IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

U.S. Patent No. 8,904,194	:	Reexamination Control No.: 90/015,710
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Application No.: 13/468,562	:	Reexamination Ordered: Jan. 28, 2026
Application Filing Date: May 10, 2012	:	Examiner: Behzad Peikari
Inventors: Rick L. Orsini, *et al.*	:	Group Art Unit: 3992
Assignee: Security First Innovations, LLC	:	Confirmation No.: 7075

For: SECURE DATA PARSER METHOD AND SYSTEM

Petition Under 37 CFR §§ 1.181-1.183 Requesting Review by the Director and Rejection of Reexamination

Security First Innovations, LLC ("SFI") respectfully requests that the Director reconsider the U.S. Patent and Trademark Office's (the "Office") January 15, 2026 Order granting *ex parte* reexamination ("EPR") of U.S. Patent No. 8,904,194 (the "'194 Patent") and declining to exercise discretion to deny EPR under 35 U.S.C. § 325(d). As the PTAB already decided not to institute *inter partes* review ("IPR") based on a petition that is essentially identical to the request that forms the basis of this EPR, EPR should not have been granted and the Director should terminate it at this time. In the alternative, the petition is based on prior art that previously was presented to the Office during examination, or is cumulative of such prior art, which is an independent reason the Director should terminate EPR. Filing serial requests to the Office—whether IPR or EPR—wastes government resources, harasses patent owners, and frustrates the goals of the patent system. Petitioners should not be permitted to challenge a patent more than once—they should choose to submit EPR or IPR petitions, but not both or multiples of each—and the Office should not entertain more than one such challenge. Otherwise, all the same problems created by serial IPRs will be reintroduced through serial IPR and EPR filings.

SFI requests that 37 C.F.R. §§ 1.515(a) and 1.540, and any other regulation that may prevent granting the relief requested, be waived to the extent necessary to consider this petition.[1]

[1] This petition is filed with the fee specified under 37 C.F.R. § 1.20(c)(6). If further fees are found to be required, the Director is hereby authorized to debit USPTO Deposit Account No. 603776.

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Ex. PO-F	IDS, Appl. Pub. No. 13/468,562 (Jan. 28, 2013) ("IDS I")
Ex. PO-G	IDS, Appl. Pub. No. 13/468,562 (Aug. 10, 2013) ("IDS II")
Ex. PO-H	IDS, Appl. Pub. No. 13/468,562, 2 (May 5, 2014) ("IDS III")
Ex. PO-I	Int'l Pub. No. WO01/22650 A2 ("Dickinson-650")

I. INTRODUCTION

Pursuant to 35 U.S.C. § 325(d), Patent Owner SFI respectfully requests that the Director terminate the EPR of the ’194 Patent filed by International Business Machines Corporation (“IBM”). Petitioners trying to invalidate patents should not be allowed to file multiple, serial requests at the Office, irrespective of form. Denying such serial challenges reflects longstanding Office policy to protect patent owners from harassment and to prevent waste of Office resources (*see, e.g.*, the *General Plastic*, *Advanced Bionics*, and *Valve Corp.* precedential decisions discussed *infra*), which has been reinforced more recently by institution decisions in the IPR context (*see, e.g.*, *Intel Corp.* and *Ecto World*, discussed *infra*). The same should apply to serial EPR requests.

Here, IBM already sought to invalidate the ’194 Patent once before. Months ago, IBM filed a petition for IPR, which the Office denied. IBM filed its reexamination request (the “Request”) just days later, challenging the same claims based on the same combinations of references and substantially the same arguments. The requests were materially identical; IBM essentially replaced the caption of its failed IPR petition and resubmitted the same document in the form of a request for EPR, adding only a few paragraphs about one reference. The Request does not even attempt to show that the cited references add anything materially different from what was previously before the Office. Nor does it contend that the Office committed error in concluding that the claims are patentable over the asserted art. This should not be countenanced.

The Request seeks precisely the type of repetitive proceeding Congress intended to prevent by adopting Section 325(d): It asks the Office to examine the validity of the claims of the ’194 Patent for a third time, relying on the same prior art and arguments that previously were presented to the Office in IBM’s failed IPR petition. That alone is sufficient for the Director to deny reexamination, but there is a second, independently sufficient reason to do so: The prior art and arguments asserted in the Request are also the same as, or cumulative of, prior art and

arguments already presented to and considered by the Office during prosecution. Section 325(d) exists precisely to prevent serial challenges like IBM's. Therefore, both because the Request relies on the same or substantially the same prior art and arguments previously presented, and because IBM makes no credible showing of material error in the Office's prior determinations, the Director should exercise his discretion and reject the Request.

In addition to burdening the Office with duplicative proceedings, allowing IBM to submit serial petitions to the Office challenging the same patents on the same grounds would undermine Congress's intent in enacting Section 325(d): ending abuse of EPR proceedings by patent-infringement defendants like IBM. This issue is not limited to IBM; in recent months, patent-infringement defendants have increasingly filed copycat EPR petitions after the Office denies their IPR petition. *See Patent Dispute Report: 2025 In Review*, UNIFIED PATENTS (Jan. 13, 2026), available at https://www.unifiedpatents.com/insights/2026/1/13/patent-dispute-report-2025-in-review. Unless the Office takes decisive action, this strategy threatens to become a systemic problem that drains Office resources and continues to harass patent owners just the same as serial IPR petitions used to do. To effectuate the intent of Congress, as well as its own policies, the Office should make clear to patent challengers that they can ask the Office for relief on the same grounds only once: file one IPR petition or one EPR request to invalidate a patent, but not both or multiples of each.

