

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GENERAC POWER SYSTEMS, INC.,
HARBOR FREIGHT TOOLS USA, INC., and
MWE INVESTMENTS, LLC,
Petitioners

v.

CHAMPION POWER EQUIPMENT, INC.,
Patent Owner.

Patent No. 10,598,101

Issued: March 24, 2020

Title: DUAL FUEL SELECTOR SWITCH

Inter Partes Review No. IPR2025-00951

**PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR
DISCRETIONARY DENIAL OF INSTITUTION**

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I. INTRODUCTION

Petitioners oppose Patent Owner Champion Power Equipment, Inc.’s (“Champion” or “Patent Owner”) request for discretionary denial (Paper 8 (hereinafter “RDD”)).

The ’101 Patent at issue in this proceeding was improperly granted by the Patent Office due to a critical oversight by the Examiner, who failed to consider the teachings of the prior art YouTube Video of the Honda EU20i generator (“EU20i Video”)—a reference that clearly anticipates claims 10-12 and 16. *See infra* §III. This video, which demonstrates a dual-fuel generator with features directly mirroring those claimed in the ’101 Patent, was belatedly disclosed by the Patent Owner in a late-filed Information Disclosure Statement (IDS), a tactic that appears designed to bury this damaging prior art amid the final stages of prosecution and minimize the likelihood of thorough review. Indeed, the IDS was submitted after amendments were already agreed upon to overcome the existing prior art of record. EX1002, 63, 140. By slipping this reference in at the eleventh hour, the Patent Owner effectively evaded proper scrutiny, allowing these claims to issue despite their lack of novelty.

In light of the Honda EU20i Video’s anticipatory disclosure, the Office should have never granted at least claims 10-12 and 16. Moreover, as detailed in Grounds 1-2 of the Petition, the remaining claims would have been obvious to a person of

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ordinary skill in the art based on the similar prior art generator disclosed in DuroMax, further underscoring the '101 Patent's unwarranted issuance and the need for invalidation in this proceeding. The Office has repeatedly indicated that overlooking key teachings in cited prior art constitutes a material error, and "it is an appropriate use of Office resources to review the potential error." *Taiwan Semiconductor Manufacturing Company and Apple v. Marlin Semiconductor*, IPR2025-00847, Paper 11, at 3-4 (PTAB, Sept. 3, 2025) (referral to merits panel is appropriate due to Examiner's material error in overlooking certain teachings in cited prior art reference that disclosed features of challenged claims); *Eunsung Global Corp. v. Hydrafacial LLC*, IPR2025-00445, Paper 14, at 2 (PTAB July 10, 2025) (referring the petition to the panel due to "material error in examination" arising from Examiner overlooking prior art teachings that appear to disclose allowable features of the claims).

When the Office has committed a material error in prosecution of a challenged patent, as is the case here, correction of such an error has been deemed to be of paramount importance, often overcoming a Patent Owner's strong settled expectations in a challenged patent and even overcoming facts that otherwise would have resulted in a *Fintiv* denial. While material error stands as an independent reason for referring the '101 Patent to the merits panel, such referral is made even more appropriate due to: (1) the Patent Owner's lack of settled expectations in the recently

issued '101 Patent; (2) the fact that the counterpart litigations are in their early stages, with a Final Written Decision (“FWD”) being due in this proceeding well before any trial; and (3) the tremendous efficiencies to be gained by having the Board address not only the '101 Patent but also the large number of other related patents asserted in the counterpart litigations.

As to settled expectations, Patent Owner has none with respect to the '101 Patent, which was only recently issued in 2020. This IPR Petition, therefore, was filed less than six years after issuance. Thus, Patent Owner has not developed settled expectations that its patent would not be challenged. To the contrary, the only settled expectation Patent Owner should have had was that its patents would in fact be challenged in IPRs if it were to move forward with its unreasonable interpretation and assertion of its claims against Petitioners, just as Petitioners told Patent Owner would happen in written correspondence when it first raised its potential infringement allegations.

Turning to the parallel litigation, the '101 Patent is one of thirteen patents asserted by Patent Owner against multiple Petitioners across three separate litigations in California, Wisconsin, and Nevada, as well as a fourth litigation involving non-petitioner Firman in Arizona. A Final Written Decision (“FWD”) is expected in this proceeding in December of 2026—some eight months to two years before the expected trial dates in any of Petitioners’ cases. The Firman case is

running far behind its predicted schedule and is likewise not likely to reach trial before the FWD date.

Accordingly, in lieu of at least three separate jury trials on invalidity before three different district courts operating on different timelines, it is a highly appropriate and efficient use of Office resources to consolidate each of Petitioners' separate invalidity arguments against the asserted patents in a single set of proceedings before the PTAB. Furthermore, by Patent Owner's own admissions, the majority of Petitioners' cases are in their infancy, and none are at an advanced stage. All of the cases are also likely to be stayed upon institution of one or more of the IPRs. Petitioners have also provided or committed to provide broad stipulations for all asserted patents that go beyond the typical *Sotera* stipulation to further include system-based prior art that is commensurate with any prior art raised in the IPRs, thus ensuring no overlap between the PTAB's work and any district court proceeding in the unlikely event one or more case does go forward.

In sum, when holistically assessing the facts, evidence, circumstances, and other considerations (explained below), discretionary denial is not appropriate. This Petition should be referred to the Board for assessment on the merits.

II. FACTUAL BACKGROUND

Petitioners have filed/will file thirteen IPRs challenging the thirteen patents asserted across the three litigations against Petitioners (which Patent Owner also

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asserted in a fourth litigation against non-petitioner Firman). The thirteen patents stem from two different patent families and cover a diverse range of technical concepts. Details of the filed or to-be-filed IPRs (the '101 IPR and the “Related IPRs”) are as follows:

IPR No.	Patent No.	IPR Filing Date	Challenged Claims	Grounds Asserted
IPR2025-00951	10,598,101	May 16, 2025	19	5
IPR2025-00805	10,393,034	Apr. 29, 2025	24	8
IPR2025-01099	11,306,667	June 17, 2025	18	5
IPR2025-01121	11,143,120	June 23, 2025	19	8
IPR2025-01228	11,905,896	July 11, 2025	38	5
IPR2025-01185	10,221,780	July 22, 2025	15	6
IPR2025-01272	11,492,985	July 30, 2025	19	8
IPR2025-01384	11,905,895	Aug. 20, 2025	21	4
IPR2025-01438	11,761,390	Aug. 28, 2025	21	5
IPR2025-01271	10,697,398	Sept. 3, 2025	45	9
IPR2025-01423	11,530,654	Sept. 3, 2025	11	5
IPR2025-01457	11,143,145	imminent	16	~8
IPR2025-01463	11,840,970	imminent	52	~6

While Patent Owner suggests or insinuates throughout its brief that in filing these IPRs Petitioners are acting in concert with non-petitioner Firman (*e.g.*, RDD, 3 (“Petitioners have been cooperating with Firman”)), this is categorically false.

Firman is not a petitioner nor a real-party-in-interest here (nor in any of the Related IPRs) and is not in privity with any Petitioner. In fact, Petitioners and Firman have had to seek relevant discovery from each other by resorting to third-party subpoenas under the formal discovery procedures in their respective cases—precisely the type of discovery provided for under the Federal Rules of Civil Procedure when seeking relevant information as between unrelated third parties.

To be clear, Petitioners developed the invalidity theories and evidence raised in this IPR and the Related IPRs independently from Firman. For example, Petitioners independently identified and located De Vries, Fujisawa, Nakafushi, and DuroMax (including declarations establishing the prior art status and certified translations thereof (*see, e.g.*, EX1005, EX1007, EX1009, EX1050)) with no assistance from or discussions with Firman, which is equally true of the other art relied on in the Related IPR petitions. Indeed, Firman's invalidity contentions in its litigation do not rely on De Vries, Fujisawa, Nakafushi, or DuroMax.

Patent Owner's focus on Firman's invalidity theories for the 2015 Family based on Firman's RD9000E generator is a *non sequitur*. To Petitioners' knowledge, the RD9000E generator is not even prior art to the '101 Patent. Moreover, it is hardly surprising that Firman has chosen to rely on its own prior art product, the RD9000E generator, as the centerpiece of its invalidity case (*see* RDD, 15, 35) for the 2015 Family, nor that Petitioners would easily identify this prior art through publicly-filed

documents¹ (amongst a host of other prior art) and incorporate it in their invalidity contentions (RDD, 35) in the event that Firman prevails in its invalidity arguments based on this system. This is a standard and customary approach to invalidity contention practice in patent litigation.

In sum, Patent Owner's claims to the effect that Petitioners' invalidity theories are developed by Firman (RDD, 41) are entirely false, and Patent Owner sets forth no reasoning or evidence suggesting otherwise.

III. MATERIAL ERROR BY THE EXAMINER DURING PROSECUTION WEIGHS HEAVILY AGAINST DISCRETIONARY DENIAL

Material error during prosecution also weighs heavily against discretionary denial, often overcoming facts that would otherwise have resulted in a *Fintiv* denial. *See Xencor, Inc. v. Merus N.V.*, IPR2025-00604, Paper 12, at 2-3 (PTAB July 17, 2025) (referring to the merits panel, despite strong settled expectations and high chances that a FWD would issue before trial, because “Petitioner provides persuasive evidence that the Office erred in a manner material to the patentability of the challenged claims by overlooking the teachings of [a reference during prosecution]”); *Microsoft Corp. v. Partec Cluster Competence Ctr. GmbH*, IPR2025-00318, Paper 9, at 3 (PTAB June 12, 2025) (referring to the panel because “Petitioner

¹ For example, Firman identified the RD9000E as prior art in its Answer and Counterclaims, which is a publicly-available document filed in January 2024. *See* EX1071, 57-60.

