UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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KUBOTA NORTH AMERICA CORPORATION,

Petitioner

v.

VERMEER MANUFACTURING COMPANY,

Patent Owner

_____

IPR2025-00167 (U.S. Patent No. 9,321,386)

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PETITIONER'S MOTION TO EXCLUDE

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.64(c) and the Federal Rules of Evidence ("FRE")[1], Kubota North America Corporation ("Petitioner") respectfully moves to exclude Patent Owner's reliance on excerpts of third-party testimony, statements, and documents from EX1029-EX1031 cited in the Patent Owner's Response ("POR," Paper 22/23) for improper hearsay purposes. Petitioner timely objected to the POR's reliance on these Exhibits and excerpts of evidence included therein on sufficiently particularized grounds. *See* Paper 27.

The evidence addressed in this paper originates from a prior litigation between Patent Owner and Toro ("the Toro Litigation"). This evidence was discussed during prior *ex parte* reexaminations of USP 9,321,386 requested by Toro ("the Toro Reexams"). Toro is not a party to the present proceeding, nor the now-stayed litigation cited in the Petition; both the Toro Litigation and the Toro Reexams concluded before the filing of the present IPR.

EX1029-EX1031 provide the file histories of these Toro Reexams. Petitioner is seeking to exclude Patent Owner's reliance on the excerpts of Toro employee testimony, statements, and Toro internal documents that were cited and discussed during the Toro Reexams (EX1029-EX1031) because this constitutes reliance on

[1] The Federal Rules of Evidence apply to IPR proceedings. *See* 37 C.F.R. § 42.62.

inadmissible hearsay. Patent Owner relies on this testimony and these documents to create "Toro's development story." POR, 67-73. The detailed analysis below particularly identifies the POR's reliance including identifying the relied upon pages of the file histories that include the excerpts from Toro employee depositions and Toro internal documents stemming from the Toro Litigation. This reliance on that evidence for the truth of the matter asserted constitutes reliance inadmissible hearsay.

Petitioner originally submitted the file history of the Toro Reexams for a limited purpose: to establish the records of those proceedings. The Petition explains that in those *ex parte* proceedings, the Office originally rejected claims in view of prior art directed to a regular-sized skid steer with a vertical-lift loader. *See* Paper 3, 14-15. During the reexaminations, Patent Owner argued for secondary considerations of non-obviousness, saying that vertical lift had not been used in a **mini** skid-steer (also referred to as **compact** tool carrier, or **compact** utility loader ("CUL")). *See, id*. Further, Patent Owner argued that the testimony and documents from the Toro Litigation (that it cited in the Toro Reexams) show that Toro struggled with making a mini skid-steer or CUL with vertical lift; the examiner allowed the patent to issue in light of these arguments. *Id*.; EX1030, 16. Petitioner's reliance on EX1029-EX1031 is not being used to assert the truth of the statements made by the testimony and documents from the Toro Litigation.

In the POR of the present IPR, Patent Owner now attempts to use these exhibits as hearsay, *i.e.*, for the truth of the matter asserted. Specifically, Patent Owner cites to and quotes from these exhibits in its POR to again argue secondary considerations of non-obviousness, *i.e.*, to allege that others (specifically, those Toro engineers) were skeptical of and struggled to make a CUL with a vertical lift. *See* POR, 67-73 (discussing skepticism, unexpected results, and long felt need and citing EX1029-EX1031). To the extent the POR asserts that these statements from Toro are true, this constitutes use of the cited portions for hearsay purposes, which is inadmissible.

Furthermore, Patent Owner's reliance on this evidence, including Toro testimony and internal documents, should be excluded because its probative value is substantially outweighed by unfair prejudice and confusion. *See* FRE 403. The probative value is low because the obviousness of employing a vertical lift loader arm onto a CUL is not at issue—that machine is explicitly and undisputedly shown in KR996—the primary prior art reference of this IPR. *See* EX1005.

