

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

SONOS, INC.,
Patent Owner.

Case No. IPR2025-01213
U.S. Patent No. 10,541,883

**PATENT OWNER SONOS, INC.'S RESPONSE TO PETITIONER'S
REQUEST FOR DIRECTOR REVIEW**

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I. INTRODUCTION

On January 2, 2026, the Board authorized Patent Owner Sonos, Inc. (“Sonos”) to submit a response to Petitioner Google LLC’s (“Google”) Request for Director Review (“Request”). Google’s Request should be denied because (1) 5 U.S.C. § 555(e) does not constrain the Director’s broad unreviewable discretion over institution decisions, (2) the Notice did not violate 37 C.F.R. §42.4(a), and (3) Google failed to establish any violation of AIA fee-setting requirements.

II. ARGUMENT

A. 5 U.S.C. § 555(e) Does Not Constrain the Director’s Broad Unreviewable Discretion

Google argues that “[t]he Notice violates § 555(e) because it denied Petitioner’s IPR petition without providing the required brief statement of the grounds for denial,” and that the Notice “is not self-explanatory, nor does it affirm a prior denial.” Request, 5. That argument fails.

As a threshold matter, the Administrative Procedure Act expressly excludes circumstances where “agency action is committed to agency discretion by law.” 5 U.S.C. § 701(a)(2); *see also Realtek Semiconductor Corp. v. Int’l Trade Comm’n*, 131 F.4th 1309, 1311 (Fed. Cir. 2025). Here, “Congress has committed the decision to institute [IPR] to the Director’s unreviewable discretion.” *United States v. Arthrex, Inc.*, 594 U.S. 1, 8-9 (2021); *see also In re Power Integrations, Inc.*, 899 F.3d 1316, 1319 (Fed. Cir. 2018) (“The purpose of facilitating review does not apply

in this case, however, because this court has no reviewing authority over the agency's non-institution decision.”). Because the Director’s institution decision is unreviewable, any claimed violation of § 555(e) is irrelevant.

In this regard, the Tenth Circuit explained that § 555(e)’s purpose is “to allow a reviewing court to assess the agency’s decision,” and when no right of review exists, any alleged violation under § 555(e) causes no cognizable prejudice. *High Country Citizens All. v. Clarke*, 454 F.3d 1177, 1192 (10th Cir. 2006). In short, § 555(e)’s notice requirement serves to aid judicial review, and where, as here, no review is available, that notice requirement is irrelevant.

Moreover, the America Invents Act imposes no requirement that the Office adopt regulations specifying how the Director should exercise his unreviewable discretion. *See* 35 U.S.C. § 316. At most, 35 U.S.C. § 314(c) requires only that parties receive notice of the Director’s determination—not an explanation. *See id.* Consistent with that mandate, the Notice here properly informed the parties of the discretionary denial. That ends the matter. This IPR terminates with the Notice.

Further, even assuming § 555(e) applied to IPR institution decisions, the Notice satisfies its requirements. The Director’s October 17, 2025 Memorandum explains that “[t]he Office has issued more than 580 decisions under the Interim Processes, providing substantial guidance on how the Director will handle discretionary considerations.” October 17, 2025 Mem., 2. Because this substantial

body of guidance already informed the parties, the Director was under no obligation to provide further explanation. Consistent with that guidance, Sonos’s discretionary denial brief clearly supports the Director’s decision—rendering the Notice “self-explanatory” under § 555(e). *See, e.g., Plumbers Loc. Union No. 519 v. Constr. Indus. Stabilization Comm.*, 479 F.2d 1052, 1056 (Temp. Emer. Ct. App. 1973) (finding evidence clearly supported the agency’s conclusion as to make its “terse disposition” self-explanatory).¹

B. The Notice Does Not Violate 37 C.F.R. § 42.4(a)

Google argues that “[t]he Director’s decision to assume control over all institution determinations is an improper attempt to amend or rescind § 42.2(a) [*sic*] without notice-and-comment rulemaking,” and that, as a result, “§ 42.2(a) [*sic*]” purportedly continues to vest institution authority exclusively in “the Board”—not the Director on his own....” Request, 8. However, that interpretation of § 42.4(a) is legally incorrect.

First, although § 42.4(a) refers to the “Board,” regulations and statute make clear that the Director may exercise the Board’s authority. Specifically, 37 C.F.R. §

¹ The Director’s October 17, 2025 Memorandum explains that he may specifically address “novel or important factual legal issues” that are not self-explanatory. October 17, 2025 Mem., 2. It appears that the Director determined that no such issues were present here.

42.2 provides that references to the “Board” with respect to “petition decisions” means “a Board member or employee acting with the authority of the Board,” and 35 U.S.C. § 6(a) expressly identifies the Director as a member of the Board. 35 U.S.C. § 6(a) (“The **Director**, the Deputy Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges **shall constitute the Patent Trial and Appeal Board.**”).² Moreover, as the Board explained, “where the Board merely exercises the Director’s unilateral, delegated authority over institution decisions, there is no doubt that the Director may exercise the ‘Board’s’ regulatory authority.” *Patent Quality Assurance, LLC v. VLSI Tech. LLC*, IPR2021-01229, 2023 WL 9787413, at n.15 (PTAB Aug. 3, 2023).