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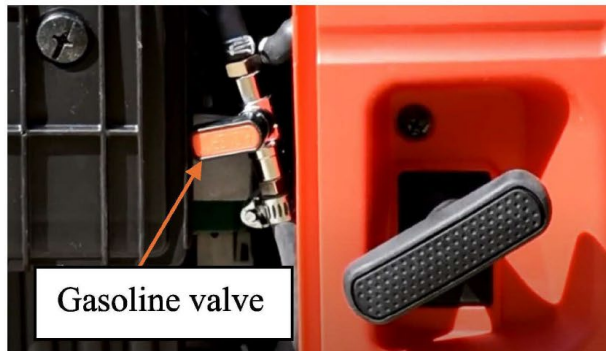
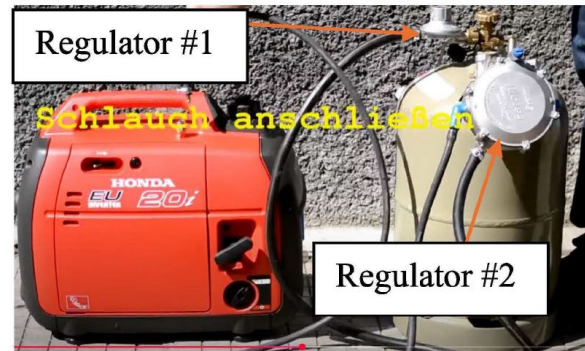
appears to show a material error by the Office and it is an appropriate use of Office resources to review the potential error”); *see also Tesla, Inc. v. Charge Fusion Techs., LLC*, IPR2025-00152, Paper 11, at 2-3 (PTAB June 12, 2025) (referring to the panel where there was evidence that the “Office erred in a manner material to the patentability of the challenged claims by overlooking the teachings of [a prior art reference]”); *Anthony, Inc. v. ControlTec, LLC*, IPR2025-00559, Paper 12, at 2 (PTAB July 16, 2025) (finding that petitioner’s showing of material error favored referring to panel for 17- and 18-year old patents); *Microsoft Corp. v. XI Discovery, Inc.*, IPR2025-00253, Paper 13, at 2 (PTAB June 25, 2025) (refusing discretionary denial where claims were likely erroneously allowed over the prior art).

Here, the IDS that cites the EU20i Video was only submitted to the USPTO after amendments were already agreed upon to overcome the prior art of record. EX1002, 63, 140. While the Examiner marked this late-filed IDS as having been “considered,” the Examiner failed to raise any rejection applying the EU20i Video. This video, as shown below, anticipates claims 10-12 and 16 of the ’101 Patent. Patent Owner itself argues that DuroMax is substantially the same as the EU20i Video. RDD, 56. DuroMax therefore invalidates these claims for the same reasons. Instituting the Petition on DuroMax-based Grounds 1 and 2 will allow the Board to correct this material error and permit consideration of the remaining claims.

A. Claim 10

Element [10.0]: A fuel selector for use with a dual fuel generator, the fuel selector comprising:

As conceded by Patent Owner, the EU20i Video discloses “a gasoline and LPG fueled generator It further includes an on-board gasoline tank with a manual gasoline shutoff.” RDD, 57. It also includes an LPG tank with a manual LPG shutoff. “[I]n the EU20i Video, the operator manually turns off the gasoline before turning on the LPG fuel[.]” *Id.*



Id.

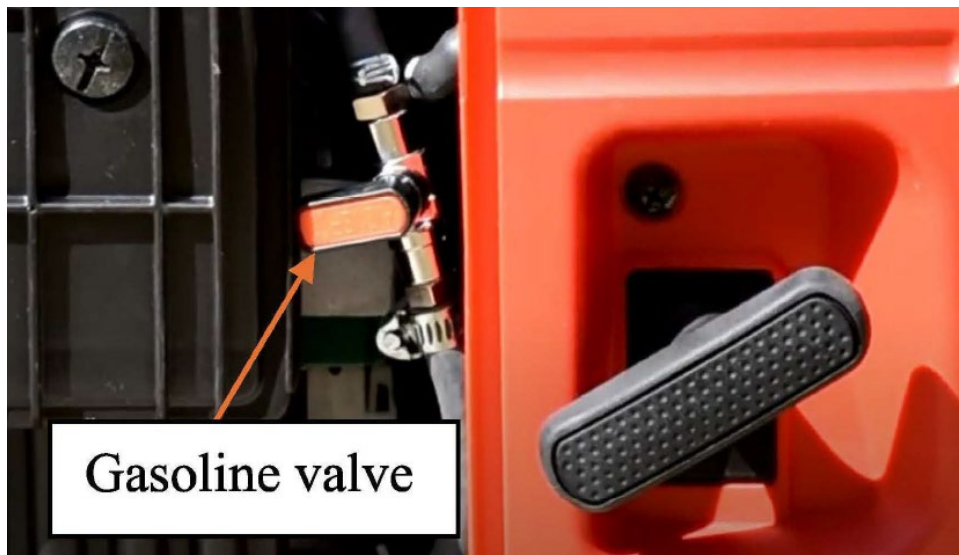
Element [10.1]: a valve assembly fluidly connected to each of a first fuel source and a second fuel source, the valve assembly being operable to selectively control a first fuel flow and a second fuel flow from the first fuel source and the second fuel source, respectively, to an engine of the dual fuel generator; and

The EU20i Video discloses a valve assembly including an LPG valve fluidly connected to a first (LPG) fuel source.



EX2076, 1:13 (annotated).

The valve assembly further includes a gasoline valve fluidly connected to a second (gasoline) fuel source.



RDD, 57.

The valve assembly (including the LPG valve and the gasoline valve) is operable to selectively control a first fuel flow and a second fuel flow from the first

fuel source and the second fuel source, respectively, to an engine of the dual fuel generator.

***Element [10.2]: at least one valve handle positioned on and operably connected to the valve assembly to actuate the valve assembly to enable one of the first fuel flow and the second fuel flow to the engine;*²**

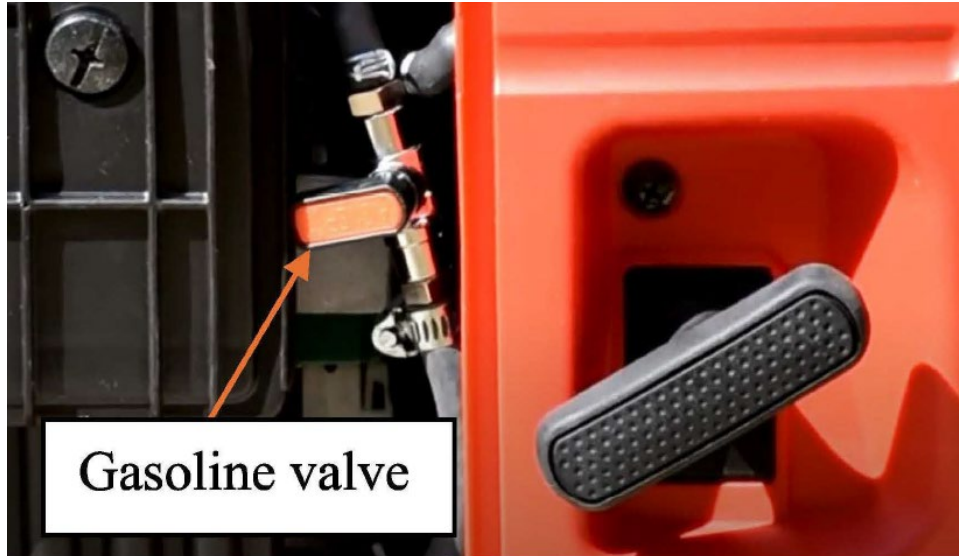
The EU20i Video discloses an LPG valve handle positioned on and operably connected to the first (LPG) valve.



EX2076, 1:13 (annotated).

The EU20i Video discloses a gasoline valve handle positioned on and operably connected to the second (gasoline) valve.

² The EU20i Video discloses two valve handles, each of which is positioned on and connected to one of the two valves of the valve assembly. This is the same configuration contemplated by dependent claim 12 (addressed below) and taught by the '101 Patent. See EX1001, FIG. 3 (depicting valve handle 34 connected to LPG valve 36 and valve handle 38 connected to gasoline valve 40).



RDD, 57.

Using the valve handles, the operator is able to actuate the valve assembly and enable one of the first fuel flow (LPG) and the second fuel flow (gasoline) to the engine.

Element [10.3]: wherein the valve assembly comprises: a first fuel valve having open and closed positions to selectively control the first fuel flow to the engine; and a second fuel valve having open and closed positions to selectively control the second fuel flow to the engine; and

The valve assembly comprises a first fuel valve (LPG valve) and a second fuel valve (gasoline valve), each of which have open and closed positions to selectively control the first fuel flow (LPG) and the second fuel flow (gasoline) to the engine.



RDD, 57; EX2076, 1:13 (annotated).

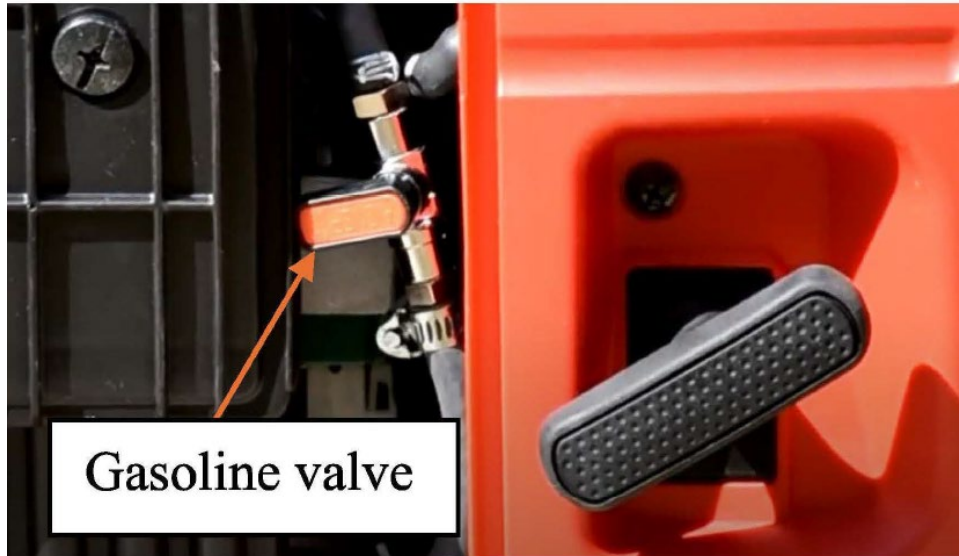
Element [10.4]: wherein the at least one valve handle is mechanically coupled to the first fuel valve and the second fuel valve to selectively open and close the first fuel valve and the second fuel valve responsive to actuation thereof.

