

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

STRUCTURAL WRAP, LLC,
Petitioner

v.

SYSTEM STORMSEAL PTY LTD, STORMSEAL USA, LLC,
Patent Owner

IPR2024-00084
U.S. PATENT NO. 11,168,484

PATENT OWNER PRELIMINARY RESPONSE TO PETITION

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TABLE OF EXHIBITS

Exhibit	Description
2002	Florida Litigation, Dkt. 60 (Order Denying Motion to Stay Pending IPR), Nov. 22, 2023.
2003	Florida Litigation, Dkt. 63 (Amended Scheduling Order), Feb. 1, 2024.
2004	Florida Litigation, Dkt. 61 (Joint Motion to Amend Scheduling Order), Jan. 31, 2024.
2005	Florida Litigation, Petitioner's Invalidation Contentions, June 26, 2023.
2006	Texas Litigation, Email Chain Identifying Petitioner's Counsel as Lead Counsel and Seeking Extension of Time, Dec. 8, 2023 and Dec. 11, 2023.
2007	Texas Litigation, Dkt. 7 (Answer and Counterclaim), Jan. 12, 2024.
2008	Prosecution History of United States Patent Application No. 16/294,55 (filed March 6, 2019)
2009	Continuity information related to United States Patent No. 11,041,312
2010	Continuity information related to United States Patent No. 11,168,484
2011	Florida Litigation, Dkt. 44 (Plaintiffs' Answer to Defendant's Counterclaims), April 10, 2023.
2012	Declaration of Ryan Loveless

System Stormseal Pty Ltd. (“Patent Owner” or “Stormseal”) submits this preliminary response in accordance with 35 U.S.C. § 313 and 37 C.F.R. § 42.107, responding to the Petition for *Inter Partes* Review (“Petition”) of claims 1-3 of U.S. Patent No. 11,168,484 (the “’484 Patent”) filed by Structural Wrap, LLC (“Petitioner” or “Structural Wrap”).

I. INTRODUCTION

The Board should deny institution because the Petition fails to establish the obviousness of combining all the references in each Ground—up to five references in each ground—in a manner that would result in the claimed subject matter and that would have been obvious to a POSITA.

Additionally, Petitioner is estopped from making the arguments it now makes due to contrary arguments and a declaration it made to the USPTO in seeking its own patent.

The Board should also deny institution on *Fintiv* grounds considering the earlier filed underlying Florida Litigation where trial is set in approximately seven months in September of 2024.

II. BACKGROUND

A. The ’484 Patent

Each of the Petitions’ ten Grounds is directed to one of Independent Claims 1, 2, or 3. As relevant to this Preliminary Response, each of these independent

(Ex. 1001, Fig. 2, Annotations Added). The ‘484 Patent explains that the leading edge is installed similarly: “[t]he leading edge is now passed over the roof to the opposite edge shown) of the roof and the leading edge secured to the opposite side eaves in similar manner to that already described.” Ex. 1001, 6:36-39.

These summarized features of Independent Claims 1, 2, and 3 addressed in this Preliminary Response are seen in the text below. The Challenged Claims specify many more features, as seen in the claim, which would need to be addressed if there were an institution.

Claims	
1. A method of providing covers over at least a portion of a roof of a storm damaged built structure comprising the steps of:	
applying a sheet of heat shrinkable film over the portion of the roof, the sheet having a leading edge and a trailing edge and being a film of low density polyethylene including shrinking resins;	
wrapping portions of the leading edge around a first batten and attaching the first batten to an underside of a first eave or to a fascia of the built structure;	
wrapping portions of the trailing edge around a second batten and attaching the second batten to an underside of a second eave or to the fascia of the built structure at a location different than the first batten; and	
heating the sheet of heat shrinkable film to bring the film into conformity with the portion of the roof, wherein said heating step shrinks the sheet of film tight against the built structure to cover over the portion of the roof.	
2. A method of covering at least a portion of a roof of a built structure comprising the steps of:	
cutting a sheet of film from a roll of heat shrinkable film;	
after said cutting step, applying the sheet of film over the portion of the roof to extend from a first edge to a second edge of the built structure, wherein the film includes a leading edge and a trailing edge;	
wrapping portions of the leading edge around a first batten and attaching the first batten to an underside of a first eave or to a fascia of the built structure;	

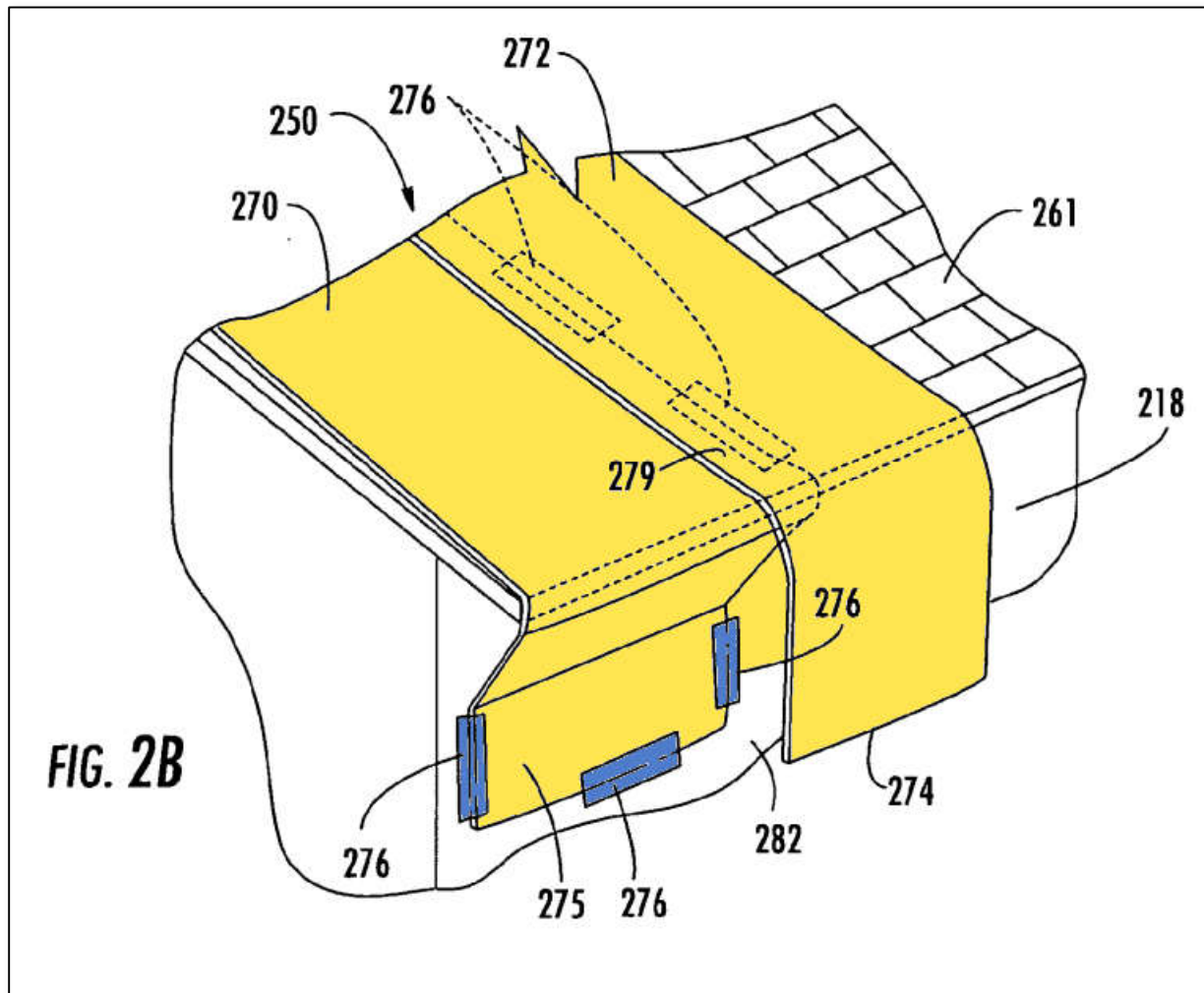
wrapping portions of the trailing edge around a second batten and attaching the second batten to an underside of a second eave or to the facia of the built structure at a location different than the first batten; and
heating the film to cause the film to conform to the portion of the roof.
3. A method of covering at least a portion of a roof of a built structure comprising the steps of:
applying a pre-cut sheet of heat shrinkable film over the portion of the roof to extend from a first edge to a second edge of the built structure, wherein the film includes a leading edge and a trailing edge;
wrapping portions of the leading edge around a first batten and attaching the first batten to an underside of a first eave or to a facia of the built structure;
wrapping portions of the trailing edge around a second batten and attaching the second batten to an underside of a second eave or to the facia of the built structure at a location different than the first batten; and
heating the film to cause the film to conform to the portion of the roof.

B. Crook (Ex. 1004)

Crook was cited in the specification of the '484 Patent (Ex. 1001, 1:59-61) and, also, distinguished in the prosecution history despite being combined with up to four secondary references. *See e.g.*, Ex. 1002 at 216 (citing as a rejection Crook being combined with Starr (US 6,206,991 – Ex. 1008), Lachapell (US 6,452,213 – Ex. 1009), Myrhe (US 7,517,941 – Ex. 1010), and Bettencourt (US 2002/0095898 – Ex. 1031)).

In addition to Crook failing to disclose the correct material for the film or sheets for select claims, both the USPTO and the Petition recognize Crook's failure to disclose the '484 Patent claimed features concerning *how* and *where* leading and trailing edges of the claimed sheets or film were secured. For example,

As another example, with reference to Figure 2B, roof cover 250 is attached to wall 218 with fasteners or strips of tape (such as water-resistant tape) 276. Ex. 1004, [0029].



(Ex. 1004, Fig. 2A, Coloring and Annotations Added).

C. Lowe's (Ex. 1016)

For purposes of this Patent Owner Preliminary Response only, Patent Owner addresses the merits of the purported Lowe's reference (Ex 1016) and explains why

Petitioner has failed to establish its burden in combining such a reference with other references. However, Patent Owner challenges the Lowe's video status as prior art and reserves the right to further challenge its status should institution be granted.

Petitioner has strung together various resources, leading a reader to believe the video it presents comes from Lowe's website. However, there are numerous problems with these allegations.

First, the very evidence Petitioner cites from Archive.org points out that "one must be a registered Lowe's.com user to view these videos." Ex. 1029. Thus, Ex. 1029 presents nothing more than a page indicating there are videos available. There is no evidentiary connection to Ex 1016.

Second, Petitioner points to an unknown user with the name "ajdanciu" that is listed along a Youtube video at a specified URL. To support alleged availability of a video at the URL, Petitioner provides select portions (but not all)¹ of the files produced in response to a subpoena to Google. *See* Ex. 1049. However, none of the evidence Petitioner supplies indicates the video was "searchable" or its general availability over time. As a non-limiting example, there is no indication as to whether the video was "listed" or whether the video was public or private (and when).

¹ Ex 1050 is purportedly the content of one of the files, but Ex. 1049 indicates two were produced.

Third, Petitioner acknowledges that Ex. 1016 is a “video screen recording” of a video played from a website on August 15, 2023, which purportedly was placed into six PDF files.² See Ex. 1051. Such evidence lacks the requisite connection establishing the video from August 15, 2023, is the same as what would have been searchable and accessible before Applicant’s priority date.

D. Related Proceedings

The ’484 patent is involved in: (1) *System Stormseal Pty Ltd. Et al v. American Builders & Contractors Supply Co., Inc., d/b/a ABC Supply Co., Inc., et al.*, No. 9-22-cv-81726, filed in the Southern District of Florida on November 4, 2022 (the “Florida Litigation”); and (2) *System Stormseal Pty Ltd. Et al v. SRS Distribution, Inc.*, No. 2-23-cv-391, filed in the Eastern District of Texas on August 29, 2023 (the “Texas Litigation”). In the Florida Litigation, Petitioner counterclaimed that Patent Owner infringes Petitioner’s patent, U.S. Patent No. 11,041,312 (the ‘312 Patent). See e.g., Ex. 2011. Patent Owner has asserted that Petitioner’s ‘312 Patent is invalid. *Id.* Among other things, Patent Owner’s ‘484 Patent is prior art to Petitioner’s ‘312 Patent.

