

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TARGET CORPORATION

Petitioner,

v.

HEADWATER RESEARCH LLC

Patent Owner.

Case No. IPR2026-00153

U.S. Patent No. 10,321,320

**PETITIONER'S OPPOSITION TO
PATENT OWNER'S DISCRETIONARY DENIAL BRIEF**

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- Ex-1005 U.S. Patent Pub. No. 2006/0190720 to Ozaki et al. (“Ozaki”)
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- Ex-1009 U.S. Patent No. 7,925,717 to Chou et al. (“Chou”)
- Ex-1010 Open Mobile Alliance; Multimedia Messaging Service Architecture Overview (MMSARCH) specification, July 15, 2004, available at https://www.openmobilealliance.org/release/MMS/V1_1-20040715-A/OMA-WAP-MMS-ARCHV1_1-20040715-A.pdf
- Ex-1011 Open Mobile Alliance; OMA-ERELD-MMS-v1_2-20030923-C, Enabler Release Definition for MMS Version 1.2, Sept. 23, 2003, available at https://www.openmobilealliance.org/release/MMS/V1_2-20030923-C/OMA-ERELD-MMS-V1_2-20030923-C.pdf
- Ex-1012 U.S. Patent No. 7,509,487 to Lu et al. (“Lu”)

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- Ex-1024 Gang Lu, et al., Heading for Multimedia Message Service in 3G, 6th IEE International Conference on 3G and Beyond, Washington, D.C., USA, Nov. 7-9, 2005

- Ex-1025 RFC 4355, IANA Registration for Enumservices Email, Fax, MMS, EMS, and SMS (Jan. 2006)
- Ex-1026 Friedhelm Rodermund, A Picture Speaks a Thousand Words – From SMS to MMS, in Business Briefing: Wireless Technology (2003)
- Ex-1027 IETF RFC 793, Transmission Control Protocol (Sept. 1981), available at <https://www.ietf.org/rfc/rfc793.txt>
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- Ex-1030 Roger M. Needham & Michael D. Schroeder, Using Encryption for Authentication in Large Networks of Computers, ACM, Vol. 21, No. 12 (Dec. 1978) (“Needham”)
- Ex-1031 Michael D. Schroeder & Jerome H. Saltzer, A Hardware Architecture for Implementing Protection Rings ACM, Vol. 15, No. 3 (Mar. 1972) (“Schroeder”)
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- Ex-1033 Bo Li et al., Symbian OS platform security model, in Login Magazine (Aug. 2010) available at <https://www.usenix.org/system/files/login/articles/73507-li.pdf> (“Li”)
- Ex-1034 Philip Zimmermann, “Pretty Good Privacy: RSA Public Key Cryptography for the Masses,” PGP User’s Guide, Version 1.0, (June 1991), available at <https://www.techinsider.org/freesoftware/research/acrobat/910605.pdf> (“Zimmermann”)

- Ex-1035 B. Ramsdell, S/MIME Version 3 Message Specification, IETF RFC 2633, (June 1999), available at <https://data-tracker.ietf.org/doc/html/rfc2633> (“Ramsdell”)
- Ex-1036 Miraj E. Mostafa, Transporting data between wireless applications using a messaging system—MMS (Wireless Comms. and Mobile Computing (July 7, 2006) (“Mostafa”)
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- Ex-1043 U.S. Patent Pub. No. 2004/0085894 to Wang et al. (“Wang”)
- Ex-1044 U.S. Patent No. 6,094,424 to Kalmanek et al. (“Kalmanek”)
- Ex-1045 Simon Higginson, Platform Security Concepts, in SYMBIAN OS PLATFORM SECURITY: SOFTWARE DEVELOPMENT USING THE SYMBIAN OS SECURITY ARCHITECTURE, 17, 17-41 (Craig Heath ed., 2006) (“Higginson”)
- Ex-1046 U.S. Patent Pub. No. 2003/0193967 to Fenton et al. (“Fenton”)
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I. INTRODUCTION