The LPG valve handle is mechanically coupled to the first (LPG) fuel valve to selectively open the gasoline fuel valve responsive to actuation thereof.



EX2076, 1:13 (annotated).

The gasoline valve handle is mechanically coupled to the second (gasoline) fuel valve to selectively open the gasoline fuel valve responsive to actuation thereof.



RDD, 57.

B. Claim 11

The fuel selector of claim 10 wherein the at least one valve handle enables only one of the first fuel flow and the second fuel flow to the engine at a given time.

By closing the gasoline valve handle and opening the LPG valve handle, the operator can enable only the LPG fuel flow at a given time, and vice versa.



RDD, 57; EX2076, 1:13 (annotated).

C. Claim 12

Element [12.0]: The fuel selector of claim 10 wherein the at least one valve handle comprises:

The EU20i Video discloses a fuel selector with at least one valve handle.

Element [12.1]: a first valve handle coupled to the first fuel valve and actuatable between an ON position and an OFF position to selectively open and close the first fuel valve, respectively;

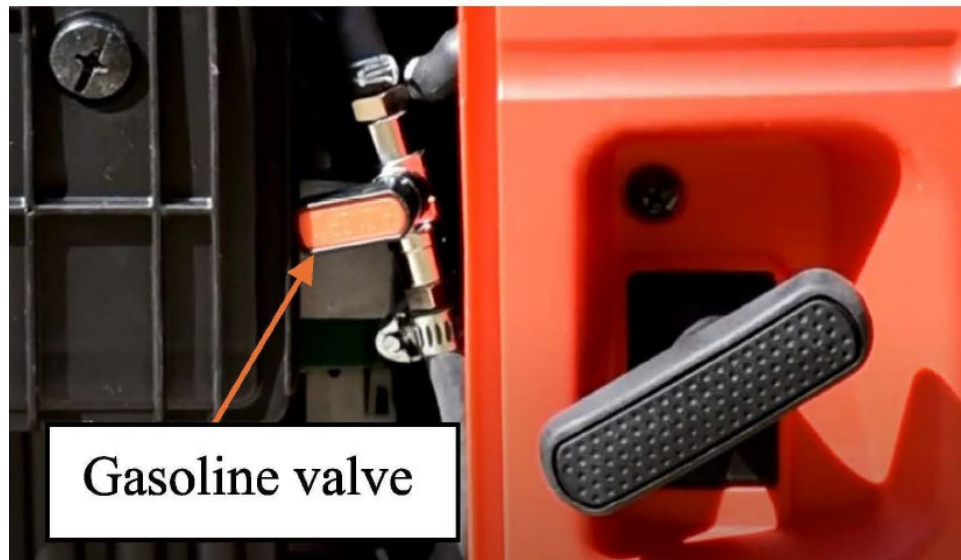
The at least one valve handle comprises a first valve handle (LPG valve handle) coupled to the first (LPG) fuel valve that is actuatable between an on and an off position to selectively open and close the first fuel valve.



EX2076, 1:13 (annotated).

Element [12.2]: a second valve handle coupled to the second fuel valve and actuatable between an ON position and an OFF position to selectively open and close the second fuel valve, respectively.

The at least one valve handle further comprises a second valve handle (gasoline valve handle) coupled to the first (gasoline) fuel valve that is actuatable between an on and an off position to selectively open and close the second fuel valve.



RDD, 57.

D. Claim 16

The fuel selector of claim 10 wherein the first fuel source comprises liquefied petroleum gas (LPG) and the second fuel source comprises gasoline.

As acknowledged by Patent Owner, “[t]he EU20i Video shows a gasoline and LPG fueled generator” RDD, 57.

As shown above, the EU20i Video is dead-on anticipating prior art to the claims of the ’101 Patent. Remarkably, the EU20i Video was never relied upon by the Examiner during prosecution of the ’101 Patent, which can only be explained by the Examiner’s material error in considering the claims of the ’101 Patent. This material error—overlooking features that are clearly disclosed in the prior art and

anticipatory art to the issued claims of the '101 Patent—weighs heavily against discretionary denial and offers an independent reason to refer the Petition to the merits panel regardless of the other factors.

IV. SETTLED EXPECTATIONS WEIGH AGAINST DISCRETIONARY DENIAL

A. Patent Owner has no settled expectations given the early challenge to the '101 Patent

The '101 Patent issued in 2020, and thus, has been in force for less than six years since the filing date of the Petition—not long enough to establish a legitimate claim to settled expectations, much less strong settled expectations. *See Tanklogix v. Sitepro*, IPR2025-00650, Paper 10, at 2 (PTAB July 31, 2025) (“[T]he patents challenged ... have not been in force for a significant amount of time (issued in **2019**,...). Accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial.”); *Cambridge Industries USA, Inc. v. Applied Optoelectronic, Inc.*, IPR2025-00434, -00436, Paper 11, at 2-3 (PTAB June 26, 2025) (“Furthermore, most of the challenged patents have not been in force for a significant period of time (issued in **2020**, **2019** and **2019**), and, accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial as to at least those patents.”); *Berkshire Hathaway Energy Co. v. Birchtech Corp.*, IPR2025-00274, Paper 23, at 3 (PTAB July 2, 2025) (referring to the Board where Patent Owner had not developed strong settled expectations for the challenged

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patents that issued in **2019** and **2020**); *Webgroup Czech Republic , A.S. et al., v. Dish Technologies LLC.*, IPR2025-00467, Paper 14, at 2 (PTAB July 16, 2025) (“[T]he challenged patents have not been in force for a significant period of time (issued in **2019**, 2021, 2022, and 2023), such that the Patent Owner has not developed strong settled expectations.”).

Indeed, challenges to patents issued as recently as the ’101 Patent have been consistently characterized as “early” and “favor[ing] robust, predictable patent rights and weigh[ing] against discretionary denial.” *See Tanklogix*, IPR2025-00650, Paper 10, at 3 (deeming patent issued in **2019** to “have not been in force for a significant amount of time.”).

B. Petitioners’ challenges to more recently-issued asserted patents further diminishes any settled expectations

In addition to there being no settled expectations as to the ’101 Patent, referral to the merits panel is supported by early challenges to other patents asserted in the related litigations. Here, in each of the two families asserted in the litigations against Petitioners, at least one patent is being challenged less than two years from its issue date, and several are being challenged within 3-4 years of issuance. For example, U.S. Patent No. 11,905,896 (which is the great grandchild of the ’101 Patent) issued on February 20, 2024 and was challenged on July 11, 2025 (IPR2025-01228); U.S.

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Patent No. 11,905,895 (which is in the “closely related” 2015 Family)³ also issued on February 20, 2024 and was challenged a little over one year later on August 20, 2025 (IPR2025-01384); U.S. Patent No. 11,905,390 (which is the grandchild the ’101 Patent) issued on September 19, 2023 and was challenged a little less than two years later on August 28, 2025 (IPR2025-01438); U.S. Patent No. 11,306,667 (which is the child of the ’101 Patent) issued on April 19, 2022 and was challenged a little over three years later on June 17, 2025 (IPR2025-01099); U.S. Patent No. 11,492,985 (which is in the “closely related” 2015 Family) issued on November 8, 2022 and was challenged a little less than three years later on July 30, 2025 (IPR2025-01272); and U.S. Patent No. 11,143,120 (which is in the “closely related” 2015 Family) issued on October 12, 2021 and was challenged a little over 4 years later on June 23, 2025 (IPR2025-01121).

In *Embody, Inc., et al., v. Lifenet Health (“Embody”)*, both a parent patent and its child were challenged via IPR, with the parent patent being issued in 2018 and the child being issued in 2022. IPR2025-00248, -00249, Paper 13 (PTAB June 26, 2025). The child patent was deemed to not trigger settled expectations and was referred to the merits panel. The parent patent was also referred to the merits panel because “it is an efficient use of Board resources to address the related patent.” *Id.*, 3

³ See RDD, 7-8 (“The ’034 Patent is from a closely related multi-fuel engine patent family made up of eleven issued patents (‘2015 Family’).”).

(“Furthermore, one of the challenged patents has not been in force for a significant period of time (issued in 2022) and the other patent is a parent of the first. Accordingly, Patent Owner has not developed strong settled expectations that favor discretionary denial as to the first patent, and it is an efficient use of Board resources to address the related patent.”).

The facts of *Embodiment* bear a striking resemblance to the present facts, where one or more recently issued directly related patents (the ’896 Patent, which issued in 2024; the ’390 Patent, which issued in 2023; and the ’667 Patent, which issued in 2022) and closely related patents (the ’895 Patent, which issued in 2024; the ’985 Patent, which issued in 2022; the ’120 Patent, which issued in 2021) and a parent patent (the ’101 Patent, which issued in 2020 and is directly related to the ’667 Patent and ancestor of the ’390 and ’896 Patents) were challenged. Efficiency gains in the present case are particularly pronounced, given identical specifications of the directly related patents, along with the overlap in limitations of the child patents’ claims and those of the parent patent. For example, both independent claim 1 of the ’101 Patent and independent claim 7 of the ’896 Patent are directed to a “fuel selector for use with a dual fuel generator,” and include common and similar “valve assembly,” “selector switch,” “first [mechanical] fuel valve” and “second [mechanical] fuel valve” limitations.

