

**UNITED STATES PATENT AND TRADEMARK OFFICE**

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**BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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ASUSTEK COMPUTER INC. and  
ASUS COMPUTER INTERNATIONAL,

Petitioners

v.

NOKIA TECHNOLOGIES OY,

Patent Owner.

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IPR2025-01153  
U.S. Patent No. 10,536,714

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**PATENT OWNER'S REQUEST FOR  
DISCRETIONARY DENIAL**

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Patent Trial and Appeal Board  
U.S. Patent & Trademark Office  
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<b>Ex. No.</b>	<b>Title</b>	<b>Previously Submitted</b>
<b>2001</b>	Declaration of R. Mitch Verboncoeur in Support of <i>Pro Hac Vice</i> Admission	<b>X</b>
<b>2002</b>	Declaration of R. Mitch Verboncoeur in Support of Patent Owner’s Notice of Intent to Designate a Provisionally Recognized PTAB Attorney as Back-Up Counsel	<b>X</b>
<b>2003</b>	Order No. 10-First Amended Adopted Procedural Schedule in Investigation No. 337-TA-1448, dated June 25, 2025	
<b>2004</b>	Investigation Initiation Letter to The Honorable Lisa R. Barton in Investigation No. 337-TA-1448, dated April 11, 2025	
<b>2005</b>	Respondents Initial Invalidity Contentions in Investigation No. 337-TA-1448, dated July 1, 2025	
<b>2006</b>	Exhibit D-4 Claim Chart Regarding U. S. Patent No. 10,536,714, in Investigation No. 337-TA-1448	
<b>2007</b>	Exhibit D-4 Claim Chart Regarding U. S. Patent No. 10,536,714, in Investigation No. 337-TA-1380	
<b>2008</b>	Public Version of Initial Determination on Violation of Section 337 and Recommended Determination on Remedy and Bond in Investigation No. 337-TA-1380, dated December 20, 2024	
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Pursuant to the Director’s March 26, 2025 Memorandum concerning “Interim Processes for PTAB Workload Management” (“March 26, 2025 Memorandum”), Patent Owner Nokia Technologies Oy (“Nokia”) respectfully requests that the Director exercise her discretion and deny institution of Petitioners’ ASUSTeK Computer, Inc. and ASUS Computer International’s (collectively, “Petitioners”) Petition for *inter partes* review of U.S. Patent No. 10,536,714 (“the ’714 Patent”).

This petition presents a clear case in which both the *Fintiv* factors and the Director’s March 26, 2025, Memorandum strongly support discretionary denial of institution. The validity of the ’714 Patent, which issued over 5 years ago, is being challenged in a second, parallel ITC proceeding that whose trial will take place ***almost one year prior to any Final Written Decision (“FWD”) that would issue from this case.*** Further, the Final Initial Determination and Final Determination from the ITC will both issue months before the scheduled FWD.

Moreover, while Petitioners identify another ITC proceeding (*Certain Video Capable Electronic Devices, Including Computers, Streaming Devices, Televisions, and Components and Modules Thereof*, Inv. No. 337-TA-1380 (ITC)) as a related proceeding, they fail to mention that ***the Challenged Claims of the ’714 Patent were held valid by the ITC in that dispute.*** The reasons for this omission are clear—the Director has found that prior adjudications of validity weigh in favor of discretionary denial of institution.

For these reasons and the reasons identified below, Nokia respectfully requests that the Director exercise discretion under § 314(a) and deny institution.

**I. THE DIRECTOR SHOULD EXERCISE DISCRETION UNDER SECTION 314 AND DENY INSTITUTION**

35 U.S.C. § 314(a) provides the Director with discretion to deny institution of any *inter partes* review proceeding because of the state of parallel proceedings regarding the same issues and patents. 35 U.S.C. § 314(a); *Harmonic Inc. v. Avid Tech.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). The Director has applied that discretion where efficiency considerations stemming from parallel proceedings on the same patent warrant denial of institution. *See NHK Spring Co. v. Intri-Plex., Inc.*, IPR2018-00752, Paper 8 at 11 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019) (“*NHK Spring*”).

