

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CHANEL, INC.,
Petitioner,

v.

MOLO DESIGN, LTD.,
Patent Owner.

IPR2022-00545
Patent 9,689,161 B2

Before KEN B. BARRETT, CARL M. DEFRANCO, and
RICHARD H. MARSCHALL, *Administrative Patent Judges*.

DEFRANCO, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

Molo Design, Ltd. (“Molo”) is the owner of U.S. Patent No. 9,689,161 B2 (Ex. 1001, “the ’161 patent”). Chanel, Inc. (“Chanel”) filed a Petition requesting *inter partes* review of claims 1–10, 12, 14, 18–25, and 27 of the ’161 patent. Paper 1 (“Pet.”). Molo filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). Because we determine that Chanel demonstrates

a reasonable likelihood that at least independent claims 1 and 2 of the '161 patent are unpatentable, we institute an *inter partes* review of all claims as challenged in the Petition. *See* 35 U.S.C. § 314(a).

I. BACKGROUND

A. *Related Matters*

In addition to this Petition, Chanel has filed petitions for *inter partes* review of three related patents—U.S. Patent Nos. 7,866,366 B2 (IPR2022-00543), 8,561,666 B2 (IPR2022-00544), and 9,797,134 B2 (IPR2022-00546). Prelim. Resp. 2–3. Those patents, along with the '161 patent at issue here, are also the subject of an infringement action filed February 22, 2021 in *Molo Design Ltd. v. Chanel, Inc.*, No. 1:21-cv-01578 (S.D.N.Y.). *Id.* at 3; *see also* Paper 6 at 2. That action was stayed on May 2, 2022, pending the outcome of our review of Chanel's Petition in this proceeding and the related proceedings. Prelim. Resp. 4 n.1; *see also* Ex. 3001 (Stay Order).

B. *The '161 Patent*

The '161 patent relates to a “freestanding extensible wall for partitioning an area of a room.” Ex. 1001, Abstract. The partition comprises “a core 12 and a pair of supports 14, 16 at opposite ends of the core.” *Id.* at 4:15–17, Fig. 1. Notably, the core is “formed from a flaccid flexible material,” wherein “a cellular structure having voids 30 is formed within the core” upon movement of the oppositely-facing end supports away from each other in a horizontal direction. *Id.* at 4:9–11, 4:43–45, Figs. 3–5. According to the '161 patent, the core's end supports “are made of a self-supporting material . . . , which has a degree of flexibility but also has sufficient rigidity to resist collapse of the core.” *Id.* at 4: 51–55, Figs. 4, 5. As a result, the

supports can be “moved away from one another . . . to expand the core so that the cellular structure is opened within the core.” *Id.* at 5:5–7, Fig. 4c.

Once expanded, the core “has sufficient width to remain stable in a vertical position with the rigidity provided by the end supports.” *Id.* at 5:26–28. The degree of flexibility of the core can “accommodate different configurations and allow an appropriate shaped and sized partition to be installed in an otherwise open space.” *Id.* at 5:35–38, Fig. 9. The provision of the end supports also permits multiple partitions “to be joined end-to-end” via hook and loop fasteners. *Id.* at 5:48–55, Figs. 6–7. “Further support[s] may be provided along the length of the partition,” wherein each support has a base and dowel configured to be positioned within a void or cell of the core. *See id.* at 14:14–26, Fig. 48.

According to the ’161 patent, the structure of this extensible partition is an improvement over prior art partitions that “are rigid, or have rigid frames, or are formed from rigid interconnected panels and . . . are relatively large, heavy, and cumbersome, and therefore difficult to set-up, take down, store, and transport.” *Id.* at 1:35–38. The inherent rigidity of such prior art partitions, the ’161 patent explains, “limits the extent to which they can be dynamically resized (extended or contracted) and reshaped to suit varying spaces and requirements, or readily moved around for relocation, or storage.” *Id.* at 1:42–51.

