

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SHENZHEN TUOZHU TECHNOLOGY CO., LTD.,
Petitioner,

v.

STRATASYS, INC.,
Patent Owner.

Case IPR2025-00311
Patent 8,562,324

AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST

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A. The Board Properly Weighed the *Fintiv* Factors as a Whole

Patent Owner’s claim that the Board “effectively applied the rescinded memorandum” and “over-reli[ed] on Petitioner’s [*Sotera*] stipulation” is easily disproved. Req. at 5–6. The Board did not fixate on the *Sotera* stipulation alone but rather weighed the stipulation in the context of the circumstances, including:

1. That the final written decision likely will precede any district court trial;
2. The lack of court orders or expert discovery regarding the ’324 patent; and
3. The Petition “is sufficiently meritorious to warrant institution of trial.”

Paper 9, 8-17. These factors outweighed the lack of a stay and the fact that the same parties are involved in co-pending proceedings. *Id.* What’s more, in response to recent Director decisions, prior to institution, Petitioner elevated to an even “broad[er] stipulation” recently endorsed by the Acting Director in *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00217, Paper 9 at 2 (Jun. 13, 2025). EX1021. Petitioner’s *Tesla*-type stipulation provides compelling reasons to sustain institution.

B. Institution Will Not Cause Duplicative Work and Inconsistent Decisions Due to Petitioner’s Multiple Stipulations

Responding to the withdrawal of Former Director Vidal’s *Fintiv* memo, Petitioner elevated its initial *Sand*-type stipulation (EX1018), up to a full *Sotera*-type stipulation to not pursue “any other ground that was raised or could have been reasonably raised in an IPR,” (EX1020). *See* Paper 9, 14-15. Petitioner duly

submitted the *Sotera*-type stipulation to the Board with no opposition or request for briefing by Patent Owner. See Paper 8. The Board sensibly concluded that the *Fintiv* factors weighed against discretionary denial. Paper 9, 16-17. Now, however, after choosing to remain silent before institution, Patent Owner claims the Board somehow abused its discretion by “failing to consider whether Petitioner’s stipulation would moot Petitioner’s contentions in the Related Litigation.” Req., 11; Paper 9, 14-15. However, new arguments like this one are not appropriate for Director Review. See <https://www.uspto.gov/patents/ptab/decisions/director-review-process> (the Director will not consider new evidence or arguments).

Furthermore, Petitioner continued to monitor and heed the Acting Director’s direction on discretion. Accordingly, prior to institution and only four days (two business days) after issuance of the *Tesla* decision, Petitioner followed suit by providing to Patent Owner (and subsequently filing) a *Tesla*-type stipulation, vowing that the defendants in the related litigations would not pursue against the ’324 patent:

(i) the specific grounds asserted and instituted in IPR2025-00311, (ii) any other ground that was raised or 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 patent or printed publications), or (iii) any ground based on a combination of system prior art[] and the references that form the basis of any ground raised in IPR2025-00311.

See EX1021.

To be clear, if the Board’s institution decision is sustained, the Mazumder, Mori, Tian, Hull, Seki, Waehner, Lan, Anderson, Krtichman, Tay, and Henke references that form the basis of the Petition grounds cannot be used in any invalidity ground whatsoever in the related litigations. The limited district court invalidity grounds that remain include system art alone or system art in combination with other prior art never presented in the IPR grounds. EX2007, 103-113. No overlap. None.

Patent Owner’s speculative complaints ignore the Acting Director’s reasonable tact in *Tesla* and the reality of Petitioner’s *Tesla*-type stipulation here. It is absurd to suggest Petitioner can “include many combinations of...system art with only *some* references forming an IPR ground.” Req., 13 (original emphasis). The *Tesla*-type stipulation plainly prevents this. Nor is Petitioner attempting to “game the system” by relying on “variations of its IPR grounds that repackage the same substantive arguments with system art.” Req., 12–13. Petitioner’s system art and printed publications are not substantially the same and, thus, not fungible.

C. Institution Will Utilize the Board’s Resources Efficiently, Avoid Wasteful Duplicative Efforts, and Promote Fairness and Competition

The relative timelines of the co-pending proceedings paired with Petitioner’s stipulations present a prime opportunity to conserve resources. As the Board pointed out, “the district court’s docket control order indicates, fact and expert discovery do not close until next year, and the *Markman* hearing is not scheduled until December

3, 2025, approximately six months after [the] deadline for this [institution] decision.” Paper 9, 13 (citing EX1019). With *Markman* briefing and expert discovery still months away, the parties have expended no more than minimal efforts litigating the ’324 patent’s validity; the District Court, none at all. Petitioner is the only one who’s work will be moot, now that its *Sotera* and *Tesla* stipulations have severely curtailed the invalidity contentions. That is a sacrifice Petitioner is willing to make for the Board to finish reviewing the ’324 patent.

Patent Owner identifies routine fact discovery production, mostly public information, and generic court orders, none specific to the ’324 patent. *See* Req., 10–11. It is beyond debate that the related litigations are in their early stages, especially as to invalidity, and there is more work to do going forward than has already been accomplished. To top it off, Patent Owner now seeks to add new products to the suit, including an entirely new printer – Petitioner’s flagship model with many new features – greatly expanding the work and potentially delaying resolution. The best way to narrow the scope of that work is to sustain institution and keep Petitioner’s broad stipulations in place. The nascent stage of the litigations and Petitioner’s broader *Tesla*-type stipulation sets this case apart from *Motorola Solutions v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3–4 (PTAB Mar. 28, 2025).

That Patent Owner argues against this result for no reason other than *Fintiv* discretion—with no attempt to identify any error by the Board on the merits—is

revealing. Patent Owner does not want to conserve resources. It wants to waste the Board's work already expended assessing Petitioner's challenge. Patent Owner wants a second try with a different factfinder that it believes will be more favorable on the merits. Indeed, as in *Tesla*, the "diverse range of subject matter" for the ten patents from multiple patent families involved in the parallel litigations, spanning diverse technology areas of software, robotics, video imaging, computer networks, material science, control systems, and sensor technology (nine of which are subject to IPR), indicates that the Board is best suited to evaluate validity. *Tesla* at 3. Here, the Board's work to determine Petitioner's likely success should be preserved, not wastefully tossed aside only to reinflate the related litigations.

In addition, it is notable that the flagship 3D printer of Petitioner's subsidiary company launched on Kickstarter in May 2022. Only two years after the Kickstarter launch, Patent Owner filed suit. Petitioner had received no pre-suit notice of alleged infringement of the '324 patent, nor had Petitioner had any reason to believe the '324 patent covered their products. Furthermore, Petitioner made every effort to abide the Acting Director's guidance on discretionary considerations for institution. Given the clear errors during prosecution and Patent Owner's only recently revealed broad view of the claim scope (Pet., 5), Petitioner respectfully requests that the Board be permitted to finish its review of the '324 patent in an effort to promote fairness, efficiency, and competition.

Respectfully submitted,

Dated: July 10, 2025

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR §§ 42.6(e)(1) and 42.6(e)(4)(iii), the undersigned certifies that on July 10, 2025, a complete and entire copy of this Petitioner's Authorized Response to Director Review Request is provided via email to the Patent Owner via electronic mail on Patent Owner's lead and backup counsel listed below at the following email address:

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