

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SKECHERS U.S.A., INC.,
Petitioner

v.

FAST IP, LLC,
Patent Owner

Case IPR2026-00443
U.S. Patent No. 12,121,096

**PATENT OWNER'S BRIEF ON
DISCRETIONARY DENIAL**

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PATENT OWNER'S EXHIBIT LIST

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2001	August 13, 2026, Board email authorizing motions to strike in IPR2026-00342, IPR2026-00343, IPR2026-00373, IPR2026-00443, and IPR2026-00444
2002	<i>HandsFree Labs Licensing, LLC et al. v. Skechers U.S.A. Inc.</i> , Case No. 2:25-cv-00744-JRG (E.D. Tex.), Second Amended Complaint and Jury Demand, filed Dec. 19, 2025
2003	Conrad, J. (2026, March 26). Kizik's Hands-Free Tech is Coming to New Balance. Retrieved June 29, 2026, from https://www.inc.com/jennifer-conrad/kiziks-hands-free-tech-is-coming-to-new-balance/91319850
2004	England, A. (2022, January 2). Kizik by HandsFree Labs: "The Future of Footwear." Retrieved June 29, 2026, from https://www.techbuzznews.com/kizik-by-handsfree-labs-the-future-of-footwear-/
2005	Helms, H. (2026, April 22). The Most Convenient Running Shoe Innovation in Years Isn't From Nike or Adidas. Retrieved June 29, 2026, from https://www.gearpatrol.com/footwear/kizik-freedom-run/
2006	Newcomb, T. (2024, November 14). Kizik Growing Hands-Free Outdoor-Focused Footwear Lineup. Retrieved June 29, 2026, from https://www.forbes.com/sites/timnewcomb/2024/11/14/kizik-growing-hands-free-outdoor-focused-footwear-lineup/
2007	Pastore, A. (2024, January 9). Kizik's Bradley Johnson Discusses Enabling Discovery for Innovation Hungry Consumers. Retrieved June 29, 2026, from https://wwd.com/business-news/business-features/kizik-bradley-johnson-discovery-innovation-hungry-consumers-1236114333/

Exhibit No.	Description
2008	Daniels, M. (2025, April 18). Inside Kizik’s quest to dominate the hands-free shoe space through intellectual property. Retrieved June 29, 2026, from https://www.modernretail.co/operations/inside-kiziks-quest-to-dominate-the-hands-free-shoe-space-through-intellectual-property/
2009	Welty, M. (2025, March 10). The Designer Behind the Nike Benassi Slide is Changing Slip-on Footwear. Retrieved June 29, 2026, from https://www.complex.com/sneakers/a/matt-welty/andreas-harlow-nike-kizik-interview
2010	<i>Intentionally Left Blank</i>
2011	Miller, C. (2024, October 7). Transforming Giants: Inside 3G Capital’s Most Successful Acquisitions. Retrieved June 29, 2026, from https://ceoworld.biz/2024/10/07/transforming-giants-inside-3g-capitals-most-successful-acquisitions/
2012	<i>Intentionally Left Blank</i>
2013	<i>HandsFree Labs Licensing, LLC, et al. v. Skechers U.S.A., Inc.</i> , Case No. 2:25-cv-00744-JRG (E.D. Tex.), Skechers U.S.A., Inc.’s Preliminary Invalidity Contentions, filed Mar. 2, 2026
2014	3G Completes Acquisition of Skechers (2025, September 12). Retrieved May 28, 2026, from https://about.skechers.com/press-release/3g-capital-completes-acquisition-of-skechers
2015	Ireland, S. (2026, March 11). Alex Behring and Daniel Schwartz on Why 3G Capital’s Model is Rewriting the Rules of Private Equity. Retrieved June 29, 2026, from https://ceoworld.biz/2026/03/11/alex-behring-and-daniel-schwartz-on-why-3g-capitals-model-is-rewriting-the-rules-of-private-equity/
2016	<i>HandsFree Labs Licensing, LLC et al. v. Skechers U.S.A. Inc.</i> , Case No. 2:25-cv-007744-JRG (E.D. Tex.), Second Amended Docket Control Order, filed Dec. 23, 2025

