

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

INGENIOSPEC, LLC,
Patent Owner.

Patent No. 8,112,104

Inter Partes Review No. IPR2026-00142

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

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Petitioner's Updated Exhibit List

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U.S. Patent No. 8,112,104 to Thomas et al.	EX1001
Prosecution History of U.S. Patent No. 8,112,104	EX1002
Declaration of Joshua R. Smith	EX1003
Curriculum Vitae for Joshua R. Smith	EX1004
U.S. Patent No. 7,027,842 to Zhang et al.	EX1005
U.S. Patent Pub. No. 2010/0115149 to Ewer	EX1006
U.S. Patent Pub. No. 2002/0146097 to Vuori	EX1007
U.S. Patent No. 6,633,741 to Posa et al.	EX1008
U.S. Patent No. 8,924,217 to Moore et al.	EX1009
U.S. Patent No. 7,150,526 to Jannard et al.	EX1010
U.S. Patent No. 6,181,956 to Koskan	EX1011
European Telecommunications Standards Institute. "TS 100 901 V6.1.0: Technical Specification Digital Cellular Telecommunications System (Phase 2+); Technical Realization of the Short Message Service (SMS); Point-to-Point (PP) (GSM 03.40 version 6.1.0 Release 1997)." 1998.	EX1012
Excerpts from LOUIS BLOOMFIELD, HOW EVERYTHING WORKS (John Wiley & Sons, Inc., 2008)	EX1013
U.S. Patent Pub. No. 2002/0094067 to August	EX1014 (NEW)
Docket Navigator, Judge Albright Patent Case Time-to-Trial Statistics	EX1015 (NEW)

Exhibit Description	Exhibit #
Jan. 31, 2025, Order Assigning Business of the Court (W.D. Tex.)	EX1016 (NEW)

Patent Owner's Exhibit List

Exhibit Description	Exhibit
Complaint, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867, Dkt. No. 1 (W.D. Tex. June 5, 2025)	2001
Complaint, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00877, Dkt. No. 1 (W.D. Tex. June 6, 2025)	2002
Order Granting Joint Motion to Consolidate, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867, Dkt. No. 25 (W.D. Tex. Oct. 14, 2025)	2003
Scheduling Order, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867, Dkt. No. 36 (W.D. Tex. Nov. 17, 2025)	2004
Scheduling Order, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867, Dkt. No. 39 (W.D. Tex. Dec. 5, 2025)	2005
Defendant Apple Inc.'s Preliminary Invalidity Contentions, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867 (W.D. Tex. Nov. 21, 2025) (cover pleading)	2006
RESERVED	2007
Exhibit D-4 to Defendant Apple Inc.'s Preliminary Invalidity Contentions, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867 (W.D. Tex. Nov. 21, 2025)	2008
Exhibit D-5 Defendant Apple Inc.'s Preliminary Invalidity Contentions, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867 (W.D. Tex. Nov. 21, 2025)	2009
RESERVED	2010
Defendant's Proposed Claim Constructions, <i>IngenioSpec, LLC v. Apple Inc.</i> , Case No. 1:25-cv-00867 (W.D. Tex. Dec. 22, 2025)	2011
RESERVED	2012
Office Action in Apple Patent Application Citing U.S. Patent No. 7,890,128	2013

Exhibit Description	Exhibit
RESERVED	2014
Declaration of Peter Tong	2015

I. INTRODUCTION

Discretionary denial of Apple’s IPR petition should be declined, and the petition should be referred for review on the merits, for the reasons set forth herein. PTAB review of the challenged claims is an efficient and sound use of Board resources: the Board is in the best position to rectify the plain error committed by the Office during prosecution of the ’104 patent, and to stop Patent Owner from exploiting that error through serial litigation spanning multiple district courts.

Discretionary denial is inappropriate because the ’104 patent was the beneficiary of specific and material USPTO error during patent prosecution. *See Microsoft Corp. v. ParTec Cluster Competence Ctr. GmbH*, IPR2025-00318, Paper 9, 3 (June 12, 2025) (“*ParTec*”) (“[D]iscretionary denial of institution is not warranted because of Petitioner’s showing of material error during patent examination.”). Patent Owner’s Request (Paper 7, “Request”) fails to account for the error, instead remaining conspicuously silent on the matter—even though Office error was expressly identified in the Petition. (Pet., 2.) As explained in detail below, the Examiner erred at least by misapplying a prior art reference (August) to the claims, and overlooking August’s specific teachings of the allegedly patentable features. *See Eunsung Global Corp. v. HydraFacial LLC*, IPR2025-00445, Paper 14, 3 (July 10, 2025) (“*Eunsung Global Corp.*”) (declining

discretionary denial because “the patent examiner overlooked certain teachings in [the prior art] that appear to disclose the allowable features of the claims”).)