II. FACTUAL BACKGROUND

A. Overview of the '194 Patent

The '194 Patent teaches, *inter alia*, "generating . . . a plurality of shares," "receiving, at [an electronic computing system/a primary interface a] request to retrieve the data," and "sending the data set responsive to the request." ('194 Patent, 75:23-47 (Ex. PAT-A).) At a high level, the '194 Patent teaches systems, methods, and computer instructions "for storing virtually any type of data

from unauthorized access or use" by, among other things, "parsing, splitting and/or separating the data" into two or more shares stored "in multiple locations." (*Id.* 2:33-51.) Subsequently, upon receiving a "request to retrieve the data set," the '194 Patent teaches identifying "a set of fastest-responding storage devices," retrieving the requisite number of shares, using the shares to reconstruct the dataset, and "sending the dataset" to the user. (*Id.* 75:36-47.) Claim 1 is exemplary of the independent claims (claims 1, 7 and 14) and recites:

Limitation	Claim Language
1[Pre]	1. A method for securely storing and retrieving data, the method comprising:
1A-1	generating, using an electronic computing system that includes processing circuitry, a plurality of shares by performing a cryptographic operation on a data set and
1A-2	distributing the data set in the plurality of shares such that the data set can be reconstructed using any subset of the shares that includes at least a minimum number less than all of shares;
1B	storing the plurality of shares at a plurality of storage devices;
1C	receiving, the electronic computing system, request to retrieve the data set;
1D	identifying from the plurality of storage devices a set of fastest responding storage devices necessary to retrieve the minimum number of shares, wherein the set of fastest-responding storage devices are identified based at least in part on the response time of the storage devices;
1E	retrieving from the set of fastest-responding storage devices, the minimum number of shares;
1F	reconstructing the data set using the minimum number of shares; and
1G	sending the data set responsive to the request.

The '194 Patent discloses a specific architecture in which an electronic computing system generates a plurality of shares by performing a cryptographic operation on the data, distributes the data in the plurality of shares such that the data can be reconstructed by less than all of the shares, and stores the plurality of shares in a plurality of storage devices. (*Id.* 75:23-47.) Unlike conventional redundancy schemes, the claimed method further requires identifying "a set of fastest-responding storage devices" based at least in part on their response time and retrieving the

minimum number of shares from those storage devices to reconstruct the data. (*Id.* 75:36-47.) The combination of these features ensures that stored data is more protected and can be more efficiently retrieved as compared to data stored by systems that lack these features. (*See id.* 52:9-18, 60:11-14, 63:55-59.)

B. Prosecution of the ’194 Patent

The application that led to the ’194 Patent was filed on May 10, 2012 as a continuation of an application filed on October 25, 2005, which claimed priority to a provisional application filed on October 25, 2004 and to a provisional application filed on September 16, 2005. After a robust examination, the Office issued the ’194 Patent on December 2, 2014.

During prosecution, the examiner considered nearly ***200*** prior art references, including Dickinson (Int’l. Patent Pub. No. WO2001/022322 (Ex. PA-1)) and Hardjono (U.S. Patent No. 6,363,481 (Ex. PA-2). (*See* ’194 Patent, 2-4.) The examiner issued a series of office actions, which culminated in an August 15, 2013 final rejection decision issued on the basis of anticipation by Dodgson (U.S. Patent Appl. Pub. No. 2010/0162003 A1). (Final Rejection, U.S. Patent Appl. Pub. No. 13/468,562 (Aug. 15, 2013) (Ex. PO-A).) Following amendment and argument—including that Dodgson did not qualify as prior art in view of the asserted priority chain—the examiner withdrew the rejection and allowed claims 1-20. (Notice of Allowability, Appl. Pub. No. 13/468,562 (Oct. 2, 2014) (Ex. PO-B).)

C. SFI Sues IBM for Its Decade-Long Willful Infringement of the ’194 Patent

On March 24, 2025, SFI filed suit against IBM in the Eastern District of Virginia, alleging that IBM had willfully infringed the ’194 Patent, and two other patents in the same family, for a decade. (*See Sec. First Innovations, LLC* v. *Int’l Bus. Machs. Corp.*, No. 1:25-cv-00514 (E.D. Va. Mar. 24, 2025) (“*SFI* v. *IBM*”), ECF No. 1 (Ex. LIT-1).) As SFI alleged in its complaint, for almost two decades, Security First Corporation (“SFC”)—the predecessor to SFI—was an innovative

operating company that developed advanced network security solutions and technology. (*Id.* ¶¶ 21, 50-53.) To commercialize that technology, SFC partnered with IBM. The companies began working together in 2005, and over the course of more than a decade, SFC repeatedly disclosed the details of its technology and patents to IBM. (*Id.*) This allowed IBM to gain an intimate and technical understanding of SFC's inventions. After receiving and digesting troves of information about SFC's technology and patents, in November 2015, IBM acquired SFC's competitor, Cleversafe, despite SFC's warning that Cleversafe's technology infringed SFC's patents. (*Id.* ¶ 54.) Choosing to ignore those warnings, IBM terminated its years-long relationship with SFC and proceeded to instead commercialize Cleversafe's infringing technology. (*See id.* ¶¶ 54, 61-63.) The result was predictable. SFC—having spent millions of dollars to develop its innovative technology—was left without a commercial partner and was forced to declare bankruptcy shortly thereafter. SFC's former Chairman later reacquired SFC's patent portfolio (which includes the '194 Patent) and formed SFI to vindicate the infringement of SFC's patents by companies like IBM. (*See id.* ¶ 25.)

As soon as SFI filed litigation, IBM endeavored to stall it. IBM first brought a motion to transfer the litigation to the Northern District of Illinois. (*SFI* v. *IBM* (May 19, 2025), ECF No. 26.) The district court denied the motion. (*SFI* v. *IBM* (July 14, 2025), ECF No. 67.) Two days before the district court denied its motion to transfer, IBM filed IPR petitions on all three patents in suit and then moved to stay the district court litigation. (*SFI* v. *IBM* (July 9, 2025), ECF No. 63.) The court stayed the case pending IPR. (*SFI* v. *IBM* (Aug. 20, 2025), ECF No. 88.)

D. IBM's Petition for IPR of the '194 Patent

On July 9, 2025, IBM filed a petition for IPR of claims 1-20 of the '194 Patent. (*Int'l Bus. Machs. Corp.* v. *Sec. First Innovations, LLC*, IPR2025-01201 ("*IBM* v. *SFI*"), Paper 2 (PTAB July 9, 2025) ("IPR Petition") (Ex. PO-C).) IBM's IPR petition raised three prior art references:

Dickinson, Hardjono, and Moulton (U.S. Patent App. Pub. No. 2001/0034795 (Ex. PA-3)). The Office denied institution on November 20, 2025. (*Id.*, Paper 23 (Nov. 20, 2025) ("IPR Denial Decision") (Ex. PO-D).) Though the IPR Denial Decision did not substantively discuss the merits of IBM's IPR petition, the Director cited to the Director's October 17, 2025 memorandum, which states that "[u]pon review of discretionary considerations, ***the merits***, and non-discretionary considerations . . . if the Director determines that institution is not appropriate, whether based on discretionary considerations, the merits, or other non-discretionary considerations, the Director will issue a summary notice denying institution." "Director Institution of AIA Trial Proceedings," available at https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf (emphasis added).

