

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

HARBOR FREIGHT TOOLS USA INC.,  
GENERAC POWER SYSTEMS, INC., and  
MWE INVESTMENTS, LLC,  
*Petitioner*

v.

CHAMPION POWER EQUIPMENT, INC.,  
*Patent Owner*

Patent No. 10,393,034  
Issue Date: August 27, 2019

Title: FUEL SYSTEM FOR A MULTI-FUEL INTERNAL COMBUSTION  
ENGINE

*Inter Partes* Review No. IPR2025-00805

---

**PATENT OWNER CHAMPION POWER EQUIPMENT, INC.'S  
BRIEF IN SUPPORT OF REQUEST FOR DISCRETIONARY  
DENIAL OF INSTITUTION**

**TABLE OF CONTENTS**

	<b>Page</b>
TABLE OF CONTENTS.....	i
TABLE OF AUTHORITIES .....	iii
EXHIBIT LIST .....	iv
I. FACTUAL BACKGROUND.....	7
A. Champion’s Two Patent Families .....	7
B. Petitioners Asserted Champion’s Patents Were Invalid Years Ago and Did Nothing About It.....	9
C. The ’034 Patent Is Being Challenged in Three Parallel Cases.....	10
1. The Firman Case .....	11
2. The Generac Case.....	14
a. Allegations in the Generac Case.....	14
b. Progress in the Generac Case Before an Institution Decision.....	16
c. The Status and Timeline of the Generac Case Before a Final Written Decision .....	20
3. The Harbor Freight Case .....	21
a. Allegations in the Harbor Freight Case .....	21
b. Progress in the Harbor Freight Case Before an Institution Decision .....	23
c. The Status and Timeline of the Harbor Freight Case Before a Final Written Decision .....	27
4. The MWE Case .....	27
D. Petitioners’ Multiple IPR Filings To-Date .....	28
E. Petitioners’ Recently Served Stipulations .....	29
II. THE BOARD SHOULD EXERCISE ITS DISCRETION UNDER 35 U.S.C. § 314(a) to DENY THE PETITION .....	30
A. Factor 1 Weighs in Favor of Discretionary Denial .....	31
B. Factor 2 Weighs in Favor of Discretionary Denial .....	32
C. Factor 3 Weighs in Favor of Discretionary Denial .....	35
D. Factor 4 Weighs in Favor of Discretionary Denial.....	39

E. Factor 5 Weighs in Favor of Discretionary Denial .....	43
F. Factor 6 Weighs in Favor of Discretionary Denial .....	43
1. Strength of the Unpatentability Challenge.....	44
2. Settled Expectations .....	44
3. Petitioners Rely Extensively on Unfocused Expert Testimony.....	48
4. Other Considerations – Petitioners Are Burdening Board Resources .....	51
III. THE DIRECTOR SHOULD EXERCISE DISCRETION TO DENY INSTITUTION UNDER SECTION 325(D) .....	53
A. Petitioners’ Art is the Same and/or Cumulative of Art Considered by the Examiner.....	53
1. The Kubota Workshop Manual is the Commercial Embodiment of a Prior Art Patent Already Considered .....	54
2. Nakafushi is Cumulative of the Kubota Patent.....	56
3. The Secondary References of Grounds 1-5 and 7-8 Do Not Introduce Anything that Was Not Already Considered During Examination .....	57
Olmr .....	57
Parlatore and the Tri-Fuel Video .....	57
Duffy.....	59
Jungmann .....	60
Berhardsson .....	61
B. Petitioners Have Failed to Demonstrate Any Material Error by the Examiner.....	62
IV. CONCLUSION .....	62
CERTIFICATE OF SERVICE .....	64

**EXHIBIT LIST**

<b>Exhibit #</b>	<b>Description</b>
EX2001	Docket for Champion Power Equipment, Inc. v. Firman Power Equipment Inc., Case No. 2:23-cv-02371 (D. Az.) ("Firman Case")
EX2002	Firman Case, Case Management Order, ECF No. 33
EX2003	Firman Case, First Amended Complaint, ECF No. 24
EX2004	Firman Case, Firman Answer to First Amended Complaint and Counterclaims, ECF No. 61
EX2005	Firman Case, Firman's Motion to Amended Invalidity Contentions, ECF No. 115
EX2006	Firman Case, Declaration and Exhibit, ECF No. 116
EX2007	Firman Case, Order Granting Leave to Amend, ECF No. 124
EX2008	Firman Case, ECF No. 149
EX2009	Firman's Nov. 2024 Subpoena to third-party Generac (Firman Case)
EX2010	Docket for Generac Case (E.D. Wis.)
EX2011	Generac Case, Generac's First Amended Answer and Counterclaims, ECF No. 30
EX2012	Generac Case, Champion's First Amended Answer to Generac's Amended Counterclaims, ECF No. 31
EX2013	Defendant Generac's Feb. 14, 2025 Subpoena to third-party Firman
EX2014	May 22, 2025 Defendant Generac's Letter to third-party Firman
EX2015	July 23, 2025 Stipulation from Generac
EX2016	Docket for Harbor Freight Case (C.D. Cal.)
EX2017	Harbor Freight Case, Complaint for Declaratory Judgment, ECF No. 1
EX2018	Harbor Freight Case, Champion's Answer and Counterclaims, ECF No. 47
EX2019	Harbor Freight Case, Harbor Freight's Answer to Counterclaims, ECF No. 55
EX2020	Harbor Freight Case, Joint R26 Report, ECF No. 38
EX2021	Harbor Freight's July 14, 2025 Preliminary Claim Constructions
EX2022	Harbor Freight's July XXXX, 2025 Objections and Responses to Champion's Second Set of ROGs
EX2023	Harbor Freight's Mar. 10, 2025 Subpoena on third-party Firman
EX2024	March 24, 2025 Email from third-party Firman to Harbor Freight (Harbor Freight Case)

<b>Exhibit #</b>	<b>Description</b>
EX2025	March 24, 2025 Letter from Firman to Harbor Freight (Harbor Freight Case)
EX2026	July 22, 2025 Stipulation from Harbor Freight
EX2027	Docket for Harbor Freight Wisconsin (E.D. Wis.)
EX2028	Docket for MWE Case (D. Nev.)
EX2029	Generac Case, Complaint, ECF No. 1
EX2030	Docket for Miscellaneous Case D. Az.
EX2031	Sept. 9, 2019 Letter from Champion to Firman
EX2032	Oct. 8, 2019 Firman Response Letter
EX2033	June 23, 2020 Letter from Champion to MWE
EX2034	July 31, 2020 MWE Response Letter
EX2035	Oct. 17, 2020 MWE Responsive Letter
EX2036	July 7, 2020 Letter from Champion to Generac
EX2037	July 31, 2020 Generac Response Letter
EX2038	March 27, 2024 Letter from Champion to Harbor Freight
EX2039	June 28, 2024 Letter from Champion to Harbor Freight
EX2040	Electronic Direct Injection (EDFI) for Small Two-Stroke Engines by Johnson et al. ("Johnson")
EX2041	US11143120 ("the '120 Patent")
EX2042	US10598101 ("the '101 Patent")
EX2043	US4335697 ("McClean")
EX2044	Kubota DF-972 Information Sheet
EX2045	Honda Owner's Manual for Generator EU2000i
EX2046	Champion Manual, #100263
EX2047	Docket Navigator - Time to Milestones for D. Az. (Trial)
EX2048	Docket Navigator - Time to Milestones for E.D. Wis. (Trial)
EX2049	US7905469 ("Nickels")
EX2050	Generac Case, Order Following Scheduling Conference, ECF No. 29
EX2051	MWE Case, Complaint, ECF No. 1
EX2052	July 29, 2025 Stipulation from MWE
EX2053	Oct. 11, 2018 Office Action, during examination of '398 Patent

Petitioners Harbor Freight Tools USA Inc., Generac Power Systems, Inc., and MWE Investments, LLC (collectively, “Petitioners”), request *inter partes* review (“IPR”) of all claims of U.S. Patent No. 10,393,034 (“’034 Patent”). Pet. for *Inter Partes* Review of the ’034 Patent, *Harbor Freight Tools USA, Inc. et al v. Champion Power Equipment, Inc.*, No. IPR2025-00805 (April 29, 2025), Paper 4 (“Pet.”). Pursuant to the March 26, 2025, Memorandum by the Director addressing the “Interim Processes for PTAB Workload Management” (“Director’s Memo”), Patent Owner Champion Power Equipment, Inc. (“Champion” or “Patent Owner”) respectfully requests the Director exercise discretion and deny institution of this IPR. Discretionary denial is warranted under 35 U.S.C. § 314(a), 35 U.S.C. § 325(d), and the *Fintiv* and *Advanced Bionics* factors.<sup>1</sup>

This Petition is not a standalone challenge, but rather the latest maneuver in a coordinated, multi-front campaign to invalidate the ’034 Patent. Although Petitioners will likely portray themselves as independent actors, the district court cases present a different reality: Petitioners are closely aligned with Firman Power Equipment Inc. (“Firman”)—a statutorily-barred non-petitioner that has been litigating against the validity of the ’034 Patent for nearly two years. Petitioners have

---

<sup>1</sup> *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (Mar. 20, 2020) (precedential); *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (Feb. 13, 2020) (precedential).

mirrored and adopted wholesale Firman's litigation strategy, echoing its anticipation and obviousness theories, common arguments, and identical counterclaims, and have relied on Firman's trove of system prior art contentions, which cannot be adjudicated in this proceeding. Indeed, Firman's district court case, which is on track to reach trial before a Final Written Decision ("FWD") in this IPR, offers a clear glimpse into Petitioners' current litigation strategies and a preview of what is to come in their respective cases. In essence, Firman's challenge is Petitioners' dress rehearsal.

That Champion developed long-settled expectations based on Petitioners Generac and MWE's half decade of inaction further demonstrates that allowing this IPR to proceed would not only duplicate substantial efforts already underway in district courts across the country, but reward Petitioners' calculated delay and tactical reserve of this Petition. Instituting in light of this delay would also reward both Petitioner Harbor Freight, whose declaratory judgment action is furthest along, and non-Petitioner Firman, who despite allowing its statutory deadline to lapse, may nevertheless stand to benefit from a Petition for which it laid the groundwork but never pursued. Champion, having reasonably relied on Petitioners' inaction for years, should not now be forced to defend its patent in multiple forums. The Board should decline to institute under these circumstances, which undermine the efficiency and fairness that IPR proceedings are meant to promote.

All *Fintiv* factors, including applicable factors set forth in the Director's Memo, weigh in favor of denying institution. With respect to the first *Fintiv* factor, there are currently three active U.S. District Court proceedings in which the validity of the '034 Patent is currently being challenged. (Petitioner MWE has not yet responded to the Complaint but threatened petitioning for IPR of the '034 Patent five years ago). None of the Petitioners have sought a stay. The first *Fintiv* factor therefore favors discretionary denial.

The second *Fintiv* factor also weighs in favor of discretionary denial. One of the three active U.S. District Court proceedings in which the validity of the '034 Patent is being challenged has an estimated trial date of November 10, 2026, nearly three weeks before the projected December 1, 2026, due date for a FWD. Although the defendant in that parallel district court proceeding, Firman, opted against filing its own petition (and is well past its statutory deadline under 35 U.S.C. § 315(b)), Petitioners have been cooperating with Firman and have adopted a significant amount of Firman's arguments and evidence in their own cases, including, for example, copying Firman's invalidity counterclaims, incorporating by reference Firman's invalidity and claim construction arguments and evidence, and exchanging thousands of pages of prior art, contentions, and expert reports with Firman.

