

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.

Petitioner,

v.

ADVANCED CODING TECHNOLOGIES LLC,

Patent Owner.

Patent No. 8,230,101
Filing Date: March 2, 2007
Issue Date: July 24, 2012

Inventors: Satoru Sekiguchi, Yoshio Sonoda, Isao Nakamura, Masamichi Furukawa, Yoshihisa Mashita, Tomoaki Yoshida, and Masahito Watanabe

Title: SERVER DEVICE FOR MEDIA, METHOD FOR CONTROLLING SERVER FOR MEDIA, AND PROGRAM

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

Case No. IPR2025-01103

TABLE OF CONTENTS

	<u>Page(s)</u>
I. INTRODUCTION	1
II. THE PETITION SHOULD BE DENIED IN THE DISCRETION OF THE DIRECTOR UNDER 35 U.S.C. § 314(a)	2
A. The Parallel District Court Litigation and the Petition Involve the Same Parties	4
B. The District Court Litigation Involves Substantially the Same Claims.....	4
C. Proximity of the District Court’s Trial Date	5
D. Significant Investment and Petitioner’s Delay in Filing the Petition.....	7
E. Settled Expectations of the Parties	8
III. CONCLUSION.....	9

TABLE OF AUTHORITIES

	Page(s)
Cases	
<i>Advanced Coding Techs. LLC v. Apple Inc.</i> , Case No. 2:24-cv-00572-JRG (E.D. Tex.)	1, 2, 4
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020)	2
<i>Cisco Sys., Inc. v. Estech Sys., Inc.</i> , IPR2021-00329, Paper 13 (P.T.A.B. Jul. 6, 2021)	6
<i>Cisco Sys., Inc. v. Oyster Optics, LLC</i> , IPR2021-00238, Paper 10 (P.T.A.B. Jun. 1, 2021)	7
<i>Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.</i> , IPR2020-00122, Paper 15 (P.T.A.B. May 15, 2020)	5, 6
<i>Dabico Airport Sols. Inc. v. AXA Powers Aps</i> , IPR2025-00408, Paper 21 (P.T.A.B. June 18, 2025)	8
<i>Edward LifeSciences Corp. v. Evalve, Inc.</i> , IPR2019-01479, Paper 7 (P.T.A.B. Feb. 26, 2020)	6
<i>F5 Networks, Inc. v. WSOU Invs., LLC</i> , IPR2022-00239, Paper 12 (P.T.A.B. May 18, 2022)	6
<i>Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha</i> , IPR2016-01357, Paper 19 (P.T.A.B. Sept. 6, 2017)	3
<i>Google LLC v. EcoFactor, Inc.</i> , IPR2021-00488, Paper 12 (P.T.A.B. Aug. 11, 2021)	6
<i>Next Caller Inc. v. TRUSTID, Inc.</i> , IPR2019-00961, -00962, Paper 10, at 8-16 (P.T.A.B. Oct. 16, 2019)	6

NHK Spring Co. v. Intri-Plex Techs., Inc.,
IPR2018-00752, Paper 8 (P.T.A.B. Sept. 12, 2018).....3

Samsung Elecs. Am., Inc. v. Uniloc 2017 LLC,
IPR2019-01218, Paper 7 (P.T.A.B. Jan. 7, 2020)6

Samsung Elecs. Co. v. Truesight Commc'ns LLC,
IPR2025-00123, Paper 12 at 6-7 (Apr. 22, 2025)7

