

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOYOTA MOTOR CORP.,
Petitioner,

v.

EMERGING AUTOMOTIVE LLC,
Patent Owner.

Case No. IPR2026-00070
U.S. Patent No. 12,337,716

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

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PETITIONER’S UPDATED LIST OF EXHIBITS

Exhibit	Description
Ex. 1001	U.S. Patent No. 12,337,716 to Penilla et al. (“716 Patent”)
Ex. 1002	Prosecution File History for U.S. Patent No. 12,337,716 (“716 Prosecution History”)
Ex. 1003	Curriculum Vitae of Dr. Kevin Almeroth
Ex. 1004	Declaration of Dr. Kevin Almeroth (“Almeroth Declaration”)
Ex. 1005	U.S. Patent Application Pub. No. 2011/0137520 A1 to Jay Rector et al. (“ <i>Rector</i> ”)
Ex. 1006	U.S. Patent Application Pub. No. 2014/0129053 A1 to Robert Bruce Kleve et al. (“ <i>Kleve</i> ”)
Ex. 1007	U.S. Patent Application Pub. No. 2012/0164989 A1 to Hong Xiao et al. (“ <i>Xiao</i> ”)
Ex. 1008	U.S. Provisional Application No. 61/478,436
Ex. 1009	U.S. Patent Application Pub. No. 2006/0136106 A1 to Russell Patenaude et al. (“ <i>Patenaude</i> ”)
Ex. 1010	Decision Granting Institution of <i>Inter Partes</i> Review, Paper 11, November 22, 2024, IPR2024-00814 (“244 Institution Decision”)
Ex. 1011	Decision Granting Institution of <i>Inter Partes</i> Review, Paper 11, October 22, 2024, IPR2024-00786 (“268 Institution Decision”)
Ex. 1012	U.S. Provisional Application No. 61/745,729
Ex. 1013	Japanese Patent Application Pub. No. 2012-076627 A to Kunikatsu Hayashi et al. (“ <i>Hayashi</i> ”)
Ex. 1014	As-filed specification of U.S. Application No. 13/452,881
Ex. 1015	As-filed specification of U.S. Application No. 13/842,158
Ex. 1016	U.S. Patent No. 11,396,244 B2 to Penilla et al. (“244 Patent”)

Exhibit	Description
Ex. 1017	U.S. Patent No. 9,171,268 B1 to Penilla et al. (“268 Patent”)
Ex. 1018	Declaration of Jared Hoggan in Support of Motion for <i>Pro Hac</i> Admission
Ex. 1019	Declaration of Michael C. Wilson in Support of Motion for <i>Pro Hac</i> Admission
Ex. 1020	Certified Prosecution File History for U.S. Patent No. 12,337,716 (“716 Prosecution History”)
Ex. 1021	June 19, 2025 Joint Motion to Stay in First Related Litigation, <i>Emerging Automotive LLC v. Toyota Motor Corp. et al.</i> , No. 2:23-cv-0437-JRG (Lead Case) at Dkt. 298
Ex. 1022	Jan. 2, 2026 Toyota’s Motion to Stay Pending IPR/EPR Proceedings, <i>Emerging Automotive LLC v. Toyota Motor Corp. et al.</i> , No. 2:25-cv-00782 (Lead Case) at Dkt. 43

I. INTRODUCTION

The Director should reject Emerging Automotive’s (“Patent Owner” or “EA”) request for discretionary denial and institute review. First, Petitioner filed this IPR within four months of the ’716 Patent’s issuance and only ten weeks after EA filed suit.¹ There are no settled expectations in the validity of the ’716 Patent—nor does EA attempt to argue any. If anything, there is a settled expectation of invalidity because, on November 19, 2025, the Board issued a Final Written Decision invalidating all challenged claims of the parent patent of the ’716 Patent: U.S. Patent 11,396,244 (“’244 Patent”). Ex. 2013, *Toyota Motor Corp. v. Emerging Automotive LLC*, IPR2024-00814, Paper 30 (PTAB Nov. 19, 2025) (“’244 FWD”). EA did not appeal that decision. The ’716 Patent is a direct continuation of the ’244 Patent and contains substantially similar claims with only minor, unpatentable differences. The ’244 FWD and Petition provide strong evidence of invalidity as to the ’716 Patent.