**A. The *Fintiv* Factors Weigh Heavily In Favor Of Discretionary Denial**

The Director should deny institution under 35 U.S.C. § 314 because all six *Fintiv* factors favor discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv I*”); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 7-8 (PTAB May 13, 2020) (order denying institution) (informative, designated July 13, 2020) (“*Fintiv II*”). A parallel ITC investigation (*Certain Video-Capable Laptop, Desktop Computers, Handheld*

*Computers, Tablets, Televisions, Projectors, and Components and Modules Thereof*; Inv. No. 337-TA-1448 (Violation), (“-1448 ITC Investigation”)) involving the same claims and same prior art will conclude months in advance of any FWD that would issue from this IPR. Moreover, Petitioners are a named party in the parallel ITC investigation, and efficiency considerations stemming from the parallel proceeding on the same patent warrant denial of institution. Furthermore, the patent claims were already held to be valid in an earlier ITC proceeding. *NHK Spring*, Paper 8 at 11.

Six factors stemming from the decisions in *Fintiv I* and *Fintiv II* are considered by the Director when determining whether efficiency considerations mandate discretionary denial in view of a parallel proceeding. These factors include: These factors include: (1) whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted; (2) proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision; (3) investment in the parallel proceeding by the court and the parties; (4) overlap between issues raised in the petition and the parallel proceeding; (5) whether the petitioner and the defendant in the parallel proceeding are the same party; and (6) other circumstances that impact the Board’s exercise of discretion. *Fintiv I* at 5-6. When making a determination as to whether to exercise discretion in denying institution of *inter partes* review, the Board typically “takes a holistic view of whether efficiency and integrity of the system are best served by denying

or instituting review.” *Fintiv II* at 7-8. A holistic view of the current proceedings warrants denial of institution.

**B. *Fintiv* Factor 1 – A Stay of the ITC Case is Unlikely**

The first *Fintiv* factor concerns “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Fintiv I* at 5-6. This factor weighs in favor of denial of institution.

The parallel -1448 ITC Investigation is proceeding toward trial in January 2026, while a FWD in this case would issue in January 2027. By the time an institution decision issues in this case, the -1448 ITC Investigation will be within days of trial. EX-2003 at v (First Amended Adopted Procedural Schedule in the -1148 Investigation) (identifying January 7-13, 2026, as the dates of the ITC Evidentiary Hearing, while the projected date of an institution decision in this proceeding is January 5, 2026). Petitioner has not sought a stay of the ITC proceeding, and any such stay is extremely unlikely given how advanced the case will be before an institution decision issues in this IPR

The March 24, 2025 Memorandum issued by Chief Judge Boalick, entitled “Guidance on USPTO’s rescission of “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“March 24, 2025 Memorandum”) explicitly states that “the Board will apply the *Fintiv* factors when there is a parallel proceeding with the International Trade Commission

(ITC).” March 24, 2025 Memorandum at 2. *Fintiv* expressly addresses ITC Investigations. *Hewlett Packard Enter. Co. v. Q3 Networking LLC*, IPR2021-00754, Paper 9 at 8-9 (PTAB Oct. 8, 2021) (citing *Fintiv I* at 8) (“[E]ven though the Office and the district court would not be bound by the ITC’s decision, an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition.”)). Here the ITC will be considering—again, as it has already done in a prior ITC Investigation—the validity of the ’714 Patent.

**C. *Fintiv* Factor 2 – Trial in the ITC Will Take Place Over Eleven Months Before The Deadline For A Final Written Decision In This Proceeding**

The second *Fintiv* factor relates to the “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision.” Factor two weighs strongly in favor of discretionary denial.

The Notice of Filing Date accorded was issued on July 7, 2025. Paper 3. Accordingly, a FWD could issue as late as January 5, 2027. 35 U.S.C. § 314(b); 35 U.S.C. § 316(a)(11). In contrast, a trial is scheduled in the -1448 ITC Investigation for January 7-13, 2026, almost twelve months before any FWD in this IPR. EX-2003 at v. Moreover, the target date for the Initial Determination at the ITC is June 3, 2026, and the target date for the Final Determination is October 3, 2026. *Id.* Accordingly, the ITC proceeding will be completed long before any FWD would

issue in this case. For these reasons, this factor weighs heavily in favor of denial of institution. *Caihong Display Devices Co. LTD. v. Corning, Inc.*, IPR2025-00439, Paper 18 (PTAB July 10, 2025) (denying institution where the target date was before the projected final written decision date and the challenged patent was in force for more than 14 years); *see also RingConn LLC v. Ouraring, Inc.*, IPR2025-00412, Paper 11 (PTAB June 25, 2025).

