

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Dr. Squatch LLC

Petitioner

v.

The Procter & Gamble Company

Patent Owner

Case IPR2024-01104

U.S. Patent No. 11,540,999

PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW

TABLE OF CONTENTS

I.	BACKGROUND	1
II.	LEGAL STANDARD FOR DIRECTOR REVIEW	4
III.	ARGUMENT	5
	A. The FWD Clearly Erred By Using Extrinsic Evidence To Import The Wrong Test Into The '999 Patent Claims.	5
	B. The FWD Demonstrates Clear Legal Error And Abuse of Discretion By Failing To Comply With The Motivation To Combine Requirement	10
	C. Petitioner Failed To Properly Identify All Real Parties in Interest Under 37 CFR 42.8	14
IV.	CONCLUSION.....	15

** All emphasis added herein, unless otherwise indicated **

Pursuant to 37 C.F.R. § 42.75, Patent Owner The Procter & Gamble Company (“P&G”) respectfully requests Director Review of the Board’s Final Written Decision (Paper 35, “FWD”) determining all challenged claims of U.S. Patent No. 11,540,999 (“the ’999 Patent”) unpatentable. Specifically, P&G requests the Director: (1) vacate the FWD and reverse the Board’s finding as to unpatentability (or alternatively, remand to the Board for reconsideration of obviousness) because the FWD is based on a clearly erroneous interpretation of the claimed hardness limitation; (2) vacate and reverse the FWD for failing to articulate sufficient motivation to combine the references; and/or (3) vacate the FWD and dismiss the Petition due to Petitioner’s failure to properly identify all real parties in interest.

I. BACKGROUND

P&G is a U.S.-headquartered, world leader in the consumer products industry, manufacturing daily use products under iconic brands that include Tide, Pampers, Gillette, Crest, Dawn, Old Spice, and Secret. P&G invests heavily in formulation technology to provide everyday products of superior performance and value for consumers. To protect its innovations, P&G maintains thousands of active U.S. patents, many of which relate to unique and inventive combinations and formulations of generally known ingredients.

At issue here is one such patent, focused on improved natural, aluminum- and silicone-free deodorant sticks. At the time of the invention, natural deodorant sticks

tended to be either too hard and uncomfortable to apply as a result of being draggy across the skin, or too soft or greasy, leading to sticky residue or stained clothing. With the invention described and claimed in the '999 Patent, P&G developed new and improved aluminum-free (all claims), silicone-free (claims 5-6) deodorant stick formulations that provide desired skin feel, glide, and hardness, without irritation, that had eluded the prior art natural deodorant sticks. (*See* Paper 16 at 1, “POR.”) P&G has received numerous granted patents covering its natural deodorant formulation technology, in addition to the '999 Patent challenged in this proceeding.¹

The FWD finds the claimed invention unpatentable by glossing over the binding legal requirements set forth in the Supreme Court’s *Phillips* opinion for properly determining claim scope and *KSR* decision for proving obviousness. In so doing, the Board made several errors, resulting in conclusions unsupportable under the law. Here, P&G focuses on two legal errors and one procedural error that support vacating the FWD via Director Review.

First, the FWD erroneously imported an extrinsic stick hardness testing methodology into the claims over the methodology described in the '999 Patent

¹ P&G also received four other related patents challenged by Petitioner on substantially similar grounds in Case Nos. IPR2024-01105, IPR2024-01173, IPR2024-01174, and IPR2024-01498.

specification. All claims of the '999 Patent require “said stick having a hardness from about 80 mm*10 to about 140 mm*10, *as measured by penetration with ASTM D-1321 needle.*” (E.g., Ex. 1001 at cl. 1, “’999”.) In order to assess whether Petitioner’s relied-upon prior art, the Bianchi references, disclosed the claimed hardness range as Petitioner contended, the Board was required to determine the meaning of the claimed phrase “as measured by penetration with ASTM D-1321 needle.” The Board and Petitioner alike recognized that interpreting this phrase required determining which hardness testing methodology the claims are based on—*i.e.*, “measured by . . . needle” references a specific *test methodology* that uses the specified needle. (Paper 34 at 11:23-12:9, “Hearing Tr.”) But rather than interpreting this phrase by looking to the *modified* ASTM hardness test methodology described in the '999 Patent specification, as required by *Phillips*, the Board instead improperly adopted Petitioner’s expert’s opinion (*i.e.*, disfavored extrinsic evidence) that the claims incorporated the *standard* ASTM hardness testing methodology used in the Bianchi references. Only then could the Board use the hardness limitation in the Bianchi references to find the claims unpatentable. This error is dispositive as the obviousness finding cannot otherwise stand.