Second, timing and efficiency strongly favor institution. The district court case is at an early stage. The *Markman* hearing is not scheduled until January 19, 2027. The Board’s review is projected to result in a final written decision by April 2027—months before the July 2027 trial setting. Petitioner stipulated that it will not

¹ EA incorrectly states that the litigation was filed “July 2025”. Paper 11 at 3. EA filed suit asserting the ’716 Patent on August 12, 2025. Ex. 2010 at Dkt. No. 1.

pursue in the district court any ground raised, or that reasonably could have been raised, in this IPR, eliminating any risk of duplicative litigation or inconsistent outcomes. *See* Paper 8 (*Sotera Stip.*). EA’s *agreement* to stay the related prior litigation pending IPR/EPR review increases the likelihood of a stay in this action.

Third, EA attempts to invoke 35 U.S.C. § 325(d), asserting that the prior art was previously considered, but concedes that *none* of the references in the Petition were “applied” during examination. The Examiner did not evaluate the combinations presented here and materially erred during prosecution of the ’716 Patent in failing to consider the teachings of *Rector/Kleve/Xiao* combinations with the other references relied on in the Petition, including *Patenaude* and *Hayashi*.

Finally, EA’s argument that Petitioner has taken “inconsistent claim construction positions” and “fails to alert the Board of the district court’s specific ‘compatibility check’ construction” is meritless. Paper 11 at 1, 8. The district court adopted a “*plain and ordinary meaning*” construction for two phrases in claims 10 and 20 of a different patent: U.S. Patent 9,171,268 (“’268 Patent”). Ex. 2007 (*Markman* Order) at 35 (emphasis added). The district court has not yet construed the claim terms of the recently-issued ’716 Patent. The *Revvo* and *Tesla* decisions—both involving alleged inconsistencies concerning the *same* patent—have no application. Accordingly, Petitioner requests that the Director reject EA’s request for discretionary denial.

II. ARGUMENT

A. EA Has No “Settled Expectations”

EA fails to address—*much less establish*—any settled expectations. The ’716 Patent issued June 24, 2025. Toyota filed this Petition expeditiously—about ten weeks after the litigation was filed and within four months of the ’716 issuance. Those facts alone weigh strongly against discretionary denial. As the Director and the Board have explained, early challenges occur close in time to examination and before expectations in patent rights are settled. *See, e.g., Toyota Motor Corp. v. AutoConnect Holdings LLC*, PGR2025-00041, Paper 9 at 2 (PTAB Sept. 8, 2025) (“Early challenges favor robust, predictable patent rights and weigh against discretionary denial.”).² The fact that related patents were instituted, and the ’716 Patent’s parent was invalidated, all weigh against discretionary denial. *See Embody, Inc. v. Lifenet Health*, IPR2025-00248, Paper 13 (PTAB June 26, 2025) (referring a patent where a related patent was already instituted); *Padagis US LLC v. Neurelis*,

² The Board has repeatedly rejected requests for discretionary denial where patents have been in force a short time. *Multi-Color Corp. v. Brook & Whittle Ltd.*, PGR-2025-00025, Paper 10 at 2–3 (PTAB July 16, 2025) (precedential); *Zhuhai Cosmox Battery Co. v. Ningde Ampere Tech. Ltd.*, IPR2025-00385, Paper 9 at 3 (PTAB July 2, 2025) (“[E]arly challenges [] tip the balance against discretionary denial”).

Inc., IPR2025-00464, Paper 12, at 3–4 (PTAB July 26, 2025) (informative) (same).

B. The Merits of the Petition Are Strong

Despite identifying the '268 Patent, EA only mentions the *directly-related* '244 FWD once. Paper 11 at 4. Shown in the table below, the '716 Patent claims closely track already invalidated '244 Patent claims. For example, '716 Patent claim 1 and '244 Patent claim 17 have identical preambles and virtually identical elements, whereby '244 Patent claim 17 is expressed in terms of “receiving,” “processing,” and “transferring” “by one of the servers,” while '716 Patent claim 1 is expressed in terms of “a server” for “receiving,” “processing,” and “transferring.”

