

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NXTGEN TOYS, LLC,
Petitioner,

v.

ZIPSTRING, LLC,
Patent Owner.

IPR2024-01213
Patent 11,674,774 B2

Before BENJAMIN D. M. WOOD, BARRY L. GROSSMAN, and
RICHARD H. MARSCHALL, *Administrative Patent Judges*.

MARSCHALL, *Administrative Patent Judge*.

PRELIMINARY GUIDANCE
PATENT OWNER'S MOTION TO AMEND
37 C.F.R. § 42.121(e)

I. INTRODUCTION

On February 24, 2025, we instituted trial as to claims 1–4, 12, and 15–17 of U.S. Patent No. 11,674,774 B2 (Ex. 1001, “the ’774 patent”). Paper 6. After institution, Patent Owner filed a Motion to Amend (“Motion” or “Mot.”) that is contingent on the patentability of claims 1–4, 12, and 15–17. Paper 10.¹ Petitioner filed an opposition (“Opp.”) to the Motion.² Paper 14.

In the Motion, Patent Owner requested that we provide preliminary guidance concerning the Motion in accordance with 37 C.F.R. § 42.121(a)(1)(ii). Mot. 3; *see* 37 C.F.R. § 42.121(e)(1); *see also Rules Governing Motion to Amend Practice and Procedures in Trial Proceedings under the America Invents Act before the Patent Trial and Appeal Board*, 89 Fed. Reg. 76,421 (Sept. 18, 2024) (“Final Rule”). We have considered Patent Owner’s Motion and Petitioner’s Opposition.

In this Preliminary Guidance, we provide information indicating our initial, preliminary, non-binding views on whether Patent Owner has shown a reasonable likelihood that it has satisfied the statutory and regulatory requirements associated with filing a motion to amend in an *inter partes* review and whether Petitioner establishes a reasonable likelihood that the substitute claims are unpatentable. 37 C.F.R. § 42.121(e)(1), (2); *see also* 35 U.S.C. § 316(d) (statutory requirements for a motion to amend); 37 C.F.R. § 42.121(a)(2), (a)(3), (b) (regulatory requirements and burdens for a motion to amend); *Lectrosonics, Inc. v. Zaxcom, Inc.*, IPR2018-01129, Paper 15 (PTAB Feb. 25, 2019) (precedential) (providing

¹ Patent Owner filed a Motion to Amend (Paper 8) but then filed a corrected Motion to Amend (Paper 10) that indicated it was corrected to address clerical errors. We refer to the corrected version of the corrected Motion to Amend herein, unless stated otherwise.

² Petitioner does not oppose the Motion as to proposed substitute claim 27, which we address below. *See* Opp. 1 n.2.

information and guidance regarding motions to amend). The reasonable likelihood standard this Preliminary Guidance applies is different than the preponderance of the evidence standard applied when ultimately deciding the Motion. *Compare* 37 C.F.R. § 42.121(e)(1) *with* § 42.121(d). Finally, this preliminary guidance is not a “decision” for purposes of rehearing under 37 C.F.R. § 42.71(d). 37 C.F.R. § 42.121(e)(2).

For purposes of this Preliminary Guidance, we focus on the proposed substitute claims, and specifically on the amendments proposed in the Motion. *See* 37 C.F.R. § 42.121(e)(1); Final Rule, 89 Fed. Reg. at 76,425. We do not address the patentability of the originally challenged claims. *See id.* Moreover, in formulating our preliminary views on the Motion and Opposition, we have not considered the parties’ other substantive papers on the underlying merits of Petitioner’s challenges. We emphasize that the views expressed in this Preliminary Guidance are subject to change upon consideration of the complete record, including any revision to the Motion filed by Patent Owner. Thus, this Preliminary Guidance is not binding on the Board when rendering a final written decision or any other subsequent decision in this proceeding. 37 C.F.R. § 42.121(e)(2); *see Medytox, Inc. v. Galderma S.A.*, 71 F.4th 990, 1000 (Fed. Cir. 2023).

