

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TESLA, INC.,

Petitioner

v.

GRANITE VEHICLE VENTURES LLC,

Patent Owner

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Case IPR2025-01035  
Patent 12,037,004  
(Claims 10–24, 27)

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**PATENT OWNER’S DISCRETIONARY DENIAL BRIEF  
PURSUANT TO THE BOARD’S MARCH 26, 2025  
INTERIM PROCESSES FOR PTAB WORKLOAD MANAGEMENT**

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**EXHIBIT LIST**

<b>Exhibit</b>	<b>Description</b>
EX2001	Complaint for Patent Infringement, <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 1, Case No. 2:24-cv-01007-JRG, (E.D. Texas, December 6, 2024)
EX2002	Docket Sheet for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , Case No. 2:24-cv-01007-JRG
EX2003	First Amended Docket Control Order for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 42, Case No. 2:24-cv-01007-JRG, (E.D. Texas, April 10, 2025)
EX2004	Docket Control Order for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 38, Case No. 2:24-cv-01007-JRG, (E.D. Texas, March 27, 2025)
EX2005	Second Amended Docket Control Order for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 94, Case No. 2:24-cv-01007-JRG, (E.D. Texas, August 15, 2025)
EX2006	Plaintiff's Notice of P.R. 3-1 and P.R. 3-2 Disclosures, for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 49, Case No. 2:24-cv-01007-JRG, (E.D. Texas, April 28, 2025)
EX2007	Defendants' Notice of Compliance Regarding Patent Rule 3-4(a) Disclosures for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 58, Case No. 2:24-cv-01007-JRG, (E.D. Texas, May 8, 2025)
EX2008	Defendants' Notice of Compliance Regarding Patent Rule 3-3 and 3-4 Invalidity Contentions, <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 74, Case No. 2:24-cv-01007-JRG, (E.D. Texas, June 5, 2025)
EX2009	Defendant's Invalidity Contentions served June 4, 2025
EX2010	Declaration of Blaine A. Larson in Support of Discretionary Denial Brief
EX2011	Protective Order for <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 52, Case No. 2:24-cv-01007-JRG, (E.D. Texas, April 28, 2025)
EX2012	Notice of Broadened Sotera Plus Stipulation of Defendant Tesla, Inc., <i>Granite Vehicle Ventures LLC v. Tesla, Inc.</i> , DKT No. 88, Case No. 2:24-cv-01007-JRG, (E.D. Texas, July 24, 2025)
EX2013	Patent Owner Statutory Disclaimer, filed August 22, 2025
EX2014	42 Federal District Court Cases for District Court Judge Rodney Gilstrap (Lex Machina)

Tesla, Inc. (“Petitioner”) seeks to burden the Board and Granite Vehicle Ventures LLC (“Patent Owner”) with duplicative litigation over the validity of U.S. Patent No. 12,037,004 (the “’004 patent”). That issue will be resolved at trial in federal district court months before the Board’s projected date for a final written decision in this proceeding. The impending trial date in the parallel litigation, as well as a holistic consideration of the *Fintiv* factors, counsels in favor of discretionary denial because this proceeding would duplicate litigation in a parallel forum and waste public and private resources. Indeed, five of the six factors strongly favor discretionary denial. That is reason enough, but the Petition’s numerous flaws and defects—both substantive and procedural—present additional reasons to deny institution. Patent Owner therefore respectfully requests that the Board exercise its discretion to deny the Petition pursuant to 35 U.S.C. § 314(a).

## I. INTRODUCTION

Congress created *Inter Partes* Review (“IPR”) to provide a “***quick and cost effective alternative***[ ] to litigation.” *WesternGeco LLC v. ION Geophysical Corp.*, 889 F.3d 1308, 1317 (Fed. Cir. 2018) (quoting H. Rep. No. 112-98, at 40, 48 (2011)) (emphasis added). But when a jury trial on the validity of the same patent is scheduled to occur before the conclusion of any potential IPR, as in this case, “[i]nstitution of an *inter partes* review . . . would not be consistent with ‘an objective of the AIA [ ] to provide an effective and efficient alternative to district

court litigation.”” *NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8, at 20 (PTAB Sept. 12, 2018) (precedential) (quoting *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, at 16–17 (PTAB Sep. 6, 2017) (precedential in relevant part)). Applying the *Fintiv* factors in this case confirms that instituting IPR on the Petition would not be “quick” or “cost effective,” as shown herein. *See generally Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB March 20, 2020) (precedential) [hereinafter “*Fintiv I*”].

Trial is scheduled for August 3, 2026 in parallel district court litigation (the “Parallel Litigation”) involving the ’004 patent and two other related patents<sup>1</sup> that Petitioner has challenged in three other IPR petitions. The trial court will therefore be able to resolve all validity challenges to the ’004 patent—rather than just the small subset raised in the Petition—close to *five months before* the Board’s statutory deadline to issue a final written decision in this case in December 2026.

Moreover, the Parallel Litigation will have progressed considerably by the time the Board even decides whether to institute. Indeed, the parties have already conducted considerable discovery, including over 187,000 pages of documents produced, ten depositions taken, 173 hours of source code review; served

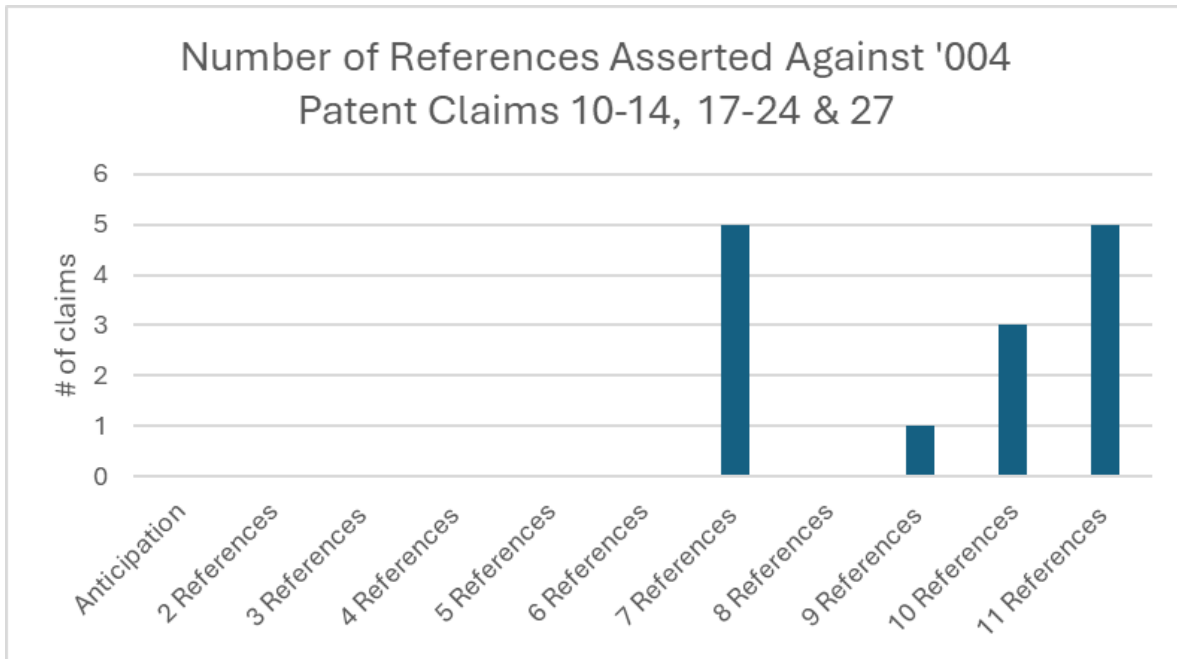
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<sup>1</sup> U.S. Patent No. 11,597,402 (the “’402 patent”) and U.S. Patent No. 11,738,765 (“the ’765 patent”).

