

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

**AMAZON.COM, INC.,
AMAZON.COM SERVICES LLC,
AMAZON WEB SERVICES, INC., and
AUDIBLE, INC.,**
Petitioners,

v.

AUDIO POD IP, LLC,
Patent Owner.

Case No. IPR2025-01003
U.S. Patent No. 9,729,907

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

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INTRODUCTION

The Director should reject Patent Owner’s (“PO”) request for discretionary denial. PO’s primary argument is that the Director should decline to institute this IPR because of co-pending district court litigation. But the parties and the district courts have invested little in the co-pending proceedings, and those proceedings are highly likely to be stayed should the Board institute review, avoiding duplication of effort and allowing the Board to fulfill its purpose as an effective and efficient forum for determining validity. Given the early stage of the litigation, the *Fintiv* factors strongly favor proceeding to the merits of this IPR.

Institution here would be a particularly efficient use of the Board’s resources. The challenged ’907 patent is asserted in two separate district court cases before two different judges, and is one of seven patents *from the same family* that PO asserts against Petitioners in four different district court cases pending before three different judges. As the Acting Director has recognized, where “litigation between the parties would proceed to several district court trials in different jurisdictions, resolving the dispute between the parties at the Office would be more efficient.” Indeed, Congress created the IPR process to provide “a more efficient system for challenging patents that should not have issued” and to reduce “unwarranted litigation costs.” Denial here would eliminate this efficiency and needlessly increase litigation costs by requiring the parties to litigate the validity of the same patent, and other closely related

patents, in multiple jurisdictions.

PO raises a host of procedural arguments, including complaints about delay, claim construction positions, “particularity” of the Petition, Petitioners’ reliance on expert testimony, and public availability of the references. All of these arguments lack merit and are meant to distract from the core issue: the claims of the ’907 patent are unpatentable. With the patent asserted in multiple cases in multiple courts, the co-pending litigation likely to be stayed, and the Petition making a strong showing that the ’907 patent never should have issued, the Director should reject PO’s request for discretionary denial.

ARGUMENT

I. THE *FINTIV* FACTORS WEIGH AGAINST DISCRETIONARY DENIAL.

The Director should decline to exercise discretion under §314(a) because efficiency, fairness, and the merits support institution. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (precedential) (“*Fintiv*”). Each *Fintiv* factor is addressed below. Five *Fintiv* factors weigh against discretionary denial while only one is neutral. Thus, discretionary denial is unwarranted.

PO sued Petitioners for infringement of the ’907 patent in *Audio Pod IP, LLC v. Amazon.com, Inc.*, 2:24-cv-00406 (E.D. Va.) (“the EDVA case”). PO also sued Audible, Inc. in the District of New Jersey in *Audio Pod IP, LLC v. Audible, Inc.*, No. 2-25-cv-02198 (D.N.J.) (“the DNJ case”). PO has also sued Petitioners for

infringement of related patents in *Audio Pod IP, LLC v. Amazon.com, Inc.*, 2:24-cv-00185 (E.D. Va.) (“the -185 case”) and *Audio Pod IP, LLC v. Amazon.com, Inc.*, 3:24-cv-00407 (E.D. Va.) (“the -407 case”). The EDVA case and the -407 case have been consolidated under the umbrella of the EDVA case.

A. Factor 1 Weighs Against Denial Because a Stay Is Likely.

Factor 1 considers whether a stay exists or is likely to be granted if a proceeding is instituted. *Fintiv*, IPR2020-00019, Paper 11 at 6-9. On August 4, 2025, Amazon filed a motion to transfer the EDVA case to DNJ or, in the alternative, to stay the EDVA case. If the EDVA case is transferred and this IPR is instituted, Petitioners will move to stay it and the DNJ case pending the IPR’s resolution. The EDVA and DNJ routinely stay cases pending IPR proceedings¹; accordingly, a stay is likely in each of the co-pending cases. *Sec. First Innovations, LLC v. Google LLC*, No. 2:23-cv-00097, 2024 WL 234720 (E.D. Va. Jan. 22, 2024); *Sharpe Innovations, Inc. v. T-Mobile USA, Inc.*, No. 2:17-cv-00351, 2018 WL 11198604 (E.D. Va. Jan. 10, 2018); *Canfield Sci., Inc. v. Drugge*, No. CV 16-4636 (JMV), 2018 WL 2973404, (D.N.J. June 13, 2018); *Kirsch Rsch. & Dev., LLC v. GAF Materials, LLC*, No. CV

¹ Statistics show that the EDVA grants or partially grants post-institution motions to stay pending IPR in 70% of cases, and DNJ grants or partially grants such motions in 79% of cases. (EX-1111 (statistics from Docket Navigator).) This is “persuasive evidence that ‘[t]here is good reason to believe that a stay will be granted.’” *Twitch Interactive, Inc. v. RazDog Holdings LLC*, IPR2025-00307, Paper 18 at 2 (P.T.A.B. May 16, 2025).

20-13683 (JMV), 2021 WL 2434082, (D.N.J. June 15, 2021) (staying case where only one of two asserted patents was challenged in IPR). Because there is persuasive evidence that Petitioners’ stay motions will be granted, this factor weighs against denial.² See *Imperative Care, Inc. v. Inari Med., Inc.*, IPR2025-00289, Paper 9 at 2 (P.T.A.B. June 12, 2025) (institution favored where “Petitioner ... provides evidence that the district court is likely to grant a stay if this proceeding is instituted”); *Microsoft Corp. v. X1 Discovery, Inc.*, IPR2025-00253, Paper 13 at 2 (P.T.A.B. June 25, 2025).

B. Factor 2 Weighs Strongly Against Denial.

Factor 2 considers the proximity of the district court’s trial date to the Board’s projected statutory deadline. *Fintiv*, IPR2020-00019, Paper 11 at 6-9. Here, Factor 2 weighs strongly in favor of denying PO’s request because no trial date has been set in any of the co-pending district court cases and any trial would occur far later than the projected statutory deadline for issuing a FWD in this IPR. *Imperative Care*, IPR2025-00289, Paper 9 at 2 (institution favored where “no trial date is scheduled in the district court”); *Microsoft*, IPR2025-00253, Paper 13 at 2 (same); *Amazon.com, Inc. v. Nokia Techs. OY*, IPR2024-01140, Paper 9 at 9 (P.T.A.B. Feb. 12,

² PO’s cases suggesting that the Board should decline to “infer” or “speculate” about a stay are inapposite where, as here, no inference or speculation is necessary to recognize that the district court proceedings are likely to be stayed. (Paper 9 (“PO Req.”) at 31-32.)

2025); *Aptiv Servs. US, LLC v. Microchip Tech., Inc.*, IPR2024-00646, Paper 11 at 32 (P.T.A.B. Sept. 25, 2024). The cases (*ARM* and *HP*) PO cites in support of its argument are inapposite. (PO Req. at 33.) In each case, the district court had an operative schedule, including a trial date, which is not the case here. *See ARM Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10 at 2 (P.T.A.B. May 16, 2025); *HP Inc. v. Universal Connectivity Techs., Inc.*, IPR2024-01428, Paper 12 at 5-6 (P.T.A.B. Apr. 8, 2025).

