

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC.,
Petitioner

v.

HBCU MESSAGING US LP,
Patent Owner

IPR2025-01488
U.S. Patent No. 11,653,182

PATENT OWNER'S DISCRETIONARY DENIAL BRIEFING

Mail Stop PATENT BOARD
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
Submitted Electronically via PTAB E2E

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	FACTUAL BACKGROUND	2
	A. The '182 Patent and Its Priority Applications	2
	B. The '182 Patent Effectively Cites Tsampalis, and Horvath Is Cumulative	3
	C. A Decade of German Litigation	5
	D. U.S. District Court Litigation	6
	E. Direct Notice by Previous and Current Patent Owner	8
III.	LEGAL STANDARDS	8
IV.	ARGUMENT	10
	A. Settled Expectations Favor Discretionary Denial	10
	B. Apple Points to No Material Error in Original Prosecution	12
	C. The <i>Fintiv</i> Factors Further Support Discretionary Denial.....	13
	1. Factor 1: A Stay at the District Court Is Unlikely	13
	2. Factor 2: Proximity of the Court’s Trial Date to the Board’s Projected Statutory Deadline for a Final Written Decision	13
	3. Factor 3: Both Parties and the Court Have Invested Substantial Effort in the Parallel Litigation and Will Invest Even More Before an Institution Decision.....	15
	4. Factor 4: Overlap of Issues Raised in the Petition and the Parallel District Court Litigation	16
	5. Factor 5: Petitioner Is Represented in the Parallel District Court Litigation.....	17
	D. Factor 6: Petitioner’s Grounds Do Not Rise to the Level of “Compelling Evidence of Unpatentability”	18
	E. The Board’s Resources Are Better Spent Elsewhere	19
V.	CONCLUSION	20

TABLE OF AUTHORITIES

Cases

<i>10X Genomics v. Pres. And Fellows of Harvard College</i> , IPR2023-01299 (P.T.A.B. Mar. 7, 2024).....	16
<i>Advanced Bionics LLC v. MED-EL Elektromedizinsche Gerate GmbH</i> , IPR2019-01469.....	12
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019 (P.T.A.B. May 13, 2020)	passim
<i>Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.</i> , IPR2020-00122 (P.T.A.B. May 15, 2020)	16
<i>Cuozzo Speed Techs., LLC v. Lee</i> , 579 U.S. 261, 136 S. Ct. 2131 (2016).....	8
<i>iRhythm, Inc. v. Welch Allyn, Inc.</i> , IPR2025-00363 (P.T.A.B. June 6, 2025)	11
<i>Kahoot! As v. Interstellar Inc.</i> , No. IPR2025-00696 (P.T.A.B. July 31, 2025).....	10, 11
<i>NHK Spring Co. Ltd. v. Intri-Plex Techs. Inc.</i> , IPR2018-00752 (P.T.A.B. Sept. 12, 2018)	9
<i>Samsung Elecs. Co. v. Mojo Mobility Inc.</i> , IPR2023-01098 (Feb. 9, 2024).....	16
<i>Samsung Electronics Co. Ltd., et al. v. VB Assets, LLC</i> , IPR2025-00870 (P.T.A.B. Oct. 10, 2025).....	14

Statutes

35 U.S.C. § 302	11
35 U.S.C. § 311	11
35 U.S.C. § 314(a)	1, 8, 19
35 U.S.C. § 321	11

35 U.S.C. § 6(b)(2)-(4).....20
37 C.F.R. § 42.107(a).....1
37 C.F.R. 37 C.F.R. § 42.107(b).....1

TABLE OF EXHIBITS

Exhibit	Description
2001	District Court Original Complaint, Dkt. 1
2002	Apple's U.S. Pat. No. 12,262,197
2003	Apple's U.S. Pat. No. 11,775,145
2004	Apple's patent U.S. Pat. No. 11,743,375
2005	Apple's patent U.S. Pat. No. 12,265,696
2006	Apple's patent U.S. Pat. No. 12,348,663
2007	Apple's patent U.S. Pat. No. 11,775,145
2008	HBCU_App0000975 (IDS listing WO 2004/061583 "Tsampalis PCT".)
2009	Tsampalis PCT reference.)
2010	U.S. Patent No. 6,678,524 ("Hansson")
2011	U.S. Pub. No. 2006/0056309
2012	U.S. Patent No. 6,940,844
2013	BGH, Judgment of December 15, 2020 - X ZR 120/18 - Federal Patent Court
2014	EP 2 177 072 (DE document number 60 2008 022 036.2, Nullity Actions
2015	District Court First Amended Complaint, Dkt. 32
2016	District Court Case, Dkt. 49
2017	Apple's Initial Invalidation Contentions