Further, instituting trial in this IPR would frustrate one of the primary objectives of the AIA, which is “to provide an effective and efficient alternative” to parallel litigation. *NHK Spring*, 19-20 (quoting *General Plastic Indus. Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, 15-19 (PTAB Sept. 6, 2017) (precedential, designated Oct. 18, 2017)). If IPR were instituted in this proceeding, any potential FWD would issue well after trial is completed, clearly showing that institution would not result in the AIA’s true objective of an “alternative” to parallel litigation. Instead, institution would result in relitigating validity issues that had already been decided in the parallel ITC proceeding. Moreover, as discussed in detail below, the ITC has already adjudicated the validity of the ’714 Patent, finding the Challenged Claims patentable in an earlier ITC proceeding. *See* Section II.A, *infra*. A *third* proceeding addressing the validity of the claims of the ’714 Patent is nothing more than a waste of Board and party resources and a serial attack on the patent.

**D. *Fintiv* Factor 3 – The Parties Will Have Invested Substantially In The ITC Case Before An Institution Decision**

The third *Fintiv* factor addresses “investment in the parallel proceeding by the court and the parties.” Factor three also strongly favors discretionary denial because *the ITC trial will take place only days after the expected institution date in the IPR*. Significant amounts of work have already been invested in the parallel -1448 ITC Investigation. The parties have already identified expert witnesses, identified witnesses to testify at the evidentiary hearing, exchanged proposed terms for construction, and are preparing claim construction briefs that will be filed in two-days’ time (September 10, 2025). EX-2003. By the time an institution decision is scheduled to issue in this IPR proceeding (January 5, 2026), the -1448 ITC Investigation will be within two days of the trial scheduled for January 7-13, 2026. *Id.*

Thus, by the expected time of the institution decision in this IPR, the parties will have invested substantial time and resources in the -1448 ITC Investigation addressing:

- service of contention interrogatories (September 19, 2025)
- the close of fact discovery (September 26, 2025)
- the exchange of initial expert reports (October 3, 2025)
- the *Markman* hearing (October 17, 2025)

- the exchange of rebuttal expert reports (October 20, 2025)
- the close of expert discovery (November 4, 2025)
- the filing of summary determination motions (November 7, 2025)
- the exchange of trial exhibit lists (November 10, 2025)
- the filing of motions *in limine* (December 15, 2025)

EX-2003 at iii-v.

Under these circumstances, it would be an extremely inefficient use of the parties' and the Board's time and resources to relitigate issues that will be tried (January 7, 2026) and decided in the ITC's Final Initial Determination (June 3, 2026) and Final Determination (October 3, 2026) months before any FWD would issue in this proceeding. *Id.*

**E. *Fintiv* Factor 4 – There Is Substantial Overlap Between This IPR Proceeding And The Parallel ITC Case**

*Fintiv* factor four relates to “overlap between issues raised in the petition and the parallel proceeding.” Factor four also weighs in favor of discretionary denial of institution. Specifically, the Board in *Fintiv* held that “if the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, this fact has favored denial.” *Fintiv* at 12. Claims 1-5, 7-12, 14-19, 21-26, and 28-30 of the '714 Patent are asserted against Petitioners in the parallel ITC case. EX-2004 at 63 (Complaint in the -1448 ITC

Investigation). The Petition challenges claims 1-3, 5-10, 12-17, 19-24, and 26-30 (Ground 1) and claims 1-30 (Ground 2) of the '714 Patent, so there is complete overlap between the claims asserted in the -1448 ITC Investigation and this Petition. Petition at 9. Thus, validity of the Challenged Claims in the Petition will be tried and determined by the ITC months before any FWD in this IPR. EX-2003 at 5.

