

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD

CORETRONIC CORPORATION and
OPTOMA CORPORATION,
Petitioners,

v.

MAXELL, LTD.,
Patent Owner.

Case No.: IPR2025-00477

U.S. Patent No. 7,850,313

**PETITIONERS' OPPOSITION TO PATENT OWNER'S
REQUEST FOR DISCRETIONARY DENIAL**

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I. INTRODUCTION

Petitioners Coretronic Corporation and Optoma Corporation (“Petitioners”) respectfully submit this Opposition to Patent Owner Maxell, Ltd.’s (“Patent Owner”) Request for Discretionary Denial of the Petition for *inter partes* review (“IPR”) of U.S. Patent No. 7,850,313 (“the ’313 Patent”). Patent Owner’s request, filed on May 12, 2025, seeks to avoid a merits-based review of the Petition’s well-supported grounds of unpatentability under 35 U.S.C. § 314(a) and § 325(d), as well as the March 26, 2025 Acting Director’s Memorandum (“Memo”). Patent Owner’s arguments lack merit and therefore discretionary denial is unwarranted.

The Petition, filed on January 17, 2025, challenges claims 1-3 of the ’313 Patent based on seven grounds, relying on prior art such as Yamagishi ’723, Itohiya ’986, Itohiya ’759, Ohzawa, Karasawa, and Yamagishi ’706, which reveal significant deficiencies in the patentability of the challenged claims. Petitioners have not been involved in any previous review of the ’313 Patent, and the Office has not previously considered the cited references or their combinations. The *Fintiv* factors do not favor denial, as the parallel district court litigation in *Maxell, Ltd. v. Coretronic Corp.*, No. 5:24-cv-00088-RWS-JBB (E.D. Tex.) remains at an early stage, with Petitioners committing to file a motion to stay upon institution and offering a *Sotera*-style stipulation to eliminate overlap between the two proceedings. Further, the additional factors set forth in the Memo, including the strength of the

unpatentability challenges and the propriety of expert testimony, further support institution. Accordingly, the Board should reject Patent Owner's request and institute trial in this proceeding.

II. PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL SHOULD BE REJECTED

A. The Fintiv Factors Do Not Support Discretionary Denial

Patent Owner argues that the Board should exercise discretion under 35 U.S.C. § 314(a) and *Fintiv* to deny institution due to parallel district court litigation. However, a comprehensive analysis of the *Fintiv* factors shows that discretionary denial is unwarranted. The parallel litigation is not sufficiently advanced to prejudice efficient resolution by the Board, and Petitioners' proactive measures mitigate any potential overlap or inefficiency.

1. Status of Motion to Stay (Factor 1)

Patent Owner asserts that no stay has been requested in the district court litigation and surmises that "a stay would be unlikely in the event of institution." Paper 6 at 4. This argument is both speculative and premature. As of the date of this Opposition, fact discovery is ongoing with a deadline of August 7, 2025 (EX2003), and no final pretrial conference, trial preparations, or substantive rulings have occurred.

Requesting a stay of the district court proceedings pending an IPR that has not been instituted is premature. *See Trover Grp., Inc. v. Dedicated Micros USA*, No.

2:13-CV1047-WCB, 2015 WL 1069179, at *6 (E.D. Tex. Mar. 11, 2015) (Bryson, J.) (“In this district . . . it is the universal practice” to deny stay requests before the PTAB has acted on a petition for review); *Viavi Sols. Inc. v. Zhejiang Crystal-Optech Co.*, No. 2:21-CV-00378-JRG, 2022 WL 16856099, at *5 (E.D. Tex. Nov. 10, 2022) (“It is the Court’s established practice to consider that motions to stay pending IPR proceedings which have not been instituted are inherently premature and should be denied as such.”).