Claim 17 of '244 Patent (Invalidated in '244 FWD)	Claim 1 of '716 Patent
17. A cloud-based system including one or more data centers, and each data center of the cloud-based system includes one or more servers, wherein some of said one or more servers have program instructions for enabling connections with vehicles and providing services to vehicles, wherein one service includes enabling access to settings associated with profiles of user accounts of the cloud-based system, comprising:	1. A cloud-based system including one or more data centers, and each data center of the cloud-based system includes one or more servers, wherein some of said one or more servers have program instructions for enabling connections with vehicles and providing services to vehicles, wherein one service includes enabling access to settings associated with profiles of user accounts of the cloud-based system, comprising:
receiving, by one of the servers, a request from a vehicle to access a profile for a user account associated with a user, the request identifies user information related to a user;	a server for receiving a request from a vehicle to access a profile for a user account, the request identifies user information related to a user;
processing, by one of the servers, at least part of the user information to verify the access for the user, the	a server for processing at least part of the user information to verify the access, the profile having a plurality of

Claim 17 of '244 Patent (Invalidated in '244 FWD)	Claim 1 of '716 Patent
profile having a plurality of settings of the user for the vehicle,	settings of the user preferred for the vehicle having a vehicle type,
at least part of the plurality of settings of the profile being stored on storage accessible to said one or more servers; and	at least part of the plurality of settings of the profile being stored on storage accessible to said one or more servers; and
transferring, by one of the servers, upon verification of the user information, one or more settings of the plurality of settings to the vehicle, the transferring is configured to instruct software and hardware associated the vehicle to enable said one or more settings for use on the vehicle to customize said vehicle for the user	a server for transferring, upon verification of the user information and based on determining settings that are compatible, by said server, for said vehicle type, one or more settings of the plurality of settings to the vehicle, the transferring is configured to instruct software and hardware associated the vehicle to enable said one or more settings on the vehicle for customizing said vehicle for the user,
the request and the transferring being via wireless communication of said vehicle.	the request and the transferring being via wireless communication of said vehicle.

The Board invalidated Claim 17 of the '244 Patent based on the combination of *Rector/Kleve*. Ex. 2013 ('244 FWD) at 44, 35–43. Grounds 1–3 of this Petition all include the combination of *Rector/Kleve*, and the substantial overlap in claim language between the '716 Patent and the invalidated '244 Patent confirms that proceeding to the merits here will maintain uniformity across this patent family and avoid inconsistent outcomes. The Board's finding that six challenged claims of the '268 Patent are unpatentable in IPR2024-00786 also supports the Petition. Although four dependent claims (12, 17–19) and one relatively narrow independent claim (20)

of the '268 Patent survived in the final written decision,³ claims 10, 11, 13, 15, and 16 were found unpatentable over the *Xiao* reference alone, and claim 14 over *Xiao* in combination with *Singh*. Ex. 2004 ('268 FWD) at 83–84. The invalidation of these claims over *Xiao*, which claims contain several overlapping concepts and elements with the claims of the '716 Patent, further supports the strength of the *Xiao/Rector/Kleve* combinations set forth in the Petition.

C. The *Fintiv* Timing and Efficiency Factors Weigh Against Discretionary Denial

A holistic analysis under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) confirms discretionary denial is unwarranted.

1. Factor 1—Whether the District Court Has Indicated It Will Grant a Stay

In the related predecessor litigation (“EA1”),⁴ EA *agreed* to a stay pending IPR/EPR⁵ proceedings as to three of four asserted patents after the district court

³ Petitioner filed a Notice of Appeal on Dec. 23, 2025. IPR2024-00786, Paper 29.

⁴ *Emerging Automotive LLC v. Kia Corp. et al.*, No. 2:23-cv-00437 (E.D. Tex.) filed in September of 2023 (“EA1”).

