

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GEOTAB INC. AND GEOTAB USA, INC.,
Petitioners,

v.

FRACTUS, S.A.,
Patent Owner.

Case No. IPR2025-01026
Patent No. 11,031,677

**BRIEF IN SUPPORT OF PATENT OWNER'S
REQUEST FOR DISCRETIONARY DENIAL**

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Ex. 2002	Defendants' Preliminary Invalidity Contentions dated June 18, 2025 in 2:24-cv-01009-JRG-RSP (E.D.Tex.)
Ex. 2003	Invalidity Contentions for U.S. Patent No. 11,031,677 in 2:24-cv-01009-JRG-RSP (E.D.Tex.)
Ex. 2004	Amended Docket Control Order dated April 10, 2025 in 2:24-cv-01009-JRG-RSP (E.D.Tex.)
Ex. 2005	Complaint dated December 6, 2024 in 2:24-cv-01008-JRG-RSP (E.D.Tex.)
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I. INTRODUCTION AND SUMMARY OF ARGUMENT

Pursuant to the March 26, 2025 Memorandum by the Director that addresses “Interim Processes for PTAB Workload Management” (Director Memo), Patent Owner respectfully requests the Director exercise discretionary denial of institution. Several considerations favor discretionary denial of institution in this IPR.

First, the Director should exercise discretion to deny institution under 35 U.S.C. § 314(a), the Director Memo and the *Fintiv* factors because the parallel district court litigation will reach a final resolution in a jury trial before any final written decision by the Board. Indeed, the parallel litigation is well underway with the parties having exchanged invalidity and infringement contentions. Discretionary denial would likewise be wholly consistent with the Director’s decisions to date in similar circumstances.

Second, proceeding with this IPR will not avoid duplicative proceedings even in the unlikely event that Petitioners’ pending Motion to Stay the parallel litigation is granted. This is because the parallel litigation includes additional defendants Verizon Connect, Inc. and Cellco Partnership d/b/a Verizon Wireless (“Verizon”), which have not been identified as a real parties in interest in this proceeding. Accordingly, Verizon has raised and remains free to make the identical arguments raised in this IPR in the parallel litigation which is scheduled to go to trial before

this IPR concludes. Thus, Petitioners are seeking two co-pending bites at the apple, which is precisely what discretionary denial is intended to avoid.

Third, the patent at issue, U.S. Patent No. 11,031,677 (“the ‘677 Patent”), issued over 4 years ago and Petitioners have been aware of the ‘677 Patent since at least 2021, when Patent Owner brought it to Petitioners’ attention. Petitioners’ awareness of the ‘677 Patent and failure to seek early review demonstrate the parties’ settled expectations and, accordingly, support discretionary denial of the Petition.

Fourth, the Petition’s patentability challenge is weak and, accordingly, is unlikely to resolve the dispute between the parties. Specifically, the invalidity grounds either propose combinations of references that are contrary to the design requirements of the primary reference or misconstrue claim language in order to read the cited art on the patent claims.

II. FACTUAL BACKGROUND

The ‘677 Patent issued on June 8, 2021. Ex. 1001 at 1. Patent Owner gave notice to Petitioners of the ‘677 Patent in October of 2021, which Petitioners confirmed via a letter dated November 15, 2021. Ex. 2007 at ¶ 6; Ex. 2005 at ¶¶ 17-18. On December 6, 2024, Patent Owner filed suit against Petitioners in the U.S. District Court for the Eastern District of Texas alleging infringement of the ‘677

Patent and four other patents.¹ On that same date, Patent Owner filed suit against Verizon, alleging infringement of the '677 Patent and four other patents, three of which overlap with the patents asserted against Petitioners.² Ex. 2007 at ¶ 2. The cases were consolidated by order of the Court on February 18, 2025 (“District Court Litigation”). Ex. 2001 at 7 (entry 17). The District Court Litigation is continuing to proceed in accordance with the Court’s Docket Control Order with trial scheduled for September 14, 2026. Order. Ex. 2004 at 1. On June 18, 2025, Defendants served

