UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner

v.

SANDPIPER CDN, LLC,
Patent Owner

Case IPR2026-00190
U.S. Patent No. 9,456,053

PATENT OWNER'S BRIEF ON DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	First Amended Docket Control Order, *Sandpiper CDN, LLC v. Microsoft Corporation*, Case No. 2:25-cv-00664-JRG-RSP (E.D. Tex.), October 17, 2025
2002	Exhibit C101 Subject Matter Intelligibility Contentions for U.S. Pat. No. 9,456,053), *Sandpiper CDN, LLC v. Microsoft Corporation*, Case No. 2:25-cv-00664-JRG-RSP (E.D. Tex.), December 5, 2025
2003	"Enforcement and Non-Waiver of 37 C.F.R. § 42.104(b)(4) and Permissible Uses of General Knowledge in *Inter Partes* Reviews," United States Patent and Trademark Memorandum, July 31, 2025
2004	Success Rate of Motions to Stay Pending *Inter Partes* Review before Judge Rodney Gilstrap, Docket Navigator Report generated February 4, 2026
2005	Complaint for Patent Infringement, *Sandpiper CDN, LLC v. Microsoft Corporation*, Case No. 2:25-cv-00664-JRG-RSP (E.D. Tex.), June 26, 2025
2006	Microsoft's Invalidity Contentions, *Sandpiper CDN, LLC v. Microsoft Corporation*, Case No. 2:25-cv-00664-JRG-RSP (E.D. Tex.), December 5, 2025

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I. INTRODUCTION

The Director should deny institution of *inter partes* review of U.S. Patent No. 9,456,053 ("the '053 patent") for multiple reasons that make clear it would not be a good use of the Board's resources to reconsider the patentability of the challenged claims. *First*, Sandpiper has settled expectations in the '053 patent. It has been in force for over 9 years, which exceeds the time for which settled expectations tends to be dispositive of discretionary denial. Petitioner Microsoft has also known about the patent for years.

Second, the *Fintiv* factors strongly favor denial. Trial in the parallel litigation is scheduled for over three months *before* the projected Final Written Decision date for this Petition. Additionally, the Office already expended substantial resources on this patent during initial prosecution when the same art and arguments used in Microsoft's challenges were considered by the Examiner and over which the claims were determined to be allowable. Accordingly, the Petition also warrants denial under 35 U.S.C. § 325(d).

The Petition also suffers from numerous weaknesses on the merits, failing to identify disclosure of multiple claim elements in the cited art. These failures are discussed in detail in the Patent Owner's Preliminary Response. This lack of disclosure, in turn, causes the Petition to rely heavily on expert testimony to supply missing elements in the cited art, contravening Petitioner's requirement to specify

where each element of the claim is found in the prior art patents or printed publications relied upon under 37 C.F.R. § 42.104(b)(4). These flaws further favor discretionary denial.

II. BACKGROUND

The challenged patent arises from pioneering technology directed to delivering content across a network. Content delivery networks (CDNs) provide critical services that enable content providers to quickly deliver online content to millions of consumers simultaneously over the Internet. The technology underlying these CDNs was made possible through a series of inventions developed by a California start-up called Sandpiper Software Consulting, LLC, a predecessor of Patent Owner Sandpiper CDN, LLC.

In the early 1990s, the internet became a household staple. This mass adoption led to data congestion issues from the ever-growing number of users seeking to simultaneously access Internet content. Sandpiper's solution was to deploy CDN servers around the world, replicate appropriate content from origin servers to appropriate CDN servers, and transparently rendezvous end users requesting that content to the "best" CDN server to deliver that content, all while providing their customers with control over their content and user experience. This architecture was quickly imitated by many others in the industry.

Distributing content across a network of servers alleviated data congestion issues, allowing consumers to connect to edge servers located near them, which reduced latency. The inventors developed and built systems and methods for propagating data from origin servers to edge servers based on network demand and for seamlessly routing users to the optimal edge server with the correct content.

Recognizing that the groundbreaking inventions of Sandpiper Networks (and its successor companies) could revolutionize content delivery worldwide, Level 3 Communications ("Level 3") acquired the Sandpiper Networks CDN and patent assets in 2006, while onboarding several of the founders and inventors on the original Sandpiper Networks patents. Thereafter, Level 3 continued to file numerous patent applications directed to this foundational CDN technology, including the patent challenged in the Petition.

