

IN THE 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,
Petitioners

v.

CHAMPION POWER EQUIPMENT, INC.,

Patent Owner.

Patent No. 10,697,398

Issued: Jun. 30, 2020

Title: BATTERYLESS DUAL FUEL ENGINE WITH LIQUID FUEL CUT-OFF

Inter Partes Review No. IPR2025-01271

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

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EXHIBIT LIST

Exhibit No.	Description
1001	U.S Patent No. 10,697,398 to Collie et al. (“the ’398 Patent”)
1002	File History for U.S. Patent No. 10,697,398 (“the ’398 File History”)
1003	Declaration of Dr. Timothy Morse
1004	JPS61283734A (Original) (“Nakafushi”)
1005	Certified Translation of JPS61283734A (“Nakafushi”)
1006	Small Engine Technology, Second Edition, Schuster, William A, (1999) (“Schuster”)
1007	U.S. Patent No. 5,301,644 (“Olmr”)
1008	<i>Reserved</i>
1009	U.S. Patent No 1,931,698 (“Holzapfel”)
1010	<i>Reserved</i>
1011	<i>Reserved</i>
1012	Kubota DF-972-E2 Workshop Manual (“Workshop Manual”)
1013	<i>Reserved</i>
1014	Declaration from Mr. James Strepek re Kubota Manuals
1015	Declaration from Mr. Scott Schlabach re Kubota Manuals

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1016	<i>Reserved</i>
1017	<i>Reserved</i>
1018	U.S. Patent No. 5,809,979 (Tsuda)
1019	<i>Reserved</i>
1020	<i>Reserved</i>
1021	<i>Reserved</i>
1022	<i>Reserved</i>
1023	<i>Reserved</i>
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1027	<i>Reserved</i>
1028	<i>Reserved</i>
1029	U.S. Patent No. 5,161,496 (“Matsushima”)
1030	U.S. Patent No. 7,549,403 (“Yamamoto”)
1031	U.S. Patent No. 4,776,988 (“Neal”)

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1038	Process Control, Instrument Engineers’ Handbook, Liptak (1995)
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1040-1054	<i>Reserved</i>
1055	Order on Defendant/Counter-Claimant’s Motion for Partial Stay, <i>FaceTec v. iProov, Ltd.</i> , No. 21-cv-02252, Dkt. 188 (D. Nev., order dated June 18, 2025)
1056	Docket Navigator Statistics Regarding Judge Adelman’s Grant Rate for Motions to Stay
1057	Docket Navigator Statistics Regarding Grant Rate for Motions to Stay in Eastern District of Wisconsin
1058	Docket Navigator Statistics Regarding Motions to Stay in District of Nevada
1059	<i>Reserved</i>
1060	Order, <i>Parsons Xtreme Golf LLC. v. Taylor Made Golf Co.</i> , No. 17-cv-03125, Dkt. 187 (D. Ariz., order dated

Exhibit No.	Description
	Nov. 29, 2018)
1061	Email from Taylor R. Stemler to Jennifer Hoekel et al. (Aug. 13, 2025)
1062	Docket Navigator Statistics Regarding Grant Rate for Uncontested Motions to Stay in Eastern District of Wisconsin
1063	Docket Navigator Statistics Regarding Grant Rate for Uncontested Motions to Stay in District of Nevada
1064	Docket Navigator Time to Trial Statistics for District of Nevada
1065	Docket Navigator Time to Milestone Statistics for Judge Adelman
1066	Docket Navigator Time to Milestone Statistics for Eastern District of Wisconsin
1067	Docket Navigator Time to Milestone Statistics for Central District of California
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1071-1082	<i>Reserved</i>

Exhibit No.	Description
1083	Amended Scheduling Order, <i>Champion Power Equipment, Inc. v. Generac Power Systems, Inc.</i> , No. 24-cv-01281, Dkt. 59 (E.D. Wis. Sept. 17, 2025)

I. INTRODUCTION

Petitioners oppose Patent Owner Champion Power Equipment Inc.’s (“Patent Owner”) request for discretionary denial. Paper 9 (hereinafter “RDD”).