Supercell Oy v. Gree, Inc.,
IPR2020-00513, Paper 11 (P.T.A.B. June 24, 2020)6

Statutes

35 U.S.C. § 314(a)1, 3, 8

35 U.S.C. § 314(b)(1).....5

35 U.S.C. § 316(a)(11).....5

LIST OF EXHIBITS

Exhibit No.	Description of Document
2001	Third Amended Docket Control Order, Dkt. 42, <i>Advanced Coding Techs. LLC v. Apple Inc.</i> , Case No. 2:24-cv-00572-JRG (E.D. Tex. October 29, 2024)
2002	Apple Inc.'s Second Supplementary Invalidation Contentions in <i>Advanced Coding Techs. LLC v. Apple Inc.</i> , Case No. 2:24-cv-00572-JRG (E.D. Tex.), dated July 3, 2025
2003	Advanced Coding Technologies LLC's Infringement Contentions and P.R. 3-1 and 3-2 Disclosures in <i>Advanced Coding Techs. LLC v. Apple Inc.</i> , Case No. 2:24-cv-00572-JRG (E.D. Tex.), dated September 18, 2024

I. INTRODUCTION

Pursuant to the Director’s March 26, 2025, Memorandum Regarding Interim Processes for PTAB Workload Management, Advanced Coding Technologies LLC (“Patent Owner”) files this Request for Discretionary Denial of Institution.

On June 4, 2025, Apple Inc. (“Petitioner”) submitted a Petition (Paper 2, “Petition” or “Pet.”) requesting *inter partes* review (“IPR”) of U.S. Patent No. 8,230,101 (APPLE-1001, the “’101 Patent”), challenging Claims 1-12 (the “Challenged Claims”).

The Petition identifies co-pending district court litigation *Advanced Coding Techs. LLC v. Apple Inc.*, Case No. 2:24-cv-00572-JRG (E.D. Tex.), with a trial date set for April 20, 2026. Pet. at 94; Ex. 2001. With Patent Owner’s Preliminary Response due September 24, 2025, institution of any grounds will result in the issuance of a Final Written Decision (“FWD”) by December 28, 2026.

The Director should exercise discretion to deny the Petition under 35 U.S.C. § 314(a) for at least the following reasons: (i) the parallel District Court Litigation exists between the same parties or real-parties-in-interest; (ii) the District Court Litigation involves the same subject patent (the ’101 Patent) with the same claims; (iii) the District Court’s trial will be *over eight months before* the projected statutory deadline for FWD; (iv) the parties have heavily invested in the District Court

Litigation with the deadline for completion of fact discovery on November 24, 2025 and the completion of claim construction briefing due before the December 26, 2025 deadline for an institution decision; and (v) the '101 Patent has been in force for over 12 years, as such settled expectations have been created.

For the reasons set forth herein, the Director should exercise discretion to deny the Petition.

II. THE PETITION SHOULD BE DENIED IN THE DISCRETION OF THE DIRECTOR UNDER 35 U.S.C. § 314(a)

The circumstances of the parallel District Court Litigation, *Advanced Coding Techs. LLC v. Apple Inc.*, Case No. 2:24-cv-00572-JRG (E.D. Tex.), necessitate denial of the Petition under the Board's precedent, as every factor considered in relation to efficiency, fairness, and the merits supports denial. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 6 (P.T.A.B. Mar. 20, 2020) (precedential) (considering (a) "whether the petitioner and the defendant in the parallel proceeding are the same party"; (b) "overlap between issues raised in the petition and in the parallel proceeding"; (c) "proximity of the court's trial date to the Board's projected statutory deadline for a final written decision"; (d) "investment in the parallel proceeding by the court and the parties"; (e) "whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted"; and (f) "other

circumstances that impact the Board’s exercise of discretion, including the merits.”).

As set forth below, these factors collectively demonstrate that efficiency and integrity of the AIA are best served by denying review. First, the Petitioner is the Defendant in the parallel proceeding. *See infra* Section II.A. Second, the District Court Litigation involves the same claims at issue in the Petition. *See infra* Section II.B. Third, trial in the District Court Litigation is set for April 20, 2026, about eight months prior to the projected statutory deadline for a Final Written Decision of this Petition on December 28, 2026. *See infra* Section II.C. Fourth, the parties (and Patent Owner in particular) have invested significant resources on developing legal and factual issues of validity and infringement in the District Court Litigation and will have invested substantially more resources before any decision on this Petition. *See infra* Section II.D. Finally, there are settled expectations regarding the ’101 Patent, as it was granted over 12 years ago. *See infra* Section II.E.