In addition, Petitioners will promptly file a motion to stay the parallel litigation upon institution of this IPR. Courts frequently grant such stays, and the Board has not found that this factor weighs against institution where a Patent Owner offers only self-serving conjecture. *See, e.g., VMWare, Inc. v. Intell. Ventures II LLC*, IPR2020-00859, Paper 13 at 12 (PTAB Nov. 5, 2020) (“In the absence of any evidence specific to this case, we decline to speculate about the presiding judge’s inclinations.”) (*citing Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative) (“We decline to infer, based on actions taken in different cases with different facts, how the District Court would rule should a stay be requested by the parties in the parallel case here.”)); *Nikon Corp. et al. v. Optimum Imaging Techs., LLC*, IPR2024-01374, Paper 19 at 10 (PTAB April 29, 2025) (“We 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 our 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)); *MediaTek Inc. v. Daedalus Prime LLC*, IPR2025-00100, Paper 10 at 27 (PTAB May 19, 2025) (“The Board’s decision in [*Fintiv*] cautions against speculating whether the district court would grant a stay if one were requested. Therefore, this factor has a neutral effect on the overall balancing of the *Fintiv* factors.”); *Samsung Elecs. Co., Ltd. et al. v. Mullen Indus. LLC*, IPR2025-00021, Paper 14 at 8-9 (PTAB May 14, 2025) (“Given that the district court denied Samsung’s motion to stay ‘WITHOUT PREJUDICE to refiling of the same within fourteen (14) days following the PTAB’s institution decision on the last of the pending IPRs’ . . . we decline to speculate whether the district court will grant a stay. Thus, we find that factor 1 is neutral.”) Patent Owner provides no evidence specific to this case of judicial resistance to a stay. Thus, this factor is neutral.

2. Proximity of the District Court Trial Date (Factor 2)

Patent Owner contends that the scheduled trial date of March 23, 2026, over five months before the statutory Final Written Decision deadline of September 10, 2026, favors denial. Paper 6 at 5-6. However, this timeline provides the Board with sufficient opportunity to issue a decision before trial, aligning with the America Invents Act’s (AIA) goal of efficient patentability resolution since “the currently

scheduled trial date is more than nine months away and much can change during this time.” *Dish Network LLC v. Broadband iTV, Inc.*, IPR2020-01359, Paper 15 at 15 (PTAB Feb. 12, 2021) (granting institution). As stated above, Petitioners will promptly file a motion to stay the parallel litigation upon institution of this IPR. If the motion to stay is granted, the trial date will be after the deadline for a Final Written Decision.

The Petition also cites median disposition times in the Eastern District of Texas that suggest a potential trial around May 2026 (Pet. at 10), preceding the statutory Final Written Decision deadline here by only three to four months.¹ Patent Owner’s dismissal of this statistical evidence as speculative overlooks the Board’s reliance on such data. *See Green Revolution Cooling, Inc. v. Midas Green Technologies, LLC*, IPR2025-00196, Paper 7 at 11 (PTAB May 23, 2025) (“We ‘may consider any evidence that the parties make of record that bears on the proximity of the district court’s trial date . . . , including *median time-to-trial statistics for civil actions in the district court* in which the parallel litigation resides.’”) (quoting Guidance on USPTO’s rescission of “Interim Procedure for

¹ Petitioners filed a motion to transfer the district court case to the Northern District of California, where they had filed a declaratory judgment action and trial was scheduled for July 2027, well after the Final Written Decision deadline. *See Optoma Tech. Inc. v. Maxell Ltd.*, No. 3:24-cv-08147-TLT, Dkt. 49 (N.D. Cal.). Although the motion was denied, Petitioners plan to file a petition for writ of mandamus with the Federal Circuit.

Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation,” issued on March 24, 2025, by Chief APJ Boalick) (emphasis in original).

Moreover, Patent Owner overstates its argument that this factor “strongly favors discretionary denial.” Paper 6 at 6. In similar cases where the scheduled trial date is five months before the statutory Final Written Decision deadline but subject to change, the Board has found that this factor only weighs “slightly in favor of discretionary denial.” *Zynga Inc. v. IGT*, IPR2022-00368, Paper 7 and 10 (PTAB July 8, 2022). Such is the case here.

3. Investment in the Parallel Proceeding (Factor 3)

Patent Owner argues that investment in the district court litigation, including a Markman hearing on May 9, 2025, and ongoing discovery, weighs against institution. Paper 6 at 7-8. However, as of the anticipated institution decision date (September 10, 2025), the parallel litigation will remain in its early stages. Fact discovery closes on August 7, 2025 and expert discovery closes on October 9, 2025 (EX2003), and no dispositive motions (beyond the pending 12(b) motions) or trial preparations have been completed. Petitioners have just filed their answers to the complaint on June 2, 2025, no depositions relating to the ‘313 Patent or accused products have been taken, no expert reports have been exchanged, and the court has not engaged in claim construction related to the ‘313 Patent, with document production still ongoing. Thus, this case stands in stark contrast to *Motorola Sols.*,

