

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOYOTA MOTOR CORP.,
Petitioner,

v.

AUTOCONNECT HOLDINGS LLC,
Patent Owner.

Case No. PGR2025-00041
Patent No. 12,039,243

**PETITIONER'S RESPONSE TO PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL**

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35 U.S.C. § 282	19, 20

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Exhibit	Description
1001	U.S. Patent No. 12,039,243
1002	File History of U.S. Patent No. 12,039,243
1003	Declaration of Scott Denning
1004	<i>Curriculum Vitae</i> of Scott Denning
1005	U.S. Patent App. Pub. No. 2012/0303178 to Hendry <i>et al.</i> (“Hendry”)
1006	U.S. Patent App. Pub. No. 2007/0276795 to Poulsen (“Poulsen”)
1007	U.S. Patent No. 8,918,231 to Rovik (“Rovik”)
1008	U.S. Patent App. Pub. No. 2007/0255464 to Singh <i>et al.</i> (“Singh”)
1009	U.S. Patent No. 8,977,408 to Cazanans <i>et al.</i> (“Cazanans”)
1010	U.S. Patent App. Pub. No. 2009/0005070 to Forstall <i>et al.</i> (“Forstall”)
1011	U.S. Patent App. Pub. No. 2012/0254960 to Lortz <i>et al.</i> (“Lortz”)
1012	Microsoft Computer Dictionary, 5th Ed. (2002) (<i>excerpted</i>)
1013	U.S. Patent App. Pub. No. 2009/0325491 to Bell <i>et al.</i> (“Bell”)
1014	Bluetooth Specification v2.1 (2007) (<i>excerpted</i>)
1015	U.S. Patent No. 9,229,905 to Penilla <i>et al.</i> (“Penilla”)
1016	U.S. Patent App. Pub. No. 2008/0205655 to Wilkins <i>et al.</i> (“Wilkins”)
1017	U.S. Patent No. 8,863,256 to Addepalli <i>et al.</i> (“Addepalli”)
1018	U.S. Patent App. Pub. No. 2011/0078570 to Larsen <i>et al.</i> (“Larsen”)
1019	U.S. Patent App. Pub. No. 2010/0191748 to Martin <i>et al.</i> (“Martin”)

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1020	U.S. Patent App. Pub. No. 2014/0282931 to Protopapas (“Protopapas”)
1021	U.S. Patent App. Pub. No. 2013/0030645 to Divine <i>et al.</i> (“Divine”)
1022	U.S. Patent App. Pub. No. 2004/0148526 to Sands <i>et al.</i> (“Sands”)
1023	Barth, Matthew, <i>et al.</i> , “Interoperability Options for Shared-Used Vehicle Systems,” <i>Transportation Research Record: Journal of the Transportation Research Board</i> , No. 1887, TRB, National Research Council, Washington, D.C., 2004, pp. 137-144 (“Barth”)
1024	U.S. Patent App. Pub. No. 2011/0195699 to Tadayon <i>et al.</i> (“Tadayon”)
1025	Exhibit K2 to AutoConnect’s Disclosure of Asserted Claims and Infringement Contentions, served Jan. 21, 2025, in <i>AutoConnect Holdings, LLC v. Toyota Motor Corp.</i> , No. 2:24-cv-00802 (E.D. Tex.)
1026	AutoConnect’s Disclosure of Asserted Claims and Infringement Contentions, served Jan. 21, 2025, in <i>AutoConnect Holdings, LLC v. Toyota Motor Corp.</i> , No. 2:24-cv-00802 (E.D. Tex.)
1027	Petitioner’s Stipulation Concerning Invalidity Assertions in a Parallel Proceeding
1028 [New]	Complaint in <i>AutoConnect Holdings, LLC v. Toyota Motor Corp.</i> , No. 2:24-cv-00802 (E.D. Tex.)
1029 [New]	Jury Selection Starting July 20, 2026, Before Judge Gilstrap

Exhibit	Description
1030 [New]	U.S. District Court – Judicial Caseload Profile (March 31, 2025), <i>available at</i> https://www.uscourts.gov/sites/default/files/document/fcms_na_dist_profile0331.2025.pdf .
1031 [New]	Complaint in <i>AutoConnect Holdings, LLC v. Ford Motor Co.</i> , No. 2:24-cv-01327 (D. Del.)
1032 [New]	Complaint in <i>AutoConnect Holdings, LLC v. General Motors LLC</i> , No. 2:24-cv-00877 (E.D. Tex.)
1033 [New]	AutoConnect’s Responses to Toyota’s First Set of Interrogatories served April 21, 2025 in <i>AutoConnect Holdings, LLC v. Toyota Motor Corp.</i> , No. 2:24-cv-00802 (E.D. Tex.) (<i>excerpts</i>)
1034 [New]	Exhibit 1033 from <i>Shenzen Tuozhu Tech. Co., Ltd. v. Stratasys, Inc.</i> , IPR2025-00438 (PTAB)
1035 [New]	Patent cases pending before Judge Gilstrap as of July 29, 2025 (DocketNavigator)
1036 [New]	General Motor’s Unopposed Motion to Amend Docket Control Order <i>AutoConnect Holdings, LLC v. General Motors LLC</i> , No. 2:24-cv-00877 (E.D. Tex.)
1037 [New]	Consolidation Order for pre-trial in <i>AutoConnect Holdings, LLC v. General Motors LLC</i> , No. 2:24-cv-00877 (E.D. Tex.)
1038 [New]	Jury Selection Starting Between April 6, 2026 and July 20, 2026, Before Judge Gilstrap
1039 [New]	Toyota Fact Sheets (2025)

I. Introduction

Petitioner respectfully submits that discretionary denial is not warranted under the facts here for Petitioner's early post grant review challenge.

To begin, Patent Owner has *no* settled expectations for the recently issued '243 Patent. Petitioner diligently filed its PGR Petition within nine months of the patent's issuance (and approximately six months after Patent Owner asserted 11 patents against Petitioner in district court and less than three months after Patent Owner served its infringement contentions adding 18 additional asserted claims for the '243 Patent). As the Director has found, such PGR petitions "are favored because they must be filed no later than nine months from the grant of the patent (35 U.S.C. § 321(c)), are close in time to examination, and occur before expectations in the patent rights are strongly settled." *Multi-Color Corp. v. Brook & Whittle Ltd.*, PGR2025-00025, Paper 10 at 2-3 (PTAB July 16, 2025) (citing *LifeVac, LLC v. DCSTAR Inc.*, IPR2025-00454, Paper 11 at 2 (PTAB July 11, 2025)).

Moreover, Petitioner's broad stipulation—that it will not pursue *any* invalidity arguments in district court for the '243 Patent, if instituted—ensures that this PGR proceeding is a *complete and true alternative* to the district court case. Patent Owner incorrectly asserts that Petitioner can still rely on system art. But Patent Owner is wrong, as it fails to appreciate that this is a PGR, not an IPR, and so Petitioner's stipulation means it will forego *every possible* invalidity argument in district court

for the '243 Patent, if its PGR Petition is instituted. There can be no truer alternative than that.

As to the *Fintiv* factors, they further demonstrate that discretionary denial is not warranted. Not only does Petitioner's stipulation ensure the complete lack of overlap, but Petitioner's diligence and the current district court time-to-trial statistics mean that a final written decision here will almost surely come *before* any actual trial. And Petitioner's PGR petition is the first and only post-grant challenge to the '243 Patent, and presents new art and arguments not previously considered that demonstrate why the challenged claims are invalid under both Sections 101 and 103.

