

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HILTI AKTIENGESELLSCHAFT
Petitioner,

v.

SPECIFIED TECHNOLOGIES INC.,
Patent Owner.

IPR2024-00192
Patent 9,157,232 B2

Before RICHARD H. MARSCHALL, TIMOTHY G. MAJORS, and
MICHAEL A. VALEK, *Administrative Patent Judges*.

VALEK, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Hilti Aktiengesellschaft (“Petitioner”) filed a Petition (Paper 2, “Pet.”), seeking *inter partes* review of claims 6–12 of U.S. Patent No. 9,157,232 B2 (Ex. 1001, “the ’232 patent”). Specified Technologies Inc. (“Patent Owner”) filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). With our authorization, Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 12, “Prelim. Reply”) and Patent Owner filed a Sur-reply (Paper 15, “Prelim. Sur-reply”).

Considering the arguments and evidence currently of record, we determine the Petition demonstrates “a reasonable likelihood that [P]etitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). Accordingly, *inter partes* review is instituted.

II. BACKGROUND

A. Real Parties-in-Interest

The parties identify themselves as the only real parties-in-interest. Pet. 80; Paper 5, 1.

B. Related Matters

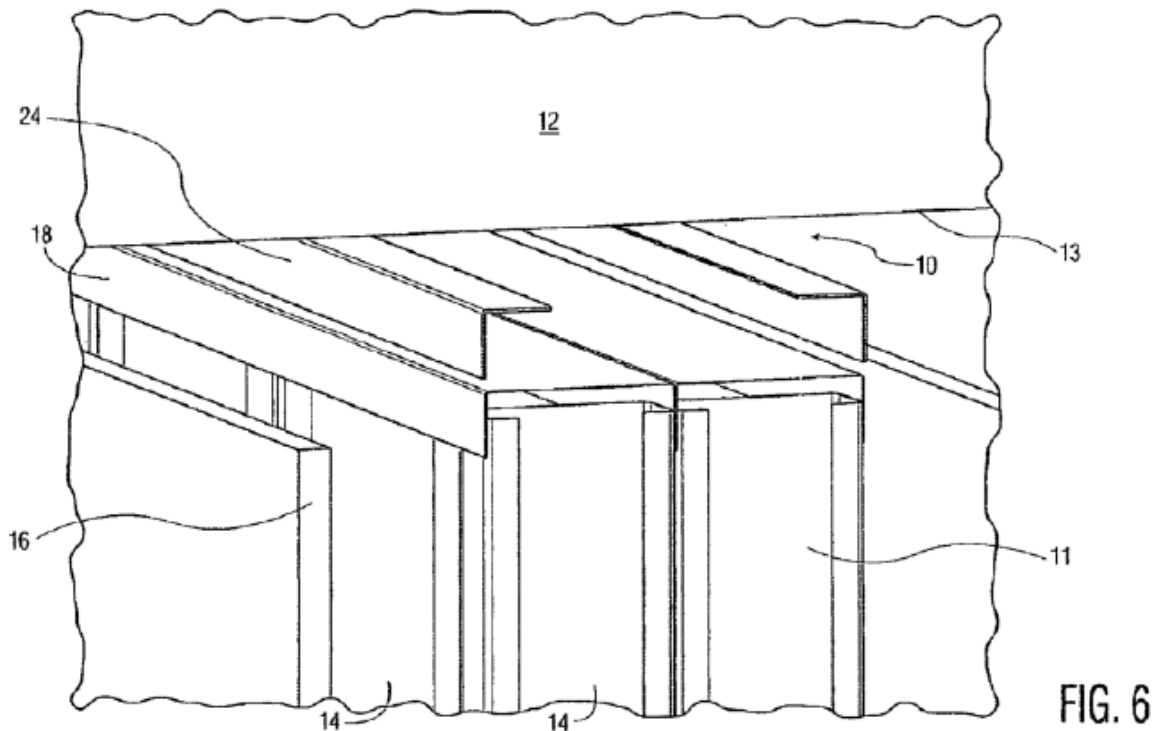
The parties identify *Hilti Aktiengesellschaft v. Specified Technologies Inc.*, No. 1:22-cv-01248-CFC (D. Del.), referred to herein as “the Delaware litigation,” as a related matter involving the ’232 patent. Pet. 80; Paper 5, 1. Patent Owner also identifies IPR2024-00193, which was filed by Petitioner and involves a different patent asserted by Patent Owner in the Delaware litigation. *See* Paper 5, 1.

C. The '232 Patent

The '232 patent issued on October 13, 2015, and claims priority to a provisional application filed on June 11, 2013. Ex. 1001, codes (45), (65).

The '232 patent describes “[a] construction for insulating the head-of-wall joint between a wall and a floor or roof thereabove which utilizes an insulating gasket construction positionable between the ceiling track and the building structure thereabove.” Ex. 1001, Abstr. This “insulating gasket member includes two L-shaped sections which . . . co-operate to firestop both outwardly facing sides of a head-of-wall joint.” *Id.* “Each L-shaped insulation gasket section can include securement mechanism such as an adhesive on the undersurface of the main upper horizontal portion to facilitate attachment to the top of the track” and “can be attached to an adjacent similarly configured L-shaped section by one or more connecting straps.” *Id.*

Figure 6 of the '232 patent, reproduced below, provides a perspective view of the insulating gasket positioned within a head-of-wall area. Ex. 1001, 5:58–60.



As shown above, insulating gasket 24 comprises two L-shaped sections that are positioned between the bottom 13 of upper building structure 12 and the top of ceiling track 18. *See id.* at 6:31–44 (describing construction). “The shape of the insulating gasket construction 24” is “L-shaped” with the two L-shaped sections together “defin[ing] an overall downwardly facing C-shaped construction similar to the overall shape of the ceiling track or runner 18.” *Id.* at 7:10–23. According to the Specification, this construction provides a “seal between conventionally designed metal track sections and the immediately adjacent roof or ceiling area for firestopping and/or acoustic insulating.” *Id.* at 5:5–8.

Figure 2A of the ’232 patent, reproduced below, “is a top plan view” of an embodiment of the insulating gasket.

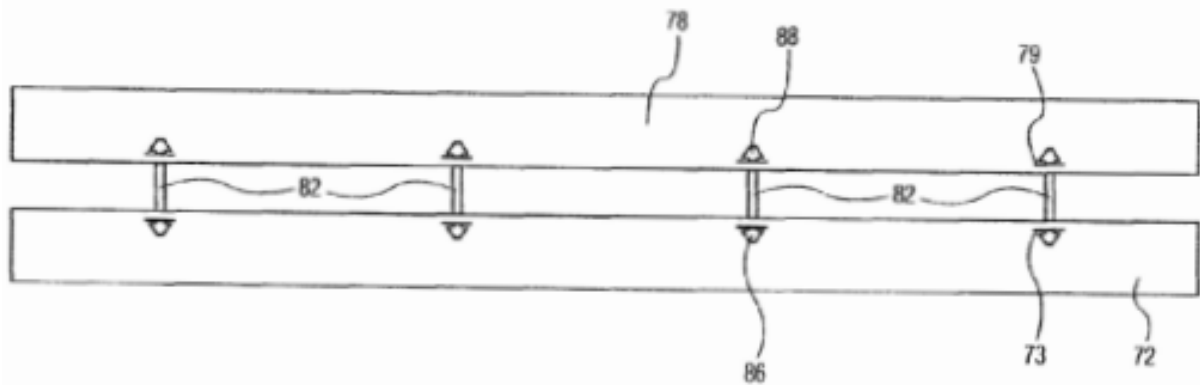


FIG. 2A

Figure 2A shows first gasket upper panel 72 and second gasket upper panel 78 (i.e., the horizontal portions of the L-shaped gasket sections in the construction shown in Figure 6) attached to connecting straps 82. *See* Ex. 1001, 11:11–40 (describing connecting straps). According to the Specification, connecting straps of different lengths can be used to “more accurately and reliably” control “variations in the spacing between” the L-shaped sections by “maintain[ing] positioning thereof relative to the wall configuration.” *Id.* at 10:38–42.

