UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CARBYNE, INC.
Petitioner,
v.
TRITECH SOFTWARE SYSTEMS,
Patent Owner.

Case No. IPR2025-00959

U.S. Reissued Patent No. RE50,016

PETITIONER'S AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST

I. INTRODUCTION

Petitioner Carbyne, Inc. submits the following authorized response to Patent Owner's Request for Director Review ("Request," Paper 15). The request lacks merit. Patent Owner asks the Director to review—and reverse—the Board's institution decision in this proceeding. According to Patent Owner, reversal is purportedly appropriate because Petitioner supposedly makes "inconsistent" claim construction arguments in this proceeding and district court. There are two fundamental issues with this. Both require that the request be rejected.

First, Patent Owner's request relies exclusively on a brand-new argument that Patent Owner ***chose not to make*** in its Preliminary Response. A Director Review request is not a vehicle by which to interject new arguments and evidence into a proceeding. Patent Owner's improper attempt to do so now must be summarily rejected.

Second, the Petition did nothing more than employ ***Patent Owner's own prosecution concession*** regarding claim scope when comparing the claims to the prior art. In district court, Petitioner did not propose a different, inconsistent construction of the various "module" limitations. Instead, its argument there is that Patent Owner engaged in improper functional claiming rendering the claims invalid under § 112. Petitioner, like any member of the public, is entitled to rely on Patent

Owner's prosecution concession. This is all that it did in this case. Patent Owner's improper attempt to avoid the effects of its concession must also be rejected.

II. ARGUMENT

A. Patent Owner's Request Is Improperly Premised on New Arguments and Evidence

Patent Owner's request for Director Review is improper. Rather than addressing the Board's institution decision as rendered, the request makes an entirely new argument—using new evidence—found nowhere in the record.[1] This alone requires rejection. Director Review is meant to ***review*** prior Board decisions, not decide issues in the first instance without the benefit of a developed record.

As explained in *United States v. Arthrex, Inc.*, "the Director has the authority to provide for means of reviewing ***PTAB decisions***." 594 U.S. 1, 25 (2021) (emphasis added). Because Director Review is intended only as a "mechanism to correct errors," the Director's guidance requires a review request to explain why an already rendered Board decision: (a) constitutes an abuse of discretion, (b) raises important issues of law or policy, (c) included erroneous findings of material fact, or

[1] Patent Owner cannot cite to the existing record to support its new argument because nothing that Patent Owner cites is in the record. So not only is Patent Owner improperly raising new arguments, but it is also attempting to circumvent the Board's prohibition on submitting new evidence.

(d) makes an erroneous conclusion of law. *See* Director Review Process, §§ 1, 2.B. The Director has also explained that review requests must be premised on existing, decided arguments and evidence of record. "The Director will not consider new evidence or new arguments not part of the official record." *Id.*, § 3.E. The Board's rules say the same thing. *See* 37 C.F.R. §§ 42.75(a), (c)(3) (similarly explaining that Director Review must relate to an existing "decision" and "may not introduce new evidence").

Patent Owner did none of this. Its request identifies no abuse of discretion, important issue of law or policy, material factual error, or legal error in the Board's institution decision. *See generally* Request. Instead, the request argues only that "Petitioner proposed different claim constructions before the PTAB and the district court without explanation or justification." *Id.*, 1. According to Patent Owner, "[t]his warrants review and denial of the Petition." *Id.* It does not. Patent Owner fails to explain how the Board abused its discretion or erred. *See* Director Review Process, § 2.B. Patent Owner failed to include this necessary explanation in its request because ***Patent Owner <u>did not make</u> the argument for which it now seeks review***. In its Preliminary Response, Patent Owner argued only that "[t]he Petition fails to articulate a non-conclusory rationale for why a POSITA would be motivated to combine the references in Ground 1-3." *See* Preliminary Response (Paper 6), 1. Patent Owner said nothing about the district court litigation. It certainly never

argued that Petitioner's positions in that proceeding merit denial of *inter partes* review as it does now. Because Patent Owner never made the argument, the Board did not address it when instituting. *See generally* Institution Decision (Paper 12). There is nothing for the Director to now review.