For these reasons, and the additional ones below, Petitioner respectfully submits that the Director should deny Patent Owner's request for discretionary denial and refer the PGR Petition to a Board panel for consideration on the merits.

II. Argument

A. Patent Owner Has No Settled Expectations: Petitioner Brought its PGR Challenge Within 9 Months of the '243 Patent's Issuance

Patent Owner has no settled expectations for the challenged '243 Patent. If any settled expectations exist, they are Petitioner's ability to lodge an early challenge to recently issued patents such as the '243 Patent (filed in November 2021, claims added in July 2023, and issued in July 2024) that was first asserted in October 2024 and for which Patent Owner never commercialized, licensed, or marked, or otherwise applied to any technology space.

Here, the '243 Patent issued on July 16, 2024 (EX1001, Cover Page), and was first asserted in litigation on October 3, 2024, along with ten other patents (EX1028 ¶¶17, 238-256). Petitioner diligently filed its PGR Petition on April 7, 2025 (*i.e.*, within nine months of the '243 Patent's issuance, approximately six months after Patent Owner filed its case against Petitioner asserting claims 1 and 11 of the '243 Patent as well as ten other patents, and less than three months after Patent Owner served its infringement contentions asserting all 20 claims). *See* EX1028 ¶240; EX1026 at 3.

Consistent with and even more compelling than the Director's prior decisions, Petitioner respectfully submits that these facts alone demonstrate that discretionary denial is not warranted. *See, e.g., Multi-Color*, PGR2025-00025, Paper 10 at 2-3 (denying Patent Owner's request for discretionary denial despite it being "unlikely that a final written decision in [the PGR proceeding] will issue before the Texas district court trial occurs," where petitioner filed its Petition exactly "nine months from the grant of the challenged patent" and finding that PGR Petitions "are favored because they must be filed no later than nine months from the grant of the patent (35 U.S.C. § 321(c)), are close in time to examination, and occur before expectations in the patent rights are strongly settled.") (citation omitted); *Zhuhai Cosmox Battery Co. v. Ningde Amperex Tech. Ltd.*, IPR2025-00385, Paper 9 at 2-3 (PTAB July 2, 2025) (denying Patent Owner's request for discretionary denial despite it being "unlikely

that a final written decision in [the IPR proceedings] will issue before district court trial occurs,” where “the challenged patents have not been in force for a significant period of time (issued in 2024, 2023, and 2021)” and noting that “[a]lthough there may be some inefficiencies with two proceedings operating in parallel, *the early challenges to the patents tip the balance against discretionary denial.*”) (emphasis added); *Shenzen Tuozhu Tech. Co., Ltd. v. Stratasy, Inc.*, IPR2025-00438, Paper 10 at 2 (PTAB July 17, 2025) (denying Patent Owner’s request for discretionary denial despite it being “unlikely that a final written decision in [the IPR proceedings] will issue before the district court trial occurs,” where “most of the challenged patents have not been in force for a significant period of time (issued in 2020, 2020, 2021, and 2024)” and thus “Patent Owner has not developed strong settled expectations that favor discretionary denial.”).¹

¹ As explained below, trial is likely to occur after a final written decision, making the case for rejecting Patent Owner’s request even more compelling. But even if not, the situation here would then be similar to other cases for newly-issued patents where the Director denied the patent owner’s requests despite trial likely occurring before a final written decision (*e.g.*, *Multi-Color*, *Zhuhai Cosmx*, and *Shenzen Tuozhu*).

Patent Owner’s only retort is to assert that *other* related patents were issued earlier, giving rise to alleged settled expectations for the recently issued ’243 Patent. PO DD Request (Paper 6) at 31-34. Tellingly, Patent Owner does not cite a single decision in support of its position. That makes sense: Petitioner could *not* have challenged the ’243 Patent until after it issued in July 2024. *See* 35 U.S.C. § 321. As the Director has found, even for patents that issued years earlier, such “early challenges favor robust, predictable patent rights and *weigh against* discretionary denial.” *Revvo Techs., Inc. v. Tire Stickers LLC*, IPR2025-00631, Paper 12 at 2 (PTAB July 24, 2025) (emphasis added) (patent issued in 2021); *Yealink (USA) Network Tech. Co. v. Barco N.V.*, IPR2025-00491, Paper 18 at 3 (PTAB June 25, 2025) (“[T]he challenged patent issued recently, in 2020. Early challenges to patents favor robust, predictable patent rights and weigh against discretionary denial.”) (citation omitted).

Patent Owner also asserts that Petitioner’s “decision not to challenge multiple related patents that predate the ’243 patent by several years” and Petitioner allegedly having knowledge of other related patents support settled expectations for the recently issued ’243 Patent. PO DD Request (Paper 6) at 31-33. But Patent Owner does not—and cannot—allege that Petitioner knew of or could challenge the ’243 Patent before it issued (which, again, is an impossibility). Indeed, Patent Owner alleged in district court (without support) only that Petitioner “has been aware of the

inventions described and claimed in the '243 patent since at least *shortly after* the issuance of the '243 patent in July 2024, or was willfully blind to the existence of the patent.” EX1028 ¶244 (emphasis added).²

Moreover, Patent Owner has it backwards and its position contrasts prior Director decisions, which treat each separately challenged patent on a patent-by-patent basis, depending on when the particular challenged patent issued. *See, e.g., Shenzhen Tuozhu*, IPR2025-00438, Paper 10 at 2-3 (While Patent Owner had not developed settled expectations for “most of the challenged patents” because those patents “have not been in force for a significant period of time (issued in 2020, 2020, 2021, and 2024),” a patent in one of the IPRs “presents different circumstances,” as “[t]he patent challenged in that case has been in force for approximately 10 years, creating strong settled expectations for Patent Owner.”); *Embodify, Inc. v. LifeNet Health*, IPR2025-00248, Paper 13 at 2-3 (PTAB June 26, 2025) (“Furthermore, one

² Patent Owner also asserts “Petitioner is advancing a unified theory of obviousness based on the same core references” for three patents (one of which is the '243 Patent). PO DD Request (Paper 6) at 32-33. While there may be some overlapping prior art that challenge separate claims for separate patents, it has no impact on the fact that Patent Owner has *no* settled expectations for the just-issued '243 Patent.

of the challenged patents has not been in force for a significant period of time (issued in 2022) and the other patent is a parent of the first. Accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial as to the first patent....”); *Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 2-3 (PTAB July 24, 2025) (distinguishing lack of settled expectations for patent that “issued in 2022” and settled expectations for patents that “have been in force for seven and six years”); *TankLogix, LLC v. SitePro, Inc.*, IPR2025-00647, Paper 10 at 2-3 (PTAB July 31, 2025) (distinguishing lack of settled expectations for patents that “have not been in force for a significant amount of time (issued in 2019, 2021, 2022, and 2023, respectively)” and “strong settled expectations” for patents that “have been in force for seven, eleven, and nine years, respectively, creating strong settled expectations for Patent Owner.”).

