

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE  
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE  
UNITED STATES PATENT AND TRADEMARK OFFICE

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GD ENERGY PRODUCTS, LLC,  
Petitioner,  
v.

KERR MACHINE COMPANY,  
Patent Owner.

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PGR2025-00031  
Patent 12,152,582 B2

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Before COKE MORGAN STEWART, *Acting Under Secretary of  
Commerce for Intellectual Property and Acting Director of the United States  
Patent and Trademark Office.*

DECISION  
Denying Patent Owner's Request for Discretionary Denial

Kerr Machine Company (“Patent Owner”) filed a request for discretionary denial (Paper 6, “DD Req.”) in the above-captioned case, and GD Energy Products, LLC (“Petitioner”) filed an opposition (Paper 9, “DD Opp.”).

After considering the parties’ arguments and the record, and in view of all relevant considerations, discretionary denial of institution is not appropriate in this proceeding. This determination is based on the totality of the evidence and arguments the parties have presented.

In particular, Petitioner filed its petition on February 6, 2025. Paper 1. Petitioner persuasively argues that there are no settled expectations because the challenged patent issued on November 26, 2024, only three months before it filed its Petition. DD Opp. 23. Contrary to Patent Owner’s arguments that “institution should be discretionarily denied so that the Board may prioritize proceedings involving patents that have either been asserted or clearly alleged to be infringed” (DD Req. 44–5, 6–9), early challenges to patents favor robust, predictable patent rights and weigh against discretionary denial. Patent Owner also argues that Petitioner has “extensive reliance” on expert testimony (*id.* at 11–13), but Petitioner persuasively responds that the testimony is merely complying with regulations requiring disclosure of “underlying facts or data.” DD Opp. 19–20 (quoting 37 C.F.R. § 42.65(a)). On balance, the circumstances in this case do not favor discretionary denial.

Although certain arguments are highlighted above, the determination not to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented. Accordingly, the Petition is referred to the Board to handle the case in the normal course, including by

issuing a decision on institution addressing the merits and other non-discretionary considerations, as appropriate.

In consideration of the foregoing, it is:

ORDERED that Patent Owner's request for discretionary denial is *denied*;

FURTHER ORDERED that the Petition is referred to the Board; and

FURTHER ORDERED that neither party shall file a request for rehearing or Director Review of this decision until the Board issues a decision on institution.

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