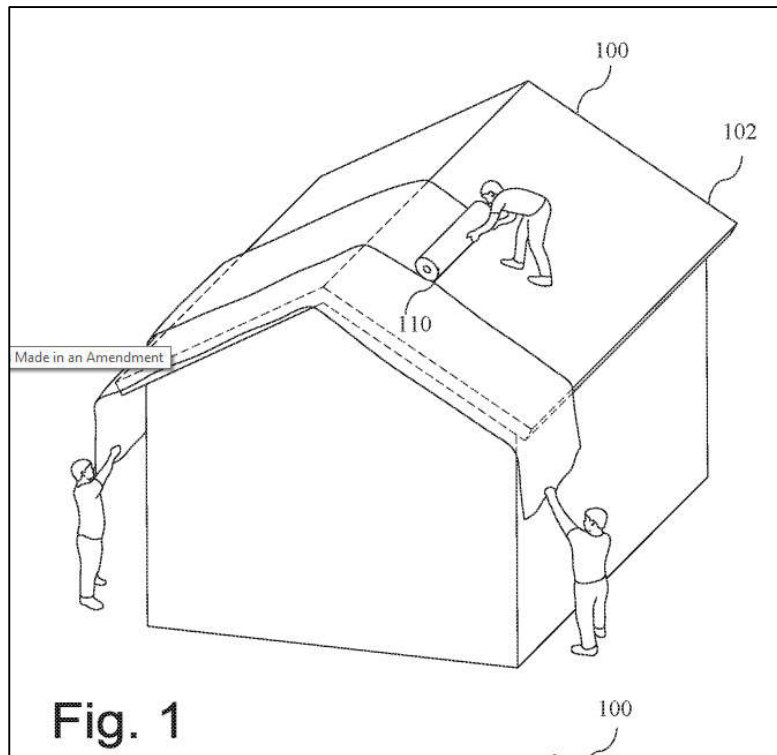
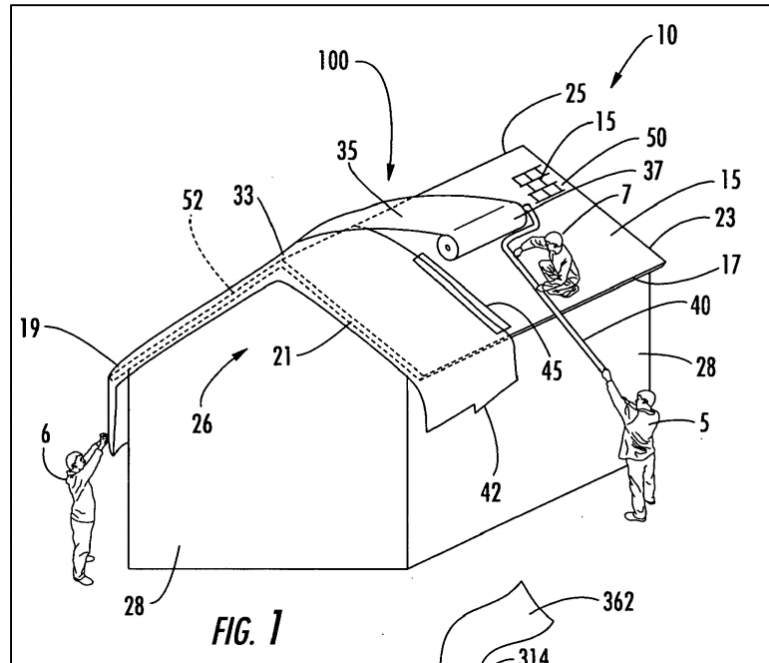
² Patent Owner’s representatives have been unable to play the video from the PDF files submitted to the PTAB. Rather, error messages are returned. For the purpose of this Patent Owner Preliminary Response, Patent Owner refers to Petitioner’s Transcript (Ex. 1037) and, also, screen grabs from the current version of the video at the indicated URL: <https://www.youtube.com/watch?v=2PKUMDmVRMY> (“Youtube Video”).

E. Prosecution History of Petitioner’s ‘827 Patent³

The Florida Litigation is not the first time Patent Owner’s patents have been cited against Petitioner’s patents. Petitioner’s ‘312 Patent (currently at issue in the Florida Litigation) is a continuation of U.S. Patent No. 10,472,827 (the ‘827 Patent) and claims its priority from the ‘827 Patent application, U.S. Application No. 16/294,554 (‘554 Application). *See* Ex. 2009. Patent Owner’s ‘484 Patent is a continuation of an application resulting in U.S. Patent No. 9,822,536 (the ‘536 Patent or “Lennox”). *See* Ex. 2010.

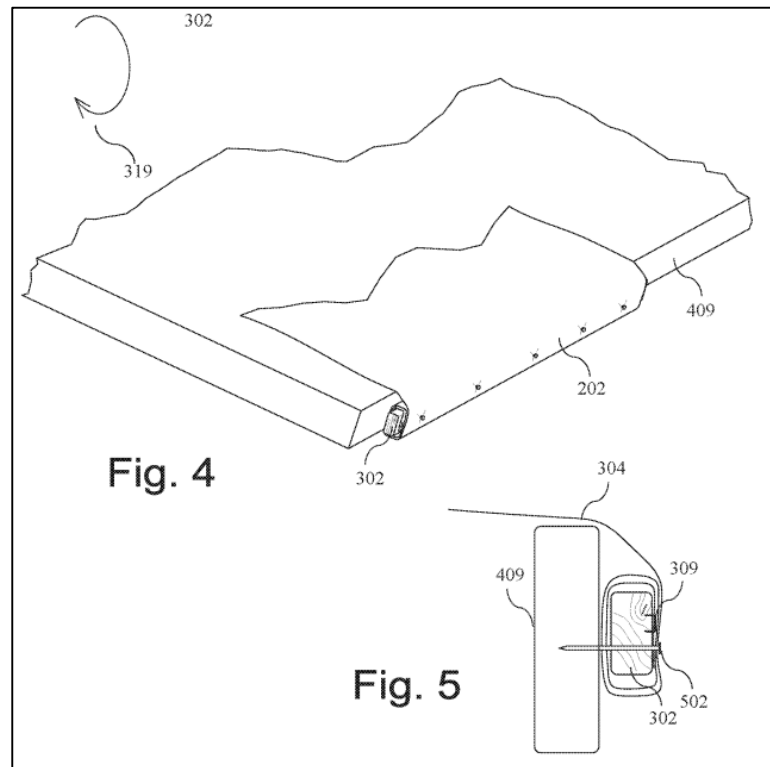
Petitioner’s ‘554 Application (filed on March 6, 2019) had figures similar to Crook – dated some 15 years earlier on February 27, 2004. *See* Ex. 1004, Fig. 1 – top and Ex. 2008, pg. 85, Fig. 1 – bottom.

³ The prosecution history of the ‘827 Patent is relevant to Petitioner’s judicial estoppel argument below.



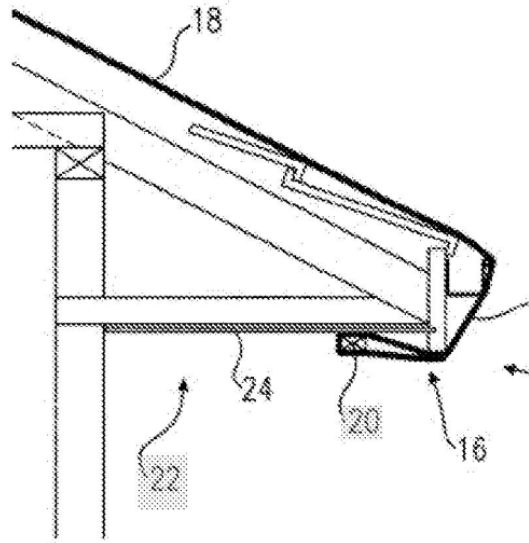
In the prosecution history of Petitioner’s ‘554 Application, Lennox was applied as the principle prior art reference rejecting Petitioner’s claims. *See* Ex. 2008 at 58. In response, Petitioner amended it claims to recite that the wrapped

construction material—that was rolled in the end of the strip—was attached to the “vertical, outward-facing fascia of the eaves of the roof” and cited Figures 4 and 5:



(Ex. 2008 at 32, 38). To distinguish from Lennox, Petitioner falsely claimed—either intentionally or by mistake—that Lennox did not teach attaching a wrapped batten to a fascia:

Lennox discloses attaching the construction material 20 to the underside of the eaves of the roof, i.e., the horizontal, downward-facing element of the eaves of the roof. See FIG. 2 of Lennox below, which shows Lennox attaching the construction material 20 to the underside of the eaves of the roof.



(Ex. 2008 at 40). Petitioner now implicitly acknowledges it was wrong about Lennox's teachings.⁴ Petitioner further argued that placement of rolled material on the eaves would not have been obvious. (Ex. 2008 at 40-41). In support of this argument, Petitioner provided and cited evidence in the form of a declaration. The declaration recited in part:

7. Our amended claim 1 recites attaching the construction material that was rolled in the end of the strip to the vertical, outward-facing fascia of the eaves of the roof. The claim language above recites attaching the construction material to a specific component of a roof, namely, the vertical, outward facing facias of the eaves of the roof.

8. In my academic experience and my experience as a general contractor, it is not well known by persons of ordinary skill in the field of structural waterproofing and maintenance that the component of the roof to which a waterproofing membrane is attached is a variable that can be varied to obtain desired results, namely, better waterproofing. Specifically, the roof component to which a waterproofing membrane

⁴ See e.g., Pet. at 1 (recognizing disclosure of attaching to facias or underside of the eaves).

is attached is not recognized as a particular parameter that can be experimented with, in order to increase or optimize the waterproofing process in a structural waterproofing system. Nowhere in the academic literature or in the prior art is there any mention of testing or varying the roof component to which a waterproofing membrane is attached in order to increase waterproofing in a structural waterproofing system.

9. The fact that the waterproofing membrane is attached to the specific roof component recited above (i.e., the recited vertical, outward-facing facia of the eaves of the roof) is significant because it is the result of over 18 months of testing in the field of the claimed invention to find the correct roof component to which the roof membrane should be attached, in order to maximize and achieve the desired waterproofing characteristics. Depending on certain environmental conditions, such as rain, wind, humidity and heat, the environmental water and humidity can creep in behind a roof membrane. We discovered during testing of the claimed invention that the roof component to which the roof membrane is attached can affect how and whether environmental water and humidity can seep in behind the roof membrane. Attaching the roof membrane to the recited vertical, outward-facing facia of the eaves of the roof is significant because it reduces or eliminates the amount of environmental water and humidity that can seep in behind the roof membrane, which results in better waterproofing characteristics the purpose of the claimed invention. The next figure (from Applicants specification) illustrates the location of the recited vertical, outwardfacing facia of the eaves of the roof (indicated by arrow).

(Ex. 2008 at 25-26). The USPTO's next action was an allowance of the Petitioner's application, which issued as the '827 Patent. (Ex. 2008 at 11). Petitioner subsequently obtained the '312 Patent, which claimed priority to the '827 Patent. *See* Ex. 2009.

F. Legal Standards

The Petition must both “clearly point out the differences between the claimed invention and [the prior art]” and “explain why a person of ordinary skill in the art would have found the claimed subject matter obvious in spite of those differences.” *Synopsys, Inc. v. Mentor Graphics Corp.*, IPR2012-00041, Paper 16 at 14 (P.T.A.B. Feb. 22, 2013). Petitioner must specifically recite where the challenged limitation is found in the secondary reference(s) and explain why a POSITA would have modified the primary reference with the recited limitation from the secondary reference(s). *See Microsoft Corp. v. Secure Web Conf. Corp.*, IPR2014-00745, Paper 12 at 11-13 (P.T.A.B. Sept. 29, 2014). “[M]ere conclusory statements” are not sufficient. *Wowza Media Sys., LLC v. Adobe Sys. Inc.*, IPR2013-00054, Paper 12 at 15 (P.T.A.B. April 8, 2013).

G. Level of Ordinary Skill in the Art

For purposes of this Patent Owner’s Preliminary Response, Patent Owner does not challenge the Petitioner’s definition of a POSITA proposed by Petitioner. *See* Pet. at 22. Patent Owner reserves the right to further address the level of ordinary skill in the art if this proceeding is instituted.

