

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MEDTRONIC, INC.,
Petitioner

v.

MOSKOWITZ FAMILY LLC,
Patent Owner

Case No. IPR2026-00163
Patent No. 11,376,136

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit	Description
2001	Pretrial Scheduling Order, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 36 (Dist. Of Minn. September 10, 2025) (Micko, D.)
2002	Stipulation Extending Time For Defendants To Respond To Plaintiff's Complaint, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 15 (Dist. Of Minn. March 19, 2025)
2003	Stipulation Extending Time For Defendants To Respond To Plaintiff's Complaint, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 24 (Dist. Of Minn. May 22, 2025)
2004	First Amended Complaint, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 27 (Dist. Of Minn. May 23, 2025)
2005	Stipulation to Amend Case Scheduling Concerning Contentions and Claim Construction, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 42 (Dist. Of Minn. January 16, 2026)
2006	October 3, 2025 Update to USPTO Interim Director Discretionary Process
2007	March 24, 2025 Guidance on USPTO's rescission of "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District court Litigation"

2008	USPTO FAQs for Interim Processes for PTAB Workload Management (Archived)
2009	Complaint, <i>Moskowitz Family LLC v. Zimvie Inc.</i> , No. 1:22-cv-01632-UNA, ECF No. 1 (D. Del. December 23, 2022)
2010	Information Disclosure Statement citing '293 patent (great-great-grandparent of the '136 patent) in Medtronic U.S. Patent Application No. 17/246,968 (May 3, 2021)
2011	Notice of References Cited in Notice of Allowance citing earlier publication (U.S. Pat. App. Pub. No. 2008/0033440) of '903 patent (great-great-great-grandparent of the '136 patent) in Medtronic U.S. Patent Application No. 13/440,241 (September 3, 2015)
2012	U.S. Patent No. 5,658,335 to Allen.
2013	<i>Intentionally Left Blank</i>
2014	Complaint, <i>Moskowitz Family, LLC v. NuVasive, LLC et. al.</i> , No. 1:25-CV-00711-WCB, ECF No. 1 (D. Del. June 6, 2025)
2015	Scheduling Order, <i>Moskowitz Family, LLC v. NuVasive, LLC et. al.</i> , No. 1:25-CV-00711-WCB, ECF No. 17 (D. Del. October 20, 2025) (Bryson, W.)
2016	Amended Pretrial Scheduling Order, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 44 (Dist. Of Minn. January 20, 2026)
2017	Complaint, <i>Moskowitz Family LLC v. Globus Medical, Inc.</i> , No. 6:19-cv-00672, ECF No. 1 (W.D. Tex. November 20, 20192)
2018	Second Amended Complaint, <i>Moskowitz Family LLC v. Medtronic, Inc. et. al.</i> , No. 0:25-CV-00769-PJS-DLM, ECF No. 48 (Dist. Of Minn. January 29, 2026)

2019	Complaint, <i>Moskowitz Family LLC v. Medtronic, Inc. et al.</i> , No.0:25-cv-00769, ECF No. 1 (Dist. Of Minn February 28, 2025)
2020	Letter from Michael Fink, Counsel for Nathan Moskowitz to Newton Metcalf Jr., Director of Advanced Technologies Program for Medtronic, Inc., dated June 30, 2015
2021	Letter from Michael Fink, Counsel for Nathan Moskowitz to Brad Lerman, Senior Vice President and General Counsel for Medtronic, Inc., dated June 30, 2015
2022	Attachments to Notice Letters including Moskowitz Patent Portfolio and U.S. Patent No. 9,005,293
2023	Uniloc USA, Inc. v. Motorola Mobility LLC, Case No. 2:16-CV-00992-JRG, ECF No. 125 (E.D. Tex. Apr. 5, 2017)) (Gilstrap, J.)
2024	Information Disclosure Statement citing Gordon in the '136 great-great-great-great-grandparent U.S. Patent Application No. 11/208,644 (considered by examiner on September 17, 2008)
2025	Information Disclosure Statement citing Gordon in the '136 great-great-great-great-grandparent U.S. Patent Application No. 11/536,815 (considered by examiner on October 15, 2009)
2026	Information Disclosure Statement citing Gordon in the '136 great-great-great-grandparent U.S. Patent Application No. 11/842,855 (considered by examiner on September 03, 2010)
2027	Information Disclosure Statement citing Gordon in the '136 great-great-grandparent U.S. Patent Application No. 13/084,543 (considered by examiner on April 18, 2012)

