

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

TELCOM VENTURES LLC,
Patent Owner

Inter Partes Review Case No. IPR2025-01235
U.S. Patent No. 10,674,432

**PETITIONER'S OPPOSITION TO PATENT OWNER'S
REQUEST FOR DISCRETIONARY DENIAL**

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I. DISCRETIONARY DENIAL IS INAPPROPRIATE

Patent Owner (“PO”) describes its patent family as generally directed to “sensing physiological data...and using proximity criteria in connection with executing [financial] transactions” using a smartphone (EX1043, 1), and it has asserted all eight patents against Petitioner’s Apple Pay with biometric authentication. But proximity-based transactions were standardized before the 2008 priority date (*See* Paper 1, 13–14), and the Office correctly rejected the Applicant’s repeated efforts to obtain proximity-focused claims during the earliest patent’s examination. Shortly *after* Apple Pay was released to market in 2014, the Applicant amended its pending claims to require physiological sensing. While this amendment eventually led to allowance, the claims were allowed only after the Applicant misled the Office to ignore unambiguous physiological sensing teachings in the prior art. That material error propagated through the entire family, including the ’432 Patent, and strongly favors instituting review.

A. The Patent Office Erred in a Manner Material to Patentability During the Examination of the ’432 Patent

Instituting Apple’s IPR is “an appropriate use of Office resources to review” material errors to the patentability of the Challenged Claims that the Patent Office made during examination. *TSMC Ltd. v. Marlin Semiconductor Ltd.*, IPR2025-

00847, Paper 11 at 4 (Director Sept. 3, 2025); *Skullcandy Inc. v. Earin AB*, IPR2025-00690, Paper 9 at 2 (Director July 31, 2025). Here, the Office made material errors during the examination of the '432 Patent's grandparent, U.S. Patent No. 9,462,411 ("the '411 Patent"), which propagated through examination of the '432 Patent.

The '411 Patent was filed on November 4, 2008, and issued on October 4, 2016, after many claim amendments proposed over the course of nearly five years of substantive examination. None of the original claims, for example, were directed to sensing physiological data. EX1044 ('411 File History), 24–32. Instead, the early claims focused on enabling a mode of communication in response to a proximity condition. *Id.*, 24–32, 115–23, 157–65, 220–24, 266–69, 316–20, 346–50. Those claims were repeatedly and correctly rejected.

Applicant's *eighth* proposed Amendment added "sensing the value of the physiological data" "using a smartphone-based sensor" on November 24, 2015—seven years after filing. *Id.*, 431–32. While Applicant's amendment finally gained traction, the claims were allowed only after the Applicant convinced the Office to ignore the prior art's clear teachings. In response to the Applicant's eighth amendment, the Examiner asserted that U.S. Pat. Pub. 2007/0197261 to Humbel ("Humbel") taught using a smartphone-based sensor to detect physiological data. *Id.*, 453–54. The Examiner cited Humbel's Summary and Novelty sections, which

unambiguously described the inventive concept as “a mobile handset device . . . with a fingerprint-sensor.” *Id.* (citing Humbel, [0001–0002]). In response, the Applicant pointed to two paragraphs from Humbel’s State of the Art section, noting that “mobile phones with . . . biometric authentication with a fingerprint sensor did not exist yet.” *Id.*, 483. (emphasis in original). Based on Humbel’s acknowledgement that its invention had a feature that did not yet exist, the Applicant argued that Humbel cannot be relied upon for its biometric sensor teachings. *Id.* That is, the Applicant asked the Examiner to disregard Humbel’s express teachings because those concepts did not pre-exist Humbel. The Examiner accepted this logically and legally flawed argument and allowed the claims, expressly citing Applicant’s mischaracterizations of Humbel as “reasons for allowance.” *Id.*, 500.

Separate from Humbel, the Applicant’s claim that the prior art lacked a biometric sensor embedded in a mobile phone was also wrong. As supported by Apple’s expert, biometric sensors embedded in mobile phones were prolific by the ’411 Patent’s priority date. *See, e.g.*, EX1003, ¶ 62. For example, Holloway (EX1032) was prior art and disclosed a mobile phone with a fingerprint scanner. EX1032, 3:28–29. Further, prominent companies like Microsoft and Toshiba had mobile phones with integrated fingerprint scanners commercially available before the ’411 Patent’s priority date. EX1003, ¶ 62. Accordingly, the Examiner accepting

Applicant's arguments regarding Humbel, subsequent reversal of course, and his failure to locate the other prior art teaching the alleged novel limitation added to the claims, constituted material error. *See, e.g., Samsung Elecs. Co., Ltd. v. Wilus Inst. of Standards & Tech. Inc.*, IPR2025-00933, Paper 11 at 4 (Oct. 10, 2025) (Office materially erred by overlooking prior art teachings applied during examination).

