UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INARI AGRICULTURE, INC.,

Petitioner,

v.

PIONEER HI-BRED INTERNATIONAL, INC.,
Patent Owner

Case PGR2024-00019
U.S. Patent 11,659,803

PATENT OWNER'S SUR-REPLY

The parties agree on one thing: patent law should not provide special legal standards for plant utility patents. However, it is Petitioner—not Patent Owner—that seeks such special standards, whereby long-standing rules permitting seed deposits to describe and enable claims would no longer apply. Indeed, Petitioner, by its own admission, asks for a new, heightened standard on utility by conflating § 101's utility requirement with § 103's non-obviousness and § 112's written description requirements.

But perhaps the most glaring example of Petitioner's desired "special standard" is its obviousness case. Petitioner argues that it does not have the burden to demonstrate obviousness of an issued patent in a PGR, but rather that it is PO's burden to prove non-obviousness against a petition that is objectively deficient. The Petition does not assess what is actually claimed. Instead, Petitioner conducts only a superficial comparison of mostly unrelated patent specifications as "proof" of obviousness.

PO has no more made it "impossible" to prove obviousness than it "withheld" information from the Examiner. Petitioner could have readily grown the prior art varieties it asserts render PO's claims obvious side-by-side, under the same conditions, and assessed them phenotypically. It could have also conducted a genotype analysis. Indeed, it probably already has done both. If Petitioner believed that such analyses showed obviousness, then Petitioner could have

submitted a supportive declaration. Then the Board could have had a factual basis under which to assess whether, in fact, the patent claims were non-obvious over the asserted art.

But Petitioner did neither. It apparently hopes that it doesn't have to—and that it can render entire swaths of maize patents obvious by pointing to alleged similarities in phenotypic traits described in tables within the respective specifications, and then require PO to respond as if the list of phenotypic traits were what was claimed. But while those traits are a useful and well understood aid to the POSA in recognizing the variety, they are emphatically not what is claimed. What is claimed is the inbred maize variety 1PFLQ21—a seed, plant, plant part, or plant cell.

The only party to this proceeding to conduct an appropriate analysis is PO, despite having no obligation to do so. Petitioner has no answer to this, other than to launch ad hominem attacks at PO of "abusing" the system at "the expense of the public."

Suffice it to say, the only party "abusing" the system here is Petitioner. It seeks to foist the failings of its serial petitions on PO. The Board should reject these arguments and deny institution.

I. Petitioner Has Not Met Its Burden to Demonstrate Obviousness

It is *Petitioner's* burden to establish that any claim would have been obvious over the prior art that it relies upon by the more-likely than-not standard. To require PO to provide *additional* evidence of non-obviousness (beyond what it already has, whether in the patent specification itself or otherwise) would be improper burden shifting. *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1375–76 (Fed. Cir. 2016).

Petitioner twists PO's arguments into a bright-line test that when one parent is not in the prior art, a patent on a maize variety can be obtained "as a matter of right." Prelim. Reply, 2. Not so. Petitioner quotes PO's discussion of *Ex Parte C* out of context. PO simply pointed out that the Petitioner has failed to consider what is claimed—the IPFLQ21 variety. POPR, 28.

Prior art varieties with different pedigrees (as is the case between the claimed variety and Petitioner's prior art), are expected to be "genotypically and phenotypically quite different." POPR, 10–11; Ex. 2004, ¶ 25. The Examiner considered as much during prosecution (POPR, 28) and PO provided additional evidence of this (POPR, 54, 57, 60—noting genetic differences using publicly-known genetic markers), but Petitioner has not addressed it at all. Petitioner's empty protestations are merely another attempt to not only shift its own burden under the correct legal framework, but also disregard PO's evidence and argue for

a different standard under which it would be impossible to develop a patent-eligible inbred corn variety.

Moreover, Petitioner's "patent thicket" argument is specious. The '803 patent is directed to *one* inbred maize variety; Petitioner's prior art patents are also directed to *single* inbred maize varieties. One patent on one inbred maize variety is not a thicket.[1] And the '803 patent doesn't prevent Petitioner from developing its own inbred varieties using off-patent inbred varieties.

II. Petitioner's Burden Cannot be Shifted to PO

To prevail on its obviousness challenge, *Petitioner* must apply the four Graham factors. *Magnum Oil* at 1375–6; *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966); *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 421 (2007). But Petitioner does not undertake the required *Graham* analysis, which it maintains would "[add] insult to injury." Prelim. Reply, 4.

