UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

DIALECT, LLC,
Patent Owner.

Case IPR2025-00657
Patent 9,263,039

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	First Amended Docket Control Order, *Dialect, LLC v. Bank of America, N.A.*, Civ. No. 2:24-cv-207, Dkt. 52 (E.D. Tex. Aug. 28, 2024)
2002	Comparison of Districts Within the Fifth Circuit — 12-Month Period Ending September 30, 2024 (available at https://www.uscourts.gov/sites/default/files/2025-02/fcms_na_distcomparison1231.2024.pdf)
2003	Defendant's Invalidity Contentions, *Dialect, LLC v. Bank of America, N.A.*, Civ. No. 2:24-cv-207 (E.D. Tex. Sept. 12, 2024)
2004	Reserved
2005	Reserved
2006	Reserved
2007	Reserved
2008	Reserved
2009	Reserved
2010	Ex. D (Maes) to Defendant's Invalidity Contentions, *Dialect, LLC v. Bank of America, N.A.*, Civ. No. 2:24-cv-207 (E.D. Tex. Sept. 12, 2024)
2011	Ex. D (Ross) to Defendant's Invalidity Contentions, *Dialect, LLC v. Bank of America, N.A.*, Civ. No. 2:24-cv-207 (E.D. Tex. Sept. 12, 2024)
2012-2018	Reserved
2019	Return of Summons, *Dialect, LLC v. Bank of America, N.A.*, Civ. No. 2:24-cv-207 (E.D. Tex. Mar. 27, 2024)
2020	"IPBC Global 2025: Acting USPTO Director says IPR use needs to change" (June 10, 2025) (available at https://www.iam-media.com/article/ipbc-global-2025-acting-uspto-director-says-ipr-use-needs-change)

Pursuant to the Director's Memorandum issued on March 26, 2025, Patent Owner Dialect, LLC ("Dialect" or "Patent Owner") files this request and brief on discretionary denial, setting forth reasons why the Director should exercise discretion to deny the Petition for *inter partes* review ("IPR") of claims 13-15, 17, and 18 of U.S. Patent No. 9,263,039 (the "'039 Patent"), as requested by Microsoft Corporation and real-party-in-interest Bank of America, N.A. (collectively, "Petitioner").

I. INTRODUCTION

Given the timing and advanced stage of co-pending litigation between the Petitioner and Patent Owner regarding the '039 patent, the Board should exercise its discretion to deny the Petition under *Fintiv*. As enumerated below, each *Fintiv* factor weighs in favor of the Board exercising its discretion to deny institution. The co-pending litigation is scheduled to proceed to trial on January 26, 2026, nearly nine months before the Board would be expected to issue a final written decision in this case (by October 15, 2026). Additionally, the *Fintiv* factors weigh heavily in favor of discretionary denial based on the extensive activities that have already occurred in the co-pending litigation, the schedule of the upcoming trial, and the overlap in parties between those IPRs and the litigation.

Moreover, the merits of the asserted challenges are not strong, and erroneously rely on irrelevant disclosures in the asserted art for its challenges. The

'039 patent discloses methods for processing speech and non-speech communications, and challenged claim 13 includes the step of "comparing the text combinations" contained in a user's query "to entries in a context description grammar" (element [13.5]), the step of "accessing a plurality of domain agents that are associated with the context description grammar" (element [13.6]), and the step of "generating a relevance score based on results from comparing the text combinations to entries in the context description grammar" (element [13.7]). Then, per element [13.8], claim 13 includes the step of "selecting one or more domain agents based on results from the relevance score." Petitioner's reliance on the "Ross" reference[1] to disclose elements [13.6], [13.7], and [13.8] (*see* Pet., 53-60) fails.

Petitioner points to Ross's "recency of relevant access to the context" as allegedly disclosing a "relevance score" as claimed in element [13.7]. Pet., 55. Per Ross, the context grammars in a context list are ordered based on prior access, such that the most recently accessed context grammar is at the top of the context list. But this order has nothing to do with any comparison of text combinations from a current user query. In fact, this ordering of context grammars exists separate from and independent of any comparison of text combinations in query to entries in a context description grammar. Therefore, it is wrong for Petitioner to

[1] Ex. 1022, U.S. Patent Application Publication No. 2002/0133354 ("Ross").

contend that the priority order of a context manager's entries is "based on results from comparing the text combinations to entries in the context description grammar," as claimed in element [13.7]. The Petition's addressing of this claimed element [13.7] is wrong, and this is fatal to the Petition.

Further, element [13.6] requires the step of "accessing ***a plurality*** of domain agents that are associated with the context description grammar," and element [13.8] requires the step of "selecting one or more domain agents based on results from the relevance score." But strictly applying Petitioner's characterization to Ross would mean that Ross's top grammar entry is always the most relevant and is therefore accessed/selected. But Ross does not select a grammar or application based on stack order, and does not access "a plurality" of grammars or applications. Rather, Ross selects only the first application that has a grammar that can accept the user's phrase, regardless of where in the stack that grammar is arranged. This disclosure of Ross confirms that both elements [13.6] and [13.8] are also missing from Ross. *See* Ross, [0053]. Thus, Petitioner's attempt to pin these claimed elements to Ross breaks down once Ross is correctly understood. Indeed, this error confirms that the Petition's challenge as to claim 13 is not strong, but rather facially deficient and unlikely to succeed. Moreover, each of the other challenged claims depends from claim 13.