II. PRELIMINARY GUIDANCE

A. Statutory and Regulatory Requirements

Patent Owner bears the ultimate burden to show that its motion to amend complies with the requirements of 35 U.S.C. § 316(d)(1), (3) and 37 C.F.R. § 42.121(a)(2), (a)(3), (b)(1), and (b)(2). 37 C.F.R. § 42.121(d)(1). For the reasons discussed below, at this stage of the proceeding, and based on the current record, Patent Owner has shown a reasonable likelihood that it has satisfied the

statutory and regulatory requirements associated with filing a motion to amend. *See* 37 C.F.R. § 42.121(e)(1).

1. Reasonable Number of Substitute Claims

A motion to amend must propose a reasonable number of substitute claims. 35 U.S.C. § 316(d)(1)(B); 37 C.F.R. § 42.121(a)(3). Petitioner does not argue that Patent Owner fails to propose a reasonable number of substitute claims. *See generally* Opp. Patent Owner has shown it proposes a reasonable number of substitute claims by proposing substitute claims 21–28 for claims 1–4, 12, and 15–17. Mot. 2, 5.

2. Respond to Ground of Unpatentability

A motion to amend must respond to a ground of unpatentability involved in the proceeding. 37 C.F.R. § 42.121(a)(2)(i). Petitioner does not argue that the Motion fails to respond to a ground of unpatentability. *See generally* Opp. Patent Owner has responded to a ground of unpatentability involved in this proceeding. Mot. 11–14.

3. Scope of Amended Claims

A motion to amend may not enlarge the scope of the claims of the patent. 35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.121(a)(2)(ii). Petitioner does not argue that Motion enlarges the scope of the claims. *See generally* Opp.

Patent Owner’s Motion has not enlarged the scope of the claims of the patent. Mot. 6–7. We note that proposed substitute claim 24 includes new limitations and deleted limitations but the deleted limitations correspond to limitations added to proposed substitute claim 21, from which claim 24 depends.³

³ The Claims Appendix to the Motion lists proposed substitute claim 24 as depending from claim 1. Mot. Claims App’x. ii. We view this as a typographical error in view of Patent Owner stating that proposed substitute claim 24 depends

Mot. Claims App'x. i–ii. The remaining proposed amended claims add limitations to the claims, such that none of the proposed amendments enlarge the scope of the claims. *See id.* at i–iv.

4. *New Matter*

A motion to amend may not introduce new subject matter. 35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.121(a)(2)(ii). Petitioner does not argue that Motion introduces new matter. *See generally* Opp.

Based on our review of the current record, Patent Owner's Motion has not introduced new subject matter. Patent Owner has established by a reasonable likelihood on this record that the cited portions of the '774 patent's specification provide support for the newly added limitations for the proposed substitute claims. Mot. 7–10.

B. *Unpatentability Arguments by Petitioner*

Petitioner bears the ultimate burden to show that any proposed substitute claims are unpatentable. 37 C.F.R. § 42.121(d)(2). For the reasons discussed below, at this stage of the proceeding, and based on the current record,⁴ Petitioner has shown a reasonable likelihood that proposed substitute claims 21–26 and 28 are unpatentable. *See* 37 C.F.R. § 42.121(e)(1).

from proposed substitute claim 21 in other portions of the Motion and refers to a “loading slot” that appears in proposed substitute claim 21, but not original claim 1. *Id.* at i–ii; Mot. 8; Ex. 1001, 12:18–28. Therefore, we interpret proposed substitute claim 24 as depending from proposed substitute claim 21.

⁴ We express no view on the patentability of original claims 1–4, 12, and 15–17 in this Preliminary Guidance. Instead, we focus on limitations added to those claims in the Patent Owner's Motion to Amend.

