

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

T-MOBILE USA, INC., AT&T MOBILITY LLC, CELSCO PARTNERSHIP
D/B/A VERIZON WIRELESS, ERICSSON INC. AND
NOKIA OF AMERICA CORPORATION

Petitioners,

v.

SMART RF INC.

Patent Owner.

Case No. IPR2025-00727

U.S. Patent No. 7,035,345

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

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Petitioners' Exhibit List

| Exhibit No. | Document |
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| 1001 | U.S. Patent No. 7,035,345 (“the ’345 Patent”) |
| 1002 | Prosecution History of U.S. Application No. 09/877,608, filed June 8, 2001, which issued as U.S. Patent No. 7,035,345 (“’345 File History”) |
| 1003 | U.S. Patent No. 6,587,514 (“Wright”) |
| 1004 | U.S. Patent No. 6,693,974 (“Jin”) |
| 1005 | U.S. Patent No. 6,512,417 (“Booth”) |
| 1006 | U.S. Patent No. 5,867,065 (“Leyendecker”) |
| 1007 | Allen Katz, “Linearization: Reducing Distortions in Power Amplifiers,” IEEE Microwave Magazine, Vol. 2, No. 4, pp. 37-49 (Dec. 2001) (“Katz”) |
| 1008 | Lei Ding, Raviv Raich, G. Tong Zhou, “A Hammerstein Predistortion Linearization Design Based on the Indirect Learning Architecture,” 2002 IEEE International Conference on Acoustics, Speech, and Signal Processing, Vol. 3, pp. 2689-2692 (May 2002) (“Raich”) |
| 1009 | Lei Ding, <i>Digital Predistortion of Power Amplifiers for Wireless Applications</i> , A Thesis Presented to the Academic Faculty, School of Electrical and Computer Engineering, Georgia Institute of Technology (March 2004) (“Ding”) |
| 1010 | Nazim Ceylan, <i>Linearization of Power Amplifiers by Means of Digital Predistortion</i> , Doctoral Thesis, Friedrich-Alexander-Universität Erlangen-Nürnberg (2005) (“Ceylan”) |
| 1011 | Alan Oppenheim and Ronald Schaffer, <i>Discrete-Time Signal Processing</i> , Prentice Hall (1989) (“Oppenheim”) |

| Exhibit No. | Document |
|--------------------|---|
| 1012 | L. W. Couch, <i>Digital and Analog Communication Systems</i> , Collier MacMillan, New York (1987) (“Couch”) |
| 1013 | J. Proakis, et al., <i>Communication Systems Engineering</i> , 2nd Ed., Pearson, (2002) (“Proakis”) |
| 1014 | U.S. Patent No. 6,072,364 (“Jeckeln”) |
| 1015 | C. Eun & E. J. Powers, “A new Volterra predistorter based on the indirect learning architecture,” <i>IEEE Transactions on Signal Processing</i> , Vol. 45, No. 1, pp. 223-227 (Jan. 1997) (“Eun”) |
| 1016 | Agilent AN 1311 Application Note, <i>Understanding CDMA Measurements for Base Stations and their Components</i> , Agilent Technologies (2000) (“Agilent 1311”) |
| 1017 | TIA/EIA/IS-97, <i>Recommended Minimum Performance Standards for Base Stations Supporting Dual-Mode Wideband Spread Spectrum Cellular Mobile Stations</i> , (Dec. 1997) (“IS-97”) |
| 1018 | W-CDMA TS 25.104 v.3.0.0 3rd Generation Partnership Project (3GPP) Technical Specification Group (TSG) RAN WG4 UTRA (BS) FDD; Radio transmission and Reception (Oct. 1999) (“3GPP”) |
| 1019 | Agilent Application Note 1312, <i>Understanding GSM/EDGE Transmitter and Receiver Measurements for Base Transceiver Stations and their Components</i> , Agilent Technologies (2002) (“Agilent 1312”) |
| 1020 | User's Guide HP 8590 E-Series and L-Series Spectrum Analyzers, Hewlett Packard Co. (July 1998) (“HP User’s Guide”) |
| 1021 | A. Lohtia, P. A. Goud and C. G. Englefield, “Adaptive Digital Linearization of RF Power Amplifiers,” <i>Canadian Journal of Electrical and Computer Engineering</i> , Vol. 20, No. 2, pp. 65-71 (April 1995) (“Lohtia”) |

| Exhibit No. | Document |
|-------------|---|
| 1022 | J. K. Cavers, “The effect of quadrature modulator and demodulator errors on adaptive digital predistorters for amplifier linearization,” IEEE Transactions on Vehicular Technology, Vol. 46, No. 2, pp. 456-466 (May 1997) (“Cavers 1997”) |
| 1023 | J. K. Cavers, et al., “A DSP-based alternative to direct conversion receivers for digital mobile communications,” GLOBECOM '90: IEEE Global Telecommunications Conference and Exhibition, San Diego, CA, USA, Vol. 3, pp. 2024-2029 (1990) (“Cavers 1990”) |
| 1024 | U.S. Patent Application Publication 2001/0014592 (“Helms”) |
| 1025 | U.S. Patent No. 6,246,286 (“Persson”) |
| 1026 | Declaration of James Proctor, Jr. (“Proctor”) |
| 1027 | Curriculum Vitae of James Proctor, Jr. |
| 1028 | Table of Challenged Claims |
| 1029 | Docket Control Order, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , Case No. 2:24-cv-00195-JRG, Dkt. No. 41 (E.D. Tex. June 21, 2024) |
| 1030 | Federal Court Management Statistics - Profiles, June 30, 2024, available at https://www.uscourts.gov/sites/default/files/2024-11/fcms_na_distprofile0630_2024.pdf |
| 1031 | Order Granting Nokia’s Motion to Intervene as a Defendant, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , Case No. 2:24- cv-00195-JRG, Dkt. No. 57 (E.D. Tex. Aug. 8, 2024) |
| 1032 | Order Granting Ericsson’s Motion to Intervene as a Defendant, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , Case No. 2:24-cv-00195-JRG, Dkt. No. 56 (E.D. Tex. Aug. 8, 2024) |
| 1033 | March 18, 2025 Letter to Litigation Counsel for Smart RF, Inc. re Petitioners’ <i>Sotera</i> Stipulation (“Stipulation”) |