Like the '411 Patent, the '432 Patent's claims were rejected until the Applicant added amendments incorporating similar physiological parameter limitations to those deemed allowable in the '411 Patent. EX1002, 273–77 (indicating the “reasons for allowance” include the prior art failing to teach or suggest smartphone-based physiological sensing). And, like the '411 Patent, the original and first amended claims of the '432 Patent related only to proximity-based limitations independent from any physiological parameter sensing, which were once again rejected over prior art. EX1002, 106–07. It was not until the Applicant added a limitation requiring sensing a physiological parameter using a smartphone-based sensor that the claims were finally allowed. Although these limitations were clearly taught by Humbel, the Examiner never applied any prior art to the physiological parameter limitations. Instead, the Examiner identified U.S. Pat. Pub. 2006/0165060 to Dua (“Dua”) as the closest prior art and expressly identified the sensing a physiological parameter as missing from Dua. Having accepted Applicant's

misrepresentations of Humbel, the Examiner again materially erred by failing to reject the claims of the '432 Patent and allowing the '432 Patent. *See, e.g., FreightCar Am., Inc. v. Nat'l Steel Car Ltd.*, IPR2025-01046, Paper 20 at 3 (Director Oct. 10, 2025) (appropriate to review divisional patent IPR where material error was shown in the divisional's parent patent); *Ascentcare Dental Prods., Inc. v. Solmetex, LLC*, IPR2025-01104, Paper 11 at 2–3 (Director Oct. 17, 2025).

B. Petitioner Has Developed Settled Expectations of Non-Enforcement

PO advances three arguments in support of its alleged settled expectations that the '432 Patent and its family of patents are valid—none support a finding of settled expectations. First, it highlights the age of the portfolio, noting that the oldest related patent was filed in 2008 and issued in 2016. Second, PO argues that the existence of many family members issued over a nine-year period supports settled expectations. Paper 7, 9–10. Third, PO argues that, since 2008, “each of the applications has been directed to the same technology area as the products accused of infringement in the Apple Litigation.” *Id.*, 11.

First, PO's reliance on the first-issued '411 Patent does not support a finding that PO has developed settled expectations in the '432 Patent. Paper 7, 9. As a threshold matter, PO has dismissed with prejudice the '411 Patent and its child patent, the '708 Patent—the two oldest patents in the family—from the Parallel

Litigation. EX1047. Apple sought to discuss dismissing all IPRs challenging dismissed patents in exchange for a covenant not to sue on those patents, but PO ignored that outreach and never responded. Consequently, the '199 Patent is the oldest of this patent family subject to IPR, and it has been in force for less than six years, since 2019, while the '432 Patent has been in force for less than six years, since 2020. Thus, PO has not developed strong settled expectations in the '432 Patent. *See Berkshire Hathaway Energy Co. v. MES, Inc.*, IPR2025-00274, Paper 23 (Director July 2, 2025) (“The challenged patents issued in 2019 and 2020, such that Patent Owner has not developed strong settled expectations that favor discretionary denial.”); *PacifiCorp v. MES, Inc.*, IPR2025-00717, Paper 24 at 2 (Director Aug. 22, 2025) (same). Moreover, the remaining two patents in the '432 Patent’s family that are subject to Apple’s IPRs were both issued in 2024. Taken together, PO has not developed settled expectations in the '432 Patent or its family. *See TankLogix, LLC v. SitePro, Inc.*, IPR2025-00647, Paper 10 at 2–3 (Director July 31, 2025) (Patent Owner had not developed strong settled expectations in that favor discretionary denial for challenged patents issued in 2019, 2021, 2022, and 2023).

PO’s remaining arguments ignore that the patents resulted from material error caused by its own misleading characterizations of the prior art. *See supra* Section II.A. PO also mischaracterizes the patents. It erroneously contends that, “starting

with the first application filed in November 2008, each of the [patents] . . . relates to the use of a proximity criterion for completing financial transactions[.]” But neither the initial claims in 2008 nor the first-to-issue claims in 2016 include any language directed to financial transactions. *See* EX1044 (‘411 FH). Further, PO conveniently ignores the central nature of the physiological sensing to its patent family—a feature it touted in the litigation as core to its patents. *See* EX1043, 1 (“In general terms, the claims of the Asserted Patents . . . require sensing physiological data . . . and using proximity criteria in connection with executing the transactions, such as transactions performed using Apple Pay on iPhone smartphones.”).