The parallel litigations here involve thirteen patents, some of which, as noted above, were very recently issued. To the extent that the Director refers any of the recently issued patents (such as the '667, '390, and/or '896 Patents) to a merits panel, the '101 Patent should also similarly be referred to the merits panel for efficiency reasons, consistent with *Embody*, even if the Patent Owner were somehow deemed to have settled expectations with respect to the '101 Patent despite its relatively recent issuance in 2020. *See also Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12, at 3-4 (PTAB July 26, 2025) (referring a petition on a patent in force for over 10 years because “it is an efficient use of Board resources to address the related patent”); *Advanced Micro Devices, Inc., et al. v. Concurrent Ventures, LLC et al.*, IPR2025-00478, Paper 10, at 3 (PTAB July 31, 2025) (same).

C. Patent Owner’s prior communications with Petitioners gave rise to an expectation of IPR filings

Patent Owner sent “cease-and-desist” letters to MWE and Generac in June and July of 2020, respectively, alleging infringement of the '101 Patent. EX2033; EX2036. Patent Owner did not raise the '101 Patent with Harbor Freight until a March 27, 2024 letter, which did not even accuse Harbor Freight of infringing the '101 Patent, but rather just mentioned the '101 Patent as being among Patent Owner’s patents. EX2038, 2.

In response to the 2020 letters, both MWE and Generac investigated the '101 Patent, and each informed Patent Owner that its claims were invalid, particularly so

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under the wildly off-base claim construction Patent Owner was advancing in its enforcement attempts. EX2034, EX2035, EX2037. MWE even included an extensive list of prior art applicable to the '101 Patent, as well as claim charts (EX2035, 3-17), and told Patent Owner that it **would file an IPR** against the '101 Patent if Patent Owner further pursued its dubious infringement claims. EX2034, 1 (“We are prepared to present this evidence in litigation or in an Inter Partes Review proceeding if it becomes necessary.”).

Tellingly, prior to embarking on its current litigation campaign (initiated four years after its last communications on the matter), Patent Owner never again raised the infringement issues with either MWE or Generac, leading both MWE and Generac to reasonably conclude Patent Owner recognized the lack of merit in its claims and lack of validity of the asserted patents, and believe that the matter had been resolved without resort to contested proceedings.

Under these circumstances, it would be illogical and contrary to the evidence of record to find that Patent Owner had any “reasonable expectation” that the validity of its patents would not be challenged. Indeed, the only “reasonable expectation” to be taken from their prior correspondence exchanges is that Patent Owner understood that its patents **would be challenged in IPR proceedings** in the event that Patent Owner sought to enforce them under its overly broad, incorrect construction. And

indeed, this is exactly what has transpired, just as was indicated to Patent Owner in 2020.

While Patent Owner argues that Petitioner Generac should have had constructive notice of the '101 Patent application due to its involvement in the Portable Generator Manufacturers' Association ("PGMA"), Patent Owner provides no evidence that any of its 2013 or 2015 Family patents were ever even included in any PGMA patent statements or disclosures. To Petitioners' knowledge, all PGMA patent disclosures are limited to patents and standards relating to carbon monoxide detection—not dual fuel selector switches for generators. *See* EX2011, 71 (listing three separate Patent Statement and Licensing Declaration Forms, all of which identify patents relating to carbon monoxide detection); EX1072; EX1073; EX1074. Indeed, Patent Owner's arguments on this topic are contradicted by its own answer to Generac's counterclaims, in which it denies having any notice of the patents specifically listed on the PGMA website. EX1075, ¶¶13-14; EX2011, 70, ¶¶13-14.

Monitoring Patent Owner's portfolio and preemptively challenging all potentially relevant patents, as Patent Owner suggests, would be antithetical to the Office's desire to manage its workload and resources. Here, Patent Owner has 16 issued patents in each of its "2013" and "2015" families, with five more applications currently pending, and as of August 26, 2025, 66 currently active patents. EX1076. In the situation here, application of the "settled expectation" principle as advocated

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for by Patent Owner would have entailed challenges to a massive number of Patent Owner's patents, vastly increasing the Office's workload rather than focusing its efforts on patents actually in dispute.

In sum, since at least its 2020 correspondence with MWE and Generac, Patent Owner has known that the validity of its patents would be challenged if it pursued its meritless infringement allegations, and thus fully expected the current IPRs. In the face of such clear intent to challenge its patents if advanced against Petitioners, Patent Owner cannot assert that its expectations were settled. Petitioners' filings against not only the '101 Patent but also the other asserted patents are "early" and in line with the Director's promotion of such early challenges as favoring "robust, predictable patent rights." *GD Energy Products, LLC v. Kerr Machine Co.*, PGR2025-00031, Paper 11, at 2 (PTAB June 25, 2025).

V. THE *FINTIV* FACTORS WEIGH AGAINST DISCRETIONARY DENIAL

This is the quintessential case for institution. None of the *Fintiv* factors favor discretionary denial and, in fact, a majority of the *Fintiv* factors weigh strongly against discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 5-6 (PTAB Mar. 20, 2020). Specifically, this IPR should not be discretionarily denied at least because:

- a decision in this IPR will issue far ahead of the trials in Petitioners' pending district court cases, which are in their earliest stages and are likely to be stayed upon institution;
- consolidating the invalidity arguments from 3 separate jury trials into a single set of PTAB proceedings is a highly efficient and appropriate use of Office resources, especially in view of Petitioners' broad *Sotera*-plus type stipulations;
- the '101 Patent was challenged less than six years after its issuance, such that Patent Owner did not have settled expectations that its patents would not be challenged in an IPR proceeding; and
- material errors by the Examiner during prosecution need addressing, especially given the Petition's strong invalidity grounds.

The weight of the *Fintiv* Factors and related considerations against discretionary denial are further detailed below.

A. Factor 1 – the Likelihood of a Stay – Weighs Against Discretionary Denial Because the District Courts Have a Record of Granting Stay Motions on Similar Facts

Factor 1 weighs against discretionary denial. This factor considers how the district courts in question will likely rule on a post-institution motion to stay. *See iRhythm Techs., Inc., v. Welch Allyn, Inc.*, IPR2025-00377, Paper 10, at 2-3 (PTAB June 6, 2025) (determining that Factor 1 weighs against discretionary denial where

petitioner intends to file a motion to stay upon institution and statistics suggest a subsequent stay is likely); *see also id.*, Paper 9, at 34-35 (indicating petitioner's intent to file a motion to stay). Patent Owner incorrectly solely focuses on whether the parallel proceedings have been stayed or have a pending motion to stay. RDD, 32-33. Yet, as explained below, the relevant data suggests that, even if contested, stays will likely be granted upon institution in one or more of the pending litigations given these courts' history of deference to the expertise of the PTAB regarding validity challenges. Furthermore, Patent Owner has expressed an openness to litigation stays if this IPR is not discretionarily denied, essentially ensuring stays in the co-pending litigations.

1. The MWE, Generac, and Harbor Freight Cases

The MWE case is pending in the District of Nevada before Judge Traum. As Patent Owner concedes (RDD, 32), Judge Traum has granted a contested motion to stay based on similar facts upon IPR institution. *See FaceTec, Inc. v. iProov, Ltd.*, No. 2:21-cv-02252, ECF No. 188 (D. Nev. June 18, 2025) (granting the motion to stay the case pending an IPR where the case was in the early discovery stage) (attached as EX1055). And this district has granted complete or partial stays 67% of the time in view of pending post-grant proceedings (14 partial or complete stays out of 21). EX1058.

The Generac case is pending in the Eastern District of Wisconsin before Judge Adelman. Judge Adelman has granted contested motions to stay pursuant to post-grant proceedings 70% of the time (7 out of 10) (EX1056), which is comparable to the average grant rate of 73% (8 of 11) in the Eastern District of Wisconsin on similar motions (EX1057).

The Harbor Freight case is pending in the Central District of California, before Judge Wilson. While Judge Wilson has not handled many patent matters and apparently has not ruled on a contested motion to stay, statistics show that this district has granted stays pending IPRs in total or in part at a 66% rate (EX1059, ¶5, Ex. B, 12), suggesting that a stay is more likely than not, even if contested.

2. The Firman Case

Firman is not a petitioner, privy, or real-party-in-interest here, which alone weighs against discretionary denial. *POSCO Co. v. Arcelormittal*, IPR2025-00370, Paper 10, at 2-3 (PTAB June 25, 2025) (noting that petitioner not being a party in a parallel proceeding counsels against discretionary denial). To the extent Firman's case is considered, it also weighs against discretionary denial under this factor because, as Patent Owner concedes (RDD, 32-33), the presiding judge has granted a motion to stay based on similar facts upon IPR institution. *See Parson Xtreme Golf LLC v. Taylor Made Golf Co. Inc.*, No. 17-cv-03125, ECF No. 187 (D. Ariz. Nov. 29, 2018) (attached as EX1060).

3. Patent Owner's Statements Regarding a Stay

Both Generac and Harbor Freight have had separate meet-and-confers with Patent Owner regarding their respective intentions to seek stays of their litigations upon IPR institution.⁴ In neither case did Patent Owner indicate that it outright opposed such stays. Patent Owner instead indicated a desire to wait for the outcome of the discretionary denial decisions, with an openness to stays in the litigations should the '034 Petition or the '101 Petition not be discretionarily denied. EX1059, ¶4; *see also* EX1061, 1.

Patent Owner's statements suggest that if this IPR is not discretionarily denied, it may either agree to a stay or at least not oppose Petitioners' stay requests, creating a very high likelihood of the MWE, Generac, and Harbor Freight cases being stayed pending these IPRs. *See, e.g.*, EX1062 (showing that all uncontested stays have been granted in EDWI); EX1063 (showing that all uncontested stays pending IPR have been granted in Nevada).

