

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FENUN INC.,

Petitioner,

v.

PETPIVOT INC.,

Patent Owner.

Case No. PGR2026-00066

U.S. Patent No. 12,433,239 B2

PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL

I. INTRODUCTION

The Director should exercise his discretion to deny institution of the petition, for five independent reasons:

First, the Petition extensively invokes improper expert testimony to backfill gaps in the asserted prior art through unsupported expert conclusions.

Second, settled expectations weigh entirely in favor of Patent Owner because, among other things, Petitioner has never been accused of infringement.

Third, the Petition's failure to disclose controlling interests behind Petitioner's real parties in interest results in opacity in the chain of control over those parties.

Fourth, 35 U.S.C. § 325(d) strongly favors denial because the prior art cited in the majority of the asserted grounds (including the Zhang reference relied upon in six different grounds) is not substantially different from the prior art considered by the Examiner.

Fifth, consideration of the Petition's multitude of unfocused grounds—including ten distinct prior-art unpatentability grounds, five of which only address claim 3 and several of which involve prior art cited in the prosecution history—would not be an efficient use of Office resources.

II. ARGUMENT

Congress deliberately invested the Director with broad discretion to deny

institution of AIA reviews. *Magnolia Med. Techs., Inc. v. Kurin, Inc.*, IPR2026-00097, Paper 17 at 13 (Director May 4, 2026) (precedential). In exercising that discretion, the Director considers public interest factors, including the efficient administration of the Office, the ability of the Office to timely complete AIA reviews, and the integrity of the patent system. Memorandum, *Interim Processes for PTAB Workload Management* at 2 (Director March 26, 2025). As set forth below, discretionary denial is supported for five separate reasons here.

A. Discretionary Denial is Warranted Because Expert Testimony Improperly Attempts to Fill Gaps in the Asserted Prior Art

The “extent of the petition’s reliance on expert testimony” is an express discretionary factor that may be considered when determining whether to institute a review. Memorandum, *Interim Processes for PTAB Workload Management* at 2 (Director March 26, 2025). Here, discretionary denial is warranted because the petition improperly attempts to fill gaps in the asserted prior art with unsupported statements in the 390-paragraph declaration of Petitioner’s expert, John P. Abraham, Ph.D. For example, Abraham’s unsupported statements are the basis for the Petition’s arguments that combining components and modifying components would have been obvious. Pet. at 76–77 (citing Ex. 1003 ¶¶ 272–80). The Petition relies on statements by Abraham to support several other conclusory assertions. *E.g.*, Pet. at 82 (citing Ex. 1003 ¶¶ 297–35, 299–35) (blanket citation to over 35 paragraphs of

expert testimony as teaching reasonable expectation of success and predictable results).

The Petition’s overreliance on Abraham’s conclusory opinions highlights Petitioner’s failure to establish that the prior art discloses all claim elements or provides a viable rationale for their combination. *See Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355, 1362 (Fed. Cir. 2016) (“‘[C]ommon sense’—whether to supply a motivation to combine or a missing limitation—cannot be used as a wholesale substitute for reasoned analysis and evidentiary support.”). This weighs in favor of discretionary denial.

B. Settled Expectations Entirely Favor Patent Owner

Absent persuasive reasoning from a petitioner, it is not an appropriate use of resources to institute review of a patent in which a patent owner has developed settled expectations. *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408, Paper 21 at 3 (Director June 18, 2025) (informative) (denying institution). Here, settled expectations exclusively weigh in favor of Patent Owner. The Petition presents no persuasive reasoning to disturb those expectations.

First and foremost, Patent Owner has settled expectations in the patent—to the fullest extent they can be settled on a petition for post-grant review. The patent issued on October 7, 2025. Paper 1 at 1. The Petition was filed on July 6, 2026; almost exactly nine months later. The Petition’s reference to the patent’s issue date,

Pet. at 106, is therefore unmoving because the patent was as old as possible on post-grant review. Further, Patent Owner has been practicing the patent since. Petitioner did not raise the Petition's grounds with Patent Owner before filing the Petition, and Patent Owner has not otherwise had to defend the patent. Patent Owner's expectations were as settled as could be on post-grant review.

Indeed, Petitioner appears to have known of the '239 Patent earlier, and to have waited before seeking institution.

The Petition was filed in July 2026. As it notes, Paper 1 at 106, the Petition followed the May 27, 2026 complaint in U.S. District Court. But the Defendants in the District Court suit (identified in the Petition as the real parties in interest in this proceeding) were not served until September 2026—two months after the Petition was filed. The Petition thus preceded the Defendants' participation in the District Court suit by more than seven weeks. Indeed, Petitioner's *Sotera* stipulation concedes that the Defendants had not even appeared in the District Court suit when the Petition was filed on July 6. Ex. 1024 at 2. Contrary to Petition's assertion that Petitioner lacked longstanding pre-suit awareness of the patent, Pet. at 106, the Petition was only timely filed because the Defendants knew of the patent before appearing in the District Court suit. "Petitioner's awareness of [the patent] and failure to seek early review of the patents favors denial." *iRhythm Techs., Inc. v. Welch Allyn, Inc.*, IPR2025-00363, et al., Paper 10 at 3 (Director June 6, 2025).