1. Obviousness of Claims 21–26 and 28 over Wagner, Yeany, and Scorch

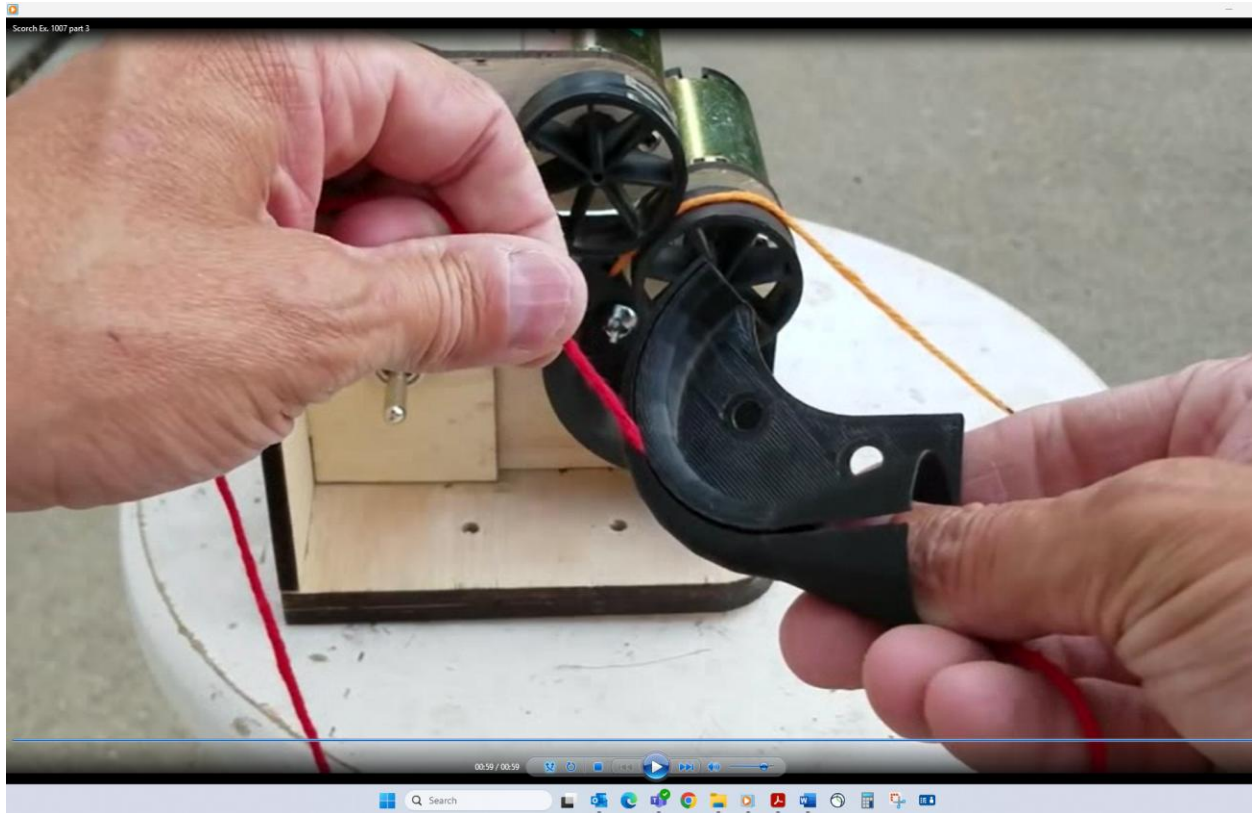
At this point in the proceeding, Petitioner has shown a reasonable likelihood that proposed substitute claims 21–26 and 28 would have been obvious in view of Wagner (Ex. 1008), Yeany (Ex. 1004), and Scorch (Ex. 1007).

Proposed Substitute Claim 21

Proposed substitute claim 21 recites “wherein the housing covers, at least partially, the pair of wheels, and wherein the housing defines a loading slot therein through which the string is loaded from between the pair of wheels.” Mot. Claims App’x. i. Petitioner notes that its arguments in opposition to proposed substitute claim 21 mirror those addressing original dependent claim 4 in grounds 3 and 4. Opp. 2 (citing Pet. 71–78, 83–87; Pet. Reply 16–24). Petitioner argues that Wagner’s rotatable cup 100 and cover 150 function as a housing that at least partially covers wheels 50 and 60. *Id.* (citing Pet. 83–85). Petitioner asserts that it would have been obvious to add a loading slot as taught by Scorch to Wagner’s housing. *Id.* at 2–7.

