

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KLEIN TOOLS, INC.,
Petitioner,

v.

MILWAUKEE ELECTRIC TOOL CORPORATION,
Patent Owner.

Case No. IPR2026-00233
Patent No. 11,656,067

**PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW OF THE
DECISION INSTITUTING INTER PARTES REVIEW**

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I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.75, Patent Owner Milwaukee Electric Tool Corporation (“Milwaukee”) requests Director Review of the July 14, 2026 decision instituting *inter partes* review of U.S. Patent No. 11,656,067 (“the ’067 Patent”) (Paper 15, “Institution Decision”). Milwaukee seeks review only of Paper 15. It does not seek review of, or ask the Director to disturb, the July 6, 2026 denial in companion IPR2026-00246 relating to U.S. Patent No. 11,857,064 (“the ’064 Patent”).

Each of IPR2026-00233 and IPR2026-00246 involves (i) patents that were asserted in the same district court action, (ii) involving the same parties and counsel, and (iii) have the same overarching issue that Klein Tools, Inc. (“Klein”) has taken materially different claim-scope positions before the Board and the district court. The Director correctly denied IPR2026-00246 after reviewing “discretionary and non-merits considerations,” but then instituted this proceeding eight days later without explaining the different treatment. IPR2026-00246, Paper 13 at 1; Paper 15 at 2. The result divides one dispute between the two tribunals, where the Board will assess the Petition directed to the ’067 Patent, while the district court will assess the ’064 Patent.

That fragmentation is the precise inefficiency the Director’s recent decisions seek to prevent. *Terumo BCT Inc. v. Haemonetics Corp.* vacated institution because

inconsistent cross-forum positions showed that IPR was not functioning as a litigation alternative and instead multiplied expense, reduced predictability, diminished system integrity, and depleted Office resources. IPR2025-01374, Paper 20 at 4-5 (Director May 12, 2026) (informative). *TikTok, Inc. v. Shopsee, Inc.* likewise denied institution where different constructions preserved duplication and the potential for different outcomes. IPR2025-01485, Paper 13 at 2-3 (Director Jan. 16, 2026) (informative).

The denial in the companion IPR2026-00246 is the policy-consistent baseline. Vacating Paper 15 in IPR2026-00233 is also consistent with this policy. Vacating eliminates the only Board trial, keeps both patents in one forum, and reduces the risk of conflicting claim-scope determinations between the PTAB and district court.

This proceeding also independently warrants denial under *Revvo*, *Tesla*, and *Terumo*. In particular, Klein adopted a plain meaning “for the purposes of this Petition only,” while arguing in district court that the same measurement limitations lack reasonably certain boundaries. Pet. 14-17; Ex. 2004 at 27-29. Its accused-products rationale does not reconcile those positions, and the inconsistency is material because the grounds depend on the same measurements and ratios. PO Preliminary Response, Paper 10 (hereinafter, “POPR”) at 6-9, 15-26.

II. BACKGROUND

A. The District Court Action and the Two IPRs

Milwaukee filed *Milwaukee Electric Tool Corp. v. Klein Tools, Inc.*, No. 1:25-cv-04689 (N.D. Ill.), asserting the '067 and '064 Patents in one action. Ex. 1030 at 5. Klein filed counterclaims for declaratory judgment of invalidity of all claims of each of the '067 and '064 Patents and served initial invalidity and non-infringement contentions for both patents. *Id.*; Ex. 2003 at 3, 13; Ex. 2004 at 2. The parties also exchanged written discovery, served third-party subpoenas, entered protective and ESI orders, and conducted an inventor deposition. PO Discretionary Denial Brief (Paper 9) at 9-10. Klein's district court invalidity theories for the '067 Patent included Hernandez and Murray, the same references used in Grounds 1 and 2. *Id.* at 7, 10-11.

During discovery, Milwaukee identified a constitutional standing issue, obtained the necessary ownership rights, and moved to dismiss without prejudice so it could refile with standing corrected. Ex. 1030 at 1-2. Klein filed an opposition seeking certain condition on the dismissal. Ex. 1037. At institution, the record contained only an opposed motion, not a dismissal order. Exs. 1029, 1030, 1037.

Against that common background, Klein filed IPR2026-00233 against claims 1-12 of the '067 Patent and IPR2026-00246 against claims 1-9, 12, and 16-20 of the '064 Patent. Both petitions would add an administrative validity proceeding to the

same district court dispute, and both records presented materially different cross-forum claim-scope positions. POPR at 6-9; *see* IPR2026-00246 POPR at 10-20.