D. Challenged Claims

The Petition challenges claims 6–12. Claim 6 is illustrative and reproduced below with the bracketed annotations the Petition uses to identify limitations in place of the native formatting.

[6pre] An adjustable head-of-wall insulating construction for sealing a head-of-wall area between a ceiling thereabove and a wall configuration therebelow which is wider than standard and which includes a ceiling track having a main track section which extends generally horizontally and a first track side section extending downwardly therefrom at a position spatially disposed from the first track section wherein the main track section includes a first track side section defining a first lowermost edge thereof and a second side track section defining

a second lowermost edge thereof, said insulating gasket construction comprising:

[6a] a first L-shaped gasket section including:

[6a1] a first gasket upper panel of insulating material positioned immediately above the main track section of the ceiling track and extending generally horizontally thereover; and

[6a2] a first gasket side panel of insulating material attached with respect to said first gasket upper panel and extending generally downwardly therefrom across the first track side section for insulating thereover, said first gasket side panel extending downwardly from said first gasket upper panel to define the generally L-shaped configuration of the first L-shaped gasket section, said first gasket upper panel and said first gasket side panel together defining a track receiving recess facing downwardly therebelow;

[6b] a second L-shaped gasket section including:

[6b1] a second gasket upper panel of insulating material positioned immediately above the main track section of the ceiling track and extending generally horizontally thereover at a position spatially disposed from said first gasket upper panel; and

[6b2] a second gasket side panel of insulating material attached with respect to said second gasket upper panel and extending generally downwardly therefrom across the second track side section for insulating thereover, said second gasket side panel extending downwardly from said second gasket upper panel to define the generally L-shaped configuration of the second L-shaped gasket section, said second gasket upper panel and said first gasket side panel together defining a track receiving recess facing downwardly therebelow for receiving a ceiling track positionable therewith for facilitating insulating therearound:

[6c] a first panel adhesive means mounted on said first gasket upper panel at a position between said first gasket upper panel of said first L-shaped gasket section and the main track section of the ceiling track to facilitate engagement therebetween;

[6d] a second panel adhesive means mounted on said second gasket upper panel at a position between said second gasket upper panel of said second L-shaped gasket section and the main track section of the ceiling track to facilitate engagement therebetween; and

[6e] at least one connecting strap positioned above the main track section of the ceiling track and attached to said first L-shaped gasket section and to said second L-shaped gasket section to limit spatial separation therebetween.

Ex. 1001, 13:17–14:9. Claims 7–12 depend, directly or indirectly, from claim 6. *See id.* at 14:10–44.

E. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
6–12	103	Pilz I, ¹ Morgan, ² Pilz II ³
6–12	103	Pilz I, Morgan, Pilz II

Petitioner further relies on the declaration of Milosh Puchovsky (Ex. 1003, “Puchovsky Declaration”).

Each of Petitioner’s two grounds rely on the same set of references, but are premised on different embodiments in Pilz I. Petitioner’s first ground, i.e., “Ground 1A,” relies on the embodiments shown in Figures 9 and 10 of Pilz I. *See* Pet. 23–48. Petitioner’s “Ground 1B” relies on Figure 8 of Pilz I and its teachings regarding another version of the embodiment shown there. *See id.* at 48–69.

¹ US 2009/0049781 A1, published Feb. 26, 2009 (Ex. 1004) (“Pilz I”).

² US 6,783,345 B2, issued Aug. 31, 2004 (Ex. 1005) (“Morgan”).

³ US 8,595,999 B1, issued Dec. 3, 2013 (Ex. 1006) (“Pilz II”).

Before turning to our analysis of these grounds, we address Patent Owner’s arguments that, notwithstanding the merits of Petitioner’s grounds, we should exercise discretion to deny institution under 35 U.S.C. § 314(a).

III. DISCRETION UNDER 35 U.S.C. § 314(a)

Patent Owner argues that we should exercise discretion to deny institution in view of the *Fintiv*⁴ factors “because the District Court is better suited to more fairly determine the validity of the ’232 Patent on an accurate and complete record.” *See* Prelim. Resp. 26–33; Prelim. Sur-reply 8.

Petitioner contends that the *Fintiv* factors do not favor discretionary denial here. *See* Pet. 77–80.

Given the circumstances of this case, we do not exercise discretion to deny institution because Petitioner has offered “a *Sotera* stipulation,” i.e., Petitioner stipulates that if review is instituted here, it will not pursue in the Delaware litigation the invalidity grounds raised in the Petition or any other ground that could have reasonably been raised in this proceeding. Pet. 76; Ex. 1015, 1–2. The Director has issued guidance stating that, when such a stipulation is presented, the PTAB will not discretionarily deny institution in view of the parallel litigation.⁵

Patent Owner does not address the Director’s guidance or Petitioner’s stipulation in its Preliminary Response, but asserts in its Preliminary Sur-

⁴ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (Mar. 20, 2020) (precedential) (“*Fintiv*”).

⁵ USPTO Memorandum, Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022) 3, *available at* https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf.

reply that, notwithstanding Petitioner’s stipulation, *Fintiv* Factor 4 favors discretionary denial because “Petitioner has asserted various prior art products in District Court that will duplicate the efforts of the parties even if this IPR is instituted.” Prelim. Sur-reply 8. We disagree. First, the Director’s guidance is clear and dispositive of the *Fintiv* analysis here. Second, even if there is art asserted in the Delaware litigation that falls outside Petitioner’s stipulation, the stipulation still serves to substantially reduce the overlap between the proceedings. Third, the statutory deadline for a final decision in this proceeding is roughly five months *before* trial is set to begin in the Delaware litigation. *See* Prelim. Resp. 30 (Patent Owner acknowledging that the Delaware trial is scheduled for October 2025, whereas the statutory deadline for a final decision here would be in May 2025). Thus, to the extent any overlap remains, the parties will have the benefit of our decision well in advance of any trial in the Delaware litigation. This should inform their positions and may narrow any remaining issues concerning the ’232 patent for trial. For these reasons, we do not exercise discretion to deny the petition under 35 U.S.C. § 314(a).

IV. ANALYSIS OF THE ASSERTED GROUNDS

A. Legal Standards

A claim is unpatentable for obviousness if, to one of ordinary skill in the pertinent art, “the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains.” 35 U.S.C. § 103; *see also KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying

factual determinations including (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when in evidence, objective evidence of nonobviousness. *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

B. Level of Ordinary Skill in the Art

Petitioner contends a person of ordinary skill in the art (“POSITA”) as of June 11, 2013, would have had at least a bachelor’s degree in mechanical engineering, civil engineering, fire protection engineering, applied science or a related field, with three to five years’ experience in building construction, fire safety, or the firestopping field.

Pet. 3 (citing Ex. 1003 ¶ 9). Patent Owner does not respond to Petitioner’s description of a POSITA in its Preliminary Response.

At this stage, we find Petitioner’s description of the level of ordinary skill in the art to be sufficiently supported by the record and apply it for purposes of this Decision.

C. Claim Construction

In an *inter partes* review, claim terms “shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. [§] 282(b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent.” 37 C.F.R. § 42.100(b).

Petitioner does not identify any particular terms for construction and asserts that it “applies the plain and ordinary meaning of the claim terms.” Pet. 3. Petitioner notes that in the Delaware litigation the parties dispute the

meaning of several terms, but urges that “[u]nder either party’s understanding of the plain meaning . . . the Petition demonstrates a reasonable likelihood that one or more of the Challenged Claims are unpatentable.” *Id.* at 3 n. 1.

