

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

CHAMPION POWER EQUIPMENT, INC.,
Patent Owner.

Case No. IPR2025-01121
U.S. Patent No. 11,143,120

**PATENT OWNER CHAMPION POWER EQUIPMENT, INC.'S
AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST**

Petitioner's Request for Director Review ("Request") is nothing more than an attempt to convince the Director to revisit Petitioner's merits-based arguments, which have already been properly rejected. Petitioner asserts that review is warranted because the Director's institution decision "did not include any opinion specifically identifying the basis for denying the '120 Petition on the merits." Request, 6.¹ But, the mere fact that institution was denied without an opinion setting forth "specific determinations regarding Petitioner's likelihood of success on the merits" does not justify Director Review of issues that were decided after being thoroughly briefed in both the '120 Petition and '120 POPR, as well as corresponding Preliminary Replies and Sur-Replies. *Id.*, 4-5.

Petitioner also attempts to manufacture an overarching argument that the '120 Institution Decision was somehow "irreconcilably contradictory" with the Board's prior '034 Institution Decision, and that the only way to resolve the alleged inconsistency is to "institute the '120 Patent IPR consistently with the Board's well-reasoned Institution Decision in the '034 Patent IPR." Request, 1. However, Petitioner's argument relies on a tortured interpretation of the '034 Institution Decision and there is no irreconcilable contradiction. In fact, Petitioner is unable to

¹ Unless otherwise noted, Patent Owner relies on the same abbreviation's explicitly set forth in Petitioner's Request.

highlight *any* grounds that warrant Director Review and its Request should be denied for at least the following reasons.

First, the '034 Institution Decision is *already* subject to *sua sponte* Director Review addressing issues regarding the Director's recently designated decisions in *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 (P.T.A.B. Nov. 3, 2025), and *Tesla, Inc. v. Intell. Ventures II LLC*, IPR2025-00340, Paper 18 (P.T.A.B. Nov. 5, 2025). IPR2025-00805, Paper 30. If the '034 Institution Decision is correctly vacated on discretionary grounds, Petitioner's Request is immediately rendered moot due to the absence of any alleged inconsistency.

Next, as mentioned above, Petitioner's Request is based on a fundamental misrepresentation of the '034 Institution Decision. According to Petitioner, "the denial of the '120 Petition (involving broader claims) *contradicts* the '034 Institution Decision." Request, 6-7 (emphasis added). Not so. Rather, the '120 POPR presented several discrete arguments against institution. And, despite Petitioner's misrepresentations to the contrary, *most* of the arguments set forth in the '120 POPR were (1) not made in the '034 POPR, (2) not addressed by the Board in the '034 Institution Decision, and (3) present independent bases for denial. Simply put, there is no contradiction.

Finally, even if the Director determines that the '034 and '120 Institution Decisions are contradictory—and to be clear, they are not—Petitioner incorrectly

assumes that “the ’120 Institution Decision must have included an erroneous finding of fact or conclusion of law directly contrary to the Board’s ’034 Patent Institution Decision.” Request, 6-7. However, Petitioner fails to acknowledge that any purported discrepancy could just as easily be caused by an erroneous finding of fact or conclusion of law in the Board’s ’034 Institution Decision. Even assuming the alleged inconsistency actually exists, Petitioner has failed to establish that the ’120 Institution Decision (as opposed to the ’034 Institution Decision) was erroneous and should be reversed.

In sum, Petitioner’s Request is nothing more than an attempt to revisit merits-based arguments that have already been properly briefed and adjudicated. Director Review should be denied.

I. BACKGROUND

Petitioner’s Request primarily rests on an alleged contradiction between the instant IPR2025-01121 (the “’120 Proceeding”) and IPR2025-00805 (the “’034 Proceeding”). Pertinent details of each proceeding are set forth, below.

A. The ’120 Proceeding

Patent Owner timely filed the ’120 POPR on October 10, 2025. There, Patent Owner explained that it had “disclaimed Claims 1-11 and 18-19 of the ’120 Patent,” leaving only Independent Claim 12 and Dependent Claims 13-17 pending. ’120 POPR, 1. As such, only Grounds 5-7 were at issue for the ’120 Institution Decision.