¹ U.S. Patent Nos. 8,810,458, 8,456,365 11,349,200 and 12,095,149. IPR Petitions as to U.S. Patent Nos. 8,456,365 and 8,810,458 were filed by Petitioners (IPR2025-00928 and IPR2025-00929) and accorded the filing date of April 30, 2025. On July 28, 2025, Patent Owner filed briefs requesting discretionary denial of those petitions. IPR2025-0928, Paper 7 and IPR2025-0929, Paper 7. Those requests are still pending. In addition, Petitioners filed an IPR Petition as to U.S. Patent No. 11,349,200, which has been accorded the same filing date as the present proceeding and Patent Owner is filing a Brief in Support of Discretionary Denial in that proceeding contemporaneously with the filing of this Brief. Petitioners have also filed a PGR Petition as to U.S. Patent No. 12,095,149 (PGR2025-00056), which has been accorded a filing date of June 17, 2025.

² U.S. Patent 11,349,200 has not been asserted against Verizon.

their joint invalidity contentions, which include, *inter alia*, the same invalidity contentions as those raised in this proceeding. Ex. 2007 at ¶ 4; Ex. 2002 at pp. 50-71; Ex. 2003 at D-07. On June 30, 2025, Petitioners moved to stay the District Court Litigation and to deconsolidate the case from the claims against Verizon. Ex. 2001 at 9 (entry 50). On July 14, 2025, Patent Owner opposed the motion to stay. Ex. 2001 at 9 (entry 50). The motion to stay is currently pending. Ex. 2001.

III. LEGAL STANDARD

As indicated in the Director Memo:

[C]onsistent with the discretionary considerations enumerated in existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics**) and the Consolidated Trial Practice Guide (Nov. 2019), the parties are permitted to address all relevant considerations, which may include:

- Whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims;
- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and

- Any other considerations bearing on the Director’s discretion.

Director Memo at 2-3 (*citing, Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (Mar. 20, 2020) (precedential); *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (Sept. 6, 2017) (precedential as to § II.B.4.i); *Advanced Bionics, LLC v. MED-EL Elektromedizinische Gertite GmbH*, IPR201901469, Paper 6 (Feb. 13, 2020) (precedential)).

IV. DISCRETIONARY DENIAL IS APPROPRIATE

A. Final Written Decision in this Proceeding is Unlikely Before the District Court Trial

Trial in the District Court Litigation is set for September 14, 2026,^{3,4} whereas, final written decisions in this proceeding and IPR2025-01027 are unlikely prior to

³ It is not clear, at this point, whether the District Court intends to trial the cases separately and, if so, whether Verizon or Geotab claims will be tried first. Because both parties are making identical invalidity arguments to those raised in the Petition, however, this is a distinction without a difference.

⁴ Judge Gilstrap has numerous trials scheduled to begin on this date. It is standard practice for Judge Gilstrap to set multiple trials for the same date given the normal attrition of cases, but the Board, no doubt recognizing this is the case

January 1, 2027.⁵ The decisions in the two IPRs and the PGR for other patents asserted against Petitioners (IPR2025-00928, IPR2025-00929, and PGR2025-00056) will all be completed after trial, either slightly before this one or even further after the conclusion of the trial in the District Court Litigation. *See supra*, n. 1. In spite of awareness of the trial date in the District Court Litigation and having the benefit of the Director Memo, Petitioners delayed the filing of these three additional proceedings for more than two months, pushing their completion dates well past the litigation trial date.

has consistently relied on the trial date in the Docket Order in assessing the trial date for discretionary denial purposes.

⁵ The Notice of Filing Date Accorded issued July 1, 2025 (Paper 8), the institution decision would be expected to issue no later than January 1, 2026. *See* 35 U.S.C. § 314(b) (setting the deadline for institution decision at three months after the patent owner’s preliminary response); 37 C.F.R. § 42.107(b) (setting the deadline for patent owner’s preliminary response at three months after the notice of filing date accorded). Thus, the projected deadline for a final written decision would be January 1, 2027—over three months after the trial in the District Court Litigation. *See* 37 C.F.R. § 42.100(c) (setting the deadline for a final written decision at one year after institution).

