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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

HARBOR FREIGHT TOOLS USA, INC., Plaintiff, vs. CHAMPION POWER EQUIPMENT, INC., Defendant.	CASE NO.: 2:24-cv-08722-SVW-AS **HARBOR FREIGHT'S ANSWER TO CHAMPION'S COUNTERCLAIMS** **JURY TRIAL DEMANDED** Hon. Stephen V. Wilson Hon. Alka Sagar

Plaintiff Harbor Freight Tools USA, Inc. ("HFT") hereby answers counterclaims from Defendant Champion Power Equipment, Inc.'s ("Champion") Answer and Counterclaims (ECF No. 47, "Counterclaims") as follows:

HFT denies each and every allegation in the Counterclaims, except as specifically and expressly admitted or explained herein. HFT's answer repeats the headings of Champion's Counterclaims for ease of exposition. To the extent that the headings or any other non-numbered statements in the Counterclaims are found to contain any allegations to which HFT should respond, HFT denies each and every such allegation.

COUNTERCLAIMS

NATURE OF THE ACTION

1. HFT admits that this action invokes the patent laws of the United States. HFT denies any remaining allegations in Paragraph 1 of the Counterclaims.

2. HFT denies the allegations in Paragraph 2 of the Counterclaims, and denies that it has engaged in any acts of infringement of any valid patent.

THE PARTIES

3. On information and belief, HFT admits that Champion is a corporation incorporated in Nevada. HFT denies any remaining allegations in Paragraph 3 of the Counterclaims.

4. HFT admits the allegations contained in Paragraph 4 of the Counterclaims.

JURISDICTION AND VENUE

5. HFT admits that the Court has subject matter jurisdiction over Champion's Counterclaims against HFT. Except as expressly admitted, HFT denies the remaining allegations in Paragraph 5 of the Counterclaims.

6. HFT admits that the Court has personal jurisdiction over HFT. Except as expressly admitted, HFT denies the remaining allegations in Paragraph 6 of the Counterclaims.

7. HFT admits that venue is proper in this district.

COUNTERCLAIM I

(Infringement of U.S. Patent No. 10,393,034)

8. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

9. HFT admits that U.S. Patent No. 10,393,034 (the "'034 patent") was issued by the U.S. Patent and Trademark Office ("USPTO"), on its face, reflects an issuance date of August 27, 2019, and is entitled "FUEL SYSTEM FOR A MULTI-FUEL INTERNAL COMBUSTION ENGINE." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 9 of the Counterclaims.

10. HFT admits that the '034 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 10 of the Counterclaims and on that basis denies them.

11. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 11 of the Counterclaims.

12. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 12 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 12(a) through 12(p).

13. HFT denies the allegations in Paragraph 13 of the Counterclaims.

14. HFT denies the allegations in Paragraph 14 of the Counterclaims.

15. HFT denies the allegations in Paragraph 15 of the Counterclaims.

16. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 16 of the Counterclaims.

17. HFT denies the allegations in Paragraph 17 of the Counterclaims.

COUNTERCLAIM II

(Infringement of U.S. Patent No. 11,143,120)

18. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

19. HFT admits that U.S. Patent No. 11,143,120 (the "'120 patent") was issued by the USPTO, on its face, reflects an issue date of October 12, 2021, and is entitled "FUEL SYSTEM FOR A MULTI-FUEL INTERNAL COMBUSTION ENGINE." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 19 of the Counterclaims.

20. HFT admits that the '120 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 20 of the Counterclaims and on that basis denies them.

21. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 21 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 21(a) through 21(b).

22. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies

that allegation. HFT denies the remaining allegations in Paragraph 22 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 22(a) through 22(f).

23. HFT denies the allegations in Paragraph 23 of the Counterclaims.

24. HFT denies the allegations in Paragraph 24 of the Counterclaims, including all allegations in sub-paragraph 24(a).

25. HFT denies the allegations in Paragraph 25 of the Counterclaims.

26. HFT denies the allegations in Paragraph 26 of the Counterclaims.

27. HFT denies the allegations in Paragraph 27 of the Counterclaims.

28. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 28 of the Counterclaims.

29. HFT denies the allegations in Paragraph 29 of the Counterclaims.

COUNTERCLAIM III

(Infringement of U.S. Patent No. 11,492,985)

30. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

31. HFT admits that U.S. Patent No. 11,492,985 (the "'985 patent") was issued by the USPTO, on its face, reflects an issuance date of November 8, 2022, and is entitled "OFF-BOARD FUEL REGULATOR FOR GENERATOR ENGINE." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 31 of the Counterclaims.

32. HFT admits that the '985 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 32 of the Counterclaims and on that basis denies them.

33. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 33 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 33(a) through 33(b).

34. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 34 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 34(a) through 34(b).

35. HFT denies the allegations in Paragraph 35 of the Counterclaims.

36. HFT denies the allegations in Paragraph 36 of the Counterclaims, including all allegations in sub-paragraphs 36(a) through 36(h).

37. HFT denies the allegations in Paragraph 37 of the Counterclaims.

38. HFT denies the allegations in Paragraph 38 of the Counterclaims.

39. HFT denies the allegations in Paragraph 39 of the Counterclaims.

40. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 40 of the Counterclaims.

41. HFT denies the allegations in Paragraph 41 of the Counterclaims.

COUNTERCLAIM IV

(Infringement of U.S. Patent No. 11,530,654)

42. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

43. HFT admits that U.S. Patent No. 11,530,654 (the "'654 patent") was issued by the USPTO, on its face, reflects an issue date of December 20, 2022, and is entitled "OFF-BOARD FUEL REGULATOR FOR GENERATOR ENGINE." HFT

denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 43 of the Counterclaims.

