IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CORETRONIC CORPORATION and

OPTOMA CORPORATION,

Petitioners,

v.

MAXELL, LTD.,

Patent Owner.

Case No.: IPR2025-00941

U.S. Patent No. 7,159,988

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

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I. INTRODUCTION

Petitioners Coretronic Corporation and Optoma Corporation ("Petitioners") respectfully submit this Opposition to Patent Owner Maxell, Ltd.'s ("Patent Owner") Request for Discretionary Denial of the Petition for *inter partes* review ("IPR") of U.S. Patent No. 7,159,988 ("the '988 Patent"). Patent Owner's request, filed on August 11, 2025, seeks to avoid a merits-based review of the Petition under 35 U.S.C. § 314(a) and the March 26, 2025 Acting Director's Memorandum ("Memo"). Patent Owner's arguments lack merit and therefore discretionary denial is unwarranted.

The Petition, filed on May 6, 2025, challenges claims 1, 7, and 8 of the '988 Patent based on seven grounds, relying on prior art such as Konno, Lundberg, Sato, Dorval, Takamoto, Takeuchi, Ninomiya, and Kurematsu, which reveal significant deficiencies in the patentability of the challenged claims. Petitioners have not been involved in any previous review of the '988 Patent, and the Office has not previously considered the cited references or their combinations. Most of the *Fintiv* factors no longer apply, as Patent Owner has recently withdrawn its infringement allegations for the '988 Patent in the parallel district court litigation in *Maxell, Ltd. V. Coretronic Corp.*, No. 5:24-cv-00088-RWS-JBB (E.D. Tex.), thus removing any potential for overlap between the two proceedings. The additional factors set forth in the Memo, including settled expectations and efficient use of PTAB resources, further support

institution. Accordingly, the Board should reject Patent Owner's request and institute trial in this proceeding.

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

A. *Fintiv* Factors 1-5 No Longer Apply

Ten days after Patent Owner filed its brief in support its request for discretionary denial (Paper 7), Patent Owner filed its final election of asserted claims in the parallel district court litigation and withdrew all asserted claims of the '988 Patent. *See* EX1017 (Plaintiff Maxell, Ltd.'s Final Election of Asserted Claims, Dkt. 124, filed August 21, 2025). Patent Owner's withdrawal of infringement allegations for the '988 Patent in the district court litigation removes any potential overlap between the two proceedings. Therefore, *Fintiv* factors 1-5 (status of motion to stay, proximity of district court trial date, investment in parallel proceeding, overlap between issues in Petition and parallel litigation, and same parties) no longer apply. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020); *Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00603, Paper 8 at 2-3 (PTAB July 24, 2025) (denying request for discretionary denial because there were no parallel proceedings involving the challenged patent and thus "no concern of inconsistent outcome and duplication of efforts"); *see also Microsoft Corporation v. D3D Technologies, Inc.*, IPR2021-01325, Paper 11 at 10 (PTAB Feb. 18, 2022) (finding that discretionary denial as originally requested by Patent Owner is "moot and need

not be reached" and "[t]he *Fintiv* factors are not at issue in this circumstance" because the challenged patent is no longer being asserted in parallel district court litigation); *Toyota Motor Corp. v. Emerging Automotive LLC*, IPR2024-00814, Paper 11 at 41 (PTAB Nov. 22, 2024) (same).

1. Other Circumstances (Factor 6)

Patent Owner alleges that because Petitioners "waited over two years after receiving notice of the '988 patent on April 27, 2023 . . . to file this IPR" and "did not do so as quickly as they might have," Petitioners have engaged in "tactical gamesmanship aimed at disrupting the District Court case." Paper 7 at 14. This issue is addressed in Section II.B below and does not constitute "other circumstances" warranting denial.

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

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

1. Settled Expectations

Patent Owner argues that the '988 patent being in force for 18 years before expiring constitutes "settled expectations" that warrant denial. Paper 7 at 15-16. Contrary to Patent Owner's assertion, however, the length of time the claims were in force is not the only consideration for settled expectations. Here, Petitioners had few settled expectations regarding because a Japanese application counterpart to the

’988 patent was rejected by the Japanese Patent Office and Japanese Patent Appeal Court. *See POSCO Co., Ltd. V. Arcelormittal*, IPR2025-00370, -00371, Paper 10, at 2-3 (PTAB Jun. 25, 2025) (“Petitioner’s arguments regarding settled expectations—namely, that Patent Owner’s claims were ‘highly vulnerable to invalidation based on prior art’—tip the balance against discretionary denial.”) The decisions by the Japanese Patent Office and Japanese Patent Appeal Court preclude any finding of settled expectations with respect to the ’988 Patent’s validity. In particular, Japanese patent application JP2010-289130, a foreign counterpart application of the ’988 Patent having substantially the same claim limitations, was rejected during prosecution by the Japan Patent Office under Article 36 due to the lack of explanation of “the first projection optical unit includes an aperture diaphragm that defines the F value of the entire projection optical unit.” *See* EX1018B, page 1-2.

On appeal, the Japanese Patent Appeal Court rejected the application again under Article 29 for lack of novelty and inventive step, finding that the claimed invention was anticipated by or would have been obvious over prior art reference WO 02/21851. *See* EX1018B, page 16-32. The Japanese Patent Appeal Court specifically concluded that a person skilled in the art would readily understand that the aperture diaphragm in the first projection optical unit would define the F value of the entire projection optical system based on WO 02/21851’s disclosure of a

projection system with a telecentric relay lens system having an aperture diaphragm and a projection lens without an aperture diaphragm. *Id*.

