

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CHARTER COMMUNICATIONS, INC. AND PLUME DESIGN, INC.,
Petitioner,

v.

ADAPTIVE SPECTRUM AND SIGNAL ALIGNMENT, INC.,
Patent Owner.

IPR2025-00087
Patent 11,477,108 B2

Before KEVIN F. TURNER, KEVIN C. TROCK, and SCOTT RAEVSKY,
Administrative Patent Judges.

TROCK, *Administrative Patent Judge.*

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Charter Communications, Inc. and Plume Design, Inc. (collectively, “Petitioner” or separately, “Petitioner Charter” and “Petitioner Plume”) filed a Petition, Paper 1 (“Pet.” or “Petition”), to institute an *inter partes* review of claims 1–20 (the “challenged claims”) of U.S. Patent No. 11,477,108 B2 (Ex. 1001, “the ’108 patent”). Adaptive Spectrum and Signal Alignment, Inc. (“Patent Owner”) timely filed a Preliminary Response, Paper 7 (“Prelim. Resp.”).

On February 28, 2025, the USPTO rescinded the June 21, 2022, “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“*Fintiv* Memorandum”).¹ On March 26, 2025, we issued an Order (Paper 10) authorizing each of the parties to file a supplemental brief limited to addressing what effect, if any, the rescission of the *Fintiv* Memorandum may have on the parties’ briefing in the Petition and the Preliminary Response. In response to the Order, each party filed a supplemental brief. *See* Papers 11, 12.

An *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). Institution of *inter partes* review, however, is discretionary. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). For the reasons

¹ <https://www.uspto.gov/about-us/news-updates/uspto-rescinds-memorandum-addressing-discretionary-denial-procedures>.

discussed below, we exercise discretion under 35 U.S.C. § 314(a) not to institute *inter partes* review.

II. BACKGROUND

A. Real Party in Interest

Petitioner identifies Charter Communications, Inc. and Plume Design, Inc. as the real parties in interest. Pet. 1. Patent Owner identifies Adaptive Spectrum and Signal Alignment, Inc. as the real party in interest. Paper 6, 1.

B. Related Proceedings

According to the parties, the '108 patent is the subject of the following action: *Adaptive Spectrum and Signal Alignment, Inc. v. Charter Communications, Inc. et al.*, Case No. 2:24-cv-00124-JRG-RSP (E.D. Tex.) (“ASSIA Litigation”). Pet. 1; Paper 6, 1. Petitioner Charter points out that Petitioner Plume “is not a party” to the ASSIA Litigation. Pet. 23.

Patent Owner additionally states:

Petitioner has also filed Petitions for *Inter Partes* Review of U.S. Patent Nos. 7,809,996 (“the '996 patent”) (IPR2024-01379), 10,848,398 (“the '398 patent”) (IPR2025-00012), 11,050,654 (“the '654 patent”) (IPR2025-00088), and 11,770,313 (“the '313 patent”) (IPR2025-00013), which are also at issue in the above-captioned litigation proceeding.

Paper 6, 1.

C. The '108 Patent (Ex. 1001)

The '108 patent “relates generally to the field of computing, and more particularly, to systems and methods for jointly optimizing WAN [Wide Area Network] and LAN [Local Area Network] network communications.” Ex. 1001, 1:39–42.

The '108 patent explains that traditionally a WAN is controlled, managed and maintained by service providers, such as Internet Service Providers, whereas a LAN is typically managed and maintained at a customer's premises by end users/customers. Ex. 1001, 2:3–12. According to the '108 patent, “operators and service providers typically refrain from addressing any LAN related problems, notwithstanding the fact that, at times, some problems and issues exhibited via the LAN may be related to WAN configurations and settings.” *Id.*

Figure 2 of the '108 patent is reproduced below.

