

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALIVECOR, INC.,
Petitioner

v.

APPLE INC.,
Patent Owner

Case No. IPR2023-00950

U.S. Patent No. 10,076,257 B2

**PETITIONER'S PRELIMINARY REPLY TO PATENT OWNER'S
PRELIMINARY RESPONSE ADDRESSING 35 U.S.C. §§ 314(a) AND 325(d)**

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TABLE OF CONTENTS

I.	THE <i>GENERAL PLASTIC</i> FACTORS OVERWHELMINGLY WEIGH AGAINST DISCRETIONARY DENIAL UNDER § 314(a).....	1
1.	FACTOR 1: NOT THE SAME OR SIGNIFICANTLY RELATED PARTIES	1
2.	FACTOR 2: ALIVECOR WAS DILIGENT	2
3.	FACTOR 3: NO ROADMAP	3
4.	FACTOR 4: ALIVECOR PROMPTLY FILED THE PETITION.....	4
5.	FACTOR 5: ALIVECOR WAS SUED AFTER MASIMO	4
6.	FACTORS 6 AND 7: NO WASTE OF THE BOARD’S RESOURCES	5
7.	ADDITIONAL FACTORS.....	5
II.	DISCRETIONARY DENIAL IS UNWARRANTED UNDER § 325 AND THE <i>ADVANCED BIONICS</i> FRAMEWORK.....	6
1.	MARKEL HAS NOT PREVIOUSLY BEEN PRESENTED TO THE OFFICE.....	6
2.	MATERIAL ERROR	8
III.	CONCLUSION	8

TABLE OF AUTHORITIES

CASES	PAGE(S)
<i>Apple Inc. v. Uniloc 2017 LLC</i> , IPR2019-01667, Paper 7 (PTAB Apr. 21, 2020)	5
<i>Apple, Inc. v. UUSI, LLC</i> , IPR2019-00358, Paper 11 (PTAB June 5, 2019)	2
<i>General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha</i> , IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017).....	1, 2, 3, 5
<i>Google LLC v. Uniloc Luxembourg S.A.</i> , IPR2017-02067, Paper 10 (PTAB Mar. 29, 2018)	6, 7
<i>Google, LLC v. Jenam Tech., LLC</i> , IPR2020-00845, Paper 16 (PTAB Oct. 8, 2020).....	8
<i>Illumina, Inc. v. Ravgen, Inc.</i> , IPR2021-01272, Paper 14 (PTAB Jan. 26, 2022)	2, 4, 5
<i>Keysight Techs., Inc. v. Centripetal Networks, Inc.</i> , IPR2023-00446, Paper 9 (PTAB Aug. 7, 2023).....	2
<i>Nichia Corp. v. Document Security Sys., Inc.</i> , IPR2018-01166, Paper 9 (PTAB Nov. 30, 2018).....	4
<i>Nintendo Co. v. Polaris PowerLED Tech., LLC</i> , IPR2023-00778, Paper 9 (PTAB Oct. 18, 2023).....	1
<i>Reflex USA LLC v. Longyear TM, Inc.</i> IPR2023-00642, Paper 11 (PTAB Sept. 26, 2023).....	7
<i>Samsung Electronics Co. v. Scramoge Tech. Ltd.</i> , IPR2022-00385, Paper 14 (PTAB June 23, 2022)	3
<i>SAS Institute Inc. v. Iancu</i> , 138 S. Ct. 1348 (2018).....	4, 8
<i>Signify North America Corp. v. Cao Lighting, Inc.</i> , IPR2023-00213, Paper 16 (PTAB June 15, 2023)	2

<i>Sling TV LLC v. Uniloc 2017 LLC</i> , IPR2019-01270, Paper 11 (PTAB Jan. 9, 2020)	4, 6
<i>Sony Mobile Comms. AB v. Ancora Tech., Inc.</i> , IPR2021-00663, Paper 17 (PTAB Jun. 10, 2021)	1
<i>Uber Technologies, Inc. v. LBT IP II LLC</i> , IPR2022-00926, Paper 9 (PTAB Dec. 7, 2022)	5
<i>Valve Corp. v. Elect. Scripting Prods., Inc.</i> , IPR2019-00062, Paper 11 (PTAB Apr. 2, 2019)	1, 2

