

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESLA, INC.,
Petitioner,

v.

GRAPHITE CHARGING COMPANY LLC,
Patent Owner.

Case No. IPR2024-00388

U.S. Patent No. 8,291,243

**PETITIONER'S MOTION TO STAY *EX PARTE*
REEXAMINATION NO. 90/019,303 UNDER 35 U.S.C. § 315(d)**

TABLE OF CONTENTS

I. INTRODUCTION1

II. PROCEDURAL HISTORY2

III. LEGAL STANDARD2

IV. THE BOARD’S FACTORS FAVOR STAYING THE EPR3

A. Factor 1: Overlapping Challenged Claims3

B. Factor 2: Grounds of Unpatentability or Prior Art5

C. Factor 3: Duplicative Efforts6

D. Factor 4: Inconsistent Results7

E. Factor 5: Amendments8

**F. Factors 6 & 7: Timelines, Stages and Statutory
Deadlines9**

G. Factor 8: Simplification10

V. CONCLUSION10

PETITIONER’S EXHIBIT LIST

<u>Exhibit</u>	<u>Description</u>
Ex-1001	U.S. Patent No. 8,291,243 (“’243 Patent”)
Ex-1002	Prosecution History of the ’243 Patent
Ex-1003	Declaration of Expert, Dr. C. Arthur MacCarley, Ph.D., P.E.
Ex-1004	Curriculum Vitae of Dr. C. Arthur MacCarley, Ph.D., P.E.
Ex-1005	PCT Patent App. Pub. No. 2006/096854 to Wang <i>et al.</i> (“Wang”)
Ex-1006	Archived Copies of Published Data from the Alberta Electric Supply Operator (“AESO Report”)
Ex-1007	U.S. Patent No. 9,052,904 to Cooley <i>et al.</i> (“Cooley”)
Ex-1008	Order on Reexamination for Control No. 90/019,303
Ex-1009	Federal Court Management Statistics – Profiles (Sept. 30, 2023)
Ex-1010	District Court Complaint (Aug. 4, 2023)
Ex-1011	Motion for Extensions of Time (Jan. 26, 2024)
Ex-1012	Alberta Electrical Supply System Study (Oct. 2004)
Ex-1013	Alberta Electric Supply Operator – Help Page (Mar. 2007)
Ex-1014	RSS Article (Sept. 13, 2006)
Ex-1015	History of Power Article (Oct. 1, 2022)
Ex-1016	U.S. Patent No. 5,673,497 to St. Louis (“St. Louis”)

Ex-1017	Alliance Laundry Systems – Home Laundry Dryers Service Manual (Apr. 2002) (“Service Manual”)
Ex-1018	Internet Archive Affidavit (Feb. 7, 2024)
Ex-1019	<i>Ex Parte</i> Reexamination Order (Dec. 12, 2023)
Ex-1020	Office Action Response (July 11, 2024)
Ex-1021	Final Office Action (Aug. 21, 2024)
Ex-1022	Notice of Existence of Concurrent Decision Relating to U.S. Patent No. 8,291,243 (Sept. 6, 2024)
Ex-1023	Office Action Appendices including Proposed Interview Agenda and Claim Amendments
Ex-1024	Response to Final Office Action (Sept. 11, 2024)

I. INTRODUCTION

As authorized by the Board on September 3, 2024, Petitioner Tesla, Inc. (“Petitioner”) hereby moves under 35 U.S.C. § 315(d) and 37 C.F.R. § 42.122(a) to stay *Ex Parte* Reexamination No. 90/019,303 of U.S. Patent No. 8,291,243 (“EPR” and “’243 Patent,” respectively). Paper 17, at 3.

All original claims challenged in the EPR are at issue here. Although Patent Owner has proposed new and amended claims in the EPR, those largely reword or reassemble elements from the original claims at issue here. The overlap invites duplicative efforts within the Office, as well as inconsistent results—the very outcome that stays, like the one requested here, are designed to prevent.

Worse still, Patent Owner’s actions thus far in the EPR suggest it will continue its *ex parte* game of claim-amendment whack-a-mole in the EPR, thereby further exacerbating duplicative Office efforts and prejudicing Petitioner. Indeed, just today, Patent Owner submitted another set of amended and new claims. If, how, or when those proposals will be resolved is unknown. Unlike the statutory deadline for the IPR’s resolution, the timeline for the EPR’s resolution is not certain.

The IPR—and the associated estoppel effects of a final written decision—would resolve overlapping issues and eliminate the wasteful inefficiencies. As such, and for the reasons provided below, Petitioner requests a stay of the EPR at least until a final written decision here.