44. HFT admits that the '654 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 44 of the Counterclaims and on that basis denies them.

45. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 45 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 45(a) through 45(b).

46. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 46 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 46(a) through 46(b).

47. HFT denies the allegations in Paragraph 47 of the Counterclaims.

48. HFT denies the allegations in Paragraph 48 of the Counterclaims, including all allegations in sub-paragraphs 48(a) through 48(b).

49. HFT denies the allegations in Paragraph 49 of the Counterclaims.

50. HFT denies the allegations in Paragraph 50 of the Counterclaims.

51. HFT denies the allegations in Paragraph 51 of the Counterclaims.

52. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 52 of the Counterclaims.

53. HFT denies the allegations in Paragraph 53 of the Counterclaims.

COUNTERCLAIM V

(Infringement of U.S. Patent No. 11,840,970)

54. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

55. U.S. Patent No. 11,840,970 ("the '970 patent") was issued by the USPTO, on its face, reflects an issue date of December 12, 2023, and is entitled "DUAL FUEL GENERATOR WITH REMOTE REGULATOR." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 55 of the Counterclaims.

56. HFT admits that the '970 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 56 of the Counterclaims and on that basis denies them.

57. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 57 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 57(a) through 57(b).

58. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 58 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 58(a) through 58(d).

59. HFT denies the allegations in Paragraph 59 of the Counterclaims.

60. HFT denies the allegations in Paragraph 60 of the Counterclaims, including all allegations in sub-paragraphs 60(a) through 60(k).

61. HFT denies the allegations in Paragraph 61 of the Counterclaims.

62. HFT denies the allegations in Paragraph 62 of the Counterclaims.

63. HFT denies the allegations in Paragraph 63 of the Counterclaims.

64. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 64 of the Counterclaims.

65. HFT denies the allegations in Paragraph 65 of the Counterclaims.

COUNTERCLAIM VI

(Infringement of U.S. Patent No. 10,221,780)

66. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

67. HFT admits that U.S. Patent No. 10,221,780 ("the '780 patent") was issued by the USPTO, on its face, reflects an issue date of March 5, 2019, and is entitled "DUEL FUEL LOCKOUT SWITCH FOR GENERATOR ENGINE." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 67 of the Counterclaims.

68. HFT admits that the '780 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 68 of the Counterclaims and on that basis denies them.

69. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 69 of the Counterclaims.

70. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 70 of the

Counterclaims, including all allegations of infringement therein including in sub-paragraphs 70(a) through 70(d).

71. HFT denies the allegations in Paragraph 71 of the Counterclaims.

72. HFT denies the allegations in Paragraph 72 of the Counterclaims.

73. HFT denies the allegations in Paragraph 73 of the Counterclaims.

74. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 74 of the Counterclaims.

75. HFT denies the allegations in Paragraph 75 of the Counterclaims.

COUNTERCLAIM VII

(Infringement of U.S. Patent No. 11,905,895)

76. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

77. HFT admits that U.S. Patent No. 11,905,895 (the "'895 patent") was issued by the USPTO, on its face, reflects an issue date of February 20, 2024, and is entitled "DUAL FUEL LOCKOUT SWITCH FOR GENERATOR ENGINE." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 77 of the Counterclaims.

78. HFT admits that the '895 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 78 of the Counterclaims and on that basis denies them.

79. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 79 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 79(a) through 79(b).

80. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 80 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 80(a) through 80(f).

81. HFT denies the allegations in Paragraph 81 of the Counterclaims.

82. HFT denies the allegations in Paragraph 82 of the Counterclaims.

83. HFT denies the allegations in Paragraph 83 of the Counterclaims.

84. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 84 of the Counterclaims.

85. HFT denies the allegations in Paragraph 85 of the Counterclaims.

COUNTERCLAIM VIII

(Infringement of U.S. Patent No. 10,697,398)

86. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

87. HFT admits that U.S. Patent No. 10,697,398 (the "'398 patent") was issued by the USPTO, on its face, reflects an issue date of June 30, 2020, and is entitled "BATTERYLESS DUAL FUEL ENGINE WITH LIQUID FUEL CUT-OFF." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 87 of the Counterclaims.

88. HFT admits that the '398 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 88 of the Counterclaims and on that basis denies them.

89. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis

denies that allegation. HFT denies the remaining allegations in Paragraph 89 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 89(a) through 89(b).

90. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 90 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 90(a) through 90(j).

91. HFT denies the allegations in Paragraph 91 of the Counterclaims.

92. HFT denies the allegations in Paragraph 92 of the Counterclaims, including all allegations in sub-paragraphs 92(a) through 92(f).

93. HFT denies the allegations in Paragraph 93 of the Counterclaims.

94. HFT denies the allegations in Paragraph 94 of the Counterclaims.

95. HFT denies the allegations in Paragraph 95 of the Counterclaims.

96. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 96 of the Counterclaims.

97. HFT denies the allegations in Paragraph 97 of the Counterclaims.

COUNTERCLAIM IX

(Infringement of U.S. Patent No. 11,143,145)

98. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

99. HFT admits that U.S. Patent No. 11,143,145 (the "'145 patent") was issued by the USPTO, on its face, reflects an issue date of October 12, 2021, and is entitled "BATTERYLESS DUAL FUEL ENGINE WITH LIQUID FUEL CUT-OFF." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 99 of the Counterclaims.

100. HFT admits that the '145 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 100 of the Counterclaims and on that basis denies them.

101. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 101 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 101(a) through 101(b).

102. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 102 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 102(a) through 102(i).

103. HFT denies the allegations in Paragraph 103 of the Counterclaims.

104. HFT denies the allegations in Paragraph 104 of the Counterclaims, including all allegations in sub-paragraphs 104(a) through 104(c).