C. The Asserted Challenges

Claims Challenged	35 U.S.C. §	Basis
2, 6, 7, 8, 10, 12, 14	102	SoftHousing I ¹
1–10, 12, 14, 18	103	SoftHousing I, SoftHousing II ² , SoftHousing III ³ , Arens, ⁴ <i>and/or</i> Okuno ⁵
2, 6, 8, 10, 12, 14	102	SoftWall ⁶
1–10, 12, 14, 18	103	SoftWall, SoftHousing I–III, Arens, <i>and/or</i> Okuno
19–25, 27	103	MacAllen, ⁷ Stratton, ⁸ Fischer, ⁹ Reisenethel, ¹⁰ Tolna, ¹¹ <i>and/or</i> EnduroFence ¹²

In further support of these challenges, Chanel submits the declaration of Lance Rake. *See* Ex. 1003. Molo, in turn, submits declarations from each of the named inventors of the '161 patent. *See* Exs. 2006, 2007.

¹ DBEW International Design Competition 2004, *Golden Prize*, HANSSEM CO., LTD., May 9, 2004 (Ex. 1005, “SoftHousing I”).

² *Design Beyond East & West—Collection of Winning Works of DBEW International Design Contest* (Interior Architecture of China Magazine ed.) TIANJIN UNIVERSITY PRESS, March 2004 (Ex. 1006, “SoftHousing II”).

³ *First Step Soft Housing*, Common Ground, Nov. 6, 2003 (Ex. 1007, “SoftHousing III”).

⁴ US 4,493,174, issued Jan. 15, 1985 (Ex. 1013, “Arens”).

⁵ JP S49-87173 A, published Aug. 21, 1974 (Ex. 1011, “Okuno”).

⁶ *Flexible textile walls expand and compress to create rooms-within-a-room*, ARCHITECTURAL RECORD, VOL. 192, No. 9, P. 205, Sept. 2004 (Ex. 1028, “SoftWall”).

⁷ US 2008/0023156 A1, published Jan. 31, 2008 (Ex. 1037, “MacAllen”).

⁸ US 7,217,061 B2, issued May 15, 2007 (Ex. 1038, “Stratton”).

⁹ US Des. 353,946, issued Jan. 3, 1995 (Ex. 1039, “Fischer”).

¹⁰ US 2005/0076552 A1, published Apr. 14, 2005 (Ex. 1040, “Tolna”).

¹¹ DM 057 813, published Dec. 28, 2005 (Ex. 1041, “Reisenethel”).

¹² *Enduro Fence Package-150'*, MARKERS, INC., Aug. 27, 2008 (Ex. 1042, “EnduroFence”).

D. The Challenged Claims

Six of the challenged claims are independent—claims 1, 2, 19, 22, 23, and 27. Independent claims 1, 2, 19, and 22 are directed to an “extensible wall,” while independent claims 23 and 27 are directed to “flexible furniture.” Ex. 1001, 16:40–19:32. Claim 2 is illustrative and recites:

2. A method for partitioning an area of a room, the method comprising:

positioning an extensible wall in the area of said room, said wall having a base, a top, oppositely directed surfaces extending between said base and said top, said base, top and surfaces defining a core, said core comprising a cellular structure having multiple voids extending from said base to said top upon movement of said oppositely directed surfaces away from each other, said base having a width of at least 10 centimeters and said core having a height of at least 1 meter,

placing said base on a floor of said room, and

moving opposite ends of said core apart to expand said cellular structure and extend the length of said core and to form at least a substantially straight freestanding wall configuration, whilst maintaining its vertical extent.

Id. at 16:64–17:13.

II. ANALYSIS

A. Level of Ordinary Skill in the Art

Chanel’s declarant, Mr. Rake, testifies that one skilled in the art during the relevant time frame “would have a bachelor’s degree and at least two years of relevant experience working as an industrial designer, interior designer, furniture designer, architect, or other similar professional” and “would be knowledgeable regarding furniture design and/or the design of exhibit and display systems, and would have a general understanding of related manufacturing processes.” Ex. 1003 ¶ 46. At this stage, Molo does

not contest that testimony. *See generally* Prelim. Resp. Nor, for now, do we see any reason to question it. Thus, in deciding whether to institute, we keep in mind the level of skill in the art as articulated by Chanel’s declarant.