Therefore, while Patent Owner will more fully address the merits arguments why this Petition should be denied in its Preliminary Response, this clear shortcoming confirms that the merits of the Petition's challenges are not strong and *Fintiv* factor 6 also weighs in favor of denial.

For the reasons discussed in more detail below, Patent Owner respectfully submits that the Director should exercise its discretion and deny the Petition against the '039 patent.

II. THE DIRECTOR SHOULD DENY INSTITUTION UNDER *FINTIV*

The Director can and should deny the Petition by exercising its discretion under 35 U.S.C. § 314(a) because the correct balance of relative factors weighs in favor of denial.

When evaluating whether to discretionarily deny a petition, the Director may look to at least six factors:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the Petition and in the parallel proceeding;

5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5-6 (PTAB Mar. 20, 2020). "These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding." *Id*. In evaluating these factors, the Director may take "a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review." *Id*.[2]

A proper balance of the *Fintiv* factors warrants denial of institution.

A. Factor 1 Favors Denial (Likelihood of Stay)

Factor 1—which considers whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted—favors denial of institution. As will be noted below in Factors 2 and 3, trial in parallel proceeding is scheduled to take place on January 26, 2026, ***nearly nine months before the date for an expected final written decision*** (October 16, 2026), and, at the time for an

[2] On February 28, 2025, the USPTO rescinded the "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation" ("Interim *Fintiv* Procedure") dated June 21, 2022. The Interim *Fintiv* Procedure no longer applies to the *Fintiv* analysis. The most recent *Fintiv* guidance is included in the Chief Administrative Patent Judge's Memorandum of March 24, 2025 and the Director's Memorandum issued on March 26, 2025.

expected institution decision (October 16, 2025), a number of activities signaling the end of the district court proceedings will have occurred, including preparations to file dispositive motions by the deadline of October 20, 2025. An opposed motion for stay in the Eastern District of Texas at that late stage would be highly unlikely and lacks precedent.

In any event, Factor 1 should not weigh in favor of institution. The Petition contends Factor 1 is not neutral "because no request for stay has been filed" and "Microsoft is not a defendant" in the parallel litigation. Pet., 75. But no stay has been filed because BOA, the named defendant in the parallel case, does not have the facts to make a compelling case for a stay, so that should not weigh in favor of institution. Also, as will be noted below in Factor 5, BOA is an admitted real-party-in-interest to the Petition (Pet., 1) and should be treated as a co-petitioner for the purposes of the *Fintiv* analysis.

The first *Fintiv* factor therefore supports denying institution or at least remains neutral.

B. Factor 2 Favors Denial (Timing of Trial)

Fintiv factor 2 weighs in favor of denying institution because the district court is set to commence trial in parallel proceeding on January 26, 2026, ***nearly nine months before the date for an expected final written decision*** (October 16, 2026). *See* Ex. 2001, 1. "If the court's trial date is earlier than the projected

statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*." *Fintiv*, IPR2020-00019, Paper 11 at 9.

The Board has previously held that a trial date which precedes a final written decision deadline favors discretionary denial. *See, e.g*., *Samsung Elecs. Co., Ltd. v. Mojo Mobility Inc.*, IPR2023-01092, Paper 11 at 11 (PTAB Jan 8, 2024) (denying institution, finding that a trial date "about five months before the projected statutory deadline" favored discretion to deny); *Bentley Motors Ltd., Jaguar Land Rover Ltd*., IPR2019-01539, Paper 9 at 14 (PTAB Mar. 10, 2020) (denying institution where trial was set to occur five months before final written decision); *Immersion Sys. LLC v. Midas Green Techs., LLC*, PGR2021-00104, Paper 15 at 11 (PTAB Jan. 31, 2022) (jury trial starting four months ahead of final written decision favored discretionary denial); *see also NXP USA, Inc. v. Impinj, Inc.*, PGR2022-00005, Paper 18 at 8-9 (PTAB May 2, 2022) (two-month period between trial date and deadline for final decision weighed in favor of discretionary denial); *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16 at 6-9 (PTAB May 15, 2019) (one-month period between trial date and deadline for final written decision weighed in favor of discretionary denial); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12-13 (PTAB May 13, 2020) (second factor favors denial when "the currently scheduled District Court trial is scheduled to begin two months before our deadline to reach a final decision"); *eClinicalWorks, LLC v.*

Decapolis LLC, IPR2022-00229, Paper 10 at 9 (PTAB Apr. 13, 2022) (favoring denial where beginning of jury trial was "roughly one to two months" before final decision was due).

The USPTO's Interim *Fintiv* Procedure, which was rescinded on February 28, 2025, provided that the "[p]arties may present evidence regarding the most recent statistics on median time-to-trial for civil actions in the district court in which the parallel litigation resides for the PTAB's consideration … the PTAB will also consider additional supporting factors, such as the speed and availability of other case dispositions." *See* Interim *Fintiv* Procedure, 8-9; Memorandum from Chief Administrative Patent Judge at 3 (Mar. 24, 2025).