| Exhibit No. | Document |
|-----------------------------|---|
| 1034 <i>(new)</i> | Excerpt from Zenious et al., BIODESIGN; THE PROCESS OF INNOVATING MEDICAL TECHNOLOGIES (<i>IRhythm, Inc. v. Welch Allyn, Inc.</i> , IPR2025-00363, Ex. 2010) |
| 1035 <i>(new)</i> | Assignment for '345 Patent, recorded May 6, 2024 |
| 1036 <i>(new)</i> | Complaint, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , No. 2:24-cv-00195-JRG, Dkt. 1 (E.D. Tex. March 19, 2024) |
| 1037 <i>(new)</i> | Complaint, <i>Smart RF Inc. v. Verizon Wireless et al.</i> , No. 2:24-cv-00196-JRG-RSP, Dkt.1 (E.D. Tex. March 19, 2024) |
| 1038 <i>(new)</i> | Complaint, <i>Smart RF Inc. v. T-Mobile US, Inc. et al.</i> , No. 2:24-cv-00197-JRG-RSP, Dkt.1 (E.D. Tex. March 19, 2024) |
| 1039 <i>(new)</i> | Markman Minute Entry, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , No. 2:24-cv-00195-JRG (E.D. Tex. June 12, 2025) |
| 1040 <i>(new)</i> | Petition, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00612, Paper 6 (PTAB February 14, 2025) |
| 1041 <i>(new)</i> | Petition, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00692, Paper 6 (PTAB March 18, 2025) |
| 1042 <i>(new)</i> | Petition, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00691, Paper 6 (PTAB March 18, 2025) |
| 1043 <i>(new)</i> | Notice of Filing Date Accorded, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00612, Paper 9 (PTAB April 14, 2025) |
| 1044 <i>(new)</i> | Notice of Filing Date Accorded, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00692, Paper 9 (PTAB April 16, 2025) |
| 1045 <i>(new)</i> | Notice of Filing Date Accorded, <i>T-Mobile USA, Inc. v. Smart RF Inc.</i> , IPR2025-00691, Paper 9 (PTAB April 16, 2025) |
| 1046 <i>(new)</i> | Notice of Allowability for U.S. Patent Application No. 10/490,054, dated June 12, 2007 |

| Exhibit No. | Document |
|-----------------------------|--|
| 1047 <i>(new)</i> | Federal Court Management Statistics - Profiles, March 31, 2025, available at https://www.uscourts.gov/data-news/reports/statistical-reports/federal-court-management-statistics/federal-court-management-statistics-march-2025 |
| 1048 <i>(new)</i> | Excerpts from Report of James Proctor Regarding Invalidity of the Patents-in-Suit, dated July 8, 2025, No. 2:24-cv-00195-JRG |
| 1049 <i>(new)</i> | Docket Control Order, <i>Sionyx, LLC v. Samsung Electronics Co., Ltd.</i> , Case No. 2:24-cv-00408-JRG (E.D. Tex. December 27, 2024) |
| 1050 <i>(new)</i> | P.R. 4-5(d) Joint Claim Construction Chart, <i>Smart RF Inc. v. AT&T Mobility LLC et al.</i> , No. 2:24-cv-00195-JRG, Dkt. 79-1 (E.D. Tex. May 16, 2025) |
| 1051 <i>(new)</i> | Excerpt from Expert Report of Vijay Madisetti Concerning AT&T Mobility LLC's Infringement of U.S. Patent Nos. 7,035,345; 8,078,561; 8,767,857; 9,641,204; and 10,958,296, dated July 8, 2025, 2:24-cv-00195-JRG |

I. INTRODUCTION

Petitioners T-Mobile USA, Inc. (“T-Mobile”), AT&T Mobility LLC (“AT&T”), Cellco Partnership d/b/a Verizon Wireless (“Verizon”), Ericsson Inc. (“Ericsson”) and Nokia of America Corporation (“Nokia”) (collectively, “Petitioners”) hereby oppose Patent Owner Smart RF Inc.’s (“PO”) Request for Discretionary Denial (“Request,” Paper 10) of Petitioners’ Petition for *Inter Partes* Review of U.S. Patent No. 7,035,345 (“Petition,” Paper 1). PO bases its request on the *Fintiv* factors and other considerations outlined in the Director’s March 26, 2025 Memorandum titled “Interim Process for PTAB Workload Management” (“Workload Memo”), but PO improperly mischaracterizes several material facts while ignoring others in seeking discretionary relief.

Petitioners acknowledge that trials are currently scheduled in the related district court litigations¹ to occur before an expected final written decision in this proceeding. (Request at Section I.) PTAB case law supports institution of this Petition, however, notwithstanding the tentative trial schedule in the Related

¹ *Smart RF Inc. v. AT&T Mobility LLC*, No. 2:24-cv-00195-JRG-RSP (E.D. Tex.); *Smart RF Inc. v. Verizon Wireless et al.*, No. 2:24-cv-00196-JRG-RSP (E.D. Tex.); and *Smart RF Inc. v. T-Mobile US, Inc. et al.*, No. 2:24-cv-00197-JRG-RSP (E.D. Tex.) (“Related Litigations”)

Litigations. PO's recent infringement expert report in the Related Litigations indicates that not all claims will be pursued. This fact, together with Petitioners' *Sotera* stipulation, render the PTAB the most efficient forum for adjudicating invalidity issues.

Moreover, the merits of the Petition are strong, in part because neither the Patent Office nor any court has considered the prior art references or grounds. PO's Request demonstrates the strength of Petitioners' unpatentability challenges because it does not particularly point out any weaknesses in the Petition, but instead resorts to criticizing the form of the its grounds. Specifically, PO notes the number and type of grounds as reasons for denial, both of which are irrelevant to the Petition's merits.

A full analysis of the *Fintiv* factors and other considerations, particularly in view of Petitioners' *Sotera* stipulation and the strength of the grounds set forth in the Petition, dictates that discretionary denial is not warranted and that PO's Request should be denied in the interest of efficiency, fairness and patent quality.

Accordingly, Petitioners hereby respectfully request that the Director deny PO's Request and grant the Petition to institute *inter partes* review of U.S. Patent No. 7,035,345 (the "'345 Patent).

II. BACKGROUND

On June 8, 2001, Ernesto G. Jeckeln, Fadhel M. Ghannouchi, Mohamad Sawan and François Beauregard filed U.S. Patent Application No. 09/877,608. (Ex.