2028	Information Disclosure Statement citing Gordon in the '136 great-great-grandparent U.S. Patent Application No. 13/108,982 (considered by examiner on October 10, 2014)
2029	Information Disclosure Statement citing Gordon in the '136 great-grandparent U.S. Patent Application No. 13/210,157 (considered by examiner on February 4, 2015)
2030	Information Disclosure Statement citing Gordon in the '136 grandparent U.S. Patent Application No. 15/894,471 (considered by examiner on February 26, 2019)
2031	Information Disclosure Statement citing Gordon in the '136 parent U.S. Patent Application No. 15/944,117 (considered by examiner on April 23, 2019)

I. INTRODUCTION

This Petition should be denied because it would fragment—rather than streamline—the adjudication of a long-standing patent family that multiple tribunals are already positioned to resolve in full. Petitioner asks the Board to review a single continuation patent drawn from that family, even though eleven related family members—many issued years earlier and never challenged in any post-grant proceeding—are being litigated in district court and will be adjudicated regardless of what happens here. Board review of one continuation cannot meaningfully simplify that dispute. It would only duplicate work already underway and risk inconsistent outcomes on closely related family issues.

That inefficiency is concrete. The '136 patent is asserted not only in the Minnesota action against Petitioner, but also in a separate district-court action against another accused infringer. Although the two cases do not involve identical patent sets, they necessarily require adjudication of overlapping issues rooted in the same patent family—including the '136 patent itself, the shared disclosure, priority history, claim meaning, and asserted prior art. Those issues will be resolved in district court regardless of institution. An IPR on a subset of claims would therefore proceed in parallel, not as a substitute, adding a third forum to decide issues already before two Article III courts.

Petitioner's filing strategy compounds that inefficiency. Rather than seeking coordinated review, Petitioner has pursued Board review on a piecemeal basis—challenging individual family members while leaving the courts to adjudicate the family context as a whole. That approach conflicts with the Board's own efficiency objectives. Serial petitions challenging closely related Moskowitz patents require multiple panels to independently become familiar with the same technology, priority history, and family-wide issues, imposing unnecessary administrative burdens without any realistic prospect of simplification.

This posture is especially unwarranted given Petitioner's long-standing notice. Petitioner's familiarity with the Moskowitz inventions did not begin with the '136 patent. For more than a decade before it issued, Petitioner received detailed disclosures of the inventions and applications that later matured into the '136 patent and its ancestors, tracked the family through prosecution, cited it repeatedly in its own filings, and observed public enforcement against competitors. After the '136 patent issued, Petitioner waited nearly four years to seek Board review—only doing so nine months after being sued—while litigation concerning the same patent and related family members moved forward in district court. Director precedent recognizes that this kind of informed, post-issuance delay gives rise to settled expectations that weigh strongly against institution.

Nor do the Petition’s merits justify overriding these considerations. The Petition relies on prior art that was repeatedly presented to and considered by the Office throughout the prosecution history of the ’136 patent and its ancestors, and it opens with arguments outside the proper scope of inter partes review. Repackaging already-considered references after years of informed inaction does not present the type of compelling merits that warrant duplicative Board proceedings.

Where, as here, Board review of a single continuation—filed years after issuance and amid ongoing litigation involving the same patent and its broader family context—cannot streamline the dispute and would only fragment adjudication, discretionary denial under §§ 314(a) and 325(d) is warranted.

