

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

ARM LTD. and MEDIATEK INC.,
Petitioner,

v.

DAEDALUS PRIME LLC,
Patent Owner.

IPR2025-00207
Patent 8,984,228 B2

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

ORDER

Granting Director Review, Vacating the Decision Denying Institution, and
Referring the Petition to the Board

Arm Ltd. (“Petitioner”) filed a request for Director Review of the Decision granting Patent Owner’s request for discretionary denial and denying institution (“Decision,” Paper 10) and Daedalus Prime LLC (“Patent Owner”) filed an authorized response. *See* Paper 12 (“DR Request”); Paper 13. Petitioner argues that the Decision should be vacated because the related litigation upon which the Decision relied, and Petitioner was not a party to, settled and was dismissed with prejudice less than a week after the Decision issued. DR Request 1. Petitioner further argues that discretionary denial is not appropriate because the Board in IPR2023-01344 found unpatentable “substantially identical claims in the child patent” to the patent challenged in this proceeding based on one of the prior art references asserted in this proceeding. *Id.* at 2.

Patent Owner responds that because there was no litigation involving Petitioner, Petitioner has no interest in the validity of the challenged patent. Paper 13, 2–3. Patent Owner also argues that Petitioner’s challenge is not compelling because Petitioner’s asserted reference is cumulative to a reference the examiner cited during prosecution of the challenged patent. *Id.* at 4.

Petitioner is correct that the circumstances have changed because the parallel litigation has been dismissed. Petitioner provided persuasive reasoning in its discretionary briefing why an *inter partes* review is an appropriate use of Board resources. Paper 9, 11–15; *see* DR Request 2. However, the case was not referred to the Board because the balance of factors weighed in favor of denial in view of the parallel litigation, which would address the validity of the challenged patent. Now that the litigation has been dismissed, the balance of factors weighs in favor of referral. As

Petitioner explains, the Board already has determined that “substantially identical claims” in a related patent to the challenged patent are unpatentable based on one of the prior art references asserted in this proceeding. DR Request 2 (citing Paper 9 and IPR2023-01344, Paper 31). Given this fact, and the similarity of the patentability issues, it is efficient for the Board to take up this case. The determination whether 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 non-discretionary considerations, as appropriate.

Absent good cause, the Board shall issue a decision on institution within 60 days of this Order.

In consideration of the foregoing, it is:

ORDERED that Director Review is granted;

FURTHER ORDERED that the Decision denying institution of *inter partes* review (Paper 10) is vacated; and

FURTHER ORDERED that the petition is referred to the Board.

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