Finally, Petitioner has no settled expectations as to this patent. *See Home Depot U.S.A., Inc. v. H2 Intellect LLC*, IPR2025-00480, Paper 11 (Director Sept. 4, 2025) (informative) (a petitioner may have its own settled expectations when a patent has not been commercialized, asserted, licensed, or otherwise applied). The '239 Patent has been commercialized. Indeed, Patent Owner's website touts its rights in the patent.¹ Moreover, Petitioner has never been accused of infringement—only the real parties in interest Shenzhen Yingqi Environmental Art Co., Ltd. d/b/a FumoiShop and Zhi Yang (the Defendants in the parallel District Court action) have been accused of infringement. Petitioner itself thus cannot have any settled expectations as to the patent.

In sum, only Patent Owner has settled expectations, and they are as “settled” as possible on a petition for post-grant review. The Petition's arguments are not sufficiently persuasive to warrant disturbing them.

C. Opaque in the Chain of RPI Control Favors Denial

Petitioner Fenun Inc. identified two additional real parties in interest (RPIs) in its Petition: Shenzhen Yingqi Environmental Art Co., Ltd. (d/b/a FumoiShop), and Zhi Yang. Pet. at 108. On information and belief, those two additional RPIs are

¹ *See* <https://petpivot.com/pages/patent?srsltid=AfmBOopy5Yvn76BLh8ui0bfpeqUU1dB-RAxNP72duHqq2eFS2lN-ToSh>

a Chinese company and a Chinese national. Patent Owner PetPivot is an Oregon company.

In the District Court suit between Patent Owner, as Plaintiff, and Shenzhen Yingqi Environmental Art Co., Ltd. (d/b/a FumoiShop), and Zhi Yang, as Defendants, the Defendants (also RPIs here) have not filed a Disclosure Statement identifying owners of the Chinese entity. *See* M.D. Fla. Local Rule 3.03 and related form.² That filing would have disclosed whether any other entity—including a foreign government or any affiliated entities—have interests in or control over the RPIs. Defendants’ disclosure statements were due when they first appeared in the District Court suit on July 16, 2026, *see* M.D. Fla. L.R. 3.03, but have not been filed.

Consequently, there is a lack of clarity regarding control of the RPIs amounting to opacity. As the Director has made clear, “[a]ny opacity in [the] chain of [RPI] control invites exploitation, may facilitate technology transfer contrary to U.S. law, regulation, and interests, and serves only to undermine public confidence in the integrity of the patent system.” Memorandum, Precedential designation of *Corning Optical Communications RF, LLC v. PPC Broadband Inc.*, IPR2014-00440, Paper 68 (PTAB Aug. 18, 2015) (except for § II.E.1) at 2 (Director Oct. 28, 2025). That opacity is, itself, good reason to deny the petition as a matter of the

² <https://www.flmd.uscourts.gov/local-rules/rule-303-disclosure-statement>

Director's discretion.

D. Discretionary Denial is Warranted under § 325(d)

The Director should exercise his discretion under 35 U.S.C. § 325(d) to deny institution because Grounds 1-4 and 7-10 are based on prior art substantially the same as the prior art considered by the Office, and Petitioner has not alleged examiner error.

Grounds 1, 2, 3, 7, 8, and 9 of the Petition all assert obviousness based on Zhang (US2025/0113798) in view of one or more secondary references. The Petition's arguments for Zhang-based grounds all follow the same analytical path the examiner traversed. The Petition's strategy of substituting Zhang for Baxter (US2022/0142114) or Turkalo (US2006/0162924) as the primary reference amounts to repackaging the same teachings already considered by the examiner through a new reference.

The primary reference in Grounds 1, 2, 3, 7, 8, and 9, Zheng, is cumulative over the references expressly considered by the Examiner. Petitioner asserts Zheng for disclosing:

A pet toilet comprising: a base and a fecal collection box detachably provided on the base, the base defines a through hole running through itself from top to bottom, and the fecal collection box defines a fecal collection chamber in communication with the through hole and configured to collect excrement,

wherein a bottom of the base is provided with insertion slots at two

sides of the through hole, two sides of the fecal collection box protrude outward to form insertion flanges, the insertion flanges are inserted in the insertion slots when the box is mounted on the base,

wherein between the insertion flange and base there is provided with a joint structure.