Inc. v. Stellar, LLC cited by Patent Owner, where extensive expert discovery and trial preparation had occurred. The court’s denial of Petitioners’ motion to transfer (EX2005) and related dismissals (EX2006) reflect routine case management, not “significant investment” in the parallel proceeding. In *Sand Revolution II*, the Board observed that “aside from the district court’s Markman Order, much of the district court’s investment relates to ancillary matters untethered to the validity issue itself. . . . Also, we recognize that much work remains in the district court case as it relates to invalidity: fact discovery is still ongoing, expert reports are not yet due, and substantive motion practice is yet to come. Thus, although the parties and the district court have invested effort in the related district court litigation to date, further effort remains to be expended in this case before trial.” IPR2019-01393, Paper 24 at 10-11 (finding factor 3 “weighs only marginally, if at all, in favor of exercising discretion to deny institution . . .”).

Although the district court has conducted a Markman hearing, that hearing was not related to ‘313 Patent because Patent Owner and Petitioners did not ask the court to interpret any terms of ‘313 Patent. Therefore, there will be no claim construction order relating to the ‘313 Patent. “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.” *Fintiv*, IPR2020-00019, Paper 11 at 10.

Moreover, under *Fintiv*, the Board recognizes that “it is often reasonable for a petitioner to wait to file its petition until it learns which claims are being asserted against it in the parallel proceeding,” and that if the petition is filed “promptly after becoming aware of the claims being asserted, this fact has weigh[s] against exercising the authority to deny institution” *Id.* at 11. Here, Petitioners diligently filed the Petition less three months after receiving Patent Owner’s infringement contentions on October 28, 2024, and less than seven months after being served with the complaint asserting seven patents against Petitioners. In similar circumstances, the Board has found that this factor weighs against discretionary denial. *Markforged Inc. v. Continuous Composites, Inc.*, IPR2022-00679, Paper 7 at 32 (PTAB Oct. 25, 2022) (“[A]lthough the parties have invested some effort in the parallel district court proceeding, the majority of the work to prepare the invalidity case for trial remains to be done. We also acknowledge Petitioner’s diligence in filing the Petition less than 10 months after being served the complaint.”) (internal citations omitted). *See also Liberty Energy, Inc. et al. v. U.S. Well Services, LLC*, IPR 2025-00031, Paper 9 at 12-15 (PTAB Apr. 29, 2025) (finding that “Petitioner was reasonably diligent in filing the Petition” less than three months after receiving infringement contentions, which “play an important role in that regard. They inform Petitioner of the claims that are in fact at issue, as well as how Patent Owner views the scope of the claims, both of which are material considerations in preparing a petition.”)

Based on the foregoing, this factor is neutral or weighs against discretionary denial.

4. Overlap of Issues (Factor 4)

Patent Owner claims “significant overlap” between the issues raised in the Petition and district court litigation because the same claims and prior art are at issue. Paper 6 at 9-13. While claims 1-3 are challenged in both forums, Petitioners have proposed a *Sand*-style stipulation not to pursue the Petition’s grounds in district court (Pet. at 11) and commit to a broader *Sotera*-style stipulation (filed concurrently herewith, EX1013), *i.e.* upon institution, Petitioners will not (i) pursue the grounds presented in the Petition in the parallel district court case, or (ii) pursue any other ground that reasonably could have been raised in the Petition in the parallel district court case. *Sotera* endorses such stipulations to eliminate overlap in proceedings, noting that they prevent duplicative efforts and conflicting rulings. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 13-14 (PTAB Dec. 1, 2020).

Patent Owner’s assertion that such a stipulation “does nothing” to mitigate potentially duplicative efforts and conflicting rulings ignores the stipulation’s binding nature and the Board’s precedent in *Sotera*. In fact, where such a stipulation and the estoppel provision of 35 U.S.C. § 315(e)(2) simply “reduces, but does not eliminate, the risk of significant overlap between the assertions in the Petition and those that may be raised in the parallel litigation,” the Board has recently found that

“[t]his minimized risk of overlap alleviates concerns of inefficiency and the possibility of conflicting decisions” and “determine[d] that this factor weighs against exercising discretion to deny institution.” *Micron Tech., Inc. v. Yangtze Memory Techs. Co., Ltd.*, IPR2025-00034, Paper 19 at 10 (PTAB May 16, 2025).