Id. Of those, only Ground 5 and Ground 7 addressed Independent Claim 12. In the '120 POPR, Patent Owner asserted institution was improper on the merits for multiple independent reasons:

Ground 5	Ground 7
1. The Workshop Manual does not disclose “a gaseous fuel supplied from a pressurized fuel source” ('120 POPR, 28-29);	1. Nakafushi does not disclose “a gaseous fuel supplied from a pressurized fuel source” ('120 POPR, 29-31);
2. The Workshop Manual does not disclose the claimed “multi-fuel generator” ('120 POPR, 32-36); and	2. Nakafushi alone does not disclose the claimed “multi-fuel generator” and Petitioner’s proposed combination of Nakafushi and Jungmann is deficient ('120 POPR, 41-47); and
3. The Workshop Manual does not disclose the claimed “fuel regulator system” ('120 POPR, 36-40).	3. Nakafushi alone does not disclose the claimed “fuel regulator system” and Petitioner’s proposed combination of Nakafushi and Parlatore is deficient ('120 POPR, 47-51).

So long as the Director credited one of Patent Owner’s arguments with respect to Ground 5, and one of Patent Owner’s arguments with respect to Ground 7, institution would be improper. Shortly thereafter, Petitioner filed a Preliminary

Reply, asserting substantially the same merits-based arguments it raises in the present Request. Paper 19. Patent Owner responded accordingly, providing the Director with a complete record to determine institution. Paper 21.

While an institution decision was pending (on November 26, 2025), Patent Owner requested supplemental briefing in both the '120 Proceeding and related IPR2025-01185 regarding the impact of the *Revvo Techs.* and *Tesla* decisions. Institution was denied on December 1, 2025. Paper 23. On December 2, 2025 Patent Owner's request for supplemental briefing was granted in related IPR2025-01185. *See, e.g.* IPR2025-01185, Paper 19. However, because institution had already been denied in the '120 Proceeding, no supplemental briefing was ever ordered.²

B. The '034 Proceeding

Patent Owner timely filed the '034 POPR on August 29, 2025. There, Patent Owner asserted institution was improper on the merits because neither the Workshop Manual nor Nakafushi disclosed the claimed “gaseous fuel source” or “gaseous fuel supplied from a pressurized fuel source.” '034 POPR, 25-34. Notably, this was the

² Although outside the scope of the Director's authorization for the instant response (EX3100), if Petitioner's Request is granted Patent Owner respectfully requests supplemental briefing regarding discretionary denial under *Revvo Techs.* and *Tesla*, which presents an independent basis for denial.

only merits-based argument presented in the '034 POPR. Patent Owner *did not* make any arguments regarding the “multi-fuel generator” or “fuel regulator system” limitations, nor did it present any arguments or supporting expert testimony regarding Petitioner’s motivation to combine analysis.

The '034 Proceeding was instituted on November 13, 2025. '034 Institution Decision. Patent Owner filed a Request for Rehearing raising issues related to *Revvo Techs.* and *Tesla*, which the Board rejected. IPR2025-00805, Paper 26; IPR2025-00805, Paper 29. The Director determined that *sua sponte* Director Review of both the '034 Institution Decision and decision on rehearing was appropriate. IPR2025-00805, Paper 30. An order is pending.

II. ARGUMENT

Petitioner’s Request relies on two fundamental misrepresentations. First, Petitioner incorrectly states that “the denial of the '120 Petition (involving broader claims) contradicts the '034 Institution Decision.” Request, 6-7. But, the '120 POPR asserted several independent arguments against institution, and as such, no contradiction inherently exists. Second, Petitioner incorrectly assumes that even if the '034 and '120 Proceedings are contradictory—and to be clear, they are not—“the '120 Institution Decision must have included an erroneous finding of fact or conclusion of law directly contrary to the Board’s '034 Patent Institution Decision.” *Id.*, 6-7. But, Petitioner has failed to establish that the '120 Proceeding was erroneous

(as opposed the '034 Proceeding), and no basis exists to reverse the '120 Institution Decision. Each argument is discussed in turn, below.

A. Contrary to Petitioner's representations, the '120 and '034 Institution Decisions are not inherently contradictory.

Petitioner's Request relies on a deliberate and fundamental misrepresentation of the '034 Proceeding. According to Petitioner, the Board in the '034 Proceeding "rejected Patent Owner's arguments with respect to motivation to combine and reasonable expectation of success in combining Nakafushi with Jungmann and Parlatore." Request, 9 (citing '034 Institution Decision at 25-26). This is blatantly false.

