

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICRON TECHNOLOGY, INC., and MICRON SEMICONDUCTOR
PRODUCTS, INC.,

Petitioners,

v.

PALISADE TECHNOLOGIES, LLP,

Patent Owner.

Case IPR2025-01008

Patent No. 8,327,051

**PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF
INSTITUTION**

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2001	Plaintiff's Complaint for Patent Infringement, No. 7:24-cv-00262, Dkt. 1 (W.D. Tex. Oct. 16, 2024) in the District Court Litigation
2002	Scheduling Order (Dkt. No. 38) in the District Court Litigation
2003	Docket Entry List for the District Court Litigation
2004	Micron's Invalidity Contentions Cover Document (excerpted and highlighted) in the District Court Litigation

I. INTRODUCTION

Under Director Stewart’s March 26, 2025, Memorandum titled “Interim Processes for PTAB Workload Management” (“Workload Memo”), Patent Owner Palisade Technologies, LLP (“Patent Owner”) respectfully requests that the Director exercise her discretion to deny institution of *inter partes* review under 35 U.S.C. § 314(a).

The Workload Memo states that, in addition to the discretionary considerations set forth in existing Board precedent (e.g., *Fintiv*) and the Consolidated Trial Practice Guide (Nov. 2019), the Director will take into account “all relevant considerations,” including but not limited to the strength of the unpatentability challenge, the extent of the petitioner’s reliance on expert testimony, settled expectations of the parties, and the ability of the PTAB to comply with its statutory deadlines. Workload Memo, 2-3. Given the circumstances outlined below, discretionary denial is warranted based on the *Fintiv* factors and those other relevant considerations.

First, settled expectations warrant denial. The patent-at-issue in this proceeding, U.S. Patent No. 8,327,051 (the “’051 patent”), issued on December 4, 2012, allowing expectations to settle for over twelve years.

Second, Petitioners have not sought a stay. And even if Petitioners did so, the district court is unlikely to grant one.

Third, the timing of the trial (the “District Court Proceeding”) between Patent Owner and the Petitioners also warrants denial. The District Court Proceeding, which will decide the validity of the challenged patent, is scheduled to begin on October 5, 2026, over two months before the December 16, 2026, expected date of the Board’s final written decision.

Fourth, this proceeding is not a true alternative to the District Court Proceeding. The District Court Proceeding involves system prior art and many combinations of that system prior art with printed publications, none of which Petitioners have stipulated to forego in the District Court Proceeding. And Petitioners have only challenged two of the five asserted patents in the District Court Proceeding, meaning that, in the best case scenario for Petitioners, the district court would still need to proceed on three patents.

Fifth, the validity challenges are weak. Petitioners frequently use expert testimony and the purported knowledge of a POSITA to fill gaps in the references themselves.

Sixth, the district court and the parties have already invested significant time and resources, and they will continue to do so until the expected institution date.

And seventh, the Petitioners are also Defendants in the District Court Proceeding.

II. BACKGROUND OF THE DISTRICT COURT PROCEEDING

On October 16, 2024, Patent Owner filed its complaint in the District Court Proceeding accusing Petitioners Micron Technology, Inc. and Micron Semiconductor Products, Inc. (collectively, “Petitioners” or “Micron”)¹ of infringing the ’051 Patent.² Ex. 2001. The district court issued its schedule on April 4, 2025. Ex. 2002. Trial in the District Court Proceeding is scheduled to begin on October 5, 2026 (Ex. 2002 at 2), over two months before the projected deadline for the Board’s final written decision on December 16, 2026.

The District Court Proceeding has advanced significantly. The parties have exchanged infringement contentions and invalidity contentions. Ex. 2002 at 2. The parties have also advanced well into claim construction, having exchanged claim terms, proposed constructions, and extrinsic evidence; Petitioners have filed their opening claim construction brief, and Patent Owner’s responsive brief is due in

¹ The Petition also “inadvertently named Micron Technology, LLC,” but according to Petitioners that entity dissolved in 2023 and no longer exists. Paper 7 at 1.

