

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TOPSOE INC.,
Petitioner

v.

CASALE SA,
Patent Owner

Case IPR2025-01455
U.S. Patent No. 11,286,168

PATENT OWNER'S DISCRETIONARY DENIAL BRIEF

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction.....	1
II. The Petition Should be Discretionarily Denied.....	5
A. The Petition is the Second Filed Against the '168 Patent, and Repeat Challenges Weigh Against Institution	5
B. The PTAB Has Already Adjudicated the Patentability of the Challenged Claims of the '168 Patent.....	9
C. 35 U.S.C. § 325(d) Warrants Discretionary Denial	10
D. Petitioner's Co-Pending Declaratory Judgment Action Asserting Unenforceability Favors Discretionary Denial.....	15
1. Petitioner Has Not Sought a Stay, Favoring Denial	16
2. Proximity of the Court's Trial Date Is Neutral	17
3. The Court and Parties have Heavily Invested in the Parallel Proceeding	17
4. Overlap between issues raised in the petition and in the parallel proceeding.....	18
5. The Petitioner and the <i>Plaintiff</i> in the Parallel Proceeding are the Same Party.....	19
6. Additional Factors Outlined Herein Further Favor Denial.....	20
III. Conclusion	20

TABLE OF AUTHORITIES

Page(s)

Cases

<i>Adaptics Ltd. v. Perfect Co.</i> , IPR2018-01596, Paper 20 (PTAB Mar. 6, 2019)	7
<i>Advanced Bionics, LLC v. Med-EL Elektromedizinische Gerate GmbH</i> , IPR2019-01469, Paper 6 (PTAB Feb. 13, 2020)	11, 14, 15
<i>Apple Inc. v. Fintiv, Inc.</i> , IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020)	15, 17, 18
<i>Becton, Dickinson & Co. v. B. Braun Melsungen AG</i> , IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017)	11
<i>Ecto World, LLC v. RAI Strategic Holdings, Inc.</i> , IPR2024-01280, Paper 13 (PTAB May 19, 2025)	12, 14
<i>Helena Labs. Corp. v. Sebia</i> , IPR2024-00801, Paper 10 (PTAB Oct. 23, 2024)	14
<i>Intel Corp. v. InterDigital, Inc.</i> , IPR2024-01441, Paper 13 (PTAB Apr. 1, 2025)	13
<i>Sotera Wireless, Inc. v. Masimo Corp.</i> , IPR2020-0109, Paper 12 (PTAB Dec. 1, 2020)	19
<i>Zhuhai Cosmx Battery Co. v. Ningde Ampere Tech. Ltd.</i> , IPR2025-00722, Paper 11 (Director, September 3, 2025)	6, 9

Statutes

35 U.S.C. § 102	3, 10, 16, 18
35 U.S.C. § 103	3, 10, 16, 18
35 U.S.C. § 112(d)	7
35 U.S.C. § 314(a)	5
35 U.S.C. § 325(d)	5, 10, 11

Other Authorities

37 C.F.R. § 42.8(b)(2).....	16
37 C.F.R. § 42.108	16

LISTING OF EXHIBITS

Exhibit No.	Description
2001	First Amended Complaint filed in <i>Topsoe, Inc. v. Casale US, Inc. et al.</i> , No. 3:24-cv-00033 (S.D. Tex.), Dkt. No. 28
2002	Patent Owner's First Set of Requests for Production to Petitioner served in <i>Topsoe, Inc. v. Casale US, Inc. et al.</i> , No. 3:24-cv-00033 (S.D. Tex.)
2003	Print out of docket events for <i>Topsoe, Inc. v. Casale US, Inc. et al.</i> , No. 3:24-cv-00033 (S.D. Tex.) as of October 28, 2025
2004	Revision to Rules of Practice Before the Patent Trial and Appeal Board, 90 Fed. Reg. 48335 (proposed Oct. 17, 2025)

Pursuant to the Interim Processes for PTAB Workload Memorandum (“Guidance”)¹ dated March 26, 2025, Patent Owner Casale SA (“Patent Owner”) hereby submits its discretionary denial brief for Director review.² Petitioner has filed two parallel petitions challenging the exact same claims of the ’168 Patent across 24 different grounds. Petitioner has ranked this Petition second. *See* IPR2025-01455, Paper 2 at 3. For that reason alone, this Petition should be discretionarily denied. Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019) (“TPG”) at 59.