II. THE DIRECTOR SHOULD EXERCISE DISCRETION UNDER § 314(a) TO DENY INSTITUTION.

Section 314(a) gives the Director broad discretion to determine whether an inter partes review should proceed. The USPTO “is permitted, but never compelled, to institute” an IPR, even when a petition meets the statutory thresholds. *Nautilus Hyosung Inc. v. Diebold, Inc.*, IPR2017-00426, Paper 17 at 11 (PTAB June 22, 2017). That discretion is properly exercised to deny institution where parallel district-court litigation will resolve the same validity issues, making Board review duplicative rather than efficient. *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019).

The Office has identified a set of practical considerations—commonly referred to as the *Fintiv* factors—that assess whether an IPR would advance or hinder efficient dispute resolution in the presence of parallel litigation, including the likelihood of a stay, the progress and investment in the district-court action, the degree of overlap between the proceedings, the identity of the parties, and other circumstances bearing on discretion, including the merits. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020).

The Director’s guidance also makes clear that discretionary denial is not limited to the *Fintiv* factors. Separate and independent considerations—including the parties’ settled expectations and “other considerations bearing on the Director’s discretion”—may independently warrant denial. Director’s March 26, 2025 Memorandum, *Interim Processes for PTAB Workload Management*, at 2-3. Recent decisions confirm that long-standing notice and late-filed petitions weigh strongly against institution, even where some *Fintiv* considerations might otherwise favor review. *Dabico Airport Solutions Inc. v. AXA Power APS*, IPR2025-00408, Paper 21 at 3 (Acting Director Stewart June 18, 2025); *iRhythm Techs., Inc. v. CardioNet, LLC*, IPR2025-00363, Paper 10 at 3 (Acting Director Stewart June 6, 2025).

A. The Parties’ Settled Expectations Strongly Favor Discretionary Denial.

The Director’s recent decisions place significant weight on the parties’ settled expectations, particularly where a challenged patent issues as part of a mature, well-

known patent family and the petitioner had long-standing notice of the inventions and their prosecution. In that posture, discretionary denial is appropriate when a petitioner delays seeking Board review while related family members proceed toward adjudication in district court. Board review of an individual continuation adds little value in those circumstances and risks inefficient, piecemeal adjudication. *Samsung Elecs. Co. v. iCashe, Inc.*, IPR2025-00641, Paper 12 at 3 (Aug. 14, 2025); *Amazon.com, Inc. v. Audio Pod IP*, IPR2025-00757, Paper 15 at 3 (Aug. 14, 2025).

That is the posture here. The '136 patent issued as part of a long-running patent family that Petitioner knew well years before issuance, tracked through prosecution and enforcement, and is now being adjudicated in district court alongside related family members—including long-standing ancestor patents not subject to any post-grant proceeding. Despite that familiarity, Petitioner waited nearly four years after issuance to seek Board review of a subset of claims.

1. Petitioner Had Long-Standing, Detailed Notice and Made a Deliberate Choice to Delay Seeking Review.

Petitioner's notice of the Moskowitz inventions long predates the '136 patent. For nearly two decades, Petitioner had detailed, direct notice of the technology underlying the asserted patent family and of the applications that later matured into the '136 patent. That record of notice is central to the settled-expectations analysis.

From 2005 through 2015, Dr. Moskowitz repeatedly disclosed his spinal-fusion designs to Petitioner's engineers, business leadership, and in-house counsel.

Ex. 2004 ¶¶ 40-41, 43-44. They included technical presentations, prototype demonstrations, claim sets, and written materials describing the very inventions and applications that later matured into the '136 patent and its related family members. *Id.* Petitioner actively engaged with those disclosures, requested additional materials, and sought internal review with its research and development leadership.

