

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CATAPULT INNOVATIONS PTY LTD,
Application 14/045,954,
Petitioner,

v.

adidas AG,
Application 13/077,494,
Respondent.

Case DER2014-00002

Before JAMESON LEE, JONI Y. CHANG, and JUSTIN T. ARBES,
Administrative Patent Judges.

LEE, *Administrative Patent Judge.*

DECISION
Denying Institution of Derivation Proceeding
35 U.S.C. § 135(a)

Introduction

Petitioner (“Catapult”) filed, on November 4, 2013, a petition under 35 U.S.C. § 135(a) to institute a derivation proceeding directed to claims 1–20, 22–25, 29–31, and 40–51 of Respondent’s (“adidas AG”) Application 13/077,494 (“the adidas AG ’494 application”), and on November 21, 2013, a revised petition (Paper 7, “Rev. Pet.”). The adidas AG ’494 application was published as Pub. No. US 2012/0254934 A1 on October 4, 2012 (Ex. 1011). Catapult is involved on the basis of its Application 14/045,954 (“the Catapult application”). Shaun Holthouse is the sole named inventor on the Catapult application.

Catapult moved to be accorded an earlier filing date for its Petition. Paper 4. The motion was granted and the Petition was accorded the filing date of October 4, 2013. Paper 11. Catapult has filed two other derivation Petitions based on the same Catapult application, directed to two other applications of adidas AG, in *Catapult Innovations Pty Ltd v. adidas AG*, DER2014-00005 and *Catapult Innovations Pty Ltd v. adidas AG*, DER2014-00006.

No claim of the adidas AG ’494 application has been allowed by the Examiner. Paper 16. In an amendment dated June 27, 2013, adidas AG amended certain claims including independent claims 1, 19, 40, and 51. In an Order issued April 29, 2014 (Paper 17), we suspended prosecution of both the Catapult application and the adidas AG ’494 application, to consider whether to institute a derivation proceeding.

The threshold showing for institution of a derivation proceeding is whether the petition demonstrates substantial evidence, which if unrebutted, would support

the assertion of derivation.¹ 35 U.S.C. § 135(a); 37 C.F.R. § 42.405(c). Once a derivation proceeding has been instituted, the standard of proof for establishing that a challenged claim constitutes a derived invention is by a preponderance of the evidence. 37 C.F.R. § 42.1(d). For reasons discussed below, Catapult’s Petition to institute a derivation proceeding is *denied*.

Discussion

A. The Applicable Law

Although a derivation proceeding is a creation of the Leahy-Smith America Invents Act (“AIA”), Public Law No. 112-29, § 3(i),² the charge of derivation of invention as a basis for finally refusing application claims and cancelling patent claims had been adjudicated under 35 U.S.C § 135(a) as it existed prior to the enactment of AIA. On the substantive law of derivation of invention, we apply the jurisprudence which developed in that context, including the case law of the U.S. Court of Appeals for the Federal Circuit and the U.S. Court of Customs and Patent Appeals.

Under the AIA, a petitioner must show that the respondent, without authorization, filed an application claiming such derived invention. 35 U.S.C. § 135(a); 37 C.F.R. § 42.405(b)(2). A derivation petition with respect to an invention that is the same or substantially the same as a claim contained in a patent issued on an earlier application, or contained in an earlier application when published or deemed published under section 35 U.S.C. § 122(b), must be filed during the 1-year period following the date on which the patent containing such

¹ Substantial evidence is defined as that which a reasonable person might accept as adequate to support a conclusion. *Falkner v. Inglis*, 448 F.3d 1357, 1363 (Fed. Cir. 2006); *see also In re Zurko*, 258 F.3d 1379, 1384 (Fed. Cir. 2001).

² Leahy-Smith America Invents Technical Corrections Act, Public Law No. 112-274, § 1(e)(1), (k)(1).

claim was granted or the earlier application containing such claim was published, whichever is earlier.³ 35 U.S.C. § 135(a).