Accordingly, the Director should exercise discretion under § 314(a) and deny the Petition because institution of this proceeding would not be consistent with the objective of the AIA to “provide an effective and efficient alternative to district court litigation.” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8, at 20 (P.T.A.B. Sept. 12, 2018) (quoting *Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, at 16–17 (P.T.A.B. Sept. 6, 2017))

(precedential)).

A. The Parallel District Court Litigation and the Petition Involve the Same Parties

As Petitioner notes, there exists a parallel District Court Litigation between the same parties regarding the same subject patent (the '101 Patent). Pet. at 1, 94. Petitioner is a party to the District Court Litigation captioned as *Advanced Coding Techs. LLC v. Apple Inc.*, Case No. 2:24-cv-00572-JRG (E.D. Tex.), The District Court Litigation involves causes of action asserting the '101 Patent against Petitioner's products, which include Apple products that are capable of iCloud content storage, including at least Apple products such as MacBooks, iPhone, iPod, iPod Touch, and Apple TV. Ex. 2003 at 2-3. Petitioner waited nearly nine months after service of Patent Owner's infringement contentions on Petitioner before filing its Petition. Ex. 2003.

Accordingly, this factor weighs strongly in favor of discretionary denial.

B. The District Court Litigation Involves Substantially the Same Claims

There is overlap between the claims and grounds at issue in this Petition and the District Court Litigation because the Petition challenges the claims asserted in the District Court Litigation under the same grounds. *See* Ex. 2002 at 2, 7-8; Pet. at 1. "In at least these ways, the parallel proceedings would duplicate effort. This is an

inefficient use of Board, party, and judicial resources and raises the possibility of conflicting decisions.” *Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 10 (P.T.A.B. May 15, 2020).

Accordingly, this factor weighs strongly in favor of discretionary denial.

C. Proximity of the District Court’s Trial Date

The proximity of the District Court Litigation’s trial date to the Board’s projected statutory deadline for a Final Written Decision weighs strongly in favor of discretionary denial.

The parties’ trial is scheduled for April 20, 2026. Ex. 2001. Pursuant to 35 U.S.C. §§ 314(b)(1) and 316(a)(11), the projected statutory deadline for a Final Written Decision of this Petition is December 28, 2026.¹ As the District Court’s trial will be *nearly eight months before* the projected statutory deadline, this factor

¹ Patent Owner will file a timely preliminary response on September 24, 2025. The statutory deadline for institution is Friday, December 26, 2025, “three months after receiving a preliminary response to the petition under section 313.” *See* 35 U.S.C. § 314(b)(1). If instituted, the statutory deadline for a Final Written Decision is Monday December 28, 2026, “not later than 1 year after the date on which the Director notices the institution of a review.”

