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Paper 30
Date: June 22, 2026

Patent Trial and Appeal Board
PRECEDENTIAL
Designated: 06/22/2026

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

LIGHT & WONDER, INC.,
Petitioner,

v.

EVOLUTION MALTA LIMITED,
Patent Owner.

IPR2025-01072 (Patent 11,011,014 B1)
IPR2025-01073 (Patent 10,629,024 B1)
IPR2025-01078 (Patent 11,756,371 B1)[1]

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

ORDER
Initiating *Sua Sponte* Director Review, Vacating the Decisions Granting Institution, and Denying Institution of *Inter Partes* Review

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[1] This Order applies to each of the listed cases. All citations are to IPR2025-01072. The parties filed similar papers and exhibits in IPR2025-01073 and IPR2025-01078.

In December 2025, the Board issued Decisions granting *inter partes* review ("IPR") in the above-referenced proceedings. Paper 14. Following institution, the Board authorized Patent Owner to file a Motion to Terminate ("Motion," Paper 21) these IPRs in light of a decision in a related district court proceeding involving the same parties as these IPRs. The Board subsequently denied the Motion, reasoning correctly that it lacked the authority to terminate these IPRs for discretionary reasons. Paper 25, 4–5 (citing Memorandum on Interim Processes for PTAB Workload Management (March 26, 2025)[2] at 1; Memorandum on Director Institution of AIA Trial Proceedings (Oct. 17, 2025)[3]).

Following the Board's decision, Evolution Malta Limited ("Patent Owner") sent an email "seek[ing] guidance on how to request Director [R]eview" of the Board's decision because "denial of a motion to terminate is not one of the expressly permitted bases" for seeking Director Review. Ex. 3102.

I agree with Patent Owner that the Director Review rule does not expressly permit a party to seek Director Review of a decision denying a motion to terminate. *See* 37 C.F.R. § 42.75(a) (permitting a party to seek Director Review of a decision on institution, a final decision, a decision granting rehearing of a decision on institution or a final decision, or any other decision concluding a proceeding). However, I also recognize that changed circumstances can surface after the deadline to file a request for

[2] Available at https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf.
[3] Available at https://www.uspto.gov/sites/default/files/documents/Director_Institution_of_AIA_Trial_Proceedings.pdf.

Director Review has elapsed but before trial has progressed meaningfully. In such instances, I typically have initiated a *sua sponte* Director Review to determine the impact on institution. *See, e.g.*, *ASUSTeK Computer Inc. v. Nokia Techs. OY*, IPR2025-01153, Paper 27 (Director May 27, 2026) (initiating Director Review *sua sponte* to address an alleged *Sotera*[4] stipulation violation where the patent owner's request for Director Review was untimely but the issue was raised shortly after the patent owner's response). Initiating *sua sponte* Director Review, however, is not always the most efficient process, and parties should be able to seasonably raise issues affecting institution. Thus, going forward, the Office is waiving the time period under 37 C.F.R. § 42.75(c)(1) for requests for Director Review of a decision to institute a trial. The waiver will extend the deadline from fourteen days to thirty days. *See* 37 C.F.R. § 42.5(b) ("The Board may waive or suspend a requirement of part[] . . . 42 and may place conditions on the waiver or suspension."). This change puts requests for Director Review of decisions to institute trial on equal footing to requests for Director Review of final decisions or decisions not to institute trial. *See* 37 C.F.R. § 42.71(d)(2).

Further, in exceptional circumstances, the Office may extend the deadline for filing a request for Director Review of a decision on institution, so long as the trial has not progressed meaningfully. *See* 37 C.F.R. § 42.75(c)(1) (allowing for extensions of the deadline to request Director

[4] *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to § II.A). In a *Sotera* stipulation, a petitioner represents that it will not raise in district court any ground it raised or reasonably could have raised in the IPR.

Review "upon a showing of good cause"). Such exceptional circumstances include, for example, dismissal of all or substantially all claims in a co-pending litigation, findings of fact and conclusions of law that render all or substantially all challenged claims invalid in litigation, and a violation of a *Sotera* stipulation.[5] This case presents one of those exceptional circumstances where trial has not progressed meaningfully. In this case, for efficiency, rather than asking Patent Owner to file a request for Director Review at this point—Light & Wonder, Inc.'s ("Petitioner") reply to the Patent Owner Response is due on June 19, 2026—I initiate a *sua sponte* Director Review as discussed below.