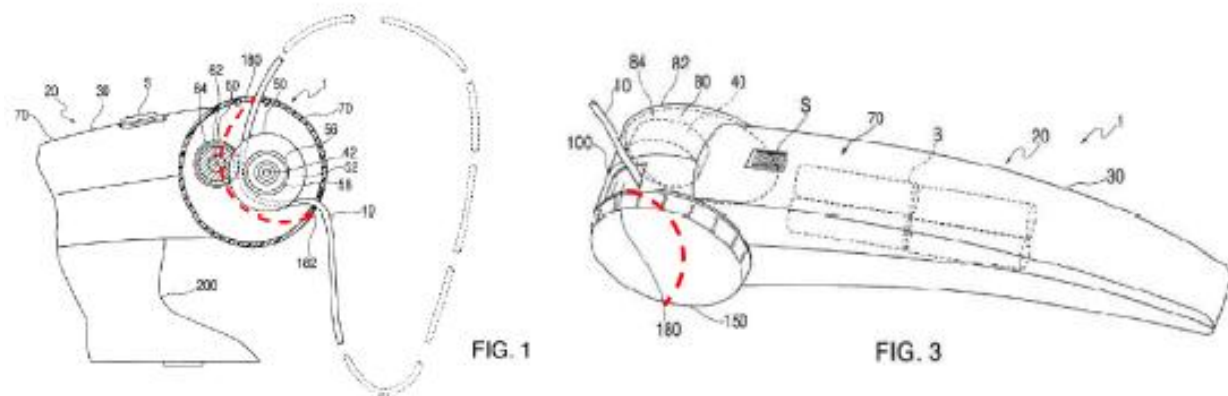
Petitioner contends that Scorch teaches “loading strings in ‘a slot in the side’ that allows one to ‘swap them [the strings] out really quick.’” Opp. 2 (citing Ex. 1007, 3:00⁵–3:53; Ex. 1002 ¶¶ 172–173). Scorch teaches a funnel piece with a slot in its side so a user may “swap” (i.e., load and unload) strings:

⁵ We note that Exhibit 1007 (Scorch) refers to a video that includes six segments or “Parts” in the docket entries and Exhibit 1004 (Yeany) similarly contains a video in three “Parts.” Petitioner refers to the overall length of the video in its citations, and for consistency we do the same here. However, in all future filings the parties should refer to the proper Part number in Exhibits 1004 and 1007 and the time shown on the video within the Part so that one reading the briefing can easily locate the proper video segment within the exhibits provided in the docket. The parties may continue to refer to the overall video length in the citations as well.



Ex. 1007, 3:20, 3:43–46.

Petitioner provides copies of Wagner's Figures 1 and 2 to demonstrate how Wagner's housing would be modified in view of Scorch's teachings:



Opp. 2–3 (citing Pet. 86; Ex. 1002 ¶ 175). Petitioner further cites reasons why one of ordinary skill in the art would have modified Wagner to use Scorch's slot and to use Yeany's string. *Id.* at 2 (citing Pet. 71–78, 83–87).

Patent Owner's Motion addresses aspects of Wagner and Scorch that Petitioner relies on in its Opposition. For example, Patent Owner argues that Wagner fails to "teach a housing that covers the pair of wheels" and that neither Wagner nor Yeany "teach a housing that includes a loading slot through which the string is loaded from between the pair of wheels." Mot. 13–14 (citing Ex. 2002). Although Patent Owner cites generally to Exhibit 2002 for support, that citation provides little guidance given that Exhibit 2002 includes the entirety of Dr. Janet's 99-page Declaration in support of Patent Owner's Response. *See* Ex. 2002. In addition, Dr. Janet's Declaration only addresses the original claims and does not appear to address any proposed substitute claims. *See id.* As a result, we will not sift through the lengthy declaration in an effort to decipher which portions addressing the original claims may be relevant to the proposed substitute claims. *See Parus Holdings, Inc. v. Google LLC*, 70 F.4th 1365, 1371–1372 (Fed. Cir. 2023).