Pet. 30–33. However, this same arrangement was taught by the prior art relied on by the Examiner in rejecting original claims 1 and 2: Baxter and Turkalo (either as a matter of anticipation or obviousness). Ex. 1002 at 78–82.³ Petitioner’s citation to Zhang reflects merely another example of the very same arrangement taught in the prior art that was expressly considered by the Examiner. Petitioner’s reliance on Zhang adds nothing beyond the disclosures of Zhang and Turkalo that were of record during the patent’s prosecution. Grounds 1, 2, 3, 7, 8, and 9 are not obvious simply because Petitioner managed to identify another instance of the arrangements of record.

Further, as the Petition admits, Pet. at 104–05, two of the references it relies on, Zhou (US2024/0260535) and Sedlmeir (US Patent No. 3,921,582), were before the Examiner during prosecution. The Petition attempts to downplay the Examiner’s consideration of these references by pointing out that they were not cited on any Form 892s included in the prosecution history. But the Examiner’s search history is

³ The final limitation recited above is not discussed in the Non-Final Rejection, as it was a limitation of the original claims’ Claim 3, which was not rejected.

clear that Zhou was within a search reviewed by the Examiner (along with other individual references) at 11:33 am on January 30, 2025, Ex. 1002 at 161, and that Sedlmeir was one of only 9 references returned on a search reviewed at 11:54 am the same day. *Id.* at 162. Despite this, the Examiner chose not to cite or reply upon either reference as a basis for rejection.

Petitioner's Zhou- and Sedlmeir -based grounds (that is, grounds 1, 2, 3, 4, and 10) amount to nothing more than a disagreement with the Examiner's judgment about the extent to which Zhou and Sedlmeir warranted reliance. This is precisely the type of second-guessing that § 325(d) is designed to foreclose. See *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6, at 8 (PTAB Feb. 13, 2020) (precedential) ("If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.").

Petitioner must demonstrate material error for review to be instituted. *Ivantis, Inc. v. Sight Sciences, Inc.*, IPR2022-01540, Paper 14 at 14 (P.T.A.B. Mar. 22, 2023) (citing *Advanced Bionics*, Paper 6 at 8). But even though Petitioner acknowledges that the Examiner cited Zhou and Sedlmeir in the search history, it does not allege that the Examiner misunderstood these references or somehow erred in their consideration of them. Petitioner thus cannot establish that the Examiner materially erred by not rejecting the claims as obvious.

Because Petitioner has not sufficiently identified any error, much less a material error, the Director should deny institution. *Advanced Bionics*, Paper 6 at 8–9 (“If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute inter partes review.”).

E. The Board’s Limited Resources Would Not Be Efficiently Used to Consider the Petition’s Multiple Unfocused Grounds

The Petition asserts multiple unfocused grounds of prior art unpatentability. Specifically, its “shotgun” approach presents ten prior-art based grounds of invalidity, including five different grounds challenging claim 3, each for a different combination of references under 35 U.S.C. § 103. Pet. 8.

As to claim 3, the Petition asserts the following five grounds of unpatentability:

- Ground 5: PAWBBY (35 U.S.C. § 102)
- Ground 7: Zhang in view of Bao (35 U.S.C. § 103)
- Ground 8: Zhang in view of Hua (35 U.S.C. § 103)
- Ground 9: Zhang in view of Swain (35 U.S.C. § 103)
- Ground 10: Sedlmeir in view of Bao (35 U.S.C. § 103)

Pet. at 8. Petitioner’s “shotgun” approach yields five different grounds of unpatentability directed to just one claim.

Reviewing the Petition’s multitude of unfocused grounds would not be an efficient use of the Board’s resources. The Board must institute on all asserted grounds or none, *SAS Institute Inc. v. Iancu*, 584 U.S. 357, 364–65 (2018), and institution triggers full adjudication of all instituted grounds in a final written decision.

Here, it would not be efficient to require the Board and Patent Owner to expend substantial resources adjudicating the Petition’s overlapping claims of prior art unpatentability, which include five redundant prior-art unpatentability grounds on claim 3 alone. *See Zhuhai CosMX Battery Co., Ltd. v. Ningde Amperex Technology Limited*, IPR2025-00405, Paper 24 at 2 (Director Oct. 15, 2025) (granting Director Review, finding that “as a matter of policy, it is not an efficient use of Office resources to institute and maintain a trial when a petition presents a multitude of unfocused grounds leaving the work to be done by the Office,” which was the case where the “the Petition assert[ed] at least fifteen grounds of unpatentability, five of which” overlapped the same set of challenged claims). The Petition presents five distinct unpatentability grounds as to claim 3 alone—the same number of distinct grounds found to be an inefficient use of resources in *Zhuhai*. So, too, here, policy weighs for discretionary denial because of Petitioners’ scattershot approach to alleging unpatentability.

III. CONCLUSION

The Petition should be denied within the Director's discretion for the five reasons set forth above.

Dated: September 17, 2026

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing PATENT OWNER'S REQUEST FOR DISCRETIONARY DENIAL was served on September 17, 2026, by email on the following counsel of record for Petitioner:

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