Likewise, the third *Fintiv* factor weighs in favor of discretionary denial. As outlined below, the parties' investment to-date and burden on judicial resources has

been considerable. Hundreds of pages of infringement and non-infringement contentions have already been served. Likewise, invalidity contentions will have been exchanged, claim construction briefing completed, and at least one claim construction hearing will be held well before the December 1, 2025 deadline for an institution decision. These substantial investments are compounded by extensive discovery to-date, and Petitioners' material involvement in Patent Owner's long-running patent infringement lawsuit against non-Petitioner Firman. Indeed, both Petitioners Generac and Harbor Freight subpoenaed Firman for documents (and *vice versa*), sought court intervention in discovery disputes, and filed motions to dismiss that the Generac and Harbor Freight courts have already resolved. Accordingly, the third *Fintiv* factor weighs in favor of discretionary denial.

The fourth and fifth *Fintiv* factors also favor discretionary denial because the parties are the same and the issues overlap. Petitioners offered stipulations regarding invalidity contentions in the parallel district court litigations, but these stipulations are not particularly meaningful given Petitioners are also asserting that the '034 Patent's independent claims are indefinite, and anticipated, rendered obvious, and unenforceable for inequitable conduct in view of system prior art, none of which can be resolved by the Board. Indeed, Petitioners' asserted system prior art is the centerpiece of the defenses and counterclaims in the co-pending litigations. That the Board cannot resolve these disputes obviates any efficiency that could otherwise be

gained in an IPR. Moreover, the co-pending cases involve up to 13 disputed patents and dozens of asserted claims across two patent families. To date, Petitioners have challenged six of Patent Owner's patents in IPR over the course of three months and promise seven more. Moreover, the Petition requires the Board's analysis of eight references asserted across eight separate grounds of unpatentability, all of which, as of today, will need to be fully addressed in the FWD. July 29, 2025 Memorandum on Final Written Decision Procedures for AIA Trial Proceedings.<sup>2</sup> The fourth and fifth *Fintiv* factors therefore weigh in favor of discretionary denial.

The sixth *Fintiv* factor also weighs in favor of discretionary denial. The '034 Patent has a June 12, 2015 priority date and is already in the second half of its patent term. Moreover, though Petitioners were aware of the '034 Patent and potentially anticipatory prior art since 2015, even warning Champion in 2020 that they would challenge Champion's multi-fuel generator patent families, Petitioners did nothing for half a decade. Champion, therefore, has settled expectations that the '034 Patent would not be challenged in an IPR at least by the same parties that threatened to do so as early as 2020. Indeed, Petitioners' years-long tactical delay and lack of diligence in seeking IPR demonstrate that this Petition is calculated to do nothing more than open a yet another front of attack on the '034 Patent.

---

<sup>2</sup> Including an additional 30 grounds involving 30 references across the five other IPR petitions that have been filed to date.

Other circumstances tilt the sixth *Fintiv* factor in favor of discretionary denial. As will be fully addressed in Champion's forthcoming Preliminary Response, the Petition itself is substantively deficient, and impermissibly attempts to incorporate by reference a conclusory expert declaration that is nearly twice as long as the Petition itself, extensively parrots the prior art, and, in some cases, is the only proffered evidence of certain claim limitations that are absent from the prior art. Given these circumstances and discretionary considerations, the sixth *Fintiv* factor weighs in favor of discretionary denial.

Finally, discretionary denial is warranted under 35 U.S.C. § 325(d) and the *Advanced Bionics* factors because Petitioner's arguments and the asserted prior art are cumulative of references previously considered by the Examiner. For example, the Kubota Workshop Manual, alleged in the Petition to anticipate all independent claims of the '034 Patent, describes a commercial embodiment of a patent considered by the Examiner during prosecution. Similarly, Nakafushi, the primary reference of Ground 1-5, is cumulative of both the Kubota Workshop manual and its corresponding patent considered during examination. Accordingly, discretionary denial is appropriate under 35 U.S.C. § 314(a), 35 U.S.C. § 325(d), and the *Fintiv* and *Advanced Bionics* factors. *See* Director Memo at 1.

## **I. FACTUAL BACKGROUND**

### **A. Champion's Two Patent Families**

Champion is the owner and assignee of two patent families directed to dual-fuel engines. The '034 patent belongs to one of these patent families claiming priority to a 2015 application. Specifically, on June 12, 2015, Champion filed U.S. Patent Application No. 14/738060 ("060 Application"), which issued March 5, 2019, as U.S. Patent No. 10,221,780 ("780 Patent"). EX1001, (63). About four months later, on October 28, 2015, Champion filed a continuation-in-part of the '060 Application, U.S. Patent Application No. 14/925441 ("441 Application"), which issued June 30, 2020, as U.S. Patent No. 10,697,398 ("398 Patent"). *Id.* Subsequently, on October 4, 2016, Champion filed a continuation-in-part of the '441 Application, U.S. Patent Application No. 15/285215, which issued as the '034 Patent on August 27, 2019. *Id.* The '034 Patent is one of thirteen members of a patent family directed to multi-fuel engine technology ("2015 Family").

Relevant to this proceeding and to several other pending IPR petitions, the patents in the 2015 Family asserted against Petitioners and Firman include: (1) '034 Patent; (2) '780 Patent; (3) '398 Patent; (4) U.S. Patent 11,143,120 ("120 Patent"); (5) U.S. Patent 11,492,985 ("985 Patent"); (6) U.S. Patent 11,530,654 ("654 Patent"); (7) U.S. Patent 11,840,970 ("970 Patent"); (8) U.S. Patent 11,905,895 ("895 Patent"); and (9) U.S. Patent 11,143,145 ("145 Patent"). *See, e.g.,* EX2003.

Case No. IPR2025-00805

Patent No. 10,393,034

Not long after the '034 Patent issued, on March 24, 2020, Champion was granted U.S. Pat. No. 10,598,101 (“’101 patent”), which is from a closely related multi-fuel engine patent family (“2013 Family”) claiming priority to U.S. Publication No. 2015/0122230 (“’230 Publication”), which is a publication of U.S. Patent Application No. 14/069,747, filed November 1, 2013, which issued September 6, 2019, as U.S. Patent No. 9,435,273. EX2042, (63), (65). Indeed, the 2013 and 2015 Families share many of the same inventors, including, for example, Mark Sarder and Leigh Jenison, who are named co-inventors on both the '034 and '101 patents. EX1001, (72); EX2042, (72). Moreover, the '230 Publication was cited by the examiner during the '034 Patent's prosecution and is listed on the face of the '034 Patent. *See* EX1001, (56) References Cited, U.S. Publ. No. 2015/0122230 (Sarder). Likewise, the operating manual of at least one Champion dual-fuel model #100263 is marked with patents from both the 2013 and 2015 Families. *See* EX2046 (“Covered by one or more of the following U.S. Patent Numbers: 10,598,101, 10,221,780 and other U.S. and foreign patents pending.”). Even Generac claims a different Champion generator—model #100153—is a commercial embodiment of both the 2013 and 2015 Families. EX2011, ¶ 82.

Relevant to this proceeding and to several other pending IPR petitions, the patents in the 2013 Family asserted against Petitioners and Firman include: (1) '101

Patent; (2) U.S. Patent 11,306,667 (“’667 Patent”); (3) U.S. Patent 11,761,390 (“’390 Patent”); and (4) U.S. Patent 11,905,896 (“’896 Patent”). *See, e.g.*, EX2003.

**B. Petitioners Asserted Champion’s Patents Were Invalid Years Ago and Did Nothing About It**

Champion’s enforcement efforts began soon after the ’034 Patent issued. Within days, Champion sent non-petitioner Firman a cease-and-desist letter in which Champion accused Firman of infringing the ’034 Patent. EX2031. Firman responded that its own generator—the Firman RD9000E—was invalidating system prior art sold before the ’034 Patent’s priority date. EX2032.

Similarly, shortly after the ’101 patent issued, in June 2020, Champion sent separate cease-and-desist letters to Petitioners Generac and MWE, accusing both of infringing the ’101 patent. EX2033; EX2036. On July 31, 2020, both Generac and MWE responded to Champion. EX2034; EX2037. MWE asserted that it was “aware of and/or in possession of prior art that will support invalidation” of the asserted claims and that it was “prepared to present this evidence in litigation or in an Inter Partes Review proceeding if it becomes necessary.” EX2034, 1. Likewise, Petitioner Generac claimed that it “analyzed the file history and reviewed the prior art” and asserted that “the claims of the ’101 patent are invalid”.<sup>3</sup> EX2037, 2. Even so, for

---

<sup>3</sup> MWE’s letter was sent by Thomas Walsh of ICE MILLER LLP, who is also counsel of record for this Petition, and Generac’s letter was sent by the law firm of Merchant & Gould, P.C., which is also representing Generac for this Petition. Generac’s letter was also sent on behalf of its subsidiary, Powermate.

nearly half a decade, neither MWE nor Generac filed a lawsuit or an IPR petition against any patent in the 2013 Family or the related 2015 Family.

Champion sent Petitioner Harbor Freight a cease-and-desist letter on March 27, 2024, accusing Harbor Freight of infringing the 2013 and 2015 Families, including the '034 Patent. EX2038. Harbor Freight and Champion exchanged multiple letters and e-mails over the next several months, culminating in a June 28, 2024 letter, in which Champion warned that it would sue Harbor Freight and asked if Harbor Freight's counsel was "authorized and willing to accept Service of a Complaint on behalf of Harbor Freight." EX2039, 2. Instead of filing an IPR petition when it became evident the parties were at an impasse, on October 9, 2024, Harbor Freight filed a Complaint for Declaratory Judgment of Noninfringement against Champion and then waited to join Generac and MWE in filing the Petition for IPR of the '034 Patent almost seven months later. EX2017.

### **C. The '034 Patent Is Being Challenged in Three Parallel Cases**

There are currently three active litigations in which the validity of the '034 Patent is being challenged, including one against non-petitioner Firman and two against Petitioners Harbor Freight and MWE. Although the '034 Patent has not been asserted against Petitioner Generac, several other members of the 2015 Family have been asserted in that litigation. The four litigations will be discussed in the order they were filed.

## 1. The Firman Case

Champion first sued Firman<sup>4</sup> in the U.S. District Court of the District of Arizona on November 10, 2023. (*Champion Power Equipment, Inc. v. Firman Power Equipment Inc.*, Case No. 2:23-cv-02371 (“Firman Case”). Champion’s operative complaint alleges that Firman infringes 106 claims across thirteen patents in the 2013 and 2015 Families: (1) ’034 Patent; (2) ’120 Patent; (3) ’985 Patent; (4) ’654 Patent; (5) ’970 Patent; (6) ’780 Patent”); (7) ’895 Patent; (8) ’398 Patent; (9) ’145 Patent; (10) ’101 Patent; (11) ’667 Patent; (12) ’390 Patent; and (13) ’896 Patent. *See, e.g.*, EX2003.

The estimated trial date for the Firman Case is November 10, 2026. EX2002; EX2047. Although the remaining case deadlines are tied to the Firman court’s issuance of a Markman Order, the estimated median time to trial for patent cases in the District of Arizona is 36.5 months, which would put the projected trial date at November 10, 2026—about one month before the deadline for a FWD. EX2047. The Firman Case is likely to adhere to this estimate given the substantial progress Champion and Firman have made in the last 18 months.

---

<sup>4</sup> Firman is not a Petitioner in this IPR its statutory deadline to file a petition under 35 U.S.C. § 315(b) lapsed on December 11, 2024. EX2001, 6.

Indeed, a significant amount of work has been completed in the Firman Case. Discovery commenced seventeen months ago on February 29, 2024, and to date, the complaint, answer, and counterclaims have been amended several times. Champion and Firman have engaged in significant discovery, including multiple rounds of discovery requests and responses, and over 35,000 pages of produced documents. Claim construction proceedings, including exchange of extrinsic evidence, expert discovery (including depositions), and briefing, are complete and the Firman court is poised to issue a Markman Order<sup>5</sup> any day, which will trigger a 90-day deadline for the close of all fact discovery and subsequent deadlines for expert discovery and dispositive motions. EX2002, 9-12. Likewise, Champion served its infringement contentions over a year ago, on June 21, 2024. Two months later, on August 30, 2024, Firman served its invalidity contentions. *Id.*, 4.