E. IBM's Copycat *Ex Parte* Reexamination Petition

On November 24, 2025, just four days after the Office denied its IPR petition, IBM filed the Request seeking reexamination of the '194 Patent, asserting the same three references—Dickinson, Hardjono, and Moulton—and the same arguments advanced in its IPR petition. (*See* Request.) IBM's rapid turnaround was possible only because its Request raised no new art, combinations, or material argument. Indeed, nearly all of the two petitions, including the vast majority of the discussion of IBM's invalidity grounds, are copied almost verbatim. The reason IBM rushed to file the copied-and-pasted Request is plain: IBM wants to delay the co-pending district court litigation concerning IBM's willful infringement of a smaller company's patents as long as possible, and IBM needed a new justification to oppose SFI's motion to lift the stay of that case, which had been stayed pending IBM's rejected IPR petitions. (*See SFI* v. *IBM* (Dec. 5, 2025), ECF No. 102.) IBM's ploy worked. The district court refused to lift the stay in light of IBM having filed the Request, and has now extended the stay indefinitely based on the Office's decision

to order reexamination of the ’194 Patent. (*See id.* (Dec. 19, 2025), ECF No. 109; *id.* (Feb. 4, 2026), ECF No. 117.)

III. LEGAL STANDARDS

The Office possesses broad discretion under Section 325(d) to deny a request for post-grant review that relies on “the same or substantially the same art or arguments” that “previously were presented to the Office.” 35 U.S.C. § 325(d); *In re Vivint, Inc.*, 14 F.4th 1342, 1351 (Fed. Cir. 2021). While the statute only requires that the prior art or arguments previously were presented to the Office, the Office has adopted a two-step framework to determine whether to exercise its discretion under Section 325(d): “(1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and (2) if either condition of first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics, LLC* v. *MED-EL Elektromedizinische Geräte GmbH*, 2020 WL 740292, at *3 (PTAB Feb. 13, 2020) (precedential).[2] “If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute.” *Id.*

In evaluating the first step, prior art or arguments were “previously presented” to the Office if they were raised during prior proceedings, including “examination of the underlying patent application, reexamination of the challenged patent, a reissue application for the challenged patent, [or] AIA post-grant proceedings involving the challenged patent” (*e.g.*, IPR). *Id.* at *3. The Office

[2] *Advanced Bionics* addressed whether to deny a petition for IPR pursuant to Section 325(d), rather than an EPR request. However, the Office nonetheless should apply the guidance in *Advanced Bionics* here because, as the Federal Circuit has held, “Section 325(d) applies to both IPR petitions and requests for *ex parte* reexamination.” *In re Vivint*, 14 F.4th at 1354.

need not have substantively discussed the art or arguments during such proceedings or reached a decision on the merits—it can be enough, for example, that the prior art was included "in a previous petition" or otherwise made part of the record before the Office, like on an information disclosure statement. *See Ziegmann* v. *Stephens*, 2017 WL 3923543, at *4 (PTAB Sept. 6, 2017) (expanded 5-judge *ex officio* panel); *Google LLC* v. *Valtrus Innovations Ltd.*, 2023 WL 3985527, at *15-16 (PTAB June 13, 2023) ("[P]roviding a document to the Office in an Information Disclosure Statement is sufficient to satisfy prong one of the *Advanced Bionics* analysis."); *Ecto World, LLC* v. *RAI Strategic Holdings, Inc.*, 2025 WL 1441509, at *2 (PTAB May 19, 2025) ("Challenging the claims using the same prior art that was previously presented on an IDS is sufficient to satisfy the first part of the *Advanced Bionics* framework."); *see also In re Pederson*, No. 90/014,437, at 5-8 (Apr. 13, 2020) (exercising discretion to reject an EPR request and terminate the proceeding under Section 325(d) where the request relied on the same claims, the same prior art, and substantially the same arguments previously presented in an IPR petition). For example, in *Ziegmann*, the references previously were presented to the Office through an IDS. *Ziegmann*, 2017 WL 3923543, at *7. Even though the merits of those references were not addressed during prosecution, the Office nevertheless denied reexamination pursuant to Section 325(d).

Moreover, for Section 325(d) to apply, a successive petition need not raise literally identical art or arguments. Rather, art or arguments are deemed to have been "presented" to the Office if previously presented references include cumulative or "substantially similar" disclosures. *Nespresso USA, Inc.* v. *K-Fee Sys. GmbH*, 2022 WL 212376, at *5-6 (PTAB Jan. 18, 2022) (finding references cumulative where "Petitioner does not identify adequately any material difference between the disclosures"); *Intel Corp.* v. *InterDigital, Inc.*, 2025 WL 978771, at *6 (PTAB Apr. 1, 2025) (finding reference cumulative where it "does not add anything new that would support

allowing Petitioner to revisit an argument already considered by the Examiner"); *see also In re Haller*, No. 90/014,770, at 10-13 (Feb. 10, 2022) (terminating reexamination under § 325(d) where newly added references merely supplemented or reinforced previously asserted teachings and arguments and did not materially change the underlying arguments). The Office considers a non-exhaustive list of factors in making this determination, including "the similarities and material differences between the asserted art and the prior art involved during examination," "the cumulative nature of the asserted art and the prior art evaluated during examination," and "the extent of the overlap between arguments previously made and the manner in which petitioner relies on the prior art." *Advanced Bionics*, 2020 WL 740292, at *4 n.10 (quoting *Becton, Dickinson & Co.* v. *B. Braun Melsungen AG*, IPR2017-01586, Paper 8, 17-18 (PTAB Dec. 15, 2017)).