PO further argues that according to time-to-trial statistics, not only will trial occur before the projected FWD deadline, it should have already occurred. This argument defies reality. PO argues that the median time-to-trial from filing in EDVA is 11.9 months.³ (PO Req. at 33.) But median time-to-trial is not helpful in cases, like here, where a longer schedule is needed. *See Ericsson Inc. v. XR Commc'ns LLC*, IPR2024-00613, Paper 9 at 34 n.12 (P.T.A.B. Oct. 9, 2024) (“median-time-to trial information” not useful where circumstances “do[] not reflect the normal course of a litigation”). Indeed, median time-to-trial statistics fail to capture an accurate story here. More granular statistics tracking patent cases in the EDVA

³ PO quotes the median time-to-trial for the 12-month period ending in March 31, 2025. (PO Req. at 33; EX-2004 at 25.) However, in the 12-month period ending in December 31, 2024, the median time-to-trial was 14.6 months. (EX-1112 at 25.) And the three 12-month periods before the one PO cites (i.e., ending in March 31, 2022, March 31, 2023, and March 31, 2024) had significantly longer median time-to-trials of 18.1 months, 23.2 months, and 18.2 months respectively. (EX-2004 at 25.) Thus, PO’s statistic is an extreme outlier.

show that few go to trial, and those that do require a much longer time to do so—of cases filed in the past 10 years, only six have had a jury trial, and the average time to reach that milestone is more than 28 months.⁴ (EX-1113 (statistics from Docket Navigator).) Thus, the EDVA case would not be expected to go to trial until October 2026 at the earliest. And, with no trial date set and a stay likely (*supra* §II.A.1), there is good reason to think the EDVA case would substantially exceed EDVA’s average.⁵

Because no trial dates have been scheduled and there is good reason to think that even if the district court cases are not stayed, trials would occur at the earliest around the same time as the final written decision in this case, this factor strongly favors institution.

C. Factor 3 Weighs Against Denial.

Factor 3 considers the investment in the parallel proceeding by the court and the parties. *Fintiv*, IPR2020-00019, Paper 11 at 9-12. “This investment factor is related to the trial date factor, in that more work completed by the parties and court

⁴ Cases reaching a bench trial have an even longer average time of 48 months. (EX-1113.)

⁵ PO does not argue that the DNJ case is relevant to this factor, and Petitioners agree. (*See* PO Req. at 26-28.) No schedule has been set at all in the DNJ case. And the DNJ’s patent milestones are even longer than the EDVA’s, with patent trials averaging 70 months for jury trials and 37 months for bench trials. (EX-1114 (statistics from Docket Navigator).)

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.* at 10. As part of this factor, the Office may consider whether the district court has issued a claim construction order or other substantive orders related to the patent-at-issue in the petition. *See id.* at 10, 10 n.17.

PO asserts that there are two considerations under Factor 3 that support denial: (1) the amount of work done in the parallel litigation, and (2) whether the Petitioner could have filed the petition more expeditiously. (PO Req. at 34-41.) Under such an analysis, *Fintiv* factor 3 weighs strongly against discretionary denial.

1. The EDVA Case

Much work remains to be done in the EDVA case after the institution decision. PO asserts that the *Markman* hearing is scheduled before the institution decision. (PO Req. at 40; EX-2012.) However, that is no longer correct; the court stayed the parties’ *Markman* briefing and the hearing indefinitely, and almost certainly until after the institution decision. (EX-1115.) The current scheduling order does not extend past the *Markman* hearing (EX-2010) and much work will remain after that, including expert reports, expert discovery, dispositive motions, pretrial motions, and trial. While PO recites a laundry list of work that has already occurred, that list includes minor, routine actions such as answering and amending the complaint, litigating discovery motions, and conducting the beginnings of basic fact discovery.

(PO Req. at 35-39.) The additional work to be completed prior to institution merely relates to Petitioners’ motion to transfer. (*Id.* at 39-40.) These activities do not rise to the level of investment that would warrant discretionary denial.⁶ *Samsung Elecs. Co. v. Empire Tech. Dev. LLC*, IPR2024-00896, Paper 15 at 13 (P.T.A.B. Dec. 13, 2024) (factor weighs against denial where *Markman* hearing and close of fact and expert discovery were after institution deadline); *Snap, Inc. v. SRK Tech. LLC*, IPR2020-00820, Paper 15 at 11 (P.T.A.B. Oct. 21, 2020) (precedential as to §II.A); *Ericsson*, IPR2024-00613, Paper 9 at 34-35; *Amazon.com*, IPR2024-01140, Paper 9 at 9-10. And notably, none of the activities raised by PO implicate the invalidity issues before the Board in this proceeding.

PO also argues that the Petition’s filing date shows a “lack of diligence” by Petitioners. (PO Req. at 34-35.) As discussed below, that is not so. (*Infra* §II.B.4.a.ii.) However, even if that were the case, Petitioners’ use of the full statutory period afforded for the filing of a petition does not outweigh the limited investment in the district court cases here. *See Snap*, IPR2020-00820, Paper 15 at 12-13 (“In view of our finding that the parallel District Court proceeding was in an early stage ... the timing of the filing of the Petition does not weigh in favor of

⁶ At worst, even PO’s cited case confirms this factor would be neutral—but that case involved “extensive third party discovery,” unlike this case. *HP*, IPR2024-01428, Paper 12 at 6-7 (Factor 3 neutral where PO had conducted extensive third-party discovery, claim construction briefing was completed and the *Markman* hearing was soon after institution, and discovery motions had been filed).

exercising discretion to deny institution.”); *RØDE Microphones, LLC v. Zaxcom, Inc.*, IPR2025-00232, Paper 14 at 9-10 (P.T.A.B. June 16, 2025); *Medtronic, Inc. v. Avanos Med. Sales, LLC*, IPR2020-00895, Paper 16 at 29 (P.T.A.B. Oct. 23, 2020) (“Congress has expressly provided a one-year grace period We decline to consider any petition filed within such a statutorily mandated grace period to be *ipso facto* ‘not-expeditious-enough.’”).

Thus, this factor weighs against denial.

2. The DNJ Case

The parties have invested very little in the DNJ case. To date, no discovery has taken place in the case. No case schedule has been set, and as such, the courts have neither set a *Markman* hearing date nor a trial date. In view of how little the parties and the court have invested in the DNJ case, this factor strongly weighs against denial. *Snap*, IPR2020-00820, Paper 15 at 11 (“Where the District Court has not issued claim construction orders and the discovery process is not yet complete, the remaining investment of time and effort likely necessary to bring co-pending litigation to trial appears to far outweigh that which has already been invested.”); *Samsung*, Paper 15 at 13 (factor weighs against denial where *Markman* hearing and close of fact and expert discovery were after institution deadline); *Ericsson*, IPR2024-00613, Paper 9 at 34-35 (factor weighs against denial where “most efforts from the parties and court will take place after institution”); *Amazon.com*, IPR2024-

01140, Paper 9 at 9-10.

D. Factor 4 Weighs Against Denial.

Factor 4 considers the overlap between issues raised in the petition and in the parallel proceeding. *Fintiv*, IPR2020-00019, Paper 11 at 12-13. Where a petition includes the same or substantially the same claims, grounds, arguments, and evidence presented in the co-pending district court litigation, there may be “concerns of inefficiency and the possibility of conflicting decisions.” *Id.*

PO admits that this factor favors institution because of Petitioners’ *Sotera* stipulation. (PO Req. at 41.)

Furthermore, as discussed above, stays of the co-pending district court cases are likely. If any challenged claims were to survive this IPR, Petitioners would be statutorily estopped from raising in those litigations any grounds that were raised or reasonably could have been raised in the Petition. 35 U.S.C. §315(e)(2). Thus, the stays obviate concerns of inefficiency and the possibility of conflicting decisions. *Snap*, IPR2020-00820, Paper 15 at 15-16 (stay of litigation “obviat[es] concerns of inefficiency and conflicting decisions while providing the possibility of simplifying issues for trial in the parallel District Court proceeding”); *Fintiv*, IPR2020-00019, Paper 11 at 6 (a stay “allays concerns about inefficiency and duplication of efforts”).