I. INTRODUCTION

This proceeding is the latest in a series of tactical maneuvers by Petitioner designed to delay and sandbag Patent Owner, rather than timely or efficiently challenge the ’168 Patent. The record reflects that Petitioner has known of the ’168 Patent and its family for years, has repeatedly withheld art and arguments, and is now attempting to re-litigate issues that were already considered and resolved by the USPTO through a full reexamination process.

Patent Owner is a global engineering, licensing and construction company based in Switzerland with more than a century of experience serving the chemical and fertilizer industries. In the field of ammonia technology, Patent Owner has

¹ *See* <https://www.uspto.gov/patents/ptab/interim-director-discretionary-process>.

² Petitioner also filed a parallel Petition challenging the ’168 Patent. *See* IPR2025-01454. Patent Owner is also filing a discretionary denial brief in that proceeding.

distinguished itself by developing advanced solutions that enable both green and blue ammonia production. Its portfolio includes green ammonia technology for fully renewable (zero-emission) ammonia plants, and blue ammonia technology for revamping existing facilities to decarbonize through carbon-capture and other retrofit technologies. Patent Owner protects its valuable and innovative solutions through its worldwide patent portfolio.

The application leading to the '168 Patent was filed on January 31, 2018, and issued on March 29, 2022, alongside a European counterpart (EP Patent No. 3583067B1) granted on September 8, 2021. In February 2023—well before Petitioner filed this IPR—Patent Owner proactively submitted a Request for Supplemental Examination to ensure the USPTO had the benefit of prior art asserted against the European counterpart in two Notices of Opposition filed with the European Patent Office, including Licht (EX1009), the primary reference relied upon for Ground 5 (*see* Section II.C. *infra*). The USPTO found that the request raised a substantial new question of patentability and instituted an *ex parte* reexamination on May 11, 2023. That reexamination concluded on July 16, 2024, with the issuance of a reexamination certificate confirming the patentability of the '168 Patent's claims as amended, including over Licht.

Long before that, Petitioner was aware of the '168 Patent and had already been put on notice by Patent Owner. For example, patents in the same family as the '168

Patent have been cited in no less than five foreign patents or patent applications filed by Petitioner, with filing dates ranging from August 2021 to September 2024. And on February 24, 2023, Patent Owner wrote to Petitioner's parent identifying an accused system and explaining that the system seemed to incorporate "all the features recited, at least, in the independent claims" of the U.S. and European patents. Petitioner responded, identifying three supposed prior art references that it contended rendered the '168 Patent invalid.

Instead of timely presenting the "new" (i.e. non-Licht reference) art on which it now relies (which would have allowed Patent Owner to submit the art in the still-pending reexam), Petitioner filed a declaratory judgment action in the Southern District of Texas on January 31, 2024, styled *Topsoe, Inc. v. Casale US, Inc. et al.*, No. 3:24-cv-00033 (S.D. Tex.) (the "Co-Pending Litigation"). See EX2003. In the Co-Pending Litigation, Petitioner does not assert invalidity challenges to the '168 Patent under §§ 102 or 103, but rather argues the '168 Patent is unenforceable based on alleged inequitable conduct (relying on the three supposed prior art references from its letter which are not asserted in this Petition). See EX2001. Petitioner then used discovery in the Co-Pending Litigation to burden Patent Owner while never producing or identifying the very references it now claims invalidate the '168 Patent. Despite being served on May 3, 2024, with a discovery request seeking "[a]ll Documents and Communications relating to any allegation...that any claim(s) of the

'168 Patent are invalid or unenforceable" (EX2002, at 6) Petitioner still failed to disclose the new references asserted here. Had Petitioner done so, Patent Owner would have included those references in the then-pending *ex parte* reexamination—ensuring the USPTO's full consideration of the art. Petitioner's affirmative choice to sit silent until after the reexamination should not be rewarded.

The Co-Pending Litigation has been anything but dormant. The parties have engaged in extensive jurisdictional and merits discovery. Patent Owner has produced over 7,900 documents; Petitioner has produced more than 1,400. Petitioner has taken three depositions of Patent Owner's employees in connection with jurisdictional discovery and served 52 merits requests for production, 17 merits interrogatories, and numerous additional jurisdictional discovery requests. Patent Owner has issued 47 merits requests for production and 21 merits interrogatories. Petitioner has already had ample opportunity to litigate and raise any invalidity theory it wished to pursue in the Co-Pending Litigation.