Petitioner Microsoft was well aware of the Sandpiper Networks patents at this time. In fact, Petitioner Microsoft Corp. competed with Level 3 in a bidding war to acquire Sandpiper's patent portfolio. But Level 3 won the bid, at which point Microsoft became a CDN customer of Level 3 for several years before choosing to build its own CDN network without owning or obtaining a license to the Sandpiper patents.

Other businesses also entered the market by misappropriating Sandpiper's innovations and directly competing with Sandpiper for market share. Ultimately,

Level 3 sold its CDN patents, including the patent challenged in this Petition, to Patent Owner, Sandpiper CDN, LLC.

III. OVERVIEW OF THE '053 PATENT AND COMPREHENSIVE PROSECUTION HISTORY

The '053 patent is entitled "Content Delivery Network," and was filed as U.S. Application No. 13/714,410 on December 14, 2012. The '053 patent is directed to novel techniques for improving the performance of content delivery networks (CDNs), and more specifically, when a cache is added to a CDN. EX1001, 14:12. "When a new cache machine is to be added to the CDN, the control core needs to get information about that new cache (e.g., what group/region it is in, its IP address, its VIP, some capacity information, etc.). Similarly, in order to operate within the CDN, the new cache machine needs to get the current customer configuration data and other configuration data from the control core." EX1001, 14:13-20. The solutions described in the '053 patent were unconventional at the time of the invention of the '053 patent and continue to offer numerous technical benefits.

For example, some aspects of the '053 patent involve a warming phase for the new cache mashing in which the new cache machine "may query its neighbors and preemptively pull the GCO [Global Configuration Object] and some CCS [Customer Configuration Script] data (e.g., of popular customers at the neighbor) before accepting any incoming client connections." EX1001, 14:36-41, 2:56-62.

The addition of a cache to a CDN can include first registering with the control core when the cache is newly added to the CDN. EX1001, 14:47-48. "Upon being connected to a network (e.g., the Internet), the cache contacts the control core and performs some initial registration. This process allows the control core to determine whether the cache is authorized to participate in and be a part of the CDN." EX1001, 14:52-56.

"Once registered, the cache obtains configuration data from the control core (at 1504). The cache may request the configuration data using one or more HTTP requests." EX1001, 14:63-65. In some aspects of the '053 patent, "[s]ome of the configuration data obtained during this process may correspond to the global data." EX1001, 15:6-8. Also, "the CDN may itself have one or more CCSs associated therewith. Preferably the configuration data obtained from the control core by the cache (at 1504) includes one or more CCSs associated with the CDN." EX1001, 15:13-16.

Some aspects of the '053 patent further include the control core obtaining data from the new cache. EX1001, 15:20-21. As noted above, the new cache may also "warm up" by obtaining information from other caches. EX1001, 15:35-37. For example, "the new cache may obtain customer data (e.g., CCSs) from nearby caches in anticipation of serving content on behalf of those customers." EX1001, 15:38-40.

Some aspects of the ’053 patent further include the cache obtaining a resource request. EX1001, 15:62. “The cache needs the GCO in order to determine whether the requested resource can be served. … The cache therefore obtains a current version of the GCO (at 1512) and determines (at 1514) whether or not the resource can be served.” EX1001, 15:64-16:4. In some aspects, if “the cache needs the GCO or other information from the control core, the cache can request that information using appropriate HTTP (or FTP) requests, and the cache may obtain the GCO and/or other needed information from other caches or other locations in the CDN. For example, FIG. 15C shows various caches (102) pulling data from the control core 108 using an HTTPS pull.” EX1001, 16:4-11.

In some aspects of the ’053 patent, the cache also needs the CCS. The cache “obtains the CCS (if any) associated with the requested resource (i.e., with the customer on behalf of whom the requested resource is being served). It should be appreciated that the CCS should be pulled prior to obtaining the resource (since the CCS may influence where/how to retrieve the resource).” EX1001, 16:15-25. If the cache determines that the requested resource can be served, the cache can obtain a copy of the resource, and having “obtained the appropriate CCS (if one exists), the cache server then serves the resource (at 1520) using information in the CCS.” EX1001, 16:26-39.