Accordingly, “[t]his factor weighs strongly against discretionary denial.” *TCL Elecs. Holdings Ltd. v. Maxell, Ltd.*, IPR2025-00120, Paper 9 at 8 (PTAB May 20, 2025) (granting institution).

5. Same Parties (Factor 5)

Patent Owner notes that the parallel district court litigation involves the same parties. Paper 6 at 13. However, Optoma Technology, Inc. is identified as a real party-in-interest (Pet. at 1), but is not a party to the parallel litigation. Therefore, this factor is neutral. *See Google LLC et al. v. Mullen INDUS. LLC*, IPR2025-00021, Paper 14 at 11 (PTAB May 14, 2025) (“Because of the involvement of a non-defendant, even if a named real party in interest in this proceeding, we find that this factor is neutral.”)

6. Other Circumstances (Factor 6)

Patent Owner alleges that the Petition is “flawed” because it relies on an expert declaration that “largely parrots” the wording in the Petition, and because Petitioners filed motions to dismiss in the parallel litigation before the Petition was filed in this action. Paper 6 at 13-14. These issues are addressed in Sections II.B.4-5 below and do not constitute “other circumstances” warranting denial.

* * * * *

Based on a holistic evaluation of the above factors, the Board should not discretionarily deny institution. *See TCL*, IPR2025-00120, Paper 9 at 9 (instituting trial where factor 1 weighs slightly in favor of discretionary denial, factor 2 strongly favors discretionary denial, factor 3 weighs in favor of discretionary denial, factor 4 weighs strongly against discretionary denial because of *Sotera* stipulation, factor 5 supports discretionary denial, and factor 6 strongly supports institution).

B. Factors Set Forth in the March 26, 2025 Memorandum Do Not Support Denial

The Memo’s additional considerations do not justify denying institution for the reasons discussed below.

1. The Unpatentability Challenges Are Strong

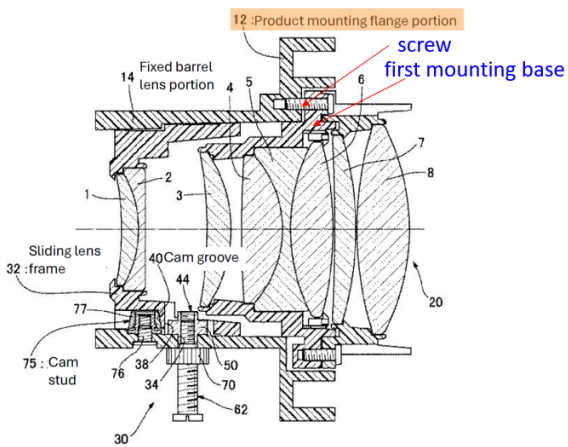
Patent Owner disputes the rationale for combining Itohiya ‘986 and Itohiya ‘759 (Grounds 1-4) and Karasawa, Yamagishi ‘706, and Itohiya ‘759 (Grounds 5-7). Paper 6 at 15-18. However, Patent Owner erroneously disregards the Petition’s detailed analysis of the motivation to combine Itohiya ‘986 and Itohiya ‘759 – in addition to the rationale that “Itohiya ’986 and Itohiya ’759 share the same named inventor” and “both prior art references are in the same ‘field’” as stated by Patent Owner, the Petition articulates clear motivation for combining Itohiya ‘986 and Itohiya ‘759 with Yamagishi ’723.

For example, the Petition points out that “a POSITA looking at Itohiya ‘759’s teachings relating to rear projection optical systems would naturally have looked to Itohiya ‘986 for additional ideas on how to implement and/or improve such systems.” Pet. at 43. Particularly, “[a] POSITA would further have recognized that Itohiya ‘986 specifically describes the benefits of having certain lenses in a rear projection system be moveable while other lenses in the system are fixed in place. *Id.* Also, Itohiya ‘986 explains that “[t]he optical device of the present invention has the effect that at least a part of the lens system can be easily precisely adjusted, and at least a part of the adjusted lens system can be stably fixed without eccentricity.” Pet. at 43-44. Itohiya ‘986 further explains that “[t]he optical device of the present invention also has the effect of enabling the constitution of an optical device of desired high precision without requiring the preparation of many spacing rings, without requiring large costs, and without requiring man-hours to select among and build in many components.” Pet. at 44. A POSITA would thus have been motivated to take advantage of these benefits by combining Itohiya ‘986’s disclosures with those of Itohiya ‘759. *Id.*

