

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALPINESTARS S.P.A. AND ALPINESTARS USA INC.

Petitioners

v.

DAINESE S.P.A.

Patent Owner

Inter Partes Review No.: IPR2025-00750

**PETITIONERS' RESPONSE TO PATENT OWNER'S BRIEF
IN SUPPORT OF DISCRETIONARY DENIAL**

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Pursuant to the Director's guidance concerning the "Interim Processes for PTAB Workload Management" (Mar. 26, 2025) (the "Workload Guidance"), Alpinestars S.p.A. and Alpinestars USA Inc. ("Petitioners," "Alpinestars") submit this brief opposing Patent Owner Dainese S.p.A.'s ("PO") Brief in Support of Discretionary Denial ("Brief" or "Br.").

I. INTRODUCTION

The Petitioners and PO know each other well, as longtime competitors in a niche industry. Alpinestars S.p.A., founded in 1963, is the world-leading manufacturer of professional racing products, motorcycling airbag protection, high-performance apparel, and technical footwear. PO, Petitioners' competitor, is active in many of the same markets. In 2020, Alpinestars and PO settled an EU patent case. That settlement agreement committed both parties "to seek an amicable solution in the event of further disputes regarding motorcycle airbag systems." Thus, the "settled expectations" of the Petitioners **and** PO with respect to any future dispute about motorcycle airbag systems (i.e., the subject matter of the '065 patent) was unambiguously to prevent further litigation. But PO breached that commitment in 2024 by filing overseas and U.S. lawsuits, with the U.S. lawsuit asserting the '065 patent against the Petitioners just two months after the '065 patent was assigned to PO from D-Air Lab S.r.l. EX1022 (Date of assignment 14 June 2024, recorded at the PTO on July 25, 2024).

The Director has emphasized the need for early IPR challenges and the Petitioners have acted as early as possible. The Challenged Claims did not issue until June 18, 2024 and were only in force for 9 months at the time the Petition was filed. PO could have no settled expectations that the claims of the '065 patent would never be challenged.

But the Petitioners acted even more quickly than the IPR filing date suggests. The Petitioners were not on notice that the Challenged Claims were relevant to their product line until sued on the '065 patent on August 20, 2024. The Petitioners were not properly served until October 11, 2024 (Alpinestars USA Inc.) and November 8, 2024 (Alpinestars S.p.A.). Thereafter, the Petitioners acted quickly and filed the instant IPR on March 27, 2025, approximately 5 months after service of one of the Petitioners (7 months less than the statutory requirement) and slightly over 9 months from the issuance of the '065 patent. This is another factor strongly supporting the denial of the PO's request.

Moreover, as noted in the Petition (at 97), none of the Petitioners' challenges are substantially the same as those considered during prosecution. Indeed, EP'536, CN'180, Hatton, and CN'842 were not reviewed or considered at all by the examiner. Significantly, while EP'297 was submitted in an IDS by the Applicant during prosecution, EX1002, 86-99, the examiner did not base any rejections on it, nor was EP'297 considered in combination with CN'842 or any other prior art

during prosecution. As such, the *Advanced Bionics* framework favors institution, not discretionary denial.

Even if PO could establish that the prior art cited in the Petition is cumulative or substantially the same as the prior art considered by the prosecuting examiner, which PO has not tried to do and cannot do, the evidence demonstrates that the examiner “erred in a manner material to the patentability of challenged claims.” Specifically, in allowing the Challenged Claims, the examiner erred because EP’297 was not used in any rejection and because both EP’536 and EP’297 disclosed the limitations the applicant relied on to gain allowance of the ’065 patent. The Director has held that discretionary denial under 35 U.S.C. § 325(d) is improper when there has been such a clear error during prosecution.

Finally, as shown below, nothing in the PO’s brief supports a discretionary denial. The district court litigation has been stayed pending the outcome of this IPR, as acknowledged by the PO throughout its brief (br. at 1, 4, 5, 7 and 15). Likewise, the original litigation trial date and its relation to a final written decision in this IPR are meaningless for the same reason, because the trial date is void.

Prior to the stay, there was very little investment in the litigation other than the parties’ mandatory exchange of initial burden contentions (br. at 7), leaving all fact discovery, claim construction, expert discovery, and pre-trial briefing, among other things, yet to be completed (or even started). Moreover, Petitioners have

already submitted a *Sands Revolution* type stipulation (EX1017) (br. at 6-8), reducing any potential overlap between the IPR grounds and any district court invalidity defense. PO's argument (br. at 4) that "*Fintiv* factors 1-6 all weigh in favor of Director's denial of institution, and no factor weighs in favor of continuing the IPR process" is simply illogical and incorrect. Instead, as shown below, at least 5 factors weigh in favor of continuing this IPR and the sixth has been found to be neutral when the parallel litigation has already been stayed.

PO's "[o]ther considerations" (br. at 9-15) are even less compelling and often rely on mischaracterizations of the facts, particularly with respect to the EPO opposition and Petitioners' knowledge of the '065 patent. Moreover, PO's argument about Mr. Davidson's expert declaration is contrary to the Director's recent discretionary denial decisions addressing similar arguments. PO does not make an argument under Section 325(d), nor could it for the reasons discussed above, which is another fatal flaw in its Brief.

Petitioners respectfully submit that discretionary denial is not appropriate in this instance and the IPR should be instituted and determined on its merits.