⁵ The related IPR/EPR proceedings include: (a) IPR2024-00786 (challenging the '268 Patent); (b) IPR2024-00981 (challenging U.S. Patent 9,365,188; and (c) IPR2024-01167 and EPR 90/019,456 (both challenging U.S. Patent 11,738,659).

granted summary judgment of non-infringement as to U.S. Patent 10,407,026 (“’026 Patent”). Ex. 1021 (Agreed Motion). The ’026 Patent was the only asserted patent not subject to an instituted IPR/EPR proceeding. That stay order remains in place. On January 2, 2026, Toyota moved to stay the second-filed litigation⁶ pending this IPR and related IPR/PGR proceedings—IPR2026-00059 (U.S. Patent 11,104,245) and PGR2026-00008 (U.S. Patent 12,337,715). Ex. 1022. While the district court has not yet ruled on Toyota’s stay motion, EA’s speculation that “Judge Gilstrap is Unlikely to Grant a Stay of the District Court Proceeding,” Paper 11 at 13, does not account for its prior agreement to stay EA1. The Board should not credit such speculation. Where a court has not expressed a view, this factor is neutral. *See Nikon Corp. v. Optimum Imaging Techs., LLC*, IPR2024-01372, Paper 17 at 10–11 (PTAB Apr. 23, 2025); *Sand Revolution II LLC v. Cont’l Intermodal Grp.–Trucking LLC*, IPR2019-01393, Paper 24, at 7 (PTAB June 16, 2020) (informative). This factor does not support discretionary denial.

2. Factor 2—Proximity of Trial Date to the Board’s Final Written Decision

The Board’s Final Written Decision is expected by April 21, 2027—months before the trial setting of July 12, 2027. *See* Ex. 2010 at Dkt. 36 (“Jury Selection set

⁶ *Emerging Automotive LLC v. Toyota Motor Corp. et al.*, 2:25-cv-00782-JRG (E.D. Tex.) filed on August 12, 2025 (“EA2”).

for 7/12/2027”). The *Markman* hearing is not even scheduled until January 19, 2027.

See id. This factor weighs strongly against discretionary denial.

3. Factor 3—Investment in Parallel Litigation

Petitioner moved with speed in bringing this IPR—ten weeks after EA filed suit and within four months of the ’716 Patent’s issuance. EA’s argument as to the district court’s investment of time and resources overlooks both that the ’716 Patent was not asserted in EA1 and the joint stay. Besides agreeing that EA1 discovery may be used in EA2 (Ex. 2008, ¶¶ 5, 12(g)–(h)), no additional discovery has occurred in EA2. Factor 3 weighs strongly against discretionary denial.

4. Factor 4—Overlap Between Issues and Petitioner’s Stipulation

EA concedes Petitioner’s *Sotera* stipulation will mitigate the risk of overlap and inconsistent outcomes. *See* Paper 11 at 14 (only arguing that “Petitioner’s ‘Sotera’ stipulation does not *fully* resolve concerns about overlap, duplicative efforts, and conflicting decisions, ...”) (emphasis added); *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential). This factor weighs heavily against discretionary denial.

5. Factor 5—Whether the Parties are the Same

When the Petitioners are the same as the named defendants in the district court litigation, the Board has found that this factor adds “little if anything to the discretionary denial analysis.” *See, e.g., Aylo Freesites Ltd. f/k/a MG Freesites Ltd.*

v. WellcomeMat, LLC, IPR2024-00710, Paper 13 at 17–18 (PTAB Sept. 5, 2024);
see Shenzhen Root Tech. Co. v. Chiaro Tech. Ltd., IPR2024-01296, Paper 9 at 19–
20 (PTAB Feb. 25, 2025). Factor 5 is neutral and does not outweigh the much
stronger factors favoring institution.