Here, the December 2024 Federal Court Management statistics show a median time-to-trial in the Eastern District of Texas to be a period of 23.0 months. Ex. 2002 at 5, (available at https://www.uscourts.gov/sites/default/files/2025-02/fcms_na_distcomparison1231.2024.pdf). The median time-to-trial statistics for the district are thus consistent with the January 2026 trial date set out in Judge Gilstrap's Docket Control Order, as the median time-to-trial statistics for the district predict a trial date in February 2026 (Ex. 2002) based on the March 22, 2024 filing date in district court. This small difference between the scheduled trial date and the statistical prediction—only about a month—still places the district court's jury trial well before the estimated date of completion of this proceeding,

on or around October 16, 2026. Accordingly, *Fintiv* Factor 2 weighs significantly in favor of denial. *Samsung Elecs.*, IPR2023-01092, Paper 11 at 11-12 (using statistics to "confirm[] that the schedule set by the district court is credible and should be given weight").

In addition to Judge Gilstrap already setting the date for a jury trial that will conclude well before the Board's projected statutory deadline, because of the stage of the underlying case and the speed with which the Eastern District of Texas reaches case dispositions, other activities in district court have completed or will complete prior to the expected date of institution, including claim construction briefing culminating in a claim construction hearing on July 29, 2025 (Ex. 2001, 4), and, as will be noted below in Factor 3, the service of invalidity contentions on September 12, 2024. Ex. 2003. Petitioner provides no explanation of the delay between the service of those contentions on August 29, 2024, and over six-month delay in filing the Petition. Further showing how far the case will progress with regard to validity issues, the deadlines for completion of fact and expert discovery are August 18, 2025, and October 7, 2025, respectively (Ex. 2001, 3) and the deadline for the parties to submit dispositive motions (including concerning validity) is set for October 20, 2025 (Ex. 2001, 3), just five days after the expected October 16, 2025, date for a decision on institution. Thus, there are likely to be

district court determinations relating to the validity of the '039 patent in advance of the Board's projected statutory deadline.

Petitioner attempts to minimize the relevance of the scheduled trial date, but this attempt fails. First, Petitioner misunderstands *In re Apple Inc.*, 979 F.3d 1332, 1344 (Fed. Cir. 2020). *Apple* dealt with the factor relating to the "administrative difficulties flowing from court congestion" in a district court motion to transfer. The Federal Circuit noted that the district where the case was brought (WDTX) historically had a slower time-to-trial than the district court to where transfer was sought (NDCA). But, in that case, the WDTX district court set a time-to-trial that was not in-line with WDTX's historical statistics and would have been faster than both NDCA's and WDTX's historical statistics. The Federal Circuit weighed the factor relating to the "administrative difficulties flowing from court congestion" in the motion to transfer as being neutral because it viewed an inconsistency measuring an "aggressive trial date" against historical statistics from NDCA where EDTX "itself has not historically resolved cases so quickly." *Apple*, 979 F.3d 1344.

Here, the PTAB looks to both the scheduled trial date and historical statistics to weigh this factor, so *Apple* does not have relevance to how the PTAB looks at this factor. And, on the facts, the district court's trial date and the historical

statistics match, so *Apple* does not have any legal or factual analogy to the present case.

Second, Petitioner's attempt to minimize the closeness of the scheduled trial date lacks a sound statistical basis. For example, Petitioner's speculation that "it appears likely that the trial date will slip" because Judge Gilstrap also scheduled 13 other trials for the same date and pondering about how "much can change" (Pet., 75) does not give credit to either Judge Gilstrap's ability to gauge how many cases will be disposed prior to trial or the median trial statistics. In fact, of the 13 cases Petitioner cites in Ex. 1029, six have already ended.

And while Petitioner may speculate that the scheduled trial date might change, it would need to be delayed by nine months—from January 2026 to October 2026—to put a final written decision ahead of trial. Speculation is not enough to modify this factor, which weighs heavily in favor of discretionary denial.

Thus, *Fintiv* factor 2 substantially weighs in favor of discretionary denial.

C. Factor 3 Favors Denial (Investment in Parallel Proceedings)

Factor 3 also weighs in favor of denial because the district court and both Patent Owner and Petitioner will have expended considerable resources in the parallel litigation, including on the merits of Petitioner's invalidity positions, by the time the Board issues an institution decision. *See Sand Revolution II, LLC v.*

Cont'l Intermodal Grp., IPR2019-01393, Paper 24 at 10 (PTAB June 16, 2020) (noting that investment in invalidity contentions is relevant to this factor).

For Factor 3, "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" may be considered. *Fintiv*, IPR2020-00019, Paper 11 at 9. "This investment factor is related to the trial date factor, in that more work completed by the parties and the court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs." *Id*., 10.