Fintiv Factor 1 thus weighs against discretionary denial, given that all of the relevant district courts are more inclined than not to stay cases pending IPR even

⁴ MWE has not yet discussed a stay of its case with Patent Owner because a motion to transfer venue is pending. *Champion Power Equip., Inc. v. Westinghouse Electric Corp. et al*, No. 3-25-cv-00239, ECF No. 35 (D. Nev. Aug. 11, 2025). MWE intends to seek a stay once venue has been settled.

when contested, and that Patent Owner has indicated that it may not even contest the stays if this IPR is not discretionarily denied.

B. Factor 2 – Parallel Trial Date – Weighs Against Discretionary Denial Because the Board is Likely to Issue a Final Written Decision Before the District Court Proceedings Reach Trial

Factor 2, focused on the timing of parallel proceeding trial dates, weighs against discretionary denial. There are three parallel litigations involving Petitioners, none have scheduled trial dates, and a FWD will almost certainly issue well before any of these cases reach trial. As discussed below, even the case involving non-Petitioner Firman is running far behind the average schedule, suggesting that its trial date will likewise fall well after a FWD here.

1. The MWE, Generac, and Harbor Freight Cases

No trial dates have been scheduled in any of the three parallel litigations involving Petitioners. The lack of trial dates weighs against discretionary denial, especially where a FWD will reduce the chances of inconsistent outcomes among numerous tribunals, as would otherwise be quite likely under the circumstances here if three different courts have to each adjudicate the issues independently. *USAA Federal Savings Bank v. PACid Techs., LLC*, IPR2025-00697, Paper 9, at 2 (PTAB Aug. 14, 2025) (denying a request for discretionary denial where “it is likely that a final written decision in this proceeding will issue before the district court trial

occurs, reducing the immediate concern of inconsistent outcomes or significant duplication of efforts”).

Regarding the MWE case currently pending in Nevada, of the ten patent cases making it to trial in that district since 2008, the average time to trial has been 53 months, with a median of 42 months. EX1064. With the MWE complaint filed May 14, 2025, and even assuming the shorter median time to trial of 42 months, this suggests a trial date at the very end of 2028, two years after the FWD here (expected in December of 2026) (and using the average time to trial would further widen that gap by nearly another year to almost three years after the FWD).

Regarding the Generac case pending before Judge Adelman and filed October 9, 2024, Judge Adelman has only presided over one patent case since 2008. That case took 43 months to reach trial (EX1065); a similar timeline here would place trial somewhere around April 2028 – again, nearly two years after the expected FWD in this proceeding. Even if the overall Eastern District of Wisconsin median time-to-trial of 34 months is considered (EX1066), trial still would not be expected to occur until August 2027, eight months after a FWD in this case.

Regarding the Harbor Freight case, Patent Owner references a prior jointly-filed proposed schedule (RDD, 33-34), but fails to mention that this proposal was filed with a different judge and was never adopted. No such proposal is before Judge Wilson, and it is unknown when trial date scheduling will occur. The median time to

trial in the Central District of California is 35 months. EX1067, 1. With a case filing date of October 9, 2024 (the same date as the Generac case), trial is projected to occur in September 2027, nine months after a FWD in this case.

Accordingly, while no trial dates have been set in any of the litigations involving Petitioners, statistics from each of the three relevant jurisdictions all suggest trial dates **long after** the FWD in this proceeding. These facts weigh strongly against discretionary denial. *See, e.g., Google LLC v. Withrow Networks Inc.*, IPR2025-00775, Paper 10, at 2 (PTAB Aug. 14, 2025) (referring to the Board where there is no trial date scheduled in co-pending litigation and the time-to-trial statistics suggest that trial would not begin until after the FWD).

2. The Firman Case

As previously mentioned, the Firman case does not support discretionary denial here because Petitioners are not a party to the Firman case and Firman is not a privy or real-party-in-interest here. *POSCO*, IPR2025-00370, Paper 10, at 2-3.

Nonetheless, Patent Owner's discretionary denial brief relies heavily on the Firman trial allegedly occurring a month before the FWD date.⁵ RDD, 34-36. While

⁵ Patent Owner purports to rely on "median" time to trial statistics for the Firman court (RDD, 11, 34), but appears to use the shorter average time of 36 months in its calculations, rather than the median of 36.5 months. *See* EX2047, 2. Using the median-time-to-trial number suggests trial around November 25, 2026. The Notice

median time-to-trial statistics for that jurisdiction may suggest a trial date at around the same time as the FWD date, Patent Owner has ignored the fact that the Firman case is already **running significantly behind schedule** relative to the statistical averages on which Patent Owner relies.

Specifically, Patent Owner's own exhibit indicates a median time to claim construction of 15.7 months for the Firman court. EX2047, 1-2. Based on the Firman case filing date of November 10, 2023 (RDD, 11), a claim construction ruling would have been predicted to issue by the end of February 2025. Yet now, as of mid-September 2025, a *Markman* hearing has yet to occur or even be scheduled, and no claim construction ruling has issued. Thus, the Firman case is already running at least **six months or more** behind schedule as compared to the statistics Patent Owner relies upon for its prediction.

Furthermore, Patent Owner concedes that the remaining deadlines in the Firman case are tied to the issuance of a claim construction ruling. RDD, 12. Accordingly, based on Patent Owner's own admissions and how far it is already

of Filing Date Accorded in this proceeding was issued June 16, 2025, which suggests a FWD deadline of December 16, 2026. Accordingly, the median-time-to-trial statistics and a proper estimate of the FWD date suggest that the two projected dates are only about fourteen business days apart, not over a month apart as suggested by Patent Owner (RDD, 11-12).

behind schedule, the Firman case is highly unlikely to meet the median-time-to-trial predicted date of late November 2026. On the contrary, given that it is already at least six months behind schedule, any such trial in the Firman case will likely occur well after the December 2026 FWD date here.

Further with respect to the Firman case, Patent Owner alleges that “[a]ll three parties rely extensively on Firman’s RD9000E” system art as anticipatory prior art to the entire 2015 Family. *Id.*, 35; *see also id.*, 15, 23. However, to Petitioners’ knowledge, Firman’s RD9000E is not even prior art to the ’101 Patent challenged here. Nor are Petitioners aware of this system being described in a printed publication, thus making it ineligible for being raised in an IPR proceeding at all. Thus, Patent Owner’s allegation that the issues presented in the Petition are allegedly “the same as, or substantially similar to, those already or about to be litigated” (RDD, 34) is inconsistent with Patent Owner’s own characterization of the focus of Firman’s invalidity case which is primarily based on the RD9000E generator. Accordingly, the Firman court’s adjudication of this issue – likely occurring well after a FWD in this IPR regardless – will have no overlap with the arguments raised in Petitioners’ IPRs.

Furthermore, the first amended complaint in the Firman case shows that Patent Owner is asserting only claims 17 and 18 of the ’101 Patent against Firman. EX1068, 28-34. Patent Owner is **not** asserting claims 1, 2, 8-10, 16, or 19 from the

'101 Patent against Firman. *Id.* But Patent Owner is asserting those claims against Petitioner Harbor Freight (EX1069, 2) and most of those claims against Petitioner Generac (EX1038, 2 (asserting claims 1, 2, 8, 9, and 19)). Thus, even if the Firman case goes to trial, it will not adjudicate many claims challenged in the Petition and the Related IPRs as well as in the Harbor Freight and Generac cases.⁶

Taken together, all of the above facts establish that *Fintiv* Factor 2 weighs against discretionary denial. *See, e.g., USAA Federal Savings Bank*, IPR2025-00697, Paper 9, at 2 (denying a request for discretionary denial where the time-to-trial statistics suggest trial would not begin until about four months after the final written decision); *Røde Microphones, LLC v. Zaxcom, Inc.*, IPR2025-00557, Paper 11, at 2 (PTAB July 17, 2025) (referring to the Board where time-to-trial statistics suggest a trial between one and six months after the final written decision); *Google LLC v. Brodti Inc.*, IPR2025-00472, Paper 19, at 2 (PTAB June 25, 2025) (denying a request for discretionary denial where “the median time-to-trial statistics suggest trial will begin . . . significantly after the projected final written decision due date”).

⁶ Similar non-overlap exists with other patents at issue. *E.g., compare* EX1068, 34-46, *with* EX1069, 2 (showing that claims 19 and 58 of the '398 Patent are asserted against Harbor Freight but not Firman).

C. Factor 3 – Investment in Parallel Proceeding at the DI Deadline – Weighs Against Discretionary Denial Because the District Court Cases Are at Early Stages for the Petitioner Involved Cases

Factor 3 weighs against discretionary denial because the district court cases involving the Petitioners are all at very early stages.

For example, the MWE case is still subject to a motion to change venue, and even Patent Owner admits that this case is still in its infancy. RDD, 39.

Similarly, while Patent Owner attempts to suggest that substantial investment has been made by the parties in the Generac case (*id.*, 38), Patent Owner’s recent pleadings in that case tell a very different story. Specifically, just over a month before filing its discretionary denial brief, Patent Owner twice described the Generac case as being in its “infancy” when advocating to the district court to be allowed to amend its pleadings in order to assert two new patents and to include additional defenses. EX1070, 13-14 (“This case is in its infancy, the parties having just recently even agreed on a protective order.”), 15 (“The proposed-amendment would also not cause any ‘undue prejudice’ because, again, this case is in its infancy.”). Patent Owner should not be allowed to take a contradictory position before the Board simply to suit its needs here.

While the Harbor Freight case currently has a Markman hearing set for September 30, 2025, there is no deadline by which the court will issue a claim construction ruling. With the decision on discretionary denial in the ’101 IPR

expected by October 18, the decision on discretionary denial in the '034 IPR expected by September 29, and given Patent Owner's openness to a stay if either IPR is not discretionarily denied (EX1059, ¶4; EX1061), there is no reason why the claim construction hearing could not be stayed and the court's burden to issue a claim construction decision avoided.