H. Claim Construction

For purposes of this Patent Owner’s Preliminary Response, Patent Owner applies the plain meaning of any claim terms in view of the ’484 Patent’s

specification. Patent Owner reserves the right to further address claims that may require construction if this proceeding is instituted.

III. The Board Should Deny Institution Because the Petitioner Has Not Satisfied Its Burden

Petition has the burden of demonstrating unpatentability by a preponderance of the evidence. However, Petitioner never identifies a single reference that discloses the claimed wrapping of both of the film's respective edges around a batten for attachment to the underside of the eaves or a fascia. Petitioner admits that its primary reference, Crook, does not disclose these features. Thus, to remedy Crook's deficiencies, Petitioner turns to other references, a combination of Kelly and Inzeo for a first set of grounds and Lowe's for a second redundant set of grounds.⁵ In both sets, the Petitioner misunderstands and only partially references the references' respective teachings.

With regard to Kelly, one particularly cited embodiment (Figure 2B) unambiguously does not wrap the film's edge around a batten and the other unambiguously connects a membrane to a wall without wrapping (Figure 2A). Moreover, because Crook and Kelly do not disclose attaching a batten to the

⁵ The Petitioner acknowledges that each ground is "based on one of two basic combinations: Crook in view of Kelly and Inzeo, or Crook in view of Lowe's." Pet. 31. Combinations based on these are referred to as the "Crook-Kelly-Inzeo Combination" and the "Crook-Lowe's" Combination, respectively.

underside of an eaves or fascia, the Petitioner turns to Inzeo. However, Inzeo also doesn't disclose such a teaching; rather, Inzeo teaches attaching a membrane to a "nailer," which specifically contradicts Kelly's teaching to not attach to such a "nailer."

With regard to Lowe's, the Petitioner disregarded the teachings concerning attachment to a roof and attempted to double the teaching concerning one side – without explanation.

Petitioner's sparse motivations to combine these references in these sets fare no better. With regards to the Crook-Kelly-Inzeo combinations, the alleged reasons for wrapping a membrane edge with a batten (uniform distribution and sealing edge of roof) are already described in Kelly as being accomplished without wrapping an edge of the membrane. Also, Kelly teaches away from Inzeo's disclosure of attaching to a nailer. Further, Petitioner's alleged motivation to modify Crook and use less membrane is at odds with Kelly's disclosure of using more membrane. Likewise, Petitioner's motivation to avoid nails in a wall is due to Petitioner's ignoring Kelly's permanent roof design. Further, Petitioner has proposed a combination that would tear a roof's cover.

With regard to the Crook-Lowe combinations, the Petitioner simply alleges the motivation is the same for combining the different references of Crook, Kelly,

and Inzeo (with Lowe's taking the place of Kelly and Inzeo). Such is insufficient to provide the particularity required for combining or modifying references.

Moreover, with regards to both the Crook-Kelly-Inzeo combinations and Crook-Lowe combinations, Petitioner chooses to disregard the teachings of such references as a whole and, instead, only selectively picks elements from each of the references.

Petitioner thus fails to satisfy its burden. *Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015) (quoting 35 U.S.C. § 316(e) (stating that “the burden of persuasion is on the petitioner to prove ‘unpatentability by a preponderance of the evidence’ . . . and that burden never shifts to the patentee”).

A. Grounds 1-4 and 7-8: The Crook-Kelly-Inzeo Combinations do Not Render Obvious Claims 1-3

1. Kelly Does not Disclose the Claimed Wrapping of the Trailing and Leading Edges Around a Batten

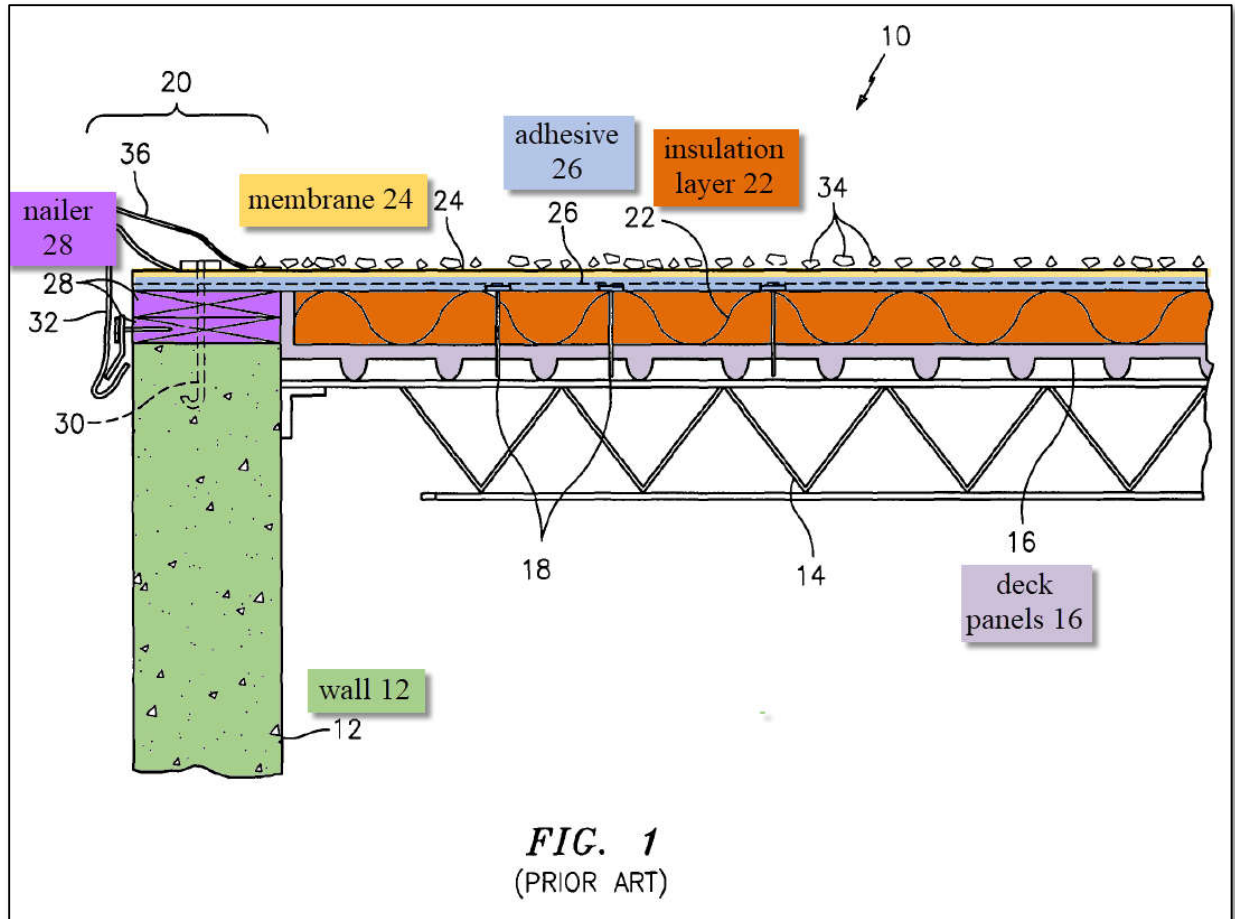
Petitioner acknowledges that Crook does not expressly disclose the claimed wrapping of trailing and leading edges around a batten. (Pet. at 57); see, also, EX1011 at 286. Accordingly, the Petition relies on Kelly, alleging:

Kelly discloses wrapping a roof covering's edge around a batten . . . and attaching it to a built structure.

(Pet. at 58); see, also, Pet. at 25 (“Secondary reference Kelly (Grounds 1-4, 7-8, all Claims) is relied on for its teachings concerning wrapping a roof covering's edges around a batten. EX1003, ¶¶96-101.”) In making such an allegation, the Petition

points to Figures 2A and 2B of Kelly, but ignores what Kelly is disclosing concerning such embodiments. Neither discloses “wrapping a roof covering’s edge around a batten . . . and attaching it to a built structure” as alleged.

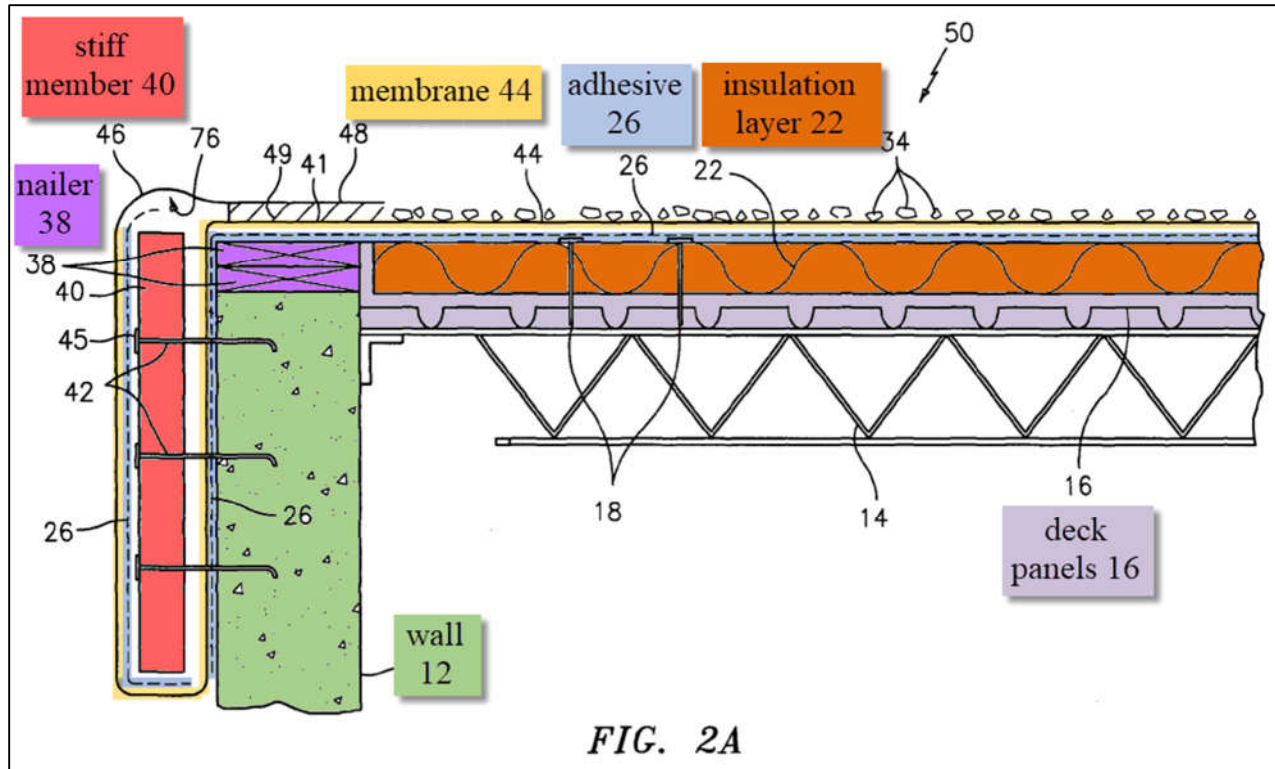
Kelly provides a prior-art context for its disclosure with reference to Figure 1. A permanent roof contains roof deck panel 16 on top of a structural roof beam 14. The insulation layer 22 is installed on the roof deck panels 16 using fasteners 18. A membrane 24 is attached using adhesive 26. A nailer 28 is anchored to the building wall 12 by fasteners 30 and capped by gravel stop metal edging 32 over which flashing 36 is installed. Ex. 1005, 1:45-60. Gravel 34 can also be placed over the membrane.



(Ex. 1005, Fig. 1, Coloring and Annotations Added).

Kelly indicates that there are two primary problems with such a prior art configuration: (1) pulling of the membrane due to high winds, and (2) moisture finding its way into the nailer, causing rot. Ex. 1005, 1:21-30.

Accordingly, with reference to Figure 2A, Kelly disclosed extending the membrane 44 over the edge of the roof and down the building wall 12 for attachment with the same adhesive 26 used on the roof.

