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

MAPLEBEAR INC. D/B/A INSTACART

Petitioner

v.

FALL LINE PATENTS, LLC

Patent Owner

CASE IPR2025-00958

PATENT 9,454,748

PATENT OWNER'S BRIEF IN SUPPORT OF DISCRETIONARY DENIAL

TABLE OF CONTENTS

EXHIBIT LIST

Exhibit No.	Description
2001	Pacer Docket Report for Fall Line Patents, LLC
2002	Docket Control Order in *Fall Line Patents, LLC v. 7-Eleven, Inc. et al.*, No. 5:24-cv167-RWS, Dkt. No. 69 (Mar. 17, 2025)
2003	Disclosure of Asserted Claims and Infringement Contentions in *Fall Line Patents, LLC v. 7-Eleven, Inc. et al.*, No. 5:24-cv167-RWS (Mar. 13, 2025)
2004	Aldi Defendants' Opposed Motion to Transfer to the Northern District of Oklahoma in *Fall Line Patents, LLC v. ALDI Inc. et al.*, No. 5:24-cv172-RWS, Dkt. No. 30 (Apr. 2, 2025)
2005	Sprouts Defendants' Opposed Motion to Transfer to the Northern District of Oklahoma in *Fall Line Patents, LLC v. Sprouts Farmers Market, Inc. et al.*, No. 5:24-cv182-RWS, Dkt. No. 28 (Apr. 2, 2025)
2006	Complaint for Declaratory Judgment in *Maplebear, Inc., d/b/a Instacart v. Fall Line Patents, LLC*, No. 25-cv-00137-MTS (Mar. 25, 2025)
2007	Final Written Decision, IPR2019-00610 for U.S. Patent No. 9,454,748, Paper 32 (Aug. 5, 2020)
2008	Final Decision on Remand, IPR2019-00610 for U.S. Patent No. 9,454,748, Paper 42 (May 17, 2022)
2009	Disclaimer of Claims 3, 4, 6, 8-15 of U.S. Patent No. 9,454,748, filed on Aug. 11, 2025
2010	Sprouts Defendants' Invalidity Contentions in *Fall Line Patents, LLC v. 7-Eleven, Inc. et al.*, No. 5:24-cv167-RWS, served May 1, 2025
2011	Aldi Defendants' Invalidity Contentions in *Fall Line Patents, LLC v. 7-Eleven, Inc. et al.*, No. 5:24-cv167-RWS, served May 1, 2025
2012	Federal Judicial Caseload Statistics for the Eastern District of Texas
2013	*Fall Line Patents, LLC v. Zoe's Kitchen, Inc.*, No. 6:18-cv-407-RWS, Dkt. No. 106 (E.D. Tex. Oct. 10, 2022)

I. INTRODUCTION

Patent Owner Fall Line Patents, LLC requests a discretionary denial of the *inter partes* review requested by petitioner Maplebear Inc. d/b/a Instacart ("Instacart").

II. BACKGROUND

Fall Line is the owner of U.S. Patent No. 9,454,748. The provisional application and the priority application to which the 748 Patent claims priority were filed in 2002 and 2003 respectively. The 748 Patent issued in September 2016 and expired in December 2024.

From May 2017 to the present, Fall Line has asserted the 748 Patent in multiple lawsuits, many of which are currently pending. *See* Ex. 1 [Pacer Report]. In particular, Fall Line filed actions against Aldi and Sprouts Farmers Market (the "Instacart Defendants") for infringement of the 748 Patent on November 25, 2024. *See id*. at 3-4. Those actions, which have been consolidated with others, are ongoing, with a trial set for July 27, 2026. *See* Ex. 2 at 1 [Docket Control Order]. In the pending actions, Fall Line is asserting only Claim 7 of the 748 Patent. *See* Ex. 3 at 2-3 [Infringement Contentions].

The Instacart Defendants have explained that Instacart is "the creator and operator of the services underpinning the accused functionality at issue" in the actions Fall Line filed against them. *See* Ex. 4 at 1 [Aldi MTT]; Ex. 5 at 1 [Sprouts

MTT]. The same attorneys representing the Instacart Defendants in Fall Line's actions thus (1) filed a responsive declaratory judgment action on behalf of Instacart in Instacart's desired forum; (2) moved to transfer Fall Line's actions against Sprouts and Aldi to Instacart's desired forum; and (3) filed the instant petition for inter partes review on behalf of Instacart. *See id*.; Ex. 6 [DJ Complaint].