B. Particularity of the Challenges

Molo argues that the Petition should be denied for failing to identify the various claim challenges with sufficient particularity. *See* Prelim. Resp. 5–11 (citing Pet. 7); *see also* 35 U.S.C. § 312(a)(3) (stating a “particularity” requirement for petitions). According to Molo, although Chanel purports to identify five challenges to the claims, the use of the conjunction “and/or” in Chanel’s obviousness challenges gives rise to “at least 65 *different obviousness combinations* against the claims,” which Molo asserts “fails to meet the particularity requirements for an IPR petition.” *Id.* at 7, 9, 11.

We disagree with Molo’s characterization of Chanel’s challenges. At the outset, we note that a petitioner’s use of the “and/or” conjunction in initially listing its challenges to the claims does not in and of itself warrant denial of a petition. Rather, the *entire* petition must be assessed in determining whether the particularity requirement is met. Here, in faulting the Petition for lacking particularity, Molo focuses solely on Chanel’s obviousness challenges as listed in a table on a single page of the Petition. *See* Pet. 7. What Molo disregards is Chanel’s detailed explanation of those challenges elsewhere in the Petition. *See, e.g., id.* at 32–44.

For instance, with respect to the SoftHousing-based obviousness challenge (so-called “Ground 2”), the Petition identifies specific teachings from the prior art (be it Arens, Okuno, Stratton, etc.) that correspond to individual elements of the claims such that the challenge for each claim is

readily identifiable. *See, e.g.*, Pet. 33–37 (mapping SoftHousing I to the preamble and element a of claim 1); *id.* at 38, 39, 42 (mapping Arens only to element b of claim 1, as well as dependent claims 3 and 5); *id.* at 43, 59 (mapping Okuno only to dependent claims 12 and 14); *id.* at 64–66 (mapping Stratton, Fischer, and Reisenthel only to element b of claims 19 and 22); *id.* at 68–70 (mapping Tolna and EnduroFence only to element c of claims 19 and 22). In other words, Chanel’s use of the “and/or” conjunction does not apply across all the prior art references making up a particular challenge, but, as the Petition makes clear, applies to only a very limited number of tertiary references being relied upon to teach specific claim elements. For the remaining claim elements, the Petition makes clear that only a single reference is being relied upon, be it SoftHousing for “Ground 2,” SoftWall for “Ground 4,” or MacAllen for “Ground 5.”

We discern nothing unusual or obtuse about Chanel’s approach to its obviousness challenges; the Petition could not be clearer in identifying the relevance of each reference as applied to the challenged claims. As such, we reject the notion that Chanel’s use of “and/or” when listing its challenges in an abbreviated format, such as a table, “results in an unwieldy, excessive, and burdensome number of possible combinations,” as Molo argues. *See* Prelim. Resp. 9–10. Rather, in the context of the Petition *as a whole*, Chanel has fully met its statutory burden of particularly identifying the challenge to each claim.

C. Claim Construction

Pursuant to 37 C.F.R. § 42.100(b), we apply the claim construction standard set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). That is, the words of a claim are generally given their plain and

ordinary meaning as would have been understood by one skilled in the art at the time of the invention and in the context of the entire patent disclosure. *Id.* at 1312–13. Only terms in controversy need be construed, and only to the extent necessary to resolve the controversy. *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)).