In addition, substantial work still remains in the Harbor Freight case, as the court has not yet issued a protective order, document discovery has yet to begin in earnest, no schedule dates other than those for the *Markman* hearing have been entered, and the parties have not conducted any fact depositions or any substantive discovery, let alone prepare for trial. Under similar circumstances, the Board has found this factor to "weigh only marginally, if at all" toward discretionary denial. *See, e.g., Sand Revolution II, LLC v. Cont'l Intermodal Grp. – Trucking LLC*, IPR2019-01393, Paper 24, at 10-11 (PTAB June 16, 2020) (informative) (noting that even though district court had held a *Markman* hearing and construed the claims, "much of the district court's investment relates to ancillary matters untethered to the validity issue itself" and "much work remains in the district court case as it relates to invalidity").

Finally, Patent Owner again makes much of the parties' purported "investment" in the Firman case but cites no authority for why that case – in which Petitioners have no involvement whatsoever, the primary invalidity argument is

based on system art, and there is no invalidity argument based on the prior art combinations presented in this IPR – has any bearing on *Fintiv* Factor 3 here.

In sum, at least two of Petitioners’ litigations are in their infancies (by Patent Owner’s own admissions), and the third case has had minimal document discovery, zero fact depositions, and will not have even had a claim construction ruling before an expected decision on discretionary denial (after which, assuming that this IPR will proceed, Patent Owner has indicated an openness to considering a stay). Based on the collective statuses of the Petitioners’ three pending litigations, Factor 3 overall weighs against discretionary denial. *See, e.g., All. Laundry Sys., LLC v. Payrange LLC*, IPR2025-00573, Paper 9, at 2 (PTAB July 17, 2025) (referring to the Board where there was, *inter alia*, “relatively little investment” in the parallel proceeding).

D. Factor 4 – Lack of Overlap in the Parallel Proceeding Weighs Against Discretionary Denial Because the Stipulations Remove Overlap with Parallel Proceedings

There is a lack of overlap in the parallel proceeding due to Petitioners’ “*Sotera-plus*” stipulations. While certain written description issues remain, those issues do not overlap with the anticipation or obviousness issues presented in the petition and should not be a basis for discretionary denial.

1. Petitioners’ *Sotera-Plus* Stipulations Remove Overlap with Parallel Proceedings

This factor weighs heavily against discretionary denial because Petitioners have committed to broad *Sotera-plus* stipulations that will eliminate overlap between

the district court proceedings and this IPR (as well as the Related IPRs), if instituted.

Specifically, Petitioners have stipulated that if this IPR is instituted (and not vacated/terminated), they will forego invalidity challenges in all three of their respective district court cases that involve:

- (i) the specific grounds raised in the Petition;
- (ii) any other grounds that could have reasonably been raised in the IPR proceeding (i.e., any ground that could have reasonably been raised under §§102 or 103 on the basis of prior art patents or printed publications); and
- (iii) any ground based on system prior art (either alone or in combination with other references) that directly corresponds to a printed publication reference asserted as part of a ground raised in said instituted (and not vacated) petition.

EX2058; EX2059; EX2069. Petitioners have offered or committed to offering identical stipulations for all of the Related IPRs as well.

These stipulations extend far beyond the more typical *Sotera*-type stipulation⁷ to ensure that there will be no overlap with any arguments raised in the litigations, including for system prior art reflected in the relied-upon printed publications,

⁷ *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, at 18-19 (PTAB Dec. 1, 2020) (precedential as to §II.A) (“*Sotera*”).

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making this IPR (and the related IPRs) a true alternative to district court for determining invalidity. These broad stipulations weigh heavily against discretionary denial. *See Shenzhen Tuozhu Tech. Co., Ltd. v. Stratasy, Inc.*, IPR2025-00438, Paper 10, at 3 (PTAB July 17, 2025) (rejecting discretionary denial request where petitioner has “filed a broad stipulation”); *Tesla, Inc. v. Sec’y of the Navy ex rel. United States*, IPR2025-00341, Paper 12, at 2 (PTAB June 13, 2025) (same); *Tesla, Inc. v. Intell. Ventures II*, IPR2025-00339, Paper 10, at 2 (PTAB June 13, 2025) (same).

Patent Owner complains that the stipulations do not cover the various “system” prior art cited, *inter alia*, by Firman in its case, such as the Firman RD9000E generator. RDD, 35, 42. Without explanation, Patent Owner claims that “the ’101 Patent invalidity theories” are “developed by Firman.” RDD, 41. This is demonstrably false, as De Vries, Fujisawa, Nakafushi, and DuroMax are all not at issue in the Firman litigation. There is no overlap between the arguments in the IPR and the arguments in the Firman case. Furthermore, Petitioners cannot control Firman or what invalidity arguments it chooses to raise in defending itself against a separate lawsuit initiated by Patent Owner. The Firman RD9000E generator is not at issue in this IPR nor any of the Related IPRs, and to Petitioners’ knowledge is not even prior art to the ’101 Patent challenged here, so even if Firman or anyone else pursues this prior art as a basis for invalidity against other patents, there will still be

no overlap between those arguments and the PTAB’s work here.⁸ The same is true of all the system art that has been identified in the various invalidity contentions—Petitioners have stipulated that system art corresponding to relied-upon printed publications will not be pursued in the district court trials (which are likely to occur, if at all, long after a FWD here), specifically to avoid duplication of effort amongst the three district courts and the PTAB.

Patent Owner inexplicably claims that “the stipulations do little to narrow the issues before the district courts.” RDD, 41. This absurd claim is refuted simply by considering the alternative—if the Board refuses to institute these IPRs, then **four separate district courts** will each have to separately adjudicate **all** of the invalidity issues raised by the individual defendants in each of those cases. On the other hand, if instituted, all invalidity grounds based on printed publications that were raised or

⁸ While Petitioners have issued subpoenas seeking discovery relating to the Firman case—a logical part of any sound litigation strategy—it is demonstrably false to allege that Firman “developed” Petitioners’ invalidity theories, or that Firman’s RD9000E generator is “central” to Petitioners’ defenses and counterclaims. Furthermore, with the trial in the Firman case likely occurring before any of the Petitioners’ three trials, if Firman were to fail in its own litigation based on its own product, it would be nonsensical for Petitioners to make this product “central” to their own defenses in the situation where Firman had already failed on the very same argument. Patent Owner’s allegations regarding Firman’s RD9000E generator are thus without merit or logic.

that could have been raised in the IPRs, as well as system art corresponding to the printed publications that were raised as part of a challenge, will be consolidated into a single set of proceedings before the PTAB, instead of piecemeal proceedings before a multitude of different district courts. This clearly weighs strongly against discretionary denial. *Berkshire Hathaway*, IPR2025-00274, Paper 23, at 2-3 (referring to the Board where there is multi-district litigation because “resolving the dispute between the parties at the Office would be more efficient”).

2. Written Description Issues Do Not Give Rise to Overlap

Patent Owner complains that the Firman district court may still have to address a written description issue raised by Firman relating to the '101 Patent. However, resolving certain written description issues pales in comparison to the whopping number of some 119 claims across 13 patents Patent Owner has asserted against Harbor Freight alone, which Petitioners seek to have collectively resolved in a single set of proceedings here instead of individually in all three of their respective proceedings.

Despite certain possible written description issues, Petitioners and their expert had no problem identifying these problematic claim limitations in the prior art regardless of support in the '101 Patent specification, making this a non-issue for the Board. *See, e.g.*, Petition, §§IV.A, VII.C, X.A (identifying prior art disclosures of a valve assembly comprising multiple different fuel valves).

That certain written description issues may need to be resolved in district court from among a total of 119 asserted claims should not dissuade the Board from simplifying the invalidity issues for all three of the Harbor Freight, MWE, and Generac courts by assessing the invalidity issues presented in this IPR and the Related IPRs in one forum.

For all of these reasons, and especially in view of Petitioners' "*Sotera-plus*" type stipulations, there will be little to no overlap between the IPRs and Petitioners' three parallel proceedings, such that Factor 4 weighs against discretionary denial.

E. Factor 5 – Whether the Parties are the Same – Does Not Favor Discretionary Denial Because Petitioners are Not a Party to the Firman Case

Patent Owner's discretionary denial brief mentions Firman over 160 times. Yet, Firman is conspicuously absent from Patent Owner's discussion of this factor. RDD, 43-44. Patent Owner cannot have it both ways—relying on the Firman case when it suits its needs for other factors, while ignoring Firman for its discussion of *Fintiv* Factor 5.

The parties before the Board and their three respective district court cases are the same, as in almost all IPRs. However, the opposite is true with respect to the Firman case, where Petitioners are not a party. Given Patent Owner's extensive attempted reliance on the Firman case for nearly all of its arguments, this fact weighs

Fintiv Factor 5 against discretionary denial. *Cf. POSCO*, IPR2025-00370, Paper 10, at 2 (referring to the Board where Petitioner is not a party in the parallel proceeding).

F. Factor 6 – Other Considerations – Weigh Against Discretionary Denial

Multiple considerations under Factor 6 weigh strongly against discretionary denial, as discussed below. Patent Owner’s arguments for Factor 6 (RDD, 44-54) overlook or sidestep the most important considerations, as discussed below.

1. Efficient Use of Board Resources

Of all the arguments Patent Owner raises in its discretionary denial brief, perhaps the most untenable is the assertion that it would somehow be more efficient to have multiple district courts each independently assess the invalidity of each of the asserted patents than to have a single set of consolidated proceedings before the Board. Exactly the opposite is true, as the Acting Director has recognized. *Berkshire Hathaway*, IPR2025-00274, Paper 23, at 2-3 (referring to the Board where there is multi-district litigation because “resolving the dispute between the parties at the Office would be more efficient”).