When material error is shown, the Board has declined discretionary denial even where “the scheduled district court trial is set to precede the expected final written decision due date,” and where the age of the challenged patent “would ordinarily favor denying institution.” *ParTec*, 3; *Eunsung Global Corp.*, 2.

The Request misapprehends the facts and cannot make a credible case for discretionary denial. For example, Patent Owner misstates that the ’104 patent “has been in force for 14 years,” using the error to argue for settled expectations of the patent’s validity. (Request, 2-3.) In fact, the ’104 patent expired in December 2024 after a 12-year term; and according to Patent Owner, it waited until April 2025, four months *after* the expiration, to identify the ’104 patent to Apple. (Request, 5-6; EX2015, ¶5.) And Patent Owner eventually asserted the ’104 patent against Apple even later than that—despite having asserted the same patent, before its expiration, against other large technology companies. (*See* Pet., 107.) It is Apple’s strong settled expectations, based at least on IngenioSpec declining to enforce its patent against Apple before its expiration, that cut against discretionary denial. *See Apple Inc. v. Ferid Allani*, IPR2025-00856, Paper 11, 2-3 (Sept. 5, 2025) (“*Allani*”) (designated informative Jan. 9, 2026) (finding discretionary denial “not appropriate,” even though the challenged patent had been in force for thirteen

years, where “Patent Owner did not assert the challenged patents against Petitioner until after they expired”).

Patent Owner is additionally mistaken with respect to claim construction. (Request, 10-11.) Apple’s sole proposed construction in the district court is entirely consistent with the Petition, in which Apple, guided by Federal Circuit law, took no position at all on claim construction; and showed how all claim elements are satisfied by the prior art under any reasonable construction. (Pet., 3.) Petitioner’s approach promotes predictability and certainty, consistent with the Director’s guidance in *Tesla*, by demonstrating that the claims are invalid unconditionally. *Tesla v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18, 3-4 (Nov. 5, 2025) (“*Tesla*”) (informative).

Further, the *Fintiv* factors weigh in favor of institution and against discretionary denial. For example, the Board recently considered the time-to-trial statistics for Judge Albright and the Western District of Texas; and found discretionary denial of an IPR petition to be “not appropriate” even where Judge Albright had scheduled trial for six months before the Final Written Decision deadline. *ClearCorrect Operating, LLC v. Align Tech., Inc.*, IPR2025-00814, Paper 14, 2 (Aug. 29, 2025) (“*ClearCorrect*”). Here, in the litigation before Judge Albright, the scheduled trial date leads the Final Written Decision by only about five weeks, far less than in *ClearCorrect*; and Judge Albright’s time-to-trial

statistics (including a median of 43 months for patent cases in 2025) demonstrate that the current trial date is speculative and unlikely to hold. When these statistics are taken into account, the Final Written Decision is likely to *lead* the trial date by almost one year. Indeed, Patent Owner’s superficial *Fintiv* analysis fails to address even the possibility that the currently scheduled trial date may be postponed.

II. ARGUMENT

A. The ’104 Patent Resulted From Material USPTO Error

The ’104 patent was issued as the result of material Office error during prosecution. The underlying application was allowed less than eight months after filing, and following a single prior art-based rejection, in view of U.S. Patent Appl. Pub. No. 2002/0094067 A1 (“August”). (EX1002.) August describes a mobile cellular telephone system with text-to-speech and voice recognition components. (EX1014, [0045]-[0048], [0071], Abstract.) On July 5, 2011, in response to the rejection, the applicant (Patent Owner) declined to amend the claims. (EX1002, 66-71.) Instead, Patent Owner attempted to distinguish August as not disclosing claim limitations relating to facilitating text messaging between two users, and converting a first user’s reply audio message to text. (EX1002, 66-71.) Patent Owner’s response led directly to a Notice of Allowance. (EX1002, 43-49.)