Moreover, the Toro Reexam prosecution histories include only <u>excerpts</u> from depositions taken from in the then-co-pending Toro Litigation, which were selected by the Patent Owner in its advocacy. Petitioner was not a party to this prior Toro Litigation (or the Toro Reexams) and does not have access to the complete deposition transcript, and the Patent Owner failed to provide complete transcripts in

the *ex parte* reexamination and refuses to provide them in this proceeding. *See* EX1059; EX1030, 878-900. The risk of such incompleteness is acute. In an unrelated PTAB proceeding, Patent Owner advanced a different characterization of the Toro development process and produced other excerpts from the Toro testimony that, at a minimum, confuse, if not explicitly contradict, its reliance here. *See* PGR2020-00081, Paper 1, 41-43 (discussed below).

Petitioner requests that the Board exclude the specific testimony and documents reproduced or referred to in EX1029, EX1030, and EX1031 to the extent they are relied upon by the POR for hearsay or prejudicial purposes, or in the alternative, accord the related statements little to no weight.

II. Lack of Compliance with Rules and Regulations Demands Exclusion

In an IPR, testimony is "submitted in the form of an affidavit" or a compliant declaration, ensuring the opposing party can cross-examine the witness. 37 C.F.R. §§ 42.53, 42.2, 42.51(b)(1)(ii). Despite relying on excerpts of deposition testimony of Mr. Borenstein and Mr. Kuemper, both of Toro, to form its "Toro's development story" (POR, 69), Patent Owner did not directly submit any of that testimony in this

proceeding.[2]

Petitioner requested depositions of Mr. Borenstein and Mr. Kuemper, but Patent Owner was unwilling or unable to produce the declarants. EX1059, 5-12 (Petitioner requesting (p. 12); Patent Owner denying due to testimony not being prepared for this proceeding (p. 6) and lack of ability to force Toro to cooperate (p. 3)). Prior testimony from another case, like the testimony relied upon here, that is not subject to cross-examination by Petitioner is hearsay if offered for the truth of the matter asserted. *See Asetek Danmark v. CoolIT Sys.*, IPR2020-00825, Paper 50, 43-46 (Oct. 12, 2021)(testimony from district court proceeding excluded from IPR as hearsay); *Vudu v. Ideahub*, IPR2020-01688, Paper 47, 7 (Mar. 16, 2022) (excluding, as hearsay, testimony not subject to cross-examination by the opposing party's IPR counsel). The testimony excerpts of Mr. Borenstein and Mr. Kuemper are hearsay, and no hearsay exception applies.[3]

Patent Owner's lack of control over Mr. Borenstein and Mr. Kuemper does

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[2] Patent Owner also relies on prior declaration testimony of two of its employees of included in EX1029-EX1031. Patent Owner was also unable to produce these witnesses. EX1059, 4 (deceased and health).

[3] Petitioner was not involved in the previous trial producing these depositions and documents and is unrelated to the defendant in that trial. *Contrast*, FRE 804(b)(1).

not excuse Patent Owner from producing them for cross-examination. *See* PTAB Consolidated Trial Practice Guide, 23 (Nov. 2019) (discussing availability of party and non-party witnesses). "Patent Owner is responsible for the availability of its chosen declarants, regardless of whether or not they are employed by Patent Owner." *HTC Corp. et al. v. NFC Tech.,* IPR2014-01198, Paper 41, 4 (Nov. 6, 2015) (striking declaration of non-party witness who refused to participate in deposition).

III. Objections were Timely Filed

Petitioner timely filed its objections on September 9, 2025. Paper 27.

Although Petitioner produced EX1029-EX1031 for non-hearsay purposes as a record of the prior prosecution related to the '386 Patent, the POR relies on this prosecution history for hearsay purposes. Accordingly, Petitioner timely filed objections stemming from the POR. Paper 27, 3-5. Petitioner also objected to the POR's reliance on statements found in EX1029-EX1031 under other relevant rules of evidence including FRE 403, 602, 701, 702, 901, and 902. *Id.*, 4-5. Furthermore, Petitioner timely objected to the "Declaration of Mark Fleming, Ph. D" (EX2016) and its reliance on the same. *Id.*, 1. Patent Owner did not serve any supplemental evidence to address these objections.