I. INTRODUCTION

Patent Owner HBCU Messaging US LP (“HBCU” or “Patent Owner”) respectfully requests that the Director exercise discretion under 35 U.S.C. § 314(a) to deny Petitioner Apple, Inc.’s (“Apple”) Petition for *inter partes* review of U.S. Patent No. 11,653,182 (“the ’182 patent”). As of the filing of this brief, Apple is a party to the parallel district court litigation. (*See* Ex. 2001, District Court Case Complaint, Dkt. 1.)

Pursuant to Acting Director Stewart’s March 26, 2025, Memorandum titled “Interim Processes for PTAB Workload Management” (the “Workload Management Memo”), this brief is limited in scope to Patent Owner’s bases for discretionary denial.¹ As discussed below, the facts here strongly support denying institution, particularly given the extensive history between the parties beginning in

¹ *See* <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf>, accessed on October 13, 2025.

Patent Owner will separately file a Preliminary Response addressing the merits of the Petition pursuant to 37 C.F.R. § 42.107(a) at the appropriate time, consistent with the Workload Management Memo. *See* 37 C.F.R. 37 C.F.R. § 42.107(b). Patent Owner requests that the Director consider the merits in the forthcoming Preliminary Response as part of the discretionary denial analysis.

Germany and continuing in the United States, as well as numerous other factors set forth below.

II. FACTUAL BACKGROUND

Apple has been aware of the '182 patent and its family for at least a decade. That familiarity stems not only from communications between Apple and both the previous and current patent owner, but from litigation in multiple jurisdictions over the last decade and the citation of multiple related patents and applications in Apple's own U.S. patents.

A. The '182 Patent and Its Priority Applications

The '182 patent claims priority to two separate 2007 Australian patent applications, AU/2007/903979 (the "AU 979 application") and AU/2007/906230 (the "AU 230 application") (the "Australian applications"). The Australian applications are the parents of a family encompassing dozens of applications and patents worldwide, all of which share the same, single inventor. The '182 patent expires on July 18, 2028, leaving the patent with less than three years of remaining term.

Apple cites multiple applications and patents from the '182 patent family in Apple's own patents. For instance, US Pat. App. No. 2014/0295899 ("'899 application"), which resulted in the US Patent No. 8,918,128 (the "'128 patent"), claims priority to the same two Australian applications. The '899 application is

cited on the face of Apple's U.S. Pat. No. 12,262,197, (Ex. 2002 at 2), and the '128 patent is cited in Apple's U.S. Pat. No. 11,775,145. (Ex. 2003 at 2.) Another application tracing back to the same Australian applications, U.S. Pat. App. 2014/307184, is cited on the face of four separate Apple patents, U.S. Patents No. 11,743,375, 12,265,696, 12,348,663, and 11,775,145. (Exs. 2004-2007.)

B. The '182 Patent Effectively Cites Tsampalis, and Horvath Is Cumulative

During prosecution of the '182 patent, the Applicant cited WO 2004/061583, which is the PCT application leading to Tsampalis. (Ex. 2008, HBCU_App0000975 (IDS listing WO 2004/061583 "Tsampalis PCT".) A comparison of the Tsampalis PCT with Tsampalis references asserted here demonstrates that they are substantively identical. (Ex. 1005, Tsampalis reference; Ex. 2009 Tsampalis PCT reference.) Unsurprisingly, Petitioner identifies no material differences between the references. (*Compare* Ex. 1005, Tsampalis reference *with* Ex. 2009 Tsampalis PCT reference.)

Likewise, Horvath is cumulative with multiple references cited during original prosecution. As set forth in the Abstract of Horvath, it relates to transmitting "short message service messages" through two alternative pathways, one of which is a packet data network:

The short message service message is destined for reception by a wireless device (106). Prior to receiving the request, a short message service center (114) determines if a wireless device (106) is registered

with a registrar (210) associated with a session initiation protocol network for communicating over a packet data network (102). The short message service message is transmitted to the wireless device (106) through the session initiation protocol network communicating over the packet data network (102) in response to the request and with the determination that the wireless device (106) is registered with the registrar (210).