It is also a factual impossibility that Petitioner could have been aware of and sought to challenge the '243 Patent claims earlier. Putting aside the '243 Patent issued in July 2024, the application leading to the '243 Patent was not even filed under November 1, 2021 (EX1002 at 2, 177; EX1001, Cover Page), and the claims that issued as challenged claims 1-20 were not added until July 20, 2023. EX1002 at 285-303. There is simply no possible settled expectation for any earlier issued

patent³ that could be applied to the '243 Patent when the application, claims, and the '243 Patent were not even in existence then.⁴

Regardless, however, it is noteworthy that Patent Owner has never commercialized, marked, licensed, asserted, or otherwise applied the '243 Patent, nor any other of its patents, in any technology space (let alone in Petitioner's), which further counsels toward rejecting Patent Owner's request here. *See e.g., Shenzhen Tuozhu*, IPR2025-00438, Paper 10 at 3; *Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12 at 2-3 (PTAB June 26, 2025). For example, in response to discovery requests seeking information about marking and licenses, Patent Owner stated that it "is not aware of any products that have been marked with the number of any

³ Patent Owner highlights various related patents, but omits that they are directed to and claim different subject matter (*e.g.*, parental controls in U.S. Patent No. 9,545,930) than the '243 Patent (accessing and updating user profiles).

⁴ This is the first and only post-grant challenge to the '243 Patent by any party, and neither the PTAB nor any other forum has considered the validity of the '243 Patent claims since they were issued last year. Petitioner respectfully submits that this further counsels toward denying Patent Owner's request and referring the Petition to a Board panel.

Asserted Patent” and identified no licenses to any patent. EX1033 at 2-6. Patent Owner has also only recently started to assert any of its patents. It first filed a patent lawsuit in October 2024,⁵ and only alleges that Petitioner had notice of the ’243 Patent since shortly after it issued in July 2024. EX1028 ¶244. The fact that Patent Owner did not start asserting *any* patents in litigation until less than a year ago—and only first reached out to Petitioner about other patents in December 2023 (EX1028 ¶37)⁶—further counsels against any settled expectations for *any* of Patent Owner’s patents, let alone the just-issued ’243 Patent (*i.e.*, Patent Owner has no settled expectations for even the earlier-issued patents that, again, are treated *separately* for purposes of determining whether each patent has settled expectations associated).

In sum: Petitioner’s early challenge to a just-issued and just-asserted patent favors robust, predictable patent rights and weighs against discretionary denial.

⁵ Patent Owner has filed three total suits, two in October 2024 and one in December 2024; two of the three involve the ’243 Patent. *See* EX1028, EX1031, EX1032.

⁶ As Patent Owner concedes, despite identifying other patents, it did not ever mention the ’243 Patent to Petitioner before filing suit on October 3, 2024. *See* EX1028 ¶¶37-45 (no mention of the ’243 Patent); *see also* EX1028 ¶244.

**B. The *Fintiv* Factors Weigh Against Discretionary Denial:
Petitioner Diligently Filed a Strong Petition and Agreed to
Complete Estoppel**

A wholistic view of the factors considered in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”) confirms that discretionary denial is not warranted here. As detailed below, Petitioner diligently filed its PGR Petition approximately six months after Patent Owner filed suit in district court asserting claims 1 and 11 of the ’243 Patent (along with ten other patents) against Petitioner, less than three months after Patent Owner served infringement contentions adding claims 2-10 and 12-20, and less than nine months after the patent issued. Looking at the facts and statistics here, that means that a final written decision is likely to come before trial. To make this a complete and true alternative, Petitioner stipulated to forego *every* invalidity argument in district court for the ’243 Patent, if this PGR is instituted. And the Petition—the first and only post-grant challenge to the patent—is strong on the merits.

Against this backdrop, Petitioner explains in the following sections why the *Fintiv* factors overall weigh strongly against discretionary denial.

1. Factor 1 is Neutral Because There is No Current Stay

Patent Owner speculates that a stay, if requested, would not be granted, and thus this factor weighs against institution. PO DD Request (Paper 6) at 4-6. But in reality, Factor 1 is neutral because there is no indication that if this PGR is instituted

and a subsequent motion to stay is requested, the court will deny a stay. *See, e.g., Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01372, Paper 17 at 10-11 (PTAB Apr. 23, 2025) (finding Factor 1 neutral because the Board “will not attempt to predict how the court in the parallel district court proceedings would proceed if a stay is requested because the court may determine whether or not to stay any individual case based on a variety of circumstances and facts beyond [the Board’s] control and to which the Board is not privy.”) (citing *Sand Revolution II, LLC v. Cont’l Intermodal Grp. - Trucking LLC*, IPR2019-01393, Paper 24 at 7 (PTAB June 16, 2020) (informative)); *see also, e.g., Home Depot U.S.A., Inc. v. Sec. Tech., LLC*, IPR2024-01420, Paper 12 at 43-44 (PTAB Mar. 24, 2025) (“If Petitioner were to file a motion to stay in the EDTX Litigation, we decline to speculate how the district court would rule on such a motion.”); *Ericsson Inc. v. XR Commc’ns LLC*, IPR2024-00868, Paper 8 at 28 (PTAB Dec. 13, 2024) (“Because no motion to stay the proceeding is currently pending, we weigh this factor as neutral. We do not speculate as to whether a motion to stay would be renewed and ultimately granted.”); *Hulu, LLC v. SITO Mobile, Ltd.*, IPR2021-00298, Paper 11 at 11 (PTAB May 19, 2021) (“‘We decline to infer, based on actions taken in a different case with different facts, how the District Court would rule should a stay be requested by the parties in the parallel case here.’ Accordingly, we find that this factor does not weigh for or against

exercising our discretion to deny institution.”) (quoting *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative) (“*Fintiv II*”).

2. Factor 2 Weighs Against Discretionary Denial Because Petitioner’s Diligence Resulted in a Final Written Decision Most Likely Occurring Before Any District Court Trial

Patent Owner premises its argument for Factor 2 on the current date for jury selection (July 20, 2026), along with cherry-picked statistics for median time-to-trial in the EDTX and before the presiding judge, Judge Gilstrap. PO DD Request (Paper 6) at 6-8. According to Patent Owner, this means that trial will begin “four months before any final written decision,” *id.* at 8, though even under Patent Owner’s theory, such trial would be, at most, 3 months, 23 days before.⁷

⁷ This assumes that the Board waits to the final statutorily allowed date to issue an institution decision, and then again waits until the final statutorily allowed date to issue a final written decision. In practice, both decisions typically occur earlier, meaning that any final written decision will most likely come *before* November 12, 2026. Petitioner also respectfully submits that the fact that Petitioner filed its PGR Petition on April 7, 2025, but the Notice of Filing Date Accorded was not issued until May 12, 2025 (Paper 4), should not be held against Petitioner as to this factor.

However, a wholistic consideration of the facts and statistics—including the many that went unaddressed by Patent Owner—confirms that trial is highly unlikely to occur before a final written decision (due on or before November 12, 2026).

First, the current time-to-trial statistics provided by the U.S. Federal Courts show a median time-to-trial for civil trials of 25.9 months for the EDTX. EX1030 at 35.⁸ This would mean that trial would not start until November 30, 2026, *i.e.*, *after* the last possible date for a final written decision to issue here. And even if it were slightly before, in such scenarios where the median time-to-trial indicates that the likely trial date “is reasonably proximate to the projected statutory deadline for a final written decision,” Factor 2 weighs “marginally in favor” of the Board “not

⁸ Patent Owner, for an unknown reason, provided unverified statistics that purport to show time to trial for the period from October 2, 2019 to October 2, 2024 (EX2008, EX2009). It is unclear why Patent Owner chose this five-year period (rather than some other more recent period) or why it failed to utilize the recent statistics provided by the U.S. Federal Courts (EX1030).

exercising [its] delegated discretion to deny institution.” *Cisco Sys., Inc. v. Croga Innovations LTD.*, IPR2024-01283, Paper 8 at 44 (PTAB Feb. 13, 2025).⁹

Second, such timing makes sense given the volume of patent cases filed in the EDTX generally (and before Judge Gilstrap specifically). Judge Gilstrap, for example, currently has over 800 pending patent cases (not to mention additional non-patent cases). EX1035 at 1-30 (patent cases pending before Judge Gilstrap as of July 29, 2025).