Exhibit No.	Description
2017	Skechers USA Inc 8-K, Sept. 12, 2025
2018	Beyond Private Equity: 3G Capital’s Business-Building Partnership Model. (2026, April 20). Retrieved June 19, 2026, from https://thebossmagazine.com/post/beyond-private-equity-3g-capitals-business-building-partnership-model/
2019	HandsFree Lab Receives Strategic Investment from Nike. (2019, November 20). Retrieved June 29, 2026, from https://www.prnewswire.com/news-releases/handsfree-labs-receives-strategic-investment-from-nike-300962516.html
2020	<i>HandsFree Labs Licensing, LLC, et al. v. Skechers U.S.A., Inc.</i> , Case No. 2:25-cv-00744-JRG (E.D. Tex.), Exhibit 325-C, Invalidity Combinations Chart for U.S. Patent No. 12,121,096
2021	Who Owns 3G Capital? Founders, Partners, and Structure. (2026, June 11). Retrieved June 29, 2026, from https://legalclarity.org/who-owns-3g-capital-founders-partners-and-structure/
2022	Skechers Agrees to be Acquired by 3G Capital, United States Securities and Exchange Commission Archive, Retrieved June 30, 2026, from https://www.sec.gov/Archives/edgar/data/1065837/000119312525112159/d943603dex991.htm
2023	Federal Case Management Statistics (June 2026)

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I. INTRODUCTION

The Director should deny institution of *inter partes* review of U.S. Patent No. 12,121,096 (“the ’096 patent”) because discretionary considerations overwhelmingly favor denial. *First*, Skechers advances inconsistent claim construction positions in the IPR that conflict with its positions in the district court. *Second*, the *Fintiv* factors strongly favor denial. Trial in the parallel litigation is scheduled for *over seven months* before the projected Final Written Decision date for this Petition. *Third*, Skechers continues to fail to name its private equity owner as a real party in interest, despite that owner’s ability to control this IPR. *Fourth*, Patent Owner licensed the ’096 patent, creating settled expectations. *Fifth*, efficiency considerations favor denial because the district court will invest substantial resources in adjudicating the parties’ dispute for related applications that will not be before the Board. These five independent reasons compel denial.

II. BACKGROUND

The challenged patent arises from pioneering innovations in hands-free footwear technology. The invention addresses a technically difficult footwear problem: how to allow a user to step into a shoe without using hands, bending down, or tying laces, while still providing the fit, structure, and retention expected from ordinary footwear. *See* EX1001, Abstract, 1:29-37, 1:56-2:4. Contrary to Petitioner’s accusations (Pet., 1), Utah-based Kizik Design, LLC (“Kizik”) and its

U.S. owners and inventors spent considerable time and R&D money developing and commercializing this technology through hands-free footwear sold under its Kizik® brand; Patent Owner, Utah-based Fast IP, LLC holds the patent assets commercialized by Kizik; and Utah-based HandsFree Labs Licensing, LLC controls the licensing of those patent assets. Each is owned by U.S.-based HandsFree Labs, Inc. (“HFL”). EX2002, ¶¶3, 12-14; *see also* Paper 6.

Patent Owner’s corporate structure reflects a conventional operating company model for protecting and commercializing technologies. One affiliate holds the patent assets, another manages licensing rights, and the product company practices the technologies in the market. Here, the HFL corporate family (“HFL family”) includes the inventors, the patent assets, the licensing function, and the well-known Kizik® brand. Today, Kizik has served millions of customers with distribution in over 40 countries, while the HFL family’s technologies are protected by more than 200 patents and patent applications worldwide. EX2002, ¶4. Thus, contrary to the Petition’s suggestion, Patent Owner is part of an American corporate family that practices its patents in the technologies and products it develops and sells.

The HFL family are the innovators that first successfully commercialized hands-free footwear. Kizik launched in 2017 as the world’s original hands-free shoe brand, based on Utah-based founder Michael Pratt’s foundational work

developing shoes that could be put on without bending over or tying laces.