II. PROCEDURAL HISTORY

On November 21, 2023, third-party Unified Patents requested EPR of the '243 Patent. Ex-2009. The EPR Request challenged claims 1, 3-6, 9-11, 15, 16, 18, and 19, Ex-2009 at 22, and the Patent Office ordered the EPR, Ex-1019. Since then, the Office has rejected the challenged claims, Ex-2004 at 3-13, and Patent Owner proposed amended and new claims, Ex-1020. Some claims were again rejected. Ex-1021 at 6-7. Patent Owner responded today by again proposing amended and new claims. Ex-1024. The timeline for resolution of the EPR is unknown.

On February 14, 2024, Petitioner filed its IPR petition, challenging claims 1-20, Paper 2, thereby including all original claims from the EPR (which includes a subset of the original claims). The IPR petition discussed the EPR and identified it as a related matter. Paper 1 at 1 and 8-9. On July 19, 2024, before institution, Petitioner requested authorization to move for a stay of the EPR, which the Board denied without prejudice. Ex-3001. On August 27, 2024, the Board instituted this IPR, Paper 15, and Petitioner renewed its request for authorization to file a motion to stay on the same day, *see* Paper 7 at 1. The Board authorized the present motion on September 3, 2024, Paper 17. The statutory deadline for a final decision in the IPR is August 27, 2025.

III. LEGAL STANDARD

When another matter involving the same patent is pending before the USPTO,

the Board may “stay, transfer, consolidat[e], or terminat[e] ... any such matter or proceeding.” 35 U.S.C. § 315(d). A stay is proper where good cause exists. 37 C.F.R. § 42.122(a); *see* 37 C.F.R. § 42.3(a); Notice Regarding Options for Amendments by Patent Owner Through Reissue or Reexamination During a Pending AIA Trial Proceeding, 84 Fed. Reg. 16654, 16,656 (Apr. 22, 2019) (“Notice”).

In determining whether to stay an EPR, the Board considers: (1) whether the same claims challenged in the IPR are the same as or depend directly or indirectly from claims at issue in the reexamination; (2) whether the same grounds of unpatentability or the same prior art are at issue in both proceedings; (3) whether simultaneous conduct of the proceedings will duplicate efforts within the Office; (4) whether the reexamination could result in inconsistent results with the IPR; (5) whether amending the claim scope in one proceeding would affect the claim scope in the other proceeding; (6) the respective timelines and stages of the proceedings; (7) the statutory deadlines of the proceedings; and (8) whether a decision in the IPR would likely simplify issues presented in the reexamination or render it moot. Notice at 16,656-57; *see also* Paper 17 at 2-3.

IV. THE BOARD’S FACTORS FAVOR STAYING THE EPR

The EPR should be stayed until a final written decision is entered in this IPR.

A. Factor 1: Overlapping Challenged Claims

The instituted IPR covers all claims of the ’243 Patent, including those subject

to EPR (*i.e.*, claims 1, 3-6, 9-11, 15, 16, 18, and 19). Patent Owner agrees: “[I]t is undisputed that Petitioner challenged all of the claims challenged in [the EPR].” Paper 13 at 1. With the same claims at issue, this factor heavily favors a stay.

As the Notice and the Board have acknowledged, “[g]ood cause for staying a case may exist if, for example, an ongoing [IPR] proceeding, which is subject to statutory deadlines, is addressing the same or overlapping claims of a patent at issue in [the reexamination].” Paper 17 at 2 (quoting Notice at 16,656). That good cause exists here, so a stay of the EPR is warranted.

Even if the Board were to consider the EPR’s proposed amended and new claims in the stay determination¹ (which is not required by the Notice), overlap remains. Significantly, the amended and new claims incorporate subject matter covered by dependent claims that are **not** at issue in the EPR but **are** subject to this IPR. For example, Patent Owner proposes to amend independent claim 1 to recite that the analyzing step “comprises inputting the operating environmental condition data into **a weighting function**.” Ex-1024 at 3. Yet, dependent claim 8 (not at issue in the EPR, but at issue here) recites, *inter alia*, “applying **a weighted function**

¹ The Board has the authority to “vacate or hold in abeyance any non-Board action directed to a proceeding while an application or patent is under the jurisdiction of the Board unless the action was authorized by the Board.” 37 C.F.R. § 42.7. Because the actions were not authorized by the Board, it has authority to vacate or hold in abeyance the actions of the Central Reexamination Unit that allowed entry of any amendments while the ’243 Patent has been under the Board’s jurisdiction.

comprising a linear combination of values obtained from a plurality of different feeds, each of the different feeds having a weight.” Ex-1001, claim 8. Thus, Patent Owner seeks to amend claim 1 to incorporate subject matter from a claim that was not directly at issue in the EPR (claim 8) but is at issue in the IPR.