voluminous infringement and invalidity disclosures; fully briefed a motion to compel that was granted by the Court; and completed full discovery and briefing on Tesla's § 1404 Motion, which the Court denied. Under the current case schedule, the substantial completion of document production, claim construction briefing, the claim construction hearing, and the close of fact discovery will follow each other in quick succession in the weeks after the institution deadline. Moreover, the parties have been diligent, and even moved some dates earlier, meaning no extension will likely be needed. Petitioner's *Sotera*-like stipulation may address the overlap between the Parallel Litigation and this IPR (*Fintiv* Factor 4), but the combined weight of the other factors overwhelms that consideration.

In addition, other relevant considerations weigh heavily in favor of discretionary denial. The Petition fails to comply with the statutory requirement to identify, with particularity, the evidence that supports the asserted grounds. *See* 35 U.S.C. § 312(a)(3). And the merits are particularly weak:

- The Petition relies on combinations of a ***minimum*** of ***seven*** references and as many as ***eleven*** references, with the majority of the grounds relying on ***nine or more*** references.



- The Petition fails to identify a motivation to combine the voluminous references to achieve the claimed invention, relying instead on hindsight reconstruction.
- The Petition presents a tangle of internal cross-references between Grounds without any explanation of how the arguments for one limitation in one claim relate to another limitation in a different claim.
- The Petitioner fails to address the construction of the phrase “active learning data,” which appears in every remaining challenged claim,<sup>2</sup>

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<sup>2</sup> Patent Owner has disclaimed claims 15 and 16. EX2013. The disclaimed claims are valid, but Patent Owner disclaimed them to streamline the issues in this proceeding. All the remaining claims are asserted in the litigation, so there is

and the evidence fails to show this limitation is met by the cited references.

This is a fatally weak petition with numerous substantive flaws and would not be resolved until close to five months after trial in the Parallel Litigation. For all these reasons, and as explained below, this is a textbook candidate for discretionary denial.

## **II. FACTUAL BACKGROUND**

### ***A. Patent Owner Files the Lawsuit and Trial Is Set for August 2026***

Patent Owner filed suit against Petitioner in the Eastern District of Texas on December 6, 2024 (the “Parallel Litigation”) asserting the ’004 patent, as well as two other related patents to the same inventors. EX2001. The Parallel Litigation is assigned to the Honorable Rodney Gilstrap. EX2002. In a March 26, 2025 scheduling conference, Judge Gilstrap “provide[d] counsel with Claim Construction and Jury Selection/Trial dates.” EX2002 at 7. The claim construction hearing is scheduled for February 19, 2026, and trial is scheduled to begin with jury selection on August 3, 2026. EX2005 at 1, 4. Although the Docket Control Order has been amended, these dates have not been changed; indeed, one amendment moved significant deadlines earlier and the second merely corrected an error in the first

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complete overlap of claims between this proceeding and the Parallel Litigation.

amendment. *See* EX2004; EX2003.

***B. The Parties Vigorously Litigate the Lawsuit***

The parties in the Parallel Litigation have vigorously litigated the lawsuit, as reflected by the almost 100 entries on the docket sheet, many of them substantive. EX2002. The parties have expended significant time and resources to develop their claims and defenses already, and even more will be done by the projected date for an institution decision. Petitioner has **not** filed a Motion to Stay the Parallel Litigation pending the IPRs filed against the '004 patent and its family. *See generally* EX2002.

First, the parties have developed their infringement and invalidity theories. Patent Owner served preliminary infringement contentions on April 28, 2025. EX2006. Petitioner's invalidity contentions—originally due May 7, 2025—were served on June 4, 2025 after an extension of the deadline. EX2007; EX2008; *see* EX2003 at 5. Petitioner's invalidity contentions are 91 pages long, not including the appended invalidity claim charts. EX2009. There are 35 such claim charts for each of the asserted patents (many of which are hundreds of pages each), including the '004 patent. *See id.* at 21–23. In total, Petitioner's invalidity claim charts are more than 15,000 pages long. EX2010 ¶ 7.

Second, the parties have already invested significant effort into fact discovery, and document production will be substantially complete (and privilege

logs exchanged) by January 8, 2026. EX2005 at 4. The close of fact discovery (and the deadline for filing motions to compel) is March 2, 2026. *Id.* at 3. But the parties' diligence thus far shows that substantial investment will be (and has already been) put into discovery by the institution deadline. As of the date of this filing, 41 interrogatories have been issued. EX2010 ¶ 3. Ten depositions have already been taken. *Id.* ¶ 4. The parties (and two third-party subpoena recipients) have collectively produced over 187,000 pages worth of documents so far. *Id.* ¶¶ 8–10. Pursuant to the district court's protective order, Patent Owner's designated source code reviewers have spent at least 173 hours reviewing Petitioner's highly confidential source code. *Id.* ¶ 5; EX2011. Given how near the close of fact discovery will be at the time, and the extent of discovery already conducted, the parties will have invested even more time and effort into the discovery process in the Parallel Litigation by the deadline for institution.

In addition, the parties will have begun the claim construction process by the December 24 institution deadline in this proceeding. *See* EX2005 at 4–5. Under the Eastern District of Texas Local Patent Rules (“P.R.”) and the current schedule, the parties will have been required to disclose the proposed terms for construction, their proposed constructions, and to file their joint claim construction statement. *Id.*; *see* P.R. 4-1, 4-2 available at <https://www.txed.uscourts.gov/?q=patent-rules>. Within two days of the institution deadline, the parties will be required to have completed

claim construction discovery. EX2005 at 4. Less than two weeks after that, the parties will be required to file opening claim construction briefing, and submit technical tutorials. *Id.* The parties will be about six weeks from completing claim construction briefing, and the claim construction hearing will occur only two weeks after that. *Id.*

***C. Petitioner Files IPR Petitions***

Approximately five months after the Parallel Litigation was filed, Petitioner began filing, over the month of May 2025, petitions for IPR. To date, Petitioner has filed four petitions, one each for the '765 patent and the '402 patent, and two for the '004 patent (the subject of this proceeding). Patent Owner has filed briefs supporting discretionary denial in the IPRs challenging the '765 and '402 patents, IPR2025-00943, Paper 11; IPR2025-00944, Paper 11, and is concurrently filing such a brief in the parallel proceeding against the '004 patent (IPR2025-01034). As shown in the chart below, the anticipated deadline for final written decision in this IPR (indicated by underlining) is close to five months *after* the August 3, 2026 trial date in the Parallel Litigation.