² That complaint also alleged infringement of four other United States Patents: Nos. 8,148,962 (“’962 patent”); 8,996,838 (“’838 patent”); 9,281,314 (“’314 patent”); and 9,524,974 (“’974 patent”) (collectively, with the patent in this proceeding, the “Asserted Patents”). Petitioners challenged only one of those additional patents in co-pending *inter partes* review petitions: IPR2025-01009 (’314 Patent).

several days. *Id.*

In addition, Micron has filed three motions in the District Court Proceeding: a motion to dismiss, motion to strike infringement contentions and a motion to transfer. Ex. 2003. The magistrate judge issued a report and recommendation on the motion to dismiss on July 24, 2025, and ruled on the motion to strike on June 27, 2025. *Id.*

The motion to transfer remains pending, but substantial discovery has taken place related to that motion. In addition, the parties have produced over 19,594 pages of documents related to venue, prior art, and technical documents, and they have served and answered nine venue interrogatories.

III. DISCRETIONARY DENIAL IS WARRANTED

A. The settled expectations favor discretionary denial.

The Director may consider the “[s]ettled expectations of the parties, such as the length of time the claims have been in force.” Workload Memo at 2. The ’051 Patent issued on December 4, 2012, allowing expectations to settle for over twelve years. Twelve years significantly exceeds other timeframes that the Board has found to create “strong settled expectations.”

The Board has found strong settled expectations for patents that have been in force for as little as six and seven years. *See, e.g., Kahoot! AS v. Interstellar Inc.*, IPR2025-00696, Paper 12 (PTAB July 31, 2025) at 2 (“the challenged patent has been in force for over six years, creating strong settled expectations”) (emphasis

added); *Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, 602, 603, Paper 9 (PTAB July 24, 2025) at 3 (“the challenged patents have been in force for seven and six years, respectively, creating strong settled expectations for Patent Owner.”) (emphasis added); *Smartsky Networks LLC v. Gogo Business Aviation LLC*, IPR2025-00672, Paper 10 (PTAB July 31, 2025) at 2 (“the challenged patent has been in force for seven years, creating strong settled expectations”) (emphasis added); *Tanklogix, LLC v. Sitepro, Inc.*, IPR2025-00647-653, Paper 10 (PTAB July 31, 2025) at 3 (“the challenged patents have been in force for seven, eleven, and nine years, respectively, creating strong settled expectations for Patent Owner”) (emphasis added).

B. *Fintiv* Factor 1 - Petitioners have not sought a stay, and a stay is unlikely to be granted.

This factor weighs against institution because the Petitioners waited seven months into the District Court Proceeding to file their Petition, and they have not requested a stay of that case. Petitioners presumably have not requested a stay because the district court is unlikely to grant one. Petitioners know that unlikelihood firsthand, given that the same district court recently denied Petitioners’ motion to stay in another case. *Sonrai Memory Ltd. v. Micron Tech., Inc.*, No. 1:23-CV-01407-ADA, 2024 U.S. Dist. LEXIS 231280 (W.D. Tex. May 29, 2024).

The Western District of Texas typically considers three factors when determining whether to grant a stay pending IPR of asserted patents: “(1) whether the stay will unduly prejudice the nonmoving party, (2) whether the proceedings

before the court have reached an advanced stage, including whether discovery is complete and a trial date has been set, and (3) whether the stay will likely result in simplifying the case before the court.” *Id.* at *3-4. For the District Court Proceeding, the Western District of Texas is likely to find that each of those factors weighs against a stay.

For the first factor (prejudice to the non-moving party), the district court is likely to find prejudice to Patent Owner for several reasons, including (1) that a “stay risks the loss of testimonial and documentary evidence potentially valuable” to Patent Owner (*id.* at *4); (2) the length of the stay, which would likely “extend[] to the conclusion of any appeals from the Micron IPRs” (*id.*); (3) “because IPRs have limited scope—only patentability based on published prior art—and even more limited discovery” (*id.* at 5); and (4) that Patent Owner “has an interest in the timely enforcement of its patent rights” (*id.*).

In addition, because the PTAB has not decided whether to institute this IPR, the district court is also likely to find that a stay would unduly prejudice Patent Owner under the first factor. *See, e.g., Datanet LLC v. Dropbox Inc.*, No. 6:22-CV-01142-OLG-DTG, 2023 U.S. Dist. LEXIS 230030, at *6-7 (W.D. Tex. Dec. 28, 2023) (distinguishing other cases where institution had already occurred from the case-at-issue, “where it is unknown whether an IPR will even be instituted,” and finding “that granting a stay motion on the current record would unduly prejudice”

Patent Owner).