As reflected in the chart below, decisions on discretionary denial requests with respect to cases pending in the U.S. District Court for the Eastern District of Texas made since the issuance of the Director Memo have consistently determined that discretionary denial should be exercised in such circumstances.

Decision	Scheduled Trial Date	Projected Final Decision by Board
<i>Full-Metal-Power B.V. v. Infocus Downhole Solutions USA LLC</i> , IPR-2025-00391, Paper 14 (June 25, 2025)	June 22, 2026	July 30, 2026
<i>Cisco Sys., Inc. v. WSOU Investments LLC</i> , IPR2025-00429, Paper 15 (June 25, 2025)	April 20, 2026	July 30, 2026
<i>Samsung Electronics, v. Cerence Operating Co.</i> , IPR2025-00458-00460, Paper 14 (June 25, 2025)	April 20, 2026	August 27, 2026
<i>Sportradar AG v. Sportcastr Inc.</i> , IPR2025-00265, 00266, 00268, 00269, 00273, 00275, Paper 19 (June 25, 2025)	January 23, 2026	July 8, 2026
<i>Google LLC. v. Truesight Communications LLC</i> , IPR2025-00024-25, Paper 13 (June 25, 2025)	October 6, 2025	July 2026
<i>Ericsson Inc. v. Procomm Int'l PTE LTD.</i> , IPR2024-01455, Paper 15 (May 16, 2025)	October 20, 2025	July 29, 2026
<i>Neogenomics Labs, Inc. v. Natera, Inc.</i> , IPR2025-00455, Paper 13 (June 12, 2025)	October 10, 2025	August 14, 2026
<i>Samsung Electronics Co., Ltd. v. Sinotechnix LLC</i> , IPR2025-	May 4, 2026	September 6, 2026

00331, 00333, 00335-36, Paper 13 (July 2, 2025)		
<i>SAP America Inc. v. Valtrus Innovations LTD.</i> , IPR2025-414-418, 420, Paper 12 (July 10, 2025)	September 22, 2025	August 2026
<i>Samsung Electronics Co. Ltd, and Samsung Electronics America, Inc. v. Vasu Holdings LLC</i> , IPR2025-446-450, Paper 12 (July 10, 2025)	November 3, 2025	August/September 2026
<i>Coretronic Corp. and Optoma Corp. v. Maxell, Ltd.</i> , IPR2025-474, 476-77, Paper 11 (July 10, 2025)	March 23, 2026	September 10, 2026
<i>Samsung Electronics Co. Ltd. and Samsung Electronics America, Inc. v. Mobile Data Technologies, LLC</i> , IPR2025-535-36, Paper 16 (July 10, 2025)	April 20, 2026	September 2026
<i>Sportradar AG v. Sportcastr, Inc. (d/b/a Panda Interactive)</i> , IPR2025-00313-16, Paper 18 (July 16, 2025)	January 23, 2026	August 20, 2026
<i>IBM Corp. v. Virtamove</i> , IPR2025-00591, 00599, Paper 8 (July 17, 2025)	January 2026	October 10, 2026
<i>Charter Communications, Inc. v. Iarnach Technologies LTD.</i> , IPR2025-00473, Paper 14 (July 16, 2025)	February 9, 2026	September 27, 2026
<i>Samsung Electronics Co. Ltd. and Samsung Electronics America, Inc., v. Four Batons Wireless, LLC</i> , IPR2025-00493-496, Paper 13 (July 17, 2025)	March 2026	September 23, 2026