II. THE PARTIES' SETTLED EXPECTATIONS' FAVOR DENYING PO'S REQUEST AND INSTITUTING THIS IPR

According to the Workload Guidance, one consideration relevant to the discretionary denial decision is "[s]ettled expectations of the parties, such as the length of time the claims have been in force." Workload Guidance at 2. In the

current proceeding, this consideration favors denying the PO's request and instituting this IPR for at least two reasons – 1) the settled expectations of the parties were to avoid litigation, but it was PO who broke those settled expectations; and 2) the Challenged Claims were recently issued and the Petitioners presented an early challenge once put on notice of the '065 patent.

A. The Parties' Settled Expectations Were To Avoid Litigation But PO Breached Those Expectations

In 2020, Alpinestars and PO settled an EU patent case. *See generally* EX1018. That settlement agreement committed both parties “to seek an amicable solution in the event of further disputes regarding motorcycle airbag systems.” EX1018, ¶10. Thus, the “settled expectations” of the Petitioners *and* PO with respect to any future dispute about motorcycle airbag systems (i.e., the subject matter of the '065 patent) was unambiguously to prevent further litigation. But PO breached that commitment in 2024 by filing overseas and U.S. lawsuits, the U.S. lawsuit asserting the '065 patent against the Petitioners. EX1014, p. 2. Petitioners were left with no choice but to file this IPR Petition to protect the investment in their product line.

Until then, Petitioners had no reason to consider challenging the '065 patent in an IPR or other formal proceeding because any purported “dispute” between the parties was to be discussed and settled “amicabl[y].” EX1018, ¶10. As noted in the

next section below, once on notice, Petitioners acted quickly and presented an early challenge to the '065 patent.

Moreover, other factors indicate that the '065 patent was of little value to PO. For example, the '065 patent was apparently assigned to PO for no consideration. EX1022. PO's brief, and its Complaint in district court, certainly do not plead that PO has made any significant investment in the '065 patent or the claimed technology. *See generally* EX1014. PO notably does not argue that the '065 patent covers or protects even one of PO's products, *id.*, and Petitioners are unaware of any PO product produced or sold anywhere in the world that practices the '065 patent. In other words, PO acquired the '065 patent and asserted it against Petitioners purely to manufacture a legal dispute, which Petitioners must now defend by filing this IPR Petition.

These are at least a few reasons why settled expectations strongly favor denying PO's request and instituting this IPR.

B. The Challenged Claims Were Recently Issued and Petitioners Filed An Early Challenge

The Director has denied institution when the challenged patent was in force and the Petitioners were aware of the patent several years before the IPR petition was filed, but failed to seek early review. *iRhythm Tech. Inc. v. Welch Allyn, Inc.*, IPR2025-00377 *et al.*, paper 10, p. 3 (“Petitioner’s awareness of Patent Owner’s applications and failure to seek early review of the patents favors denial...”). But

Petitioners here acted within months of learning that the '065 patent was being asserted against them in litigation and well before they were statutorily required to do so. The Director has indicated that “[e]arly challenges to patents favor robust, predictable patent rights and ***weigh against discretionary denial.***” *Tesla, Inc. v. Charge Fusion Techs, LLC*, IPR2025-00152, IPR2025-00153, Paper 11, p. 3 (emphasis added) (“In addition, the challenged patents issued recently, in 2023 and 2024. Early challenges to patents favor robust, predictable patent rights and weigh against discretionary denial.”).

The '065 patent issued on June 18, 2024 (EX1001, (45)), which was slightly more than 9 months before the IPR Petition was filed on March 27, 2025. As such, the Challenged Claims were only in force for a little more than 9 months before the Petition was filed, and the Petition is certainly an early challenge to these claims. *Tesla, Inc.*, IPR2025-00152, IPR2025-00153, Paper 11, p. 3.

Moreover, Petitioners were only put on notice that the Challenged Claims were relevant to their products ***2 months after*** the '065 patent issued when PO filed its U.S. lawsuit on August 20, 2024. EX1014, p. 17. Although Petitioner Alpinestars USA Inc. had until October 11, 2025 to file the IPR Petition (the one-year time limit imposed by 35 U.S.C. § 315(b)), the Petitioners collectively acted more quickly by filing 7 months earlier than required by law. This is further

evidence of an early challenge and another reason why settled expectations favor denying PO's request and instituting this IPR.

PO acknowledges that the "Petition was filed seven months after the filing of the district court Complaint," but alleges that "Petitioner waited slightly more than twelve (12) months to file its Petition against the '065 Patent from the EPO Opposition filing date on March 10, 2024." Br. 14-15. But the '065 patent ***had not even issued*** in March 2024; indeed, it was not even allowed until April 8, 2024, EX1002, 10 (Notice of Allowability), and did not come into force until June 18, 2024. Significantly, the EPO Opposition was filed on ***October 3, 2024***, EX1020, p. 1 (listing date of receipt as "03 October 2024"), ***not March 10, 2024*** as PO asserts in its Brief. Br. at 14. PO's entire argument is incorrect, and this non-sensical and unsupported argument underscores the lack of meaningful argument in PO's brief. PO's argument should be ignored entirely.

III. DENIAL UNDER 325(D) IS NOT APPROPRIATE

As noted by the Director:

In determining whether to discretionarily deny a petition under § 325(d), Office policy requires a determination of "(1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and (2) if either condition of first part of the framework is satisfied,

whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.”