Based on our view of the current record, Wagner supports Petitioner's position by teaching a rotatable cup 100 and cover 150 that together form a housing that covers Wagner's wheels. Ex. 1008, 2:26–27 (describing "drive wheels 50 and 60, and a housing 70"), 2:60–61 ("The housing 70 comprises a base 80 integrally extending from the handle 30, a rotatable cup 100 and a cover 150." (emphasis added)), Fig. 1 (showing drive wheels 50, 60 within housing 70). Wagner also clearly shows a string loaded between a pair of wheels, as proposed substitute claim 21 recites. *See id.* at Fig. 1. Patent Owner does not directly contest the fact that Scorch discloses a loading slot, and Scorch supports Petitioner's position based on the current record. *See* Ex. 1007, 3:20, 3:43–46; Opp. 2.

Petitioner articulates sufficient reasons why one of ordinary skill in the art would have modified Wagner to use Scorch's slot and Yeany's string. Opp. 2 (citing Pet. 71–78, 83–87). As shown in Wagner's Figures 1 and 2 above, which have been annotated with dashed lines to show the placement of a loading slot, Petitioner proposes modifying Wagner's cover with a slot that would permit string to pass through the cover, around a flange, and between Wagner's wheels. We agree with Petitioner, based on the current record, that “a ‘person of ordinary skill is also a person of ordinary creativity, not an automaton,’” and would know how to make modifications to Wagner to incorporate Scorch's slot and provide quick replacement of the string. *Id.* at 3–4 (citing *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 420–421 (2007)). Further, Petitioner provides reasons for the proposed modification: (1) Wagner's method, which requires removal and replacement of its cover, is inconvenient; (2) modifying the cover to include a loading slot would provide an easier process for string replacement; and (3) even if there were drawbacks to the modification, Petitioner's rationale recites sufficient benefits to support a motivation to pursue the proposed modification. *Id.* at 4–5 (citing Ex. 1002 ¶ 144; Ex. 2002 ¶ 187).

Based on the foregoing, Petitioner demonstrates a reasonable likelihood that proposed substitute claim 21 would have been obvious in view of the combination of Wagner, Yeany, and Scorch.

Proposed Substitute Claim 25

Proposed substitute claim 25 recites a loading slot between a pair of wheels, “wherein said loading slot provides a mechanism to load and unload said looped string.” Mot. Claims App'x ii–iii. Petitioner addresses this limitation by reiterating that one of ordinary skill would have modified Wagner's cover in view of Scorch's teaching of a slot. Opp. 9–10 (citing Ex. 1002 ¶¶ 174–175). Further,

as discussed above with regard to proposed substitute claim 21, Scorch teaches swapping a string, which encompasses loading and unloading a string. *Id.* at 2 (citing Ex. 1007, 3:00–3:53). Patent Owner does not raise any additional arguments as to claim 25 in connection with this ground other than those addressed above in the context of claim 21. *See* Mot. 13.

Based on the foregoing, Petitioner demonstrates a reasonable likelihood that proposed substitute claim 25 would have been obvious in view of the combination of Wagner, Yeany, and Scorch.

Proposed Substitute Claims 22–24, 26, and 28

We have reviewed Petitioner’s arguments and rationales for proposed substitute claims 22–24, 26, and 28 based on the teachings of Wagner, Yeany, and Scorch. *See* Opp. 7–8, 10–11 (citing Pet. 39–45, 79, 82, 91–92; Ex. 1008, 2:23–33, 2:60–61, 6:32–34, Figs. 1, 3–5; Ex. 1002 ¶¶ 174–176). The references support Petitioner’s assertions, based on the current record. Patent Owner again argues, with respect to proposed substitute claim 24, that none of the asserted references teach a housing that covers a pair of wheels. Mot. 13–14. For the reasons provided above in the context of our discussion of claim 21, we find this argument unpersuasive, based on the current record.