Firman's initial invalidity contentions include thirty-nine claim charts comprising 5,000 pages and sixty-nine prior art references. EX2005, p. 7; EX2006, pp. 3, 12-14. Of the sixty-nine asserted prior art references, thirty-three constitute system prior art that cannot be considered by the Board, including, for example, Champion system prior art and the "Kubota engine" which is described in the Kubota Workshop Manual (EX1012) and serves as the primary reference in the

---

<sup>5</sup> The Firman court may hold a claim construction hearing if it deems it necessary. EX2002, 9 (Section 5.J). It has yet to do so.

Case No. IPR2025-00805

Patent No. 10,393,034

Grounds 6-8 of the Petition. See EX2006, pp. 8-9, 40-42. Firman also alleges that its own generator, the RD9000E, “includes all of the elements of at least [independent] claims 1 and 11 of the ’034 Patent.” EX2004, p. 168. (“[T]he RD9000E generator model anticipates these claims under [Champion’s] claim construction theory, rendering the claims of the ’034 Patent invalid.”). *Id.*, p. 169. The RD9000E product also forms the basis of Firman’s inequitable conduct counterclaims. *Id.*, pp. 168-69.

On February 4, 2025, after subpoenaing Petitioner Generac, Firman moved to amend its contentions on the basis that it had received thousands of pages of allegedly invalidating prior art from Generac, including evidence of two prior art products allegedly purchased by Generac in 2015. EX2005, p. 6, n.1; EX2007. According to Firman, the trove of allegedly invalidating prior art in Generac’s possession was substantial. EX2005, p. 3 (“[b]etween November 19, 2024, and November 22, 2024, Generac produced 521 documents, spanning over 2,525 pages, and including over fifty prior art references ranging from foreign language patent publications to U.S. patents and publications to purchases of dual fuel generators Generac made from two separate manufacturers.”).

The court granted Firman’s motion to amend its invalidity contentions on February 28, 2025. EX2007. Subsequently, Firman served amended invalidity

contentions, asserting four additional prior art references, including the two Generac generators that Firman referenced in its motion to amend. EX2006; EX2008.

## **2. The Generac Case**

Eight years after the '034 Patent was filed, on October 9, 2024, Champion sued Petitioner Generac in the U.S. District Court for the Eastern District of Wisconsin. (*Champion Power Equip., Inc. v. Generac Power Sys., Inc.*, No. 2:24-cv-01281-LA (E.D. Wisc. Oct. 9, 2024) (“Generac Case”). Generac designs, manufactures, imports, and sells multi-fuel generators that for years directly compete with Champion’s products. EX2029, p. 2.

### **a. Allegations in the Generac Case**

Champion’s operative complaint alleges that Generac infringes dozens of claims across the following 11 patents of the 2013 and 2015 Families: (1) '120 Patent; (2) '985 Patent; (3) '654 Patent; (4) '970 Patent; (5) '780 Patent; (6) '895 Patent; (7) '398 Patent; (8) '145 Patent; (9) '101 Patent; (10) '667 Patent; and (11) '896 Patent. *See, e.g.*, EX2029. These patents are all asserted against Firman.

Although Champion does not assert the '034 Patent in the Generac Case and Generac has not pleaded an invalidity counterclaim against the '034 Patent, it is challenging the validity of several members of the 2015 Family. Specifically, Generac is asserting that a generator sold by Firman, “the RD9000E dual fuel generator includes at least one element of at least one claim of *each* patent in the

Case No. IPR2025-00805

Patent No. 10,393,034

2015 Patent Family,” demonstrating the substantial similarity among the patent claims. EX2011, p. 106 (emphasis added); *compare* ’034 Patent, EX1001, claim 11 *with* ’120 patent, EX2041, claim 12.

Generac also challenges the validity of both patents to which the ’034 Patent claims priority—the ’780 and ’398 Patents—on the very same basis, premising its challenge on the result of claim construction in the Firman Case: “To the extent that the claims of the [’780 and ’398] Patents are construed to cover the Firman models that Champion has accused of infringement in [the Firman Case], the RD9000E dual fuel generator discloses every element of at least the [independent] claims of the [’780 and ’398 Patents.]” EX2011, pp. 106-107. Notably, Generac’s counterclaim is a near identical copy of Firman’s own counterclaims. *See, e.g.*, EX2004, p. 164 (“To the extent any of claims 1 and 8 of the ’780 patent are construed to cover the Firman models that Champion accuses in this Action . . . the RD9000E generator model includes all of the elements of at least claims 1 and 8 of the ’780 patent.”).

Indeed, the RD9000E generator, Firman’s counterclaims, and Champion’s positions in the Firman Case, are fixtures throughout Generac’s counterclaims. For example. Generac accuses Champion of “[t]aking infringement positions in [the Generac Case], and in [the Firman Case] that would clearly render the RD9000E generator an anticipatory prior art reference,” and like Firman, Generac alleged inequitable conduct based on the RD9000E. EX2011, p. 113. In fact, throughout

Case No. IPR2025-00805

Patent No. 10,393,034

Generac's Answer and Counterclaims, the RD9000E is referenced no less than 47 times, and "Firman" no less than 32 times. EX2011. Ultimately, across 280 paragraphs of counterclaims, Generac alleges that the 2015 Family is anticipated or rendered obvious by three references, the parent of the 2013 Family (U.S. Patent No. 9,435,273) and two generator products—Firman's RD9000E and Champion's own generator model 100153. *Id.* And Generac claims Champion's 100153 generator is a commercial embodiment of both the 2013 Family and the 2015 Family (*Id.*, p. 95), demonstrating Generac's own belief that the '034 and '101 Patents are highly related.

**b. Progress in the Generac Case Before an Institution Decision**

Significant strides will have been made in the Generac Case before the December 1, 2025, institution decision deadline.

**The Pleadings**

On October 9, 2024, Champion sued Generac in the Eastern District of Wisconsin. EX2029. On December 4, 2024, Generac filed a Motion to Dismiss Champion's Complaint. EX2010, p. 5. Champion's Opposition followed and briefing on the Motion fully concluded on January 3, 2025. The Generac court quickly denied Generac's Motion to Dismiss on January 22, 2025. *Id.*, p. 6.

Two weeks later, on February 5, 2025, Generac filed its Answer and Counterclaims, asserting the 2013 and 2015 Families are invalid. *Id.* Thereafter, on February 26, 2025, Champion filed its Answer, denying Generac's Counterclaims of invalidity. *Id.*

Four months later, on May 15, 2025, Generac filed a First Amended Answer and Counterclaims, adding infringement counterclaims covering a different technological area and asserting that Champion infringes two Generac patents directed to carbon monoxide (CO) detection. EX2011. On May 29, 2025, Champion filed its Answer to Generac's First Amended Counterclaims and, on July 8, 2025, Champion filed a motion to sever Generac's CO-related claims and, in the alternative, leave to amend its Answer to include its own carbon monoxide-related counterclaims of infringement. EX2010, pp. 7-8.

### **Contentions**

Champion served its infringement contentions on April 15, 2025. On June 20, 2025, Generac served its responses to Champion's infringement contentions. The deadline for Generac to serve its invalidity contentions is August 22, 2025, and Champion must respond two months later, on October 22, 2025. Accordingly, all infringement and invalidity contentions and responses will have been served prior to the institution decision deadline.

### **Discovery To-Date**

The Generac court issued a Scheduling Order months ago, and Generac and Champion spent months negotiating a proposed Protective Order and Protocol for the discovery of Electronically Stored Information, both of which were submitted for the Generac court's consideration on June 26, 2025. EX2010, p. 7. Notwithstanding the current absence of a Protective Order and ESI Order, the parties have been actively engaged in discovery since February 2025. In total, Champion has propounded, and Generac has responded to two sets of discovery requests, including seven interrogatories and twenty-three requests for production; and Generac has propounded, and Champion has responded to, three sets of discovery requests, including twenty-one interrogatories, 105 requests for production, and three requests for admission. To date, Champion has produced 16,845 pages of documents, but Generac has produced nothing.

Despite failing to produce a single responsive document for six months based on a dragged-out dispute over the Protective Order, Generac instead focused on obtaining third party discovery from Firman. Mirroring Firman's subpoena to Generac in the Firman Case, Generac served Firman with a subpoena on February 14, 2025, requesting that Firman produce documents covering four topics. EX2009; EX2013. Specifically, Generac requested "[a]ll documents exchanged, served, or filed by the parties in the [Firman Case] relating to [claim] construction . . . including but not limited to correspondence, infringement contentions, invalidity contentions,

proposed terms, proposed constructions, joint statements, exhibits, extrinsic evidence, declarations, deposition transcripts, discovery requests and responses, briefs, and court orders or opinions.” EX2013, p. 7.

Generac also requested that Firman produce several categories of documents relating to its invalidity and unenforceability defenses and counterclaims: (1) “[a]ll Prior Art to the Patents-in-Suit, including but not limited to any art identified or produced in the [Firman Case] or otherwise known to [Firman];” (2) “[a]ll Documents relating to or evidencing prior art or prior art activity, such as public disclosures, public uses, offers for sale, or sales to the Patents-in-Suit;” and (3) “[a]ll documents exchanged, served, or filed by the parties in the [Firman Case] relating to invalidity or unenforceability of any claim of the Patents-in-Suit, including but not limited to correspondence, invalidity contentions, exhibits, declarations, deposition transcripts, discovery requests and responses, briefs, and court orders or opinions.” *Id.* On February 26, 2025, Firman produced thousands of pages of documents in response to Generac’s subpoena, and on May 22, 2025, Generac sent Firman a letter requesting that Firman supplement its response. EX2014.

On April 2, 2025, Champion served a Notice of Subpoena for a deposition of Gregory Montgomery, Firman’s Chief Executive Officer, who is also former VP of Sales of Champion (2005-2014) and former VP and General Manager of Generac’s Powermate Brand (2014-2015). Mr. Montgomery was privy to Champion’s research

and development efforts during his time at Champion. Highlighting Mr. Montgomery's importance to both the Firman and Generac Cases, and the extensive coordination between Firman and the Petitioners, Firman and Generac responded to the subpoena by seeking court intervention to limit the scope of Mr. Montgomery's testimony.<sup>6</sup> EX2030.

**c. The Status and Timeline of the Generac Case Before a Final Written Decision**

The following major milestones in the Generac Case schedule will also have occurred before December 1, 2026, the deadline for a FWD:

1. On December 19, 2025, Generac and Champion must exchange their list of claim terms, phrases, and claims for construction.
2. On January 20, 2026, both parties must serve their proposed claim constructions and extrinsic evidence.
3. The parties must file a Joint Claim Construction Statement on March 13, 2026 and complete all claim construction discovery two weeks later, on April 1, 2026.
4. Generac and Champion must serve opening Markman briefs on April 13, 2026, and responsive Markman briefs on May 13, 2026.

---

<sup>6</sup> Although the Firman court resolved this dispute, Firman and Generac continue to delay Mr. Montgomery's deposition.

Case No. IPR2025-00805

Patent No. 10,393,034

EX2050. The remaining case deadlines are tied to the Generac court’s issuance of a Markman Order. *Id.* However, the estimated median time to trial for patent cases in Eastern District of Wisconsin is 33.6 months—or, in this case, July 9, 2027. EX2048.

### **3. The Harbor Freight Case**

Eight years after the ’034 Patent was filed, on October 9, 2024, Petitioner Harbor Freight filed a declaratory judgment action against Patent Owner Champion in the Central District of California. *Harbor Freight Tools USA Inc., v. Champion Power Equip., Inc.*, No. 2:24-cv-08722-SVW (C.D. Cal. Oct. 9, 2024) (“Harbor Freight Case”). EX2017.