The “closely related”¹ ’034 and ’101 Patent IPR were instituted. IPR2025-00805, Paper 20 (“’034 Referral Decision”), Paper 24 (“’034 Institution Decision”); IPR2025-00951, Paper 18 (“’101 Referral Decision”), Paper 22. Discretionary denial is inappropriate here for the same reasons. ’034 Referral Decision at 2-3.

Harbor Freight settled its litigation with Patent Owner. Petitioners expect Harbor Freight to withdraw from the IPRs imminently. ***Any progress or positions taken by Harbor Freight in its litigation should not be held against Petitioners.***

Generac’s indefiniteness argument for “switch” is compliant with *Revvo* and *Tesla*. *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 (PTAB Nov. 3, 2025) (precedential); *Tesla, Inc. v. Intell. Ventures II LLC*, IPR2025-00340, Paper 18 (PTAB Nov. 5, 2025) (informative) [hereinafter *Revvo* and *Tesla*].

“Patent Owner has sued a large number of parties in a multitude of districts.” *Id.* at 2. Petitioners filed thirteen IPRs challenging all patents asserted across the three litigations against Petitioners (the “Related IPRs”). As the Director recognized

¹ See IPR2025-00951, Paper 8, 7-8 (Patent Owner describing its 2015 Patent family—of which the ’034 and ’398 Patents are members as “closely related” to its 2013 Patent family—of which the ’101 Patent is a member).

in the '034 and '101 Referral Decisions, consolidating invalidity arguments across three litigations into a single set of IPRs is an efficient use of resources, especially since none of the three litigations have trial dates and any trials are expected to occur after a FWD here. *Id.*; *see also* '101 Referral Decision at 2.

Additionally, the '398 Patent was improperly granted due to a critical Examiner error, which included failing to appreciate that Tsuda discloses a liquid cut-off incorporated into the carburetor and anticipates at least Claim 1. Instituting this IPR would allow the Board to address this material error, in addition to the strong merits of the Petition which advances three independent 35 U.S.C. §102 references.

Patent Owner also has no settled expectations in the '398 Patent. It is only five years old and younger than the referred '034 and '101 Patents. Petitioners' forceful rebuke of Patent Owner's enforcement attempts for the '101 Patent further eliminates Patent Owner's expectations in the '398 Patent.

Finally, none of the *Fintiv* factors favor discretionary denial, and in fact, a majority of the *Fintiv* factors weigh strongly against discretionary denial.

In sum, when holistically assessing the facts, evidence, circumstances, and other considerations, discretionary denial is not appropriate. This Petition should be instituted for consideration of the merits.

II. PETITIONERS' CONSTRUCTIONS ARE COMPLIANT WITH *REVVO* AND *TESLA*

The Petition complies with 37 C.F.R. § 42.104 because it identifies "[h]ow the

challenged claim[s are] to be construed.” *See* Pet., §VII. Harbor Freight settled its litigation and is expected to withdraw from the IPRs. Any positions taken by Harbor Freight should not be held against Generac and MWE. Generac and MWE expect to argue consistent constructions with the IPRs at the time such disclosures are due.

Petitioners’ indefiniteness positions are also compliant with *Tesla*. *Tesla* explains that an adequate explanation for an alternative indefiniteness position is when “notwithstanding the alleged indefiniteness of the claim term, an ordinarily skilled artisan would understand that the asserted art satisfies the claim limitation.” *Tesla* at 3–4. Petitioners contend that “switch” in claims 1 and 57 is indefinite to the extent it is understood to cover a non-electrical component.

The *Tesla* exception applies. A POSA would “understand that the asserted art satisfies the claim limitation” because the “switch” in the Kubota Manual and Nakafushi (asserted against claims 1 and 57) includes an electrical component. Generac’s alternative argument that an overly broad construction may raise §112 issues is not inconsistent with its IPR positions.