The ’053 patent received a thorough prosecution on the merits, including overcoming double patenting and §§ 102, and 103 rejections. EX1002, 523-540, 590-606, 630-635. An Office Action rejection of June 29, 2015, included a rejection under § 102 over the same Lewin (EX1005) applied in this Petition. EX1002, 523-540. After receiving the rejection, Patent Owner amended the independent claims to clarify the CDN customer and the CDN client. EX1002, 590-606. For example, Patent Owner amended independent claim 1 as follows:

> 1. (Currently amended) A content delivery network (CDN), the CDN serving resources on behalf of one or more customers of the CDN, the CDN comprising:
>
> (a) a control core; and
>
> (b) a plurality of cache servers, each particular cache server of said plurality of cache servers being constructed and adapted to:
>
> (b)(1) upon joining the CDN,
>
> (b)(1)(1) obtain global configuration data from the control core; and
>
> (b)(2) having joined the CDN,
>
> (b)(2)(1) obtain updated global configuration data, if needed; and
>
> (b)(2)(2) obtain customer configuration information associated with at least one customer of the CDN;
>
> (b)(2)(3) serve to a client a particular resource associated with a particular customer of the CDN in accordance with (i) the global configuration data, and (ii) customer configuration information obtained in (b)(2)(2) and associated with the particular customer.

EX1002, 592.

Patent Owner argued that the claimed architecture differed from the prior art (Lewin – EX1005) because "Lewin does not deliver cached content to a customer (as claimed). Lewin delivers content to an end user on behalf of what Lewin refers to as a client (see, e.g., Lewin's Figure 2)." EX1002, 604, emphasis removed. Patent Owner argued that the claimed architecture differed from Lewin because "[a] delivery address of the entity to which content is being served is not the claimed 'customer configuration information,' as the Examiner would have it." EX1002, 605, emphasis removed. Based on these distinctions, Patent Owner argued that Lewin did not disclose the features of the independent claims.

The Liu reference (EX1007) asserted in the Petition was cited by Patent Owner in an Information Disclosure Statement (IDS) on February 21, 2013. EX1002, 163. Liu was cited in an International Search Report (ISR) for International Application No. PCT/US2012/069712 as an A reference (background reference). EX1002, 166. International Application No. PCT/US2012/069712 has the same priority as the '053 patent and had the same claims as original claims of the '410 application. The Examiner searched for Liu based on the EAST Search History (EX1002, 565) and the Examiner signed off on the IDS citing Liu. EX1002, 567.

The Devanneaux reference (EX1008) asserted in the Petition was also cited by Patent Owner in an IDS on February 14, 2016. EX1002, 657. The Examiner

searched for Devanneaux based on the EAST Search History (EX1002, 719) and signed off on the IDS citing Devanneausx. EX1002, 708.

Patent Owner also filed a Terminal Disclaimer over the U.S. Patent Application No. 13/714,411. EX1002, 612. The Examiner allowed the claims after considering this and other arguments. EX1002, 630-635. The '053 patent issued on September 27, 2016. EX1001, (45).

IV. LEGAL STANDARDS

It is Petitioner's burden to demonstrate unpatentability by a preponderance of the evidence. The Petition must establish, with particularity, the grounds and evidence that support invalidating the patented claims. 35 U.S.C. § 312(a)(3). Petitioner "must 'specify where each element of the claim is found in the [relied upon] prior art patents.'" *In-Depth Geophysical, Inc. v. ConocoPhillips Co.*, IPR2019-00850, Paper 56 at 27 (P.T.A.B. Sept. 3, 2020) (quoting 37 C.F.R. § 42.104(b)(4)).

V. THE PETITION WARRANTS DISCRETIONARY DENIAL FOR MULTIPLE REASONS.

The Director should exercise discretion to deny institution under 35 U.S.C. § 314(a) for multiple independent reasons, including: (A) Sandpiper has settled expectations in the challenged patent; (B) the copending district court litigation *Sandpiper v. Microsoft*, Case No. 2:25-cv-00664 (EDTX) presents a more efficient and faster forum to resolve the parties' dispute under *Fintiv*; (C) the Office has

already considered similar art and arguments during prosecution; and (D) the Petition improperly ignores Board regulation and guidance by relying on expert testimony to fill gaps in the prior art.

