## UNITED STATES PATENT AND TRADEMARK OFFICE

## BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

TESLA, INC., Petitioner,

v.

INTELLECTUAL VENTURES II LLC, Patent Owner.

IPR2025-00217 (Patent 10,952,153 B2) IPR2025-00219 (Patent 9,706,500 B2) IPR2025-00220 (Patent 11,206,670 B2) IPR2025-00221 (Patent 11,664,889 B2) IPR2025-00222 (Patent 9,232,158 B2) IPR2025-00339 (Patent 7,916,180 B2)

Before COKE MORGAN STEWART, Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent and Trademark Office.

> DECISION Denying Patent Owner's Request for Discretionary Denial

IPR2025-00217 (Patent 10,952,153 B2) IPR2025-00219 (Patent 9,706,500 B2) IPR2025-00220 (Patent 11,206,670 B2) IPR2025-00221 (Patent 11,664,889 B2) IPR2025-00222 (Patent 9,232,158 B2) IPR2025-00339 (Patent 7,916,180 B2)

Intellectual Ventures II LLC ("Patent Owner") filed a request for discretionary denial (Paper 6, "DD Req.") in the above-captioned cases, and Tesla, Inc. ("Petitioner") filed an opposition (Paper 8, "DD Opp.").<sup>1</sup>

After considering the parties' arguments and the record, and in view of all relevant considerations, discretionary denial of institution is not appropriate in this proceeding. This determination is based on the totality of the evidence and arguments the parties have presented.

In these proceedings, several considerations favor discretionary denial of institution. For example, the scheduled trial date precedes the projected final written decision due date, and there is insufficient evidence the district court is likely to stay its proceeding even if the Board were to institute trial. DD Req. 3; DD Opp. 2–3. In addition, there has been meaningful investment in the parallel proceeding by the parties. DD Req. 4–5. Other considerations, however, counsel against discretionary denial. For example, Petitioner has filed a broad stipulation and asserts that the merits are strong because the Board previously determined there was a reasonable likelihood that similar claims of an ancestor patent were unpatentable in three separate proceedings with respect to some of the challenged patents in these proceedings. DD Opp. 10–11, 15–16.

Here, Petitioner's arguments regarding the complex and diverse litigation proceeding tip the balance against discretionary denial. Petitioner

<sup>&</sup>lt;sup>1</sup> Citations are to papers in IPR2025-00217. The parties filed similar papers in the other cases.

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explains that the district court proceeding involves eleven patents spanning nine different families that involve a diverse range of subject matter. DD Opp. 5–7. The large number and vast scope of the patents asserted in the district court litigation (*id.* at 7) weighs against discretionary denial, as the Board is better suited to review a large number of patents involving diverse subject matter.

Although certain arguments are highlighted above, the determination not to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented. Accordingly, the Petition is referred to the Board to handle the case in the normal course, including by issuing a decision on institution addressing the merits and other nondiscretionary considerations, as appropriate.

In consideration of the foregoing, it is:

ORDERED that Patent Owner's request for discretionary denial is *denied*;

FURTHER ORDERED that the Petition is referred to the Board; and

FURTHER ORDERED that neither party shall file a request for rehearing or Director Review of this decision until the Board issues a decision on institution.

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## FOR PETITIONER:

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