Second, even if § 42.4(a) did vest institution authority exclusively in the Board (it does not), the Federal Circuit has confirmed that the Director retains the power “to revoke the delegation or to exercise [his] review authority in individual cases despite the delegation.” *In re Palo Alto Networks, Inc.*, 44 F.4th 1369, 1375 (Fed. Cir. 2022); *see also Apple Inc. v. Vidal*, 63 F.4th 1, 7 (Fed. Cir. 2023). The Director therefore acted fully within his authority in discretionarily denying this IPR.

Third, Congress expressly charged the Director with “providing policy direction and management supervision” for the Office, including the Board. 35 U.S.C. § 3(a)(2)(A). Consistent with that mandate, the Director issues memoranda

² All emphasis added unless stated otherwise.

and guidance governing institution practice. Here, the Director’s October 17, 2025 Memorandum provided controlling policy direction for institution decisions, and the Director denied this IPR in accordance with that guidance.

Thus the Notice does not violate 37 C.F.R. § 42.4(a).

C. Google Failed To Establish Any Violation of AIA Fee-Setting Requirements

Google argues that “[t]he USPTO set the fees for IPR petitions based on an expectation that a panel of three APJs would spend 35 hours of judge time per petition” and “[b]y replacing reasoned, three-judge decisions with summary notices issued personally by the Director, the USPTO now collects institution-phase fees that bear no rational relationship to the service provided or the work performed.” Request, 9-10. According to Google, this purported “misalignment between fees charged and work performed violates 35 U.S.C. § 311(a).” *Id.*, 10. That argument fails.³

First, Google’s premise is incorrect. Google speculates that the Director acted alone in issuing this institution decision without any APJ participation. But there is no indication that the Director made this institution decision on his own without APJ involvement. To the contrary, the Director’s October 17, 2025 Memorandum

³ As an initial matter, 35 U.S.C. § 311 provides no cause of action or basis for reversal of the Director’s institution decision.

expressly provides that “the Director, *in consultation with at least three PTAB judges*, will determine whether to institute trials in all IPR and PGR proceedings.” Oct. 17, 2025 Mem., 1. Moreover, the October 17, 2025 Memorandum further provides that “where the Director determines detailed treatment of issues raised in a petition is appropriate (e.g., complex claim construction issues, priority analysis, or real party in interest determination), the Director may refer the decision on institution to one or more members of the PTAB.” *Id.*, 2. APJ time is therefore incurred at the institution stage, and Google’s claimed “misalignment between fees charged and work performed” is unsupported by the record.

Second, Google asserts that, by paying the requisite IPR request fee, it “expected to receive the services the USPTO had been performing at the time the agency set those fees.” Request at 9. It did. When the USPTO set the November 2024 IPR fees, institution decisions were—and remain—discretionary and issued by the “Board,” which, as discussed above, includes the Director. Google received exactly that: a discretionary institution decision issued by the “Board.” § 311(a) does not confer any right to a particular format, length, or authorship of an institution decision.

Thus, Google failed to establish any violation of § 311(a).

III. GOOGLE’S REQUEST INJECTS MISLEADING “FACTS” IRRELEVANT TO THE ISSUES PRESENTED

Google’s Request includes a “Statement of Facts” section that contains

material misstatements and omissions and, in many instances, has no bearing on the three issues Google actually raises. *See* Request, 1-4. Several of Google’s misleading characterizations are addressed below to clarify the record and provide proper context.

First, Google asserts that “[t]he Examiner allowed the claims because the prior art purportedly did not teach an ‘initial communication path with the computing device [that] does not traverse the access point.’” Request, 1. That assertion is incomplete and misleading. As set forth below, the prosecution history makes clear that the Examiner identified numerous deficiencies in the prior art—not just the single deficiency identified by Google:

In particular, *the Office notes that no reasonable rejection of the claim over prior art or prior art combination discloses the currently recited features/elements of the independent claims as a whole. Additionally*, the Office further notes that Applicant’s latest filed claim amendments further defining the independent claims, and specifying in part a playback device further performing the function of “while in the setup mode, receiving a response to the first message that facilitates establishing an initial communication path with a computing device that is installed with an application for controlling the playback device, wherein the computing device is operating on a secure wireless local area network (WLAN) that is defined by an access point wherein the initial communication path with the computing device does not traverse the access point”, as well as the accompanying arguments/remarks

[Remarks: par 3, pg. 11 – par 3, pg. 12] – is ***also*** considered to be persuasive, as none of the currently applied prior art reference(s).