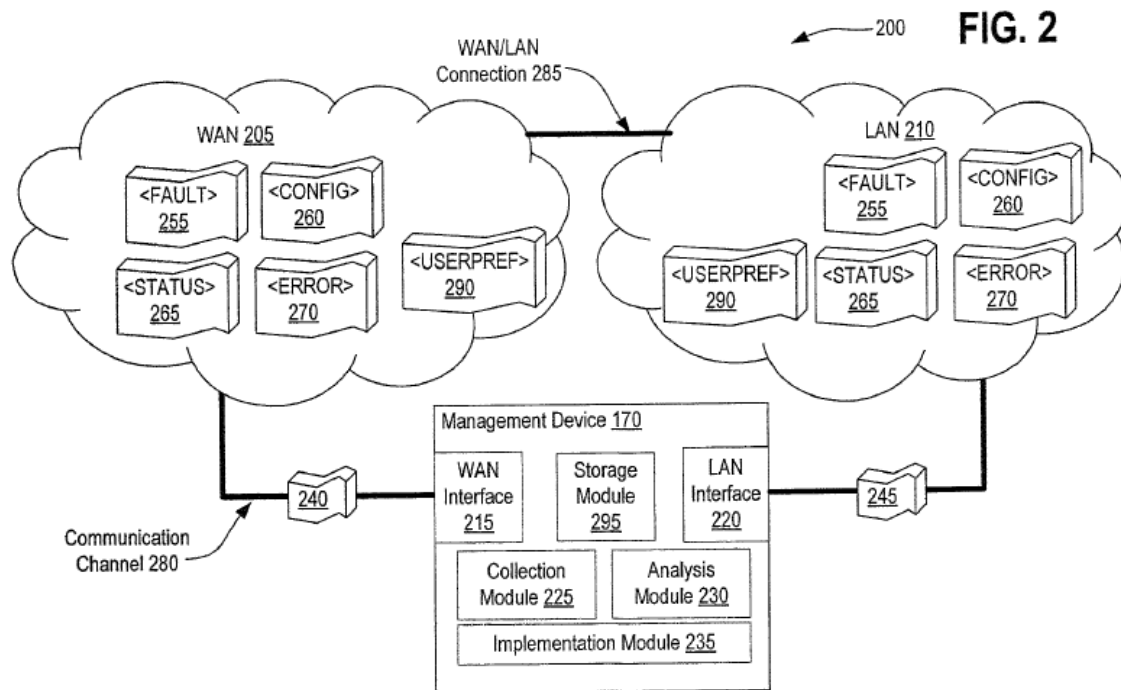


Figure 2 depicts architecture 200, WAN 205 and LAN 210, each communicatively interfaced with management device 170. Ex. 1001, 7:49–8:20. WAN 205 and LAN 210 are communicatively interfaced with each other directly via WAN/LAN connection 285, over which data may be

communicated without having to engage or otherwise communicate with management device 170. *Id.*

Management device 170 includes WAN interface 215 to communicably interface management device 170 with WAN 205 and LAN interface 220 to communicably interface management device 170 with LAN 210. Ex. 1001, 7:49–8:20. Collection module 225 collects LAN information 245 from LAN 210 and further collects WAN information 240 from WAN 205. *Id.*

The '108 patent explains that “[a]lthough failures may be exhibited and available from the LAN, many such failures may nevertheless be attributable to operational conditions (e.g., configurations, faults, congestion, etc.) within the WAN 205.” Ex. 1001, 9:15–18. “[I]nformation from one layer on the WAN 205 may be used to diagnose or improve the performance on a different layer on the LAN 210, or vice versa.” *Id.* at 17:5–35. For example, information on the networking layer of the LAN 210 is used to configure settings at the physical layer on the WAN 205. *Id.* at 17:65–67.

The '108 patent further explains:

It is noted that in the absence of the Management device 170, it is not possible to optimize or monitor the performance of the LAN, based on information from the WAN or to optimize or monitor the performance of the WAN, based on information from the LAN. This is because the control mechanisms and control channels on the two networks are distinct and separate. A Management device 170 as described herein addresses such a problem and enables such monitoring and optimizations which are not otherwise feasible.

Ex. 1001, 17:25–35.

D. Challenged Claims

Petitioner challenges claims 1–20 of the ’108 patent. Pet. 1. Claims 1, 8, and 15 are independent. Claim 1 is directed to “[a] management device”; claim 8 is directed to “[a] method for communication management”; and claim 15 is directed to “[a] non-transitory computer-readable medium or media comprising one or more sequences of instructions which, when executed by at least one processor, causes steps for communication management comprising.” Ex. 1001, 27:65, 28:65, 30:1–4. Claim 1 is generally illustrative and is reproduced below.