(Ex. 1004, Abstract.)

Horvath is cumulative to multiple references cited in original prosecution of the '182 patent, including U.S. Patent No. 6,678,524 ("Hansson"). Hanson's Abstract similarly establishes that it relates to sending data through either circuit switched or packet switched pathways via a mobile station, and selecting which pathway to utilize:

Upon receiving a request to deliver data addressed to the mobile station, a node in a circuit-switched network of a mobile telecommunications system identifies whether the mobile station is capable of receiving data via a packet data bearer. If so, the node further determines whether the data addressed to the mobile station should be sent via a packet data bearer in a packet-switched network instead of sending the data via a circuit-switched bearer.

(Ex. 2010, Abstract.) The Background of Hansson confirms that the reference is specifically directed to SMS messages. (*Id.* at 1-14-55.)

Other references cited in the original prosecution of the '182 patent similarly relate to choosing between modes of communication in cellular messaging services. (*See, e.g.*, Ex. 2011 U.S. Pub. No. 2006/0056309, Abstract ("The invention relates to a method for selecting a data transfer method in a

telecommunication system wherein several data transfer methods exist for selection. The method comprises determining a message to be transmitted on the basis of inputs received from a user.”); Ex. 2012 U.S. Patent No. 6,940,844, Abstract (“enabling a wireless terminal to communicate the dual-mode capabilities and reporting the interworking capabilities of the two networks”).)

In short, neither Tsampalis nor Horvath add any meaningful disclosure relative to the references cited in original prosecution.

C. A Decade of German Litigation

Prior to assigning the patent to HBCU, the previous patent owner asserted the German equivalent patent against Apple in Germany in 2015. That case led Apple to file a Nullity Action in the German Patent Court. One of the references asserted by Apple in the Nullity Action was the Tsampalis PCT, which has the exact same substance as the Tsampalis reference asserted in this Petition. Initially, the German patent at issue was found unpatentable, but amended claims were upheld as valid by Germany’s highest court. (Ex. 2013, BGH, Judgment of December 15, 2020 - X ZR 120/18 - Federal Patent Court at 1-3.)

Importantly, as Apple asserted various prior art references and arguments in Germany, the previous patent owner submitted all that art—as well as Apple’s argumentative submissions summarizing the art—to the USPTO in further ongoing prosecution of the ’182 patent family. (Likewise, HBCU continues to diligently

update the Examiner in the current U.S. prosecution with Apple’s invalidity submissions in ongoing U.S. litigation.) Accordingly, all patents issued in the family since that time—including the ’182 patent at issue—were allowed over the Tsampalis PCT, as well as other prior art and arguments submitted by Apple in Germany. (*See, e.g.*, Ex. 2014, EP 2 177 072 (DE document number 60 2008 022 036.2) Nullity Action at 7 (“With respect to the prior art, we refer to the following citations, appended hereto as Exhibits. None of these citations were taken into consideration in the grant procedure of the patent in suit before the European Patent Office. In the subsequent limitation procedure, an examination of patentability was of course not conducted regardless (Rule 95 (2) EPC): . . .The prepublished international patent application WO 2004/061583 A2, published on 22 July 2004, hereinafter referred to as ‘MOTOROLA’”).)

D. U.S. District Court Litigation

On October 07, 2024, Patent Owner filed a Complaint against Apple in the Western District of Texas, (Ex. 2001, District Court Case, Dkt. 1), followed by a First Amended Complaint (“FAC”) on Jan. 24, 2025 (Ex. 2015, District Court Case, Dkt. 32). The District Court litigation has progressed steadily since. The parties have served their preliminary contentions and fully briefed claim construction. (Ex. 2016, District Court Case, Dkt. 49.) A claim construction hearing is scheduled for January 20, 2026. (Ex. 2016, District Court Case, Dkt. 49)

at 2-3.) The case is set for trial in July, 2027. (Ex. 2016, District Court Case, Dkt. 49 at 4.)

The Parties have thus settled on their respective positions regarding infringement, invalidity and claim construction, among others. Notably, Apple ignores many of its prior art contentions and *every single one of its claim construction proposals* in the Petition. Thus, institution would serve only to allow Apple multiple bites on invalidity, as well as allowing Apple to actively contradict itself in claim construction.