Having chosen not to assert invalidity in the Co-Pending Litigation (for now) and having failed to provide allegedly relevant art while a USPTO proceeding was co-pending, Petitioner asks the Board to reopen the same issues it could have raised long ago. This is classic gamesmanship—a belated attempt to secure a "second (or third) bite" at the apple after watching Patent Owner expend significant resources in both the district court and the USPTO. The Board should decline to reward

Petitioner's tactical delay and should exercise its discretion to deny institution.

II. THE PETITION SHOULD BE DISCRETIONARILY DENIED

The Board has discretion to decline to institute an IPR, 35 U.S.C. § 314(a), and the Board's recent Guidance bifurcates the decision on whether an IPR will be instituted into (1) discretionary considerations and (2) merits and other non-discretionary considerations. Guidance at 1-2. Issues that may be raised in discretionary briefing include "discretionary considerations enumerated in existing Board precedent" such as §325(d) issues, *Fintiv*, and *Sotera*, guidance from the TPG, and any other relevant considerations including "whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims." As outlined below, the Petition should be discretionarily denied for at least three independent reasons.³

A. The Petition Is the Second Filed Against the '168 Patent, and Repeat Challenges Weigh Against Institution

This Petition is the second of two petitions filed against the '168 Patent on August 22, 2025. *See* IPR2025-01454; IPR2025-0155, Paper 2. Petitioner ranks the Petition in IPR2025-01454 above the Petition here. IPR2025-0155, Paper 2. These

³ As explained in detail in Patent Owner's Discretionary Denial Brief in IPR2025-01454, Petitioner failed to provide any constructions of the claims and then proceeded to use an implicit and incorrect construction for the term "furnace" to try to include a "gas turbine" in the definition. The failure to construe the claims also warrants discretionary denial.

considerations favor discretionary denial. *Zhuhai Cosmx Battery Co. v. Ningde Amperex Tech. Ltd.*, IPR2025-00722, Paper 11 at 2-3 (Director, September 3, 2025) (denying institution of second petition ranked second).

The Trial Practice Guide instructs, “[b]ased on the Board’s experience, one petition should be sufficient to challenge the claims of a patent in most situations.” TPG at 59. “Two or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner) may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns. *See* 35 U.S.C. § 316(b).” *Id.*

None of the circumstances which on occasion justify more than one petition are present here: “including, for example, when the patent owner has asserted a large number of claims in litigation or when there is a dispute about priority date requiring arguments under multiple prior art references.” *Id.* Petitioner presents no circumstances that would distinguish it from “most situations” where a second petition is a substantial and unnecessary burden on the Board and Patent Owner. Petitioner argues that “multiple petitions are necessary to accommodate the word count limit.” IPR2025-0155, Paper 2 at 5. For obvious reasons, “needing more words” does not qualify as, or support, a “circumstance[] in which more than one petition may be necessary.” TPG at 59.

Patent Owner has not asserted any claims against Petitioner in litigation,

rather, the Co-Pending Litigation was filed by Petitioner. And there is no dispute about the priority date that requires arguments under multiple references—Petitioner uses the same February 15, 2017, priority date listed on the face of the '168 Patent for all Grounds and references in the petitions.

The Petitions challenge only one independent claim. In conceding that its Petitions only need to address one independent claim, Petitioner resorts to arguing that the “179 words” and “number of discrete, detailed steps” of claim 1 necessitate more than one petition. IPR2025-01455, Paper 2 at 4. Patent Owner submits that “179 words” and multiple process steps do not place Petitioner’s petitions outside of “most situations” where one petition is sufficient.

Petitioner also challenges 13 dependent claims for a total of 14 claims—significantly less than the 20 allowed in a petition before extra fees are triggered. *See* <https://www.uspto.gov/learning-and-resources/fees-and-payment/uspto-fee-schedule>. Petitioner argues that “[t]hese dependent claims recite largely disparate elements requiring presentation of additional grounds.” IPR2025-01455, Paper 2 at 5. But that is literally the requirement for dependent claims. 35 U.S.C. § 112(d). Challenging 13 dependent claims with “disparate elements” does not place Petitioner’s petitions outside of “most situations” where one petition is sufficient.

