

Filed on behalf of: **Masimo Corporation**
By: Philip M. Nelson (Reg. No. 62,676)
Jarom D. Kesler (Reg. No. 57,046)
Ted M. Cannon (Reg. No. 55,036)
KNOBBE, MARTENS, OLSON & BEAR, LLP
2040 Main Street, Fourteenth Floor
Irvine, CA 92614
Tel.: (949) 760-0404
Fax: (949) 760-9502
Email: MasimoIPR-483@knobbe.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MASIMO CORPORATION,
Petitioner

v.

APPLE, INC.,
Patent Owner

Case No. 2023-00807
Patent No. 11,474,483

**PETITIONER'S REPLY ON § 325(D) IN SUPPORT OF PETITION FOR
INTER PARTES REVIEW OF U.S. PATENT NO. 11,474,483**

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OTHER AUTHORITIES

35 U.S.C. § 325	<i>passim</i>
37 C.F.R. § 42.6	10

EXHIBIT LIST

Exhibit No.	Description
1001	U.S. Patent No. 11,474,483 ('483 Patent)
1002	File History of the '483 Patent
1003	Declaration of Professor R. James Duckworth, Ph.D.
1004	<i>Curriculum Vitae</i> of Professor R. James Duckworth, Ph.D.
1005	PCT Publication No. WO 2005/092182 ("Kotanagi")
1006	U.S. Patent No. 6,265,789 to Honda ("Honda")
1007	U.S. Publication No. 2001/0056243 ("Ohsaki")
1008	PCT Publication No. WO 2012/140559 A1 ("Shmueli")
1009	European Patent App. No. EP14163114 ("Coppola EP")
1010	U.S. Provisional Patent App. No. 61/976,388 ("Fei")
1011	PCT Publication No. WO 2015/034149 A1 ("Choi PCT")
1012–1013	Reserved
1014	US 20120221254 A1 (Kateraas)
1015	Reserved
1016	US20140135594 ("Yuen")
1017–1019	Reserved
1020	PCT Patent Pub. WO 2015150199 A1 ("Coppola")
1021	Reserved
1022	U.S. Patent No. 4,129,124 ("Thalmann")
1023	Korean Patent No: 10-2136836 ("Choi")
1024	Reserved
1025	U.S. Patent No. 4,163,447 ("Orr")

Exhibit No.	Description
1026	U.S. Patent No. 4,224,948 (“Cramer”)
1027	U.S. Patent No. 4,248,244 (“Charnitski”)
1028	PCT Publication No. WO 1982000088 A1 (“Steuer”)
1029	U.S. Patent No. 4,375,219 (“Schmid”)
1030	U.S. Patent No. 5,316,008 (“Suga”)
1031	U.S. Patent No. 5,738,104 (“Lo”)
1032	Reserved
1033	US 20050116820 A1 (“Goldreich”)
1034	US 20070276270 A1 (“Tran”)
1035	US 20080208009 A1 (“Shklarski”)
1036	U.S. Patent No. 6,091,530 (“Duckworth”)
1037	U.S. Patent 6,075,755 (“Zarchan”)
1038	Y. Mendelson, “A Wearable Reflectance Pulse Oximeter for Remote Physiological Monitoring,” Proceedings of the 28th IEEE (2006)
1039	Y. Mendelson, “Wearable Wireless Pulse Oximetry for Physiological Monitoring,” PPL Workshop (2008)
1040	Reserved
1041	US 20150355604 A1 (“Fraser”)
1042–1046	Reserved
1047	USPTO Memo of April 5, 2018 regarding <i>Dynamic Drinkware</i> and <i>Amgen</i> cases
1048	District of Delaware Statistics, downloaded on February 21, 2023 from https://www.uscourts.gov/sites/default/files/data_tables/fcms_na_distprofile0930.2022.pdf

Exhibit No.	Description
1049	US Patent No. 8,624,836 (“Miller”)
1050	<i>Apple Inc. v. Masimo Corporation, et al.</i> , May 25, 2023 Scheduling Order, Case No. 1:22-cv-01378-MN (JLHx) (D. Del.)

I. INTRODUCTION

In two related IPRs (2023-00634 and 2023-00734), Apple used its entire POPR to request dismissal under 35 U.S.C. § 325(d). In this third IPR, Apple’s POPR disputes Masimo’s substantive obviousness analysis (POPR at 31–52), but it again requests dismissal under § 325(d) for those grounds that use Schmid as a secondary reference (*id.* at 53–65). The § 325(d) arguments are not sufficient to dismiss because they do not address all the grounds. *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1358–59 (2018). Dismissal is not warranted because the petition’s references are all new; “the same or substantially the same prior art or arguments” were not previously presented to the Office. *Advanced Bionics, LLC v. Med-El Electromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (Feb. 13, 2020).