B. Klein’s Cross-Forum Positions in IPR2026-00233

The ’067 claims recite a tape measure’s blade length, standout, curved width, curved height, and ratios among those measurements. Klein argued in district court that five such limitations are **indefinite** because standout varies by use and user, curved dimensions vary along the blade, and the claims do not identify which measurements control. Pet. 15-16; Ex. 2004 at 27-29. Before the Board, however, Klein took a contrary position that the references are written documents with unambiguous values, adopted Milwaukee’s plain meaning “for the purposes of this Petition only,” and asserted that no express construction was required. Pet. 16-17.

Milwaukee explained that Klein has not identified a coherent claim construction between the two forums. POPR 6-9. Klein’s allegations in district court about how and where to measure the claimed properties do not disappear in the PTAB simply because the comparison target is a patent reference. *Revvo Technologies, Inc. v. Cerebrum Sensor Technologies, Inc.*, IPR2025-00632, Paper 20 at 3-5 (Director Nov. 3, 2025) (precedential), requires an explanation for different cross-forum positions, and *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 at 3-4 (Director Nov. 5, 2025) (informative), holds that the unavailability of indefiniteness in IPR is not sufficient. Klein repeated its accused-

products distinction in reply but failed to reconcile its different claim construction positions. Petitioner's Reply (Paper 12) at 1-2; PO's Sur-Reply (Paper 13) at 1-2.

C. Director Denied the Companion Proceeding but Instituted This One

The companion '064 proceeding raised the same concern about Klein's inconsistent claim construction positions. IPR2026-00246 POPR at 10-20; IPR2026-00246 Sur-Reply at 1-2. On July 6, 2026, the Director denied institution "[a]fter review of discretionary and non-merits considerations." IPR2026-00246, Paper 13 at 1. Milwaukee does not ask the Director to revisit this denial.

Eight days later, Paper 15 instituted this proceeding, but did not address the companion denial, Klein's cross-forum contrary claim construction positions, or why trying one patent at the Board while leaving the other patent in district court promotes efficiency. Paper 15 at 2. Paper 15 thus leaves an unexplained and consequential divergence that inefficiently fragments the parties' dispute.

III. DIRECTOR REVIEW IS WARRANTED

A. Institution Creates the Inefficiency, Duplication, and Risk of Inconsistent Outcomes the Director's Decisions Seek to Avoid

Director Review serves consistency, fairness, and efficiency across Board proceedings. 37 C.F.R. § 42.75; 35 U.S.C. §§ 3(a)(2)(A), 316(b). Section 316(b) specifically directs the Office to consider the economy, patent-system integrity, efficient Office administration, and the ability to timely complete proceedings.

Those interests are directly implicated when opposite discretionary outcomes divide one district court dispute between forums.

In *Terumo*, the Director vacated institution where the petitioner used plain meaning at the Board and indefiniteness in district court, explaining that the conduct made the IPR “less about a litigation alternative” and more about gaining a cross-forum advantage. IPR2025-01374, Paper 20 at 2-5. The Director identified resulting expense, unpredictability, and depletion of Office resources. *Id.* at 5. *TikTok* similarly found that a proposed stipulation did not sufficiently reduce duplication or the potential for different outcomes. IPR2025-01485, Paper 13 at 2-3.

The Office’s decision in this matter now creates those same harms. Maintaining IPR2026-00233 requires a full Board trial while the district court remains the forum for the ’064 Patent, infringement, indefiniteness, and other issues. The litigation already has shared case management, discovery, protective orders, party witnesses, and corporate evidence. Ex. 1030 at 1-2; PO Discretionary Denial Brief at 7-10. Klein’s district court position that the ’067 measurements lack certain boundaries, coupled with its no-construction IPR position, creates separate claim scope inconsistencies and the risk of conflicting outcomes between the two forums. Pet. 14-17; Ex. 2004 at 27-29.

While different patents may warrant different merits results, discretionary choices should not create unnecessary parallel proceedings in one dispute without a

reasoned basis, particularly where fragmentation aggravates the exact cross-forum inconsistency condemned in Director's decisions. Paper 15 supplies no such basis.