In fact, the '034 Institution Decision explicitly recognized that—with the sole exception of the "gaseous fuel" limitation—"Patent Owner does not offer any arguments specifically addressing the remaining limitations of claim 11." '034 Institution Decision at 26; *see also id.* at 27. Importantly, Patent Owner did not advance arguments in the '034 POPR regarding the "multi-fuel generator" or "fuel regulator system" limitations, nor did it present any arguments or supporting expert testimony regarding Petitioner's motivation to combine positions.

Conversely, the '120 POPR set forth specific arguments—supported by reasoned expert testimony—that (1) the "multi-fuel generator" limitation was not disclosed by the Workshop Manual or Nakafushi, and the Petition lacked sufficient

motivation for the proposed Nakafushi/Jungmann combination ('120 POPR, 32-36, 41-47), and (2) the “fuel regulator system” limitation was not disclosed by the Workshop Manual or Nakafushi, and the Petition lacked sufficient motivation for the proposed Nakafushi/Parlatore combination. '120 POPR, 36-40, 47-51. These arguments (which were not included in the '034 POPR) alone distinguish the '120 Proceeding and preclude a finding that the two proceedings are contradictory.

Moreover, the Board's *only* finding regarding a motivation to combine Nakafushi (which was conveniently excerpted in Petitioner's Request by Petitioner's use of ellipses) was that “the Petition provides a sufficient showing, at this stage of the proceeding, that the combination of Nakafushi, Olmr, Bernhardsson ‘and/or’ Duffy satisfies each limitation and that one of ordinary skill in the art would have had reason to combine to prior art.” '034 Institution Decision, 26. But, the additional arguments in the '120 POPR (that Petitioner incorrectly contends were already “rejected” by the Board) relate to the Nakafushi/*Jungmann* and Nakafushi/*Parlatore* combinations, which *were not addressed by the Board*. In fact, the Board's *only* analysis of the Nakafushi/Jungmann and Nakafushi/Parlatore combinations was to state “the details of which are not relevant to the discussion here.” '034 Institution Decision, 25.

While Petitioner's Request summarizes the motivation to combine arguments present in the Petition (Request, 9-10), Petitioner's representation that “The Board

credited the same arguments as establishing a reasonable likelihood of success” lacks citation, is wholly unsupported, and is directly contradicted by the ’034 Institution Decision. Because the ’120 POPR presents multiple independent arguments supporting denial on the merits, and because these arguments *were not addressed* in the Board’s ’034 Institution Decision, there is no inherent contradiction between the two institution decisions. Petitioner’s Request should be denied.

B. Petitioner’s assertion that the alleged inconsistencies justify institution in the ’120 Proceeding is unsupported.

As explained above, the ’034 and ’120 Institution Decisions are not inconsistent. However, even if the Director determines the decisions are contradictory, there is no support for Petitioner’s conclusory assertion that the ’034 Decision should control.

First, Patent Owner maintains that neither the Workshop Manual nor Nakafushi disclose a “gaseous fuel supplied from a pressurized fuel source.” This element was thoroughly briefed in both the ’120 POPR and corresponding Preliminary Sur-Reply. ’120 POPR, 28-31; Paper 21, 1-2. While it is unclear which argument(s) from the ’120 POPR formed the basis for the ’120 Institution Decision, if the Director credited Patent Owner’s position with respect to this element, Patent Owner asserts that the appropriate course of action would be to *deny* institution in the ’034 Proceeding on the merits, rather than overturn the Director’s ’120 Institution

Decision as Petitioner contends. Tellingly, Petitioner does not identify any authority supporting its implication that the Board's '034 Institution Decision is controlling over the Director's '120 Institution Decision.

Second, even if the Director determines that Patent Owner's "new" arguments in the '120 POPR addressing the "multi-fuel generator" or "fuel regulator system" limitations (and Petitioner's alleged motivations to combine) contradict the Board's findings with respect to Claim 11 in the '034 Proceeding, Petitioner has not established that the proper course of action is to overturn the '120 Institution Decision. The merits-based arguments regarding these limitations made in Petitioner's Request merely parrot the same arguments already advanced (and rejected) in Petitioner's Preliminary Reply, and Petitioner has not established that those arguments are incorrect. *Compare* Request, 10-12 with Paper 12, 1-3. Moreover, because these arguments do not impact Independent Claims 1 and 18 of the '034 Patent, the '034 Institution Decision is not impacted by a finding that Patent Owner's "new" arguments in the '120 POPR preclude institution in the '120 Proceeding.

