

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KUBOTA NORTH AMERICA CORPORATION,
Petitioner

v.

VERMEER MANUFACTURING COMPANY,
Patent Owner

PGR2025-00016 (U.S. Patent No. 12,098,063)

PETITIONER'S MOTION TO EXCLUDE

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.64(c) and the Federal Rules of Evidence (“FRE”)¹, Kubota North America Corporation (“Petitioner”) respectfully moves to exclude Patent Owner’s reliance on excerpts of third-party testimony, statements, and documents from EX2002, EX2014, and EX2015 cited in the Patent Owner’s Response (“POR,” Paper 17/18) for improper hearsay purposes. Petitioner timely objected to the POR’s reliance on these Exhibits and excerpts of evidence included therein on sufficiently particularized grounds. *See* Paper 21.

The evidence addressed in this paper originates from a prior litigation between Patent Owner and Toro (“the Toro Litigation”). This evidence was discussed during prior *ex parte* reexaminations of USP 9,321,386 (“the ’386 Patent”) and USP 10,202,266 (“the ’266 Patent”) each requested by Toro (“the Toro Reexams”). The ’386 Patent is “the first patent issued to Vermeer in connection with its vertical-lift compact utility loader invention,” and this ’063 Patent claims priority thereto. *See* POR, 11. Toro is not a party to the present proceeding, nor the now-stayed litigation cited in the Petition; both the Toro Litigation and the Toro Reexams concluded before the filing of the present IPR.

EX2002, EX2014 and EX2015 provide the file histories of these Toro

¹ The Federal Rules of Evidence apply to PGR proceedings. *See* 37 C.F.R. § 42.62.

Reexams of the '266 Patent and '386 Patent. Petitioner is seeking to exclude Patent Owner's reliance on the excerpts of Toro employee testimony, statements, and Toro internal documents that were cited and discussed during the Toro Reexams (EX2002, EX2014 and EX2015) because this constitutes reliance on inadmissible hearsay. Patent Owner relies on this testimony and these documents to create "Toro's development story" and Toro's purported struggles in its pursuit to develop its CUL. POR, 14-15, 48-54. The detailed analysis below particularly identifies the POR's reliance including identifying the relied upon pages of these file histories that include the excerpts from Toro employee depositions and Toro internal documents stemming from the Toro Litigation. This reliance on that evidence for the truth of the matter asserted constitutes reliance inadmissible hearsay.

Petitioner originally submitted the file history of the Toro Reexams in the co-pending IPRs for the '386 Patent and '266 Patent for a limited purpose: to establish the records of those proceedings. In those *ex parte* proceedings, the Office originally rejected claims in view of prior art directed to a regular-sized skid steer with a vertical-lift loader. *See* Paper 2, 14-15 (discussing previous prosecution of family); *e.g.*, EX2002, 329-359; EX2014, 190-200; EX2015, 318-352. During the reexaminations, Patent Owner argued for secondary considerations of non-obviousness, saying that vertical lift had not been used in a **mini** skid-steer (also referred to as **compact** tool carrier or **compact** utility loader ("CUL")). *See* Paper 2,

14-15 (discussing Patent Owner's previous argument of "non-obviousness of replacing a radial lift mechanism of a compact tool carrier with a vertical lift mechanism); *e.g.*, EX2002, 166-167; EX2015, 85; EX2014, 34-35, 110-128. Further, Patent Owner argued that the testimony and documents from the Toro Litigation (that it cited in the Toro Reexams) show that Toro struggled with making a mini skid-steer or CUL with vertical lift; the examiner allowed the patent to issue in light of these arguments. *Id.*; EX2015, 16. Petitioner's reliance on *ex parte* reexamination file histories is not being used to assert the truth of the statements made by the testimony and documents from the Toro Litigation.

In the POR of the present IPR, Patent Owner attempts to use these exhibits as hearsay, *i.e.*, for the truth of the matter asserted. Specifically, Patent Owner cites to and quotes from these exhibits in its POR to again argue secondary considerations of non-obviousness, *i.e.*, to allege that others (specifically, those Toro engineers) were skeptical of and struggled to make a CUL with a vertical lift. *See* POR, 48-54 (discussing skepticism, unexpected results, and long felt need and citing EX2002, EX2014, EX2015). To the extent the POR asserts that these statements from Toro are true, this constitutes use of the cited portions for hearsay purposes, which is inadmissible.