Similar overlap exists as to many of the EPR’s other proposed independent and dependent claims. *Compare* Ex-1001 at claims 1, 6, 8, 10, *with* Ex-1024 at 1, 23, 24, 26, 27, 29, 32, 34, 36, 41, 45, 46, 48, 50. While certain of these proposed claims re-word or re-assemble previously recited elements, the subject matter continues to overlap significantly with the claims challenged here.

Whether considering the overlapping original claims alone or the overlap created by proposed amendments in the EPR too, this factor heavily favors a stay.

B. Factor 2: Grounds of Unpatentability or Prior Art

The EPR uses different prior art than the IPR. *See, e.g.*, Paper 2 at 8. The prior art at issue here addresses all original claims, including elements that Patent Owner seeks to incorporate via amendments proposed in the EPR. This factor is neutral at minimum, and the other factors weigh in favor of a stay. *Google v. EcoFactor*, IPR2021-00054, Paper 12 at 3-4, 6 (stay despite “no overlap” in art).

Moreover, on September 6, 2024 (just a few days ago), the Patent Owner provided a notice of concurrent proceedings in the EPR, including a copy of the Institution Decision from this IPR. Ex-1022. There is no indication that the

Examiner has considered the Board's opinions concerning the different prior art at issue here. With that in doubt, the Board should decline to speculate as to how the Examiner might utilize this highly relevant and brand-new information in the EPR. Indeed, staying the EPR will ensure that the grounds presented here (which show a reasonable likelihood of unpatentability) are fully considered.

C. Factor 3: Duplicative Efforts

As described for Factor 1, the IPR and EPR include overlapping claims, which necessitates a duplication of efforts by different branches of the Office. As to the new and amended claims in the EPR, even if those are considered, the Office will be reviewing overlapping subject matter claims in parallel proceedings—a necessarily duplicative undertaking. *Ravgen*, Paper 24 at 7; *Google*, IPR2021-00054, Paper 12 at 4 (staying reexam to prevent duplicating efforts despite “no overlap” in prior art).

The duplication of efforts also prejudices Petitioner. In particular, Petitioner now has a vested interest in a final determination in this IPR as to the original claims. According to the Administrative Procedure Act and basic due-process considerations, this means Petitioner should have notice and an opportunity to be heard as to the original claims. Yet, with the EPR proceeding simultaneously, Patent Owner has engaged and will likely continue to engage in amendment gamesmanship on an *ex parte* basis.

What is more, Patent Owner is capable of pursuing amended claims in this

IPR if it can satisfy the pertinent standards. 35 U.S.C. § 316(d); 37 C.F.R. § 42.121.

With Patent Owner pursuing claims directed to overlapping subject matter in an EPR, and with the Office lacking the benefit of the more fully developed record in this IPR, the risk of duplicative efforts is heightened, and the prejudice to Petitioner is amplified. A stay avoids this.

D. Factor 4: Inconsistent Results

Permitting the EPR to proceed—particularly as to proposed new and amended claims on an *ex parte* basis—while this IPR also proceeds is highly likely to lead to inconsistent results. With the two proceedings advancing in parallel, the Board may reach contrasting positions at different stages of the proceedings in connection with interpretation of claim scope, the prior art, or other issues. *Canon, Inc. v. Hidehiko Nakajima*, PGR2018-00090, Paper 16 at 4-5 (PTAB Nov. 6, 2019) (“overlapping language of reissue claim 1 and claim 1 of the ’625 patent” meant “conducting examination of the ’023 reissue application concurrently with this proceeding...could potentially result in inconsistencies...”). And, if the Office considered the prior art at issue in this proceeding in the EPR (which it can—and should—do given that it now has the institution decision awaiting consideration), the risk of inconsistent results would increase.

Moreover, because the proposed claims largely consist of variations of claim elements taken from the original claims that Patent Owner has re-arranged and re-

worded, the unpatentability determination here may have an estoppel effect. *Finjan LLC v. SonicWall, Inc.*, 84 F.4th 963, 969 (Fed. Cir. 2023) (“[C]ollateral estoppel applies where the ‘issues of patentability’ are identical, i.e., where ‘the differences between the unadjudicated patent claims and adjudicated patent claims do not materially alter the question of invalidity.’”); *Nestle USA, Inc. v. Steuben Foods, Inc.*, 884 F.3d 1350, 1352 (Fed. Cir. 2018). Yet, depending on the timing of any reexam certificate, the scope and nature of the estoppel could result in the parties pitting inconsistent Office determinations against each other. This too favors a stay.