Tesla, Inc. v. Charge Fusion Techs, LLC, IPR2025-00152, IPR2025-00153, Paper 11, p. 2 (citing *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6, p. 8 (PTAB Feb. 13, 2020) (precedential) (“*Advanced Bionics*”)); *see also Ecto World LLC v. Rai Strategic Holdings Inc.*, IPR2024-01280, Paper 13 at 5 (PTAB May 19, 2025) (precedential) (citing *Advanced Bionics* at 8, n.9: “a petitioner may argue that it satisfies the second part of *Advanced Bionics* because the asserted prior art was not a basis for rejection during examination, is not substantially the same as prior art the Examiner applied, and includes specific teachings that ‘impact patentability of the challenged claims.’”). Although the burden is on the PO to request discretionary denial under § 325(d), *Geotab USA, Inc. v. Omega Patents, LLC*, IPR2023-00504, Paper 11, p. 16 (PTAB July 25, 2023) (citing 37 C.F.R. § 42.20(c)), PO advanced no such an argument in its Brief. For this reason alone, discretionary denial under 325(d) is unwarranted.

In any event, applying the two-part framework discussed in *Advanced Bionics*, it is evident that discretionary denial under § 325(d) is not proper.

Regarding part (1), with the exception of EP’297 (not used in a rejection by the examiner), neither the same nor substantially the same prior art was previously

presented to the Office. EX1002, 192-201 (May 2, 2023 Office Action citing to Dainese'422 (Published Application 2012/0032422), Mazzarolo'986 (Published Application 2021/0329986), Azzolin'883 (Published Application 2016/0088883)); 65-73 (December 5, 2023 Office Action citing Mazzarolo'986 and Dainese'422). Significantly, none of the challenges in the Petition are the same or substantially the same as those considered during prosecution. *Id.* Instead, the examiner relied on Mazzarolo'986, Dainese'422 and Azzolin'883 while the primary challenges in the IPR Petition rely on EP'536 in view of CN'180, EP'536 in view of CN'180 and Hatton, and EP'297 in view of CN'842. EP'536, CN'180, Hatton, and CN'842 were not reviewed or even considered by the examiner.

While EP'297 was submitted in an IDS by the Applicant in 2023 during prosecution, EX1002, 86-99, the examiner did not base any rejections on it, nor was EP'297 considered in combination with CN'842 during prosecution. As such, *Advanced Bionics* part (1) does not favor discretionary denial.

Regarding *Advanced Bionics* part (2), Petitioners now demonstrate that the Office also erred in a manner material to the patentability of the Challenged Claims (as argued previously in the Petition at 97) by not considering or applying the art as set forth in the Petition.

The claims in the application that issued as the '065 patent (the '247 application) were amended twice to gain allowance. EX1002, 42-52, 102-112

(2/28/24 and 10/3/23 amendments). In the second amendment, the applicant added numerous limitations to overcome rejections based on Mazzarolo'986. EX1002, 65-73 (12/5/23 office action), an example of which is shown below:

1. (Currently Amended) A protective device for the protection of a user, said protective device comprising a mesh structure comprising a first mesh portion and a second mesh portion and a plurality of tie elements, wherein said first mesh portion and said second mesh portion are opposite one another and are connected one another by ~~the~~ said plurality of tie elements; wherein ~~the first mesh portion, the second mesh portion and the tie elements define one or more inner housings of the mesh structure~~ said tie elements comprise dividing walls defining a plurality of inner housings between said first mesh portion and said second mesh portion;

...

wherein said casing body comprises a plurality of portions each arranged in a corresponding inner housing of said plurality of inner housings, and wherein said plurality of inner housings define channels arranged side-by-side one another and separated from each other by a tie element of said plurality of tie elements, each of said plurality of inner housings intended to house a corresponding portion of said casing body, and

wherein in the inflated condition, said portions of said casing body are inflated against said first mesh portion, said second mesh portion, and said tie elements so as to form a planar structure.

EX1002, 43-44.

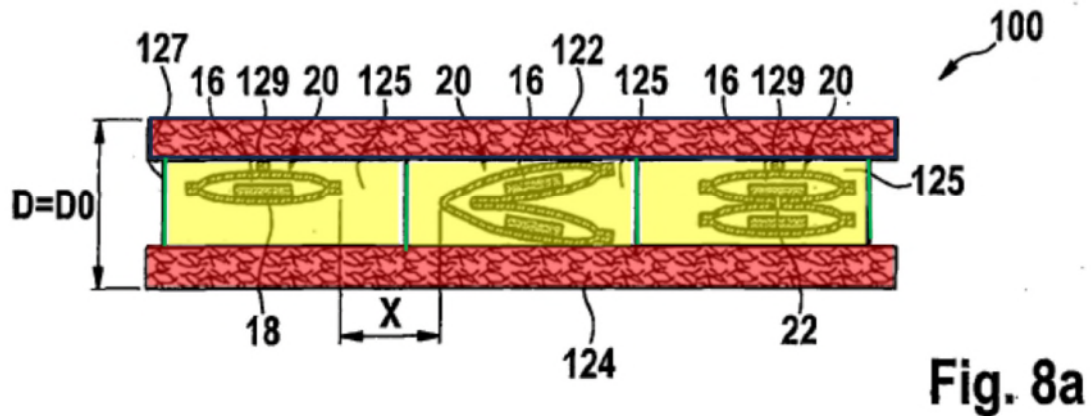
According to the applicant, the independent claims were “amended to clarify that the tie elements are dividing walls defining a plurality of inner housings in

which portions of the casing body are arranged.” EX1002, 49. The applicant clarified that “that the tie elements comprise dividing walls defining a plurality of housings and that the portions of the casing body are inflated against the first mesh portion, the second mesh portion, and the tie elements.” *Id.*, at 50.

