UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEX RECREATION CORP.
Petitioner

v.

BESTWAY INFLATABLES & MATERIALS CORP.
Patent Owner

U.S. Patent No. 10,687,633
Filing Date: Sept. 29, 2016
Issue Date: June 23, 2020
Title: Inflatable Bed

Case IPR2023-00487

PETITIONER INTEX RECREATION CORP.'S RANKING AND EXPLANATION OF MATERIAL DIFFERENCES BETWEEN PETITIONS

I. RANKING OF THE PETITIONS

Pursuant to the Consolidated Trial Practice Guide ("TPG"), Petitioner respectfully requests that the Board consider its petitions in the following order:

Rank	Petition	Grounds/References
Petitions Challenging <u>Asserted Claims</u> (1, 2, 16, 19, 20) of '633 Patent		
1	IPR2023-00486	Ground 1 (§103): Cl. 1-2 (**Aoki**) Ground 2 (§103): Cl. 1-2, 16 (**Aoki**/Lin '773) Ground 3 (§103): Cl. 16 (**Aoki**/Lin '773/Liu) Ground 4 (§103): Cl. 19, 20 (**Aoki**/Lin '773/Liu '866)
2	IPR2022-00487	Ground 1 (§103): Cl. 1, 2, 19, 20 (**Lin**/Catalog/Metzger) Ground 2 (§103): Cl. 16 (**Lin**/Catalog/Metzger/Lin '773) Ground 3 (§103): Cl. 16 (**Lin**/Catalog/Metzger/Lin '773/Liu) Ground 4 (§103): Cl. 20 (**Lin**/Catalog/Metzger/Chung)
Petitions Challenging <u>Non-Asserted Claims</u> (3-15, 17) of '633 Patent		
3	IPR2023-00488	Ground 1 (§103): Cl. 3-11, 17 (**Aoki**) Ground 2 (§103): Cl. 3-14, 17 (**Aoki**/Lin '773) Ground 3 (§103): Cl. 12 (**Aoki**/Metzger) Ground 4 (§103): Cl. 15 (**Aoki**/Lin '773/Liu)
4	IPR2023-00489	Ground 1 (§103): Cl. 3-13, 17 (**Lin**/Catalog/Metzger) Ground 2 (§103): Cl. 12-14 (**Lin**/Catalog/Metzger/Lin '773) Ground 3 (§103): Cl. 15 (**Lin**/Catalog/Metzger/Lin '773/Liu)

II. MATERIAL DIFFERENCES BETWEEN PETITIONS

A. Asserted Claims (Petitions 1 and 2) and Non-Asserted Claims (Petitions 3 and 4)

Patent Owner's ("PO") Complaint in the district court litigation ("Litigation") asserted claims 1, 3, 17, and 19 of the '633 Patent. (Ex. 1058, ¶¶41, 47-49, Ex. A.) However, on November 7, 2022, PO served initial infringement contentions instead

asserting claims 1, 2, 16, 19, and 20 (the "Asserted Claims"). (Ex. 1059, 3:10-12.)

In the interests of efficiency, Petitioner is challenging only the Asserted Claims in petitions 1 and 2. In an attempt to further streamline these proceedings, Petitioner emailed PO on November 28, 2022, asking if PO would covenant not to sue Petitioner and its suppliers and customers on the claims PO did not assert in its contentions (the "Non-Asserted Claims"). (Ex. 1056.) However, PO has refused to covenant not to sue on these claims.

Thus, Petitioner still faces the threat of litigation on the Non-Asserted Claims. The one-year bar date under 35 U.S.C. §315(b) is April 18, 2023. (Ex. 1060.) If PO asserts Non-Asserted Claims in the Litigation after the bar date has passed, Petitioner would have no means to challenge these claims before the Board. Accordingly, Petitioner has filed petitions 3 and 4 on the Non-Asserted Claims.[1]

Institution of the petitions challenging the Asserted Claims and the petitions challenging the Non-Asserted Claims is warranted. ***First***, there is no overlap in claims between the two sets of petitions. *Exactech, Inc. v. ORTHOsoft ULC*, IPR2022-00837, Paper 6 at 3 (PTAB Nov. 8, 2022) ("[B]ecause the petitions

[1] To further streamline proceedings, Petitioner is not challenging claim 18, which Petitioner believes is indefinite, as indefiniteness cannot be resolved in an IPR. *Samsung Elecs. Am. v. Prisua Eng'g Corp.*, 948 F.3d 1342, 1353 (Fed. Cir. 2020).

challenged two different sets of claims, we need not consider Petitioner's ranking and we decide both cases on the merits."). ***Second***, as explained below, the length of the claims, disparate features recited, and issues required to be addressed in each petition make it impossible to challenge all Asserted and Non-Asserted Claims in one petition. ***Third***, separation of the petitions between Asserted and Non-Asserted Claims serves administrative efficiency and the finite resources of the Board—should PO confirm that it will not to sue on the Non-Asserted Claims, Petitioner will agree to move to terminate any proceedings on petitions 3 and 4.