Apple’s POPR alleges two file history references are *substantially* the same as two petition references. For Kotanagi, Apple points to Hong. But Kotanagi includes two rear electrodes, ***the very feature the Examiner determined was missing from Hong***. Omission of Kotanagi was prosecution error. For Schmid (U.S. Pat. 4,375,219), Apple points to Schmid II (U.S. Pat. 4,448,199). But Schmid II was never evaluated on the record, a failure that constitutes further error. And there is no previous file history analysis addressing the petition’s ***combinations***—or any similar arguments—to which the Board can now defer.

II. LEGAL BACKGROUND

Institution may be denied because “the same or substantially the same prior art or arguments previously were presented to the Office.” 35 U.S.C. § 325(d).

Becton, Dickinson & Co. v. B. Braun Melsungen AG, IPR2017-01586, Paper 8 (Dec. 15, 2017) provided six 325(d) factors (“BD factors”). See pages 17–18.

Advanced Bionics groups these factors into a two-part test. This test and the BD factors favor Masimo.

III. ARGUMENT

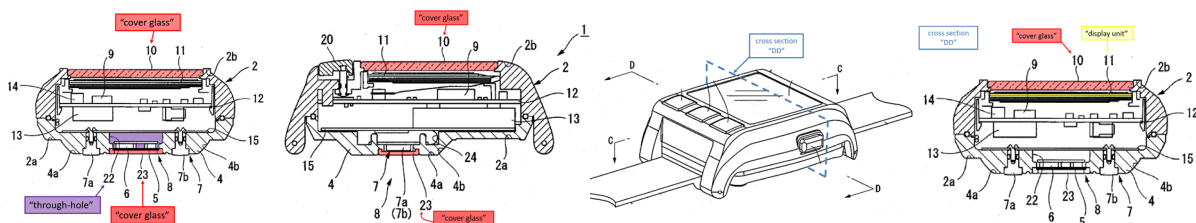
A. The Prior Art and Arguments in the File History and Petition Differ Substantially

BD factors (a) and (b) address any material differences between the file history references and those in the petition, and whether the latter are cumulative.

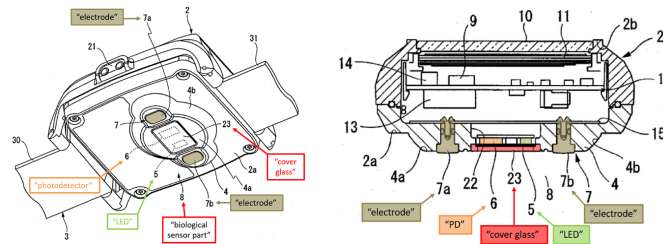
Advanced Bionics, n. 10.

1. Kotanagi Is Not Materially Cumulative to Hong

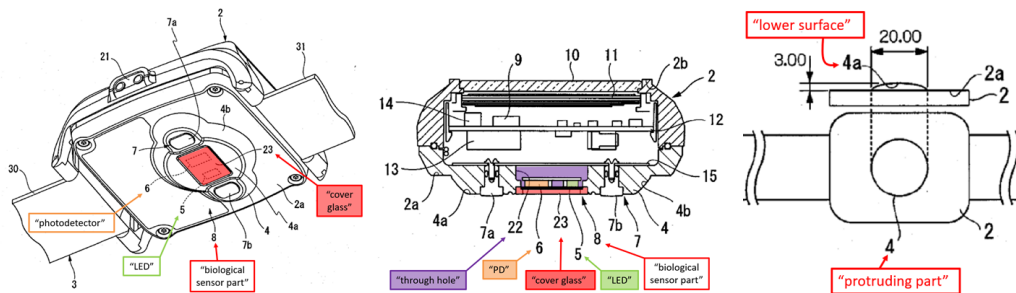
The petition relies on *Kotanagi* for many claimed features, noting that it is (1) wearable and teaches: (2) a housing with the claimed openings (Pet. at 15–17); (3) a display positioned as claimed (*id.* at 17–18); and (4) a front cover forming part of the front exterior surface (*id.* at 18).