IV. Detailed Argument

The POR refers to "Toro's development story." POR, 67-73. This "story" is built on hearsay and, contrary to the POR, is not based on "cogent and unbiased evidence." POR, 69 (citing EX1030, 36-57). Rather, Patent Owner supports this

story with citations to its own advocacy during the Toro Reexams. This advocacy includes excerpts of Toro employee testimonies and documents, which because the POR relies on that testimony and those documents for the purpose of the truth of the matter asserted constitutes inadmissible hearsay. The testimony and document excerpts should also be excluded for such a purpose because they are incomplete and Petitioner has had no opportunity for cross-examination, depriving the proceeding of a full record.

1. Patent Owner's Reliance on Toro's Internal Documents (EX1030, pages 36-57)

The POR touts "various evidence of objective indicia of non-obviousness" stemming from "Toro's internal files" discovered by Patent Owner during the Toro Litigation. POR, 15. None of these documents were independently submitted in the present proceeding. *See, e.g.,* POR, 67 (alleging skepticism citing EX1030, 54 (excerpt of "Toro's Project Risk and Risk Management Plan"), which is again discussed related to long-felt need at POR, 71); 69-73 (alleging long-felt but unresolved need citing EX1030, 36-57 ("Toro's development story" that "demonstrates that skilled engineers…struggled for many years" to increase lift

capacity on CUL citing alleged Toro documents.)[4]).

Patent Owner relies on these Toro documents—or more accurately, citations to Bates labels or purported snippets of these documents—for the truth of the matter asserted: *i.e.*, that Toro engineers required serial development steps over time to achieve a desired lift capacity for their production machine and were skeptical of success during that development. POR, 67-73. Thus, the Toro development documents and Patent Owner's discussion thereof in the prosecution history (EX1030) should be excluded for the purpose of characterizing Toro's development process, as such reliance constitutes improper hearsay.

Moreover, the probative value of these Toro documents is substantially outweighed by unfair prejudice, confusion, undue delay, and waste of time. *See* FRE 403. The probative value of these Toro documents is low. The prior art already shows a vertical lift CUL. EX1005. A third party's struggles in development of such

[4] This "evidence" is generally referred to as "TORO-0000[]," "Toro Press Release," TX-1000 Specifications and the like throughout the cited EX1030 pages. *See* EX1030, 39-44, 47-49, 52-56.

a machine does not inform any question at issue in this proceeding.[5] And the Patent Owner's characterization of Toro's development efforts has been inconsistent, raising concerns of unfair prejudice and confusion. Here, Patent Owner represents Toro's development efforts—which culminated in Toro's patent application (POR, 68 discussing EX2004)—as speaking broadly to struggles with providing a vertical lift CUL. But in another unrelated PTAB proceeding where Patent Owner was a petitioner, Patent Owner characterized this evidence as narrowly directed to a unique "scissor lift mechanism" invented by Toro. *Compare* Patent Owner's characterization of passage of Toro's patent specification at EX2004, [0007][6]: EX1030, 38 (is an "admission" related to the difficulty of "vertical lift"); POR, 67-

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[5] Patent Owner presented Toro's development story in the *ex parte* proceeding as "directly contradict[ing]" Toro's narrative that a POSITA would have reason to address the lift capacity of a CUL by replacing its radial lift with a vertical lift of a full-size skid steer machine. EX1030, 36. Petitioner does not rely on such a narrative here.

[6] This passage is itself hearsay. No hearsay exception applies when a patent specification statement is being offered to prove the truth of the statement. 37 C.F.R. §42.61(c).