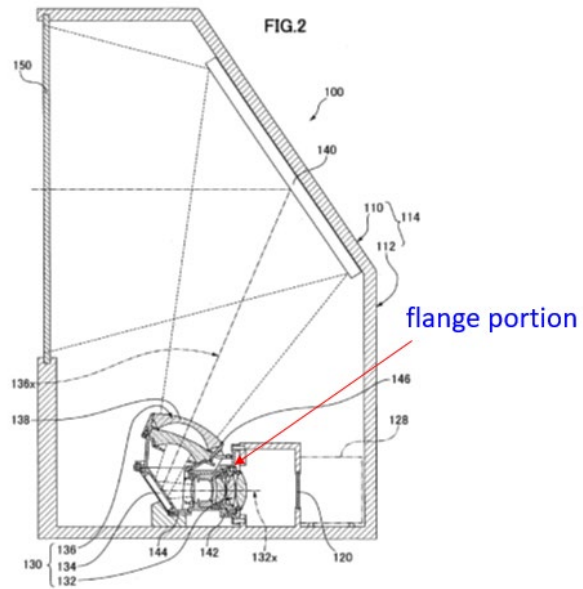
Further, the Petition points out “a POSITA would have recognized that Itohiya ‘759 describes details of how the fixed lenses in a system with both fixed and moveable lenses are firmly supported on the lower part of the optical system’s chassis” (Pet. at 23), in addition to Itohiya ‘986 and Itohiya ‘759 sharing the same

named inventor. This is another example of motivation to combine Itohiya '986 and Itohiya '759 – understanding more details of lens structures, particularly in a structure where some of the lenses are movable and the rest of lens are fixed. Moreover, Patent Owner's assertion that the mounting flange in Itohiya '986 negates the combination with Itohiya '759 ignores the flexibility of obviousness analysis, where secondary references need not be bodily incorporated into a primary reference. *See In re Keller*, 642 F.2d 413, 425 (CCPA 1981) ("The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art.") The Petition points out that Itohiya '986 explains that "[l]enses 3-8 are supported more fixedly in a known constitution" (Pet. at 19), "Itohiya '986 discloses a fixed first mounting base and a moveable second mounting base" (Pet. at 36), and "optical device 10 has a product mounting flange portion 12 and a fixed lens barrel portion 14 integrally molded from synthetic resin material." Pet at 32. On the other hand, as clearly shown by the annotated Figure 2 of Itohiya '759 below, the Petition points that "the barrel 142 for the ***rear-group optical system is firmly supported on the lower cabinet 112 using any fastening means such as screw fastening.***" Pet. at 36. Based on the teaching from Itohiya '759, as shown in

the annotated figures of Itohiya '986 and Itohiya '759 below, a POSITA would recognize that the product mounting flange portion of Itohiya '986 would be fixed to the lower cabinet of the projector so as to fix the fixed lens group.