#### **a. Allegations in the Harbor Freight Case**

Harbor Freight’s Complaint seeks declaratory judgment that it does not infringe the following patents: (1) ’034 Patent; (2) ’120 Patent; (3) ’985 Patent; (4) ’654 Patent; (5) ’970 Patent; (6) ’780 Patent; (7) ’895 Patent; (8) ’398 Patent; (9) ’145 Patent; (10) ’101 Patent; (11) ’667 Patent; (12) ’390 Patent; and (13) ’896 Patent. *Id.*, p 2. These are the same thirteen patents from the 2013 and 2015 Families asserted against Firman, eleven of which are also asserted against Generac.

Champion responded in its Answer and Counterclaims, alleging that two Harbor Freight multi-fuel generators infringe each of Champion’s patents, including the ’034 Patent. EX2018, p. 35. Harbor Freight responded to Champion’s Counterclaims, asserting that each patent is invalid and unenforceable. EX2019.

Just as Generac copied Firman’s invalidity counterclaims from the Firman Case, so too did Harbor Freight in its own affirmative defenses against Champion. In fact, Harbor Freight’s invalidity defenses include word-for-word copies of Generac’s Answer and Counterclaims:

“To the extent that the claims of the ’780 patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), on information and belief, the RD9000E dual fuel generator discloses every element of at least the following claims of the ’780 patent . . . .”

EX2019, pp. 27-28, ¶219.

“To the extent that the claims of the ’780 Patent are construed to cover the Firman models that Champion has accused of infringement in *Champion Power Equipment, Inc. v. Firman Power Equipment, Inc.*, Case No. 2:23-cv-02371-DWL (D. Ariz.), the RD9000E dual fuel generator discloses every element of at least the following claims of the ’780 Patent . . . .”

EX2011, pp. 106-107, ¶139.

Harbor Freight repeats this paragraph against seven other Champion patents, and references the RD9000E no less than 43 times, and “Firman” no less than 31 times. *See, e.g.*, EX2019, p. 27, ¶218 (“[T]he RD9000E dual fuel generator includes at least one element of at least one claim of each patent in the 2015 Patent Family[.]”). Ultimately, Harbor Freight asserts that Champion is “[t]aking infringement positions in [the Harbor Freight Case], [the Generac Case], and in [the

Case No. IPR2025-00805

Patent No. 10,393,034

Firman Case], that would clearly render the RD9000E generator an anticipatory prior art reference.” *Id.*, pp. 35-36, ¶228.

**b. Progress in the Harbor Freight Case Before an Institution Decision**

Significant progress will have been made in the Harbor Freight Case before the institution decision deadline.

**The Pleadings**

On October 9, 2024, Harbor Freight filed a declaratory judgment action against Champion in the Central District of California. On October 14, 2024, Champion sued Harbor Freight for patent infringement in the Eastern District of Wisconsin, *Champion Power Equip. Inc. v. Harbor Freight Tools USA Inc.*, No. 2:24-cv-01302-PP (E.D. Wis. Oct. 14, 2024) (“HFT Wisconsin Case”). EX2027. On November 4, 2024, the parties filed and briefed competing motions to dismiss in each case. EX2027, p. 3; EX2016, p. 6. On February 13, 2025, the Harbor Freight court denied Champion’s Motion to Dismiss, and the HFT Wisconsin Case was subsequently dismissed on April 28, 2025, allowing the dispute to be resolved via the declaratory judgment action. EX2016, p. 9; EX2027, p. 4.

On February 27, 2025, Champion filed its Answer and infringement Counterclaims. EX2018. Harbor Freight answered on March 20, 2025, and raised various affirmative defenses, including several invalidity defenses against the ’034

Case No. IPR2025-00805

Patent No. 10,393,034

Patent and the other twelve asserted patents from the 2013 and 2015 Families. EX2019. And, like Firman and Generac, Harbor Freight asserts an affirmative defense of unenforceability of the 2015 Family based on an alleged failure to disclose the RD9000E generator during prosecution. EX2019, p. 27, ¶218 (“the RD9000E dual fuel generator includes at least one element of at least one claim of each patent in the 2015 Patent Family”).

### **Claim Construction**

The parties have commenced claim construction proceedings. On June 30, 2025, the parties exchanged their proposed terms for construction. For the '034 Patent, Harbor Freight proposed twelve terms and phrases for construction.

On July 14, 2025, the parties exchanged preliminary claim constructions and extrinsic evidence. Harbor Freight asserts that three of its twelve proposed terms (“gaseous cutoff;” “coupled to [verb];” and “gaseous cutoff solenoid”), are indefinite, and therefore render Independent Claims 1 and 18 of the '034 Patent invalid. EX2021, p. 23. Additionally, for its disclosure of extrinsic evidence, Harbor Freight listed and incorporated by reference the present Petition, an IPR petition against the '120 Patent, expert declarations from both Petitions, and the declaration of Firman’s expert in the Firman Case. *Id.*, pp. 26-27.

Harbor Freight and Champion will meet and confer regarding their proposed constructions by July 31, 2025, and disclose their claim construction experts and file

Case No. IPR2025-00805

Patent No. 10,393,034

a joint stipulated claim construction statement by August 15, 2025. Claim construction discovery will conclude on September 2, 2025. The parties will file opening claim construction briefs on September 9, 2025, and reply briefs on September 16, 2025, concluding with a Markman hearing on September 30, 2025, well before the December 1 institution decision deadline. EX2016, p. 10.

### **Contentions**

Champion proposed specific deadlines for serving infringement and invalidity contentions, but Harbor Freight contends that such contentions are “[u]nnecessary” and that “contention discovery can be handled” with routine discovery requests. EX2020, pp. 13-14. The Harbor Freight court left it to the parties to handle contentions through discovery requests. Champion agreed to Harbor Freight’s request to produce infringement contentions, which were served on April 24, 2025. On the other hand, despite its earlier insistence that contentions deadlines were unnecessary and could instead be handled through routine discovery, Harbor Freight has refused to provide responses to Champion’s standard requests for (1) non-infringement contentions, (2) invalidity contentions, and (3) Harbor Freight’s basis for the claim that “[t]he RD9000E dual fuel generator was publicly available and sold by [Firman] prior to June 12, 2015.” EX2022.

### **Discovery To-Date**

The Harbor Freight court issued a schedule months ago, and Harbor Freight

and Champion spent months negotiating a proposed Protective Order and Protocol for the discovery of Electronically Stored Information. Like the Generac case, the parties are actively disputing the scope of the Protective Order. Even so, the parties have been actively engaged in discovery since November 2024. In total, Champion has propounded, and Harbor Freight has responded to two sets of discovery requests, including fifteen interrogatories and twenty-nine requests for production; and Harbor Freight has propounded, and Champion has responded to one set of discovery requests, including four interrogatories and twenty-one requests for production. To date, Champion has produced 7,858 pages of documents and Harbor Freight has produced 1,668 pages of documents.

Mirroring Firman's subpoena to Generac in the Firman Case and Generac's subpoena to Firman in the Generac Case, Harbor Freight served Firman with a subpoena on March 10, 2025, requesting that Firman produce documents covering four topics. EX2023. These subpoena topics were *identical* to those in Generac's subpoena to Firman, with Harbor Freight requesting claim construction documents, contentions, prior art, extrinsic evidence, opinions, and declarations. *Id.*, p. 9. Firman responded to this subpoena on March 24, 2025, producing contentions and claim construction exchanges from the Firman Case, as well as Champion's expert reports and the declarations of Firman's claim construction expert. EX2024; EX2025.

**c. The Status and Timeline of the Harbor Freight Case Before a Final Written Decision**

The Harbor Freight court has not issued a post-Markman case schedule. However, Harbor Freight and Champion jointly filed a proposed schedule where fact discovery, expert discovery and disclosures, and dispositive motion briefing would conclude no later than August 21, 2026. EX2020, p. 11. In fact, the parties agreed that the Final Pretrial Conference occur December 10, 2026—just 9 days after the December 1, 2026, FWD deadline—and that trial could begin as early as January 19, 2027. *Id.*

**4. The MWE Case**

On May 14, 2025, Champion filed a Complaint against Petitioner MWE in the District of Nevada. (*Champion Power Equip., Inc v. Westinghouse Electric Corporation et. al.*, No. 3:25-cv-00239 (D. NV. May 14, 2025) (“MWE Case”). EX2051. Champion’s Complaint accuses MWE of infringing the following ten patents from the 2013 and 2015 Families: (1) ’034 Patent; (2) ’120 Patent; (3) ’985 Patent; (4) ’780 Patent; (5) ’895 Patent; (6) ’398 Patent; (7) ’145 Patent; (8) ’101 Patent; (9) ’667 Patent; and (10) ’896 Patent. *See, e.g.*, EX2051. These patents are all asserted against Firman, Generac, and Harbor Freight. MWE was on notice of the ’034 Patent at least as of June 19, 2020, even threatening to file an IPR petition at that time. *Id.*, p. 12.

The MWE case is in its early stages, and the parties have jointly stipulated to extend MWE's deadline to respond to Champion's Complaint from July 15, 2025, to August 5, 2025.

**D. Petitioners' Multiple IPR Filings To-Date**

Of the thirteen patents asserted Champion across the four co-pending cases, to date Petitioners have challenged six of them in IPR over the course of three months:

- i. *Harbor Freight Tools USA, Inc. et al. v. Champion Power Equipment, Inc.*, IPR2025-00805 (April 29, 2025), challenging the '034 Patent on eight separate grounds;
- ii. *Generac Power Systems, Inc. et al. v. Champion Power Equipment, Inc.*, IPR2025-00951 (May 16, 2025), challenging the '101 Patent;
- iii. *Generac Power Systems, Inc. et al. v. Champion Power Equipment, Inc.*, IPR2025-01099 (June 17, 2025), challenging the '667 Patent;
- iv. *Harbor Freight Tools USA, Inc. et al. v. Champion Power Equipment, Inc.*, IPR2025-001121 (June 23, 2025), challenging the '120 Patent;
- v. *Generac Power Systems, Inc. et al. v. Champion Power Equipment, Inc.*, IPR2025-01228 (July 11, 2025), challenging the '896 Patent; and
- vi. *MWE Investments, LLC, et al. v. Champion Power Equipment, Inc.*, IPR2025-01185 (July 22, 2025), challenging the '780 Patent.

Petitioners have promised to file IPR petitions against the seven remaining asserted Champion patents, and assuming they do so on similar timelines as the first six, this will amount to thirteen IPRs filed over 6-7 months.

**E. Petitioners' Recently Served Stipulations**

Almost ten months ago, on October 9, 2024, Harbor Freight filed its declaratory judgment complaint against Champion, and Champion filed its infringement complaint against Generac. Seven months later, on April 29, 2025, Petitioners filed the Petition. Yet, Harbor Freight and Generac delayed serving their nearly verbatim stipulations regarding their invalidity contentions in the parallel district court cases until *mere days* before the July 29, 2025 deadline for the instant brief, July 22 and July 23, 2025, respectively. EX2026; EX2015. Then, at 5:38PM Eastern Time on the deadline for the instant brief, MWE served the same stipulation. EX2052. The Stipulations are generally *Sotera* stipulations with the extra caveat that Petitioners will assert in their parallel litigations “system prior art” “that directly corresponds to a printed publication reference asserted as part of a ground raised in IPR2025-00805.” EX2026, p. 2; EX2015, p. 2; EX2052, p. 2. However, the Stipulations go on to clarify:

To be clear, this stipulation does not cover other system prior art. For example, because a manual for the Kubota DF-972 engine is relied upon as part of a ground in IPR2025-00805, the DF-972 engine is covered by this stipulation. However, other systems/engines are not covered, even if similar to the DF-972 engine.

