

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MASIMO CORPORATION,
Petitioner,

v.

APPLE INC.,
Patent Owner

Case IPR2023-00734
U.S. Patent 10,942,491

PATENT OWNER'S PRE-INSTITUTION SUR-REPLY

I. Petitioner Should Not Be Allowed to Use Its Reply to Cure its Failure to Meet its Burden Under 325(d)

Under *Advanced Bionics*, the Board may exercise discretion to deny a petition under §325(d) upon considering: (1) whether the same or substantially the same prior art or arguments were presented during prosecution and (2) if so, whether the Office erred in a manner material to patentability during prosecution. At a minimum then, the Petition should have scrutinized the prosecution record to address these inquiries in its §325(d) analysis. Petitioner failed to do so in the Petition. And, its use of the POPR as a roadmap to cure deficiencies in its allegations of material error amounts to improper burden shifting that should be rejected and given little or no weight.

In more detail, the Petition's 325(d) analysis is a single, 93-word paragraph alleging that the Petition relies on "new" art that discloses certain features not taught by "references considered during examination." Pet., 94. Given that the first prong of *Advanced Bionics* requires determining whether the "same or ***substantially the same***" art was previously presented to the Office, it was not enough to simply state that it relies upon "new" art. Noticeably absent from the Petition's 325(d) analysis is an assessment of the claim features that led to allowance in the context of assessing whether the Petition's art is the same or substantially the same as the art of record. Notwithstanding this deficiency, the POPR demonstrated that the art referenced in the Petition is substantially the same as the record art because the record art has substantially the same teachings as the Petition's references and both suffer from the

same deficiencies (i.e., both lack the features that led to allowance). POPR, 32-45.

Additionally, Petitioner failed to meet its burden of demonstrating an error material to patentability during prosecution. The only possible allegation of error in the 325(d) analysis is the identification of features—“wireless charging, a transparent or dielectric or non-conductive cover, electrodes”—that were allegedly absent from the art of record. Pet., 94. But, as the POPR explains, this identification of features does not demonstrate an error material to patentability because these features are not what led to allowance and therefore, these features are necessarily disclosed by the art of record. POPR, 45-47, 49-52. Specifically, the claims were allowed in view of a specific device configuration where the device’s rear cover enables transmission of optical signals to/from a biosensor module and wireless power signals to a charging coil. *See id.* So, ancillary features like wireless charging, a transparent or dielectric or non-conductive cover, and electrodes, did not lead to allowance here. *See id.* And, given that these ancillary features did not lead to allowance, it follows that the Examiner found them disclosed by the art of record. This was confirmed by the POPR (pp. 49-52), which provided multiple references from the record disclosing these features.

The POPR also explained (pp. 45-52) lack of material error because the record art, like the Petition’s references, lacked the specific device configuration found to be allowable. Petitioner was aware of what led to allowance, but failed to address

this foreseeable issue in the Petition's 325(d) analysis. The Reply attempts to remedy this by referencing reasons for allowance and providing multi-page analysis (Reply, 3-7), arguing error given that the combinations were not previously considered.

The current record thus presents a clear case of improper burden shifting, with Petitioner presenting a cursory and deficient 325(d) analysis in its Petition, and attempting to cure that deficiency with the benefit of reviewing the POPR's detailed rebuttal arguments. Petitioner, however, had the burden to demonstrate material error during prosecution, and its Petition could and should have addressed the issues/arguments now presented in the Reply. Indeed, a regime where petitioners are allowed to use replies to remedy their petitions' terse and deficient 325(d) arguments is (1) ripe for abuse as it allows circumventing established word counts for petitions and (2) encourages gamesmanship by Petitioners who can use the POPR as a roadmap to address deficiencies on issues where they alone bear the burden. Both concerns are at issue here. Thus, Petitioner's attempt to cure its failure to meet its burden should be rejected and its reply should be given little or no weight. Even if considered, the Reply confirms the cumulativeness of the Petition's references, and its new arguments regarding material error fail to pass muster, as explained below.

II. Petitioner's Reply Confirms that the that the Art of Record Is Substantially the Same as the Petition's References

For the reasons described below, there can be no dispute that the multiple record references identified in the POPR are cumulative of the Petition's

references.

First, the Reply alleges that Patent Owner selected a few references from a file history of over 600 references to argue cumulateness. Yet, most of the references that the Reply addresses (e.g., Hong, Schmid, Mistry) were applied in a rejection during prosecution. POPR, 32-52. Petitioner offers no justification for why it could not have addressed these references in its Petition.

Second, like the art of record, the Petition's references do not disclose the particular device configuration that led to allowance of the challenged claims—namely, a rear device cover facilitating transmission/receipt of optical signals to/from the device's biosensor module and transmission of wireless power signals to the device's wireless charging coil. POPR, 3, 13-15; Reply, 7. Petitioner does not and cannot dispute this. And for this reason alone, there can be no dispute that the Petition's relied upon reference are cumulative of the art of record.