To prove derivation, the party asserting derivation must establish prior conception of the claimed subject matter and communication of that conception to an inventor of the other party. *Cooper v. Goldfarb*, 154 F.3d 1321, 1332 (Fed. Cir. 1998); *Price v. Symsek*, 988 F.2d 1187, 1190 (Fed. Cir. 1993); *Hedgewick v. Akers*, 497 F.2d 905, 908 (CCPA 1974). “There can be no derivation without prior conception on the part of the party alleging derivation.” *Davis v. Reddy*, 620 F.2d 885, 889 (CCPA 1980) (quoting *Egnot v. Looker*, 387 F.2d 680, 687 (CCPA 1967)). A charge of derivation addresses originality—who invented the subject matter at issue. *Price*, 988 F.2d at 1191.

Conception is the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention, as it is therefore to be applied in practice. *Kridl v. McCormick*, 105 F.3d 1446, 1449 (Fed. Cir. 1997); *Burroughs Wellcome Co. v. Barr Labs. Inc.*, 40 F.3d 1223, 1228 (Fed. Cir. 1994); *Coleman v. Dines*, 754 F.2d 353, 359 (Fed. Cir. 1985). “Conception must be proved by corroborating evidence which shows that the inventor disclosed to others his completed thought expressed in such clear terms as to enable those skilled in the art to make the invention.” *Coleman*, 754 F.2d at 359. A rule of reason applies to determining whether the inventor’s testimony has been corroborated. *Price*, 988 F.2d at 1194. “The rule of reason, however, does not dispense with the requirement for some evidence of independent corroboration.” *Coleman*, 754 F.2d at 360.

³ Catapult’s derivation Petition was timely filed. It was accorded a filing date of October 4, 2013 (Paper 11), which is within one year of the date of publication of the adidas AG ’494 application on October 4, 2012, as Pub. No. US 2012/0254934 A1.

Thus, the showing of prior conception and communication need be made for an invention disclosed to an inventor of the other party. Any challenged claim which the petitioner demonstrates is “the same or substantially the same” as the disclosed invention constitutes a derived invention.⁴ See 37 C.F.R.

§ 42.405(b)(3)(i). Proof of conception must encompass all limitations of the disclosed invention. See *Singh v. Brake*, 222 F.3d 1362, 1367 (Fed. Cir. 2000); *Kridl*, 105 F.3d at 1449; *Sewall v. Walter*, 21 F.3d 411, 415 (Fed. Cir. 1994); *Coleman*, 754 F.2d at 359; *Davis*, 620 F.2d at 889.

If the petitioner identifies one of its own claims as defining or representing that invention disclosed to an inventor of the other party, then petitioner has to establish corroborated conception of that claimed invention, as well as corroborated communication of that conception. Assuming that corroborated conception and communication both are established, the petitioner would be able to regard as a derived invention those challenged claims of the respondent which are shown by the petitioner to be drawn to the same or substantially the same invention as the disclosed invention. That question is evaluated in the direction from the disclosed invention to each challenged claim.

Per 37 C.F.R. § 42.405(a)(2), a petitioner also has to show that it has at least one claim that is (i) the same or substantially the same as the respondent’s claimed invention, and (ii) the same or substantially the same as the invention disclosed to the respondent. If the petitioner selects one of its own claims as the “invention disclosed to the respondent,” the selection itself can be relied on as satisfying the requirement of 37 C.F.R. § 42.405(a)(2)(ii).

⁴ “Same or substantially the same” means patentably indistinct, 37 C.F.R. § 42.401, and in this specific context, patentably indistinct is evaluated one-way in the direction from the invention disclosed to the respondent to each challenged claim.

B. The Allegedly Derived Invention

Catapult alleges that claims 1–20, 22–25, 29–31, and 40–51 of the adidas AG '494 application as published are drawn to a derived invention. Independent claims 1, 19, 40, and 51 in the adidas AG '494 application, as published in Pub. No. US 2012/0254934 A1, are reproduced below:

1. A system for monitoring a plurality of individuals engaged in an activity, the system comprising:

a base station;

a plurality of individual monitors configured to communicate wirelessly with the base station;

a plurality of sensors, each sensor in communication with an individual monitor, each configured to be coupled to an individual, and each configured to sense a characteristic of the individual and to transmit, during the activity, data indicative of the characteristic to the individual monitor; and

a group monitoring device configured to communicate wirelessly with the base station,

wherein each individual monitor is configured to transmit, during the activity, the data to the base station,

wherein the base station is configured to receive the data and to transmit, during the activity, a metric based on the data to the group monitoring device, and

wherein the group monitoring device is configured to display a representation of the metric.