Here, Patent Owner has asserted 13 different patents against the three Petitioners in three different district court proceedings in California (Harbor Freight), Wisconsin (Generac), and Nevada (MWE), and has asked a fourth court in Arizona to adjudicate the same patents as to non-petitioner Firman. RDD, 11-12. All 13 patents are or will be the subject of IPR petitions filed collectively by the three

Petitioners (*see supra* §II), precisely to streamline the invalidity challenges in a single set of IPR proceedings and ensure consistency on the invalidity determinations, which will conclude long before any of the trials in the respective district court proceedings.⁹ *See supra* §V.B. The IPRs are also accompanied (or will be accompanied) by stipulations in each proceeding providing that Petitioners will not pursue invalidity grounds in their respective litigations that were raised or that could have been raised in the IPRs, nor grounds based on system art corresponding to printed publication art raised in the IPRs. *See supra* §V.D.

Allowing this IPR (and the Related IPRs) to proceed represents the epitome of efficient and appropriate use of Office resources, given that the alternative is having four different jury trials proceed to assess invalidity of the asserted patents in four different district courts. Such piecemeal adjudication creates a very high likelihood of inconsistent outcomes, and given that each case is on its own timeline, any consolidation of appeals at the Federal Circuit would also be hindered.

While Patent Owner complains that the '101 IPR involves eight unpatentability grounds¹⁰ and five prior art references in its grounds of

⁹ Because the Firman case is already far behind schedule, its trial will also likely occur well after a FWD here. *Supra* §V.B.2.

¹⁰ Patent Owner falsely states that the '101 IPR presents eight unpatentability grounds (RDD, 53) rather than five.

unpatentability (RDD, 53), the more important point is that the combined 13 IPRs filed by Petitioners are expected to set forth only 25 prior art references in total, applied against approximately 320 challenged claims. This is an average of fewer than two prior art references per patent, and only one reference for every 12-13 challenged claims on average. The Petitions together thus represent a greatly reduced and streamlined invalidity case as compared to, for example, the sixty-nine prior art references asserted by Firman. RDD, 12-13.

Moreover, as the Board has recently noted:

The large number and vast scope of the patents asserted in the district court litigation weighs against discretionary denial, as the Board is better suited to review a large number of patents involving diverse subject matter.

Tesla, IPR2025-00339, Paper 10, at 2 (citations omitted). Here, as compared to presenting broad invalidity cases to four different juries, the Board is much better positioned to grasp and efficiently handle a single set of challenges to so many patents from two different patent families involving complicated aspects of numerous multi-fuel engine/generator designs.

The vast efficiencies to be gained by consolidating the three Petitioner district court invalidity proceedings into a single set of proceedings before the PTAB is a highly appropriate use of Office resources, and reason enough by itself to refuse discretionary denial. *Berkshire Hathaway*, IPR2025-00274, Paper 23, at 2-3;

Shenzhen Tuozhu Tech., IPR2025-00438, Paper 10, at 3 (referring to the Board where the district court proceeding involved a “large number and vast scope” of patents).

2. Material Error by the Examiner in Overlooking the EU20i Video

The Examiner committed material error by overlooking key teachings in the EU20i Video. *See supra* §III. Correction of this error is an independent reason to refer the ’101 Patent to the merits panel.

3. Strength of Grounds Weighs Against Discretionary Denial

Patent Owner puts forth no true argument as to the merits of the Petition, citing only to its forthcoming Preliminary Response. RDD, 44. In fact, the merits of the Petition are strong and include well-grounded theories of invalidity based on the proffered prior art.

As detailed above, using two standard mechanical fuel valves for operating a dual fuel generator was well known in the art prior to the ’101 Patent filing date. *Supra* §III. Interlocking mechanical fuel valves in a dual fuel system has also been known in the art for nearly a century. *See* Petition, 4 (discussing U.S. Patent No. 1,931,698 (“Holzapfel”), filed in 1931); EX1003, ¶¶116-117 (discussing U.S. Patent No. 1,827,214 (“Sturm”), filed in 1927). Similarly, the use of solenoids as fuel cutoffs coupled to a fuel switching mechanism has been known since at least the 1990s. *See, e.g.*, EX1009.

Given these historical facts, it is unsurprising that nearly all of the challenged claims (including all four independent claims) are anticipated in the prior art, as seen in Fujisawa. *See* Petition, Ground 3. Unlike Sugimoto's single mechanical valve and Poehlman's pair of non-mechanical valves, both Fujisawa and De Vries teach a pair of interlocked mechanical fluid valves. These grounds avoid entirely Patent Owner's arguments against combining references raised during prosecution. *See, e.g.*, EX1002, 124-131.

Similarly, given the Examiner's reasons for allowing claim 17, the combination of Nakafushi and Olmr likewise presents a strong case of unpatentability. Unlike Sugimoto (whose solenoid was coupled to the engine switch rather than the selector valve) and Poehlman (whose solenoids had a delay mechanism desynchronizing them from the selection means), the combination of Nakafushi and Olmr teaches a cutoff solenoid coupled to the switching means, and both De Vries and Fujisawa teach methods to perform such coupling in their interlocked fuel switching systems.

The strength of the invalidity arguments presented thus provides yet another reason for rejecting Patent Owner's request for discretionary denial.

4. Settled Expectations Weigh Against Discretionary Denial

Patent Owner did not have settled expectations with respect to the recently-issued '101 Patent. To the contrary, the only settled expectations Patent Owner

should have had was that its patents would be challenged as Petitioners stated they would do. *See supra* §IV.

5. The Petition’s Use of Expert Testimony Weighs Against Discretionary Denial

The expert declaration of Dr. Eric S. Winkel (EX1003) supports the Petition by including testimony guided both by years of education and experience and by ample documentary evidence that confirm and strengthen the positions and unpatentability arguments in the Petition.

The PTAB clarified in its “FAQs for Interim Processes for PTAB Workload Management” that “[i]t is most helpful if an expert is providing focused testimony, for example to provide helpful context or to explain terms of art.” *See also GD Energy Prods., LLC v. Kerr Mach. Co.*, PGR2025-00031, Paper 11, at 2 (PTAB June 25, 2025) (denying a request for discretionary denial where the expert testimony is merely complying with regulations requiring disclosure of “underlying facts or data”). Furthermore, use of expert testimony “to explain the background knowledge of a person of ordinary skill in the art” with “citations to evidence in support of [the expert’s] statements . . . weighs against discretionary denial.” *iRhythm Techs.*, IPR2025-00377, Paper 10, at 2-3.

Here, Dr. Winkel’s declaration is entirely consistent with this guidance by providing context and explanations. Dr. Winkel’s regular inclusion of annotated figures further assists the fact-finder in understanding and conceptualizing the

relevant teachings of the prior art. Accordingly, this factor disfavors discretionary denial.

Patent Owner attempts to manufacture additional support under this factor by pointing to two sections of Dr. Winkel's declaration and conflating arguments directed toward evidentiary admissibility with discretionary denial. First, Patent Owner complains that the Petition does not cite each and every paragraph of the expert declaration. The expert declaration has the same organizational structure as the Petition. It is abundantly clear, for example, that the paragraphs in the expert declaration corresponding to Claim 1 for Ground 3 (Fujisawa anticipation) are intended to support Petitioner's argument regarding Claim 1 for Ground 3. The expert declaration is evidence, not argument. To the extent Petitioners rely on portions of the declaration to *rebut* Patent Owner's arguments, the expert declaration would be no different from any other form of rebuttal evidence.

Second, Patent Owner complains that the expert declaration is "more specific" than the Petition. Dr. Winkel's expert testimony "explain[s] the background knowledge of a person of ordinary skill in the art" with "citations to evidence in support of his statements." *iRhythm Techs.*, IPR2025-00377, Paper 10, at 2-3. The Petition explains why each claim is invalid over the prior art by summarizing and synthesizing the evidence, including the testimony of Dr. Winkel. For example, Patent Owner recites a portion of the Petition explaining the reasonable expectation

of success for combining Nakafushi and Olmr with De Vries. RDD, 52. Patent Owner intentionally omits the sentence that immediately follows and cites the same portions of the expert declaration: “The key of De Vries includes a body portion which a POSA would have understood to be readily capable of displacing a depressible button to actuate the solenoid switch. *Id.*” Petition, 52. Together, these sentences in the Petition describe (1) how the combination would function, (2) why a POSA would reasonably expect the combination to succeed, and (3) the location of the expert evidence supporting Petitioner’s arguments. This is certainly not the type of faulty expert testimony that might favor discretionary denial, and does not favor discretionary denial here.

6. No Forum Has Adjudicated Any Claim of the ’101 Patent, Which Weighs Against Discretionary Denial

No claim of the ’101 Patent has been reexamined, the ’101 Patent has not been reissued, and the ’101 Patent claims have not been otherwise adjudicated in any other forum to Petitioners’ knowledge. Nor are they expected to be adjudicated in any other forum before a FWD is expected to issue in this proceeding, if instituted. *See supra* §V.B.

VI. SECTION 325(d) WEIGHS AGAINST DISCRETIONARY DENIAL

Patent Owner fails to establish that the Petition should be denied institution pursuant to 35 U.S.C. §325(d), as further discussed below.

A. The Prior Art in the Petition is Not the Same Nor Substantially the Same as the Art Previously Considered by the Office

1. Monros is not Substantially Similar to De Vries

Patent Owner argues that De Vries is substantially similar to Monros. RDD, 58-59. However, this is directly contradictory to the arguments made by Patent Owner during the prosecution of the '101 Patent regarding (1) the prior art failing to teach mechanical valves (and only teaching electrical valves) and (2) the prior art teaching single valve configurations (as opposed to dual valve configurations). Relying on these arguments, the Examiner allowed the claims of the '101 Patent. Monros lacks these same features argued by Patent Owner. De Vries (while characterized as a mere secondary reference by Patent Owner) teaches an interlocked dual mechanical valve system that discloses the exact combination of features that Patent Owner argued was missing from the prior art during prosecution.

