

On behalf of **FreightCar America, Inc.**

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FREIGHTCAR AMERICA, INC.

Petitioner

v.

NATIONAL STEEL CAR LIMITED,

Patent Owner

IPR2025-01046 (Patent 8,166,892)

IPR2025-01047 (Patent 8,132,515)

IPR2025-01048 (Patent 8,132,515)

**PETITIONER'S SUR-REPLY IN OPPOSITION TO PATENT OWNER'S
MOTION FOR DISCRETIONARY DENIAL**

Petitioner FreightCar America submits this sur-reply in response to the reply filed by Patent Owner National Steel Car, Ltd. on September 26, 2025. Patent Owner's reply addresses the national security and economic implications of Petitioner's IPR petitions but ignores the critical issue of whether *inter partes* review is warranted to **correct clear and material errors** by the Office during prosecution. Nevertheless, a sur-reply is appropriate to correct several factual inaccuracies in Patent Owner's reply.

Patent Owner makes numerous inaccurate assertions to allege that Petitioner is not a U.S. producer of freight cars. Reply at 2–3. For example, Patent Owner wrongly claims that Petitioner is not a “domestic producer of freight cars” because it supposedly “ceased operations in Johnstown, Pennsylvania in 2008” and closed “the last of its U.S. facilities” in 2020. Reply at 2. But Petitioner never ceased operations in Johnstown. EX1050 ¶ 2. Its engineering and parts departments are still located in Johnstown, and all of Petitioner's freight cars are designed there. *Id.*; EX2037. Nor is this Petitioner's only U.S. facility—Petitioner's corporate headquarters are in Chicago. EX1050 ¶ 2. Indeed, Patent Owner's own exhibit identifies both the Johnstown facility and the Chicago headquarters. EX2037.

Patent Owner also suggests that Petitioner is not a U.S. company because it assembled the allegedly infringing freight cars in Mexico. Reply at 2. But Petitioner's status as an American company is beyond dispute. Petitioner is

incorporated in the U.S., is based in the U.S., and is subject to U.S. laws and regulations. EX1050 ¶ 2. Petitioner and its predecessor, Bethlehem Steel, have been producing rail cars for over a century. *Id.* The freight cars that Patent Owner wrongly accuses of infringement were designed entirely in the U.S., and approximately 80% of their components (by weight) were sourced from U.S. suppliers. *Id.* ¶ 3. Under Patent Owner’s flawed logic, many well-known U.S. companies that manufacture products abroad could not be considered American, including Apple, Nvidia and General Motors.

Patent Owner argues that “the ’892 Patent and ’515 Patent apply to specialized rail cars used on the DMIR, not to the broader U.S. steel transport industry....” Reply at 3. Patent Owner’s unsupported assertion is simply wrong. The accused cars transporting steel on the DMIR are key links in the U.S. steel industry’s supply chain. Moreover, nothing in the patents’ claims limits them to the DMIR or prevents Patent Owner from asserting the challenged patents against any American freight car having the century-old technology that Patent Owner somehow patented.

Patent Owner cites ARI’s rail cars to argue that “non-infringing alternatives have long existed.” Reply at 3. But Patent Owner omits that ARI was acquired by Greenbrier in 2019. EX1049. As a result, Petitioner is one of only three U.S. companies currently producing ore cars. ’046 Opp. Br. at 21–22; ’047 Opp. Br. at

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26–27. Patent Owner never disputes this key fact, which demonstrates Petitioner’s importance to the domestic steel industry.

Finally, Patent Owner argues that “the strong, settled expectations regarding the ’892 Patent and ’515 Patent, now in their thirteenth year since issuance, strongly favor” discretionary denial. Reply at 1. However, as discussed in Petitioner’s opposition, the patent examiner granted the ’892 patent and the ’515 patent only because he overlooked numerous prior art freight cars, including cars in use a century before Patent Owner filed for its patents. *See generally* ’46 Opp. Br. at 5–11; ’47 Opp. Br. at 6–10. Thus, the need to ***correct the Office’s material errors*** during prosecution warrants review of the challenged patents, notwithstanding any settled expectations Patent Owner may have had. *See Xencor, Inc. v. Merus N.V.*, IPR2025-00605, Paper 12 (PTAB July 17, 2025); *Anthony Inc. v. ControlTec LLC*, IPR2025-00559, Paper 12 (PTAB July 16, 2025); *Activision Blizzard, Inc. v. Milestone Entm’t, LLC*, IPR2025-00708, Paper 13 (PTAB August 14, 2025); *Skullcandy, Inc. v. Earin AB*, IPR2025-00690, Paper 9 (PTAB July 31, 2025). The national security and economic interests discussed in Petitioner’s opposition only reinforce the need to address these errors. The Director should deny Patent Owner’s requests for discretionary denial so that the Board can correct the errors made by the Office in granting the challenged patents.

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Dated: September 29, 2025

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CERTIFICATE OF COMPLIANCE

The undersigned certifies that the foregoing **PETITIONER’S SUR-REPLY IN OPPOSITION TO PATENT OWNER’S MOTION FOR DISCRETIONARY DENIAL** contains 692 words according to the word-processing program used to prepare this paper.

Dated: September 29, 2025

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CERTIFICATE OF SERVICE

I hereby certify that, pursuant to 37 C.F.R. § 42.6(e) and with the agreement of counsel for Patent Owner, a true and correct copy of **PETITIONER'S SUR-REPLY IN OPPOSITION TO PATENT OWNER'S MOTION FOR DISCRETIONARY DENIAL** is being served electronically on September 29, 2025, to the e-mail addresses shown below:

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