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Paper 17
Date: May 14, 2026

Patent Trial and Appeal Board
PRECEDENTIAL
Designated: 05/14/2026

UNITED STATES PATENT AND TRADEMARK OFFICE

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

MAGNOLIA MEDICAL TECHNOLOGIES, INC.,
Petitioner,

v.

KURIN, INC.,
Patent Owner.

IPR2026-00097
Patent 12,138,052 B1

Before JOHN A. SQUIRES, *Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office*.

DECISION
Denying Institution of *Inter Partes* Review

Kurin, Inc. ("Patent Owner") filed a request for discretionary denial (Paper 9, "DD Req.") in the above-captioned case, and Magnolia Medical Technologies, Inc. ("Petitioner") filed an opposition (Paper 10, "DD Opp."). With authorization, Patent Owner filed a Reply (Paper 12, "PO Reply") and Petitioner filed a Sur-reply (Paper 13, "Pet. Sur-reply"). On March 23, 2026, after considering the parties' arguments and the record, and in view of all relevant considerations, I issued a Notice indicating that institution was denied in this proceeding. Paper 14. This determination was based on the totality of the evidence and arguments presented, and I highlight the following reasons.

I. Introduction

A. *Legislative Record.* With the passage of the America Invents Act ("AIA") in 2011, Congress established *inter partes* reviews ("IPRs") and post-grant reviews ("PGRs") (collectively, "AIA reviews") before the Board. The purpose of AIA reviews was, and is, to provide a quick and cost-effective *alternative* to district court patent litigation for resolving disputes over patent validity. *See* H.R. Rep. No. 112-98 at 48 (2011). Congress was clear that AIA reviews should not be used "for harassment or a means to prevent market entry through repeated litigation and administrative attacks," *id.*; *see* S. Rep. No. 110-259 at 72 (2008), for fear that this type of abuse would "frustrate the purpose" of these reviews to provide "quick and cost effective alternatives to litigation." H.R. Rep. No. 112-98 at 48; S. Rep. No. 110-259 at 72. Such results would "divert resources from the research and development of inventions," thereby reducing innovation in contravention of Article I, Section 8, Clause 8 of the U.S. Constitution. H.R. Rep. No. 112-98 at 48; S. Rep. No. 110-259 at 72.

B. *Not Used as Alternative in Many Cases.* Now, fifteen years following passage of the AIA, it is clear that many petitioners do not avail themselves of AIA review as an "alternative" to litigation. Rather, many petitioners seek AIA review in parallel with litigation to gain litigation leverage. Indeed, studies have shown that more than eighty percent of proceedings at the Board have parallel litigation involving the same patent in the U.S. District Courts or the U.S. International Trade Commission ("ITC"). *See, e.g.*, *An Analysis of Multiple Petitions in AIA Trials* (Oct. 2017), 10;[1] Saurabh Vishnubhakat et al., *Strategic Decision Making in Dual PTAB and District Court Proceedings*, 31 Berkeley Tech. L.J. 45 (2016).

To be sure, the mere existence of co-pending litigation in and of itself may not necessarily raise concerns. However, all too often the co-pending litigation involves either the same arguments as the AIA review, or a petitioner asserts system art in the litigation that overlaps with the patents or printed publications asserted in the AIA review—a tell-tale sign that the AIA review is not functioning as a litigation alternative. *See, e.g.*, *Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, Paper 19 (Director Mar. 28, 2025). Even when the prior art and arguments a petitioner presents in district court are substantially different from what it presents before the Board, the AIA review often simply serves as a means by which the petitioner presents *additional* invalidity arguments under sections 102 and 103. When this occurs, the parties spend more time and resources litigating patent validity than they would have in the absence of AIA reviews. Congress intended AIA reviews to narrow disputes—not create another

[1] Available at https://www.uspto.gov/sites/default/files/documents/Chat_with_the_Chief_Boardside_Chat_Multiple_Petition_Study_20171024.pdf.

forum where litigation can be expanded. Additionally, some district courts are unlikely to stay co-pending litigation so an AIA review is in *addition* to, not an *alternative* to, the litigation.

C. *Misuse of AIA Review.* Notably, there also have been instances in which AIA reviews have been used for harassment, contrary to Congress's intent. First, parties have filed multiple petitions challenging the same patent without sound reason, which increases costs for patent owners. *See PTAB Multiple Petitions Study* (Oct. 2025);[2] *see also PacifiCorp v. Birchtech Corp.*, IPR2025-00687, Paper 40 (Director Jan. 12, 2026) (precedential) (addressing a petitioner's filing of two petitions challenging each patent). Second, even after patents have been challenged unsuccessfully in district court, in the ITC, or at the Office, parties have filed subsequent petitions for review of those patents. *See Verizon Connect Inc. v. Omega Patents, LLC*, IPR2023-01162, Paper 40 (Director June 3, 2025). Third, parties seemingly take inconsistent positions, without sufficient reasoning, on overlapping issues between district court and the PTAB, suggesting that parties are misleading one tribunal or the other or pursuing alternative theories under a "wait and see" approach presumably to gain a litigation advantage and/or settlement leverage. *See, e.g.*, *Infineon Techs. Am. Corp. v. MOSAID Techs. Inc.*, IPR2025-01171, Paper 27 (Director Feb. 19, 2026).