<b>IPR No.</b>	<b>Patent</b>	<b>Filing Date</b>	<b>Notice of Filing Date Accorded</b>	<b>Institution Decision Deadline</b>	<b>Final Written Decision Deadline</b>
IPR2025-00943	'402	05-05-2025	06-10-2025	12-10-2025	<u>12-10-2026</u>

<b>IPR No.</b>	<b>Patent</b>	<b>Filing Date</b>	<b>Notice of Filing Date Accorded</b>	<b>Institution Decision Deadline</b>	<b>Final Written Decision Deadline</b>
IPR2025-00944	'765	05-02-2025	06-10-2025	12-10-2025	12-10-2026
IPR2025-01034	'004	05-28-2025	06-24-2025	12-24-2025	12-24-2026
<u>IPR2025-01035</u>	<u>'004</u>	<u>05-28-2025</u>	<u>06-24-2025</u>	<u>12-24-2025</u>	<u>12-24-2026</u>

***D. Petitioner’s Invalidity Theories in the Parallel Litigation***

On June 4, 2025, after Petitioner had filed all four of its IPR Petitions, Petitioner served its invalidity contentions in the Parallel Litigation. EX2009. Petitioner asserted invalidity against the '004 patent based on all twelve of the references cited in this Petition: *Attard, Hampiholi, McNew, Frazer, Grimm, Gunderson, Sako, Hada, Duncan, Yamada, Engelman, and Strauss. Compare id.* at 21–23 (listed as Exhibits C-1, C-5, C-8, C-11, C-13, C-19, C-21, C-24, and C-26–C-29) *with* Petition at 2–3. Petitioner also identified seventeen other patents and printed publications and six systems as prior art against the '004 patent. *See* EX2009 at 19–20.

On August 19, 2025, Petitioner filed a Notice of Broadened Sotera Plus Stipulation in the Parallel Litigation for the '004 patent. EX2012. According to this Stipulation,

[Petitioner] stipulates for [the Parallel Litigation] and against the '004 Patent that it will not raise or pursue (i)

the specific grounds raised in IPR2025-01035, (ii) any other grounds that could have reasonably been raised before the PTAB in instituted IPR2025-01035 (i.e., any ground that could have reasonably been raised under §§ 102 or 103 on the basis of only prior art patents or printed publications), or (iii) any ground based on a combination of system prior art and the references asserted as part of a ground raised in IPR2025-01035.

EX1059 at 3. Petitioner left open any ground based on system prior art combined with patents and/or printed publications that are not cited as prior art in this IPR, including references cited against the '004 patent in the parallel IPR Petition or in the Petitions challenging the '402 and '765 patents.

### **III. LEGAL PRINCIPLES**

The USPTO considers the presence and status of parallel district court litigation in determining whether to deny institution. *See NHK Spring Co. Ltd.*, IPR2018-00752, Paper 8, at 20 (precedential); *Fintiv I*, at 5–6; *see also Gen. Plastic Indus. Co., Ltd.*, IPR2016-01357, Paper 19, at 16–17 (“[W]e recognize that an objective of the AIA is to provide an effective and efficient alternative to district court litigation . . .”).

*Fintiv* “sets forth factors that balance considerations of system efficiency, fairness, and patent quality when a patent owner raises an argument for discretionary denial due to the advanced state of a parallel proceeding.” *Apple, Inc.*

v. *Fintiv, Inc.*, IPR2020-00019, Paper 15, at 7–8 (PTAB May 13, 2020)

(informative) [hereinafter “*Fintiv IP*”]. The factors are:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

*Fintiv I*, at 6. “These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* “In evaluating the factors, the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Fintiv II*, at 8.

#### **IV. ARGUMENT**

##### ***A. The Fintiv Factors Weigh in Favor of Discretionary Denial***

Instituting a proceeding on the Petition would undermine the policy goals that Congress sought to promote by creating, in IPRs, a “quick and cost effective alternative[] to litigation.” *WesternGeco LLC*, 889 F.3d at 1317. An analysis of the *Fintiv* factors confirms this, as shown in greater detail below. Trial is scheduled

close to five months before the projected date for a final written decision, and there is no evidence to suggest that trial will be delayed. Consistent with the district court's track record of denying motions to stay pending IPRs, a stay is highly unlikely given the advanced stage of the Parallel Litigation. The Petition's lack of statutorily mandated particularity and the weakness of the merits further urge discretionary denial in this case. The combined weight of the factors favoring denial far outweigh that of Petitioner's stipulation, the lone consideration weighing in the other direction. The Director should therefore exercise discretion under 35 U.S.C. § 314(a) and deny institution.

**1. *Fintiv* Factor 1 Favors Discretionary Denial**

*Fintiv* Factor 1—namely, “whether a stay exists or is likely to be granted if a proceeding is instituted,” *Fintiv I*, at 6—militates in favor of discretionary denial. Petitioner has not even requested a stay. EX2002. For that reason alone, a stay cannot be “likely.” Moreover, the facts of this case make it highly unlikely for a stay to be granted in the jurisdiction where the Parallel Litigation is pending.

Assuming Petitioner eventually requests a stay, the district court is unlikely even to consider the request without decisions instituting IPR on all four of the Petitions. The district court “has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings.” *E.g., Force Mos Tech., Co. v. Asustek Comput., Inc.*, No. 2:22-cv-00460-JRG, 2024 U.S. Dist. LEXIS

66423, at \*9 (E.D. Tex. Apr. 10, 2024) (quoting *Nanoco Techs. Ltd. v. Samsung Elecs. Co. Ltd.*, No. 2:20-CV-00038-JRG, 2021 U.S. Dist. LEXIS 134729, at \*4 (E.D. Tex. Jan. 8, 2021)). Moreover, “[i]t has been [the district court’s] consistent and long established practice to deny motions to stay pending IPR . . . when the PTAB [has] instituted review on less than all asserted claims of all asserted patents . . .” *AGIS Software Development LLC v. Google LLC*, No. 19-cv-361-JRG, 2021 U.S. Dist. LEXIS 24195, at \*9 (E.D. Tex. Feb. 9, 2021); see *Force Mos Tech.*, 2024 U.S. Dist. LEXIS 66423, at \*10 (similar).

By December 24, 2025, when the Board is projected to reach decisions on institution for all four IPRs, see Section II.C, *supra*, the parallel litigation will be in an advanced state. By then, substantial completion of document production and opening claim construction briefs will be imminent (January 8, 2026). EX2005 at 4. Moreover, fact discovery will be nearing completion and trial will be about eight months away. In short, by the time the district court would be presented with any potential motion to stay, the parties will have already invested tremendous resources in the Parallel Litigation. See Section II.B, *supra*. As recognized in *Fintiv I*, significant work “completed by the parties and the court in the parallel proceeding” make a stay generally “less likely.” *Fintiv I*, at 10. Even if the Director finds the likelihood of a stay to be speculative, this factor would never weigh against discretionary denial. See *Samsung Elecs. Co. Ltd. v. Vasu Holdings, LLC*, IPR2025-

00446, Paper 12, at 2 (PTAB July 10, 2025) (granting discretionary denial where, *inter alia*, “there is insufficient evidence that the district court is likely to stay its proceeding even if the Board were to institute trial”).