*Id.*

In other words, the Stipulations do not apply to the Firman RD9000E generator, which both Harbor Freight and Generac allege anticipates the 2015 Family (MWE has not yet filed its answer). *See* Sections I.C.2.a-3.a, *supra*. Nor do the Stipulations apply to the dozens of system prior art references asserted by Firman that, in view of Petitioners' pattern of adopting Firman's arguments and evidence in their respective litigations, will likely also be asserted in Petitioners' invalidity contentions in the parallel proceedings. EX2006; EX2008. For example, it does not apply to the Scag Model STT61V-29KB-DF Turf Tiger lawnmower, which is cited by Firman as prior art and incorporates the exact same Kubota DF-972 engine. EX2006, pp. 40-42; EX2009. Nor does it apply to the nine Champion engines, six Winco engines, four Firman engines, four Honda engines, and two Generac engines asserted as prior art by Firman. *Id.*

## **II. THE BOARD SHOULD EXERCISE ITS DISCRETION UNDER 35 U.S.C. § 314(a) TO DENY THE PETITION**

The Board may not institute IPR unless the information presented in the petition "shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." 35 U.S.C. § 314. Institution of IPR, however, is within the Director's discretion. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) ("[T]he PTO is permitted,

but never compelled, to institute an IPR proceeding.”); *SAS Inst., Inc. v. Iancu*, 584 U.S. 357, 366 (2018); *see also Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 273 (2016) (“the agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion”). The Director applies *Fintiv*’s six-factor balancing test to determine whether discretionary denial is appropriate. *Fintiv*, IPR2020-00019, Paper 11 at 6 (*Fintiv* Factors). In addition to these factors, the Director evaluates the PTAB’s “ability . . . to comply with pendency goals for *ex parte* appeals, its statutory deadlines for AIA proceedings, and other workload needs.” Director’s Memo at 3. Here, each of these factors, including those set forth in the Director’s Memo, weighs in favor of denying institution.

**A. Factor 1 Weighs in Favor of Discretionary Denial**

Factor 1 weighs substantially in favor of discretionary denial. None of the three parallel district court proceedings in which the ’034 Patent is being challenged have been stayed. In fact, Petitioners have not moved to stay any of their respective cases. Even if any Petitioner eventually seeks a stay, there is insufficient evidence that any of the Generac, Harbor Freight, MWE, or Firman courts would issue a stay. Indeed, only two of these four courts have resolved contested motions to stay pending IPR—the MWE and Firman courts—and in each of those cases IPR had already been instituted. *FaceTec, Inc. v. iProov, Ltd.*, No. 2:21-cv-02252, ECF No. 188 (D. Nev. June 18, 2025); *Parson Xtreme Golf LLC v. Taylor Made Golf Co. Inc.*,

Case No. IPR2025-00805

Patent No. 10,393,034

No. CV-17-03125, ECF No. 187 (D. Az. Nov. 29, 2018). It is also unlikely that the Firman court would grant a stay because Firman is not a Petitioner and its statutory deadline to file a petition has long passed, the parties and court have invested a significant amount of time and resources in that case over the course of almost two years, and it is likely to proceed to trial before a FWD.

Regarding the two other courts, the Generac court granted two stipulations for automatic stay pursuant to 35 U.S.C. § 315(a)(2), *Hydrite Chem. Co. v. Solenis Techs. LP*, No. 2:15-cv-856, ECF No. 9 (E.D. Wis. Aug. 3, 2015) and *Pentair Water Pool & Spa Inc. v. Fail-Safe LLC*, No. 2:13-cv-01321, ECF No. 8 (E.D. Wis. Dec. 30, 2013), and the Harbor Freight court has never considered a stay motion pending IPR.

Accordingly, Factor 1 weighs in favor of discretionary denial.

**B. Factor 2 Weighs in Favor of Discretionary Denial**

Factor 2 weighs in favor of discretionary denial because the validity of the '034 Patent will likely be adjudicated before a FWD. The presence of “events in other proceedings related to the same patent” may weigh against granting a petition. Consolidated Trial Practice Guide (84 Fed. Reg. 64,280 (Nov. 21, 2019)) at 58. The Director’s Memo notes that a relevant discretionary consideration is “[w]hether the PTAB or another forum has already adjudicated the validity or patentability of the challenged patent claims[.]” Director’s Memo at 2. In fact, the Director may consider

Case No. IPR2025-00805

Patent No. 10,393,034

whether “the validity of the challenged patent is already being adjudicated in another forum that will issue” a decision before the FWD, even if none of the Petitioners are “a named defendant in the parallel district court proceeding.” *See Entegris, Inc. v. Inpria Corp.*, No. IPR2025-00267, Paper 12 at 2 (July 2, 2025). In particular, the Director may find that discretionary denial is warranted under such circumstances when “arguments, evidence, and statements” are being “incorporated by reference,” “and the issues presented in the Petition are ‘the same as, or substantially similar to, those already or about to be litigated’[.]” *Id.* (quoting *Fintiv*, IPR2020-00019, Paper 11 at 14).

The validity of the '034 Patent is being challenged in the Firman Case, which, based on median time to trial statistics for patent cases in the District of Arizona, has an estimated trial date of November 10, 2026. EX2047. That is nearly three weeks before the projected December 1, 2026, deadline for a FWD. Although Firman is not a Petitioner, the Director should take the Firman Case’s estimated trial date into account for several reasons.

Petitioners Generac and Harbor Freight assert counterclaims and defenses that are carbon copies of each other, and near identical copies of Firman’s own invalidity allegations. *Compare* Firman’s counterclaims (EX2004, ¶80) *with* Generac counterclaims (EX2011, ¶¶139-40) *and* Harbor Freight’s counterclaims EX2019, ¶139); *see also* Section I.C.3.a. All three parties rely extensively on Firman’s

RD9000E generator as allegedly anticipatory prior art to the entire 2015 Family and the basis for inequitable conduct defenses and counterclaims. *Id.* Indeed, Generac's counterclaims reference Firman's RD9000E generator at least 47 times and Firman's litigation positions 32 times, and Generac's very first interrogatory and all its Requests for Admission relate to the RD9000E generator. Harbor Freight likewise references Firman's RD9000E generator at least 43 times and Firman itself at least 31 times. Moreover, Firman will likely litigate the validity of the '034 Patent based on the same and/or substantially similar references to those asserted in the Petition.

Further, at least Petitioners Generac and Harbor Freight have been actively collaborating with Firman throughout discovery in the district court cases. Firman subpoenaed Generac and both Generac and Harbor Freight subpoenaed Firman, and the parties have exchanged extensive documents and evidence relating to their respective litigations, including prior art, claim construction, infringement and invalidity contentions, correspondence, exhibits, extrinsic evidence, declarations, deposition transcripts, discovery materials, briefs, and court rulings or opinions. EX2013; EX2009; EX2023. Generac's and Harbor Freight's discovery requests to Champion have also been Firman-focused. For example, Generac's first three requests for production sought documents relating to written discovery, contentions, and claim construction in the Firman Case. Likewise, Harbor Freight requested all documents "in any litigation involving any Patent-in-Suit" relating to the scope of

any claims, including infringement or invalidity contentions and claim construction proceedings, which include documents from the Firman, Generac, and MWE cases.

Ultimately, Petitioners have co-opted the Firman Case entirely, adopting Firman's invalidity counterclaims as their own and actively collaborating with Firman throughout discovery. They have incorporated Firman's arguments, evidence, and statements regarding invalidity and claim construction, and have exchanged thousands of pages of prior art, contentions, and expert reports with Firman. While Petitioners may attempt to minimize the influence of the Firman Case on this Petition and their own parallel litigations, that self-serving argument would be at odds with Petitioners' Firman-focused litigation strategy to date. That the trial against Firman is likely to precede a FWD is notable given the Board's vested interest in preserving resources and avoiding inconsistent outcomes with respect to the meaning, validity, and enforceability of the '034 Patent.

Given the extent of Petitioners' reliance on the Firman Case, and the fact that the Firman Case is likely to go to trial before a FWD, Factor 2 weighs strongly in favor discretionary denial.

**C. Factor 3 Weighs in Favor of Discretionary Denial**

Factor 3 weighs in favor of discretionary denial because there has been meaningful investment in the co-pending cases. Discretionary denial may be warranted where the parties "have made meaningful investment in the district court

Case No. IPR2025-00805

Patent No. 10,393,034

proceeding,” such as, for example, when “the parties have exchanged infringement and invalidity contentions, have already conducted over seven months of fact discovery, and a Markman hearing is scheduled to occur before the due date for an institution decision.” *Advanced Micro Devices, Inc. v. Concurrent Ventures, LLC*, IPR2025-00223, Paper 9 at 2 (June 12, 2025) (denying institution).

First, since February 29, 2024, substantial discovery has already taken place in the Firman Case—discovery on which Petitioners rely. *See* Section I.C.2.b-3.b. Moreover, claim construction briefing is complete, and the court is expected to issue a Markman Order any day. Once issued, the Order will trigger a 90-day deadline to complete all fact discovery, including final contentions, which would be closely followed by expert discovery and dispositive motion deadlines. Champion served Firman infringement contentions over a year ago, and Firman served invalidity contentions on August 30, 2024. Firman’s invalidity contentions, which it produced to Generac and Harbor Freight, included over 5,000 pages of claim charts. And, Firman amended those contentions after receiving a voluminous document production from Generac. *See, e.g.*, EX2005; EX2007. Despite already identifying over 100 prior art references in its original contentions, Firman emphasized the importance of Generac’s production, noting it included information regarding decade-old sales of allegedly invalidating prior art products. EX2005, n.1.

Second, by the December 1, 2025, institution decision deadline, substantial investments will have been made in the Generac Case. The parties have already completed multiple rounds of pleadings. The parties have exchanged infringement and non-infringement contentions, and Generac's invalidity contentions are due on August 22, 2025. Discovery in the Generac Case has also been active since early 2025, with the parties exchanging multiple sets of discovery requests and responses. Generac also relied on the significant time and investment that Firman has made to date, seeking extensive discovery from Firman and adopting many of its defenses and arguments wholesale. Moreover, Champion and Generac are in the process of negotiating a time and place for the deposition of Firman's CEO, underscoring his relevance to both the Firman and Generac Cases. Overall, the volume and pace of activity in the Generac Case has been substantial.

Third, the Harbor Freight Case will have also advanced significantly by the institution decision deadline. After Harbor Freight sued Champion for declaratory judgment of non-infringement, the parties engaged in dueling pleadings and substantial motion practice between October 2024 and February 2025, ultimately resulting in consolidation of the cases in the Central District of California. Both parties have since filed answers and counterclaims, with Harbor Freight asserting invalidity of the '034 Patent and Champion responding with infringement claims.

Claim construction in the Harbor Freight Case is well underway. The parties exchanged proposed terms and preliminary constructions in June and July 2025, with Harbor Freight asserting indefiniteness for three key terms and disclosing a substantial amount of extrinsic evidence, such as multiple expert declarations and IPR petitions. EX2021. A joint claim construction statement is due August 15, 2025, and the Markman Hearing is September 30, 2025. Discovery has also been active since November 2024, with both parties exchanging multiple sets of interrogatories and requests for production. And, while Champion served infringement contentions in April 2025, Harbor Freight has refused to produce non-infringement or invalidity contentions in an apparent effort to delay the case.

Admittedly, unlike the Generac and Harbor Freight Cases, the MWE Case is in its infancy, and a scheduling order has yet to issue. This, however, should be given little weight because like Harbor Freight and Generac, MWE is Champion's long-time competitor, has been in the same "technology space involving the challenged patent" for years, and indeed, has long known about Champion's multi-fuel generator patent families "before filing its Petition challenging Patent Owner's patent," even threatening to file an IPR five years ago. *Murata Manufacturing Co., Ltd. v. Georgia Tech Research Co.*, IPR2025-00383, Paper 14 (July 29, 2025). MWE instead chose inaction until Champion had no other choice but to file suit to enforce its patent rights.

