UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NANOBEBE US INC.
Petitioner,

v.

MAYBORN (UK) LIMITED
MAYBORN USA, INC.
MAYBORN GROUP LIMITED
Patent Owner.

IPR2023-00467
Patent No. 10,952,930

PETITIONER'S AUTHORIZED REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

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Patent Trial and Appeal Board
United States Patent and Trademark Office
PO Box 1450
Alexandria, Virginia 22313-1450

Submitted Electronically

PETITIONER'S EXHIBIT LIST

Exhibit No.[1]	Description
1001	U.S. Patent No. 10,952,930 to Rees et al. (the "'930 Patent")
1002	Prosecution File History for the '930 Patent
1003	U.S. Patent No. 11,207,244 to Rees et al. (the "'244 Patent")
1004	Prosecution File History for the '244 Patent
1005	Declaration of Mr. Brian Silver
1006	U.S. Patent No. 6,032,810 ("*Meyers*")
1007	G.B. Patent No. 2,250,017 ("*Sepehr*")
1008	English Translation of J.P. Patent No. 2001-299877 ("*Ishimaru*"), Original Japanese publication of *Ishimaru*, and Affidavit of Harumi Morota
1009	U.S. Patent No. 2,093,730 ("*Kurkjian*")
1010	E.P. Patent Pub. No. 0,151,862 ("*Atkin*")
1011	Complaint in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 01 (S.D.N.Y.) ("Complaint")
1012	Answer and Counterclaims in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 25 (S.D.N.Y.) ("Counterclaims")
1013	Complaint in *Mayborn (UK) Limited et al. v. Comotomo Inc. et al.*, Case No. 1:22-cv-00694-PGG, Dkt. 06 (S.D.N.Y.) ("Comotomo Complaint")
1014	Petition for Inter Partes Review of U.S. Patent No. 10,952,930, filed by *Comotomo Inc. et al.*, IPR2022-01325 (PTAB) (Comotomo '930 Petition)
1015	Petition for Inter Partes Review of U.S. Patent No. 11,207,244, filed by *Comotomo Inc. et al.*, IPR2022-01326 (PTAB) (Comotomo '244 Petition)

[1] Citations to patents are made by column and line cite; citations to patent publications are made by paragraph number; citations to other exhibits are made with reference to the Bates-stamped pagination.

Exhibit No.[1]	Description
1016	Scheduling Order in *Nanobebe US, Inc. v. Mayborn (UK) Limited, et al.*, Case No. 1:21-cv-8444-GHW, Dkt. 22 (S.D.N.Y.) ("Scheduling Order")
1017	Mayborn's Claim Construction Brief in *Nanobebe US Inc. v. Maybron (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 48 (S.D.N.Y.)
1018	Nanobebe's Claim Construction Response in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 62 (S.D.N.Y.)
1019	Mayborn's Claim Construction Reply in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 63 (S.D.N.Y.)
1020	Declaration of Brian Silver for Claim Construction in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 62 Ex.[0029] (S.D.N.Y.)
1021	Lauren A. Watt & Graham C. Phero, *Success of Motions to Stay Rising, But Why?*, PTAB YEAR IN REVIEW 2019, pp. 25-27
1022	Memo Endorsement to Adjourn Markman Hearing in *Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444-GHW, Dkt. 61 (S.D.N.Y.)
1023	Declaration of Mr. Ayal Lanternari

PO criticizes the present Petition as being an "unfair serial attack" in light of third-party Comotomo's earlier petition, IPR2022-01325. *See* POPR at 7. By PO's own admission, however, IPR2022-01325 was filed by a different entity involved in a wholly separate litigation against PO. The present Petition takes an entirely different approach to invalidity by using different references and does not present a "refined" version of the earlier-filed petition. *Cf. Code 200 v. Bright Data Ltd*, IPR2022-00861, Paper 18 at 5 (PTAB Aug. 23, 2022) (Director Review). Accordingly, as further detailed below, the *General Plastics* factors weigh in favor of institution. *See Gen. Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 15-16 (PTAB Sept. 6, 2017) (precedential).