1002 at 1.) The application went on to issue as the '345 Patent on April 25, 2006, and was assigned to Polyvalor S.E.C. (Ex. 1001.) On June 12, 2007, the '345 Patent was cited in a Notice of Allowability for U.S. Patent Application No. 10/490,054, which was owned by one of Nokia's affiliates. (Ex. 1046 at 4.) The '345 Patent was not assigned to PO until February 9, 2024 according to the assignment document that was publicly recorded on May 6, 2024 (Ex. 1035 at 1.)

On March 19, 2024, PO brought the Related Litigations in the Eastern District of Texas against T-Mobile, AT&T and Verizon, alleging infringement of five patents: the '345 Patent and U.S. Patent Nos. 8,078,561 (the "'561 Patent"), 8,767,857 (the "'857 Patent), 9,641,204 (the "'204 Patent") and 10,958,296 (the "'296 Patent) (collectively, "Asserted Patents"). (Ex. 1036 at 1; Ex. 1037 at 1; Ex. 1038 at 1.) On August 8, 2024, Ericsson and Nokia (together with T-Mobile, AT&T and Verizon, "Defendants") intervened as designers and manufacturers of some of the accused products. (Exs. 1031, 1032.)

In the Related Litigations, Defendants served their Invalidity Contentions and then supplemented those contentions on July 31, 2024 and March 31, 2025, respectively. (Ex. 1029 at 6.) The Court held a Markman Hearing on June 12, 2025. (Ex. 1039.) Defendants served their Invalidity Expert Report on July 8, 2025. (Ex. 1029 at 4; Ex. 1048 at 1.) According to the Docket Control Order, the three trials in the Related Litigations are all tentatively scheduled to occur on the same date:

November 17, 2025. (Ex. 1029 at 2.)

Meanwhile, Petitioners proceeded to file IPR petitions against the '345, '204, '296 and '561 Patents within the year prescribed by statute. 35 U.S.C. § 315(b). Petitioners filed the petition for the '561 Patent on February 14, 2025, and filed the petitions for the '345, '204 and '296 Patents on March 18, 2025. (Petition; Exs. 1040-1042.) PTAB entered a Notice of Filing Date Accorded for the petition corresponding to the '561 Patent on April 14, 2025 (one month after the Petition was filed), thereby setting the deadlines for an institution decision and a final written decision in that proceeding on October 14, 2025 and October 14, 2026, respectively. (Ex. 1043 at 1.) PTAB entered the Notice of Filing Date Accorded for each of the petitions corresponding to the '345, '204 and '296 Patents on April 16, 2025, thereby setting the deadlines for institution decisions and final written decisions in those proceedings on October 16, 2025 and October 16, 2026, respectively. (Paper 9; Ex. 1044 at 1; Ex. 1045 at 1.)

The Petition for the '345 Patent asserts three grounds of invalidity. (Petition at 3.) All three are obviousness grounds under 35 U.S.C. § 103. (*Id.*)

III. STIPULATION

Petitioners entered a *Sotera* stipulation by a letter sent to PO on March 18, 2025 (“the Stipulation Letter”), which was submitted with the Petition. (Ex. 1033.)

Petitioners’ stipulation reads:

if the Patent Trial and Appeal Board (“PTAB”) authorizes Defendants to enter this stipulation into evidence and institutes an IPR in response to Defendants’ petitions against Smart RF Inc.’s U.S. Patent Nos. 7,035,345, 8,078,561, 9,641,204 or 10,958,296 (the “Petitions”), then Defendants will not pursue the grounds raised, or grounds that could have reasonably been raised, in the instituted Petition before the PTAB in the Litigations. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Pap. 12 at 13-20 (PTAB Dec. 1, 2020) (precedential) (“*Sotera*”).

(*Id.*)

IV. ANALYSIS

Discretionary denial under the *Fintiv* factors and other considerations is not warranted. *Fintiv* identifies six factors for the PTAB to balance in determining whether to exercise discretionary denial when there is a parallel district court proceeding: likelihood of a stay; the timing of trial; investment in the parallel proceeding; overlap of issues; overlap of parties; and other factors. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5-6 (Mar. 20, 2020) (precedential). Of the *Fintiv* factors, two are neutral and four weigh against discretionary denial in this proceeding. In particular, Factors 4 (overlap of issues) and 6 (other factors) substantially weigh in Petitioners’ favor in view of Petitioners’ *Sotera* stipulation and the strong merits of the Petition.

As of March 26, 2025, the Director includes other considerations in the holistic assessment alongside the *Fintiv* factors: whether the PTAB or another forum

has already adjudicated the invalidity of the challenged claims; the strength of the unpatentability challenge; the extent of the petition's reliance on expert testimony; settled expectations of the parties; and any other considerations bearing on the Director's discretion. Workload Memo at 2-3. All of these other considerations weigh in Petitioners' favor.

Accordingly, Petitioners respectfully request the Director deny PO's Request for discretionary denial after balancing all of the *Fintiv* factors and other considerations.

A. Factor 1 – Likelihood of a Stay

No party has requested a stay, and the District Court has not indicated whether a stay would be granted in the Related Litigations. Therefore, this factor is neutral. *See, e.g., Hulu, LLC v. SITO Mobile, Ltd.*, IPR2021-00298, Paper 11 at 10-11 (PTAB May 19, 2021).

PO devotes nearly five full pages of the Request to speculate as to how a hypothetical motion to stay would be resolved. The Director should decline PO's invitation to do the same because the Board has repeatedly and consistently explained that it will not engage in such speculation before a motion to stay is filed. *See Google, LLC v. Parus Holdings Inc.*, IPR2020-00847, Paper 9 at 12 (PTAB Oct. 21, 2020); *Fintiv*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (same); *SAP America, Inc. v. Cyandia, Inc.*, IPR2024-01496, Paper 13 at 5 (PTAB April 7,

2025) (same).

B. Factor 2 – Timing of Trials

Petitioners acknowledge that trials are currently scheduled in the Related Litigations before a final written decision will issue in this proceeding, but the scheduled dates are unlikely to remain in place. In particular, all three trials are tentatively scheduled on the same date and thus, even if one case proceeds to trial on the scheduled date, the other two trials must be rescheduled because they will not proceed in parallel. These considerations dictate that this factor is neutral or, at most, only slightly favors discretionary denial. Recent PTAB cases also support institution of this Petition notwithstanding the trial schedule in the Related Litigations. *See, e.g., Google LLC v. Mullen Industries LLC*, IPR2025-00019, Paper 14 at 13 (PTAB May 12, 2025) (“Although the earlier trial date weighs in favor of discretionary denial, the remaining factors are either neutral or weight against discretionary denial. Accordingly, we decline to exercise discretion to deny institution.”).