III. GIVEN THE NUMBER OF PARALLEL DISTRICT COURT TRIALS ACROSS DIFFERENT JURISDICTIONS, RESOLVING THE DISPUTE AT THE PTAB IS MORE EFFICIENT

“Because the litigation between the parties would proceed to several district court trials in different jurisdictions, resolving the dispute between the parties at the Office would be more efficient.” ’034 Referral Decision at 2. 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 three different jury trials proceed to assess invalidity of the asserted patents in three different district courts. Such piecemeal adjudication creates a high likelihood of inconsistent outcomes. Compared to presenting broad invalidity cases to three 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 families involving complicated aspects of multi-fuel engine/generator designs. The vast efficiencies 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 Energy Co. v. Birchtech Corp.*, IPR2025-00274, Paper 23, at 2-3 (July 2, 2025); *Shenzhen Tuozhu Tech. Co. v. Stratasys, Inc.*, IPR2025-00438, Paper 10, at 3 (July 17, 2025) (referring to the Board where the district court proceeding involved a “large number and vast scope” of patents). Both the ’034 Patent IPR and the related ’101 Patent IPR have already been referred to the merits panel for these efficiencies.’034 Referral Decision at 2-3; ’101 Referral Decision at 2. This IPR should be instituted to realize those efficiency gains. *Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12, at 3-4 (July 26, 2025).

Patent Owner asserted 13 patents against the Petitioners in Wisconsin (Generac) and Nevada (MWE) and has asked another court in Arizona to adjudicate

the same patents as to non-petitioner Firman. RDD, 8-10. Petitioners filed IPR petitions against all 13 patents to streamline the invalidity challenges in a single set of IPRs and ensure consistent invalidity determinations. The combined 13 IPRs set forth only 27 prior art references in total, applied against approximately 320 challenged claims. This is an average of about two prior art references per patent, and only one reference for every 12 challenged claims. The Petitions thus represent a greatly streamlined invalidity case as compared to, for example, the 69 prior art references asserted by Firman. RDD, 8.

IV. 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 may otherwise favor denial. *See Freightcar Am., Inc. v. Nat'l Steel Car Ltd.*, IPR2025-01046, Paper 20, 2-3 (Oct. 10, 2025).

Here, the Examiner made a material error by misunderstanding Tsuda (U.S. Patent No. 5,809,979, EX 1018) during prosecution. The Deputy Director already found Petitioner “persuasively argues” the Examiner committed material error with respect to Tsuda with the '034 Patent, which is related to the '398 Patent at issue here and has similar claims. '034 Referral Decision, 3. The '034 Patent IPR was later instituted based on prior art at issue in the current Petition for the '398 Patent, such as the Kubota and Nakafushi references. *See generally* '034 Institution Decision.

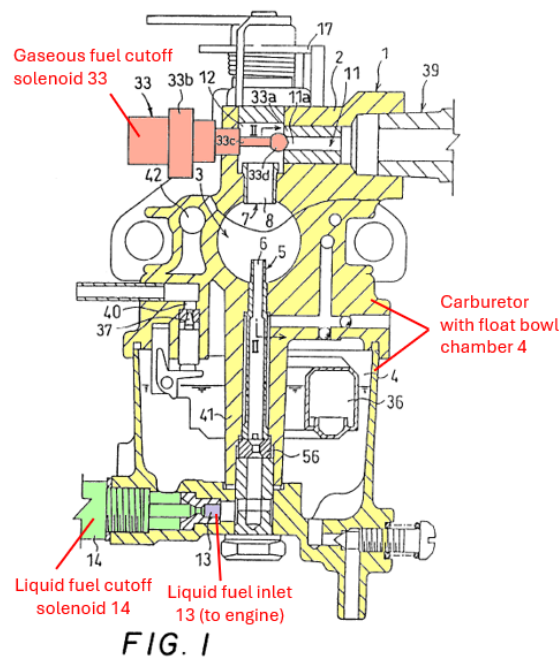
Similarly, the Examiner erred by allowing the '398 Patent over Tsuda. In prosecution, the Examiner relied on Tsuda extensively (in combination with another reference to Poehlman), rejecting the pending claims three consecutive times and finding that Tsuda's "liquid fuel cut-off (14) is incorporated into the carburetor (... shown in Fig 1) to interrupt liquid fuel upon actuation of the switch from liquid fuel to gaseous fuel." EX1002, 385-386; *see also id.*, 429, 475-476.