For example, Apple identifies fifteen separate “Prior Art Systems and Products” in its district court invalidity contentions. (Ex. 2017, Initial Invalidity Contentions at 11-12.) None of those contentions are addressed in the Petition, nor are they addressed by Apple’s recently-filed *Sotera* stipulation, which only offers to waive such system art in combination with the four references cited in this Petition. (Ex. 1004, Stipulation re ’182 patent). Likewise, in district court litigation Apple asserts that same system art in combination with 66 printed references not asserted in the Petition. None of those combinations are subject to its *Sotera* stipulation. (*Id.*)

With respect to district court claim construction proceedings, Apple identified multiple terms for construction and proposed various constructions for those terms. In contrast, it stated in the Petition that *no* construction would be

necessary for *any* terms. (Petition, Paper 2 at 3 (“For the limited purposes of assessing obviousness based on Ground 1 in this petition, Petitioner construes all claim terms according to the Phillips standard.”).) Any ruling by the Board would thus only complicate the district court proceedings rather than simplify them, and—because of the varying positions on claim construction—risk inconsistent rulings even on the same prior art asserted in the Petition.

E. Direct Notice by Previous and Current Patent Owner

Apple also became aware of the ’182 patent family through its interactions with the previous patent owner and correspondence from HBCU’s counsel.

Specifically, on October 3, 2016, Apple reached out to the previous patent owner, Rembrandt Messaging, regarding the patents in suit in the parallel District Court litigation, including the ’182 patent. A discussion took place between representatives of Rembrandt Messaging and Apple on October 13, 2016. (Ex. 2001, District Court Case, Dkt. 1, Complaint at ¶¶105-107.)

Also, in September 2024, counsel for HBCU sent a letter to Apple specifically identifying the ’182 patent and other U.S. patents in the same family. (Ex. 2015, District Court Case, Dkt. 32, FAC at ¶¶116-118.)

III. LEGAL STANDARDS

The Director has discretion to deny institution under 35 U.S.C. § 314(a). *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 136 S. Ct. 2131, 2140 (2016). In

determining whether to deny institution, the Director considers the presence and status of parallel proceedings involving the same patent, such as district court litigation. *See NHK Spring Co. Ltd. v. Intri-Plex Techs. Inc.*, IPR2018-00752, Paper 8 at 20 (P.T.A.B. Sept. 12, 2018) (precedential); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 17 (P.T.A.B. May 13, 2020) (precedential) (hereinafter “*Fintiv*”).

The Workload Management Memo enumerated a number of additional considerations for discretionary denial, including:

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

(Workload Management Memo at 2-3.)

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.” *Fintiv*, Paper 15 at 7-8. The factors the Board considers in determining whether to exercise its discretion are: (1) whether the court granted a stay or evidence exists that a stay may be granted; (2) proximity of the court’s trial date to the Board’s projected deadline for a FWD; (3) investment in the parallel proceeding by the court and parties; (4) overlap between issues raised in the petition and the parallel proceeding; (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and (6) other considerations that impact the Board’s discretion, including the merits. *Fintiv*, IPR2020-00019, Paper 15 at 7-8.

IV. ARGUMENT

A. Settled Expectations Favor Discretionary Denial

The Director can consider “[s]ettled expectations of the parties, such as the length of time the claims have been in force” when deciding whether to exercise discretion to deny institution. (Workload Management Memo at 2.) Here, the ’182 patent was originally issued May 16, 2023.

Indeed, Petitioner could have raised its validity challenge years ago, under a variety of available procedures. *See* 35 U.S.C. § 302 (permitting any person at any time to file a request for reexamination), § 321 (permitting post-grant review

challenges up to nine months after issuance), and § 311 (permitting *inter partes* review nine months or more after issuance). Instead, Petitioner waited eleven years after issuance, ten years after initiation of the German proceedings, years after discussions with previous patent owner, roughly a year since specific notice by current Patent Owner, nearly eleven months after the filing of the U.S. Complaint to file its Petition, and less than three years until the '182 patent expires.

Those multiple timeframes, Apple's engagement with patent owners (through two litigations and otherwise), and Apple's clear knowledge of the patent family and specifically the '182 patent itself all favor discretionary denial. Each of those facts establishes the exact type of settled expectations the Director has pointed to in denying institution of other Petitions. *See, e.g., iRhythm, Inc. v. Welch Allyn, Inc.*, IPR2025-00363, Paper 10 at 3 (P.T.A.B. June 6, 2025).