The Board should reach the merits of this IPR challenging U.S. Patent No. 10,321,320 (“’320 patent,” Ex-1001). Target filed a copycat petition with a motion requesting joinder with IPR2026-00108, which is a pending proceeding filed by Amazon. As explained below, discretionary denial is inappropriate in the present proceeding for at least the same reasons noted in Amazon’s Opposition filed in IPR2026-00108 (Paper 8)—namely, this IPR is an appropriate use of resources, Target’s expectations outweigh those of Patent Owner (“PO”/“Headwater”), and this IPR promotes efficiency. Further, the *Fintiv* factors weigh heavily against denial.

First, this IPR is an appropriate use of Office resources because it will allow the Office to correct the Examiner’s material error in failing to locate and apply TS-23.140, which is a primary reference presented in this Petition that the Board determined in IPRs challenging related patents—IPR2024-00010 (“Samsung ’192 IPR”) (in an institution decision) and IPR2024-00341 (“Samsung ’733 IPR”) (in a final written decision (“FWD”))—collectively taught limitations that are materially similar limitations to each limitation of ’320 patent claim 1.

Second, Target’s expectations outweigh any settled expectations PO claims to have. Starting in 2022 and for nearly three years and over twenty suits, PO’s litigation campaign asserted patents against wireless carriers and one of the world’s largest electronic device manufacturers (Samsung). The first time PO asserted any

of its patents against Target was in 2025. But Target is a retailer that provides a mobile application for its retail customers, and Target could not have reasonably expected that PO would extend its litigation campaign outside these other core industries and focus on Target on the theory that its patents generically cover push messaging technology. Further undermining PO's expectations as to the '320 patent, PO did not assert it against anyone until May 2025 and did not assert it against Target until September 2025. When PO sued Target: (1) the Board had determined in the Samsung '192 IPR and '733 IPR that there was a reasonable likelihood that the challenged claims—which collectively include materially similar limitations to '320 patent claim 1—were unpatentable; (2) PO had recently sought and obtained termination of the Samsung '192 IPR on the eve of the FWD; and (3) a FWD in the '733 IPR had issued in July 2025, determining all challenged claims were unpatentable. These facts undermine PO's settled expectations. Target had no reason to expect that the '320 patent would be asserted against it, and would have expected that, even if the '320 patent was asserted, Target could challenge it based on the same primary reference(s) asserted in the Samsung '192/'733 IPRs (as Target does here).

Third, this IPR promotes efficiency, both for the Office and the district courts/parties, especially when joined with Amazon's IPR2026-00108. The Office previously evaluated the same primary prior art references and claims that collectively include substantially similar limitations in the Samsung '192 and '733 IPRs,

and can leverage that work. Moreover, reaching the merits of this IPR and Target's co-pending IPR challenging a related patent (IPR2026-00154 challenging U.S. 9,615,192 ("192 patent")) promotes efficiency.¹ The related '320 and '192 patents have claims with similar limitations, and the petitions present the same primary references. This IPR is also more efficient for the district courts/parties, as a FWD could avoid duplicative efforts in seven litigations involving the '320 patent split across three districts. Also, PO's complex litigation campaign—over thirty active cases collectively asserting more than twenty patents in three districts—indicates the Office is the most appropriate forum for evaluating the unpatentability of the multiple Headwater patents challenged in IPRs both efficiently and consistently.

II. BACKGROUND

PO or its affiliate is the assignee of hundreds of issued U.S. patents (Ex-1051), many of which claim priority to U.S. App. 12/380,780 ("780 application") (Ex-1052). Patents claiming priority to the '780 application began issuing in 2012 (Ex-1053), with the '320 patent issuing in 2019. Yet, PO waited nearly a decade after its first patent issued to begin asserting its patents. In October 2022, and for the first two and a half years, PO or its affiliate filed over twenty suits against Samsung or

¹ Target is seeking joinder of this proceeding (IPR2026-00153) and of IPR2026-00154 with Amazon's proceedings (IPR2026-00108 and -00088), respectively.

