UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DECENT ESPRESSO INTERNATIONAL LTD.,
Petitioner,

v.

DUVALL ESPRESSO IP ENFORCEMENT, LLC,
Patent Owner

U.S. Patent No. 11,576,524

PETITIONER'S STIPULATION PURSUANT TO THE JUNE 21, 2022 MEMORANDUM ON THE "INTERIM PROCEDURE FOR DISCRETIONARY DENIALS IN AIA POST-GRANT PROCEEDINGS WITH PARALLEL DISTRICT COURT LITIGATION"

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I. INTRODUCTION

Petitioner Decent Espresso International Ltd. ("Petitioner") hereby agrees to be bound by the stipulation submitted herein for *inter partes* review of U.S. Patent No. 11,576,524. The stipulation submitted here by Petitioner is the same or similar to the stipulation presented in *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, at 11-21 (Dec. 1, 2020) (designated precedential) and as described in the Memorandum on the "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation" released by The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (USPTO), Kathi Vidal, on June 21, 2022 (the "Guidance Memo"). In view of Petitioner's stipulation, the Board should not discretionarily deny institution in view of parallel district court litigation.

II. THE GUIDANCE MEMO CLARIFIES THE PTAB PRACTICE REGARDING DISCRETIONARY DENIALS AND STIPULATIONS

The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (USPTO), Kathi Vidal, released the Guidance Memo on June 21, 2022 to clarify the Patent Trial and Appeal Board (PTAB) practice as pertains to discretionary denials in AIA Post-Grant Proceedings with parallel district court litigation and factors effecting Board decisions regarding such discretionary denials, including (i) whether the petition

presents compelling evidence of unpatentability; (ii) the *Fintiv* factors; and (iii) whether the petitioner submits a stipulation consistent with *Sotera Wireless, Inc.*[1] Pursuant to the June 21, 2022 Guidance Memo:

> Consistent with *Sotera Wireless, Inc.*, the PTAB will not discretionarily deny institution in view of parallel district court litigation where a petitioner presents a stipulation not to pursue in a parallel proceeding the same grounds or any grounds that could have reasonably been raised before the PTAB.

Id. (emphasis added).

The stipulation submitted herewith complies with the requirements of the June 21, 2022 Guidance Memo. Accordingly, the Board should not discretionarily deny institution of inter partes review of U.S. Patent No. 11,576,524 in view of parallel district court litigation.

III. THE *SOTERA* DECISION

In *Sotera Wireless, Inc.*, the Board held a petitioner's stipulation "to not pursue [in a parallel proceeding] any ground raised or that could have been reasonably raised" in an IPR proceeding "mitigates any concerns of duplicative efforts between the district court and the Board, as well as concerns of potentially conflicting decisions." IPR2020-01019, Paper 12, at 11-21, (Dec. 1, 2020) (cleaned up) The Board in *Sotera* found that, based on petitioner's stipulation, *Fintiv* Factor

[1] *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (precedential as to§ II.A).

4 "weigh[ed] strongly in favor of not exercising discretion to deny institution[.]" *Id.* The Board in *Sotera* further found that such a "broad stipulation ensures that an inter partes review is a 'true alternative' to the district court proceeding." *Id.*

IV. STIPULATION OF PETITIONER DECENT ESPRESSO

Petitioner, Decent Espresso International Ltd., agrees to be bound by the following stipulation:

> In the event that a Petition for *Inter Partes* Review is granted on U.S. Patent No. 11,576,524, Petitioner will not pursue in the Duvall Espresso v. Decent Espresso Litigation [*i.e.*, *Duvall Espresso IP Enforcement, LLC v. Decent Espresso International Ltd.*, Civil Action No. 9:23-cv-81246(S.D. Fla.)] any invalidity ground on that patent that was raised or that could have been reasonably raised in an IPR, i.e., any ground that could be raised under §§ 102 or 103 on the basis of prior art patents or printed publications.

See, e.g., Samsung Electronics Co., Ltd. v. Acorn Semi, LLC, IPR2020-01207, Paper 21 at 34-35 (Feb. 10, 2021); *Id.* at Paper 19 at 2-3.

As a result of Petitioner's stipulation consistent with Sotera and the June 21, 2022 Guidance Memo, the Board should not discretionarily deny institution of *inter partes* review of U.S. Patent No. 11,576,524. Additionally, if institution of the Petition for *Inter Partes* Review is granted on U.S. Patent No. 11,576,524,

Petitioner confirms that it will meaningfully abide by this stipulation and promptly notify the District Court about the Board's decision. *See, e.g., Samsung Electronics Co., Ltd. v. Acorn Semi, LLC*, IPR2020-01207, Paper 21 at 34-35 (Feb. 10, 2021); *Id.* at Paper 19 at 2-3.

V. CONCLUSION

Petitioner respectfully requests that the Board institute *inter partes* review for the reasons stated above.

Dated: September 25, 2024

Respectfully submitted,

/Perry S. Clegg/

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CERTIFICATE OF SERVICE

I hereby certify that on September 25, 2024, I caused a true and correct copy of the foregoing materials:

- Petitioner's Stipulation Pursuant to the JUNE 21, 2022 Memorandum on the "Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation"

to be served via FedEx on the following correspondence address as listed on PAIR, by depositing same with FedEx for overnight delivery:

Gideon Duvall
6850 North Grande Drive
Boca Raton, FL 33433

Respectfully submitted,

By: */s Perry S. Clegg/*

Perry S. Clegg, Reg. No. 65,304