Second, the Board abused its discretion in finding that a POSA would have looked to the Bianchi references, both of which disclose non-natural aluminum- and silicone-based antiperspirant sticks, and combine their teachings with the very

different anhydrous, natural, aluminum-free and silicone-free sticks of Petitioner's primary references (Lesniak and Native), without articulating any reason or motivation to combine these references. Petitioner had no answer to P&G's expert testimony regarding the vast differences in stick technologies, and instead urged the Board to ignore it entirely in favor of its expert's *ipse dixit*. In so doing, the Board ran headlong into *KSR* and its progeny which exist precisely to safeguard against picking and choosing elements from the prior art using impermissible hindsight.

Third, Patent Owner submits that Petitioner has intentionally and improperly avoided its duty to identify the Real Parties in Interest under 37 C.F.R. § 42.8. For the reasons discussed herein, Patent Owner respectfully requests the Director vacate the FWD.

II. LEGAL STANDARD FOR DIRECTOR REVIEW

“Requests for Director Review of a Board’s final decision under 35 U.S.C. §§ 135, 318, or 328, decisions granting rehearing of such a decision, or any other decision concluding a proceeding brought under 35 U.S.C. §§ 135, 311, or 321, shall be limited to decisions presenting (a) an abuse of discretion, (b) important issues of law or policy, (c) erroneous findings of material fact, or (d) erroneous conclusions of law.” *See* Director Review Process at 2.B, Availability of Director Review: Proceedings under part 42 of 37 C.F.R. (last modified March 18, 2025). “An abuse of discretion is found if a decision: (1) is clearly unreasonable, arbitrary, or fanciful;

(2) is based on an erroneous conclusion of law; (3) rests on clearly erroneous fact finding; or (4) involves a record that contains no evidence on which the Board could rationally base its decision.” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016).

III. ARGUMENT

P&G respectfully submits that the FWD: (1) rests on clearly erroneous findings regarding the ’999 Patent’s disclosed hardness test, and (2) represents an erroneous conclusion of law and an abuse of discretion in finding a motivation to combine the Bianchi references with other prior art references with vastly (and undisputedly) different deodorant stick technologies.

A. The FWD Clearly Erred By Using Extrinsic Evidence To Import The Wrong Test Into The ’999 Patent Claims.

The Board improperly interpreted the ’999 Patent claims to incorporate the standard 100-g ASTM D-1321 / DIN 51 579 hardness test, which all parties agree is the test used by the Bianchi references for their numerical hardness ranges, rather than the non-standard 50-g test as described in the ’999 Patent specification. *See Phillips v. AWH Corp.*, 415 F.3d 1303, 1318 (Fed. Cir. 2005) (*en banc*) (holding that the patent and its specification are favored over extrinsic evidence in determining how to read claim terms).

Petitioner relied on the Bianchi references as allegedly disclosing the hardness limitation of the challenged claims. As noted above, each claim of the ’999 Patent

requires “said stick having a hardness from about 80 mm*10 to about 140 mm*10, *as measured by penetration with ASTM D-1321 needle.*” (E.g., ’999 at cl. 1.) To properly evaluate Petitioner’s argument that Bianchi discloses this limitation, the Board was required to interpret the claimed hardness range. The Board recognized that doing so necessitated looking beyond the claim language to the test methodology used to “measure[] by penetration with ASTM-D1321 needle.” Petitioner agreed. (Hearing Tr. at 11:23-12:9.)

In its POR, P&G explained that the ’999 claimed hardness range was not the same as in the Bianchi references, because the penetration testing methodology in the ’999 Patent uses a needle half the weight of the test method used in the Bianchi references, which impacts penetration distance and thereby, reported hardness values. In other words, while the nominal hardness values *appeared* to overlap, they do not, in fact, line up because the hardness test methodology used to arrive at the hardness values claimed in the ’999 Patent is meaningfully different from the standard test used in the Bianchi references to determine their disclosed hardness values. (POR at 39-42, 56-57; Sur-Reply at 2-7.)