Third, that timing also makes sense given the initial date for jury selection frequently slips. Judge Gilstrap has *seven* other trials set to simultaneously start jury selection on July 20, 2026. EX1029 at 1-3 (cases for jury selection as of July 29, 2025); EX1037 at 1 (Consolidation Order consolidating Petitioner’s and another defendant’s cases, except for separate trial, both set for July 20, 2026); EX1036 at 5. At most one of these trials could go forward on that date, meaning that there is currently a 12.5% chance for each case (a far cry from the 100% chance that Patent

⁹ In *Cisco*, the district court trial was set to begin on October 25, 2025, the projected trial date based on median time-to-trial statistics was late December 2025, and the projected final written decision was in February 2026. IPR2024-01283, Paper 8 at 43-44.

Owner posits). And there is a significant possibility that *none* will go forward on that date because of the approximately 70 other cases that are set for jury selection within 15 weeks leading up July 20, 2026. EX1038 at 1-26. These cases likewise have multiple other cases set to simultaneously start jury selection on the same days, meaning these cases too are likely to slip (causing a domino effect with some likely into the July 20, 2026 setting and beyond). *See id.*

Moreover, Petitioner respectfully submits that the most relevant comparison is when the respective proceedings will reach finality for purposes of appeal. Unlike a final written decision, which is truly final and is appealable as of the date issued, a jury verdict is *not*. Patent Owner's theory ignores the amount of time required for a final judgment in district court to become ripe for appeal, *i.e.*, after resolution of post-trial motions (which routinely take several months or more). This means that even if the current jury selection date sticks (which is unlikely), final resolution in district court would not occur until 2027, well after any final written decision here. By that time, any such PGR final written decision would already be under appeal. This PGR proceeding is the most efficient and prompt forum for achieving appealable finality, and it is the only forum that would address any invalidity arguments after institution (as discussed below for Factor 4).

As one final point: even if Factor 2 weighed in favor of discretionary denial due to the trial date (it does not), the other relevant facts and factors (including lack

of settled expectations, Petitioner’s broad stipulation, and the strength of the diligently filed Petition challenging the ’243 Patent soon after issuance) confirm that discretionary denial is not warranted. *See, e.g., Multi-Color*, PGR2025-00025, Paper 10 at 2-3 (denying Patent Owner’s discretionary denial request despite a trial date likely before a final written decision where patent was challenged via PGR nine months after issuance); *Zhuhai Cosmx*, IPR2025-00385, Paper 9 at 2-3 (denying Patent Owner’s discretionary denial request despite a trial date likely before a final written decision where “the challenged patents have not been in force for a significant period of time (issued in 2024, 2023, and 2021)”); *Shenzen Tuozechu*, IPR2025-00438, Paper 10 at 2 (similar); *see also* Section II.A above.

Factor 2 thus weighs against discretionary denial, and even if not, it does not change the overall outcome here.

3. Factor 3 Weighs Against Discretionary Denial Because the Case is in its Early Stages and No Orders Related to the ’243 Patent Will Have Issued at Institution and Petitioner Filed Expeditiously

Although Patent Owner acknowledges that 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,” PO DD Request (Paper 6) at 8, it nonetheless fails to appreciate the significant work that will remain at the time of institution and that the district court will *not* have issued any order related to the ’243 Patent. *See Fintiv*, IPR2020-00019, Paper 11 at 10 (“If, at the time of the

institution decision, the district court has not issued orders related to the *patent at issue in the petition*, this fact weighs *against* exercising discretion to deny institution....”) (emphasis added).

There is no credible dispute that the district court case is in its early stages, with minimal, routine discovery (such as document production, interrogatories and exchanging contentions), but with no depositions, claim construction, or expert reports. By the time of institution in this proceeding, the district court case will be at a similar posture where “much of the district court’s investment relates to ancillary matters untethered to the validity issue itself.” *Sand Revolution*, IPR2019-01393, Paper 24 at 10-11. Among other things, consistent with prior decisions finding this Factor 3 weighed against discretionary denial, the *Markman* hearing is not until January 2026, fact discovery closes in February 2026, expert discovery then follows (and closes in April 2026), and dispositive motions are to be filed in April 2026. *EX2007* at 3-4; *see also Fintiv*, IPR2020-00019, Paper 11 at 10; *SAP Am., Inc. v. Cyandia, Inc.*, IPR2024-01433, Paper 13 at 11 (PTAB Apr. 7, 2025); *Kia Corp. v. Emerging Auto. LLC*, IPR2024-01167, Paper 14 at 16-17 (PTAB Jan. 27, 2025); *Tesla, Inc. v. Autonomous Devices, LLC*, IPR2023-01172, Paper 21 at 8-9 (PTAB Jan. 8, 2024).

Beyond the relatively early stage of the district court case, there is an additional reason that Factor 3 weighs against discretionary denial: Petitioner’s

diligence in preparing and filing this PGR petition. Petitioner filed this petition approximately six months after Patent Owner filed the district-court complaint asserting 11 patents with over 220 claims (*see* EX1028); and less than three months after Patent Owner served infringement contentions asserting 135 claims from those 11 patents against numerous products and adding 18 additional claims for the '243 Patent (EX1026 at 2-7). This is just like the situation in *DISH Network L.L.C. v. Broadband iTV, Inc.*, IPR2020-01332, Paper 14 at 28-29 (PTAB Jan. 27, 2021), where the petitioner was found to be diligent and the factor weighed against discretionary denial, when the petitioner filed its Petition “less than three months after receiving notice of Patent Owner’s infringement positions for all asserted claims (including those not identified originally in the complaint) and prior to the parties exchanging proposed claim constructions and briefing claim construction issues in the Texas case.” *See also Peag LLC v. Varta Microbattery GMBH*, IPR2020-01212, Paper 8 at 20 (PTAB Jan. 6, 2021) (“Petitioner’s diligence in filing the Petition also weighs in favor of not exercising discretion to deny institution.”).

Factor 3 thus weighs against discretionary denial.

4. Factor 4 Weighs Strongly Against Discretionary Denial Because Petitioner's Stipulation Makes the PGR Petition a Complete and True Alternative to the District Court Case.

Factor 4 weighs strongly against discretionary denial because Petitioner stipulated to the broadest possible stipulation, designed to make this PGR proceeding a *complete and true* alternative:

Petitioner Toyota Motor Corp. hereby stipulates that, if the PTAB institutes *post grant* review of U.S. Patent No. 12,039,243 (“the ’243 Patent”) in the above-captioned proceeding, Petitioner will not pursue, against the ’243 Patent in the parallel district court proceeding, the grounds Petitioner raised in this *post grant* review or any other ground that Petitioner could have been raised in this *post grant* review.

EX1027 at 2.