Here, the eleven-month gap between the currently scheduled trials on November 17, 2025 (Ex. 1029 at 2) and the statutory deadline for a final written decision on October 16, 2026 is highly likely to shrink. For example, PO notes that the Docket Control Order designates the trial date as a “‘deadline that cannot be changed without an acceptable showing of good cause.’” (Request at Section III.B (quoting Ex. 1029 at 6).) PO infers from this standard language, which is included

in Judge Gilstrap’s Model Docket Control For Patent Cases, that a trial deadline is essentially set in stone, but this is not the case. The District Court routinely finds good cause to reschedule trials, sometimes even more than once. *See, e.g., Multimedia Techs. PTE Ltd. v. LG Elecs. Inc., et al.*, 2:22-cv-00494-JRG-RSP, Dkt. 273 (E.D. Tex. Mar. 18, 2025) (noting that “[t]his case has been set for trial five times: November 18, 2024, January 27, 2025, February 7, 2025, March 3, 2025, and March 17, 2025.”).

Rescheduled dates are common practice for the District Court. In fact, in the Related Litigations, a date that the Docket Control Order indicated as a “deadline that cannot be changed without an acceptable showing of good cause” has already been rescheduled. (*Compare* Ex. 1029 at 5 (*Markman* Hearing scheduled for May 30, 2025) *with* Ex. 1039 (*Markman* Hearing rescheduled for June 12, 2025).) It would be unsurprising then, or even likely, for the District Court to take a similar approach with respect to the trial dates.

As another example, PO argues inaccurately that “[t]he Court’s November 17, 2025, trial setting (just under 20 months from filing) is consistent with the Court’s median time-to-trial date of 21.6 months.” (Request at Section III.B.) PO’s data is outdated. The most recent Federal Court Management Statistics report from March 2025 indicates that the median time to trial in civil cases for the Eastern District of Texas is not 21.6 months but rather 25.9 months. (Ex. 1047 at 35.) The data shows

that trial schedules are being extended. *See Whirlpool Corp. et al. v. Shenzhen Sanlida Elec. Tech. Co.*, No. 2:22-CV-00027 (E.D. Tex. Mar. 25, 2025) (1092 days to trial); *Force Mos Tech., Co. v. ASUSTek Computer Inc.*, No. 2:22-CV-00460 (E.D. Tex. Jan. 22, 2025) (802 days to trial); *Touchstream Techs., Inc. v. Charter Communications Inc.*, No. 2:23-CV-00059 (E.D. Tex. Feb. 17, 2025) (746 days to trial). This too gives credence to the likelihood that the trials in the Related Litigations will be rescheduled.

Moreover, PO downplays the fact that there are multiple trials at play.² They will not proceed in parallel and will stretch out in time given the number of patents that span distinct technologies and claims at issue. Other factors such as post-trial motions in other cases and the Court's busy schedule may exacerbate the problem. Consequently, while the Related Litigations *may* go to trial before a final written decision issues, it is no guarantee that any or all will go to trial before such time, and it is unlikely that any final judgments related to invalidity will issue before the final written decision.³

² While not related to timing, PO does not address the significant risk of inconsistent jury verdicts on invalidity (given that there will be three separate trials), which further favors resolving invalidity in a single proceeding at the PTAB.

³ Because final judgment, not trial, triggers the timing for appeal, final judgment

C. Factor 3 – Investment in Parallel Proceedings

PO's Response misleads as to the amount of the investment that will be made by the District Court in the Related Litigations at the time of the expected institution date, October 16, 2025. Viewed in the proper light, this factor favors institution.

As the Board held in *Fintiv*, “[i]f, 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 under NHK.” *Fintiv*, 10. Here, the District Court has not issued any orders related to the '345 Patent. (See Ex. 1029 at 2-6.) Although the District Court has held a *Markman* hearing and is expected to issue a *Markman* order before the deadline, the parties presented only a single claim term for construction with respect to the '345 Patent. (Ex. 1050.) That single term has no bearing on the grounds set forth in the Petition because the prior art relied on in the Petition meets the claim term under any reasonable interpretation.

may be a better point of comparison than trial for discretionary denial purposes. Even if invalidity is resolved at trial, final judgment may not immediately follow and may be entered months later. See, e.g., *Netlist, Inc. v. Samsung Elecs. Co.*, No. 2:21-CV-00463-JRG, Docket No. 551 (E.D. Tex. August 11, 2024) (entering final judgment around four months after the jury trial).

D. Factor 4 – Overlap of Issues

This factor strongly weighs against discretionary denial for several principal reasons. First, Petitioners entered a *Sotera* stipulation,⁴ which moots PO’s argument related to references Wright and Booth. Second, all of the ’345 Patent’s claims are challenged here, whereas only a subset are asserted in the Related Litigations. Third, the case law that PO cites to support the idea that Petitioners’ *Sotera* stipulation does not make this proceeding a “true alternative” are inapposite.

First, to mitigate any duplication concerns, if the Petition is instituted, Defendants will not pursue in the Related Litigations the grounds raised, or any grounds that could have reasonably been raised, in the instituted Petition. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020)

⁴ The Petition attached Ex. 1033, the Stipulation Letter. (Petition at vii; Ex. 1033.) The Petition merely referenced Ex. 1032 where it was meant to reference Ex. 1033. (Petition at 90.) PO has at least been on notice that Petitioners intend to enter a *Sotera* stipulation since Petitioners’ March 18, 2025 Stipulation Letter. In any event, Petitioners’ *Sotera* stipulation is appropriately being entered before the PTAB’s decision on institution. *See NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 13 (Sept. 7, 2022) (precedential) (holding that the only appropriate time for a petitioner to offer a stipulation is prior to the Board's decision on institution).