After allowing the claims, the Examiner did not provide any independent reasons for allowability. Instead, the Examiner adopted Patent Owner’s self-

serving reasoning as his own: “Claims 1-47 are allowed for the reasons as set forth in applicant’s response filed on 7/5/2011.” (EX1002, 13.)

The Examiner should not have been persuaded by Patent Owner’s response. The response addressed the four pending claims, three of which (claims 1, 2, and 4¹) were independent claims. (EX1002, 66-71.) The response focused almost exclusively on claim 1 and was cursory and incomplete with respect to the remaining claims. For example, while the response distinguished claim 1 from August in a four-page analysis, it addressed claim 2 in a single paragraph that deferred to the claim 1 analysis. (EX1002, 69 (“For certain reasons similar to those noted above with respect to claim 1, it is submitted that claim 2 is patentabl[y] distinct from August et al.”).)

Claim 2 differs from claim 1 in significant ways that should have been apparent to the Examiner. For example, claim 1 recites a wireless headset *receiving an incoming text message from a second user*. (EX1001.) While the response explained that August does not disclose receiving an incoming text

¹ Then-pending claims 1, 2, and 4 correspond to the issued claims 1, 23, and 42, respectively, of the ’104 patent. (EX1002.) References herein to claim 2 are references to claim 2 as discussed in the July 5, 2011, response, and apply equally to claim 23 of the ’104 patent.

message from a second user, claim 2 has no such limitation. Instead, claim 2 recites a wireless headset *wirelessly receiving an incoming audio message from the mobile electronic device*; where the audio message is *produced by converting an incoming text message from another wireless electronic device*. (EX1001; EX1002.) Claim 2 requires neither a second user nor an incoming text message from that second user. The response failed to explain how this limitation (or any other limitation of claim 2) is not met by August.

In fact, as the Examiner should have recognized, August *does* teach the wireless headset wirelessly receiving the claimed incoming audio message. For example, August discloses a telephone system, which can be a wireless mobile cellular network for communication with mobile phones. (EX1014, [0071], [0080], FIG. 9.) A speech processing system may be interfaced with the mobile cellular network. (EX1014, [0071].) For example, speech processing unit 200 exchanges messages with a telephone (*e.g.*, telephone 30) on the network, such as shown in FIG. 2B.

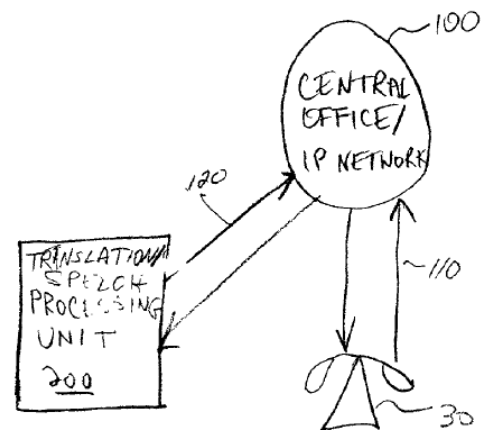


FIG. 2B

(EX1014, [0043]-[0047], [0081], FIG. 2B.)

The speech processing unit can

(EX1014, [0043], [0047], FIG. 2B.)

include a text-to-speech (“TTS”) application and provide the claimed audio

message. For example, “textual messages” are “sent to the TTS application,” where they are “converted to spoken messages” and communicated to a user’s telephone. (EX1014, [0045]-[0047], [0079], FIG. 2B, FIG. 13.) The telephone can be a mobile electronic device, *i.e.*, a mobile phone handset in the mobile cellular network. (EX1014, [0043], [0071]-[0079], [0081], FIGS. 9, 10B.) And the user can receive the incoming spoken audio messages wirelessly from the phone, because August discloses a wireless headset for use with the phone, *e.g.*, for wirelessly receiving audio from the phone for playback to the user. (EX1014, [0072], [0074].)

The response acknowledged the text-to-speech teachings of August, but dismissed them because the input can be “a system message, not a text message being exchanged by users.” (EX1002, 67.) However, while that distinction might be relevant to claim 1, it is inapplicable to claim 2, which has no requirement of a “text message exchanged by users.” Instead, claim 2’s text message must merely be from another wireless electronic device—like the textual messages in August, which are generated on the network (*e.g.*, a wireless electronic network) and sent to the speech processing unit. (EX1014, [0047], [0074], [0080].)