At this stage, Patent Owner likewise does not identify any terms for construction, but faults Petitioner for “fail[ing] to present for consideration, or apply in its analysis, the claim construction positions it has taken in the pending District Court case.” Prelim. Resp. 8. According to Patent Owner, “Petitioner has not been forthcoming” in asserting that is applying the plain and ordinary meaning of the claim terms because in the Delaware litigation Petitioner has offered constructions for, or alleged indefiniteness of, various of those terms. *Id.* at 9–10 (citing Ex. 2002 as evidence of Petitioner’s proposed constructions). Patent Owner contends that because “Petitioner fails to disclose, much less apply these constructions to the prior art,” the Petition should be denied. *Id.* at 11.

We disagree with Patent Owner. There is no rule that requires Petitioner to assert the same claim construction position in both proceedings and Petitioner here is sufficiently forthcoming regarding the parties’ claim construction disputes in the Delaware litigation. Indeed, for several terms, Petitioner presents specific argument explaining how, in its view, the prior art reads on the term under either sides’ proposed construction in the Delaware litigation. *See* Pet. 30 n. 7, 40 n. 11, 42–43 n. 12–13. At this stage, Patent Owner does not specifically dispute those arguments, nor attempt to explain how any of the constructions Petitioner proposes in the Delaware litigation (which presumably Patent Owner disagrees with) are inconsistent with Petitioner’s patentability challenges here.

Indeed, outside of simply quoting them, the only one of Petitioner’s constructions that Patent Owner specifically refers to in the Preliminary Response relates to the “connecting strap” recited in element 6e. *See* Prelim. Resp. 11 (referring to Petitioner’s construction requiring that the connecting strap be “removably detached”). But, as Petitioner points out, that was only a preliminary proposal. *See* Prelim. Reply 1–2. The parties in the Delaware litigation have since agreed that this term has its broader plain and ordinary meaning. Ex. 1018, 147–150 (joint claim construction brief stating Petitioner adopts Patent Owner’s plain and ordinary meaning construction, which does not include a removably detached requirement). Accordingly, as it relates to this term, there is currently no difference between the position Petitioner takes in this proceeding and its position in the Delaware litigation.

Patent Owner’s argument that we should deny institution because in the Delaware litigation Petitioner alleges that certain terms are indefinite is also unavailing. It is true that “determination of the patentability of a claim on the presented prior-art grounds” may be “rendered impossible because of the indefiniteness of an essential claim limitation.” *Intel Corp. v. Qualcomm Inc.*, 21 F.4th 801, 813 (Fed. Cir. 2021) (citing *Samsung Electronics America, Inc. v. Prisia Eng’g Corp.*, 948 F.3d 1342, 1353 (Fed. Cir. 2020)). But our reviewing court has also made clear that “it is not always impossible to adjudicate a prior-art challenge, one way or the other, just because some aspect of a claim renders the claim indefinite.” *Id.* (explaining that indefiniteness “precludes a patentability determination only when the indefiniteness renders it *logically impossible* for the Board to reach such a decision” (emphasis added)).

On the current record, we do not discern an indefiniteness issue that renders it logically impossible to adjudicate the prior-art challenges in the Petition. For example, Petitioner specifically addresses its contention in the Delaware litigation that “the phrase ‘wider than standard’ [in the preamble] makes claim 6 indefinite” because the patent “provides no objective measure against which the term of degree can be judged,” but urges that the prior art nevertheless discloses that limitation “because Pilz I can be used on a wall of any size.” Pet. 32 n. 9. Again, at this stage, Patent Owner offers no specific response on this point, but suggests we must decline institution simply because Petitioner alleges indefiniteness in the Delaware litigation. *See* Prelim. Sur-reply 5. Patent Owner’s position does not accord with precedent. *See Intel Corp.*, 21 F.4th at 813; *see also Nichia Corp. v. DSS, Inc.*, 2023 WL 7211097, *3 (Fed. Cir. Nov. 2, 2023) (holding that the Board in an *inter partes* review proceeding “was . . . correct in rendering its patentability determination because it was not impossible to do so” despite alleged indefiniteness of certain terms).

In sum, based on the current record, we do not discern that any formal claim construction is necessary. *Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019) (“The Board is required to construe ‘only those terms that . . . are in controversy, and only to the extent necessary to resolve the controversy.’”) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)). To the extent Patent Owner disagrees, we

encourage it present those claim construction positions at trial and explain why and how they matter to the evidence and argument in the Petition.

D. Asserted References

i. Pilz I

Pilz I is a United States patent application published February 26, 2009. Ex. 1004, code (43). At this stage, Patent Owner does not dispute Petitioner's assertion that Pilz I is prior art to the challenged claims.

Pilz I discloses fire-rated wall construction components and wall systems for use in building construction. Ex. 1004, code (54). Pilz I teaches several embodiments, including “tracks for holding studs which incorporate various geometries capable of receiving fire-retardant material, flat straps for use between tracks and fluted wall components, fire sponges for use in fluted wall components,” as well as “tracks with protruding grooves or other structures which prevent unwanted air movement between a wallboard component and the track.” *Id.* at Abstr.

Figure 9 of Pilz I, reproduced below, is a cross-sectional view of an embodiment of a fire-rated wall component with intumescent material on both its top and side surfaces. Ex. 1004 ¶ 28.

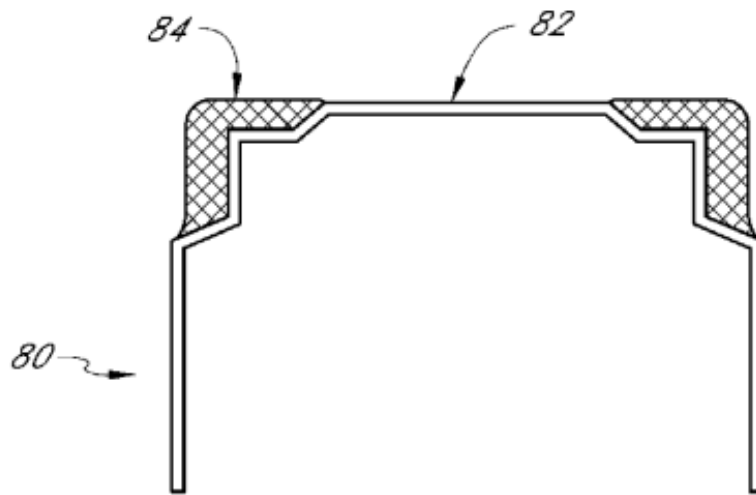


FIG. 9

In the figure above, wall component 80 is a track for holding a wall stud.

Id. ¶ 55. Intumescent material 84 extends along a portion of both the top and side surfaces of wall component 80 forming an L-shaped section on each of the left and right corner portions of wall component 80. *Id.*

Figure 10A of Pilz I, reproduced below, shows a cross-sectional view of an embodiment of a wall system with a flat strap. *Id.* ¶ 29.