Petitioner’s presentation of excessive grounds across the two petitions also favors discretionary denial. *See Adaptics Ltd. v. Perfect Co.*, IPR2018-01596, Paper

20 at 17–24 (PTAB Mar. 6. 2019) (informative) (“For example, where a petition contains voluminous or excessive grounds, Office guidance indicates the panel will evaluate the challenges and determine whether, in the interests of efficient administration of the Office and integrity of the patent system (*see* 35 U.S.C. § 316(b)), the entire petition should be denied under 35 U.S.C. § 314(a).”) (internal quotations and citations omitted). While Petitioner claims its petitions present five grounds, the petitions actually include 24 separate grounds relying on different combinations of references (1-1E, 2-2C, 3-3D, 4-4E, and 5-5B).

Petitioner also submitted a 186-page expert declaration with its petitions, and includes significant citations to the same throughout both (the Petition in IPR2025-01454 cites the expert declaration 98 independent times and the Petition in IPR2025-01455 cites the expert declaration 92 independent times). Further, Petitioner submitted over twenty exhibits that purportedly evidence the “state of the art” or “knowledge of a POSA” beyond the seven references that form the 24 grounds in the Petitions. This excessive presentation of alleged evidence outside of the prior art references relied upon supports discretionary denial.

Discretionary denial of the second petition is particularly warranted where the last three grounds (5-5B) are based on a prior art reference (Licht (EX1009)) that was included (and overcome) in Patent Owner’s Request for Supplemental Examination and was the basis for multiple rejections in the subsequent

reexamination. See EX1003 at 39-52, 517, 526-527, 533-539, 578, 585-588, 594-604; see also *infra* Section II.C.

Because Petitioner has ranked this Petition behind the Petition in IPR2025-1454, and there are no circumstances that necessitate more than one petition, the Director should recognize Petitioner's ranking and discretionarily deny this second-filed Petition. *Zhuhai Cosmx Battery*, IPR2025-00722, Paper 11 at 2-3 (denying institution of petition ranked second).

B. The PTAB Has Already Adjudicated the Patentability of the Challenged Claims of the '168 Patent

As referenced above, in February 2023—well before Petitioner filed this IPR—Patent Owner proactively submitted a Request for Supplemental Examination to ensure the USPTO had the benefit of the same prior art being asserted against the '168 Patent's European counterpart. EX1003 (File history for Supplemental Examination No. 96/000,424). This art included Licht (U.S. Patent No. 8,137,422), which Petitioner has asserted as the primary reference in three grounds in this Petition. See Petition at 1-2; EX1009; see *infra* Section II.C.

The USPTO found that the request raised a substantial new question of patentability and instituted an *ex parte* reexamination on May 11, 2023. That reexamination concluded on July 16, 2024, with the issuance of a reexamination certificate confirming the patentability of the '168 Patent's claims as amended.

Any art that was timely identified by Petitioner was submitted by Patent

Owner. After Petitioner filed the Co-Pending Litigation identifying certain allegedly material prior art references, Patent Owner identified those references (and the Petitioner’s complaint describing them) to the USPTO in an Information Disclosure Statement in the reexamination. *See* EX1003 at 1117 – 1120 (May 28, 2024 IDS). The Examiner duly considered those references on June 4, 2024, before the conclusion of the reexamination. EX1003 at 1204-1206.

Petitioner could have identified the §§ 102/103 references it now relies upon in the Petition in the Co-Pending Litigation—and Patent Owner would have submitted them to the USPTO just like it did for the references Petitioner did disclose. But instead of identifying the references in the Co-Pending Litigation (despite a May 3, 2024 discovery request seeking the same (EX2002, at 6), Petitioner waited until over a year after the reexamination certificate issued to surface the Grounds raised in the Petition. Instituting the Petition would reward Petitioner’s tactical delay.