As the district court stated for the first factor: “This Action is slated to resolve all the patent disputes separating the parties—either at the summary judgment stage or trial—before the PTAB adjudicates only invalidity based only on prior-art publications. The Court sees little sense in putting off trial in favor of a lagging, limited adjudication that may not ultimately obviate the need for a jury trial.” *Sonrai*, 2024 U.S. Dist. LEXIS 231280 at *6. Here, that reasoning applies with even more force, given that Petitioners have only challenged two of the five patents.

The district court is also likely to find that the second factor weighs against stay. “[I]f protracted and expansive discovery has already occurred, or the court has expended significant resources, then courts have found that this factor weighs against a stay.” *Id.* at *6-7 (quoting *CANVS Corp. v. United States*, 118 Fed. Cl. 587, 595 (2014)). Here, expansive discovery on venue has already occurred, and the court has expended significant resources because Petitioner filed three motions in the District Court Proceeding: a motion to dismiss, motion to strike infringement contentions and a motion to transfer. Ex. 2003. The magistrate judge issued a report and recommendation on the motion to dismiss on July 24, 2025, and the court ruled on the motion to strike on June 27, 2025. *Id.* The motion to transfer remains pending, but substantial discovery has taken place related to that motion as discussed above.

In addition, the second factor also involves whether a trial date has been set. *Sonrai*, 2024 U.S. Dist. LEXIS 231280 at *3-4. Trial is set to begin on October 5, 2026, two months before the expected December 16, 2026, date of the Board’s final written decision. For at least those reasons, the second factor also weighs against a stay.

The third factor (simplification of issues) also weighs against a stay. The district court considers the third factor the “most important factor” in the stay analysis and typically weighs two things for it: “(1) the scope of estoppel the movants are bound by and (2) the strength of the relevant IPR petitions in the context of the asserted claims.” *Id.* at *7. Because the district court trial is scheduled before the PTAB is expected to issue its final written decision, the district court is likely to find that “the scope of estoppel has minimal impact, if any, on whether a stay will simplify the issues.” *Id.* at *8. In addition, as discussed in the “true alternative” section below (Section III.D), “Micron can still challenge in this [district] Court the invalidity of the asserted claims on other grounds, especially those grounds that rely on system prior art, which could not be relied on during IPRs.” *Id.* For those reasons, the district court is likely to find that “the potential for simplification of the issues is low.” *Id.*

And the strength of the relevant IPR petitions in the context of the asserted claims also disfavors stay. Micron has only challenged two of the five patents at

issue in the District Court Proceeding. Thus, the strength of the IPR petitions in the context of the asserted claims is inherently weak. At least three patents and their asserted claims will survive even if the PTAB institutes both IPRs and cancels all the challenged claims in those IPRs. And the bellwether of the strength of the IPRs, the institution decisions, have not occurred. *Cf. id.* at *10 (“Micron’s IPR petitions are relatively strong. The PTAB instituted IPR proceedings against every asserted claim ...”). Even so, Petitioners’ four grounds are weak as discussed in Section III.E below and as will be further discussed in Patent Owner’s preliminary response.

For each of these reasons, a stay is unlikely. Accordingly, this factor favors discretionary denial.

C. *Fintiv* Factor 2 - The district court trial date is two months before the Board’s projected statutory deadline.

This factor weighs in favor of denying institution. “If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” *Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (“*Fintiv*”) at 9 (precedential, designated May 5, 2020). Here the district court trial is scheduled to commence on October 5, 2026 (Ex. 2002 at 2), over two months before the projected deadline for the Board’s final written decision on December 16, 2026.

The Director has found similar and even shorter gaps between the district

court trial and the final written decision to favor discretionary denial. *See Linkplay Tech. Inc. v. Sonos, Inc.*, IPR2025-00509, 510, 511, Paper 10 (PTAB July 31, 2025) at 2 (granting discretionary denial based in part on the trial in the district court proceeding being scheduled two months before the projected final written decision date); *NVIDIA Corp. v. Neural AI, LLC*, IPR2025-00606, 608, Paper 18 (PTAB July 31, 2025) at 2 (granting discretionary denial based in part on the trial in the district court proceeding being scheduled shortly over one month before the projected final written decision date); *Zhuhai Cosmox Battery Co., Ltd. v. Ningde Ampere Tech. Ltd.*, IPR2025-00385, 389, 405, 431, 432, Paper 9 (PTAB July 2, 2025) at 2 (discretionary denial favored where the projected due date for the final written decision was August 2026, whereas trial in the parallel district court proceeding was scheduled for July 2026).