## 2. *Fintiv* Factor 2 Favors Discretionary Denial

*Fintiv* Factor 2—namely, the “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision,” *Fintiv I*, at 5–6—militates strongly in favor of the Board exercising its discretion to deny institution. In the Director’s recent decisions under Section 314(a), this factor looms large. Compare *Samsung Elecs. Co. Ltd. v. Sinotechnix LLC*, IPR2025-00331, Paper 13, at 2 (PTAB July 2, 2025) (discretionarily denying institution where “it is unlikely that a final written decision . . . will issue before district court trial”); *Lam Research Corp. v. Inpria Corp.*, IPR2025-00256, Paper 12, at 2 (PTAB July 2, 2025) (Acting Dir. C.M. Stewart) (same); *ARM Ltd. v. Daedalus Prime LLC*, IPR2025-00207, Paper 10, at 2 (PTAB May 16, 2025) (Acting Dir. C.M. Stewart) (same); *Ericsson Inc. v. Procomm Int’l PTE LTD*, IPR2024-01455, Paper 15, at 2 (PTAB May 16, 2025) (Acting Dir. C.M. Stewart) (discretionarily denying institution when “the related district court trial is set to conclude substantially before a final written decision will issue in this proceeding”) with *Charles River Labs., Inc. v. Seikagaku Corp.*, IPR2025-00440, Paper 9, at 2 (PTAB July 10, 2025) (Acting Dir. C.M. Stewart) (referring to merits panel where “Patent Owner and Petitioner are not

engaged in a parallel litigation”); *Berkshire Hathaway Energy Co. v. Birchtech Corp.*, IPR2025-00274, Paper 23 (PTAB July 2, 2025) (Acting Dir. C.M. Stewart) (referring to merits panel where “a final written decision is expected to issue before the case will be ‘trial ready’”).

Trial in the district court is scheduled for August 3, 2026, EX2003 at 1, close to five months *before* the projected statutory deadline for this IPR proceeding. Similar timelines have recently been found to support discretionary denial. *See Samsung v. Sinotechnix*, IPR2025-00331, Paper 13, at 2 (discretionarily denying institution where trial would precede final written decision by about four months); *Lam Research Corp.*, IPR2025-00256, Paper 12, at 2 (discretionarily denying institution where trial would precede final written decision by about three-and-a-half months). Indeed, the Board has previously held that a trial date that precedes a final written decision deadline by as little as one-to-two months favors discretionary denial. *Fintiv II*, at 12–13 (informative) (second factor favors denial when “the currently scheduled District Court trial is scheduled to begin two months before our deadline to reach a final decision”); *see NXP USA, Inc. v. Impinj, Inc.*, PGR2022-00005, Paper 18, at 8–9 (PTAB May 2, 2022) (two-month difference favors discretionary denial); *E-One, Inc. v. Oshkosh Corp.*, IPR2019-00161, Paper 16, at 6–9 (PTAB May 15, 2019) (one-month period between trial date and deadline for final written decision favored discretionary denial); *eClinicalWorks, LLC v.*

*Decapolis LLC*, IPR2022-00229, Paper 10, at 9 (PTAB Apr. 13, 2022) (similar).

The Director has rescinded the Memorandum that directed parties and the Board to consider evidence of the median time-to-trial in the relevant jurisdiction; such evidence need not be considered. Even if time-to-trial statistics are considered, the August trial date is roughly consistent with statistical evidence (from Lex Machina) showing that cases pending before the presiding judge (Judge Gilstrap) that went to trial in the previous year have a median time-to-trial of 672 days (about 22 months). EX2014 at 1. Based on these statistics, in the median case before Judge Gilstrap with the same December 6, 2024 filing date as the Parallel Litigation, *see* EX2001, trial would still be almost three months before the final written decision in this proceeding, only a little later than the actual August 2026 trial date. There is no reason, however, to think that these statistics presage even that short a delay of the trial *in this case*.

Indeed, the parties have diligently maintained the pace of progress in the district court case. A substantial amount of document production has already been completed, including production responsive to two third-party subpoenas. EX2010 ¶¶ 8–10. Patent Owner’s expert has spent 173 hours reviewing source code for both the accused product and Petitioner’s alleged prior art system. *Id.* ¶ 7. In addition, the parties have amended the docket control order to make critical deadlines *earlier* than originally scheduled. EX2003 at 3 (amending deadlines for the close of fact

discovery and opening expert disclosures to be 2 weeks and 1 week earlier, respectively). The district court recently denied Petitioner’s motion for transfer. EX2010 ¶ 11. In short, nothing indicates the parties will be unprepared for trial by the scheduled date, and there is considerable evidence indicating the case will be ready for trial by that date.

### **3. *Fintiv* Factor 3 Favors Discretionary Denial**

*Fintiv* Factor 3 relates to the “investment in the parallel proceeding by the court and the parties,” *Fintiv I*, at 5–6, “at the time of the institution decision,” *id.* at 9. This factor weighs in favor of the Board exercising its discretion to deny institution because of the significant investment the parties have already made, as well as the work that will be done before the institution decision. *See* Section II.B, *supra*. As recognized in *Fintiv I*, significant investment by the parties undermines the likelihood of a stay and increases the risk of duplicative costs. *Fintiv I*, at 10 (“This investment factor is related to the trial date factor, in that more work completed by the parties and the 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.”).

The Board’s December 24, 2025 deadline for resolving institution decisions on all four Petitions, *see* Section II.C *supra*, is only two weeks prior to the deadline for document production to be substantially completed and for opening claim

construction briefs to be filed. EX2005 at 4. The parties will have completed claim construction disclosures, and the claim construction hearing, scheduled for February 19, 2026, will be less than two months away. *Id.* Fact discovery will be nearing completion; the parties have already moved the deadline two weeks earlier (from March 16 to March 2, 2026). *See id.* at 3. For that matter, the parties have **already** invested considerable resources into fact discovery, producing over 187,000 pages of documents, serving 41 interrogatories, and taking 10 depositions. EX2010 ¶¶ 3–4, 8–10. The investment by the parties in fact discovery and claim construction supports finding that Factor 3 favors discretionary denial. *See Arthrex, Inc. v. Medshape, Inc.*, IPR2025-00053, Paper 11, at 10–11 (PTAB Apr. 25, 2025) (noting relevance of work on fact discovery and claim construction); *Fintiv II*, at 14 (“Based on the level of investment and effort already expended on claim construction and invalidity contentions in the District Court, this factor weighs somewhat in favor of discretionary denial in this case.”).