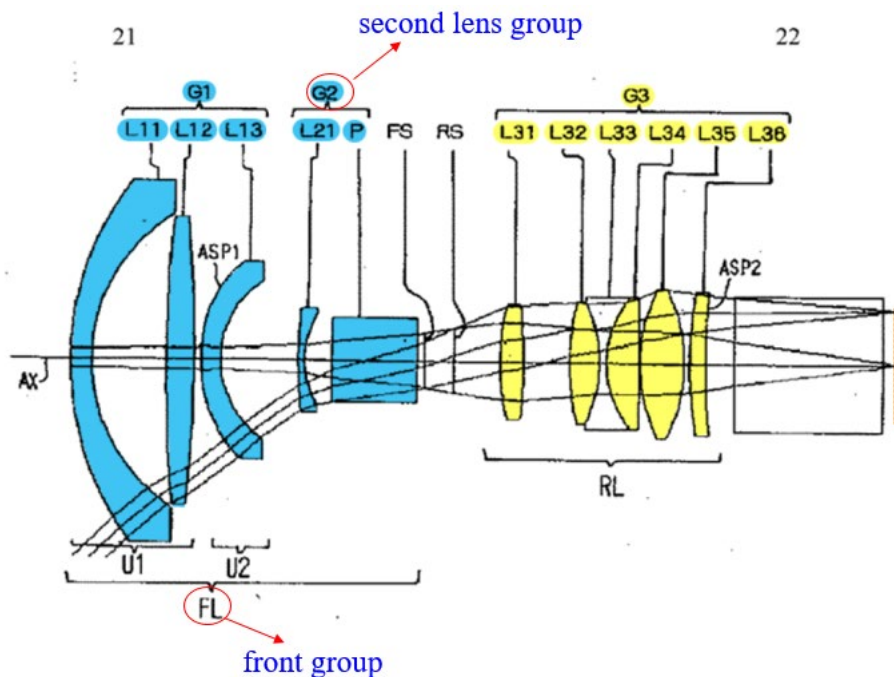
Annotated Fig. 2 of Itohiya '986



Annotated Fig. 2 of Itohiya '759

With respect to Karasawa, Yamagishi '706, and Itohiya '759, Patent Owner is mistaken again in disregarding the Petition's comprehensive analysis of the motivation for combining these references. Contrary to Patent Owner's assertion, in addition to the rationale that "these prior art references are in the same 'field,'" the Petition articulates clear motivation for combining Karasawa, Yamagishi '706, and Itohiya '759.

For example, as shown in the annotated Fig. 1 of Karasawa below, the Petition points out that “Karasawa discloses that ‘[a]ccording to a preferred aspect of the present invention, it is also characterized in that at least some of the lenses constituting the second lens group or the front group are movable along the optical axis.’ Consistent with this disclosure of having at least some lenses be moveable, a POSITA would have recognized that Yamagishi ‘706 describes having certain lenses in a rear projection system be moveable while other lenses in the system are fixed in place.” Pet. at 63.



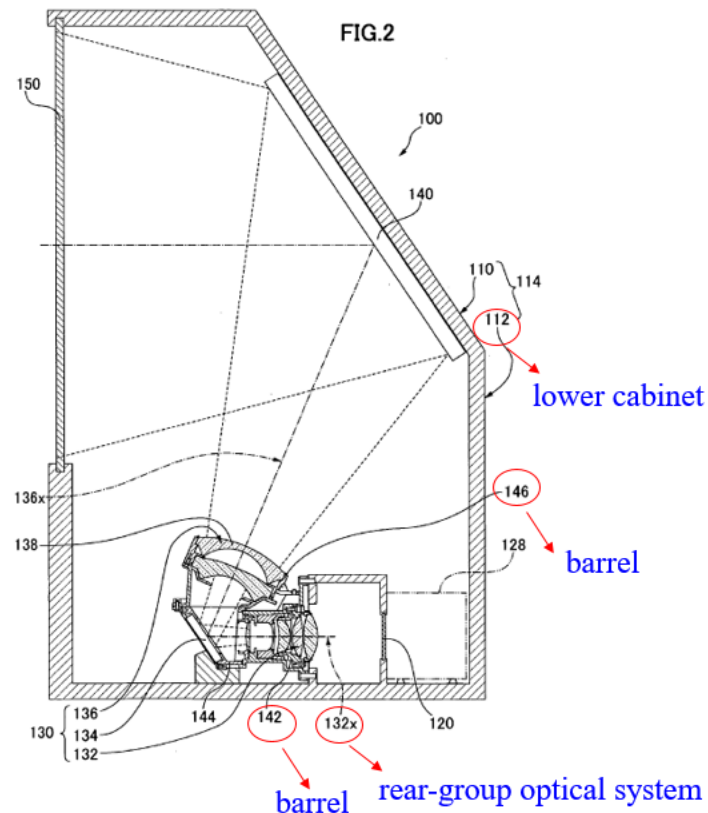
Annotated Fig. 1 of Karasawa

The Petition further points out that “Yamagishi ‘706 explains that its primary disclosure relates to ‘a fixed focal length lens-type lens system where no lenses aside from the focusing lenses move.’ In other words, some of the lenses are fixed in place,

while other lenses are allowed to move.” Pet. at 63. As stated in the Petition, “[a] POSITA would have been motivated to take advantage of these teachings by combining Yamagishi ‘706’s disclosures with those of Karasawa. For example, having only certain lenses (*e.g.*, the focusing lenses) move would have reduced the expense, and improved the reliability, of the system as compared to a system where all of the lenses are allowed to move.” Pet. at 63.