Similarly, the response deferred to its discussion of claim 1 to distinguish August from claim 2’s *receiving a reply audio message from the first user in response to the incoming audio message*. However, the relevant discussion only

provided that August does not teach “record[ing]” a reply audio message. (EX1002, 68.) The response was again inapplicable because while claim 1 requires *recording* the reply audio message, claim 2 requires only that the reply audio message be *received*. As the Examiner should have recognized, August meets the claimed receiving the reply audio message from the first user, at least by disclosing that the user responds to the text-to-speech messages by orally providing instructions, such as “Conference,” “Play Message,” or “Take Call.” (EX1014, [0061].) While Patent Owner dismissed these reply messages as “not in any way suitable for exchanging of text messages between subscribers as is recited in claim 1,” claim 2 has no such requirement. (EX1002, 67.)

Thus, while the Examiner erred with respect to all claims, at least by failing to locate and apply the material prior art relied upon in the Petition, the Examiner committed additional material error at least with respect to claim 2 and its dependent claims (now-issued claim 23 and its dependent claims 24 through 40). That is, the Examiner uncritically accepted the Patent Owner’s July 5, 2011, office action response; and overlooked August’s teachings of the claim limitations. The error was material with respect to the ’104 patent because it improperly resulted in the issuance of at least claims 23 through 40, all but one of which are now being asserted against Petitioner in the district court. And as demonstrated in the Petition, all challenged claims—not just claim 23 and its dependents—are obvious

in view of the prior art. Discretionary denial is not warranted under these circumstances. *See ParTec*, 3; *Eunsung Global Corp.*, 3 (finding “[d]iscretionary denial is not appropriate,” even with strong settled expectations favoring denial, because “the patent examiner overlooked certain teachings in [the prior art] that appear to disclose the allowable features of the claims”).

B. Settled Expectations Favor the Petitioner, Not the Patent Owner

Patent Owner argues that the ’104 patent is entitled to settled expectations of validity by virtue of its age. (Request, 2-3.) Patent Owner is plainly mistaken that the ’104 patent “has been in force for 14 years”: the ’104 patent, which issued in 2012 and claimed priority to a 2004 filing, has not been in force at all since December 2024, when it expired at the conclusion of its natural term. (Request. 2-3; EX1001, (45), (60).)

Upon that expiration, it was Apple, not IngenioSpec, that held strong settled expectations; *i.e.*, that Patent Owner would not wait until June 2025, months after the patent’s expiration, to assert the ’104 patent in the district court. *See Allani*, 2-3 (finding discretionary denial “not appropriate,” even though the challenged patent had been in force for thirteen years, where “Patent Owner did not assert the challenged patents against Petitioner until after they expired”). This is particularly so because IngenioSpec waited until after the patent expired to accuse Apple’s AirPods products that have been on the market since 2016. And Apple’s

expectations of non-enforcement were especially strong since Patent Owner elected to assert the '104 patent against two other large technology companies, but not Apple, just two months before the patent expired. (*See* Pet., 107.) These expectations come from a longstanding pattern of selective non-enforcement of IngenioSpec's patents, including in three ITC actions that targeted dozens of technology companies, but did not include Apple. Similarly, Patent Owner's affiliate, IpVenture, Inc. (*see* <https://www.ingeniospec.com/company>), has a similar history—dating to 2003—of asserting its patents against large technology companies, but excluding Apple from enforcement. *See Allani*, 2-3 (noting that petitioner “did not expect enforcement” of the patent).

C. The Petition Does Not Present Inconsistent Claim Construction Positions

The Director clarified in *Revvo* that a petitioner taking “alternative positions” before the Board and a district court should “explain why alternative positions are warranted.” *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20, 3-4 (Nov. 3, 2025) (“*Revvo*”) (precedential). But here, there are no “alternative positions” presented, and Patent Owner identifies none. In the district court proceeding, for the '104 patent, Apple proposed only that “provide[d] that . . . the wireless headset is active” in claim 2, and its counterpart language in claims 6 and 10, should be construed to mean “upon establishing a

communication link between the wireless headset and the wireless communication system”. (EX2011, 2.)