Here, Chanel posits that we “need not construe any [claim] terms in order to resolve the underlying controversy” because “[a]ny reasonable interpretation of those terms—as understood by a POSITA at the time of the invention—reads on the prior art.” Pet. 22–23. Molo responds that we should deny the Petition because Chanel is advancing a claim construction that “directly conflicts” with its proposed construction in the parallel district court action for the terms “supports” and “self-supporting,” as recited in dependent claims 12 and 14. Prelim. Resp. 12–13; *see also id.* at 14 (“Petitioner’s assertion that the Board need not construe these terms is in direct conflict with its representations to the district court.”). Although Molo contends “the Board would be committing reversible legal error” by failing to construe these claim terms further, it neither proffers its own construction of these terms nor otherwise explains why Chanel’s position—that no express construction is required to resolve the issues in dispute—is erroneous. *See id.* at 13–14. Instead, Molo asserts that, by advancing “inconsistent” and “contradictory” claim construction positions before us and the district court, Chanel “fail[s] to meet its burden under 37 C.F.R. § 104(b)(3))” to demonstrate how the challenged claims should be construed. *Id.* at 17–19; *see also id.* at 14–15 (essentially same).

We disagree that Chanel’s claim construction positions before us and the district court are inconsistent or otherwise contradictory. Indisputably, Chanel elaborates on its construction of certain claim terms in the parallel district court action more so than it does here, but that is because the district court action involves issues of infringement and indefiniteness that are wholly outside the purview of this proceeding. Indeed, when Molo raised this identical argument in the district court action—“that Chanel has engaged in gamesmanship by advancing conflicting arguments before the PTAB and this Court”—the district court explained that “it is neither uncommon nor impermissible for a party to advance different arguments before a District Court and the PTAB” where the parallel action “concerns issues outside the scope of *inter partes* review.” Ex. 3001, 9 n.1. That is the case here—the issues of infringement and indefiniteness before the district court may require a more detailed claim construction than is needed to resolve the issue of patentability here. Thus, like the district court, we see nothing improper about Chanel advancing a more detailed meaning of certain claim terms in the district court action, while simply saying here that the meaning of those terms is readily apparent from the prior art. Thus, we decline to deny the Petition on that basis.

Moreover, Molo concedes that the alleged “direct conflict” regarding the construction of the terms “supports” and “self-supporting” arises only with respect to “[c]laims 12 and 14,” which are dependent claims. Prelim. Resp. 13–14. Neither of those terms appears in independent claims 1 and 2, which are the sole independent claims at issue in four of the five challenges making up the Petition. *See* Pet. 7. Indeed, in opposing Chanel’s challenge of independent claims 1 and 2, Molo focuses on whether the asserted prior

art discloses a wall that is “freestanding,” but the meaning of that term is not in dispute. *See* Prelim. Resp. 24–28, 37. Because, at this preliminary stage, the dispute centers on a limitation in independent claims 1 and 2 and the threshold for institution can be resolved without construing terms in the dependent claims, we reject the notion that Chanel somehow violates our rules by not developing a more explicit construction of those terms.¹³ *See, e.g., Nidec*, 868 F.3d at 1017 (approving Board decision not to construe claim language where the construction is not material to the dispute).

D. Threshold for Institution

1. The SoftHousing-Based Challenges

a. Anticipation (Claims 2, 6, 7, 8 10, 12, and 14)

We begin with Chanel’s challenge of method claim 2 as being anticipated by SoftHousing I. *See* Pet. 23. Here, Chanel provides a detailed mapping of how SoftHousing I satisfies each recited step. *See id.* at 23–27. Chanel also provides supporting testimony from its declarant, Mr. Rake. *See* Ex. 1003 ¶¶ 64–66, 101–109.

Molo responds that Chanel fails to show that SoftHousing I satisfies the step of expanding the cellular structure “to form at least a substantially straight *freestanding* wall configuration, whilst maintaining its vertical extent.” *See* Prelim. Resp. 23–25, 33–37 (emphasis added). According to Molo, Chanel falls short “because the walls described in *SoftHousing I* are not ‘freestanding,’ but instead were required to be fastened to a perimeter wall or other stable structures to prevent the walls from falling over.” *Id.* at

¹³ The same is true of the term “flaccid” in dependent claim 10, for which Molo also faults Chanel’s lack of an explicit construction. *See* Prelim. Resp. 15–16, 18–19.