105. HFT denies the allegations in Paragraph 105 of the Counterclaims.

106. HFT denies the allegations in Paragraph 106 of the Counterclaims.

107. HFT denies the allegations in Paragraph 107 of the Counterclaims.

108. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 108 of the Counterclaims.

109. HFT denies the allegations in Paragraph 109 of the Counterclaims.

COUNTERCLAIM X

(Infringement of U.S. Patent No. 10,598,101)

110. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

111. HFT admits that U.S. Patent No. 10,598,101 (the "'101 patent") was issued by the USPTO, on its face, reflects an issue date of March 24, 2020, and is entitled "DUAL FUEL SELECTOR SWITCH." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 111 of the Counterclaims.

112. HFT admits that the '101 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 112 of the Counterclaims and on that basis denies them.

113. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 113 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 113(a) through 113(b).

114. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 114 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 114(a) through 114(i).

115. HFT denies the allegations in Paragraph 115 of the Counterclaims.

116. HFT denies the allegations in Paragraph 116 of the Counterclaims, including all allegations in sub-paragraphs 116(a) through 116(h).

117. HFT denies the allegations in Paragraph 117 of the Counterclaims.

118. HFT denies the allegations in Paragraph 118 of the Counterclaims.

119. HFT denies the allegations in Paragraph 119 of the Counterclaims.

120. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 120 of the Counterclaims.

121. HFT denies the allegations in Paragraph 121 of the Counterclaims.

COUNTERCLAIM XI

(Infringement of U.S. Patent No. 11,306,667)

122. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

123. HFT admits was issued by the USPTO, on its face, reflects an issue date of April 19, 2022, and is entitled "DUAL FUEL SELECTOR SWITCH." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 123 of the Counterclaims.

124. HFT admits that the '667 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 124 of the Counterclaims and on that basis denies them.

125. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 125 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 125(a) through 125(b).

126. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 126 of the

Counterclaims, including all allegations of infringement therein including in sub-paragraphs 126(a) through 126(r).

127. HFT denies the allegations in Paragraph 127 of the Counterclaims.

128. HFT denies the allegations in Paragraph 128 of the Counterclaims, including all allegations in sub-paragraphs 128(a) through 128(e).

129. HFT denies the allegations in Paragraph 129 of the Counterclaims.

130. HFT denies the allegations in Paragraph 130 of the Counterclaims.

131. HFT denies the allegations in Paragraph 131 of the Counterclaims.

132. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 132 of the Counterclaims.

133. HFT denies the allegations in Paragraph 133 of the Counterclaims.

COUNTERCLAIM XII

(Infringement of U.S. Patent No. 11,761,390)

134. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

135. HFT admits that U.S. Patent No. 11,761,390 (the "'390 patent") was issued by the USPTO, on its face, reflects an issue date of September 19, 2023, and is entitled "DUAL FUEL SELECTOR SWITCH." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 135 of the Counterclaims.

136. HFT admits that the '390 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 136 of the Counterclaims and on that basis denies them.

137. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis

denies that allegation. HFT denies the remaining allegations in Paragraph 137 of the Counterclaims.

138. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 138 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 138(a) through 138(j).

139. HFT denies the allegations in Paragraph 139 of the Counterclaims.

140. HFT denies the allegations in Paragraph 140 of the Counterclaims.

141. HFT denies the allegations in Paragraph 141 of the Counterclaims.

142. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 142 of the Counterclaims.

143. HFT denies the allegations in Paragraph 143 of the Counterclaims.

COUNTERCLAIM XIII

(Infringement of U.S. Patent No. 11,905,896)

144. HFT incorporates by reference its responses to all preceding paragraphs as if fully set forth herein.

145. HFT admits that U.S. Patent No. 11,905,896 (the "'896 patent") was issued by the USPTO, on its face, reflects an issue date of February 20, 2024, and is entitled "DUAL FUEL SELECTOR SWITCH." HFT denies that this patent was duly and legally issued. HFT denies the remaining allegations in Paragraph 145 of the Counterclaims.

146. HFT admits that the '896 patent, on its face, identifies Champion Power Equipment, Inc. as the assignee. HFT does not have sufficient information to admit or deny the remaining allegations in Paragraph 146 of the Counterclaims and on that basis denies them.

147. HFT does not have sufficient information to admit or deny the allegation that Champion "has acquired and inspected" any generator model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 147 of the Counterclaims, including all allegations of infringement therein including in subparagraphs 147(a) through 147(b).

148. HFT does not have sufficient information to admit or deny the allegation as to any determination made regarding the identified Model, and on that basis denies that allegation. HFT denies the remaining allegations in Paragraph 148 of the Counterclaims, including all allegations of infringement therein including in sub-paragraphs 148(a) through 148(f).

149. HFT denies the allegations in Paragraph 149 of the Counterclaims.

150. HFT denies the allegations in Paragraph 150 of the Counterclaims, including all allegations in sub-paragraphs 150(a) through 150(e).

151. HFT denies the allegations in Paragraph 151 of the Counterclaims.

152. HFT denies the allegations in Paragraph 152 of the Counterclaims.

153. HFT denies the allegations in Paragraph 153 of the Counterclaims.

154. HFT admits that it received correspondence from Champion on March 27, 2024, May 17, 2024, and June 28, 2024, but denies the remaining allegations in Paragraph 154 of the Counterclaims.

155. HFT denies the allegations in Paragraph 155 of the Counterclaims.

CHAMPION POWER EQUIPMENT, INC.'S PRAYER FOR RELIEF

With respect to Champion's Prayer for Relief Sections A-S, on pages 97-98 of its Answer and Counterclaims, HFT denies that Champion is entitled to such relief and any other relief sought in its Answer and Counterclaims, or any portion thereof and/or any other form of relief whatsoever.

