UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Kubota North America Corporation,

Petitioner

v.

Vermeer Manufacturing Company,

Patent Owner

IPR2025-00168

U.S. Patent No. 9,321,386

PETITIONER'S AUTHORIZED PRELIMINARY REPLY ADDRESSING *FINTIV* FACTORS

I. DISCRETIONARY DENIAL IS NOT WARRANTED

This authorized brief addresses *Fintiv*[1] factors of the present proceedings including the changed circumstances in the Parallel Litigation[2] and the errors of Patent Owner's ("PO's") treatment of these factors.[3] The *Fintiv* factors, considered as a whole, do not warrant denial — the Parallel Litigation has been stayed at an early stage of the case pending the resolution of Petitioner's expeditiously filed Petitions, Petitioner has made a *Sotera* stipulation (below), and the Petition shows not merely a reasonable likelihood, but compelling merits warranting institution with all but minor, common features shown in a single prior art reference. Five of the six *Fintiv* factors strongly favor institution.

Factor 1 ***strongly*** favors institution. The Parallel Litigation was "still in its early stage" **and was stayed**. EX1037, 6. The Court granted Petitioner's Motion to Stay Pending IPRs and PGR on March 19, 2025. *Id*. The stay remains in effect pending resolution of these and related IPR/PGR proceedings.

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[1] *Apple Inc. v. Fintiv*, Inc., IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020).

[2] Case 4:24-cv-00799-P ("Parallel Litigation")

[3] This briefing is filed in each of IPR2025-00167, -00168, -00169, -00170, -00171 responsive to each PO's Preliminary Response (POPR) filed March 12, 2025. "Patents" refers to the each of the three patents of these proceedings.

Factor 2 ***strongly*** favors institution. While the scheduling originally indicated a trial date around the same time as the expected FWD, the case is now **administratively closed**. EX1038, EX1037, 7. No trial date is scheduled. Petitioner expeditiously filed the Petition less than three months from PO's filing suit and diligently filed the now-granted motion for stay.

Factor 3 ***strongly*** favors institution. Significant work remains in the now-stayed Parallel Litigation as only preliminary invalidity contentions had been filed and the claim construction process *just initiated* prior to granting the stay. As in this case, "[i]f, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution." *Fintiv*, 10. Not only is there no order, no claim construction briefing had been done. The Court confirms the early stage of Parallel Litigation: "this case is still in its early stage" where the "most significant and time-consuming tasks in patent infringement litigation have not begun." EX1037, 6 (citations omitted, emphasis added).

Factor 4 ***strongly*** favors institution. First, the Court, in staying the Parallel Litigation, expressed its intent for the PTAB to address the patentability of the challenged claims. The Court reasoned that "the case will be simplified" because it would receive "the benefit of the [PTAB's] opinion, including its initial claim construction and invalidity analysis." *Id*. (citations omitted).

Petitioner also hereby stipulates that if the PTAB institutes the IPR based on the grounds identified in the Petition (IPR2025-00167 to -00169, -00170, and -00171), then it (i) will not pursue the grounds identified in the Petition in the Parallel Litigation and (ii) will not pursue any other ground that could have reasonably been raised during the IPR (should it be instituted) in the Parallel Litigation (*i.e.*, any ground that could have been raised under §§102 or 103 on the basis of prior art patents or printed publications). In so stipulating, Kubota seeks to avoid multiple proceedings challenging the same claims on the same grounds. Through this stipulation, Kubota expresses its intention to have the PTAB address the patentability of the challenged claims on the grounds identified in the Petition; the similar intention of the Court for the PTAB to address the patentability of the challenged claims is evidenced by granted stay. Evaluation at this junction is based on the facts at hand, not on how Petitioner might challenge the validity of the patent; nonetheless, Petitioner notes the preliminary invalidity contentions did not rely upon system art corresponding to the primary reference (KR996, EX1005).

Factor 5 is neutral. The parties remain the same.

Factor 6 ***strongly*** favors institution. POPR argues that the previous litigation, *ex parte* reexaminations, and purportedly "weak arguments" in the Petition weigh against institution. Each is wrong.

Previous litigation initiated by PO was terminated without decision on validity of the challenged claims. And as explained in the Petition, the *ex parte* reexaminations relied upon different prior art presented in an entirely different invalidity theory than here. Those *ex parte* reexaminations, like nearly all of the original prosecution of the family, relied on an obviousness framework that replaced a radial lift of a compact tool carrier with a vertical lift. In contrast, challenges here rely upon previously uncited KR996 – a compact tool carrier having a vertical lift – that teaches the vast majority of the claim elements. The obviousness framework here is to minor conventional features such as an engine bracket. That the PTO had not previously been made aware of KR996, which is substantially different than the art that was before it, led to clear error in confirming and allowing claims in previous proceedings correctable by these IPRs.

The Petition, supported with detailed expert declaration, illustrates KR996 teaches nearly all claim elements including linkage(s)/actuator attached to a *mainframe*. PO's chief argument on the merits alleges the portion of the KR996 mainframe where the linkage(s)/actuator attached (fixture 41) cannot be considered part of its *mainframe* because that portion can be separated or detached when not in use. *See*, *e.g.*, -00167IPR, POPR (Paper 6), 17. Detachable functionality is not precluded by the claim scope and thus, cannot be illustrative of any weakness in the merits of the invalidity position(s).

At the PTAB's request, Petitioner addresses the construction of *mainframe* in a separate brief explaining it requires neither a "single weldment" nor any other unitary construction. Further, PO previously asserted these patents against The Toro Company ("Toro"). EX1020; 167IPR Pet. (Paper 3), 95. While Toro argued "mainframe" should be construed as having a "single weldment," PO argued for a broader interpretation–one that would include separable portions. EX1039, 11 (arguing "certain portions that are bolted-rather than welded together" are still a *mainframe*). Here, PO flips its position, arguing "mainframe" doesn't cover separable portions. PO's attempts to now carve exclusions from *mainframe* should fail under its plain and ordinary meaning and under estoppel provisions.

PO also passes over the fact that when the vehicle is operating with its loader function, the identified portions of KR996's mainframe are joined as a rigid, supporting structure or body forming a *mainframe that supports the loader*, just as recited in the claims. *See*, *e.g.*, EX1005, FIGS. 8-10 showing portions "attached" by "fix[ing]"/"installing" them together ([0042]-[0043]). The challenged apparatus claims do not preclude detachability when not in operation. Similarly, PO's mere attorney argument improperly limits POSITA's application of prior art teachings and invents issues that <u>ignore</u> the Petition's actual analysis, context of an engine bracket and JP705's general applicability, and Petitioner's expert testimony illustrating the reasonable expectation of success including of pivot point locations.

Respectfully submitted,

/David M. O'Dell/

Dated: April 18, 2025

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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	April 18, 2025
Manner of service	Electronic Mail: rbrophy@atllp.com mvandertuig@atllp.com; mvandermolen@atllp.com
Documents served	**Petitioner's Authorized Preliminary Reply Addressing *Fintiv* Factors**
Persons served	Richard L. Brophy Armstrong Teasdale LLP 7700 Forsyth Boulevard, Suite 1800 Saint Louis, Missouri 63105 Marc Vander Tuig Armstrong Teasdale LLP 7700 Forsyth Boulevard, Suite 1800 Saint Louis, Missouri 63105 Michael J. Vander Molen Armstrong Teasdale LLP 7700 Forsyth Boulevard, Suite 1800 Saint Louis, Missouri 63105

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