24–25. In support of that contention, Molo submits declarations from the inventors of the '161 patent purporting to confirm that “prototypes” of the cellular walls depicted in SoftHousing I “did not have folding end panels or supports, which were only developed later,” and, thus, “were not self-supporting or vertically stable standing on their own, rendering them prone to collapse.” *Id.* at 35–36 (citing Exs. 2006, 2007 ¶ (xi) (xvii)).

Although not a model of clarity, SoftHousing I nonetheless discloses enough to satisfy the threshold for institution on method claim 2. At the outset, we note that neither Chanel nor Molo disputes that the term “freestanding” means “standing alone free of support or attachment.” *See* Prelim. Resp. 24 (citing Ex. 2001 at 8). That meaning finds support in the Specification and the prosecution history of the '161 patent. For instance, during prosecution of the '161 patent, the applicants rebutted the Examiner’s view that “supports are required for the [cellular] structure to be freestanding” by representing that “the extended wall, which is the structure itself, is freestanding *when the base of the wall is placed on the floor of a room.*” Ex. 1002 at 185 (emphasis added). Based on that representation, the Examiner agreed that supports are not needed to make the cellular wall freestanding and subsequently allowed the claims. *See id.* at 190 (“Applicant stated that an embodiment is capable of being freestanding *without supports.*”) (emphasis added).

That end supports are not needed in order for the claimed wall to be freestanding is also consistent with the Specification, which provides:

In some applications, *the inherent stiffness of the material used in the core* is such as to provide sufficient rigidity to the core when the cellular structure is expanded for the core to be self

supporting when expanded. Kraft paper or plastics material has provided sufficient rigidity for this purpose.

Ex. 1001, 6:12–17 (emphasis added). So, not only does the prosecution history make clear that the wall can be freestanding in the absence of end supports, the Specification further clarifies that the inherent stiffness of the wall’s cellular structure alone suffices to make the wall “self-supporting,” in other words, freestanding. As such, we reject the notion that the cellular wall, as claimed, requires end supports in order to be “freestanding,” or that cellular walls, as a rule, must have end supports in order to become “freestanding.”

With that premise in mind, we now turn to the disclosure of SoftHousing I, which indisputably includes images of a partition wall comprising a “soft, flexible honeycomb structure[] . . . made from 500 layers of a light, strong, white paper like material.” Ex. 1005 at 1 (describing how the wall is made); Ex. 1003 ¶¶ 66, 102 (showing pictures of the expanded wall). SoftHousing I also describes the wall as being a “multi-layered 10 [inch] thick honeycomb wall[]” that can be “made from sheets of fine polyethylene fiber that is pressed into sheets” and “is lightweight yet strong, . . . puncture, tear, and abrasion resistant.” Ex. 1005 at 1. At this stage, Molo does not dispute that those passages, when read in the context of the images, satisfy the claim’s requirement that the “core” of the wall be made of “a cellular structure having multiple voids extending from said base to said top upon movement of said oppositely directed surfaces away from each other, said base having a width of at least 10 centimeters and said core having a height of at least 1 meter.” *See* Prelim. Resp. 23–25, 28–37.

Moving on to whether SoftHousing I discloses that the wall is “freestanding” as required by the claims, we think the record supports a reasonable likelihood it does. For instance, SoftHousing I includes a series of four images showing the honeycomb core being expanded from its end surfaces to form a wall. *See* Ex. 1003 ¶¶ 66, 102. As shown, the base of the wall sits on the floor while the vertical extent of the wall stands freely upright due to the inherent rigidity of the honeycomb core. *See id.* (right-hand most picture of the four-image series). Despite Molo’s contention that the wall is not freestanding because it is being gripped by at one end, we note that the ’161 patent likewise depicts embodiments of its wall under a person’s grip while also disclosing it as “self-supporting when expanded.” *See* Ex. 1001, 5:65–6:16, Figs. 4(e), 8. Thus, at this preliminary stage, we are not persuaded that SoftHousing I’s depiction of a hand on one end of the otherwise upright wall necessarily precludes the wall from being freestanding.