That understanding was reinforced in 2015, when Patent Owner's counsel provided Petitioner's General Counsel and technical leadership with formal, portfolio-wide notice identifying more than thirty issued patents and pending applications, including ancestors of the '136 patent. Ex. 2020-2022; 2004 ¶ 45. Petitioner acknowledged receipt, stated that it was "working [its] way through" the portfolio, and undertook internal review. Ex. 2004 ¶¶ 46-47. From that point forward, Petitioner indisputably understood both the scope of the Moskowitz patent family and its potential relevance to Petitioner's products and business.

Petitioner's subsequent conduct confirms that understanding. Petitioner and its affiliates repeatedly cited members of the Moskowitz patent family in Information Disclosure Statements across their own patent portfolios, reflecting sustained monitoring of the family's prosecution and scope. At the same time, Patent Owner publicly enforced the Moskowitz patents against other industry participants, in contested district-court litigation and post-grant proceedings. Exs. 2009; 2017.

This was not a dormant or obscure portfolio; it was a mature, actively enforced patent family well known to Petitioner.

Despite this continuous notice, Petitioner waited nearly four years after the '136 patent issued to seek Board review. That delay was an informed choice. The Director has repeatedly held that settled expectations arise where a petitioner, with detailed notice of a mature patent family, elects to wait before seeking review. That informed choice to wait—despite continuous notice and active enforcement—gives rise to settled expectations that weigh strongly against institution.

2. Medtronic's inaction after issuance reinforces, rather than undermines, settled expectations.

Settled expectations are assessed from the record as a whole, not from hindsight. The relevant question is whether the record supports reasonable reliance concerning enforcement or challenge of the patent. *iRhythm*, at 3. Here, the record forecloses any claim that Medtronic reasonable relied on non-enforcement.

For years, Medtronic repeatedly encountered the '136 patent family in the ordinary course of its business and prosecution activity. Medtronic and its subsidiaries then cited the '136 patent family members dozens of times in IDS filings across their own portfolios. Ex. 2004 ¶¶ 71, 74–75, 90, 94, 97–98, 102, 117, 121–123, 137, 139, 141–142, 146, 160, 164, 169, 183, 187–188, 203, 207–208, 212, 226, 230–231, 249, 253–254, 271–276, 290, 294–296; Ex. 2010 at 10 (citing great-great-

grandparent '293 patent); Ex. 2011 at 13 (citing publication of great-great-great-grandparent '903 patent). This was not incidental, but sustained monitoring.

That conduct is incompatible with any claim of surprise or reliance. When Patent Owner provided portfolio notice in 2015, the '136 patent had not yet issued, no infringement was alleged, and no accused products existed. Expectations, if any, necessarily formed later—after issuance. And after issuance, Medtronic did not seek Board review. It waited nearly four years before filing this Petition, only doing so 9 months after being sued. Director precedent treats that informed post-issuance delay—not pre-issuance assessment—as the relevant conduct, and it weighs strongly in favor of discretionary denial. *See iRhythm*, at 3.

3. Ongoing District Court Adjudication of Long-Standing Family Patents Undercuts Any Need for Board Review.

This Petition targets a single continuation within a long-standing patent family that multiple district courts are already adjudicating in a coordinated manner. The question is not whether the overall litigation is complex, but whether Board review of this patent would meaningfully simplify what the district courts must decide. It would not.

The '136 patent traces its lineage through a common disclosure to U.S. Patent No. 7,704,279 and shares its technical core with numerous asserted family members, including U.S. Patent Nos. 7,972,363; 9,005,293; 9,301,854; 9,907,674; 9,924,940; 10,064,738; 10,016,284; 10,238,505; 10,426,633; 10,603,183; 10,925,753;

11,096,797; 11,864,755; 12,011,367; 12,144,743; and 12,491,088. Several of these ancestor patents have been in force for many years, giving rise to substantial settled expectations—especially when combined with Petitioner’s long-standing notice of the family. Critically, the validity of those patents will be litigated to judgment regardless of what happens here, especially since many of these patents have no pending IPR challenges.