A. Settled expectations favor denial because the '053 patent has been in force for over nine years and Microsoft had longstanding knowledge of the patent.

Settled expectations weigh in favor of denying institution of this IPR due to both the age of the patent and Microsoft's awareness of the challenged patent and its relevance to its products.

Patents that have been in force for over six years create strong settled expectations for patent owners. *See, e.g.*, *iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 (P.T.A.B. June 6, 2025); *Dabico Airport Solutions Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (P.T.A.B. June 18, 2025) (informative); *Samsung Elecs. Co., Ltd. v. Headwater Research LLC*, IPR2025-00932, Paper 8 (P.T.A.B. Sept. 26, 2025). The '053 patent claims priority to an application filed December 14, 2011, and issued on September 27, 2016. It has been in force for *over nine years*, as part of a family of patents in force over 14 years. These facts establish strong settled expectations for Sandpiper.

Additionally, Microsoft has known for years about Sandpiper's patent portfolio, including the '053 patent, and its relevance to Microsoft's business. *See* EX2005, ¶¶44-63. Microsoft was a customer of the company that acquired the

Sandpiper CDN intellectual property—Level 3—before Microsoft chose to build its own CDN network, and was are of Sandpiper's relevant technology. *See, e.g.*, EX2005, ¶¶47-49. Microsoft's longstanding knowledge of the challenged patent enhances Sandpiper's settled expectations. *See Murata Mfg. Co. Ltd. v. Georgia Tech. Research Corp.*, IPR2025-00383, Paper 14 (P.T.A.B. July 29, 2025) (finding Petitioner's knowledge of challenged patent created settled expectations weighing in favor of denial); *Google LLC v. SoundClear Techs., LLC*, IPR2025-00344, Paper 15 (P.T.A.B. Aug. 4, 2025) (same).

B. The *Fintiv* Factors weigh in favor of denial.

All the *Fintiv* factors favor or strongly favor denying institution. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (articulating six non-exclusive factors for determining whether to institute an AIA post-grant proceeding where there is parallel litigation).

1. Factor 1 favors denial because the EDTX district court case is not likely to grant a stay.

Factor 1 strongly favors denial because there is no stay of the proceedings in the parallel district court case (*Sandpiper v. Microsoft*) and there is a high probability that the district court will not stay its proceedings pending conclusion of an IPR. Indeed, Judge Gilstrap (the assigned district court judge in the EDTX) has denied close to 85% of all stay requests. EX2004. There is no indication that Judge Gilstrap would depart from his usual practice and grant a stay here.

2. Factor 2 strongly favors denial because the district court trial date will occur months before the projected Final Written Decision.

Factor 2 strongly favors denial. The projected statutory deadline for a Final Written Decision (FWD) in this IPR is July 8, 2027. This is more than *three months* after the April 5, 2027 trial date in the EDTX. EX2001, 1. Institution of an IPR under these circumstances—when the parallel district court trial will occur faster than the issuance of a decision by the Board—would not be consistent with the AIA's objective to provide an effective and efficient alternative to litigation. *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (P.T.A.B. Sept. 12, 2018) (precedential).

3. Factor 3 favors denial because there has been significant investment in the district court.

Factor 3 favors denial. The relevant consideration is the "amount and type of work already completed in the parallel litigation by the court and the parties *at the time of the institution decision*." *Fintiv*, 9 (emphasis added). The deadline for issuing a Decision on Institution (DI) in this IPR is approximately July 8, 2026. By this date, significant work will have been done in the parallel district court litigation, including the exchange of invalidity and infringement contentions, extensive fact discovery, and the exchange of claim construction positions. EX2001.

4. Factor 4 favors denial because Microsoft's *Sotera* stipulation does little to mitigate concerns of inefficiency and duplication of effort.

Factor 4 considers the overlap between the issues raised in the IPR petition and in the parallel proceeding in order to evaluate "concerns of inefficiency and the possibility of conflicting decisions." *Fintiv*, 12. This factor also strongly favors denial.

In the parallel district court proceeding, Microsoft submitted invalidity contentions that completely overlap with its IPR challenges. *Compare* EX2006, 131-134 (asserting the claims are obvious over Crosbie, Lewin, Wein, and Nygren), *with* Pet., 3 (challenging the claims based on Crosbie, Lewin, Wein, and Nygren). In district court, Microsoft further challenges the claims on numerous additional anticipation and obviousness grounds. EX2006, 139-153.