Even before the Workload Memo, the Board found this factor favored denial in cases in which a trial date was scheduled one to two months before the final written decision. *See EClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper 10 (PTAB Apr. 13, 2022) at 9 (finding this factor weighed in somewhat favor of discretionary denial and denying institution where “the beginning of the jury trial in the WDTX Cases is roughly one to two months before any final decision would have been due had *inter partes* review been instituted”); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 (PTAB May 13, 2020) at 13 (finding this factor weighed

somewhat in favor of discretionary denial and denying institution where the district court trial was scheduled to occur approximately two months before the deadline for the Board to reach a final written decision).

Because trial in the District Court Proceeding is scheduled to begin over two months before the projected deadline for the Board’s final written decision if *inter partes* review is instituted, this factor weighs in favor of denial. See *Google LLC v. Cerence Operating Co.*, IPR2024-01465, Paper 15 (PTAB April 23, 2025) (“*Google-Cerence*”) at 9 (“Because the District Court Litigation will address the issues relating to the validity of the [challenged] patent in a trial scheduled to occur several months before we would issue a final written decision, we weigh the second *Fintiv* factor as favoring discretionary denial.”).

D. *Fintiv* Factor 4 – The IPR is not a “true alternative” to the District Court Proceeding.

This factor weighs in favor of discretionary denial because Petitioners’ *Sotera* stipulation does not ensure that the IPR proceedings would be a “true alternative” to the District Court Proceeding. Petitioners only filed IPRs against two of the five patents in the District Court Proceeding. And “Petitioner’s invalidity arguments in the district court are more expansive and include” system prior art and “combinations of the prior art asserted in these proceedings with unpublished system prior art, which Petitioner’s stipulation is not likely to moot.” *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB March 28, 2025) (“*Motorola*

Solutions”) at 4. In short, this IPR proceeding would not be a “true alternative” to the District Court Proceeding. *See id.* at 3-4.

All references relied upon in the Petition are also relied upon by Petitioner in the district court. *See* Ex. 2004 at 55-56 (table of “Prior Art Patents” to the ’051 Patent).

Invalidity Assertions in the Litigation (Ex. 2004 at 59-60)	Invalidity Assertions in the Petition
<p><u>Diggs</u> alone or in combination with one or more of Lin ’241, Diggs, Neo, Chen ’938, Hamer, the Palm Tungsten T5, <u>Boeker</u>³, Raines, Ni, Lin ’683, and the Sony Walkman.</p>	<p><u>Ground 1</u>: Claims 1, 4-8, 16, 20-21, and 23-27 are obvious over <u>Diggs</u></p> <p><u>Ground 2</u>: Claims 2 and 17 are obvious over <u>Diggs</u> in view of <u>Thorsten</u></p>
<p><u>Lin ’241</u> alone or in combination with one or more of Diggs, Neo, Chen ’938, Hamer, the Palm Tungsten T5, <u>Boeker</u>, Raines, Ni, Lin ’683, and the Sony Walkman.</p>	<p><u>Ground 3</u>: Claims 1, 4-8, 16, 20-21, and 23-27 are obvious over <u>Lin</u></p> <p><u>Ground 4</u>: Claims 2 and 17 are obvious over <u>Lin</u> in view of <u>Thorsten</u></p>

Petitioners appear to intend to rely on their *Sotera* stipulation to overcome that overlap between this proceeding and their invalidity positions in the District Court

³“Boeker” in Petitioners’ invalidity contentions correlates to “Thorsten” in the invalidity contentions. The inventor is “Dr. Thorsten Böker.”

Proceeding. However, that stipulation does not ensure that this proceeding would be a “true alternative” because the product and system art would remain at issue in the District Court Proceeding.