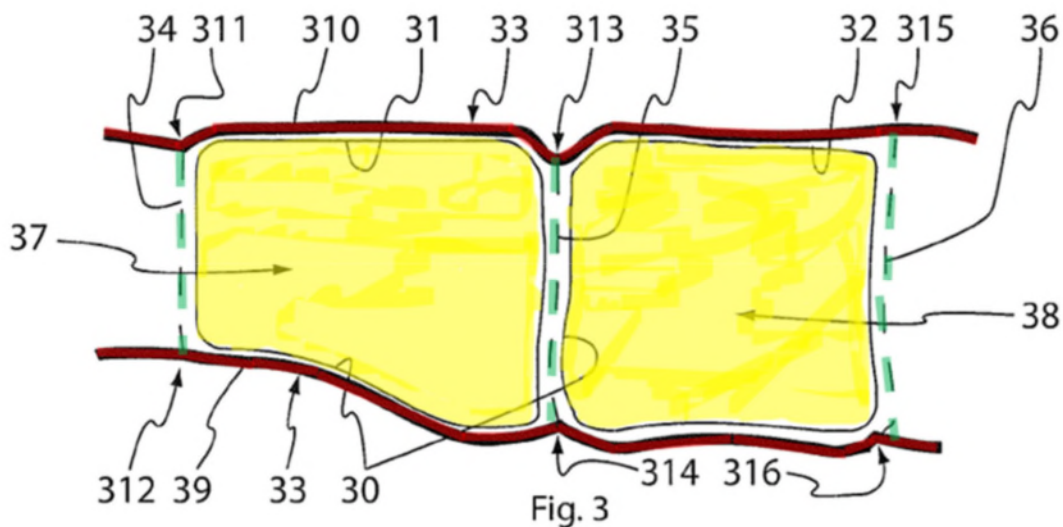
The tie elements/dividing walls were the only significant distinctions argued by the applicant to gain allowance over the prior art, which Petitioners refer to herein as the “distinguishing features.” *See, e.g., Id.* (“Mazzarolo does not disclose dividing walls as now recited in independent claim 1”); *id.*, at 51 (“Mazzarolo does not teach or suggest dividing walls defining a plurality of inner housings between a first mesh portion and a second mesh portion. Mazzarolo further teaches that the inflatable bag circles the tie members as the bag inflates. That would not be possible if the tie members were dividing walls.”).

Although the examiner did a new search after these amendments, the examiner allowed the application without issuing another rejection of the claims. EX1002, 30-39. Significantly, the examiner ***did not find 4*** of the main references cited in the Petition: EP’536, CN’180, Hatton, and CN’842. Moreover, while the fifth main reference cited in the Petition, EP’297, was submitted during prosecution in an IDS in 2023, EX1002, 86-99, the examiner failed to base any rejections on it, nor consider EP’297 in combination with CN’842 as set forth in the Petition.

Significantly, as shown in the Petition, both EP'536 (not found by the examiner) and EP'297 (not cited by the examiner) disclose the “distinguishing features” that caused the '065 patent to be allowed. *See, e.g.*, Petition at 26 (ground based on EP'536) and 67-68 (ground based on EP'297):



EP'536 (tie elements/dividing walls colored blue)



EP'297 (tie elements/dividing walls colored green)

As such, even if the PO were to allege that the challenges in the Petition are based on prior art that is the same as or cumulative to prior art considered by the examiner during prosecution (which PO did not), the examiner in fact made a clear error in allowing the claims over such prior art because the art explicitly discloses the “distinguishing features” that led to the allowance of the '065 patent. The Director has recently held that “discretionary denial under § 325(d) is inappropriate” in these instances. *Tesla, Inc. v. Charge Fusion Techs, LLC*, IPR2025-00152, IPR2025-00153, Paper 11, pp. 2-3 (no discretionary denial because “Petitioner persuasively argues that the patent examiner overlooked Letendre’s teachings, thus demonstrating that the Office erred in a manner material to the patentability of the claims”); *Microsoft Corp. v. Partec Cluster Competence Center GmbH*, IPR2025-00318, Paper 9, pp. 2-3 (“Petitioner provides persuasive evidence that the Office erred in a manner material to the patentability of the challenged claims by overlooking the teachings of Budenske and Kambalta, and the combined teachings of Budenske and Lippert, or Budenske and Kambalta with Lippert... Accordingly, ***discretionary denial under § 325(d) is inappropriate.***”).

IV. PO’S ARGUMENTS SHOW THAT DISCRETIONARY DENIAL IS NOT WARRANTED

PO’s *Fintiv* analysis is premised on an originally-scheduled trial date, which has been stayed. Br. at 1 (“The court’s early trial date indicates that the court would determine the patent’s validity earlier than the projected statutory deadline

for the final written decision.”). The case remains stayed pending the outcome of this IPR petition, and hence no new trial date has been set. So, any PO argument relying on the originally-scheduled trial date is unsupported, illogical and should not weigh in favor of discretionary denial.

Other PO arguments improperly rely on a hypothetical and/or imaginary district court schedule that **could** exist at some point in time if this IPR is not instituted. *See, e.g.*, Br. at 4 (“If this Discretionary Denial is granted in the next two months, the court would lift the stay, and **trial will likely take place** approximately five months before the Final Written Decision should this IPR get instituted.”); 5 (“The second *Fintiv* factor weighs in favor of denying institution because the district court’s **stay may be lifted**, so that the court’s scheduled trial date will merely slip by four months if this Discretionary Denial is granted ... And further assuming this Discretionary Denial is granted, the district court’s trial **would still likely occur** five months before the Board’s projected statutory deadline for the Final Written Decision **if one were to assume the district court trial schedule slipped only four months during the stay** until grant of this Discretionary Denial”). As such, *Fintiv* factors 1 and 2 weigh against discretionary denial.