Whether the patents’ focus is characterized as proximity-based financial transactions or sensing physiological data as a precursor to executing financial transactions, both features were known. In June 2007, Kyocera announced a service allowing a user to open mobile wallets using their fingerprint on a biometric NFC phone. EX1023, 9. Indeed, there was significant development related to standardizing NFC mobile payment technology. The ISO standard for NFC in conjunction with the ISO standard for contactless cards was already recognized as applicable to enacting “a standards-based path for implementing payment and other contactless applications on mobile phones.” *Id.*, 13. Thus, the focus on basic, well-known mobile payment features cannot support a settled expectation of validity.

In contrast, Petitioner developed a settled expectation of non-enforcement and thus had no reason to challenge the '432 Patent earlier than it did. None of the patents were asserted against anyone prior to the present suits, it was never commercialized, practiced, or marked. The inventors are not significant players in the NFC, biometric, or mobile payment spaces. Most importantly, Petitioner could not have challenged the '432 patent earlier because it had no knowledge of the patent until PO asserted it against Apple (and Samsung) in 2024. PO has presented no evidence of any demand letter sent to Apple—or to any other party—before 2024.

II. THE REMAINING INTERIM PROCESS MEMO CONSIDERATIONS WARRANT REFERRAL TO THE BOARD

A. Lacking Sufficient Support for Discretionary Denial of Apple's IPR, Patent Owner Improperly Relies on the Samsung Matters

While trial in the Samsung litigation is scheduled to occur before the deadline for a final decision in this IPR, PO's reliance on the trial date in the Samsung Litigation being scheduled to occur before the deadline for a final decision in this IPR, without more, does not justify discretionary denial. Paper 7, 5–7. The Director has found that a challenged patent's involvement in another district court proceeding “with a scheduled trial date earlier than the projected final written decision due date” did not weigh in favor of discretionary denial where the IPR petitioner “[is] not [a party] in that litigation, and it is unclear if the arguments presented in the Petition

are the same or substantially the same arguments as those that will be adjudicated in a district court.” *Intel Corp. v. Gen. Video, LLC*, IPR2025-01036, Paper 13 at 2–3 (Director Oct. 17, 2025). Here, PO has not shown that the arguments in Apple’s Petition are the same or substantially the same as those that will be adjudicated in the Samsung Litigation. Paper 7, 5–7. Nor could it. Samsung’s invalidity contentions do not advance Apple’s primary reference, *Carlson*, nor Apple’s secondary references, *Jazayeri*, *Sherman*, or *Murakami*.¹ EX1048 (Samsung’s Invalidity

¹ While Samsung identifies *ISO-14443*, *Holloway*, and *Lin* (EX1048, 15, 19), it is not using them as Apple is. The Petition uses *ISO-14443* for certain low-level details pursuant to *Carlson* expressly recommending this standard. Paper 1, 24–25. Samsung does not rely on *Carlson*, so Apple’s arguments regarding *ISO-14443* will not be reached. Similarly, the Petition relies on *Holloway* only for *at least one sensor of a smartphone*. *Id.*, 26–29. But Samsung did not identify *Holloway* in its discussion of biometric scanners (EX1048, 60–65), and it relied on *Jain* for the *sensor limitation* in its IPR Petition. *Samsung*, IPR2025-00974, Paper 1 at 13–14. Likewise, the Petition relies on *Lin* for adding a credit card to a device’s transaction application. Paper 1, 58. Samsung does not identify *Lin* in the discussion of storing credit card

Contentions), 9–16. This “counsel[s] against discretionary denial.” *Intel*, IPR2025-01036, Paper 13 at 2–3.

Similarly, PO’s reliance on the Samsung IPR does not justify discretionary denial. Paper 7, 5–7. Samsung’s IPRs have been discretionarily denied on other grounds. *See Samsung Elecs. Co., Ltd. v. Telcom Ventures LLC*, IPR2025-00957, Paper 11 (Director Oct. 10, 2025). The PTAB has not considered the patentability merits of the ’432 Patent. Thus, Apple’s IPR presents the first opportunity to do so and does not represent a follow-on challenge. Paper 7, 5–7.