Independent industry coverage has consistently identified the HFL family as pioneers in the category. *See, e.g.*, EX2003-EX2009. And in 2019, Nike—the world’s largest footwear company with a long history of innovation—made a strategic investment in HFL and entered a licensing partnership, recognizing the HFL family as a pioneer in hands-free footwear technology. EX2002, ¶4.

While many recognized the HFL family’s innovations through industry praise and licensing, Skechers took a different path—entering the category after the HFL family had already patented, commercialized, and licensed the technology. Skechers launched its Hands Free Slip-ins and other hands-free products without requesting a license and simply incorporated the HFL family’s patented technologies into its own “Skecherized” versions. EX2002, ¶¶1, 5.

This is the kind of private dispute that should proceed in district court, not before the Board. Indeed, “courts are, and always have been, the primary forum for adjudicating private disputes,” while AIA review serves broader interests of the Office, the patent system, and the public. *Magnolia Med. Techs., Inc. v. Kurin, Inc.*, IPR2026-00097, Paper 17 at 6-7 (P.T.A.B. May 14, 2026) (precedential) (Squires, Director). Here, the dispute concerns a serial infringer that competes directly with a U.S. Patent Owner’s groundbreaking technology. This dispute does not present a meaningful public-interest concern warranting institution.

III. OVERVIEW OF THE '096 PATENT AND EXAMINATION.

The '096 patent is entitled “Rapid-Entry Footwear Having a Stabilizer and an Elastic Element.” It was filed on March 19, 2024, as a continuation of application 18/371,414, which claims priority, through a series of continuation applications, to provisional application 62/879,883, filed on July 29, 2019. The '096 patent discloses a rapid-entry shoe with a stabilizer to resist a rear portion of the shoe from collapsing downward. EX1001, Abstract. Such a shoe can be put on without bending over to tie laces, making everyday tasks easier, faster, and more convenient. EX2002, ¶3. This technology is particularly useful for people with disabilities, injuries, elderly people, or others that have difficulty bending over to tie laces. EX2002, ¶3.

The Examiner performed a thorough and extensive examination of the '096 patent, which included multiple targeted searches and access to thousands of pages of results from the prior searches performed for the parent applications. *See* EX1002, 126-131 (excerpted search strategy and results dated from 5/9/24 through 9/12/24, paginated from 10082-10084); *see also* EX1002, 48-125 (prior search results and strategy paginated from 10001-10081) (remaining search result pages omitted from Petitioner’s excerpted file history). The prosecution history further includes: two Office Actions that included multiple anticipation/obviousness rejections (May 2024; June 2024); two amendments/applicant remarks, including a

Request for Continued Examination (May 2024; September 2024); an Examiner amendment (September 2024); and two Examiner interviews. *See generally*

EX1002. At the conclusion of this robust examination, the Examiner determined the claims were allowable and mailed a Notice of Allowance. EX1002, 36-41.

Patent Owner paid the issue fee and the '096 patent issued. There was no material error in the Examiner's detailed examination of the '096 patent, cumulating in the Examiner's correct conclusion that the claims are patentable.

IV. THE PETITION WARRANTS DISCRETIONARY DENIAL

The Director should exercise discretion to deny institution for multiple independent reasons.

A. Skechers advances inconsistent claim constructions in the IPR and district court in clear contravention of Office policy.

The Director should deny institution because Skechers presents different claim construction positions between its Petition before the PTAB and its invalidity contentions in the EDTX case. Skechers argues in its IPR Petition that “no issue herein requires any claim term to be construed.” Pet., 14. Yet in district court, Skechers alleges *fifteen* separate limitations of the challenged claims in this IPR are indefinite, including both challenged independent claims – claims 13 and 21. EX2013, 162-164. Taking inconsistent claim construction positions is highly disfavored by Office policy and undermines the integrity of the patent system. That is reason alone for the Director to discretionarily deny this IPR.