Notwithstanding this clear intrinsic evidence of the ’999 Patent’s different test, the FWD incorrectly found that “the evidence of record fails to support Patent Owner’s position that the ’999 patent discloses a unique hardness test,” different from the standard ASTM / DIN test of the Bianchi references. (FWD at 25.) In

particular, the FWD concluded that the '999 Patent “fails to expressly disclose whether the test performed without the required 50-gram weight placed above the penetrometer needle, and its silence to that fact is insufficient to persuade us that a different test was ultimately intended or performed.”² (FWD at 26.) The '999 Patent’s specification explicitly contradicts the FWD’s erroneous conclusion.

The '999 Patent describes the needle penetration test used to assess hardness of its invention, which the patent explains is “based on”—*i.e.*, not the same as—“the American Society for Testing and Materials Methods D-5, D1321 and D217 and DIN 51 579.” ('999 at 11:46-47; POR at 41; Sur-Reply at 2-6.). It is undisputed that the ASTM D1321 and DIN 51 579 standards employ a total testing load of 100 grams. (*See, e.g.*, Paper 20 at 14, “Reply”; Ex. 2018 (ASTM standard); Ex. 2019 (DIN standard).) Deviating from these standard tests, the '999 Patent teaches the POSA to use a needle assembly where “the total weight of the shaft and needle is 50±0.2 grams when the shaft is in free fall.” ('999 at 12:24-25; POR at 41.) There is no dispute that the needle and shaft (also referred to as the “rod”), together, weigh just 50 grams. (*See* Reply at 14.) In providing instructions on how to perform the test, the '999 Patent explicitly states in its “Hardness Testing Method” section: “[t]he rod is then released and allowed to travel downward, *driven **only** by the weight*

² Petitioner’s belatedly introduced hardness testing data does not save its case (*see, e.g.*, Sur-Reply at 1-2, 8-15), and in any event the FWD did not rely on it.

of the needle (or cone) and the rod.” (POR at 13; Sur-Reply at 3-5; ’999 at 11:40-41, 11:57-58.). The patent twice calls for using “**only**” the needle and rod, *i.e.*, “**only**” 50 grams. (*Id.*). The patent nowhere mentions the use of the 100-gram total load required by the standard ASTM / DIN tests, or use of the standard ASTM / DIN tests unmodified.

Instead of relying on this intrinsic evidence to interpret the meaning of the hardness limitation, the FWD relies on the opinion of Petitioner’s expert, who stated for the first time *in a Reply declaration* that the ’999 Patent’s discussion of a 50-g weight needle assembly was solely for “calibration,” because the description of the 50-g needle assembly appears in the patent’s “[p]eriodic calibration” section. (FWD at 25-26.) This extrinsic expert opinion evidence is less probative than the intrinsic record under *Phillips*, and in any event, is wrong.

The 50-g needle assembly is not only used in the calibration section, but also, explicitly, in the prior section of the ’999 Patent discussing its “Hardness Test Method—Penetration Measurement for Deodorant Finished Products.” (POR at 13; Sur-Reply at 3-5; ’999 at 11:40-41.) There, by stating that the rod is driven “**only**” by the needle and rod (which indisputably weighs 50 grams), the ’999 Patent explicitly disavows the additional 50-g weight place above the needle that results in the total 100-g load used in the ASTM D-1321 and DIN 51 579 tests of the Bianchi references. It would also be non-sensical for the patent to describe calibration with

one needle assembly weight and then to require the use of a different needle assembly weight for testing without expressly discussing a change to the needle assembly to perform the testing. (*See* Sur-Reply at 5.) Indeed, the standard ASTM D-1321 test requires *adding* a 50-g weight to the 50-g needle assembly for a total load of 100 grams. (Ex. 2018 at 5-6 (“Place a 50-g weight above the penetrometer needle, making a total load of 100 ± 0.015 g for the needle and all attachments.”); POR at 40-41.) The ’999 Patent’s explicit description in the specification of the 50-g needle assembly *only*—no addition of the 50-g weight above the needle as in the ASTM D-1321 standard—and reference to the 50-g needle assembly *only* in the testing methodology section eviscerates the FWD’s conclusion that the ’999 Patent “fails to expressly disclose whether the test was performed with the required 50-g weight placed above the penetrometer needle” (FWD at 25.)

The hardness test described in the ’999 Patent is thus clearly and significantly different from the standard ASTM and DIN tests on which the Bianchi hardness values are based. As a result, the Petition fails to establish a *prima facie* case of obviousness between the Bianchi references’ hardness ranges and the ’999 Patent’s claimed range. The Board’s conclusion that “a POSA would have been motivated to formulate Lesniak’s deodorant stick to be within the claimed hardness range, *which overlaps with ranges known to be acceptable to consumers as disclosed in Bianchi ’518,*” (FWD at 25-27), is thus clearly erroneous under *Phillips* and must

not be permitted to stand. As such, P&G respectfully requests that the Director vacate and reverse the FWD.