(precedential); *BMW of No. Am., LLC v. Northstar Systems LLC*, IPR2023-01017, Paper 12, at 10 (PTAB Dec. 8, 2023). The Petition relies upon primary references U.S. Patent No. 6,587,514 (“Wright”) and U.S. Patent No. 6,512,417 (“Booth”), either alone or in combinations for all three grounds. (Petition at 3.) In view of Petitioners’ *Sotera* stipulation, those grounds as well as any grounds that could have reasonably been raised in the Petition will not be pursued in the Related Litigations, if the Petition is instituted. While not dispositive, this fact is still highly relevant. *See* “Guidance on USPTO’s rescission of ‘Interim Procedure for Discretionary Denials in AIA Post- Grant Proceedings with Parallel District Court Litigation,’” March 24, 2025 at 2-3.

Second, the Board may determine the invalidity or non-invalidity of all of the ’345 Patent’s claims in this proceeding because all eleven claims are challenged. (Petition at Section III.B.) The District Court will not have the same opportunity because PO’s infringement expert report in the Related Litigations indicates that PO will only pursue a minority of the ’345 Patent’s total claims. (Ex. 1051 at 129 (asserting claims 1, 2, 5 and 11).) Thus, this single proceeding is more efficient than the Related Litigations.

Third, PO improperly relies on *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB March 28, 2025) and *Samsung Electronics Co., Ltd. v. Sionyx, LLC*, IPR2025-00064, Paper 15 (PTAB June 6, 2025) to support its

proposition that this factor weighs in favor of denial. PO's theory is that because a handful of system art is listed in Defendants' Invalidity Contentions, this proceeding would not be a "true alternative" to the Related Litigations. The particular circumstances of *Motorola* and *Samsung*, however, are not present in this case.

In *Motorola*, the Director vacated an institution decision, in part because the Director determined that petitioner's *Sotera* stipulation did not ensure that the IPR proceeding would be a "true alternative" to the district court proceeding. *Motorola*, Paper 19 at 3-4. The Director found that "Petitioner's invalidity arguments in the district court are more expansive and include combinations of the prior art asserted in these proceedings with unpublished system prior art, which Petitioner's stipulation is not likely to moot." *Id.* at 4. What is not detailed in the decision, however, is the extent of the petitioner's combinations of the asserted prior art with the system art. The patent owner provided those details in its request for director review. *See Motorola*, Paper 15 at 8-9. There, the patent owner argued that the *Motorola* petitioner "ha[d] offered a 1200-page invalidity expert report in the district court case, the majority of which will not be mooted by Petitioner's *Sotera* stipulation despite clear overlap in subject matter because of obviousness assertions combining art asserted in this IPR with unpublished 'systems prior art' theories." Defendants' invalidity expert report here is easily distinguishable. **None** of the grounds in Defendants' invalidity expert report rely on combinations with system

prior art, including the grounds with respect to the '345 Patent. (Ex. 1048 at Section 4 (Summary of Opinions & Materials Considered), Sections 8.3, 9.3, 10.3, 12.1 and 13.1 (Overview of the Prior Art).) Accordingly, Petitioners' *Sotera* stipulation would completely address the duplication concerns as to those grounds if the Petition were instituted. In these circumstances, this proceeding is much more of a "true alternative" as compared to *Motorola*.

In *Samsung*, the Board similarly denied institution, in part because it determined that the petitioner's *Sotera* stipulation did not ensure that the IPR proceeding would be a "true alternative" to the district court litigation. *Samsung*, Paper 15 at 13. The difference between *Samsung* and *Motorola* is that the defendant in the *Samsung* district court litigation had not yet served its invalidity expert report at the time of the Board's discretionary denial decision. (*Compare id.* at 1 (April 23, 2025 decision date) *with* Ex. 1049 at 4 (November 17, 2025 deadline to serve expert disclosures).) The Board therefore could only consider how the presence of system prior art in the defendant's invalidity contentions impacted the effect of the petitioner's *Sotera* stipulation. *Samsung*, Paper 15 at 13. For this reason, *Samsung* is also easily distinguishable. Here, the Director has the benefit of Defendants' invalidity expert report that shows, as noted above, **none** of the grounds in the report rely on combinations with system prior art, including the grounds with respect to the '345 Patent. (Ex. 1048 at Section 4 (Summary of Opinions & Materials Considered),

Sections 8.3, 9.3, 10.3, 12.1 and 13.1 (Overview of the Prior Art).) Accordingly, Petitioners' *Sotera* stipulation addresses duplication concerns and this proceeding represents more of a "true alternative" than *Samsung*. Significantly, even under the circumstances in *Samsung*, the Board still found that this factor weighed slightly against exercising its discretion to deny institution. *Samsung*, Paper 15 at 14. With more sure circumstances here, the Director should find that this factor strongly weighs against discretionary denial.

E. Factor 5 – Overlap of Parties

This factor weighs against discretionary denial because not all Petitioners are similarly situated. Petitioners AT&T, T-Mobile and Verizon are defendants in the Related Litigations, so this factor is neutral as to those petitioners. *See, e.g., HP Inc. v. Slingshot Printing LLC*, IPR2020-01084, Paper 13 at 9 (having the "same parties as parallel proceeding" makes factor 5 "neutral"). It is "far from an unusual circumstance that a petitioner in *inter partes* review and a defendant in a parallel district court proceeding are the same." *Sand Revolution II LLC v. Continental Intermodal Group-Trucking LLC*, IPR2019-01393, Paper 24 at 12-13 (PTAB June 16, 2020).

However, Petitioners Ericsson and Nokia are intervenor-defendants in the Related Litigations. They are designers and manufacturers for some of the accused products and, as such, they have an interest in challenging the validity of the '345

Patent that extends beyond the Related Litigations. This IPR proceeding provides Ericsson and Nokia the opportunity to challenge the validity of all of the '345 Patent's claims. Thus, this factor weighs against discretionary denial as to Ericsson and Nokia.

F. Factor 6 – Other Factors

On the merits, the Petition presents compelling evidence of invalidity, while PO fails to demonstrate any weaknesses. Juxtaposing the parties' arguments, it is clear that the merits of the Petition strongly weigh against discretionary denial.

In particular, the Petition should be instituted because none of the prior art or grounds asserted in the Petition were previously considered by either the Patent Office or any court. (Petition at X.A.) In such cases, this factor weighs against discretionary denial. *Comcast Cable Commn's, LLC v. Rovi Guides, Inc.*, IPR2019-00231, Paper 14 at 11 (PTAB May 20, 2019) (obviousness challenges not "previously considered by the Office or any court" weigh in favor of not exercising discretion to deny institution).