cell phone carriers in E.D. Tex.² Ex-1054. PO's litigation campaign has consisted of serial attacks against accused infringers, including six E.D. Tex. suits against Samsung from Oct. 2022-Aug. 2024. *Id.* None of PO's early cases involved Target or the '320 patent. PO first asserted the '192 patent—not the '320 patent—in 2023 against Samsung in E.D. Tex. *Id.* Target's co-pending IPR2026-00154 challenges the '192 patent. The limitations of '320 patent claim 1 (directed to both a network and the devices the network communicates with) are materially similar, collectively, to the limitations of the '192 patent claim 1 (network) and '733 patent claim 1 (device).

In November 2023, Samsung filed its '192 IPR challenging independent claims 1 and 15 and all but two dependent claims. Ex-1055. The Board instituted in May 2024 and held an oral hearing in March 2025. Ex-1056-57. The parties filed a joint motion to terminate in early May 2025, which the Board granted ten days before the FWD deadline. Ex-1058, -1059. In January 2024, Samsung filed another IPR (IPR2024-00341) challenging a patent with claims including device-side limitations that are materially similar to those of the '320 patent—U.S. 8,406,733 (“'733 patent”). Ex-1060. The Board instituted in July 2024 and issued a FWD determining all challenged claims were unpatentable in July 2025. Ex-1061, -1062. Two more

² PO also filed suit against Motorola Mobility and Lenovo in N.D. Cal. (Ex-1054), which was stayed pending IPRs and then dismissed with prejudice.

FWDs issued in Oct. 2025, determining that all challenged claims of related patents³ were unpatentable. Ex-1063 (U.S. 8,589,541); Ex-1064 (US 9,198,042).

In April 2025, the Samsung litigation proceeded to trial—but not on the '192 patent. Instead, “[PO] elected not to pursue its claims under the '192 patent.” Ex-1065; Ex-1022.

Days after the Board terminated the Samsung '192 IPR, on May 16, 2025, PO started a new campaign—asserting the '192/'320 patents against Google in Texas. Ex-1054, 4. This was the first time PO asserted the '320 patent. The Google case was transferred to N.D. Cal—thereby delaying that schedule. Ex-1066; Ex-1082.

The first time PO asserted any of its patents against Target was in September 2025, when it sued Target on the '192/'320 patents in E.D. Tex. Ex-1054, 11. Between Sept. and Nov. 2025, PO asserted those patents against multiple defendants in E.D. Tex. In total, seven litigations involving the '192 and '320 patents are pending—one in W.D. Tex. (Amazon), one in N.D. Cal. (Google), and five in E.D. Tex. (against Walmart, Target, Uber, Supercell, Tencent). Ex-1054, 11; Ex-1066.

III. THIS IPR IS AN APPROPRIATE AND EFFICIENT USE OF OFFICE RESOURCES

A. This IPR Will Allow the Office to Correct a Material Error During

³ The '541, '042, '733, '192, and '320 patents are related because they all claim priority to the '780 application. Ex-1001; Ex-1067-69; Ex-1049.

Prosecution, Overriding Any Alleged PO Settled Expectations

The prosecution history of the '320 patent strongly suggests that the Office committed a material error in allowing the challenged claims. During prosecution, the Examiner failed to locate and apply TS-23.140⁴—a primary reference asserted in this Petition that is a functional description of the Multimedia Messaging Service (“MMS”) published by 3GPP. This error was material because the Board’s determinations in the Samsung '192 and '733 IPRs indicate that TS-23.140 teaches the limitations of claim 1 that the Examiner believed were inventive.

Although the Applicant submitted over one thousand references during prosecution, Applicant did not submit TS-23.140. Ex-1071, 392-538, 619-25, 627-30, 819-25, 876-82. The Examiner also did not independently locate TS-23.140. There is no evidence the Examiner searched for 3GPP specifications (or any non-patent literature at all). *Id.*, 918-19 (searching patent classification categories).