If the Office finds that "the same or substantially the same art or arguments" were previously presented to the Office, it denies reexamination unless the petitioner identified a ***material*** error in the Office's earlier decision. *Id.* at *4.[3] Mere disagreement with the Office's prior decision is insufficient—a petitioner must explain how the Office "erred in a manner material to patentability." *Id.* at *3. Examples of material errors include "misapprehending or overlooking specific teachings of the relevant prior art where those teachings impact patentability of the challenged claims" or "an error of law, such as misconstruing a claim term, where the construction impacts patentability of the challenged claims." *Id.* n.9. The burden is on the petitioner, and the Office typically denies reexamination unless the "petitioner has pointed out sufficiently how the examiner erred." *Id.* at *3 (citing *Becton, Dickinson*, Paper 8 at 24); *Ecto World*, 2025 WL

[3] To the extent IBM asserts that *Advanced Bionics* does not apply to EPRs (it should), the Office can reject EPR under Section 325(d) based on the statute itself and on the fact that substantially the same art or arguments were previously presented to the Office without necessarily considering the additional requirement that IBM establish an error material to patentability.

1441509, at *2 n.6 (it is "Petitioner's burden to demonstrate material error"). And that burden is substantial; there cannot be a material error where "reasonable minds can disagree" about the Office's previous treatment of prior art or arguments. *Advanced Bionics*, 2020 WL 740292, at *3.

The Office can and does deny reexamination even after institution has been ordered. Decision on Petition, *In re Bain*, No. 90/019,604, at 5 (Nov. 21, 2025) ("Permitting patent owner to call attention to potential issues involving 35 U.S.C. 325(d) ***after the Office makes a determination to order reexamination*** serves an important purpose in ensuring that proper consideration was given on whether to exercise discretion to move forward with an otherwise meritorious request for reexamination.") (emphasis added). Further, that the examiner found a substantial new question of patentability ("SNQ") does not preclude discretionary denial under Section 325(d). *See id.* at 8 ("The obligation by the USPTO to order reexamination when a request establishes an SNQ . . . is discretionary if the conditions of 35 U.S.C. 325(d) are met.").

IV. THE REQUEST SHOULD BE REJECTED PURSUANT TO 35 U.S.C. § 325(d).

Just as with two serial IPR petitions, the Director should exercise discretion to deny a later request for *ex parte* reexamination after its earlier IPR petition was denied. Serial attempts to invalidate a patent at the USPTO should not be permitted, irrespective of the form such requests take. As such, the Director should deny IBM's serial EPR request.

This is not a case in which materially new evidence has emerged or in which prior examination overlooked critical teachings. Nor does the Request identify any credible material error in the Office's earlier determinations. Instead, IBM simply repackages previously rejected arguments and asks the Office to reconsider them under a different procedural label. Section 325(d) authorizes the Office to decline such serial challenges in the interest of finality, efficiency, and fairness. Having already been presented the relevant art during an unsuccessful IPR and during original prosecution, the Office should decline to revisit the same issues yet again.

A. The Request Should Be Denied Because the Prior Art and Arguments on Which It Is Based Were Presented to the Office During IPR.

1. The Request Should Be Denied Because IBM Presented the Same Prior Art and Arguments In Its Failed IPR Petition.

The Director should reverse the Office's decision to order EPR of the '194 Patent and deny the Request because the Request relies on the ***same*** prior art references and combinations, and substantially the same arguments that IBM presented to the Office in its failed IPR. While the question of whether references were previously presented to the Office often "is a highly factual inquiry," *Advanced Bionics*, 2020 WL 740292, at *3, that is not true here. It is indisputable that the Request asserts that the same claims are invalid for the same reasons in light of the same combinations of references that IBM asserted in its IPR petition, as shown in the chart below:

IBM's Identical IPR and EPR Challenges to the Claims of the '194 Patent					
Basis	Ground	IPR2025-01201		This Reexamination	
		References	Claims	References	Claims
§ 103	1	Dickinson, Hardjono	1-20	Dickinson, Hardjono	1-20
§ 103	2	Dickinson, Hardjono, Moulton	2, 8, 15	Dickinson, Hardjono, Moulton	2, 8, 15

Indeed, IBM admits that the grounds presented in the Request "are, in substance, *identical* to the Grounds presented in [IBM's] IPR petition." (Request at iii n.1 (emphasis added).) And this "old art" is neither presented in a new light nor in a different way; IBM merely recycles failed arguments in hopes of a different outcome.[4] The Request copies the entire explanation of the two Grounds

[4] SFI expects IBM will argue that the Director should ignore that IBM previously presented the same references and arguments in its IPR petition because its EPR petition purportedly is strong on the merits, pointing to the fact that an examiner found that its EPR petition created SNQs. To start, IBM focuses on the wrong issue—the only question posed by Section 325(d) is whether IBM's references and arguments previously were presented to the Office (they were), not whether the Office previously espoused on the merits of those references and arguments. But even if it were relevant, that an examiner found SNQs are present does not indicate that IBM's EPR petition is strong on the merits, as the bar for finding SNQs are present is exceptionally low and SNQs are found in over 92% of all reexamination requests. *See* "Reexamination Information and Statistics," available at https://www.uspto.gov/sites/default/files/documents/ex_parte_historical_stats_.pdf.

on which the Request is based from IBM's IPR petition, adding only a few paragraphs about one reference. (*Compare* Request at 2-77 *with* IPR Petition at 4-83.) Thus, IBM cannot reasonably dispute that "the same prior art [and] arguments [raised in the Request] previously were presented to the Office," namely in IBM's failed IPR petition. 35 U.S.C. § 325(d).

And IBM does not even attempt to argue in its Request that the Office "erred in a manner material to patentability" in rejecting its IPR Petition. *See Advanced Bionics*, 2020 WL 740292, at *3. That failure is fatal, and IBM should not be allowed to cure its deficient Request in opposing this petition. Accordingly, the Director should exercise his discretion to deny the Request. *See id.* (if the prior art or arguments previously were presented to the Office "and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute").