Furthermore, Patent Owner's reliance on this evidence, including Toro testimony and internal documents, should be excluded because its probative value is

substantially outweighed by unfair prejudice and confusion. *See* FRE 403. The probative value is low because the obviousness of employing a vertical lift loader arm onto a CUL is not at issue—that machine is explicitly and undisputedly shown in KR996—the primary prior art reference of this IPR. *See* EX1005.

Moreover, the Toro Reexam prosecution histories include only excerpts from depositions taken in the then co-pending Toro Litigation, which were selected by the Patent Owner in its advocacy. Petitioner was not a party to this prior Toro Litigation (or the Toro Reexams) and does not have access to the complete deposition transcript, and the Patent Owner failed to provide complete transcripts in the *ex parte* reexamination and refuses to provide them in this proceeding. *See* EX1059. The risk of such incompleteness is acute. In an unrelated PTAB proceeding, Patent Owner advanced a different characterization of the Toro development process and produced other excerpts from the Toro testimony that, at a minimum, confuse, if not explicitly contradict, its reliance here. *See* PGR2020-00081, Paper 1, 41-43 (discussed below).

Petitioner requests that the Board exclude the specific testimony and documents reproduced or referred to in EX2002, EX2014, EX2015 to the extent they are relied upon by the POR for hearsay or prejudicial purposes, or in the alternative, accord the related statements little to no weight.

II. Lack of Compliance with Rules and Regulations Demands Exclusion

In an IPR, testimony is “submitted in the form of an affidavit” or a compliant

declaration, ensuring the opposing party can cross-examine the witness. 37 C.F.R. §§ 42.53, 42.2, 42.51(b)(1)(ii). Despite relying on excerpts of deposition testimony of Mr. Borenstein and Mr. Kuemper, both of Toro, to form its “Toro’s development story” (POR, 51), Patent Owner did not directly submit any of that testimony in this proceeding.²

Petitioner requested depositions of Mr. Borenstein and Mr. Kuemper, but Patent Owner was unwilling or unable to produce the declarants. EX1059, 5-12 (Petitioner requesting (p. 12); Patent Owner denying due to testimony not being prepared for this proceeding (p. 6) and lack of ability to force Toro to cooperate (p. 3)). Prior testimony from another case, like the testimony relied upon here, that is not subject to cross-examination by Petitioner is hearsay if offered for the truth of the matter asserted. *See Asetek Danmark v. CoolIT Sys.*, IPR2020-00825, Paper 50, 43-46 (Oct. 12, 2021)(testimony from district court proceeding excluded from IPR as hearsay); *Vudu v. Ideahub*, IPR2020-01688, Paper 47, 7 (Mar. 16, 2022)

² Patent Owner also relies on prior declaration testimony of its employees of included in EX2002, EX2014, EX2015. *See, e.g.*, “Vermeer’s Product Manager” (POR, 48), “this evidence showed ... *greater* lift capacity” citing EX2014, 142 “Hartke declaration”. Patent Owner was also unable to produce these witnesses. EX1059, 4 (deceased and health).

(excluding, as hearsay, testimony not subject to cross-examination by the opposing party's IPR counsel). The testimony excerpts of Mr. Borenstein and Mr. Kuemper are hearsay, and no hearsay exception applies.³

Patent Owner's lack of control over Mr. Borenstein and Mr. Kuemper does not excuse Patent Owner from producing them for cross-examination. *See* PTAB Consolidated Trial Practice Guide, 23 (Nov. 2019) (discussing availability of party and non-party witnesses). "Patent Owner is responsible for the availability of its chosen declarants, regardless of whether or not they are employed by Patent Owner." *HTC Corp. et al. v. NFC Tech.*, IPR2014-01198, Paper 41, 4 (Nov. 6, 2015) (striking declaration of non-party witness who refused to participate in deposition).

III. Objections were Timely Filed

Petitioner timely filed its objections on September 18, 2025. Paper 21. The POR submitted and relies on the prosecution history for hearsay purposes, and accordingly the Petitioner timely objected to this. Paper 21, 1-6 discussing POR, referring to EX2002, EX2014, EX2015. Petitioner also objected to the POR's reliance on statements found in EX2002, EX2014, EX2015 under other relevant rules of evidence including FRE 403, 602, 701, 702, 901, and 902. *Id.*, 6-7.