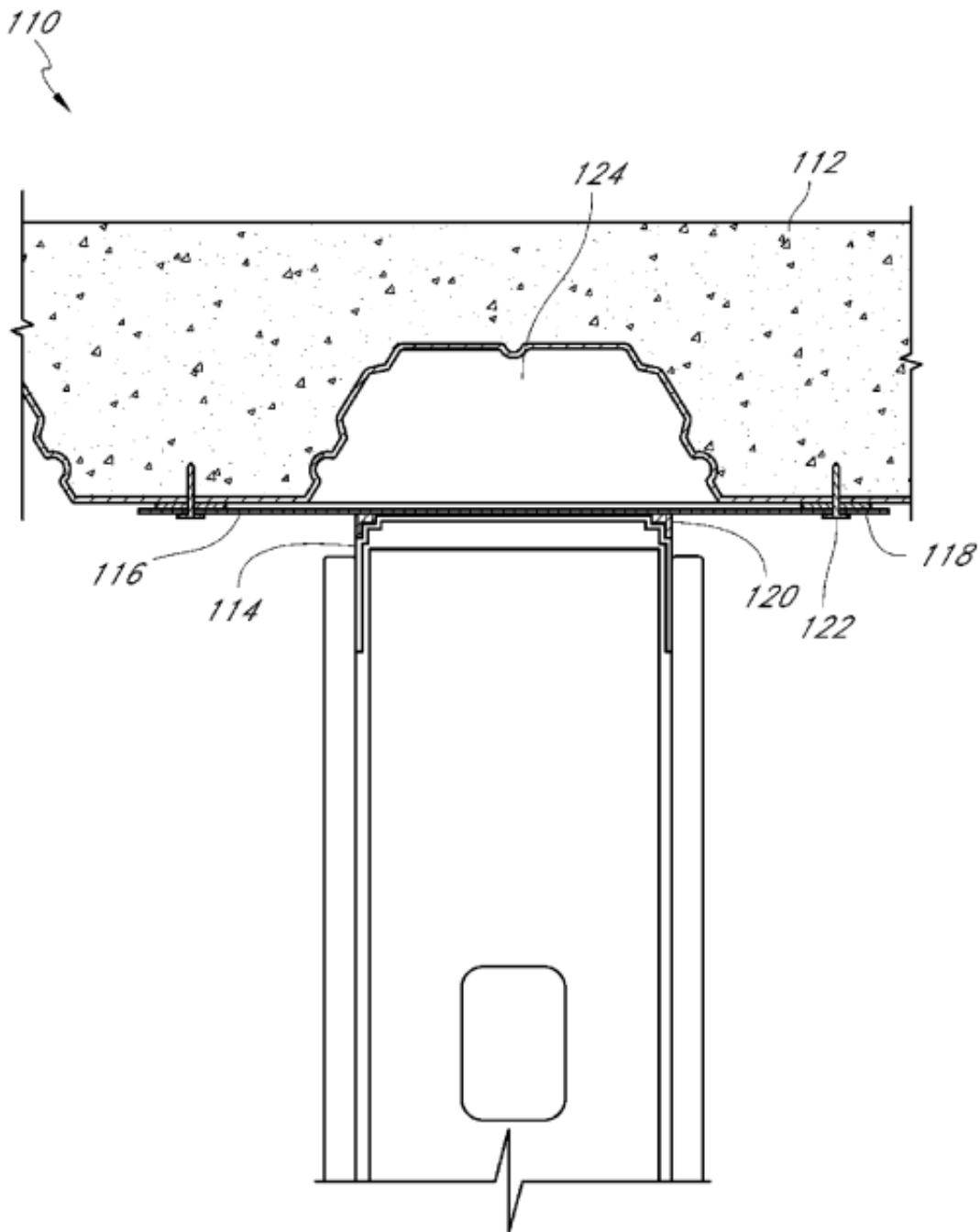


Figure 10A depicts fire-retardant wall system 110 comprised of a first wall component 112, a second wall component 114 with flat strap 116 and gasket 120 positioned between the two wall components. *Id.* ¶ 56. In the figure, first wall component 112 is a “fluted deck” with flute 124, i.e., a recess, located above second wall component 114 and spanned by flat strap 116. *Id.*

According to Pilz I, “flat strap 116 can be attached to the first wall component, the second wall component, or both the first and second wall components” and “can be used to cover a portion or all of one or more flutes 124 of the fluted deck 112.” *Id.* ¶ 59. As shown in Figure 10A, Gasket 120 comprises two L-shaped sections, which may be composed of “fire retardant material, including but not limited to intumescent material,” positioned on the upper left and right corners of second wall component 114 and immediately below strap 116. *Id.* ¶ 58. Pilz I teaches that “gasket 120 can be adhered to a surface of the second wall component 114 such that when the second wall component is attached to, pressed, and/or placed against the fire strap 116, the gasket or gaskets 120 can form a sound and/or air seal, inhibiting sound and/or air from moving from one side of the second wall component 114 to the other.” *Id.*

Figure 8 of Pilz I, reproduced below, shows a cross-sectional view of another embodiment of a fire-rated wall component with intumescent material on its top surface. *Id.* ¶ 27.

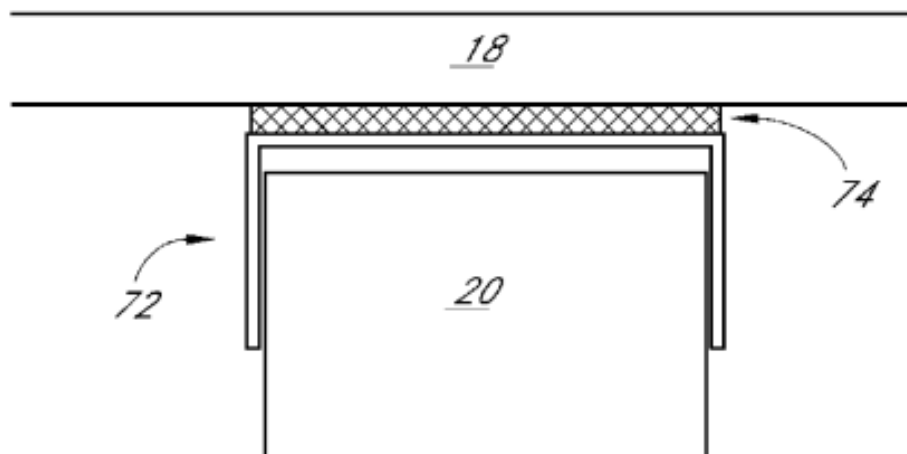


FIG. 8

In Figure 8 above, wall component 72 is a track holding for a wall stud 20 beneath ceiling 18. *Id.* ¶ 54. Intumescent material 74 is attached to the top of wall component 72 and positioned between the wall component and ceiling. *Id.* While intumescent material 74 is only depicted on the top, horizontal portion of wall component 72 in Figure 8, Pilz I teaches that in other embodiments the intumescent material may extend down one or both sides of the wall component. *Id.*

ii. Morgan

Morgan is a United States patent issued August 31, 2004. Ex. 1005, code (45). At this stage, Patent Owner does not dispute Petitioner's assertion that Morgan is prior art to the challenged claims.

Morgan discloses systems and devices for installing barriers in holes or gaps in or between walls, ceilings, and floors. Ex. 1005, Abstr. In particular, Morgan teaches a barrier molding bag that is positioned in such a hole or gap and filled with “a flowable firestop material” that then hardens “to create a barrier in the hole or gap.” *Id.*

Figure 4 of Morgan, reproduced below, depicts such a barrier.

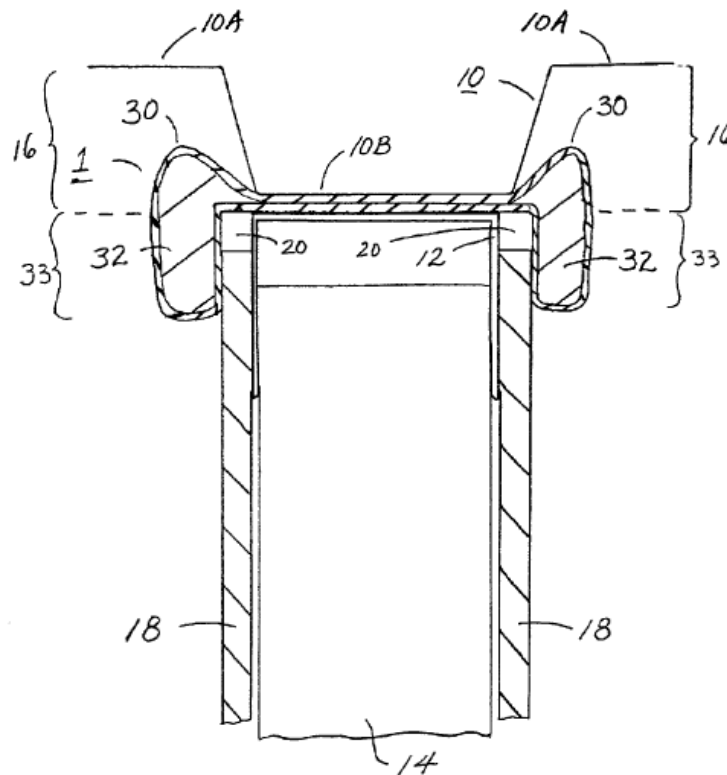


FIG. 4

Figure 4 of Morgan above shows barrier molding bag 30 positioned between horizontal track member 12 and surface 10B of fluted metal ceiling 10. *See* Ex. 1005, 5:1–25. As shown in Figure 4, the “longitudinal edges of the bag (33) extending outwards on either side of the joint between the wall and ceiling.” *Id.* According to Morgan, a flowable firestop material 32 is