The Office has made clear that allowing petitioners to propose different constructions at the Board and the district court, such as seeking narrower constructions in litigation to avoid infringement liability, is contrary to the goal of “providing greater predictability and certainty in the patent system.” *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 at 4 (P.T.A.B. Nov. 3, 2025) (Squires, Director) (precedential) (internal citations omitted). Rules 104(b)(3) and 104(b)(4) require a petitioner to explain “how the challenged claim is to be construed” and “how the construed claim is unpatentable.” 37 C.F.R. §§ 42.104(b)(3) -(4). “The Board’s claim construction rules are designed to ensure that the Board correctly construes claim terms and to minimize inconsistency in claim construction between forums.” *Revvo*, IPR2025-00632, Paper 20 at 4. A petitioner that advances different claim construction positions in different fora needs to explain why those different positions are warranted. *Id.* at 3-5. That a petitioner “cannot raise indefiniteness challenges in an *inter partes* review is not a sufficient explanation” for advancing different constructions because such a statement amounts to an assertion that a petitioner should be permitted to raise inconsistent invalidity challenges. *Tesla, Inc. v. Intellectual Ventures II LLC*, IPR2025-00340, Paper 18 at 3-4 (P.T.A.B. Nov. 5, 2025) (Squires, Director) (informative).

The *fifteen* different claim elements of the challenged claims that Skechers alleges to be indefinite in district court are: (1) “an upper coupled to the sole portion and including a rear portion, a lateral side portion, a medial side portion, and a forward portion, the upper defining a foot opening, the upper defining a top line positioned proximate the foot opening” (claim 13); (2) “a stabilizer defining a unitary structure extending from the sole portion toward a rear portion of the foot opening” (claim 13); (3) “a plurality of elastic elements positioned along at least a portion of the upper, the plurality of elastic elements configured to facilitate at least one of flexion and pivoting of the forward portion of the upper relative to the sole portion” (claims 13, 21); (4) “the first elastic element and the third elastic element extending toward the lateral side portion and the medial side portion, respectively, wherein the first elastic element and the third elastic element extend to the top line of the upper, and wherein the second elastic element does not extend to the top line of the upper” (claim 13); (5) “a foam liner coupled to a rear portion of the upper and spaced from the sole portion” (claim 13); (6) “wherein the first elastic element and the third elastic element are spaced apart from each other” (claim 14); (7) “wherein the foam liner is positioned at the rear portion of the upper extending toward a side portion of the upper” (claim 15); (8) “wherein the side portion of the upper includes a lateral side portion and a medial side portion, wherein the foam liner extends toward the lateral side portion and the medial side

portion” (claim 16); (9) “wherein the foam liner includes a first portion positioned at the rear portion of the upper adjacent to the convex profile and a second portion extending forward along the upper toward the forward portion of the upper” (claim 17); (10) “wherein the foam liner includes an upper surface, wherein the upper surface of the foam liner is sloped downward and forward where the foam liner is configured to interface with a heel of a user” (claim 18); (11) “an upper coupled to the sole portion and including a rear portion, a side portion, and a forward portion, the upper defining a foot opening” (claim 21); (12) “the first elastic element and the third elastic element extend to a top line of the upper, and the second elastic element is spaced from the top line of the upper” (claim 21); (13) “wherein the forward portion defines a tongue portion, wherein the tongue portion is coupled to at least one of the elastic elements and wherein at least a portion of at least one of the elastic elements extends across the tongue portion” (claim 21); (14) “the first elastic element is spaced from the third elastic element” (claim 26); and (15) “the tongue portion defines a longitudinal axis substantially directed toward a front portion of the rapid-entry shoe, wherein the curvilinear profile of the elastic member crosses the longitudinal axis of the tongue portion” (claim 27). EX2013, 162-164.

Indeed, Skechers invalidity contentions encompass both independent claims and eight of the ten dependent claims it challenges. Skechers does not, and cannot, provide any explanation for its inconsistent positions.