6. Factor 6—Other Circumstances

a. The Merits of the Petition Are Strong

As discussed in Section II.B above, the merits of the Petition are strong. The
'716 Patent arises from the same family and materially similar subject matter that
the Board has already adjudicated in invalidating all of the related '244 Patent claims
over the *Kleve/Rector* combination. Ex. 2013 ('244 FWD).

b. The Petition Relies on Expert Testimony

In the March 2025 Memo, the Acting Director indicated that she would
consider the “extent of the petition’s reliance on expert testimony[.]” *See* USPTO,
Interim Processes for PTAB Workload Management (March 26, 2025) at 2. In
iRhythm, the Director held that this factor weighs towards institution when the expert
“explain[s] the background knowledge” of a POSA, “provides citations to evidence
in support of his statements,” and does not “fill gaps in the prior art.” *iRhythm Techs.,*
Inc. v. Welch Allyn, Inc., IPR2025-00377, Paper 10 at 2–3 (PTAB Jun. 6, 2025). Dr.
Almeroth did just that—he provided a detailed explanation and ample citations in
support of his opinions. *See* Ex. 1004.

Every meaningful *Fintiv* factor either favors institution or is neutral. None supports discretionary denial. The Board is positioned to decide patentability first, efficiently, and on a complete record—exactly what *Fintiv* was designed to facilitate.

D. Petitioner Has Not Taken Inconsistent Claim Construction Positions

1. The District Court Adopted the Plain and Ordinary Meaning of the “Compatibility/Incompatibility” Terms As to the ’268 Patent

EA’s argument that Petitioner has taken “inconsistent claim construction positions” is incorrect. Paper 11 at 1. In this IPR, Petitioner proposes a plain and ordinary meaning of the challenged claim terms that is entirely consistent with the district court’s claim constructions in EA1.

As an initial matter, the claim language in the ’716 Patent could not have been addressed in the prior EA1 *Markman* Order because the ’716 Patent did not exist at that time. The tables below highlight the differences in phrases between the language of the related ’268 Patent at issue in the *Markman* Order versus the language of the ’716 Patent:

Claim 10 of ’268 Patent (Addressed in <i>Markman</i> Order)	Claim 1 of ’716 Patent (Not Addressed in <i>Markman</i> Order)
10. A method, comprising, receiving, at a server, information for a user profile of a user, the user profile defining one or more settings that are preferred to be set in vehicles if the vehicles support the settings;	1. A cloud-based system including one or more data centers, and each data center of the cloud-based system includes one or more servers, wherein some of said one or more servers have program instructions for enabling connections with vehicles and

<p>identifying a selected vehicle for applying the user profile, the selected vehicle having a plurality of settable settings, the selected vehicle being one of a plurality of vehicles identified as available by the server;</p> <p>determining, by the server, applicable settings for the selected vehicle, the applicable settings being settings that are preferred to be set as identified from the user profile and are compatible with settings that are settable in the selected vehicle;</p> <p>and</p> <p>...</p>	<p>providing services to vehicles, wherein one service includes enabling access to settings associated with profiles of user accounts of the cloud-based system, comprising:</p> <p>a server for receiving a request from a vehicle to access a profile for a user account, the request identifies user information related to a user;</p> <p>a server for processing at least part of the user information to verify the access, the profile having a plurality of settings of the user preferred for the vehicle having a vehicle type, at least part of the plurality of settings of the profile being stored on storage accessible to said one or more servers; and</p> <p>a server for transferring, upon verification of the user information and based on determining settings that are compatible, by said server, for said vehicle type, one or more settings of the plurality of settings to the vehicle...</p>
<p>Claim 20 of '268 Patent (Addressed in <i>Markman</i> Order)</p>	<p>Claim 7 of '716 Patent (Not Addressed in <i>Markman</i> Order)</p>
<p>20. A method for managing a user profile of a vehicle via a cloud processing system being accessible over the Internet and wherein the vehicle is provided with wireless communication logic for connecting to the Internet for accessing the cloud processing system, comprising,</p> <p>accessing the cloud processing system by the vehicle, the user profile having user settings for the vehicle, wherein certain of the user settings</p>	<p>7. A cloud services system including a server for interfacing with one or more vehicles, comprising:</p> <p>the server receives a request from electronics of a vehicle to access a profile for a user account, the request includes an identifier for a user to use the vehicle;</p> <p>the server processes data related to the identifier to verify the user for accessing the profile associated with the user account, the profile having a plurality of settings of the user desired</p>