Next, Patent Owner plainly ***could*** have made its untimely claim construction consistency arguments earlier in this proceeding. Patent Owner attempts to shift blame to Petitioner, arguing that Petitioner somehow engaged in "gamesmanship" when it "filed its claim construction brief in the district court" on "October 13, 2025" highlighting § 112 issues with Patent Owner's claims. Request, 2-3. It is Patent Owner—not Petitioner—whose behavior in this proceeding is improper. Indeed, Patent Owner appears to have deliberately ***misrepresented*** the state of the district court proceeding to mislead the Director and obtain a decision that favors it.

Petitioner's October 2025 claim construction briefing was not the first time Patent Owner was apprised of Petitioner's § 112 position. Instead, Patent Owner was informed of this position ***more than a month earlier*** on September 8, 2025 when the parties exchanged proposed claim constructions. *See* Ex. 2004 (District Court Scheduling Order) at 2. This exchange predated Patent Owner's preliminary response (filed September 15, 2025) by a week. Thus, Patent Owner could have raised the argument for which it now seeks review in that response. It did not. Patent Owner could also have approached the Board and requested leave to make a further

submission after receiving Petitioner's October 2025 claim construction briefing. It did not do this either. Instead, it remained silent for months allowing the Board to issue its institution decision on November 12, 2025. *See* Paper 12.

If this were not enough, Patent Owner's purported licensee (CST) filed its own IPR against a patent asserted against it by Petitioner (Carbyne) in the pending district court case. *See* IPR2025-01179. In district court, CST argues that several terms in Carbyne's patent must be afforded a particular meaning or, in the alternative, are indefinite. But CST made none of those arguments—and discussed none of those positions—in its own IPR petition. So not only are Patent Owner's arguments here facially inadequate, but it is trying to gain a tactical advantage by accusing Petitioner (baselessly) of the very same conduct that Patent Owner itself engaged in.

Patent Owner's argument is therefore waived and cannot serve as a basis for Director Review. Holding otherwise would be in direct contravention to the rules and the Director's own guidance. It would also effectively serve to negate all the work that both the Director and the Board have performed to date in this proceeding. Moreover, and even more problematically, ruling in Patent Owner's favor in this case would set an extraordinarily negative precedent: instead of being confined to the record, future Director Review requests in other cases would be transformed into a free-for-all that bear little resemblance to and pay scant attention to the decisions that precede them.

The cases cited by Patent Owner do not support its request. According to Patent Owner, both "*Cambridge* and *Tesla* … warrant review and dismissal of the institution" decision. Request, 3. The problem with this is that the patent owners in those cases—unlike Patent Owner here— ***did*** make arguments regarding supposedly inconsistent claim construction positions in their prior briefing. *See Cambridge Mobile Telematics, Inc. v. Sfara, Inc.*, IPR2024-00952, Paper 12 at 7 (Dec. 13, 2024) (institution decision summarizing arguments regarding inconsistent claim construction positions set forth in the preliminary response); *Tesla, Inc. v. Intellectual ventures II LLC,* IPR2025-00340, Paper 13 (Aug. 25, 2025) (institution decision similarly summarizing already made arguments regarding inconsistent claim constructions). This allowed the Board in these cases to rule on the arguments and the Director to review the Board's findings. So, far from showing that denial of institution is appropriate, *Cambridge* and *Tesla* simply serve to emphasize why Patent Owner is ***not*** entitled to the relief it now requests.

B. Patent Owner Improperly Seeks to Negate its Own Statements Made During Prosecution

In addition to improperly seeking review of an argument it never made, Patent Owner is also wrong on the substance. Petitioner's positions regarding the "module" claim limitations are not "inconsistent" in the way Patent Owner implies.