C. 35 U.S.C. § 325(d) Warrants Discretionary Denial

Discretionary denial is warranted when “the same or substantially same prior art or arguments previously were presented to the Office.” 35 U.S.C. § 325(d). The Board applies a two-part test when considering whether to deny institution based on § 325(d): (1) whether the same or substantially the same art or arguments were previously presented to the Office; and (2) if part one satisfied, “whether the

petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics, LLC v. Med-EL Elektromedizinische Gerate GmbH*, IPR2019-01469, Paper 6 at 7 (PTAB Feb. 13, 2020) (precedential). The Board has enumerated the following factors to consider in exercising discretion pursuant to § 325(d):

- (a) the similarities and material differences between the asserted art and the prior art involved during examination;
- (b) the cumulative nature of the asserted art and the prior art evaluated during examination;
- (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;
- (d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;
- (e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and
- (f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton, Dickinson & Co. v. B. Braun Melsungen AG, IPR2017-01586, Paper 8 at 17–18 (PTAB Dec. 15, 2017) (precedential as to § III.C.5, first paragraph).

The Petition here should further be denied under § 325(d) because Grounds 5-5B rely on art—Licht—that was previously presented to and considered by the Office without error. Licht is also cited as a secondary reference in Ground 4D. *See*

Petition at 1-2.⁴

Licht was cited in Patent Owner’s Request for Supplemental Examination. EX1003 at 517. This fact alone is sufficient to satisfy the first part of the *Advanced Bionics* test. *Ecto World, LLC v. RAI Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 4 (PTAB May 19, 2025) (“Challenging the claims using the same prior art that was previously presented on an IDS is sufficient to satisfy the first part of the *Advanced Bionics* framework”). What is more, the Office found that Licht (among other references) raised a substantial new question of patentability as to the claims of the ’168 Patent, a Supplemental Examination Certificate including Licht issued, and *ex parte* reexamination was ordered. EX1003 at 588, 590, 592.

Licht was extensively cited and considered during reexamination. The first Office Action in the *ex parte* reexamination rejected claims 1-4, 8-11, 17, and 20 as anticipated by Licht, rejected claims 5, 6, 7, 12, and 14-16 as obvious over Licht in view of secondary references, and rejected claims 1, 11, 14, 15, 16, and 19 as obvious over a reference in view of Licht. EX1003 at 597-603. The Office Action further rejected claims 21 and 23 as obvious over admitted prior art in view of Licht and rejected claim 22 as obvious over admitted prior art in view of Licht and in further view of another reference. *Id.*

Following the rejections, Patent Owner amended claim 1 to include

⁴ Licht is further cited in three grounds in the parallel Petition in IPR2025-01454.

“conversion of a charge of desulphurized natural gas and steam, with oxygen-enriched air or with oxygen, into a synthesis gas containing hydrogen, CO and CO₂, in a conversion section *including an autothermal reformer downstream from a pre-reformer and without a primary reformer therebetween.*” EX1003 at 630-631. Patent Owner argued that this amendment, at minimum, distinguished Licht: “Even assuming, *arguendo*, the secondary reformer discloses an autothermal reformer as characterized by the PTO, Patent Owner respectfully submits that Licht does not disclose ‘a conversion section including an autothermal reformer downstream from a pre-reformer and without a primary reformer therebetween.’ To the contrary, Licht appears to require a reformer furnace of a primary reformer positioned downstream from the prereformer and upstream from the alleged autothermal reformer.” *Id.* at 640. The Examiner agreed: “Claims 1-19 are patentable. The following is a statement of reasons for the indication of patentable subject matter: The claims, as amended, require an autothermal reformer downstream [sic] from a pre-reformer and without a primary reformer therebetween which arrangement is not taught by the cited prior art.” *Id.* at 777.

Given this clear prosecution history, Petitioner relies upon Price to shore up its arguments regarding Licht. But this is immaterial because Price is, at best, cumulative of Licht. *See Intel Corp. v. InterDigital, Inc.*, IPR2024-01441, Paper 13 at 15-16 (PTAB Apr. 1, 2025) (finding reference was cumulative where it was

“relied upon to teach the same limitations as” a considered reference and did “not add anything new”); *Helena Labs. Corp. v. Sebia*, IPR2024-00801, Paper 10 at 12 (PTAB Oct. 23, 2024) (finding reference was cumulative even though “there are some differences” because “those differences do not affect . . . [the] analysis of the independent claims”).