This posture is fundamentally different from cases involving unrelated portfolios or where all asserted patents were subject to corresponding IPRs. Here, all asserted patents arise from a common lineage and share overlapping disclosures and technology, and district-court adjudication will proceed across the family regardless of Board action. Even if new petitions are filed, Board review would not displace the district court’s work on claim construction, infringement, or non-IPR-eligible validity issues, nor would it resolve family-wide disputes rooted in a common disclosure. In these circumstances, the Board cannot be “better suited” to resolve the controversy. Reviewing a newer family member in isolation would not streamline the dispute; it would fracture it. Recent Director decisions deny institution in precisely these circumstances, recognizing that Board review “adds little value” where related patents will be adjudicated in district court in any event. *iCashe*, at 3.

The Director has exercised discretion to deny institution on settled-expectations grounds even where other considerations might otherwise favor review.

OnePlus Tech. Co. v. Pantech Corp., IPR2025-00637, Paper 17 at 2 (Aug. 14, 2025); *Kahoot! AS v. Interstellar Inc.*, IPR2025-00696, Paper 12 at 2 (July 31, 2025). The same considerations apply with greater force here. Petitioner had long-standing notice of a mature patent family, observed its enforcement against competitors, and nevertheless waited years to seek Board review of a narrow subset of claims. Section 314(a) does not require the Board to intervene under those circumstances—and efficiency counsels against it.

B. *Fintiv* Factor 1 Favors Denial Because No Stay Was Sought and Is Unlikely.

Factor 1 weighs against institution because Petitioner has not sought a stay of the district court action—and a stay is unlikely even if one were requested. The case has been pending for nearly twelve months, yet Petitioner has taken no steps to pause the proceedings in favor of Board review.

A stay would also be impractical. The Minnesota district-court action involves twelve asserted patents, and this Petition challenges only ten claims of a single patent; many asserted patents are not before the Board. *Ex. 2018* at ¶ 22. Even if this IPR were instituted, the district court would still need to proceed with claim construction, infringement, and invalidity issues for the remaining patents—including recently added family members. Under these circumstances, an IPR would not meaningfully simplify the case, and a stay would only delay resolution of the bulk of the dispute.

Courts routinely deny stays where parallel IPRs have not yet been instituted or would not materially narrow the litigation, particularly where significant portions of the case would proceed regardless. *E.g.*, *Hutchinson Tech. Inc. v. Nitto Denko Corp.*, No. 17-CV-1992, 2018 WL 5984873, at *14–15 (D. Minn. Sept. 19, 2018); *Stratasys, Inc. v. Microboards Tech., LLC*, No. 13-3228, 2015 WL 1608344, at *2 (D. Minn. Apr. 10, 2015); Ex. 2023 at 3; *Dane Techs., Inc. v. Gatekeeper Sys., Inc.*, No. 12-2730 ADM/AJB, 2013 WL 4483355, at *2-3 (D. Minn. Aug. 20, 2013).

The Board has likewise recognized that when “no stay is likely to be entered,” Factor 1 “leans towards denial of institution.” *Mylan Labs. Ltd. v. Janssen Pharm. NV*, IPR2020-00440, Paper 17 at 13–14 (PTAB Sept. 16, 2020). Because Petitioner has not sought a stay—and because a stay would not advance efficiency even if requested—Factor 1 favors discretionary denial.

C. *Fintiv* Factors 2 and 3 Favor Denial Because the District Court Action Is Advancing and Investment Is Irreversible.

Factors 2 and 3 weigh against institution because the district court actions are already advancing in ways that will continue regardless of any IPR—and because substantial, irreversible investment will occur well before any institution decision. Under the Director’s guidance, where parallel litigation has progressed beyond the early stages and will not be meaningfully streamlined by Board review, discretionary denial is warranted to avoid duplicative effort and inconsistent results.