B. The Petition’s Reliance on Expert Testimony is Exemplary, Favoring Institution

PO contends that Apple’s reliance on its expert declaration favors discretionary denial because Apple “relies heavily on expert testimony, assumptions, and inferences to fill in the gaps of the prior art in order to arrive at the claimed invention.” Paper 7, 12. PO’s argument can be summarily rejected because PO “does not identify any portions of the expert testimony that suggest [Apple] is using its

details in its Invalidity Contentions (EX1048, 47–60, 73–88), and it again relied on *Jain* for the relevant *transmitting...data* limitations in its IPR Petition. IPR2025-00974, Paper 1 at 40–43 (PTAB May 23, 2025).

expert to fill gaps in the prior art.” *Cambridge Indus. USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00433, Paper 12 at 2 (PTAB June 27, 2025); *iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 2 (PTAB June 6, 2025) (same).

Instead, PO alleges only that Apple’s reliance on its expert declaration is flawed because Apple “rel[ies] on [it] to establish what Petitioner contends would have been the relevant knowledge of [POSITAs], including how a POSITA allegedly would have understood or combined [the prior art] references to fit the language of the Challenged Claims.” Paper 7, 12. None of that amounts to gap-filling. Rather, this subject matter is precisely that which parties are expected to rely on supporting expert opinion for in IPRs. *See, e.g., Qualcomm Inc. v. Apple Inc.*, 24 F.4th 1367, 1376 (Fed. Cir. 2022) (expert testimony is “permissible evidence in an [IPR] for establishing the background knowledge possessed by a [POSITA]”); *Acoustic Tech., Inc. v. Itron Networked Sols., Inc.*, 949 F.3d 1366, 1376 (Fed. Cir. 2020) (“We have previously determined that expert testimony constituted substantial evidence of a motivation to combine to combine prior art references[.]”). Apple’s reliance on its expert declaration, therefore, is proper and provides no basis for the Director to discretionarily deny Apple’s IPR.

More importantly, detailed and evidence-supported expert declarations are

encouraged, not discouraged, by the Board. *See Tesla, Inc. v. Charge Fusion Techs., LLC*, IPR2025-00032, Paper 11 at 39 (PTAB May 19, 2025) (characterizing the 278 page expert declaration’s support of “his extensive explanations...with citations to dozens of pieces of objective evidence” as “a feature, not a bug of his testimony[]” and “applaud[ing]” the expert and Petitioner for “leav[ing] virtually none of the substance of his testimony unsupported by objective evidence.”). Thus, detailed, well-supported expert declarations, like Mr. Lipoff’s, weigh *against* discretionary denial, not for it. *See iRhythm*, Paper 10 at 2 (Petitioner’s “rel[iance] on its expert to explain the background knowledge of a [POSITA]” and the expert’s “citations to evidence in support of his statements in the required manner” “weigh[] against discretionary denial”); *see also GD Energy Prods., LLC v. Kerr Machine Co.*, PGR2025-00031, Paper 11 at 2 (PTAB June 25, 2025) (same).

C. PO’s “Other Circumstances” Are Contradicted by The Record and Do Not Support Discretionary Denial

PO also cites “other circumstances” that it claims weigh against institution. Paper 7, 14–16. None has merit. PO first repeats its argument that the earlier scheduled jury trial in the Samsung Litigation weighs against institution. *Id.*, 14–15. For the reasons already explained, the Samsung Litigation does not justify discretionary denial. *See supra* Section III.A.

Next, PO points to Apple's reliance on *Carlson* in all seven grounds of its Petition. Paper 7, 15. PO claims it "reserves the right to challenge *Carlson's* status as prior art[]" because "[l]itigation-related discovery related to conception and actual reduction to practice of the Challenged Patent and the other Telcom Ventures Patents *may* result in removing *Carlson* as prior art." *Id.* (emphasis added). For at least two reasons, PO's reservation of rights is entitled no weight. First, PO represented in the Samsung IPRs that the entire family of Challenged Patents' "priority date is in 2008." *Samsung Elecs. Co., Ltd. v. Telcom Ventures LLC*, IPR2025-00957, Paper 8 at 34 (Aug. 11, 2025). Not surprisingly, given this representation, PO does not actually commit to challenging *Carlson's* prior art status, only that it reserves the right to do so. *Id.* Second, PO provides no evidence or argument suggesting that such a challenge is even viable, let alone likely. Paper 7, 15. PO's alleged reason for not yet presenting its prior art challenge further undermines its intent to pursue its challenge. PO claims that it needs "litigation-related discovery" to determine the viability of its challenge to *Carlson*. *Id.* PO's claim is nonsensical. As PO admits, the discovery it allegedly needs to support its challenge relates to the conception and reduction of the Challenged Patents. Paper 7, 15. But PO is, of course, the alleged *owner* of the *patents*. Thus, PO already has, or at least should have, all the information related to the conception and reduction of practice. Simply put, PO's

supposed challenge to *Carlson's* prior art status is both suspect and speculative and has no bearing on the Director's decision of whether to discretionarily deny Apple's IPR.