introduced into the molding bag 30, causing a thermal firestop barrier to be molded along the joint over the corner gaps 20 at the top of the gypsum board 18. *Id.* Morgan teaches that bag 30 can be attached to the horizontal track member, using adhesives or fasteners. *Id.* at 11:46–48. For example, Morgan teaches “the bottom side” of bag 30 “can be supplied with a two-sided tape . . . to permit the bag device 30 to be adhered to the horizontal track 12 before it is fastened to or disposed against the ceiling.” *Id.* at 10–19.

iii. Pilz II

Pilz II is a United States patent issued December 3, 2013 from an application filed July 27, 2012. Ex. 1006, codes (22), (45). At this stage, Patent Owner does not dispute Petitioner’s assertion that Pilz II is prior art to the challenged claims.

Pilz II discloses “fire-rated angle piece and wall assemblies” that include “an intumescent or other fire-resistant material strip.” Ex. 1006, Abstr. The angle piece “can be attached adjacent to a corner of a framing member,” e.g., header tracks and studs, “and placed between the framing member and a wall board member at a perimeter of a wall assembly to create a fire block arrangement.” *Id.*

Figure 2 of Pilz II is a cross-sectional view of the fire-rated angle piece. Ex. 1006, 4:50.

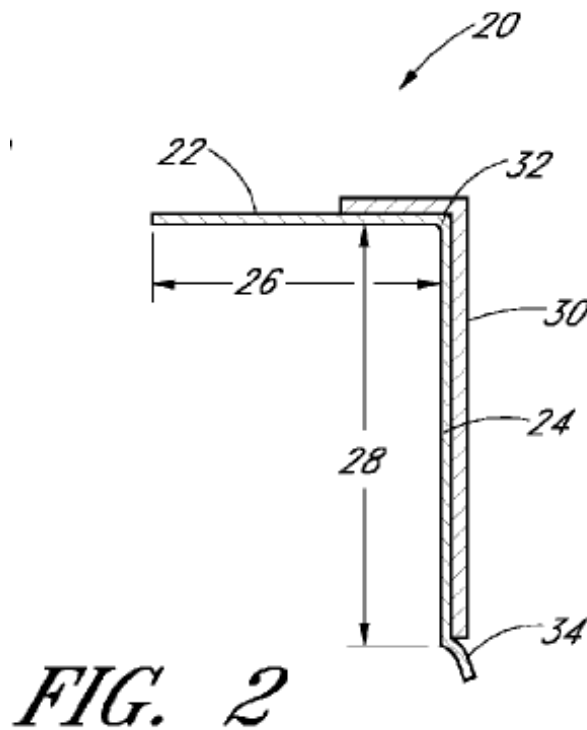


Figure 2 of Pilz II above shows angle piece 20 with intumescent tape or strip 30 wrapped over the corner 32 of angle 20 to form an L-shape. *See id.* at 7:16–25 (describing tape 30 extending over horizontal and vertical portions of angle piece 20).

Figure 12 of Pilz II, reproduced below, shows the angle piece in a head-of-wall assembly. *See Ex. 1006, 5:13–15.*