JURY DEMAND

HFT also demands a trial by jury on all issues so triable.

AFFIRMATIVE DEFENSES

Subject to the responses above, HFT alleges and asserts the following defenses in response to the allegations, undertaking the burden of proof only as to those defenses deemed affirmative defenses by law, regardless of how such defenses are denominated herein. In addition to the affirmative defenses described below, subject to its responses above, HFT specifically reserves all rights to allege additional affirmative defenses that become known through the course of discovery.

FIRST AFFIRMATIVE DEFENSE—FAILURE TO STATE A CLAIM

156. Champion's Counterclaims fail to state a claim on which relief may be granted.

SECOND AFFIRMATIVE DEFENSE—NONINFRINGEMENT

157. HFT does not infringe and has not infringed and is not liable for infringement of, any valid and enforceable asserted claims of the '034 patent; the '120 patent; the '985 patent; the '654 patent; the '970 patent; the '780 patent; the '895 patent; the '398 patent; the '145 patent; the '101 patent; the '667 patent; the '390 patent; and the '896 patent (collectively, the "Asserted Patents"), either because the claim limitations of the Asserted Patents are not met literally and the doctrine of equivalents does not apply, or under the reverse doctrine of equivalents.

THIRD AFFIRMATIVE DEFENSE—INVALIDITY

158. The asserted claims of the Asserted Patents are invalid and unenforceable under 35 U.S.C. §§ 101, 102, 103, and/or 112.

159. By way of example, the asserted claims of the '034 patent are invalid based at least on Japanese Laid-Open Patent Publication No. JPS61283734A ("Nakafushi"), U.S. Patent No. 5,301,644 ("Olmr"), U.S. Patent No. 4,372,276 ("Bernhardsson"), and/or the prior art references listed on the face of the patent.

160. By way of example, the asserted claims of the '120 patent are invalid based at least on U.S. Patent No. 4,811,720 ("Katumata"), U.S. Patent No. 4,878,475

("Birsa"), U.S. Patent No. 3,911,956 ("LeBreton"), and/or the prior art references listed on the face of the patent.

161. By way of example, the asserted claims of the '985 patent are invalid based at least on LeBreton, U.S. Patent No. 4,287,908 ("Storgard"), U.S. Patent No. 4,323,046 ("Barber"), and/or the prior art references listed on the face of the patent.

162. By way of example, the asserted claims of the '654 patent are invalid based at least on U.S. Patent No. 7,954,479 B2 ("Kojima") and/or the prior art referenced listed on the face of the patent.

163. By way of example, the asserted claims of the '970 patent are invalid based at least on U.S. Patent No. 11,530,654 B2 ("Sarder") and/or the prior art references listed on the face of the patent.

164. By way of example, the asserted claims of the '780 patent are invalid based at least on U.S. Patent No. 4,492,207 ("Hallberg"), U.S. Patent No. 8,613,276 ("Parrish"), and/or the prior art references listed on the face of the patent.

165. By way of example, the asserted claims of the '895 patent are invalid based at least on Hallberg, Parrish, and/or the prior art references listed on the face of the patent.

166. By way of example, the asserted claims of the '398 patent are invalid based at least on U.S. Patent No. 3,412,258 ("Satter"), U.S. Patent No. 3,659,574 ("Reschke"), and/or the prior art references listed on the face of the patent.

167. By way of example, the asserted claims of the '145 patent are invalid based at least on U.S. Patent No. 9,988,990 ("Ping"), U.S. Patent No. 3,807,377 ("Bhatt"), and/or the prior art references listed on the face of the patent.

168. By way of example, the asserted claims of the '101 patent are invalid based at least on Japanese Laid-Open Patent Publication No. 2005330867 ("Fujisawa"), U.S. Patent No. 6,591,817 ("Deutsch"), U.S. Patent No. 8,887,799 ("Smith"), and/or the prior art references listed on the face of the patent.

169. By way of example, the asserted claims of the ’667 patent are invalid based at least on Fujisawa, Deutsch, Smith, and/or the prior art references listed on the face of the patent.

170. By way of example, the asserted claims of the ’390 patent are invalid based at least on Fujisawa, Deutsch, Smith, and/or the prior art references listed on the face of the patent.

171. By way of example, the asserted claims of the ’896 patent are invalid based at least on Fujisawa, Deutsch, Smith, and/or the prior art references listed on the face of the patent.

FOURTH AFFIRMATIVE DEFENSE

PROSECUTION HISTORY ESTOPPEL

172. By reason of statements, representations, concessions, admissions, arguments, and/or amendments, whether explicit or implicit, made by or on behalf of the applicant during the prosecution of the patent applications that led to the issuance of the Asserted Patents, Champion’s claims of patent infringement are barred, in whole or in part, by the doctrine of prosecution history estoppel. To the extent Champion’s alleged claim for infringement of any of the Asserted Patents in the Counterclaims is based on the doctrine of equivalents, Champion is barred under the doctrine of prosecution history estoppel and/or other limits to the doctrine of equivalents, and Champion is estopped from claiming that the Asserted Patents cover any accused method, system, and/or product.

FIFTH AFFIRMATIVE DEFENSE—DAMAGES AND COST LIMITATION

173. On information and belief, Champion’s claims for relief are limited or barred, in whole or in part, by 35 U.S.C. §§ 286, 287, and/or 288.

SIXTH AFFIRMATIVE DEFENSE—NO EXCEPTIONAL CASE

174. Champion cannot prove that this is an exceptional case justifying an award of attorneys’ fees against HFT pursuant to 35 U.S.C. § 285.

SEVENTH AFFIRMATIVE DEFENSE—NO WILLFUL INFRINGEMENT

175. Champion is not entitled to enhanced damages under 35 U.S.C. § 284 because Champion has failed to meet, and cannot meet as a matter of law, the requirements for willful infringement.