In other words, Petitioner has stipulated, if instituted, that it will not raise *any* invalidity defense in district court for the challenged ’243 Patent. This is because, unlike an IPR, a PGR Petitioner can raise any invalidity defense, including Section 101, 102, 103, and 112 (and as part of that, can rely upon any prior art, whether patents, printed publications, or system art including public use and an on-sale bar). *See* 35 U.S.C. § 321(b) (broad scope of PGR: “A petitioner in a post-grant review may request to cancel as unpatentable 1 or more claims of a patent on *any* ground that could be raised under paragraph (2) or (3) of section 282(b) (relating to invalidity of the patent or any claim).”) (emphasis added); 35 U.S.C § 282(b)(2)

(“Invalidity of the patent or any claim in suit on any ground specified in part II as a condition for patentability.”); 35 U.S.C § 282(b)(3) (“Invalidity of the patent or any claim in suit for failure to comply with—(A) any requirement of section 112, except that the failure to disclose the best mode shall not be a basis on which any claim of a patent may be canceled or held invalid or otherwise unenforceable; or (B) any requirement of section 251.”); *compare* 35 U.S.C § 311(b) (limited scope of IPR: “A petitioner in an inter partes review may request to cancel as unpatentable 1 or more claims of a patent only on a ground that could be raised under section 102 or 103 and *only* on the basis of prior art consisting of patents or printed publications.”) (emphasis added).

Yet, Patent Owner wrongly argues that overlap remains and the stipulation is ineffective because Petitioner could still “rely[] on the same prior art in district court in support of combinations involving non-printed publication art, e.g., prior art based on public use or an on sale-bar.” PO DD Request (Paper 6) at 12-13 (citing *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354, 1365-66 (Fed. Cir. 2025)).¹⁰ Not so. Patent

¹⁰ Before turning to Petitioner’s stipulation, Patent Owner also asserts there is “complete overlap.” PO DD Request (Paper 6) at 11-12. This is an irrelevant straw-man, as the stipulation is what controls the analysis here.

Owner’s mistake is that it fails to appreciate the difference between a PGR petition (as here) and an IPR petition (as in its cited case). There is simply ***no overlap whatsoever***, making this PGR a complete and true alternative to the district court case. *See, e.g., Shenzhen Tuozhu*, IPR2025-00438, Paper 10 at 3 (denying Patent Owner’s request for discretionary denial and noting “broad stipulation”).¹¹

This also makes the situation here unlike *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025), cited in Patent Owner’s Request (at 13). Patent Owner attempts to rope into the analysis other patents (beyond the ’243 Patent) to assert continued overlap. PO DD Request (Paper 6) at 11-13. But those patents are *not* being challenged here, and so have no impact on the relevance of the stipulation as between the PTAB and district court for the challenged ’243 Patent. One of them—the ’297 Patent (PO DD Request (Paper 6) at

¹¹ The “broad stipulation” in *Shenzhen Tuozhu* covered only Section 102 and 103 including system art (EX1034 at 1), making it narrower than Petitioner’s stipulation here, covering all invalidity defenses including under Section 101, 102, 103 and 112 (EX1027 at 2).

14)—is *not* even asserted against Petitioner.¹² Nor did *Motorola* stand for such a proposition, as it involved the classic case of the petitioner still being able to challenge the same patent using “unpublished system prior art.” *Motorola*, IPR2024-01205, Paper 19 at 4. The same is true for the other decision Patent Owner cites, *SAP Am., Inc. v. Cyandia, Inc.*, IPR2024-01495, Paper 13 at 8-9 (PTAB Apr. 7, 2025) (“*SAP II*”). In *SAP II*, the Board found that the petitioner’s *Sotera* stipulation for its IPR would not prevent the petitioner from presenting an invalidity defense in district court for the same challenged patent “based on the same evidence,” but couched in terms of a system (in district court) as opposed to a printed publication (in the IPR). *Id.* That is not a possibility here, as Petitioner has stipulated to forego any invalidity defense for the ’243 Patent, if its PGR Petition is instituted.

¹² Patent Owner omits that the ’297 Patent is asserted against another defendant (General Motors) (EX1032 ¶15), but *not* Petitioner (EX1028 ¶17). General Motor’s case was consolidated only for pre-trial purposes with Petitioner’s case. EX1037 at 1. The fact that Patent Owner is attempting to sweep into the analysis a patent it is not even asserting against Petitioner only further demonstrates the fallacy in Patent Owner’s theory.

Because the PGR Petition, if instituted, presents a complete and true alternative to the district court case for the '243 Patent, Factor 4 strongly weighs against discretionary denial.

5. Factor 5 Weighs Against Discretionary Denial or is Neutral

The parties (when considered with their RPI) before the Board and district court are the same, as in almost all post-grant proceedings. Petitioner thus respectfully submits this factor is at worst neutral, but under the facts here, it weighs against discretionary denial because both the trial date and final resolution in district court are most likely *after* the final written decision date. *See, e.g., DISH Network, IPR2020-01332, Paper 14 at 31* (Petitioner and defendant being the same “could weigh either in favor of, or against, exercising discretion to deny institution, depending on which tribunal was likely to address the challenged patent first.”).¹³

But even if it did weigh slightly in favor of discretionary, it is not dispositive and must be considered in the context of all other factors. *See, e.g., Kubota N.A. Corp. v. Vermeer Mfg. Co., IPR2025-00171, Paper 15 at 15-16* (PTAB June 10, 2025) (declining to exercise discretionary denial).

¹³ Of course, if instituted, Petitioner’s stipulation means that *only* the PTAB will address the validity of the '243 Patent.

**6. Factor 6 Weighs Strongly Against Discretionary Denial
Because of the Petition’s Merits and Other Considerations**

Factor 6 weighs strongly against discretionary denial, both because of the merits and other considerations as explained below.

a. The Merits are Strong

Patent Owner’s only argument for Factor 6 is that it allegedly “weighs in favor of denial because the merits are not compelling, and the rest of the factors favor denial.” PO DD Request (Paper 6) at 15. Patent Owner then proceeds to take issue with the merits of each ground. *Id.* at 15-30. Petitioner addressed above *Fintiv* Factors 1-5. And Patent Owner’s merit-based arguments should be dismissed for both policy interest reasons in violation of the Director’s bifurcation process¹⁴ and because Patent Owner’s arguments fail to show any actual flaws in the Petition’s demonstration that all 20 challenged claims are invalid both under Section 101 as being directed to patent ineligible subject matter and under Section 103 as being obvious over the prior art.

The Petition (Paper 1) explains all of this in detail; Petitioner responds briefly below to the specific issues Patent Owner raised in its Discretionary Denial Request.

¹⁴ See, e.g., EX2012 at 7 (FAQ 25: “The parties should not treat a discretionary denial brief or opposition as an additional opportunity for merits briefing.”).

Ground 1 (Claims 1-20 are Invalid under Section 101): Patent Owner does not credibly dispute the detailed showing in the Petition. Patent Owner incorrectly asserts that “Petitioner’s arguments regarding subject matter eligibility mischaracterize the claims and ignore many fundamental claim elements.” PO DD Request (Paper 6) at 15. But Petitioner (supported by its expert’s detailed analysis, which Patent Owner does not address at all) walked through the broad, functionally written claims and explained—using a wealth of analogous Federal Circuit case law and admissions from the ’243 Patent itself—that, among other things:

- “Consistent with a long line of Federal Circuit precedent, [representative] independent claim 1 of the ’243 Patent is directed to the abstract idea of accessing and updating information, using admittedly conventional computer components. In other words, the claim ‘*as a whole*’ is directed to nothing more than updating stored information after verifying that the updater is allowed to do the updating.” Petition (Paper 1) at 20 (emphasis added).
- An analysis of claim 1 confirms that it “simply receives a request to access stored data, authorizes the request, determines a request to update the data, and updates the data,” and the claimed steps “amount to nothing more than ‘*broad*’ functions and are *not* directed to any technological improvement for performing those functions.”” *Id.* at 21-22 (emphasis added).
- The “fact this is ‘user profile’ information (as opposed to some other type of information) and is done ‘at a vehicle’ is of no moment when considering the nature of the claim,” *id.* at 20-21; indeed, “the Federal Circuit has repeatedly held that limiting the information to particular content (*e.g.*, user

profiles) or technological environment (e.g., for ‘vehicles’) does *not* change the claims’ abstract nature.” *Id.* at 27 (emphasis added).