Patent Owner never refuted the Examiner's finding and instead admitted that Tsuda's valve 14 is within the carburetor, explaining: "Laterally arranged at a lower portion of the float chamber 4 [of Tsuda's the carburetor] is a liquid fuel valve 14 for opening or closing the inlet 13." *Id.*, 419 (citations in original); *see also id.*, 513 (noting Tsuda's teaching of "a liquid fuel valve 14 included in the carburetor 1 (FIG. 1)"). Patent Owner's Appeal Brief likewise did not contest this aspect of the Examiner's characterization of Tsuda and instead attacked the motivation to combine Tsuda with Poehlman (*id.*, 513-514) and whether either reference disclosed **both** a liquid fuel valve **and** a liquid fuel cutoff (*id.*, 514-515).

Given Patent Owner's own admissions regarding the location of Tsuda's liquid fuel cutoff 14, it is remarkable—and inexplicable—that the Examiner responded to the Appeal Brief by allowing the claims, explaining only that: "Poehlman (US 4,489,699) and **Tsuda et al. (US 5,809,979)**, **teach a similar engine but are deficient in having a liquid cut-off incorporated into the carburetor.** It

would not have been obvious to further modify the combination of Poehlman and Tsuda et al. to include the additional fuel cut-off.” EX1002, 558.²

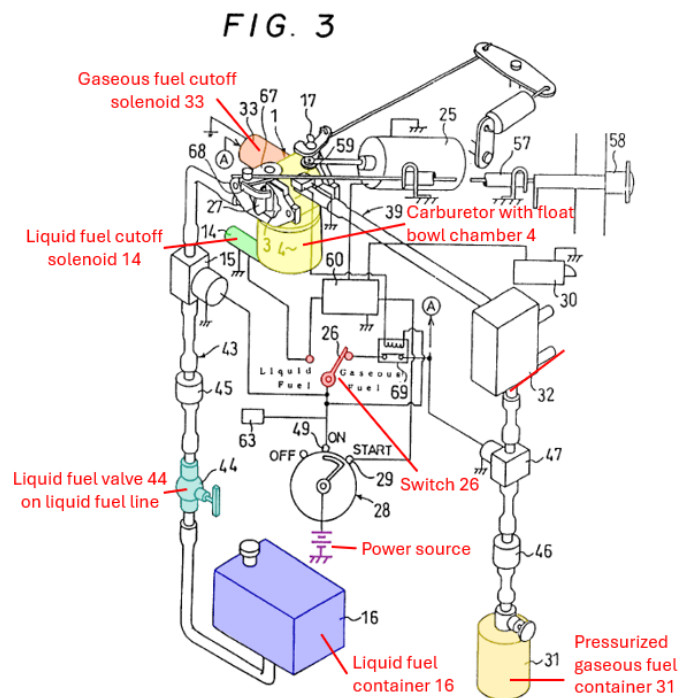
The Examiner’s conclusion in the Notice of Allowance contradicts the prior findings and Patent Owner’s admissions and is clearly and materially erroneous in view of Tsuda itself. For example, Figure 1 of Tsuda illustrates the carburetor (yellow) for Tsuda’s dual-fuel engine (EX1018, 1:65-67), which clearly shows the liquid fuel cutoff valve 14 (green) incorporated into the carburetor for opening or closing the inlet 13 (purple), as seen below:



EX1018, Fig. 1 (annotated); *see also id.*, 2:61-62 (explaining the operation of valve 14 and inlet 13), 3:37-45 (same), 4:62–5:2 (same).

² All emphases herein are added, unless otherwise noted.

Moreover, while Patent Owner's Appeal Brief also argued that Tsuda further failed to teach **both** a liquid fuel valve and a liquid fuel cutoff as required by claim 1 of the '398 Patent (EX1002, 515), this is also incorrect. Tsuda teaches not only liquid cutoff valve 14 incorporated into the carburetor as noted above, but also a separate liquid fuel valve ("cock") 44 (annotated in turquoise below) positioned along the liquid fuel line (EX1018, 3:14-20), as seen below:



EX1018, Fig. 3 (annotated).

Accordingly, given Tsuda's express teachings as well as Patent Owner's admissions that Tsuda's cutoff valve 14 is located within the carburetor, the Examiner clearly erred in concluding otherwise in the Notice of Allowance leading to issuance of the '398 Patent.