A reasonable search would have covered 3GPP publications⁵ describing conventional wireless messaging systems and located TS-23.140. The '320 patent is

⁴ The Examiner also should have located the Houghton/Munson references.

⁵ Even if the Examiner was not aware of 3GPP before, PO submitted two 3GPP specifications in an IDS. Ex-1071, 460.

classified in CPC H04W (wireless communication networks) (Ex-1072), its specification discusses 3G/GSM cellular networks (among others) (Ex-1001, 12:50-13:15), and the claims are generally directed to a server that buffers and transmits messages to mobile end-user devices based on delivery triggers (and the agents on the devices). Standardized cellular messaging services are squarely related to this subject matter, and 3GPP specifications should have been considered because they are published by the “world’s leading organization for developing and maintaining cellular telecommunications standards.” Ex-1016, ¶27. Further, the 3GPP 23-series relates to 3G/GSM systems described in the ’320 patent (*see, e.g.*, Ex-1001, 12:50-13:15), and TS-23.140 provides a functional description of MMS—a message storage/delivery service that, as explained below, the Office has determined to be directly relevant to the unpatentability of similar claims. MMS was a well-known messaging service, and the TS-23.140 specification describing it was publicly accessible and would not have been difficult to find either on the 3GPP website or through internet searches. Thus, a reasonable Examiner search should have located TS-23.140. Ex-1016, ¶33, ¶¶44-70; Ex-1073, 2 (2016 “MMS Architecture” Wikipedia page mentioning TS-23.140).

During prosecution, the Examiner allowed claim 1 and the remaining challenged claims without issuing any rejections, stating that the cited art did not “dis-

close Applicant’s inventive claim language.” Ex-1071, 909. But the Board’s determinations in the Samsung ’192 and ’733 IPRs indicate that TS-23.140 indeed taught the limitations of ’320 patent claim 1. As context, independent claim 1 of the ’320 patent is directed to both the network and device side of a system for transmitting messages. Claim 1’s limitations are materially similar, collectively, to the limitations of claim 1 of each of the ’192 (network) and ’733 patents (device):

- ’320 patent, claim 1: a “networked system” (1[pre]) including: (i) a “network server system” and associated components that buffer and securely transmit messages to wireless end-user devices upon detection of triggers (1[a]-1[d4]); and (ii) “device link agents” on respective end-user devices that securely receive those messages and deliver them to identified applications.
- ’192 patent, claim 1: “message link server” with components performing materially similar functions as the ’320 patent’s “network server system”: i.e., buffering messages and securely delivering them upon trigger detection triggers.
- ’733 patent (Ex-1069), claim 1: “end-user device” with a “service control device link agent” performing materially similar functions as the ’320 patent’s “device link agents”: i.e., securely receiving messages and routing them to application-level “device agents.”

In the Samsung ’192 IPR, Samsung challenged claim 1 based on the same TS-23.140 reference presented in this Petition, and the Board determined there was a

reasonable likelihood that petitioner would prevail. Ex-1056, 11-27. That is, the Board determined there was a reasonable likelihood that TS-23.140 taught limitations materially similar to the “network server system” limitations of ’320 patent claim 1. Further, in the Samsung ’733 IPR, the Board’s FWD determined that TS-23.140⁶ taught the core functions of the “service control device link agent” described above. Ex-1062, 36-49. The Board thus determined that TS-23.140 also taught limitations materially similar to the “device link agents” limitations of ’320 patent claim 1. Taken together, the Board’s determinations in the Samsung ’192 and ’733 IPRs indicate that TS-23.140 teaches the limitations of ’320 patent claim 1 (i.e., both the “network server system” and “device link agents” limitations) that the Examiner believed were not taught in the prior art. This shows that the Examiner’s failure to locate and apply TS-23.140⁷ was a material error that this Petition—challenging

⁶ The Board relied on another reference for encryption key storage and decryption limitations present in the ’733 patent (which are not limitations of ’320 claim 1).