Here, Patent Owner served infringement contentions on Petitioner in district court on July 5, 2024, allowing Petitioner ample time to prepare and serve their district court invalidity contentions on September 12, 2024, approximately two months later. Ex. 2001, 5. Yet, Petitioner delayed until March 10, 2025—over eight months after receiving infringement contentions—to file its Petition challenging the '039 patent. Petitioner provides no justification for the delay in filing its Petition. The PTAB has found when examining *Fintiv* that where "Petitioner has not presented any factual evidence to justify" a delay after being served with infringement contentions, Factor 3 weighs in favor of denial of institution. *See AT&T Serv.*, IPR2024-00992, Paper 14 at 12 ("the record shows that Petitioner waited five months to file the Petition after receiving Patent

Owner's infringement contentions, and Petitioner has not presented any factual evidence to justify this delay.") (citing *Fintiv*, IPR2020-00019, Paper 11 at 11–12); *see also AT&T Serv.,* IPR2024-01142, Paper 14 at 13-15; *AT&T Serv.*, IPR2024-01121, Paper 14 at 12-13.

The facts here weigh even more in favor of denial than in the *AT&T Services* cases. Here, there was a delay of an additional three months from the date when the infringement contentions were served as compared to *AT&T Services*. Also, Petitioner served its own set of invalidity contentions in district court. As will be discussed with regard to Factor 4 below, those invalidity contentions overlap substantially with the Petition (and are even more comprehensive).

In this IPR, Petitioner present a single ground asserting that claims 13-15, 17, and 18 are obvious in view of Maes[3] and Ross[4] (Ground 1). The district court invalidity contentions raised the same grounds to challenge claims 13-15, 17, and 18 of the '039 patent. Ex. 2003, 3. For example, Petitioner relied on Maes (Ex. 2003, 14 (item 53); Ex. 2010) in combination with Ross (Ex. 2003, 14 (item 60); Ex. 2011) in addition to "system" prior art (Ex. 2003, 23-26). Ex. 2003, 70-73. Additionally, Petitioner raised other non-prior art invalidity defenses under 35 U.S.C. § 112 and 101. Ex. 2003, 89-90, 110-17. Petitioner provides no

[3] Ex. 1005, U.S. Patent No. 6,964,023 ("Maes").
[4] Ex. 1022, U.S. Patent Application Publication No. 2002/0133354 ("Ross").

justification for the delay in filing its Petition when it had developed its invalidity theories sufficiently to include them in a district court pleading months ***six months*** earlier. Patent Owner and Petitioner will have expended substantial resources in the parallel litigation, including on the merits of the invalidity positions, where—as detailed below—there is significant overlap of issues.

Indeed, given that the Board is projected to issue an institution decision by October 16, 2025, numerous labor-intensive activities such as these have taken place, or will take place, in the parallel litigations before that date. Fact discovery will be complete as of August 18, 2025. Ex. 2001, 3. Further, Petitioner will serve their expert witness disclosures under Fed. R. Civ. P. 26(a)(2) relating to their invalidity contentions on September 4, 2025, and Patent Owner will be required to similarly serve its infringement expert reports on that date and its rebuttal expert report on validity on September 25, 2025.

As district court proceedings allow more invalidity defenses to be presented than in this proceeding, Petitioner's invalidity expert reports can be expected to present more comprehensive challenges to validity than presented in this proceeding. For example, in district court, Petitioner contend that the claims of the '039 patent are invalid under 35 U.S.C. § 112 and 101. *See* Ex. 2003, 89-90, 110-17. Thus, the district court will be in the best position to resolve all of the validity

issues relating to the '039 patent. Efficiency would favor the forum that can address all of the validity issues at the same time.

Additionally, Patent Owner and Petitioner will expend significant time and resources relating to claim construction prior to October 16, 2025. The parties have exchanged preliminary claim constructions (April 15, 2025), prepared a Joint Claim Construction Statement (May 6, 2025), completed claim construction discovery (June 3, 2025), served claim construction briefing and optional technical tutorials (beginning June 17, 2025), and participated in a claim construction hearing (July 29, 2025). These activities have and will tax the resources of Petitioner and Patent Owner, as well as the district court.

Finally, as noted in Factor 3, the Court's Scheduling Order requires dispositive motions on issues such as (in)validity to be filed by October 20, 2025. Ex. 2001, 3. Should the Board institute, the Parties will effectively duplicate the efforts expended in the District Court to address the validity of the '039 patent.

These investments in the district court proceeding favor denial.

D. Factor 4 Favors Denial (Overlap of Issues)

Factor 4 also weighs in favor of discretionary denial because there is substantial overlap between the claims, arguments, and evidence raised in the Petition and in Petitioner's invalidity contentions in the parallel district court proceeding.

As noted above in Factor 3, Petitioner asserts that claims 13-15, 17, and 18 are obvious in view of Maes and Ross (Ground 1) and that ground overlaps Petitioner's invalidity theories in district court. *See,.e.g.*, Ex. 2003 (Maes (Ex. 2003, 14 (item 53); Ex. 2010); Ross (Ex. 2003, 14 (item 60); Ex. 2011)).

Thus, there is substantial overlap between the Petition and the district court proceeding, as the claims challenged and the primary references relied upon are substantially identical. Therefore, Petitioner's common prior art challenges to the claims renders the "overlap in issues between the two proceedings [] substantial." *Code200, UAB v. Luminate Networks, Ltd*., IPR2020-01506, Paper 10 at 11-12 (PTAB Feb. 16, 2021).