19. A system for monitoring a plurality of individuals engaged in an activity, the system comprising:

a base station;

a plurality of individual monitors configured to communicate wirelessly with the base station;

a plurality of sensors, each sensor in communication with an individual monitor, each configured to be coupled to the individual, and each configured to sense a characteristic of the individual; and

a group monitoring device configured to communicate wirelessly with the base station.

40. A method for facilitating monitoring of a plurality of individuals engaged in an activity, the method comprising:

receiving, at a first individual monitoring device, first data indicative of a characteristic of a first individual during an athletic activity of the first individual and a second individual, wherein the first individual monitoring device is coupled to the first individual;

receiving, at a second individual monitoring device, second data indicative of a characteristic of the second individual during the athletic activity, wherein the second individual monitoring device is coupled to the second individual;

transmitting the first data and the second data wirelessly to a base station during the athletic activity;

determining, at the base station, a metric of the first individual and a metric of the second individual, based on the first data and the second data, respectively;

transmitting the metric of the first individual and the metric of the second individual wirelessly to a group monitoring device during the athletic activity; and

displaying a representation of the metrics on the group monitoring device,

wherein the group monitoring device is portable relative to the base station.

51. A system for monitoring a plurality of individuals engaged in an activity at an activity site, the system comprising:

a portable base station;

a plurality of individual monitors configured to communicate with the base station, each individual monitor being portable with respect to the base station;

a plurality of sensors, each sensor in communication with an individual monitor, each configured to be coupled to the individual, and each configured to sense a characteristic of the individual and to transmit, during the activity, data indicative of the characteristic to the individual monitor; and

a group monitoring device in communication with the base station and portable with respect to the base station,

wherein each individual monitor is configured to transmit, during the activity, the data to the base station,

wherein the base station is configured to receive the data and to transmit, during the activity, a metric based on the data to the group monitoring device,

wherein the group monitoring device is configured to display a representation of the metric, and

wherein the base station is portable with respect to the activity site.

Ex. 1011, 19–21.

The Field of the Invention portion of the adidas AG '494 application, as published, states that the invention generally relates to an activity monitoring

system, and in particular, to an athletic activity monitoring system that facilitates live monitoring of a plurality of individuals. Ex. 1011 ¶ 0002. The Background Art portion of the adidas AG '494 application, as published, provides that to monitor an athletic activity, a trainer typically gathers information about the participants in the athletic activity by viewing the athletic activity from the sidelines of a sports field, and thus the information gathered is typically limited by what is observed by the trainer from the sidelines. Ex. 1011 ¶ 0005.

The Summary of the Invention portion of the adidas AG '494 application, as published, describes gathering information about participants in an athletic activity without observation by a trainer on the sidelines. In part, it states:

In another exemplary embodiment, a method for facilitating monitoring of a plurality of individuals engaged in an athletic activity includes receiving, at a first individual monitoring device, first data indicative of a characteristic of a first individual during an athletic activity of the first individual and a second individual, wherein the first individual monitoring device is coupled to the first individual, receiving, at a second individual monitoring device, second data indicative of a characteristic of the second individual during the athletic activity, wherein the second individual monitoring device is coupled to the second individual, transmitting the first data and the second data wirelessly to a base station during the activity, determining, at the base station, a metric of the first individual and a metric of the second individual, based on the first data and the second data, respectively, transmitting the metric of the first individual and the metric of the second individual wirelessly to a group monitoring device during the athletic activity, and displaying a representation of the metrics on the group monitoring device, wherein the group monitoring device is portable relative to the base station.

Ex. 1011 ¶ 0010.