⁷ The Office’s material error decisions typically focus on art before the Examiner, but here the Examiner’s material error was failing to locate and apply TS-23.140. *Yealink* and *Microsoft v. Partec* are not limited to considered art. The Office should assess material error based on the obviousness legal standard—i.e., whether the

claim 1 based on TS-23.140—will allow the Office to correct. Even if PO had settled expectations based on the '320 patent's age, the Office's material error in failing to locate and apply TS-23.140 during prosecution overcomes them. *See, e.g., Anthony Inc. v. Controltec, LLC*, IPR2025-00559, Paper 12, 2 (July 16, 2025) (referring petitions based on a material error even though challenged patents were in force several years); *Skullcandy, Inc. v. Earin AB*, IPR2025-00690, Paper 9, 2 (July 31, 2025) (finding material error despite “settled expectations”); *Yealink (USA) Network Tech. Co. v. Barco N.V.*, IPR2025-00491, Paper 18, 2-3 (June 25, 2025) (referring petition where Examiner failed to appreciate that claim referred to services “well known in the art”); *Microsoft Corp. v. Partec Cluster Competence Ctr. GmbH*, IPR2025-00318, Paper 9, 2-3 (June 12, 2025) (referring petition and determining it was material error to overlook teachings of cited references and combined teachings with references not previously presented).

B. Target's Expectations Resulting From PO's Litigation and IPR

claims would have been obvious to a POSITA presumed aware of all pertinent prior art. *Standard Oil Co. v. Am. Cyanamid Co.*, 774 F.2d 448, 454 (Fed. Cir. 1985) (obviousness is “determined entirely with reference” to a hypothetical POSITA); *Custom Accessories, Inc. v. Jeffrey-Allan Indus., Inc.*, 807 F.2d 955, 962 (Fed. Cir. 1986) (a POSITA “is presumed to be aware of all the pertinent prior art.”).

Conduct Outweigh Any PO Settled Expectations

Even if the Office does not determine there was a material error during prosecution, Target's expectations here outweigh any PO settled expectations. First, Target never expected that the '320 patent would be asserted against it. Second, even if it was, Target would have expected that it would be able to challenge this patent based on the primary references in the Samsung '192/'733 IPRs.

As discussed in §IV.C, PO has a history of complicated, multi-patent litigation, often serially filing multiple suits against the same defendant. PO waited nearly six years after the '320 patent issued (in 2019) to ever assert it. Further, for nearly three years and over twenty suits, PO's initial litigation campaign targeted wireless carriers and one of the world's largest electronic device manufacturers (Samsung). The first time PO asserted any of its patents against Target was in 2025. But the accused functionality relates to Target's mobile application for its retail customers, and Target could not have reasonably expected that PO would extend its litigation campaign outside these other core industries and focus on Target on the theory that its patents generically cover push messaging technology. Nor could Target have expected that PO would pluck a never-before-asserted, six-plus-year-old patent from its portfolio of hundreds to assert against Target. *See Home Depot U.S.A., Inc. v. H2 Intellect LLC*, IPR2025-00480, Paper 11, 2-3 (Sept. 4, 2025) (informative) (determining that fact that Patent Owner previously targeted "smartphones, tablets, and

watches” and Petitioner—a hardware store proprietor—“did not have reason to anticipate assertion” of the patent “weigh[ed] against Patent Owner’s settled expectations and weigh[ed] in favor of Petitioner’s expectations”).

The Office’s determination in *Home Depot* that the petitioner’s expectations weighed against denial applies with even more force here because additional facts undermine PO’s settled expectations. Claim 1 in each of the ’192 and ’733 patents are, collectively, materially similar to claim 1 of the ’320 patent claims, and PO cannot have settled expectations in the ’320 patent when: (1) the Board surely unsettled any possible expectations by informing PO (in the Samsung ’192/’733 IPRs) that there was a reasonable likelihood the challenged claims were unpatentable based on the TS-23.140 reference asserted in this Petition⁸; (2) PO’s actions in May 2025 resulted in the Board terminating the Samsung ’192 IPR without issuing a FWD; and (3) PO immediately afterward began a brand new litigation campaign asserting the ’192 and ’320 patents against Target and others, despite the Board’s previous determinations in the Samsung ’192/’733 IPRs.