B. Aoki-Based Petitions (1 and 3) and Lin-Based Petitions (2 and 4)

Both sets of petitions break up the challenge bases based on the primary reference asserted—petitions 1 and 3 are based on Aoki, and petitions 2 and 4 are based on Lin. Institution on both challenge bases within each set is warranted.

First, while both the Aoki-based and Lin-based grounds are meritorious, PO may challenge the two sets of grounds on different bases. Aoki is an older reference that PO may argue does not disclose certain limitations reciting how the claimed bed sheets and tensioning structures are coupled to each other (which Petitioner refutes). Lin is a newer reference that was applied by the Examiner during prosecution of the '633 Patent, and all of the Lin-based grounds involve a combination with the Catalog, which is a printed publication. Thus, PO may challenge the Lin-based grounds both under 35 U.S.C. §325(d) and on the basis that the Catalog does not

qualify as a printed publication. While Petitioner explains in its petitions why such arguments are unavailing, the possibility of denial on these basis—similar to where there is a dispute about priority dates (*see* TPG, 59)—requires arguments under both Aoki and Lin. *Xilinx, Inc. v. Analog Devices, Inc.*, IPR2020-01484, Paper 11 at 9 (PTAB Mar. 15, 2021) ("The potential to challenge the publication status of Elbornsson and a lack of a clear disclaimer to challenge such status appears to justify two petitions with identically challenged claims.").

Second, despite Petitioner's best efforts, it is not possible to present the Aoki-based grounds and Lin-based grounds, nor the Asserted and Non-Asserted Claims, in one petition. Claim 1 (from which all other claims depend) is 256 words and contains six detailed limitations. Further, as shown below, the claims of the '633 Patent recite different and unrelated features:

Asserted Claims:

- Claim 1: Elements and support structure of inflatable bed
- Claim 2: Air holes within support structure
- Claim 16: Process for coupling tensioning structures
- Claims 19 and 20: Air pump and air valve functions and disposition

Non-Asserted Claims:

- Claims 3-11: Orientation and characteristics of I-beams
- Claims 12-15: Composition and attachment of tensioning structures
- Claim 17: Characteristics of top sheet in relation to tensioning structure

This necessitated separate explanation of background and disclosure of such features within the prior art. *Samsung Elecs. Co. v. Staton Techiya, LLC*, IPR2022-00234, Paper 15 at 21 (PTAB June21, 2022) ("[I]t was reasonable for Petitioner to conclude

that the number of claims, the difference in scope of the dependent claims, and the different references needed to present its arguments of unpatentability for the various claims, warranted the filing of two petitions.”).

In addition, Lin was both applied by the Examiner during prosecution and applied by the EPO in a proceeding involving a related patent. This necessitated addressing why the Board should not exercise its discretion under §325(d) and why the EPO erred with respect to Lin, which were reasonable uses of space that nonetheless reduced the available word count. *Abbot Diabetes Care v. Dexcom, Inc.*, IPR2022-00922, Paper 13 at 8-9 (PTAB Nov. 3, 2022) (“We consider it reasonable for Petitioner to have used space to address these issues of discretionary denial, with the result that addressing all issues of patentability could not fit in one petition.”).

Petitioner streamlined each petition as much as possible; however, the section setting forth the specific grounds in each petition totals 6,644, 7,970, 9,779, and 9,559 words, respectively. Attempting to combine any of the petitions would thus leave no words to address necessary background—the ’633 Patent and file history; background and state of the art; claim construction; summary of the prior art; and discretionary denial under *Fintiv* and §325(d)—nor to address the grounds with particularity as required by §312(a)(3). *Xilinx*, IPR2020-01484, Paper 11 at 9. Thus, this is a unique situation in which multiple petitions are necessary to adequately address the challenged claims, and discretionary denial would prejudice Petitioner.

FAEGRE DRINKER BIDDLE & REATH

Dated: January 21, 2023 By: /R. Trevor Carter/
R. Trevor Carter
Reg. No. 40,549

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §42.105, I hereby certify that on January 21, 2023, I caused a true and correct copy of Petitioner's Ranking and Explanation of Material Differences Between Petitions, and Exhibits 1058-1060, to be served via email and electronic file transfer to the following:

Dickinson Wright PLLC
John S. Artz (jsartz@dickinsonwright.com)
Steven A. Caloiaro (scaloiaro@dickinsonwright.com)

The above listed attorney of record for Patent Owner agreed to accept service of the petition and supporting documents electronically.

FAEGRE DRINKER BIDDLE & REATH

Dated: January 21, 2023 By: /R. Trevor Carter/
R. Trevor Carter
Reg. No. 40,549