³ Petitioner was not involved in the previous trial producing these depositions and documents and is unrelated to the defendant in that trial. *Contrast* FRE 804(b)(1).

Furthermore, Petitioner timely objected to the “Declaration of Mark Fleming, Ph.D” (EX2013) and its reliance on the same. *Id.*, 1. Patent Owner did not serve any supplemental evidence to address these objections.

IV. Detailed Argument

The POR refers to “Toro’s development story.” POR, 14-15, 48-54 (citing *e.g.*, “Ex. 2002 at 161-194”, Ex. 2002 “170-191”). Patent Owner supports this story with citations to its own advocacy during the Toro Reexams, which includes excerpts of Toro employee testimonies and documents. This is reliance on hearsay. The testimony and document excerpts should also be excluded for such a purpose because they are incomplete and Petitioner has had no opportunity for cross-examination, depriving the proceeding of a full record.

1. Patent Owner’s Reliance on Toro’s Internal Documents (EX2002, pages 161-194, 542, 712, 736)

The POR touts “various evidence of objective indicia of non-obviousness” stemming from “Toro’s internal files” discovered by Patent Owner during the Toro Litigation. POR, 15. None of these documents were independently submitted in the present proceeding. *See, e.g.*, POR, 53 (alleging skepticism citing EX2002, 187, 736 (excerpt of “Toro’s Project Risk and Risk Management Plan”)); 51-53 (alleging long-felt but unresolved need citing EX2002, 170-191 (“Toro’s development story” that “demonstrates that skilled engineers...struggled for many years” to increase lift

capacity on CUL citing alleged Toro documents.)⁴).

Patent Owner relies on this Toro evidence—citations to Bates labels or purported snippets of these documents—for the truth of the matter asserted: that Toro engineers required development steps over time to achieve a desired lift capacity for their production machine and were skeptical of success during that development. POR, 48-54. The Toro development documents and Patent Owner's discussion thereof in the prosecution history of the '266 Patent reexamination (EX2002) should be excluded for the purpose of characterizing Toro's development process, as such reliance constitutes improper hearsay.

Moreover, the probative value of these Toro documents is substantially outweighed by unfair prejudice, confusion, undue delay, and waste of time. *See* FRE 403. The probative value of these Toro documents is low. The prior art already shows a vertical lift CUL. EX1005. A third party's struggles in development of such

⁴ This "evidence" is generally referred to as "TORO-0000[]," "Toro Press Release," TX-1000 Specifications and the like throughout the cited EX2002 pages. *See* EX2002, 13-14, 16-18, 20-30.

a machine does not inform any question at issue in this proceeding.⁵ And the Patent Owner's characterization of Toro's development efforts has been inconsistent, raising concerns of unfair prejudice and confusion. Here, Patent Owner represents Toro's development efforts—which culminated in Toro's patent application (POR, 49-50 discussing EX2006)—as speaking broadly to struggles with providing a vertical lift CUL. But in another unrelated PTAB proceeding where Patent Owner was a petitioner, Patent Owner characterized this evidence as narrowly directed to a unique “scissor lift mechanism” invented by Toro. *Compare* Patent Owner's characterization of passage of Toro's patent specification at EX2006, [0007]⁶: EX2002, 167 (is an “admission” related to the difficulty of “vertical lift”); POR, 49-50 (is related to “vertical-lift compact utility loader”) *with* PGR2020-00081, Paper 1, 41-44 (is, relying on Toro inventor testimony argues, “directed to a scissor lift mechanism mounted to the front of a machine via a front support assembly.”)

⁵ Patent Owner presented of Toro's development story in the *ex parte* proceeding as “directly contradict[ing]” Toro's narrative that a POSITA would have reason to address the lift capacity of a CUL by replacing its radial lift with a vertical lift of a full-size skid steer machine. EX2034, 36. Petitioner does not rely on such a narrative.

⁶ This is itself hearsay. No hearsay exception applies when a patent specification statement is being offered to prove the truth of the statement. 37 C.F.R. §42.61(c).