PO’s analysis of Factors 3 and 4 are based on incorrect facts concerning the investment in the litigation and Petitioners’ IPR stipulation, and Factor 5 is neutral. PO’s “merits” argument for Factor 6 relies on an unfiled POPR with no preview of

its contents, arguments or why any Challenged Claim will be found patentable by the Board. As such, 5 *Fintiv* factors weigh in favor of denying PO's request and one is neutral.

A. 35 U.S.C. § 314(a) Analysis

The *Fintiv* factors weigh against discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, pp. 5-6 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv*"); *Sand Revolution II, LLC v. Continental Intermodal Group - Trucking LLC*, IPR2019-01393 (June 16, 2020) ("*Sand Revolution*").

1. Stay

The parallel district court proceeding has been stayed pending the outcome of this IPR. EX1021, p. 7 ("For all of the foregoing reasons, Defendants' Motion to Stay is granted. This action is stayed pending the outcome of Defendants' IPR Petition. The Court orders this action administratively closed and removed from the Court's active caseload until further application by the parties or order of this Court."). According to *Fintiv*, "[a] district court stay of the litigation pending resolution of the PTAB trial allays concerns about inefficiency and duplication of efforts." *Fintiv*, 6. Accordingly, a stay of the district court litigation "strongly weigh[s] against exercising the authority to deny institution." *Fintiv*, 7-8.

As such, *Fintiv* factor 1 weighs against discretionary denial.

2. Trial Date

There is no trial date as the parallel district court proceeding has been stayed pending the outcome of this IPR. EX1021, p. 7. Because the stay will not be lifted until the IPR has completed, a final written decision in this proceeding will necessarily issue before the district court trial (or even discovery) begins. The Director has recently held that these facts weigh against discretionary denial. *Amazon.com, Inc. et al. v. NL Giken Inc.*, IPR2025-00250, IPR2025-00407, Paper 14, p. 2 (determining not to exercise discretion to deny institution because “it is likely that a final written decision in this proceeding will issue before the district court trial occurs”).

3. Parallel Proceeding

PO wrongly argues that “[s]ubstantial work will have already been done” in the litigation by the institution decision deadline. Br. at 6. Indeed, prior to the stay, there was very little investment in the litigation other than the parties’ mandatory exchange of initial burden contentions (br. at 7). Fact discovery, claim construction, expert discovery, and pre-trial briefing, among other things, are all stayed and were not completed (or even started). And because the litigation is stayed, no other investment in the litigation is currently required or being undertaken.

Moreover, no “substantive orders have been entered,” which also “weighs against exercising discretion to deny institution.” *Palo Alto Networks, Inc., v. Croga Innovations Ltd.*, IPR2024-01421, paper 8, pp. 11-12 (PTAB March 14, 2025) (citing *Fintiv*, paper 11, p. 10 “If, 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 under *NHK*.”). Thus, even if the litigation were not stayed, this factor weighs against discretionary denial. *Id.*

4. Issue Overlap

PO acknowledges that the litigation is stayed and that Petitioners have already provided a *Sands Revolution* type stipulation (EX1017) limiting the invalidity challenges in the litigation if the IPR is instituted. Br. 6-8. Despite this, PO alleges that the fourth *Fintiv* factor favors denying institution essentially because Petitioners served invalidity contentions before the litigation was stayed:

But for the district court stay, Petitioner’s stipulation is meaningless because the district court would have decided to rely on the references asserted in the IPR *before* the Institution Decision. ... If this Discretionary Denial is granted and the district court stay is lifted, the district court will consider the validity issues months before an instituted IPR reached a Final Written Decision.

Based on the current language of the stipulation and the litigation schedule, there may be substantial overlap between the IPR grounds and the Invalidity Contentions, and substantial overlap in work in both forums. ... A seminal question is why would Petitioner not cite their strongest references in the district court when a stipulation preventing such action is only relevant upon the institution of their IPR, which would occur after the due date for Invalidity Contentions in the litigation?

Here, the Petition cites three grounds and cites eight prior art references. Exhs. 1004 – 1013. Each of the prior art references is also cited in the Petitioner's Infringement [sic.] Contentions in the district court. Hence, Factor 4 also weighs heavily in favor of denial because there is no restriction or limitation on what was asserted by Petitioner in its Invalidity Contentions filed on May 27, 2025, resulting in overlap between Invalidity Contentions and the IPR grounds.

Br. at 7-8.

Petitioners were under an obligation to provide invalidity contentions in the litigation by May 27, 2025. EX2001, p. 3. Because the decision to institute this IPR was (and still is) pending, Petitioners had to submit all of their contentions by the court's deadline or risk being precluded at trial (should the stay be lifted). *Id.*, p. 4 (“The failure to disclose theories of infringement or invalidity in accordance with this order may preclude those theories from being asserted at trial.”). Petitioners acknowledge that some of the invalidity contention grounds cover the prior art

grounds cited in the IPR Petition, but many others do not. *See* EX1023 at Section VII. Indeed, Petitioners have several grounds based on product prior art, which cannot be part of an IPR. *Id.* Should this IPR be instituted, *and the litigation stay be lifted*, Petitioners will be forced to limit the prior art grounds in the litigation per the IPR stipulation. The “seminal question” raised by PO above is thus easily answered: Petitioners followed the rules and disclosed all necessary information in the district court litigation, while also agreeing to the stipulation to support their IPR petition and seeking a (now instituted) stay of the district court litigation to allow the PTAB to do its work.