I. Factor 1 weighs strongly against a discretionary denial.

Petitioner has not previously filed a petition. IPR2022-01325 was filed by Comotomo, which—as PO acknowledges (*see* POPR at 14)—is an entirely separate entity from Petitioner. Petitioner had no control over, and was not involved in, the preparation or filing of IPR2022-01325. Nor are Petitioner and Comotomo similarly situated. Petitioner and Comotomo are not co-defendants in the same case. For example, a settlement between Comotomo and PO would not extinguish the dispute between Petitioner and PO, and, as a result, Petitioner would still need to protect its own interests. Indeed, a complaint of multiple IPRs "is not persuasive when the volume appears to be a direct result of [PO's] own litigation activity." *W. Digital Corp. v. SPEX Techs., Inc.*, IPR2018-00084, Paper 14 at 18 (PTAB Apr. 25, 2018).

Moreover, Petitioner and Comotomo were each accused of infringement based on their own unique products, which necessitates the pursuit of different invalidity theories. *See* EX1023 (Laternari Declaration) at ¶15. Petitioner therefore has an independent interest in challenging the asserted claims, and should be permitted to present its own different theory of invalidity. *See Ebates Performance Marketing, Inc. v. IBM*, IPR2022-00646, Paper 10 at 9 (PTAB Oct. 25, 2022) ("Any 'implicit' relationship created merely by challenging the same claims of the same patent with similar allegations of unpatentability is not the sort of 'significant relationship' contemplated by *Valve* and would essentially eviscerate factor 1….").

The cases on which PO relies are distinguishable. *See* POPR at 14. The petitioner and the entity that filed the first petition in *Shenzhen Silver* were co-respondents and "likely" joint defense group members in an ITC investigation. *Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot Corp.*, IPR2018-00761, Paper 15 at 9-10 (PTAB Sep. 5, 2018). *NetApp* involved at least six prior IPRs filed by different parties, and five of the six references in NetApp's IPR overlapped with the prior IPRs. *NetApp v. Realtime Data*, IPR2017-01195, Paper 9 at 6-8 (PTAB Oct. 12, 2017). In contrast, Petitioner and Comotomo are not co-defendants, and none of the prior art references in this Petition overlap with those in the prior IPR2022-01325.

II. Factors 2, 4, and 5 weigh against a discretionary denial.

The timing of the filing of this Petition does not support discretionary denial. PO argues that Petitioner "could have filed its Petition around the same time as

Comotomo" given the parties' alleged "shared circumstances." POPR at 15. Not so. Prior to May 2022, Petitioner was devoting its limited resources to an attempt to mediate with PO. Only after mediation failed did Petitioner incur the costs of pursuing an IPR. Petitioner also experienced an unusual and unavoidable delay associated with the withdrawal of its litigation counsel due to disagreements in litigation strategy and budgetary constraints. Petitioner needed to select and retain replacement litigation counsel, and separately, select and retain IPR counsel. *See Nanobebe US Inc. v. Mayborn (UK) Limited et al.*, Case No. 1:21-cv-08444, Dkt. 49 (S.D.N.Y.) (seeking withdrawal of counsel on Sept. 20, 2022). Petitioner worked diligently after it retained IPR counsel in September 2022 to complete its invalidity analysis of all asserted claims and to draft two Petitions targeting the asserted patents in approximately four months. Petitioner should not have to rush formulation of its defenses or be penalized simply because an independent party filed an earlier IPR. Petitioner is a start-up company with negative cash flow seeking IPR as a true alternative to the District Court litigation. The District Court litigation itself was triggered by PO's attempt to remove Petitioner's product from Amazon. *See* EX1023 at ¶7. PO's allegation that Petitioner used the earlier Comotomo petition as a "test case" to gain an unfair advantage is unsupported.