Petitioner's *Sotera* stipulation should be given little weight. *Inter Partes* Review is intended to be a "quick and cost effective alternative[] to litigation," not an avenue for Petitioner to argue invalidity a second time in a second venue. *WesternGeco LLC v. ION Geophysical Corp.*, 889 F.3d 1308, 1317 (Fed. Cir. 2018) (quoting H. Rep. No. 112-98, at 40, 48 (2011)).

Petitioner's delays in filing its Petition demonstrates its intent to conduct parallel proceedings for as long as possible. Given the lengthy time that passed between the filing of their invalidity contentions and their slow-rolled Petition, the Petition multiplied the parallel proceedings.

Moreover, as reflected in the Board's April 25, 2025 FAQs about the discretionary denial process, the effectiveness of a *Sotera* stipulation hinges on "whether the stipulation materially reduces overlap between the proceedings." April 25, 2025 FAQs, Q.14. A stipulation is not effective unless it guarantees that "the same or substantially the same claims, grounds, ***arguments, and evidence***" will not be raised in the district court. Fintiv at 12-13 (emphasis added). Under *Fintiv*, the analysis thus is not limited to whether the grounds of unpatentability are of the same nature (i.e., based exclusively on patents and printed publications) in different proceedings—the analysis must consider whether a petitioner raises substantially the same arguments and evidence in different proceedings. *Id*. The recent Federal Circuit precedential decision in *Ingenico Inc. v. IOENGINE, LLC*, No. 23-1367 (Fed. Cir. May 7, 2025) highlights why Petitioner's *Sotera*-style stipulation is ineffective for *Fintiv* purposes. There, the Federal Circuit held "IPR estoppel does not preclude a petitioner from relying on ***the same patents and printed publications as evidence*** in asserting a ground that could not be raised during the IPR, such as that the claimed invention was known or used by others, on sale, or in public use." *Id*., slip. op. at 14 (emphasis added).

Ingenico thus permits Petitioner to use the very same prior art references raised in the Petition in the parallel litigation not only as evidence but also as a prior art reference in a ground that could not be raised in this IPR. For example,

under *Ingenico*, Petitioners can present an invalidity ground based on "new" prior art references (*Cal. Inst. of Tech. v. Broadcom Ltd.*, 25 F.4th 976 (Fed. Cir. 2022)) as well as "system" prior art coupled with the same references relied on in the Petition and both the parallel litigation and this proceeding would then require duplicate factual and legal findings regarding those same references because the *Sotera*-stipulation would be ineffective and collateral estoppel would likely not yet attach from the district court's determination.

Indeed, and further demonstrating the intent to present overlap contentions, Petitioner's invalidity contentions explicitly signal that Petitioner intend to rely on "system" prior art (Ex. 2003, 23-26, 70-73). *See* Ex. 2003, 23 ("Defendant's reference to any particular component, device, machine, or other product in these Invalidity Contentions ***should be interpreted as a reference to the product itself and any corresponding patents, publications, or product literature cited in Exhibits A-E that relate to the cited component, device, machine, or other product***. Insofar as Defendant is relying on a system or product as prior art, rather than a publication, Defendant may use additional evidence to show the structure, function, operation and prior art status of that system or product insofar as that evidence is obtained during discovery and in a manner that is consistent with the invalidity theory disclosed in these Invalidity Contentions.") (emphasis added). Given that IPRs cannot reach the system prior art, Petitioner's *Sotera*-stipulation

would not reduce the inefficiencies presented with these multiple proceedings. *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025).

Petitioner's assertion in district court of *additional* prior art and *additional* combinations of art than those asserted here does nothing to alter the degree of overlap between the Petition and its invalidity contentions. *See*, *e.g.*, *Fintiv,* IPR2020-00019, Paper 15 at 15 (finding Petitioner's assertion of additional invalidity contentions "not relevant to the question of the degree of overlap for this factor").

Therefore, with this substantial overlap between the Petition and the parallel proceedings, there are particularly strong "concerns of inefficiency and the possibility of conflicting decisions" if the IPR is instituted. *See, e.g.*, *Fintiv*, IPR2020-00019, Paper 11 at 12 (finding "concerns of inefficiency and the possibility of conflicting decisions [are] particularly strong" where there is substantial overlap).

Accordingly, factor 4 weighs strongly in favor of denying institution. *See Teso LT UAB*, IPR2021-00122, Paper 12 at 10 (finding "the overlap in issues between the two proceedings is substantial" where common art and common challenges to the independent claim were presented in both proceedings); *see also eClinicalWorks*, IPR2022-00229, Paper 10 at 12 (finding factor 4 weighed in favor

of denial where Preliminary Invalidity Contentions showed overlap of asserted claims, art and arguments asserted in the Petition); *U.S. Venture, Inc. v. Sunoco Partners Mktg. & Terminals L.P.*, IPR2020-00728, Paper 10 at 12-14 (PTAB Oct. 1, 2020) (finding overlap between primary references asserted in Petition and litigation weighed in favor of denial).

For each of these reasons, factor 4 strongly favors discretionary denial.

E. Factor 5 Favors Denial (Overlapping Parties)

Petitioner is incorrect on the law and the facts of Factor 5. Petitioner tries to interpret *Fintiv* as removing Factor 5 when there are overlapping parties in order to contend that it is "unrelated" to Bank of America, N.A., so Factor 5 should be given no weight in favor of institution. (Pet., 77).