D. *Not the Province of Small, U.S.-Based Manufacturers.* As I recently noted in a guidance memorandum, "[s]ome stakeholders have asserted that the availability of IPRs and PGRs is important to protect American manufacturers and small businesses." Memorandum, "Additional

[2] Available at https://www.uspto.gov/sites/default/files/documents/PTAB_Multiple_Petitions_Study_Simplified_Analysis_Addendum_October_2025.pdf.

Discretionary Institution Considerations – U.S. Manufacturing and Small Business Use of AIA Proceedings" (Mar. 11, 2026) ("U.S. Manufacturing Memorandum"), 2.[3] Fifteen years of data, however, appear to tell a different story—a handful of market dominant companies have filed most petitions for AIA review. For example, a recent study shows that the top ten petitioners—most, if not all, of whom are market dominant companies—filed roughly 1,900 petitions, while the next 70 petitioners *combined* filed roughly the same number. Patexia, *PTAB 2025 Intelligence Report* (Sept. 2025), Table 3.2; *see also* Presentation, *Study of high-volume filers and domestic university-related patentees in district court litigation and PTAB proceedings*, 12–13 (listing top petitioners from 2019–2024).[4] Thus, the notion that AIA review is the province of small or primarily U.S.-based manufacturers does not appear consistent with the data.

It also has come to light that companies associated with foreign governments have been among the top ten AIA review petitioners (when considered collectively) while, at the same time, the U.S. government is not permitted to file AIA petitions. *See* Memorandum, "Precedential Designation of *Corning Optical Communications RF, LLC v. PPC Broadband Inc.*, IPR2014-00440, Paper 68 (PTAB Aug. 18, 2015) (except for § II.E) (Oct. 28, 2025), 3;[5] *Return Mail Inc. v. United States Postal Serv.*,

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[3] Available at https://www.uspto.gov/sites/default/files/documents/Additional_Discretionary_Institution_Considerations_US_Manufacturing_and_Small_Business_Use_of_AIA_Proceedings.pdf.
[4] Available at https://www.uspto.gov/sites/default/files/documents/HVF_study_presentation.pdf.
[5] Available at https://www.uspto.gov/sites/default/files/documents/Precedential_designation_of_Corning_Optical_Communications_RF_LLC_v._PPC_Broadband_Inc_Memo_-_Dated_10_28_25.pdf.

587 U.S. 618 (2019). My decision in *Tianma* explains that, like the U.S. government, a party may not file an AIA review if the party or any of its real parties in interest ("RPI") is a foreign sovereign. *See Tianma Microelectronics Co. v. LG Display Co.*, IPR2025-01579, Paper 12 (Director Mar. 18, 2026) (precedential) ("*Tianma*").

E. *AIA Reviews Relate to the Public Interest.* Unlike court proceedings, AIA reviews are not solely about resolving "a private dispute." *Saint Regis Mohawk Tribe v. Mylan Pharms. Inc.*, 896 F.3d 1322, 1330 (Fed. Cir. 2018) (Dyk, J., concurring). The Office institutes review to reconsider its own decision and correct a possible error in the original patent grant—not to shield a particular petitioner from infringement liability. *Id.* The breadth of a court's scrutiny over patent validity is greater than the Office's in an AIA review and courts are, and always have been, the primary forum for adjudicating private disputes. Accordingly, the factors Congress requires the Director to consider in promulgating rules sound in the public interest rather than the private interests of the parties before the Board. The factors include the economy, efficient administration of the Office, the ability of the Office to timely complete its AIA reviews, and the integrity of the patent system. *See, e.g.*, 35 U.S.C. § 316(b). By their nature, these factors center broadly on the Office, the patent system, and the public interest—not narrowly on the interests of private litigants. In all events, private litigants retain the right to challenge a patent on any ground in district court and lose no substantive rights when an AIA review is denied institution.

F. *Director Discretion Should Consider Public Interest.* In view of the requirements of the statute, and perhaps by the very broad nature of these factors, Congress afforded significant discretion to the Director in duly

executing the purposes of the AIA. *Apple Inc. v. Squires*, 166 F.4th 1349, 1353 (Fed. Cir. 2026) ("Even if certain statutory preconditions for institution are met, non-institution remains within the Director's discretion: No law compels institution."); *United States v. Arthrex, Inc.*, 594 U.S. 1, 8–9 (2021) ("Congress has committed the decision to institute inter partes review to the Director's unreviewable discretion.") (citation omitted).

At bottom, the central purpose of IPRs is to determine whether the patent at issue may have been improvidently granted and whether and to what extent that right should continue to be recognized at all. This is the very reason Congress conferred on the USPTO—rather than Article III courts—institution discretion, management of AIA proceedings, and AIA final decision-making.

In short, discretion is afforded to ensure fairness, efficiency, and predictability in patent disputes in a focused *inter partes* context—as Congress envisioned—as distinct from the broad adjudication of private disputes in district court litigation. Our AIA review under Article I is ultimately regulatory; proceedings under Article III are adjudicatory.