B. The FWD Demonstrates Clear Legal Error And Abuse of Discretion By Failing To Comply With The Motivation To Combine Requirement

In addition to ignoring the intrinsic evidence and misinterpreting the hardness limitation, the Board also erred in failing to articulate any reason or motivation a POSA would have had to combine the hardness limitations of the Bianchi references with the very different types of sticks described in Petitioner's primary references, Lesniak and Native.

Unrebutted expert testimony of record shows that the stick technologies and natural-ingredient approaches of Petitioner's primary references (Lesniak and Native) are vastly different from its secondary references, like Bianchi-518 and Bianchi-254. (*E.g.*, POR at 11-15, 33-39, 55-59; Sur-Reply at 1-2, 20-25.) Lesniak and Native are anhydrous, natural compositions, while the Bianchi references are primarily silicone-based. (*Id.*; Ex. 2011 at ¶¶ 36, 38.) As is common knowledge, silicone can be used to reduce drag on human skin, and improve overall glide and skin-feel. Importantly, here, the Bianchi references disclose and claim compositions having upwards of 40-50% volatile silicones. (POR at 13-14, 38-39, 55.) Their hardness disclosures must be read in that light—they disclose a certain level of desired hardness *for their 50% silicone/aluminum stick formulations*. As P&G

argued to the Board, there is simply no reason that a POSA seeking to develop a natural aluminum- and silicone-free deodorant, would have been motivated to look to the aluminum- and silicon-laden Bianchi references for their hardness (or anything else). (POR at 38-39, 47-48, 55, 66-67.)

Neither Petitioner nor the Board was able to fill this legal void. The Petition did not explain why a POSA would have looked to the heavily aluminum- and silicone- Bianchi formulations to determine the appropriate hardness level for a natural deodorant free of these ingredients. (POR at 66.) And neither Petitioner nor the FWD ever addressed P&G's arguments as to the difference in stick technologies. Instead, the Board glossed over the motivation-to-combine requirement to find, in a conclusory fashion, that known ingredients from unnatural compositions could be substituted for known ingredients in natural ones. (FWD at 51.) This is inadequate under the law and would render any chemical formulation of known ingredients *prima facie* obvious.

“[T]he prior art 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). And the obviousness inquiry typically requires an analysis of “whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006) (requiring “articulated reasoning with some rational

underpinning to support the legal conclusion of obviousness’’)). Yet, here, the Board ignored much of the Bianchi references’ disclosures and did not provide any reason *why* the very different teachings of the Bianchi references, full of forbidden and hardness-impactful ingredients, would have been of interest to a POSA. There is no evidence from the prior art that a POSA would have made this combination, and the Board offers no genuine reason for doing so. Only by leapfrogging over this legal requirement did the Board reach its conclusion that a POSA would look to the silicone/aluminum-driven hardness of the non-natural Bianchi compositions to modify the natural compositions of Lesniak and Native and arrive at P&G’s aluminum-free, silicone-free deodorant stick inventions.

By failing to articulate reasoned motivation to combine with rational underpinning to support *prima facie* obviousness, the Board improperly shifted the burden to P&G to show why known elements in the prior art could not simply be combined because they were known. Indeed, the FWD takes for granted that a POSA would have aimed for the Bianchi references’ hardness simply because those ranges appear in the prior art as allegedly reflecting “consumer preferences” (FWD at 28), without any discussion of a need to modify the primary references in the first place, or without any discussion of how or why a POSA would have sought the same hardness in a natural versus non-natural deodorant stick with vastly different

ingredients that may contribute different properties to the stick and affect its hardness and stability. (POR at 46.)

This type of cursory, conclusory, hindsight-based analysis infects the other combinations in the FWD as well. For example, the FWD found that a POSA would have been motivated to incorporate magnesium hydroxide as an antimicrobial into Lesniak's *anhydrous* stick, based on Phinney, which discloses *water-dependent* sticks in order to achieve the antimicrobial properties of its zinc oxide/magnesium oxide mixtures (water is required to convert both *oxides* into their respective antimicrobial *hydroxides*). (See FWD at 22-23.) This combination not only disregards the very different stick technologies—anhydrous vs. water-based—that would dissuade a POSA from pursuing the Board's proposed mixing and matching, but also misrepresents Phinney's actual disclosure. Phinney teaches the combination of magnesium *hydroxide* with zinc ***hydroxide***, *i.e.*, magnesium oxide plus zinc oxide *plus water* to create magnesium hydroxide and zinc hydroxide. (POR at 33-35.). This is important because Lesniak contains *only zinc oxide*, and as an anhydrous stick, therefore does not have zinc hydroxide required for the Phinney antimicrobial mixture. There is no teaching—anywhere—of the zinc oxide plus magnesium hydroxide combination that would result from adding magnesium hydroxide to Lesniak, and, moreover, there is no reason for a POSA to incorporate Phinney's water-dependent magnesium hydroxide into Lesniak's anhydrous stick. The Board