Patent Owner is also mistaken regarding the alleged failure to disclose the limitation in claim 1.8 “while said second mounting base is moveable.” Contrary to Patent Owner’s assertion, the Petition points out that Karasawa discloses that the lenses in the second lens group or the front group can be movable or fixed. Pet. at 76. The Petition also points out that Yamagishi ‘706 discloses a lens system where only the focusing lenses is movable. Pet. at 76. A POSITA would have understood that Yamagishi ‘706 discloses distinct mounting bases for its moveable and fixed lens groups, and would have been motivated to combine Yamagishi ‘706’s disclosure in this regard with Karasawa to obtain the benefits of having both moveable and fixed lenses in the system. Pet. 74. At this point, a POSITA would have recognized the necessity of a moveable mounting base (*e.g.*, a barrel) that allows for the movement of the movable lens group, as the lens group cannot fly independently in air. Therefore, the limitation “while said second mounting base is moveable” has been inherently disclosed.

Further, as shown in the annotated Fig. 2 of Itohiya '759 below, the Petition points out that Itohiya '759, combined with Karasawa and Yamagishi '706, discloses that the rear-group optical system 132 is firmly supported on the lower cabinet 112 using any fastening means. By referring to FIG. 2, it is particularly preferred that the barrel 142 for the rear-group optical system is firmly supported on the lower cabinet 112 using any fastening means such as screw fastening. Pet. at 77.



Annotated Fig. 2 of Itohiya '759

The Petition points out that Yamagishi '706 combined with Karasawa discloses that the second lens group is movable, therefore inherently disclosing that the second mounting base, to which the second lens group is mounted, is also

movable. Moreover, in Section VIII(D)(3)(a)[1.6] and [1.8], the Petition already pointed out that “Itohiya ’759 teaches that “[t]he front-group optical system 136 is supported within a barrel 146 for the front-group optical system”” and “the front-group optical system 136 may be configured to include one or more lenses which are movable” Pet. at 52-53. That is, it expressly disclosed this limitation in claim 1.8 “while said second mounting base is moveable.”

2. Settled Expectations Do Not Favor Discretionary Denial

Patent Owner contends that the issuance of the ’313 Patent in December 2014 and its impending expiration on June 15, 2027 create settled expectations regarding its validity. Paper 6 at 18. Although the ’313 Patent has been in force for over a decade, its validity remains untested before the Office, and IPRs are designed to address such challenges. *See* 35 U.S.C. § 311(a). The Memo’s reference to settled expectations more properly applies to patents with established validity rulings, not those like the ’313 Patent, which face novel challenges such as those set forth in the Petition. Accordingly, this factor does not weigh in favor of discretionary denial.

3. Patent Expiration and Resource Allocation Do Not Favor Discretionary Denial

Patent Owner contends that expiration of the ’313 Patent less than a year after the Final Written Decision (in mid-September 2026) renders institution inefficient. Paper 6 at 18-19. However, the Board retains jurisdiction over expiring patents, and resolving validity now benefits the public by clarifying the patent’s scope before

expiration. *See* 35 U.S.C. § 316(a)(11); *see also Motorola Sols., Inc. v. STA Group LLC*, IPR2023-01292, Paper 36 (PTAB Mar. 6, 2025) (Final Written Decision on challenged claims of '802 patent with adjusted expiration date of May 13, 2025). Thus, this factor does not favor discretionary denial.

4. There Is No Undue Delay or Gamesmanship

Patent Owner alleges a delay of “nearly two years” in filing the Petition, based on Petitioners purportedly “first learning of Maxell’s infringement allegations in April 2023.” Paper 6 at 19. But Maxell’s April 2023 correspondence asked Petitioners to evaluate a potential license, and did not explain which claims of each patent would be asserted against Petitioners or how Petitioners’ products allegedly satisfy the limitations of such claims. In reality, the Petition was filed a mere three months after Petitioners received Patent Owner’s infringement contentions, and well within the one-year statutory deadline under 35 U.S.C. § 315(b). *Fintiv* explains that “it is often reasonable for a petitioner to wait to file its petition ***until it learns which claims are being asserted against it in the parallel proceeding.***” IPR2020-00019, Paper 15 at 11 (emphasis added). And, contrary to Patent Owner’s specious assertion of bad faith, pre-litigation discussions and motion practice in district court (*e.g.*, motions to dismiss) were perfectly reasonable steps to resolve the parties’ dispute. In short, Patent Owner’s speculative claim of “undue delay and gamesmanship” is completely unsupported and should be rejected out of hand.