This is not the first time that the 748 Patent has been challenged in a petition for inter partes review. In IPR2019-00610, a different group of petitioners challenged the 748 Patent. In particular, Claim 7 was challenged in view of the combination of Barbosa and Falls, the primary references on which Instacart relies in its petition. *See* Ex. 7 at 9 [8/5/20 Final Written Decision]. The previous IPR resulted in Claim 7 being found not unpatentable by the Patent Office, both before and after an appeal to the Federal Circuit. *See id*. at 64; Ex. 8 at 34 [5/17/22 Final Decision On Remand].

Instacart challenges several claims beyond Claim 7 in its petition. Because Fall Line has never asserted those claims and has no intention of doing so in the future, and to moot any argument from Instacart that the IPR it requested should go forward because it challenges claims beyond Claim 7, Fall Line has disclaimed those additional claims. *See* Ex. 9 [Disclaimer Of Claims 3, 4, 6, 8-15].

III. DISCRETIONARY DENIAL IS APPROPRIATE

Discretionary denial is appropriate for multiple, independent reasons.

A. The PTAB Has Already Adjudicated The Patentability Of Claim 7

The 748 Patent was already subject to an *inter partes* review. *Starbucks Corp. et al. v. Fall Line Patents*, LLC, IPR2019-00610. That IPR resulted in Claim 7 being found not unpatentable, both before and after an appeal to the Federal Circuit. *See* Ex. 7 [8/5/20 Final Written Decision]; Ex. 8 [5/17/22 Final Decision On Remand].

Instacart represents in its petition that the previous IPR "challeng[ed] claims of the '748 patent on different grounds from those presented herein . . . ." Petition at xvii; *see also id.* at 1 ("All Challenged Claims are obvious in view of art combinations that were neither applied nor considered against these particular claim limitations."). ***That is false.*** In the earlier IPR, the Board specifically considered, and rejected, a challenge to Claim 7 based on the combination of Barbosa and Falls. *See, e.g.,* Ex. 7 at 9 [8/5/20 Final Written Decision]. That is the very first ground of invalidity that Instacart now asserts in its petition. *See* Petition at 5 (asserting as Ground A that the combination of Barbosa and Falls renders Claim 7 obvious). Instacart's remaining grounds of unpatentability for Claim 7 merely combine third and fourth references with its base combination of Barbosa and Falls. *See id*. at 5.

Instacart may argue that its IPR petition does not overlap completely with the previous IPR because it is challenging additional claims that were not challenged in the previous IPR. But Fall Line has disclaimed all remaining claims other than Claim 7. Ex. 2009 [Disclaimer Of Claims 3, 4, 6, 8-15]. Given Fall Line's disclaimer, there is no basis to institute an IPR on them. *See* 37 C.F.R. § 42.107(e) ("The patent owner may file a statutory disclaimer under 35 U.S.C. 253(a) in compliance with § 1.321(a) of this chapter, disclaiming one or more claims in the patent. No inter partes review will be instituted based on disclaimed claims."); *see also CommScope Techs. LLC v. Belden Inc.*, IPR2023-01058, Paper 8 at 8 (PTAB Nov. 30, 2023) (denying institution of *inter partes* review because all challenged claims were disclaimed).

Given the similarity of issues addressed in the previous IPR, institution of this IPR should be denied. *See* 35 U.S.C. § 325(d) ("In determining whether to institute . . . , the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.").

B. Invalidity Is Scheduled To Be Tried To A Jury Soon

The Instacart Defendants served invalidity contentions in the district court actions asserting the same invalidity theories for Claim 7 that are presented in Instacart's petition. *See* Ex. 10 at 22-24 [Sprouts Invalidity Contentions] (asserting

the combination of Barbosa with Falls, as well as with Heath, Short, and other references); Ex. 11 at 22-24 [Aldi Invalidity Contentions] (same).

Fall Line filed its actions against the Instacart Defendants on November 25, 2024. *See* Ex. 1 at 3-4 [Pacer Report]. The court set those actions for a jury trial on July 27, 2026, twenty months after they were filed. *See* Ex. 2 at 1 [Docket Control Order]. That trial setting is consistent with the court's typical times to trial. *See* Ex. 12 [FJC Statistics] (reporting median times from filing to trial in civil cases of 18 to 23 months over the last five years).