The impact on the patent system and the Board when a petitioner takes inconsistent positions cannot be understated. “It multiplies litigation expense, reduces patent value, discourages innovation, diminishes the integrity of the patent system, and depletes the Office’s resources.” *Terumo BCT Inc. v. Haemonetics Corp.*, IPR2025-01374, Paper 20 at 4-5 (P.T.A.B. May 12, 2026) (Squires, Director) (informative). Skechers’ conduct “demonstrates that this dispute is less about a litigation alternative, as Congress intended, and more about inconsistent positions to gain an upper hand in the overall litigation.” *See Terumo*, IPR2025-01374, Paper 20 at 4 (citing H.R. Rep. No. 112-98, at 48 (2011)). Such conduct should not stand. Accordingly, the Director should deny the Petition.

B. The *Fintiv* factors all favor denial.

All six *Fintiv* factors favor, or strongly favor, discretionary denial of institution. *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (precedential).

1. Factor 1 favors denial: there is no stay, or evidence the district court is highly likely to grant a stay.

Factor 1 favors denial because there is no permanent stay of the parallel district court litigation. While EDTX imposed a limited 21-day stay to effectuate

transfer to the Central District of California, the schedule remains in place and there is no evidence the CDCA district court is highly likely grant a stay, particularly when the Director has denied institution of two asserted related patents. *See* Section IV.E

2. Factor 2 strongly favors denial: the district court trial will occur over seven months before the Final Written Decision.

Factor 2 strongly favors denial. The projected statutory deadline for a Final Written Decision (FWD) in this IPR is February 3, 2028. This is more than *seven months* after the scheduled June 21, 2027 trial date. EX2016. Although the judge in EDTX recently transferred the case to CDCA, the existing trial date remains in place unless and until the assigned judge in CDCA finds good cause to order otherwise. *See* FRCP 16(b)(4). Petitioner may speculate that the transfer will result in a later trial date, but Petitioner would need to show far more than just the existence of the transfer to establish that the trial is likely to be postponed long enough to close the seven-month gap. Even if the schedule is modified, the median time to trial statistics for the CDCA put the trial date about four months ahead of the FWD (in mid-October 2027, 26.8 months from the July 24, 2025 filing date). EX2023. In any event, the Director should evaluate the trial date based on the schedule that currently governs the case and not speculation. But to the extent the Director entertains conjecture, the Director should consider the substantial progress already made in the district court and the CDCA's median time-to-trial statistics.

Institution of an IPR under these circumstances—when the district court trial will occur much faster than the issuance of a decision by the Board—would not be consistent with the AIA’s objective to provide an effective and efficient alternative to litigation. *NHK Spring Co., Ltd. v. Intrix-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (P.T.A.B. Sept. 12, 2018) (precedential).

3. Factor 3 favors denial because there has been significant investment in the district court.

Factor 3 favors denial. The relevant consideration is the “amount and type of work already completed in the parallel litigation by the court and the parties *at the time of the institution decision*.” *Fintiv*, 9 (emphasis added). Here, the deadline for issuing a Decision on Institution (DI) in this IPR is February 3, 2027. The parties have been litigating for well over a year and have exchanged multiple rounds of written discovery, produced tens of thousands of documents, and already exchanged claim construction positions (September 3, 2026). EX2016. By the time of the DI, even if the schedule is slightly delayed, it is highly likely the parties will have completed document productions, finished claim construction briefing, and be nearing the completion of fact and expert discovery. EX2016.

Moreover, Petitioner was not diligent in filing this IPR. The district court litigation was served on August 6, 2025. Skechers waited almost a full year before it filed this IPR. This lack of diligence is an additional reason this factor weights in favor of denial. *Fintiv*, 11-12. Accordingly, Factor 3 strongly favors denial.

4. Factor 4 favors denial because the IPR issues overlap with district court and Skechers' stipulation does little to mitigate concerns of inefficiency and duplication of effort.

Factor 4 considers the overlap between the issues raised in the IPR and in the parallel proceeding to evaluate “concerns of inefficiency and the possibility of conflicting decisions.” *Fintiv*, 12. This factor also strongly favors denial.