5. The Petition is Properly Supported by Dr. Sasian's Declaration

Patent Owner criticizes Dr. Sasian's declaration for supposedly "restating arguments and assertions made by Petitioners' counsel" and therefore lacking independent analysis. Paper 6 at 20-23. However, the vast majority of examples cited by Patent Owner where the same language is used in the Petition and expert declaration is simply identifying features of and/or quoting from the prior art and therefore does not require extensive analysis or exposition by Dr. Sasian. *See id.* at 20 (Yamagishi '723 discloses a projection type display apparatus that includes an image display element), 21 (quoting excerpts from Yamagashi '723; stating that a POSITA would have understood a "light modulator" to be an image display element; identifying first lens group shown in Fig. 3), 22 (quoting excerpts from Yamagishi '723; explaining that rear group of lenses includes a plural number of lenses and is proximate to the light modulator and disposed in a light direction).

In the *Xerox* case cited by Patent Owner, the expert declaration "merely offered conclusory assertions without underlying factual support and repeated, *verbatim*, Petitioner's conclusory arguments." IPR2022-00624, Paper 12 at 5 (PTAB Feb. 10, 2023). Here, by contrast, there are no such conclusory assertions in the Petition, which explains why the limitations of the challenged claims are necessarily present in the references or why they would have been obvious in light of the reference's disclosure and the knowledge of a POSITA, and further, all of the

statements in Dr. Sasian’s declaration are based on the teachings of the references he cited and the knowledge of a POSITA.

The fact that the Petition mirrors the analysis in the declaration (not the other way around, as Patent Owner baselessly alleges) shows that the Petition is supported by Dr. Sasian’s analysis and does nothing to diminish the weight that should be accorded to his testimony. Patent Owner’s flawed argument in this regard provides no support at all for discretionary denial.

6. A *Sotera* Stipulation Remains Available

Patent Owner objects that “Petitioners have not made a proper *Sotera*-style stipulation . . . which weighs further in favor of discretionarily denying institution.” Paper 6 at 23. Petitioners disagree. The stipulation set forth in the Petition—that Petitioners “will not pursue the grounds identified in this Petition before the district court” (Pet. at 11)—is sufficient to mitigate any potential overlap of issues and conflicting rulings between the two proceedings. Further, as mentioned above, Petitioners commit to a broader *Sotera*-style stipulation (filed concurrently herewith, EX1013), *i.e.* upon institution, Petitioners will not (i) pursue the grounds presented in the Petition in the parallel district court case, or (ii) pursue any other ground that reasonably could have been raised in the Petition in the parallel district court case. *Sotera*, IPR2020-01019, Paper 12 at 13-14.

Patent Owner’s assertion that “[t]he Board should not accept any late *Sotera* stipulation potentially offered after [the] Request for Discretionary Denial” is contrary to Board precedent. *See BMW of North America, LLC v. Northstar Systems LLC*, IPR2023-01017, Paper 12 at 10 (PTAB Dec. 8, 2023) (“Patent Owner has not brought to our attention any binding precedent that establishes a time limit by which a *Sotera* stipulation must be submitted before we enter our decision on institution, and we are not aware of any such precedent.”) Patent Owner’s alleged prejudice—that it will be “forced to prepare overlapping validity defenses” in both proceedings if a “late” *Sotera* stipulation is accepted by the Board—can be asserted in most if not all cases, and therefore is not a persuasive reason to exercise discretionary denial. Indeed, the Board has noted that, as a practical matter, a petitioner need only “submit a *Sotera* stipulation well in advance of the Board’s deadline for entering its institution decision, in order to ensure that the Board has the opportunity to consider it.” *Id.* n.11. Petitioners have done so here. Accordingly, this factor does not support discretionary denial.

III. CONCLUSION

For the foregoing reasons Patent Owner’s Request for Discretionary Denial should be rejected, and the Board should institute IPR to address the merits of the Petition’s unpatentability challenges.

Dated: June 10, 2025

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24, the undersigned attorney for the Petitioners declares that the argument section of this Petition has 4,999 words, according to the word count tool in Microsoft Word™.

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CERTIFICATE OF SERVICE

The undersigned certifies, in accordance with 37 C.F.R. §§ 42.105 and 42.6, that service was made via electronic mail on the Patent Owner's counsel as detailed below.

Date of service June 10, 2025

Manner of service Electronic Mail and UPS Mail Service

Documents served PETITIONERS' OPPOSITION TO PATENT OWNER'S
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