C. Catapult's Analysis

1. *What was disclosed*

Catapult's arguments are based on technical disclosure made by Mr. Holthouse, the founder and current Chief Executive Officer of Catapult, to adidas Wearable Sports Electronics of Wilmington, Delaware ("AWSE"), in a two-day presentation and demonstration that occurred on October 19–20, 2010, in Wilmington, Delaware. Rev. Pet. 6–11. Catapult relies on the declaration testimony of Mr. Holthouse (Ex. 1012), as well as the declaration testimony of Luke Millar (Ex. 1020), who accompanied Mr. Holthouse on the trip to Wilmington, Delaware, and who has been Global Manager of Direct and Distributor Sales for Catapult since June 2010 (Ex. 1020 ¶¶ 3, 6).⁵

According to the testimony of Mr. Holthouse (Ex. 1012 ¶ 10), AWSE is a wholly owned subsidiary of adidas AG, and in attendance at the two-day presentation and demonstration in Wilmington, Delaware, for AWSE were Qaizar Hassonjee, Meg Susan Burich, Roger Armitage, and Marcus Strecker, whom Mr. Holthouse collectively refers to as "the Adidas Team" (Ex. 1012 ¶ 16). Mr. Holthouse testifies that he gave a live demonstration on the afternoon of October 19, 2010, at the football field of West Chester University, and that Qaizar Hassonjee of AWSE arranged for the participation of several athletes at the demonstration. Ex. 1012 ¶ 18. Mr. Holthouse also testifies that he provided two presentations to the Adidas Team. Ex. 1012 ¶ 16.

⁵ The declarations of Mr. Holthouse and Mr. Millar refer to Exhibits SH1 through SH19. Pages ii–iv in Catapult's Revised Petition include a conversion formula to identify Exhibits SH1 through SH19 as Exhibits 1013 through 1019.

Neither Catapult's Revised Petition nor the declarations of Mr. Holthouse and Mr. Millar specifically define "an invention" that was disclosed to AWSE. No application claim of Catapult was identified as constituting or representing that disclosed invention, and the Revised Petition does not identify what subset of all the technical information provided to AWSE on October 19–20, 2010, constitutes an "invention" of Mr. Holthouse, the sole named-inventor on the Catapult application. Instead, the Revised Petition and the declarations all focus on the totality of the technical information that was provided to AWSE. The record, therefore, shows that Catapult regards the entire collection of information disclosed to AWSE as its "invention disclosed to the respondent" under 37 C.F.R. § 42.405(b)(3)(i).

In particular, Mr. Holthouse testifies that the system he demonstrated at Wilmington, Delaware, to AWSE is referred to by Catapult as the "minimaxX" system, and the software accompanying it is referred to as the "LoganPlus" software. Ex. 1012 ¶ 13. In his declaration, Mr. Holthouse refers to the minimaxX system and the LoganPlus software collectively as the "Catapult System." *Id.*

Mr. Holthouse testifies that he, along with Mr. Millar, made full disclosure of the Catapult System, including both hardware and software functionality, to the Adidas Team through the presentations and in answering questions during the presentations and demonstrations. Ex. 1012 ¶ 17. Mr. Holthouse further testifies that as a part of the demonstration of the Catapult System, individual monitors were assigned to participating athletes, and the Adidas Team saw the function of the software, as illustrated

in the presentations, demonstrated during the time at the football field.

Ex. 1012 ¶ 18.

Mr. Holthouse testifies that the details of the Catapult System demonstrated to the Adidas Team were described in a manual produced in February 2009 for version 4.3 of the LoganPlus software, and in a help supplement for the LoganPlus software produced in November 2008. Ex. 1012 ¶ 19. That, however, does not mean everything in the manual or the help supplement was demonstrated to the Adidas Team. Nonetheless, the testimony of Mr. Holthouse was specific as to what features and functionalities of the Catapult System were disclosed to the Adidas Team.