Moreover, before PO sued Target on the ’320 patent, the Board had instituted

⁸ The Samsung ’192 IPR institution decision also determined there was a reasonable likelihood of unpatentability based on Houghton-Munson (also asserted here).

at least twenty petitions challenging a Headwater patent (and considered many others). Ex-1074; Ex-1062. And around the same time, the Board had issued three more FWDs determining claims of three related patents were unpatentable. Ex-1062-1064.⁹ The institution decisions as to PO’s patents—and three FWDs determining that related patents’ claims were unpatentable—further demonstrate PO did not have settled expectations. *See, e.g., Mercedes-Benz Grp. AG v. The Phelan Grp., LLC*, IPR2025-00413, Paper 13, 2 (June 25, 2025) (referring petition where “claims of a related patent were recently found unpatentable”).

C. This IPR Promotes Efficiency

1. The Office’s Previous Investment and the Scale of PO’s Litigations Demonstrate This IPR Promotes Efficiency

This IPR is an efficient use of Office resources. The Office previously evaluated the same primary references and claims that collectively include materially similar limitations to ’320 patent claim 1 in the Samsung ’192 (both TS-23.140 and Houghton-Munson) and ’733 IPRs (TS-23.140). §§III.A, III.B. Thus, the Office can leverage work it has already done. Moreover, considering the merits of both this IPR and the co-pending ’192 IPR time would be efficient, as the related patents have similar claims and the Petitions present the same primary references. *See Embody, Inc. v. Lifenet Health*, IPR2025-00248-249, Paper 13, 3 (June 26, 2025) (referring a

⁹ The ’733 FWD issued before Target was sued. PO has since appealed. Ex-1075.

patent related to another patent for which discretionary denial was inappropriate).

This IPR is also more efficient for the district courts and the parties. Specifically, evaluating unpatentability in this IPR (and the '192 IPR) and reaching a FWD could avoid duplicative efforts in seven litigations involving the '192/'320 patents split across three districts. Ex-1054, 4, 11; Ex-1066. More generally, the complexity of PO's litigation campaign indicates that the Office, rather than the district courts, is the most appropriate forum for evaluating unpatentability. PO currently asserts twenty-seven patents across thirty active cases. Ex-1054. There are IPRs challenging multiple patents that PO currently asserts, including this IPR and Target's '192 IPR. Ex-1076. The Office is better positioned than the district courts to address unpatentability of these patents consistently—and doing so would be efficient given the Office's prior investment. *See* §III.B. This also favors reaching this IPR's merits. *See, e.g., Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217 et al., Paper 9, 2-3 (June 13, 2025) (informative) (“The large number and vast scope of the patents asserted in the district court litigation...weighs against discretionary denial”).

2. A FWD of Unpatentability Would Estop PO From Obtaining Patentably Indistinct Claims in Dozens of Pending Applications

PO has filed hundreds of applications claiming priority to the '780 application, with about thirty pending. Ex-1052. If the challenged claims are held unpatent-

able, PO would be estopped from obtaining patentably indistinct claims, thus avoiding the need to relitigate invalidity (before the Office or elsewhere). 37 C.F.R. §42.73(d)(3)(i); *SoftView LLC v. Apple Inc.*, 108 F.4th 1366 (Fed. Cir. 2024).

IV. THE FINTIV FACTORS WEIGH HEAVILY AGAINST DENIAL

A. Factor 1: The Likelihood of a Stay Is Neutral

This factor is neutral given that the Board normally does not attempt to predict how a district court will decide a pending motion to stay (Target’s motion to stay is pending). *Sand Revolution II, LLC v. Cont’l Intermodal Grp.-Trucking LLC*, IPR2019-01393, Paper 24, 7 (June 16, 2020) (informative).