In short, thousands of pages of infringement, non-infringement, and invalidity contentions, in addition to significant written discovery and document productions, have already been exchanged or will have been exchanged in the Firman, Generac, and Harbor Freight Cases before the institution decision deadline. Additionally, a claim construction order may issue any day in the Firman Case and claim construction proceedings will be complete in the Harbor Freight Case by September 30.

Accordingly, the third *Fintiv* factor weighs in favor of discretionary denial, or at minimum, is a neutral factor.

**D. Factor 4 Weighs in Favor of Discretionary Denial**

The fourth *Fintiv* factor supports discretionary denial because the belated Stipulations offered by Petitioners cannot moot their expansive invalidity theories in the co-pending cases, including anticipation and obviousness based on system prior art, as well as indefiniteness, none of which can be resolved by the Board.

Whether a Petitioner timely files a stipulation that it will not raise any ground raised or that could have reasonably been raised in an IPR is “highly relevant, but will not be dispositive by itself.” Director Memo at 2-3, citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 (PTAB Dec. 1, 2020) (“Sotera”). Moreover, while a stipulation can only be offered before an Institution Decision, the Office’s FAQs provide that “[a] petitioner should file a *Sotera* or *Sand* stipulation as

Case No. IPR2025-00805

Patent No. 10,393,034

soon as practicable, so that a patent owner may address the impact of the stipulation in its discretionary denial brief.” FAQs for Interim Processes for PTAB Workload Management (“FAQs”), ¶15; *see NXP USA, Inc. v. Impinj, Inc.*, IPR2021-01556, Paper 13 (Sept. 7, 2022) (precedential).

As an initial matter, Harbor Freight, Generac, and MWE served the Stipulations on July 22, 23, and 29, 2025, respectively, giving Champion little time to address them in the instant brief, due mere days later. Petitioners failed to provide any explanation as to why they waited to serve their stipulations three months after the filing the Petition and two months after the Notice of Filing Date Accorded issued. Paper 7.

In any event, the Stipulations do little to narrow the issues before the district courts. “Where the petitioner is relying on corresponding system art in a co-pending proceeding and/or several other invalidity theories, a stipulation may not be particularly meaningful” FAQs, ¶15. The circumstances of this Petition are unique in that Petitioners’ invalidity theories are largely developed by Firman, including reliance on Firman’s RD9000E as an anticipatory reference and other combinations of system prior art that the Stipulations do not moot. *See Motorola Sols. v. Stellar, LLC*, IPR2024-01205, Paper 19 at 3–4 (Mar. 28, 2025) (Director Review) (“Petitioner’s invalidity arguments in the district court are more expansive and

include combinations of the prior art asserted in these proceedings with unpublished system prior art, which Petitioner’s stipulation is not likely to moot”).

In fact, the allegations based on the RD9000E system art are central to the defenses and counterclaims in the Firman, Generac, and Harbor Freight Cases; so much so, in fact, that a significant amount of discovery sought all three to date relates to the RD9000E generator. *See* Section I.C.2.b. Moreover, based on Generac’s and Harbor Freight’s extensive reliance and adoption of Firman’s defenses, arguments, and evidence, and now MWE’s adoption of the same stipulation notwithstanding that it has not answered the complaint or served invalidity contentions yet, it is likely Petitioners will also rely on the other thirty-four system prior art references asserted in Firman’s Amended Invalidity Contentions. Because the Board cannot evaluate these system-based invalidity theories in IPR, the district courts will still have to grapple with several §§ 102 and 103 invalidity grounds. *See Motorola Sols.*, IPR2024-01205, Paper 19 at 3–4 (denying institution despite Petitioner’s *Sotera* stipulation, in part, because “Petitioner’s stipulation does not ensure that the[] IPR proceedings would be a ‘true alternative’ to the district court proceeding”); *see also Shenzen Tuoshu Tech. Co., Ltd v. Stratasys, Inc.*, IPR2025-00354, Paper 11 at 2-3 (June 12, 2025) (same).

Moreover, while the Stipulations provide that Petitioners will not assert the Kubota DF0972 engine, corresponding to the Kubota Workshop Manual asserted in

Case No. IPR2025-00805

Patent No. 10,393,034

Grounds 6-8, in *their* litigations, nothing prevents *Firman* from pursuing its invalidity grounds based on the Kubota DF0972 engine or the Kubota Workshop Manual in its far more advanced litigation. In fact, *Firman* provided 191 pages of claim charts on the Kubota DF0972 engine in its invalidity contentions.

Relatedly, Harbor Freight contends that three claim terms of the '034 Patent—“gaseous cutoff;” “coupled to [verb];” and “gaseous cutoff solenoid”—are indefinite, rendering Independent Claims 1 and 18 of the '034 Patent invalid. EX2021, p. 23. Petitioners likely did not mention Harbor Freight’s indefiniteness positions in the Petition because “the Board does not institute an *inter partes* review based on an indefiniteness challenge.” *Ebates Performance Marketing, Inc. v. International Business Machines Corp.*, IPR2022-00439, Paper 11 at 11 (PTAB Oct. 3, 2022). More importantly, however, Harbor Freight’s indefiniteness positions only underscore that the PTAB is not the appropriate forum to resolve the '034 Patent’s validity in view of the significant number of invalidity defenses at issue. *Arthrex, Inc. v. MedShape, Inc.*, IPR2025-00053, Paper 11 at 14-15 (PTAB Apr. 25, 2025) (“In sum, for some of the Challenged Claims Petitioner identifies issues of indefiniteness in claim construction presented in the Parallel Proceeding that we cannot resolve in this proceeding. . . . This suggests that even if Petitioner has shown a reasonable likelihood of prevailing . . . , Petitioner’s disputes as they relate to the

Challenged Claims, as a whole, may be more efficiently addressed in the Parallel Proceeding”).

In sum, Petitioners’ Stipulations would, as the Board recently acknowledged, fail to avert a scenario in which the ’034 Patent’s validity is inefficiently disputed in two forums simultaneously. *Nokia of Am. Corp. v. Pegasus Wireless Innovation LLC*, IPR2025-00037, Paper 14 at 13 (PTAB Apr. 25, 2025) (noting that a stipulation would not be dispositive given “that some issues will remain—the district court will still have to resolve various 112 issues raised by the Petitioner”).

Accordingly, Factor 4 weighs in favor of discretionary denial.

**E. Factor 5 Weighs in Favor of Discretionary Denial**

The parties to the Petition are the same as those in the Generac, Harbor Freight, and MWE Cases. Accordingly, Factor 5 weighs in favor of discretionarily denying the Petition. *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (Dec. 1, 2020) (precedential as to Section II.A).

**F. Factor 6 Weighs in Favor of Discretionary Denial**

Factor 6 weighs in favor of discretionary denial for several reasons. “[C]onsistent with the discretionary considerations enumerated in existing Board precedent . . . and the Consolidated Trial Practice Guide (Nov. 2019), the parties are permitted to address all relevant considerations, which may include: . . .

- The strength of the unpatentability challenge;

- The extent of the petition’s reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force; . . . and
- Any other consideration bearing on the Director’s discretion.”

Director Memo at 2-3.

### **1. Strength of the Unpatentability Challenge**

The sixth factor of the *Fintiv* analysis favors denial because the Petition's merits are weak, as Champion will establish more fully in its forthcoming Preliminary Response. *See* FAQs, ¶26 (“[W]hen filing a brief for discretionary denial, a patent owner may direct attention to an anticipated POPR and evidence for a discussion of the merits.”).

### **2. Settled Expectations**

The sixth *Fintiv* factor also supports discretionary denial because Champion has long settled expectations that the '034 Patent would not be challenged in an IPR. The '034 Patent issued six years ago on August 27, 2019 and, claiming a priority date of June 12, 2015, it is already in the latter half of its enforceable term. *See Amgen Inc. v. Bristol-Myers Squibb Co.*, IPR2025-00601, Paper 9 at 3 (July 24, 2025) (“the challenged patents have been in force for seven and six years, respectively, creating strong settled expectations for Patent Owner ...”). Until this Petition, no IPR petition had ever been filed against any of the issued patents in the

Case No. IPR2025-00805

Patent No. 10,393,034

2015 Family. Moreover, Petitioners have not been diligent in challenging the '034 Patent, and Patent Owner's expectations have therefore been settled for years. Despite knowing of Champion's patents and potentially relevant prior art since 2015 (i.e., the Generac system prior art Firman added to its Amended Invalidity Contentions)—and even warning Champion in 2020 of their intent to challenge its multi-fuel generator patents—Petitioners waited half a decade to act.

Specifically, Champion began enforcing the '034 Patent shortly after it issued on August 27, 2019. Champion sent a cease-and-desist letter to Firman Power Equipment Inc., alleging infringement. EX2031. In response, Firman argued that its RD9000E generator constituted invalidating system art predating the '034 Patent's priority date. EX2032. Similarly, following the issuance of the '101 Patent in June 2020, Champion sent cease-and-desist letters to Petitioners Generac and MWE, both of whom were, at the time, represented by the same attorneys and law firms that are of record on the Petition. EX2033; EX2036.

On July 31, 2020, both Petitioners responded. MWE stated it was “aware of and/or in possession of prior art that will support invalidation” and was “prepared to present this evidence in litigation or in an Inter Partes Review proceeding if it becomes necessary.” EX2034. In fact, MWE went even further, claiming that prior art would prove to “be fatal to” Champion's rights in dual-fuel generators. EX2035. Generac likewise asserted that it had “analyzed the file history and reviewed the

prior art” and concluded that “the claims of the ’101 patent are invalid.” EX2037. Despite these early threats, neither MWE nor Generac filed suit or initiated an IPR against the ’101 Patent—or any other patent in the 2013 or 2015 Families—for five years.

Although the letters discussed the ’101 Patent, MWE and Generac should have also been aware of the 2015 Family and the ’034 Patent. For example, Generac and Firman would have been aware of Champion’s research and development efforts and that Champion was actively seeking corresponding patents by virtue of their relationship with Mr. Montgomery, Champion’s former VP of Sales for nearly a decade. Moreover, Generac should have been aware that the ’101 Patent’s parent is U.S. Patent No. 9,435,273—the very same patent that it now asserts as invalidating prior art against the ’034 Patent and the 2015 Family, and whose Publication—the ’230 Publication—is cited on the face of the ’034 Patent. *See, e.g.*, EX2011, ¶¶80-81 (“The ’273 Patent was filed more than one year before the earliest priority date for each patent in the 2015 Patent Family . . . . The ’273 Patent is prior art to the 2015 Patent Family[.]”). Likewise, in its analysis of the 2013 Family, Generac should have been aware of any commercial embodiments that it believed were covered by the 2013 Family, including embodiments which now contends are also “prior art to the 2015 Patent Family[.]” *Id.*, ¶¶79, 82 (“Champion dual fuel generator model 100153 is a commercial embodiment of the 2013 Patent Family and 2015

Case No. IPR2025-00805

Patent No. 10,393,034

Patent Family.”). Indeed, another Champion engine model was marked with both patent families as early as September 2020. EX2046; *Murata Manufacturing*, IPR2025-00383, Paper 14 at 2-3 (“Petitioner was aware that Patent Owner was involved in the same technology space for a significant amount of time before filing its Petition challenging Patent Owner’s patent”).

Instead of challenging the Patent Families, MWE and Generac bided their time, and waited until they were either sued or warned of a complaint that was about to be filed. The pattern continued with Harbor Freight. Like Generac and MWE, Harbor Freight chose not to file an IPR petition in response to Champion’s cease-and-desist letter accusing it of infringing patents in both the 2013 and 2015 Families, including the ’034 Patent. Instead, it filed a declaratory judgment action in district court, further underscoring the strategic delay and reluctance of Petitioners to use the IPR process until faced with litigation, and likely in recognition that Firman’s RD9000E was not the silver bullet anticipatory reference they initially believed.