III. THE FINTIV FACTORS WEIGH STRONGLY AGAINST DISCRETIONARY DENIAL

A. Judge Lin's Prior Stay Decisions Confirm a Stay is Likely in the Parallel Litigation, Weighing Against Discretionary Denial

PO's contention that *Fintiv* Factor 1 is neutral because Apple had not filed, or indicated that it would file, a motion to stay, is misleading and moot. Paper 7, 16. While Apple did not indicate in its Petition that it would request a stay, Apple conferred with PO on Apple's motion for stay on October 2—*before* PO filed its discretionary denial brief. EX1049 (Motion for Stay), 1. Thus, PO was well aware of Apple's intent to seek a stay of the Parallel Litigation. Regardless, Apple moved for a stay of the Parallel Litigation on October 10. *Id.* Thus, PO's only argument supporting its claim that *Fintiv* Factor 1 is neutral is now moot.

More importantly, the Court will likely grant Apple's motion, so *Fintiv* Factor 1 weighs against discretionary denial. As Apple's stay motion demonstrated, each of the three factors the Court considers in determining whether to stay favors the grant of a stay. *See generally id.* Indeed, the first of those factors "strongly favor[s] granting a stay[.]" *Id.*, 4. Moreover, "courts in [the Northern

District of California] routinely stay patent cases pending IPR institution decisions and final resolution when cases are in an even more advanced stage than” the Parallel Litigation. *Id.*, 5 (collecting cases), 10 (same).

Judge Lin’s sole prior stay decision also demonstrates that she is likely to grant Apple’s stay motion. Judge Lin previously granted a motion for stay pending resolution of IPR proceedings in *Yangtze Memory Techs. Co., Ltd. v. Micron Tech., Inc.*, No. 23-CV-04913-AMO, 2025 WL 2080802 (N.D. Cal. Mar. 14, 2025). In *Yangtze*, the case was even further along than here—the defendant’s motion was filed 11 months after the Case Management Conference, discovery had already opened, and a trial date had been set. *Id.*, *1. By contrast, Apple filed its stay motion before the Case Management Conference had even occurred, trial has not yet been set, and fact discovery has not opened. EX1050 (Docket Sheet), Dkt. 107. Moreover, while the PTAB had already instituted some of the IPRs at issue in *Yangtze*, the Court also made clear that “the fact that the PTAB’s decision regarding the remaining 36 Asserted Claims is currently pending [does not] mean that a stay is not appropriate.” *Yangtze*, 2025 WL 2080802 at *1. For the same reasons, that the PTAB has not yet instituted Apple’s IPR does not “mean that a stay is not appropriate.” *Id.* Indeed, as Apple explained in its motion for stay, courts in the Northern District regularly stay patent cases pending IPR institution decisions. EX1049, 10. Indeed,

just five days after Apple filed its Motion to Stay, Judge Lin vacated the Case Management Conference and did not enter a schedule. EX1050, Dkt. 107. Under these circumstances, it is highly likely that Judge Lin will grant a stay. *Fintiv* Factor 1, therefore, weighs against discretionary denial.

B. Even Without a Stay, Trial Likely Would Not Occur Until Four Months After a Final Written Decision

As set forth in the preceding section, there is no trial date, and a stay is highly likely. Even without a stay, however, any scheduled trial will occur long after the final written decision. The USPTO’s March 24, 2025 Memorandum states that “in applying *Fintiv*, the Board may consider any evidence that the parties make of record that bears on the proximity of the district court’s trial date[.]” The median time to trial in this District strongly suggests the actual trial date will occur around early December 2027—after Apple’s proposed trial date of September 13, 2027, and well after the February 2027 deadline for the final written decision in this proceeding.

