

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE
UNITED STATES PATENT AND TRADEMARK OFFICE

ALLIANCE LAUNDRY SYSTEMS, LLC,
Petitioner,

v.

PAYRANGE LLC,
Patent Owner.

PGR2025-00027 (Patent 11,966,920 B2)
PGR2025-00028 (Patent 11,972,423 B2)
IPR2025-00573 (Patent 11,481,772 B2)

Before COKE MORGAN STEWART, *Acting Under Secretary of
Commerce for Intellectual Property and Acting Director of the United States
Patent and Trademark Office.*

DECISION
Referring the Petitions to the Board

PGR2025-00027 (Patent 11,966,920 B2)
PGR2025-00028 (Patent 11,972,423 B2)
IPR2025-00573 (Patent 11,481,772 B2)

PayRange LLC (“Patent Owner”) filed a request for discretionary denial (Paper 6, “DD Req.”) in the above-captioned cases, and Alliance Laundry Systems, LLC (“Petitioner”) filed an opposition (Paper 8, “DD Opp.”).¹ With authorization, Patent Owner filed a Reply (Paper 10, “DD Reply”).²

After considering the parties’ arguments and the record, and in view of all relevant considerations, discretionary denial of institution is not appropriate in these proceedings. This determination is based on the totality of the evidence and arguments the parties have presented.

In particular, the challenged patents have not been in force for a significant period of time (issued in 2022, 2024, and 2024). Accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial. Additionally, early challenges favor robust, predictable patent rights and weigh against discretionary denial. Furthermore, Petitioner provides persuasive reasoning, supported by evidence, that discretionary denial under 35 U.S.C. § 325(d) is not appropriate. DD Opp. 9–27. Additionally, the patent examiner did not apply any art or reference during prosecution, despite the existence of PTAB proceedings of related patents that could impact the challenged claims. *Id.* at 13–21. Lastly, the related district court proceeding has no scheduled trial date, there has been relatively little investment in that proceeding, and Petitioner provides evidence that there is a high likelihood of a stay should these proceedings be instituted. *Id.* at 31–37. On balance, these circumstances favor institution.

¹ Citations are to papers in PGR2025-00027. The parties filed similar papers in IPR2025-00573 and PGR2025-00028.

² Patent Owner did not file a reply in IPR2025-00573.

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Although certain arguments are highlighted above, the determination not to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented. Accordingly, the Petitions are referred to the Board to handle the cases in the normal course, including by issuing a decision on institution addressing the merits and other non-discretionary considerations, as appropriate.

In consideration of the foregoing, it is:

ORDERED that Patent Owner's request for discretionary denial is *denied*;

FURTHER ORDERED that the Petitions are referred to the Board;
and

FURTHER ORDERED that neither party shall file a request for rehearing or Director Review of this decision until the Board issues a decision on institution.

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