Petitioners’ stipulation only states that, if the Petition is instituted and not later vacated, Petitioner “will not pursue as to the challenged claims any ground raised or that could have been reasonably raised in the IPR in the above-captioned district court case”. Petitioners’ *Sotera* Stipulation, Ex. 1034 at 0002-3. Yet Petitioners’ invalidity contentions assert prior art systems (i.e., the Palm Tungsten T5 and Sony Walkman) that it alleges anticipate or render obvious, alone or in combination with other references, the asserted claims of the ’051 Patent. Ex. 2004 at 57-58. Petitioners allege the Palm Tungsten T5 as a “primary reference” for invalidity of the ’051 Patent as well as a secondary reference in many invalidity combinations against the ’051 Patent, and Petitioner uses the Sony Walkman as a secondary reference in many invalidity combinations. *See generally* Ex. 2004 at 59-69 (showing the Palm Tungsten T5 and Sony Walkman as secondary references to Lin ’241, Diggs, Neo, Chen ’938, and Hamer patent applications, as well as using Palm Tungsten T5 as a primary reference combined with those same patent applications and others); *see, e.g., id.* at 59 (“**Lin ’241** alone or in combination with one or more of Diggs, Neo, Chen ’938, Hamer, the **Palm Tungsten T5**, Boeker, Raines, Ni, Lin ’683, and the **Sony Walkman**”) (emphasis added); *id.* at 67 (“**Palm Tungsten T5**

alone or in combination with one or more of Lin '241, Diggs, Neo, Chen '938, Hamer, Boeker, Raines, Ni, Lin '683, and the Sony Walkman.”) (emphasis added).

The language of Petitioners’ stipulation is deliberately intended to leave those combinations of publications with prior systems at issue the District Court Proceeding. As the Board has previously held, “[c]ritically, the district court invalidity contentions also assert combinations of product art with printed publication prior art asserted in this proceeding.” *Samsung Electronics Co., Ltd. v. Sionyx, LLC*, IPR2025-00064, Paper 15 (“*Sionyx*”) (PTAB June 6, 2025) at 14. In that case, the Board held that “Petitioner’s Stipulation does not moot these district court invalidity contentions because these contentions could not have been asserted in the Petition (because these involve product art but *inter partes* review can only be based on ‘prior art consisting of patents or printed publications (35 U.S.C. § 311(b)).’” *Id.* at 14-15. Petitioner will undoubtedly argue in the District Court Proceeding that its combinations of publications and systems fall outside of its stipulation not to pursue “any ground raised or that could have been reasonably raised in the IPR.”

In addition, Petitioners only filed IPR petitions against two of the five patents asserted in the District Court Proceeding. Accordingly, even if the IPRs result in cancelling all of the claims of the '051 patent and the '314 patent (the other challenged patent), the district court would still need to proceed on the other three

patents.

The district court will address the same validity issues raised by the Petition (and more) before the Board is scheduled to reach a final decision if *inter partes* review is instituted. The Board should not use its resources to redo the work of another tribunal regarding the same issues. Accordingly, this factor weighs strongly in favor of denial. *See Sionyx* at 14-15.

E. *Fintiv* Factor 6 – The weakness of the validity challenges favors exercising discretion.

The Workload Memo identifies “the strength of the unpatentability challenge” as a relevant consideration. Workload Memo, 2. This consideration favors discretionary denial because Petitioners’ patentability challenges are weak. Patent Owner’s preliminary response will identify specific weaknesses in the Petition. But as a preview, Petitioners assert four grounds, none of which are anticipation grounds. *See, e.g.*, Petition at 3. Petitioners’ failure to identify any anticipatory art serves as an initial indication of the weaknesses of the Petition’s merits.

In addition, the Petition is particularly weak because it frequently resorts to filling holes in the disclosure of the references themselves with expert testimony about what a person of ordinary skill in the art “would have known” or “would have understood.” Petitioner even modifies a figure from the Diggs reference because of what a “POSITA would have understood.” Petition at 43-44. The below list shows

how heavily Petitioners rely on expert testimony about what a POSITA “would have understood/know[n]” to fill holes in the references themselves:

- Ground 1, element 1[preamble]⁴: “A POSITA would have understood that a user that ‘inserts’ or ‘detaches’ the card does so with his hands, such that the memory card is ‘handheld’ while the user is holding it before or after such actions. Diggs’ memory card includes a housing 700 (see Element 1[f], *infra*), which a POSITA would have recognized as protecting internal components from dust, moisture, or impact, thus further confirming the “handheld” nature of the card. Ex-1002 ¶106.” Petition at 24 (emphasis added).
- Ground 1, element 1[a]: “while Diggs does not explicitly identify the electrical pins associated with its physical connectors (i.e., ports), it was well-understood to POSITAs that the USB mini-A standard is implemented with a set of five pins.” Petition at 26-27 (citing Ex-1002 ¶¶109-110) (emphasis added).