PO attempts to diminish Petitioners’ *Sotera* stipulation by arguing that it “does not ensure that th[is] IPR proceeding[] would be a “true alternative” to the

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district court proceeding.” (PO Req. at 42 (quoting *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (P.T.A.B. Mar. 28, 2025)).) PO suggests that “nothing about Amazon’s stipulation prevents them from raising combinations of the asserted art with other system art.” (*Id.*) But as PO admits, “Amazon has not yet provided invalidity contentions,” rendering PO’s argument speculative. (*Id.*)

Because little has been invested in the various district court proceedings, and a stay of each is likely, this IPR is a true alternative to the district court proceedings. As the Board has recognized, where “the present case does not involve ‘substantial investment’ in the District Court Litigation per *Fintiv* factor 3 ... even discounting the weight of Petitioner’s *Sotera* stipulation as the Director did [in *Motorola*, IPR2024-01205, Paper 19], ... the *Fintiv* factors as a whole indicate that the efficiency and integrity of the patent system are best served by instituting review.” *Liberty Energy, Inc. v. U.S. Well Svcs., LLC*, IPR2025-00031, Paper 9 at 18-19 (P.T.A.B. Apr. 29, 2025); *see also Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01374, Paper 19 at 20-22 (P.T.A.B. Apr. 29, 2025) (“even considering the presence of system art as a mitigating factor in favor of Patent Owner, we still find that the *Sotera* stipulation significantly reduces the overlap between the district court litigation and this IPR”). And, should any claims survive, any overlap may benefit the district court’s analysis of what remains. *MED-EL Elektromedizinische Geräte GmbH v. Sonova AG*, IPR2020-00176, Paper 13 at 15 (P.T.A.B. June 3, 2020)

(overlap “may inure to the district court’s benefit ... by simplifying issues for trial”).

Thus, this factor weighs against denial.

E. Factor 5 Is Neutral.

Factor 5 considers whether the parties are the same. *Fintiv*, IPR2020-00019, Paper 11 at 13-14. Where the parties are the same, the Board has held that this factor is “neutral or, at most, weighing slightly in favor of exercising discretion to deny institution.” *Snap*, IPR2020-00820, Paper 15 at 16. Regardless, this factor does not outweigh the other factors, which weigh strongly against discretionary denial. *Id.*

F. Factor 6 Weighs Against Denial Because the Petition’s Merits Are Strong.

Factor 6 considers “other circumstances” that impact discretionary denial, such as the merits of the petition. *Fintiv*, IPR2020-00019, Paper 11 at 14-16. This factor weighs against discretionary denial because the merits of the Petition are strong. (*See generally* Paper 1 (“Pet.”).)

The only argument PO presents in its Request is the so-called “printed publication issue,” which is addressed below. (PO Req. at 43; *infra* §II.B.4.b.i.) PO also relies on its not-yet-filed POPR; Petitioners here may seek a reply to the POPR to address merits issues that impact *Fintiv* factor 6. (PO Req. at 43.) However, as of now, PO has identified no weaknesses in the Petition.

Accordingly, the *Fintiv* factors as a whole weigh against denial.

II. ADDITIONAL DISCRETIONARY FACTORS FAVOR INSTITUTION.

A. The Settled Expectations Standard Should Not Be Applied Here.

In numerous recent IPRs, including proceedings against patents in the same family as the '907 patent, the Director has relied on a patent owner's so-called "settled expectations" of patent validity. *See, e.g., Amazon.com, Inc. v. Audio Pod IP, LLC*, IPR2025-00757, Paper 15 at 2 (P.T.A.B. Aug. 14, 2025). The Director's "settled expectations" standard should not be employed here because doing so would violate the Administrative Procedure Act ("APA") and the Constitution.

1. Background of the Settled Expectations Standard

a. Since Congress Enacted the AIA, the PTO Consistently Instituted IPRs Without Regard for the Challenged Patent's Age.

The America Invents Act (AIA) created the IPR process. The IPR provisions of the AIA took effect in 2012. For the next twelve years, the PTO consistently instituted IPRs without regard for the challenged patent's age. For example, the very first IPR challenged a patent that was more than eight years old at the time the IPR petition was filed. *Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, IPR2012-00001, Paper 1 at 1 (P.T.A.B. Sept. 16, 2012) (challenging a patent issued on "August 17, 2004"). The PTO instituted this IPR with no mention of "settled expectations" or any six-year threshold. *Garmin*, IPR2012-00001, Paper 15 (P.T.A.B. Jan. 9, 2013).

As another example, the PTO instituted an early IPR (filed by some of the

Petitioners here) in 2014 even though the patent at issue was more than fifteen years old. *Amazon.com, Inc. v. Personalized Media Commc'ns, LLC*, IPR2014-01527, Paper 7 (P.T.A.B. Mar. 26, 2015). The PTO has instituted hundreds of other IPRs, if not thousands, against patents that were far more than six years old.

b. The PTO Previously Rejected Settled-Expectations Arguments.

In 2018, the Board rejected a patent owner's settled-expectations argument in a decision designated precedential. *NHK Spring Co. Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 19 (P.T.A.B. Sept. 12, 2018) (precedential). The patent there was more than seventeen years old and the petitioner had known about the patent "for more than ten years." *Id.* However, the Board was "not persuaded that this lapse in time favors denying review." *Id.*

In *Microsoft Corp. v. Dareltech, LLC*, IPR2020-00483, Paper 11 at 13 (P.T.A.B. Sept. 16, 2020), the Board addressed a Patent Owner's argument that it had "developed and implemented the claimed invention in reliance on the [challenged] patent." The Board rejected this argument because it was "not persuaded that reliance on a patent is a proper basis for denying a petitioner the ability to challenge the patentability of the claims in a patent." *Id.*

Petitioners are not aware of any decisions to the contrary in the first twelve years following the enactment of the AIA.

c. The PTO Previously Convinced the Federal Circuit that Patent Owners Have No Settled Expectations that Preclude IPR.

In *Celgene Corp. v. Peter*, 931 F.3d 1342, 1361-62 (Fed. Cir. 2019), a patent owner claimed an expectation that its pre-AIA patents could not be challenged via IPR proceedings, which did not exist at the time the patents issued. *Id.* at 1358. But the PTO disagreed, arguing that the patent owner was not entitled to any such expectation—even though the patents were more than fifteen years old at the time. *Id.*; *see also id.* at 1346 (identifying U.S. Patent Nos. 6,045,501 and 6,315,720). Accepting the PTO’s arguments there, the Federal Circuit held: “the expectation that patent owners have had for nearly four decades” is “that patents are open to PTO reconsideration and possible cancelation.” *Id.* at 1361-62.

d. The PTO’s Longstanding Policy Permitted IPRs Even when the Challenged Patents Were So Old that They Had Expired.

From the very beginning, the PTO’s rules governing IPRs made clear that IPRs were available even for very old patents. Specifically, the original PTO rule governing claim construction in IPRs expressly provided for challenges to patents that would be expired before the deadline for any final written decision in an IPR. *See* 37 C.F.R. §42.100(b) (2012). Although the PTO later amended this claim-construction rule, it continued its policy of allowing IPRs against expired patents. *E.g., Apple, Inc. v. Gesture Tech. Partners, LLC*, IPR2021-00922, Paper 10 at 17-

19 (P.T.A.B. Nov. 29, 2021). And the Federal Circuit affirmed that longstanding policy—holding that IPR remains available even after the challenged patent expires.