V. SETTLED EXPECTATIONS WEIGH AGAINST DISCRETIONARY DENIAL

Petitioner argues its expectations in the '398 Patent are settled, but the '398 Patent did not issue until June 2020. Challenges to patents in force for much longer durations are consistently characterized as “early” and “favor[ing] robust predictable patent rights and weigh[ing] against discretionary denial.” *See, e.g., TankLogix, LLC v. SitePro, Inc.*, IPR2025-00650, Paper 10, at 2 (July 31, 2025); *Cambridge Indus. USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00434, Paper 11, at 2-3 (June 26, 2025); *Berkshire Hathaway*, IPR2025-00274, Paper 23, at 3; *WebGroup Czech Republic, A.S. v. Dish Techs. LLC.*, IPR2025-00467, Paper 14, at 2 (July 16, 2025).

Patent Owner appears to believe it had settled expectations in the '398 Patent because of the '034 and '101 Patents. RDD, 4. But Patent Owner cannot develop expectations in the '398 Patent based on its earlier-issued patents. Pending applications often broaden their claims relative to issued family members, such that later-issued patents may be subject to invalidity attacks inapplicable to their earlier-issued relatives. This is what occurred here, where Claim 1 of the '398 Patent does not recite a solenoid, unlike the '034 Patent claims. *See* IPR2025-00805, EX1001.

Additionally, the '034 and '101 Patent IPRs were instituted, making it efficient to institute the '398 Patent. *See e.g., Embody, Inc. v. Lifenet Health*, IPR2025-00248, Paper 13 (June 26, 2025) (finding that it was efficient to refer the parent where the child patent was already instituted); *see also Padagis*, IPR2025-

00464, Paper 12, at 3-4 (same). Efficiency gains here are particularly pronounced, given identical specifications of the directly related patents, the overlap in claim limitations, and institution of the “closely related” ’034 and ’101 Patent IPRs.

Moreover, Patent Owner’s prior communications with Petitioners gave rise to an expectation of IPRs. Patent Owner sent “cease-and-desist” letters to MWE and Generac in 2020, alleging infringement of the ’101 Patent (EX2033; EX2036), which is not even in the same family as the ’398 Patent. In response to the 2020 letters, both MWE and Generac informed Patent Owner that its claims were invalid. EX2034, EX2035, EX2037. MWE even told Patent Owner that it *would file an IPR* if Patent Owner further pursued its dubious infringement claims (EX2034).

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. Under these circumstances, it would be improper to find that Patent Owner had any “reasonable expectation” that the validity 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. And that is exactly what has transpired.

VI. *FINTIV* FACTORS WEIGH AGAINST DISCRETIONARY DENIAL

This is the quintessential case for institution. All *Fintiv* factors weigh against discretionary denial. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 5-6 (Mar. 20, 2020). 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. Patent Owner focuses on whether the parallel proceedings have *already* been stayed (RDD, 10), but this factor considers how the district courts will *likely* rule on a motion to stay. *See iRhythm Techs., Inc., v. Welch Allyn, Inc.*, IPR2025-00377, Paper 10, at 2-3 (June 6, 2025). The data shows that stays will likely be granted.

1. The MWE and Generac Cases

The MWE case is pending in the District of Nevada before Judge Traum. Judge Traum has granted a contested motion to stay on similar facts. *See FaceTec, Inc. v. iProov, Ltd.*, No. 21-cv-02252, Dkt. 188 (D. Nev. June 18, 2025) (attached as EX1055). And this district has granted stays 67% of the time. EX1058.

The Generac case is pending in the Eastern District of Wisconsin before Judge Adelman. Judge Adelman has granted contested motions to stay 70% of the time (EX1056), which is comparable to the district's average grant rate of 73% (EX1057).

Furthermore, Generac has met-and-conferred with Patent Owner regarding its

intention to seek stays of its litigation.³ Patent Owner indicated an openness to a stay if the IPRs are referred to the Board (EX1059, ¶4; EX1061, 1), creating a high likelihood the MWE and Generac cases will be stayed. *See, e.g.*, EX1062 (showing that all uncontested stays have been granted in EDWI); EX1063 (same in Nevada).

2. The Firman Case

Firman is not a petitioner, privy, or real-party-in-interest, which alone weighs against discretionary denial. *POSCO Co. v. ArcelorMittal*, IPR2025-00370, Paper 10, at 2-3 (June 25, 2025). To the extent Firman's case is considered, it weighs against discretionary denial because the presiding judge has granted a motion to stay on similar facts. *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).