Petitioners are asserting identical grounds for invalidity in the ITC case. EX-2005 at 54-61 (Respondents' Initial Invalidity Contentions); EX-2006 (Respondents' Exhibit D-4). Specifically, Petitioners assert two Grounds for invalidity in the Petition:

Grounds	Claims	Statutory Basis	Prior Art
1	1-3, 5-10, 12-17, 19-24, 26-30	§103	Rusert and Karczewicz
2	1-30	§103	Rusert, Karczewicz, and Lin

ASUS-1003, ¶¶CA32-34, CB32-34.

Petition at 9. Similarly, Petitioners argue that the claims asserted in the ITC case are invalid over “Rusert alone or in combination with Karczewicz and/or Lin.” EX-2006. Thus, as with the Challenged Claims, there is also a complete overlap of the grounds, argument, and evidence in the parallel proceedings because Petitioner will be presenting the same evidence to both the Board and to the ITC in the -1448 ITC

Investigation. These facts weigh heavily in favor of denial of institution since the resolution of the ITC case will precede any FWD in the case by many months.

Petitioners filed a *Sotera* stipulation with the Board on August 1, 2025, suggesting that it “will not pursue in the co-pending litigation combinations of the prior art asserted in IPR2025-01153 with unpublished system art (or any other type of prior art).” EX-1054 at 2-3. However, this late-filed stipulation is ineffective and cannot overcome the other *Fintiv* factors that weigh in favor of denial of institution.

First, the ITC has held that prior art stipulations are ineffective because ITC Staff, who are not parties to the IPR proceeding, can assert *any* prior art reference in an ITC proceeding. *In the Matter of Certain Magnetic Tape Cartridges and Components Thereof*, Inv. No. 337-TA-1058 (Violation), USITC Pub. 657436 at 105-106 (Oct. 2, 2018) (Initial) (noting that IPR estoppel does not apply to ITC Staff or “prevent Staff from raising the references in [an ITC] investigation”). Thus, at the outset, Petitioners’ stipulation is ineffective at definitively removing the potential for overlap between this IPR at the -1448 ITC Investigation.

Second, Petitioners’ *Sotera* stipulation likewise fails to effectively eliminate the overlap of the prior art being asserted in the petition and the -1448 ITC Investigation. This was made clear in the PTAB’s March 24 Memorandum, which noted that “a timely-filed *Sotera* stipulation ... will not be dispositive by itself” and will instead be considered as part of the Board’s “holistic analysis under *Fintiv*.”

March 24, 2025 Memorandum at 2-3. Further, as the Director held in *Motorola Solutions, Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (PTAB March 28, 2025), a *Sotera* stipulation does not ensure that the “IPR proceedings would be a ‘true alternative’ to the district court proceeding.” *Id.* at 3-4. This is especially true where Petitioners invalidity arguments rely on “unpublished system art, which [a *Sotera* stipulation] is not likely to moot.” *Id.*, 4. Here, Petitioners have merely agreed not to combine the asserted prior art references with unpublished system art, not to forego the assertion of system art in its entirety, and the proffered *Sotera* Stipulation thus fails for the same reason as the stipulation offered in *Motorola Solutions*. Further, a *Sotera* stipulation cannot outweigh the remaining *Fintiv* factors nor the fact that the Challenged Claims were adjudicated to be valid by the ITC in a prior proceeding, all of which weigh heavily in favor of denial of institution. As the Board held in *Samsung Elecs. Co. Ltd et al. v. Mullen Indus. LLC*, “[u]nder *Fintiv*’s holistic assessment, the merits of the Petition and Petitioner’s *Sotera* stipulation do not outweigh *Fintiv* factors 2 and 3.” IPR2024-01472, Paper 19 at 3 (PTAB July 17, 2025). The same is true in this case, where *Fintiv* factors 2 and 3 weigh heavily in favor of denial of institution.