The Court in the Parallel Litigation is likely to adopt Apple’s proposed trial date of September 13, 2027, as it aligns both with the regular practice and the median time-to-trial statistics in the Northern District of California. First, as Apple explained in support of its proposed trial date, Apple’s schedule “is consistent with the Local Patent Rules...and [the] Court’s past practice for complex patent litigation” and

“closely follows the schedules entered by [the] Court in [three] representative matters[.]” EX1051 (Joint Case Management Statement), 12–13. PO’s proposed trial date, by contrast is keyed off “the filing date of the Complaint[.]” which is not “[t]he relevant benchmark for setting a realistic case schedule[.]” especially since the Parallel Litigation “has not progressed at all[.]” *Id.*, 13.

Apple’s proposed trial date is also more closely aligned with, but would still occur before, the likely trial date based on the median time-to-trial statistics in the Northern District of California. The current median time-to-trial in the Northern District is ~38 months from the filing of the Complaint. EX1052 (National Judicial Caseload Profile), 66. Applying that time period to the Parallel Litigation, the trial is likely to begin in early December 2027, approximately *seven months after* a final written decision is expected in this proceeding. *Fintiv* Factor 2 and, consequently, *Fintiv* Factor 5, weigh against discretionary denial. *See, e.g., BOE Tech. Grp. Co., Ltd. v. Optronix Scis. LLC*, IPR2024-01130, Paper 16 at 13 (PTAB Jan. 27, 2025) (Factor 5 follows Factor 2).

C. Minimal Litigation Investment Weighs Against Discretionary Denial

A key consideration in determining how to weigh *Fintiv* Factor 3 is whether, at the time of institution, “the district court has issued substantive orders related to the patent at issue in the petition,” including the issuance of a claim construction

order. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 9–10 (PTAB Mar. 20, 2020). At the time of institution for this IPR, neither a claim construction order nor any other substantive order relating to patent validity under 35 U.S.C. §§ 102 and 103 will have issued. Moreover, although PO references the parties’ proposed schedules, the Court vacated the Case Management Conference. Therefore, those proposals are moot, and there are no deadlines in the District Court. The parties have not opened discovery, nor have they exchanged infringement contentions, invalidity contentions, or claim construction briefing.

Therefore, contrary to PO’s assertion, the work that the parties will have completed by the time of institution will be minimal. To date, activity has been limited to non-substantive motion practice (Apple’s successful transfer motion) and Apple’s § 101 motion to dismiss (and related motion for reconsideration). No discovery has occurred, and no schedule has been entered. As noted, the Court vacated the Case Management Conference—where the schedule would have been set—pending resolution of Apple’s Motion to Stay, meaning the parties may not have a schedule by institution. PO’s assertion regarding the resources that will be expended by the time of institution rests solely on its own proposed schedule (Paper 7, 18–19), which, as noted, the Court never adopted and is now moot. *Fintiv* Factor 3, therefore, weighs against discretionary denial.

D. Apple’s *Sotera+* Stipulation Mitigates Any Remaining Overlap Concerns Between this IPR and the Litigation

To mitigate overlap between the issues in this proceeding and the Parallel Litigation, Apple filed a *Sotera+* stipulation on September 4.² EX1042. If the PTAB institutes this IPR, Apple’s stipulation precludes it from pursuing in the Parallel Litigation against the claims challenged in this IPR: the specific grounds in this IPR and any other grounds that reasonably could have been raised, any grounds based on Apple’s IPR art in combination with system art, and any ground based on a system corresponding to Apple’s IPR art. *Id.*, 6–7. Thus, Apple’s stipulation negates concerns of inefficient overlap, weighing strongly against discretionary denial. *See, e.g., Tesla, Inc. v. Intell. Ventures II LLC*, IPR2025-00217 Paper 9 at 2 (PTAB June 13, 2025) (finding that Tesla’s broad *Sotera+* stipulation “counsel[s] against discretionary denial”).

PO nonetheless claims that because “Apple has yet to serve its invalidity contentions...[PO] cannot analyze the full extent of the overlap” between Apple’s

² PO misleadingly notes that “Apple just filed a *Sotera* stipulation on October 3, 2025.” Paper 7, 19–20. In fact, Apple filed it in the Parallel Litigation nearly a month prior, on September 4. The stipulation was entered as an exhibit in this proceeding on October 3.

IPR and litigation theories. Paper 7, 20. PO is mistaken. The mitigative effect of Apple's *Sotera*+ stipulation does not hinge on the specific invalidity theories Apple serves with its invalidity contentions. Apple's invalidity contentions must include references or theories presented in the Petition to preserve its right to pursue those theories if this IPR is *not* instituted. If this IPR *is* instituted, Apple's stipulation will prevent overlap. *Fintiv* Factor 4, therefore, weighs against discretionary denial.