The Minnesota district court action against Petitioner has been pending since February 2025. Ex. 2019. By the time the Director would decide whether to institute in June 2026, the district court will already be on a path to adjudicate infringement and validity issues across the asserted patent family, with infringement and invalidity contentions exchanged and discovery underway. Claim-construction proceedings are scheduled to begin shortly thereafter under the parties' stipulated schedule and will proceed regardless of any IPR. Ex. 2001.

Any suggestion that the district court's progress is limited ignores the procedural reality—and Petitioner's own conduct. Medtronic sought and obtained a 60-day extension to respond to the complaint, followed by additional extensions tied to its demand that Patent Owner amend the complaint, delaying the case by nearly three months at the outset. Exs. 2002-2003. More recently, after a continuation patent in the same family issued in December 2025, Medtronic conditioned its consent to adding that patent on a further three-month extension of its invalidity and non-infringement contentions and related claim-construction deadlines. Exs. 2005; 2016. These extensions pushed back milestones that would otherwise already be underway. A petitioner cannot manufacture delay and then rely on that delay to argue against discretionary denial.

By the institution deadline, the parties and the district court will have invested substantial resources in adjudicating the same claims and overlapping validity issues

raised in this Petition—across a broader set of related family patents that will proceed regardless of institution. Institution at that stage would trail the district court’s work, not lead it, and would duplicate—not streamline—adjudication.

Additionally, the ’136 patent is involved in another district court proceeding in Delaware, which was filed June 6, 2025 and is scheduled for trial on February 8, 2027. Ex. 2015 at 8; Ex. 2014. That trial will begin four months before a final written decision would issue here—a sequencing the USPTO has treated as weighing heavily against institution. *E.g., Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 13 (PTAB May 13, 2020) (finding that when a parallel trial is scheduled about two months before the IPR deadline, Factor 2 “substantially” favors denial).

And the Delaware action will be more significantly advanced come June. Infringement and invalidity contentions have been served. *See* Ex. 2015 at 1–2. Fact discovery will be closed, claim construction briefing will be complete, and the hearing will likely have occurred (not yet scheduled but likely to occur between the April 7, 2026 joint report and the June 8, 2026 Institution deadline). *Id.* at 3, 6-7. These are significant investments. *BOE Tech. Grp. Co. v. Element Capital Commercial Co.*, IPR2023-00808, Paper 9 at 23–24 (PTAB Nov. 15, 2023).

The fact that the Delaware Action involves one of Petitioner’s competitors, NuVasive, does not change the analysis because the cases involve many of the same asserted claims, the same patent, and overlapping invalidity theories. A trial

addressing those issues in February 2027 will materially shape the parties' positions in the Minnesota Action. Proceeding with an IPR in parallel would create unnecessary duplication and invite divergent outcomes on the same patent. Factors 2-3 thus favor discretionary denial.

D. *Fintiv* Factor 4 Favors Denial Because Institution Would Not Eliminate Overlap or Meaningfully Simplify the District Court Proceedings.

Factor 4 weighs against institution because the invalidity issues raised in this Petition substantially overlap with those that will be litigated in the district court—and institution would not meaningfully simplify the parallel proceedings. Where the Board's review would address only a subset of issues while leaving substantial invalidity disputes to be resolved in court, discretionary denial is warranted.

The same prior art references, the same structural limitations, and the same claim-construction disputes raised here will be litigated in the district court across the asserted patent family. Although Petitioner has filed a stipulation in the district court, it has not submitted any stipulation in this proceeding. The Office's Interim Director Discretionary Process instructs petitioners to file such stipulations "as soon as practicable." Ex. 2006 at 3. That omission leaves both scope and timing uncertain.