Ultimately, the outcomes in the '034 and '120 Proceedings are not inconsistent. However, even if the Director accepts Petitioner's argument that they are, Petitioner has failed to establish that the Director must overturn his own findings in the '120 Proceeding and adopt the Board's findings from the '034 Proceeding.

III. CONCLUSION

Petitioner's Request should be denied. If the '034 Institution Decision is (correctly) vacated on discretionary grounds by the Director's pending *sua sponte* review, Petitioner's Request is properly denied as moot. Otherwise, Petitioner's Request should be denied because the '034 and '120 Proceedings *are not inconsistent*. Finally, if Director Review is granted, Patent Owner asserts that supplemental briefing regarding discretionary review in light of *Revvo Techs.* and *Tesla* is warranted, as previously requested by Patent Owner on November 26, 2025.

Dated: January 8, 2026

Respectfully submitted,

By: /Joseph W. Staley/

Joseph W. Staley, Reg. No. 60,732

Scott P. Amy (Admitted *pro hac vice*)

Thomas F. Finch, Reg. No. 82,341

PERILLA KNOX & HILDEBRANDT LLP

5871 Glenridge Dr.

Suite 350

Atlanta, Georgia 30328

Tel: (770) 927-7802

Fax: (877) 389-6779

Email:

j.staley@pkhip.com

s.amy@pkhip.com

t.finch@pkhip.com

Timothy J. Ziolkowski, Reg. No. 38,368

Jacob M. Fritz, Reg. No. 71,459

**ZIOLKOWSKI PATENT SOLUTIONS
GROUP, SC**

Case No. IPR2025-01121
U.S. Patent No. 11,143,120

136 South Wisconsin Street
Port Washington, WI 53074
(262) 268-8100 Tel
(262) 268-8185 Fax
Email:
tjz@zpatents.com
jmf@zpatents.com

Counsel for Patent Owner

CERTIFICATE OF COMPLIANCE

This paper complies with the page limits set forth in the Board's December 31, 2025 email authorization for this brief.

Dated: January 8, 2026

Respectfully submitted,

By: /Joseph W. Staley/
Joseph W. Staley, Reg. No. 60,732
Lead Counsel for Patent Owner

CERTIFICATE OF SERVICE

In accordance with 37 C.F.R. § 42.6(e), the undersigned certifies that on January 8, 2026, a complete and entire copy of the foregoing document was served on counsel of record for Petitioner, as follows:

Kimberly K. Dodd, Reg. No. 54,646
Jeffrey S. Gundersen, Reg. No. 47,619
FOLEY & LARDNER LLP
777 E Wisconsin Ave
Milwaukee, WI 53202-5306
Tel: 414-271-2400
kdodd@foley.com
jgundersen@foley.com
HarborFreight-Champion-
IPRs@foley.com

Michael Houston, Reg. No. 58,486
FOLEY & LARDNER LLP
321 N. Clark St., Suite 3000
Chicago, Illinois 60654
Tel: 312-832-4500
mhouston@foley.com

Thomas J. Leach, Reg. No. 53,188
Taylor R. Stemler, Reg. No. 79,777
MERCHANT & GOULD P.C.
150 South Fifth Street, Suite 2200
Minneapolis, MN 55402
Tel: 612-336-4665
Tel: 612-371-5215
TLeach@merchantgould.com
TStemler@MerchantGould.com

Thomas A. Walsh, Reg. No. 45,196
ICE MILLER LLP
One American Square, Suite 2900
Indianapolis, IN 46282
Tel: 317-236-5946
thomas.walsh@icemiller.com

Thomas A. Rammer, Reg. No. 62,591
Alexas D. Siliunas, Reg. No. 79,826
ICE MILLER LLP
200 W. Madison Street, Suite 3500
Chicago, IL 60606
Tel: 312-705-6016
Tel: 312-726-8174
tom.rammer@icemiller.com
alek.siliunas@icemiller.com

Dated: January 8, 2026

Respectfully submitted,

By: /Joseph W. Staley/
Joseph W. Staley, Reg. No. 60,732
Counsel for Patent Owner