

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE  
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE  
UNITED STATES PATENT AND TRADEMARK OFFICE

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MICROSOFT CORPORATION ,  
Petitioner,

v.

TS-OPTICS CORPORATION,  
Patent Owner.

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IPR2025-00767  
Patent 7,266,055 B2

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

DECISION  
Denying Institution of *Inter Partes* Review

TS-Optics Corporation (“Patent Owner”) filed a request for discretionary denial (Paper 8, “DD Req.”) in the above-captioned case, and Microsoft Corporation (“Petitioner”) filed an opposition (Paper 12, “DD Opp.”).

After considering the parties’ arguments and the record, and in view of all relevant considerations, discretionary denial of institution is appropriate in this proceeding. This determination is based on the totality of the evidence and arguments the parties have presented.

In particular, the challenged patent has been in force for more than seventeen years, creating strong settled expectations for Patent Owner. Additionally, Petitioner was aware of the challenged patent, having taken a license to it from 2011 to 2018. DD Req. 2, 17–18; DD Opp. 2, 3, 13, 23–24. Absent exceptional circumstances, it is not an efficient use of Board resources where a party licensed the challenged patent, and then, as is the case here, now advocates for the unpatentability of that same patent.

Although certain arguments are highlighted above, the determination to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented. Accordingly, the Petition is denied under 35 U.S.C. § 314(a).

In consideration of the foregoing, it is:

ORDERED that Patent Owner’s request for discretionary denial is *granted*; and

FURTHER ORDERED that the Petition is *denied*, and no trial is instituted.

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