The parties have already invested considerable time and resources in the development of their infringement and invalidity contentions. *Sand Revolution II*, IPR2019-01393, Paper 24, at 10 (noting that investment in invalidity contentions is relevant to this factor) (informative). As noted above, Petitioner’s invalidity contentions span thousands of pages, including 35 appendices worth of claim charts for the ’004 patent alone. EX2010 ¶ 7. The parties’ investment in developing their

contentions would, on its own, make Factor 3 at least neutral. *See Int’l Business Machines Corp. v. Digital Doors, Inc.*, IPR2023-00968, Paper 7, at 10–11 (PTAB Dec. 1, 2023). But the parties have already invested more much than that and will invest even more before the date of any institution decision.

**4. *Fintiv* Factor 4 Does Not Justify Denying Discretionary Denial**

Petitioner recently filed a *Sotera*-like stipulation in the district court. EX1059. In it, Petitioner agrees not to assert (i) the same invalidity grounds raised in the Petition, (ii) invalidity grounds under §§ 102 or 103 that reasonably could have been raised “on the basis of only prior art patents or printed publications,” or (iii) “any ground based on a combination of system prior art and the references asserted as part of a ground raised in [this IPR]” or IPR2025-01034. *Id.* at 2, 3. The scope of this stipulation is only slightly broader than that of the stipulation in *Sotera*, insofar as item (iii) is not within the scope of a *Sotera* stipulation. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, at 18 (PTAB Dec. 1, 2020) (precedential). Following the February 28, 2025 rescission of the “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation,” a “timely-filed *Sotera* stipulation . . . is highly relevant, but will not be dispositive by itself.” Memorandum, USPTO’s rescission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with

Parallel District Court Litigation,” at 2–3 (Mar. 24, 2025).<sup>3</sup> Petitioner’s stipulation, therefore, is not dispositive and does not overcome the overwhelming weight of the five factors favoring discretionary denial. The rest of the *Fintiv* factors weigh in favor of discretionary denial, as does the combination of factors.

**5. *Fintiv* Factor 5 Favors Discretionary Denial**

*Fintiv* Factor 5—namely, “whether the petitioner and the defendant in the parallel proceeding are the same party,” *Fintiv I*, at 6—clearly weighs in favor of the Board exercising its discretion to deny institution.

Petitioner is the defendant named in the Parallel Litigation. EX2001 ¶ 2. Trial in the Parallel Litigation is scheduled to occur close to five months before the projected deadline for a final written decision in this proceeding. EX2003 at 1. Under these circumstances, “factor 5 generally follows factor 2, such that this factor ‘favors denial if trial precedes the Board’s Final Written Decision.’” *Nikon Corp. v. Optimum Imaging Tech., LLC*, IPR2024-01374, Paper 19, at 23 (PTAB April 29, 2025) (quoting *Huawei Tech. Co. v. WSOU Inv., LLC*, IPR2021-00225, Paper 11, at 14 (PTAB June 14, 2021) (internal quotation marks omitted)); see *Fintiv II*, at 15 (“Because the petitioner and the defendant in the parallel proceeding are the same

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<sup>3</sup> Available at [https://www.uspto.gov/sites/default/files/documents/guidance\\_memo\\_on\\_interim\\_procedure\\_recission\\_20250324.pdf](https://www.uspto.gov/sites/default/files/documents/guidance_memo_on_interim_procedure_recission_20250324.pdf)

party, this factor weighs in favor of discretionary denial.”); *Samsung Elecs. Co. v. Clear Imaging Research, LLC*, IPR2020-01401, Paper 12, at 21–22 (PTAB Feb. 17, 2021) (same).

To the extent Petitioner may assert that this factor is only “neutral,” the Board should reject that unjustified assertion, as it has done in similar cases. *See Sotera*, IPR2020-01019, Paper 12, at 19 (precedential); *Samsung Elecs. Am., Inc. v. Collision Commnc’ns, Inc.*, IPR2025-00011, Paper 12, at 23 (PTAB Apr. 28, 2025) (“There is no dispute that the parties are the same in both proceedings. Petitioner nonetheless argues that Factor 5 is neutral . . . . We agree with Patent Owner that Factor 5 favors denial.”); *Solus*, IPR2024-01463, Paper 14, at 17 (“To the extent that trial in the district court may precede the deadline for a final written decision in this proceeding, this factor favors exercising our discretion to deny institution.”); *Liberty Energy, Inc. v. U.S. Well Servs., LLC*, IPR2025-00031, Paper 9, at 16 (PTAB Apr. 29, 2025) (“Petitioner is the Defendant in the District Court Litigation, and the parties agree *Fintiv* factor 5 therefore weighs in favor of denying institution.”); *Nokia of Am. Corp. v. Pegasus Wireless Innovation LLC*, IPR2025-00037, Paper 14, at 14 (PTAB Apr. 25, 2025) (“We find this factor weighs in favor of exercising our discretion because the parties involved in this proceeding and the district court litigation at issue are the same.”).

**6. *Fintiv* Factor 6 Favors Discretionary Denial**

The Petition seeks to combine anywhere from *seven* to *eleven* references to show obviousness in the asserted Grounds, with most Grounds requiring *nine or more* references. Yet the Petition fails to justify why or how a POSITA would be motivated to combine so many references to reach the claimed invention. Rather, Petitioner commits the cardinal sin of results-oriented hindsight, using the claims as a blueprint to piece together almost a dozen disparate references. Even if a POSITA could piece the cited art together as Petitioner proposes, the combinations are still lacking many elements that the claims require. Accordingly, *Fintiv* Factor 6—namely, “other circumstances that impact the Board’s exercise of discretion, including the merits,” *Fintiv I*, at 6—weighs strongly in favor of exercising discretion to deny institution.

First, the remarkably high number of references Petitioner proposes to combine underscores the remarkable weakness of the Petition. Most of the Petition’s Grounds require at least *nine* references, and some require *ten* or *eleven*.

Second, the Petition fails to articulate the bases for the asserted Grounds, notably failing to explain how or why an ordinary artisan would have combined the elements of the cited references in the same manner as the claims recite.