In *iRhythm*, the Director found that settled expectations warranted discretionary denial, outweighing factors such as: (1) timing of the final written decision "likely" issuing before trial in the parallel district court litigation, (2) "little investment by the parties" in the parallel litigation, (3) "high likelihood of a stay" in that parallel litigation if the IPR was instituted, and (4) proper use of expert evidence under the Workload Management Memo. *Id.* at 2-3. This case presents facts at least as strong.

Also, in *iRhythm*, the Petitioner had cited the then-pending application that issued as the challenged patent in one of Petitioner's own patent applications. Similarly, here, members of this patent family have been cited in multiple of Apple's own U.S. applications and patents. Thus, just as in *iRhythm*, Petitioner's "awareness of Patent Owner's applications and failure to seek early review of the patents favors denial and outweighs the above-discussed considerations." *Id.* at 3.

B. Apple Points to No Material Error in Original Prosecution

Petitioners have also not asserted that the Office materially erred during original prosecution, which alone supports denial. *See Advanced Bionics LLC v. MED-EL Elektromedizinische Gerate GmbH*, IPR2019-01469, Paper 6 at 10. Instead, Petitioner has offered *ostensibly* new references supposedly "missed" by the Office. A simple comparison of the Petition art and the art cited during original prosecution, however, establishes that nothing is actually new.

A side-by-side comparison of the Tsampalis reference (cited here) and the Tsampalis PCT (cited in original prosecution) demonstrates that they are substantively identical. Indeed, even before the German litigation, the Tsampalis PCT was brought to the Office's attention *by the inventor* during prosecution of an earlier patent in the family, U.S. Patent No. 8,918,127 (currently subject to Petition in IPR2025-01486). Likewise, Horvath is cumulative with Hansson and multiple other references cited in original prosecution, as set forth above. Given these

similarities, it is also unsurprising that Petitioner has failed to identify how Horvath is any different from those references. (See Ex. 2008, HBCU-App0000975, IDS.)

C. The *Fintiv* Factors Further Support Discretionary Denial

The above reasons favor discretionary denial regardless of the *Fintiv* factors, yet the *Fintiv* factors make discretionary denial even more compelling.

1. Factor 1: A Stay at the District Court Is Unlikely

Here, a stay has not been requested in the parallel litigation, and the district court is unlikely to grant one should it be requested. As discussed above, the parallel litigation has already proceeded through contentions and all claim construction briefing. The Court has already expended significant judicial resources on this matter in earlier motions, and is scheduled to hear argument on claim construction before any institution decision.

Fintiv Factor 1, thus, weighs in favor of discretionary denial.

2. Factor 2: Proximity of the Court's Trial Date to the Board's Projected Statutory Deadline for a Final Written Decision

In discussing the earlier *NHK* decision, *Fintiv* expressly noted that a trial date before an anticipated Final Written Decision favored denial due to efficiency considerations. *Fintiv*, IPR2020-00019, Paper 11 at 3. That rationale applies here, where the anticipated trial date, currently scheduled for July 12, 2027, is only months after a Final Written Decision is to be expected.

In the parallel district court proceedings, the Final Pretrial Conference will take place between April 2027 (when any dispositive motions are due) and the scheduled trial date in July 2027. (Ex. 2016, District Court Case, Dkt. 49.) This trial date—along with the earlier deadlines for filing dispositive motions, expert reports, and the like—presents efficiency considerations that comprise an independent basis for the Board to discretionarily deny institution. *See e.g., Samsung Electronics Co. Ltd., et al. v. VB Assets, LLC*, IPR2025-00870, Paper 11, at 2 (P.T.A.B. Oct. 10, 2025).

In *Samsung*, the Board clarified that even a trial date slightly *after* an expected Final Written Decision presented efficiency considerations weighing in favor of denying institution:

Although the time-to-trial statistics suggest that it is possible that a trial might occur before the projected final written decision due date, the difference in timing is not significant. Thus, even though a district court trial date that occurs after a projected final written decision date reduces the possibility of conflicting decisions, that benefit does not outweigh the efficiencies gained by avoiding parallel proceedings under these circumstances.