In the Petition, Apple did not propose any claim construction for any claim term in the IPR proceeding. (Pet., 3.) The reason is that, as Federal Circuit has ruled, the Board need only construe the claim terms as necessary to resolve the controversy at hand. *Realtime Data LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019).

The Board need not construe “provide[d] that . . . the wireless headset is active” because the Petition showed how this element is met by the prior art under any reasonable interpretation. For example, for claim 2, the Petition showed that “provide[d] that . . . the wireless headset is active” is met by Ewer’s monitoring whether the wireless headset is communicating with its wireless headset adapter—consistent with Apple’s proposed district court construction. (Pet., 31-34, 79-81; EX2011, 2.) Thus there is no potential “gamesmanship” with respect to the claims, as cautioned against in *Revvo*. *Revvo*, 2-3. Instead, the Petition promotes “greater predictability and certainty in the patent system” by demonstrating to the Board and the public that the claims are obvious *unconditionally*—not contingent on a particular claim interpretation. *Tesla*, 4 (citation omitted).

D. The *Fintiv* Factors Are Neutral or Favor Institution

As noted above, the Board has declined discretionary denial when, as here, material error during prosecution is shown—even where “the scheduled district court trial is set to precede the expected final written decision due date,” and where other *Fintiv* factors would weigh in favor of discretionary denial. *See ParTec*, 3. More generally, the *Fintiv* factors are not dispositive, and the Board has referred petitions for merits review even when the *Fintiv* factors supported discretionary denial. *See Allani*, 2-3 (finding discretionary denial “not appropriate” even in view of a trial date scheduled for more than four months before the final written decision, and “meaningful investment in the district court proceeding”). Even so, the *Fintiv* factors here are neutral or favor institution.

1. Factor 1: The Likelihood of a Stay Is Neutral

Patent Owner suggests that a stay of litigation is unlikely. (Request, 4.) But the Board has previously “decline[d] to speculate on the likelihood of Judge Albright entering a stay after institution,” finding this factor neutral. *See W. Digit. Corp. v. Kuster*, IPR2020-01391, Paper 10, 8-9 (Feb. 16, 2021). Accordingly, this factor is neutral.

2. Factor 2: The Parallel Trial Date Weighs Against Discretionary Denial

This factor weighs against discretionary denial because the trial date in the parallel district court litigation before Judge Albright in the Western District of

Texas is likely to occur after the Board would issue the Final Written Decision in the present IPR proceeding.

Under the current schedule in the district court, trial is scheduled to begin on April 26, 2027—approximately five weeks before the Board would issue its Final Written Decision on June 2, 2027. (EX2005.) But Patent Owner’s Request does not discuss the likelihood of trial actually proceeding according to the currently scheduled date, and does not even entertain the possibility of the trial date being rescheduled, as has happened with other patent cases before Judge Albright. *See Motion Offense, LLC v. Google LLC*, No. 6:21-cv-00514-ADA, ECF No. 68 (W.D. Tex. June 10, 2022) (“Due to a scheduling conflict with a trial, the Court hereby vacates the remaining scheduled deadlines in this case.”); *IOENGINE, LLC v. Roku Inc.*, No. 6:21-cv-01296-ADA, ECF No. 306 (W.D. Tex. Sept. 19, 2023) (notifying the parties that “due to the Court’s schedule, the trial will have to be reset to the coming spring”). For example, Patent Owner offers no time-to-trial statistics for Judge Albright or the Western District of Texas, nor any other evidence bearing on the expected trial date. (*See* March 24, 2025 USPTO Memorandum, 3 (“in applying *Fintiv*, the Board may consider . . . median time-to-trial statistics for civil actions in the district court”).)

In fact, the time-to-trial statistics for the Western District of Texas and Judge Albright, particularly in view of Judge Albright’s increasing caseload, demonstrate

that the trial date in the district court proceeding will likely be months *after* the Board issues the Final Written Decision. For the year ending June 2025, the median time to trial in the Western District of Texas is 32.8 months, having increased from 22.4 months in 2020. (EX1015.) If this district-wide median applied to the parallel litigation, the trial would be pushed from April 2027 to March 2028—nine months after the Final Written Decision in June 2027.