- [1.0]² 1. A management device, comprising:
 - [1.1] a Local Area Network (LAN) interface to communicably interface the management device with a LAN;
 - [1.2] a Wide Area Network (WAN) interface to communicably interface the management device with a WAN, wherein the WAN is to provide broadband connectivity to the LAN;
 - [1.3] one or more processors; and
 - a non-transitory computer-readable medium or media storing one or more sequences of instructions which, when executed by at least one of the one or more processors, cause the management device to perform operations comprising:
 - [1.4] collecting LAN information from one or more communication layers on the LAN; and
 - [1.5] identifying one or more operational conditions within the WAN in a different communication layer from the one or more communication layers on the LAN by analyzing at least the collected LAN information.

Ex. 1001, 27:65–28:17.

² Numerical designation adopted by Petitioner. *See, e.g.*, Pet. 30–33.

E. Evidence

Petitioner asserts the following references as evidence of unpatentability:

(1) U.S. Patent App. Pub. 2016/0294669 A1 to Chow et al., published Oct. 6, 2016 (“Chow-669”) (Ex. 1004);

(2) U.S. Patent App. Pub. 2006/0164978 A1 to Werner et al., published July 27, 2006 (“Werner”) (Ex. 1005);

(3) U.S. Patent App. Pub. 2008/0049776 A1 to Wiley et al., published Feb. 28, 2008 (“Wiley”) (Ex. 1006). Petitioner also relies upon the Declaration of Henry Houh, Ph.D. (“Houh Decl.”) (Ex. 1003).

F. Asserted Grounds of Unpatentability

Ground	Claims Challenged	35 U.S.C. §	Basis/References
1	1–20	102(a)(1) ³	Chow-669
2	1–20	103(a) ⁴	Werner/Wiley

Pet. 3.

III. ANALYSIS

A. Discretionary Review under 35 U.S.C § 314(a)

The Board’s decision in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”), identifies a non-exclusive list of factors the Board considers when addressing whether a

³ Petitioner contends “Chow-669 is prior art under AIA §102(a)(1).” Pet. 18.

⁴ Because Petitioner contends Werner and Wiley are prior art under at least pre-AIA § 102(b) (Pet. 18–19) we cite to pre-AIA § 103(a).

related, parallel district court action provides a basis for discretionary denial under 35 U.S.C. § 314(a). *Fintiv*, Paper 11 at 5–16. 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 in 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, including the merits.

Id. at 5–6. We take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review” when evaluating these factors. *Id.* at 6.

Petitioner asserts that the factors set forth in *Fintiv* “weigh against exercising discretion to deny institution.” Pet. 20.

Patent Owner asserts that “the Board should exercise its discretion to deny the Petition because (1) *Fintiv* factors two through five support discretionary denial; and (2) the Petition does not provide a compelling, meritorious challenge (*Fintiv* factor six).” Prelim. Resp. 15.

1. Factor 1: Whether the Court Granted a Stay or Evidence Exists that One May Be Granted if a Proceeding is Instituted

Petitioner points out that it “has not moved for a stay in the ASSIA Litigation; therefore, Factor 1 is neutral.” Pet. 20.

Patent Owner agrees that Factor 1 is neutral, noting that “no stay has been requested in the parallel litigation, and there is no indication that the

court would grant such a request in the event this proceeding were instituted.” Prelim. Resp. 15.

We agree with the parties that Factor 1 is neutral as no stay has been requested in the ASSIA Litigation.

