UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GODBERSEN-SMITH CONSTRUCTION COMPANY
d/b/a/ GOMACO CORPORATION,
Petitioner,

v.

GUNTERT & ZIMMERMAN CONST. DIV., INC.,
Patent Owner.

Case PGR2024-00026
Patent No. 11,772,723

PETITIONER'S REPLY TO
PATENT OWNER'S PRELIMINARY RESPONSE

G&Z vigorously fought IPR2021-00136, where Gomaco successfully challenged G&Z's U.S. Patent No. 9,908,571. After a full trial, the Board concluded that the challenged claims were obvious, and found that claim 8 of the '571 patent was a post-AIA claim having an effective filing date of June 14, 2017. IPR2021-00136, Paper 61 at 10-11. The Federal Circuit affirmed. *Guntert & Zimmerman Const. Div., Inc., v. Godbersen-Smith Const. Co. dba Gomaco Corp.*, No. 2022-1835, 2024 WL 193079 (Jan. 18, 2024). Meanwhile, G&Z obtained the patent at issue in this PGR (U.S. Patent No. 11,772,723), which claims priority to the '571 patent.

G&Z contends that the Board should ignore its prior findings regarding the '571 patent in the Final Written Decision in IPR2021-00136 based on findings in the Institution Decision in IPR2021-00135. Paper 8 at 6-7. But G&Z neglects to inform the Board of a key estoppel exception, several key facts, and in at least one instance, misrepresents what occurred in the prior proceedings.

First, any findings adverse to Gomaco in the Board's IPR2021-00135 institution decision cannot give rise to collateral estoppel as a matter of law. Non-appealable decisions cannot give rise to estoppel, and institution decisions and their related findings are not appealable. 35 U.S.C. § 314(d) ("No Appeal.—The determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.").

Several of G&Z's cited authorities discuss this exception. For example, the G&Z's cited Restatement (Second) of Judgments identifies several "exceptions to the general rule of issue preclusion," the first being that preclusion does not apply where "[t]he party against whom preclusion is sought could not, as a matter of law, have obtained review of the judgment in the initial action." Restatement (Second) of Judgments § 28(1) (1982). The Federal Circuit endorsed this exception in another case relied on by G&Z, *Jackson Jordan, Inc. v. Plasser American Corporation*, 747 F.2d 1567, 1577-78 (Fed. Cir. 1984) (when a party could not have appealed, their adversary "could not invoke an estoppel" against them).

And the Federal Circuit continues to apply this exception today. Earlier this year, the court found that it lacked jurisdiction to hear an appeal of a claim construction issue. *Mantissa Corp. v. First Financial Corp.*, No. 2022-1963, 2024 WL 607717, *5-6. It then explained that, "[b]ecause we lack authority to rule on the issue, the parties would not be collaterally estopped from contesting the issue in the other cases that adopted the district court's claim construction." *Id.*, *6 n.3. Likewise, because the Federal Circuit lacked authority to rule on any appeal Gomaco might have filed regarding the Board's findings in the IPR2021-00135 institution decision, that decision cannot have preclusive effect.

Second, G&Z incorrectly gives the impression that the parties extensively litigated written description for the "laterally telescoping leg" and "linear position

transducer" limitations of '571 patent claim 8. G&Z discusses these limitations, and later contends that "the issue was 'extensively developed in discovery' and decided against the party bearing the burden (as occurred in the '0135 IPR)." Paper 8 at 6-7, 10-11. The reality is quite different.

In the IPR2021-00135 Petition, Gomaco spent 15 pages detailing how the challenged claims of the '571 patent lacked an early priority date because the forward and aft "bolster" limitations were not supported by the written description. IPR2021-00135, Paper 1 at 8-22. To show that these problems with the bolster limitations were not isolated issues, at the end of this extended argument, Gomaco provided a passing reference to other limitations that were also not supported, including the "laterally telescoping leg" and "linear position transducer" of claim 8. *Id.* at 23. Gomaco did not analyze those additional features in the Petition, nor did the parties engage in discovery on the issue because the IPR was not instituted.

The Board understood that Gomaco had narrowly focused its arguments on the bolster limitations, stating that "[t]he primary dispute is whether the '096 application adequately discloses 'a forward bolster connected to the forward end of the center module' and 'an aft bolster connected to the aft end of the center module,' as recited in claim 1." IPR2021-00135, Paper 11 at 11. The Board then recognized that Gomaco's passing references to other claim limitations were not sufficient to "raise a meaningful challenge" and declined to further analyze them.

Id. at 11-12 (quoting *Novartis AG v. Torrent Pharms.*, 853 F.3d 1316, 1326 n.2 (Fed. Cir. 2017). While the Board did state that for purposes of institution it was finding written description support for the non-bolster limitations, it did so expressly due to the "absence of any explanation from Petitioner," not because the issues had been litigated, analyzed, and decided. *Id.* at 12.

This is a far cry from G&Z's characterization that the Board's decision came after "the issue was 'extensively developed in discovery' and decided against the party bearing the burden." Paper 8 at 10-11. Instead, it falls squarely within another case G&Z relied on, *Voter Verified, Inc. v. Election Sys. & Software LLC*, 887 F.3d 1376, 1383 (Fed. Cir. 2018). In that case, an issue was found not to have been actually litigated—and therefore no estoppel attached—where, as here, the issue "was in fact barely considered" and "the court did not evaluate the question." *Id.* (citing Restatement (Second) of Judgments § 27, cmt. e (1982)). Accordingly, collateral estoppel does not apply, and the Board's non-appealable IPR2021-00135 institution decision does not preclude Gomaco from arguing that the challenged '723 patent is an AIA patent eligible for post-grant review.

This stands in contrast to how the Board should treat G&Z's own arguments about written description, which G&Z contends are not precluded by estoppel because G&Z failed to contest the issue in IPR2021-00136. Paper 8 at 9-12. The Board need not reach this estoppel issue if it finds, as it did previously, that the

"laterally telescoping leg" and "linear position transducer" limitations lack written description support in any priority application filed before June 14, 2017. IPR2021-00136, Paper 61 at 10-11. And if the Board does reach the estoppel issue, it should find, as it did in *Google LLC v. Parus Holdings, Inc.*, that G&Z's choice not to more fully address the issue does not preclude estoppel. IPR2022-00279, Paper 16 at 18-19 ("the fact that Patent Owner chose not to introduce any evidence or argument on the issue does not change the fact that the factual issue was 'actually litigated' in the [prior] IPR"). In contrast, because IPR2021-00135 concluded with a denial of institution, Gomaco did not have an opportunity to proceed through discovery, argue at an oral hearing, or appeal the Board's written description and priority findings. Once it had the opportunity to do so, the Board agreed with Gomaco.

Respectfully submitted,

Dated: September 26, 2024

By: /Jason Stach/
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **Petitioner's Reply to Patent Owner's Preliminary Response** was served on September 26, 2024, via email directed to counsel of record for the Patent Owner at the following:

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