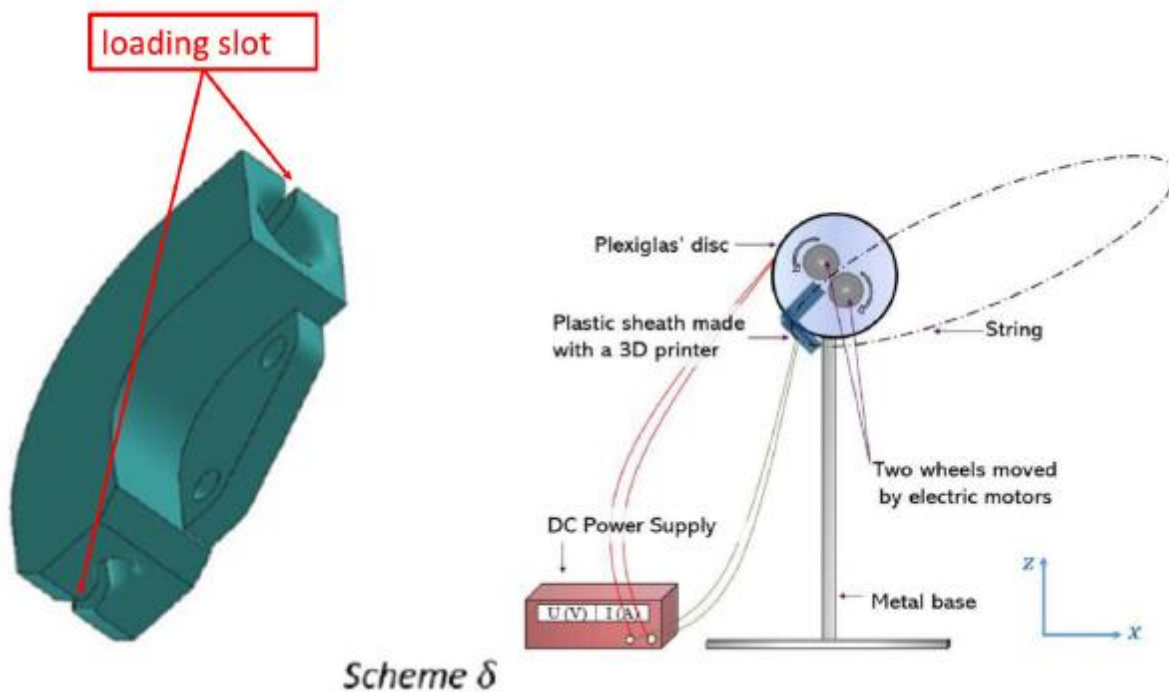
Based on the foregoing, Petitioner has shown a reasonable likelihood that proposed substitute claims 22–24, 26, and 28 would have been obvious for these reasons.

2. Obviousness of Claims 25, 26, and 28 over Abello and Yeany

At this point in the proceeding, Petitioner has shown a reasonable likelihood that proposed substitute claims 25, 26, and 28 would have been obvious in view of Abello (Ex. 1005) and Yeany.

Proposed Substitute Claim 25

Petitioner argues that proposed substitute claim 25 would have been obvious in view of Abello and Yeany. Opp. at 11–13. Petitioner notes that its arguments here mirror those made with respect to original claim 12 in the Petition. See *id.* at 11 (citing Pet. 53–61, 64–67; Pet. Reply 12–15). With regard to the newly added limitation of a loading slot between a pair of wheels, “wherein said loading slot provides a mechanism to load and unload said looped string,” Petitioner argues that Abello teaches a looped string that is loaded into or unloaded via a slot in its sheath, which functions as a housing. *Id.* at 12–13 (citing Ex. 1005, 2, Figs. 2, 3; Ex. 1002 ¶¶ 117–119). Petitioner provides the following copies of Abello’s drawings with annotations to demonstrate their position. *Id.* at 13.