Finally, a *Sotera* stipulation is ineffective in view of the Federal Circuit’s recent decision in *Ingenico Inc. v. IOENGINE, LLC*, 2025 WL 1318188 (Fed. Cir. 2025). *Ingenico* effectively eliminated, in large part, IPR estoppel by holding that

“IPR estoppel does not preclude a petitioner from asserting the same prior art raised in an IPR in district court.” *Id.* at \*7. Specifically, in view of the holding in *Ingenico*, a party can assert the same prior art raised in IPR grounds in parallel litigation. For example, *Ingenico* held that “IPR estoppel does not preclude a petitioner from asserting that a claimed invention was known or used by others, on sale, or in public use in district court” based on the same prior art used in the IPR. *Id.* at \*7. Thus, according to *Ingenico*, as long as *the same prior art* is presented in the parallel proceeding *under a different basis of invalidity under 35 U.S.C.* (e.g., “known or used by others” rather than “a printed publication”), a party submitting a *Sotera* stipulation is not estopped from using that same art in the parallel proceeding.

This is true in the -1448 Investigation because, as seen in Petitioners’ invalidity contentions, the same prior art is asserted “under at least 35 U.S.C. § 102(a),” which encompasses multiple “grounds” for invalidity under *Ingenico* and could eliminate any IPR-based estoppel in the ITC case. EX-2006 at 1. For these reasons, because a *Sotera* stipulation would have no meaningful effect on the invalidity proceedings in the parallel ITC case, Petitioners’ stipulation cannot overcome the other *Fintiv* factors that strongly weigh in favor of denial of institution.

**F. *Fintiv* Factor 5 – Petitioners Are Defendants In The ITC Proceeding**

The fifth factor addresses “whether the petitioner and the defendant in the parallel proceeding are the same party.” Factor five weighs heavily in favor of

discretionary denial. Petitioners are a named party in the -1448 ITC Investigation. EX-2004 at 1. “Because the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.” *Fintiv II*, 15.

**G. *Fintiv* Factor 6 – Other Considerations Weigh Heavily In Favor of Discretionary Denial**

The final *Fintiv* factor concerns other circumstances that impact the Board’s exercise of discretion, including the merits—weighs strongly in favor of discretionary denial.

The same RuserT grounds were previously considered in two prior IPRs, IPR2024-00604 and IPR2024-00605 (the “Prior IPRs”). In addition to the RuserT grounds, the Prior IPRs also included grounds based on the JCT-VC submission JCTVC-F419, “Unification of derivation process for merge mode and MVP” (“Nakamura”). IPR2024-00604, Paper 1 at 18-20; IPR2024-00605, Paper 1 at 19-21. Like RuserT, Nakamura progressively designated blocks neighboring the current block for potential inclusion in a merge list, comparing a prior-designated “subset” (block S<sub>1</sub>) with the later-designated “first spatial motion vector prediction candidate” (block S<sub>0</sub>). IPR2024-00604, IPR2024-00605, Ex. 1009 at 7. The Board found the Petitioner’s Nakamura grounds lacking because “S<sub>0</sub> is already selected regardless of what the selection of S<sub>1</sub> thereafter might be” and thus Nakamura could not teach “determining a subset of spatial motion vector prediction candidates based

on the location of the block associated with the first spatial motion vector prediction candidate.” IPR2024-00604, IPR2024-00605, Paper 11 at 57-59. Petitioners here omit Nakamura, but the same problems are present in Rusert. By examining neighbor blocks in a spiral pattern, Rusert determines the subset to be used for a given spatial motion vector prediction candidate before it actually arrives at that candidate. Petitioner’s expert in the Prior IPRs even agreed that Nakamura and Rusert work the same way. IPR2024-00604, IPR2024-00604, Ex. 2020 91:4-18 (“If the first spatial motion vector prediction candidate is block 2, then the subset would be block 1”). Accordingly, Petitioner’s Rusert grounds in this IPR are likely to fail for the same reason as the Nakamura grounds from the Prior IPRs.

## **II. THE FACTORS IDENTIFIED IN THE DIRECTOR’S MARCH 26, 2025 MEMORANDUM WEIGH HEAVILY IN FAVOR OF DISCRETIONARY DENIAL**

The Director’s March 26, 2025 Memorandum, notes that “consistent with the discretionary considerations enumerated in existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics*) and the Consolidated Trial Practice Guide (Nov. 2019), the parties are permitted to address all relevant considerations” that weigh in favor of discretionary denial.” March 26, 2025 Memorandum at 2 (citations omitted). These factors include: (1) whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims; (2) whether there have been changes in the law or new judicial precedent issued

since issuance of the claims that may affect patentability; (3) the strength of the unpatentability challenge; (4) the extent of the petition's reliance on expert testimony; (5) settled expectations of the parties, such as the length of time the claims have been in force; (6) compelling economic, public health, or national security interests; and (7) any other considerations bearing on the Director's discretion. *Id.* at 2-3. As discussed in detail below, these factors weigh heavily in favor of discretionary denial, and Nokia respectfully requests that the Director deny institution.