<i>Samsung Electronics Co. Ltd. and Samsung Electronics America, Inc., v. Keyless Licensing LLC</i> , IPR2025-00526-529, Paper 13 (July 17, 2025)	April 20, 2026	October 9, 2026
<i>Samsung Electronics Co., Ltd. v. Headwater Research</i> , IPR2025-00482, Paper 15 (July 24, 2025)	January 2026	July 29, 2026
<i>BOE Technology Group Co., Ltd. v. Optronic Sciences LLC</i> , IPR2025-00238-39, Paper 11 (July 29, 2025)	May 4, 2026	October 2026
<i>Amazon.com, Inc. v. Kaifi LLC</i> , IPR2025-00624-27, Paper 16 (July 29, 2025)	March 16, 2026	October 11, 2026
<i>T-Mobile USA, Inc., AT&T Mobility LLC, Cellco Partnership d/b/a Verizon Wireless, Ericsson Inc. and Nokia of America Corp. v. Smart RF Inc.</i> , IPR2025-00612, 00691-92, 00727, Paper 13 (July 29, 2025)	November 17, 2025	October 2026
<i>AT&T Services Inc., Cellco Partnership d/b/a Verizon Wireless, and Nokia of America Corp.</i> , IPR2025-00360-62, Paper 12 (July 29, 2025)	October 20, 2025	October 15, 2026
<i>Vertiv Corporation v. Valtrus Innovations LTD.</i> , IPR2025-00667-69, Paper 11 (July 31, 2025)	April 6, 2026 and June 22, 2026	October 2026
<i>Samsung Electronics Co., Ltd., Samsung Electronics America, Inc. v. Cerence Operating Company</i> , IPR2025-00457, Paper 13 (August 4, 2025)	April 20, 2026	October 8, 2026

<i>Samsung Electronics Co., Ltd. v. Headwater Research LLC</i> , IPR2025-00481, 483-84, Paper 11 (August 4, 2025)	February 9, 2026	October 16, 2026,
<i>Trandscend Information, Inc., v. Truesight Communications LLC</i> , IPR2025-00723, Paper 10 (August 4, 2025)	January 5, 2026	October 16, 2026
<i>Samsung Electronics Co., LTD. and Samsung Electronics America, Inc., v. Mobile Data Tech., LLC</i> , IPR2025-00537-44, Paper 15 (August 14, 2025)	April 20, 2026	October 2026
<i>REC Solar Holdings AS, v. Maxeon Solar PTE. Ltd.</i> , IPR2025-00592-95, Paper 8 (August 14, 2025)	June 1, 2026	October 17, 2026
<i>Taiwan Semiconductor Mfg. Co. LTD. v. Advanced Integrated Circuit Process LLC</i> , IPR2025-00682-83, Paper 17 (August 14, 2025)	June 22, 2026	October 18, 2026
<i>Samsung Electronics Co., LTD. and Samsung Electronics America, Inc., v. Genghiscomm Holdings, LLC</i> , IPR2025-00780-81, Paper 11 (August 14, 2025)	April 20, 2026	October 18, 2026
<i>Samsung Electronics Co., LTD. and Samsung Electronics America, Inc., v. Icashe, Inc.</i> , IPR2025-00639-45, Paper 11 (August 14, 2025)	April 6, 2026	October 16, 2026
<i>Samsung Electronics Co., LTD. and Samsung Electronics America, Inc., v. Genghiscomm Holdings LLC</i> , IPR2025-00788-93, Paper 11 (August 22, 2025)	April 20, 2026	October 2026

<i>Cisco Systems, Inc. v. WSOU Investments LLC d/b/a Brazos Licensing and Development</i> , IPR2025-00188, Paper 14 (August 22, 2025)	March 2026	June 17, 2026
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While all these decisions rely upon the trial date in the Court’s docket control order, some also cite time to trial statistics. These statistics also support discretionary denial. Indeed, Judge Gilstrap’s historical practice confirms that trial will conclude before a final written decision in this proceeding. Over the past two years, Judge Gilstrap has an average time-to-trial of 22 months from filing of the complaint for jury trials, whether one looks to the mean or median average. Ex. 2006.⁶ This average time to trial predicts a trial date of around October 6, 2026, consistent with the scheduled trial date of September 14, 2026, and well in advance of the expected January 1, 2027, final written decision date in this proceeding.

As the remainder of this brief demonstrates, there is no reason for the Board to deviate from its practice of granting discretionary denial when the same invalidity issues will be addressed more promptly in the District Court Litigation.