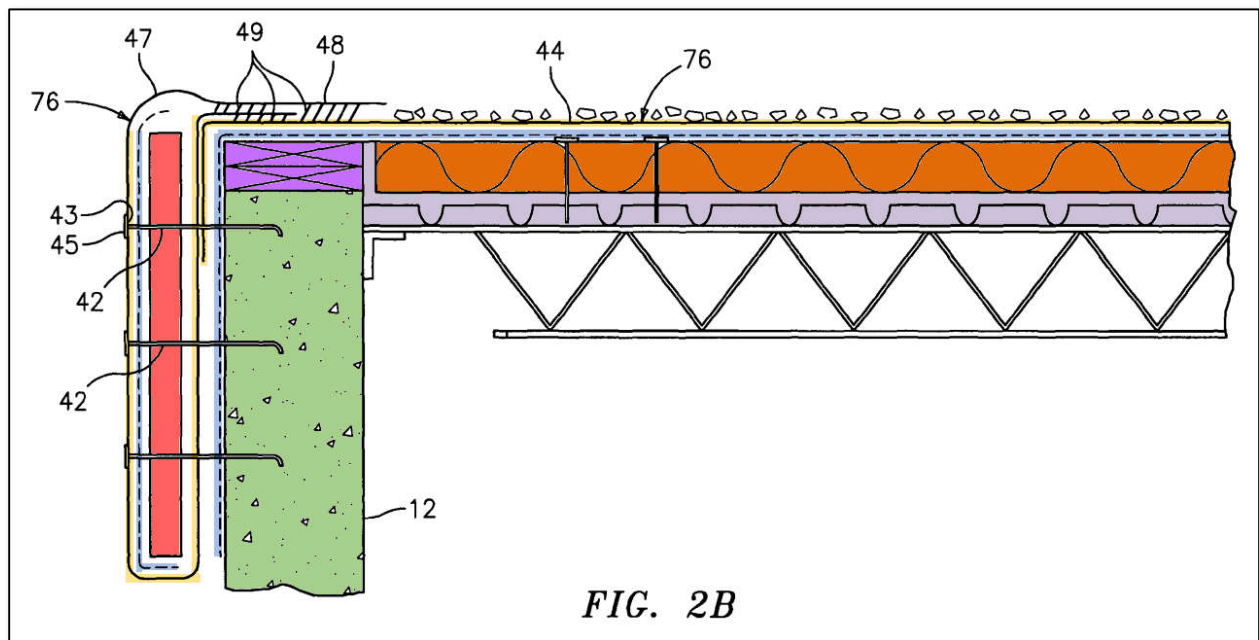


(Ex. 1005, Fig. 2A, Coloring and Annotations Added). Further, rather than secure the extended membrane 44 to the nailer 38 (Ex. 1005, 3:20-21), the membrane 44 could be “sandwich[ed]” to the wall using a stiff member 40. Ex. 1005, 3:31-33.

Additional portions of membrane 44 could be wrapped over stiff member 40 (using adhesive 26 again) and ultimately back over itself on top of the roof via welding or glue to encapsulate the stiff member 40. Ex. 1005, 3:8-11.

According to Kelly, the configuration combatted the two-fold negative effects of traditional designs. The “sandwiching” of the membrane along the wall prevents the negative effects of the wind. Ex. 1005, 3:30-39. The encapsulation of stiff member allowed the new additional member to remain dry and not rot. Ex. 1005, 3:39-41.

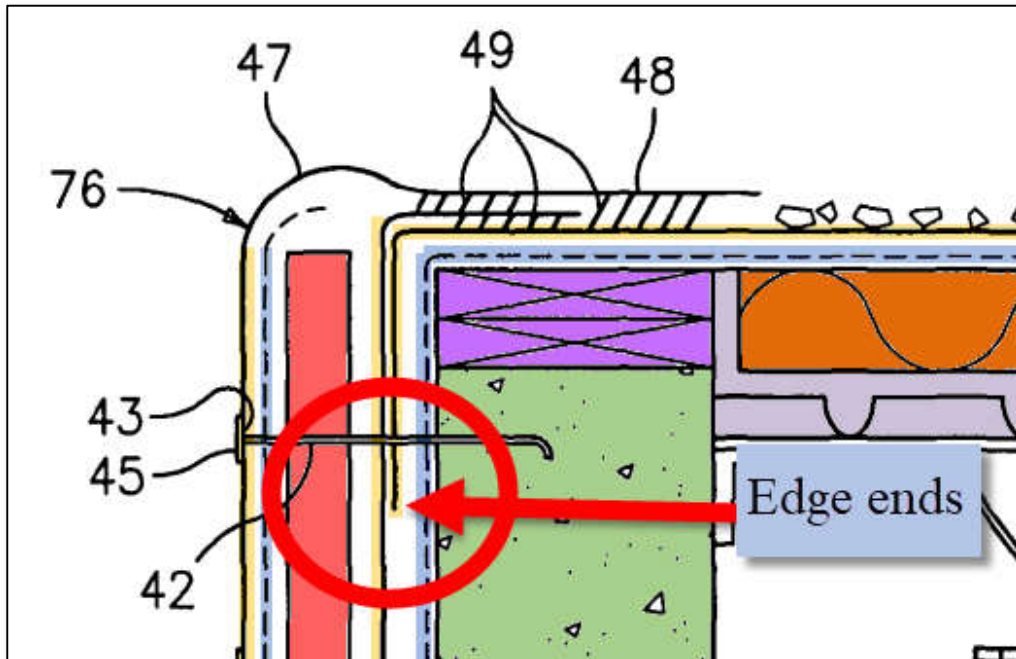
Figure 2B of Kelly presents an alternative embodiment. Kelly explains that due to cost reasons, membranes are only waterproofed on one side. Ex. 1005, 5:24-27. Thus, with reference to Figure 2A, since the membrane is continuous, waterproof side 76 is not facing the right direction, namely outward towards the elements. Ex. 1005, 5:28-32. To “overcome this problem,” Figure 2B splits the membrane to allow the waterproof side 76 face outward to the elements. Ex. 1005, 5:28-46.



(Ex. 1005, Fig. 2B, Coloring and Annotations Added). Kelly explains that the embodiment of Figure 12 can be used in Figure 2B, namely where a separate piece of membrane is used to seal the newly added piece.

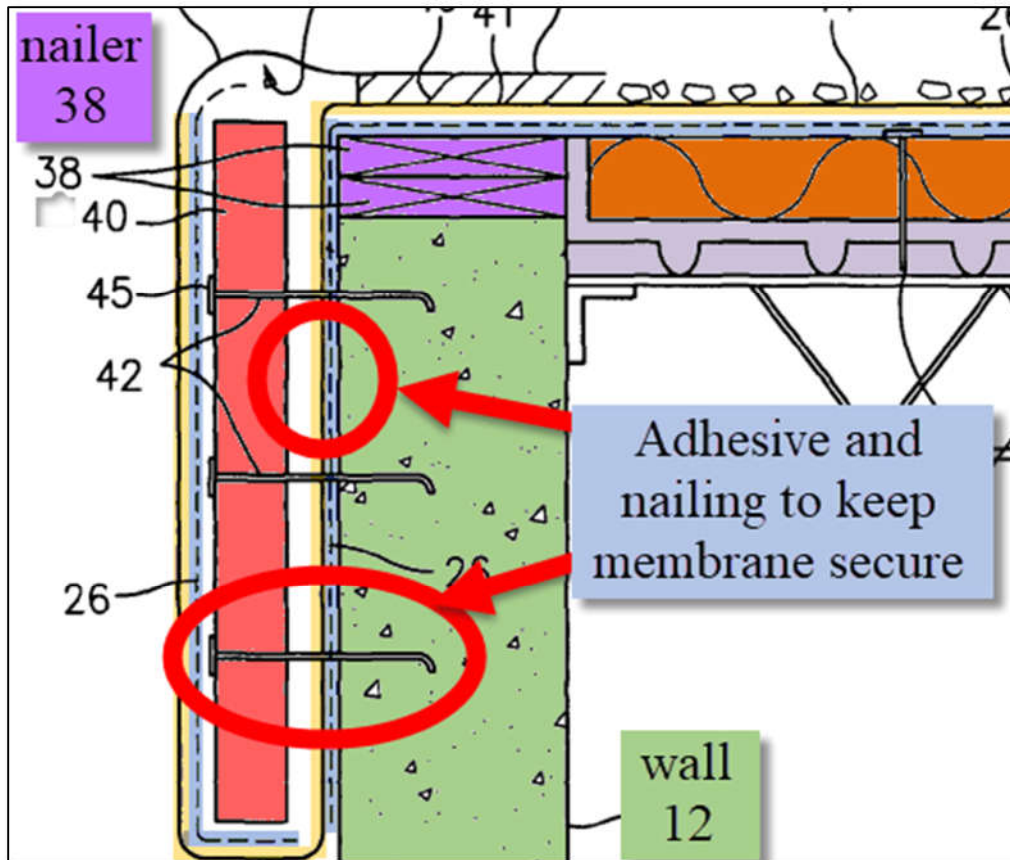
Putting aside the fact that Kelly is a permanent roof that uses adhesive to secure a membrane (and has gravel placed over it), Kelly has no interest in “wrapping” the trailing and leading edges for attachment as claimed. In the

embodiment of Figure 2B of Kelly, the edge of membrane ends partially down the wall.



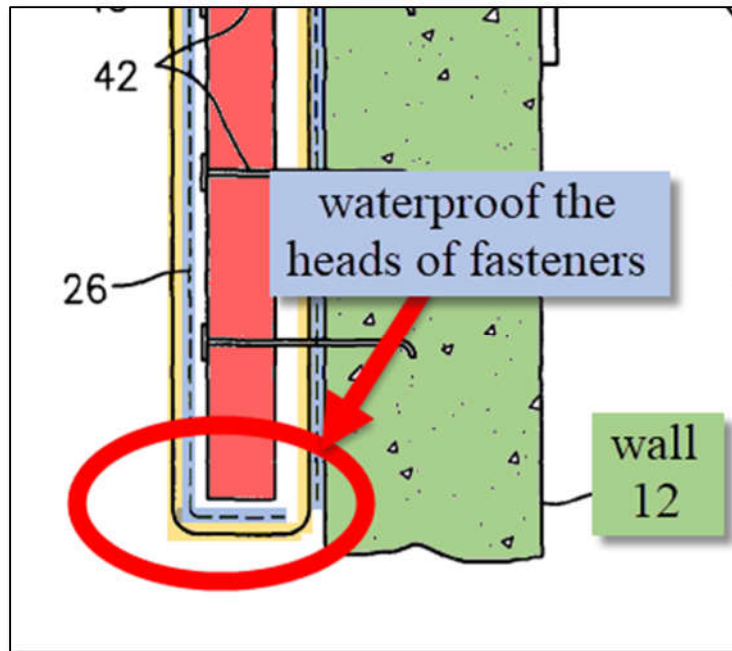
(Ex. 1005, Fig. 2B, Coloring and Annotations Added). Accordingly, the edge is wrapped around *nothing*.

In the embodiment of Figure 2A of Kelly, the edge of the membrane is secured first by adhesive 26 and then by attaching a stiff member 40 to create the aforementioned “sandwiching” effect to avoid upward movement of wind.



(Ex. 1005, Fig. 2A, Coloring and Annotations Added). In this alternative configuration, there is no wrapping of the edge around a batten and then securing as claimed. Rather, the stiff member is secured to the wall before any encapsulation has occurred.

To encapsulate both the stiff member and the heads of the fasteners, the membrane can be extended back over the fasteners (using the adhesive again).



(Ex. 1005, Fig. 2A, Coloring and Annotations Added). However, the stiff member and membrane have already been secured to the wall. The encapsulation here serves the purpose of preventing water from getting to the newly added stiff member. Ex. 1005, 3:39-41.

For at least these reasons, Petitioner has not satisfied its burden in identifying a reference that discloses the claimed wrapping of the trailing and leading edge around a batten. Accordingly, Petitioner has not satisfied its burden.