- “There are not even specifics provided for how these instructions must be performed; the claim repeatedly requires ‘determin[ing]’ **without** any specific requirement as to how that determination is made,” which the patent describes can “include *any* type of methodology, process, mathematical operation, or technique.” *Id.* at 23 (italics in original; bold added).
- “[T]he ’243 Patent makes several statements that bear on the claims’ abstract nature” including that “a ‘profile’ can consist of basically any data,” that “any known, conventional processor may be used,” that “any known, conventional memory may be used,” and “to use known, conventional ‘verification’ and ‘authentication’ processes (e.g., ‘known facial recognition techniques,’ other biometrics, passwords, device identification, key exchange, ‘and the like’).”¹⁵ *Id.* at 23-25.

¹⁵ For example, as explained in the Petition (at 4 and 23-24), according to the ’243 Patent, “a ‘profile’ can be basically any data: ‘[t]he term ‘profile,’ as used herein, can refer to *any* data structure, data store, and/or database that includes one or more items of information associated with a vehicle, a vehicle system, a device (e.g., a mobile device, laptop, mobile phone, etc.), or a person.” EX1001, 14:50-55, 17:54-62 (emphasis added). The Petition (at 4 and 24) further explained that any

- “[T]he patent confirms its system does *not* actually need any particular computer or component, but rather it is broadly applicable to ‘any device(s) or means capable of implementing the methodology illustrated herein [that] can be used to implement the various aspects of this disclosure.’” *Id.* at 25 (emphasis added).
- “Lastly, the ‘verification process’ or ‘authentication process’ does not affect the analysis. These steps have routinely been found abstract, especially where they rely on known, conventional techniques like claim 1 of the ’243 Patent (which can be as basic as a password).” *Id.* at 27. Likewise, adding two abstract ideas together “‘does *not* render the claim non-abstract.’” *Id.* at 28 (emphasis added).

Petitioner explained all of this (and more) in detail with supporting case law and expert testimony. *See, e.g.*, Petition (Paper 1) at 20-28, 31-34.

In sum: Patent Owner does not actually address the arguments and evidence presented in the Petition (nor the wealth of supporting case law), and fails to appreciate, among other things, the ’243 Patent’s admissions and the high-level, functional nature of the claims that include “several features that are well-settled

conventional, known processor and memory can be used, as well as known authentication/verification processes. EX1001, 92:66-93:67, 11:42-12:8, 21:64-22:53.

indicators of abstractness” according to the Federal Circuit. *See also id.* As Ground 1 alone is dispositive (and extremely compelling), it significantly weighs against discretionary denial.

Ground 2 (Claims 1, 6-8, 11, and 16-18 are Obvious in view of Hendry): Patent Owner incorrectly asserts that Petitioner failed to “show the obviousness of multiple elements, including the requirement that the ‘user profile including one or more preferences associated with functions or settings of the vehicle’, ‘receiving a request to access’ the profile, and the creation of an ‘updated user profile including one or more updated preferences based on the one or more requested modifications’ of element.” PO DD Request (Paper 6) at 19. In doing so, Patent Owner only actually addresses, in part, limitation 1[c-1], and wrongly so. *Id.* at 19-20.

Patent Owner confusingly argues that “Petitioner fails to demonstrate how Hendry’s disparate datastores satisfy the claimed ‘user profile including one or more preferences associated with functions or settings of the vehicle’ of element 1[c-1], let alone receiving a request to access said user profile.” *Id.* at 20. But Petitioner and its expert explained both in detail. Hendry—just like the ’243 Patent and its broad definition of “profile”—includes a user profile with a particular user’s preferences for various settings and functions. Petition (Paper 1) at 38-39, 40-44.

Patent Owner also appears to take issue with the fact there are multiple data stores in Hendry’s Figure 2. This is both irrelevant and wrong. It is irrelevant

because, as Petitioner and its expert explain, Hendry teaches that “[*e*]ach datastore stores parameter *values* relating to the user’s personal *settings*,” EX1005, [0021] (emphasis added); EX1003 ¶153, and “module[s] may include memory (shared, dedicated, or group) that store[] code executed by the processor,” EX1005, [0036], [0038]; EX1003 ¶153. It is wrong because Petitioner and its expert also explain that “Hendry discloses that datastores (in Figure 2) may be a single datastore (in Figure 5).” EX1005, [0033], FIG. 5; EX1003 ¶¶154, 84, 87. *See also* Petition (Paper 1) at 38-39, 41-44. It is also wrong because it ignores the ’243 Patent’s broad definition of “profile.” EX1001, 14:50-55, 17:54-62; *see also* n.15 above (explaining same).

As to the “request,” Patent Owner does not actually explain its view, but asserts that reinstatement of a user’s personal settings is “not a request to access a user profile.” PO DD Request (Paper 6) at 20. In doing so, Patent Owner misstates the Petition and Hendry, and ignores the vast majority of the evidence and argument presented by Petitioner.

Indeed, Hendry plainly discloses limitation 1[c-1] in multiple ways, as a review of the entire argument and evidence in the Petition (and corresponding expert declaration) shows. As explained in the Petition (at 41), “Hendry discloses, in Figure 2, that ‘user settings system 102 uses a *request* from an external device 100 to establish the communications link to determine the identity of the user or the device,’” and “[i]n essence, the user settings system 102 *piggybacks* the request to

establish a communication link *into a request* to reinstate the personal settings of the user....” EX1005, [0019] (emphasis added); EX1003 ¶¶167-70. Also as explained in the Petition (at 42):

Hendry similarly discloses “receiving a *request* to establish a communications link between a communications module of the vehicle and an external device associated with a user of the vehicle from the external device” and “*retrieving settings* of the at least one vehicle component of the vehicle from a data store.” EX1005, [0004], [0014] (“[u]pon receiving notification of the user or external device 100, each of the modules 104, 112, 116, and 120, will retrieve user settings corresponding to the user or external device 100 from a respective datastore” in the vehicle, such as HVAC, etc.), [0021] (“Each datastore stores parameter values relating to the user’s personal settings”), [0027]-[0028]; EX1003 ¶171.

And Petitioner explained in the Petition (at 43-44), regarding Figures 3A, 3B, and 4, that a request is received to access and restore a user’s personal settings using a user identifier or device identifier. EX1005, [0027]-[0028]; *see also* [0013]-[0014], [0019]; EX1003 ¶¶173-74, 88-94. For example, in Figure 3B, “a user identifier is used to retrieve the settings rather than a device identifier” as in Figure 3A, based on the request. EX1005, [0027]-[0028]; EX1003 ¶¶90, 173. That too plainly teaches limitation 1[c-1].

In short, there can be no credible debate that Hendry discloses limitation 1[c-1] (and renders obvious the claims challenged in Ground 2).