Apple Inc. v. Gesture Tech. Partners, LLC, 127 F.4th 364, 369 (Fed. Cir. 2025).

e. The PTO Abruptly Reversed Its Longstanding Policy by Announcing a New Six-Year Standard for “Settled Expectations.”

Earlier this year, the Acting Director issued a memorandum entitled “Interim Processes for PTAB Workload Management,” which described a new procedure for evaluating discretionary denial factors before an institution decision. (Memorandum from Acting Director Stewart, Interim Processes for PTAB Workload Management (March 26, 2025) (“Stewart Memo”).) In this memo, the Acting Director articulated for the first time that among the “relevant considerations” for discretionary denial, the PTO would consider “[s]ettled expectations of the parties, such as the length of time the claims have been in force[.]” (*Id.* at 2.) But the Acting Director did not specify at that time how long the claims would need to be in force before such “settled expectations” would apply. Nor did she explain that settled expectations alone, once established, would typically be sufficient to outweigh every other factor.

The Acting Director’s rollout of the new settled-expectations standard began in June with *iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 (P.T.A.B. June 6, 2025), in which she found that “settled expectations favor denial” because “one of the patents has been in force since as early as 2012.” *Id.* at 3. Later

in June, the Acting Director issued another “settled expectations” denial in *Dabico Airport Sols. Inc. v. AXA Power APS*, IPR2025-00408, Paper 21 (P.T.A.B. June 18, 2025). In that case, the challenged patent had “been in force almost eight years.” *Id.* at 2. *Dabico* held that this period of less than eight years was long enough to create settled expectations barring IPR. To explain this holding, the decision cited the six-year period that limits infringement damages under 35 U.S.C. § 286. *Id.* at 3. *Dabico* applied the Acting Director’s new “settled expectations” standard based solely on the passage of time, explaining that “actual notice of a patent or of possible infringement is *not* necessary to create settled expectations.” *Id.* (emphasis added).

Over the months of June and July, it quickly became clear that the Acting Director had adopted a six-year rule; that is, if a patent issued more than six years before the filing of the IPR petition, she consistently held that settled expectations favored denial. Compare, e.g., *Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 2-3 (P.T.A.B. July 24, 2025) (settled expectations favor denial for patents issued six and seven years earlier) with *WebGroup Czech Republic, A.S. v. Dish Techs. LLC*, IPR2025-00467, Paper 14 at 2 (P.T.A.B. July 16, 2025) (no settled expectations for patents issued 2-6 years earlier). Although the Acting Director has identified exceptions to the six-year standard, they are narrow and rarely available. See, e.g., *Embodiment, Inc. v. LifeNet Health*, IPR2025-00248, Paper 13 at 2-3 (P.T.A.B. June 26, 2025) (where “Patent Owner has not developed strong settled expectations”

as to a recently issued patent, “it is an efficient use of Board resources to address [a] related patent” that issued earlier); *Globus Med., Inc. v. Spinelogik, Inc.*, IPR2025-00225, Paper 8 at 2 (P.T.A.B. June 12, 2025) (rejecting settled expectations argument where “the challenged patent expired almost four years ago due to non-payment of maintenance fees”). Apart from such narrow exceptions, the Acting Director has established a consistent policy of immunizing patents from IPR if they are more than six years old.

2. Applying the New Settled Expectations Standard Here Would Violate the APA.

The Director should not apply the settled expectations analysis here because doing so would violate the APA in at least five ways.

a. The New Settled Expectations Standard Contravenes Precedent.

The APA requires that agency action which is “not in accordance with law” must be set aside. 5 U.S.C. §706(2)(A). The Acting Director’s new “settled expectations” policy is not in accordance with law because it contradicts *Celgene*. As a matter of law, *Celgene* held that patent owners have no expectation that their patents will be immune from challenges at the PTO. *Celgene Corp. v. Peter*, 931 F.3d 1342, 1361-62 (Fed. Cir. 2019). To the contrary, “the expectation that patent owners have had for nearly four decades” is “that patents are open to PTO reconsideration and possible cancelation.” *Id.* at 1361-62. Immunizing patents from IPR, for a reason

that the Federal Circuit expressly held does *not* confer immunity, is contrary to law.

**b. The New Settled Expectations Standard
Is Inconsistent with the AIA.**

Agency action that is “in excess of statutory jurisdiction, authority, or limitations” must also be set aside. 5 U.S.C. §706(2)(C). Because the Director’s settled expectations standard presumptively bars challenges to patents more than six years old, it is contrary to the AIA. The AIA sets the “filing deadline” for IPRs as the later of “the date that is 9 months after the grant of a patent” or the date of termination of any PGR. 35 U.S.C. §311. Thus, Congress knew how to create time-based deadlines for filing IPRs. Congress chose to impose only a *lower* limit of nine months on the patent’s age, without imposing any upper limit.

The Federal Circuit has consistently found that patents can be challenged in IPR at any time after the nine-month period of 35 U.S.C. §311, including after their expiration. *Samsung Elecs. Am., Inc. v. Prisia Eng’g Corp.*, 948 F.3d 1342, 1346 (Fed. Cir. 2020) (IPRs “can be requested at any time during a patent’s enforceability period, with certain restrictions”); *Apple Inc. v. Gesture Tech. Partners, LLC*, 127 F.4th 364, 368-70 (Fed. Cir. 2025) (expired patents can be challenged). Because the new settled-expectations standard effectively sets a filing deadline different from the one that Congress enacted, it exceeds the PTO’s statutory authority.⁷

⁷ For the same reasons, the new settled-expectations standard contravenes the Constitution’s separation of powers. *See, e.g., Util. Air Regul. Grp. v. EPA*, 573

c. The New Settled Expectations Standard Is Arbitrary and Capricious Because It Is Contrary to Congressional Intent.

The APA also requires setting aside agency action that is “arbitrary” or “capricious.” 5 U.S.C. §706(2)(A). Agency action is arbitrary and capricious when “the agency has relied on factors which Congress has not intended it to consider.” *Motor Vehicle Mfrs. Ass’n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983). Here, the new settled-expectations standard relies on a six-year upper limit for the age of challenged patents, even though Congress intended only a nine-month lower limit. (*Supra* §II.B.1.b.ii.) Thus, the settled expectations analysis is arbitrary and capricious.

d. The New Settled Expectations Standard Is Arbitrary and Capricious Because It Violates the Change-in-Position Doctrine.

The change-in-position doctrine holds that agency action is arbitrary and capricious when the agency “changed existing policy” without displaying “awareness that it [was] changing position” or offering “good reasons for the new policy,” including taking into account “serious reliance interests” related to its prior policy. *FDA v. Wages & White Lion Invs., L.L.C.*, 145 S. Ct. 898, 918 (2025); *Encino*

U.S. 302, 322-27 (2014) (agency’s rule “would deal a severe blow to the Constitution’s separation of powers” where it was “inconsistent with” the statutory structure and goes “beyond the bounds of its statutory authority” (internal quotation marks and citation omitted)).

Motorcars, LLC v. Navarro, 579 U.S. 211, 221-22 (2016). Here, the new settled-expectations standard changes longstanding policy by presumptively barring IPRs against patents more than six years old, even though the PTO had previously allowed IPR challenges throughout a patent’s lifetime (and even after expiration). (*Supra* §II.B.1.a.) The PTO made this change without offering good reasons or accounting for serious reliance interests of parties like Petitioners, who developed and coordinated district court and IPR strategies based on the PTO’s prior policies. Accordingly, application of the settled expectations standard here would be arbitrary and capricious.

e. Enacting the New Settled-Expectations Standard Without Notice-and-Comment Rulemaking Violates the APA.