**A. The Claims Of The '714 Patent Have Been Held Valid In A Prior ITC Proceeding**

While Petitioners note that an earlier-filed ITC proceeding is a “Related Matter,” Petitioners failed to inform the Board that the ITC held the '714 Patent to be valid in that proceeding. Petition at 93 (citing *Certain Video Capable Electronic Devices, Including Computers, Streaming Devices, Televisions, and Components and Modules Thereof*, Inv. No. 337-TA-1380 (ITC), filed October 31, 2023) (“-1380 ITC Investigation”). Petitioners’ omission of this prior ITC ruling hides the fact that the very same prior art asserted in the -1380 ITC Investigation is now being reasserted by Petitioners in **BOTH** the -1448 ITC Investigation and in this petition.

In the -1380 ITC Investigation, the '714 patent was asserted against Amazon and HP (“Respondents”), and Respondents served invalidity contentions in

connection with its defense of that matter. Prior art combinations asserted by Amazon *were the very same prior art combinations being asserted by Petitioners in this IPR*. Compare EX-2006 (Asus Exhibit D-4, charting “Rusert Alone or in Combination with Karczewicz and/or Lin”) with EX-2007 (Respondents’ Exhibit D-4, charting “Rusert Alone or in Combination with Karczewicz and/or Lin”). While Respondents elected to drop the prior art asserted in Grounds 1 and 2 of this Petition in the -1380 ITC Investigation to narrow its case for summary determination and trial, *the ITC ultimately held that the ’714 Patent was valid in its Initial Determination*. EX-2008 (-1380 ITC Public Initial Determination) at 98. This prior ITC adjudication of validity of the Challenged Claims of the ’714 Patent weighs heavily in favor of discretionary denial, particularly in light of the Petitioner’s failure to rebut or even address this prior determination. *See, e.g., Webgroup Czech Republic, A.S. v. Dish Technologies LLC*, IPR2025-00467, Paper 14 at 2-3 (PTAB July 16, 2025); *Celltrion, Inc. v. Regeneron Pharmaceuticals, Inc.*, IPR2025-00456, Paper 14 at 2 (Director June 25, 2025).

Further, trial in the currently pending, parallel -1448 ITC Investigation will take place almost one-year prior to any Final Written Decision (“FWD”) that would arise from this IPR. Moreover, the Initial Determination and Final Determination in the -1448 ITC Investigation will be issued by the ITC months in advance of any FWD in this proceeding.

Petitioners' Invalidation Contentions in the -1448 ITC Investigation are a carbon copy of the invalidity contentions served by Amazon in the -1380 ITC Investigation, parroting the invalidity allegations concerning the prior art of Grounds 1 and 2 of this Petition almost verbatim. *Compare* EX-2006 (Asus Exhibit D-4, charting "Rusert Alone or in Combination with Karczewicz and/or Lin") *with* EX-2007 (Amazon Exhibit D-4, charting "Rusert Alone or in Combination with Karczewicz and/or Lin"). Accordingly, the prior art asserted in Grounds 1 and 2 of this Petition will again be litigated in the parallel -1448 ITC Investigation even though the ITC has already held the '714 Patent valid in the -1380 ITC Investigation. Further, the ITC is very familiar with both the '714 Patent and the asserted prior art in view of the -1380 Investigation, and the ITC is best positioned to (re)consider Petitioners' prior art in the parallel proceeding.

In summary, this Petition is nothing more than a serial and repetitive challenge of the '714 Patent based on the same prior art asserted in the completed -1380 ITC Investigation, Institution of this IPR would be highly inefficient and a waste of both Board and party resources. *NHK Spring*, Paper 8 at 11. These factors all weigh heavily in favor of discretionary denial.

