Director\_Discretionary\_Decision@uspto.gov 571-272-7822

Paper 10 Date: June 25, 2025

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

POSCO CO., LTD., Petitioner,

v.

ARCELORMITTAL, Patent Owner.

IPR2025-00370 (Patent 10,961,602 B2) IPR2025-00371 (Patent 11,326,227 B2)

Before COKE MORGAN STEWART, Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent and Trademark Office.

> DECISION Denying Patent Owner's Request for Discretionary Denial

ArcelorMittal ("Patent Owner") filed a request for discretionary denial (Paper 8, "DD Req.") in the above-captioned cases, and POSCO Co. Ltd., ("Petitioner") filed an opposition (Paper 9, "DD Opp.").<sup>1</sup>

After considering the parties' arguments and the record, and in view of all relevant considerations, discretionary denial of institution is not appropriate in these proceedings. This determination is based on the totality of the evidence and arguments the parties have presented.

In these proceedings, several considerations favor discretionary denial of institution. For example, the challenged patent is involved in a parallel International Trade Commission ("ITC") investigation. DD Req. 4. The initial determination date for the ITC investigation is June 23, 2025, and the target date for completion of the investigation is October 23, 2025. *Id.* The projected date for the final written decision in this proceeding is July 30, 2026. *Id.* As such, it is unlikely that a final written decision in these proceeding will issue before the conclusion of the ITC investigation. Furthermore, there has been substantial investment by the parties in the ITC proceeding. For example, the evidentiary hearing in the ITC investigation has concluded and the parties have completed post-hearing briefing. *Id.* These considerations favor discretionary denial.

Other considerations, however, counsel against discretionary denial. For example, Petitioner is not a party in the ITC investigation. DD Opp. 4– 5. Rather, Petitioner's customer, listed as a real party-in-interest in the Petition, is a party in the ITC proceeding. *Id.* Moreover, Petitioner's arguments regarding settled expectations—namely that Patent Owner's

<sup>&</sup>lt;sup>1</sup> Our citations are to papers filed in IPR2025-00370. Similar papers were filed in IPR2025-00371.

claims were "highly vulnerable to invalidation based on prior art"—tip the balance against discretionary denial. DD Opp. 7. Petitioner explains that Petitioner was successful in invalidating all the claims of U.S. Patent No. 9,708,683 B2 ("the '683 patent"), a parent to the challenged patent, in IPR2019-01275. DD Opp. 6–7. The final written decision in IPR2019-01275 issued on January 5, 2021, which is before the issue date of the challenged patent, March 30, 2021. *See POSCO v. Arcelormittal*, IPR2019-01275, Paper 31 (PTAB Jan. 5, 2021); Ex. 1001.<sup>2</sup> The fact that the Board previously determined related claims to be unpatentable—prior to the issuance of the challenged claims in this proceeding—tips the balance against discretionary denial. It is an appropriate use of Office resources to provide consistency and predictability to the public, and to ensure that a patent applicant or owner does not take action inconsistent with the judgment in a prior Office proceeding. *See* 37 C.F.R. § 42.73(d)(3) (addressing patent owner estoppel).

Although certain arguments are highlighted above, the determination not to exercise discretion to deny institution is based on a holistic assessment of all of the evidence and arguments presented. Accordingly, the Petition is referred to the Board to handle the case in the normal course, including by issuing a decision on institution addressing the merits and other nondiscretionary considerations, as appropriate.

In consideration of the foregoing, it is:

<sup>&</sup>lt;sup>2</sup> The issue date of the challenged patent in IPR2025-00371 is May 10, 2022, and the patent application that matured into the challenged patent was not filed until May 13, 2021—after the Board's final written decision in IPR2019-01275. IPR2025-00371, Ex. 1001.

ORDERED that Patent Owner's request for discretionary denial is *denied*;

FURTHER ORDERED that the Petitions are referred to the Board; and

FURTHER ORDERED that neither party shall file a request for rehearing or Director Review of this decision until the Board issues a decision on institution.

#### FOR PETITIONER:

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### FOR PATENT OWNER:

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