However, Judge Albright’s median time to trial in patent cases *exceeds* that of the Western District of Texas more broadly: for patent cases occurring in 2024 and 2025, Judge Albright’s median time to trial is 35 months. (EX1015, 1.) Based on this data, trial is likely to be delayed until at least May 2028—nearly one year after the expected Final Written Decision.

Moreover, Judge Albright’s median time-to-trial data shows a recent increase: from 23 months in 2022, to 27 months in 2023, 33 months in 2024, and 43 months in 2025. (EX1015, 2-5.) This trend reflects the increasing time to trial in the Western District of Texas more broadly—from 22.4 months in 2020 to 32.8 months in 2025. (EX1015.) It also reflects a specific recent expansion of Judge Albright’s case load: in January 2025, the Chief Judge assigned Judge Albright 40% of the Austin Division docket, in addition to his previous assignment of 100% of the Waco Division cases. (EX1016, 3.) Even before the influx of new Austin cases, Judge Albright’s heavy caseload often resulted in delayed proceedings

because of trial conflicts. *See Motion Offense*, ECF No. 68; *IOENGINE*, ECF No. 306. These delays can be expected to increase with Judge Albright’s case load, consistent with the 30 percent increase in Judge Albright’s median time to trial from 2024 to 2025.

In August 2025, the Board considered a patent owner’s discretionary denial request in view of parallel litigation before Judge Albright. Based on Judge Albright’s time-to-trial data, the Board declined the discretionary denial request, finding it inappropriate where “the time-to-trial statistics suggest that the trial will not begin until” after the expected date of the Final Written Decision—including where Judge Albright had scheduled trial for a date six months before the Final Written Decision date. *ClearCorrect*, 2. This case is even more persuasive: trial is currently set for only about five weeks before the expected date of the Final Written Decision, and, as described above, the statistics suggest that trial will occur nearly one year after the Final Written Decision. Accordingly, this factor weighs against discretionary denial.

3. Factor 3: Limited Investment in the Parallel Proceeding Weighs Against Discretionary Denial

Investment in the parallel proceeding weighs against discretionary denial because the parties have invested relatively little in the district court litigation thus far. The district court litigation is still in its relatively early stages. The parties have exchanged preliminary infringement and invalidity contentions, and are in the

process of claim construction briefing. However, the court has not yet been asked to consider any dispositive motions on the prior art for the '104 patent that would overlap with the *inter partes* review proceeding; the *Markman* hearing does not take place until at least April; and there is no timeline for a *Markman* order.

(EX2005.) Substantive case events including final infringement and invalidity contentions, expert reports, fact and expert discovery, and dispositive motions are tied to the future *Markman* order, and are set for weeks or months after that order; and thus have no specific timeline. (EX2004.) Additionally, these case events are subject to postponement for the reasons described above for Factor 2.

This factor weighs against exercising discretion to deny institution where “much more work remains [in the district court litigation], including, expert reports, expert discovery, expert depositions, and pretrial motions and disclosures.” *See Bio-Rad Lab’ys, Inc. v. Cal. Inst. of Tech.*, IPR2024-01451, Paper 11, 10 (Mar. 27, 2025); *see also Sand Revolution II, LLC v. Cont’l Intermodal Grp. – Trucking LLC*, IPR2019-01393, Paper 24, 11 (June 16, 2020) (“[M]uch work remains in the district court case as it relates to invalidity: fact discovery is still ongoing, expert reports are not yet due, and substantive motion practice is yet to come.”). Because these substantial events lie ahead in the parallel district court proceeding, this factor weighs against discretionary denial.

4. Factor 4: Limited Overlap Between the Petition and the Parallel Proceeding Weighs Strongly Against Discretionary Denial Because Petitioner Agreed to a *Sotera* Stipulation

This factor weighs strongly against discretionary denial. Petitioner entered a *Sotera* stipulation to limit the potential overlap between this proceeding and the parallel litigation. (Paper 6.) A *Sotera* stipulation “weighs strongly in favor of not exercising discretion to deny institution” because it “mitigates any concerns of duplicative efforts between the district court and the Board.” *Sotera Wireless, Inc., v. Masimo Corp.*, IPR2020-01019, Paper 12, 19 (Dec. 1, 2020).