2. Factor 2: Proximity of the Court’s Trial Date to the Board’s Projected Statutory Deadline for a Final Written Decision

Petitioner argues that “given the pending venue decision which may affect case deadlines and based on the Courts’ median time-to-trial, this factor is neutral.” Pet. 21. Petitioner asserts that

[t]he ASSIA Litigation is in its early stages and, at the time of filing this Petition, Plaintiff has only served infringement contentions and Charter’s motion to transfer the co-pending litigation to the District of Colorado is pending. The parties have not served discovery responses or taken depositions unrelated to venue issues, nor begun claim construction. A Markman hearing is set for March 19, 2025 and trial is currently set for September 22, 2025. (Ex-1014.) However, the Eastern District of Texas’ median time-to-trial for patent cases is 727 days, which would result in a trial date of February 17, 2026. (Ex-1015.) If the case is transferred to Colorado, the median time-to-trial for patent cases in that Court is 1,125 days (expected trial date of March 22, 2027). (Id.) The projected statutory deadline for a final written decision is around April, 2026.

Pet. 21.

Patent Owner argues that “Factor [2] weighs heavily in favor of discretionary denial.” Prelim. Resp. 15. Patent Owner asserts that “[t]he projected statutory deadline for issuing a Final Written Decision (FWD) in this IPR is May 19, 2026. Jury selection in the parallel litigation is scheduled to begin September 22, 2025, which is nearly eight months before the projected FWD deadline.” *Id.*

Patent Owner provides the table shown below summarizing its projected trial dates. *Id.* at 17.

Eastern District of Texas	Projected Trial Date	Months Before FWD
Current Case Schedule	September 22, 2025	Nearly eight
US Courts (Civil)	Mid-December 2025	More than five
Lex Machina (Patents)	February 17, 2026	More than three

The table above summarizes Patent Owner's projections for a trial date in the ASSIA Litigation pending in the Eastern District of Texas. Jury selection for the trial is currently scheduled for September 22, 2025,⁵ which is approximately eight months before a statutory deadline for a final written decision in this proceeding should *inter partes* review be instituted.⁶

According to Patent Owner, the September 2024 report on the www.uscourts.gov website indicates that the median time-to-trial for civil actions in the Eastern District of Texas is 21.9 months. Prelim. Resp. 16. Applying this median time-to-trial provides an estimated trial date in Texas of mid-December 2025, which is approximately five months before a projected statutory deadline of May 19, 2026, for a final written decision in this proceeding should institution be granted. Even relying on a Lex Machina report (Ex. 1015), which indicates that the median time-to-trial for patent cases in the Eastern District of Texas is 727 days, would result in a trial date in February 2026, at least three months before the projected

⁵ Ex. 2002, 1.

⁶ A decision on institution in this case is due May 19, 2025, which, if instituted on that date, would have a statutory deadline of May 19, 2026, for a final written decision.

statutory deadline for a final written decision in this proceeding. So regardless of which trial date estimate is considered, they all provide for a trial date months before a projected statutory deadline for a final written decision in this proceeding.

With respect to Petitioner's argument concerning a possible transfer to the District of Colorado, the Magistrate Judge in the ASSIA Litigation issued a Report and Recommendation on March 30, 2025, recommending that the district court deny the motion to transfer. *See* Ex. 2007, 5–20.

Accordingly, based on the current record, we disagree with Petitioner that Factor 2 is neutral. Instead, we agree with Patent Owner that Factor 2 favors discretionary denial.

3. Factor 3: Investment in the Parallel Proceeding by the Court and the Parties

Petitioner argues that Factor 3 “weighs against discretionary denial.” Pet. 21. Petitioner asserts that “[t]he district court case is in its early stages and the claim construction hearing will not occur until March 2025.” *Id.* (citing Ex. 1014). “Indeed,” Petitioner points out, “the most fact-intensive work (fact and expert discovery), substantive issues (e.g., claim construction), and dispositive decisions (summary judgment and trial) have not yet begun in the co-pending litigation.” Pet. 21. Petitioner argues that “[t]he district court has expended minimal resources.” *Id.* at 22. Petitioner also asserts that it “filed the petition expeditiously,” and that “this fact [weighs] against exercising discretion to deny institution.” *Id.*