Rather than doing what is required, Petitioner has carried out only a superficial comparison that is wrong on multiple levels: 1) it is with respect to only *some* of the phenotypic characteristics of the claimed variety as described in the

[1] As to Dr. Schnable's Labradoodle example, he explains that using different Labradoodle parents is "somewhat analogous" to using different heterotic groups in maize breeding. Ex. 2004, ¶ 56. But the maize inbred lines, which are the output of "a massive [breeding] funnel" and generations of selection are not equivalent to "nuclear" Labradoodle families. POPR 9–14; Ex. 2004, ¶¶ 42–65.

words on the pages of the specifications of the ’803 patent; 2) it is against the entire world of prior art maize varieties in aggregate (as opposed to the asserted prior art); and 3) it compares plants grown under different conditions. Moreover, Petitioner ignores the expected *and demonstrated* genetic differences, as well as everything else it could learn by a proper comparison utilizing, for example, the deposited seed.

Petitioner’s reliance on *Prometheus* as requiring PO to generate evidence of objective indicia of non-obviousness is simply wrong. 805 F.3d 1092, 1102 (Fed. Cir. 2015). Petitioner bears the burden of persuasion at all stages of this proceeding. *Magnum Oil* at 1375. Of course, PO can (and has) offered rebuttal evidence—though here there is nothing to rebut; Petitioner has not properly analyzed the *Graham* factors. *Prometheus* at 1101–02; *Magnum Oil* at 1376.

The law does not and never has required that patentee include evidence of non-obviousness within the patent specification itself. Under Petitioner’s preferred (but incorrect) standard, PO would have to anticipate every potential prior-art challenge that an examiner or a challenging party may make (even as to varieties that only *seem* similar based on improper and incomplete hindsight analysis, such as Petitioner’s) and then expend a great amount of time and resources generating data to overcome a case of obviousness that has not been made. Again, this is not what the law requires under any circumstances.

Petitioner contends that PO's own earlier patents do not "sidestep[] the critical safeguards to the public embodied by the *Graham* factors" because they teach "readily identifiable benefits to farmers." Prelim. Reply, 5 (citing EX1039 and EX1109). These two patents do include some phenotypic comparisons to some prior art varieties, but certainly not to each and every prior-art variety that a challenger may decide to assert. Nor do they include the type of pedigree information that is in the '803 patent.

Moreover, if the PTO determines that it needs additional information during examination to determine whether a claim is obvious or not, it can, and does request it from the Applicant. *See* POPR, 19–20. But in the context of this PGR, PO is not responsible for providing the information that Petitioner alleges is missing from the '803 patent's specification.

III. Seed Deposits Are Just as Relevant to a § 103 Analysis as the Words of the Specifications

First and foremost, Petitioner once again fails to consider *what is claimed*, arguing that it "rightly analyzed 'the words of the specification' and prior art rather than growing plants from the deposits." Prelim. Reply, 7. The analysis that Petitioner must carry out is a comparison of the *claims* of the '803 patent with the prior art. The *claims* of the '803 patent reference the seed deposit, which *describes* the claimed variety and *enables* a POSA to make and use it. **<u>That</u>** is black letter

law. POPR, 40. Petitioner has no basis for its assertion that "[a]ny differences between the prior art and the claimed invention are insubstantial." Pet., 31. As Petitioner's own expert admits, the analysis that he and Petitioner *did* carry out was not sufficient to even establish the alleged similarities that Petitioner relies on, let alone for a proper *Graham* factors analysis. EX1003, ¶¶ 68–71.

PO deposited the seed, as described in the specification and referenced in the claims. Petitioner cannot blindfold itself to the deposit to excuse itself from establishing obviousness. PO is not requiring Petitioner to grow plants from the deposits. But if Petitioner seeks to invalidate PO's claims as obvious, then it is Petitioner who bears the burden of establishing obviousness. Petitioner's burden requires more than a flawed analysis of the words of the specification compared to the words of other specifications.

Furthermore, Petitioner's continued attempts to shoehorn the facts of this case into *Ex parte C* fails. There the claims were rejected as obvious during prosecution. The Board found that applicant's argument of unexpected results failed to rebut the examiner's *prima facie* case. Here Petitioner is making obviousness arguments in a PGR and has the burden of proving its case utilizing a proper analysis. But Petitioner has not presented a proper analysis. Just as the Board did not have enough information to find error in the examiner's *prima facie* case in *Ex parte C*, Petitioner has not provided the Board here enough information

in the petition (*i.e.,* a proper *KSR* analysis) to find that the claims of the '803 patent are obvious. *Harmonic Inc. v. AvidTech, Inc.* 815 F.3d 1356, 1363 (Fed. Cir. 2016).