Instacart did not file its petition for inter partes review until May 8, 2025—almost six months after Fall Line sued the Instacart defendants for patent infringement in the district court. If instituted, a final written decision would not be expected to issue until November 2026, well after the scheduled jury trial. The timing of the district court actions thus weighs heavily in favor of a discretionary denial of Instacart's IPR petition. *See, e.g., ARM Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10 at 2 (Director May 16, 2025) (granting discretionary denial where district court's scheduled trial date was in January 2026, time-to-trial statistics had trial between March and May 2026, and final written decision date was in June 2026); *Samsung Elecs. Co. v. Cerence Operating Co.*, IPR2025-00457, Paper 13 at 2 (Director Aug. 4, 2025) (granting discretionary denial where district

court's scheduled trial date was April 20, 2026, and final written decision date was October 8, 2026).

The district court litigation has not been stayed. Neither Instacart nor the Instacart defendants have moved for a stay in view of Instacart's IPR petition. There is no evidence that the district court would enter a stay if Instacart's IPR were instituted. In fact, three years ago, the district court ruled that any further stay would be inappropriate in view of (1) the advanced age of Fall Line's owner and key witness, James McGill, who is now 81 years old; (2) the fact that Claim 7, the only asserted claim, had already been found not unpatentable by the PTAB two times; and (3) the parties had already begun discovery and the Court already held a *Markman* hearing. *See* Ex. 13 at 2 [*Fall Line Patents, LLC v. Zoe's Kitchen, Inc.*, No. 6:18-cv-407-RWS, Dkt. No. 106 (E.D. Tex. Oct. 10, 2022)].

Instacart may argue that the pending district court actions against the Instacart Defendants do not weigh in favor of discretionary denial because they involve only Claim 7, whereas it has petitioned for an inter partes review of additional claims of the 748 Patent. But Fall Line has disclaimed all remaining claims other than Claim 7. Ex. 9 [Disclaimer Of Claims 3, 4, 6, 8-15]. Given Fall Line's disclaimer, there is no basis to institute an IPR on them. *See* 37 C.F.R. § 42.107(e); *CommScope Techs. LLC v. Belden Inc.*, IPR2023-01058, Paper 8 at 8 (PTAB Nov. 30, 2023).

Instacart may also argue that it is not a party to the actions against the Instacart Defendants. But the Instacart Defendants are at least privies of Instacart, if not real parties in interest. The Instacart Defendants are Instacart's customers and Instacart filed its petition in response to Fall Line suing the Instacart Defendants for patent infringement. *See* Petition at viii. Instacart itself has stressed that "[t]he accused mobile applications of the Instacart Defendants use technology created and provided by Instacart" and that "Instacart's technology is the source of alleged infringing functionality of the Instacart Defendants' mobile apps." Ex. 6 at ¶ 13 [DJ Complaint]. And the Instacart defendants are being represented by the same attorneys that filed this petition on behalf of Instacart (as well as a responsive declaratory judgment action against Fall Line in Instacart's preferred forum). *See* Petition at xviii; Ex. 4 at 16 [Aldi MTT]; Ex. 5 at 16 [Sprouts MTT]; Ex. 6 at 6 [DJ Complaint].

In these circumstances, it would be no mistake to consider the timing of the actions against the Instacart Defendants in deciding whether an IPR filed by Instacart should be instituted. *See, e.g., Mylan Lab'ys Ltd. v. Janssen Pharmaceutica, N.V.,* 989 F.3d 1375, 1383 (Fed. Cir. 2021) (denying mandamus because the Patent Office permissibly applied the *Fintiv* factors to deny institution of an IPR "based on the timing of a separate district-court litigation to which Petitioner [was] not a party"); *Vertiv Corp. v. Valtrus Innovations Ltd.*, IPR2025-

00667, Paper 11 at 2 (Director July 31, 2025) (considering scheduled trial date of earlier parallel proceeding involving petitioner's customers in grant of discretionary denial).