⁶ Patent Owner has relied upon Judge Gilstrap’s statistics rather than district wide statistics, because they are a much more reliable indication of what will occur in cases pending before Judge Gilstrap, which is the relevant question.

**Stay of the District Court Proceedings is Unlikely and,
Nevertheless, Will Not Avoid Duplicative Proceedings**

Several years ago, Judge Bryson (sitting by designation) surveyed “cases from the Eastern District of Texas” and concluded that “the universal practice” in this District is to “postpone[] ruling on stay requests or [] den[y] stay requests when the PTAB has not yet acted on the petition for review.” *Trover Grp., Inc. v. Dedicated Micros USA*, No. 2:13-CV-1047-WCB, 2015 WL 1069179, at *5-6 (E.D. Tex. Mar. 11, 2015) (“when the PTAB has not yet acted on a petition for inter partes review, the courts have uniformly denied motions for a stay”). This practice continues to this day. Indeed, Judge Gilstrap, before whom this case is pending in the Eastern District of Texas, has held that, as is the case here, motions to stay will be denied if filed before the “last of the patents-in-suit to be acted upon by the PTAB.” *Acorn Semi, LLC v. Samsung Elecs. Co.*, No. 2:19-CV-00347-JRG, 2020 WL 10284981 at *2 (E.D. Tex. Sept. 14, 2020).

As noted above, the District Court Litigation involves multiple patents which are challenged by IPRs and a PGR with different filing dates. Given past practice it is unrealistic to believe that Judge Gilstrap will depart from his prior practice by granting a stay in this case.

Moreover, even in the unlikely event a stay is granted, it will do nothing to avoid duplicative proceedings as Verizon, which has raised the identical invalidity

issues to those in this proceeding (Ex. 2002 at pp. 11-17; Ex. 2003 at pp. 380-451), is not a real party in interest here and has not moved for a stay, is free to continue to proceed with the same invalidity arguments in parallel. This also renders Petitioners' *Sotera* stipulation unavailing as Petitioners will receive the full benefit of any validity result Verizon may be able to obtain. Thus, Petitioners here are asking the Board to assist it in seeking two bites at the apple. This is precisely the type of stratagem discretionary denial is designed to prevent. *See* 88 FR 24503, 24513 (April 21, 2203) ("The Office, however, retains discretion under 35 U.S.C. 314(a) and 324(a) to deny institution of an IPR or PGR in circumstances in which parallel proceedings would result in significant inefficiency or in which there is gamesmanship or harassment.").

In addition, the Petitioners' and Verizon's invalidity arguments in the district court not only include arguments identical to those raised in the Petition, but also as several additional grounds of invalidity. Ex. 2002, *passim*; Ex. 2003, *passim*. Thus, even if the *Sotera* stipulation were effective, its impact on efficiency would be minimal. *Shenzen Tuozhu Tech. Co. v. Stratsys, Inc.*, IPR2025-00354, Paper 11 at 2-3 (June 12, 2025), *citing*, *Motorola Sols. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (PTAB Mar. 28, 2025)).

Discretionary Denial Protects Patent Owner’s Settled Expectations

The ‘677 Patent issued over four years ago, and Petitioners have been aware of it since at least 2021, when Patent Owner brought it to Petitioners’ attention. Ex. 2007 at ¶ 6; Ex. 2005 at ¶¶ 17-18. Thus, Petitioners have had many years in which to raise these invalidity arguments and yet has chosen not to do so. *See Samsung Electronics Co., Ltd. v. Sinotechnix LLC*, IPR2025-00331, 00333, 00335-36, Paper 13 (July 2, 2025) (citing *Dabico Airport Sols. Inc. v. Axa Power Aps*, IPR2025-00408, Paper 21 at 2–3 (June 18, 2025); *Intel Corp. v. Proxense LLC*, IPR2025-00327, Paper 12, 2–3 (June 26, 2025)).