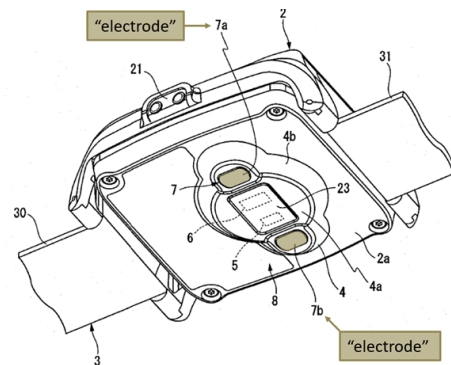
Kotanagi also teaches: (5) the claimed biosensor module (*id.* at 18–20);



(6) a rear cover with the claimed position and properties; including (7) a protrusion; and (8) an optical sensor, aligned as claimed (*id.* at 20–22).



Kotanagi further teaches (9) two electrodes on the rear of the housing (*id.* at 22–23). Apple argues that Hong is cumulative because it also teaches many of the above features. Importantly, however, Apple does **not** argue that Hong teaches the claimed electrodes on the rear of the housing. POPR at



55. This is a material difference because the Examiner’s notice of allowance stated that the prior art (including Hong, which he had earlier cited) “fails to describe the configuration of electrodes as presently recited with respect to *the locations on the*

housing.” EX1002 at 40 (emphasis added); POPR at 15, 48, and 64. Apple admits these two rear electrodes are highly material by including them in its own summary of allowable features: “*first and second electrodes positioned along a rear surface of the device* and a third electrode positioned along a side of the device.” POPR at 57, 58, 59. Kotanagi has two rear electrodes, Hong does not. While Hong refers to ECG ¹ measurement, its only discussions of ECG electrode *placement* relate to bicycle handlebars. EX2001 ¶¶ 370–371. Accordingly, Kotanagi is not materially cumulative to Hong, and BD factors (a) and (b) favor Masimo.

2. Schmid II Was Not Argued or Sufficiently Evaluated To Warrant Dismissal

Apple argues for dismissal because Schmid II (a continuation-in-part of the petition’s Schmid reference) was listed on an IDS among the over 700 references in the file history. However, the file history contains nothing similar to the petition’s analysis of Schmid (e.g., showing it teaches a side electrode). Pet. at 57–59. Thus, the Examiner’s failure to use Schmid II in a rejection actually constitutes further error. Moreover, the petition combines Schmid with references like Kotanagi (*see id.* at 60–62), so any similarity between Schmid and Schmid II would not make such combinations materially cumulative. Indeed, Kotanagi is the

¹ No independent claim in the ’483 patent requires ECG measurement.

Rather, the independent claims refer more broadly to “physiological parameters.”

primary reference, and inclusion of even one new *secondary* reference is sufficient to avoid a § 325(d) dismissal. *Oticon Medical AB et al. v. Cochlear Ltd.*, IPR2019-00975, Paper 15 (Oct. 16, 2019), pp. 19–20.

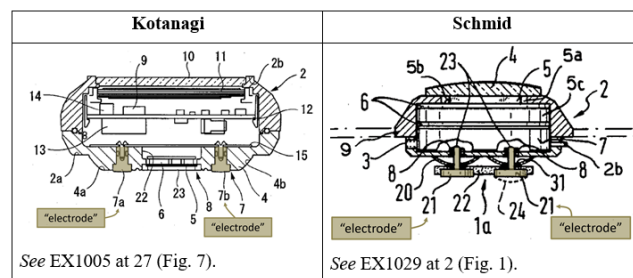
BD factor (a) compares asserted art with the prior art “involved” during examination, factor (b) compares asserted art with the prior art “evaluated” during examination, and factor (d) compares asserted arguments with “arguments made” during examination. *Advanced Bionics*, n. 10. By simply appearing in an IDS list among more than 700 other references, Schmid II was not sufficiently involved, evaluated, and argued in the file history to warrant dismissal, even if it were identical to Schmid. Thus, even for Schmid, BD factor (d) favors Masimo.

Apple also ignores that, in the petition’s Grounds 2 and 5–7, it is Kotanagi and Schmid **together** (combined with the other asserted references) that surpass any individual reference or set of references in the file history to render the claims obvious. Pet. at 56–63, 67–79. For example, the petition explains many

motivations to combine Kotanagi and Schmid, including with an illustration of similarly placed electrodes. Pet. at 60–62. Rather than point to any

similar arguments, motivations, or combinations already evaluated in the file

history, Apple focuses on single references, asserting they are cumulative **because**



they “fail to disclose” the features that led to allowance. POPR at 58. Apple argues Kotanagi’s electrodes are “not even used to measure ECG.” *Id.* at 59. But the Claim 1 and 10 electrodes do not specify ECG measurement. In any case, the petition uses Coppola and Schmid for ECG limitations. Pet. at 24–26, 56–62.