On the facts, Microsoft and Bank of America, N.A. are the Petitioner, as (a) Microsoft admits Bank of America, N.A. is a real-party-in-interest to the Petition, Pet., 1, (b) the products involved in the parallel litigation are Microsoft products, Pet., 77, and (c) the Petition speaks for both Microsoft and Bank of America, N.A. when presenting a *Sotera* stipulation, Pet. 76. Moreover, while Microsoft and Bank of America, N.A. are not co-defendants in the same district court litigation, both are defendants in litigations brought by Patent Owner, and there is even overlap between Microsoft's counsel in this IPR and the counsel of record for Bank of America, N.A. in its litigation with Patent Owner. *Compare* Ex. 2003,

123 *with* Pet., 2. Finally, to the extent Petitioner argues that Microsoft's presence in this proceeding lessens the weight of Factor 5, that argument should be rejected. Bank of America, N.A. is a named real party in interest, has signed on to the *Sotera* stipulation, and is a co-petitioner in all but name here. And parties should not be given the ability to reengineer the Factor 5 analysis by burying active litigants in the RPI list.

On the law, Factor 5 is weighed in favor of denial of institution when there are overlapping parties. *Samsung Elecs. Co. v. Clear Imaging Research, LLC*, IPR2020-01401, Paper 12 at 22 (PTAB Feb. 17, 2021) ("[b]ecause the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.") (quoting *Fintiv*, IPR2020-00019, Paper 15 at 15).

Here, there are overlapping parties at least between Patent Owner and Bank of America, N.A., and Factor 5 weighs strongly in favor of denial for the same reasons presented above for Factor 2.

F. Factor 6 Favors Denial (Other Factors)

Also weighing in favor of denial are at least four other factors: the timing of Petitioner's IPR challenges, the substantive defects in the Petition, settled expectations, and the use of prior art already before the Examiner (which is addressed more fully in a separate section).

i. The Timing of Petitioner's Petitions Weighs in Favor of Denial

The litigation dispute between Patent Owner and Petitioner involves 5 patents, and the federal litigation involving those 5 patents was filed in the district court on a single day, March 22, 2024. After being served on March 24, 2024 (Ex. 2019), Petitioner waited until the end of the statutory deadline to file its IPRs. In total, over the period from March 7 to March 24, 2025, Petitioner filed five IPRs. The following table summarizes the dates the five IPRs were filed, the IPR proceeding number, the date on which the USPTO's Notice according a filing date was issued, the anticipated institution deadline, and the anticipated final written decision deadline:

Filing Date	IPR	Notice of Filing Date	Date of Institution Decision (Est.)	Date of Final Written Decision (Est.)
3/7/25	IPR2025-00656	4/16/25	10/16/2025	10/16/2026
3/10/25	IPR2025-00655	4/15/25	10/15/2025	10/15/2026
3/18/25	IPR2025-00658	4/15/25	10/15/2025	10/15/2026
3/21/25	IPR2025-00659	4/15/25	10/15/2025	10/15/2026
3/24/25	IPR2025-00657	4/15/25	10/15/2025	10/15/2026

The sequential number of the Petitions, along with some of the lower numbered petitions being filed after the higher numbered ones, demonstrates Petitioner's intent to file five petitions. Yet, Petitioners provide no explanation for delaying those filings so later after the complaint was filed and served. At least the first and third *Fintiv* factors now weigh more heavily in favor of denial as the

estimated final written decision deadline for each IPR extends farther beyond the anticipated January 2026 trial date due to Petitioner's delays.

Moreover, the complexity of this global dispute between Petitioner and Patent Owner encourages resolution in a single forum, without the risk of inconsistent results. While the Board generally evaluates each petition on its own, district courts have additional tools available for resolving suits involving multiple patents, including established procedures for such disputes, deadlines for narrowing issues including the asserted claims and the invalidity contentions, and driving resolution of the dispute as a whole.

Also, the district court can resolve more disputed issues than the limited nature of IPR proceedings, which can only address a limited set of validity challenges. While IPR proceedings were once thought to be vehicles to settle validity questions concerning a patent, history has informed that IPR proceedings often only address some validity issues, leaving others for the district courts to deal with. When a patent survives an IPR, it adds complexity to the proceeding as the district court must then weigh questions of the scope of IPR estoppel. *See, e.g.*. *EIS Inc. v. IntiHealth Ger GmbH*, 2023 WL 6797905, 19-1227-GBW (D. Del. Aug. 30, 2023) (addressing scope of IPR estoppel). And for other validity issues beyond the reach of IPRs (*see* Ex. 2003, 89-90, 110-17), those issues must be heard by the District Court.

ii. Petitioner's Weak Challenges Also Weigh in Favor of Denial

Furthermore, the merits of this Petition are weak. Far from presenting "a compelling unpatentability challenge," *see Fintiv*, IPR2020-00019, Paper 11 at 13-14, the flaws in Petition are clear and warrant denial both under *Fintiv* Factor 6 and the merits.