Under the APA, agencies must promulgate substantive rules (e.g., those that “effect a change in existing law or policy or ... affect individual rights and obligations”) through notice-and-comment rulemaking; agency action that fails to comport with this requirement must be set aside. *Coal. for Common Sense in Gov’t Procurement v. Sec’y of Veterans Affs.*, 464 F.3d 1306, 1317 (Fed. Cir. 2006) (vacating VA letter for failing to follow notice-and-comment procedures). The new settled expectations standard is such a substantive rule because it imposes a presumptive obligation on petitioners to challenge patents within six years of their issuance. Moreover, new approach to settled expectations alters the “substantive standards by which the

USPTO evaluates” IPR petitions and thus is subject to notice-and-comment rule-making. *See In re Chestek PLLC*, 92 F.4th 1105, 1110 (Fed. Cir. 2024). Because the PTO failed to enact the settled expectations policy through notice-and-comment rulemaking, any application of it here would be required to be set aside.

3. Applying the New Settled Expectations Standard Here Would Be Unconstitutional.

Applying the new settled expectations standard to deny institution of the Petition here would violate the Due Process Clause of the Fifth Amendment Under the Due Process Clause, the government cannot deprive parties of protected property rights without “constitutionally adequate procedures.” *Cleveland Bd. of Educ. v. Loudermill*, 470 U.S. 532, 541 (1985). The “property” interests subject to procedural due process protection include “a broad range of interests that are secured by ‘existing rules or understandings.’” *Perry v. Sindermann*, 408 U.S. 593, 601 (1972) (citation omitted).

Even where an agency is conferred broad discretion, the agency may constrain its own discretion and in doing so create a cognizable property interest. *See Brown v. Eppler*, 725 F.3d 1221, 1226 (10th Cir. 2013) (“the district court overlooked the possibility the [agency] had constrained its own discretion to deny service to a sufficient extent as to give rise to a ‘legitimate claim of entitlement’ to service”). Agencies may adopt such constraints on their own discretion by way of “the consistent practice of a decisional body—even in the absence of express regulatory

language,” *Tarpeh-Doe v. U.S.*, 904 F.2d 719, 724 (D.C. Cir. 1990), or a “constant, consistent pattern of ALJ decisions,” *Furlong v. Shalala*, 156 F.3d 384, 395 (2d Cir. 1998). Here, Petitioners were entitled to rely on the PTO’s longstanding policy of allowing patents to be challenged in IPRs many years after they issued, and even after they expired. (*Supra* §II.B.1.a.) The Due Process clause protects this reliance interest. *Brown*, 725 F.3d at 1226; *Furlong*, 156 F.3d at 395.

“To satisfy the Due Process Clause, [an agency] must at a minimum ‘provide regulated parties fair warning of the conduct a regulation prohibits or requires.’” *Mexichem Fluor, Inc. v. EPA*, 866 F.3d 451, 462 (D.C. Cir. 2017). When an agency changes a policy from one which “engendered serious reliance interests, due process considerations of fair notice and fundamental fairness demand a reasonable explanation for the agency’s change in position” as well as requiring the agency to “take into account reliance interests when changing course.” *Cemex Inc. v. Dep’t of the Interior*, 560 F. Supp. 3d 268, 281–82 (D.D.C. 2021). Here, applying the new settled expectations standard would give Petitioners no such fair notice. Instead, doing so would retroactively apply a standard that did not exist at the time Petitioners filed this IPR.⁸ By preventing Petitioners from accessing the IPR process that was available to them under the prior policy, and ignoring their serious reliance interests,

⁸ The filing date of the Petition was May 13, 2025. (Paper 1.) That was *before* the Acting Director began applying the settled expectations standard in *iRhythm*. (*Supra* §II.B.1.a.v.)

discretionary denial would violate Petitioners' due process rights.

For these reasons, the new settled expectations standard should not be applied.

**B. The Settled Expectations Analysis, If Applied,
Favors Institution.**

PO argues that it has settled expectations regarding the '907 patent's validity because it issued in 2017. (PO Req. at 13-21.) This argument fails for several reasons.

First, the '907 patent is one of several related patents challenged by Petitioners, and other patents in the family have issued much more recently. For example, the '488 patent (*see* IPR2025-01041) issued in 2020. Thus, PO has no settled expectations of validity with respect to the '488 patent, and it would be an efficient use of Board resources to address the validity of the closely related '907 patent along with the recently issued '488 patent. *Embody, Inc. v. LifeNet Health*, IPR2025-00248, Paper 13 at 2-3 (P.T.A.B. June 26, 2025) (where "Patent Owner has not developed strong settled expectations" as to a newer-issued patent, "it is an efficient use of Board resources to address the related patent" that issued earlier); *Yealink Network Tech. Co., Ltd. v. Barco NV*, IPR2025-00491, Paper 18 (P.T.A.B. June 25, 2025) (no settled expectation of validity for patent issued in 2020); *Cambridge Indus. v. Applied Optoelects.*, IPR2025-00434, Paper 11 (P.T.A.B. June 26, 2025) (no settled expectation of validity for patents issued in 2019 and 2020).

Second, PO is a non-practicing entity that has spent years engaging in the

business of preparing to bring lawsuits to enforce its patents. (PO Req. at 4-5.) To the extent PO had any “settled expectations” during those years, those expectations were that any accused infringer would have the opportunity to file IPR petitions and that the IPRs would be instituted if the challenger could meet the standard for institution (i.e., a reasonable likelihood that at least one claim is unpatentable). (*See supra* §II.B.1.a.) Under such circumstances, PO’s settled expectation was—or should have been—that the patents’ validity would be reviewed.

Third, PO relies on the fact that Amazon purportedly knew about various applications to which the ’907 patent claims priority in 2012. (PO Req. at 16-21.) But PO’s letter did not allege infringement of its patents or patent applications (only “marked similarity” between Audio Pod’s technology and aspects of Amazon’s products). (EX-2013.) And the letter provides no notice or indication that PO had any intention to assert its patents; to the contrary, the letter is entirely an offer to sell Audio Pod’s intellectual property rights to Amazon. (*Id.*) And, the ’907 patent did not issue until years after the letter. After the patent issued, Audio Pod never informed Amazon of its issuance or of its relevance to any Amazon product.

PO’s argument that its parent company’s letter created settled expectations of the ’907 patent’s validity is misplaced because it ignores the context of Petitioners’ alleged knowledge of the patent. (PO Req. at 16-21.) PO’s letter provides no information about the subject matter of PO’s patents (beyond the name of each patent or

application), does not identify which features of Petitioners' products were allegedly similar to which claims of which patent (beyond a vague assertion that certain products bore "marked similarity" to PO's technology generally), and made no assertion of infringement at all. (*See generally* EX-2013.)

PO alleges that "Amazon has been aware of Audio Pod's ... technology since 2007," but this is irrelevant. The applications for PO's patents challenged by Petitioners were all filed at least four years after 2007. (EX-1001 at 1; IPR2025-00768, EX-1001 at 1-2 (priority chain).) And the patents all issued at least seven years after 2007. Thus, Petitioners had nothing to challenge in 2007.