The annotated drawings include a green housing on the left, with red arrows pointing to structure labelled as “loading slot.” *Id.* The annotated drawings include a figure on the right with various parts of a device mounted on a structure identified as a “Metal base,” with other structures labelled “String,” “Two wheels moved by electric motors,” and “Plastic sheath made with a 3D printer.” *Id.*

Patent Owner argues in the Motion that “neither Abello nor Yeany teach a device that has a housing that includes a loading slot which is the mechanism in which a user can load and unload the looped string” as required by claim 25. Mot. 12. This argument merely recites the claim language and asserts that Abello and Yeany do not teach or suggest this limitation without meaningfully addressing Petitioner’s position or the alleged housing and loading slot in Abello.

Based on the current record, Petitioner’s arguments demonstrate a reasonable likelihood that Abello teaches a housing having a loading slot that provides a mechanism to load and unload a looped string, as proposed substitute claim 25 recites. As shown in the annotated drawing above, Abello’s sheath includes a slot through which a string may pass, allowing the string to be loaded into or out of the sheath. *See* Opp. 12–13.

Based on the foregoing, Petitioner demonstrates a reasonable likelihood that proposed substitute claim 25 would have been obvious in view of the combination of Abello and Yeany.

Proposed Substitute Claims 26 and 28

We reviewed Petitioner’s arguments and rationales for proposed substitute claims 26 and 28. *See* Opp. 13–14 (citing Pet. 62, 67–68, 71). Patent Owner does not directly address these claims in its Motion. *See* Mot. 11–14. The teachings of Abello and Yeany support Petitioner’s assertions, based on the current record.

Petitioner has shown a reasonable likelihood that proposed substitute claims 26 and 28 would have been obvious for these reasons.

3. *Indefiniteness of Claim 25*

At this point in the proceeding, and based on the current record, Petitioner has not shown that proposed substitute claim 25 is indefinite.

Petitioner contends that the “full scope of Substitute Claim 25’s ‘mechanism’ is not reasonably certain” and provides the following analysis:

The claim is written that a loading slot “provides a mechanism” but Patent Owner’s argument and the specification of the ’774 Patent seem to indicate that the loading slot “is the mechanism.” For instance, Patent Owner contends that substitute claim 25 adds “a loading slot *which is the mechanism* by which a user can load and unload the looped string.” Mot. to Amend at 6. In addition, the ’774 Patent states that “[t]he loading mechanism described herein functions as a guide to guide the looped string into the device and into engagement with the drive wheel” which are functions performed by a loading slot. Ex. 1001⁶ at 8:44–46; *see also id.* at 10:42–11:2 (“a mechanism by which a user can load and unload a looped string from the device quickly and easily”).

To the extent that the claimed “mechanism” is something other than the loading slot itself, it is not reasonably certain what that something else is. For example, there is no guidance on if the loading slot requires some specific structure to provide the claimed “mechanism” (and what that structure would be) or if any loading slot that functions to guide looped string into the device and engagement with the drive wheel provides the claimed “mechanism.” Thus, the outer boundaries of the claimed “mechanism” are not reasonably certain. *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1371 (Fed. Cir. 2014) (under *Nautilus*, “[t]he claims, when read in light of the specification and the

⁶ Petitioner cites to “Ex. 1008” in its Opposition, but we view this as a typographical error because the passage and quotations reference the ’774 patent, which is Ex. 1001. *See* Opp. 14; Ex. 1001.

prosecution history, must provide objective boundaries for those of skill in the art.”)

Opp. 14–15.