As such, this factor weighs against discretionary denial.

5. Same Party

The Petitioners, PO and the parties in the litigation are the same parties, although the same fact applies to the vast majority of IPR petitions and thus adds little, if any, weight towards a discretionary denial. Moreover, where the district court litigation is stayed pending IPR, this factor is “neutral or, at most, weigh[s] slightly in favor of exercising discretion to deny institution.” *Snap, Inc. v. SRK Tech. LLC*, IPR202-00820, Paper 15, p. 9 (PTAB Oct. 21, 2020) (designated precedential Dec. 17, 2020), 16. This factor is neutral.

6. Other Considerations

Other considerations also weigh strongly against discretionary denial. The Challenged Claims are clearly invalid, the '065 patent has never been challenged in a post-issuance proceeding, all but one of the references were not cited during prosecution of the '065 patent, and the teachings used here from the only cited reference were not contested during the original prosecution.

In sum, all but one of the *Fintiv* factors weigh strongly against a discretionary denial and the remaining factor is the “same party” factor that applies to nearly all IPR Petitions and should be given little weight. As such, PO’s argument (br. at 4) that “*Fintiv* factors 1-6 all weigh in favor of Director’s denial of institution, and no factor weighs in favor of continuing the IPR process” is simply incorrect.

Accordingly, discretionary deny under §314(a) is not warranted.

B. PO’s “Other Considerations” Are Misleading, Factually Incorrect, And Not Supported By Recent Director Decisions

PO alleges that “[s]everal considerations weigh in favor of granting this Discretionary Denial.” Br. at 9. But these consideration are either factually or legally wrong as noted below and do not weigh in favor of discretionary denial.

1. Instituting This IPR Would Reduce The Number Of Issues For The Judge And Jury To Decide In The District Court Litigation

PO argues that “Petitioner has not explained how instituting an IPR would reduce the number of issues adjudicated by the district court judge and decided by a jury” and that “Petitioner has not represented or indicated that they would present fewer references or grounds to the jury if an IPR is instituted and the references were already included in Invalidity Contentions before IPR institution.” Br. at 9. This argument is flawed for several reasons.

First, as noted above, the litigation has been stayed pending the outcome of this IPR. PO is well aware of this stay.

Second, Petitioners have already submitted a *Sands Revolution* type stipulation stating that “if the Board institutes *inter partes* review in this proceeding on the grounds presented in the petition, then Petitioners will not pursue in the parallel district court litigation ... an invalidity defense that the patent claims subject to the instituted IPR are invalid based on those grounds that were raised in the IPR.” EX1017, p. 1. PO is well aware of this too. PO’s argument that “Petitioner has not represented or indicated that they would present fewer references or grounds to the jury if an IPR is instituted” is therefore simply false.

Third, as noted above, Petitioners were under an obligation to provide invalidity contentions in the litigation by May 27, 2025. EX2001, p. 3. Because the

decision to institute this IPR was (and still is) pending, Petitioners had to submit all of their contentions by the court's deadline or risk being precluded at trial (should the stay be lifted or the IPR petition denied). *Id.*, p. 4 ("The failure to disclose theories of infringement or invalidity in accordance with this order may preclude those theories from being asserted at trial.").

Petitioners respectfully submit that this consideration does not weigh in favor of discretionary denial, and simply reflects Petitioners following the rules.

2. Petitioners' Expert Declaration Is Proper

PO alleges that "Mr. Davidson's declaration merely repeats, verbatim, conclusory assertions in the Petition" and that "Mr. Davidson does not provide additional technical reasoning to support many of the substantive statements." Br. at 10. PO concludes that "lack of supporting evidence and additional technical reasoning in Mr. Davidson's declaration is yet another reason why the Board should deny institution." Br. at 12 (citing *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9, p. 5). This argument is simply wrong. The similarity between the Petition and the Declaration is the result of the Petition citing Mr. Davidson's technical explanation without any deviation from the matters to which he testifies. Notably, PO does not even allege that the declaration is inadequately supported.

And as the Director has recently noted, similarity between the petition and the declaration is not the test when considering discretionary denial. For example,

the expert declaration should be evaluated to determine if it is improperly being used to fill in gaps in the prior art. *iRhythm Tech. Inc. v. Welch Allyn, Inc.*, IPR2025-00377 *et al.*, Paper 10, pp. 2-3. PO has made no such allegation, nor could it. Instead, PO merely alleges that the similarity between the expert declaration and Petition is why the IPR should not be instituted. But according to the Director, what Petitioners' expert has done actually "weighs against discretionary denial":

Patent Owner does not identify any portions of the expert testimony that suggest Petitioner is using its expert to fill gaps in the prior art. Instead, Petitioner appears to rely on its expert to explain the background knowledge of a person of ordinary skill in the art, and the expert provides citations to evidence in support of his statements in the required manner. *See* 37 C.F.R. § 42.65(a); *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 (Aug. 24, 2022) (precedential). This also ***weighs against discretionary denial.***

Id. (emphasis added); *see also Snap Inc., v. You Map Inc.*, IPR2022-00568, Paper 37, p. 31 ("The similarity between the Petition and the Declaration is the result of the Petition citing Mr. Williams's explanation without any deviation from the matters to which he testifies. Thus, it is unremarkable that the Petition would repeat some parts of Mr. Williams's Declaration. ***Even so, the critical inquiry here***

is whether the Declaration is adequately supported. We find that Mr. William's declaration is adequately supported.).