IBM attempts to avoid Section 325(d) altogether by arguing that the Office's denial of its IPR petition "did not include any discussion of the substantive grounds of the petition," and thus, that the references it asserted were not considered by the Office. (Request at 80.) IBM is wrong on the law. Section 325 does not require that the Office substantively discuss "the same or substantially the same prior art or arguments"; it only requires that the art or arguments "previously were ***presented*** to the Office." 35 U.S.C. § 325(d) (emphasis added); *see also Nespresso*, 2022 WL 212376, at *4 ("Where *either* the prior art references advanced *or* the arguments raised in a petition previously were presented to the Office, the inquiry shifts to whether the petitioner establishes a material error.") (emphasis in original). There is no requirement that the Office issue an opinion addressing a particular reference or argument for that reference or argument to be "presented." It can be enough, for example, that the art was included "in a previous [IPR] petition" or otherwise made part of the record before the Office. *See Ziegmann*, 2017 WL 3923543, at *4; *see also Advanced Bionics*, 2020 WL 740292, at *3 (sufficient that art or arguments were raised

during "AIA post-grant proceedings involving the challenged patent," *e.g.*, IPR); *Nespresso*, 2022 WL 212376, at *6-7 (finding references listed on a signed IDS were presented to and considered by the examiner during prosecution); *see also In re Pedersen*, No. 90/014,437, at 7-10 (Apr. 13, 2020) (applying Section 325(d) to reject reexamination based on previously presented art and arguments, even where the prior IPR did not substantively resolve those same grounds).[5] Such is the case here. IBM undeniably presented the same art and arguments advanced in the Request in its previous petition for IPR. In fact, it wholly recycled them, even though the Office considered whether IBM's earlier IPR petition warranted institution and decided that it did not. Those circumstances present a clear basis for the Director to exercise his discretion to deny IBM's Request. And if that were not enough, the same two primary references were also presented to the Office during prosecution, as described below.

SFI expects that IBM will argue that the Office consistently has rejected the argument that an EPR should be denied under Section 325(d) where the petitioner asserted the same references, combinations, and arguments in a prior IPR petition. But the cases in which the Office has declined to exercise discretion under Section 325(d) to deny reexamination are inapposite because they involved new prior art references or additional substantive arguments not at issue in a prior IPR initiated by the same party. *See In re Catalano*, No. 90/019,708, Decision on Petition, at 5 (Jan. 16, 2026) (request cited a "revised expert declaration" and two "new references" in combination with prior references); *In re Fuchs*, No. 90/019,081, Decision on Petition, at 8 (Mar. 12, 2025) (request "present[ed] additional arguments, which were not presented in the [prior] IPR" as well as "new disclosures from" one reference and two "new . . . references"); *In re Arling*, No. 90/019,439,

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[5] In addition, if Congress intended Section 325(d) to only apply to prior art and arguments that the Office had "considered," Congress would have used that language. But Congress instead chose to give the Office broader discretion.

Decision on Petition, at 6 (Feb. 14, 2025) (three "references were not previously presented in the grounds in [the prior] IPR or [] EP reexam"); *In re Swift*, No. 90/014,801, Decision on Petition, at 8 (Aug. 31, 2022) ("[T]he request relies on a different reference (Swift '283) and associated arguments that are not the same or substantially the same as those presented in the [prior IPR or EPR] proceedings"); *In re Björsell*, No. 90/019,318, Decision on Petition, at 11-12 (Apr. 16, 2025) ("[T]he present reexamination proceeding [was petitioner's] first challenge to the [relevant] patent before the Office" and petitioner "should not be prevented from challenging the [] patent just because other codefendants previously challenged it" in IPR.); *In re RE45,543*, No. 90/014,814, Decision on Petitions, at 7 (Sept. 21, 2022) ("[T]he Request relies on different grounds . . . all of which are supported by new expert evidence [] than those presented in the [previous IPRs]."); *In re Fisher*, No. 90/019,115, Decision on Petitions, at 6 (Feb. 7, 2024) (requester "proposed new grounds of rejection that rel[ied] on newly presented primary references . . . in combination with newly presented secondary references"); *In re Yi*, No. 90/019,470, Decision on Petition, at 4 (June 18, 2025) ("no prior art references which are common" to both the EPR request and the prior IPR petition); *In re Reexam of Patent No. 6,708,213*, No. 90/015,011, Decision on Request for Reexamination, at 12 (June 16, 2022) (EPR petition presented a new reference and "presented different arguments" from prior IPR petition).

In sum, Section 325(d) merely requires that the references ***or*** arguments previously were presented to the Office, and here IBM's EPR petition clearly meets that standard based on IBM's nearly identical IPR petition. Serial attacks on a patent should not be tolerated as a matter of policy, no matter the form of the attack.

2. Denying IBM's Request Is Consistent with the Intended Purpose of Section 325(d) and Furthers the Office's Recent Policy Objectives.

Section 325(d) was intended to provide the Director broad discretion to deny review where, as here, the requester "ha[s] consumed more than enough of the USPTO's resources in attacking the [challenged] patent before the agency." *See* USPTO Director Brief, *Ariosa Diagnostics, Inc.* v. *Illumina, Inc.*, 2017 WL 1746905, at *23 (Fed. Cir. Apr. 26, 2017). Although reexamination plays an important role in removing invalid patents, third-party requestors can (and regularly do, as IBM has done here) misuse requests to harass patent owners. Prior to the AIA, the Office was "forced to accept many requests for *ex parte*" reexamination "that raise[d] challenges . . . cumulative to or substantially overlap[ping] with issues previously presented to the Office with respect to the [challenged] patent." (157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (Ex. PO-E).) Such repeat challenges not only were "unfair to patent owners," but also were "an inefficient use of the *inter partes* review process and other post-grant review processes" like EPR. *See General Plastic Inds. Co.* v. *Canon Kabushiki Kaisha*, 2017 WL 3917706, at *7 (PTAB Sept. 6, 2017) (precedential).

Moreover, prior to the adoption of Section 325(d), the Office lacked a gatekeeping mechanism for denying these repeat challenges. The requirement that an examiner must find an SNQ before ordering reexamination did not alone safeguard against the waste caused by repeat petitions raising the same references and arguments. Examiners find an SNQ in the vast majority of reexamination requests—over 92%[6]—rendering this mechanism more a formality than a meaningful gatekeeping requirement. Congress thus adopted Section 325(d) to permit discretionary denial even where the Office finds an SNQ. *See In re Bain*, No. 90/019,604 at 5, 8

[6] *See* "Reexamination Information and Statistics," available at https://www.uspto.gov/sites/default/files/documents/ex_parte_historical_stats_.pdf.