Further, Microsoft's *Sotera* stipulation (Exhibit 1035) does little to mitigate concerns of inefficiency or duplication of effort such that "th[is] IPR proceeding[] would be a 'true alternative' to the district court proceeding." *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (P.T.A.B. Mar. 28, 2025) (on Director Review vacating panel's institution decision and denying under *Fintiv*). Indeed, Petitioner's invalidity contentions specifically include contentions that combine Crosbie, Lewin, Wein, and Nygren with system art, such as Microsoft System Center Configuration Manager, Microsoft Velocity Cache, and Akami

Configuration Management System. *See* EX2006, 61-63, 130-139, 143-147, 150-152.

Thus, even if this IPR is instituted, it will not be a "true alternative" to the parallel proceeding because the district court judge and jury will still have to decide complex invalidity issues based on the same art used in this IPR in combination with system art. *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (P.T.A.B. March 28, 2025) (finding that a *Sotera* stipulation was unlikely to moot the petitioner's combination of IPR art with unpublished system prior art in district court proceedings, and therefore could not outweigh other factors favoring denial). Petitioner's stipulation also does not prevent it from pursuing its contentions that all of the claims challenged in the Petition are invalid under § 101, EX2006, 248-249; EX2002, which further exacerbates the inefficiencies and potential for inconsistent results (e.g., different claim constructions) that would result from allowing Petitioner to proceed in both forums. Accordingly, factor 4 strongly favors denial.

5. Factors 5 and 6 favor denial because the parties in the IPR overlap with the parties in the district court and the merits are weak.

Factor 5 favors denial because the parties are the same in both proceedings. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 15 (P.T.A.B. May 13, 2020) ("Because the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.").

Factor 6 also favors denial because, as will be explained further in the Patent Owner Preliminary Response ("POPR"), the Petition fails to establish that the challenged claims are invalid over the asserted Grounds. Patent Owner asks the Director to consider the briefing presented in its POPR. *See* Interim Process, § II.C.i (patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits). Further, as discussed in Section V.D below, the Petition improperly relies on expert testimony to fill gaps in its challenges.

C. Institution should be denied under 35 U.S.C. § 325(d) because the same art and substantially same argument was previously before the Office and the Board.

This IPR should be denied because the Office has already thoroughly considered Lewin, Liu, and Devanneaux during prosecution of the '053 patent. *See* Section III. It is not an efficient use of the Board's resources to consider patentability based on the same reference and previously considered arguments.

The majority of Microsoft's challenges to the '053 patent rely on the same art and analysis that the Office previously considered. Under the two-part framework used by the Board to decide whether to deny institution under 35 U.S.C. § 325(d), both parts are met. *See Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7-8 (P.T.A.B. Feb. 13, 2020) (precedential). Thus, this IPR also warrants denial under § 325(d).

Under part one of the framework, the threshold is whether the same substance of Petitioner's arguments was previously considered by the Office—not only whether the reference was applied by the Office. *See Advanced Bionics*, 8 ("same or substantially the same prior art or arguments previously were presented to the Office"). Here, Lewin was applied by the Office in a rejection and overcome. EX1002, 630-635. Liu and Devanneaux were cited in IDSs, searched for by the Examiner, reviewed by the Examiner, and determined not to warrant a rejection. EX1002, 565 (Examiner search history for Liu); EX1002, 719 (Examiner search history for Devanneaux).

All of the grounds in the Petition are based on either (1) Lewin as a primary reference, or (2) the combination of Liu and Devanneaux. The vast majority of the art and arguments submitted for the Board's consideration are therefore the same as or cumulative of art and arguments that were already presented or at least considered during prosecution. The Petition does not identify any material error in

the Board's consideration of Lewin, Liu, or Devanneaux. Therefore, part one of the *Advanced Bionics* framework is met.

Under part two, Petitioner has not "demonstrated that the Office erred in a manner material to the patentability of [the] challenged claims." *Advanced Bionics*, 8. Petitioner does not articulate a "material error" by the Examiner (e.g., a misread claim term, an overlooked passage in the prior art, or a factual mistake). Petitioner implies the Office erred by omission, but it does not identify a concrete misapprehension of law or fact. As such, the Petition at most reflects disagreement with the Office's allowance decision. That is not reason to revisit the Office's patentability determination. *See Advanced Bionics*, 9 ("If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.").