Patent Owner, however, argues that “[f]actor three weighs in favor of denying institution.” Prelim. Resp. 17. Patent Owner points out that “the Board ‘consider[s] the amount and type of work already completed in the

parallel litigation by the court and the parties *at the time of the institution decision.*” *Id.* at 17–18 (citing *Fintiv*, Paper 11 at 9). Patent Owner explains that “[t]he parties have already exchanged invalidity and infringement contentions and are engaged in fact discovery. By the May 19, 2025 DI deadline, the court will have conducted a Claim Construction Hearing (on March 19, 2025), and the parties will have completed fact discovery (by April 15, 2025) and be engaged in expert discovery.” Prelim. Resp. 18 (citing Ex. 2002, 4–7). Patent Owner contends that “Petitioner’s arguments that factor three favors institution are not persuasive because they consider the state of the parallel litigation at the time the Petition was filed, not at the time of the [decision on institution].” *Id.*

Patent Owner also argues that “Petitioner [was not] diligent in filing the Petition, as it alleges.” *Id.* (citing Pet. 22). Patent Owner asserts that “Petitioner . . . waited over eight months after the district court complaint in the parallel litigation was filed to file the instant Petition.” *Id.*

We disagree with Petitioner that Factor 3 weighs against discretionary denial, and instead agree with Patent Owner that Factor 3 “weighs in favor of denying institution.” *Id.* at 19. The current record shows that the parties have already exchanged infringement and invalidity contentions, engaged in and completed fact discovery, exchanged proposed claim terms and preliminary claim constructions, filed a joint claim construction statement, attended a claim construction hearing, and the Court issued its claim construction order on March 31, 2025. *See* Ex. 2002, Doc. 105 (Case 2:24-cv-00124-JRG-RSP). Thus, contrary to Petitioner’s contentions, the parties and the District Court have already expended substantial resources in the

ASSIA Litigation. Accordingly, we find that Factor 3 favors the exercise of discretionary denial.

4. Factor 4: Overlap between Issues Raised in the Petition and in the Parallel Proceeding

In the Petition, Petitioner argues that “[t]his factor weighs against discretionary denial,” because “[i]f this Petition is instituted, Petitioner will not pursue the invalidity references relied on in the . . . Petition.” Pet. 22–23.

In its Preliminary Response, Patent Owner argues that “Petitioner’s stipulation—to ‘not pursue the invalidity references relied on in the Grounds of this Petition in the litigation’—is not a *Sotera* stipulation and does not allay the concerns undergirding factor four.” Prelim. Resp. 20 (quoting Pet. 22–23). Patent Owner argues that “Petitioner’s stipulation is essentially meaningless,” because “[i]t includes only three patents, one of which (Chow-669) is part of the priority chain, another (Werner) was already applied during prosecution, and two of which have at least one counterpart or related patent/publication that is not included in the stipulation.” Prelim. Resp. 20.

In its Supplement Brief, Petitioner states that “Petitioner’s original analysis of the *Fintiv* factors did not focus on the [*Fintiv* Memorandum] guidance and remains unchanged.” Paper 11, 1. With respect to Factor 4, however, Petitioner now asserts that “it will not pursue in the district court litigation any ground that Petitioner raised or reasonably could have raised in this proceeding.” *Id.* at 3. Petitioner’s new proposal is materially different than the stipulation first offered in the Petition, in which Petitioner only

agreed that it would “not pursue the invalidity references relied on in the . . . Petition.” Pet. 22–23.

In *Sotera Wireless, Inc. v. Masimo Corporation*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A), the Board considered a stipulation similar to the one Petitioner now offers in its supplemental brief.⁷ In *Sotera*, the Board found that Petitioner’s stipulation “mitigates any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions,” and determined that “Petitioner’s broad stipulation ensures that an *inter partes* review is a ‘true alternative’ to the district court proceeding.” *Id.* at 19. Following the analysis in *Sotera*, we find that Petitioner’s new stipulation weighs strongly in favor of not exercising discretion to deny institution.

5. *Factor 5: Whether the Petitioner and the Defendant in the Parallel Proceeding are the Same Party*

Petitioner argues that because “Charter is the defendant in the ASSIA Litigation, while Plume is not a party,” and that “this factor weighs against discretionary denial or is at most neutral.” Pet. 23. Patent Owner, however, argues that “Factor 5 strongly favors denial because the parties involved in this IPR and the district court proceeding overlap.” Prelim. Resp. 21 (emphasis omitted).