EIGHTH AFFIRMATIVE DEFENSE—UNENFORCEABILITY (INEQUITABLE CONDUCT)

176. The claims of the Asserted Patents are unenforceable due to inequitable conduct. The ’780 patent, ’398 patent, ’120 patent, ’145 patent, ’985 patent, ’654 patent, ’970 patent, and ’895 patent (collectively, “the 2015 Patent Family”) is unenforceable at least because the patents were obtained through inequitable conduct.

177. Mark J. Sarder, Aleko D. Sotiriades, James. J. Dehn, Leigh Jenison, Kendall J. Collie, and Hiroaki Sato (“the Named Inventors”) are listed as the named inventors in the 2015 Patent Family. Mark J. Sarder, Aleko D. Sotiriades, James. J. Dehn, and Leigh Jenison are listed as named inventors for each patent in the 2015 Patent Family. Kendall J. Collie is listed as a named inventor for the ’398, ’145, and ’120 patents. Hiroaki Sato is listed as a named inventor for the ’398 and ’145 patents.

178. On information and belief, Sarder was Champion’s Vice President of Engineering at least from 2015 to 2019.

179. On information and belief, Dehn was Champion’s Chief Engineer at least from 2015 to 2019.

180. The Named Inventors had a duty to disclose any prior art relevant to the 2015 Patent Family to the PTO.

181. Timothy Ziolkowski, Jacob Fritz, Kevin R. Rosin, Stephanie Laundre, and Andrew C. Stark (“the Prosecuting Attorneys”) prosecuted the patents in the 2015 Patent Family. At least one of the Prosecuting Attorneys prosecuted each of the patents in the 2015 Patent Family.

182. The Prosecuting Attorneys had a duty to disclose any prior art relevant to the 2015 Patent Family to the USPTO.

183. On information and belief, Dennis M. Trine, Lei Zhao, and Jiehui Ma ("the Champion Officers") are officers of Champion. The Champion Officers own and/or operate Champion.

184. On information and belief, the Champion Officers have directed and/or participated in and continue to direct and/or participate in the prosecution and enforcement of the 2015 Patent Family.

185. The Champion Officers had a duty to disclose any prior art relevant to the 2015 Patent Family to the USPTO.

186. The RD9000E dual fuel generator was publicly available and sold by Firman Power Equipment Inc. ("Firman") prior to June 12, 2015. On information and belief, Firman publicly displayed the RD9000E dual fuel generator at a trade show in May 2015.

187. On information and belief, named inventor Sarder went to the May 2015 trade show in which Firman displayed the RD9000E dual fuel generator.

188. On information and belief, named inventor Sarder inspected the RD9000E dual fuel generator at the trade show in May 2015.

189. On information and belief, Sarder shared his observations regarding the features of the RD9000E dual fuel generator with the Prosecuting Attorneys, Champion Officers, and other Named Inventors prior to June 12, 2015.

190. On information and belief, in 2015, Champion purchased the RD9000E dual fuel generator from Firman.

191. On information and belief, a manual for the RD9000E dual fuel generator was packaged with the generator that Champion received.

192. On information and belief, Champion purchased a sample RD9000E dual fuel generator in order to inspect and test it.

193. On information and belief, Champion inspected and tested the sample in 2015. On information and belief, the Named Inventors inspected and tested the sample in 2015 and/or the results of inspection and testing were disclosed to the Named Inventors in 2015.

194. On information and belief, Champion inspected and tested the sample in 2015. On information and belief, the Prosecuting Attorneys inspected and tested the sample in 2015 and/or the results of inspection and testing were disclosed to the Prosecuting Attorneys in 2015.

195. On information and belief, the results of the inspection and testing were disclosed to the Champion Officers in 2015.

196. On information and belief, on September 9, 2019, Champion sent a cease and desist letter to Firman, alleging infringement of one or more of the patents in the 2015 Patent Family.

197. On information and belief, on October 8, 2019, Firman sent a response letter notifying Champion that the RD9000E dual fuel generator was prior art that anticipated the asserted patents in the 2015 Patent Family.

198. On information and belief, on October 10, 2019, Champion sent a letter to Firman acknowledging receipt of Firman's October 10, 2019, letter and requesting documentary proof of the on sale or public availability date of the RD9000E dual fuel generator.

199. On information and belief, on October 18, 2019, Firman sent a letter to Champion attaching business records depicting sales of the RD9000E dual fuel generator prior to June 12, 2015. Firman invited Champion to inspect a sample of the RD9000E dual fuel generator.

200. On information and belief, on November 20, 2019, Champion's counsel Sam Sumitami and Senior Technical Engineer Jim Miotto inspected a sample of the

RD9000E dual fuel generator at the offices of Firman's counsel in Seattle, Washington.

201. On information and belief, Champion's representatives inspected at least the features of the sample RD9000E dual fuel generator that are visible without disassembling the generator. On information and belief, Champion declined an invitation from Firman to inspect the internal components of the generator.

202. On information and belief, Sumitami observed that the sample RD9000E dual fuel generator included every claimed feature of the claims of the 2015 Patent Family.

203. On information and belief, Miotto observed that the sample RD9000E dual fuel generator included every claimed feature of the claims of the 2015 Patent Family.

204. On information and belief, in 2019 Champion sent copies and/or drafts of the September 9, October 8, October 10, and October 18 correspondence between Champion and Firman to the Named Inventors, Prosecuting Attorneys, and/or Champion Officers.

205. On information and belief, Champion's representatives at the November 20, 2019 inspection shared their observations regarding the features of the RD9000E dual fuel generator with the Named Inventors, Prosecuting Attorneys, and/or Champion Officers.