Indeed, Petitioners’ delay suggests a tactical decision to hedge litigation risk rather than a genuine interest in timely resolving patentability concerns. This prolonged inaction gave Champion settled expectations that the ’034 Patent would not be challenged in an IPR. These settled expectations are dispositive and on its own, far “outweighs the [other] considerations” that would collectively “weigh against discretionary denial.” *Irythm Technologies, Inc. v. Welch Allyn, Inc.*, IPR-

Case No. IPR2025-00805

Patent No. 10,393,034

2025-00363, Paper 10 (June 6, 2025) (discretionarily denying institution). Indeed, allowing a late-stage IPR now would destabilize long-standing patent rights and reward Petitioners' delay at Champion's expense. *Cambridge Industries USA, Inc. v. Applied Optoelectronics, Inc.*, IPR2025-00433, Paper 12 at 3 (June 26, 2025) (discretionarily denying institution challenging seven and nine year old patents); *Amgen*, IPR2025-00601, Paper 9 at 3. Ultimately, if "[e]arly challenges favor robust, predictable patent rights and weigh against discretionary denial[,]” then it stands to reason that late challenges weigh in favor of discretionary denial. *See Merck Sharp & Dohme, LLC v. Halozyme, Inc.*, PGR2025-00006, Paper 29 at 2 (June 12, 2025); *contra Resmed Corp. v. Cleveland Medical Devices, Inc.*, IPR2025-00246, , Paper 10 at 2 (June 12, 2025) (rejecting discretionary denial because “[e]arly challenges favor robust, predictable patent rights and weigh against discretionary denial”).

Champion's settled expectations favor of discretionary denial.

### **3. Petitioners Rely Extensively on Unfocused Expert Testimony**

Petitioners' expert declaration is over 200 pages—nearly twice as long as the Petition itself—and includes 452 numbered paragraphs, which are cited approximately 140 times in the Petition. *See* EX1003. “While the Board may consider expert testimony, as a matter of efficiency, extensive reliance on expert testimony . . . may suggest that the questions are better resolved in an Article III

court.” FAQs, ¶22. Petitions must “be based on prior art patents and printed publications” and set forth the grounds for unpatentability with particularity. *Id.*; 37 C.F.R. § 42.104. It is therefore improper for a Petitioner to leverage an expert declaration in the hopes of filling glaring holes in the Petition itself. The Board has consistently held that expert declarations should not be used to circumvent page limits or to introduce new arguments not found in the petition. *See, e.g., Hulu, LLC v. Sound View Innovations, LLC*, IPR2018-01039, Paper 29 at 13-14 (Dec. 20, 2019) (Director Review). Indeed, a Petitioners’ “failure to provide focused expert testimony may weigh against institution.” FAQs, ¶22.

Petitioners rely heavily on the Declaration of Dr. Timothy Morse to both repeat the teachings of the numerous prior art references cited in the Petition and to provide limitations of the claims that are not found in the references themselves. For example, Dr. Morse provides a limitation-by-limitation analysis that is largely duplicative of the Petition and merely parrots easily understood teachings of the prior art references. *See, e.g.,* EX1003, ¶¶88-109 (repeating Nakafushi’s disclosure for limitation-by-limitation analysis of claim 1); ¶¶309-325 (repeating the Kubota Workshop Manual’s disclosure for limitation-by-limitation analysis of claim 1). In fact, several sections of Dr. Morse’s Declaration quote pages upon pages of excerpts from the cited references. *See, e.g.,* EX1003, ¶¶93, 96, 101, 106, 110, 133, 151, 155, 204, 254, 256, 257, 263,

On the other hand, Dr. Morse's Declaration also attempts to fill in deficiencies of the prior art by simply stating a reference teaches something that it plainly does not. For example, Dr. Morse asserts that Nakafushi teaches a liquid cutoff solenoid valve/carburetor cutoff solenoid (EX1003, ¶¶105-109), yet Nakafushi does not reference the term "solenoid" or anything akin to a solenoid. Even more confusing, the Petition does not even cite ¶¶106-109 of Dr. Moore's declaration in support of its argument that Nakafushi alone satisfies element [1.3], instead citing only to ¶104 which provides the conclusory statement: "While Nakafushi does not use the word 'solenoid' to describe its liquid cutoff control valve 23, a POSA would have understood valve 23 to be a solenoid valve." Pet. at 31-32. Similarly, with respect to Independent Claim 11, Petitioners assert that Nakafushi's vaporizer is a fuel regulator system but merely cites to ¶¶251-52 of Dr. Morse's Declaration, rather than the prior art patent itself. Pet. at 56. This, too, is unsupported and conclusory gap-filling testimony.

Additionally, at the beginning of each Ground, the Petition cites large swaths of Mr. Morse's declaration covering the entirety of his testimony for that ground, likely to ensure Petitions can later argue that all of his testimony is cited *somewhere* in the Petition. For example, the Petition states "Claims 1-3, 5-9, and 18 of the '034 Patent are obvious under 35 U.S.C. § 103, as detailed below and in the declaration of Dr. Timothy Morse (*see* Ex. 1003, ¶¶87-185)." Pet. at 27; *see also* Pet. at 46

(citing 186-¶¶186-200), 49 (citing ¶¶201-229), 53 (citing ¶¶230-288), 66 (citing ¶¶289-307), 69 (citing ¶¶308-421), 106 (citing ¶¶425-451). Several of the foregoing paragraphs, however, are not cited anywhere else in the brief. *See, e.g., id.* at ¶¶88-89, 91-92, 105-109, 138-139, 141-142, 153, 155, 156-157, 175-176, 181-182, 228-229, 249, 253, and 265. *Cisco Systems, Inc. v. C-Cation Technologies, LLC*, IPR2014-00454, Paper 12 (Aug 29, 2014) (informative) (“A brief must make all arguments accessible to the judges, rather than ask them to play archeologist with the record.”).

Ultimately, Dr. Morse’s declaration is the antithesis of focused testimony and Petitioners fail to adequately premise the Petition’s arguments on prior art patents and printed publications, relying on their expert to fill in the gaps. Allowing Petitioners to rely on an excessively long expert declaration to fill gaps in their petition would set a precedent that undermines the statutory requirements and burdens both the Patent Owner and the Board. The petition itself must stand on its own merits, without relying on post hoc rationalizations in expert declarations. For this reason, the sixth factor weighs in favor of discretionary denial.

#### **4. Other Considerations – Petitioners Are Burdening Board Resources**

Petitioners are thwarting a principal goal of IPR: to serve as an efficient and alternative forum for the promotion of robust and predictable patent rights. *General*

Case No. IPR2025-00805

Patent No. 10,393,034

*Plastic Industrial Co., Ltd. v. Kaisha*, IPR2016-01357, Paper X at 15–16 (Sept. 6, 2017) (precedential). Here, the district court proceedings involve up to thirteen disputed patents across two related patent families. On April 29, Petitioners filed the present challenge against the '034 Patent based on eight unpatentability grounds requiring analysis of at least eight prior art references, all of which, as of today, will need to be fully addressed in the FWD. July 29, 2025 Memorandum on Final Written Decision Procedures for AIA Trial Proceedings. Over the next three months, and as of the date of the instant brief, Petitioners have followed with five more IPR petitions implicating thirty additional grounds.

Assuming Petitioners follow through with their promise to file IPR petitions against the seven remaining asserted Champion patents on similar timelines as the first six, this will amount to thirteen IPRs filed over 6–7 months, resulting in numerous different IPR schedules and a significant drain on the Board's limited resources. This burden on the Board is especially unwarranted when four district courts are already tasked with resolving Firman's and the Petitioners' myriad system prior art based §§102, 103 grounds and §112 indefiniteness grounds.

Given a holistic view of the *Fintiv* factors and consistent with the Director's mandate to ensure the PTAB complies "with pendency goals for *ex parte* appeals, its statutory deadlines for AIA proceedings, and other workload needs," the Director should exercise discretion and deny institution.

### **III. THE DIRECTOR SHOULD EXERCISE DISCRETION TO DENY INSTITUTION UNDER SECTION 325(D)**

The Board should deny institution under 35 U.S.C. § 325(d) because Petitioner relies solely on art and arguments that are the same or substantially the same as those considered by the Examiner during prosecution, and Petitioner has not and cannot meet its burden to demonstrate material error by the Examiner. Under the two-part framework from *Advanced Bionics*, the PTAB must first determine whether the art or arguments were previously presented (step one), and, if so, whether the Office materially erred in allowing the claims (step two). *See, e.g., Advanced Bionics*, IPR2019-01469, Paper 6 at 10. The step two inquiry is guided by the non-exclusive factors articulated in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (“*Becton Dickinson*”), which address how the Examiner evaluated the art, how the petitioner’s arguments differ from those made during prosecution, and whether other facts warrant reconsideration.

#### **A. Petitioners’ Art is the Same and/or Cumulative of Art Considered by the Examiner**

The Petition can be grouped into two sets of grounds: Grounds 1-5 asserting obviousness of all claims based on Nakafushi as the primary reference, and Ground 6-8 asserting anticipation and obviousness in view of the Kubota Workshop Manual. Pet. at 1-2. Because the Kubota Workshop Manual describes the same dual-fuel

engine taught by a Kubota patent already considered by the Examiner, and Nakafushi is simply cumulative of this Kubota prior art, the Board first *Advanced Bionics* prong warrants denial of institution.

**1. The Kubota Workshop Manual is the Commercial Embodiment of a Prior Art Patent Already Considered**

Ground 6 of the Petition asserts that the Kubota Workshop Manual anticipates Claims 1-3, 5-9, 11-14, 17-20, and 22-23. Pet. at 2. Petitioners, however, admit that “U.S. Patent No. 5,809,979, to Tsuda and assigned to Kubota [the “Kubota Patent”], describe[es] Kubota’s dual-fuel engines” references the Kubota Patent to support its characterization of what is shown in the Workshop Manual’s figures. *See* Pet. at 82. The Petitioners, however, did not acknowledge that U.S. Patent No. 5,809,979 (the “Kubota Patent”) was considered during examination.

Specifically, during examination of U.S. Patent No. 10,697,398 (“’398 Patent”), the parent of the ’034 Patent, the Examiner considered the Kubota Patent and used it as the basis of a rejection. EX2053. Given that an “examiner will consider information which has been considered by the Office in a parent application . . . when examining: a continuation-in-part application,” and that the same Examiner examined both the ’398 and ’034 Patents, the Kubota Patent has already been considered. *See* MPEP § 609.02(II)(A)(2) [R-07.2015] (“A listing of the information

need not be resubmitted in the continuing application unless the applicant desires the information to be printed on the patent.”).

The Examiner first cited the Kubota Patent during examination of the '398 Patent application in an Office Action mailed October 11, 2018, while the '034 Patent application was still pending. EX2053. That the Examiner did not explicitly apply the Kubota Patent just a few months later in a January 25, 2019, Office Action mailed during examination of the '034 Patent, shows, at a minimum, that the Examiner considered it less relevant than other references. EX1002, pp. 43-64.

The Petition relies on the Kubota Manual's teachings of an engine operable on LPG and gasoline and a “fuel select switch” that controls various fuel valves. Pet. at 20, 70, 80. Petitioners further rely on the Kubota Manual as disclosing a solenoid valve assembly in the carburetor acting as a fuel cutoff mechanism downstream of the float bowl and another solenoid valve controlling the LPG fuel. Pet. at 76-79. The Kubota Patent, already considered, however, teaches the same thing as the Kubota Workshop Manual—the manual simply describes the commercial embodiment of the Kubota Patent (Kubota engine model DF972). Both include an LPG source, an LPG solenoid, an LPG vaporizer, a gasoline source, a gasoline solenoid in the carburetor, and a switching device to choose which fuel source is active. *Compare* EX1012, p. 65 *with* EX1018, 2:39-3:40. Indeed, that the Kubota Patent and Kubota Workshop Manual describe the same dual-fuel engine is further

proven by Kubota's patent marking. Kubota has marked literature for the Kubota engine model DF972 with that very same Kubota Patent number. EX2044, p. 2. Thus, the Kubota Manual fails to introduce any new features or elements not already present in the Kubota Patent and considered by the Examiner.