Petitioners respectfully submit that this consideration also does not weigh in favor of discretionary denial.

3. PTAB Resources Are Required To Handle This Dispute

PO argues that the “Director should also deny institution because the PTAB’s limited resources are better spent on the growing backlog of *ex parte* appeals.” Br. at 12. PO cites to the Director’s Workload Guidance for support and concludes that the “PTAB should focus its efforts on the pending *ex parte* appeals – *not this IPR, when the district court is already scheduled to adjudicate validity more than eight months before the Board reaches its Final Written Decision.*” Br. at 12-13 (emphasis added). But this argument is wrong. The litigation has been stayed and PO once again relies on a hypothetical and unscheduled trial outcome to support its request.

Moreover, PO has the audacity to partially quote the Director’s Workload Guidance and imply that the Director will “exercise her discretion on institution of AIA proceedings” to spend more resources on *ex parte* appeals. *Id.* The partially quoted Workload Guidance actually states “[t]o ensure that the PTAB continues to meet its statutory obligations as to *ex parte* appeals, while continuing to maintain its capacity to conduct AIA proceedings, the Director will exercise her discretion

on institution of AIA proceedings ***under 35 U.S.C. §§ 314(a) and 324(a) as outlined below.***” Workload Guidance at 1 (emphasis language left out of PO’s Brief). What is “outlined below” in the Workload Guidance is the Director’s new bifurcated procedure where “decisions on whether to institute an IPR or PGR will be bifurcated between (i) discretionary considerations and (ii) merits and other non-discretionary statutory considerations.” Workload Guidance at 1. Nothing in the Workload Guidance can be construed in the manner in which PO alleges, to urge denial of early, properly-supported petitions to focus on *ex parte* appeals.

Petitioners respectfully submit that PO has misread the Workload Guidance, and this consideration also does not weigh in favor of discretionary denial.

4. PO Mischaracterizes The EPO Opposition

The ’065 patent is related to European Patent EP4072364B1, which is currently the subject of an Opposition proceeding. Br. at 13. PO argues that the “Opposition Division issued a favorable preliminary opinion about the patentability of amended claim 1 of the main request of EP364” and “the Patent Owner’s success in the proceedings of EP364 in the EPO is materially relevant to the Patent Owner’s success in this IPR as it involves Alpinestars S.p.A., one of the parties in this IPR proceeding.” Br. 13-14. PO provides no legal authority for this premise.

Moreover, PO mischaracterizes the EP proceedings as “favorable” and a “success.” The EP proceedings have not been “favorable” for patentability of the claims as presented, nor are they relevant to this IPR.

First, the preliminary opinion issued by the Opposition Division is **provisional and not binding**, as indicated at paragraph 2 of the opinion itself. EX1024, ¶2 (“Any opinion set out in the following observations is only **provisional** and **should not be considered as binding** the opposition division in any way.”).

Second, the EP preliminary opinion is based on claims that have been **amended by the PO during the Opposition**—in particular, claim 1 has been limited to recite feature l) “wherein the casing body (40, 42, 43) has a hand or comb shape.” EX1024, ¶1.5. By so amending the claims, the PO has implicitly acknowledged that EP364’s original claim 1 lacked novelty. Moreover, the amendment makes the proposed EP364 claim 1 narrower than claim 1 of the Challenged Claims by including a specific shape of the “casing body.” EX1024, ¶2.3.2 (“Claim 1 is based on the combination of features of originally filed claims 1, 5 and 7”). In addition, the EP amendment does not include the “tree shape” recited in the ’065 patent’s claims. EX1001, claim 5 (“wherein said casing body has a hand or comb or tree shape ...”). Accordingly, the claims of EP364 and the ’065 patent are significantly different, with different claim scope.

Significantly, the preliminary opinion's novelty analysis focuses only on a limited set of prior art because of the newly-added language "which requires the casing body to have a hand or comb shape." EX1024, ¶2.5. One prior art reference was discarded as not being prior art. *Id.*, ¶2.5.1 (rejecting a priority challenge not made in this IPR Petition). The other, EP'297, was considered alone and found not to disclose a mesh structure. *Id.*, ¶2.5.2. EP'297 clearly discloses casing body with a comb shape, Petition at 78-79, and is cited in combination with CN'842 in the IPR Petition as teaching the mesh portions (Section VI). This combination was not relied upon in the EPO preliminary opinion. *See generally, id.*, ¶¶2.5-2.6.

Moreover, the IPR Petition did not challenge the alleged priority date of the '065 patent and, unlike the EP Opposition, all of the art cited therein is indisputably prior art to the '065 patent assuming its earliest possible priority date.

Thus, the EPO preliminary opinion is ***not*** materially relevant to the PO's success in this IPR as PO alleges.

Petitioners respectfully submit that this is another consideration that does not weigh in favor of discretionary denial.

5. PO Misrepresents When Petitioners Had Knowledge Of The '065 Patent

PO argues that "Petitioner waited slightly more than twelve (12) months to file its Petition against the '065 Patent from the EPO Opposition filing date on March 10, 2024" and that "Petitioner's sales of infringing products started around

April 11, 2022 ... and October 3, 2022 ..., approximately three years prior to the filing of the Petition.” Br. at 14-15 (citations omitted). PO concludes with “Petitioner’s awareness of the ’065 Patent more than one year prior to the filing of the Petition and Petitioner’s failure to seek early review of the ’065 Patent.” Br. at 15. PO’s argument misstates the filing date of the EPO Opposition (see EX1020) and the issue date of the ’065 patent, and is clearly incorrect as Petitioners presented an early challenge to the ’065 patent as discussed in Section II.B.