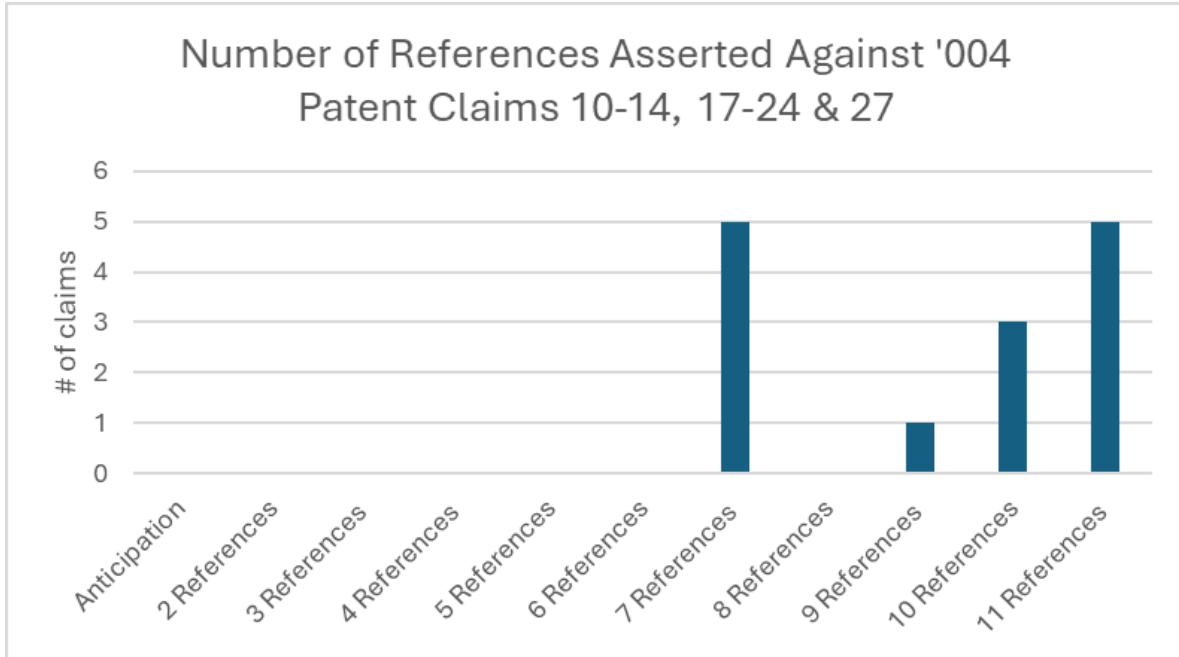
Third, the Petition fails to make a compelling challenge on the merits, both because of the failure to adequately identify the bases for the asserted Grounds and

also because the Petition relies on an implicit and incorrect construction of “active learning data” that (among other things) reads out the word “learning.” These considerations, as well as *Fintiv* Factors 1–5, outweigh the relative newness of the ’004 patent and merit discretionary denial.

a) *The Director Should Exercise Discretion to Deny Institution Because the Petition Combines a Huge Number of References without Justification*

Each ground in the Petition relies on a staggering number of references. No Ground relies on fewer than *seven* references, and the majority rely on *nine to eleven* references. Combining so many references requires a strong justification, which the Petition fails to provide. The Petition lacks the requisite particularity in identifying evidence showing “why a person of ordinary skill in the art would have combined elements from specific references *in the way the claimed invention does*,” as required to show obviousness. *ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc.*, 694 F.3d 1312, 1328 (Fed. Cir. 2012) (citing *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007)). This defect is all the more pronounced, given the sheer number of references Petitioner proposes to combine. Only claims 10–14 are challenged on the basis of a seven-reference combination. *See* Petition at 2. Unsurprisingly, Petitioner cannot provide non-hindsight reasons for combining all those references in the manner claimed, as explained below. And yet, that is the smallest number of references proposed to be combined in the Petition. As shown in

the chart below, the Petition challenges *ten out of sixteen claims* based on combinations of *nine, ten, or even eleven references*.



See Petition at 2–3. When a Petition needs to use so many references, this is red flag that the Petitioner has relied on hindsight and used the claims as a blueprint. To overcome this, the Petition would need to present compelling motivations for these massive combinations. But, as discussed in more detail below, Petitioner does not adequately support or explain its proposed combinations. The Petition would, therefore, require the PTAB to conduct its own burdensome archeological dig through a patchwork of unconnected art to try to make sense of Petitioner’s arguments. This is not a good use of limited resources and favors discretionary denial.

b) *The Director Should Exercise Discretion to Deny Institution Because the Petition Is Procedurally Deficient and Will Be Unduly Burdensome for the PTAB to Review*

The Petition fails to articulate the bases for the asserted Grounds with sufficient particularity, and the Director should exercise discretion to deny for at least that reason. “A petition for [IPR] must identify ‘*with particularity*, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim.’” *Adaptics Ltd. v. Perfect Co.*, IPR2018-01596, Paper 20, at 15 (PTAB Mar. 6, 2019) (informative) (emphasis added) (quoting 35 U.S.C. § 312(a)(3)). “In an IPR, the petitioner has the burden from the onset to show *with particularity* why the patent it challenges is unpatentable.” *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016) (emphasis added) (citing 35 U.S.C. § 312(a)(3)).

Although the deficiencies of the Petition extend to all the challenged claims, discretionary denial would be appropriate even if some challenges to some claims had merit. *See Samsung Elecs. Co. Ltd. v. KP Innovations 2, LLC*, IPR2025-00101, Paper 13, at 27–28 (PTAB May 12, 2025) (finding “that it would not be an efficient use of the Board’s time and resources to institute review” where the Petition showed a reasonable likelihood of prevailing on “at most 25% of the overall challenge based on grounds and claims”); *Deeper, UAB v. Vexilar, Inc.*, IPR2018-01310, Paper 7, at 42–43 (PTAB Jan. 24, 2019) (informative) (“[I]nstituting a trial

with respect to all twenty-three claims and on all four grounds based on evidence and arguments directed to only two claims and one ground would not be an efficient use of the Board’s time and resources.”); *Chevron Oronite Co. v. Infineum USA L.P.*, IPR2018-00923, Paper 9, at 10–11 (PTAB Nov. 7, 2018) (informative) (“Petitioner demonstrates, at most, a reasonable likelihood of prevailing with respect to two dependent claims out of a total of twenty challenged claims.”). If the Board were to institute review, the IPR would need to address every ground and every claim. *See SAS Inst. Inc. v. Iancu*, 584 U.S. 357, 367 (2018) (“[T]he petitioner’s contentions, not the Director’s discretion, define the scope of the litigation all the way from institution through to conclusion.”). Institution remains discretionary, however, and the Petition’s failure to adequately articulate all (or at least most) of its grounds warrants discretionary denial in this case.

First, despite purporting to offer motivations to combine some references, the Petition fails to identify how or why these motivations would result in the particular combination of elements recited in the challenged claims. For example, claim 10 recites a self-driving vehicle (SDV) that comprises, in part, a computer system that is capable of using specific information in certain ways to accomplish specified tasks. One such task is “autonomously maintaining a buffer of space from other vehicles around the SDV using the vehicle controls and using [a] second weighted voting result.” EX1001 at 24:62–64. Determining this *second weighted voting result*

comprises multiplying input from certain sensors in the SDV's sensor system (a *second camera* and a *speedometer*) by a weight from the *second plurality of weights*. *Id.* at 24:56–59. The *second plurality of weights* comprise active learning data from a cohort of other SDVs. *Id.* at 24:35–37. In the Ground asserted against claim 10, Petitioner relies on seven different references, which it cobbles together without addressing the way the claims require the various elements to work together. *See* Petition at 2, 6–46. Similar or identical sets of limitations are recited or incorporated by dependency in thirteen of the fifteen other challenged claims, including claims 11–14, 17–24, and 27. Thus, even assuming this were the only defect in the Petition—it is not, as shown in more detail below—it would still justify the exercise of discretion to deny institution. *See, e.g., Samsung Elecs.*, IPR2025-00101, Paper 13, at 27–28 (discretionarily denying institution where “at most 25% of the overall challenge based on grounds and claims” met the “reasonable likelihood” threshold).