As introduced above, the '039 patent discloses methods for processing speech and non-speech communications, and challenged claim 13 includes the step of "comparing the text combinations" contained in a user's query "to entries in a context description grammar" (element [13.5]), the step of "accessing a plurality of domain agents that are associated with the context description grammar" (element [13.6]), and the step of "generating a relevance score based on results from comparing the text combinations to entries in the context description grammar" (element [13.7]). Then, per element [13.8], claim 13 includes the step of "selecting one or more domain agents based on results from the relevance score."

In the Petition, Petitioner relies on the "Ross" reference[5] to disclose elements [13.6], [13.7], and [13.8]. *See* Pet., 53-60. This is wrong. Petitioner points to Ross's "recency of relevant access to the context" as allegedly disclosing a "relevance score" as claimed in element [13.7]. Pet., 55. Per Ross, the context grammars in a context list are ordered based on priority of prior access, but this

[5] Ex. 1022, U.S. Patent Application Publication No. 2002/0133354 ("Ross").

order has nothing to do with any comparison of text combinations from a current user query. Rather, the ordering is established prior to processing a current query, and the process of ordering of context grammars exists separate from and independent of any comparison of a current query's text combinations to entries in the context stack. Therefore, it is wrong for Petitioner to contend that the priority order of a context manager's entries is "based on results from comparing the text combinations to entries in the context description grammar," as claimed in element [13.7].

The Petition also uses misleading characterizations in its argument to hide the shortcoming of Ross. Addressing Ross's Figure 4, the Petition contends that "within context list 62, in priority order, 70-1 (appearing at the top of the context list) is the most-recently accessed grammar having the highest recency of access characteristic (highest '*relevance score*'); 70- 2 (appearing in the middle of the context list) is the next most-recently accessed grammar having a medium recency of access characteristic (medium '*relevance score*'); and 70-3 (appearing at the bottom of the context list) is the least accessed grammar having the lowest recency of access characteristic (lowest '*relevance score*')." Pet., 56-57 (citing Ex. 1003, ¶152). But even if Ross's order of grammars in the context stack had some bearing on the relevancy of each grammar, that order is not "based on results from comparing the text combinations [in a query being evaluated] to entries in the

context description grammar," as claimed in element [13.7]. Rather, the order simply relates to which grammar in the stack was last accessed.

Further, element [13.6] requires the step of "accessing ***a plurality*** of domain agents that are associated with the context description grammar," but Ross selects only the first application that has a grammar that can accept the user's phrase, regardless of where in the stack that grammar is arranged. *See* Ross, [0053]. This disclosure confirms that element [13.6] is missing from Ross.

Petitioner's theory has at least one more shortcoming. In element [13.8], claim 13 performs the step of "selecting one or more domain agents ***based on results from the relevance score***." (emphasis added). Applying this method of "selecting" to Petitioner's incorrect characterization of Ross would require selecting the most recent grammar in the stack every time because, according to Petitioner, the top entry is always the entry with the highest "relevance score." This is not how Ross works.

While Ross does order the context stack such that the most recently accessed grammar is positioned on the top of the stack, this order has no inherent bearing on the relevance of that grammar entry to the current query's text combinations. Per Ross, "[t]he context manager 50 tests the utterance against these grammars (indicated by the contexts 70 in the context list 62) in priority order, and passes the commands on to the first application 26 that has a grammar that will accept the

phrase." Ross, [0053]. In other words, if the third grammar in Ross's stack is the first grammar that will accept a user's phrase, this means that Ross is bypassing two higher grammars with—according to Petitioner—higher relevance scores to reach the third grammar. And again, Ross is only accessing one grammar, the first grammar that can accept the phrase in question.

Ross orders its stack according to the most recently accessed grammar, but whether the most recently accessed grammar can process a user's phrase—and would therefore be somehow relevant to the user's query—is a separate question that is irrelevant to the characteristic of stack order. Ross plainly does not fit the claimed steps of claim 13, including the step of "accessing ***a plurality*** of domain agents that are associated with the context description grammar" (element [13.6]), the step of "generating a relevance score based on results from comparing the text combinations to entries in the context description grammar" (element [13.7]), and the step of "selecting one or more domain agents based on results from the relevance score" (element [13.8]).

The Petition's addressing of the claimed elements [13.6], [13.7], and [13.8] is wrong, and this is fatal to the Petition. Indeed, this error confirms that the Petition's challenge as to claim 13 is not strong, but rather facially deficient and unlikely to succeed. Moreover, each of the other challenged claims depend from claim 13, thus confirming that each challenge presented in the Petition is deficient.

iii. Settled Expectations Also Weigh in Favor of Denial

The '039 patent issued on February 16, 2016, and the first two (of three) required maintenance fees to keep the patent in force were paid. Accordingly, the '039 patent was in force for over 9 years before Petitioner filed its Petition. Under current USPTO policy, the '039 patent is not a patent that warrants Board review. *See* Ex. 2020 (Acting Director Stewart stating that "Patents that have been enforced for 10, 12, 15, or more years may not be the best cases for the office to take up."); *see also IRhythm Technologies, Inc. v. Welch Allyn, Inc*., IPR2025-00363, Paper 10 at 3 (PTAB, June 6, 2025) (Director's Decision Granting Discretionary Denial).[6]

For all these reasons above, Factor 6 weighs in favor of denial.