Patent Owner minimizes the impact of the stipulation because of Apple’s supposedly “extensive” use of IPR prior art in the district court to “avoid estoppel.” (Request, 8.) But Patent Owner can only point to two references (Ewer and Koskan) from Apple’s preliminary invalidity contentions that are also found in the ’104 Petition. (Request, 8.) In the district court, under the stipulation, these two references would at most play a secondary role in combination with system prior art (*e.g.*, *Dragon NaturallySpeaking* 7) that could not have been raised in the IPR and does not correspond to any of the IPR’s prior art. (EX2006, 59-65.)

This limited inclusion of Ewer and Koskan presents no attempt to “avoid estoppel,” as Patent Owner imagines. Patent Owner’s speculations ignore Board precedent determining that this factor weighs strongly against discretionary denial because it “obviate[s] much, if not all, of any potential overlap between the issues

in the proceeding and the district court proceeding.” *Liberty Energy Servs., LLC v. U.S. Well Servs., LLC*, IPR2025-00139, Paper 14, 13-14 (June 11, 2025); *see also Stingray Grp. Inc. v. Hernandez-Mondragon*, IPR2025-00349, Paper 19, 7-8 (June 13, 2025) (finding this factor weighs against discretionary denial where Petitioner committed to a *Sotera* stipulation).

5. Factor 5: Whether the Parties Are the Same Is Neutral

The parties before the Board in this *inter partes* review proceeding and in the parallel district court litigation are the same. Where the parties are identical between two parallel proceedings, the Board has held that this factor is “neutral or, at most, weighing slightly in favor of exercising discretion to deny institution.” *Snap, Inc. v. SRK Tech. LLC*, IPR2020-00820, Paper 15, 16 (Oct. 21, 2020); *see also Shenzhen Root Tech. Co., Ltd. v. Chiaro Tech. Ltd.*, IPR2024-01296, Paper 9, 19-20 (Feb. 25, 2025) (finding this factor neutral where parties are the same).

6. Factor 6: Other Considerations, Including the Strength of the Petition, Weigh Against Discretionary Denial

Factor 6 weighs against discretionary denial because the Petition provides strong arguments on the merits of the ’104 patent’s validity. The Petition, supported closely by the expert testimony of Dr. Joshua R. Smith, demonstrates the claims are obvious based on multiple grounds of invalidity. For example, grounds 7-12 demonstrate that all 47 claims are invalid based on Jannard; and grounds 1-6 separately show the invalidity of 41 of those claims based on a different primary

reference, Zhang. These grounds apply prior art references that were not presented to or considered by the Examiner during prosecution. In the Request, Patent Owner declines to engage with the merits of the Petition. (*See* Request, 9-10.)

Here, as described above, the *Fintiv* factors are neutral or point in favor of institution. Under these circumstances, discretionary denial is not appropriate. *See CrowdStrike, Inc. v. Open Text Inc.*, IPR2023-00289, Paper 7, 17 (July 21, 2023) (declining to exercise discretion to deny the petition where “no *Fintiv* factor weighs in favor of exercising our discretion to deny institution, while two factors weigh against, and four factors are neutral”).

E. Additional Factors Support Institution

As described above and in the Petition, persuasive reasons exist here for the Board to review the validity of the ’104 patent. *See Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21, 3 (June 18, 2025) (“[t]here may be persuasive reasons why the Office should review the challenged patent” and “disturb the settled expectations of Patent Owner”). Patent Owner’s conduct with respect to its patents presents additional justification. Here, Patent Owner has elected to enforce its patents in serial fashion by suing unrelated defendants, including Petitioner, in multiple federal district courts over a span of several years. Patent Owner has reached settlement with many of these defendants, such that no court or jury has yet made a determination of the validity of the ’104 patent.

This pattern, in which Patent Owner continues to exploit its erroneously issued patent while its validity goes unchecked by the courts, demonstrates that instituting the Petition is an appropriate use of Board resources. It is the Board's role to promote the integrity and prevent the abuse of the U.S. patent system; and Patent Owner's litigation history shows that it is the Board, not a series of district court judges and juries in disparate court filings, that is in the best position to adjudicate the '104 patent's validity and curtail its ongoing misuse.

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.

Dated: March 2, 2026

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Certificate of Service (37 C.F.R. § 42.6(e)(4))

I hereby certify that the attached PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION was served on the below date via e-mail (by agreement) to the following counsel of record for the Patent Owner:

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