Paragraph 20 of the declaration of Mr. Holthouse (Ex. 1012) describes some of the disclosed features and functionalities and is reproduced below:

20. During the presentations and demonstrations on the 19th and 20th October 2010, I, along with Luke Millar, disclosed to the Adidas Team the following features and functionalities of the Catapult System:

a) A completely portable system for monitoring a plurality of individuals engaged in a sporting activity. (Ex. SH8, p. 5; Ex. SH10, p. 5) This system included:

- A portable base station which included a computer and wireless antennae for receiving and transmitting data during the activity; (Ex. SH8, p. 5; Ex. SH10, pp. 56–57)
- A plurality of individual participant monitors, each carried on the person of each individual and being capable of bi directional wireless communication with the base station during the activity; (Ex. SH8, pp. 2, 5; Ex. SH10, pp. 5–10)
- A plurality of sensors either included in each said participant monitor or on each said individual, and in

communication there with, each sensor being capable of sensing a physiological or activity parameter of the individual; (Ex. SH8, pp. 2, 19; Ex. SH10, pp. 5, 10, 89–94)

- Each individual monitor transmitting data, relating to parameters sensed by the sensors, to the base station; (Ex. SH10, pp. 56–57)
- Software in the base station computer programmed to receive data from the individual participant monitors uses algorithms to convert the sensor signals into parameters or metrics relating to physiological measurements of the individual wearing the participant monitors or movements and impacts of the individual wearing the participant monitors; (Ex. SH8, p.5; Ex. SH10, pp. 5, 12–82) and
- A group monitoring device communicating wirelessly with the base station to receive and display the parameters and/or metrics during the activity. (Ex. SH10, p. 56; Ex. SH11)

b) The participant monitors were the same as those provided by Catapult to its customers, and their design and functionality conformed with the data loggers disclosed in catapult's U.S. Patent No. 7,715,982 (Ex. SH2) and U.S. Patent No. 8,036,826 (Ex. SH3). the sensors included one or more of 3 dimensional accelerometers, 3 dimensional gyrometers, magnetometers, GPS sensors, heart rate monitors. The participant monitors incorporated a processor which calculated metrics from the sensed data. (Ex. SH8 pp. 2, 5, 19; Ex. SH10, pp. 5–10, 89–94)

c) The parameters and metrics transmitted to the group monitors relate to one or more of heart rate, location, orientation, speed, distance travelled, acceleration and direction of travel of the individual or to a measurement derived from one or more of said parameters, such as player load which is a measure of energy

expended or impacts from player collisions. (Ex. SH8, pp. 10–18, 20–21; Ex. SH10, pp. 37–40)

d) The software was capable of showing graphically the time spent by the participant in moving at slow, moderate, and high speeds, the distance and path travelled on the playing ground during any desired time interval as well as heart rate. (Ex. SH8, pp. 10–18, 20–21; Ex. SH10, pp. 40–45)

e) The software enabled a coach (or other person) to set upper and lower limits for one or more parameters or metrics so that an alert is triggered on the group monitoring device if the data transmitted falls outside of the limits. (Ex. SH8, pp. 22–23; Ex. SH10, pp. 52–66)

f) The software also enabled video of the playing activity to be synchronized with the parameters and metrics graphically displayed on the base station computer or the group monitoring devices. The video feed could be synchronized on the base station or the group monitoring device and transmitted to the web server from the base station computer. (Ex. SH8, pp. 28–29; Ex. SH10, pp. 80–82)

g) The base station computer software and the group monitor software enabled saving of data and accessing of stored data for display on the group monitoring device. This data could be uploaded to or down loaded from a web server running the system software. (Ex. SH10, pp. 7, 19)

h) The base station consisted of a laptop or portable computer connected to antenna for wirelessly sending and receiving data to and from the individual monitors and the group monitoring devices. Also connected to the base station computer was a portable docking station able to dock a plurality of individual monitors and enable the base station computer to communicate with the individual monitors and down load data from them. The portable docking station included a battery to enable charging of the batteries in the individual monitors. (Ex. SH8, pp. 2, 5; Ex. SH10, pp. 5–10, 56–57)

Paragraphs 21 and 22 of the declaration of Mr. Holthouse (Ex. 1012) describe still further additional features and functionalities allegedly disclosed to the Adidas Team on October 19th and 20th, 2010, but their contents need not be reproduced here.

