UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC.,
Petitioner

v.

HBCU MESSAGING US LP,
Patent Owner

IPR2026-00105
U.S. Patent No. 11,991,600

PATENT OWNER'S CORRECTED DISCRETIONARY DENIAL BRIEFING

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Patent Trial and Appeal Board
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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_App0001293-1297 (IDS listing WO 2004/061583 “Tsampalis PCT” on HBCU-App_0001294.)
2009	Tsampalis PCT reference WO 2004/061583
2010	WO 2005/018257 (“Maanitty”)
2011	U.S. Pub. No. 2006/0056309
2012	BGH, Judgment of December 15, 2020 - X ZR 120/18 - Federal Patent Court
2013	EP 2 177 072 (DE document number 60 2008 022 036.2, Nullity Actions
2014	District Court First Amended Complaint, Dkt. 32
2015	District Court Case, Dkt. 49
2016	Apple’s Initial Invalidity Contentions
2017	District Court Case Dkt. 61, HBCU Claim Construction Opening Brief
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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. 11,991,600 ("the '600 patent"). Apple is a party to the parallel district court litigation, (*see* Ex. 2001, District Court Case Complaint, Dkt. 1), the Parties have a decades-long history related to this family of patents, and Apple's Petition offers nothing new relative to the original prosecution.

Pursuant to Acting Director Stewart's March 26, 2025 "Interim Processes for PTAB Workload Management" Memorandum (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,

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[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.

particularly given the extensive history between the parties beginning in 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 ’600 patent’s 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 ’600 Patent and Its Priority Applications

The ’600 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.

Apple cites multiple applications and patents from the ’600 patent family in its own patents. For instance, U.S. Pat. App. No. 2014/0295899 (“’899 application”), which resulted in the U.S. 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. A Decade of German Litigation

Prior to assigning the patent to HBCU, the previous patent owner asserted the European 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 European patent at issue was found unpatentable, but amended claims were upheld as valid by Germany's highest court. (Ex. 2012, BGH, Judgment of December 15, 2020 - X ZR 120/18 - Federal Patent Court at 1-3.) Of course, as with the claims challenged here, those amended European claims include elements and features different from the original claims of the European patent.

Importantly, as Apple asserted various prior art references and arguments in Germany, the previous patent owner submitted that art to the USPTO in further ongoing prosecution of the '600 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 U.S. patents issued in the family since that time—including the '600 patent at issue—were allowed over the Tsampalis PCT, as well as other prior art submitted by Apple in Germany. (*See* Ex. 1001 at 2 (cover page identifying WO 2004/061583 and other references); *see also* Ex. 2013, 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. . . The prepublished international patent application WO 2004/061583 A2 (Ex. 2009), published on 22 July 2004, hereinafter referred to as 'MOTOROLA'").)

C. 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. 2014, 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. 2015, District Court Case, Dkt. 49.) A claim construction hearing is scheduled for January 20, 2026. (Ex. 2015, District Court Case, Dkt. 49 at 2-3.) The case is set for trial in July, 2027. (Ex. 2015, 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 district court claim construction proposals*** in the Petition.[2] 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, with respect to validity, Apple identifies fifteen separate "Prior Art Systems and Products" in its district court invalidity contentions. (Ex. 2016, 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 *within this Petition*. (Ex. 1102, Stipulation re '600 patent). Even worse, 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 here. (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.").)

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[2] Unless otherwise indicated, emphasis in this Brief has been added.

Specifically, in contrast to Petitioner's statements here, two of the claims to be construed in district court touch on the '600 patent. (Ex. 2017, Parallel Proceedings Dkt. 61, HBCU Claim Construction Opening Brief at 4, 7 (noting both "bearer" and "cellular core network" are being construed).) Notably, ***Petitioner offered a construction for both those terms for in the parallel proceedings while asserting none here***, and thus any ruling by the Board would complicate the district court proceedings rather than simplify them. Moreover, Petitioner's varying positions on claim construction risk inconsistent rulings even on the very same prior art asserted in the Petition.