Indeed, in the parallel district court proceeding, Petitioner submitted invalidity contentions that completely overlap with its IPR challenges. *Compare* EX2020, 1-2 (asserting the challenged claims are anticipated and/or obvious over Takahashi, Hanak, Murray, Kim, and Shin-276), *with* Pet., 17 (asserting the challenged claims are unpatentable as anticipated and/or obvious based on the same references). In district court, Petitioner further challenges the claims on numerous additional anticipation and obviousness grounds. EX2020, 1-3.

Furthermore, Petitioner's stipulation should be disregarded because it was not filed “as soon as practicable,” but less than three weeks before Patent Owner's discretionary denial brief is due. *See Samsung Elecs. Co., Ltd. v. Netlist, Inc.*, IPR2026-00018, Paper 20 at 3 (P.T.A.B. April 28, 2026) (Squires, Director) (citing Interim Process § I.D) (stipulations must be filed “as soon as practicable, so that patent owner may address the impact of the stipulation in its discretionary denial brief.”). Skechers offers no explanation for its delay and, thus, the stipulation should not be considered.

Even if considered, Petitioner's stipulation does little to mitigate concerns of inefficiency or duplication of effort such that this IPR would be a "true alternative" to the parallel district court proceeding. *See Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3-4 (P.T.A.B. Mar. 28, 2025) (on Director Review vacating panel's institution decision and denying under *Fintiv*). Petitioner's stipulation is expressly conditional, applying only if the IPR is "not vacated, reversed, or otherwise withdrawn." EX1044. It, therefore, effectively allows Skechers to preserve duplicate invalidity contentions through the conclusion of this IPR. As the Director has recognized, such tactics are problematic because it permits a petitioner "to maintain duplicative grounds in district court until the eve of trial ... [and] could force patent owner[] to expend significant resources substantively responding to such grounds in the district court." *See Advanced Micro Devices, Inc. v. XtreamEdge, Inc.*, IPR2025-00223, Paper 29 at 4-5 (P.T.A.B. May 12, 2026) (Squires, Director). To be sure, the prejudice here is real. For the past eleven months, since the invalidity challenges were served on November 10, 2025, Patent Owner has been forced to defend itself in district court against substantially the same challenges as invalidity challenges raised in this IPR. Petitioner's stipulation that it will not pursue the challenges if this IPR is instituted does nothing to mitigate the significant resources that Patent Owner has already expended, and will continue to expend, responding to the duplicative

challenges. Moreover, Petitioner remains free to pursue in district court additional anticipation and obviousness grounds (i.e., combinations of patent and printed publications, not raised here, with system or product art). *See* EX1044.

Thus, even if this IPR is instituted, it will not be a “true alternative” to the parallel proceeding because the district court judge and jury will still have to decide complex invalidity issues, along with additional combinations and theories not before the Board. Patent Owner also necessarily has to expend resources to prepare for the possibility that the duplicative grounds may become live if this IPR is terminated. Accordingly, Factor 4 strongly favors denial.

5. Factor 5 favors denial because the parties in the IPR overlap with the parties in the district court.

Factor 5 favors denial because the parties are the same in both proceedings. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 15 (P.T.A.B. May 13, 2020) (“Because the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.”).

6. Factor 6 favors denial because the merits are weak.

Factor 6 also favors denial because the merits are weak. As will be explained in the Patent Owner’s Preliminary Response (“POPR”), for multiple reasons, the Petition fails to establish that the challenged claims are invalid over the asserted Grounds. Patent Owner asks the Director to consider the briefing presented in its

POPR. *See* Interim Process, § II.C.i (patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits).

For all of these reasons, the *Fintiv* factors weigh decisively in favor of denying institution.

C. Skechers failed to name a clear real party in interest.

The Petition suffers a fatal defect because it fails to name a clear real party in interest (RPI) to this IPR. This omission violates Skechers’ statutory and regulatory obligations and is another independent reason this IPR warrants denial.