2. Inzeo Does not Disclose Attaching a Wrapped Batten to a Facia or Eaves

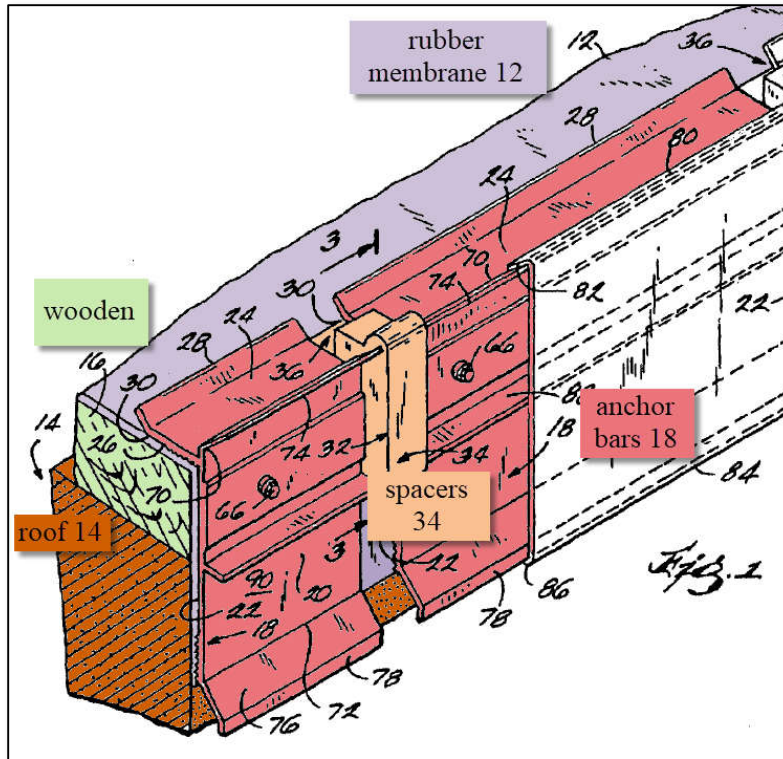
Petitioner acknowledges that Crook and Kelly do not disclose the claimed attachment of the wrapped battens to eaves or facia. (Pet. at 57-58); see also, EX1011

at 287 (“Crook and Kelly teach fastening to a wall and do not expressly disclose attachment to fascia or eaves.”). Accordingly, the Petition relies on Inzeo alleging:

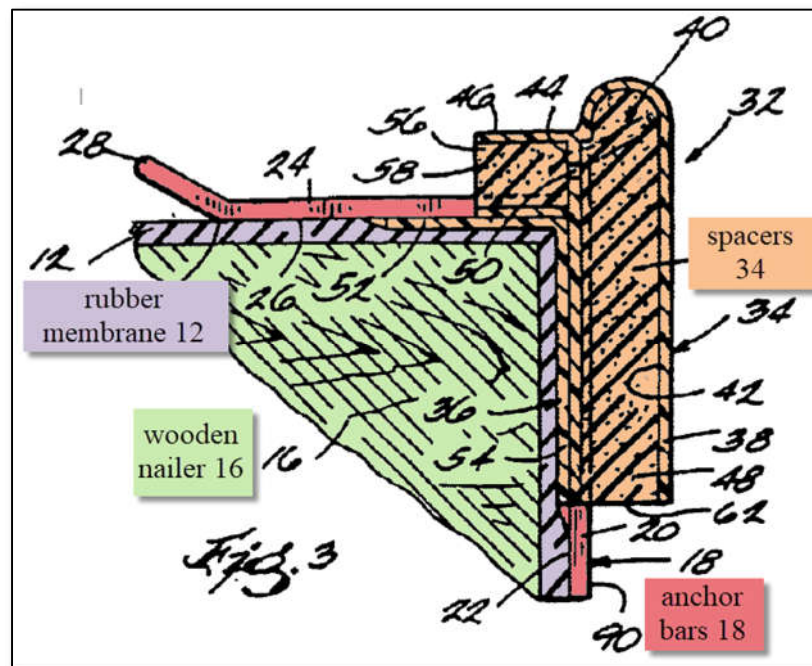
Inzeo discloses attaching a **roof covering** (e.g., a membrane) to a fascia of a roof.

(Pet. at 59, emphasis added); see, also, Pet. at 26 (“Secondary reference Inzeo is (Grounds 1-4, 7-8, all Claims) is relied on for its teachings concerning attaching a **roof covering** to a fascia.”)(emphasis added). However, the claim limitation references attaching **battens** that are wrapped with respective leading and trailing edges – not attaching the **roof covering**, itself.

Inzeo does not use any sort of battens or any other structure for wrapping. Rather, Inzeo generally clamps a rubber membrane to a nailer of a flat roof. Specifically, in reference to Figure 1, Inzeo’s design shows how anchor bars 18 can clamp a rubber membrane 12 to the upper and front surface of a wooden nailer 16 that sits upon a roof 14. Spacers 34 can be positioned between respective anchor bars 18.



(Ex. 1006, Fig. 1, Coloring and Annotations Added). Figure 3 provides a cross-section with further details.



(Ex. 1006, Fig. 1, Coloring and Annotations Added).

To avoid reference to the incorrect item being attached (the *membrane* instead of the claimed *batten*), the Petition turns to the passive voice in discussing Inzeo as a part of a combination. Specifically, the Petition references Inzeo as having a teaching of “using [a] fascia as the attachment point.” Pet. at 61. Similarly, the Petitioner alleges that the “material is frequently an easier surface to secure *something* to by nailing, as compared to the vertical surface of a house which may be made of, e.g., brick, and would create more visible unsightly holes after removal of the material.” Pet. at 61-62 (Emphasis added). Thus, Inzeo is not teaching the attachment of the claimed battens to the fascia or eaves.

Moreover, Kelly specifically discloses the need to attach to the “wall” instead of the “nailer,” which was the prior art method. Specifically in explaining the improvement of Figure 2A over Figure 1. Kelly explains that attaching to the wall with fasteners “provides a more robust anchoring of membrane permit than is achieved by fastening to the nailer 38 alone.” Ex. 1005, 3:20-21.

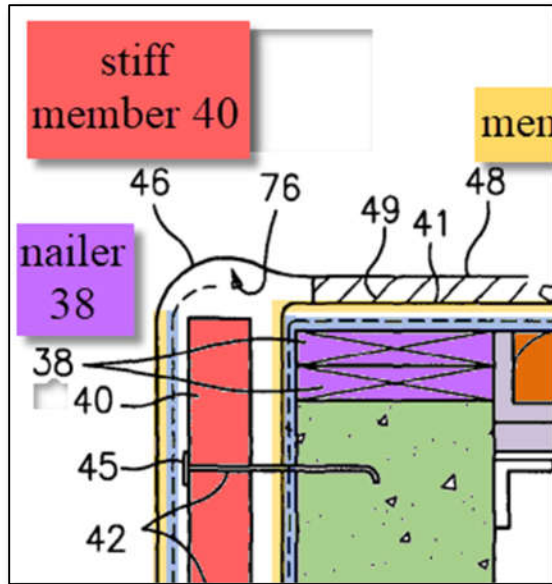


Figure 2A

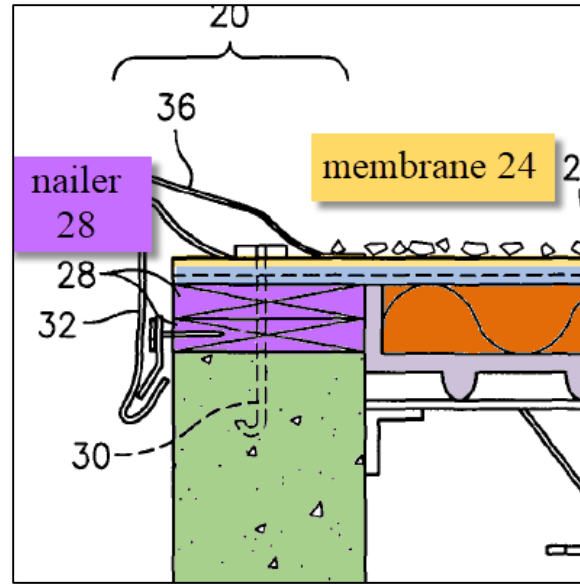


Figure 1 Prior Art

Thus, it would be improper to suggest that Kelly's stiff member 40 can and should be attached to a nailer that Kelly specifically teaches away from.

For at least these reasons, Petitioner has not satisfied its burden in identifying a reference that discloses the claimed attaching of the wrapped battens to a fascia or eaves. Accordingly, Petitioner has not satisfied its burden.

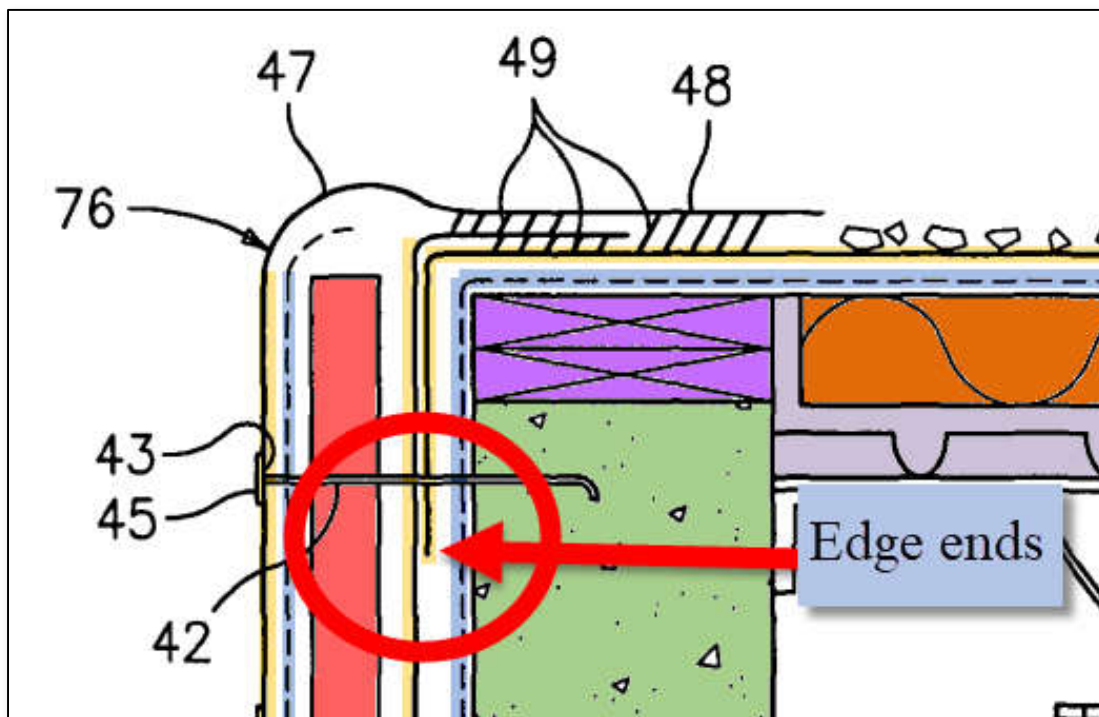
3. The Petition Does Not Provide a Sufficient Reason to Wrap the Edge of Battens in the Proposed Combinations

Crook secures its material to walls using, for example, tape. In alleging obviousness in the Crook-Kelly-Inzeo combinations to instead wrap the edges of the sheet around battens as claimed, the petition alleges:

Wrapping the film around a batten, as taught in Kelly, to implement Crook's teachings to use an "appropriate fastening device" (rather than Crook's examples of tape, nails, clips, or clamps (EX1004 ¶49)), would have uniformly distributed the load on the film associated with the attachment over a larger area, thereby reducing stress and the risk of

tearing of the film. Batten wrapping would also better seal the film's edge and the surface to which the batten is attached. EX1003, ¶199; EX1005, 3:31-47, 3:52-58. For POSITA it would have been an obvious, routine implementation choice and clear it would work, predictably yielding the expected functionality with REOS. EX1003, ¶199

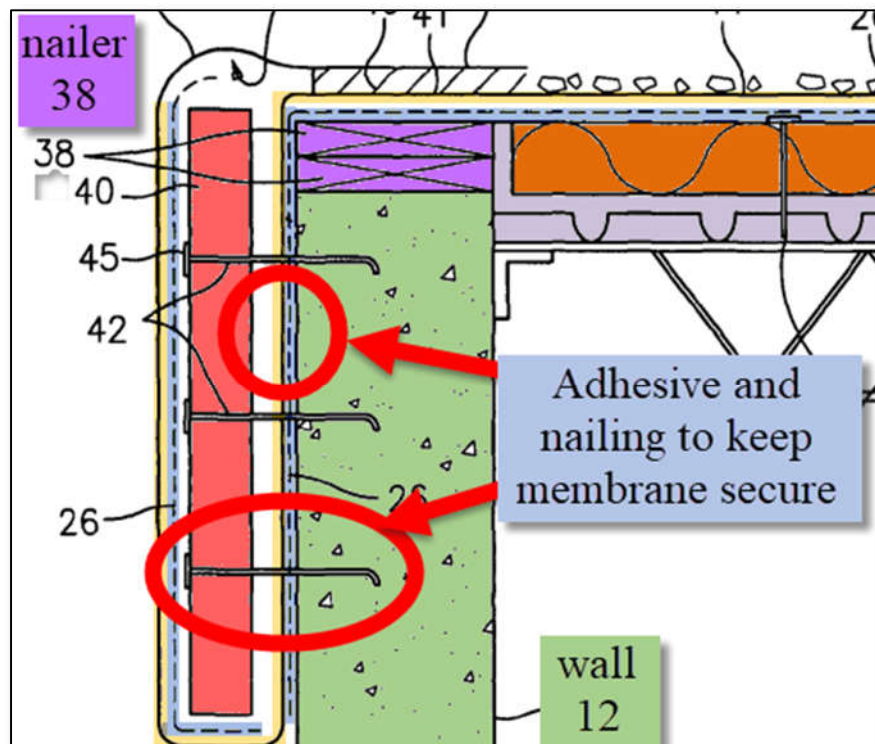
(Pet. at 60). However, contrary to Petitioner's suggestion, Kelly discloses both the uniform distribution and the seal *without wrapping* the edge of the film around a batten. For example, In Kelly's embodiment of Figure 2B, there is no wrapping for the edge. Instead, the edge of the membrane ends down the wall without any sort of wrapping.