Ex1002, 343; *see also id.*, 312–13 (corresponding to Examiner’s citation to “Remarks: par 3, pg. 11 - par 3, pg. 12”). Google’s selective quotation of only a portion of the Examiner’s reasons for allowance obscures the Examiner’s actual reasoning and the full basis for allowance.

Second, Google argues that Sonos “wrongly characterized the ’883 patent as being previously litigated because *a related patent* (the ’896 patent), not the ’883 patent, was involved in an ITC Investigation.” Request at 2-3 (emphasis in original). That misstates Sonos’s position. Sonos expressly (and repeatedly) explained that the ITC litigation involved the related ’896 Patent—***not*** the ’883 Patent. Paper 8, 1-2, 11-12. Sonos’s point was that Google sought to resurrect the same primary reference (Cheshire) by repackaging the same Cheshire-based theories its expert advanced in the ITC Investigation and applying them in this IPR—despite Google’s own admission that the ’883 and ’896 Patents are “two sides of the same coin.” Paper 8, 11-12.

Third, Google asserts that Sonos engaged in “gamesmanship” by allegedly “burying relevant prior art in voluminous IDSs and holding back the most relevant art until after a Notice of Allowance, while delaying litigation until the eve of expiration to manufacture a ‘settled expectation’....” Request at 2. That false narrative collapses under even minimal scrutiny. Sonos added the ’883 Patent to the

California Litigation in its Second Amended Complaint filed on November 26, 2024—months *before* “settled expectations” even became a recognized discretionary denial consideration. *See* March 26, 2025 Memorandum.

Moreover, the ’883 Patent issued nearly six years ago, Google had actual notice of it since at least August 2021, and Google has known for nearly a decade that Sonos was heavily investing in setup technology. Paper 8, 16–17. Thus, there is no manufactured “settled expectation” by Sonos, and the Board should reject Google’s attempt to evade the consequences of its own delay.

Further, Google’s IDS accusations are equally unfounded. As an initial matter, Sonos complied with its duty under 37 C.F.R. § 1.56 by disclosing references that litigants—including Google—contended invalidated Sonos’s patents. Additionally, one IDS that Google appears to label as a “post-allowance” IDS was filed on the same day the Notice of Allowance issued and only cited an Office Action and a Notice of Allowance from two separate applications—Application Nos. 15/091,113 and 16/298,542—that were examined by the *same* Examiner who examined the ’883 Patent. Ex.1024 at 662, 705-707. That Examiner was therefore already well aware of those two documents before issuing the Notice of Allowance in the ’883 Patent application. The remaining two “post-allowance” IDSs cited district court filings dated October 14, 2019 and November 14, 2019, which did not exist when the Notice of Allowance issued on September 24, 2019. *Id.*, 662, 711–

12, 769-73. Thus, Google’s assertion that Sonos was “holding back the most relevant art until after a Notice of Allowance” is demonstrably false.⁴

Fourth, Google relies on its *ex parte* reexamination request for the related ’896 Patent to contend that “the relationship between the ’883 and ’896 patents favored institution because the Office determined that the same art relied on in the Petition presented a substantial new question of patentability for the ’896 patent.” Request, 3. But Google omits that Sonos petitioned the Office under 37 C.F.R. §§ 1.182-1.183 to deny Google’s *ex parte* reexamination request for the ’896 Patent based on similar § 325(d) concerns raised in this IPR involving the ’883 Patent. *See* App. No. 90/015,536, “*Receipt of Petition in a Reexam*” (Oct. 10, 2025). As explained in Sonos’s petition, Google falsely asserted in its ’896 Patent reexamination request that “denial of [its reexamination request] under § 325(d) is inappropriate because the same or substantially the same prior art or arguments were not previously presented to the Office,” even though the record shows that all four references asserted by Google in its ’896 Patent reexamination request were considered during prosecution of the ’896 Patent family. *Id.*, 7. Relying on that mischaracterization, the Examiner granted Google’s ’896 Patent reexamination request and erroneously determined that “35 U.S.C. § 325(d) is not applicable.” *Id.*, “*Determination – Reexam Ordered*,” at *20 (Oct. 16, 2025). Sonos’s petition

⁴ Google also failed to identify what “most relevant art” Sonos allegedly withheld.

remains pending, however, and the Office has a clear opportunity to deny Google's '896 Patent reexamination request to prevent duplicative proceedings and inconsistent outcomes.

Finally, Google's "statement of facts" ignores numerous considerations supporting discretionary denial that Sonos raised in its discretionary denial request, including the *Fintiv* factors, Google's inconsistent claim constructions across forums, Google's prior abandonment of the primary reference (and one secondary reference), and overlapping expert disputes. Taken together, these considerations compel denial of Google's IPR.

IV. CONCLUSION

For the foregoing reasons, the Notice should remain in effect, and Google has no entitlement to a refund of its IPR filing fee.

Respectfully submitted,

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Dated: January 9, 2026

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CERTIFICATE OF SERVICE

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