(explaining that applying Section 325(d) even after the Office orders reexamination "serves an important purpose in ensuring that proper consideration was given on whether to exercise discretion to move forward with an otherwise meritorious request for reexamination.").

In doing so, Congress chose its words carefully and purposefully used "presented," not "considered" or "substantively discussed" on the merits. And Section 325(d) nowhere contains the phrase that IBM attempts to use to escape the ambit of that section: "on the merits." As one of the AIA's primary sponsors, Senator Jon Kyl, explained, Congress included "the second sentence of [S]ection 325(d)"—allowing the Director to "reject the petition or request because[] the same or substantially the same prior art or arguments previously were presented to the Office"—in response to the Office's request for a mechanism "to prevent parties from mounting attacks on patents that raise issues that are substantially the same as issues that were already before the Office with respect to the patent." 157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl). Section 325(d), therefore, was intended to provide "protections against abuse of ex parte reexamination." *Id.* Congress deliberately focused on the challenger's actions in presenting art and arguments to the Office, not the Office's consideration of those actions, let alone whether the Office's consideration was "on the merits," in order to relieve the waste and burden on both patent owners and the Office caused by addressing repeat, serial challenges.

Denying IBM's second, serial petition to the Office seeking to invalidate the '194 Patent based on the same prior art and arguments falls within the heartland of what Congress intended when it enacted Section 325(d). IBM's Request serves no purpose other than to waste the Office's (and the patent owner's) precious resources and delay the co-pending district court litigation in the hopes that the Office will invalidate the '194 Patent when presented with the same prior art references and arguments for a second time. There is no other litigation context in which parties

are allowed to repeatedly raise the same challenge, relying on the same arguments and evidence, and the Office should not countenance it here. Indeed, in the IPR context, the Office has made clear that the Board can (and should) deny serial IPR petitions challenging the same patents. *See General Plastic*, 2017 WL 3917706, at *7; *Valve Corp.* v. *Elec. Scripting Prods., Inc.*, 2019 WL 1490575, at *7 (PTAB Apr. 2, 2019) (precedential) ("having multiple petitions challenging the same patent . . . is inefficient and tends to waste resources," and "serial and repetitive attacks . . . favor denying institution."). There is no reason for the Office to take a different approach for EPR petitions copied-and-pasted from failed IPR petitions.

Moreover, the need for the Director to exercise discretion to deny reexamination in the circumstances presented here has come into sharper focus in light of the Office's recent increase in denials of IPR petitions. Notwithstanding declining rates of IPR institution, many patent-infringement defendants, like IBM, are nonetheless filing IPR petitions knowing that they likely will be denied, and then turning around and asserting the exact same references and arguments in petitions for EPR. Unless the office puts an end to this practice—and Section 325(d) provides precisely the mechanism to do so—the result will be an even greater drain on the Office's resources and prejudicial delay for patent owners, like SFI, asserting meritorious claims. As the Director has recognized, "serial and parallel patent challenges, including challenges raising the same or substantially similar prior art and/or arguments, remain a significant problem."[7] And, as one commentor recently explained "the problem of serial EPRs following failed IPR challenges needs the attention of the Director before it gets out of control [as a] review of recent cases

[7] *Revision to Rules of Practice Before the Patent Trial and Appeal Board*, 90 Fed. Reg. 48,335, 48,337 (proposed Oct. 17, 2025) (to be codified at 37 C.F.R. pt. 42).

indicates that it is becoming a systemic problem."[8] Patent-infringement defendants should be limited to only one petition to this Office challenging a given patent (either IPR or EPR) to prevent them from strategically requesting two bites at the apple. Otherwise, this Office would be encouraging the very result Congress intended to avoid when it enacted Section 325(d)—"abuse of *ex parte* reexamination." 157 Cong. Rec. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl).

Denying IBM's Request also is consistent with recent Office policy. For example, in March 2025, the Acting Director announced that, in order "to improve PTAB efficiency" and to "maintain PTAB capacity to conduct AIA proceedings," the Office would discretionarily deny IPR or post-grant review where such review would waste Office resources. "Interim Processes for PTAB Workload Management" at 1-2, available at https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf. The Office outlined several factors favoring such discretionary denial, including whether "PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims," "the strength of the unpatentability challenge," and "settled expectations of the parties, such as the length of time the claims have been in force." *Id.* at 2. Relatedly, on October 17, 2025, the Director further expanded the scope of director review to include all merit-based institution decisions, further targeting efficiency.[9] Although these changes only apply to IPR and post-grant review, precluding patent-infringement defendants from challenging patents in EPR following an unsuccessful IPR

[8] Gene Quinn, *The Problem of Abusive Serial Challenges Using Reexaminations Needs to Be Addressed by the USPTO*, IP WATCH DOG, available at https://ipwatchdog.com/2026/03/22/problem-abusive-serial-challenges-using-reexaminations-addressed-uspto/.

[9] *See* "Director Institution of AIA Trial Proceedings," available at https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf.

petition would similarly promote fairness and efficiency. Indeed, the Office's logic applies *a fortiori* to such a scenario because it would avoid requiring the same arbiter (this Office) from expending resources twice to resolve the exact same issue raised in serial petitions for IPR and EPR.

In summary, both the text of Section 325(d) and the Office's framework for considering Section 325(d) petitions counsel in favor of denying IBM's Request, and doing so would further both Congress's intent to limit abuse of EPRs and this Office's recent policy initiatives to promote fairness and increase efficiency. Accordingly, the Director should exercise his discretion to deny IBM's most recent serial request for Office review of the '194 Patent.

B. In the Alternative, the Request Should Be Denied Because the Same or Substantially Similar Prior Art Was Presented to, and Considered by, the Office During Prosecution.

