

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INNOSCIENCE (ZHUHAI) TECHNOLOGY COMPANY, LTD., AND
INNOSCIENCE AMERICA, INC.

Petitioner,

v.

EFFICIENT POWER CONVERSION CORPORATION,

Patent Owner

Case No. IPR2023-01381
U.S. Patent No. 8,350,294

**AUTHORIZED RESPONSE TO REQUEST FOR AN EXTENSION OF
TIME TO REQUEST DIRECTOR REVIEW**

Petitioner opposes Patent Owner’s request for an extension of time to request Director Review. No good cause exists for granting it, as explained below.

I. The Order Finding Patent Owner’s Claims Unpatentable Has Matured into a Final Agency Action (Due to Patent Owner’s Inaction) and Can No Longer Be Challenged by Patent Owner at the USPTO

The Board issued its Final Written Decision in this IPR proceeding on March 18, 2025. Paper 45. In it, the Board “ordered” that all pending original claims in U.S. Patent No. 8,350,294 (“the ’294 patent”) were “unpatentable.” *Id.* at 63. The Board also issued a separate order entering two substitute claims. *Id.* After the Decision issued, the parties had 30 days to request rehearing or Director Review. 37 C.F.R. § 42.75(c)(1); 37 C.F.R. § 42.71(d)(2). Patent Owner filed no such request within the 30-day period. Instead, on the *last day* to request Director Review, *roughly 30 minutes before midnight*, Patent Owner requested a 14-day extension. Patent Owner neither sought the Board’s permission nor met and conferred with Petitioner before making this filing. *See, e.g.*, PTAB Consolidated Trial Practice Guide November 2019 at 37-38 (requiring call with Board and parties to “reduce costs and efforts associated with motions . . . beyond the scope of the proceeding”).

Unsurprisingly, the Board did not rule on Patent Owner’s extension request in the roughly 30 minutes between when Patent Owner filed the request and when the 30-day period for seeking Director review expired. So the period closed without either of these two events occurring: (1) Patent Owner actually requesting Director

Review; and (2) issuance of a decision granting Patent Owner an extension of time to seek Director Review. Because neither of these two events occurred, the Board's unpatentability order will mature into a "final agency decision" under 37 C.F.R. § 42.75(d) if the Director does not grant *sua sponte* review by May 8, 2025. 37 C.F.R. § 42.75(b). Patent Owner no longer has a right to initiate a challenge to the Board's unpatentability order—it is too late—and its request for an extension of time is moot. Nor is there any basis to disturb the Board's final agency decision where, as here, Patent Owner not only filed its extension request at the last minute but also flouted the PTAB's procedures and meet and confer requirements in doing so.

II. The Requested Extension is Futile Because the USPTO Has Been Clear that *Fintiv* Analyses Cannot Overturn Final Written Decisions

Patent Owner filed its extension request hoping to ultimately obtain a "discretionary denial" ruling from the Director to undo an already completed proceeding. Paper 47. Patent Owner made this filing three weeks after the USPTO issued updated guidance on discretionary denial determinations. *See* March 24, 2025, Board Memorandum ("March 24 Memo"); March 26, 2025, Director Memorandum ("March 26 Memo"). The updated guidance explained that parallel ITC cases can provide a basis for discretionarily denying institution of IPR. March 24 Memo; March 26 Memo. But the USPTO was also express in this updated guidance that it was not authorizing the Board to retroactively overturn Final Written Decisions:

[T]he Interim Procedure’s recission applies to any case in which the Board has not issued an institution decision, or where a request for rehearing or Director Review of an institution decision was filed and remains pending. . . . Absent extraordinary circumstances, the Board will not revisit a decision on institution if the time for seeking Director Review or rehearing has passed.

March 24 Memo at 2. In the IPR proceedings here, the Board issued an Institution Decision over a year ago, and the time for seeking Director Review or rehearing of that decision also expired over a year ago. *See* Paper 11; 37 C.F.R. § 42.75(c)(1); 37 C.F.R. § 42.71(d)(1) (14-day deadline for requesting Director Review or rehearing after an institution decision). The updated guidance does not apply to these IPR proceedings, and Patent Owner cannot rely on the guidance to obtain a discretionary denial ruling that overturns the Board’s finding that claims 1–3 and 7–9 of the ’294 patent are unpatentable. Thus, Patent Owner’s extension request is futile—it cannot lead to the withdrawal of institution that Patent Owner wants.