Moreover, although the Board encourages parties to specifically point out strengths or weaknesses of a petition to aid the Board in its decision, PO fails to identify any weaknesses. *Samsung Electronics Co., Ltd. v. Clear Imaging Research, LLC*, IPR2020-01401, Paper 12 at 23 (PTAB Feb. 17, 2021) (encouraging parties to "point out, as part of the factor-based analysis, particular 'strengths or weaknesses'

to aid the Board in deciding whether the merits tip the balance one way or another.”). PO instead merely gestures toward claim elements 1[b], 1[c], 3[b], 3[c], 5[c], 5[d], 7[c], 7[d], 9[c], 9[d], 11[c] and 11[d], and promises that weaknesses will be demonstrated in PO’s forthcoming preliminary response. (Request at Section III.F.) For that reason alone, this factor should weigh against discretionary denial. *Samsung*, IPR2020-01401, Paper 12 at 23.

Nevertheless, Petitioners will briefly explain why the Petition’s challenge is strong with regard to the claim elements PO mentions. All of these claim elements require using digital receivers to produce a feedback signal. (Ex. 1028.) For Ground 1, element 1[b], the Petition describes how Wright discloses a digital receiver. Wright teaches downconverting a radio frequency (“RF”) signal to an intermediate frequency (“IF”) signal, performing analog-to-digital conversion on the IF signal to produce a digital signal, and then using “digital quadrature conversion circuitry” to convert the digital signal to a complex baseband signal (i.e., the in-phase (I) and quadrature (Q) signal components representing the signal’s real and imaginary values, respectively). (Petition at Section IX.A.1.c.i; Ex. 1003, 9:38-44, 10:30-44, 41:44-57, 43:22-39.) The Petition also relies on at least this disclosure for Ground 1, elements 1[c], 5[c], 5[d], 7[c], 7[d], 11[c] and 11[d], and for Ground 2, elements 3[b], 3[c], 9[c] and 9[d]. (Petition at Sections IX.A.1.d, IX.A.3.a, IX.A.5.a IX.A.7.a, IX.B.2.a, IX.B.4.)

For Ground 3, element 1[b], the Petition describes how U.S. Patent No. 5,867,065 (“Leyendecker”) also discloses a digital receiver. Leyendecker discloses a coupler that takes a feedback signal from a RF signal and sends the RF feedback signal to a downconverter, which translates the RF feedback signal to an IF signal. (Petition at Section IX.C.2.c; Ex. 1006, 6:12-30.) The IF signal is then converted to a digital signal with an analog-to-digital converter before conventional, commercially-available circuitry is used to perform “digital quadrature demodulation” on the digital signal to convert it to a complex baseband signal. (Petition at Section IX.C.2.c; Ex. 1006, 6:36-41, 8:33-45.) The Petition then describes why it would have been obvious for a POSITA to combine Leyendecker’s digital receiver into Booth’s system, and why a POSITA would have been motivated to do so. (Petition at Sections IX.C.2.c, IX.C.1.) The Petition also relies on this disclosure for Gound 3, elements 1[c], 5[c], 5[d], 11[c] and 11[d]. (Petition at Sections IX.C.2.d, IX.C.4.a, IX.C.6.c.)

The “digital quadrature conversion circuitry” of Wright and the conventional circuitry that performs “digital quadrature demodulation” of Leyendecker both take a digital signal as the input and produce a complex baseband signal as the output. (Petition at Sections IX.A.1.c.i, IX.C.2.c; Ex. 1003, 43:22-39; Ex. 1006, 8:33-45.) Therefore, Wright, as well as Leyendecker in combination with Booth, renders obvious a digital receiver under PO’s proposed construction for “digital receiver.”

(Ex. 1050 at 1 (Plain and ordinary meaning, “a component that receives a digital signal”).) These components also meet Petitioners’ proposed constructions for “digital receiver.” (Ex. 1050 at 1 (“device that digitally translates a signal from RF to complex baseband” *alternatively* “device that digitally translates a signal to complex baseband”).)

PO apparently only takes issue with the quantity and bases of the Petition’s grounds, stating that “Petitioners assert three grounds, none of which are anticipation grounds. Petitioners’ failure to identify any anticipatory art serves as an initial indication of the weaknesses of the Petition’s merits.” (Request at Section III.F.) The number of grounds that a petition presents is not, of course, the standard for institution. 35 U.S.C. § 314(a). (“The Director may not authorize an inter partes review to be instituted unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”) Furthermore, institution may be based on either anticipation or obviousness grounds. 35 U.S.C. § 311(b) (“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[.] (emphasis added). It has never been established or even suggested that an anticipation ground is inherently stronger than an obviousness ground, and PO cites no cases to the contrary.

G. Reliance on Expert testimony

Petitioners' reliance on expert evidence is entirely compliant with Federal Circuit precedent. Both *Phillips* and *KSR*, which form the foundation for claim construction and obviousness, require one to evaluate a patent and prior art from the perspective of a POSITA. Moreover, the Federal Circuit has made clear that attorney argument alone is insufficient. As such, PO's criticism of the Petition vis-à-vis James Proctor, Jr.'s expert declaration (Ex. 1026) is misplaced. This consideration weighs against discretionary denial.

It is well established that patent claims are construed based on the understanding of a POSITA. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1313 (Fed. Cir. 2005) (“We have made clear, moreover, that the ordinary and customary meaning of a claim term is the meaning that the term would have *to a person of ordinary skill in the art*[.]”) (emphasis added). In accordance with Federal Circuit precedent, Proctor provides his perspective on how the prior art meets the claim terms of the '345 Patent as he understands them, with testimony supported by the required disclosure of references in accordance with 37 CFR § 42.65(a) and *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 (Aug. 24, 2022) (precedential). (See Ex. 1026, Section 9 (Grounds of Unpatentability).)

Obviousness grounds are likewise evaluated from the perspective of a POSITA. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 417 (2007) (“If *a person of*

ordinary skill can implement a predictable variation, §103 likely bars its patentability.”) (emphasis added), 418 (“[I]t can be important to identify a reason that would have prompted *a person of ordinary skill* in the relevant field to combine the elements in the way the claimed new invention does.”) (emphasis added). Here, again in accordance with Federal Circuit precedent, Proctor provides his perspective on the obviousness of certain features claimed by the ’345 Patent and the obviousness of the combination of certain references, with testimony supported by the required disclosure of references in accordance with 37 CFR § 42.65(a) and *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 (Aug. 24, 2022) (precedential). (See Ex. 1026, Section 9 (Grounds of Unpatentability).) PO’s assertion that the Petition somehow detrimentally “relies upon [Proctor’s] testimony, including attempting to plug holds by arguing that certain features not disclosed in the relied-on references would have been obvious” does not comport. (Request at Section III.G.)