2. Patent Owner's Reliance on Borenstein Testimony (EX2002, pages 161-194, 517-518)

As discussed above, the POR presents "Toro's development story" in support of its secondary considerations argument of long-felt but unresolved need. POR, 15, 48-54 (citing EX2002, 161-194 throughout this "story"). The cited pages include excerpts of a deposition of "Neill Borenstein, Director of Marketing for Toro's Siteworks division" taken in litigation between Patent Owner and Toro. *See* EX2002, 173-176, 178-179, 183-184, 187, 517-518 (discussing or reproducing portions of Borenstein deposition). The Borenstein deposition excerpts introduced in the Toro Reexams (EX2002) were selected by Patent Owner to support its argument; the complete transcript was not provided in that proceeding or here. *See* EX1059, 2, 4. Patent Owner also could not produce Mr. Borenstein for deposition. *Id.*

The Borenstein deposition excerpts are out-of-court testimony with respect to this proceeding, cited by Patent Owner to prove the matter allegedly asserted: *e.g.*, the importance of lift capacity for a machine and Toro's method of increasing lift capacity. *See* POR, 48-54 (citing EX2006, 170-191, that relies on Borenstein testimony in discussing lift capacity developments including larger machines, weights, "six years to develop a machine" with improved lift capacity.). The POR uses EX2002 and its Borenstein deposition excerpts for the purposes of the truth of the matter asserted; this constitutes inadmissible hearsay.

Even absent the hearsay issue, this testimony's probative value is substantially outweighed by unfair prejudice, confusion of issues, and waste of time. FRE 403. Patent Owner provides no analysis or expert testimony that establishes this testimony has any relevance here. This is because the testimony appears directed to Toro's development efforts related to a vertical lift CUL—a machine shown in the prior art. *See* EX1005.

3. Patent Owner's Reliance on Kuemper Testimony (EX2002, pages 161-194)

“Toro's development story” invoked by Patent Owner to support its secondary considerations argument of long-felt but unresolved need also relies on excerpts of the deposition of “Mr. James Kuemper, the Principal Designer [of Toro]” included in EX2002. POR, 15, 48-54 (citing EX2002, 161-194 including pages 149-150, 171-172, 175, 179-183, 185-186 discussing Kuemper deposition). These Kuemper deposition excerpts are out-of-court testimony with respect to this proceeding, yet Patent Owner relies on them (through citation to EX2002) to prove the matter allegedly asserted: that Toro engineers did not think it was obvious to place a vertical lift mechanism on a CUL due to space and weight constraints. POR, 15, 48-54 (discussing Toro engineering efforts generally, and specifically, *e.g.*, 52 (asserting “not a single Toro engineer proposed adapting [vertical-lift] technology”), 53 (asserting Toro recognized they “could not simply ‘adapt’ the vertical lift system from a full-size machine,” and “Toro's lead designer [Kuemper] admitted in

deposition it ‘was not an acceptable design’” related to a Toro diagram not produced by Patent Owner here). Thus, the POR’s citation to the Kuemper testimony in EX2002 constitutes reliance on inadmissible hearsay.

This testimony’s probative value is substantially outweighed by unfair prejudice, confusion, undue delay, and waste of time. *See* FRE 403. Whether Toro engineers or Mr. Kuemper particularly were skeptical of providing a vertical lift CUL or struggled to implement the same is belied by the prior art, which shows that such a machine was already known. *See* EX1005.

Patent Owner could not or would not produce Mr. Kuemper for deposition by Petitioner and did not provide a complete transcript as requested by Petitioner *See* EX1059, 2-3. The inclusion of excerpts of the Kuemper deposition selected by Patent Owner in defense of its ’266 Patent invites confusion and is prejudicial. In arguing nonobviousness related to its patents, Patent Owner argues that Toro’s development, which includes Kuemper’s deposition, shows Toro engineers did not think it was obvious to provide a vertical lift on a CUL. *See* POR, 48-54; EX2002, 149-150, 179 (characterizing Kuemper recognizing vertical lift was known, but no attempt was made to implement at Toro). However, as a petitioner in another unrelated PTAB proceeding, Patent Owner submitted and relied upon another