PO's parent company's letter identified *one* issued patent: U.S. Pat. 8,285,809. (EX-2013 at 2.) But that '809 patent is not asserted in any of the district court cases and is not challenged in any IPR. Thus, any settled expectations that allegedly accrued for the '809 patent are irrelevant. The letter also identified two pending patent applications. (*Id.*) These applications later issued as the challenged '720 and '740 patents—not the '907 patent being challenged here. PO's parent never told Petitioners the '907 patent issued and never accused Petitioners of infringing its claims. Thus, Petitioners had no reason to challenge the '907 patent earlier.

PO argues that Petitioners "could easily have found every relevant patent from a single continuity search" on its earliest patent application. (PO Req. at 19.) But if Amazon had conducted such a continuity search in 2012, the search would have

returned *none* of the challenged patents because they did not exist. PO's argument assumes that Amazon was obligated to continually perform continuity searches on the earliest application of a foreign company, monitor amendments made during prosecution, analyze every issued claim in every patent that claimed priority to the earliest application, and file IPRs on patents that the company never accused Amazon of infringing. This obligation is unrealistic and unduly burdensome. The Acting Director should reject PO's invitation to impose such an obligation because it would severely burden innovation and economic activity in the United States and overwhelm the Office with astronomical numbers of IPR petitions against patents that may never otherwise be asserted or litigated.

To the extent Petitioners had any "settled expectations" at all, for more than a decade their "settled expectations" have been that if an invalid patent is asserted against them, they could file IPR petitions and use the cost-efficient mechanism for resolving validity challenges as Congress intended. Furthermore, after sending its letter in 2012, PO's parent never contacted Amazon again. PO did not inform Petitioners when the challenged patent issued. Nor did PO accuse Petitioners of infringing any claims of this patent. Instead, PO and its parent remained silent for more than a decade after sending the letter. Even if Petitioners had somehow learned of the challenged patent during this time, PO's prolonged silence would have created a settled expectation that the patent would *not* be asserted.

Thus, the parties' settled expectations favor institution.

C. The Existence of Multiple Cases and Multiple Technologies Favors Institution.

As discussed above, the '907 patent is at issue in two different district court proceedings (the EDVA case and the DNJ case). (*Supra* §II.A.) PO has also asserted additional related patents in two other district court case against Petitioners: the -185 and -406 cases. Petitioners filed seven additional IPRs to address the asserted patents across the district court cases; this and one other IPR remain pending. The '907 patent and the challenged '488 patent (IPR2025-01041) are directed to various related, yet distinct aspects of the technology described in PO's patents.

The complexity of the district court litigations weighs against discretionary denial. *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 (P.T.A.B. June 13, 2025); (*see* EX-2020 at 1 (PO admitting "[t]his is a complex lawsuit for patent infringement").) All of the district court litigations are likely to be stayed pending IPR, which will allow the Board to efficiently decide the validity issues presented. If the IPRs are discretionarily denied and the litigations continue, then the cases will proceed before multiple judges in multiple districts and will require several juries to be empaneled. Deciding the validity issues through district court litigation will require multiple judges, clerks, and juries to learn the diverse subject matter of the patents, the prior art, and the law. It would be an efficient use of the Board's resources to have a panel of three APJs, technically trained and with

deep knowledge of the law, resolve the invalidity challenges presented in the IPRs. *See Tesla*, IPR2025-00217, Paper 9 at 3 (“the Board is better suited to review a large number of patents involving diverse subject matter”); *Berkshire Hathaway Energy Co. v. Birchtech Corp.*, IPR2025-00274, Paper 23 at 2 (P.T.A.B. July 2, 2025) (“Because the litigation between the parties would proceed to several district court trials in different jurisdictions, resolving the dispute between the parties at the Office would be more efficient.”).

PO’s attempt to distinguish *Tesla* on the grounds that the patents in that case were from different patent families fails. (PO Req. at 19 n.8.) The rationale of *Tesla* applies even where the diverse patents share a common priority application. And the efficiency benefits will be even greater here than they were in *Tesla* because PO’s district court litigation spans four different cases with three different judges.

D. PO’s Objections Are Unavailing.

1. Petitioners Have Not Engaged in “Dilatory Tactics” or “Gamesmanship.”

PO accuses Petitioners of “engag[ing] in delay” and “gamesmanship” in the co-pending litigation. (PO Req. at 21; *see id.* at 9-12.) But Petitioners have merely engaged in routine litigation activity.

a. Petitioners’ Motions Are Not Dilatory.

What PO alleges are “iterative fact-intensive motions that delay progress” are just routine motions. (PO Req. at 21, 10-11.) PO filed its original complaint in the

EDVA case in May 2024. (EX-2005 at 1 (Dkt. 1); EX-2006 at 1 (Dkt. 1); PO Req. at 35.) In August 2024, Petitioners filed a motion to dismiss for failure to state a claim because the asserted patents are invalid under 35 U.S.C. §101 and because venue was improper. (EX-2006 at 1 (Dkt. 16); PO Req. at 35.) In November 2024, Petitioners filed a motion to stay discovery pending the motion to dismiss, in order to preserve the resources of the parties and the court. (EX-2006 at 2 (Dkt. 37); PO Req. at 36.) Less than three months after that, in February 2025, Petitioners filed a motion to supplement the protective order to protect their confidential information. (EX-2005 at 4 (Dkt. 71); PO Req. at 37.)

The filing of routine, well-founded motions at the outset of the litigation does not warrant denial of this IPR. That is especially true where the issues raised in the district court—invalidity under §101 and discovery issues—could not be raised in an IPR and are appropriately addressed by the district court at the pleading stage. *Toast, Inc. v. Gratuity, LLC*, IPR2023-01408, Paper 11 at 8-10 (P.T.A.B. Mar. 27, 2024) (*Fintiv* factor 3 favors institution even where district court has resolved motion to dismiss under §101); *see* Fed. R. Civ. P. 12(b)(6) (motions for failure to state a claim upon which relief can be granted “must be made before pleading if a responsive pleading is allowed”); *cf. Prod. Grp. Int’l, Inc. v. Goldman*, 337 F. Supp. 2d 788, 800 (E.D. Va. 2004) (“a motion to transfer venue must be brought at an early stage in litigation”). Thus, Petitioners have not delayed.

**b. Petitioners Were Diligent
in Filing the Petition.**

PO suggests that the Petition was not filed expeditiously enough because Petitioners “wait[ed] until nearly the statutory deadline” to file it. (PO Req. at 21.) But this argument is inconsistent with the purpose of the AIA and the IPR framework. Congress intentionally set the statutory bar for filing an IPR at one year from the service of the complaint. *See* 157 Cong. Rec. S5429 (daily ed. Sept. 8, 2011) (purpose of giving defendants a full year to seek IPR is to “afford defendants a reasonable opportunity to identify and understand the patent claims that are relevant to the litigation”); *Medtronic*, IPR2020-00895, Paper 16 at 29 (“Congress has expressly provided a one-year grace period for a petitioner to file a petition for *inter partes* review. We decline to consider any petition filed within such a statutorily mandated grace period to be *ipso facto* not-expeditious-enough.”).

Indeed, Petitioners filed the Petition about four months after PO disclosed its infringement contentions in the EDVA case. “Patent Owner’s infringement contentions play an important role They inform Petitioner of the claims that are in fact at issue, as well as how Patent Owner views the scope of the claims, both of which are material considerations in preparing a petition.” *Liberty Energy*, IPR2025-00031, Paper 9 at 12-15; *CrowdStrike, Inc. v. Open Text Inc.*, IPR2023-00124, Paper 11 at 12 (P.T.A.B. June 15, 2023). Thus, Petitioners were diligent in filing the Petition.