Even if the Director declines to grant SFI's Section 325(d) petition on the basis that IBM previously presented the same prior art references and arguments to the Office in its failed IPR petitions, the Director still should grant SFI's petition because each of the three references on which the Request relies—Dickinson, Hardjono, and Moulton—was presented to, and considered by, the Office during prosecution or is cumulative of references that were presented to and considered by the Office. In particular, Dickinson and Hardjono—the core of IBM's asserted grounds—were presented to and considered by the Office. And Moulton—a cumulative, add-on reference—adds nothing beyond concepts already disclosed in other art before the Office.[10] And,

[10] In contending that Dickinson, Hardjono, and Moulton were substantially similar to, and cumulative of, references before the Examiner during prosecution, SFI does not admit that any of these references disclose limitations of the claims of the '194 Patent. In the event this Petition is not granted, SFI will show that the references on which IBM relies, as well as those before the examiner during prosecution, do not disclose some or all of the limitations of the claims of the '194 Patent and/or that there was no reason to combine these references to achieve the claimed inventions with a reasonable expectation of success.

critically, IBM does not argue that the examiner erred in allowing the claims over these references. Instead, it asks the Office to revisit the same issues already resolved. Section 325(d) does not permit such endless reconsideration.

1. Dickinson Was Presented to, and Considered By, the Examiner.

IBM relies upon Dickinson as its foundational reference for virtually every substantive element of the claimed invention. (*See* Request at 9, 13-18.) In an attempt to insulate its Dickinson-based Request from Section 325(d), IBM blatantly misconstrues the record by representing that "Dickinson . . . w[as] not presented to the Office in original prosecution." (*See* Request at 77.) That is false. Dickinson *was* presented to *and considered by* the Office during prosecution of the '194 Patent—it is listed on the face of the patent ('194 Patent at 4) and also appears on *two separate* IDS forms signed by the examiner in which the examiner stated that he "considered" "all references . . . except where lined through" (and did not line through Dickinson). (*See* IDS, Appl. Pub. No. 13/468,562, 4 (Jan. 28, 2013) ("IDS I") (PO-F); IDS, Appl. Pub. No. 13/468,562, 4 (Aug. 10, 2013) ("IDS-II") (PO-G)) "There can be no dispute that [Dickinson] was before the Office" as Dickinson "appears on the face of the [challenged] patent," "was listed in an information disclosure statement (IDS)," and "[t]he examiner also certified that he considered all references listed in the IDS 'except where lined through,' and [Dickinson] is not lined through." *Vital Connect, Inc.* v. *Bardy Diagnostics, Inc.*, IPR2023-00381, Paper 7, 5 (July 11, 2023), *Director review denied*, Paper 9 (Oct. 3, 2023).[11] As "all of the SNQs and proposed rejections in [IBM's] [R]equest rely on . . . Dickinson" (Request at 77), that Dickinson expressly was presented to and

[11] *See also Biocon Pharma Ltd.* v. *Novartis Pharms. Corp.*, IPR2020-01263, Paper 12, 9 (Feb. 16, 2021) ("[W]e accept that the Examiner considered [the prior art reference] because it is listed on the IDS and the Examiner signed the IDS with the statement 'all references considered except where lined through.'"); *Nespresso*, 2022 WL 212376, at *5-7 (same).

considered by the Office is dispositive of IBM's Request under Section 325(d).[12] *See, e.g.*, *Nespresso*, 2022 WL 212376, at *6-7.

IBM incorrectly argues that its Request "does not raise [Section] 325(d) concerns" because "the Office never entertained any arguments based on a prior art combination that included [the reference], let alone the specific combinations and arguments raised in the present request." (Request at 78-79.) But IBM misreads Section 325(d), which merely asks whether "the same or substantially the same prior art . . . ***previously w[as] presented*** to the Office." 35 U.S.C. § 325(d) (emphasis added). Here, it was: The exact same reference was presented to (and, even more, considered by) the Office during prosecution. Section 325(d) does not require that the examiner wrote a detailed rejection expressly analyzing every reference on every IDS and in every possible combination, especially where, as here, the examiner twice expressly stated that he considered Dickinson, but nonetheless allowed the claims to issue.[13] *See Nespresso*, 2022 WL 212376, at *5-7 (granting a 325(d) request, in part, because prior art references appeared on an IDS and were marked "considered" because they were not "lined through," even though they were not expressly discussed in rejections). IBM itself has acknowledged in related proceedings that art cited on a signed IDS has been "considered" by the Office, and thus qualifies as art that was "presented to" the Office even under IBM's erroneous interpretation of Section 325(d).[14] And, even if the fact that Dickinson previously was presented to the Office hypothetically were not sufficient (it is),

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[12] IBM bends over backwards to argue that Dickinson is not cumulative of a related reference, "Dickinson-771." (Request at 78-79 (citing U.S. Patent No.7,187,771 (Ex. PA-10).) But IBM's contortions are irrelevant because the examiner expressly considered and rejected Dickinson itself as a ground to invalidate the application that led to the '194 Patent, so whether or not Dickinson is cumulative of Dickinson-771 is of no moment.

[13] *See supra* n.11.

[14] IBM's Opp'n to Pet. Under 37 C.F.R. §§ 1.181–1.183, No. 90/015,711 at 8 (Mar. 16, 2026).

IBM failed to show how the examiner "erred in a manner material to patentability" in considering Dickinson. *Advanced Bionics*, 2020 WL 740292, at *3. That failure is fatal to IBM's Petition. *Id.*

2. Hardjono Also Was Presented to, and Considered By, the Examiner.

IBM concedes that Hardjono "was submitted in an IDS." (Request at 79.) But more than just being submitted in an IDS, like with Dickinson, the examiner signed the IDS and expressly stated that he had "considered" "all references . . . except where lined through" (and did not line through Hardjono). (*See* IDS, Appl. Pub. No. 13/468,562, 2 (May 5, 2014) ("IDS III") (PO-H).) Thus, like Dickinson, Hardjono was "presented" to (and "considered" by) the examiner during prosecution. *Vital Connect*, 2023 WL 5059771, at *5. And, also like Dickinson, IBM makes no attempt to argue that the examiner's consideration of Hardjono suffered from an error "material to patentability." *Advanced Bionics*, 2020 WL 740292, at *3. That is sufficient for the Director to exercise his discretion under Section 325(d) and deny the Request. *See, e.g.*, *Nespresso*, 2022 WL 212376, at *6-7, *11-12.

