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571-272-7822

Paper 14
Date: June 15, 2026

Patent Trial and Appeal Board
INFORMATIVE
Designated: 06/15/2026

UNITED STATES PATENT AND TRADEMARK OFFICE

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

TESLA, INC.,
Petitioner,

v.

BULLETPROOF PROPERTY MANAGEMENT, LLC,
Patent Owner.

IPR2026-00204 (Patent 12,227,184 B1)
IPR2026-00205 (Patent 12,240,457 B1)
IPR2026-00219 (Patent 12,221,104 B1)
IPR2026-00222 (Patent 12,233,871 B1)
IPR2026-00227 (Patent 11,932,230 B1)
IPR2026-00228 (Patent 12,240,456 B1)
IPR2026-00229 (Patent 12,240,458 B1)

Before JOHN A. SQUIRES, *Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office*.

DECISION
Denying Patent Owner's Request for Discretionary Denial

Bulletproof Property Management, LLC ("Patent Owner") filed a request for discretionary denial (Paper 7, "DD Req.") in the above-captioned cases, and Tesla, Inc. ("Petitioner") filed an opposition (Paper 9, "DD Opp.").[1] On May 19, 2026, after considering the parties' arguments and the record, and in view of all relevant considerations, I issued a Notice indicating that the Petitions are referred for consideration of the merits and non-discretionary considerations in the above-captioned cases. Paper 11. This determination was based on the totality of the evidence and arguments presented, and I highlight the following reasons.

Patent Owner first argues that the Petition should be denied in view of co-pending parallel district court litigation. DD Req. 5 (citing *Apple Inc. v. Fintiv, Inc*., IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential)). Petitioner responds that the originally scheduled trial date in the district court litigation "has recently been vacated, leaving no currently scheduled trial." DD Opp. 3 (citing Exs. 1168, 1165). Petitioner also stipulates that it will not advance in the parallel litigation any ground that reasonably could have been raised in an *inter partes* review ("IPR") and any other ground based on a combination of system art with any prior art reference asserted as the basis of a ground in each IPR. *Id.* at 5–6 (citing Ex. 1102). The absence of a scheduled trial date and Petitioner's broad

[1] Unless otherwise noted, citations are to papers in IPR2026-00204. The parties filed similar papers in IPR2026-00205, IPR2026-00219, IPR2026-00222, IPR2026-00227, IPR2026-00228, and IPR2026-00229.

stipulation reduces the concern of inconsistent outcomes or significant duplication of efforts, and allows this AIA review to function as an alternative to the co-pending litigation. *See Magnolia Med. Tech., Inc. v. Kurin*, IPR2026-00097, Paper 17, 3–4 (Director May 14, 2026) (precedential).

Second, Patent Owner argues that Joos,[2] which is relied on for all grounds raised in the Petition, was previously presented to the Office. DD Req. 10 (citing Ex. 1002, 152, 179, 233); *see* Paper 2 ("Pet."), 1–2. Apart from Joos, however, Petitioner's grounds rely on prior art not previously presented to the Office, including Bettger[3] and Bayer,[4] each used in combination with Joos to challenge at least claims 1–3, 6–9, 11, 13–15, 18–21, and 23. *See* DD Opp. 13–17; Pet. 1–2. Petitioner further argues that the examiner erred in overlooking Joos and other non-presented prior art references that teach the subject matter the examiner identified as allowable during prosecution. *See* DD Opp. 9–12. For example, in the prosecution of challenged patent US 11,932,230 B1—relied on for earliest priority by each of the other challenged patents ("child applications")—Joos was not identified by the examiner or presented to the Office. *See* IPR2026-00227, Paper 11, 12–16. In the child applications, Joos was cited in an IDS, but the examiner did not apply Joos in any rejection. IPR2026-00204, DD Opp. at

[2] U.S. 2019/0233009 A1, published Aug. 1, 2019 (Ex. 1004) ("Joos").
[3] U.S. 2019/0161086 A1, published May 30, 2019 (Ex. 1006) ("Bettger").
[4] U.S. 2007/0282502 A1, published Dec. 6, 2007 (Ex. 1007) ("Bayer").

12. Petitioner persuasively argues that the examiner overlooked certain teachings in Joos that appear to disclose allowable subject matter of the challenged claims. *See id.* at 11–12 (citing Ex. 1002, 235 (examiner's statement of reasons for allowance); Ex. 1004 ¶¶ 1, 8, 17, 18, 38). Thus, Petitioner demonstrates that the Office erred in a manner material to the patentability of the claims.

Third, Patent Owner argues that it has settled expectations in view of Petitioner's prior knowledge of the challenged patent and delay in challenging the patent. DD Req. 10–11 (citing Ex. 1011). Petitioner responds that it brought an early challenge to each patent in the above-captioned proceedings, "filing petitions on all seven within two years of issuance." DD Opp. 7–8. The challenged patents have not been in force for a significant period of time (all challenged patents issued between 2024 and 2025), and, accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial as to these patents.

Based on these arguments and evidence alone, discretionary denial is not appropriate in these proceedings.

Petitioner provides additional arguments and evidence further demonstrating that the Petitions should be considered on the merits. *See* Memorandum, entitled *Additional Discretionary Institution Considerations – U.S. Manufacturing and Small Business Use of AIA Proceedings* (Mar. 11,

2026) ("Memorandum").[5] In particular, Petitioner provides evidence of its manufacturing activities in the United States, including that it manufactures the accused products in America. *See* DD Opp. 17–20 (citing Exs. 1151–1156). Patent Owner alleges that the products accused of infringing the challenged patents in the parallel litigation "comprise 30% to 40% of components sourced in foreign countries," but does not provide supporting evidence. DD Req. 12–13. Petitioner's evidence of U.S. manufacturing is more persuasive and further demonstrates that discretionary denial in these proceedings is not appropriate. *See* Memorandum 2–3.

In consideration of the foregoing, it is:

ORDERED that Patent Owner's request for discretionary denial is *denied*; and

FURTHER ORDERED that neither party shall file a request for rehearing or Director Review of this decision until a Notice of Decision on Institution including this case issues.

[5] Available at https://www.uspto.gov/sites/default/files/documents/Additional_Discretionary_Institution_Considerations_US_Manufacturing_and_Small_Business_Use_of_AIA_Proceedings.pdf.

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