68 (is related to "vertical-lift compact utility loader") *with* PGR2020-00081, Paper 1, 41-44 (is, Patent Owner relying on Toro inventor testimony argues, "directed to a scissor lift mechanism mounted to the front of a machine via a front support assembly.")

2. Patent Owner's Reliance on Borenstein Testimony (EX1030, pages 36-57)

As discussed above, the POR presents "Toro's development story" in support of its secondary considerations argument of long-felt but unresolved need. POR, 69-73 (citing EX1030, 36-57 throughout this "story"). The cited pages include excerpts of a deposition of "Neill Borenstein, Director of Marketing for Toro's Siteworks division" taken in litigation between Patent Owner and Toro. *See* EX1030, 39-42, 44-45, 49-50, 53 (discussing Borenstein deposition). The Borenstein deposition excerpts introduced in the Toro Reexams (EX1030) were selected by Patent Owner to support its argument; the complete transcript was not provided in that proceeding or here. *See* EX1059, 2, 4. Patent Owner also could not produce Mr. Borenstein for deposition. *Id*.

The Borenstein deposition excerpts are out-of-court testimony with respect to this proceeding, cited by Patent Owner to prove the matter allegedly asserted: *e.g.*, the importance of lift capacity for a machine and Toro's method of increasing lift capacity. *See* POR, 69-73 (citing EX1030, 39-50, that relies on Borenstein testimony discussing lift capacity developments including larger machines, weights, "six years

to deliver a machine" with improved lift capacity.). The POR uses EX1030 and its Borenstein deposition excerpts for the purposes of the truth of the matter asserted; this constitutes inadmissible hearsay.

Even absent the hearsay issue, this testimony's probative value is substantially outweighed by unfair prejudice, confusion of issues, and waste of time. FRE 403. Patent Owner provides no analysis or expert testimony that establishes this testimony has any relevance here. This is because the testimony appears directed to Toro's development efforts related to a vertical lift CUL—a machine shown in the prior art. *See* EX1005.

3. Patent Owner's Reliance on Kuemper Testimony (EX1030, pages 36-57)

"Toro's development story" invoked by Patent Owner to support its secondary considerations argument of long-felt but unresolved need also relies on excerpts of the deposition of "Mr. James Kuemper, the Principal Designer [of Toro]" included in EX1030. POR, 67-73 (citing EX1030, 36-57 including pages 38-39, 41, 45-46, 49, 51-53 discussing Kuemper deposition). These Kuemper deposition excerpts are out-of-court testimony with respect to this proceeding, yet Patent Owner relies on them (through citation to EX1030) to prove the matter allegedly asserted: that Toro engineers did not think it was obvious to place a vertical lift mechanism on a CUL due to space and weight constraints. POR, 15, 67-72 (discussing Toro engineering efforts generally, and specifically, *e.g.*, 70 (asserting no "single Toro engineer

proposed adapting [vertical-lift] technology"), 71 (asserting "Toro's engineers recognized that they could not simply 'adapt' the vertical lift system from a full-size machine" and "Toro's lead designer [Kuemper] admitted in deposition it 'was not an acceptable design.'"). Thus, the POR's citation to the Kuemper testimony in EX1030 constitutes reliance on inadmissible hearsay.

This testimony's probative value is substantially outweighed by unfair prejudice, confusion, undue delay, and waste of time. *See* FRE 403. Whether Toro engineers or Mr. Kuemper particularly were skeptical of providing a vertical lift CUL or struggled to implement the same is belied by the prior art, which shows that such a machine was already known. *See* EX1005.