B. The Companion Denial Is the Correct Policy Baseline, and Vacatur Here Is the Only Remedy That Reduces Proceedings

The July 6 companion denial reduced the parties' administrative burden and left the '064 Patent to be resolved with the remaining district court issues. That result accords with *Terumo*'s view of IPR as an alternative to litigation, not an additional layer. Paper 20 at 4-5.

Vacating here is also consistent with *Terumo* and promotes efficiency. It eliminates the only Board trial, places both patents fully in one forum, permits claim construction on a unified record, and conserves Office resources before trial has progressed meaningfully. *Light & Wonder, Inc. v. Evolution Malta Ltd.* confirms that the Director may vacate institution when continued review is unnecessary and inefficient and the trial has not progressed meaningfully. IPR2025-01072, Paper 30 at 3-6 (Director June 22, 2026) (precedential). Here, no patent owner response, expert discovery, oral argument, or final-written-decision work has occurred.

The two possible ways to make the outcomes superficially uniform are therefore not equivalent. Instituting the denied case would compound duplication; vacating this institution would eliminate duplication. Only vacatur advances efficiency, consistency, and conservation of Office resources.

C. This Proceeding Independently Warrants Denial Under *Revvo*, *Tesla*, and *Terumo*

1. Klein’s “Accused Products” Rationale Does Not Reconcile Its Positions

IPR2026-00233 includes the same issue addressed in *Revvo*, *Tesla*, and *Terumo*. *Revvo* requires a petitioner advancing different constructions to explain why they are warranted; merely adopting the patent owner’s construction is insufficient. IPR2025-00632, Paper 20 at 3-5. In fact, *Tesla* explicitly holds that the inability to raise indefiniteness in IPR does not justify plain meaning at the Board and indefiniteness in court. IPR2025-00340, Paper 18 at 3-4. *Terumo* confirms that Klein cannot avoid the inconsistency between forums by stating the disputed issue is immaterial to the IPR. *Terumo BCT Inc. v. Haemonetics Corp.*, IPR2025-01374, Paper 20 at 3-5 (May 12, 2026).

Klein did not, and cannot, overcome those decisions. It stated in district court that the claims are indefinite purportedly because standout and curved dimensions vary and the claims do not identify which measurements control, but it told the Board that no construction is needed because the terms are clear and the written references disclose claimed values. Pet. 15-17; Ex. 2004 at 27-29. Klein did not credibly explain why the claim language has uncertain boundaries for infringement but fixed boundaries for invalidity. Claim construction is not target-dependent, and the phrase “for the purposes of this Petition only” confirms a forum-specific approach. Pet. 17.

Cochlear Bone Anchored Solutions AB v. Oticon Medical AB, 958 F.3d 1348, 1360 (Fed. Cir. 2020), does not cure the defect. Milwaukee does not argue that every indefiniteness allegation makes prior-art analysis impossible. Instead, the Board requires Klein to identify the construction it applies and reconcile it with its district court position. *Terumo* rejected the assertion that a disputed term was immaterial to the IPR and required one consistently applied construction. Paper 20 at 3-4. Disclosure of inconsistent positions is not the explanation *Revvo* requires.

2. The Inconsistency Is Material to the Petition's Grounds

The inconsistency is material. The disputed measurements appear in independent claim 1 and the challenged dependent claims, and Klein's anticipation and obviousness grounds require the Board to determine blade length, standout, curved width, curved height, and the claimed ratios. Pet. 28-68.

The grounds also contradict Klein's assertion that the references provide simple, unambiguous values. For anticipation, Klein relies on Hernandez's "at least ten feet" statement, invokes general incorporation language, and draws from different embodiments between two different references (Hernandez and Murray). POPR 10-18. In its Preliminary Response, Milwaukee demonstrated that no single configuration discloses every limitation and that the Murray embodiment used for curved width achieves approximately 11 feet (132 inches) of standout, not the claimed greater than 150 inches. *Id.* at 14-18. For obviousness, Klein selects

individual values for different characteristics, even though Murray teaches that standout depends on interacting characteristics, including blade width, curved height, thickness, and transverse geometry. Ex. 1006 at 5:21-30; POPR 18-26.

Klein cannot establish that a reference falls within a numerical boundary without identifying what the boundary means and how the value is determined. The cross-forum inconsistency therefore affects both petition compliance and the merits. Paper 15's categorical reasonable-likelihood statement does not address that problem. Paper 15 at 2.

