

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HUM INDUSTRIAL TECHNOLOGY, INC.

Petitioner

v.

AMSTED RAIL COMPANY, INC.

Patent Owner

Case IPR2023-00538

Patent No. 9,365,223

**PATENT OWNER'S REPLY IN SUPPORT OF ITS
MOTION TO EXCLUDE**

**I. PETITIONER’S BELATED SUBMISSION OF EX1034 PREJUDICES
PATENT OWNER**

Petitioner’s failure to submit EX1034 is not consistent with or permitted by *Dynamic Drinkware*. In fact, Petitioner fails to address a critical fact that distinguishes it from *Dynamic Drinkware* – that upon filing of the Petition it was unmistakably aware, from discovery served in the related District Court Proceeding, *Amsted Rail Company, Inc. v. Hum Industrial Technology, Inc. et al*, Case No. 4:22-cv-00445-AGF (E.D. Mo.), that Patent Owner expressly claimed an earlier priority date for certain claims of the ’223 Patent. In *Dynamic Drinkware*, the Petitioner “did not have the burden of producing evidence” relating to the provisional until after the patent owner “made its argument regarding reduction to practice.” *Dynamic Drinkware*, 800 F.3d at 1381. Here, Petitioner was already aware that Patent Owner claimed priority to an earlier date, and thus Armitage is not actually, as Petitioner asserts, “prima facie prior art” under § 102(e). The shifting burden in *Dynamic Drinkware* is not a license for Petitioner to *withhold* evidence that is required to substantiate assertions made in its Petition, in effect affording Patent Owner limited opportunities to submit affirmative evidence.

Crucially, the issue in *Dynamic Drinkware*, as acknowledged by Petitioner through its quote on pages 4-5 of its opposition, was National Graphic’s argument on appeal that *Dynamic Drinkware* had *waived* any argument that the relied-on

reference was entitled to its provisional filing date as a result of its conclusory statement of that fact in the petition. *See Dynamic Drinkware*, 800 F.3d at 1381; *see also* Paper 45, 4-5. A review of the docket for the underlying IPR proceeding shows National Graphics did not seek to exclude the late filed provisional and the question of whether the provisional was proper reply evidence was not preserved for appeal. *See* IPR2013-00131.

Contrary to Petitioner's assertions, Patent Owner is not requesting that the Board decline to follow precedent set forth by the Federal Circuit, or suggesting that the burden-shifting framework of *Dynamic Drinkware* violates the Administrative Procedures Act ("APA") or any Board rule. In fact, Patent Owner asserts in its Motion that allowing this Exhibit would disregard: 1) Supreme Court policy that the petition itself guide the life of the litigation; 2) the requirement set forth in 35 USC § 312(a)(3) that the petition set forth the grounds for the challenges to the claims with particularity and include any supporting evidence; 3) the requirements set forth in 35 USC § 42.63 and 35 USC §42.51 that all cited evidence must be filed in the form of an exhibit; and 4) the APA's requirement for notice and an opportunity to respond – in short, if the Board were to allow in these circumstances Petitioner's belated evidence (by nearly a year) to support its assertions of prima facie unpatentability, it would undermine the carefully-defined structure created to provide fairness in the entire IPR process.

While a Motion to Exclude may not be the preferred mechanism for improperly raised new arguments, the framework laid out by the patent trial regulations is “subject to the guidance of judges who determine the needs of a particular case.... The rules are to be construed so as to ensure the just ... resolution of a proceeding and, where appropriate, the rules may be modified to accomplish these goals.” Office Patent Trial Practice Guide, 77 FR 48756-01. Alternatively, the Board may also treat this Motion to Exclude as a Motion to Strike. *See Laboratoire Francais Du Fractionnement Et Des Biotechnologies S.A., v. Novo Nordisk Healthcare Ag*, IPR2017-00028, Paper 109, at 11-12 (PTAB April 13, 2022) (treating a similar motion as a Motion to Strike). In this situation, Patent Owner requests that the Board consider that Petitioner waited nearly a year to file this improper evidence, and that Petitioner had an opportunity to respond to these arguments and therefore will not be prejudiced. *See Id.* Patent Owner, on the other hand, will be unfairly and prejudicially deprived of its fundamental opportunity to submit an affirmative defense.

For these reasons, the Board should exclude EX1034.

Respectfully submitted,

Dated: May 31, 2024

By: /Ryan N. Miller/
Ryan N. Miller
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §42.6(e), I certify that on this 31st day of May, 2024, a copy of PATENT OWNER'S REPLY TO PETITIONER'S OPPOSITION TO MOTION TO EXCLUDE by electronic mail on Petitioner's counsel, lead and back-up, as follows:

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Counsel for Petitioner has consented to service of all documents via electronic email. *See* Petition, Paper 1 at 2.

Dated: May 31, 2024

By: / Ryan N. Miller /

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