E. Factor 5: Amendments

Patent Owner has indicated it will continue to propose amendments in the EPR absent a stay, thereby continuing to change the scope of the challenged claims. *See, e.g., CBS Interactive v. Helferich Patent Licensing*, IPR2013-00033, Paper 15 at 2 (Nov. 6, 2012). Indeed, *today*, Patent Owner responded to an Office Action in the EPR with proposed amended and new claims. Ex. 2024.

As noted above, Patent Owner could attempt to simultaneously amend claims in this proceeding. 35 U.S.C. § 316(d). A risk of variable claim amendments between the proceedings favors a stay without imposing prejudice on Patent Owner since it may attempt to pursue amendments in the IPR or may attempt to lift the stay

of the EPR after the IPR.²

Further, if Board finds the challenged claims unpatentable here, then Patent Owner would be unable to obtain any claim that is not “patentably distinct” from a finally refused or cancelled claim. 37 C.F.R. § 42.73(d)(3). Yet, if “any of Patent Owner’s amended claims in the reexamination are not patentably distinct from an existing claim..., Patent Owner potentially could obtain claims that may not be permitted otherwise.” *Ossia, Inc. v. Energous Corp.*, PGR2016-00023, Paper at 4 (PTAB Sept. 27, 2016). Staying the EPR eliminates that untenable result, while imposing no prejudice on Patent Owner given its ability to pursue amendments here or if it elects to try lifting any stay of the EPR after the IPR concludes.

F. Factors 6 & 7: Timelines, Stages and Statutory Deadlines

Factors 6 and 7 favor a stay. The statute requires a final written decision in this IPR within one year after institution. In contrast, the timing of the EPR is unknown and uncertain—particularly where Patent Owner—just *today*—acknowledged that there is no indication “whether the amendments” it just submitted will “overcome the Section 102/103 rejections,” Ex. 2024 at 18; *see also id.* at 24-25. And, as noted previously, the EPR has not yet considered the Board’s institution

² As noted above, permitting Patent Owner to proceed with the EPR and amendments therein after this proceeding has been instituted risks depriving Petitioner of its notice and opportunity to be heard in connection with patentability of the challenged claims. *See, e.g.*, 5 U.S.C. § 554.

decision. The EPR's timeline going forward is thus unknown and there are no deadlines for the EPR. 35 U.S.C. § 305; *Quest Diagnostics Inc. v. Ravgen, Inc.*, IPR2021-00791, Paper 25 at 9 (PTAB Dec. 15, 2021). Thus, these factors favor a stay. *Google*, IPR2021-00054, Paper 12 at 5.

G. Factor 8: Simplification

A decision in the instant IPR would simplify the EPR, particularly as to disputes concerning scope of the original claims, overlapping new claims, proposed amendments with overlapping subject matter, and estoppel implications.

V. CONCLUSION

Permitting the IPR and EPR to proceed at the same time is inconsistent with the Board's rules designed to "secure the just, speedy, and inexpensive resolution of every proceeding." 37 C.F.R. § 42.1(b); *see* 37 C.F.R. § 42.122(a). A stay mitigates issues of prejudice on petitioner, duplication of efforts by the Office, and the potential for inconsistent results—all while imposing no prejudice on Patent Owner. Good cause exists, and the Board should stay the EPR at least until a final written decision here.

Dated: September 11, 2024

Respectfully Submitted,

/ Alexander B. Stein /

Alexander B. Stein, Reg. No. 71,397

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e)(4), I certify that on September 11, 2024, I caused to be served via email a true and correct copy of PETITIONER’S MOTION TO STAY *EX PARTE* REEXAMINATION NO. 90/019,303 UNDER 35 U.S.C. § 315(d) on Patent Owner’s counsel of record:

Jason Shapiro
jshapiro@devlinlawfirm.com

Michael A. Siem
msiem@devlinlawfirm.com

Cedric C.Y. Tan
ctan@devlinlawfirm.com

Lynn Lehnert
llehnert@devlinlawfirm.com

Nadiia Loizides
nloizides@devlinlawfirm.com

Dated: September 11, 2024

Respectfully Submitted,

/ Alexander B. Stein /

Alexander B. Stein, Reg. No. 71,397