III. THE DIRECTOR SHOULD DENY INSTITUTION UNDER 35 U.S.C. § 325(d)

Section 325(d) allows the Director to elect not to institute a proceeding if the challenge to the patent is based on matters previously presented to the Office. The statute states, in pertinent part, "[i]n determining whether to institute ..., the Director may take into account whether, and reject the petition ... because, the same or substantially the same prior art or arguments previously were presented to the Office." 35 U.S.C. § 325(d). The question of whether a petition presents art or

[6] IPR2025-00363 is the lead case of five to which this Director's Decision applies.

arguments that are "the same or substantially the same" as art or arguments previously presented to the Office is a factual inquiry, which may be resolved by reference to the factors set forth in *Becton, Dickinson*. *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (precedential as to § III.C.5, first paragraph) ("*Becton, Dickinson*").

The precedential section of that decision sets forth the following non-exclusive factors for consideration:

> (a) the similarities and material differences between the asserted art and the prior art involved during examination;
> (b) the cumulative nature of the asserted art and the prior art evaluated during examination;
> (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;
> (d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;
> (e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and
> (f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton, Dickinson, 17–18.

Advanced Bionics, LLC v. MED-EL Electromedizinishe Geräte GmbH, IPR2019-01469, Paper 6 at 8, 10, 17-18 (Feb. 13, 2020) (precedential), sets out a

two-part framework for analyzing these factors. In the first part, factors (a), (b), and (d) are considered to determine whether the art or arguments presented in the petition are the same or substantially the same as those previously presented to the Office. *Advanced Bionics*, 8-10. "If, after review of factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office," then the second part of the analysis determines "whether the petitioner has demonstrated a material error by the Office" in view of factors (c), (e), and (f). *Id*. *Advanced Bionics* instructs that "[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability." *Id*. at 9.

With regard to the first part of the *Advanced Bionics* framework, Petitioner admits that Maes and Ross were before the Examiner. Pet., 73-74. In addition, in an ancestor to the '039 patent, the Examiner cited to Coffman's counterpart in rejecting certain claims. *See* IPR2025-00655, Paper 1, Pet., 70; IPR2025-00655, Ex. 1002, 228-31.

Petitioner asserts that its challenge is "strong," but this characterization lacks the context of explaining what Coffman disclosed, and in particular what Coffman lacks as it relates to Maes. Indeed, every petitioner files a petition thinking it is "strong" and supports it with expert testimony (*cf*., Pet., 74-75), so Petitioner's

assertions in that regard are easy to make. To make a case in favor of institution, Petitioner needed to do more to address what the Examiner did.

Thus, the first part of the *Advanced Bionics* framework is satisfied based on the Examiner's consideration of Maes and Ross, along with the Examiner's prior use of Coffman's counterpart in a rejection in the ancestor application. Petitioner has not shown how Maes differs from Coffman and, in fact, Petitioner appears to treat them interchangeably. *See Google LLC v. Valtrus Innov. Ltd.*, IPR2022-01197, Paper 18 at 17-18 (PTAB June 13, 2023) ("*Valtrus*"); *see also Ecto World, LLC v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 4, (May 19, 2025) (precedential) ("Challenging the claims using the same prior art that was previously presented on an IDS is sufficient to satisfy the first part of the *Advanced Bionics* framework").

For these reasons, step 1 of the *Advanced Bionics* framework is satisfied, and the analysis proceeds to step 2.

Becton, Dickinson factor (c) weighs in favor of discretionary denial because Petitioner acknowledges that Maes, Ross, and Coffman's disclosure were before the Examiner prior to allowing the claims of the '039 Patent. Pet., 73-74; *Valtrus*, at 18-19.

Becton, Dickinson factor (e) strongly weighs in favor of denial. Petitioner simply speculates that the Examiner did not consider Maes and Ross and ignores

the Examiner's use of Coffman. *See Ecto World*, IPR2024-01280, Paper 13 at 5-6 ("a petitioner must explain how the Examiner erred" "even when the asserted prior art is on an IDS, but the Examiner did not apply the reference."). Although Petitioner suggests the number of references cited in prosecution were numerous, Petitioner points to nothing in the record showing that the Examiner questioned the number of references cited, unlike the record in *Ecto World*. Thus, "because Petitioner in this case has failed to 'point[] out sufficiently how the examiner erred in its evaluation of the asserted prior art,' this factor weighs heavily in favor of us exercising discretion to deny institution." *Valtrus*, at 19-24.

The Board should exercise its discretion under 35 U.S.C. § 325(d) and decline Petitioner's request to reexamine the '039 patent based on references before the Examiner. There is no reason here to disturb the Examiner's reasoned decision to allow the '039 patent.

IV. CONCLUSION

For the reasons presented above, the Director should exercise discretion to deny the Petition, and no *inter partes* review should be instituted.

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CERTIFICATE OF WORD COUNT

The undersigned certifies that the foregoing PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL complies with the applicable type-volume limitation. According to the word-processing system's word count, the brief contains 7,370 words, excluding the parts of the brief exempted by 37 C.F.R. § 42.24(a).

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CERTIFICATE OF SERVICE

I hereby certify that on June 16, 2025, a true and correct copy of the foregoing document was served via email, by consent, to Petitioner by serving the correspondence email addresses of record as follows:

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