PO attempts to characterize Target’s pending motion to stay—where Target conditionally agreed to be bound by the outcome of Google’s litigation—as favoring discretionary denial. DD Request, 4. According to PO, even if the Target litigation is stayed, the Google litigation would proceed in parallel with this IPR. *Id.*, 4-5. That’s patently false. And PO was aware of its fiction.

Target already stipulated to the district court that it will terminate this IPR if its stay (based on the customer-suit exception) is granted. *See* Ex. 2006, 10 n. 5. Thus, if the stay is granted, Target’s litigation would be stayed pending outcome of Google’s litigation, and this IPR would be terminated. There is no world where Google’s litigation is “binding upon Target” (DD Request, 5) while Target’s IPR remains pending. Contrary to PO’s false assertion, Target’s request for a stay only

induces further efficiency, and thus counsels against discretionary denial.

B. Factor 2: The Trial Date Weighs Against Denial Because Trial Will Occur After the Expected FWD

PO theories that the district court will grant Target's requested stay (based on the customer-suit exception) to argue that the trial date of the "Google litigation" controls here and would occur before the FWD in this proceeding (~May 2027). DD Request, 5-6. This argument fails in three respects. *First*, PO's assumption that the Google litigation will reach a jury trial on April 2027 is no longer credible. That is because the court recently granted Google's motion to transfer to N.D. Cal.—thereby significantly delaying that schedule. *See* Ex-1066; Ex-1082. Neither Google nor Target will have a jury trial against PO in April 2026, and the N.D. Cal court will instead set a new trial date for Google (which will be much later given time-to-trial statistics in N.D.Cal). Ex-1066; Ex-1079, 35, 66 (38.9 months to trial in N.D.Cal. vs. 24 months in E.D.Tex.). *Second*, if Target's stay is granted, Target already stipulated to terminate this IPR—thus surely eliminating any scenario where a jury trial involving Target's interests occurs before the expected FWD here. *See* Ex. 2006, 10 n. 5. *Third*, if Target's stay is denied, Target's trial will occur in Sept. 2027. This is the trial date that matters here; it is months after the expected FWD.

The PTAB's FWD here is the most efficient and earliest adjudication of Target's presented grounds against the '320 patent. Discretionary denial is not proper.

C. Factor 3: The Investment in the Parallel Litigation Weighs Against Denial Because the Litigation Is in Its Early Stages

PO concedes that Target's litigation "is still in its relatively early stages." DD Request, 5. Based on this admission, Factor 3 weighs against discretionary denial. PO also relies on its false premise that the "Google litigation" is controlling for Factor 3. DD Request, 5-6. It is not. This argument fails for the below reasons.

First, PO's attempt to use the Google litigation as the parallel litigation to compare against is a red herring. As explained above, the Google litigation is binding on Target only if Target's stay is granted, but in that scenario Target's IPR would be terminated. *See Ex. 2006, 10 n 5*. Even if the Google litigation could be the parallel litigation for Factor 3 (which it is not), the recent transfer of the Google litigation to N.D. Cal. confirms that the posture of the litigation is effectively paused and the previous deadlines no longer apply (including the *Markman* hearing, which was cancelled by the Texas court). *See Ex-1066, Ex-1082*. PO's reach for Google's trial schedule in E.D.Tex. is a grasp at straws. It is no longer accurate or credible. *Second*, when properly using Target's litigation for Factor 3, there is no dispute that this litigation is in its infancy. By the time of the decision on institution in this proceeding, the *Markman* hearing and associated briefing will not have begun, fact discovery would be in its early stages, and expert discovery would not have begun. *Ex-1081*.

D. Factor 4: The Lack of Overlap Between Issues Raised in the Petition and the Parallel Litigation Weighs Heavily Against Denial

Lack of overlap between proceedings weighs heavily against denial. Target has submitted a *Sotera* stipulation, agreeing to be “bound by the full scope of estoppel under 35 U.S.C. § 315(e)(2).” Ex-1050. Target’s stipulation covers the full breadth of statutory estoppel (*see* 35 U.S.C. §§311(b), 315(e)(2)) and weighs against denial. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, 19 (Dec. 1, 2020) (precedential, §II.A); *Apple Inc. v. Vampire Labs, LLC*, IPR2025-01215, Paper 8, 8-9 (Oct. 17, 2025)(referencing *Sotera* stipulation), Paper 10, 2 (instituted).