The Petition asserts that “[t]o the extent that Licht does not disclose an ATR downstream from a prereformer without a primary reformer therebetween, Price does.” Petition at 41. The Petition cites to [0056] of Price, but Price merely discloses “[t]he reforming section consists of a steam reformer followed by an autothermal reformer.” EX1011 at [0056]. The Petition (and supporting expert testimony) admits that the “steam reformer” of Price is not a prereformer—the next sentence in the Petition asserts that “**A POSA would have understood** that prereforming the syngas prior to the ATR step can be accomplished by a steam reformer,” citing to seven different paragraphs of expert testimony. Petition at 41-42. Accordingly, Price is cumulative of Licht.

Because the first part of the *Advanced Bionics* test is satisfied, Petitioner “must demonstrate that, for example, the previously presented art teaches the limitations of the challenged claims, and that no reasonable examiner could have found otherwise.” *Ecto World*, Paper 13 at 5-6; *see also Advanced Bionics*, Paper 6 at 9 (“If reasonable minds can disagree regarding the purported treatment of the art

or arguments, it cannot be said that the Office erred in a manner material to patentability”). To the extent Petitioner’s characterizations of the prosecution history and expert testimony regarding the same are meant to address the second part of the *Advanced Bionics* test, Petitioner identifies no material error by the Office. In fact, Petitioner’s expert acknowledges that the Examiner did not err in a manner material to the patentability of challenged claims by admitting that Licht does not disclose a prereformer followed by an ATR without a primary reformer therebetween as claimed by claim 1 of the ’168 Patent. EX1005 ¶ 77. At best, the expert testimony asserts that this claim limitation was well-known in the art, “the Examiner did not conduct a search for prior art concerning this sort of ATR configuration,” and the Examiner did not consider that Licht could be modified to remove the primary reformer. EX1005 at ¶¶ 77-78. None of these alleged “what ifs” or proposed hypothetical actions constitute a material error, particularly where Petitioner’s expert **agrees** with the Examiner on the disclosure of Licht. *See Advanced Bionics*, Paper 6 at 9. For this additional reason, discretionary denial is appropriate.

D. Petitioner’s Co-Pending Declaratory Judgment Action Asserting Unenforceability Favors Discretionary Denial

The *Fintiv* analysis further provides an independent basis to deny institution of the Petition. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential). Most importantly, while Petitioner chose to file a declaratory judgment action in January 2024, asserting that the claims of the ’168 Patent are

unenforceable based on three allegedly material prior art references that were not disclosed during prosecution, Petitioner has not filed a stipulation in that proceeding or in this IPR stating that it will not raise grounds of invalidity under 35 U.S.C. §102 or §103 in the litigation. *See* EX2001; EX2003. While the Petition acknowledges that “the ’168 Patent is subject to a co-pending civil action” as required by 37 C.F.R. § 42.8(b)(2), Petitioner does not disclose that it brought an affirmative claim to have the ’168 Patent declared unenforceable over 18 months ago. Petition at 67. The Petition states that “Petitioner has not asserted that the ’168 Patent is invalid in the co-pending civil action,” but does not say that Petitioner ***will not*** assert invalidity in the co-pending action. Petitioner’s failure to stipulate that it will not raise §102 or §103 grounds in the Co-Pending Litigation it initiated strongly favors discretionary denial.⁵

1. Petitioner Has Not Sought a Stay, Favoring Denial

The first *Finitiv* factor weighs against institution because the district court has

⁵ Proposed revisions to 37 C.F.R. § 42.108 provide that “*Inter partes* review shall not be instituted or maintained unless each petitioner files a stipulation with the Board and any other tribunal where it is litigating or later litigates regarding the challenged patent, stating that if a trial is instituted, the petitioner ... will not raise grounds of invalidity or unpatentability with respect to the challenged patent under 35 U.S.C. 102 or 103 in any other proceeding.” EX2004 at 7. The USPTO has proposed this revision to “promote fairness and efficiency by channeling similar patent challenges to a single forum and ensure that IPRs ‘should generally serve as a complete substitute for at least some phase of the litigation.’” *Id.*

not granted a stay, and Petitioner has not moved to stay the Co-Pending Litigation. Regardless, a stay is unlikely because the Co-Pending Litigation includes claims that cannot be resolved by the Board, such as Petitioner's Lanham Act claim. While Petitioner has not (yet) attempted to assert invalidity against the '168 Patent in the Co-Pending Litigation, its inequitable conduct declaratory judgment claim, if successful, would have the same practical effect as a final written decision finding the Challenged Claims of the '168 Patent unpatentable—Patent Owner could not assert unenforceable or invalid claims. Petitioner chose its forum for challenging the '168 Patent, and it should have to live with that choice. Allowing Petitioner to pursue two distinct paths that lead to the same practical result at great expense and burden on Patent Owner and both the Board and the District Court is a waste of resources and favors discretionary denial.