Moreover, the Federal Circuit has made it clear that attorney argument is not evidence. *Icon Health & Fitness, Inc. v. Strava, Inc.*, 849 F.3d 1034, 1043 (Fed. Cir. 2017) (“Attorney argument is not evidence.”) (citing *Gemtron Corp. v. Saint-Gobain Corp.*, 572 F.3d 1371, 1380 (Fed. Cir. 2009) (“[U]nsworn attorney argument . . . is not evidence and cannot rebut . . . other admitted evidence . . .”). See also *Elbit Sys. Of Am., LLC, v. Thales Visionix, Inc.*, 881 F.3d 1354, 1359 (Fed. Cir. 2018)

(“Elbit fails to present any evidence supporting this contention beyond attorney argument ... and ‘[a]ttorney argument is not evidence’ and cannot rebut other admitted evidence.”). The Board recently confirmed this: “It is well settled that mere attorney argument unsupported by factual evidence is entitled no probative value.” *PLR Worldwide Sales LTD. v. Flip Phone Games, Inc.*, IPR2024-00209, Paper 28 at 32 (April 24, 2025). Because attorney argument is not evidence, expert testimony, such as Proctor’s declaration with citations to underlying factual support underlying the opinions therein, is essential to properly support IPR claim construction and obviousness positions. Proctor’s declaration is appropriately utilized to explain complicated subject matter and provide detail regarding how a POSITA would have understood the technical disclosures of the ’345 Patent and the prior art references.

The Request also asserts that “Mr. Proctor’s declaration contains much of the same language as the Petition” and therefore the Board should be skeptical. (Request at Section III.G.) However, the cases that PO cites do not support its argument. In *Kinetic Techs., Inc. v. Skyworks Solutions, Inc.*, the Board cited the relevant law that “[E]xpert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight. 37 C.F.R. § 42.65(a)” and denied institution after finding that “Dr. Mohapatra’s Declaration does not provide any factual basis for its assertions.” IPR2014-00529, Paper 8, 14-15 (PTAB Sept. 23, 2014). Likewise, in *Xerox Corp. v. Bytemark, Inc.*, the Board found that “[w]e have

reviewed this excerpt from Dr. Jones’ declaration and note that it merely repeats, verbatim, the conclusory assertion for which it is offered to support” and therefore denied institution because “Dr. Jones does not cite to any additional supporting evidence or provide any technical reasoning to support his statement.” IPR2022-00624, Paper 9, at 15. (PTAB Aug. 24, 2022). Here, PO does not assert that Proctor’s opinions are conclusory or not factually supported, nor can it due to the extensive pin cites to evidentiary support for his declaration.

H. Settled Expectations

This consideration weights against discretionary denial because Petitioners’ settled expectations are greater than PO’s settled expectations, if any.

1. PO does not have any settled expectations, or at least no reasonable ones.

PO argues that it has settled expectations because Petitioners did not challenge the ’345 Patent when it issued in April 2006 or when “Petitioners Ericsson and Nokia [became] collectively aware of the Asserted patents (either directly or through their families)[.]” (Request at Section III.H.) As a threshold matter, there are many practical problems with a de facto requirement for petitioners to challenge patents as they issue or are cited. These problems are detailed in the following section. Nevertheless, PO has not adequately supported that it has settled expectations because the case that it cites is inapposite.

In *IRhythm*, a single petitioner challenged four patents in five separate IPRs.

IRhythm Techs., Inc. v. Welch Allyn, Inc., IPR2025-00363, Paper 10 at 2 (PTAB June 6, 2025). The four patents belong to a family. *IRhythm*, Paper 11 at 5. Since their issuance, the four patents have only ever been assigned to the patent owner. *Id.* The patent owner argued that the petitioner’s founder was “particularly focused on patent searches.” *IRhythm*, Paper 7 at 30. The petitioner’s founder is quoted as saying, “[T]o figure out if people had done this before[,] we conducted IP searches. Our focus was on patents that had already been issued as well as pending patent applications.” *Id.* (quoting Ex. 1034 at 232). The petitioner’s founder even stated that he “revisited the team’s early IP assessment” and “dived much more deeply in the analysis of specific claims.” *Id.* (quoting Ex. 1034 at 233). The Director discretionarily denied review of the five IPRs because the application that ultimately issued as the oldest patent in the family was cited in an information disclosure statement for one of the petitioner’s patent applications. *IRhythm*, Paper 10 at 3.

IRhythm is distinguishable because (1) there are five petitioners here instead of a single petitioner; (2) Petitioner Nokia does not own the patent in which the ’345 Patent was cited; (3) PO did not purportedly acquire the ’345 Patent until just before filing the Related Litigations; (4) neither Nokia nor its affiliate had the same focus on the patent landscape at the time that the ’345 Patent was identified by the examiner; and (5) the ’345 Patent does not relate to the other asserted patents in the Related Litigations.

First, having multiple Petitioners here is significant because whatever knowledge attributable to one of the Petitioners may not be fairly inferred for the others. Even if knowledge of the '345 Patent is attributable to Nokia through identification in a Notice of Allowability, which Petitioners contest, that knowledge may not be inferred for Ericsson, AT&T, T-Mobile and Verizon. Therefore, PO could have no settled expectations with respect to the other Petitioners regarding the '345 Patent.

Second, Petitioner Nokia does not own the patent in which the '345 Patent was cited, unlike the *IRhythm* petitioner who owned the patent in which the challenged patent was cited. PO merely alleges that Nokia's affiliate owns a patent in which the '345 Patent was cited, and argues that that triggers the affiliate's knowledge of the '345 Patent as far back as 2008. Petitioner Nokia's knowledge of the '345 Patent may not be fairly inferred through its affiliate's knowledge, to the extent that the affiliate has any knowledge. This degree of separation between Petitioner Nokia and its affiliate should not be glossed over.