First, throughout prosecution of the '101 Patent, Patent Owner repeatedly distinguished the prior art on the basis of the prior art disclosing electrical first and second fuel valves actuated through a selector switch, as opposed to mechanical first and second fuel valves, as required by the claims. *See* EX1002, 124-126, 129. Specifically, Patent Owner distinguished Poehlman on the basis of Poehlman teaching that a “liquid fuel control valve 43 and gaseous fuel control valve 45 are ‘energized’ and ‘deenergized’ via actuation/operation of a fuel selector switch 51 between a first or gaseous fuel position and a second or liquid fuel position.”

EX1002, 126, 129. Patent Owner emphasized that Poehlman therefore “fails to teach or suggest that which is called for in amended claim 1 regarding a valve assembly comprising first and second valves that are mechanical valves[.]” *Id.*, 126.

Second, Patent Owner distinguished the Sugimoto mechanical valve configuration from the claims on the basis that Sugimoto “discloses only a single fuel system selector valve 12 that connects either the first fuel system that supplies the first fuel gas to the engine 30 or the second fuel system that supplies the second gas to the engine 30 selectively to the fuel pressure regulator 62.” *Id.*, 129. For this reason, Patent Owner explained that “[t]he single fuel system selector valve 12 does not teach separate first and second fuel valves each having open and closed positions, as called for in claim 10.” *Id.* Relying on these arguments, the Examiner issued a notice of allowance of claims 1 and 10.

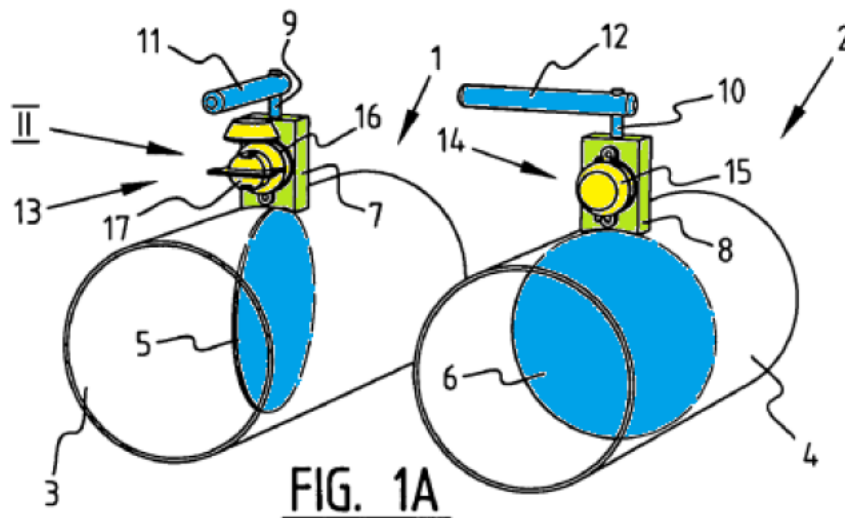
Monros teaches a dual fuel engine system. The Monros system is described for use in an automobile and includes a single electrically actuated valve (switch 64) that is coupled to a microcontroller 22. EX2061, ¶¶[0027]-[0028]. The microcontroller 22 is programmed to automatically “control the rotating switch 64 [valve] so as to maximize the efficiency of the dual fuel system.” *Id.*, ¶[0029]. The programming of the microcontroller can be “based on time, temperature, or volume” to “automatically optimize fuel usage in any type of vehicle.” *Id.* While Monros teaches “selector switch 78 [that] enables the driver to override the automatic

FIG. 4

Likewise, Monros only teaches a single switch 64 (valve) that is used to select propane fuel or gasoline fuel. This is analogous to the Sugimoto system distinguished by Patent Owner, which teaches “only a single fuel system selector valve 12 that connects either the first fuel system that supplies the first fuel gas to the engine 30 or the second fuel system that supplies the second gas to the engine 30.” EX1002, 129. Thus, Monros “fails to teach or suggest ... a valve assembly comprising first and second valves that are mechanical valves[.]” *See* EX1002, 126.

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fluid pathways. EX1011, 5:31-58, FIGS. 1A-1C. A single key (17, yellow) allows for one of the two valves to be opened or closed at a time such that both valves cannot be opened at the same time.



EX1011, FIG. 1A (annotated).

De Vries teaches the specific elements that were identified by Patent Owner as lacking from Poehlman and Sugimoto (and also Monros) including both (1) “a valve assembly comprising first and second valves” that (2) “are mechanical valves[.]” See EX1002, 126. Thus, the De Vries system is not “substantially similar” to Monros, but is materially different in that it teaches the specific claim elements that Patent Owner argued were missing from the prior art.

2. Monros is not substantially similar to Fujisawa

Patent Owner argues that Monros is substantially similar to Fujisawa. Once again, this is directly contradictory to the arguments made in prosecution for the

same reasons as outlined above. *Supra* §VI.A.a. Like De Vries, Fujisawa is not substantially similar to Monros because Fujisawa discloses both (1) “a valve assembly comprising first and second valves” that (2) “are mechanical valves[.]” *See* EX1002, 126. Each of these are features that Patent Owner argued were missing from the prior art to secure allowance and are also missing from Monros. *Supra* §VI.A.a.

Fujisawa is directed to a “fuel switching means for switching the fuel supplied to the engine” of a “power generator.” EX1005, ¶¶[0010]-[0012]. Specifically, Fujisawa discloses that the fuel switching means comprises a valve assembly that includes a first fuel valve 54a/55a for controlling a first fuel flow and a second fuel valve 54b/55b for controlling a second fuel flow. Fujisawa discloses cam followers 57a and 57b (blue) which are coupled to the valves and are moved up and down by a cam body 59 and rotary knob 60 (yellow) to open and close the valves (blue).

Like De Vries, Fujisawa discloses a pair of mechanical valves that are manually actuated. Fujisawa teaches the specific elements that were identified by Patent Owner as lacking from Poehlman and Sugimoto (and also Monros) (*supra* §VI.A.a) in that Fujisawa teaches both (1) “a valve assembly comprising first and second valves” that (2) “are mechanical valves[.]” See EX1002, 126. Thus, the

Fujisawa system is not “substantially similar” to Monros, but is materially different in that it teaches the specific claim elements that Patent Owner argued were missing from the prior art.

3. The Honda EU20i generator was never substantively addressed and was not applied in the same way as DuroMax.

While Patent Owner relies heavily on the overlap of features shown in the Honda EU20i generator video and DuroMax, Patent Owner fails to appreciate that despite being an anticipatory reference (*supra* §III) the EU20i Video was never substantively applied during prosecution. As shown *supra* §III, that was erroneous. Nor were any other references teaching dual handle/dual mechanical valves for use in a dual fuel generator. Moreover, the EU20i Video was certainly not applied in the manner in which DuroMax is applied in the Petition (i.e., in combination with the De Vries or Fujisawa selection mechanisms).

While DuroMax is applied as a primary reference in Grounds 1-2, it becomes centrally relevant ***after it is combined*** with Fujisawa or De Vries, which disclose the specific selector switch and valve arrangement identified in the claims and argued by Patent Owner as disclosing the patentable features over the prior art. Specifically, DuroMax simply operates as the base dual fuel generator on which the fuel selection mechanisms disclosed in Fujisawa and De Vries are implemented within. As noted above, the fuel selection mechanisms of Fujisawa and De Vries are materially different from (and not cumulative of) the fuel selection mechanisms that were

considered and applied by the Examiner during prosecution because they remedy the deficiencies argued by Patent Owner to secure allowance. *Supra* §§VI.A.a-b.

4. Tsuda was never substantively addressed and was not applied in the same way as Nakafushi and Olmr

Patent Owner similarly argues that Nakafushi and Olmr are commensurate with Tsuda. RDD, 60-61. However, once again, Tsuda was never even substantively applied by the Examiner and was certainly not applied in the same way in which it is applied in the Petition (i.e. in combination with the Fujisawa or De Vries selection mechanisms).

While Tsuda and Nakafushi each disclose certain features relating to carburetor shutoff solenoids, those features are included in various dependent claims to claim 1, which were not relied upon for allowance of independent claim 1. The Examiner did ultimately allow claim 17 after the inclusion of certain solenoid related features, however, Tsuda or Nakafushi alone fail to disclose all the features of claim 17. Rather, as noted above, ***the combination*** of Nakafushi with Fujisawa and De Vries teaches the fuel selection mechanism incorporating these features. Since the Examiner did not have Fujisawa and De Vries, the Examiner did not have the opportunity to consider the arguments raised under the grounds presented in the petition. Finally, unlike Tsuda, Olmr teaches a normally open solenoid valve, i.e. a valve that closes when the switch is closed.

B. The Office Materially Erred in Overlooking the EU20i Video

As discussed previously (*supra* §III), the Office materially erred in overlooking the teachings of the EU20i Video, specifically its disclosure of a first and second valves and associated valve handles having open and closed positions for use with a dual fuel generator. The EU20i Video teaches the features that the Examiner alleged were lacking from the prior art in Poehlman and Sugimoto references applied during prosecution. *See supra* §VI.A.a. The EU20i Video clearly anticipates claims 10-12 and 16 and therefore, it was error for the Examiner to overlook the EU20i Video and allow this claim.

Discretionary denial is therefore unwarranted under §325(d). *See Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 5 (PTAB May 19, 2025) (“[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.” (internal citations omitted)).

VII. CONCLUSION

For the foregoing reasons, the Director should reject Patent Owner’s request for discretionary denial, and Petitioners respectfully request that the Petition be submitted to the panel for review on the merits.

Date: September 16, 2025

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

As calculated by the “Word Count” feature of Microsoft Word for Microsoft 365, the foregoing **Petitioner’s Opposition to Patent Owner’s Request for Discretionary Denial of Institution** contains 12,009 words, excluding this Certification and the following: Table of Contents, Table of Authorities, and Certificate of Service.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on September 16, 2025, a true and correct copy of the foregoing **PETITIONER'S OPPOSITION TO PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION** was filed through the PTACTs system along with service to the email addresses listed below:

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