E. The Merits of Apple's Petition are Strong

PO alleges, without explanation, that "the weakness of the Petition on the merits...weighs against institution." Paper 7, 20. While PO cites to the forthcoming arguments it will present in its POPR against the merits of Apple's Petition, PO fails to explain "why the merits are relevant" to discretionary denial, as required. *See* <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>, II.C.i. For that reason alone, PO's argument can be rejected.

IV. CONCLUSION

For at least these reasons, Petitioner respectfully requests that the Board deny Patent Owner's request for discretionary denial.

Respectfully submitted,

BY: /s/ Paul R. Hart
Paul R. Hart, Reg. No. 59,646

COUNSEL FOR PETITIONER

APPENDIX OF EXHIBITS

Exhibit	Description
1001	U.S. Patent No. 10,674,432 (“ <i>the ’432 Patent</i> ”)
1002	File History of the ’432 Patent (“ <i>File History</i> ”)
1003	Declaration of Stuart Lipoff
1004	Intentionally Left Blank
1005	U.S. Patent No. 8,229,852 to Carlson (“ <i>Carlson</i> ”)
1006	U.S. Patent No. 9,558,485 to Griffin and Stone (“ <i>Griffin</i> ”)
1007	U.S. Patent Publication No. 2008/0155268 to Jazayeri et al. (“ <i>Jazayeri</i> ”)
1008	Intentionally Left Blank
1009	WIPO International Publication No. WO 01/95246 to Murakami et al. (“ <i>Murakami</i> ”)
1010	Complaint, Exhibit L, Claim Chart, 1:24-cv-23837-JEM, Doc 1-12
1011	Intentionally Left Blank
1012	Intentionally Left Blank
1013	Intentionally Left Blank
1014	U.S. Patent Publication No. 2007/0232358 to Sherman (“ <i>Sherman</i> ”)
1015	Samsung Electronics Co. Ltd. et al. Preliminary Infringement Contentions, 2:24-cv-00691
1016	Int’l Org. for Standardization & Int’l Electrotechnical Comm’n, <i>ISO/IEC 14443-1: Identification Cards—Contactless Integrated Circuit(s) Cards—Proximity Cards—Part 1: Physical Characteristics</i> (1st ed. Apr. 15, 2000) Int’l Org. for Standardization & Int’l Electrotechnical Comm’n, <i>ISO/IEC 14443-2: Identification Cards—Contactless Integrated Circuit(s) Cards—Proximity Cards—Part 2: Radio Frequency Power and Signal Interface</i> (1st ed. July 1, 2001) Int’l Org. for Standardization & Int’l Electrotechnical Comm’n, <i>ISO/IEC 14443-3: Identification Cards—Contactless Integrated Circuit(s) Cards—Proximity Cards—Part 3: Initialization and Anticollision</i> (1st ed. Feb. 1, 2001) Int’l Org. for Standardization & Int’l Electrotechnical Comm’n, <i>ISO/IEC 14443-4: Identification Cards—Contactless Integrated Circuit(s) Cards—Proximity Cards—Part 4: Transmission</i>

	<i>Protocol</i> (1st ed. Feb. 1, 2001) (collectively, " <i>ISO-14443</i> ")
1017	Intentionally Left Blank
1018	Intentionally Left Blank
1019	Intentionally Left Blank
1020	Merriam-Webster's Collegiate Dictionary (10th ed. 1998) (" <i>Merriam-Webster</i> ")
1021	Smart Card Alliance, <i>Contactless Payment and the Retail Point of Sale: Applications, Technologies and Transaction Models</i> (Mar. 2003) (" <i>Smartcard Alliance 2003</i> ")
1022	Sony Corp., Philips and Sony Announce Strategic Cooperation to Define Next-Generation Near Field Radio-Frequency Communications (Sept. 5, 2002), https://www.sony.com/en/SonyInfo/News/Press/200209/02-0905E/ (" <i>Sony</i> ")
1023	Smart Card Alliance, <i>Proximity Mobile Payments: Leveraging NFC and the Contactless Financial Payments Infrastructure</i> (Sept. 2007) (" <i>SC Alliance 2007</i> ")
1024	Agnieszka Zmijewska, <i>Evaluating Wireless Technologies in Mobile Payments—A Customer Centric Approach</i> , in Proc. Int'l Conf. on Mobile Bus. (ICMB '05) (2005) (" <i>Zmijewska</i> ")
1025	Kaveh Pahlavan & Prashant Krishnamurthy, <i>Principles of Wireless Networks</i> (Prentice Hall 2002) (" <i>Wireless Networks</i> ")
1026	Vedat Coskun, Kerem Ok & Busra Ozdenizci, <i>Near Field Communication: From Theory to Practice</i> (John Wiley & Sons Ltd. 2012) (" <i>NFC Textbook</i> ")
1027	Klaus Finkenzeller, <i>RFID Handbook: Fundamentals and Applications in Contactless Smart Cards, Radio Frequency Identification, and Near-Field Communication</i> (2d ed. John Wiley & Sons Ltd 2003) (" <i>RFID Handbook</i> ")
1028	Rudolf Graf, <i>Modern Dictionary of Electronics</i> (7th ed. Newnes 1999) (" <i>Graf</i> ")
1029	Harry Newton, <i>Newton's Telecom Dictionary</i> (23d ed. Flatiron Publishing 2007) (" <i>Newton's Telecom Dictionary</i> ")
1030	U.S. Patent No 10,380,573 to Lin et al. (" <i>Lin</i> ")
1031	Intentionally Left Blank