3. The Petition Does Not Satisfy Rule 42.104(b)(3)

Rule 42.104(b)(3) requires a petition to identify how each challenged claim is construed. Klein's conditional adoption of plain and ordinary meaning does not satisfy that duty when Klein also asserts, as it did in the district court litigation, that the same terms lack reasonably certain measurement boundaries and omit the measurement methodology, location, and treatment of variable values used to map the art. Pet. 14-17; Ex. 2004 at 27-29. *Terumo* rejected the argument that Rule 42.104(b)(3) was irrelevant because a disputed term supposedly was not in controversy; the petitioner's court position undercut its no-construction position before the Board. Paper 20 at 3-4.

That defect independently supports denial and reinforces the efficiency concern. An IPR based on an unidentified, forum-specific construction is

particularly likely to produce a claim-scope record inconsistent with the district court record.

D. The Pending Motion to Dismiss Does Not Eliminate the Existing Cross-Forum Problem

Klein argued that *Revvo* was irrelevant because the district court action “will be dismissed.” Petitioner’s Reply 2. The institution record showed only an opposed motion to dismiss without prejudice, Klein’s opposition, Milwaukee’s corrected ownership, and Milwaukee’s stated intent to refile while reusing the parties’ work. Exs. 1029, 1030 at 1-2, 1037. No dismissal order has been issued yet.

In any event, a later dismissal *without prejudice* also would not retroactively reconcile Klein’s positions or cure the Petition. *Ford Motor Co. v. AutoConnect Holdings, LLC*, IPR2025-01342, Paper 27 at 3-4 (Director May 12, 2026) (informative), vacated institution despite a later offer to withdraw inconsistent district court arguments. *TikTok* likewise found a conditional stipulation insufficient. Paper 13 at 2-3. This Request relies on the institution record: existing inconsistent advocacy, substantial litigation investment, and a plan to reuse that work.

E. The Petition’s Merits Do Not Justify an Inefficient Outlier

Paper 15 states that Klein met the reasonable-likelihood threshold but gives no merits analysis. Paper 15 at 2. The merits are not so unusually strong that they justify fragmentation. Ground 1 does not identify a single Hernandez embodiment disclosing every limitation and instead uses general incorporation language and

different embodiments. POPR 9-18. Ground 2 treats interdependent blade properties as separate variables without explaining why a skilled artisan would select the values together or expect the claimed standout. *Id.* at 18-26.

Director Review need not resolve every merits dispute to conclude that the merits do not justify an inefficient outlier. The record presents substantial threshold and merits questions, while vacatur would conserve Office resources and allow both patents and the claim-scope disputes to be addressed together in the forum capable of resolving the entire controversy.

IV. CONCLUSION

The Director denied institution of the companion IPR arising from the same district court action, then instituted this proceeding without explaining why the resulting division of the dispute advances efficiency or consistency. Maintaining this IPR will require the Board and the district court to adjudicate different patents from the same case on separate tracks while Klein preserves materially different claim-scope positions across forums. Allowing that result conflicts with *Revvo*, *Tesla*, *Terumo*, *Ford*, and *TikTok*, and with the Office's statutory obligation to protect efficient administration and the integrity of the patent system.

Milwaukee does not request reconsideration of the denial in IPR2026-00246. Instituting that proceeding would add rather than eliminate duplication. The

efficiency-enhancing remedy is to grant Director Review of Paper 15, vacate the decision instituting IPR2026-00233, and deny the Petition.

V. TIMELINESS OF THIS REQUEST

Paper 15 issued on July 14, 2026. The Director has waived the fourteen-day period for requests seeking review of decisions instituting trial and extended the deadline to thirty days. *Light & Wonder*, IPR2025-01072, Paper 30 at 3; 37 C.F.R. §§ 42.71(d), 42.75(c)(1). This Request is filed within thirty days of Paper 15 and is timely. Please charge any fees due for this Request to Deposit Account No. 50-0310.

Dated: August 13, 2026

Respectfully Submitted,

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CERTIFICATION OF LENGTH (37 C.F.R. § 42.24(d))

The undersigned certifies that this Request complies with the fifteen-page limit applicable under 37 C.F.R. §§ 42.75(c)(2) and 42.24(a)(1)(v). The table of contents, certificate of service, and this certification are excluded from the page limitation under 37 C.F.R. § 42.24(a)(1).

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), the undersigned certifies that on August 13, 2026, a complete copy of Patent Owner's Request for Director Review of the Decision Instituting Inter Partes Review was served by electronic mail on Petitioner's counsel of record:

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