Moreover, PO's "serial filing" argument (*see* POPR at 18) is of little relevance given the lack of a *Valve*-like relationship between Petitioner and Comotomo. *See Samsung Elecs. Co. v. Scramoge Tech. Ltd.*, IPR2022-00284, Paper 12 at 12 (PTAB

Jun. 22, 2022) (finding Factor 2 "of little probative value" where "there is no significant relationship" between petitioners). PO attempts to support its "delay" arguments by pointing to the Board's decision in *Valve Corporation v. Electronic Scripting Products, Inc.* IPR2019-00062, Paper 11 (Apr. 2, 2019) (precedential). But in *Valve*, the petitioner and prior petitioner were licensor/licensee co-defendants accused of infringement based on the ***same product***. *Id.* at 9. Here, there is no such relationship, and the accused products differ in significant ways. EX1023 at ¶15.

III. Factor 3 does not favor a discretionary denial.

PO is incorrect that this factor weighs in its favor. This Petition does not "refine" the earlier-filed petition; it instead takes an entirely different approach to invalidity. *Cf. Code200*, IPR2022-00861, Paper 18 at 5. For instance, this Petition addresses different prior art than IPR2022-01325, which were not addressed in PO's Preliminary Response. Further, when this Petition was filed there was no Institution Decision yet for IPR2022-01325.

IV. Factors 6 and 7 also weigh against a discretionary denial.

PO fails to show, that the present Petition raises unusual issues challenging the finite resources of the Board, or its capacity to issue a final determination within the statutory deadline. Regarding Factor 6, the alleged similarities between IPR2022-01325 and the arguments in the present Petition should streamline the issues raised in the present IPR. As IPR2022-01325 was terminated, this Petition is the only petition where validity of the '930 Patent could be challenged, weighing in

favor of institution so the Board can fulfil its mandate of ensuring patent quality. In any event, this Petition presents a compelling, meritorious challenge plainly showing that the challenged claims are unpatentable. *See* Director Vidal's June 21, 2022 Memorandum Regarding Interim Procedure for Discretionary Denials at 4. That "alone demonstrates that the PTAB should not discretionarily deny institution…." *Id.* at 4-5; *Opensky Industries, LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102 at 47-49 (Oct. 4, 2022) (precedential) (stating public interest "compels the USPTO to evaluate unpatentability challenges that, at the institution stage, evidence compelling merits"). Moreover, the Petition has become even more compelling since it was filed. The District Court has construed the claims largely in accordance with PO's proposals, rendering the claims broader than proposed by Petitioner. *See Nanobebe*, Case No. 1:21-cv-08444, Dkt. 86. As construed, the combinations presented in the Petition clearly map onto the claims and constitute well-established features of the prior art working together to solve the same problems facing the '930 Patent inventor in the same way as they worked in the prior art. Accordingly, the claims are invalid as obvious. *See Intel Corp. v. PACT XPP Schweiz AG*, 61 F.4th 1373, 1380-81 (Fed. Cir. 2023).

Regarding Factor 7, PO offers no argument that the Board cannot issue a decision within the statutory period. There is no impediment to the Board doing so.

Dated: May 5, 2023

/ Eliot D. Williams /
Eliot D. Williams (Reg. No. 50,822)

CERTIFICATE OF COMPLIANCE

I hereby certify that this Petitioner's Authorized Reply to Patent Owner's Preliminary Response, excluding the parts of the brief exempted by 37 C.F.R. § 42.24, complies with the page limits provided by the Board in Paper No. 7 (April 27, 2023), which stated: "[A]ny reply filed by Petitioner shall be five pages or less and is due by May 5, 2023…."

Dated: May 5, 2023

/ Eliot D. Williams /
Eliot D. Williams

CERTIFICATE OF SERVICE

In accordance with 37 C.F.R. §§42.6(e) and 42.105, the undersigned certifies that on May 5, 2023, a complete and entire copy of the **PETITIONER'S AUTHORIZED REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE** was served on counsel of record as follows:

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