are determined to be compatible for use with the vehicle; ...	for the vehicle, wherein at least part of the plurality of settings for the profile being stored on storage accessible to the cloud services system; and the server performs processing to determine incompatibility of one or more of the plurality of settings of the user based on a type of the vehicle, and the server transfers one or more settings of the plurality of settings to storage of the vehicle , the transferring is configured to instruct software and/or hardware associated with said electronics of the vehicle to apply said one or more settings to the vehicle for customizing said vehicle to use said one or more settings associated with the profile,...
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Next, EA points to a *proposed* construction for claims 10 and 20 of the '268 Patent in EA1 and to a note in the district court's *preliminary* constructions. Ex. 2007 (*Markman* Order) at 29; Ex. 2006 (Prelim. Constructions) at 4. While finding that "[t]he parties agree these claims require a 'compatibility check,'" the district court ultimately adopted "plain and ordinary meaning" constructions for these terms in the '268 Patent. Ex. 2007 (*Markman* Order) at 29, 35. EA fails to show how the Petition—in asserting no claim construction is required for the '716 Patent—violates the plain and ordinary meaning of similar language in the related '268 Patent.

Instead of identifying any "inconsistency" in claim construction positions, EA asserts that "[t]he Petition never points to any disclosure from *Xiao* that a server determines compatibility / incompatibility of settings for or based on *vehicle type* ...

and instead relies on two other references, *Rector* and *Kleve*, for alleged disclosure of ‘vehicle type.’” *See* Paper 11 at 9 (emphasis in original). Contrary to EA’s assertions, Ground 1 of the Petition addresses claim element 1.[c].iii—“transferring, [...] based on determining settings that are compatible, by said server, for said vehicle type” and argues that “[u]tilizing *Xiao*’s compatibility lookup between *Kleve*’s verification and *Rector*’s transfer/application yields the claimed ‘based on determining settings that are compatible ... for said vehicle type.’” Pet. at 38–39; *id.* at 34 (explaining the *Rector/Kleve* combination already discloses vehicles having a vehicle type: “*Kleve* expressly teaches that vehicles have a ‘vehicle type’ that users can request, Ex. 1006, ¶[0087], and *Rector* likewise expressly treats ‘vehicle’ as a class with different types (cars, trucks, buses, aircraft, watercraft), satisfying ‘vehicle having a vehicle type.’ Ex. 1005, ¶¶[0028], [0039]; Ex. 1004, ¶149.”). The Board’s Final Written Decision in the ’268 IPR,⁷ which addresses the claim language from the ’268 Patent highlighted by EA, found that *Xiao* discloses a compatibility check and found claim 10 to be anticipated by *Xiao*:

Next, we turn to the compatibility dispute of limitation [10c]. Here, we note first that we have construed limitation [10c] to require a

⁷ Counsel for petitioner received notification of issuance of the ’268 FWD several hours *after* Petitioner filed this IPR.

compatibility check. ... Second, we observe that there is no dispute Xiao teaches expressly that server 118 looks up *appropriate* command codes based on user profile settings and then sends commands to a specific vehicle for implementing the appropriate settings. ... Instead, the question is whether Xiao’s “look up” is sufficient to disclose that a server determines applicable settings, including that the settings are compatible with settings that are settable in a selected vehicle. ***Based on the complete record, we find Petitioner’s position on this issue to be more persuasive and better supported.***

Ex. 2004 (’268 FWD) at 49 (emphasis added); *see also id.* at 57.

Even under a construction requiring a compatibility check, Ground 1 of the Petition still maps each limitation through the combination of *Rector/Kleve/Xiao*.

2. EA’s Cited Authority is Inapposite Because the District Court Has Not Construed the ’716 Patent

This case is even further removed from EA’s cited authority, *Revvo* and *Tesla*⁸—both of which involved alleged inconsistencies between constructions

⁸ *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 (PTAB Nov. 5, 2025) (informative) (Director Review decision); *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 (PTAB Nov. 3, 2025) (precedential) (Director Review decision).

concerning the same patent in parallel proceedings in district court and before the PTAB. Those decisions do not address the circumstances presented here, as the district court has not construed the recently issued '716 Patent. Accordingly, there is no district court construction of the '716 Patent claims against which Petitioner's positions in this IPR could be inconsistent.