206. On information and belief, Champion's representatives at the November 20, 2019 inspection shared their observations that the RD9000E dual fuel generator includes every claimed feature of the 2015 Patent Family with the Named Inventors, Prosecuting Attorneys, and/or Champion Officers.

207. On information and belief, on July 7, 2020, Champion sent a demand letter to Generac asserting that accused generators DF3500E and DF7500E infringe the '101 patent.

208. On information and belief, Champion's July 7, 2020 demand letter did not assert infringement of the 2015 Patent Family because Champion knew that the 2015 Patent Family was invalid and/or unenforceable.

209. On information and belief, four years later, the Prosecuting Attorneys sent another demand letter on behalf of Champion to Generac, now asserting that certain generators also infringe the 2015 Patent Family.

210. The Named Inventors, Prosecuting Attorneys, and/or Champion Officers violated their duty of candor to the USPTO by failing to disclose the RD9000E dual fuel generator during prosecution of the 2015 Patent Family.

211. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers knew that the RD9000E dual fuel generator anticipated the claims of the 2015 Patent Family after Sarder inspected the generator at the May 2015 trade show.

212. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers continued to prosecute the 2015 Patent Family after inspecting or learning of the inspection of the RD9000E generator at the May 2015 trade show.

213. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers knew that the RD9000E dual fuel generator anticipated the claims of the 2015 Patent Family after Champion purchased and tested the RD9000E dual fuel generator in 2015.

214. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers continued to prosecute the 2015 Patent Family after participating in and/or learning the results of the purchase and testing of the RD9000E dual fuel generator in 2015.

215. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers knew that the RD9000E generator anticipated the claims of

the 2015 Patent Family after Champion inspected or learned of the inspection of the RD9000E dual fuel generator on November 20, 2019.

216. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers continued to prosecute the 2015 Patent Family after learning the results of the November 20, 2019 inspection.

217. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers withheld information regarding the RD9000E dual fuel generator from the USPTO.

218. The withheld information was "but for" material to the prosecution of the 2015 Patent Family because the RD9000E dual fuel generator includes at least one element of at least one claim of each patent in the 2015 Patent Family, thereby making it "but for" material, noncumulative prior art that those involved in prosecution of the patent knew would invalidate the sought after claims.

219. To the extent that the claims of the '780 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claims of the '780 patent:

a. Independent claim 1 by specifically including a mechanical fuel lockout switch for a dual fuel engine having a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel engine from a first fuel source through a first fuel line and a second fuel source through a second fuel line and a fuel lockout apparatus coupled to the mechanical fuel valve, wherein the mechanical fuel lockout switch communicates the first fuel source to the dual fuel engine and prevents communication between the second fuel source and the dual fuel engine when the mechanical fuel valve is in the first position and communicates the second fuel source to the dual fuel engine and interrupts the first fuel source communication with the dual fuel engine when in the second position and wherein the fuel lockout apparatus is configured to prevent the second fuel source

from coupling to the second fuel line while the mechanical fuel valve is in the first position and permit the second fuel source to couple to the second fuel line while the mechanical fuel valve is in the second position, as called for in claim 1 of the '780 patent.

b. Independent claim 8 by specifically including a mechanical fuel lockout switch for an internal combustion engine, the mechanical fuel lockout being assembled by providing an internal combustion engine configured to operate on a fuel from a first fuel source and a different fuel from a second fuel source, coupling a mechanical fuel valve to the internal combustion engine actuatable between a first position and a second position to selectively control fuel flow to the internal combustion engine from the first fuel source through a first fuel line and the second fuel source through a second fuel line, and coupling a fuel lockout apparatus to the mechanical fuel valve, wherein the fuel lockout apparatus prevents actuation of the mechanical fuel valve to the first position when the second fuel source is coupled to the internal combustion engine, as called for in claim 8 of the '780 patent.

c. Independent claim 15 by specifically including a mechanical fuel lockout switch for a dual fuel engine having a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel engine from a first fuel source through a first fuel line and a second fuel source through a second fuel line and a fuel lockout apparatus coupled to the mechanical fuel valve, wherein the mechanical fuel lockout switch communicates the first fuel source to the dual fuel engine and prevents communication between the second fuel source and the dual fuel engine when the mechanical fuel valve is in the first position and communicates the second fuel source to the dual fuel engine and interrupts the first fuel source communication with the dual fuel engine when in the second position and wherein the fuel lockout apparatus prevents actuation of the mechanical fuel valve to the first position when the second fuel source communicates with the dual fuel engine, as called for in claim 15 of the '780 patent.

220. To the extent that the claims of the '398 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power*

Equipment, Inc. v. Firman Power Equipment, Inc., Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claims of the '398 patent:

a. Independent claim 1 by specifically including a dual fuel engine comprising: an engine operable on a gaseous fuel and a liquid fuel; a switch to change operation of the engine between gaseous fuel and liquid fuel; a carburetor attached to an intake of the engine to mix air and fuel and connect to a gaseous fuel source and a liquid fuel source; a liquid fuel valve positioned along a liquid fuel line coupling the liquid fuel source to the carburetor; a gaseous fuel valve positioned along a gaseous fuel line coupling the gaseous fuel source to the carburetor; and a liquid fuel cutoff incorporated into the carburetor to interrupt liquid fuel upon actuation of the switch from liquid fuel to gaseous fuel, as called for in claim 1 of the '398 patent.

b. Independent claim 57 by specifically including a method of assembling a dual fuel engine comprising: providing an engine operable on a gaseous fuel and a liquid fuel; attaching a carburetor to an intake of the engine, the carburetor comprising: a throat to mix gaseous fuel with air and liquid fuel with air, a float bowl, and a fuel passage extending from the float bowl to the throat to provide liquid fuel; coupling a switch to the engine to change operation of the engine between gaseous fuel and liquid fuel; and attaching a liquid fuel cutoff to the carburetor to close the fuel passage upon actuation of the switch from liquid fuel to gaseous fuel, as called for in claim 57 of the '398 patent.