Third, like the art of record, the Petition's references individually disclose a device that (1) either facilitates optical signal transmission to/from an alleged biosensor module via the rear opening/cover of the device (Kotanagi), or facilitates wireless power transmission to a wireless charging receive coil via the rear opening/cover of the device (Honda), and (2) can facilitate both biosensing and wireless charging. For example, Petitioner does not dispute that, like Kotanagi, Hong—which was applied in a rejection—discloses a wrist-worn device that

includes (1) rear biosensors that facilitate transmission of optical signals via device's rear cover/opening and (2) wireless charging capability. *See Reply*, 2-3; POPR, 32-42.

Similarly, Honda is also cumulative to the multiple references of record. That's because, while disclosing wrist-worn devices with a wireless charging coil and dual wireless charging and biometric sensing capabilities, Honda and these references do not disclose or suggest the features that led to allowance—namely, a wrist-mounted device that facilitates **both** wireless charging and optical signal transmission via the device's rear cover. Like Honda, the record reference, Mooring, unequivocally describes wireless charge signal transmissions to an inductive charging coil via a rear surface of a watch. Ex. 2004, 1:38-53, POPR, 39-42. The Reply does not dispute this, instead arguing that Mooring's watch contacts a charge plate. Reply, 2-3. But this too is no different than Honda's description of wireless charging upon contact between the watch's rear cover and the charging stand. Ex. 1006, 6:4-40. Nor does Petitioner dispute that Mooring additionally teaches watches with biometric sensing capabilities. POPR, 41. Moreover, this teaching of a device with biometric sensing and wireless charging capabilities was not limited to Applicant-identified references like Mooring, but was also present in references, like Hong and Mistry, that were applied in a rejection during prosecution. POPR, 40-42.

As to claim 1's additional recitation of ECG electrodes, the Examiner did not identify this as a feature that led to allowance. Thus, it stands to reason that this feature was disclosed by the art of record, as confirmed by the Examiner's finding that Schmid discloses the claimed electrodes. POPR, 44-45. Petitioner does not dispute this and instead alleges that Schmid—unlike the petition's applied Choi reference—does not disclose a touch display or a wrist band. Reply, 4. But this ignores that the art of record, including Hong, already was found to disclose those features. POPR, 11-12; Ex. 1002, 1123. Notably then, Petitioner's arguments turn on allegations that Petition's references are individually stronger than the references applied during prosecution. Yet, as confirmed by the above, those arguments lack muster when considering that the collective teachings of the art presented during prosecution are substantially the same as the alleged teachings in the Petition's references.

III. The Reply's Newly Advanced Allegations of Material Error Are Flawed

First, the Reply abandons the Petition's allegations of material error (Pet., 94) in favor of its new argument that the Petition's 325(d) analysis invoked the “full”/“entire petition” that as a whole demonstrated material error. Reply, 1, 7. This assertion places an extraordinary burden on Patent Owner—and the Board—to mine the Petition to independently discern the material error during prosecution, when the Petition itself failed to advance any such argument with sufficient

specificity. *See Google LLC v. Valtrus Innovations, Ltd.*, IPR2022-01197, Paper 18, at 19-24, 28-29 (PTAB June 13, 2023) (in exercising discretion to deny under §325(d), rejecting argument that certain grounds independently demonstrate material error and finding that Petitioner failed to explain “with specificity” how the Office materially erred).

Second, the Reply states that error is shown based on the Petition’s reliance on the Fraser, Orr, Park, and Jabori references that Patent Owner has not argued as cumulative. Reply, 4-5, 7. Petitioner improperly imposes a burden of showing cumulativeness on Patent Owner, and omits that the Petition’s 325(d) analysis (p. 94) was limited to independent claims and did not allege error based on these references that are used only for dependent claims. This new argument thus lacks merit.

Third, the Reply’s reference to the Petition’s statement that “cited references do not disclose or suggest” the features that led to allowance (Pet., 6-7; Reply, 7) also does not demonstrate material error. This statement is conclusory and fails to provide any specificity demonstrating material error. POPR, 47. And, this assertion also stands refuted in view of the POPR’s showing of the Petition’s references having the same deficiencies as those in the art of record. POPR, 46-48, 36-44.

Fourth, the Reply presents multiple pages of analysis (Reply, 4-7) to argue that examination was flawed because the Petition allegedly presented new

references, and the combinations/motivations are allegedly not cumulative of the record art. Reliance on new art/combinations does not demonstrate material error. Also, Petitioner's decision to wait until the Reply to advance these allegations unduly prejudices Patent Owner and amplifies the above concerns of gamesmanship and abuse of process from belated argumentation on issues where Petitioner bears the burden.

These and the reasons in the POPR warrant denial of the Petition under 325(d).

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on August 28, 2023, a complete and entire copy of this Patent Owner's Pre-Institution Sur-Reply were provided via email, to the Petitioner by serving the email correspondence addresses of record as follows:

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