D. Direct Notice by Previous and Current Patent Owner

On October 3, 2016, Apple spoke to the previous patent owner, Rembrandt Messaging, regarding the patents in suit in the parallel district court litigation, including other members in the same family as the '600 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 '600 patent and other U.S. patents in the same family. (Ex. 2014, 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 discussed herein. (Workload Management Memo at 2-3.) Likewise, *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*, IPR2020-00019, Paper 15 at 7-8.

The deadline for filing an IPR petition is within one year of the filing of a complaint in district court. 35 U.S.C. § 315(b). However, it is within the Board's discretion to deny petitions that are delayed or filed needlessly close to the one-year deadline. *NHK Spring Co. v. Intri-Plex Techs., Inc.*, Case IPR2018-00752, Paper 8 at 20 (PTAB Sep. 12, 2018) (denying an IPR petition filed two days before

the deadline, stating that "instituting a trial under the facts and circumstances here would be an inefficient use of Board resources."))

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 '600 patent was originally issued over a year and a half ago on May 21, 2024.

Petitioner could have raised its validity challenge upon issuance or shortly thereafter, 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, despite its clear knowledge of this patent family for ten years after initiation of the German proceedings, years after discussions with previous patent owner, and roughly a year since specific notice by current Patent Owner, Petitioner finally filed its Petition nearly thirteen months after the filing of the district court Complaint and a full 361 days after Petitioner was served with that Complaint, four days before its statutory deadline.

While Petitioner may complain that it could not anticipate issuance of the ’600 patent, it defies common sense that Apple, a sophisticated, multi-trillion dollar Big Tech colossus, would somehow fail to track a few dozen U.S. patents while in active litigation against the same Patent Owner (previous and current) on an European counterpart within the same family. The notion that Apple would not be aware of the ’600 patent as of its issuance is ludicrous.

Indeed, Apple had every reason to track the issuance of the ’600 patent, as well as any other patent issuing from the same family. In addition to the multiple communications between the parties and active German litigation between the parties, Apple even cites multiple applications and patents from the ’600 patent family in Apple’s own patents. (*See, e.g.,* U.S. Patents No. 11,743,375, 12,265,696, 12,348,663, and 11,775,145 (Exs. 2004-2007) which cites U.S. Pat. App. 2014/307184 claiming priority to the same Australian patent as the ’600 patent.)

In short, Apple’s engagement with Patent Owners (through both domestic and foreign litigation), Apple’s clear knowledge of the patent family and specifically the ’600 patent itself all favor discretionary denial, and its clear delay in filing the petition just four days before the statutory deadline stablishes 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).

B. Petitioner Points to No Material Error in Original Prosecution

Petitioner has also not asserted that the Office materially errored during original prosecution, which alone supports denial. *See Advanced Bionics LLC v. MED-EL Elektromedizinsche 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 in the Petition 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 earlier patents in the family. The Tsampalis PCT was the centerpiece of the German proceedings (in which amended claims were ultimately allowed), and the original U.S. Examiner had knowledge of and access to the Tsampalis PCT for consideration during original prosecution of the '600 patent.

Likewise, as set forth above, Horvath and Kansal are cumulative with multiple references cited in original prosecution. (*Compare* Horvath, Ex. 1004 *with* U.S. Patent No. 6,678,524, "Hansson", Ex. 1069; *compare* Kansal, Ex. 1042 *with*

Tsampalis PCT, WO 2001/41477, Ex. 1009, and WO 2005/018257 (Ex. 2010 "Maaniitty"); *see* Ex. 2008 at 2, HBCU_App0001293-1297 (IDS listing WO Tsampalis PCT, Hansson, and Maanniitty).)

Petitioner's additional cited reference, Dorenbosch (Ex. 1006), is offered only with respect to two dependent claims, specifically claims 2 and 26. (Paper 2 at 81.) Because the Horvath-Tsampalis-Kansal combination fails to render any of the independent claims obvious, Dorenbosch alone or in combination cannot render any dependent claim obvious. Given these similarities, it is also unsurprising that Petitioner failed to identify how its cited references here are any different from those available in original prosecution.