## **2. Nakafushi is Cumulative of the Kubota Patent**

Similarly, Nakafushi, the primary reference of Grounds 1-5, is merely cumulative of the Kubota Patent. The Petitioner relies on Nakafushi as disclosing an engine configured to run selectively on gasoline or LPG, as well as a control valve downstream of the float chamber to prevent it from being emptied of gasoline when switching to LPG operation. Pet. at 12-15, 27-67.

However, the Kubota Patent discloses every element the Petition argues is taught by Nakafushi. *Compare* EX1018, FIG. 3 *with* EX1005, FIG. 1. Both the Kubota Patent and Nakafushi disclose an engine that is configured to run on either LPG or gasoline and that utilizes a fuel selector switch to electronically control an LPG valve and a gasoline valve on the carburetor, downstream of the float bowl. *Compare* EX1018, 2:39-3:40 *with* EX1005, 4:23-6:20. Further, both references use an LPG vaporizer, which shows these two references are closer to each other than to the '034 Patent, which does not even have a vaporizer. *Id.*

Petitioners do not rely on Nakafushi for any additional elements or functions that are not taught by the Kubota Patent and already considered during examination.

**3. The Secondary References of Grounds 1-5 and 7-8 Do Not Introduce Anything that Was Not Already Considered During Examination**

The secondary references asserted in combination with the Kubota Workshop Manual and Nakafushi in Grounds 1-5 and 7-8—Olmr, Duffy, Parlatore, or Bernhardsson, Jungmann, and the Tri-Fuel Video—add nothing new, as each and every one of the combinations has a substantially similar equivalent that was already considered during examination of the '034 Patent.

**Olmr**

The Petition relies on Olmr in Grounds 1-3 and 5 (Pet. at 1), but Olmr is substantially similar to the Kubota Patent and U.S. Patent No. 3,384,059 (“Kopa”), cited in a May 2, 2018 IDS during examination of the '034 Patent. EX1002, pp. 239-242. Petitioners rely on Olmr as disclosing a solenoid valve within a float bowl of a carburetor as a mechanism for cutting off the fuel supply to the engine. Pet. at 15, 27, 32-34, 37, 39, 42, 46, 49, 52-53, 66. The Kubota Patent discloses a solenoid valve attached to a float bowl that cuts off the supply of fuel when gasoline is not selected. EX1018, 3:14-27. Similarly, Kopa discloses an electrically controlled, gasoline solenoid valve connected in the fuel line between the float chamber and the carburetor. Accordingly, neither Olmr, nor the combination of Olmr with any other reference, introduces anything new.

**Parlatore and the Tri-Fuel Video**

The Petition relies on Parlatore in Grounds 4, 5, and 8 and the Tri-Fuel Video in Ground 8. Pet. at 1-2. Parlatore and the Tri-Fuel Video, which is a YouTube video of a Honda EU2000i generator, are nearly identical to the cited YouTube video of a Honda EU20i generator (“EU20i Video” at <https://www.youtube.com/watch?v=yBpq33aJmR0>) cited in an October 4, 2016 IDS. EX1002, pp. 329-334.

Petitioners rely on Parlatore and the Tri-Fuel Video as disclosing a remote propane tank with two pressure regulators and a supply hose, which it asserts would be obvious to add to the systems taught by Nakafushi and the Kubota Workshop Manual. Pet. at 17-18, 24-25, 57-58, 60, 64-65, 68-69, 106, 108-110. In view of the EU20i Video, however, neither Parlatore nor the Tri-Fuel Video introduce anything not already considered by the Examiner.



Both the EU2000i and EU20i generators use the same Honda GX100 engine system, with the only difference being that the EU20i generator was manufactured

Case No. IPR2025-00805

Patent No. 10,393,034

for the European market and is configured for 240 volts as opposed to 120 volts in the EU2000i generator. All other features and components are the same.

The subject of each YouTube video is also the same. An operator partially disassembles each generator, modifies it, and configures it for use with an LPG cylinder using two pressure regulators in the same way. In each video, the operator adds the same components to the generator and equips it to perform the same operation for the same purpose. The EU20i is not only nearly identical to the EU2000i, but the EU20i Video cited during examination and the Tri-Fuel Video cited by Petitioners are showing the exact same modification.

Moreover, like Parlatore, the EU20i Video specifically discloses a propane tank and two pressure regulators remote from an engine and coupled thereto by a supply hose, as shown below. Accordingly, Parlatore is also substantially similar to the EU20i Video.



### **Duffy**

The Petition relies on Duffy in Grounds 2, 3, and 7 (Pet. at 1-2) despite Duffy's substantial similarity to the Kubota Patent, the Electronic Direct Injection

Case No. IPR2025-00805

Patent No. 10,393,034

(EDFI) for Small Two-Stroke Engines by Johnson et al. (“Johnson”), cited in the October 4, 2016 IDS, and U.S. Patent No. 4,335,697 (“McLean”), cited in the May 2, 2018 IDS. EX1002, pp. 239-242.

Both Duffy and Johnson are technical papers addressing fuel injection technology and its applications. EX1016; EX2040. Specifically, they both address technology aimed at controlling the amount of fuel mixed with air and delivered to an engine for combustion. *Id.* The Petition relies on Duffy as teaching a computer-controlled solenoid to control the flow of gasoline into the engine. Pet. at 26, 46-49, 105. Johnson similarly discloses a computer-controlled solenoid configured to control the fuel injected into the engine. EX2040, 4-5, 7. Additionally, the Kubota Patent and McLean disclose the use of solenoid valves to control the flow of gasoline to an engine. EX1018, 2:39-3:40; EX2043, 2:65-68. In view of this, the Petitioners’ citation to Duffy adds nothing new to that already considered during examination.

### **Jungmann**

The Petition relies on Jungmann for disclosure of a generator with an alternator powered by a gasoline or propane fuel supply with a fuel regulator in Grounds 4 and 5. Pet. at 19, 56, 66, 68. Jungmann, however, is substantially similar to Mclean and U.S. Patent No. 7,905,469 (“Nickels”), cited in the October 4, 2016 IDS. EX1002, pp. 239-242.

McLean teaches an engine for motor vehicles including a gasoline fuel system and a propane fuel system with a fuel regulator. EX2043. While not every component of the motor vehicle is shown, motor vehicles are widely known to include alternators. In fact, nearly every motor vehicle equipped with an engine includes an alternator. Additionally, Nickels discloses a gaseous fuel mixing device with a regulator for an engine in a generator, that also specifically discloses an alternator. EX2049, 7:21-27. Thus, Jungmann is substantially similar to the previously cited art and offers nothing new.

**Bernhardsson**

In Grounds 3 and 5, the Petition relies on Bernhardsson, cited in the October 4, 2016 IDS, for teaching LPG and gasoline fuel sources that are controlled by solenoid cutoff valves. Pet. at 16-17, 49-53, 66-67. McLean specifically discloses LPG and gasoline fuel sources that are each controlled with solenoid cutoff valves. EX2043, 2:65-68. Petitioners do not rely on Bernhardsson for anything not considered during examination of the '034 Patent, during which explicitly identifies Bernhardsson and McClean on page 2 as references cited.

\*\*\*\*\*

In view of the above, the Office has already considered the same or essentially the same art and arguments as now presented in the Petition. Prong 1 of the *Advanced Bionics* framework thus weighs in favor of discretionary denial.

**B. Petitioners Have Failed to Demonstrate Any Material Error by the Examiner**

Upon satisfaction of Prong 1, the Board requires “a showing that the Office erred in evaluating the art. . . .” *Advanced Bionics*, IPR2019-01469, Paper 6 at 8. Petitioners have not alleged any material defect or error of any kind that occurred during examination. While the Petition briefly discussed the prosecution history of the ’034 Patent (Pet. at 7-11), it does not raise any failure by the Office to consider any disclosure of the references cited during examination. Nor does the Petition attempt to show that any of the references cited in the Petition disclose any new material that was not considered during examination.

Petitioners’ failure to address the Office’s consideration of the Kubota Patent is especially important in view of their assertion that the Kubota Workshop Manual is anticipatory. *See* Pet. at 2. As noted above, the Petition admits the Kubota Patent describes the very same dual-fuel engine as the Kubota Workshop Manual (Pet. at 82) but it fails to explain any difference between the alleged “new” reference and the reference already considered—because there is none. Accordingly, Prong 2 weighs heavily in favor of discretionary denial.

**IV. CONCLUSION**

Patent Owner respectfully requests that the Director exercise discretion under Sections 314(a) and 325(d) to deny institution.

Case No. IPR2025-00805

Patent No. 10,393,034

Dated: July 29, 2025

Respectfully submitted,

By: */s/ Daisy Manning*

Daisy Manning, Reg. No. 66,369

Jennifer E. Hoekel, Reg. No. 48,330

HUSCH BLACKWELL LLP

8001 Forsyth Blvd., Suite 1500

St. Louis, MO 63105

(314) 480-1500 Tel

(314) 480-1505 Fax

PTAB-DManning@huschblackwell.com

PTAB-JHoekel@huschblackwell.com

Timothy J. Ziolkowski, Reg. No. 38,368

Jacob M. Fritz, Reg. No. 71,459

ZIOLKOWSKI PATENT SOLUTIONS

GROUP, SC

136 South Wisconsin Street

Port Washington, WI 53074

(262) 268-8100 Tel

(262) 268-8185 Fax

tjz@zpatents.com

jmf@zpatents.com

*Counsel for Patent Owner*

Case No. IPR2025-00805

Patent No. 10,393,034

**CERTIFICATE OF WORD COUNT**

The undersigned hereby certifies pursuant to 37 C.F.R. § 42.24(d) that the foregoing document includes, as indicated by the word count of the word-processing system used to prepare the document contains 13,915 words.

Date: July 29, 2025

By: /s/ Daisy Manning  
Daisy Manning, Reg. No. 66,369  
Lead Counsel for Patent Owner

Case No. IPR2025-00805

Patent No. 10,393,034

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was served via email on the following:

Michael Houston, Reg. No. 58,486  
FOLEY & LARDNER LLP  
321 N. Clark St., Suite 3000  
Chicago, Illinois 60654  
312-832-4500  
mhouston@foley.com  
HarborFreight-Champion-  
034IPR@foley.com

Jeffrey S. Gundersen, Reg. No. 47,619  
Kimberly K. Dodd, Reg. No. 54,646  
FOLEY & LARDNER LLP  
777 E Wisconsin Ave  
Milwaukee, WI 53202-5306  
414-271-2400  
jgundersen@foley.com  
kdodd@foley.com

Date: July 29, 2025

Thomas J. Leach Reg. No. 53,188  
Taylor R. Stemler Reg. No. 79,777  
MERCHANT & GOULD P.C.  
150 South Fifth Street, Suite 2200  
Minneapolis, MN 55402  
612-336-4665  
TLeach@merchantgould.com  
TStemler@MerchantGould.com

Thomas A. Walsh, Reg. No. 45,196  
ICE MILLER LLP  
One American Square, Suite 2900  
Indianapolis, IN 46282  
317-236-5946  
thomas.walsh@icemiller.com

Thomas A. Rammer, Reg. No. 62,591  
Alexas D. Siliunas, Reg. No. 79,826  
ICE MILLER LLP  
200 W. Madison Street, Suite 3500  
Chicago, IL 60606  
312-705-6016  
tom.rammer@icemiller.com  
alek.siliunas@icemiller.com

By: /s/ Daisy Manning  
Daisy Manning, Reg. No. 66,369  
Lead Counsel for Patent Owner