Third, PO did not acquire ownership of the '345 Patent until one month before filing the Related Litigations, and did not publicly disclose that it had done so until two months after filing the Related Litigations. (Ex. 1035 at 1 (assignment from Fadhel M. Ghannouchi to PO, executed February 2024 and recorded May 2024).) In these circumstances, PO could not have begun developing any expectations until

February 2024 at the earliest, and arguably not until March 2024 when the Related Litigations were filed. Thus, PO can have no settled expectations as to the non-invalidity of the '345 Patent.

Fourth, at the time that the '345 Patent was identified by the examiner, other entities owned the '345 Patent, not PO. (Ex. 1035 at 1.) Unlike in *IRhythm*, PO does not allege that Nokia or its affiliate identified the '345 Patent, or had any particular focus on other entities' patents.⁵ Further, the examiner identified the '345 Patent in the affiliate's patent application but did not apply or discuss the '345 Patent. (Ex. 1046 at 4.)

Fifth, the fact that the '345 Patent does not relate to the other asserted patents in the Related Litigations should be noted because PO attempts to aggregate the patents. (See Request at Section III.H.) Whether or not the '204 and '561 Patents were cited for Ericsson's or Nokia's patent applications has no bearing on Petitioners' knowledge, if any, of the '345 Patent.

2. Petitioners' settled expectations carry greater weight.

While PO cannot demonstrate that it has settled expectations, Petitioners can. Specifically, not only has the '345 Patent lay dormant for its entire life until the

⁵ PO does not assert that others commercialized, asserted, marked, licensed the '345 Patent or otherwise was a competitor in Petitioners' technology space.

Related Litigations, but patent law permits IPRs to be filed many years after a patent issues.

The '345 Patent may have issued in April 2006, yet it has never been commercialized, asserted, marked, licensed or otherwise applied in Petitioners' technology space for the eighteen years before the Related Litigations. Petitioners then fairly came to expect that the '345 Patent would continue in the same manner through the end of its life. The Director recently clarified that these are "considerations that weigh against a patent owner's claim of settled expectations and bears on the Director's discretion." *Intel Corporation v. Proxence LLC*, IPR2025-00327, Paper 12 at 2-3 (PTAB June 26, 2025). The fact that the '345 Patent was asserted for the first time in the Related Litigations is not due to allegedly infringing products having only recently come to market. Products accused of infringing the '345 Patent in the Related Litigations were sold to customers for at least seven years before the Related Litigations were filed.

Also, it is a plain fact that the AIA does not restrict IPRs to "newer" patents; any patent over the age of nine months may be challenged. 35 U.S.C. § 311; *see also NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, No. IPR2018-00752, Paper 8 at 19 (PTAB Sept. 12, 2018) (precedential) ("Patent Owner argues that Petitioner knew about the '841 patent for more than 10 years, yet provides no explanation for why it waited so long to file the Petition. . . . We are not persuaded that this lapse in time

favors denying review.”). Petitioners thus have settled expectations that IPRs can be brought in accordance with the AIA, and PO can have no expectation of avoiding an IPR during the lifetime of the ’345 Patent (and beyond).

I. Practical Considerations

An additional consideration that the Director should consider is a practical one. The current application of “settled expectations” may unintentionally increase the PTAB’s workload and decrease patent quality, all of which contradicts the stated purpose of the Workload Memo. Workload Memo at 3 (“These processes aim to improve PTAB efficiency, maintain PTAB capacity to conduct AIA proceedings, reduce pendency in *ex parte* appeals, and promote consistent application of discretionary considerations in the institution off AIA proceedings.”) Thus, this consideration weighs against discretionary denial.

When expectations begin accruing upon patent issuance or the subject patent is cited as a reference for a petitioner’s patent application (*see, e.g., Dabico Airport Solutions Inc. v. AXA Power APS*, IPR2025-00408, Paper 21 at 3 (PTAB June 18, 2025); *IRhythm*, Paper 10 at 3)⁶, stakeholders are incentivized to monitor all issued

⁶ It is unclear how a patent owner’s expectation of non-invalidity may “settle” after its patent issues when patents carry a presumption of validity immediately upon issuance. 35 U.S.C. § 282(a) (“A patent shall be presumed valid. Each claim of a

patents and potentially launch IPRs indiscriminantly. This can be impractical and inefficient as costs will substantially increase for the public in monitoring and policing, for patent owners in defending, and for the PTAB in processing the increased case load. Patents that were not likely to be challenged under the old system because they would not be enforced may come under fire because of the public proactively filing IPRs. The public may also be incentivised not to perform prior art searches, thereby also impacting patent quality. In this case, where the merits of the Petition are particularly strong and Petitioners' settled expectations carry greater weight, the Director should apply the "settled expectations" consideration more narrowly so as to avoid these potential unintended consequences.

J. APA Considerations

Notwithstanding the foregoing, the Workload Memo should not apply to the present Petition because that would violate the Administrative Procedure Act ("APA"). 5 U.S.C. §§ 551–559. First, the Director lacks authority to "promulgate retroactive rules." *Tafas v. Dudas*, 511 F. Supp. 2d 652, 666 (E.D. Va. 2007).

patent (whether in independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims shall be presumed valid even though dependent upon an invalid claim.")

Second, “general statements of policy” can only be applied prospectively. *Lincoln v. Vigil*, 508 U.S. 182, 197 (1993); 5 U.S.C. § 552(a)(2)(D)(ii). Third, the APA requires agencies to inform parties of the matters of “law asserted.” 5 U.S.C. § 554(b)(3). These violations are merely some examples that the Director should consider. Petitioners reserve the right to challenge the Workload Memo on other grounds including because it was adopted without notice-and-comment rulemaking.

V. CONCLUSION

For the foregoing reasons, the Director should deny PO’s request for discretionary denial of institution.

Dated: July 16, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§42.6(e), 42.8(b)(4) and 42.105, the undersigned certifies that on July 16, 2025, a complete and entire copy of this **Petitioners' Response to Patent Owner's Request for Discretionary Denial and Exhibits 1034 through 1051** was served in its entirety via filing through the Patent Trial and Appeal Case Tracking System (P-TACTS), as well as via electronic mail to the following:

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CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24 *et seq.*, the undersigned certifies that this document complies with the type-volume limitations. This document contains 6,859 words as calculated by the “Word Count” feature of Microsoft Word, the word processing program used to create it.

Dated: July 16, 2025

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