In support of its argument that this factor favors denial, PO contends that Target’s stipulation is “not sufficient” because it allows Target to rely on Petition art in combination with system art. DD Request, 6-8. However, Target’s *Sotera* stipulation greatly simplifies the parallel litigation because—if IPR is instituted—Target is precluded from raising vast majority of the prior art in litigation. PO also argues this factor favors denial based on a hypothetical argument that Target may also file an *ex parte* reexamination (“EPR”). DD Request, 7. However, the Director has never required a stipulation to forgo EPR as a condition for IPR institution. Regardless, Target stipulates not to file an EPR while this IPR is pending.

Finally, PO’s argument based on overlap with “Google” (pp. 7-8) omits that Google’s litigation is delayed until after the FWD here and, even if Target’s stay is granted, this IPR would be terminated rather than proceed in parallel. *Supra*, p. 16 (citing Ex-1066; Ex-1082).

E. Factor 5: The Parties Factor Weighs Against Denial Because the FWD Is Likely to Precede the Trial

For Factors 1-4, PO repeatedly points to the “Google litigation” as the parallel proceeding. According to this logic from PO, Target is not the same party as the defendant, so Factor 5 weighs against exercising discretion—especially where Target has already stipulated to terminate this IPR if Target is bound to the Google litigation. If Target’s later-scheduled jury trial is considered as the “parallel proceeding,” then Target is the same party as the defendant. Even then, the Board has held that the same parties being involved in IPR and litigation does not weigh against denial when the FWD will “issue[s] before the district court trial.” *BMW of N. Am., LLC v. Mich. Motor LLC*, IPR2023-01234, Paper 11, 14-15 (Jan. 26, 2024).

F. Factor 6: Other Circumstances Weigh Heavily Against Denial

There are compelling reasons to reach this IPR’s merits. §§III-IV.E. Indeed, the Office has already determined in the ’192 and ’733 IPR that there is a reasonable likelihood of unpatentability based on the same primary references. No other PTAB decision has disturbed that determination. Thus, this factor weighs against denial.

PO argues the patent’s age and licensing support settled expectations. DD Request, 2-3, 9-10. Target’s expectations, however, outweigh any expectations PO claims. §III.B. Further, regarding licensing, PO’s cited evidence is dated in September 2025 or later and does not support settled expectations with respect to Target,

against which suit was filed contemporaneously in September 2025. Also, PO's licensing evidence is dated after the Samsung '192 IPR and other related other IPRs were instituted and after the '733 FWD issued. It would be unreasonable for PO to expect the '192 patent's claims would not be challenged when the '192 patent and other related patents were already subject to significant IPR activity.

PO also argues that the Petition lacks "compelling merits" because it does not assert anticipatory art. DD Request, 9. However, the Board determined that '192 and '733 IPRs presenting obviousness grounds based on the same primary references demonstrated a reasonable likelihood of unpatentability. PO's related assertion—that Target does not reconcile its IPR positions with Google's litigation claim construction positions—also fails. That's because this argument presupposes that the Target IPR and Google litigation will advance in parallel, which is simply not the case. Thus, PO's allegation of varying litigation and IPR positions is baseless.

V. CONCLUSION

There are persuasive reasons to reach the merits of this IPR, and PO's request for discretionary denial should be denied.

Respectfully submitted,

Dated: March 2, 2026

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR §§ 42.6(e)(1) and 42.6(e)(4)(iii), the undersigned certifies that on March 2, 2026, a complete and entire copy of this Petitioner's Opposition to Patent Owner's Discretionary Denial Brief and added supporting exhibits are provided via email to the Patent Owner via electronic mail on Patent Owner's lead and backup counsel listed below at the following email address:

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