221. To the extent that the claims of the '120 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claim of the '120 patent:

a. Independent claim 12 by specifically including a multifuel generator and fuel delivery system having a multifuel internal combustion engine configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel supplied from a pressurized fuel source through a gaseous fuel

line, an alternator driven by the multifuel internal combustion engine, and a fuel regulator system including a primary pressure regulator coupled to a service valve of a pressurized fuel source to regulate fuel supplied from the pressurized fuel source to a reduced pressure and a secondary pressure regulator coupled to the primary pressure regulator to regulate fuel supplied from the primary pressure regulator to a desired pressure for delivery through the gaseous fuel line to operate the engine, as called for in claim 12 of the '120 patent.

222. To the extent that the claims of the '145 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claim of the '145 patent:

a. Independent claim 1 by specifically including a dual fuel generator comprising: an engine operable on a gaseous fuel and a liquid fuel; an electrical power generator driven by the engine and comprising a charging coil; a switch to change operation of the engine between gaseous fuel and liquid fuel; a carburetor attached to an intake of the engine to mix air and fuel and connect to a gaseous fuel source and a liquid fuel source; a liquid fuel cut—off solenoid to interrupt liquid fuel flow to the engine upon actuation of the switch from liquid fuel to gaseous fuel; and a voltage regulator coupled to the charging coil to receive power therefrom and that operates to provide a regulated voltage to the liquid fuel cut-off solenoid, as called for in claim 1 of the '145 patent.

223. To the extent that the claims of the '985 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claim of the '985 patent:

a. Independent claim 16 by specifically including a dual fuel generator and fuel delivery system having a dual fuel generator configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel supplied from

a pressurized fuel source through a gaseous fuel line; and a fuel regulator system located off board a dual fuel generator, including a primary pressure regulator coupled to a service valve of a pressurized fuel source, configured to regulate the gaseous fuel supplied from the pressurized fuel source in the first stage, the gaseous fuel regulated down to a first reduced pressure in the first stage and regulate the gaseous fuel output from the first stage in the second stage, the first reduced pressure gaseous fuel from the first stage being regulated down to a second reduced pressure in the second stage for delivery through the gaseous fuel line to operate the generator, wherein the fuel regulator system outputs gaseous fuel to the generator for operation of the engine at the second reduced pressure, as called for in claim 16 of the '985 patent.

224. To the extent that the claims of the '654 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claim of the '654 patent:

a. Independent claim 6 by specifically including a dual fuel generator and fuel delivery system having a dual fuel generator configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel supplied from a pressurized fuel source through a gaseous fuel line, a fuel regulator system located off board the dual fuel generator and having a primary pressure regulator coupled to a service valve of a pressurized fuel source and configured to regulate a gaseous fuel supplied from the pressurized fuel source to a first reduced pressure and a secondary pressure regulator coupled to the primary pressure regulator and configured to regulate the gaseous fuel supplied from the primary pressure regulator down from the first reduced pressure to a second reduced pressure for delivery through a gaseous fuel line to operate the dual fuel generator, a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel generator from a liquid fuel source through a liquid fuel line and the pressurized fuel source through the gaseous fuel line and that opens and closes the liquid fuel line to selectively control fuel flow

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from the liquid fuel source to the dual fuel generator, and a fuel lockout apparatus coupled to the mechanical fuel valve and configured to prevent the pressurized fuel source from coupling to the gaseous fuel line while the mechanical fuel valve opens the liquid fuel line and permit the pressurized fuel source to couple to the gaseous fuel line while the mechanical fuel valve closes the liquid fuel line, as called for in claim 6 of the '654 patent.

225. To the extent that the claims of the '970 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claims of the '970 patent:

a. Independent claim 1 by specifically including a dual fuel generator and fuel delivery system including a dual fuel generator having an engine configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel supplied from a pressurized fuel source through a gaseous fuel line and a carburetor attached to an intake of the engine to mix air and fuel and connect the liquid fuel line to the intake; a fuel regulator system located off board the dual fuel generator, the fuel regulator system including a primary pressure regulator coupled to a service valve of the pressurized fuel source and configured to regulate the fuel supplied from the pressurized fuel source to a reduced pressure and a secondary pressure regulator coupled to the primary pressure regulator and configured to regulate the gaseous fuel supplied from the primary pressure regulator to a desired pressure for delivery through the gaseous fuel line to operate the dual fuel generator; and a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the engine from the liquid fuel source through the liquid fuel line and the pressurized fuel source through the gaseous fuel line, as called for in claim 1 of the '970 patent.

b. Independent claim 20 by specifically including a dual fuel generator and fuel delivery system comprising: a dual fuel generator configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel

supplied from a pressurized fuel source through a gaseous fuel line, the dual fuel generator comprising: a gaseous fuel valve coupled to an inlet of the gaseous fuel line and connectable to the pressurized fuel source, and a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel generator from the liquid fuel source through the liquid fuel line and the pressurized fuel source through the gaseous fuel line; and a fuel regulator system located off board the dual fuel generator, the fuel regulator system comprising: a primary pressure regulator connectable to a service valve of the pressurized fuel source and configured to regulate the fuel supplied from the pressurized fuel source to a reduced pressure, and a secondary pressure regulator coupled to the primary pressure regulator and connectable to the gaseous fuel valve, the secondary pressure regulator configured to regulate the gaseous fuel supplied from the primary pressure regulator to a desired pressure for delivery through the gaseous fuel line to operate the dual fuel generator, as called for in claim 20 of the '970 patent.