Petitioner’s arguments do not demonstrate a reasonable likelihood that proposed substitute claim 25 is indefinite, based on the current record. We do not view the limitation requiring a “loading slot” that “provides a mechanism to load and unload said looped string” as unclear in meaning or scope on its face. This limitation simply states that the loading slot “provides” the mechanism. Neither Patent Owner’s statement in its Motion (extrinsic to the ’774 patent) nor the passages from the specification meaningfully depart from the claim language in a manner that introduces undue ambiguity. To the extent that the claim language encompasses embodiments in which other structures function with the loading slot to provide the mechanism, that merely signifies the breadth of the limitation, which should not be equated with indefiniteness. *In re Miller*, 441 F.2d 689, 693 (CCPA 1971).

4. Claim 27

Petitioner states that proposed “[s]ubstitute Claim 27 is identical to issued claim 16 except it adds the additional limitations of issued claim 20,” “[t]he Petition did not challenge issued claim 20 and Petitioner has no interest in this claimed subject matter,” and “[a]s such, Petitioner has not considered or addressed whether Substitute Claim 27 is patentable or not.” Opp. 1 n.2. We note that we have the discretion to raise a new ground of unpatentability for a proposed substitute claim in view of all evidence of record, including any “[i]nformation identified in response to a Board-initiated examination assistance.” 37 C.F.R. § 42.121(d)(3). The Motion to Amend here involves an atypical situation, where a proposed substitute claim includes limitations from unchallenged original claims

that will remain in the '774 patent regardless of the outcome of this proceeding, and where Petitioner does not oppose entry of the proposed substitute claim as part of the Motion to Amend. Under these circumstances, we decline to exercise our discretion to raise our own new grounds of unpatentability, whether based on the prior art of record or the results of Board-initiated examination assistance.

Accordingly, Petitioner has not shown a reasonable likelihood that proposed substitute claims 27 would have been unpatentable, we decline to provide our own new grounds for unpatentability, and our preliminary analysis indicates that the Motion to Amend will be granted as to claim 27.

III. CONCLUSION

This Preliminary Guidance indicates that, with the exception of proposed substitute claim 27, Petitioner has shown a reasonable likelihood that the proposed substitute claims are unpatentable as obvious, for the reasons provided above.

Patent Owner has the option to reply to this Preliminary Guidance *or* to file a revised MTA by DUE DATE 3. 37 C.F.R. § 42.121(e)(3), (f); Paper 11. Patent Owner's reply or revised MTA may only respond to this Preliminary Guidance or Petitioner's Opposition and may be accompanied by new evidence (including declarations). 37 C.F.R. § 42.121(e)(3). Petitioner has the option to file a sur-reply responsive to this Preliminary Guidance or Patent Owner's reply. 37 C.F.R. § 42.121(e)(3). Petitioner may also file a reply to the preliminary guidance in the case Patent Owner does not file a reply or revised MTA. 37 C.F.R. § 42.121(e)(4). If Patent Owner files a revised MTA, that motion replaces the original MTA and Petitioner may file an opposition to the revised MTA in accordance with any new scheduling order issued after the filing of a revised motion to amend. 37 C.F.R. § 42.121(f)(1)–(3).

In addition, Patent Owner is reminded that amendments of the challenged claims may also be pursued in a separate reissue or reexamination proceeding before, during, or after an AIA trial proceeding, including subsequent to the issuance of the Final Written Decision. We draw Patent Owner's attention to the April 2019 *Notice Regarding Options for Amendments by Patent Owner Through Reissue or Reexamination During a Pending AIA Trial Proceeding*. See 84 Fed. Reg. 16,654 (Apr. 22, 2019). If Patent Owner chooses to file a reissue application or a request for reexamination of the challenged patent, we remind Patent Owner of its continuing obligation to notify the Board of any such related matters in updated mandatory notices. See 37 C.F.R. § 42.8(a)(3), (b)(2).

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FOR PETITIONER:

James Murphy
Jeffrey Kuo
POLSINELLI PC
jpmurphy@polsinelli.com
jkuo@polsinelli.com

FOR PATENT OWNER:

Kenneth Cohen
Jodi McLane
EPSTEIN DRANGEL LLP
kcohen@ipcounselors.com
jmclane@ipcounselors.com