⁴ These headers are meant to show where the argument appears and do not demonstrate the full extent of where Petitioner applies these arguments. Petitioner often applies arguments across claims and grounds. For instance, Petitioner also applies this argument to Ground 1, element 16[preamble]. Petition at 46. And Petitioner also relies on its Grounds 1 arguments for Ground 2 and its Ground 3 arguments for Ground 4. *See, e.g.* Petition at 59; 98-99.

- Ground 1, element 1[c]: “Further, a POSITA would have understood that Diggs’s second set of pins would have the signal assignment shown in the following table, from the IEEE-1394 four-pin Specification (Ex-1029). Ex-1002 ¶115.” Petition at 31 (emphasis added).
- Ground 1, element 1[c]: “It was well-understood by POSITAs that the ‘four-pin Firewire connector’ associated with the IEEE-1394 carries only data, not power. Ex-1002 ¶115, n.4; Ex-1029 at 27.” Petition at 31 n.6 (emphasis added).
- Ground 1, claim 7: Pursuant to this teaching, a POSITA would have understood that an alternative embodiment would have been the **below modification of Diggs’s Figure 2**, which shows an “SD Device Controller” and corresponding host interface, in place of IEEE-1394 controller 231 and interface 221. Ex-1002 ¶132.” Petition at 43-44 (emphasis added).
- Ground 1, claim 7: “A POSITA would have understood that, in the above implementation of Diggs’s memory card, physical connector 234 and corresponding bus structure 237 would be Secure-Digital compliant, and would therefore collectively form an “SD port.”” Petition at 44 (emphasis added).
- Ground 1, element 16[c]: “Based on these descriptions, and as reflected in Figure 2, a POSITA would have understood that during a ‘read’ operation, data arbiter 140 would determine whether the data accessed from the memory

150 ‘is to be transmitted via the USB port’ (*i.e.*, through USB controller 230 and bus structure 236) ‘or I/O port’ (*i.e.*, through IEEE-1394 controller 231 and bus structure 237). Ex-1002 ¶137.” Petition at 47 (emphasis added).

- Ground 1, Claim 23: “While not explicitly shown in Figure 7, a POSITA would have understood that the respective sets of pins associated with the USB port and I/O port—*i.e.*, the five USB mini-A pins, and the four IEEE-1394 Firewire pins—would have been implemented such that they are parallel to one another. Ex-1002 ¶¶141-142.” Petition at 48 (emphasis added).

- Ground 3, element 1[preamble]: “A POSITA would have understood that a user that ‘inserts’ or ‘removes’ the card does so with his hands, such that the memory card is ‘handheld’ while the user is holding it before or after such actions. Lin’s memory card includes a housing (*see* Element 1[f], *infra*), which a POSITA would have recognized as protecting internal components from dust, moisture, or impact, thus further confirming the ‘handheld’ nature of the card. Ex-1002 ¶166.” Petition at 61-62 (emphasis added).

- Ground 3, element 1[d]: “A POSITA would have understood Lin’s ‘MMC device controller 34’ is ‘I/O controller circuitry’ because a controller operates through circuitry. Ex-1002 ¶178.” Petition at 69-70 (emphasis added).

- Ground 3, claim 6: “In the memory storage context, a POSITA would have known that data transfer “between” a memory storage and a host device

entails both read and write operations. Ex-1002 ¶¶202-203.” Petition at 83.

- Ground 3, claim 7: “A POSITA would have understood that the above implementation of Lin’s memory card features an ‘SD port’ instead of the MMC port discussed for Element 1[c] above, and uses a different pin assignment for the SD mode than for the USB mode, such that one or more pins assigned to one mode is not assigned to the other. Ex-1002 ¶¶204-205; Ex-1028 at 12.” Petition at 85 (emphasis added).

In her July 31, 2025, Memorandum (“July 31 Memorandum”), Director Stewart recognized the problem with using expert testimony and general declarations about what a person of ordinary skill purportedly would know. Specifically, doing such violates 37 C.F.R. § 42.104(b)(4), which requires that “[t]he petition must specify where each element of the claim is found in the prior art patents or printed publications relied upon.” Director Stewart explained that “enforcement of Rule 104(b)(4) means that applicant admitted prior art (AAPA), expert testimony, common sense, and other evidence that is not ‘prior art consisting of patents or printed publications’ (collectively, ‘general knowledge’) may not be used to supply a missing claim limitation.” July 31 Memorandum at 1 (emphasis added).⁵

⁵ While the USPTO has indicated that it will resume enforcement of Rule 42.104(b)(4) for petitions filed on or after September 1, 2025, the fact that the

Here, Petitioners rely extensively on such expert testimony and general knowledge, such that every ground for every challenged claim is affected, either directly or because of claim dependency.⁶ “The extent of the petition’s reliance on expert testimony” is an enumerated consideration set forth in the Workload Memo. Since that memorandum issued, the Office has further explained:

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.... As the judges have technical and legal expertise, it is not necessary for an expert to explain every aspect of the prior art. It is most helpful if an expert is providing focused testimony, for example to provide helpful context or to explain terms of art. The failure to provide focused expert testimony may weigh against institution.

