

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

**DBR FINANCE, INC.,
Petitioner,**

v.

**RUGGED CROSS HUNTING BLINDS, LLC,
Patent Owner**

**Case IPR 2024-00291
Patent 11,399,535
Issue Date: August 2, 2022**

Title: CAMOUFLAGE MATERIAL, FOR A HUNTING BLIND

**PATENT OWNER, RUGGED CROSS HUNTING BLINDS, LLC'S SUR
REPLY TO PRELIMINARY RESPONSE TO PETITION FOR *INTER*
PARTES REVIEW OF U.S. PATENT NO. 11,399,535**

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Since the Patent Owner's Preliminary Response (POPR) was filed, the Ohio district court stayed the DBR Litigation pending resolution of the FeraDyne Litigation in Wisconsin, finding those respective cases are highly similar. Ex. 1013 at 4. Furthermore, an arbitration between Petitioner DBR, FeraDyne, and Tru-View concluded with a finding that Tru-View has an obligation to defend and indemnify both DBR and FeraDyne with respect to RCHB's claim of infringement. Petitioner's Reply at 6. FeraDyne also submitted their invalidity contentions in the FeraDyne Litigation on March 20, 2024. These new events support Patent Owner's position that the Board should exercise its discretion to deny institution of the Petition.

Factor 1: Petitioner is correct that the Wisconsin District Court left open the possibility for FeraDyne to renew its motion for a stay. However, such language does not *de facto* "weigh[] against denial" and merely "suggests the district court **may** be willing to avoid duplicative efforts...before proceeding with the parallel litigation." See Petitioner's Reply at 3; *Apple Inc. v. Fintiv, Inc.* IPR2020-00019, paper 11, at 7 (emphasis added). In considering how much weight to give to the district court's willingness to reconsider a stay, the Board should also consider the "proximity of the court's trial date and investment of time." *Id.*; See also *DMF, Inc. v. AMP Plus, Inc.*, Case No. 2-18-cv-07090 (Dec. 13, 2019). By the time the Board decides whether to institute, in June, claim terms and proposed claim constructions will have been exchanged and briefed, and at least Patent Owner's expert(s) will

have been disclosed. *See* Ex. 2023. This factor weighs against institution of the Petition.

Factor 2: Petitioner writes off the trial date of the FeraDyne Litigation as “not relevant” despite also pointing out the DBR Litigation is now stayed *pending resolution of the FeraDyne Litigation*. Ex. 1013 at 7. Petitioner also minimizes the fact that the trial date in the FeraDyne Litigation is only **one** day after the asserted statutory deadline, despite the Board noting that a trial date set “at or around the same time as the projected statutory deadline” may “implicate other factors discussed herein, such as the resources that have been invested in the parallel proceeding.” *Fintiv* at 9. Furthermore, Petitioner presents no evidence that the Wisconsin court will deviate from its scheduling order, relying instead on circular reasoning that the trial date may change based on institution of the IPR, where this factor looks at the trial date *in order to determine* whether to institute IPR. This factor also weighs against institution.

Factor 3: Petitioner misstates the third *Fintiv* factor, which is the “investment in the parallel proceedings by the court **and the parties.**” *Fintiv* at 9 (emphasis added). The Board should consider not just the progression of the DBR Litigation, but also the FeraDyne Litigation, which is ongoing and has a set trial date, and the substantial resources that have been invested in both cases by both the judiciary and the parties therein. *See* POPR at 27-29. Petitioner does not explain its delay in filing the Petition,

where Petitioner was on notice of Patent Owner's claims of infringement against it since at least August 25, 2022, and where Petitioner had knowingly entered into an Asset Purchase Agreement with FeraDyne containing indemnification provisions and disclosing potential litigation. *Id.* at 17. This factor weighs against institution.

Factor 4: Here, Petitioner suggests that its invalidity contentions in the DBR Litigation will somehow be different from the grounds it raised, or which it reasonably could have raised, in its Petition, in contradiction to its obligation to abide by the statutory estoppel provided under 35 U.S.C. § 315(e). Similarly, in the FeraDyne Litigation, FeraDyne agreed to only be estopped from litigating the validity issues raised in DBR's Petition itself¹. In fact, FeraDyne's recently disclosed invalidity contentions include over two thousand pages of invalidity analyses and multiple alleged prior art patents, published applications, publications, and prior art devices and systems not cited in the Petition. Petitioner's lack of a stipulation and FeraDyne's intent to proceed on grounds that reasonably could have been raised in this Petition circumvent estoppel to get multiple bites at the invalidity apple, which is antithetical to addressing duplicative efforts and adhering to the purpose of IPR. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential). Thus, this factor weighs against institution.

¹ *Rugged Cross Hunting Blinds, LLC v. FeraDyne Outdoors, LLC*, Case No: 3:22-cv-00690-jdp, W.D. Wis., Dkt. 56 at 8.

Factor 5: Petitioner agrees that when **the issues are the same or substantially similar to those in the parallel proceeding**, the fact that petitioner is not the defendant in the parallel proceeding may not weigh against denial. Petitioner’s Reply at 5. The Ohio district court has acknowledged on multiple occasions that the issues in both the DBR and FeraDyne Litigation are highly similar and has also now stayed its case in favor of the FeraDyne Litigation due to those similarities. Ex. 1013 at 4 (“the two cases are ‘materially on all fours’ and the resolution of one necessarily would leave ‘little or nothing to be determined’ in the other.”); Ex. 2025 at 1 (“Here, this case and the litigation in the Western District of Wisconsin are substantially similar in terms of issues relating to patent validity and allegations of direct infringement.”). This factor therefore weighs against institution.

Lack of Compelling Merits: Petitioner misleads the Board by asserting that failing to address the merits of the Petition means that compelling merits exist. Given that the Office already considered the same or substantially the same prior art during prosecution, Petitioner does not present evidence warranting institution sufficient to meet the higher “compelling merits” standard, which is higher than the standard for institution set by statute. Ex. 1012 at 4-5. With the *Fintiv* analysis weighing against institution, and no compelling merits shown, the Board should exercise its discretion to deny institution of the Petition.

35 U. S. C. § 325(d) Considerations: The Petitioner argues that its key references were not considered during prosecution. However, the Board in *Advanced Bionics* explained that Section 325(d) includes prior art presented to the Office by the applicant, such as on an IDS. *Advanced Bionics, LLC v. Med-el Electromedizinische Gerate GmbH*, IPR2019-01469, Paper No. 6 at 9 (Feb. 13, 2020). To that end, the Patent Owner cited Strength in an IDS and the Examiner marked the IDS confirming that Strength had been considered. Petitioner also states that the Office did not have the “benefit” of testimony of one skilled in the art. However, the Office rarely, if ever, has the benefit of expert testimony regarding determination of patentability. In any event, whether the Office did or did not have the benefit of expert opinions does not address whether the Office erred in a manner material to patentability of the challenged claims. Therefore, institution should be denied on this ground as well.

DATED this 5th day of April, 2024.

Respectfully submitted,
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via electronic mail to: Thomas G. Eschweiler, Esquire (teschweiler@epiplaw.com), Eschweiler & Potashnik, LLC, 195 S. Main St., Ste 400, Akron, OH 44308 this 5th day of April, 2024.

/s/ Robert L. Wolter
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