Because Petitioner Plume is not a party in both proceedings, we find that this factor weighs slightly against exercising discretionary denial.

⁷ In *Sotera*, Petitioner “filed in the District Court ‘a stipulation that, if IPR is instituted, they will not pursue in the District Court Litigation any ground raised or that could have been reasonably raised in an IPR.’” *Sotera v. Masimo*, IPR2020-01019, Paper 12, 18.

6. Factor 6: Other Circumstances that Impact the Board's Exercise of Discretion, Including the Merits

With respect to Factor 6, Petitioner contends that the “Petition presents a strong case for invalidity of the ’108 patent.” Pet. 23. Petitioner argues that “[w]here, as here, a strong case for anticipation and/or obviousness is presented, this factor weighs against discretionary denial.” *Id.* at 24.

In contrast, Patent Owner contends that Factor 6 “strongly favors denial because the Petition fails to demonstrate that one or more of the claims are unpatentable.” Prelim. Resp. 21 (emphasis omitted). Patent Owner argues that

the Petition fails to establish that the applied references are unpatentable at least because: (i) the lone reference applied in Ground 1 does not qualify as prior art (see Section II); (ii) Ground 2 is cumulative of the art and arguments presented by the Examiner during prosecution (see Section IV); and (iii) the combination of Werner and Wiley, as set forth in Ground 2, fails to teach or suggest multiple limitations of the challenged claims.

Prelim. Resp. 22.

In our preliminary analysis of the merits of this case, we do not find Petitioner’s claim challenges particularly strong. For example, with respect to Ground 1, Patent Owner raises a significant question as to whether the asserted reference, Chow-669 (Ex. 1004), qualifies as prior art. Patent Owner asserts that Petitioner’s “theory that the ’108 patent fails to properly claim priority to Chow-669 . . . is built around a mischaracterization of the record.” Prelim. Resp. 1–2. Patent Owner contends that the “correct priority chain was identified in at least four different places either during prosecution, in the specification, or on the face of the ’108 patent itself,” and

“[w]hen the ’108 patent, its prosecution history, and the priority claims laid out therein are properly considered, the ’108 patent meets every legal requirement to be afforded its earliest possible priority.” *Id.* at 2.

With respect to Ground 2, Patent Owner contends that “Ground 2 relies on a primary reference (Werner) that was cited, applied, and overcome at every turn during prosecution of the ’108 patent and its related family members,” and “[t]he combination of Wiley and Werner in Ground 2 does nothing to change the scope of the system already disclosed in Werner. As such, Ground 2 is cumulative of grounds that were already found to be deficient during prosecution.” *Id.* at 2.

Given our preliminary review of the merits at this stage of the case, we cannot agree with Petitioner that the Petition presents “a strong case for invalidity of the ’108 patent.” Thus, we find that Factor 6 weighs in somewhat favor of exercising discretionary denial.

7. Conclusion on Discretionary Denial

When considering the *Fintiv* factors, we take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Fintiv*, Paper 11 at 6. Based on our review, we find that the factors weigh in favor of exercising discretion to deny institution of the Petition. The factors weighing in favor of exercising discretionary denial include the scheduling of the parallel proceeding’s trial date several months prior to the Board’s projected statutory deadline for a final written decision, the substantial investment by the parties and the District Court in the ASSIA Litigation, the recommended denial of the motion to transfer by the District Court, and merits that are less than compelling based on our preliminary consideration. In our view, these factors outweigh the other *Fintiv* factors,

including the lack of a stay, Petitioner's offer to limit overlap between the two proceedings via stipulation, and the presence of Plume Design as a Petitioner in this proceeding. We, therefore, are persuaded that the interests of the efficiency and integrity of the system would be best served by invoking the authority under 35 U.S.C. § 314(a) to deny institution of the Petition.

IV. CONCLUSION

For the foregoing reasons, the evidence of record favors exercising discretion to deny institution of *inter partes* review under 35 U.S.C. § 314(a).

V. ORDER

Accordingly, it is

ORDERED that pursuant to 35 U.S.C. § 314(a) the Petition is *denied* and no trial is instituted.

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