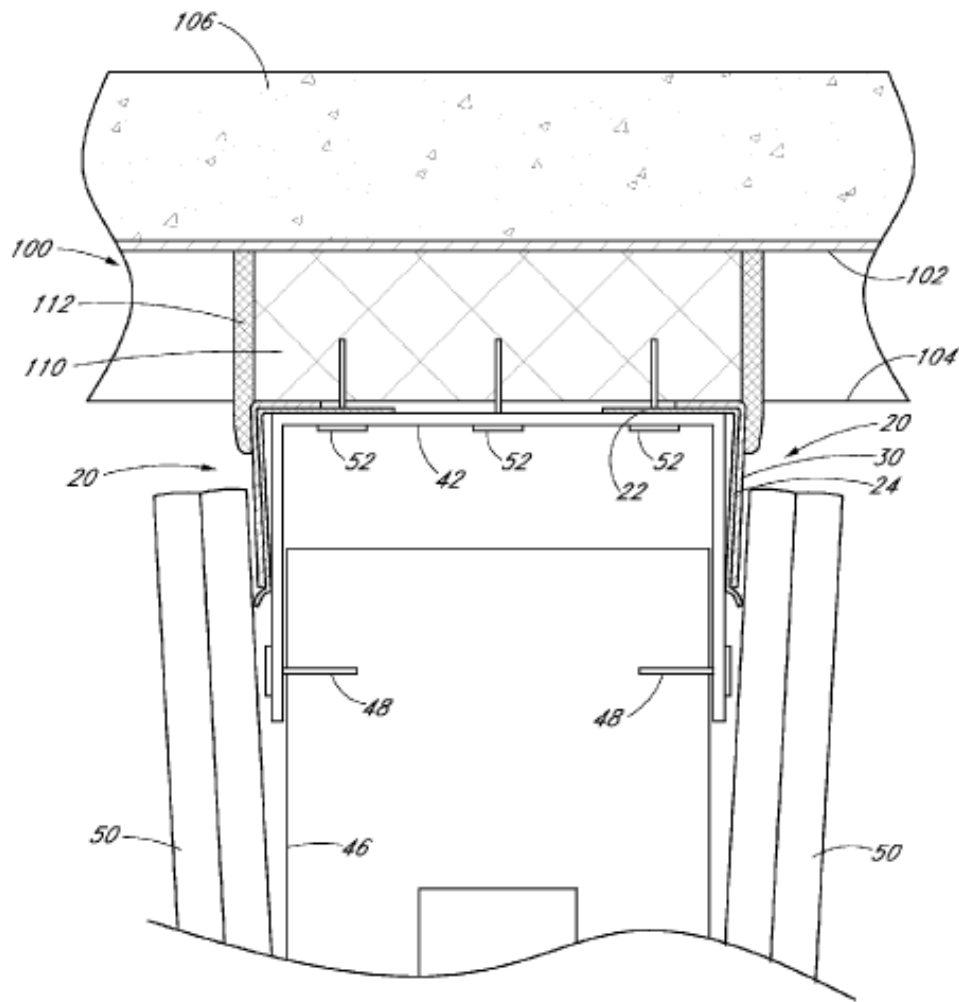


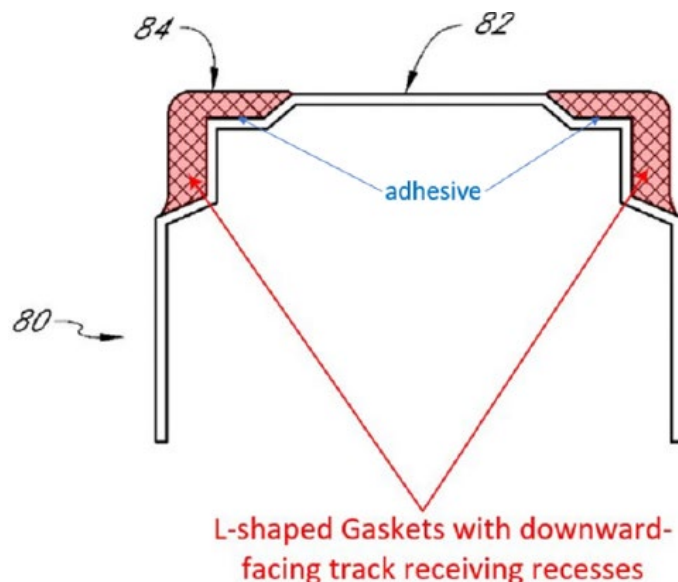
FIG. 12

Figure 12 of Pilz II above shows angle piece 20 and intumescent strip 30 positioned between header track 42 and a ceiling “in the form of a fluted pan deck 100” that “defines downwardly opening spaces, voids or flutes 104.” *Id.* at 12:30–38. According to Pilz II, “[f]ire-rated walls require fire-resistant material such as mineral wool 110, to be installed within the voids 104.” *Id.* at 12:41–42. “A fire spray 112 . . . is then sprayed over the top of the mineral wool 110 to protect against smoke passage.” *Id.* at 12:47–50.

E. Petitioner's Ground 1A

Petitioner contends claims 6–12 would have been obvious over Pilz I, Morgan, and Pilz II. *See* Pet. 23–48. Patent Owner disputes Petitioner's contentions. *See* Prelim. Resp. 12–26. At this stage, the parties' arguments do not distinguish between the different challenged claims so, for purposes of this Decision, we focus on claim 6.

For Ground 1A, Petitioner relies on the embodiments shown in Figures 9 and 10 of Pilz I,⁶ offering annotated versions of those figures, such as the annotated version of Figure 9 below, to illustrate its position. *See* Pet. 25, 41.

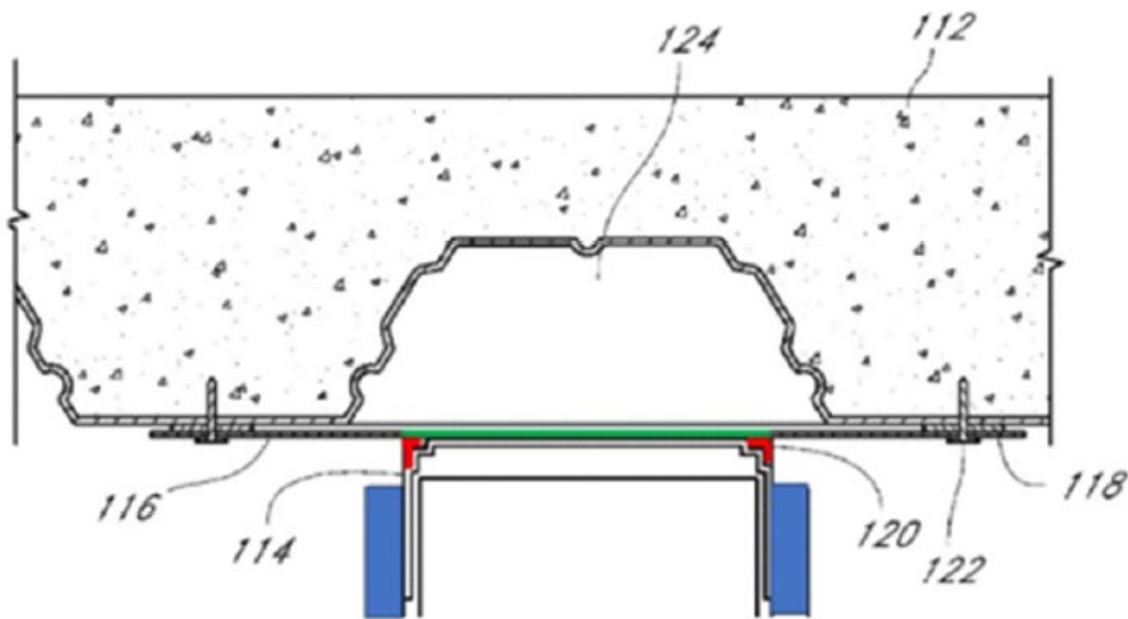


Petitioner's annotated figure marks the two L-shaped sections of intumescent material 84 in red, labelling them as "L-shaped Gaskets with downward-facing track receiving recesses." *Id.* Petitioner maps these

⁶ Petitioner contends that a POSITA would have understood that the ceiling track in Figure 9 (i.e., wall component 80) is substantially the same as the ceiling track (i.e., second wall component 114) in Figure 10. *See* Pet. 35 n. 10 (citing Ex. 1003 ¶ 79).

sections to the first and second “L-shaped gasket sections” in elements 6a and 6b. *See id.* at 34–39. According to Petitioner, Pilz I teaches that the L-shaped sections can be mounted to the ceiling track with an adhesive, but “does not disclose the precise location” of that adhesive layer. *Id.* at 24, 40. Petitioner argues that it would have been an obvious design choice, particularly in view of Morgan’s teachings, to put that adhesive where the upper horizontal panel of each L-shaped section meets the ceiling track (i.e., wall component 80 in Figure 9 of Pilz I). *See id.* at 24–30. Petitioner marks this with blue arrows in its annotated version of Figure 9 above and maps the combined teachings to elements 6c and 6d. *Id.* at 40–41.

Petitioner further relies on Figure 10 of Pilz I, including the annotated excerpt of Figure 10A⁷ reproduced below. *See, e.g.,* Pet. 31.



⁷ In several instances, the Petition cites “Fig. 10B,” rather than Figure 10A, as the source for this excerpt. *See* Pet. 31, 34, 43. This appears to be a typographical error because Figure 10B does not depict the subject matter in Petitioner’s excerpt and elsewhere both Petitioner and its declarant correctly cite Figure 10A as the source. *See* Pet. 12; Ex. 1003 ¶ 42.

In the excerpt above, Petitioner annotates the two L-shaped sections of gasket 120 in red, the portion of flat strap 116 above gasket 120 in green, and the wall boards extending vertically along both the sides of wall component 114 in blue. Petitioner maps strap 116 to the “connecting strap” recited in element 6e, urging that because Pilz I teaches that both the L-shaped gasket sections 120 and strap 116 can be attached to the ceiling track to form a seal, a POSITA would have understood that, when assembled as shown in Figure 10A, that strap is “attached” to the L-shaped gasket sections as recited in element 6e. Pet. 42 (citing Ex. 1003 ¶ 87). In addition, Petitioner presents evidence that, when so attached, strap 116 will limit the spatial separation between the L-shaped gasket sections because “most any strap that connects two objects will limit spatial separation between those two objects (i.e., the space between the two objects is limited by the strap connecting those two objects).” *See id.* at 43–46 (citing Ex. 1003 ¶¶ 88–91; Ex. 1005, Fig. 4; Ex. 1006, Fig. 12).

We find Petitioner’s showing sufficient to establish a reasonable likelihood that it will prevail in demonstrating that claim 6 would have been obvious over the combination in Ground 1A. Patent Owner makes several arguments to the contrary in the Preliminary Response. *See* Prelim. Resp. 12–26. As explained below, Patent Owner’s arguments are unavailing on the current record.

As an initial matter, Patent Owner contends the Petition and the Puchovsky Declaration “should both be given no weight because they are little more than verbatim copies of one another and provide nothing more than conclusory attorney argument.” Prelim. Resp. 12. Patent Owner asserts that the Petition and Puchovsky Declaration “use the same unique verbiage,

recite the same sentences without any (or at least any substantive) differences, emphasize the same points in the same way, and have the same footnotes.” *See id.* at 13–17 (comparing excerpts from the Petition and Puchovsky Declaration side-by-side and urging they are “nigh verbatim the same”). Thus, urges Patent Owner, “the declaration should not be afforded weight” and “institution should be denied.” *Id.* at 17.