The Petition falls short of explaining why and how the proposed combination of references would result in the recited elements. Referring again to the example of claim 10: for the “second plurality of weights” and the “second weighted voting result,” Petitioner relies on *Grimm*. Petition at 24–26, 38. According to Petitioner, “*Grimm* teaches a threat level equation,” the result of which “is a *second weighted voting result* where a *second input*  $p_j^i$  is multiplied by a *weight*  $w_j$ .” *Id.* at 38. The

recited *second plurality of inputs* comprise inputs from the *second camera* and the *speedometer*, both of which are part of the *sensor system* of the claimed SDV. EX1001 at 24:15–23, 24:50–51. As Petitioner admits, “ $p_j^i$  is the property (such as braking, acceleration, or speed) *for the vehicle i*,” Petition at 25 (quoting EX1031 at 5:59–65) (emphasis added), which is a “surrounding vehicle” (*i.e.*, not the SDV). EX1031 at 5:58–60. The Petition does not identify any reason for combining references such that *Grimm’s* property  $p_j^i$  (the alleged *second input*) is received from either *Attard’s* alleged *second camera* or *Humpholi’s speedometer*, as the claim recites. *See* Petition at 11, 14, 37–38. To the contrary, Petitioner relies on the fact that property  $p_j^i$  comes from other vehicles, not from the alleged SDV of the claim, for its *active learning data* argument. *See id.* at 25.

Also, Petitioner fails to explain how and why an ordinary artisan would have been motivated to use the alleged *weighted voting* teachings from *Grimm* to achieve the claimed “autonomously maintaining a buffer of space from other vehicles around the SDV.” *See id.* at 40–42. Claim 10 recites that the claimed SDV’s “*computer system* is capable of performing operations comprising: . . . autonomously maintaining a buffer of space . . . using the vehicle controls and the second weighted voting results.” EX1001 at 24:45–46, 24:62–64 (emphasis added). Contrary to Petitioner’s assertion, *Grimm’s* description of a “‘warning’ report [that] could be issued to the server 170,” EX1031 at 6:11–13, is not “an express teaching,

suggestion, [or] motivation” for combining references to achieve the claimed invention. Petition at 41. *Grimm’s* server receives and processes warning reports, which “could trigger the server 170 to immediately issue advisories out to surrounding vehicles.” EX1031 at 6:13–17 (emphasis added). *Grimm* explains that a vehicle receiving advisories from server 170 “can take action in a number of different ways in response to the information it receives,” including braking. *Id.* at 4:60–65. Petitioner identifies no evidence that *Grimm’s* disclosure of using information received from a server in an advisory would have motivated an ordinary artisan to make the proposed combination. Nor is there evidence that any combination thus motivated would have achieved an SDV computer system that was “capable of . . . autonomously maintaining a buffer of space . . . using the vehicle controls and the second weighted voting results.”

Second, the Petition relies extensively on unexplained cross-references to arguments involving different claims with different limitations and claim scope. For example, the argument for claim 15 includes 23 subsections of which 15 consist of cross-references to claim 10 with no explanation at all, *see* Petition at 61–72, while three subsections include only a single sentence of explanation, *id.* at 63, 72. The sections for claims 14, 19, 20, 22, and 23 include no explanation at all for the cross-references used in lieu of actual argument. *Id.* at 60, 80–81, 84–85.

For claim 15 in particular, the cross-references make it impossible to

determine the actual basis for the Ground. The Petition cites exclusively to *Frazer* for the limitations identified as “Claim 15(c)(iii)(1)–(6),” which recite *first, second, and third fault states* and *first, second, and third corrective actions associated with the respective, corresponding fault states*. *Id.* at 62–63. For the limitation identified as “Claim 15(d)(vii)” (“taking the first corrective action when the first fault state has occurred”), the Petition cross-references the argument for “[Claim] 10(g)(viii)” without any explanation. *Id.* at 72. The cross-referenced argument section discusses *Hampiholi’s* alleged disclosure of this limitation; *Frazer* is not even mentioned. *See id.* at 44–46. Thus, the Petition fails to consistently identify the same *first fault state* and associated *first corrective action* throughout the Ground, creating a fatal ambiguity. Moreover, challenged claims 16–24 and 27 all depend directly or indirectly from claim 15; this fatal ambiguity in the Petition also affects those dependent claims.

Third, even setting aside the foregoing specific failures, the Petition’s reliance on unsupported cross-references imposes an undue burden on the merits panel of the PTAB by asking it to “play archaeologist with the record” just to decipher the Petition’s actual arguments. *Cf. Parus Holdings, Inc. v. Google LLC*, 70 F.4th 1365, 1372 (Fed. Cir. 2023) (“[T]he Board should not be forced to ‘play archaeologist with the record.’” (citing *DeSilva v. DiLeonardi*, 181 F.3d 865, 866–67 (7th Cir. 1999))). In adopting the rule against incorporation by reference, *see* 37

C.F.R. § 42.6(a), the USPTO also cited *DeSilva*, explaining that “incorporation is a pointless imposition on [a] court’s time as it requires the judges to play archeologist with the record,” and “[t]he same rationale applies to Board proceedings.” 77 Fed. Reg. 48612, 48617 (Aug. 14, 2012); see *Cisco Sys., Inc. v. C-Cation Techs., LLC*, IPR2014-00454, Paper 12, at 8 (PTAB Aug. 29, 2014) (informative) (“The practice, here, of using footnotes to cite large portions of another document, without sufficient explanation of those portions, amounts to incorporation by reference.”). That same principle also holds true when arguments for one claim limitation are incorporated against a different limitation without explaining why those same arguments apply in multiple contexts. *Cf. In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1378 (Fed. Cir. 2016) (“Neither the Board nor the petitioner explained why borrowing the rationale for combining the first set of references equally applies to the second set of references.”).

The Petition’s failure to comply with the statutory requirement of particularity, and its failure to clearly articulate the Grounds in general, weigh heavily in favor of discretionary denial. Doing so preserves the limited resources of the Board for challenges that have been more clearly presented than the tangled web of cross-references and convoluted combinations of *seven* to *eleven* references in the Petition here.

c) *The Merits of the Petition Are Far from Compelling*

Under *Fintiv*, the “strengths or weaknesses regarding the merits” may be “consider[ed] as part of [the Board’s] balanced assessment.” *Fintiv I*, at 15–16. This means that the relative strength or weakness of the Petition’s showing must be balanced against the weight given to the other *Fintiv* factors. *See id.* at 15 n.29 (noting prior institution “when ‘the strength of the merits **outweigh relatively weaker** countervailing considerations of efficiency’”) (emphasis added) (quoting *Illumina, Inc. v. Natera, Inc.*, IPR2019-01201, Paper 19, at 8 (PTAB Dec. 18, 2019)). Importantly, “if the merits of the grounds raised in the petition are a closer call, then that fact has **avored denying institution** when other factors favoring denial are present.” *Id.* at 15 (emphasis added). Stated slightly differently, the merits are not “compelling or particularly strong” if Patent Owner raises “issues and concerns” that “warrant further development if trial were to be instituted.” *Arashi Vision*, IPR2025-00017, Paper 11, at 15–16.