Rather, more likely, we think the images and description in SoftHousing I inform a skilled artisan that the honeycomb wall is fully capable of being freestanding. To that end, Molo expressly acknowledges that SoftHousing I depicts a so-called “softblock” in the background of some of the images. *See id.* The so-called “softblock” appears to have a relatively wide base enabling it to stand on its own. So, although some images in SoftHousing I depict a person’s hand gripping one end of the extended honeycomb wall, a skilled artisan would have understood from SoftHousing I’s disclosure as a whole that the honeycomb core can stand freely on its own when formed from a sufficiently rigid but lightweight material and

provided with a sufficiently wide base. *See* Ex. 1005, 1; Ex. 1003 ¶¶ 66, 102, 108–109.

As for Molo’s reliance on inventor testimony, we find that testimony unavailing at this stage because it is premised on the flawed understanding that actual “prototypes” of the wall depicted in SoftHousing I could not have been freestanding as they “did not have folding ends panels or supports, which were only developed later.” Prelim. Resp. 33–35 (citing Ex. 2006 ¶¶ xi, xvii; Ex. 2007 ¶¶ xi, xvii). But, as discussed above, the Specification and prosecution history of the ’161 patent make clear that a cellular wall can be freestanding, i.e., “self-supporting,” in the absence of end supports so long as it is made of an inherently rigid material. *See* Ex. 1001, 6:12–18; *see also* Ex. 1002 at 190 (“Applicant stated that an embodiment is capable of being freestanding *without supports*.”) (emphasis added). SoftHousing I indisputably discloses its cellular wall as being made of an inherently rigid material. *See* Ex. 1005 at 1 (describing that the “honeycomb structure” of the wall can be “made from sheets of fine polyethylene fiber” that “is lightweight yet strong, . . . puncture, tear, and abrasion resistant.”). Thus, without more, we do not find Molo’s inventor testimony particularly enlightening.¹⁴

In sum, the current record supports a reasonable likelihood that Chanel will prevail in showing that SoftHousing I anticipates the method as recited by independent claim 2. Molo does not persuade us to the contrary at

¹⁴ We also find Molo’s inventor testimony unpersuasive at this stage because it appears to focus on what elements were included in physical “prototypes” of the wall, as opposed to what one skilled in the art would have understood from the SoftHousing I publication itself. *See* Ex. 2006 ¶¶ xi, xvii; Ex. 2007 ¶¶ xi, xvii.

this preliminary stage. Also, we note that Molo does not treat Chanel's challenge of dependent claims 6, 7, 8, 10, 12, and 14 as anticipated by SoftHousing I any differently from the challenge of independent claim 2 from which they depend. Nonetheless, we have fully considered Chanel's showing with respect to those dependent claims and conclude that Chanel demonstrates a reasonable likelihood of proving that they too are anticipated by SoftHousing I.

b. Obviousness (Claims 1–10, 12, 14, and 18)

Chanel challenges independent claim 1, as well as independent claim 2, as being obvious over the combination of SoftHousing I with SoftHousing II–III. *See* Pet. 32–39. The parties do not dispute that SoftHousing II and III describe the same honeycomb structure as that described in SoftHousing I. *See* Pet. 10–14; Prelim. Resp. 23–27.

Molo does not treat the obviousness challenge of claims 1 and 2 any differently than Chanel's anticipation challenge of claim 1 based on SoftHousing I alone. *See* Prelim. Resp. 23–37 (arguing that each reference lacks disclosure of the “freestanding wall configuration” recited by independent claims 1 and 2). Because the challenge based on SoftHousing I already meets the threshold for institution, and SoftHousing II and III simply build upon that challenge by disclosing additional aspects of the wall configuration in SoftHousing I, we conclude that Chanel likewise demonstrates a reasonable likelihood of prevailing on its obviousness challenge of independent claims 1 and 2. We have also considered Chanel's showing with respect to dependent claims 3–10, 12, 14, and 18, and conclude Chanel demonstrates a reasonable likelihood that these dependent

claims too are unpatentable for obviousness over the asserted combination of SoftHousing I–III, Arens, and Okuno. *See* Pet. 39–44.

