

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

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

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IPR2025-00088  
Patent 11,050,654 B2

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Before JAMESON LEE, KEVIN F. TURNER, and KEVIN C. TROCK,  
*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 *inter partes* review of claims 1–6, 8–12, 16, 18–22, 30, 33, 34, and 36 (the “challenged claims”) of U.S. Patent No. 11,050,654 (Ex. 1001, “the ’654 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On February 28, 2025, the USPTO rescinded the June 21, 2022, “Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation” (“*Fintiv*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”).<sup>1</sup> On March 26, 2025, we issued an Order (Paper 9) authorizing the parties to file a supplemental brief limited to addressing what effect, if any, the rescission of the *Fintiv* Memorandum might have on the briefing in the Petition and the Preliminary Response. In response to this authorization, Petitioner and Patent Owner each filed a supplemental brief. Paper 10 (“Petitioner’s Supplemental Brief”); Paper 11 (“Patent Owner’s Supplemental Brief”).

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

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<sup>1</sup> <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 itself as the real party in interest. Paper 5, 1.

### *B. Related Proceedings*

According to the parties, the '654 patent is or was the subject of the following actions: *Adaptive Spectrum and Signal Alignment, Inc. v. Charter Communications, Inc.*, No. 2:24-cv-00124 (E.D. Tex.) filed Feb. 21, 2024. Pet. 1; Paper 5, 1.

### *C. The '654 Patent (Ex. 1001)*

The '654 patent describes “a method performed by a downloadable agent for collecting information associated with a communication device and then sending the collected information to another machine for analysis.” Ex. 1001, 2:39–42. According to the '654 patent, “Wide Area Network (WAN) and/or Local Area Network (LAN) performance information is not centrally analyzed by a communication device coupled to such networks to account for information” such that “communication devices coupled to such networks may operate with lower performance than otherwise possible because the communication devices have no means for knowing performance data that can be used to intelligently assess and manage performance of the communication device and/or network connection.” *Id.* at 1:28–39. According to the patent, “[o]ne of the problems with current communication systems is that information about the communication device

and communication device performance inside the local area network (LAN) is generally available to other devices on the LAN, however not available to machines outside the LAN.” *Id.* at 2:25–30.

To address this problem, the ’654 patent describes “an agent . . . which is placed inside the LAN, where the agent collects data on behalf of the cloud or WAN-based server and then transfers that data to the cloud or WAN-based server for analysis,” which “allows collection of information on all devices centrally for a comprehensive analysis.” *Id.* at 2:30–38. Figure 1 of the ’654 patent is reproduced below.