Id. The same logic applies here. Although the trial is scheduled slightly after the Final Written Decision deadline, that does “not outweigh the efficiencies gained by avoiding parallel proceedings under these circumstances” where the dates are close enough that substantial work will inevitably be duplicated.

Factor 2 thus weighs in favor of discretionary denial.

3. Factor 3: Both Parties and the Court Have Invested Substantial Effort in the Parallel Litigation and Will Invest Even More Before an Institution Decision

The PTAB “consider[s] the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv, Inc.*, IPR2020-00019, Paper 11 at 9. As explained above, a substantial amount of work has already been conducted with the parties’ exchange of their respective contentions and claim construction briefs. The *Markman* hearing will take place in roughly two months. Thus, the parallel litigation will be well beyond its early stages by the expected institution decision date.

Indeed, by the time of any institution decision, the parties will have expended further significant effort, including, among other things: propounding and responding to discovery requests; potentially producing and reviewing thousands of pages of discovery, including review of source code; beginning fact depositions; and completing the entire *Markman* process.

Under similar circumstances, the PTAB has declined to institute IPR. *See, e.g., 10X Genomics v. Pres. And Fellows of Harvard College*, IPR2023-01299, Paper 15 at 18 (P.T.A.B. Mar. 7, 2024) (denying institution of IPR when district court case had proceeded through *Markman* hearing and parties had exchanged contentions and completed substantial fact discovery); and *Samsung Elecs. Co. v. Mojo Mobility Inc.*, IPR2023-01098, Paper 11 at 8-9 (Feb. 9, 2024) (denying

institution of IPR when district court case had proceeded through fact discovery and the *Markman* hearing).

Therefore, Factor 3 also weighs in favor of discretionary denial.

4. Factor 4: Overlap of Issues Raised in the Petition and the Parallel District Court Litigation

Apple's assertions of prior art here versus in district court are—at once—both redundant and insufficient. As to redundancy, Apple's invalidity contentions in litigation include both of the primary references cited in its Petition here, Horvath and Tsampalis. (Ex. 2017, Initial Invalidity Contentions at 6.) This parallel citation would result in inefficient use of the Board's and the Court's resources. *See, e.g., Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00122, Paper 15 at 10 (P.T.A.B. May 15, 2020) (“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.”).

Regarding insufficiency, Apple's recently-filed *Sotera* stipulation would leave multiple of its district court invalidity contentions untouched (and perhaps many more such contentions, depending on the inevitable future dispute regarding the wiggle word “reasonably”). (Ex. 1102, October 31, 2025 Stipulation at 1.) As set forth above, Apple's invalidity contentions cite fifteen separate system references, as well as combinations of those system references with any of 66 *additional non-system references*. (Ex. 2018, Invalidity Contentions at 5-12.)

Every one of those system references and combinations is expressly outside the scope of Apple’s proffered stipulation, which waives the right to assert system art *only* in combination with references cited within the Petition. (See Ex. 2018, Invalidity Contentions at 7-12; Ex. 1102, October 31, 2025 Stipulation at 1.)

Moreover, as to prior patents and printed publications, Apple only waives allegations it could “reasonably” have brought in IPR. (Ex. 1102, October 31, 2025 Stipulation at 1.) What “reasonably” means in this context is unclear, and will inevitably lead to disputes down the road when Apple seeks to assert at least some of its patent and printed publication art in district court despite its *Sotera* stipulation. The fact that Apple intends to pick such a fight and retain the ability to assert such art is apparent from the stipulation itself. Apple could have easily stipulated that it would waive *all* prior art contentions in district court—or even all contentions involving only patents and printed publications—but it instead chose to inject uncertainty with the word “reasonable.”

In short, the Petition creates duplicative work with the district court litigation, and at the same time woefully fails to address art outside the Petition. Factor 4 thus weighs in favor of denying institution.

5. Factor 5: Petitioner Is Represented in the Parallel District Court Litigation

Apple and HBCU are the only parties in both the parallel district court litigation and this Petition. As such, Apple’s interests and validity concerns will be

fully represented in the parallel litigation. There is no unrelated, third party involved in either the IPR or the parallel litigation, and adjudication in the district court proceeding will resolve all claims between the parties.

Factor 5 thus weighs in favor of discretionary denial. *See Fintiv*, IPR2020-00019, Paper 15 at 15.