Grounds 5–7 use Schmid (*id.* at 67–79) as an alternative to Coppola—which has side electrodes in figures 5A and 5B (*id.* at 26)—making these grounds even more unique and noncumulative. Based on these differences, none of Masimo’s arguments “overlap” any in the file history, so BD Factor (d) favors Masimo. Showing that a patent related to a single one of the petition’s secondary references appeared on an IDS does not demonstrate that “the same or substantially the same art or arguments previously were presented” to the PTO. *Advanced Bionics* at 10.

B. The Examiner Erred By Failing To Evaluate The Petition’s References

In *Advanced Bionics*, the Board explained the policy behind § 325(d): “[T]his framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.” *Id.* at 9. As demonstrated above, Apple shows no such previous “evaluations” to which the Board can now defer. Moreover, it was error for examination not to include, evaluate, or apply Kotanagi and Schmid together. Beginning at page 7, the petition previews the examination errors it will describe: “The ’483 prosecution history shows that the Examiner did not consider, and Applicant did not cite, any of the

references that Petitioner relies on in the grounds These references teach what the Applicant alleged was missing from the prior art.” Pet. at 7. The petition then provides supporting details. *Id.* at 11–79. The petition concludes by briefly summarizing why § 325(d) does not apply. *Id.* at 82.

Apple’s POPR parses this concluding summary, treating its four examples like a catalogue of alleged errors and purporting to show how each does not apply to the grounds citing Schmid. POPR at 58–65. But Apple’s parsing approach misreads the petition. The phrase “as shown above” (Pet. at 82) confirms that the summary paragraph does not purport to restate all the errors explained in the full petition. This would have been impractical, given that “material error” can be omission of a single secondary reference (*Oticon* at 19), and each new argument (structural, functional, and motivational) shows examination was flawed (*see id.* at 16). All Kotanagi-based grounds are clearly not cumulative. And since the file history lacks any rejection or argument based on Schmid II, BD factor (c) also favors Masimo for Schmid. The full petition’s application of Kotanagi and Schmid to the claims, in combination with other art, also shows examination error, so BD factor (e) favors Masimo. It is not *re*consideration warranted here, but consideration in the first instance. Thus, BD factor (f) also favors Masimo.

IV. CONCLUSION

The Board should institute an IPR and cancel claims 1–20 of the ’483 patent.

Masimo v. Apple
IPR2023-00807

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: September 18, 2023

/ Philip M. Nelson /

Philip M. Nelson (Reg. No. 62,676)

Jarom D. Kesler (Reg. No. 57,046)

Ted M. Cannon (Reg. No. 55,036)

Customer No. 64,735

Attorneys for Petitioner

Masimo Corporation

(949) 760-0404

CERTIFICATE OF PAGE LIMITATIONS

The undersigned certifies that foregoing **PETITIONER’S REPLY ON § 325(D) IN SUPPORT OF PETITION FOR *INTER PARTES* REVIEW OF U.S. PATENT NO. 11,474,483** complies with the 7-page limit authorized in the Board’s email dated September 11, 2023.

Respectfully submitted,

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: September 18, 2023

By: / Philip M. Nelson /
Philip M. Nelson (Reg. No. 62,676)
Customer No. 64,735
Attorneys for Petitioner
Masimo Corporation
(949) 760-0404

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to 37 C.F.R. § 42.6(e) and with the agreement of counsel for Patent Owner, a true and correct copy of **PETITIONER'S REPLY ON § 325(D) IN SUPPORT OF PETITION FOR INTER PARTES REVIEW OF U.S. PATENT NO. 11,474,483** is being served electronically on September 18, 2023, to the e-mail addresses shown below:

W. Karl Renner Fish & Richardson P.C. 60 South Sixth Street, Suite 3200 Minneapolis, MN 55402 Tel: 202-783-5070 Fax: 877-769-7945 Email: IPR50095-0152IP1@fr.com	Roberto J. Devoto Craig A. Deutsch Grace Kim Andrew Patrick Fish & Richardson P.C. 60 South Sixth Street, Suite 3200 Minneapolis, MN 55402 Tel: 202-783-5070 Fax: 877-769-7945 Email: IPR50095-0152IP1@fr.com
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Dated: September 18, 2023

/ Philip M. Nelson /
Philip M. Nelson (Reg. No. 62,676)
Customer No. 64,735
Attorney for Petitioner
Masimo Corporation
(949) 760-0404