excerpt of Mr. Kuemper's testimony.⁷ See PGR2020-00081, Paper 1, 41-43 (discussing Kuemper testimony excerpts of that proceeding's exhibit 1018, which Petitioner entered here as EX1060). In this other excerpt, Mr. Kuemper was asked about the "concept of applying vertical lift or four-bar linkage to a compact utility loader." EX1060, 7. Mr. Kuemper explicitly testified that it "would **not** be difficult or impossible" "[b]ecause there are so many other loaders out there that have vertical lift on them." See EX1060, 7-8. This contradictory testimony, not produced by Patent Owner in this proceeding (or the *ex parte* reexaminations), further demonstrates that the Kuemper testimony should be excluded under FRE 403, or otherwise not relied upon by this panel to support a finding of secondary considerations of patentability.

4. EX2013 (Fleming's Declaration) at ¶¶125-140 (citing EX2002, EX2014, EX2015)

Petitioner moves to exclude at least the listed portions of Dr. Fleming's declaration, which discuss the Toro development story including depositions and internal documents citing to EX2002, EX2014, EX2015. To be clear, Petitioner moves to exclude portions of Dr. Fleming's declaration not because the declaration

⁷ Both excerpts are from June 19, 2019 testimony in Case No. 4:19-cv-00050 in which Patent Owner's lead counsel in this PGR appears. See EX1060, 1-8.

itself is hearsay, but because it contains a multitude of statements that are themselves hearsay, made by persons other than Dr. Fleming, which are then parroted in EX2013 as if to provide substantive evidence. This parroting should be excluded and not relied upon because it constitutes hearsay as detailed above. The law is clear on this point. An expert's reliance on an inadmissible statement "does not translate to admissibility." *Wi-Lan Inc. v. Sharp Elecs. Corp.*, 992 F.3d 1366, 1374 (Fed. Cir. 2021). As the Federal Circuit explained in *Wi-Lan*, the FRE "does not authorize admitting inadmissible evidence" where the expert has added nothing to the inadmissible evidence other than transmitting it to the fact-finder. *Id.* This is precisely what occurred here. *See* FRE 802. Patent Owner cannot backdoor this hearsay through Dr. Fleming's testimony. The hearsay of these documents is detailed above.

5. Patent Owner's Response (Paper 17/18) Reliance on EX2014

The POR cites to EX2014 for evidence that Toro's design work supports secondary considerations related to employing a vertical lift, rather than radial lift, on a CUL. POR, 48-49. Reliance on EX2014 is hearsay for the same reasons as discussed above with reference to EX2002: these pages consist of Patent Owner's *ex parte* response discussing and relying on Toro internal documents (and excerpts of Toro employee depositions). To the extent Patent Owner relies on the examiner's discussion of those same materials, the examiner had no first-hand knowledge of

Toro's development work; this is merely hearsay upon hearsay. *See* FRE 602, 805.

6. Patent Owner's Response (Paper 17/18) Reliance on EX2015

The POR cites to EX2015. POR, 48-49. To the extent this includes Toro documents and deposition testimony, this is hearsay. *See, e.g.*, EX2015, 128-129, 218 ("Toro's 2015 Annual Statement"); POR, 12 citing to EX2015 generally, which includes numerous pages of Toro documents (*e.g.*, Bates labeled Toro-[*]), deposition of Toro employees (*e.g.*, EX2015, 36-58). This constitutes hearsay for the same reasons as discussed above: these pages are Patent Owner's *ex parte* response discussing and relying on Toro internal documents (and excerpts of Toro employee depositions). To the extent Patent Owner relies on the examiner's discussion of those same materials (*e.g.*, citing EX2015, 16), the examiner had no first-hand knowledge of Toro's development work; this is merely hearsay upon hearsay. *See* FRE 602, 805.

V. CONCLUSION

Patent Owner relies on excerpts of third-party testimony and documents from prior district court litigation to which Petitioner was not a party for their truth, this constitutes reliance on inadmissible hearsay, which should be excluded, or at a minimum not relied upon by the Board. Further, these cherry-picked excerpts and document portions are not only inadmissible hearsay, but address issues not before this Board are prejudicial and cause confusion.

Dated: March 3, 2026

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Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e), service was made on Patent Owner as detailed below.

Date of service March 3, 2026

Manner of service Electronic Mail: rbrophy@atllp.com
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