(Ex. 1005, Fig. 2B, Coloring and Annotations Added). And, without such wrapping, Figure 2B still sandwiches the unwrapped edge (for uniform distribution) and also creates a seal for the edge of the roof (e.g., over nailer). Thus, *wrapping of the edges*

as alleged is not needed.

The same is also true with reference to Figure 2A of Kelly. Again, Kelly doesn't suggest that "wrapping" uniformly distributes the load. Rather, extending the membrane from the top of Kelly's flat roof down the wall, and then "sandwiching" the membrane against the wall distributes the load.



(Ex. 1005, Fig. 2A, Coloring and Annotations Added). Likewise, a seal is created over the roof's edge (above the nailer) without any wrapping.

Because Petitioner's alleged motivation is contrary to the specific teachings of the Kelly reference, such motivation does not exist. Accordingly, Petitioner has not satisfied its burden.

4. The Petitioner's Proposed Modifications are Odds with the Teachings of the References

In alleging obviousness in the Crook-Kelly-Inzeo combinations to move the connection point from Crook's disclosure of connecting to the wall to a fascia or eaves instead, the petition alleges:

Crook describes attaching the roof membrane "adjacent" to the portion of the roof including, *e.g.*, on the vertical wall(*e.g.*, EX1004, ¶65). EX1003, ¶200. Attaching the membrane on the fascia, as taught in Inzeo, to implement Crook's teachings to attach adjacent to the portion of the roof (rather than on another surface such as the vertical house wall), would advantageously have required less membrane material while still protecting the entire roof surface, as well as the edge of the roof between the roof and fascia. EX1003, ¶200. Additionally, POSITA would have understood that the fascia material is frequently an easier surface to secure something to by nailing, as compared to the vertical surface of a house which may be made of, *e.g.*, brick, and would create more visible unsightly holes after removal of the material. EX1003, ¶200. Additionally, attachment to the fascia or the underside of the eaves would have been an obvious choice for POSITA where, *e.g.*, there was damage to the roof and walls, making attachment to those locations more difficult. For POSITA it would have been an obvious, routine implementation choice and clear it would work, predictably yielding the expected functionality with REOS.28F29 EX1003, ¶200; see also, *e.g.*, EX1011, 286-287, 289-290; EX1012, 278-279

(Pet. at 61). However, Petitioner's proposals are at odds with the teachings of the references. A proposed reference in a combination "must be considered as a whole for what it teaches." *Medichem, S.A. v. Rolabo, S.L.*, 437 F.3d 1157, 1166 (Fed. Cir. 2006). There is no motivation for the combination when the references specifically teach away it. *Allergan, Inc. v. Sandoz Inc.*, 796 F.3d 1293, 1305 (Fed. Cir. 2015).

a) **Crook and Kelly Teach Attaching a Membrane to a Wall; Kelly Teaches not to Attach to a Nail as in Inzeo**

Contrary to Petitioner allegation that a POSITA would be motivated to attach to a fascia or eaves instead of a wall, both the primary Crook reference and second Kelly reference teach configurations that attach their respective membranes *to the wall* of the structure (as opposed to a fascia or under the eaves). Additionally, Kelly specifically teaches *away* from attaching to the nailer as in Inzeo. More specifically, Kelly discloses the need to attach to the “wall” as opposed to the “nailer,” which was the prior art method. In explaining the improvement of Figure 2A over Figure 1, Kelly explains that attaching to the wall with fasteners “provides a more robust anchoring of membrane permit than is achieved by fastening to the nailer 38 alone.” Ex. 1005, 3:20-21.

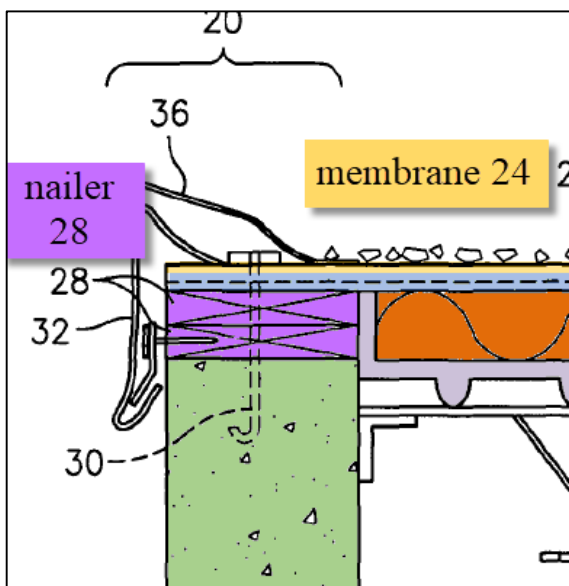


Figure 1 Prior Art

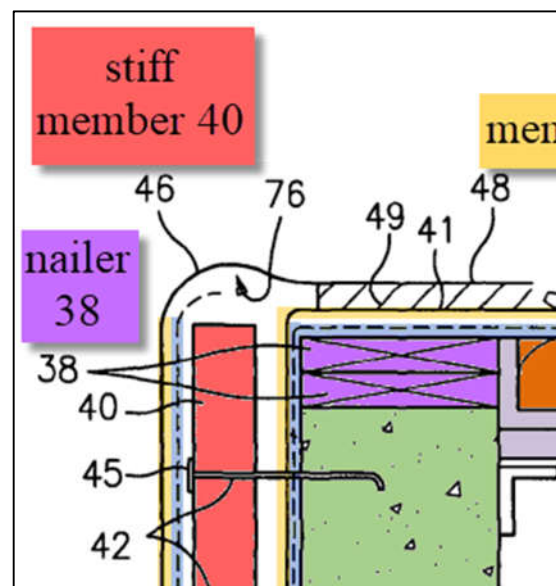
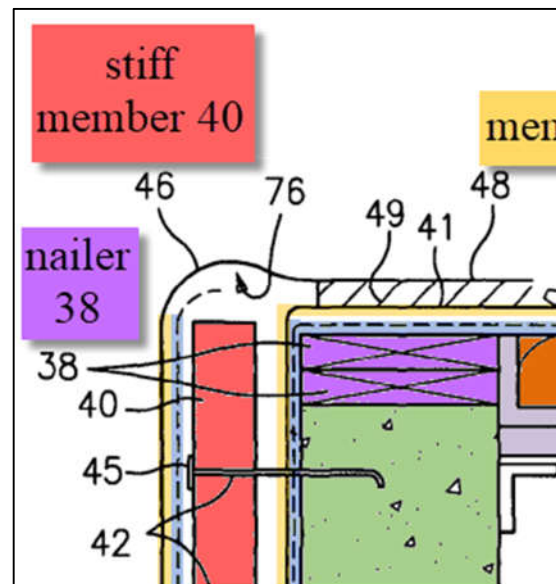
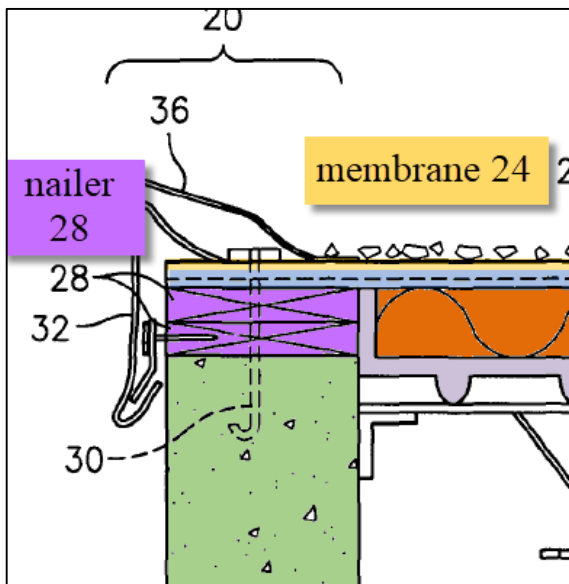


Figure 2A

Accordingly, there is no motivation to combine Crook, Kelly, and Inzeo as alleged.

b) Kelly Discloses Using More Membrane – Not Less – as Alleged by Petitioner

Similarly, rather than allegedly being motivated to use *less* material as Petitioner urges (Pet. at 61), Kelly teaches the opposite – that *additional* membrane should be used for a permanent roof membrane over the roof's edge and down the wall. Referring again to Figure 1 and Figure 2A of Kelly, Kelly discussed how the membrane did not need to stop at the roof edge (as in Figure 1), but could instead extend over the edge and down the wall (as in Figure 2B)



Accordingly, there is no motivation to combine Crook, Kelly, and Inzeo as Petitioner alleges.

**c) Petitioner's Motivation to Avoid Nails in a Wall is
Already Accomplished by the Primary Reference**

Moreover, Petitioner's allegation concerning avoiding nails in walls that would be unsightly (Pet. at 62) is already accomplished by the primary Crook reference, which has one configuration that uses no fasteners and another that uses tape to attach to walls. It is Petitioner's proposal (to introduce a permanent design of Kelly and then remove the permanent design) that introduces the alleged problem of unsightly holes. Moreover, as referenced below, while the secondary Kelly reference discloses fasteners being placed in walls, Kelly has no concern with such alleged holes due its permanent roof design. The alleged holes would not be seen in such a permanent design. Accordingly, there is no motivation to combine Crook, Kelly, and Inzeo as Petitioner alleges.

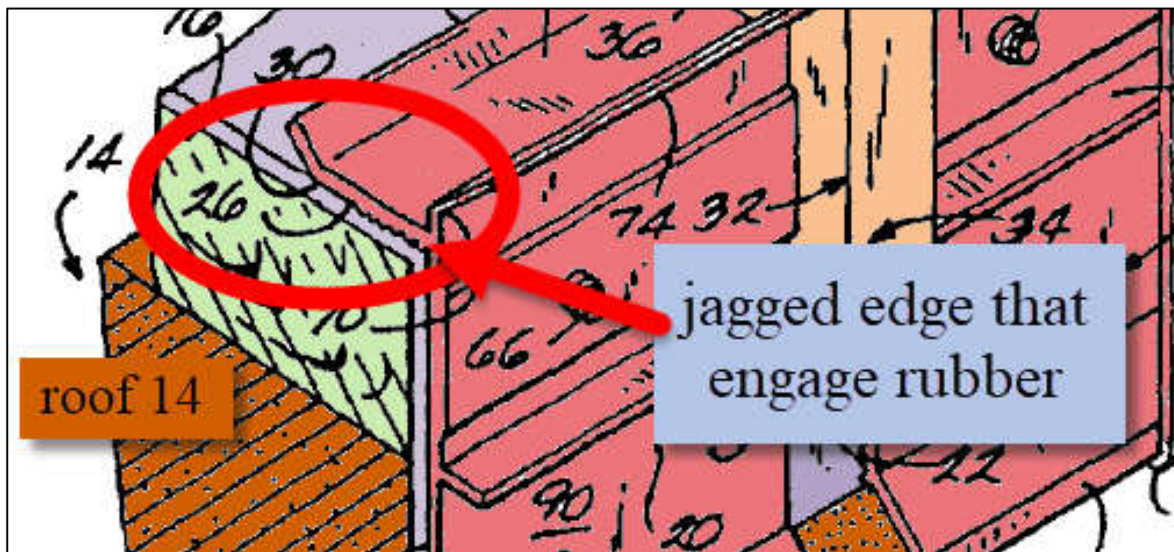
Because Petitioner's alleged motivation is contrary to the specific teachings of the references, such motivation does not exist. Accordingly, Petitioner has not satisfied its burden.