1. Legal Authority

“A petition filed under section 311 may be considered *only if* ... the petition identifies all real parties in interest.” 35 U.S.C. § 312(a)(2) (emphasis added); *see also* 37 C.F.R. §§ 42.8(b)(1), 42.104. It is “Petitioner’s burden to bring forth evidence or arguments that it named all RPIs.” *Yangtze Memory Techs. Co., Ltd. v. Micron Tech., Inc.*, IPR2025-00098, Paper 38 (P.T.A.B. Jan 15, 2026) (Squires, Director) (informative) (citing *Worlds Inc. v. Bungie, Inc.*, 903 F.3d 1237, 1242 (Fed. Cir. 2018). A petition that fails to name all RPIs cannot be considered. *Corning Optical Commc’ns RF, LLC v. PPC Broadband, Inc.*, IPR2014-00440, Paper 68 at 23-24 (P.T.A.B. Aug. 18, 2015) (precedential except § II.E.1).

“Determining whether a non-party is a ‘real party in interest’ ... takes into account both equitable and practical considerations, with an eye toward

determining whether the non-party is a clear beneficiary that has a preexisting, established relationship with the petitioner.” *Applications in Internet Time, LLC v. RPX Corp.*, 897 F.3d 1336, 1351 (Fed. Cir. 2018) (“*AIT*”). Factors relevant for evaluating whether a party is an unnamed RPI include: (i) the relationship between the petitioner and the unnamed party; (ii) the unnamed party’s “interest in” and “benefit from” the IPR; (iii) whether petitioner can be said to be representing that interest; and (iv) whether the unnamed party desired review of the patent. *See RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper 128 at 10-11 (P.T.A.B. Oct. 2, 2020) (precedential) (“*RPX*”) (listing factors).

1. 3G Capital is an unnamed RPI.

As announced in Skechers’ own press release, Skechers was acquired by 3G Capital on September 12, 2025—ten months before it filed its IPR Petition. EX2014. SEC documents and public press releases about the acquisition refer to 3G Capital as the company that owns and controls Skechers. *See* EX2014, EX2022. Skechers provided information, in the related IPRs, that the actual company that acquired it was “Beach Acquisition Co Parent, LLC,” EX2017, but made no attempt to explain its inconsistent press release and SEC filing. And, despite clear guidance from the Office that it expects a petitioner to identify in its mandatory notices “any parent corporation, entity, or person that owns 10% or more of that petitioner’s ... stock, shares, or membership interests” to assist with

RPI identification, Skechers failed to do so. *See Viance, LLC, v. Koppers*

Performance Chems., Inc., PGR2026-00023, Paper 32 at 3 (P.T.A.B. Aug. 19, 2026) (Squires, Director) (citing *Tianma Microelecs. Co., Ltd. v. LG Display Co., Ltd.*, IPR2025-01579, Paper 12 at 8 n.6 (P.T.A.B Mar. 18, 2026) (precedential)).

3G Capital is “a global investment firm and private partnership built on an owner-operator approach to investing over a long-term horizon.” EX2014, 2. It is not a hands-off owner. Rather, at the core of 3G Capital’s strategy is a unique model that “requires the firm to invest capital **while also playing a hands-on role in running its acquisitions.**” EX2011, 2 (emphasis added). “Rather than simply providing financial backing and expecting management to take care of the rest, 3G Capital’s partners roll up their sleeves **and become part of the operational fabric of each company they acquire.**” EX2011, 2 (emphasis added). When 3G Capital acquires a company, “the partners **work closely alongside existing management teams**, bringing operational experience and perspective ... **with a focus on partnering hand-in-hand rather than directing from a distance.**” EX2018, 5 (emphasis added). 3G Capital is **directly involved** in management and operations of its portfolio companies (which includes Skechers). *See* EX2015. 3G Capital requires their portfolio companies to engage in Zero Based Budgeting, denoting a significant involvement in reviewing and approving a business’s budget. EX2021.