Patent Owner’s extension request also fails to demonstrate “extraordinary circumstances” that would warrant Director Review. If anything, it would be extraordinary to use the discretionary denial process to retroactively overturn a Final Written Decision. This result does not align with the purpose of discretionary denials, which is to improve PTAB efficiency by eliminating cases that invoke the inefficient use of Board resources. *See* March 26 Memo at 3. Here, the Board

adjudicated the case through the trial phase and found all pending original claims (i.e., claims 1–3 and 7–9 of the '294 patent) unpatentable in a well-reasoned, 63-page Final Written Decision. Paper 45. Patent Owner disclaimed all other challenged original claims (i.e., claims 4–6 and 10–12). *Id.* Using a retroactive discretionary denial to overturn the Board's unpatentability findings would turn its work into waste by erasing the substantive analysis that the Board performed. Allowing patent claims *that were found unpatentable on the merits* to become active again also contradicts the strong USPTO policy of weeding out bad patent claims. Indeed, enforcing this policy is one of the reasons Congress enacted the IPR statute. *Thryv, Inc. v. Click-To-Call, Techs., LP*, 140 S.Ct. 1367, 1373 (2020) (“By providing for inter partes review, Congress, concerned about overpatenting and its diminishment of competition, sought to weed out bad patent claims efficiently.”).

Patent Owner further incorrectly suggests that discretionary denials are mandatory in IPRs with parallel ITC proceedings. *See* Paper 47 at 2. The discretionary denial analysis is not so rigid. Indeed, after the March 24 and 26 memos issued, the Board has instituted review in at least four IPRs with parallel ITC cases. *See Samsung Elecs. Co., Ltd., v. Sionyx, LLC*, IPR2024-01431, Paper 21 at 10-18, 29 (PTAB Apr. 10, 2025); *Klein Tools, Inc., v. Milwaukee Elec. Tool Corp. & Keter Home & Garden Prods., Ltd.*, IPR2024-01400, Paper 17 at 12-20, 71 (PTAB Apr. 8, 2025); *Klein Tools, Inc., v. Milwaukee Elec. Tool Corp. & Keter Home &*

Garden Prods., Ltd., IPR2024-01401, Paper 16 at 13-21, 80 (PTAB Apr. 8, 2025); *POSCO Co. v. ArcelorMittal*, IPR2024-01376, Paper 11 at pages 11-17, 36 (PTAB Mar. 18, 2025).

III. Patent Owner’s Retention of New Counsel Does Not Excuse the Late Filing of Its Extension Request and Does Not Change the Fact that the *Fintiv* Guidance Cannot Be Used to Overturn Final Written Decisions

Patent Owner attempts to mask its tardiness and disregard for the USPTO rules by asserting the influence of former USPTO Director Andrei Iancu, arguing it recently hired Mr. Iancu and that he requires an extension to familiarize himself with the record. Paper 47 at 3. Although Petitioner greatly respects Mr. Iancu, it does not believe his counsel was necessary for Patent Owner to request an extension sooner. The Final Written Decision issued on March 18, 2025, and the updated discretionary denial guidance (March 24 and March 26 memos) issued roughly a week later. From there, Patent Owner waited *over three weeks* to file its 3-page extension request. Paper 47. In any event, the retention of Mr. Iancu cannot change the lack of basis Patent Owner has for pursuing its frivolous argument that the Director should use her discretionary denial authority long after the institution phase to overturn unpatentability findings in a Final Written Decision.

IV. Conclusion

Petitioner respectfully requests that the Board deny Patent Owner’s extension request. It is untimely and improper.

Dated: April 25, 2025

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **AUTHORIZED RESPONSE TO REQUEST FOR AN EXTENSION OF TIME TO REQUEST DIRECTOR REVIEW** was served on April 25, 2025, via email directed to counsel of record for the Patent Owner at the following:

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