The fact that WO 02/21851 and one of the prior art references in the Petition (US20020067467A to Dorval) are family publications of the same underlying patent application (one for the PCT application and one for the U.S. National stage of the PCT filing) further undermines any alleged settled expectations. When the same prior art family—whether cited as US20020067467A1 or WO 02/21851—produces conflicting validity determinations across patent offices examining substantially identical claims, this demonstrates maximum uncertainty rather than settled expectations regarding patent validity. The existence of these conflicting technical determinations by the USPTO and Japanese Patent Office examining the same invention and substantially identical claim scope against the same prior art creates precisely the type of unsettled validity question that IPR proceedings are designed to resolve.

2. Patent Expiration and Efficient Resource Allocation

Patent Owner claims that "[p]roceeding with an IPR on an expired patent is a demonstrably inefficient use of the Board's and the parties' resources," "particularly while the same validity challenges are concurrently proceeding in the District Court Litigation." Paper 7 at 23. But the same validity challenges are not concurrently

proceeding now that Patent Owner has withdrawn all asserted claims of the '988 Patent in the district court litigation. *See* EX1017.

Moreover, an IPR involves a "second look" at the earlier grant of a patent and thus falls within the public-rights doctrine. *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, 584 U.S. 325, 326 (quoting *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 279 (2016)). The review of an earlier grant of a patent thus inherently involves the adjudication of a public right, and it is irrelevant whether the patent has expired, since the patent itself continues to confer a limited set of rights to the patentee. *See id.* At 326-27. For example, Patent Owner conveniently overlooks the fact that it may still recover damages for the preceding six years before the '988 Patent expired. *See* 35 U.S.C. § 286. Accordingly, the Board is perfectly within its province to expend resources for trial on an expired patent. *See Apple Inc. v. Gesture Tech. Partners, LLC*, 127 F.4th 364, 368-69 (Fed. Cir. 2025) (confirming that PTAB has jurisdiction over IPRs concerning expired patents); *see also Genetics Inst., LLC v. Novartis Vaccines & Diagnostics, Inc.*, 655 F.3d 1291, 1299 (Fed. Cir. 2011) (patent expiration does not strip court of jurisdiction over appeal of derivation suit).

3. Petitioners Satisfied 37 C.F.R. § 42.104

Patent Owner asserts that the Petition fails to set forth how the challenged claim is to be construed, in violation of 37 C.F.R. § 42.104. Paper 7 at 17-21.

However, Patent Owner's argument that the Petition fails to identify the function of the "projection optical unit" in a means-plus-function analysis is incorrect and mischaracterizes the Petition's disclosure. Contrary to Patent Owner's assertion, the Petition clearly identified the functions associated with the "projection optical unit" terms. Paper 2 at 10-11. Specifically, the Petition quoted directly from the '988 Patent specification that the projection optical unit is "for providing an enlarged projection of the images displayed by image display elements." *Id.* At 11. The Petition further explained that this projection optical unit "is divided into two lens groups" where "[o]ne of the lens groups constitutes a first projection optical unit that forms a first enlarged image, and the other lens group constitutes a second projection optical unit that forms a second enlarged image." *Id.* Patent Owner's statement that "Petitioners fail to identify any function associated with the term" completely ignores these express functional recitations. The functions are clearly stated as follows: The overall projection optical unit is for "providing an enlarged projection of the images displayed by image display elements," the first projection optical unit "forms a first enlarged image," and the second projection optical unit "forms a second enlarged image." These functional descriptions directly correspond to the claim language and provide the exact functional basis required for means-plus-function analysis under 37 C.F.R. § 42.104.

Patent Owner's purported lack of clarity regarding the references to "function" on pages 63 and 65 of the Petition is a red herring. Functions addressed in the context of prior art analysis do not undermine the explicit functional identification for the claim term at issue. Similarly, the functions addressed in the context of the prior art analysis on pages 63 and 65 of the Petition do not create ambiguity regarding the claimed functions articulated earlier on pages 10 and 11 of the Petition. The Petition provided exactly what 37 C.F.R. § 42.104 requires—identification of how the challenged claims should be construed, including proper means-plus-function analysis that identified both the claimed functions and corresponding structure. Patent Owner's argument provides no basis for discretionary denial under this factor.

4. There is No Undue Delay or Gamesmanship

Patent Owner alleges a delay of "nearly two years" in filing the Petition, based on Petitioners purportedly "first learning of Maxell's infringement allegations in April 2023." Paper 7 at 21. But Maxell's April 2023 correspondence asked Petitioners to evaluate a potential license of the patent portfolio covering at least 43 United States patents, and did not explain which claims of each patent would be asserted against Petitioners or how Petitioners' products allegedly satisfy the limitations of such claims. In reality, the Petition was filed just over six months after Petitioners received Patent Owner's initial infringement contentions, and well within

the one-year statutory deadline under 35 U.S.C. § 315(b). *Fintiv* explains that "it is often reasonable for a petitioner to wait to file its petition ***until it learns which claims are being asserted against it in the parallel proceeding***." IPR2020-00019, Paper 15 at 11 (emphasis added). And, contrary to Patent Owner's specious assertion of bad faith, pre-litigation discussions and motion practice in district court (*e.g.*, motions to dismiss) were perfectly reasonable steps to resolve the parties' dispute. In short, Patent Owner's speculative claim of "undue delay and gamesmanship" is completely unsupported and should be rejected out of hand.

III. CONCLUSION

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

Date: September 11, 2025

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

As calculated by the "Word Count" feature of Microsoft Word for Microsoft 365, the foregoing **Petitioner's Opposition to Patent Owner's Request for Discretionary Denial** contains 2,265 words, excluding this Certification and the Certificate of Service.

Date: September 11, 2025

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CERTIFICATE OF SERVICE

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

Date of service: September 11, 2025

Manner of service: Electronic Mail

Documents served: PETITIONERS' OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

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