In any event, a timely filed *Sotera* stipulation would not eliminate the overlap. The Director has emphasized that such stipulations are "not dispositive" where other invalidity theories remain available in district court. Ex. 2007 at 2–3. That is the

case here. Petitioner remains free to pursue system art, public-use evidence, on-sale bar theories, and combinations involving non-printed publications—none of which are subject to IPR estoppel. *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354, 1365–66 (Fed. Cir. 2025). Where such theories remain available, the Office has explained that a *Sotera* stipulation is “not... particularly meaningful because the efficiency gained by an AIA proceeding will be limited.” Ex. 2008 at 3.

The problem is compounded by the asserted family members in the district court action. Nothing prevents Petitioner from asserting the same art against the other family members in the district court. In that posture, the Board’s review would not serve as a “true alternative” to the district court litigation. The Office has denied institution on that basis even where a *Sotera* stipulation was offered. *See SAP Am., Inc. v. Cyandia, Inc.*, IPR2024-01495, Paper 13 at 8–9 (Apr. 7, 2025); *Motorola Sols. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3–4 (PTAB Mar. 28, 2025).

Because the same invalidity issues will be litigated regardless of institution, Board review would duplicate effort and risk inconsistency. Factor 4 favors denial.

E. *Fintiv* Factor 5 Favors Denial Because the Same Parties are Litigating the Same Disputes in District Court.

Factor 5 weighs against institution because Petitioner is the defendant in the Minnesota district-court action, and the same parties are already litigating the same patent family and overlapping invalidity issues there. *Fintiv*, at 13–14; *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1,

2020). Where, as here, a single district-court proceeding between the same parties will resolve their disputes regardless of institution, an IPR does not promote efficiency or conserve resources.

F. *Fintiv* Factor 6 Favors Denial Because the Petition Does Not Present Compelling Merits.

Factor 6 also favors discretionary denial because this Petition does not present compelling merits. The Director does not require a full merits analysis at this stage; rather, the inquiry is whether the Petition’s merits are sufficiently compelling to justify institution notwithstanding settled expectations, inefficiency, and duplication concerns. *Fintiv*, Paper 15 at 15. Even a petition with facial plausibility may be denied where efficiency and duplication concerns predominate. *Samsung Elecs. Co., Ltd. v. SiOnyx, LLC*, IPR2025-00065, Paper 16 at 19–20 (PTAB June 6, 2025).

At the outset, the Petition relies on arguments outside the proper scope of inter partes review. It opens by suggesting that the ’136 patent issued due to a “questionable prosecution strategy,” including alleged “deliberate occlusion” of prior art “buried” in IDS filings. Pet. 1–2. Arguments sounding in inequitable conduct are not cognizable in an IPR, which is limited to challenges under §§ 102 and 103 based on patents or printed publications. 35 U.S.C. § 311(b). More importantly, the factual premise is incorrect. Petitioner acknowledges that the Gordon and McLuen references were disclosed to the Office, and the prosecution record confirms that those references were affirmatively considered by the examiner.

Pet. at 6; Ex. 1004 at 305, 329. Gordon, in particular, was cited in every non-provisional application in the '136 patent's continuity chain. Exs. 2024–2031. Examiner Philogene therefore encountered Gordon repeatedly during prosecution and, in any event, was required to consider it as part of the Office's review of parent-application references. MPEP § 609.02(II)(A)(2). Framing these facts as “occlusion” does not strengthen the Petition's merits.

The Petition's anticipation and obviousness theories also undermine any claim of compelling strength. For example, although Petitioner asserts anticipation under “Ground 1,” it relies on different embodiments of Gordon for different claim elements—invoking Figures 15A–15C for elements 9.e–9.g, but turning to Figure 38 for elements 9.h–9.j. Pet. at 22–34. For element 9.h, Petitioner expressly alleges that “it would have been obvious to configure” Gordon's implant shown in Figures 15B–15C to include features depicted in Figure 38. Pet. at 30. That concession confirms Gordon, as disclosed in Figures 15A–15C, does not itself contain the features required by elements 9.h–9.j. An anticipation theory that requires modification of one embodiment based on another does not present compelling merits.