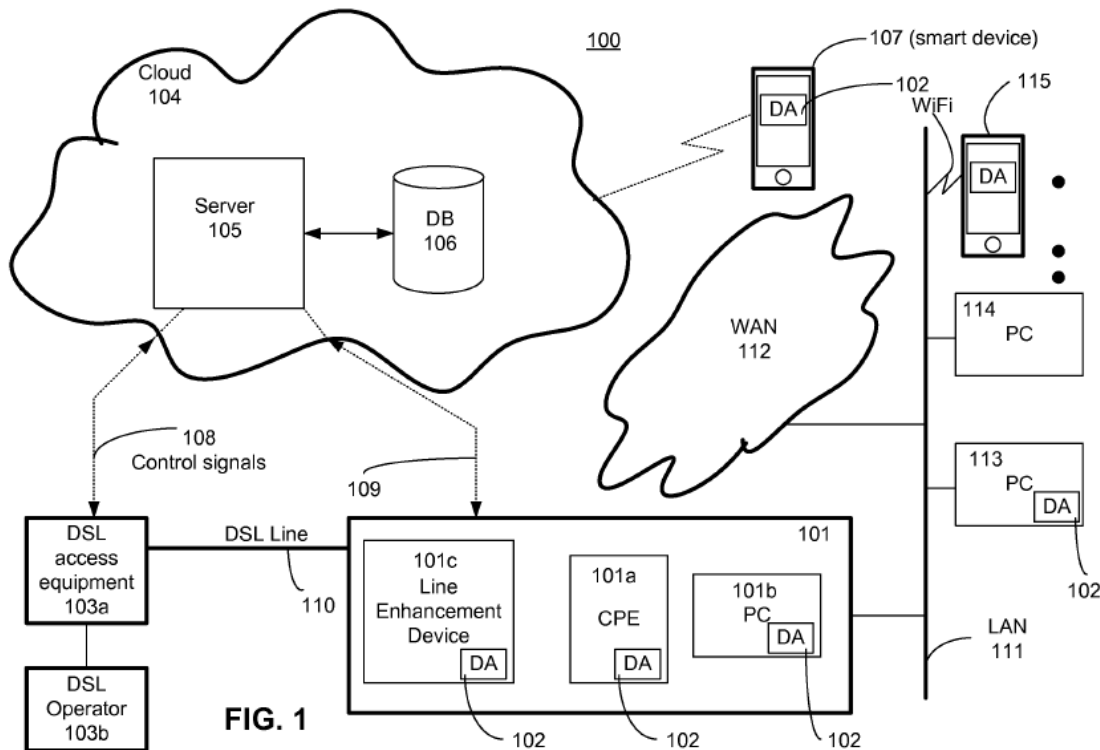


Figure 1, above, depicts an embodiment of “a communication network with some or all communication devices having a downloadable agent to assist with performance analysis.” *Id.* at 1:51–53. Communications network 100 comprises local network 101 with Customer Premises Equipment (CPE) 101a and personal computer (PC) 101b. *Id.* at 4:31–34. Downloadable

agent (DA) 102 is operable to communicate with the resources, server 105 and database 106, of cloud 104. *Id.* at 5:12–15. DA 102 reviews, collects, and sends performance data to the server 105. *Id.* at 5:44–6:27.

*D. Challenged Claims*

Petitioner challenges claims 1–6, 8–12, 16, 18–22, 30, 33, 34, and 36 of the '654 patent. Pet. 1, 5. Claims 1 and 18 are independent. Independent claim 1 is a method claim. *See* Ex. 1001, 25:23–41. Independent claim 18 is a system claim reciting a server operable to perform steps complementing the method steps performed by the downloadable agent of claim 1. *See id.* at 27:22–41. Claim 1 is generally illustrative and reproduced below.

[1.0] A method performed by a downloadable agent, the method comprising:

[1.1] collecting WAN performance information, [1.2] wherein the downloadable agent is executable on a computing device coupled to a LAN of a broadband subscriber, [1.3] wherein the LAN is coupled by another device to a WAN;

[1.4] transmitting the WAN performance information to a machine, [1.5] wherein the machine is operable to:

[1.5.1] store the WAN performance information in a database associated with the machine,

[1.5.2] analyze the WAN performance information to generate an analysis result, the analysis result comprises at least throughput; and

[1.5.3] report the analysis result to at least one of the broadband subscriber and the broadband subscriber's service provider; and

[1.6] sending an on-demand change request associated with at least one of throughput, or latency.

Ex. 1001, 25:23–41 (numbering and formatting designated by Petitioner; *see* Pet. 16–33).

*E. Evidence*

Petitioner relies upon the following evidence:

(1) U.S. Patent Application Publication No. US 2011/0149720 A1, published June 23, 2011 (“Phuah”) (Ex. 1004);

(2) U.S. Patent Application Publication No. US 2011/0119370 A1, published May 19, 2011 (“Huang”) (Ex. 1005);

(3) *Internet Access Quality Monitor*, Proceedings of the Fourth International Conference on Web Information Systems and Technologies, 197–201, published 2008 (“Ramos”) (Ex. 1006);

(4) U.S. Patent Application Publication No. US 2006/0164978 A1, published July 27, 2006 (“Werner”) (Ex. 1007);

(5) U.S. Patent Application Publication No. US 2002/0138443 A1, published Sep. 26, 2002 (“Schran”) (Ex. 1008); and

(6) *CPE WAN Management Protocol v1.1*, Broadband Forum Technical Report, published December 2007 (“TR-069”) (Ex. 1009).

Petitioner also relies on the declaration of Henry Houh, Ph.D. (Ex. 1003).

*F. Asserted Grounds of Unpatentability*

Claims Challenged	35 U.S.C. §	References
1–5, 8–10, 12, 16, 18–22, 33, 34, 36	103	Phuah, TR-069, Huang
1–6, 8–12, 16, 18–22, 30, 33, 34, 36	103	Phuah, TR-069, Huang
1–5, 8–10, 12, 16, 18–22, 33, 34, 36	103	Ramos, Werner, Schran
1, 6, 11, 18, 30	103	Ramos, Werner, Schran, Huang

### 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 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 discretionary denial is unwarranted because the factors set forth in *Fintiv* “weigh against exercising discretion to deny institution.” Pet. 5–6.