226. To the extent that the claims of the '895 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claims of the '895 patent:

a. Independent claim 1 by specifically including a mechanical fuel lockout switch for a dual fuel engine having a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel engine from a first fuel source through a first fuel line and a second fuel source through a second fuel line, the mechanical fuel valve configured to allow communication between the first fuel source and the dual fuel engine and prevent communication between the second fuel source and the dual fuel engine while in the first position and prevent communication between the first fuel source and the dual fuel engine while in the second position; and a fuel lockout apparatus coupled to the mechanical fuel valve and configured to prevent the second fuel source from coupling to the second fuel line while the mechanical fuel valve is in the first position and

permit the second fuel source to couple to the second fuel line while the mechanical fuel valve is in the second position, as called for in claim 1 of the '895 patent.

b. Independent claim 8 by specifically including a mechanical fuel lockout switch for a dual fuel engine having a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel engine from a first fuel source through a first fuel line and a second fuel source through a second fuel line, the mechanical fuel valve configured to allow communication between the first fuel source and the dual fuel engine and prevent communication between the second fuel source and the dual fuel engine while the first position and prevent communication between the first fuel source and the dual fuel engine while in the second position; and a fuel lockout apparatus coupled to the mechanical fuel valve and configured to prevent actuation of the mechanical fuel valve to the first position when the second fuel source is in communication with the dual fuel engine, as called for in claim 8 of the '895 patent.

c. Independent claim 14 by specifically including a dual fuel generator and fuel delivery system having a dual fuel generator configured to operate on a liquid fuel supplied from a liquid fuel source through a liquid fuel line and a gaseous fuel supplied from a pressurized fuel source through a gaseous fuel line; a fuel regulator system located off board the dual fuel generator, the fuel regulator system including a primary pressure regulator couplable to a service valve of the pressurized fuel source and configured to regulate the gaseous fuel supplied from the pressurized fuel source to a reduced pressure and a secondary pressure regulator couplable to the primary pressure regulator and configured to regulate the gaseous fuel supplied from the primary pressure regulator to a desired pressure for delivery through the gaseous fuel line to operate the dual fuel generator; a mechanical fuel valve actuatable between a first position and a second position to selectively control fuel flow to the dual fuel generator from the liquid fuel source through the liquid fuel line and the pressurized fuel source through the gaseous fuel line, the mechanical fuel valve configured to open and close the liquid fuel line to selectively control fuel flow from the liquid fuel source to the dual fuel generator; and a fuel lockout apparatus coupled to the mechanical fuel valve and configured to prevent the pressurized fuel source

> from coupling to the gaseous fuel line while the liquid fuel line is open and permit the pressurized fuel source to couple to the gaseous fuel line while the liquid fuel line is closed by the mechanical fuel valve, as called for in claim 14 of the '895 patent.

227. On information and belief, the Named Inventors, Prosecuting Attorneys, and Champion Officers knew that the withheld information was "but for" material and noncumulative to the prosecution of the 2015 Patent Family because they knew that the RD9000E dual fuel generator anticipates and/or renders obvious at least one claim of each patent in the 2015 Patent Family.

228. The Named Inventors, Prosecuting Attorneys, and Champion Officers had the specific intent to deceive the USPTO, which can be reasonably inferred from at least the following conduct:

- Despite having knowledge of the public availability of the RD9000E dual fuel generator at the May 2015 trade show, failing to disclose the RD9000E dual fuel generator to the USPTO;
- Despite having knowledge that a RD9000E dual fuel generator manual was publicly available prior to June 12, 2015, failing to disclose the generator or its manual to the USPTO;
- Despite having knowledge that the RD9000E dual fuel generator was sold prior to June 12, 2015, failing to disclose the RD9000E dual fuel generator to the USPTO;
- Despite having knowledge at least as early as July 7, 2020, that the 2015 Patent Family is invalid or unenforceable, asserting infringement of those patents in 2024; and
- Taking infringement positions in this action, *Champion Power Equipment Inc v. Generac Power Systems Inc*, Case No. 2:24-cv-01281-LA (E.D. Wis.), and in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), that

would clearly render the RD9000E generator an anticipatory prior art reference.

* * * *

Discovery in this action is in its early stages and HFT continues to investigate the allegations set forth in the Counterclaims. HFT hereby provides explicit notice to Champion that it intends to rely upon such other defenses as may become available by law or in equity, or pursuant to statute, as discovery proceeds in this action, and hereby reserves the right to assert such additional defenses.

* * * *

WHEREFORE, HFT respectfully requests that the Court enter judgment in its favor and against Champion on Champion's Counterclaims, and grant the following relief:

1. Dismissing, with prejudice, Champion's Counterclaims against HFT in their entirety;

2. Denying all relief that Champion seeks in its Counterclaims;

3. Declaring that HFT does not now and has never infringed, induced the infringement of, or contributed to the infringement of any valid and enforceable claim of the Asserted Patents in the Counterclaims;

4. Finding this case to be exceptional under 35 U.S.C. § 285 and awarding HFT its costs and attorneys' fees;

5. Awarding HFT its costs, expenses, disbursements, and attorneys' fees incurred in connection with this action; and

8. Awarding HFT any other relief the Court deems just and equitable.

DATED: March 20, 2025

Respectfully submitted,

QUINN EMANUEL URQUHART & SULLIVAN, LLP

By */s/ Eric H. Huang*

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Attorneys for Plaintiff Harbor Freight Tools USA, Inc.

CERTIFICATE OF SERVICE

A true and correct copy of the foregoing instrument was served or delivered electronically via U.S. District Court [LIVE] Document Filing System, to all counsel of record, on March 21, 2025.

/s/ Eric H. Huang

Eric H. Huang