

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

MOTOROLA SOLUTIONS, INC.,
Petitioner,

v.

STELLAR, LLC,
Patent Owner.

IPR2024-01205 (Patent 7,593,034 B2)
IPR2024-01206 (Patent 9,485,471 B2)
IPR2024-01207 (Patent 8,692,882 B2)
IPR2024-01208 (Patent 9,912,914 B2)¹

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 Petitioner's Request for Rehearing

¹ This order applies to each of the above-listed proceedings.

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Motorola Solutions (“Petitioner”) filed a Request for Rehearing of the Director Review Decision vacating the Board’s institution decision and denying institution (Paper 19, “Director Review Decision” or “DR Decision”) in each of the above-captioned cases, and Stellar, LLC (“Patent Owner”) filed an authorized response to each request. *See* Paper 20 (“Reh’g Req.”); Paper 22.² In each request, Petitioner argues, *inter alia*, that the Director Review Decision retroactively applies the Office’s February 28, 2025 rescission of the June 2022 memorandum entitled “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“2022 Interim Procedure Memo”),³ in violation of the Administrative Procedure Act (“APA”) and Petitioner’s due process rights. Reh’g Req. 5–10. In that regard, Petitioner asserts that under the 2022 Interim Procedure Memo, at the time it filed the petitions for *inter partes* review (“IPR”), it was “entitled to consideration of its petition[s] on the merits without the possibility of a discretionary denial” because it presented a *Sotera*⁴ stipulation, which Petitioner now claims is dispositive. *Id.* at 1; *see id.* at 9. Petitioner also argues that “[t]he APA does not permit the Director to rescind binding agency guidance without advance notice and retroactively apply it to instituted IPRs.” *Id.* at 6.

² All citations are to the record in IPR2024-01205. Similar papers were filed in IPR2024-01206, IPR2024-01207, and IPR2024-01208.

³ The now-rescinded 2022 Interim Process memo is available at https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621.pdf.

⁴ *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A).

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Below is a brief summary of the recent proceedings.

February 13, 2025 Institution Decision. In instituting review, the Board referenced the 2022 Interim Procedure Memo and then evaluated each of the six *Fintiv*⁵ factors. Paper 11, 9–12. The Board did not treat Petitioner’s *Sotera* stipulation as dispositive in view of the holistic considerations permitted under the 2022 Interim Procedure Memo. *Id.* at 12 (identifying the stipulation as one of four reasons for declining to exercise discretion to deny institution).

February 28, 2025 Rescission of 2022 Interim Procedure Memo. The USPTO rescinded the 2022 Interim Procedure Memo.

March 3, 2025 Patent Owner Request for Director Review. Patent Owner sought Director Review of the Board’s institution decision and requested that the Director “abandon” the 2022 Interim Procedure Memo, which by that time had been rescinded. Paper 15, 9. In any event, Patent Owner argued that the Board improperly weighed the *Fintiv* factors under the 2022 Interim Procedure Memo. *Id.* at 5–9.

March 10, 2025 Petitioner Response to Director Review Request. Petitioner requested that the Director address Patent Owner’s request for Director Review as if the 2022 Interim Procedure Memo did not apply, arguing that rescission of the memorandum “moot[ed] the majority of” Patent Owner’s arguments. Paper 17, 1.

⁵ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential).

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*March 24, 2025 Guidance on USPTO's Rescission of 2022 Interim Procedure Memo ("March 2025 Memo").*⁶ The March 2025 Memo clarifies that the rescission was effective upon its issuance and is not retroactive. The March 2025 Memo states that the rescission only applies to cases in which a final decision on institution has not been made, *i.e.*, "any case in which the Board has not issued an institution decision, or where a request for rehearing or Director review of an institution decision was filed and remains pending." March 2025 Memo 2. The March 2025 Memo also provides parties the opportunity to request additional briefing. *Id.* Although Patent Owner's Director Review request was pending at the time, neither party requested additional briefing.

March 28, 2025 Director Review Decision. After considering the parties' arguments, the Director Review Decision vacated the Board's institution decision and denied institution, explaining that the Board "did not give enough weight to the investment in the parallel proceeding and gave too much weight to Petitioner's *Sotera*^[7] stipulation" (DR Decision 2)—a determination that could have been made under either the 2022 Interim Procedure Memo or its rescission.

April 28, 2025 Petitioner Rehearing Request. As summarized above, Petitioner argues that the Director Review Decision violated the APA and due process, among other arguments. *See generally* Reh'g Req.

⁶ The March 2025 Memo is available at https://www.uspto.gov/sites/default/files/documents/guidance_memo_on_interim_procedure_rescission_20250324.pdf.

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Petitioner's Request for Rehearing is premised on the argument that the Office has applied the rescission of the 2022 Interim Procedure Memo retroactively. The Office has not done so. As explained above, the March 2025 Memo clarified that the rescission is applicable only to cases in which a final decision on institution had not yet been made. Because Patent Owner's Director Review request was pending, there had been no final decision on institution. The March 2025 Memo also permitted parties to request additional briefing to the extent they had arguments to present in view of the rescission. As noted above, neither party requested additional briefing.

Additionally, Patent Owner argued that the 2022 Interim Procedure Memo should be abandoned. Paper 15, 9. And Petitioner argued that the 2022 Interim Procedure Memo's rescission applied to Patent Owner's request. Paper 17, 1. Thus, Petitioner had the opportunity to argue, and in fact did make arguments, in view of the rescission. Under these circumstances, Petitioner cannot now argue that applying the rescission of the 2022 Interim Procedure Memo was improper.

The remainder of Petitioner's rehearing request: (1) expresses general disagreement with the Director Review Decision's weighing of the *Fintiv* factors without identifying specific areas that the Decision misapprehended and overlooked, and (2) relies on new evidence, including a new, broader stipulation and a new stay order from the district court. Reh'g Req. 10–15 (citing Exs. 1044, 1045). Neither is a proper basis for rehearing.

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Accordingly, it is:

ORDERED that Petitioner's Request for Rehearing (Paper 20) is
denied.

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