The Patentability Challenge is Weak

In accordance with the Interim Processes FAQs, Patent Owner incorporates herein the merit arguments and evidence from its forthcoming Patent Owner Preliminary Response (“POPR”) by reference. See Interim Processes FAQ No. 26 (“Notwithstanding the prohibition on incorporation by reference in 37 C.F.R. §42.6(a)(3), when filing a brief for discretionary denial, a patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits.”).⁷ As will be shown in the POPR, the invalidity grounds either require the skilled artisan

⁷ <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management>

to modify the primary reference in a way directly contrary to the design guidelines provided in the reference, or rely on a misunderstanding of claim terms to read the cited art on the patent claims.

The *Fintiv* Factors Favor Discretionary Denial

Patent Owner provides the following discussion of the *Fintiv* Factors, illustrating that discretionary denial of the Petition is appropriate even absent the discretionary denial guidance provided in the Director Memo.

***Fintiv* Factor 1: The district court has not granted a stay, likely will not and, even if it did, Verizon's continued pursuit of the same arguments eliminate any efficiency benefits**

As discussed in Section IV. B, *supra*, a stay in the District Court Litigation is unlikely and, in any event, will have no impact on efficiency as Verizon has raised the same invalidity arguments in the District Court Litigation and is not a real party in interest in this proceeding and, thus, not bound by its outcome. Accordingly, the first *Fintiv* Factor favors discretionary denial.

***Fintiv* Factor 2: The District Court Litigation's trial date is earlier.**

As discussed in Section IV.B, *supra*, the trial date in the District Court Litigation is earlier for this and all of the related post-grant proceedings arising out of the District Court Litigation. Accordingly, the second *Fintiv* Factor favors discretionary denial.

***Fintiv* Factor 3: The parties have invested resources in the District Court Litigation**

The parties have already exchanged detailed infringement and invalidity contentions in in the District Court Litigation. Ex. 2002; Ex. 2003. The parties will likely have exchanged proposed claim terms and preliminary claim constructions prior to an institution decision in this case. Ex. 2004 at 5. Accordingly, the third *Fintiv* Factor favors discretionary denial.

***Fintiv* Factor 4: The same invalidity contentions are at issue in the Petition and the District Court Litigation**

The invalidity contentions jointly served by Petitioners and Verizon include the same arguments made in the Petition. Ex. 2007 at ¶ 4; Ex. 2002 at pp. 11-17; Ex. 2003 at pp. 380-451. Accordingly, the fourth *Fintiv* Factor favors discretionary denial.

***Fintiv* Factor 5: Petitioners are defendants in the District Court Litigation.**

Petitioners are defendants in the District Court Litigation. Accordingly, the fifth *Fintiv* Factor favors discretionary denial.

***Fintiv* Factor 6: The Petition is meritless.**

As discussed in detail in Section IV.D and as will be discussed in the POPR, the patentability challenges in the Petition are weak and Petitioners are unlikely to prevail. Accordingly, the sixth *Fintiv* Factor favors discretionary denial.

V. CONCLUSION

Appropriate analysis under the framework described in the Director Memo and *Fintiv* based on the evidence of record favors exercising discretion to deny institution of the Petition.

Dated: September 1, 2025

Respectfully submitted,
/Mark J. DeBoy/
Mark J. DeBoy (Reg. 66,983)
Attorney for Patent Owner
Fractus S.A.

CERTIFICATE OF SERVICE

The undersigned certifies that pursuant to 37 C.F.R. § 42.6(e), a copy of the foregoing **BRIEF IN SUPPORT OF PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** and accompanying **EXHIBITS** were served via email (as previously consented to by counsel) on September 1, 2025 to lead and backup counsel of record for Petitioners as follows:

AWichman-PTAB@wolfgreenfield.com
MParsons-PTAB@wolfgreenfield.com
RGiunta-PTAB@wolfgreenfield.com
SLu-PTAB@wolfgreenfield.com

Dated: September 1, 2025

/Mark J. DeBoy/

Mark J. DeBoy (Reg. No. 66,983)
Attorney for Patent Owner
Fractus S.A.