Ground 3 (Claims 2-7 and 12-17 are Obvious in view of Hendry and Poulsen):

Patent Owner argues that there was no motivation or reasonable expectation of success shown, primarily because Petitioner allegedly set up a “common motivation” for all claims. This is both irrelevant and wrong.

Common or not as to certain related claims, the motivation is clearly there for the trivial details added to the dependent claims. Among other things, Petitioner and its expert—using the state of the art—explained why a POSA would have been motivated to transmit, save, share, and update profiles across various vehicles (consistent with the claims that simply involve such concepts, as in claims 2-5 and 12-15). Of course, that encompasses things like resolving “conflicts”; there is nothing special to doing that or any other trivial detail in the claims that were all well-known and commonplace in the art. Indeed, consistent with the explanation and evidence in the Petition, that is nothing more than updating or synchronizing versions of a profile (and, in any event, it is consistent with the analysis Petitioner provided regarding Poulsen’s teachings as applied to Hendry). Petition (Paper 1) at 57-60; *see also, e.g.*, EX1003 ¶¶200-211. Petitioner (and its expert) then went on to provide additional details for the specific claims. Petition (Paper 1) at 61-72.

Patent Owner also ignores the additional analysis and evidence that Petitioner “discussed further below” in the Petition. *Id.* at 60. This failure leads Patent Owner to wrongly assert that “Petitioner’s common motivation to combine and modify fails to address at least the determination of conflicts (claims 3-5, 13-15), performing both the verification process and the authentication process (claims 6 and 16), and biometric recognition, gesture recognition, facial recognition, or identification of a mobile device (claims 7 and 17).” PO DD Request (Paper 1) at 23. Petitioner did nothing of the sort. For example, Petitioner explained “below” in the Petition (at 71-72) regarding claims 6, 7, 16, and 17’s authentication/verification, that those claims would have been obvious for various reasons (including those as applied to Hendry for Ground 2 and as well as in view of Poulsen for Ground 3). *Id.* at 71-72. Petitioner also explained using the state of the art that “[a] POSA would have understood, and found it obvious, to apply various authentication and verification processes—including those known to be used in a variety of applications including vehicles (biometrics, passwords, security keys, etc. as known in the art and disclosed in Hendry, Poulsen and other state of the art)—to beneficially increase security and decrease the likelihood of unauthorized access if one method becomes compromised (including the benefit of using ‘fingerprints’ specifically due to them being ‘unique’).” *Id.*

Patent Owner asserts that Petitioner “fails to discuss both *why* and *how* the alleged teachings of Poulsen regarding authentication and verification would be combined with Hendry” for claims 6-7 and 16-17. PO DD Request (Paper 6) at 24 (emphasis in original). This is wrong: these claims simply require both unspecified authentication and verification processes (claims 6 and 16) and particular well-known processes (claims 7 and 17). The Petition (at 71-72) explained the obviousness of these claims, both in the context of these references and with reference to earlier analysis (for Hendry, at 54-56) including that a POSA would have understood to advantageously apply a variety of known processes that were well-known and disclosed in the prior art and likewise admitted in the ’243 Patent. Not only did Petitioner explain the obviousness of these claims, but having admitted in the specification that these techniques were well known, Patent Owner cannot argue there was something difficult or inventive about applying particular known processes disclosed in the prior art for Ground 3. *See, e.g., McCoy v. Heal Sys., LLC*, 850 F. App’x 785, 789 (Fed. Cir. 2021) (“The Board did not err by accepting the specification’s own assertions of what is well known in the art.... By characterizing certain parts as conventional in the specification, the patentee effectively admits that such things would be known to a POSA.”); *Qualcomm Inc. v. Apple Inc.*, 24 F.4th 1367, 1376 (Fed. Cir. 2022) (“[A] patentee’s admissions about the scope and content of the prior art provide a factual foundation as to what a skilled artisan would have

known at the time of invention.”); *Koninklijke Philips N.V. v. Google LLC*, 948 F.3d 1330, 1339 (Fed. Cir. 2020) (“As an initial matter, it is appropriate to rely on admissions in a patent’s specification when assessing whether that patent’s claims would have been obvious.”).

As to reasonable expectation of success, Patent Owner ignores Petitioner’s (and its expert’s) showing—as evidenced by the state of the art, as well as the admissions in the ’243 Patent—that there would be no technical difficulty in transmitting, storing, updating, etc. user profiles using conventional techniques or using various well-known authentication/verification processes. Petition (Paper 1) at 59-60, 71-72; EX1003 ¶¶211, 237-240, 76, 45-48, 54-58.

Ground 4 (Claims 9, 10, 19, and 20 are Obvious in view of Hendry and Rovik): Patent Owner’s only arguments are that this ground fails for the reasons in Ground 2 and “fails to allege with particularity that a POSA would have had reasonable expectations of success in combining Rovik with Hendry.” PO DD Request (Paper 6) at 26. As to the former, Patent Owner is wrong (for the reasons above and further detailed in the Petition). As to the latter, Patent Owner’s theory is seemingly premised on a key-word search for the specific term “reasonable expectation of success.” In reality, Patent Owner ignores that Petitioner (and its expert)—using the state of the art and the ’243 Patent’s own admissions—demonstrated that it would have been a simple modification to use a profile with a common data structure that

is transmitted and shared using conventional techniques. Petition (Paper 1) at 76; EX1003 ¶253 (explaining state of the art and patent admissions confirm there are no “technical difficulties” and that it would be a “simple modification” and involved “a simple client-server operation that was well-known in the art using typical database structures”), ¶76 (explaining general knowledge of a POSA as evidenced by the state of the art which further supports the reasonable explanation of success). Petitioner (and its expert) then also explained the basic nature of the claims and how it was a straightforward and obvious application of the prior art (further supporting the expectation of success). Petition (Paper 1) at 76-81; EX1003 ¶¶254-265.

Ground 5 (Claims 1, 6, 7, 11, 16, and 17 are Obvious in view of Singh): Patent Owner asserts that “Petitioner fails to show the obviousness of multiple elements, including ‘receiv[ing] a request to access a user profile stored at a vehicle, the user profile including one or more preferences associated with functions or settings of the vehicle’ (element 1[c-1]) and ‘performing at least one of a verification process or an authentication process in response to the request’ (element 1[c-2]).” PO DD Request (Paper 6) at 26. Not so. Petitioner (and its expert) explained that Singh teaches a request to access a user profile stored at a vehicle that is initiated by a multi-factor authentication process (Petition (Paper 1) at 83-84), and in response to that request, the multi-factor authentication/verification process occurs (*id.* at 84-85). *See also*

EX1003 ¶¶284-291 (explaining same). Indeed, the point of Singh is to obtain access to and restore a user's stored profile.

Ground 6 (Claims 2-8 and 12-18 are Obvious in view of Singh, Cazanias and Forstall): Patent Owner takes issue with the motivation to combine and reasonable expectation of success, like it did for Ground 3. PO DD Request (Paper 6) at 28, 30. But, as with the other grounds, the motivation and expectation of success are clearly there for the trivial details added to the dependent claims. Among other things, Petitioner and its expert—using the state of the art—explained that “a POSA would have been motivated to apply, and had a reasonable expectation of success in applying, Cazanias’s disclosure of transferring a user profile from a vehicle to a server for purposes of facilitating sharing profiles among vehicles and Forstall’s disclosure of synchronizing stored data between a vehicle and remote device with Singh’s system and method for managing and updating user profiles in a vehicle.” Petition (Paper 1) at 89-91; EX1003 ¶¶308-18. The Petition also explained why a POSA would have been motivated to transmit, save, share, and update profiles across various vehicles (consistent with the claims that simply involve the same concepts in claims 2-5 and 12-15). Of course and again, updating and synchronizing encompasses things like resolving “conflicts”; and there is nothing special to doing that or any other trivial detail in the claims that were well-known and commonplace

in the art. Petitioner (and its expert) then went on to provide additional details for the specific claims. Petition (Paper 1) at 92-99.