2. Proximity of the Court's Trial Date Is Neutral

Twenty-one months after filing, the parties and the Court have significantly invested in the Co-Pending Litigation (see factor 3 below), but the Court has not set a trial date. Accordingly, this factor is neutral. *Fintiv*, IPR2020-00019, Paper 11 at 9.

3. The Court and Parties have Heavily Invested in the Parallel Proceeding

Petitioner filed its declaratory judgment action seeking a declaration that the '168 Patent is unenforceable on January 31, 2024. EX2001, EX2003. The '168

Patent emerged from reexamination on July 16, 2024. EX1001 at 19. Yet Petitioner waited for over eighteen months after filing its declaratory judgment action, and over a year after the '168 Patent exited reexamination, to file this Petition. Because Petitioner cannot explain the delay in filing this Petition (and the Petition in IPR2025-01455), this factor favors denial.⁶ See *Fintiv*, IPR2020-00019, Paper 11 at 12.

Moreover, the parties have already engaged in substantial jurisdictional and merits discovery in the Co-Pending Litigation. EX2003. As discussed above, almost 10,000 documents have been produced and over 100 written discovery requests have been served. The Court has already considered Patent Owner's motions to dismiss in a 32-page memorandum and has issued a lengthy omnibus order addressing discovery disputes. This factor weighs against institution.

4. Overlap Between Issues Raised in the Petition and in the Parallel Proceeding

As explained above, Petitioner has not filed a stipulation in that proceeding or in this IPR stating that it will not raise grounds of invalidity or unpatentability under 35 U.S.C. §102 or §103 in the Co-Pending Litigation. For that reason alone, this

⁶ Petitioner cannot argue that the timing of its discovery of the alleged prior art justifies its delay here. All but one of the references asserted in its Petitions are U.S. patents or U.S. patent publications, and Petitioner has undisputedly known of the remaining reference since at least September 2024, when Petitioner produced a copy of 2007 IFA (EX1006) in the Co-Pending Litigation.

factor weighs strongly in favor of discretionary denial.

Moreover, there will also be overlap between Petitioner's inequitable conduct claim in the Co-Pending Litigation and the issues raised in the Petition. Both will require claim construction and a deep dive into the '168 Patent and its prosecution history – for the materiality analysis required for an inequitable conduct claim and the invalidity grounds presented in the Petition. This factor weighs strongly against institution.

5. The Petitioner Is the *Plaintiff* in the Parallel Proceeding

This factor traditionally looks at whether the defendant in a parallel patent infringement action is the same party as the petitioner, and if so, this factor supports denying institution. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-0109, Paper 12 at p. 19 (PTAB Dec. 1, 2020). In the far less common factual scenario in play here, the Petitioner is also the plaintiff in the Co-Pending Litigation. Petitioner chose to file a declaratory judgment action against Patent Owner seeking a declaration that the '168 Patent is unenforceable, and then chose to file two IPR petitions (including this one) attacking the validity of the '168 Patent over eighteen months later. Petitioner's attempt at three bites at the apple (one district court litigation, two IPR proceedings) should weigh even heavier in favor of denying institution than the much more common scenario (i.e. defendant in litigation, aggressor at the Patent Office) already does.

6. Additional Factors Outlined Herein Further Favor Denial

Fintiv provides for the analysis of “other circumstances that impact the Board’s exercise of discretion, including the merits.” Given these other factors outlined in this paper favor discretionary denial, so too does this factor.

III. CONCLUSION

For the reasons discussed above, Patent Owner respectfully requests that the Director exercise his discretion and deny institution.

Respectfully submitted on October 29, 2025 by:

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on October 29, 2025 a complete and entire copy of this Patent Owner's Discretionary Denial Brief was served on the Petitioner via electronic mail at the following addresses:

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/Case Collard/

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