UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AT&T SERVICES, INC. and STREAMWIDE, INC.
Petitioners,

v.

BK TECHNOLOGIES, INC.
Patent Owner.

Case: IPR2026-00348

U.S. Patent No. 11,997,568

PETITIONERS' AUTHORIZED SUR-REPLY TO PATENT OWNER'S DISCRETIONARY DENIAL BRIEF

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I. INTRODUCTION

Petitioners AT&T ("AT&T") and StreamWide ("SW") (collectively, "Petitioners") respectfully submit this authorized Sur-Reply in further opposition to Patent Owner's ("PO") Discretionary Denial Brief. In PO's opening brief, instead of arguing the substantive merits of the applicable tests, PO instead chose to focus on Petitioners' lack of a *Sotera* stipulation, SW's anticipated non-patent counterclaims in the parallel case, and AT&T's Conditional Motion to Stay the parallel case. PO alleges that these prove Petitioners' "gamesmanship" and represent an "about face." Neither makes sense.

Petitioners' *Sotera* stipulation is co-extensive in scope with the statutory estoppel provided under 35 U.S.C. § 315(e)(2). How Petitioners' *Sotera* prejudiced PO is not explained in PO's Reply, which PO was granted for the very purpose of giving it an opportunity to address Petitioners' *Sotera* and *prevent any prejudice*.

PO complains that SW's Motion to Intervene, which is pending in the District Court, and subsequent offer to refrain from asserting "non-patent" counterclaims in that parallel action, demonstrates an "about face." It is puzzling that PO initially argued that SW's assertion of non-patent issues in the District Court was a reason *not* to institute an IPR, but when SW offered to refrain from asserting said claims, PO argued that this too should be grounds for discretionary denial. The only reasonable conclusion for this contradiction is that PO does not want its patent

challenged in this forum, which is the proper forum for addressing wrongly-issued patents.

Finally, AT&T's filing of its Conditional Motion to Stay is perfectly clear and informs both the District Court and the Director of Petitioners' intention to seek a Stay of the parallel case while the validity of PO's invalid patent is challenged—full stop.

Importantly, PO does not deny that Petitioners' *Sotera* and agreement to forego non-patent counterclaims in the parallel litigation will result in the present IPR vastly simplifying, or entirely eliminating, the District Court case. Nor has PO shown that any of Petitioners' complained of acts have prejudiced PO in any way. Rather, Petitioners have addressed PO's complaints and provided a clear path forward—institute a meritorious IPR and rid the world of a mistakenly-issued patent.

II. PETITIONERS' *SOTERA* STIPULATION

PO does not explain *how* it is prejudiced by the timing of Petitioners' *Sotera*, when it is co-extensive with the aforementioned statute and PO was authorized a Reply. Thus, PO was explicitly afforded the opportunity to "address the impact" of the *Sotera* as contemplated by the Interim Director Discretionary Process memo on which PO relies. (Reply at 1). Moreover, the Interim Director's memo did not overrule the string of cases Petitioners' cited in their Opposition indicating that *Sotera* declarations may be filed after the request for discretionary denial is made.

(Opp. at 5). Even post-memo, the Board has denied requests for discretionary denial despite a *Sotera* stipulation being filed *after* patent owner filed its discretionary denial brief. *See e.g. Wybotics, Co. Ltd., v. Zodiac Pool Systems LLC*, IPR2026-00158, IPR2026-00159, IPR2026-00160, Paper 12, 4 (P.T.A.B. May 6, 2026).

Despite being granted a chance to respond to Petitioners' *Sotera*, PO's Reply does no more than name call and assert that Petitioners' *Sotera* represented "gamesmanship." Meanwhile, PO's Reply remained silent on the obvious fact that Petitioners' *Sotera* will vastly simplify the District Court case—the very purpose of a *Sotera* and the reason it was made. The *Sotera* cannot be disregarded or "given little or no weight," as PO urges, for at least two reasons. (Br. at 1). First, the timing of the *Sotera* does not change its effect on the parallel proceeding. Its existence is highly relevant to the *Fintiv* analysis and other discretionary denial considerations concerning the overlap between parallel proceedings and the IPR's potential to simplify or resolve the litigation—when it was made does not change that. Second, it is consistent with the applicable law such that even if the *Sotera* was not submitted, the same principles would apply and Petitioners would be estopped from advancing invalidity grounds in the District Court that could have been raised before the Board. PO's claims of prejudice are baseless because it addressed this issue in its request for discretionary denial and had a second opportunity to address it in its Reply.

PO also makes much of the fact that Petitioner AT&T's Conditional Motion to Stay refers to Petitioners' *Sotera* that was filed with the PTAB two days later—still long before the District Court would have seen it and considered the Stay motion (which PO hasn't even yet answered). AT&T rightfully notified the District Court of its *Sotera*, and whether the representation was made first to the District Court or the Board is of no consequence. Indeed, PO does not explain the difference in prejudice had the *Sotera* been filed a day before the Motion to Stay or two days afterward. PO is merely grasping at straws.

III. NON-PATENT COUNTERCLAIMS

Petitioner SW, as the developer of the technology accused of patent infringement by PO in the District Court case and AT&T's indemnitor, has grounds to intervene separate and apart from the facts underlying its non-patent counterclaims. For the purpose of efficiency, SW offered to refrain from asserting these non-patent counterclaims in order to ensure that an IPR could entirely resolve the parallel litigation and simplify the District Court case. This offer benefits all parties—certainly including PO—as well as the District Court. PO does not, and cannot, explain how SW's offer transforms the present dispute into a "private commercial" one. (Reply at 4). Indeed, Petitioners' offer to refrain from asserting non-patent claims to *simplify* the parallel action does not indicate a lack of merit, but a strength

in SW's invalidity case. The fact that PO is trying to use this offer *against* Petitioners in the PTAB is weak and ridiculous.

PO also harps on the fact that Petitioner AT&T's Motion to Stay notified the Court in a footnote that the Board had been told about SW's agreement to refrain from asserting its non-patent counterclaims, mistakenly stating that this representation was made in its Petition, when it was made in its Opposition to PO's Discretionary Denial Brief. (Reply at 4). It is not clear what the harm of this error could be, but PO does not identify any. The point was simply that the Board was notified of SW's offer, nothing more.

IV. AT&T'S CONDITIONAL MOTION TO STAY

PO argues that AT&T's Motion to Stay "is unlikely" to be granted, without arguing against the points made in AT&T's brief or otherwise explaining why a stay is not appropriate. (Reply at 5). PO does not, and cannot, dispute that a Stay is proper in the District Court and that an IPR would simplify or resolve that case—both of which are highly relevant to the Board's decision on the issue of discretionary denial and that it must consider.

V. CONCLUSION

For the reasons set forth above and in Petitioners' Opposition to PO's Discretionary Denial Brief, Petitioners respectfully request that the Director decline to deny institution.

Respectfully submitted,

Dated: August 19, 2026

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CERTIFICATE OF COMPLIANCE

Pursuant to the Boards authorization, I certify that this paper complies with the 5-page limit requirement.

Dated: August 19, 2026

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R § 42.6(e), I hereby certify that a true and correct copy of the foregoing was served on Counsel for Patent Owner via filing through the P-TACTS System, as well as by delivering a copy via electronic mail to the following:

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