The merits of the instant Petition are exceptionally weak. For at least the reasons explained above and below—and as will be discussed with more detail in Patent Owner’s forthcoming Preliminary Response—Petitioner fails to show that the voluminous cited references teach or render obvious *any* claim. First, the sheer number of references per Ground (no fewer than **seven**, with most Grounds relying on **nine to eleven**), is a red flag for hindsight bias and requires a strong justification.

Second, the Petition fails to supply that justification because it fails to identify the evidence necessary to support the asserted Grounds. *See* Section IV.A.6.b), *supra*. Petitioner filed its Petition knowing that “the expedited nature of IPRs bring with it an obligation for petitioners to make their case in their petition to institute.” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016). Petitioner therefore cannot cure these deficiencies and, hence, cannot prevail because “the Board must base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.” *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1381 (Fed. Cir. 2016) (citing *SAS Inst., Inc. v. ComplementSoft, LLC*, 825 F.3d 1341, 1351 (Fed. Cir. 2016) *rev’d-in-part on other grounds sub nom. SAS Inst., Inc. v. Iancu*, 584 U.S. 357 (2018)).

Third, the Petition relies on an incorrect implicit construction for the claim phrase “active learning data,” which appears in all fourteen of the remaining challenged claims.<sup>4</sup> Petitioner was required to identify “[h]ow the challenged claim[s] [are] to be construed,” 37 C.F.R. § 42.104(b)(3), but the Petition fails to disclose its overly broad implicit construction. *See* Petition at 4 (asserting “the plain and ordinary meaning of all claim terms” without addressing the scope associated

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<sup>4</sup> Claims 15 and 16 were disclaimed. EX2013.

with that meaning). Had it done so, it would have been evident that Petitioner's implicit construction of "active learning data" is incompatible with the intrinsic evidence.

Petitioner contends that *Grimm's* weights "are derived from different properties reported from the other vehicles" and therefore "the weights *compris[e] second active learning data from the first cohort of other SDVs.*" Petition at 25. The Petition does not identify anywhere in *Grimm's* disclosure that it teaches how its weights are derived, let alone that they are derived from the "different properties reported from the other vehicles." *Id.* Even if the weights are derived from the properties of the other vehicles on the roadway, that only matters if the Petition presumes a construction of "active learning data" that encompasses essentially any data that is obtained from other vehicles, regardless of how that data is used. The patent does not, however, support so broad a construction of the phrase "active learning data."

The claim language alone demonstrates that the "active learning data" must be used as a basis for the "plurality of weights" for use in "weighted voting." For example, claim 10 recites:

10. A self-driving vehicle (SDV) comprising:
  - a sensor system having a plurality of sensors, comprising:
  - a first camera; a second camera; a sensor configured to

detect input from a steering wheel; a GPS sensor; a thermometer; and a speedometer;

...

a non-transitory computer readable storage medium comprising a first plurality of weights, and ***the first plurality of weights comprising first active learning data from a first cohort of other SDVs:***

the non-transitory computer readable storage medium comprises a second plurality of weights, and ***the second plurality of weights comprising second active learning data from the first cohort of other SDVs;***

...

***determining a first weighted voting result*** comprising multiplying a ***first input*** from among the first plurality of inputs by a weight from among the first plurality of weights;

***determining a second weighted voting result*** comprising multiplying a ***second input*** from among the second plurality of inputs by a weight from among the second plurality of weights;

determining a competence level of a human driver ***using the first weighted voting result;***

autonomously maintaining a buffer of space from other vehicles around the SDV ***using*** the vehicle controls and

*the second weighted voting result;*

EX1001 at 24:15–64 (emphasis added). Hence, the claims recite a computer system capable of using the “first” or “second weighted voting result” in specific ways. *See id.* at claims 10–14, 17–24, 27.

The specification also refutes Petitioner’s implicit construction. For example, the patent teaches:

[T]he SDV 202 “learns” about how significant operational anomalies are. That is, by taking information from other SDVs and their driving history as well as the driving history of SDV 202 itself, SDV 202 is able to autonomously [sic] “learn” what operational anomalies are significant to the safe operation of SDV 202 (e.g., faulty brakes, faulty throttle controls, tires with little or no tread, etc.) and those which are comparatively insignificant (e.g., a cabin air conditioning system that is low on refrigerant, etc.).

EX1001 at 14:26–35 (underline added). This passage shows that the word “learning” in the term “active learning data” cannot simply be ignored, as Petitioner does.

The specification also provides examples of how this information about the significance of “operational anomalies” would be used in a “weighted voted” system or process:

For example, assume that a first sensor detects faulty

windshield wipers and the second sensor detects a faulty cabin air conditioning system. Assume further that historical data shows that many more accidents are caused by poor visibility (e.g., caused by faulty windshield wipers) than a warm cabin of the SDV. As such, the sensor readings from sensors that the faulty windshield wipers *are weighted more heavily* than sensor readings about cabin temperature.

*Id.* at 14:9–17 (emphasis added). The bare fact that the “properties” information in *Grimm* are collected from or relate to other vehicles does not make the “active learning data.” Petition at 25. Petitioner’s contention that it does reveals that the Petition relies on an undisclosed and overly broad claim construction that ignores the plain language of the claims.

*d) The Age of the Patent Does Not Outweigh Other Considerations*

Although the fact a patent has only recently issued has been cited as a factor that “might favor referral to the Board,” *Phison Elec. Corp. v. Vervain, LLC*, IPR2025-00213, Paper 14, at 3 (PTAB July 10, 2025) (Acting Dir. C.M. Stewart), that factor is substantially outweighed here by other factors. *See, e.g., Samsung Elecs. Co. Ltd. v. GenghisComm Holdings LLC*, IPR2025-00788, Paper 11, at 2 (PTAB Aug. 22, 2025) (“Although the patents challenged in these proceedings have not been in force for as long as those in [parallel IPRs], this fact alone does not tip

the balance against discretionary denial.”). As noted above, the deficiencies of the Petition and the weakness of the merits tilt Factor 6 heavily in favor of discretionary denial and outweigh the age of the '004 patent. Moreover, the combined weight of *Fintiv* Factors 1–5 heavily favor discretionary denial in this case.

## V. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Board exercise its discretion to deny institution of the Petition pursuant to Section 314(a).

Dated: August 25, 2025

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

The undersigned certifies that pursuant to 37 C.F.R. § 42.6(e), true and correct copies of the foregoing **Patent Owner’s Discretionary Denial Brief Pursuant to the Board’s March 26, 2025 Interim Processes for PTAB Workload Management, and accompanying Exhibits 2001–2014**, were served to the following counsel of record for Petitioner addressed as follows:

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**CERTIFICATE OF COMPLIANCE**

Pursuant to 37 C.F.R. § 42.24(d), the undersigned hereby certifies that this brief complies with the type-volume limitation of 37 C.F.R. § 42.24 because this brief contains 8,422 words.

Dated: August 25, 2025

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