Moreover, the ’065 patent issued on June 18, 2024 -- so there was no way for Petitioners to be aware of the Challenged Claims in March 2024 (more than 2 months before the patent issued). Indeed, the Challenged Claims were not even allowed until April 8, 2024. EX1002, 10 (Notice of Allowability), and the EPO Opposition was not filed until October 2, 2024.

In addition, PO’s reliance on the EP Opposition based on a different patent and a different set of claims is once again misplaced for the reasons set forth above. Significantly, PO cites no case or Director decision holding that the alleged and incorrect 12 month and 17 day “delay” between the EP opposition and the filing of the instant IPR Petition warrants discretionary denial. Instead, PO cites to the *iRhythm* decision where the IPR Petitions were ***filed over a decade after the Petitioner was aware of the challenged patent***. *iRhythm*, IPR2025-00377 *et al.*, Paper 10, p. 3 (denying institution of IPR Petitioner filed in 2024 because

Petitioner was aware of the challenged patent as early as 2013 after citing it in an Information Disclosure Statement in its own patent application).

Petitioners respectfully submit that this is another consideration that does not weigh in favor of discretionary denial.

V. THE REMAINING WORKLOAD GUIDANCE FACTORS WEIGH AGAINST DENIAL

The Workload Guidance states that “parties are permitted to address all relevant considerations” and then identifies several examples. Workload Guidance at 2. Although not specifically identified as such, PO arguably analyzes only three of these factors: “The extent of the petition's reliance on expert testimony,” “Settled expectations of the parties,” and “other considerations bearing on the Director’s discretion,” which were discussed above. These considerations and the remaining considerations warrant discretionary denial.

A. No Forum Has Adjudicated The Validity Or Patentability Of The Challenged Claims

The Workload Guidance states that the Director may consider “whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged claims.” Workload Guidance at 2. PO does not address this factor, but this factor strongly weighs against discretionary denial because no forum has adjudicated the validity or patentability of the Challenged Claims to date. And

because the district court litigation is stayed pending the outcome of this IPR, no forum will do so prior to the issuance of a Final Written Decision.

Simply put, the Board is the most effective and efficient forum to resolve the patentability of the '065 patent.

B. There Have Been No Changes In Law Or Judicial Precedent That May Affect Patentability

The Workload Guidance states that the Director may consider “[w]hether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability.” Workload Guidance at 2. PO does not address this factor and Petitioners’ submit that no relevant changes in the law or judicial precedent exist.

The AIA’s broad statutory mandate remains the same. Thus, this consideration weighs against discretionary denial.

C. The Petition’s Strong Merits Weigh Against Discretionary Denial

The Petition has presented 3 strong grounds against the Challenged Claims. The grounds were not previously considered by the PTO and are strong, mapping every claim limitation to specific disclosures in the prior art and providing detailed, well-supported explanations of motivation to combine and reasonable expectation of success. PO merely asserts that its “merits arguments presented in its POPR will explain why Petitioner’s grounds fail to disclose the claim elements.” Br. at 9. The

Director cannot reasonably consider arguments not yet made, nor can Petitioners reasonably be expected to respond to them.

Petitioners submit that the Petition has met the compelling merits standard and this consideration also weighs against discretionary denial.

D. PO Has Not Alleged Any Compelling Economic, Public Health, Or National Security Interests That Require Discretionary Denial

The Workload Guidance lists “[c]ompelling economic, public health, or national security interests” as another consideration for the Director to consider. Workload Guidance at 2. PO has not advanced any arguments to this effect and Petitioners are not aware of any such economic, public health, or national security interests tied to the '065 patent that favor discretionary denial. Indeed, there is no evidence that PO is even using the claimed technology in the '065 patent, in the United States or anywhere else in the world.

Instead, a compelling public health factor favors institution. The '065 patent clearly pertains to motorcyclist safety and therefore to public health by ensuring that a motorcyclist's chest and other body parts are protected in the event of an accident. But PO is not making any products that practice the '065 patent, making it a safety technology blocking patent. As such, discretionary denial could potentially cause all products in this public safety market to be off the market in the U.S.

Thus, this consideration also weighs against discretionary denial.

VI. CONCLUSION

As the Director has made clear, “the determination to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented.” *iRhythm*, IPR2025-00377 *et al.*, Paper 10, p. 3.¹ In this IPR, all of the evidence and arguments warrant denying PO’s request and allowing this IPR to be determined on the merits.

¹ Petitioners are aware that some Petitioners have challenged that the Workload Guidance violates the Administrative Procedures Act (“APA”). *See Amazon.com, Inc. et al. v. NL Giken Inc.*, IPR2025-00250, IPR2025-00407, Paper 11, at 19-20. Petitioners merely reserve the right to assert the APA should one of these challenges be granted.

Dated: July 18, 2025

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24(d), Petitioners certify that this Response includes 7,108 words, as measured by Microsoft Word, exclusive of the table of contents, certificates of service and word count, and listing of the exhibits.

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CERTIFICATE OF SERVICE

The undersigned certifies pursuant to 37 C.F.R. §§ 42.6(e) and 42.105 that on July 18, 2025, a true and correct copy of the *Petitioners' Response To Patent Owner's Brief In Support Of Discretionary Denial* was served via electronic mail to the following attorneys for the Patent Owner:

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