The above-noted testimony of Mr. Holthouse is corroborated by the testimony of Mr. Millar. Mr. Millar testifies that he and Mr. Holthouse conducted two presentations of the Catapult System, as well as a live demonstration with the participation of several athletes, to the Adidas Team. Ex. 1020 ¶ 6. Moreover, with regard to the features and functionalities of the Catapult System disclosed to the Adidas Team, the testimony of Mr. Millar in paragraphs 9–11 of the Millar declaration (Ex. 1020) is essentially the same as the testimony of Mr. Holthouse in paragraphs 20–22 of the Holthouse declaration (Ex. 1012).

2. Challenged claims being the same or substantially the same as a disclosed invention

Catapult provides a claim chart identifying, for each feature of every challenged claim, the evidence that it was disclosed by Mr. Holthouse to the Adidas Team on October 19–20, 2010. Rev. Pet. 11–28. Catapult evidently does not rely on an assertion of obviousness of any challenged claim based on what was disclosed to the Adidas Team. Instead, Catapult's apparent position is that each feature of every challenged claim actually was disclosed to the Adidas Team in the presentation and demonstration that occurred on October 19–20, 2010. We have reviewed the challenged claims, including corresponding amendments made after publication of the adidas AG '494 application, if any, and the evidence referred to in the claim chart provided by Catapult. We determine that substantial evidence supports a conclusion that each challenged claim is directed to an invention that is

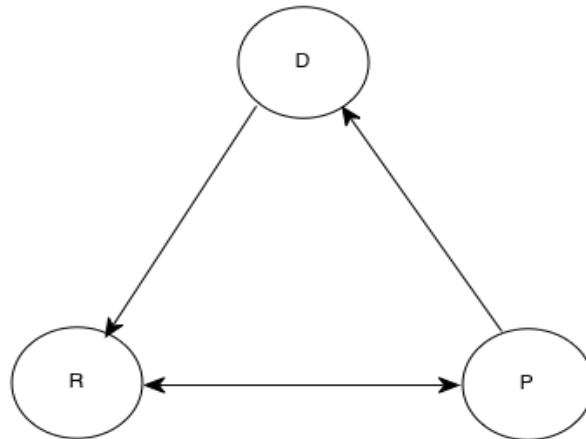
the same or substantially the same as an invention disclosed by Catapult, through Mr. Holthouse and Mr. Millar, to the Adidas Team on October 19–20, 2010.

3. Catapult's at least one qualifying claim

As noted above, per 37 C.F.R. § 42.405(a)(2), a petitioner must have at least one claim that is (i) the same or substantially the same as the respondent's claimed invention, and (ii) the same or substantially the same as the invention disclosed to the respondent. Based on the syntax of the language of the rule, we read both requirements as directed to the same claim of the petitioner. Thus, the one claim of petitioner must be both (i) the same or substantially the same as a claimed invention of the respondent, and (ii) the same or substantially the same as the invention disclosed to the respondent.

To ensure that the petitioner and the respondent are claiming patentably indistinct inventions, the determination of “same or substantially the same,” between the at least one claim of the petitioner and a claimed invention of the respondent, is a two-way analysis. That analysis can be performed on a claim of the petitioner and any challenged claim of the respondent. On the other hand, a two-way analysis is not necessary for the determination of “same or substantially the same” between the at least one claim of petitioner and the invention disclosed to the respondent. Instead, that is determined one-way, in the direction from the petitioner's claim to the invention disclosed to the respondent.

In summary, the three “same or substantially the same” inquiries between the petitioner’s claim (“P”), the respondent’s claimed invention (“R”), and the invention disclosed to the respondent (“D”) are illustrated by the following diagram:



The illustration shows the relationship of P and D and R with each other. The directions of the arrows connecting P and R, P and D, and D and R indicate whether the associated “same or substantially the same” analysis is one-way or two-way, and if one-way, in which direction.

Catapult’s claim 29 potentially may serve as a qualifying claim. Substantial evidence supports a conclusion that it is the same or substantially the same as claim 40 of the adidas AG ’494 application, as amended. The two claims read essentially the same. Moreover, based on the comparisons provided through the claim chart in Catapult’s Revised Petition, focusing on how a disclosed invention meets every feature of challenged claim 40, substantial evidence supports a conclusion that claim 29 of the Catapult application is the same or substantially the same as an invention disclosed to adidas AG.

