



July 07, 2025

The Honorable Howard W. Lutnick
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230

Re: Request for Support Regarding PGR2025-00002 USPTO Director Review –
Downing Patent Dispute with Intelligent Wellhead Systems

Dear Secretary Lutnick,

I am writing on behalf of Downing Wellhead Equipment, LLC (Downing), a U.S.-based, privately held company committed to developing innovative, pressure control systems and technologies for the oil and gas sector. We respectfully seek your assistance in a matter currently before the Acting Director of the United States Patent and Trademark Office (USPTO).

Downing is currently engaged in a multi-year legal battle with Intelligent Wellhead Systems, Inc. (IWS), a subsidiary of Pason Systems Corp. (Pason), a publicly traded Canadian corporation. This dispute centers on IWS's repeated attempts to invalidate core elements of Downing's patent portfolio—novel technology which we developed independently and which has been instrumental in improving wellsite efficiency and safety across the industry.

IWS has filed four Inter Partes Review (IPR) petitions with the Patent Trial and Appeal Board (PTAB) in an attempt to invalidate our patents and stifle our ongoing innovation. The PTAB denied institution in three of those cases. The fourth petition was instituted, but in its Final Written Decision, the PTAB upheld the patentability of all challenged claims, strongly affirming the validity of our intellectual property.

Undeterred, IWS filed a Post Grant Review (PGR) petition against a recently issued patent in the same family as those previously challenged. Despite the history of failed challenges and the clear affirmation of the PTO's earlier rulings, on May 22, 2025, the PTAB granted institution for PGR2025-00002. We have since submitted a formal request for Director Review, urging reconsideration of the institution decision.

What is deeply concerning is that Pason—a company with far greater financial resources

than Downing—appears to be pursuing a deliberate strategy of litigation attrition, leveraging the cost and burden of protracted PTAB proceedings to drain our company of time, focus, and, most importantly, capital. This tactic threatens not only the integrity of our patent rights but the financial health of our business, which lacks the litigation war chest of a multinational entity.

Compounding the damage, IWS has used our technology and clearly infringed on our patents to gain meaningful market share, benefiting commercially from our innovations.

We believe strongly that this misuse of the PTAB review process represents an abuse of the very mechanisms intended to ensure fairness and innovation within the U.S. intellectual property system. If foreign companies are allowed to weaponize administrative reviews against American innovators—despite prior failed challenges and validated patents—it sends a chilling message to small and mid-sized domestic businesses investing in research and development.

For these reasons, we respectfully request your support in encouraging the USPTO to give Downing's Director Review request full and fair consideration. We urge the Acting Director to vacate the decision granting institution and deny the underlying petition for PGR, which serves no constructive purpose and only further burdens a U.S. company defending duly granted intellectual property rights and harms the integrity and efficiency of the U.S. patent system.

Thank you for your leadership in protecting American businesses and intellectual capital. We stand ready to provide further information to the USPTO or meet to discuss this matter in more detail.

Respectfully,

Zac Graves
Chief Executive Officer
Downing Wellhead Equipment, LLC
2101 SE 18th Street
Oklahoma City, Oklahoma 73129
zacgraves@downingusa.com
1 405-556-1770