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. 3.

*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 “Charter has not moved for a stay in the ASSIA Litigation; therefore, Factor 1 is neutral.” Pet. 6.

Patent Owner agrees that “[n]o stay has been requested in the parallel litigation,” and that “Factor 1, therefore, is neutral.” Prelim. Resp. 4.

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 contends 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. 7. Petitioner asserts that

[t]he ASSIA Litigation is in its early stages and, at the time of filing this Petition, the parties have served infringement and invalidity 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-1017.) 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-1018.) 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.

*Id.* at 6–7.

Patent Owner argues that “Factor [2] weighs heavily in favor of discretionary denial.” Prelim. Resp. 4. Patent Owner asserts that “[t]he projected statutory deadline for issuing a Final Written Decision (FWD) in this IPR is June 16, 2026. Jury selection in the parallel litigation is



scheduled to begin September 22, 2025, which is nearly nine months before the projected FWD deadline.” *Id.*

Patent Owner provides the table shown below summarizing its projected trial dates. *Id.* at 5.

Eastern District of Texas	Projected Trial Date	Months Before FWD
Current Case Schedule	September 22, 2025	Nearly nine
US Courts (Civil)	Mid-December 2025	About six
Lex Machina (Patents)	February 17, 2026	Nearly four

The table above summarizes Patent Owner’s projections for a trial date in the ASSIA Litigation pending in the Eastern District of Texas. *Id.* Jury selection for the trial is currently scheduled for September 22, 2025,<sup>2</sup> which is approximately nine months before a statutory deadline for a final written decision in this proceeding should *inter partes* review be instituted.<sup>3</sup>

According to Patent Owner, a September 2024 report on the [www.uscourts.gov](http://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. 4. Applying this median time-to-trial provides an estimated trial date in Texas of mid-December 2025, which is approximately six months before a projected statutory deadline of June 17, 2026, for a final written decision in this proceeding should institution be granted. Even relying on a Lex Machina report (Ex. 1018), which indicates that the median time-to-trial for

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<sup>2</sup> Ex. 2001, 1.

<sup>3</sup> A decision on institution in this case is due June 17, 2025, which, if instituted on that date, would have a statutory deadline for a final written decision due one year later.

patent cases in the Eastern District of Texas is 727 days, would result in a trial date in February 2026, about four months before a projected 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 31, 2025, recommending that the district court deny the motion to transfer. *See* Ex. 2005, 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 contends that Factor 3 “weighs against discretionary denial.” Pet. 7. 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. 1017). “Indeed,” Petitioner points out, “fact discovery is in its earliest stage and remaining fact-intensive work including expert discovery and claim construction has not yet begun in the co-pending litigation.” *Id.* Petitioner contends that “[t]he district court has expended minimal resources.” *Id.* Petitioner also asserts that it “was ‘reasonably diligen[t]’ in filing this Petition,” which, Petitioner argues, “weighs against exercising discretion.” *Id.*

Patent Owner, however, contends that “[f]actor [3] weighs in favor of denying institution.” Prelim. Resp. 6. 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.* (citing *Fintiv*, Paper 11 at 9). Patent Owner explains that “[t]he parties have already exchanged invalidity and infringement contentions and are engaged in the closing month of fact discovery. By the June 16, 2025 DI deadline, the court will have conducted a Claim Construction Hearing (on March 19, 2025), and the parties will have completed both fact discovery (by April 15, 2025) and expert discovery (by June 10, 2025).” Prelim. Resp. 6 (citing Ex. 2001, 4–7). Patent Owner contends that “Petitioner’s arguments that factor [3] 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].” Prelim. Resp. 6.

Patent Owner also contends that that “[t]aking more than eight months to challenge two substantially similar independent claims and their overlapping dependent claims is not diligent,” and argues that “Petitioner does not provide any explanation for its delay in filing the Petition.” *Id.* at 7.

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. The current record shows that the parties have already exchanged infringement and invalidity contentions, engaged in and completed fact discovery on April 15, 2025, exchanged proposed claim terms and preliminary claim constructions, filed a joint claim construction statement, attended a claim construction hearing on March 19, 2025, and the district court issued its claim construction order on March 31, 2025. *See* Exs. 2001; 2006. 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 in the ASSIA Litigation.” Pet. 8.