As the Petition explained at length, during prosecution of the '016 patent the "module" claim limitations were originally determined by the Examiner to be

means-plus-function limitations. *See* Petition (Paper 1), 12 (citing Ex. 1003, 114-122). Patent Owner responded by arguing the limitations are not means-plus-function because they purportedly "connote structure." *Id.*, 13 (citing Ex. 1003, 156-169). Patent Owner went on to explain that the limitations require nothing more than "computer program modules that are executed by processors." *Id.* The Petition relied on this prosecution concession of claim scope. *See id.*, 14. In district court, Petitioner does not deny that "computer program modules that are executed by processors" fall within the scope of and thus satisfy the '016 patent's "module" limitations. Instead, Petitioner's district court position is that this constitutes improper functional claiming in contravention of the requirements of 35 U.S.C. § 112.

Neither *Cambridge* nor *Tesla* involve a similar factual situation. In *Cambridge*, the petition used—with no explanation—a proposed construction directly at odds with the parties' district court constructions. There, both petitioner and patent owner had proposed means-plus-function constructions with lists of corresponding structure in district court. Neither proposed construction was discussed in the petition. *See, Cambridge*, IPR2024-00952, Paper 12 at 8. Here, Petitioner and Patent Owner do not propose constructions in district court with lists of corresponding structure. The district court dispute is simply whether Patent Owner can functionally claim in the way it did. In *Tesla*, the petitioner argued in

district court that a POSITA would have been completely unable to determine what a particular claim limitation required rendering it indefinite. *See Tesla,* IPR2025-00340, Paper 18 at 2. In denying institution, the Director noted that the petition was deficient because it lacked "explanation" showing "that, notwithstanding the alleged indefiniteness of the claim term, an ordinarily skilled artisan would understand that the asserted art satisfies the claim limitation (such as if the limitation prescribed a range and only the outer bounds of the range were unclear)." *Id.* at 3-4. The Petition in this proceeding includes the ***very type*** of explanation missing in *Tesla*: it summarized, pointed to, and employed Patent Owner's own prosecution concession of what can satisfy the "module" claim limitations.

The public—including competitors to a patent owner like Petitioner here—"are entitled to rely on … representations" made during prosecution. *Aylus Networks, Inc. v. Apple, Inc.*, 856 F.3d 1353, 1359 (Fed. Cir. 2017). "Any explanation, elaboration, or qualification presented by the inventor during patent examination is relevant…" *TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1063 (Fed. Cir. 2016). This is a "fundamental precept" of "claim construction jurisprudence" and "promotes the public notice function" that lies at the heart of the patent system. *Aylus Networks.*, 856 F.3d at 1359; *see also Azurity Pharms. V. Alkem Labs.*, 133 F.4th 1359, 1366 (Fed. Cir. 2025) ("[h]olding patentees to their definitive statements

made during prosecution protects the public and promotes the notice function of intrinsic evidence.")

Patent Owner would have the Director abandon this altogether. It asks the Director to discard an already instituted and meritorious *inter partes* review petition that uses ***Patent Owner's own*** understanding of the "module" limitations. Regardless of whether the "module" limitations are means-plus-function limitations, Patent Owner conceded that the '016 patent's claims are satisfied by "computer program modules that are executed by processors." The Board is required to construe terms "only to the extent necessary to resolve the controversy." *Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)). This is exactly that the Board did in this case: it recognized Patent Owner's prosecution claim scope admission and applied it as the law requires when instituting. *See* Institution Decision, 8 (summarizing and accepting Patent Owner's prosecution "representations" regarding claim scope).

Patent Owner also wrongly argues that it will be "prejudic[ed]" by the Petition's approach to claim construction. *See* Request, 2. There is no "prejudice." First, as explained, Petitioner was entitled to rely and act on statements and representations made by Patent Owner during prosecution. This does not "prejudice" Patent Owner. It is a necessary part of the give-and-take patent system.

Second, Patent Owner appears to premise its "prejudice" argument on the fact that it now confronts two bases for invalidity: the '016 patent's claims both (1) improperly embrace the prior art and (2) are written functionally without adequate specification support. This also does not "prejudice" Patent Owner. Instead, it is the direct result of Patent Owner's overbroad claims and deficient specification.

III. CONCLUSION

For the reasons outlined above, Patent Owner's request for director review is frivolous, lacks merit, and must be denied.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby confirms that the foregoing paper and associated exhibits were caused to be served on December 5, 2025 via electronic mail upon the following counsel of record for Patent Owner:

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