1032	WIPO International Publication No. WO 02/49322 to Holloway and Falck (" <i>Holloway</i> ")
1033	Declaration of June Munford
1034	Brent A. Miller & Chatschik Bisdikian, <i>Bluetooth Revealed: The Insider's Guide to an Open Specification for Global Wireless Communications</i> (Prentice Hall 2001) (" <i>Bluetooth Revealed</i> ")
1035	CNET, <i>Photos: Hands-On With the Porsche P9521 Phone</i> (2007), https://www.cnet.com/tech/mobile/photos-hands-on-with-the-porsche-p9521-phone/ (" <i>Porsche P9521</i> ")
1036	Mobile Phone Museum, <i>Portégé G910</i> (Jan. 21, 2008), https://www.mobilephonemuseum.com/phone-detail/portege-g910 (" <i>Toshiba G910</i> ")
1037	CNET, <i>Toshiba Portege G500 Review</i> (June 2007), https://www.cnet.com/reviews/toshiba-portege-g500-review/ (" <i>Toshiba G500</i> ")
1038	CNET, <i>Toshiba Portégé G900 Review</i> (2007), https://www.cnet.com/reviews/toshiba-portege-g900-review/ (" <i>Toshiba G900</i> ")
1039	Farpoint Group, <i>The Broad Reach of Biometrics: Fingerprint Recognition and Mobile Security</i> , Farpoint Grp. Tech. Note No. FPG 2008-435.1 (Nov. 2008), https://media.techtarget.com/searchMobileComputing/downloads/Fingerprint_Recognition_and_Mobile_Security.pdf (" <i>Farpoint Group</i> ")
1040	U.S. Patent No. 8,943,580 to Fadell et al. (" <i>Fadell</i> ")
1041	Inst. of Elec. & Elecs. Eng'rs, <i>IEEE Standard for Information Technology—Telecommunications and Information Exchange Between Systems—Local and Metropolitan Area Networks—Specific Requirements—Part 15.1: Wireless Medium Access Control (MAC) and Physical Layer (PHY) Specifications for Wireless Personal Area Networks (WPANs)</i> , IEEE Std 802.15.1™-2005 (June 14, 2005) (" <i>Bluetooth</i> ")
1042	Notice of Sotera Plus Stipulation of Defendant Apple Inc., <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041

1043	Telcom's Memorandum of Law in Opposition to Apple's Motion to Dismiss, <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041, Dkt. 33
1044	File History of the '411 Patent
1045	Intentionally Left Blank
1046	Intentionally Left Blank
1047	Joint Stipulation and Order to Dismiss Counts I, II, V, and VIII of the Complaint, <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041, Dkt. 104
1048	Samsung's First Amended Invalidity Contentions, 2:24-cv-00691
1049	Apple's Motion for Stay, <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041, Dkt. 105
1050	Docket Sheet, <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041
1051	Joint Case Management Statement, <i>Telcom Ventures LLC v. Apple Inc.</i> , Case No. 5:25-cv-05041, Dkt. 106
1052	National Judicial Caseload Profile

CERTIFICATE OF SERVICE ON PATENT OWNER

Pursuant to 37 C.F.R. § 42.6(e), the undersigned certifies that on November 6, 2025, the foregoing *Petitioner's Opposition To Patent Owner's Request For Discretionary Denial and Exhibits* were served via electronic filing with the Board and via Electronic Mail on the following counsel of record for Patent Owner:

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