In its Motion, Patent Owner sought to terminate these IPRs because the district court granted Petitioner's motion to dismiss, finding the challenged claims at issue in these IPRs to be directed to patent ineligible subject matter under 35 U.S.C. § 101. *See* Motion 1–2 (citing *Evolution Malta Ltd. v. Light & Wonder, Inc.*, No. 2:24-cv-00993-CDS, Dkt. 176 (D. Nev. Mar. 30, 2026) (Ex. 2046)). Patent Owner argued that continuing these proceedings to a final written decision after an invalidity determination in another forum undermines the efficiency and integrity of the Office. *Id.* at 3 (citing *Hulu, LLC v. Piranha Media Distribution, LLC*, IPR2024-01252, Paper 27 (Apr. 17, 2025) (informative) ("*Hulu*")).

[5] If a party believes that exceptional circumstances exist in its case, then the party should send an email to Director_PTABDecision_Review@uspto.gov. The email shall copy counsel for all parties and provide a short summary of no more than three sentences as to why exceptional circumstances warrant an extension of the deadline. The other parties to the case will be given an opportunity to respond in kind.

In February 2025, the district court in the parallel litigation granted Petitioner's motion to dismiss under Rule 12(b)(6) *without prejudice*, finding the claims challenged in these proceedings invalid as reciting ineligible subject matter under § 101, but allowed Patent Owner leave to amend its complaint. *See* Paper 6, 24 (citing *Evolution Malta Ltd. v. Light & Wonder, Inc.*, No. 2:24-cv-00993-CDS, Dkt. 76 (D. Nev. Feb. 11, 2025) (Ex. 1022)). In May 2025, Petitioner filed its IPR petitions. *See* Paper 5. In June 2025, Patent Owner filed a second amended complaint in the district court, which Petitioner once again moved to dismiss. Paper 6, 24 (citing Exs. 2017, 2024). The district court, however, stayed the case. *Id.* (citing Ex. 2025).

Because the Petitioner's Rule 12(b)(6) motion to dismiss was still pending before the district court and the district court had stayed the proceeding, the Acting Director denied Patent Owner's request for discretionary denial and referred the petitions to the Board. Paper 11, 2–3. After the Board instituted these IPRs (*see* Paper 14), the district court granted Petitioner's motion to dismiss, this time *with prejudice*, once again finding the challenged claims to be directed to patent ineligible subject matter under § 101. *See* Motion 1–2 (citing Ex. 2046); Paper 24 (noting that the court has not granted leave for Patent Owner to further amend its complaint). Because all of the challenged claims now stand invalid, it is unnecessary and inefficient to maintain these IPRs to further review the claims for patentability under other grounds. *See Hulu*, Paper 27, 3 ("where a district court already has found the challenged claims invalid, *the efficiency and integrity of the patent system* is best served by denying institution") (emphasis added).

In its opposition to the Motion, Petitioner argued that if the U.S. Court for Appeals for the Federal Circuit reverses the district court's decision, then Petitioner will have to pursue invalidity only in district court without these IPRs. Paper 22, 8. *Hulu* addresses this argument, explaining that, under the same circumstances, raising invalidity in the district court on remand "is the better and more efficient approach." *See Hulu*, Paper 27, 2–3. Petitioner also argues that the bulk of the work in these IPRs is done, and terminating them now would not conserve resources. Paper 22, 7. The reply and sur-reply, however, remain pending, and the Board has not expended resources on oral arguments or a final written decision. *See* Papers 15, 23. Given the unique procedural posture here, the efficient administration of the Office and the ability of the Office to timely complete its work are directly implicated. *See, e.g.*, *Magnolia Med. Techs., Inc. v. Kurin, Inc.*, IPR2026-00097, Paper 17 (May 14, 2026) (precedential). On balance, I find that termination of these IPRs, therefore, is appropriate here.

Accordingly, it is:

ORDERED that a *sua sponte* Director Review of the Board's Decisions granting institution of *inter partes* review (Paper 14; IPR2025-01073, Paper 14; IPR2025-01078, Paper 14) is initiated;

FURTHER ORDERED that the Board's Decisions granting institution of *inter partes* review are vacated; and

FURTHER ORDERED that the Petitions are denied, and no trial is instituted.

IPR2025-01072 (Patent 11,011,014 B1)
IPR2025-01073 (Patent 10,629,024 B1)
IPR2025-01078 (Patent 11,756,371 B1)

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