We disagree with Patent Owner’s argument that institution should be denied because the Petition and Puchovsky Declaration often use the same or similar verbiage. It is true that conclusory expert testimony is not entitled to substantial weight. *See TQ Delta, LLC v. CISCO Sys., Inc.*, 942 F.3d 1352, 1358–61 (Fed. Cir. 2019) (collecting cases rejecting “obviousness determinations based on conclusory and unsupported expert testimony”); *see also Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15 (PTAB Aug. 24, 2022) (precedential) (conclusory and unsupported declaration testimony entitled to little weight). However, the relevant inquiry is not whether the declaration and Petition use the same verbiage, but instead whether the substance of the expert’s testimony is so conclusory as to be inadequate to support the proposition for which it is cited. *See TQ Delta*, 942 F.3d at 1362–63 (determining conclusory testimony was “inadequate to support the Board’s factfinding”). Accordingly, Patent Owner’s attempts to show that the Puchovsky Declaration uses the same or similar verbiage as various arguments in the Petition (*see, e.g.*, Prelim. Resp. 13–17) do not demonstrate that either the testimony or Petitioner’s arguments are conclusory.

Building on its prior argument, Patent Owner urges that Petitioner fails to show that the cited prior art teaches all of the limitations of claim 6.

Prelim. Resp. 18. More specifically, Patent Owner argues that Petitioner’s showing for two limitations, i.e., (1) the preamble’s recitation of a first and second “lowermost edge,” and (2) element 6e’s recitation of a “connecting strap . . . attached” to the gasket sections “to limit spatial separation therebetween,” is premised solely on conclusory testimony and attorney argument. *Id.* at 18–22. We address those limitations in turn below.

i. 6pre - first and second “lowermost edge”

The preamble recites a ceiling track having a horizontal main track section and a first and second “side track section extending downwardly therefrom” and “defining” a first and second “lowermost edge thereof.”⁸ Ex. 1001, 13:17–27. Petitioner asserts that Pilz I discloses such a ceiling track and illustrates its position with the annotated version of Figure 9 of Pilz I reproduced below. Pet. 33–34 (citing Ex. 1003 ¶ 77).

⁸ Petitioner assumes that the preamble of claim 6 is limiting, but notes that the parties dispute this point in the Delaware litigation. Pet. 30 n. 7; *see also* Ex. 1018, 116–119, 135–137 (setting forth Patent Owner’s position that the preamble is not limiting). We need not resolve that dispute here because, based on the current record, Petitioner has sufficiently shown that the cited references teach or suggest the elements recited in the preamble.

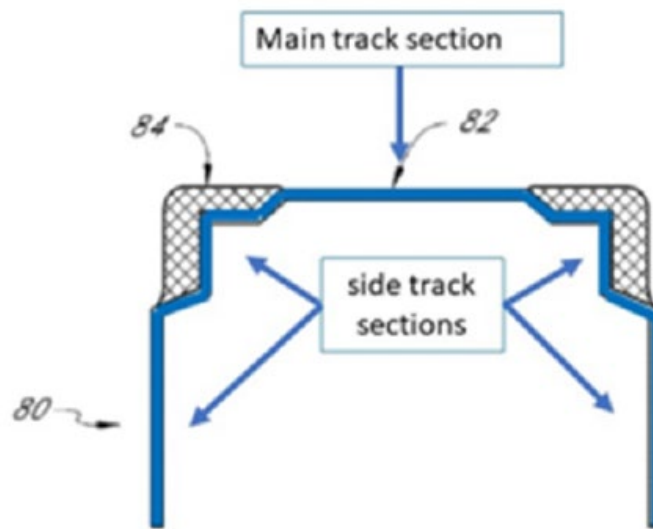


FIG. 9

In the annotated figure, Petitioner marks the alleged ceiling track in blue and adds labels identifying the main track section and side track sections. *Id.*

According to Patent Owner, Petitioner’s showing is deficient because “the analysis [in the Petition and supporting declaration] simply quotes the claim language to say Pilz I discloses these limitations” and does not “explain how the annotated figure discloses ‘*a first lower most edge*’ or ‘*a second lower most edge.*’” Prelim. Resp. 19–20; *see also* Prelim. Sur-reply 6 (same).

In reply, Petitioner defends its analysis, asserting the preamble language “simply recites that the ceiling track has side sections that include bottom edges, as does any ceiling track that has ever existed” because “like all objects, the ceiling track terminates as some point.” Prelim. Reply 6. As support, Petitioner again refers to its annotated version of Figure 9 of Pilz I, “which highlights the ceiling track in blue, points to the side track section,

and shows that the ceiling track—again like all ceiling tracks—has a bottom edge on either side.” *Id.*

On the current record, we agree with Petitioner that Pilz I teaches a ceiling track as recited in the preamble of claim 6. Petitioner’s annotated version of Figure 9 sufficiently identifies the recited features. That figure also supports Mr. Puchovsky’s testimony (Ex. 1003 ¶ 77) that the identified side track sections have first and second “lowermost edges” because such edges are apparent in the annotated figure. For these reasons, we disagree with Patent Owner that this testimony is conclusory.

- ii. 6[e] - “connecting strap . . . attached” to first and second L-shaped gasket sections “to limit spatial separation therebetween,”

As explained above, Petitioner maps Pilz I’s teachings regarding strap 116 to the “connecting strap” in element 6e. *See* Pet. 41–44 (citing Ex. 1003 ¶¶ 87–88; Ex. 1004 ¶¶ 58–59).

According to Patent Owner, this showing is deficient because both Petitioner and Mr. Puchovsky “make[] the conclusory leap that because both gaskets and the strap are connected to the ceiling track (1) the strap is attached to the gaskets and (2) because the strap connects the gaskets it limits spatial separation between the gaskets.” Prelim. Resp. 22; *see also* Prelim. Sur-reply 6–7 (same).

In reply, Petitioner defends the showing in the Petition, urging that Mr. Puchovsky’s testimony is sufficiently supported by the teachings in paragraphs 58 and 59 of Pilz I and Petitioner’s annotated excerpt of Figure 10A. Prelim. Reply 7 (citing Ex. 1003 ¶ 87; Ex. 1004 ¶¶ 58–59).

While this issue presents a closer call, Petitioner has met its burden on the current record. Mr. Puchovsky’s testimony that strap 116 is attached to

the L-shaped sections of gasket 120 is currently un rebutted and sufficiently premised on Pilz I’s teachings that: (1) both the strap and gaskets can be attached to the alleged ceiling track; and (2) when the ceiling track is placed against strap 116, the gasket forms a seal. *See* Ex. 1004 ¶¶ 58–59. In other words, Petitioner appears to posit that a POSITA would understand that strap 116 is attached to the two L-shaped sections of gasket 120 by virtue of their common attachment and close proximity to the ceiling track. Such reasoning is sufficient at this stage of the proceeding and notably Patent Owner provides no persuasive rebuttal evidence on the current record. This issue will benefit from further development at trial.

So too, Mr. Puchovsky’s testimony that, when attached as shown in Figure 10A, strap 116 will limit the spatial separation of the two L-shaped sections of gasket 120 is sufficient on the current record. Ex. 1003 ¶ 88. Contrary to Patent Owner’s assertions, the fact that Petitioner and Mr. Puchovsky apply a broad understanding of element 6e, i.e., that essentially “any strap that connects two objects will limit spatial separation between those two objects,” does not mean their position is conclusory. *See* Pet. 43–44; Ex. 1003 ¶ 88.⁹ Moreover, the Petition sufficiently explains Petitioner’s expansive view of the claim language, noting that claim 6 “does not limit when the strap must be positioned and attached to the L-shaped gaskets” and

⁹ The extent to which Petitioner and Mr. Puchovsky rely on Morgan and Pilz II for element 6[e] is less clear. *See* Pet. 44–46, 64–66; Ex. 1003 ¶¶ 89–91, 126–128. While the Petition identifies certain structures in Morgan and Pilz II as a “connecting strap,” it does not explain how a POSITA would combine those teachings with Pilz I. *Id.* Moreover, Mr. Puchovsky testifies that the structures in Morgan and Pilz II “do not exactly meet the ‘connecting strap’ limitation as recited in claim 6 of the ’232 patent.” Ex. 1003 ¶¶ 91, 128.