3. Moulton Is Cumulative of References the Office Already Considered.

Moulton is the only reference on which IBM relies that was not previously presented to the Office during original prosecution, but Moulton is cumulative of other references that the Office already considered. IBM relies on Moulton solely in combination with Dickinson and Hardjono for the unremarkable proposition that storage nodes may be physically "located in different data centers." (*See* Request at 51, 71-75.) And IBM only relies on Moulton "[t]o the extent Patent Owner contends that Dickinson's 'geographically separated data storage facilities' do not expressly teach data centers." (*Id.* at 71.) But Moulton is cumulative of multiple other references with similar disclosures that were before the Office during prosecution, and thus does not provide a basis for further examination of the '194 Patent. *Advanced Bionics*, 2020 WL 740292, at *4 n.10 (Director may deny institution where "the asserted art and the prior art evaluated during

examination" are "cumulative"); *see also In re Haller*, No. 90/014,770, at 10-13 (finding art cumulative where newly cited references were invoked only to supplement or confirm existing disclosures, without materially altering the underlying grounds).

As just one example, Moulton is cumulative of another Dickinson reference published as WO01/22650 on March 29, 2001 (hereinafter "Dickinson-650") (Int'l Pub. No. WO01/22650 A2 (Ex. PO-I). Dickinson-650 was presented to and considered by the Office during original prosecution (*see* IDS I at 4; IDS II at 4), and discloses a distributed storage architecture that, among other things, involves geographically separated facilities. *See*, *e.g.*, Dickinson-650, 15:9-10 ("[T]he depository 210 may comprise distinct and physically separated data storage facilities," *i.e.*, Moulton's data centers). Dickinson-650 further explains that such facilities may be located in geographically separated locations, thereby reducing the risk of storing the data in one location. *Id.*, 18:7-20. Thus, the disclosures in Dickinson-650 that the Office already considered are substantially the same as the disclosures in Moulton on which IBM relies. Moulton therefore supplies nothing new and, at most, reiterates concepts already before the examiner. Under the Board's precedential decision in *Advanced Bionics*, "cumulative" art like Moulton does not justify renewed review. 2020 WL 740292, at *4 n.10; *see also In re Haller*, No. 90/014,770, at 10-13. The addition of Moulton to references that expressly were presented to and considered by the Office cannot be sufficient to overcome Section 325(d). Otherwise, patent infringement defendants could force EPR on any patent by merely adding a cumulative reference, harassing patent owners and subjecting the Office to a deluge of meritless EPR petitions, thereby rendering Section 325(d) meaningless.

* * *

In sum, each of the references on which the Request relies either was presented to the examiner during prosecution or is cumulative of multiple references that were. *See Nespresso*, 2022 WL 212376, at *5-6 (prior art references are cumulative of art presented to the Office where references include "substantially similar" disclosures). Yet IBM does not even attempt to satisfy its burden to show that the examiner made an error material to patentability with respect to the references asserted in the Request or the references of which they are cumulative. (*See* Request at 77-80.) Under the Office's precedents, that is sufficient for the Director to exercise his discretion under Section 325(d) to deny the Request. *Advanced Bionics*, 2020 WL 740292, at *3.

V. TO THE EXTENT NECESSARY, THE PROVISIONS OF 37 C.F.R. §§ 1.515(a) AND 1.540 SHOULD BE WAIVED TO CONSIDER THIS PETITION.

The rules of the Office should be waived to the extent necessary to consider this Petition, consistent with the Office's practice in considering other petitions to the Director under 35 U.S.C. § 325(d). The Office has recognized that patent owner "petitions limited to issues involving 35 U.S.C. § 325(d)" may be appropriate in EPRs, and the Office has waived any contrary rules to consider 35 U.S.C. § 325(d) petitions that are filed after an order granting reexamination in such cases. *See, e.g.*, Decision on Petitions, *In re Haller*, No. 90/014,770, at 8.

The same is true for this Petition, and any necessary waiver should likewise be granted here. The MPEP emphasizes the importance of issues raised by reexamination requests under Section 325(d):

> If the request for reexamination includes issues involving 35 U.S.C. 325(d), the examiner must bring such issues to the attention of the appropriate SPRS or the Director of the CRU. Inquiries from the public regarding the treatment of issues involving 35 U.S.C. 325(d) in *ex parte* reexaminations should be referred to OPLA.

MPEP § 2242(I); *see also id*. § 2242(II) (similar). SFI respectfully submits that it is in the interest of justice that the rules, including the provisions of 37 C.F.R. §§ 1.515(a) and 1.540, be waived if necessary to consider this petition limited to issues involving 35 U.S.C. § 325(d).

VI. CONCLUSION

For the reasons set forth above, SFI respectfully requests that the Director exercise his discretion under 35 U.S.C. § 325(d) to reject IBM's Request for reexamination of the '194 Patent.

Date: March 27, 2026

Respectfully submitted,

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

U.S. Patent No. 8,904,194	:	Reexamination Control No.: 90/015,710
Patent Issued: Dec. 2, 2014	:	Reexamination Filed: Nov. 24, 2025
Application No.: 13/468,562	:	Reexamination Ordered: Jan. 28, 2026
Application Filing Date: May 10, 2012	:	Examiner: Behzad Peikari
Inventors: Rick L. Orsini, *et al.*	:	Group Art Unit: 3992
Assignee: Security First Innovations, LLC	:	Confirmation No.: 7075

For: SECURE DATA PARSER METHOD AND SYSTEM

Certificate of Service

Counsel:

In compliance with 37 CFR § 1.550(f), it is certified that the following documents were served on third party Requester IBM by first-class mail on the date below:

1. Petition Under 37 C.F.R. §§ 1.181-83 For Discretionary Denial Under 35 U.S.C. § 325(d) Of Order Granting Reexamination;
2. Exhibits PO-A to PO-I;
3. Patent Owner Waiver of Rights Under 37 C.F.R. § 1.530;
4. Power of Attorney;
5. Patent Owner Statement Under 37 C.F.R. § 3.73(c); and
6. Transmittal Letter.

The copies were served at the following address:

Desmarais LLP
230 Park Avenue
New York, New York 10169

Date: March 27, 2026

Respectfully submitted,

/s/ *Andrei Iancu*

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