E. The Petition Is Not Barred by § 325(d) Because the Asserted Grounds and Combinations Were Not Previously Considered and the Office Committed Material Error

Discretionary denial is only warranted under § 325(d) when “the same or substantially the same prior art or arguments” were previously considered by the Patent Office. 35 U.S.C. § 325(d); *see also* 37 C.F.R. § 42.4(a). Under *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential), the § 325(d) inquiry asks:

(1) whether the same or substantially the same prior art or argument previously was presented to the Office; and

(2) if the first part is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Becton, Dickinson identifies several factors (the “*Becton Factors*”) relevant to the § 325(d) inquiry. *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17–18 (PTAB Dec. 15, 2017) (precedential as to § III.C.5, first

paragraph).⁹ Even assuming the at-issue references were “presented” via submission along with 380 other references in an IDS, discretionary denial is unwarranted because (i) the Office did not previously consider the asserted grounds, combinations, or rationales in the Petition (*Becton* Factors 1–4), and (ii) the Office’s allowance of the ’716 Patent rests on material errors (*Becton* Factor 5), with additional circumstances weighing strongly against denial (*Becton* Factor 6).

1. Step 1—The Office Did Not Previously Consider the Asserted Grounds (*Becton* Factors 1–4)

The Petition challenges the ’716 Patent based on specific combinations: **(Ground 1)** claims 1–11 over *Rector*, *Kleve* and *Xiao*; **(Ground 2)** claims 12–13

⁹ *Becton*, *Dickinson* identifies the following non-exclusive factors: (1) the similarities and material differences between the asserted art and the prior art involved during examination; (2) the cumulative nature of the asserted art and the prior art evaluated during examination; (3) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection; (4) the extent of the overlap between the arguments made during examination and the manner in which petitioner relies on the prior art; (5) whether petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art; and (6) the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments.

over *Rector, Kleve, Xiao and Patenaude*; and **(Ground 3)** claims 5–6 over *Rector, Kleve, Xiao and Hayashi*. The '716 Prosecution History shows that the Examiner never evaluated these combinations or rationales for motivation to combine them. EA concedes as it must that *none* of “these five references” were “*applied* in the Examiner’s rejections.” Paper 11 at 18 (emphasis added). Instead, EA cites to less than 20 pages from the '716 Prosecution History to argue that “all five of the Petition’s references already considered by the Office,” Paper 11 at 15–17, including: (a) an August 2024 EAST search identifying “20110137520-A1” (*Rector*) within a report spanning 876 pages (*see Ex. 1020 at 981*), (b) a February 2025 EAST search identifying “20110137520-A1” (*Rector*) and “20140129053” (*Kleve*) within a search report spanning 1,707 pages (*see id. at 2902, 2908*), (c) an IDS listing **380+** references, among which included *Xiao, Kleve, Patenaude, Rector* and *Hayashi* (*see id. at 1043–44, 2935–36*), (d) a translated version of *Hayashi* (*see id. at 1120–29*), and (e) EA’s statement in a February 2025 claim amendment that “Inter Partes (IPR2024-00786) was filed for U.S. Patent No. 9,171,268, and is *pending*. Inter Partes (IPR2024-00814) was filed for U.S. Patent No. 11,396,244, and is *pending*.” Ex. 1020 at 1200. Although EA disclosed the existence of these IPRs and five references (in an IDS among **380+** references), there is no indication in the prosecution record that the Examiner reviewed or considered the substance of the petitions. *Amgen Inc. v. Alexion Pharms., Inc.*, IPR2019-00740, Paper 15 at 65–66

(PTAB Aug. 30, 2019) (“The Board has consistently declined exercising its discretion under Section 325(d) when the only fact a Patent Owner can point to is that a reference was disclosed to the Examiner during the prosecution.”).