The fact that Petitioner did not claim material error by the Examiner as grounds for institution in its Petition should be the end of the issue. At the same time, however, the record establishes that the Examiner conducted a thorough search for the claim features. The Examiner conducted over 300 searches on multiple dates, spanning over 100 pages of the prosecution history. (Ex. 2020, Examiner Search History '600 patent File History) (Ex. 2008, 08/04/2023 IDS listing WO 2004/061583 "Tsampalis PCT".))

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.

Additionally, districts courts within the Fifth Circuit, where the parallel litigation is taking place, generally disfavor stays where the IPR petitioner needlessly delays filing its petition. *Parthenon Unified Memory Artchitecture LLC v. HTC Corp.*, No. 2:14-cv-00690-RSP, 2016 U.S. Dist. LEXIS 78934, at *6-7 (E.D. Tex. June 16, 2016). For instance, in *Parthenon Unified Memory Artchitecture LLC v. HTC Corp.,* defendants filed three petitions on the last day of the one-year statutory deadline and offered no reason for filing their IPRs at the last minute. *Id.* at 6. In fact, defendants had identified relevant prior art at least six months before they filed their IPRs, when they served their infringement contentions. *Id.* The Eastern District of Texas denied the stay as defendants "did not file their IPRs expeditiously and are most likely seeking a stay to gain a tactical advantage over Parthenon." *Id.*

Here, the Western district of Texas is equally likely to deny any stay in the parallel litigation where Apple, with no justification, filed its petition four days before the end of the deadline and months after the very same prior art was identified in its contentions. *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. As further cases have held, that rationale applies here, where the anticipated trial date 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. 2015, 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 January 2026, before the Director's decision on this

Request. 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 all of the primary references cited in its Petition here, such as

Horvath and Tsampalis, or their functional equivalent, such is the case with Kansal (Ex. 2016, Initial Invalidity Contentions at 7.) Thus, parallel review 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 leaves a multitude of its district court invalidity contentions untouched. (Ex. 1102, November 26, 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. 2016, Apple's Invalidity Contentions.) 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. 2016, Invalidity Contentions at 7-12; Ex. 1102, November 26, 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, November 26, 2025 Stipulation at 1.) What "reasonably" means in this context is unclear, but it

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."

Given the volume of just the system art alone, along with the system-art obvious combinations, this Petition and Apple's *Sotera* stipulation will do basically nothing to reduce the scope of the district court litigation. As the case proceeds to trial, Apple will necessarily reduce its prior art allegations to comply with the district court's rules. Judge Albright's standing order on patent cases sets a deadline of 26 weeks after Markman for the parties to narrow their contentions, including the Defendant's (i.e., Apple's) selection of prior art. (Ex. 2021, Judge Albright Standing Order at 14.).

Indeed, Apple could never hope to present anything close to fifteen system references, let alone the thousands of permutations possible from combining those fifteen system references with more than sixty other references, none of which are addressed by its *Sotera* stipulation. Apple will have to narrow its contentions greatly just from that universe alone. Thus, any purported "simplification" gained

by withdrawing *yet additional* references and combinations that are encompassed by the stipulation is purely imaginary.

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.

6. 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*, IPR2020-0019, 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. 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 alone casts doubt on the Petition's merits.

Likewise, Horvath and Kansal are both cumulative with multiple references cited in original prosecution. No other reference cited in the Petition is asserted to invalidate any independent claim. Accordingly, just as the claims were deemed patentable over the Tsampalis PCT, Hansson, Maaniitty, 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).

D. 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 thousands 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 (and any attempt now by Petitioner to remedy that deficiency comes too late).

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: January 27, 2026

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CERTIFICATE OF SERVICE

I hereby certify that on January 27, 2026, I caused a true and correct copy of **PATENT OWNER'S CORRECTED DISCRETIONARY DENIAL BRIEFING** to be served via electronic mail on the following counsel for Petitioner:

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