2. *The SoftWall-based Challenges*

Similar to the SoftHousing-based challenges, Chanel asserts that claims 2, 6, 8, 10, 12, and 14 are unpatentable as anticipated by SoftWall alone, and that claims 1–10, 12, 14 and 18 are unpatentable as obvious over SoftWall in combination with SoftHousing I–III, Arens, and Okuno. Pet. 44–59. Recognizing that SoftWall describes the same wall configuration as SoftHousing I–III, Molo responds that “SoftWall suffers from the same deficiencies as the SoftHousing references because it makes no reference to ‘freestanding’ ‘wall(s)’ recited by independent claims 1 and 2.” Prelim. Resp. 27–28. In support, Molo once again points to the inventors’ declarations. *Id.* at 33–36 (citing Exs. 2006, 2007 at (xi), (xvii)).

As discussed above, the preliminary record supports that the wall configuration disclosed in SoftHousing I–III, and described again in SoftWall (Ex. 1028), is freestanding despite Molo’s arguments to the contrary. In any event, because “[e]qual treatment of claims and grounds for institution purposes has pervasive support in *SAS*,” we institute review of the SoftWall-based challenges as raised in Chanel’s Petition. *PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018).

E. *The MacAllen-based Challenge*

As for the other challenged claims, Chanel asserts that independent claims 19, 22, 23, and 27 (and their respective dependents) are unpatentable as obvious over the combined teachings of MacAllen, Stratton, Fischer, Reisenhel, Tolna, and/or EnduroFence. Pet. 59–82. In response, Molo contends, *first*, that Chanel “fails to clearly articulate the basis for the

combinations” of the asserted references and, *second*, that MacAllen “teaches away from using external vertical support structures because they would be redundant to the folded tubular supports” already taught by MacAllen. Prelim. Resp. 38–39. We disagree.

Chanel clearly explains that the use of intermittently-spaced vertical supports in a flexible partition was “well-known in the art,” as taught by Stratton, Fischer and Reisenhel, and that one skilled in the art would have been motivated to add vertical supports to the partitions in MacAllen

to fortify the structures and help them maintain a particular position or configuration . . . in a high-traffic location [where they] may be frequently bumped by passers-by . . . especially if the partition is made out of lightweight material such as that disclosed in MacAllen.

Pet. 64, 66–67. According to Chanel, incorporating such vertical supports between the end supports already disclosed by MacAllen would have been nothing more than the predictable use of known elements according to their established function. *Id.* at 67. We agree, at least as the record currently stands.

Nowhere does Molo meaningfully address the reasoning put forth by Chanel. *See* Prelim. Resp. 38–39. Upon review of the arguments and evidence presented in the Petition, and in the absence of argument and/or evidence to the contrary, we are persuaded that Chanel provides sufficient support for why one skilled in the art would have undertaken the asserted modification of MacAllen. *See* Pet. 64–67 (citing Ex. 1003 ¶¶ 86–92, 192–197). As such, Chanel demonstrates a reasonable likelihood of showing that the asserted combination renders obvious claims 19–25 and 27.

III. CONCLUSION

For the above reasons, we determine that the information presented in Chanel's Petition shows a reasonable likelihood that: (1) independent claim 2 of the '161 patent is unpatentable as anticipated by SoftHousing I, and (2) independent claims 1 and 2 are unpatentable as obvious over the combination of SoftHousing I–III, Arens, and Okuno. Because Chanel demonstrates that at least one claim of the '161 patent meets the threshold for institution, we institute an *inter partes* review of all the claims as challenged in the Petition. *See* 37 C.F.R. § 42.108(c); *SAS Inst. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018).

IV. ORDER

Accordingly, it is:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claims 1–10, 12, 14, 18–25, and 27 of the '161 patent is *instituted*; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4(b), notice is hereby given of the institution of trial, which will commence on the entry date of this Decision.

IPR2022-00545
Patent 9,689,161 B2

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