Patent Owner could not or would not produce Mr. Kuemper for deposition by Petitioner and did not provide a complete transcript as requested by Petitioner *See* EX1059, 2-3. The inclusion of excerpts of the Kuemper deposition selected by Patent Owner in defense of its '386 Patent in the *ex parte* reexamination invites confusion and is prejudicial. In arguing nonobviousness related to the '386 Patent, Patent Owner argues that Toro's development, which includes Kuemper's deposition, shows Toro engineers did not think it was obvious to provide a vertical lift on a CUL. *See* POR, 70-72; EX1030, 14-15, 41-46 (characterizing Kuemper recognizing vertical lift was known, but no attempt was made to implement at Toro). However, as a petitioner in another unrelated PTAB proceeding, Patent Owner

submitted and relied upon another excerpt of Mr. Kuemper's testimony.[7] *See* PGR2020-00081, Paper 1, 41-43 (discussing Kuemper testimony excerpts of that proceeding's exhibit 1018, which Petitioner entered here as EX1060). In this other excerpt, Mr. Kuemper was explicitly asked about the "concept of applying vertical lift or four-bar linkage to a compact utility loader." EX1060, 7. Mr. Kuemper explicitly testified that it "would **not** be difficult or impossible" "[b]ecause there are so many other loaders out there that have vertical lift on them." *See* EX1060, 7-8. This contradictory testimony, not produced by Patent Owner in this proceeding (or the *ex parte* reexaminations), further demonstrates that the Kuemper testimony should be excluded under FRE 403, or otherwise not relied upon by this panel to support a finding of secondary considerations of patentability.

4. Patent Owner's Response (Paper 22/23) Reliance on EX1031

The POR also cites to the Toro Reexam file history in EX1031 for evidence that Toro's design work supports secondary considerations related to employing a vertical lift, rather than radial lift, on a CUL. POR, 15, 72 (citing EX1031, 30-56, 16). This constitutes hearsay for the same reasons as discussed above with reference

[7] Both excerpts are from June 19, 2019 testimony in Case No. 4:19-cv-00050 in which Patent Owner's lead counsel in this IPR appears. EX1030, 879-900; EX1060, 1-8.

to EX1030: these pages consist of Patent Owner's *ex parte* response discussing and relying on Toro internal documents and excerpts of Toro employee depositions. To the extent Patent Owner relies on the examiner's discussion of those same materials, the examiner had no first-hand knowledge of Toro's development work; this is merely hearsay upon hearsay. *See* FRE 602, 805.

5. EX2016 (Fleming's Declaration) at ¶¶57-60, 183-193 (citing EX1029, EX1030, EX1031)

Petitioner moves to exclude at least the listed portions of Dr. Fleming's declaration, which discuss the Toro development story including depositions and internal documents citing to EX1029, EX1030, and EX1031. To be clear, Petitioner moves to exclude portions of Dr. Fleming's declaration not because the declaration itself is hearsay, but because it contains a multitude of statements that are themselves hearsay, made by persons other than Dr. Fleming, which are then parroted in EX2016 as if to provide substantive evidence. This parroting should be excluded and not relied upon because it constitutes hearsay as detailed above. The law is clear on this point. An expert's reliance on an inadmissible statement "does not translate to admissibility." *Wi-Lan Inc. v. Sharp Elecs. Corp.*, 992 F.3d 1366, 1374 (Fed. Cir. 2021). As the Federal Circuit explained in *Wi-Lan*, the FRE "does not authorize admitting inadmissible evidence" where the expert has added nothing to the inadmissible evidence other than transmitting it to the fact-finder. *Id*. This is precisely what occurred here. *See* FRE 802. Patent Owner cannot backdoor this

hearsay through Dr. Fleming's testimony.

V. CONCLUSION

Patent Owner relies on excerpts of third-party testimony and documents from prior district court litigation to which Petitioner was not a party for their truth, this constitutes reliance on inadmissible hearsay, which should be excluded, or at a minimum not relied upon by the Board. Further, these cherry-picked excerpts and document portions are not only inadmissible hearsay, but address issues not before this Board are prejudicial and cause confusion.

Respectfully submitted,

/David M. O'Dell/
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Dated: February 18, 2026
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CERTIFICATE OF SERVICE

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e), service was made on Patent Owner as detailed below.

Date of service February 18, 2026

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