobile device using the module identity”; and “(6) authenticating with the wireless network

³ Though Petitioner relies on Wang, other references including Park, discussed below, were of record and also suggest the claimed features in combination with Semple.

using a message digest with the pre-shared secret key.” Ex-1004, 302. But the Examiner was mistaken. All limitations of independent Claim 1 are taught by at least Semple in view of Park (U.S. Patent No. 9,628,981 (Ex-1037)), which was cited on an IDS by the patentee during prosecution of the parent ’204 Patent (Ex-1038, 562).⁴ The Semple-Park combination would have been before the Examiner had a proper search and examination been performed. A proper prior art search would have uncovered Semple (based on the patentee’s citation of it in the related ’869 Patent), which teaches sending the IMSI to retrieve a profile. And Park suggests the benefits of encrypting the IMSI. Specifically, Park teaches that “the UICC may include an International Mobile Subscriber Identity (IMSI) to identify a user” (Ex-1037, 1:29-31), the SM-DP has to “securely build” an IMSI, among other parameters, and the SM-SR has to send it securely. Ex-1037, 5:54-62 (“The GAMA may divide the functions of the SM into SM-DP and SM-SR. The SM-DP serves *to securely build not only an operation profile or operator information but an IMSI, K, OPc, optional service applications and optional service data into a credential package*, while the SM-SR serves to securely download the credential package generated in the SM-DP to the eSIM.”). Park also teaches using encryption to protect communications during the personalization process. Ex-1037, 10:1-5 (“An

⁴ See MPEP §609.02 (“The examiner of the continuing application will consider information which has been considered by the Office in the parent application.”). The patentee did not submit an IDS during prosecution of the ’864 Patent. Ex-1004.

encryption process related to keys of all SDs may provide secure support for communications while an application of an application provider is personalized and enables safe communications while an application not including secure messaging keys of the SDs is implemented.”). Park thus teaches that the IMSI has to be handled securely and that encryption is used for communications, especially in the personalization process before all the secure messaging keys have been implemented. Accordingly, if Semple had been before the Examiner, which teaches sending the IMSI to retrieve the personalization information, it would have been obvious in view of Park to encrypt Semple’s IMSI, and the Examiner would not have allowed the claims. Instead, the Examiner allowed the claims to issue *without a single prior art rejection*. Ex-1004.

And, as demonstrated in the Petition, all limitations of independent Claim 1 are also taught by the Semple-Wang combination, including the allegedly novel features. Paper 3, 16-44. The Board has referred for institution when similar arguments were made by petitioners. *See, e.g., Vampire*, IPR2025-01215, Paper 8 at 17-18 (Petitioner’s discretionary denial brief: “In the Notice of Allowance, the Examiner determined that two claim elements were missing from the prior art ,... [b]ut as shown in the Petition, the Examiner was mistaken: *all* limitations of the challenged claims are met by the prior art.”), Paper 9 (PTAB Nov. 20, 2025) (referring for institution); *Harbor Freight Tools USA, Inc. v. Champion Power*

Equipment, Inc., IPR2025-01272, Paper 11 at 5 (PTAB Nov. 12, 2025) (Petitioner’s discretionary denial brief: “[T]he prosecution history shows that the allegedly novel feature of the claims was having a fuel regulator system located ‘off-board’ the generator” but “this exact teaching was before the Examiner in other prior art ... cited with the grandparent ’780 Patent,” which “the Examiner failed to consider.”), Paper 14 (PTAB Dec. 11, 2025) (referring for institution).

Because the Examiner failed to properly search for and consider the prior art, including references disclosing the limitations that the Examiner believed to confer patentability, the Office erred in allowing the ’864 Patent. Instituting the Petition would allow the Board to correct this defective examination process.

D. Patent Owner’s Remaining Arguments Do Not Justify Discretionary Denial

Patent Owner argues that Petitioner’s “extensive reliance on an expert declaration supports discretionary denial” because it “add[s] little (if any) value to its analysis.” Paper 8, 18-19. But the Petition properly relies on expert testimony to explain the knowledge of a POSITA, and to provide background regarding the technology, citing prior art in support, as required by 37 C.F.R. § 42.65(a). Indeed, the expert declaration provides over seventeen pages of background on the technology, which is cited throughout the Petition to support specific arguments applying prior art to the claims. *See* Ex-1002 ¶¶21-40.

Detailed and evidence-supported declarations are encouraged by the Board.

See, e.g., Tesla, Inc. v. Charge Fusion Techs., LLC, IPR2025-00032, Paper 11 at 39 (PTAB May 19, 2025) (characterizing 278 page expert declaration’s support of “his extensive explanations ... with citations to dozens of pieces of objective evidence” as “a feature, not a bug of his testimony[]” and “applaud[ing]” the expert and Petitioner for “leav[ing] virtually none of the substance of his testimony unsupported by objective evidence”). Extensive, well-supported expert declarations, like Dr. Christina Pöpper’s declaration here, weigh against discretionary denial. *See, e.g., iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 2 (PTAB June 6, 2025) (Petitioner’s “rel[iance] on its expert to explain the background knowledge of a [POSITA]” and the expert’s “citations to evidence in support of his statements in the required manner” “weigh[] against discretionary denial”).

III. CONCLUSION

For the foregoing reasons, Petitioner respectfully requests that the Director decline to exercise discretion to deny institution and refer the Petition to a panel to decide whether to institute based on the merits.

Respectfully Submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. §42.6(e)(1))

The undersigned hereby certifies that the above document was served on February 20, 2026, by filing this document through the Patent Trial and Appeal Board P-TACTS System, as well as delivering a copy via express mail upon the following attorneys of record for the Patent Owner:

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