thus accepted Petitioner's proposed combination despite Phinney's clear teachings and an utter lack of a POSA's motivation to combine different stick technologies. The Board's disregard of the factual and legal flaws of Petitioner's combinations is further evidence of its improper hindsight-based approach in view of *KSR/Kahn*.

The FWD clearly erred by failing to articulate a motivation to combine Lesniak and Native with secondary references like Bianchi-518 and Bianchi-254 (and Phinney). Since this error is dispositive, P&G respectfully requests that the Director vacate the FWD.

C. Petitioner Failed To Properly Identify All Real Parties in Interest Under 37 CFR 42.8

37 C.F.R. § 42.8(a)(3) requires a party to update its mandatory notices within 21 days of a "change of information" relating to the real parties-in-interest. Here, Petitioner was acquired by Unilever, a major publicly-traded global competitor of P&G, on September 2, 2025. After learning of this acquisition, P&G contacted Petitioner on October 20, 2025, to inquire whether its mandatory notices were accurate. On October 21st, Petitioner filed an updated mandatory notice which ambiguously stated that "[w]hile Dr Squatch, LLC remains the real party in interest, out of an abundance of caution, Dr. Squatch, LLC advises the Board that is [*sic*] now owned, indirectly, by Unilever PLC." (Paper 33 at 1.) At the October 22nd oral hearing, P&G explained to the Board that this filing did not resolve the real parties-in-interest question, raised concerns about estoppel, and asked for clarification.

(Hearing Tr. at 31:7-19.) The Board noted that it would take P&G's request under advisement. (*Id.*) The FWD did not address real parties-in-interest, and Petitioner has still not clarified all real parties-in-interest, which of course affects important issues such as estoppel and potential conflicts of interest. Petitioner's failure to identify all real parties-in-interest as required by 35 U.S.C. §312(a)(2), and within the deadline specified in 37 C.F.R. §42.8(a)(3), calls into question whether the Petition should be afforded a new filing date under *Corning Optical Communications RF, LLC v. PPC Broadband Inc.* (IPR2014-00440, Paper 68) as of Petitioner's October 21st disclosure, in which case the Petition is time-barred under 35 U.S.C. §315(b). In view of the above, P&G respectfully requests that the Director vacate the FWD and dismiss the Petition.

IV. CONCLUSION

For the reasons set forth above, P&G respectfully requests that the Director grant review, vacate the Board's Final Written Decision, and find all challenged claims not unpatentable.

Date: February 20, 2026

Respectfully submitted,

/David M. Maiorana/

David M. Maiorana
Reg. No. 41,449
JONES DAY
901 Lakeside Avenue
Cleveland, Ohio 44114
(216) 586-3939
dmaiorana@jonesday.com

Andrea W. Jeffries
(*Pro hac vice*)
JONES DAY
555 South Flower Street
Los Angeles, California 90071
(213) 489-3939
ajeffries@jonesday.com

Marlee R. Hartenstein
Reg. No. 77,851
JONES DAY
500 Grant Street, Suite 4500
Pittsburgh, PA 15219
(412) 391-3939
mhartenstein@jonesday.com

Jesse T. Wynn
Reg. No. 81,464
JONES DAY
901 Lakeside Avenue
Cleveland, Ohio 44114
(216) 586-3939
jwynn@jonesday.com

Attorneys for Patent Owner

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), I certify that I caused to be served on the counsel for Petitioner a true and correct copy of the foregoing by email on February 20, 2026, at the following address:

Justin J. Oliver
Sarah S. Brooks
VENABLE LLP
DrSquatch-IPRs@Venable.com

Date: February 20, 2026

/David M. Maiorana/

David M. Maiorana
Reg. No. 41,449
JONES DAY
901 Lakeside Avenue
Cleveland, Ohio 44114
(216) 586-3939
dmaiorana@jonesday.com