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 ASSIS litigation’—is not a *Sotera* stipulation and does not allay the concerns undergirding factor four.” Prelim. Resp. 8 (quoting Pet. 8). Patent Owner argues that “Petitioner’s stipulation is essentially meaningless,” because “[i]t covers only six specific references, multiple of which have at least one counterpart or related patent/publication that is not included in the stipulation.” Prelim. Resp. 8.

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 10, 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 (emphasis added). 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 in the ASSIA litigation.” Pet. 8 (emphasis added).

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.<sup>4</sup> 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. 8. Patent Owner, however, argues that “Factor 5 weighs in favor of denying institution” because “the parties involved in this IPR and the district court proceeding overlap.” Prelim. Resp. 9 (emphasis omitted).

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

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<sup>4</sup> 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 ’654 patent.” Pet. 8. 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 8–9.

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. 9 (emphasis omitted). Patent Owner argues that

the Petition fails to establish that the applied references are unpatentable at least because: (i) the various combinations of references set forth in Grounds 1-4 fail to teach or suggest multiple limitations of the challenged claims (*see* Sections VIII and IX); (ii) Petitioner has not shown that Ramos, as applied in Grounds 3 and 4, qualifies as prior art (*see* Section III); and (iii) Petitioner has failed to establish a *prima facie* case of obviousness for the combinations of references presented in Grounds 1-4 (*see* Section IV).

Prelim. Resp. 9–10.

In our preliminary analysis of the merits of this case, we do not find Petitioner’s claim challenges particularly strong. For example, Patent Owner raises a significant question as to whether the asserted references teach or suggest the limitation “*transmitting the WAN performance information to a machine, wherein the machine is operable to: store the WAN performance information in a database associated with the machine,*” as recited in independent claim 1, and similarly recited in independent claim 18. *See* Prelim. Resp. 26–30. Patent Owner contends that “[t]he Petition solely relies on Phuah to allegedly disclose these claim features,” but “the

data in Phuah that Petitioner alleges to be the claimed ‘*WAN performance information*’ (i.e., Phuah’s raw data used to perform diagnostic testing) is neither ‘*transmit[ed]*’ to Phuah’s alleged machine (network element 106), nor ‘*store[d]*’ in a database associated with the alleged machine.” Prelim. Resp. 26.

With respect to Grounds 1 and 2, Patent Owner also contends that “Petitioner fails to show that the applied references disclose, or render obvious, “*wherein the server is operable to receive an on-demand change request associated with at least one of: throughput, or latency,*” as recited in independent claim 18.” Patent Owner argues that “[t]he Petition solely relies on Phuah to allegedly disclose this claim feature,” but “[w]hether the corrective action is performed by [Phuah’s] Mod-122 independently or as a result of a request from network element 106, the result is the same—i.e., Mod-122 does not send these corrective actions to “*the server,*” as required by independent claim 18, and as similarly explained in the specification of the ’654 patent.” Prelim. Resp. 35–36 (citing Ex. 1001, 8:61–9:5).

Similarly, with respect to Grounds 3 and 4, Patent Owner points out that the Petition relies only on Ramos and Werner to disclose the limitation “*wherein the server is operable to receive an on-demand change request associated with at least one of: throughput, or latency,*” recited in claim 18. Prelim. Resp. 39 (citing Pet. 31–33). Patent Owner points out, however, that “Petitioner does not mention anywhere in its analysis of independent claim 1 or 18 what network element in the proposed Ramos-Werner combination would actually “*receive an on-demand change request,*” as required by independent claim 18.” Prelim. Resp. 40–41 (citing Pet. 69, 74). Patent Owner argues that “even if Werner’s techniques for “request[ing] any one or more desired capacity ... and/or change in capacity” were implemented in

Ramos, such requests would not be sent to or received by Ramos' IAQM Server," because as Petitioner recognizes, "[i]t was also straightforward for **a Ramos service provider (ISP) to receive change in capacity requests** from the IAQM system," and "Ramos' ISP server is not the same as Ramos' IAQM Server." Prelim. Resp. 40 (citing Pet. 57–58).

Given these issues raised by Patent Owner and 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 '654 patent." Thus, we find that Factor 6 weighs somewhat in favor of exercising discretionary denial.

#### *7. Conclusion on Discretionary Review*

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 many 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 the issues on the merits raised by the Patent Owner in its Preliminary Response and 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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