Petitioner should have a high burden to show material error when the prosecution history demonstrates the Examiner considered substantially similar arguments (as evidenced by the IDS submission and the Examiner's subsequent stamp of consideration). But even without a high burden, Petitioner cannot show any error when the Petition only points to conclusory, and faulty, expert testimony to support its allegation that the prior art renders the claims obvious. *See* Section V.D (discussing the improper reliance on expert testimony and deficiency of the Petition for this claim element).

Accordingly, the Director should reject Microsoft's improper attempt to challenge the '053 patent over the same art previously considered by the Office and deny institution under § 325(d).

D. The Petition's improper reliance on expert testimony and fundamental flaws on the merits warrants denial.

The Petition improperly uses alleged knowledge of a POSA and state of the art to fill missing limitations in the Grounds. The statutory basis for *inter partes* review limits invalidity grounds to prior art "consisting of patents or printed publications." 35 U.S.C. § 311(b). The corresponding regulation requires a petition to "specify where each element of the claim is found in the prior art patents or printed publications relied upon." 37 C.F.R. § 42.104(b)(4); *see also* 35 U.S.C. § 312(a)(3); EX2003 (Office guidance on the proper application of Rule 104(b)(4); *Henny Penny Corp. v. Frymaster LLC*, 938 F.3d 1324, 1331-32 (Fed. Cir. 2019). The Petition here fails to do this. Compounding this error, the expert testimony on which the Petition relies to fill these gaps is conclusory, and provides no analysis, evidence, or explanation.

For example, for limitation 1(b)(2)(2) and 27(C) as allegedly being disclosed by Liu-Devanneaux the Petition fails to identify any disclosure in the prior art that teaches or suggests "**obtaining** customer configuration information." Instead, the Petition relies on the alleged knowledge of a POSA to supply this missing element. The Petition and the Declaration focus on the claimed "customer configuration

information." Pet., 46-47; EX1003, ¶¶181-184. Yet the claims require **a cache server obtaining** the customer configuration information. The Petition and the Declaration rely on the alleged knowledge of a POSA to supply this missing element. Pet., 47; EX1003, ¶184.

As another example, for limitation 1(b)(2)(3) and 27(D) as allegedly being disclosed by Lewin-Wein the Petition fails to identify any disclosure in the prior art that teaches or suggests "**serv[ing] to a client** … **in accordance with**" the global configuration data and customer configuration information. Instead, the Petition relies on the alleged knowledge of a POSA to supply this missing element. The Petition and the Declaration focus on the claimed "global configuration data" and "customer configuration information." Pet., 21; EX1003, ¶¶112-114. Yet the claims require **"serv[ing] to a client … in accordance with"** "global configuration data" and the customer configuration information. The Petition and the Declaration rely on the alleged knowledge of a POSA to supply this missing element. Pet., 21; EX1003, ¶114.

Additional examples of improper reliance on expert testimony will be provided in the POPR, which Sandpiper requests the Director consider when making the determination whether to discretionarily deny this IPR. *See* Interim Process, § II.C.i. The Petition's cursory and conclusory analysis thus falls well short of Petitioner's obligation to perform reasoned analysis—based on the

references asserted in its challenges—and runs afoul of the Office guidance that compliance with Rule 104(b)(4) precludes reliance on expert testimony for claim limitations. EX2003. Accordingly, this is an additional reason the Director should deny institution.

VI. CONCLUSION

For the foregoing reasons, the Director should exercise discretion to deny institution of this IPR.

Respectfully submitted,

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CERTIFICATE OF WORD COUNT (37 C.F.R. § 42.24(d))

1. This Patent Owner's Brief on Discretionary Denial complies with the type-volume limitation of 14,000 words, comprising 4,112 words, excluding the parts exempted by 37 C.F.R. § 42.24(a)(1).

2. This Patent Owner's Brief on Discretionary Denial complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word 2016 in 14-point Times New Roman font.

Respectfully submitted,

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

I certify that the above-captioned **PATENT OWNER'S BRIEF ON DISCRETIONARY DENIAL** and associated Exhibits 2001-2006 were served in their entireties on March 9, 2026, upon the following parties via electronic mail:

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