IV. PO Seeks No Special Rule for Plant Utility Patents

Petitioner requested this additional briefing in part to address the impact of the recent *en banc* decision *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 102 F.4th 1280 (Fed. Cir. 2024). However, the '803 patent is not a design patent; neither the PTO nor PO has applied the *Rosen-Durling* test. *LKQ* has nothing new to say about an obviousness analysis of utility patents.

PO considered the correct legal framework under *KSR.* Petitioner has not. POPR, 33–61. PO has never argued that some prior art is "***per se*** impermissible to consider." Reply, 8 (emphasis in original). Rather, PO is arguing that Petitioner has not shown the asserted art renders the claims obvious under *KSR*. POPR, 33–61. And PO has no responsibility to provide "objective indicia of non-obviousness" when Petitioner has not met its burden in providing a proper obviousness analysis. *KSR* is flexible; not spineless.

V. Petitioner Fails to Rebut that this Case Does Not Raise a "Novel or Unsettled" Legal Question for Institution Under §324(b)

Petitioner offers no new insight as to why its "question" provides the extraordinary ground of institution it seeks here. At best, Petitioner argues that

institution should be granted under §324(b) because PGR is "a critical quality control on original prosecution." Prelim. Reply 10. But as PO previously explained, that argument is belied by the Office's own words. *See* POPR, 73 (quoting statement of the USPTO in the Federal Register that "[t]he expectation is that this ground for a post-grant review would be used sparingly"). Instead of addressing the Office's expectations about §324(b) directly, Petitioner attempts to turn the tables on PO—arguing that PO "deflects with Petitioner's explanation of why the legal question is . . . important to other patents or patent applications" and that Petitioner's explanations are "hardly a basis to deny institution." Prelim. Reply 10. But it is not PO's burden to show that institution should be ***denied***; instead, it is Petitioner's burden to show that institution should be ***granted*** because its "question" satisfies the plain language of §324(b). That Petitioner's "question" clearly relates to policy rather than to law (POPR, 72–77) is just one reason why §324(b) is not satisfied here. But even if Petitioner's "question" satisfies the "legal" requirement (it does not), the "question" is neither "novel" nor "unsettled." PO set forth several reasons (supported by applicable case law) why this is so (POPR, 77–80) and Petitioner does not even attempt to address those reasons and cases (*see* Prelim. Reply 10).

At the end of the day, a petitioner in a PGR cannot simply come up with a "question" (no matter how far-fetched or unsupported), assert that it will affect a

bunch of other unrelated/distinct patent applications, and then expect the PTAB to institute post-grant review. The Office foresaw such machinations and counseled against this extraordinary ground. If Petitioner thinks that the statutory language of §324(b) creates a Catch-22, then its complaint is with Congress, not the Board. *See Loper Bright Enterprises v. Raimondo*, 144 S. Ct. 2244, 2266 (2024) ("The whole point of having written statutes" is that "every statute's meaning is fixed at the time of enactment.").

Respectfully submitted,

Date: 07 August 2024

/Katie E. Hyma/

Michael Kane, Reg. No. 39,722
Katie E. Hyma, Reg. No. 75,037
Dexter Whitley, *Pro Hac Vice*
Yong (Lucien) Wang, *Pro Hac Vice*
Jonathan Singer, *Pro Hac Vice*
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
T: 202-783-5070
F: 877-769-7945

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on August 7, 2024, a complete and entire copy of this Patent Owner's Sur-Reply were provided via email, to the Petitioner by serving the email correspondence addresses of record as follows:

Scott A. McKeown, Reg. No. 42,866
Oona M. Johnstone, Reg. No. 68,177
Zhiyun Ge, Reg. No. 73,869
Thomas F. Foley, Reg. No. 76,384

WOLF, GREENFIELD & SACKS, P.C.
600 Atlantic Avenue
Boston, MA 02210-2206
Tel.: 617-646-8000 Fax: 617-646-8646
SMcKeown-PTAB@WolfGreenfield.com
OJohnstone-PTAB@WolfGreenfield.com
Jean.Ge@WolfGreenfield.com
TFoley-PTAB@WolfGreenfield.com

/Crena Pacheco/

Crena Pacheco
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
pacheco@fr.com