Regardless of which claim serves as Catapult's qualifying claim, however, Catapult failed to identify and keep a consistent D between the P to D analysis and the D to R analysis. Catapult evidently regards all communicated information as the disclosed invention D in the D to R analysis, but has not identified any of its own claims as being the same or substantially the same as all of that communicated information. In this case, the P to D and the D to R analysis are not aligned.

4. Filing of the adidas AG '494 application not authorized by Holthouse

Substantial evidence supports Catapult's assertion that the filing of the adidas '494 application was unauthorized by Mr. Holthouse. Mr. Holthouse testifies that he did not authorize filing of the adidas AG '494 application, published as Pub. No. US 2012/0254934 A1. Ex. 1012 ¶ 34.

5. Arguments and evidence missing from the Revised Petition

As we noted in Section A above, to prove derivation, the party asserting derivation must establish prior conception of the claimed subject matter and communication of that conception to an inventor of the other party. *Cooper*, 154 F.3d at 1332; *Price*, 988 F.2d at 1190; *Hedgewick*, 497 F.2d at 908. There can be no derivation without prior conception on the part of the party alleging derivation. *Davis*, 620 F.2d at 889; *Egnot*, 387 F.2d at 687. A charge of derivation addresses originality—who invented the subject matter at issue. *Price*, 988 F.2d at 1191. Derivation is about prior “conception” and communication of the prior “conception,” and not about prior possession and communication of the prior “possession.”

Possession indicates little, if anything, about originality of invention. One who possessed the invention might have acquired it from someone else. It is unfounded to assume that one who had an invention in his or her possession must have conceived of the invention and be the source or origin of that invention.

Catapult's Revised Petition presents argument and evidence of prior "possession" and communication of the prior possession, instead of argument and evidence of prior "conception" and communication of that prior conception. The latter, not the former, is required for showing derivation of invention. In that regard, note that the Statement of Facts portion of Catapult's Revised Petition is titled: "Prior Possession and Disclosure of the Invention." Rev. Pet. 6. The concept of prior "conception" by Mr. Holthouse of the invention disclosed to the Adidas Team is missing entirely from Mr. Holthouse's testimony and not addressed by the Revised Petition.

In his declaration (Ex. 1012), Mr. Holthouse does not assert that he "conceived" of any of the features and functionalities disclosed to the Adidas Team on October 19–20, 2010, much less "conceived" an invention which includes all such disclosed features and functionalities. The testimony of Mr. Holthouse does not support an assertion of invention by Mr. Holthouse with regard to what was disclosed to the Adidas Team. The declaration of Mr. Millar is no different. Mr. Millar's testimony does not corroborate any "conception" of invention by Mr. Holthouse. The testimony of the two witnesses is concerned only with possession and communication, not "conception" of a disclosed invention.

D. Conclusion

Based on the evidence and arguments presented by Catapult, and for the reasons discussed above, substantial evidence, un rebutted, does not support a conclusion that any one of the challenged claims of adidas AG constitutes a derived invention. Upon resumption of prosecution, nothing precludes an examiner from considering whether the presentation and demonstration that occurred on October 19–20, 2010, in Wilmington, Delaware, constitute prior art

that render any claim of Application 14/045,954 or any claim of Application 13/077,494 unpatentable, because we have not made such a determination.

E. Order

It is

ORDERED that Catapult's Revised Petition to institute a derivation proceeding directed to claims 1–20, 22–25, 29–31, and 40–51 of the adidas AG '494 application is *denied*;

FURTHER ORDERED that we do not institute a derivation proceeding, for trial, with respect to any claim of the adidas AG '494 application;

FURTHER ORDERED that the suspension of prosecution of Catapult's Application 14/045,954, and of the adidas AG '494 application, as ordered on April 29, 2014 (Paper 17), is herein lifted;

FURTHER ORDERED that jurisdiction over Application 14/045,954 and jurisdiction over Application 13/077,494 are herein returned to the examiners in charge of examination of the respective applications; and

FURTHER ORDERED that a copy of this decision will be placed in the respective files of Application 14/045,954 and Application 13/077,494.

Case DER2014-00002
Applications 14/045,954 and 13/077,494

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