FAQs for Interim Processes for PTAB Workload Management, at #21 (published Apr. 25, 2025), <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management> (last visited April 28, 2025) (hereafter, “FAQ #21”).

Petition violates Rule 42.104(b)(4) underscores its weakness.

⁶ For instance, Petitioners use the general knowledge statements in each ground for the two challenged independent claims (1 and 16).

Petitioners' heavy reliance on expert testimony thus presents questions that are better resolved in an Article III court.

F. *Fintiv* Factor 3 – The district court and the parties have heavily invested time and resources in the District Court Proceeding and will continue to do so before the anticipated institution date.

This factor asks the Director to “consider [] the amount and type of work that the court and the parties will have completed in the parallel litigation by the time of [an] institution decision.” *See Google-Cerence*, Paper 15 at 9. It “is related to the trial date factor, in that more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.” *Fintiv*, Paper 11 at 10. This factor weighs in favor of discretionary denial.

The district court and the parties have already invested significant time and resources into the District Court Proceeding. The parties have exchanged infringement contentions and invalidity contentions. Ex. 2002. This weighs in favor of denial. *See Motorola Solutions* at 3 (holding that this factor strongly favors denial because, among other things, “the parties had served extensive infringement and invalidity contentions”).

The parties have also advanced considerably into claim construction, having exchanged claim terms, proposed constructions, and extrinsic evidence; Petitioners

have filed their opening claim construction brief, and Patent Owner's responsive brief is due in several days. *Id.*

In addition, Micron has filed three motions in the District Court Proceeding: a motion to dismiss, motion to strike infringement contentions and a motion to transfer. Ex. 2003. The magistrate judge issued a report and recommendation on the motion to dismiss on July 24, 2025, and the court ruled on the motion to strike on June 27, 2025. *Id.*

The motion to transfer remains pending, but substantial discovery has taken place related to that motion. The parties have taken venue depositions, which favors discretionary denial. *See Motorola Solutions* at 3 (holding this factor strongly favors denial because, among other things, the parties had "conducted several depositions."). In addition, the parties have produced over 19,594 pages of documents related to venue, prior art, and technical documents, and they have served and answered nine venue interrogatories.

And by the anticipated time of an institution decision (December 16, 2025), the parties and court will have invested even more of their resources into the District Court Proceeding. The parties will have completed their claim construction briefing, prepared and submitted technical tutorials to the court, and completed the *Markman* hearing. Ex. 2002. In addition, fact discovery will have been open for over two

months, and the parties will have served initial disclosures as well as final infringement and invalidity contentions. *Id.*

Given the substantial time and effort the parties and the district court have already invested in the District Court Proceeding, and the additional investment they will make before an institution decision is expected, this factor weighs in favor of denial.

G. *Fintiv* Factor 5 – The Petitioners are also defendants in the District Court Proceeding.

Petitioners Micron Technology, Inc. and Micron Semiconductor Products, Inc. are defendants the District Court Proceeding. Accordingly, this factor weighs in favor of denying institution. *See SAP America, Inc. v. Cyandia, Inc.*, IPR2024-01496, Paper 13 (PTAB April 7, 2025) at 9 (“The fact that Petitioner is also the defendant in the Litigation weighs in favor of discretionarily denying institution.”).

IV. CONCLUSION

For the reasons above, Patent Owner respectfully requests that the Director exercise discretion and deny institution of *inter partes* review.

Dated: August 15, 2025

Respectfully submitted,

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Request for Discretionary Denial

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing was served on August 15, 2025, to Lead and Back-up Counsel for Petitioner at the service email addresses provided in the Petition: jkappos@omm.com; vzhou@omm.com; bhaber@omm.com; tfink@omm.com; preinbold@omm.com; OMMPALISADEMICRON@omm.com.

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CERTIFICATE OF COMPLIANCE

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/s/ David T. DeZern

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