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. None of the parallel litigations involving Petitioners have scheduled trial dates, and a FWD will almost certainly issue well before these

³ A motion to transfer venue is pending in the MWE case. *Champion Power Equip., Inc. v. Westinghouse Elec. Corp.*, No. 25-cv-00239, Dkt. 35 (D. Nev. Aug. 11, 2025). MWE intends to seek a stay once venue has been settled.

cases reach trial. Even the case involving non-Petitioner Firman is running far behind schedule, suggesting a trial date falling well after the FWD.

1. The MWE, Generac, and Harbor Freight Cases

Regarding the MWE case, the average time to trial in Nevada is 53 months, with a median of 42 months. EX1064. Even using the shorter median, the data suggests a trial date at the end of 2028, over a year after the FWD.

Regarding the Generac case, Judge Adelman has presided over one patent case since 2008, taking 43 months to reach trial. EX1065. A similar timeline here places trial around April 2028—over a year after the FWD. Even considering the district’s overall median time-to-trial of 34 months (EX1066), trial would not be expected until August 2027, six months after the FWD. The Generac court also recently extended its case schedule, further delaying this parallel proceeding. EX1083.

Regarding the Harbor Freight litigation, Petitioners understand that Harbor Freight settled with Patent Owner. That case is expected to be dismissed shortly.

2. The Firman Case

The Firman case does not support discretionary denial because Petitioners are not a party to the Firman case, and Firman is not a privy or real-party-in-interest in this IPR. *POSCO*, IPR2025-00370, Paper 10, at 2-3. Nonetheless, Patent Owner alleges the Firman trial will occur before the FWD date. RDD, 8. However, the Firman case is already running significantly behind schedule. Specifically, Patent

Owner's own exhibit indicates a median time to claim construction of 15.7 months (EX2047, 1-2), suggesting a claim construction ruling should have occurred in February 2025. Yet now, as of December 2025, no *Markman* hearing has even been scheduled. Thus, the Firman case is already running at least **ten months** behind schedule compared to the statistics Patent Owner relies upon for its prediction. As a result, any trial in the Firman case will likely occur well after the FWD.

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

Factor 3 weighs against discretionary denial because the district court cases involving the Petitioners are all at very early stages. For example, even Patent Owner admits that the MWE case is still in its “early stages.” RDD, 9.

Similarly, Patent Owner recently described the Generac case as being in its “infancy.” EX1070, 13-15. Patent Owner should not be allowed to take a contradictory position before the Board simply to suit its needs here.

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

D. Factor 4 – Lack of Overlap in the Parallel Proceeding Weighs Against Discretionary Denial Because the 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). Specifically, Petitioners have stipulated that they will forego invalidity challenges involving:

- (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.

EX2083; EX2084; EX2085.

These stipulations extend far beyond the more typical *Sotera*-type stipulation⁴ to ensure that there will be no overlap with any arguments raised in the litigations,

⁴ *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, at 18-19 (PTAB Dec. 1, 2020) (precedential as to §II.A) (“*Sotera*”).

including for system prior art reflected in the relied-upon printed publications, 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.*, IPR2025-00438, Paper 10, at 3 (rejecting discretionary denial request where petitioner has “filed a broad stipulation”).

Patent Owner inexplicably claims that “the stipulations do little to narrow the issues before the district courts.” RDD, 13. 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 case. On the other hand, if instituted, all invalidity grounds based on printed publications that were raised or 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. As the Director already found in the ’034 Patent IPR, this factor clearly weighs strongly against discretionary denial. ’034 Referral Decision at 2; *Berkshire Hathaway*, IPR2025-00274, Paper 23, at 2-3.

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 nearly 50 times. Yet Firman is conspicuously absent from Patent Owner’s discussion of this factor.

RDD, 15. 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 in its arguments, *Fintiv* Factor 5 weighs against discretionary denial. *Cf. POSCO*, IPR2025-00370, Paper 10, at 2.

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

Multiple considerations under Factor 6 weigh strongly against discretionary denial. Patent Owner’s arguments for Factor 6 (RDD, 15-16) overlook or sidestep the most important considerations, as discussed below and in §§II–IV above.

1. 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, 15. In fact, the merits of the Petition are strong, including well-grounded theories of invalidity based on five separate §102 prior art references. *See* Petition, Grounds 1, 3, and 5-7.