**B. Settled Expectations Weigh In Favor Of Denial**

The '714 Patent issued on January 14, 2020. By the time the Board issues an Institution Decision in this case (January 5, 2026), almost exactly six years will have

passed since issuance, giving rise to settled expectations. *Dabico Airport Solutions Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 (Director June 18, 2025). Petitioner Asus makes and sells many products, including laptop and desktop computers, that rely on the improved methods of bi-prediction disclosed in the '714 patent. These products are identified in detail in the -1448 ITC Investigation. EX-2004, 63-65. Moreover, Petitioner Asus has been in licensing negotiations with Patent Owner since at least 2017 in connection with H.264 and H.265 related video technology. EX-2009, ¶44. Because Petitioner without question makes and sells products that operate in the same video coding technology space encompassed by the '714 Patent, Petitioner was or should have been on notice of the '714 Patent and anticipated Patent Owner's assertion of its intellectual property rights since at least the -1380 ITC Investigation in 2023. Moreover, Patent Owner has a well-established patent licensing program relating to the video coding technology space, of which Petitioner is aware, and has negotiated well over 50 license agreements for video coding technology patents. EX-2004, 26.

### **C. Petitioners Reliance On Expert Testimony Favors Denial**

The Acting Director of the USPTO considers the “extent of the petition’s reliance on expert testimony” when determining discretionary denial. The USPTO’s FAQs for discretionary denial further explain that “[t]he failure to provide focused expert testimony may weigh against institution.”

FAQs for Interim Processes for PTAB Workload Management (available at <https://www.uspto.gov/patents/ptab/faqs/interim-processes-workload-management>) at Q.22.

This factor favors denial because Petitioner relies heavily on expert argument and inferences to fill the gaps of the prior art and allegedly arrive at the claimed invention. Surprisingly, Petitioner hardly relies on their own expert in the Petition. Most of the Petition, including most of the support for the asserted Grounds, cites directly to the declarations of Charles D. Creusere. *See* Petition at 16-91. Petitioner’s expert, Joseph Havlicek, only provided one paragraph containing an original opinion on the asserted Grounds, an opinion relating to Rusert’s table 1. ASUS-1003, ¶ 41. For the rest of his analysis, Dr. Havlicek adopted Dr. Creusere’s as his own. *Id.* at ¶ 40. The fact that Petitioner’s over reliance on expert testimony is for an expert that is not their own leans even more in favor of discretionary denial.

Disregarding Petitioner’s over reliance on an unrelated expert, Petitioner relies on expert testimony for every cited claim limitation in each Ground, citing to Dr. Creusere’s declaration over 160 times. This overreliance on expert testimony by Petitioner defeats the purpose of providing expert testimony in the first place, which is to provide “focused testimony, for example to provide helpful context or to explain terms of art.” *See* FAQs for Interim Processes for PTAB Workload Management at Q.21. The declarations lack focus because they provide only a cursory analysis of

the prior art using language that tracks the Petition. For example, the language used in the last paragraph on page 23 of the Petition is nearly identical to the language used by Dr. Creusere in paragraph 108 of his declaration in IPR2024-00604. *Compare* Petition at 23-24 *with* ASUS-1003, App'x A at ¶ 108. Even worse, the Petition uses paragraph 109 of Dr. Creusere's petition to fill the gaps left by the prior art. *See* Petition at 24; *see also* ASUS-1003, App'x A at ¶ 109. These are just examples of the overarching pattern contained throughout the Petition and expert declarations. This use of expert testimony distracts from what the purpose of expert testimony should be, to help aide the Board with context explanations of the prior art.

Patent Owner, in its POPR, will explain why Petitioner's arguments, assumptions, and inferences are incorrect and do not meet the claim limitations. Regardless, because of Petitioner's extensive reliance on the expert testimony of another expert, this dispute is better suited to be resolved in other venues, and this factor favors denial of institution. *See* FAQs for Interim Processes for PTAB Workload Management at Q.22.

### **III. CONCLUSION**

For the foregoing reasons, the Director should exercise her discretion and deny institution.

Dated: September 8, 2025

Respectfully submitted,

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**CERTIFICATION OF SERVICE**

The undersigned hereby certifies that the foregoing **PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL** has been served on Petitioner via email on the following counsel of record for Petitioner:

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