Finally, Instacart may point to its *Sotera* stipulation as mitigating concerns of duplicative efforts between the district court and the Board. That argument is wrong for two reasons. First, Petitioner's *Sotera* stipulation does not outweigh the other factors favoring discretionary denial, especially the earlier trial date in the parallel proceeding. There has also been significant investment by the parties and the court in the parallel proceeding involving the Instacart Defendants, including service of invalidity contentions and fact discovery. By the time set for the institution decision, the *Markman* hearing will be completed and the fact discovery deadline will be less than a month away. *See Samsung Elecs. Co. v. Mullen Indus. LLC*, IPR2024-01472, Paper 19 at 2-3 (Director July 17, 2025) (holding that petitioner's *Sotera* stipulation did not outweigh the fact that the trial date was five months before the date for the final written decision and the "significant investment in the parallel proceeding" by the parties); *Green Revolution Cooling, Inc. v. Midas Green Techs., LLC*, IPR2025-00196, Paper 15 at 2-3 (Director July 25, 2025) (vacating Board's decision to institute because it gave too much weight to petitioner's "enhanced" *Sotera* stipulation in view of the "advanced state of the

parallel district court proceeding" and the likely trial date, which was four months before the final written decision).

Second, Petitioner's *Sotera* stipulation does not mitigate concerns of duplication because it does not bind the Instacart Defendants, who are represented by the same attorneys. It is a hollow stipulation that does not prevent Instacart's attorneys from raising the same invalidity grounds in the Instacart Defendants' case. *See* Ex. 10 at 22-24 [Sprouts Invalidity Contentions] (asserting the same combination of references as in the Petition, plus additional references); Ex. 11 at 22-24 [Aldi Invalidity Contentions] (same); *see also Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 4 (Director Mar. 28, 2025) (vacating Board's grant of institution, in part, because *Sotera* stipulation did not ensure the IPR would be a "true alternative" where invalidity arguments in the district court were "more expansive and include[d] combinations of the prior art asserted in these proceedings with unpublished system prior art").

C. The 748 Patent Has Been In Force For Nearly Nine Years

Settled expectations favor discretionary denial because Fall Line's patent has been in force for nearly nine years, a significant period of time, and Fall Line has owned the patent for more than eight of those years. *See, e.g.,* IPR2025-00433, Paper No. 11 at 3 (June 27, 2025) (finding "settled expectations . . . are stronger and discretionary denial is appropriate" for patents that have been in force for nine

and seven years); *Kahoot! AS v. Interstellar Inc.*, IPR2025-00696, Paper No. 12 at 2 (Director July 31, 2025) (finding that patent "in force for over six years" created "strong settled expectations," which favored grating discretionary denial). Settled expectations are even stronger because a prior, lengthy IPR has already resulted in Claim 7 being found not unpatentable, including in view of Barbosa and Falls, the primary art relied on by Instacart in its IPR petition.

D. Instacart's Challenge Is Weak

Even without diving deeply into Instacart's arguments, it is apparent that Instacart's petition is weak on the merits. Instacart's primary argument against Claim 7 is obviousness based on the combination of Barbosa and Falls. But Claim 7 has already survived an IPR challenge based on the combination of those references. *See* Ex. 7 at 9 [8/5/20 Final Written Decision]; Ex. 8 at 34 [5/17/22 Final Decision On Remand]. Instacart's remaining arguments rely on yet further three-reference and four-reference combinations of prior art (with Barbosa and Falls at the base of each) in an attempt to cobble together a theory that covers the unique combination of limitations set forth in Claim 7. Petition at 5.

E. Instacart's Challenge Relies Extensively On Expert Testimony

Citing it 163 separate times, Instacart's IPR petition relies extensively on a 239-page declaration submitted by an expert. Instacart's heavy reliance on expert testimony is further indication that its invalidity challenges are more suitable for

district court litigation than for the expedited review provided by an IPR. *See* FAQs for Interim Processes for PTAB Workload Management, No. 22 (updated July 25, 2025) ("While the Board may consider expert testimony, as a matter of efficiency, extensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court.").

IV. CONCLUSION

For the foregoing reasons, institution of Instacart's requested inter partes review should be denied.

Dated: August 11, 2025

Respectfully submitted,

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CERTIFICATION UNDER 37 CFR § 42.24(d)

Under the provisions of 37 CFR § 42.24(d), the undersigned herby certifies that the word count for the foregoing Patent Owner's Preliminary Response totals 2,448 words (excluding any table of contents, a table of authorities, mandatory notices under § 42.8, a certificate of service or word count, or appendix of exhibits or claim listing), which is less than the 14,000 allowed under 37 CFR § 42.24(b)(1). *See also* FAQs for Interim Processes for PTAB Workload Management, No. 20 (updated July 25, 2025)

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6, the undersigned certifies that on August 11, 2025, the foregoing document was served via email on counsel for Petitioners:

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