**c. Petitioners Have Participated in
Discovery at the District Court.**

PO argues that Petitioners have “failed to meaningfully participate in discovery in the district court,” suggesting that PO was forced to file a motion to compel in the EDVA case. (PO Req. at 11-12.) PO is wrong because Petitioners have complied with discovery obligations throughout, and have provided detailed objections and responses that were tailored to each RFP, RFA, and interrogatory in the EDVA case. To date, Petitioners have produced more than 52,000 pages of documents; made three witnesses available for deposition; and made over 43,000 source code files available for inspection. PO filed a motion to compel because it disagreed with Petitioners’ objections, but the objections were well-founded because PO’s requests sought discovery far beyond the scope of Rule 26. That motion is currently pending. PO cannot accuse Petitioners of failing to participate in discovery merely because Petitioners have not given PO information that is outside the required scope.

**d. Petitioners’ Claim Construction
Positions Are Not Inconsistent.**

PO suggests Petitioners are engaging in “gamesmanship” by stating that no claim construction is necessary in this IPR while proposing constructions for certain terms of other patents in the district court. (PO Req at 21-23; *see id.* at 12.)

PO’s argument is based on a misunderstanding of when claim construction is

necessary. It is entirely possible (even likely) that no claim construction is needed to resolve the invalidity issues in an IPR, but claim construction is necessary to resolve infringement issues in the district court. *See, e.g., Chanel, Inc. v. Molo Design, Ltd.*, IPR2022-00543, Paper 7 at 9-10 (P.T.A.B. Aug. 12, 2022). For example, if a claim limitation recited “about 50 mg” of a certain ingredient, no construction would be necessary in an IPR where the prior art expressly disclosed using exactly 50 mg of the ingredient. But that same limitation might require construction in a litigation if the accused product included 52.2 mg of the ingredient. Because the issues before the district court differ from the issues in this IPR, it is possible for disputes that are immaterial in this IPR to require claim construction in the district court. But this possible need for claim construction in the district court does not show any contradiction in Petitioners’ positions. Nor has PO shown any. PO does not identify any term it believes Petitioners construe inconsistently. (*See* PO Req. at 21-23.)

PO appears to conflate Petitioners’ position in its IPRs (that no construction is necessary) with an affirmative argument for a “broad” or “plain and ordinary meaning” construction. (*See, e.g.,* PO Req. at 22-23.) This is a misunderstanding of the situation and the applicable law. Petitioners’ position in this proceeding is that no claim construction is necessary because the prior art discloses each claim limitation *under any reasonable construction*. PO repeatedly complains that Petitioners are advancing inconsistent or contradictory claim construction positions. (*Id.*

at 21-23.) But that is simply not the case—Petitioners have only stated that no claim construction is necessary to resolve the invalidity challenges in the IPRs, while acknowledging that claim construction may be necessary in the district court to resolve infringement questions. Such an approach is commonplace in IPR proceedings. *See Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (claim construction limited to terms “that are in controversy, and only to the extent necessary to resolve the controversy”); *CrowdStrike*, IPR2023-00124, Paper 11 at 12-13 (“it is not unusual for a patent litigation defendant to pursue an IPR based on a broader construction ... while also taking a narrower position in the district court. We find nothing inherently wrong with that”).

PO cites *Cambridge Mobile Telematics, Inc. v. Safara, Inc.*, IPR2024-00952, Paper 12 (P.T.A.B. Dec. 13, 2024) (informative), but that case is easily distinguished. First, in *Cambridge*, the claim construction question at issue was whether the claims included means-plus-function limitations under §112(f). *Cambridge*, IPR2024-00952, Paper 12 at 5-9. As the Board noted, when a means-plus-function construction is at issue, “37 C.F.R. §42.104(b)(3) mandates that the Petition ‘identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.’” *Id.* at 8. The Board found the petition failed to do so, which was the basis of its decision. *Id.* at 8-9. But here, no party has advanced a means-plus-function construction in any forum. Second, any

inconsistency between the petitioner’s IPR and district court constructions was not merely speculative—the petitioner advocated for a means-plus-function construction in the district court and provided a different construction to the Board that it admitted it did not believe was correct. *Cambridge*, IPR2024-00952, Paper 12 at 7. Not so here, where PO has identified no construction it believes is actually inconsistent.

**2. The Petition Presents
Evidence with Particularity.**

PO argues that the Petition should be denied because it does not meet the “particularity” requirement in 35 U.S.C. §312(a). (PO Req. at 23-28.) PO’s arguments are unavailing.

**a. The References in the Petition
Are Printed Publications.**

PO argues that Petitioners failed to establish a reasonable likelihood that several references used in the Petition are prior art printed publications. (PO Req. at 24-26.) Specifically, PO argues that a “bare citation” to certain paragraphs of Dr. Hall-Ellis’s declaration was insufficient to meet Petitioners’ burden, citing *Hulu, LLC v. Sound View Innovations, LLC*, IPR2018-01039, Paper 29 at 13 (P.T.A.B. Dec. 20, 2019) (precedential). PO is incorrect. *Hulu* merely requires that the petition “identify, with particularity, evidence sufficient to establish a reasonable likelihood that the reference was publicly accessible before the critical date of the challenged

patent[.]” *Id.* Petitioners have done so.

The Board’s decision in *Meta Platforms, Inc. v. Eight kHz, LLC*, IPR2023-01005, Paper 9 at 23-28 (P.T.A.B. Jan. 9, 2024) is instructive. There, the Board found that the petitioner met its burden, and did not improperly incorporate the declaration by reference, because the petitioner “identifie[d] the statutory provision, 35 U.S.C. §102(a)(1), under which [the reference] wa[s] a prior art printed publication, and cite[d] particular paragraphs of the declaration as supporting that contention, such that Patent Owner was able to address the substance of the allegedly supporting evidence in its Preliminary Response.” *Id.* at 27. The same is true here. The Petition identified the statutory provision (§102(b)) and cited to EX-1097, Dr. Hall-Ellis’s declaration. (Pet. at 5-6.) Because Dr. Hall-Ellis’s declaration clearly shows by bolded headers which paragraphs correspond to which reference (*see generally* EX-1097), PO can easily tell which paragraphs to look at, such that PO is “able to address the substance of the allegedly supporting evidence in its Preliminary Response[.]” *Meta*, IPR2023-01005, Paper 9 at 27. However, PO has not identified any reason to doubt Dr. Hall-Ellis’s conclusion that the references she reviewed were publicly available more than one year before the ’907 patent’s priority date. (PO Req. at 24-26.)

Furthermore, PO’s reliance on *BabyBjörn AB v. The ERGO Baby Carrier, Inc.*, IPR2025-00110, Paper 20 (P.T.A.B. Apr. 22, 2025) to argue that Petitioners

failed to “discuss in the Petition *any* evidence” that the references were publicly accessible is incorrect and misplaced. (PO Req. at 19-20.) In *BabyBjörn*, the petition had “no citation, no discussion, and no support” other than a copyright notice in the reference itself to show that the reference was a printed publication. IPR2025-00110, Paper 20 at 13-15. By contrast, here, Petitioners provided, and cited to, ample evidence in Dr. Hall-Ellis’s declaration to show that Yoshimura was publicly available. Thus, PO’s arguments fail.