In this spirit, the Office has issued, and will continue to issue, guidance as to what, specifically, the public interest entails. For example, the U.S. Manufacturing Memorandum encourages petitioners and patent owners to discuss American manufacturing and/or small business considerations in their discretionary briefing. This will facilitate Office analysis as to whether AIA reviews provide a tactical advantage to companies that neither manufacture in the United States nor make American manufacturing investments. U.S. Manufacturing Memorandum 2. Regarding small businesses, the memorandum encourages petitioners that have been sued for infringement to identify themselves as small businesses

to assist the Office in understanding how frequently such businesses use AIA reviews defensively and to weigh such information as part of the Office's discretionary considerations. *Id.*

II. Illustrative Precedential and Informative Decisions

I also have designated decisions as precedential or informative to provide guidance as to whether and how the Office will use its limited resources to address the above-discussed factors that bear on the public interest. Some illustrative decisions are below:

A. *Examiner Error.* A substantial showing of apparent examiner error can overcome other factors that suggest discretionary denial. *See, e.g.*, *Padagis US LLC v. Neurelis, Inc.*, IPR2025-00464, Paper 12 (Director July 16, 2025) (informative).

B. *Different Claim Constructions in Different Forums.* Permitting different claim construction positions before a district court and the Board without sufficient explanation detracts from the Office's goal of providing greater predictability and certainty in the patent system. *See, e.g.*, *Revvo Techs., Inc. v. Cerebrum Sensor Techs., Inc.*, IPR2025-00632, Paper 20 (Director Nov. 3, 2025) (precedential).

C. *Foreign Sovereigns.* As noted above, I have explained that statutory construction, fairness, and the Office's broad discretion in deciding whether to use its limited resources to institute an AIA review require treating foreign sovereign petitioners or RPIs the same as the U.S. government and its agencies. *See Tianma*, Paper 12 (finding that *Return Mail* applies equally to the U.S. Government and foreign sovereigns and their agencies).

D. *Settled Expectations.* Settled expectations of either party may be a factor in determining whether to institute an AIA review. *See,*

e.g., *Home Depot U.S.A., Inc. v. H2 Intellect LLC*, IPR2025-00480, Paper 11 (Director Sept. 4, 2025) (informative) (a petitioner may have its own settled expectations when a patent has not been commercialized, asserted, licensed, or otherwise applied in a petitioner's technology space); *Dabico Airport Sols. Inc. v. AXA Power ApS*, IPR2025-00408 (Director June 18, 2025) (informative) (absent persuasive reasoning from a petitioner, it is not an appropriate use of resources to review a patent in which a patent owner has developed settled expectations).

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III. The Instant Case

It is with these principles and guidance in mind that I turn to the instant case. I view the Petition in this IPR as outside the purpose of AIA reviews. Petitioner apparently is not attempting to use the Board as an alternative to the litigation but instead is using the IPR process to obtain a second bite at the apple after losing in district court.

The patent at issue in this IPR was previously challenged in district court, where a jury found the patent not invalid. DD Req. 5–9 (citing Ex. 2007, 12). Patent Owner explains that Petitioner's anticipation and obviousness grounds were not presented to the jury because the court precluded the testimony of Petitioner's invalidity expert. *Id.* at 5–7 (citing Ex. 2003; Ex. 2005; Ex. 2006); *see also* Paper 2, 10–11 ("Petition"). Petitioner's district court anticipation and obviousness grounds are similar to those presented in the Petition. *Id.*

Petitioner argues that its expert's preclusion "from offering at trial his anticipation and obviousness opinions prior to the filing of the Petition . . . argues *in favor of* institution, not against it." DD Opp. 9. Specifically,

Petitioner argues that, because its expert's testimony was precluded, no forum has adjudicated the validity or patentability of the challenged claims under 35 U.S.C. § 102 or 103. *See id.* at 8–9.

The lack of a jury verdict as to anticipation or obviousness in the now-completed jury trial does not entitle Petitioner to re-litigate the same issues at the Office. To permit such would fly in the face of the Congress's stated goals for the AIA to be used as a litigation alternative.

Here, Petitioner first contested validity of the challenged patent in the district court under the same grounds that could have been presented to the Office. *See* Ex. 2003. Accordingly, the parties expended substantial resources in district court on the issues presented in the Petition. DD Opp. 5–6. Only after the district court precluded its expert on November 3, 2025 did Petitioner file its Petition. Ex. 2006. Notably, the district court precluded the expert due to his failure to disclose the claim construction upon which he based his anticipation and obviousness opinions, something that was within Petitioner's control. *See id.* at 3–4. Petitioner had the opportunity to fully and fairly litigate these issues before the district court, did so, and lost, and now is attempting to use the Office as a repeat challenge or second bite at the apple to undo its litigation loss. This is difficult to square with Congress's intent and why it vested broad discretion in the Director to deny institution.

In consideration of the foregoing, it is:

ORDERED that the Petition is *denied*, and no trial is instituted.

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