Petitioner's obviousness theories fare no better. For example, the Petition relies extensively on an expert declaration from Mr. Culbert—cited at least 97 times—spanning 115 pages, including 58 pages of claim charts, exceeding the length

of the Petition itself. Such heavy dependence on expert reconstruction suggests that the asserted prior art does not clearly disclose the claimed features and that the validity dispute will turn on competing expert characterizations. The Office has recognized that extensive reliance on expert testimony may indicate that the issues are better resolved in an Article III court. Ex. 2008 at Q.22; Ex. 2006.

These merits considerations are sufficient for present purposes. The Petition relies on art repeatedly considered by the Office, advances an anticipation theory that concedes the need for modification, and depends heavily on expert analysis to bridge gaps in the prior art—all while opening with arguments outside the scope of inter partes review. In that posture, the Petition’s merits do not justify overriding the strong settled-expectations, efficiency, and duplication concerns that otherwise compel discretionary denial.

III. THE DIRECTOR SHOULD EXERCISE DISCRETION UNDER § 325(d) TO DENY INSTITUTION.

Discretionary denial is independently warranted under § 325(d). The Petition relies exclusively on prior art that was repeatedly presented to—and affirmatively considered by—the Office during prosecution of the ’136 patent and its ancestors. Under *Advanced Bionics*, institution is improper absent a showing of material error. *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (PTAB Feb. 13, 2020). Petitioner cannot make such a showing here.

There is no dispute that Gordon and McLuen were before the examiner. Pet. at 6. During prosecution of the '136 patent, Examiner Philogene affirmatively considered those references, as reflected by his initials on the IDS. Ex. 1004 at 305, 329. That alone satisfies the first prong of the *Advanced Bionics* analysis. *Id.* at 7–8. The record goes further. Gordon was submitted to and considered by the Office during prosecution of every non-provisional application in the continuity chain to which the '136 patent claims priority—often by the same examiner. Exs. 2024–2031. This was not a single, isolated review; it was repeated consideration across the family's prosecution history.

Although Michelson was not before the examiner, the teachings on which Petitioner relies are cumulative of references that were. Petitioner argues that it would have been obvious to combine Michelson's T-shaped handle with either Gordon or McLuen. Pet. at 79–87. But the Allen reference (U.S. Patent No. 5,658,335), which the examiner identified as “pertinent to applicant's disclosure,” discloses the same teachings for which Petitioner relies on Michelson. Ex. 1004 at 290; Ex. 2012 at Fig. 12, 5:18–26. As a result, the Petition does not meaningfully introduce a new reference or a non-cumulative combination.

Because the asserted art was previously considered, Petitioner bears the burden under the second *Advanced Bionics* prong to demonstrate a material error apparent from the prosecution record. That burden is demanding. It is not met by

advancing a different narrative or by disagreeing with the examiner's judgment. *Advanced Bionics*, at 8–9; *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17–18 (Dec. 15, 2017).

Petitioner does not identify any such error. The record does not reflect that the examiner mischaracterized Gordon, McLuen, or Allen; applied an incorrect legal standard; made contradictory factual findings; or overlooked any relevant disclosure. Instead, the Petition repackages material the Office already evaluated, one or more times. Section 325(d) does not permit institution on that basis. Where the same or cumulative art was before the Office, the inquiry turns on whether the prosecution record reveals a clear and material error. It does not.

Granting institution here would require the Board to reweigh disclosures already assessed during prosecution—precisely what § 325(d) is designed to prevent. Discretionary denial is therefore warranted.

IV. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Director exercise discretion to deny institution.

Date: February 9, 2026

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** and associated exhibits (Exhibits 2001-2012, 2014-2031) were served electronically via e-mail on February 9, 2026, in their entireties on the following counsel of record for Petitioner:

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