“does not require the connecting strap to be the *only* component that may limit spatial separation between the L-shaped gasket sections.” Pet. 42–43 n.13, 44 n. 14. Thus, in Petitioner’s view, the fact that other objects in Figure 10A (e.g., adhesive or the ceiling track itself) also limit the recited spatial separation is of no moment. *See id.* Petitioner’s broad understanding of this limitation is not specifically disputed in the Preliminary Response and reasonable on the current record. Again, to the extent Patent Owner has a different view, this issue will benefit from further development at trial

iii. Conclusion for Ground 1A

For these reasons and based on the current record, Petitioner has established a reasonable likelihood it will prevail in demonstrating that claim 6 is unpatentable for the reasons set forth in Ground 1A.

Petitioner’s showing for dependent claims 7–12 is also sufficient for institution. The Petition presents evidence and argument to support Petitioner’s assertion that the cited references teach or suggest the additional limitations recited in each of these claims. Pet. 46–48 (addressing additional limitations in claims 7–12). At this stage, Patent Owner does not make any arguments against Petitioner’s showing for these claims beyond its arguments for claim 6, which are unavailing for the reasons explained above.

F. Petitioners’ Ground 1B

In Ground 1B, Petitioner separately contends claims 6–12 would have been obvious over the same references, but based on a different Pilz I embodiment. *See* Pet. 48– 69. That is, Ground 1B is premised on the embodiment depicted in Figure 8 of Pilz I, but where intumescent material 74 has been extended down a portion of both of the vertical sides of wall component 72 based on Pilz I’s teaching that “in some embodiments the

intumescent material may extend down one or both sides of the wall component 72.” Ex. 1004 ¶ 54. To illustrate this position, Petitioner provides annotated versions of Figure 8 of Pilz I, including the one reproduced below. Pet. 49–51.

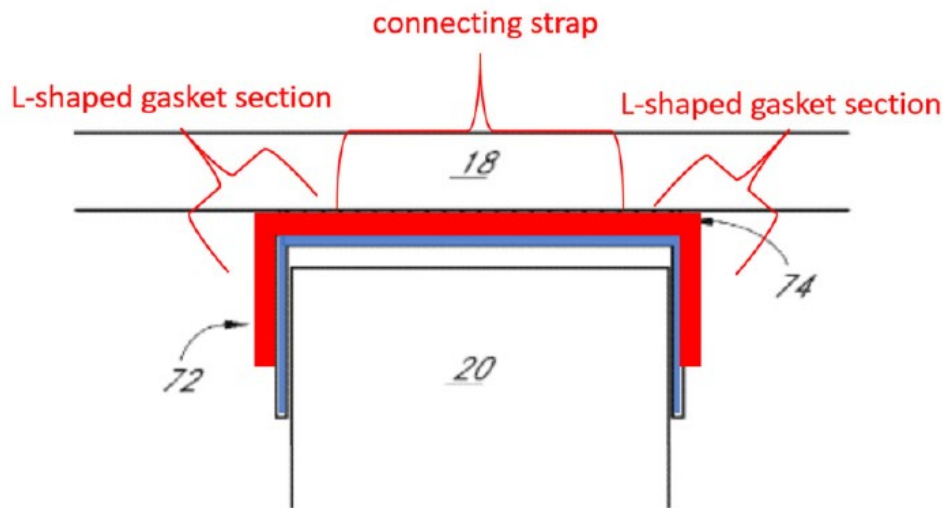


FIG. 8

In Petitioner’s annotated version of Figure 8 above, intumescent material 74 (marked in red) extends over the horizontal top and part of the way down both vertical sides of wall component 72 (i.e., the alleged ceiling track) forming a downward facing C-shape. *Id.* Petitioner labels the two corner portions of intumescent material 74 an “L-shaped gasket section” and the horizontal portion between them a “connecting strap.” *Id.* Petitioner maps these features of intumescent material 74 to the corresponding limitations in claim 6. *See id.* at 52–66.

Similar to the combination in Ground 1A, Petitioner relies on Morgan to assert that it would have been obvious to include an adhesive layer (e.g., double-sided tape) between the ceiling track and the horizontal upper panel

of the two identified L-shaped gasket sections as recited in elements 6[c] and 6[d]. *Id.* at 51, 61–62. For element 6[e], Petitioner contends the portion of intumescent material 74 identified as a “connecting strap” is attached to and limits the spatial separation between the portions identified as the L-shaped gasket sections because it “is part of the same integrated piece of intumescent material.” *Id.* at 62–64 (citing Ex. 1003 ¶¶ 124–124).

We find Petitioner’s showing sufficient to establish a reasonable likelihood that it will prevail in demonstrating that claim 6 would have been obvious over the combination in Ground 1B. Implicit to Petitioner’s Ground 1B is an interpretation that the first and second “L-shaped gasket section[s]” and “connecting strap” of claim 6 may be portions of and integral to the same overall structure, e.g., the C-shaped intumescent material 74 in Petitioner’s annotated version of Figure 8 above. That interpretation is undisputed on the current record. Indeed, Petitioner asserts that Patent Owner has applied a similar interpretation, including in its contentions in the Delaware litigation. *See* Pet. 57–58 (citing Ex. 1010, 1; Ex. 1013, 20; Ex. 1016).

Nevertheless, Patent Owner suggests that Mr. Puchovsky’s testimony, and by extension Petitioner’s arguments in Ground 1B, are simply too “conclusory” to show a reasonable likelihood of success. *See* Prelim. Resp. 23–26. We disagree. Petitioner has sufficiently identified the prior art disclosures that it maps to each of the elements recited in claim 6. *See* Pet. 52–66. Petitioner’s mapping is reasonable and supported by Mr. Puchovsky’s testimony, which is currently un rebutted. Indeed, at this stage, Patent Owner has not presented any substantive reason why it contends the

mapping of the prior art teachings in Ground 1B to the challenged claims is incorrect.

For these reasons and based on the current record, Petitioner has established a reasonable likelihood it will prevail in demonstrating that claim 6 is unpatentable for the reasons set forth in Ground 1B.

Petitioner's showing for dependent claims 7–12 is also sufficient for institution. The Petition presents evidence and argument to support Petitioner's assertion that the cited references teach or suggest the additional limitations recited in each of these claims. Pet. 66–69 (addressing additional limitations in claims 7–12). At this stage, Patent Owner does not make any arguments against Petitioner's showing for these claims beyond its arguments for claim 6, which are unavailing for the reasons explained above.

V. CONCLUSION

Based on the current record, we determine Petitioner has shown a reasonable likelihood that it will prevail in establishing that at least one claim of the '232 patent is unpatentable. Accordingly, we institute review of all claims challenged on all of the grounds in the Petition. *See* Consolidated Trial Practice Guide (Nov. 2019), 64, available at <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>.

At this stage of the proceeding, the Board has not made a final determination as to the patentability of any challenged claim. Our view with regard to any finding or conclusion reached in the foregoing analysis could change upon completion of the record.

VI. ORDER

Accordingly, it is:

ORDERED that pursuant to 35 U.S.C. § 314, an *inter partes* review is hereby instituted as to claims 6–12 of the '232 patent based on the unpatentability challenges presented in the Petition; and

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial commencing on the entry date of this decision.

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