weighs strongly in favor of denying institution. *See Supercell Oy v. Gree, Inc.*, IPR2020-00513, Paper 11 at 10-12 (P.T.A.B. June 24, 2020) (denying institution where the jury trial was scheduled to conclude approximately ten months before the statutory deadline); *Edward LifeSciences Corp. v. Evalve, Inc.*, IPR2019-01479, Paper 7, at 6-13 (P.T.A.B. Feb. 26, 2020) (denying institution where jury trial would conclude more than nine months before a final decision would be due); *Samsung Elecs. Am., Inc. v. Uniloc 2017 LLC*, IPR2019-01218, Paper 7, at 7-10 (P.T.A.B. Jan. 7, 2020) (denying institution where jury selection was scheduled for approximately six months before trial in the Board proceeding would conclude); *Next Caller Inc. v. TRUSTID, Inc.*, IPR2019-00961, -00962, Paper 10, at 8-16 (P.T.A.B. Oct. 16, 2019) (denying institution where trial was scheduled to conclude “several months,” before a final decision would be due); *Cisco Sys., Inc.*, IPR2020-00122, Paper 15 at 8 (“Because the trial date is substantially earlier than the projected statutory deadline for the Board’s final decision, this factor weighs in favor of discretionary denial.”); *Cisco Sys., Inc. v. Estech Sys., Inc.*, IPR2021-00329, Paper 13 at 7-15 (P.T.A.B. Jul. 6, 2021) (denied when two related trials predate FWD by eleven months and seven months, respectively); *F5 Networks, Inc. v. WSOU Invs., LLC*, IPR2022-00239, Paper 12 at 7-8 (P.T.A.B. May 18, 2022) (denied when trial predates FWD by six months); *Google LLC v. EcoFactor, Inc.*, IPR2021-00488,

Paper 12 at 11-12 (P.T.A.B. Aug. 11, 2021) (denied when trial predates FWD by six months); *Cisco Sys., Inc. v. Oyster Optics, LLC*, IPR2021-00238, Paper 10 at 11-13 (P.T.A.B. Jun. 1, 2021) (denied when trial predates FWD by seven months); *Samsung Elecs. Co. v. Truesight Commc'ns LLC*, IPR2025-00123, Paper 12 at 6-7 (Apr. 22, 2025) (denied when trial predates FWD by six months). The eight month differential between the April 2026 trial date and the December 2026 FWD justifies discretionary denial.

Accordingly, this factor weighs strongly in favor of discretionary denial.

D. Significant Investment and Petitioner's Delay in Filing the Petition

The parties' investment in the parallel proceeding weighs strongly in favor of discretionary denial. In the District Court Litigation, the parties have already exchanged infringement and invalidity contentions and have exchanged initial claim terms. The deadline for substantial completion of document production will pass on October 2, 2025. Ex. 2001.

By the December 26, 2025 statutory deadline for an institution decision, the parties will have finished claim construction in the District Court Litigation. *See* Ex. 2001. Furthermore, the entirety of fact discovery will have passed, with fact discovery currently set to conclude on November 24, 2025. *Id.* A trial date is set for

April 20, 2026, which is approximately ten months away. *Id.* Accordingly, the parties' and Court's substantial investment in this proceeding weighs strongly in favor of denial of institution.

E. Settled Expectations of the Parties

The '101 Patent was granted July 24, 2012, over 12 years before Petitioner filed its Petition, and claims priority to an application from 2007, which is over 15 years before Petitioner filed its Petition, as such, Patent Owner has settled expectations at this point. *See* '101 Patent. The Board has previously discretionarily denied institution because “the challenged patent has been in force almost eight years, creating settled expectations.” *Dabico Airport Sols. Inc. v. AXA Powers Aps*, IPR2025-00408, Paper 21 at 2 (P.T.A.B. June 18, 2025). The Board also noted that “the longer the patent has been in force, the more settled expectations should be” and equated this approach to the six year damages period related to filing infringement lawsuits. *Id.* at 3. The situation is no different here, as “actual notice of a patent or of possible infringement is not necessary to create settled expectations.” *Id.*

When viewing the factors together, the Petition should be denied in the Director's discretion under 35 U.S.C. § 314(a).

III. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Director exercise discretion to deny institution of the Petition in its entirety.

Respectfully submitted,

Dated: July 11, 2025

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CERTIFICATE OF WORD COUNT

The undersigned hereby certifies that the portions of the above-captioned PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION has 1,666 words in compliance with the 14,000 word limit set forth in 37 C.F.R. § 42.24. This word count was prepared using Microsoft Word for Office 365.

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CERTIFICATE OF SERVICE

A copy of the foregoing PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION and Exhibits 2001 through 2003 have been served on Petitioner's counsel of record as follows:

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