2. No Forum Has Adjudicated Any Claim of the ’398 Patent, Which Weighs Against Discretionary Denial

The ’398 Patent’s claims have not been 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*, §VI.B.

VII. 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

Patent Owner argues that the Kubota Workshop Manual is substantially similar to Tsuda (which Patent Owner refers to as the Kubota Patent). RDD, 17. But this only highlights the Examiner's error in misunderstanding the teachings of Tsuda, which clearly shows the allegedly novel feature of "a liquid cut-off incorporated into the carburetor." *See supra*, §IV. That both Tsuda and the Kubota Workshop Manual anticipate various claims of the '398 Patent is hardly a reason to not institute this proceeding. Moreover, the Board instituted similar claims of the '034 Patent IPR based on the Kubota Workshop Manual. '034 Institution Decision.

Furthermore, the Kubota Workshop Manual is not cumulative of Tsuda with respect to other challenged claims. For example, many claims of the '398 Patent (e.g., Claims 5-14) call for a liquid-fuel cut-off that is a solenoid valve. These "solenoid" requirements are relevant here because throughout prosecution, Patent Owner denied that Tsuda disclosed any solenoids, stating, for example, "Tsuda also provides no teaching of a solenoid valve that operates within the carburetor 1." EX1002, 422, 457; *see also id.*, 521 ("none of Poehlman, Tsuda, and/or Sugimoto teaches or suggests a solenoid valve that operates within the carburetor").

This position by Patent Owner provides yet another reason why the Kubota Workshop Manual is not cumulative of Tsuda. While Tsuda never used the word “solenoid” to describe its valves, the Workshop Manual makes clear that its liquid fuel cut-off is , in fact, a solenoid. *See, e.g.*, Petition, 31-34, 44. With Patent Owner already on record as denying that Tsuda’s valves were solenoids, the Workshop Manual avoids such semantic arguments, even though Patent Owner’s argument regarding Tsuda is incorrect in the first instance.

Patent Owner similarly argues that Nakafushi is commensurate with Tsuda. RDD, 18. However, as noted previously, during prosecution, the Examiner (erroneously) concluded that Tsuda failed to teach a liquid cut-off incorporated into the carburetor. EX1002, 558. Yet, such an arrangement is unmistakably taught by Nakafushi. *See* Petition, 69-71. Accordingly, one of two things must be true: either Nakafushi is not cumulative of Tsuda, or the Examiner materially erred in assessing Tsuda in the first instance.

While Petitioners’ position is that the latter is true (*see supra*, §IV), either way, the Petition’s reliance on Nakafushi does not support discretionary denial since Nakafushi either highlights a material oversight by the Examiner, or it is not cumulative of Tsuda. Moreover, the Board instituted similar claims of the ’034 Patent IPR based on Nakafushi as a primary reference. ’034 Institution Decision.

Petitioner's other §102 references are also not cumulative with the art Patent Owner cites. Holzapfel discloses a liquid fuel cut-off incorporated into the carburetor that is "manually actuated" (Claims 15 and 44) and "free from linear motion" (Claims 16 and 43), which Tsuda does not disclose. Neal discloses a fuel shutoff "having a first end in the carburetor" and a "second end external to the carburetor" (see Claim 43), which Kopa does not disclose. Compare Petition, 107-108 and EX2077, 14:18-39, 12:2-7, Fig. 1. Winberg is similar to generators accused in parallel litigation, an issue Patent Owner does not attempt to reconcile in its RDD. *See, e.g.*, Petition, 118-120; EX1033, 9.

Patent Owner's remaining §325(d) arguments are directed towards references that were applied in the Petition's obviousness grounds. Because the allowance of the claims turned only on "a liquid cut-off incorporated into the carburetor" (EX1002, 558), whether or not these remaining references are cumulative of art before the Examiner is irrelevant for purposes here.

B. The Office Materially Erred in Misunderstanding Tsuda

The Office materially erred in misunderstanding Tsuda. *Supra* §IV. Discretionary denial is therefore unwarranted under §325(d). *See Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 5 (May 19, 2025).

VIII. CONCLUSION

The Director should reject Patent Owner's request for discretionary denial.

Date: December 16, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

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

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