Although the Examiner initialed that it considered these five references as part of **380+** references in an IDS—more than 15 times the size of an average IDS—there is no indication that the Examiner substantively considered any of these references—much less the combinations in the Petition. Ex. 1020 at 2935–36; *see, e.g., Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 7 n.3 (PTAB May 19, 2025) (precedential as to § A) (Director Review decision) (“Most IDS submissions contain fewer than 25 references”); *Amneal Pharms. LLC v. Alkermes Pharma Ireland Ltd.*, IPR2018-00943, Paper 8 at 40 (PTAB Nov. 7, 2018) (declining to deny institution based on § 325(d) where the reference was listed on the face of the patent, but patent owner provided no evidence “about the extent to which the Examiner evaluated” the reference); *Digital Check Corp. v. E-Imagedata Corp.*, IPR2017-00178, Paper 6 at 12–13 (PTAB Apr. 25, 2017) (granting institution because there was no indication that the claims were rejected based on references submitted in an IDS or that the Examiner substantively discussed such references); *Fox Factory, Inc. v. SRAM, LLC*, IPR2016-01876, Paper 8 at 7–9 (PTAB Apr. 3, 2017) (refusing to deny institution under § 325(d) where asserted prior art reference was simply cited in an IDS and not considered at any length); *Praxair Distrib., Inc.*

v. INO Therapeutics LLC, IPR2015-00893, Paper 14 at 8–9 (PTAB Sep. 22, 2015) (granting institution even though references were cited in IDS where patent owner failed to identify specifically where references were considered).

EA argues that the “prosecution history provides a clear indication that the Examiner ... considered each of the Petition’s references,” citing a single § 102 rejection over US2009/0144622A1 (“*Evans*”), § 112(a) rejections regarding the term “user information,” and a non-statutory double-patenting rejection. Paper 11 at 18–19. But these rejections all occurred in August 2024—*before* the November 2024 IDS. Ex. 1020 at 137–48, 1034–46. After EA’s submission of the IDS and proposed amendment, including nine new claims on February 10, 2025, the Examiner issued a Notice of Allowance two weeks later. Ex. 1020 at 1191–1209. Despite the hundreds of newly-identified prior art references in the IDS, the Examiner issued the notice of allowance and noted that *Evans*¹⁰ was still the “closest prior art” to the ’716 claims. Ex. 1020 at 142–44, 1207–09. EA does not argue that Petitioner’s grounds are cumulative of *Evans*, nor can it. These factors weigh against discretionary denial.

¹⁰ The Examiner also identified a second reference, US 2007/0207789A1 to Zellner, in the “Conclusion” section of the Non-Final Rejection (prior to IDS submission), but only “for the convenience of the applicant.” Ex. 1020 at 144–45.

2. Step 2—The Examiner Committed Material Error by Failing to Find the Claims Unpatentable Over the Asserted Combinations (*Becton* Factor 5)

Even if the Board were to conclude that certain prior art was previously presented, discretionary denial is still unwarranted because the Petition demonstrates material error in issuing the '716 Patent. The Petition explains—supported by detailed expert testimony—why a POSITA would have found the challenged claims unpatentable over the asserted combinations, including *Rector*, *Kleve* and *Xiao* or as supplemented by *Patenaude* or *Hayashi*. The Examiner did not address these combinations or motivations to combine. That omission goes directly to the heart of patentability and constitutes material error. The materiality of that omission is underscored by the Board's subsequent '244 FWD involving closely-related subject matter. Although the '244 FWD issued after allowance of '716 Patent, it confirms the Examiner's failure to consider the asserted combinations was not harmless.

3. Other Circumstances Confirm That Discretionary Denial Is Unwarranted (*Becton* Factor 6)

Becton factor 6 independently weighs against discretionary denial. Petitioner incorporates its analysis in Sections II.A.–D above.

III. CONCLUSION

For at least the foregoing reasons, the Director should deny EA's Request for Discretionary Denial and allow the Petition to proceed on the merits.

Dated: January 23, 2026

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CERTIFICATE OF COMPLIANCE WITH PAGE LIMITATION

Pursuant to Paper 3 and the Interim Director Discretionary Process webpage, which is available at <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>, I certify that this brief complies with the 20-page limit.

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), the undersigned hereby certifies that a copy of the foregoing paper was served on January 23, 2026 by electronic mail on the following counsel for Patent Owner:

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