**b. The Petition Analyzed Obviousness
Under the *Graham* Factors.**

PO next states that it will argue in the POPR that the Petition is deficient because it fails to properly address the *Graham* factors: (1) the scope and content of the prior art; (2) the differences between the claimed invention and the prior art; (3) the level of ordinary skill in the pertinent art; and (4) secondary considerations of non-obviousness. *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17-18 (1966); (PO Req. at 26.) The Petition addresses these factors.

To the extent that PO claims in the POPR that the Petition fails to identify the scope and content of the prior art, that is incorrect. The vast majority of the Petition is dedicated to analyzing the “scope and content” of the prior art references upon which Petitioners rely. And, where any differences between the prior art and the claims exist—or potential differences that PO may argue exist—the Petition addresses those differences by showing why any modification would have been

obvious. (*See, e.g.*, Pet. at 19.)

To the extent that PO claims in the POPR that the Petition fails to identify the differences between the claimed invention and the prior art, that is also incorrect. The Petition analyzes the differences, if any, between the claimed invention and the prior art. *See Aruba Networks, LLC v. Sipco, LLC*, IPR2021-00787, Paper 7 at 16-17 (P.T.A.B. Oct. 12, 2021) (*Graham* factor 2 satisfied where a petitioner “explains what features of [the references] it relies on and points out where the primary reference may not teach a feature and, in that case, explains what features of the supporting references it relies on and how they are to be combined”). For example, the Petition explained in Ground 1B that, if DTB did not disclose storing SMIL files on a server, doing so would have been obvious over Yoshimura. (Pet. at 33-34.) In other words, to the extent that the required disclosure was not in DTB, then it would have been obvious over Yoshimura.

The Petition also addressed the level of skill in the art (*Id.* at 4 (citing EX-1002 at ¶¶27-31)) and secondary considerations (*Id.* at 77). Thus, the Petition analyzed obviousness using the *Graham* factors.

c. Amazon’s Expert Declaration Is Proper.

PO argues that Amazon’s expert declaration is entitled to little or no weight because it merely restates the Petition. (PO Req. at 26-28.) PO’s arguments misunderstand the law.

PO relies on *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15 (P.T.A.B. Aug. 24, 2022), but the Board has explained that the expert testimony in *Xerox* was entitled to little weight because it was “conclusory and lacking supporting evidence or technical reasoning.” *Unified Patents, LLC v. Togail Techs., Ltd.*, IPR2023-00338, Paper 7 at 11 (P.T.A.B. Aug. 18, 2023). The Board does “*not* accord the [expert] testimony little or no weight simply because it is verbatim to what Petitioner states in the Petition. The *Xerox* case ... does not require or indicate otherwise.” *Id.* (emphasis added); *see also Amazon.com, Inc. v. Nokia Techs. OY*, IPR2024-00691, Paper 10 at 65-66 (P.T.A.B. Sept. 24, 2024).

“Rather, the critical inquiry is whether a declaration discloses underlying facts or data on which the opinion is based.” *Bizlink Tech., Inc. v. Anderson Power Prods., Inc.*, IPR2024-00687, Paper 7 at 27-28 (P.T.A.B. Nov. 22, 2024). This is exactly what Petitioners’ expert declaration does. The declaration discloses, in detail, the underlying facts (e.g., the disclosures in the references, the expert’s knowledge and experience, etc.) on which his opinions are based.⁹ Thus, it is entitled to its full weight. *See Hum Indus. Tech., Inc. v. Amsted Rail Co., Inc.*, IPR2023-00540, Paper 10 at 37 (P.T.A.B. Aug. 11, 2023) (“If declaration testimony is

⁹ PO’s reliance on *Tableau Software, LLC v. iCHARTS LLC*, IPR2024-01388, Paper 8 (P.T.A.B. May 14, 2025) and *Solus Advanced Materials Co., Ltd. v. SK nexilis Co., Ltd.*, IPR2024-01461, Paper 14 (P.T.A.B. Apr. 23, 2025) is inapposite for at least this reason.

supported sufficiently and, in turn, supports contentions in the Petition, we do not give it little to no weight simply because it is repeated in the Petition[.]”); *Nintendo Co., Ltd. v. Am. GNC Corp.*, IPR2024-00668, Paper 10 at 42-43 (P.T.A.B. Sept. 10, 2024). Indeed, the Board has recognized that it is logical for the Petition and the expert declaration to be similar as the declaration supports the invalidity grounds in the Petition. *Hum*, IPR2023-00540, Paper 10 at 37 (finding overlap results from the petition citing the expert declaration without any deviation from the matters to which the expert testifies); *Nintendo*, IPR2024-00668, Paper 10 at 42 (same). Thus, PO’s arguments regarding Petitioners’ expert declaration do not warrant denial.

3. The Board Is Well Equipped to Handle the Issues Presented.

PO argues that because this Petition and several related petitions include grounds relying on references that are prior art under §§102(a) or 102(e), the Board is not the best forum to resolve any argument that PO’s alleged invention antedates those references. (PO Req. at 28-29.) PO’s argument fails for several reasons.

First, PO has not identified any antedating evidence in any of the proceedings. (PO Req. at 28-29.) Thus, PO’s arguments are entirely speculative and have no relevance to this proceeding.

Second, PO’s attempt to create relevance by arguing that the parties’ dispute should be resolved in a single forum is unavailing because the Board routinely adjudicates antedating reference issues and is well equipped to determine the validity

of all challenged patents. *See, e.g., Envirotainer AB v. DoubleDay Acquisitions LLC*, IPR2022-00293, Paper 83 at 37-46 (P.T.A.B. Feb. 1, 2024); *Viken Detection Corp. v. Am. Sci. & Eng’g Inc.*, IPR2022-00028, Paper 61 at 22-33 (P.T.A.B. May 1, 2023). Beyond IPRs, the Board also adjudicates similar issues that require evaluating factual evidence and credibility of testimony in derivation proceedings. *See generally* 35 U.S.C. §135; *Andersen Corp. v. GED Integrated Sols, Inc.*, DER2017-00007, Paper 57 (P.T.A.B. Mar. 20, 2019). Thus, should PO submit any antedating evidence, the Board is experienced in adjudicating these issues and will serve as an effective forum to do so.

4. PO’s Size and the Age of the Inventors Are Not Relevant.

PO argues that it “is a small company” and that “[t]he remaining inventors and owners of the ’907 patent ... are also in their retirement years” and “deserve to have their day in court.” (PO Req. at 29.) PO does not identify any reason why these arguments are relevant to institution of this proceeding. (*Id.*) Nor could it. The Office’s decision whether to institute an IPR does not, and should not, depend on the size of the patent owner or the age of the inventors. Indeed, PO provides no explanation for why it delayed nearly seven years from the ’907 patent’s issuance to bring suit. (*See id.* at 9.) And given the strong invalidity showing in the Petition, this IPR is likely the quickest way to fully and finally adjudicate the dispute between the parties. Indeed, PO’s concern about its small size and limited resources favors

resolving the parties' prior art invalidity disputes at the Board, in a time- and cost-efficient manner, rather than in multiple distinct yet overlapping district court proceedings in different courts and before different judges. Thus, PO's arguments do not warrant denial.

CONCLUSION

For the reasons set forth in the Petition and herein, the challenges here represent an appropriate use of Board resources. Accordingly, Petitioners respectfully request that the Director deny PO's Request for Discretionary Denial.

Respectfully submitted,

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September 15, 2025

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CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. §42.24(d), the undersigned certifies that this **PETITIONERS' OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** contains 10,099 words according to the word-processing program used to prepare this paper excluding the portions exempted under 37 C.F.R. §42.24(a)(1).

September 15, 2025

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **PETITIONERS’
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