

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC.,
Petitioner

v.

KAIFI LLC,
Patent Owner

IPR2025-00626
Patent No. 11,082,518

PATENT OWNER'S PRELIMINARY RESPONSE
TO PETITION FOR *INTER PARTES* REVIEW

Pursuant to 35 U.S.C. § 313 and 37 C.F.R. § 42.107, the Patent Owner KAIFI LLC provides this *abbreviated* preliminary response to the petition for *inter partes* review (IPR) (Paper 2, herein “petition” or “Pet.”). A notice dated April 11, 2025 (Paper 7) set July 11, 2025 as the deadline for this preliminary response, which is timely filed.

The parties have reached an agreement in principle to settle all matters in controversy between the parties, including this IPR. On July 2, 2025, the parties jointly requested a brief stay of the district court litigation, which was granted, in order to complete the memorialization of their agreement in principle and submit appropriate dismissal papers. *See KAIFI LLC v. Amazon.com, Inc.*, No. 2:24-cv-00542, Dkt. 114 (E.D. Tex. July 8, 2025). The parties agreed to jointly request termination of this IPR promptly after the settlement agreement is finalized.

In view of the parties’ pending settlement, and in order to reduce the burden on the parties and the Board, KAIFI elects to not provide detailed merits arguments in this preliminary response. Nonetheless, KAIFI notes that the petition’s challenges are not reasonably likely to prevail against any of the claims of the ’518 Patent. For example, neither Ermis nor Nakano disclose or suggest a number of limitations recited in independent claim 1.

KAIFI maintains its position that this IPR warrants discretionary denial for the reasons stated in its prior briefing. *See* Paper 10. Indeed, the parties’ recent

settlement in principle is yet another reason for the Board to not expend its limited resources on this matter. Therefore, in the event that the Director reviews the parties' discretionary-denial briefing before the parties jointly request termination, KAIFI reiterates that this IPR should be discretionarily denied.

Respectfully submitted,

Date: 2025 July 11

By: / M.C. Phillips /
Matthew C. Phillips
Registration No. 43,403
Lead Counsel for KAIFI

WORD-COUNT CERTIFICATE

I certify that the foregoing document complies with the type-volume limitation of 37 C.F.R. § 42.24(a) and (b) and contains 348 words based on the word count indicated by word-processing software used to prepare this document, excluding those portions exempted by the rule.

/ M.C. Phillips /
Matthew C. Phillips
Registration No. 43,403

CERTIFICATE OF SERVICE

I hereby certify that on July 11, 2025, copies of the foregoing PATENT OWNER'S PRELIMINARY RESPONSE TO PETITION FOR *INTER PARTES* REVIEW and all documents filed with it were served via electronic mail, as consented to by counsel, upon the following counsel for the petitioner:

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