3G Capital is an unnamed RPI to this IPR. It is a “clear beneficiary that has a

preexisting, established relationship with the petitioner.” *AIT*, 897 F.3d at 1351. 3G Capital has a pre-existing, established relationship with Skechers. EX2014. As the sole investor, it would plainly benefit from IPR review and potential invalidation of the ’096 patent. Thus, Skechers is evidently representing the interests of 3G Capital. Moreover, it is clear from 3G Capital’s business model that it has the ability to exercise control of this proceeding. *See Sun Pharm. Indus., Inc. v. Biofrontera Inc.*, PGR2026-00021, Paper 12 at 2 (P.T.A.B. May 26, 2026) (Squires, Director) (explaining that RPIs include entities that have the *ability* to control the proceeding).

2. The Petition should be denied.

Amendment of the RPI disclosure would necessarily result in according the Petition a new filing date. *See Curium US LLC v. Universität Heidelberg*, IPR2025-01582, Paper 11 at 3 (P.T.A.B. Feb. 25, 2026) (Squires, Director) (informative). But Skechers is time barred under 35 U.S.C. § 315(b), and thus its Petition can no longer be accorded a new filing date. *Corning*, at 25; *Yangtze Memory*, 8. Because the Petition fails to name all RPIs, the Director should not consider the Petition and should deny review.

D. Patent Owner has settled expectations in the ’096 patent.

Settled expectations weigh in favor of denial of institution because Patent Owner has licensed the ’096 patent to Nike. *See Alliance Laundry Sys., LLC v.*

PayRange LLC, IPR2025-00950, Paper 11 at 3 (P.T.A.B. Sept. 19, 2025) (evidence that a challenged patent is licensed creates settled expectations for patent owner).

Nike—a U.S.-based world leader in the design, marketing, and distribution of athletic footwear—entered into a strategic investment and partnership with HFL in 2019. EX2019; EX2002, ¶4. The partnership includes “an intellectual property license” (including to the ’096 patent) that extends the reach of HFL’s patented portfolio and its innovative technology. EX2019, 1. In entering into the partnership and license, Nike recognized Patent Owner’s hands-free technology “has the potential to broaden and enhance” its efforts to remove barriers to play and making sport easier for more people. EX2019, 2. Skechers’ early challenge and voluntary search disclosure form do not outweigh the settled expectations created by Patent Owner’s license of the ’096 patent. These settled expectations, grounded in Patent Owner’s significant partnership and license to Nike, warrant denial of this IPR.

E. The district court is the most efficient forum to resolve the parties’ dispute.

The district court is the most efficient forum to resolve the dispute between Patent Owner and Petitioner. *See Samsung Elecs. Co. Ltd. v. VB Assets, LLC*, IPR2025-00870, Paper 11 at 3 (P.T.A.B. Oct. 10, 2025).

The most recent complaint asserts seven patents related to Patent Owner’s innovative footwear technology: U.S. Patent Nos. 11,633,006; 11,871,811; 12,121,096 (the challenged patent here); 12,274,325; 12,458,101; 12,471,660; and

D1,037,641. EX2002, 17-19. The Director has denied institution for two of the patents (IPR2026-00342 ('006 patent) and IPR2026-00343 ('811 patent)). The district court schedule will be far ahead of the projected final written decision for Petitioner's remaining four IPR challenges to the '325, '101, and D'641 patents (IPR2026-00373; IPR2026-00452; IPR2026-00444, respectively), and the '096 patent challenged here, as well as any potential future challenge to the '660 patent. Other discretionary considerations strongly favor denial of the four pending IPRs.

Under these circumstances, it is not an efficient use of PTAB resources to review the '096 patent (or any of the other patents challenged in the pending IPR proceedings). The PTAB cannot fully resolve the parties' dispute because at least several asserted patents will remain before the district court. Moreover, because the asserted patents are related, institution would require the PTAB and the district court to duplicate effort and would increase the risk of inconsistent results. Thus, the district court is plainly the better forum and an additional independent reason for discretionary denial here.

V. CONCLUSION

For the foregoing reasons, the Director should exercise discretion to deny institution of this IPR.

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **PATENT OWNER'S BRIEF ON
DISCRETIONARY DENIAL** and associated Exhibits 2002-2023 were served in
their entireties on October 5, 2026, upon the following parties via electronic mail:

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