5. Petitioner's Proposed References are Incompatible

In its Crook-Kelly-Inzeo combinations, Petitioner chooses to select only as much from each respective reference while disregarding the overall teaching. A proper consideration of Inzeo and Kelly reveals why they are incompatible with Crook.

a) **Inzeo's Teachings are Incompatible with Crook and Would Yield a Tear in Crook's Roof Cover**

Inzeo explains that its “clamp” is provided by a lower surface 26 that engages with the rubber membrane 12. This lower surface is shown in Figure 1 as having a jagged edge.



(Ex. 1006, Fig. 1, Coloring and Annotations Added). This configuration secures the membrane down such that “the rubber membrane 12 *cannot* be pulled away from the surface of the roof 14 or away from the edge of the roof.” (Ex. 1006, 2:62-65, Emphasis added).

In contrast to this design, the principal Crook reference places the roof in “tension” (Ex. 1004, ¶[0008]) and, through an application of heat causes the “roof cover [to] shrink[.]” (Ex. 1004, ¶[0008]). This teaching is at odds with Inzeo.⁶ An

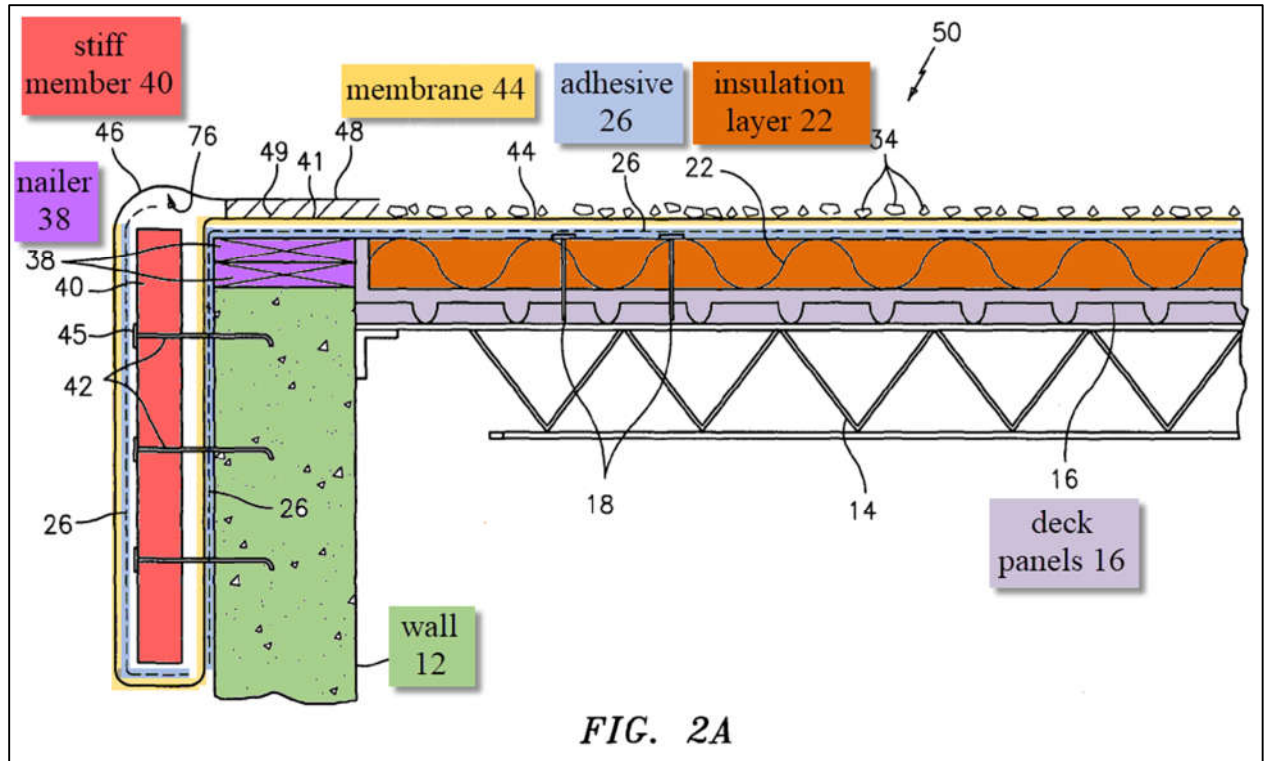
⁶ Inzeo is also at odds with Americover, which Petitioner recognizes teaches that the membraned “[w]hen... subjected to heat,” “shrinks in all directions.” Pet. at 29.

attempt to combine the teachings of Inzeo with Crook would result in the heat shrinkable material tearing as the jagged edge of Inzeo's clamps prevent movement. Accordingly, there is no motivation to combine Crook, Kelly, and Inzeo as Petitioner alleges.

b) Kelly's Permanent Roof Teachings are Incompatible with Crook's Temporary Roof Teachings

Kelly is directed to *permanent* roof designs that are not designed to be removed whereas Crook is directed to a *temporary* roof with a temporary support structure that is designed to be removed. Ex. 1004, ¶[0072] (referring to design as a "temporary, single-use roof cover.").

As previously noted in Kelly, following multiple other layers such as deck panel 16 and insulation layer 22, the membrane 44 is secured via adhesive 24. Gravel 34 tops the membrane on the permanent roof.



(Ex. 1005, Fig. 2A, Coloring and Annotations Added).

Petitioner does not account or even recognize Kelly's use of adhesive 26 (on both the roof and wall). To the contrary, in its representation of Kelly, Petitioner merges the adhesive 26 and membrane 44 into one color to make it appear as though only membrane exists.⁷

⁷ In a similar fashion, Petitioner merges the nailer 38 and wall 12 into one color. This inappropriately suggests that Kelly is indifferent as to its attachment location, which it is not true.



(Pet at 25, representing Fig. 2A of Ex. 1005). Elsewhere in its petition, Petitioner alleges that the holes otherwise created in the wall 12 would need to be moved to a different location (as opposed to a wall); however, Petitioner does not account for how Kelly's teachings concerning adhesives would be handled. Such adhesive is used, again, on the wall and the roof of Kelly.

Kelly has no interest in avoiding the alleged “visible unsightly holes” petitioner alleges would occur “after removal of the material.” (Pet. at 61). Rather, Kelly's implementation is expected to be a permanent fixture secured by fasteners 42 and adhesive 26. Both the roof and its support structure stay on permanently. The alleged holes do not exist unless Kelly's teachings are ignored, and the permanent fixture is removed. There is no reason to remove it since it's not temporary.

Accordingly, there is no motivation to combine Crook, Kelly, and Inzeo as Petitioner alleges.

B. Grounds 5-6 AND 9-10: The Crook-Lowe's Combinations do Not Render Obvious Claims 1-3

1. *Lowe's Does not Disclose the Claimed Wrapping of the Trailing and Leading Edges Around a Batten*

Petitioner acknowledges that Crook does not expressly disclose the claimed wrapping of trailing and leading edges around a batten. (Pet. at 57); see, also, EX1011 at 286. Accordingly, the Petition turns to Lowe's alleging:

Lowe's discloses wrapping portions of an edge of a tarp around a batten (e.g., "rolling" the "end of the tarp around another 2x4") and attaching the wrapped batten to an underside of a first eave or a fascia of the built structure

(Pet. At 61). However, the claim limitation here references attaching "battens" wrapped with respective *leading* and *trailing* edges to the fascia or eaves. And, with regards to one of the edges, Lowe's unambiguously teaches that one will "sandwich the rolled tarp and 2x4 with a second 2x4 and nail those together with 3 and 1/4 in nails to the *roof*." Ex. 1037, 4:8-10.



(Youtube Video at indicated marker). Then, to further secure the tarp to the roof, Lowe's discloses securing the edges with additional 2x4's.



(Youtube Video at indicated marker); Ex. 1037, 4:14-17 (“Using more two-by-fours, nail down the tarp’s sides. Now, they don’t have to be rolled in the tarp. Nail in the wood strips, a maximum of ten inches apart . . .”). Petitioner fails to mention the aforementioned instructions and instead selectively adopts Lowe’s guidance regarding tarp mounting on one side of the roof. Petitioner asserts that this technique should be applied to both the trailing and leading edges without providing any justification for employing the same method twice instead of adhering to Lowe’s explicit teachings.

Lowe's indisputably does not teach using the same technique on trailing and leading edges. Moreover, if one is to believe Petitioner's reasoning for combining other references to Cook (namely a reduction in materials) (Pet. at 61) ("requiring less membrane"), one could not disregard Lowe's teachings here, which *reduces* the amount of tarp used by directly nailing to the roof and only partially extending down the roof. Stated differently, it would be improper to allege that one would use less membrane than taught in Crook but then specifically ignore Kelly's teaching that one needs to only partially cover a roof to save material.

For at least these reasons, Petitioner has not satisfied its burden in identifying a reference that discloses the claimed wrapping of the trailing and leading edge around a batten. Accordingly, Petitioner has not satisfied its burden.

2. The Petition Fails to Provide the Requisite Particularity for Combining and/or Modifying Crook and Lowe's

In alleging a reason to combine or modify Crook in light of Lowe's, the petitioner states:

It would have been obvious, straightforward, and advantageous to implement Crook's attachment using Lowe's teachings of the 2x4 (batten) wrapping and attachment techniques (to each of fascia and the underside of eaves) for the same reasons as with Kelly and Inzeo above (but substituting Lowe's teachings for Kelly's and Inzeo's). EX1003, ¶¶204-205, supra 60-62; see also supra, §II.

(Pet. 63-64). However, pages 60-62 of the Petition discuss reasons specific to Kelly and Inzeo, which differs from Lowe's. And §II is approximately twelve pages of the

petition describing BACKGROUND ART. Also, EX1003 at ¶¶204-205 repeats the language of pages 60-62.

While the Board gives latitude to a petitioner's presentation of its case, the Trial Practice Guide specifies that parties should "focus on concise, well-organized, easy-to-follow arguments." Trial Practice Guide (August 2018) at 7. Here, a reader is left to guess as to the specific reasons why Crook and Lowe's are being combined.

If the reasoning is alleged to be less material, Lowe's teaches *away* from the claims by disclosing only using enough material for attachment to the roof directly on one side. Stated differently, Lowe's teaches away from extending a membrane all the way to edge on both sides for attachment to the eaves or fascia on both sides.

If the reasoning is alleged covering of the edge of a roof, Lowe's also teaches away from such a concept, by disclosing only using enough material for attachment to the roof on one side.

If the reasoning is the alleged use of fewer nails in the roof, Lowe's teaches away from such a concept as well by disclosing direct nailing to the roof. Moreover, Crook's design already has less nails in teaching the use of tape attached to walls.

IV. Petitioner is Estopped from Arguing that it Would be Obvious to Attach a Wrapped Batten to a Facia for Shrinking Wrapping.

Petitioner is estopped from arguing that it would be obvious to attach a wrapped batten to a facia for shrink wrapping because Petitioner obtained its own ‘827 Patent by persuading the USPTO of the exact *opposite* position.

“Judicial estoppel applies just as much when one of the tribunals is an administrative agency as it does when both tribunals are courts.” *Trs. in Bankr. of N. Am. Rubber Thread Co. v. United States*, 593 F.3d 1346, 1354 (Fed. Cir. 2010). Three nonexclusive factors guide the decision on whether conflicting legal stances amount to judicial estoppel: (1) whether the “party’s later position [is] ‘clearly inconsistent’ with its earlier position”; (2) “whether the party has succeeded in persuading a court to accept that party’s earlier position, so that judicial acceptance of an inconsistent position in a later proceeding would create ‘the perception that either the first or the second court was misled’”⁸; and (3) “whether the party seeking to assert an inconsistent position would derive an unfair advantage or impose an unfair detriment on the opposing party if not estopped.” *Hampshire v. Maine*, 532 U.S. 742, 749-50 (2001). “When an issue of fact or law is actually litigated and determined by a valid and final judgment, and the determination is essential to the

⁸ The Federal Circuit has said the important part of this factor is “whether the party was successful in getting a court to adopt its earlier position, *not* whether the party misled the courts.” *Trs. in Bankr. of N. Am. Rubber Thread Co.*, 593 F.3d at 1355 (emphasis added).

judgment, the determination is conclusive in a subsequent action between the parties, whether on the same or a different claim.” *Id.* (quoting *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 148 (2015)).