Here too, Patent Owner also ignores the additional analysis and evidence that Petitioner “discussed further below” in the Petition. *Id.* at 90. For example, Petitioner explained “below” in the Petition (at 98-99) regarding claims 6-8 and 16-18’s authentication/verification, that those claims would have been obvious for various reasons. Petitioner also explained using the state of the art—which Patent Owner ignores—that “[a] POSA would have understood, and found it obvious, to apply various authentication and verification processes—including those known to be used in a variety of applications including vehicles (biometrics, passwords, security keys, etc. as known in the art and disclosed in Singh, Cazanias, Hendry, Poulsen and others)—to beneficially increase security and decrease the likelihood of unauthorized access if one method becomes compromised (including the benefit of using biometrics specifically due to them being ‘unique’).” *Id.*

As to reasonable expectation of success, Patent Owner likewise ignores Petitioner’s (and its expert’s) showing—as evidenced by the state of the art, as well as the admissions in the ’243 Patent—that there would be no technical difficulty in its transmitting, storing, updating, etc. user profiles using conventional techniques or using various well-known authentication/verification processes. Petition (Paper 1) at 90-91, 98-99; EX1003 ¶¶318, 339-344, 76.

Patent Owner also asserts that Forstall is not in the same field as Singh and Cavanas (or the '243 Patent) or directed to the same problem. PO DD Request (Paper 6) at 28-29. Patent Owner is seemingly taking an overly narrow view of both, as well as misrepresenting what Forstall actually discloses. Indeed, Forstall is titled “Synchronizing mobile and vehicle devices,” and discloses, among other things, updating and synchronizing settings when new information is found on a mobile or vehicle device and resolving conflicts between device settings. Petition (Paper 1) at 15-16; EX1010, [0006]-[0013], [0079], [0090]-[0092]. That Forstall includes additional disclosure regarding sensors and location determination has no impact here (just like the '243 Patent's disclosure of various sensors does not either).

Lastly, Patent Owner asserts that Petitioner “additionally fails to discuss *how* a POSA would modify Singh based on any of Cazan's or Forstall's alleged teachings with respect to claims 6-8 or 16-18.” PO DD Request (Paper 6) at 29 (emphasis in original). This is again wrong (similar to the discussion above for Ground 3): these claims simply require both unspecified authentication and verification processes (claims 6 and 16) and particular well-known processes (claims 7, 8, 17, and 18). The Petition (at 98-99) explained the obviousness of these claims, both in the context of these references and with reference to earlier analysis (for Singh) including that a POSA would have understood to advantageously apply a variety of known processes (indeed, Singh itself already discloses to do so, the prior

art discloses the particular processes, and the '243 Patent likewise admits they were well-known). And again, not only did Petitioner explain the obviousness of these claims, but having admitted in the specification that these techniques were well known, Patent Owner cannot argue there was something difficult or inventive about applying particular known processes in Ground 6. *See, e.g., McCoy*, 850 F. App'x at 789; *Qualcomm*, 24 F.4th at 1376; *Koninklijke Philips*, 948 F.3d at 1339.

Ground 7 (Claims 9, 10, 19, and 20 are Obvious in view of Singh and Rovik):

Similar to Ground 4, Patent Owner's only arguments are that this ground fails for the reasons in Ground 5 and "fails to allege with particularity that a POSA would have had reasonable expectations of success in combining Rovik with Singh." PO DD Request (Paper 6) at 30. As to the former, Patent Owner is wrong (for the reasons above and further detailed in the Petition). As to the latter, Patent Owner's theory is again seemingly premised on a key-word search for the specific term "reasonable expectation of success." In reality, Patent Owner once again ignores that Petitioner (and its expert)—using the state of the art and the '243 Patent's own admissions—demonstrated that it would have been a simple modification to use a profile with a common data structure that is transmitted and shared using conventional techniques. Petition (Paper 1) at 101; EX1003 ¶¶356, 76. Petitioner (and its expert) then further explained the basic nature of the claims and how it was a straightforward and

obvious application of the prior art (further supporting the expectation of success).
Petition (Paper 1) at 102-105; EX1003 ¶¶357-370.

* * * *

In sum: the Petition presents a compelling case across all seven of its Grounds, demonstrating the unpatentability of every challenged claim in multiple ways.

b. Other Considerations Weigh Against Discretionary Denial

Other considerations further weigh against discretionary denial under *Fintiv*'s wholistic approach. First, Patent Owner has *no* settled expectations and Petitioner diligently filed its challenge to the '243 Patent early in the '243 Patent's life. *See* Section II.A above.

Second, the Petition presents new art and argument that were not previously considered by any tribunal. Indeed, the Examiner was not privy to any of Hendry, Singh, Poulsen, Rovik, or Forstall, nor did the Examiner ever reject the claims that issued, only a set of claims that the applicant canceled. *See* EX1002 at 106-108, 203-211, 297-302, 370-375. There is no indication the Examiner considered any Section 101 rejection (had that been done, as the Petition explains in detail, the claims would not have issued in the first place). The same is true had the Examiner been aware of the references forming Petitioner's obviousness grounds. As the Petition explains, the prior art in Petitioner's Grounds discloses the limitations the applicant asserted were missing in the art-of-record, and renders obvious the challenged claims.

Petitioner respectfully submits that allowing the Petition to proceed on the merits is thus worthwhile for this additional reason.

Lastly, Petitioner and its RPI are significant contributors to the U.S. economy, having invested many billions of dollars across the country. *See, e.g.*, EX1039 at 1-8. This contrasts with Patent Owner, which has only recently started to assert patents.

III. Conclusion

Patent Owner has no settled expectations, and if any exist, they are Petitioner's expectation of filing an early challenge of the '243 Patent and having it considered on the merits. The *Fintiv* factors also weigh against discretionary denial. Petitioner has agreed to forego every possible invalidity argument for the '243 Patent in district court, if its PGR Petition is instituted; a final written decision is likely to issue before any trial; and Petitioner has presented compelling evidence not previously considered by any tribunal that every challenged claim is invalid under Section 101 and 103 for multiple reasons. For these reasons, and the others detailed above, Petitioner respectfully submits that discretionary denial is not warranted and that its Petition should be referred to a Board panel for consideration on the merits.

Respectfully submitted,

REICHMAN, JORGENSEN, LEHMAN &
FELDBERG LLP

Dated: August 12, 2025

/Patrick Colsher/
Patrick Colsher (Reg. No. 74,955)
Lead Counsel for Petitioner

CERTIFICATE OF COMPLIANCE

I hereby certify that this paper complies with the type-volume limitation of 37 C.F.R. § 42.24 and the Interim Processes Memo (as determined by the Microsoft Word word-processing system used to prepare this paper) because it contains 9,555 words, excluding the parts of the paper exempted by 37 C.F.R. § 42.24(a).

Dated: August 12, 2025

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document, along with any exhibits not previously served, were served on August 12, 2025, via electronic mail upon counsel of record for Patent Owner at the following email addresses:

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