D. Factor 6: Petitioner’s Grounds Do Not Rise to the Level of “Compelling Evidence of Unpatentability”

Under the sixth *Fintiv* factor, the Board may consider other circumstances that impact the Board’s exercise of discretion, including the merits. *Fintiv*, IPR2020-00019, Paper 11 at 14-15; *see also* Workload Management Memo at 2 (stating that “consistent with the discretionary considerations enumerated in existing Board precedent . . . and the Consolidated Trial Practice Guide (Nov. 2019),” the parties may address all relevant considerations, including “[t]he strength of the unpatentability challenge” and “[t]he extent of the petition's reliance on expert testimony”).

Here, as set forth above, the Petition has little merit, and instead merely duplicates the efforts undertaken by the original Examiner. As set forth above, the Tsampalis reference asserted here is substantively the same as the Tsampalis PCT cited in original prosecution, despite Petitioner’s attempt to disguise that fact by citing (technically) a different reference. That detail alone casts doubt on the Petition’s merits.

Likewise, Horvath is clearly cumulative with Hansson and other references cited in original prosecution. Other references cited in the Petition are secondary only and never asserted to independently invalidate any challenged claim. Accordingly, just as the claims were deemed patentable over the Tsampalis PCT, Hansson, and other references in original prosecution, the Board should likewise find them patentable here even if institution were granted.

Accordingly, the final *Fintiv* factor—and thus all *Fintiv* factors—weigh in favor of discretionary denial. The Board should deny institution under § 314(a).

E. The Board’s Resources Are Better Spent Elsewhere

The Board should deny institution because its limited resources are better spent elsewhere, including the backlog of *ex parte* appeals and other proceedings. In 35 U.S.C. § 6(b)(1), the Board is tasked with “review[ing] adverse decisions of examiners upon applications for patent pursuant to section 134(a).” Congress also tasked the Board with reviewing appeals of reexaminations, derivation proceedings, IPRs, and PGRs. 35 U.S.C. § 6(b)(2)-(4).

Current Office policy thus rightly focuses on *ex parte* appeals. “To ensure that the PTAB continues to meet its statutory obligations as to *ex parte* appeals, while continuing to maintain its capacity to conduct AIA proceedings, the Director will exercise her discretion on institution of AIA proceedings” (Workload Management Memo at 1.) As set forth above, there is little benefit to instituting

the Petition, but tremendous inefficiency and wasted effort. The parties are advanced in litigation; Apple's belated *Sotera* stipulation would leave multiple prior art systems and hundreds of combinations untouched, with many more still potentially untouched after future fights about the word "reasonable"; and Apple's cited art was effectively addressed in original prosecution, with no claim here of material error by the Office.

In short, the resources the Board would have to expend to reach a Final Written Decision would far outweigh any benefit to the parties, the Office, or the public.

These considerations all weigh heavily in favor of discretionary denial.

V. CONCLUSION

As set forth above, the Director should exercise discretion to deny institution.

Respectfully submitted,

Dated: November 10, 2025

/ Timothy Devlin /
Timothy Devlin, Reg. No. 41,706
DEVLIN LAW FIRM LLC
1526 Gilpin Avenue
Wilmington, DE 19806
Phone: (302) 449-9010
Fax: (302) 353-4251
tdevlin@devlinlawfirm.com

Attorney for Patent Owner

CERTIFICATE OF SERVICE

I hereby certify that on November 10, 2025, I caused a true and correct copy of **PATENT OWNER'S DISCRETIONARY DENIAL BRIEFING** to be served via electronic mail on the following counsel for Petitioner:

LEAD COUNSEL	BACKUP COUNSEL
W. Karl Renner, Reg. No. 41,265 Fish & Richardson P.C. 60 South Sixth Street Suite 3200 Minneapolis, MN 55402 Tel: 202-783-5070 Fax: 877-769-7945 Email: IPR50095-0260IP1@fr.com	David Holt, Reg. No. 65,161 Nicholas Stephens, Reg. No. 74,320 Charlene Thrower, Reg. No. 79,289 Joseph Bauer, Reg. No. 81,218 Fish & Richardson P.C. 60 South Sixth Street Minneapolis, MN 55402 Tel: 202-783-5070 Fax: 877-769-7945 Email: IPR50095-0260IP1@fr.com

/ Timothy Devlin /
Timothy Devlin