Here, judicial estoppel applies because: (1) Petitioner’s argument that it would be obvious to attach a wrapped batten to a fascia for shrink wrapping is clearly inconsistent with the opposite position it took before the USPTO; (2) Petitioner succeeded in persuading the USPTO to accept its earlier position by allowing Petitioner’s ‘827 and ‘312 Patents; and (3) Petitioner would derive an unfair advantage *and* impose an unfair advantage on Patent Owner if Petitioner is not estopped.

First, as explained in detail above, Petitioner previously argued to the USPTO that attaching a wrapped batten to a fascia for shrink wrapping was not obvious and was unknown to those skilled in the field (Ex. 2008 at 25-26, 40-41), a stark contrast to its current claim before this Board that such attachment is obvious. Petitioner’s earlier stance was supported by a declaration stating that 18 months of field testing were needed for Petitioner to reach this conclusion. *Id.*

Second, Petitioner succeeded in persuading the USPTO to accept its earlier position. Plaintiff made its argument to overcome a rejection based primarily on Patent Owner’s Lennox patent. *Id.* Plaintiff overcame the Lennox rejection not only by taking a position that is opposite its current position, but by misrepresenting the

teachings of Lennox. *Id.* After Petitioner submitted its declaration arguing that placement rolled material on the eaves would not have been obvious, the USPTO's next action was an allowance of the Petitioner's application, which issued Petitioner's '827 Patent. (Ex. 2008 at 11).

Third, Petitioner would derive an unfair advantage *and* impose an unfair advantage on Patent Owner if Petitioner is not estopped. Petitioner obtained its '827 and '312 Patents by (1) misrepresenting the teachings of Patent Owner's Lennox patent and (2) taking the position that attaching a wrapped batten to a fascia for shrink wrapping was not obvious. Plaintiff's patents *should have been rejected* based on Patent Owner's prior art – namely Lennox. Instead, Plaintiff is now suing Patent Owner for alleged infringement of the '312 Patent while *at the same time* attempting to invalidate Patent Owner's '484 Patent based on the position that attaching a wrapped batten to a fascia *was* obvious. Petitioner should be estopped from making such arguments. Alternatively, such statements (and Petitioner's declaration in the '554 Application) are evidence that the argument Petitioner now makes concerning obviousness are incorrect.

V. The Board Should Exercise Its Discretion To Deny Institution Considering *Fintiv*

Institution of an inter partes review is discretionary. See 35 U.S.C. § 314(a) (authorizing institution of an inter partes review under particular circumstances, but

not requiring institution under any circumstances); *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 273 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“[Section] 314(a) invests the Director with discretion on the question whether to institute review” (emphasis omitted)); *Harmonic*, 815 F.3d at 1367 (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”).

When determining whether to exercise discretion to deny institution in view of a parallel proceeding, we consider the following factors:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

See Apple Inc. v. Fintiv, Inc., IPR2020 00019, Paper 11 at 6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). “These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier

trial date in the parallel proceeding.” *Id.* In evaluating the *Fintiv* factors, we take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review,” recognizing that “there is some overlap among these factors” and that “[s]ome facts may be relevant to more than one factor.” *Id.*

On June 21, 2022, the Director of the United States Patent and Trademark Office issued a Memorandum setting forth an “Interim Procedure for Discretionary Denials in AIA Post Grant Proceedings with Parallel District Court Litigation.” Exhibit 1015 (“Guidance Memo”). The Guidance Memo states that “the PTAB will not rely on the *Fintiv* factors to discretionarily deny institution in view of parallel district court litigation where a petition presents compelling evidence of unpatentability.” *Id.* at 2. The “compelling merits” standard is a “higher standard than the standard for institution set by statute.” *Id.* “Compelling, meritorious challenges are those in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.” *Id.* at 4.

Here, a holistic view of the factors set forth in *Fintiv* reveal the present circumstances favor discretionary denial. Further, Petitioner’s purported *Sotera* stipulation is insufficient to overcome concerns of duplicative efforts and conflicting outcomes based on the Board’s own current guidance on the *Fintiv* factors.

A. Whether a stay exists or evidence exists that one is likely to be granted if a proceeding is instituted

The first factor favors denial because no stay exists in the Florida Litigation. Rather, the Florida court has already denied a motion to stay. Ex. 2002. In denying the motion to stay, the Florida court noted that a final decision from the PTAB would not come until, at the earliest, May 2025—a full year after discovery is set to close in the Florida Litigation and months after trial is set to begin:

Here, Structural Wrap requests a stay even though the PTAB has yet to institute inter partes review of U.S. Patent No. 11,168,484 (“’484 patent”). More importantly, it is undisputed that a final decision from the PTAB regarding the validity of the ’484 patent would not come until, at the earliest, May 2025. Discovery is set to end in March 2024 with trial set to [begin] in July 2024. Whether or not the final decision from the PTAB actually simplifies trial—a point the parties heavily dispute—it is not efficient to stay the case for eighteen months only to then restart the discovery process. This is especially so when it appears that Structural Wrap could have filed for inter partes review as early as eighteen months ago; meaning, we could have already had a final decision from the PTAB regarding the validity of the ’484 patent. In reality, granting Structural Wrap’s request for a stay would mean trial would begin, at the earliest, in 2026. Such an extreme delay is not warranted under the circumstances.

Ex. 2002. Given the virtual certainty that the Florida Litigation will not be stayed, the first *Fintiv* factor favors denial. *See Fintiv*, Slip. Op. 6.

B. Proximity of the court’s trial date to the Board’s projected statutory deadline

The second *Fintiv* factor favors denial since the Florida Litigation trial, scheduled for September 23, 2024, will conclude well before any potential final

written decision. Ex. 2003.

As the Florida court recognized, it is Petitioner's unexplained delay that has caused the litigation trial date to be set well before the statutory deadline for a final written decision here. The complaint in the Florida Litigation was filed November 4, 2022. And, prior to filing, the Patent Owner notified the Petitioner of its infringement on May 17, 2022. Ex. 1023 at 11. The instant Petition was not filed until nearly a year later, on October 28, 2023. This delay is particularly relevant given Petitioner served its invalidity contentions in the parallel Florida Litigation on June 26, 2023. Ex. 2005. Petitioner offered no explanation as to why it took more than four months to file its Petition, which copies arguments from invalidity contentions served in the Florida Litigation.

C. Investment in the parallel proceeding by the court and parties

The third *Fintiv* factor favors denial because, at the time of the anticipated decision on institution, the investment in the co-pending Florida Litigation will already have been significant. In the parallel Florida Litigation, the parties have already exchanged infringement contentions and invalidity contentions. Expert reports are due on May 15, 2024 and fact discovery is set to close on May 29, 2024. Ex. 2003. Additionally, as the Petitioner and Patent Owner recently represented to the court in a January 31, 2023 joint filing in the Florida Litigation that the parties have been diligently working under the current discovery schedule:

Specifically, the Parties have substantially completed document production, negotiated and agreed upon a protocol for email discovery, collected, searched, and produced email discovery, and begun taking fact depositions. In addition, the Parties have undertaken relevant third-party discoveries.

(Ex. 2004 at 1). The above circumstances collectively add significant weight in favor of denial under this third *Fintiv* factor.

D. Overlap between issues raised in the petition and in the parallel proceeding

“[I]f the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, th[at] fact has favored denial.” *Fintiv*, IPR2020-00019, Paper 11 at 12. Petitioner challenges the same claims in its petition that it does in its invalidity contentions in the Florida Litigation. *See* Ex 2004 at 1-3. In fact, Petitioner relies on the same principal references in the Petition as it does in the parallel Florida Litigation. Ex. 2005 (identifying, for example, Crook, Kelly, Inzeo, and Lowe’s⁹ – among other common references). Thus, the Petition includes substantial overlap with the claims and evidence asserted in the parallel Florida Litigation.

In lieu of addressing any of the *Fintiv* factors, Petitioner merely states that the Board should not apply *Fintiv* because Plaintiff provided a *Sotera* stipulation. Pet. 83. Petitioner stipulation states “if the PTAB institutes IPR, Structural Wrap will not

⁹ The Lowe’s reference is identified as “brochure” as opposed to a video.

pursue in this litigation (No. 22-cv-81726 (S.D. Fla.)) the same grounds asserted in the petition, or any grounds that could have reasonably been raised in the petition.”

Ex. 1022. There are multiple problems with this stipulation.

First, the Board’s guidance “requires petitioners to stipulate that they will not ‘pursue *in a parallel proceeding* the same grounds or any grounds that could have reasonably been raised before the [Board].” Guidance Memo at 3. Here, Petitioner has *already* pursued the same grounds in the Florida Litigation in its invalidity contentions and corresponding third party discovery. Ex. 2005 and Ex. 2004 (referencing “third-party discovery” already taken). Even under the recently modified scheduling order, Expert Reports are due by April 4, 2024 – before an institution decision is expected. The effort already expended in the district court will not be avoided by the stipulation. Moreover, the admissibility and reliability of references such as the Lowe’s video can be better handled in district court litigation through its robust discovery procedures.

Second, even if Petitioner drops its invalidity case in the Florida Litigation, with trial just months away, the Florida court will still be forced to address issues that are raised in the Petition concerning scope and content of the references due to the unique nature of the Florida Litigation. There, counterclaims of both infringement and invalidity concerning Petitioner’s own patent (U.S. Patent No. 11,041,312) remain. The ‘484 Patent and, also, other references cited in the Petition

are prior art to Petitioner's patent. Petitioner would have two different bodies make determinations on such patents.

Third, the stipulation does not include the Texas Litigation (which was pending before the IPR was filed). Petitioner's counsel has been identified as "lead counsel" in the Texas Litigation (Ex. 2006) where a counterclaim of invalidity has been asserted on behalf of an indemnitee. (Ex. 2007). The counterclaim identifies the same Crook, Kelly, Inzeo, and Lowe's references at issue in this IPR (Ex. 2007, Counterclaim ¶¶ 16-24 at pages 11-13).¹⁰

E. Whether the petitioner and the defendant in the parallel proceeding are the same party

The fifth factor under *Fintiv* considers "whether the petitioner and the defendant in the parallel proceeding are the same party." *Fintiv*, Slip. Op. 5–6, 13–14. This factor plainly weighs in favor of denial because Structural Wrap, LLC is both named as the defendant in the parallel Florida Litigation and as the Petitioner here.

F. Other circumstances that impact the Board's exercise of discretion, including the merits

The sixth factor also favors denial. *Fintiv* states, "if the merits of the grounds raised in the petition are a closer call, then that fact has favored denying institution

¹⁰ The Kelly and Inzeo are referenced by their patent number as opposed to inventor name. Lowe's is referenced by its Youtube URL.

when other factors favoring denial are present.” *Fintiv*, Slip. Op. 15 (citations omitted). As discussed above, the Petition is particularly weak, and institution would be an inefficient use of the Board’s resources.

VI. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the Petition be denied in its entirety.¹¹

Date: February 13, 2024

Respectfully submitted,

By: /Ryan Loveless /

Ryan Loveless; Reg. No. 51,970

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Attorneys for Patent Owner

¹¹ Patent Owner does not concede, and specifically denies, that there is any legitimacy to any arguments in the Petition that are not specifically addressed herein.

CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that this Preliminary Response to Petition complies with the type-volume limitation of 37 C.F.R. § 42.24(b)(1) because it contains fewer than the limit of 14,000 words, as determined by the word-processing program used to prepare the brief, excluding the parts of the brief exempted by 37 C.F.R. § 42.24(a)(1).

Date: February 13, 2024

By: /Ryan Loveless /
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Attorney for Patent Owner

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e), the undersigned certifies that an electronic copy of the preceding Patent Owner Preliminary Response was served, along with any accompanying exhibits filed via the PTAB E2E system, to Petitioner's counsel at the following addresses identified in the Petition's consent to electronic service:

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