STATUTES

35 U.S.C. § 314(a)	10
35 U.S.C. § 315(b)	4
35 U.S.C. § 325(d)	10

OTHER AUTHORITIES

37 C.F.R. § 42.6(e).....	10
37 C.F.R. § 42.8(b)(2).....	3
37 C.F.R. § 42.105	10
37 C.F.R. § 42.122	4

LIST OF EXHIBITS

Exhibit	Short Name	Description
Ex. 1001	'257 Patent	U.S. Patent No. 10,076,257 B2
Ex. 1002	'257 File History	Prosecution History of U.S. Patent No. 10,076,257 B2
Ex. 1003	Berger Declaration	Declaration of Dr. Ronald D. Berger
Ex. 1004	Berger CV	Curriculum vitae of Dr. Ronald Berger
Ex. 1005 ¹	Markel	U.S. Patent Publ. No. 2007/0021677
Ex. 1006	Nissilä	U.S. Patent No. 6,775,566
Ex. 1007	Righter	U.S. Patent No. 5,191,891
Ex. 1008	Farringdon	U.S. Patent No. 7,502,643
Ex. 1009	Cardiology Explained	EUAN A. ASHLEY & JOSEF NIEBAUER, CARDIOLOGY EXPLAINED (2004)
Ex. 1010	Cudahy	U.S. Patent No. 5,184,620
Ex. 1011	Sujdak	U.S. Patent No. 6,847,836
Ex. 1012	Geddes	U.S. Patent No. 4,606,352
Ex. 1013	Ceballos	U.S. Patent No. 6,522,915
Ex. 1014	Gilles	U.S. Patent No. 4,635,646
Ex. 1015	Weiss	U.S. Patent No. 5,623,926

¹ On November 7, 2023, AliveCor replaced the originally filed Exhibit 1005 with a true and correct copy of U.S. Patent Publ. No. 2007/0021677 pursuant to 37 C.F.R. § 42.104(c) as authorized by the Board on October 24, 2023.

Exhibit	Short Name	Description
Ex. 1016	Apple's Complaint	Complaint, <i>Apple Inc. v. AliveCor, Inc.</i> , Case No. 4:22-cv-07608-HSG, Dkt. No. 1 (N.D. Cal., Dec. 12, 2022)
Ex. 1017	Hobson	U.S. Patent No. 7,876,274
Ex. 1018	National Judicial Caseload Profile	U.S. District Courts – National Judicial Caseload Profile (accessed via https://www.uscourts.gov/sites/default/files/cms_na_distprofile0331.2022.pdf)

I. THE GENERAL PLASTIC FACTORS OVERWHELMINGLY WEIGH AGAINST DISCRETIONARY DENIAL UNDER § 314(a).

All seven *General Plastic* factors weigh strongly against discretionary denial. See *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 9–10 (Sept. 6, 2017) (precedential in relevant part).

1. Factor 1: Not the Same or Significantly Related Parties

Factor 1 weighs against denial. This is AliveCor’s first petition challenging the ’257 patent. See, e.g., *Nintendo Co. v. Polaris PowerLED Tech., LLC*, IPR2023-00778, Paper 9 at 47 (Oct. 18, 2023).

Relying on *Valve*, Apple contends that “AliveCor and Masimo are significantly related” because “AliveCor and Masimo are both defendants accused of infringing the ’257 patent.” POPR at 11–12 (citing *Valve Corp. v. Elect. Scripting Prods., Inc.*, IPR2019-00062, Paper 11 at 10 (Apr. 2, 2019)). In *Valve*, however, the original petitioner and the follow-on petitioner were *co-defendants*, both accused of infringing the same patent based on the *same product* in the *same district court litigation*. *Valve* at 9–10. Here, in contrast, AliveCor and Masimo are not co-defendants, nor has AliveCor coordinated with Masimo in any way. Apple sued AliveCor and Masimo months apart in *different* cases in *different* jurisdictions over completely *different* products, with overlap on only one patent (the ’257 patent). Without more, a common desire to challenge validity of an asserted patent is

insufficient to establish a “significant relationship.” *See Sony Mobile Comms. AB v. Ancora Tech., Inc.*, IPR2021-00663, Paper 17 at 10–11 (Jun. 10, 2021).

Apple alleges that application of the *General Plastic* factors should have been “foreseeable,” but Apple itself previously distinguished the facts of *Valve* when Apple and Samsung were defendants in separate district court actions. *See Apple, Inc. v. UUSI, LLC*, IPR2019-00358, Paper 11 at 1 (June 5, 2019) (supplemental brief on § 314(a)); *see also* Paper 12 at 14–15 (Aug. 5, 2019).

Finally, AliveCor and Masimo are not “significantly related” just because they each filed a petition relying on a common prior art reference. *See* POPR at 2, 13, 18 n.4. The fact that petitions rely on the same reference may result from the strength of the reference. *Signify North America Corp. v. Cao Lighting, Inc.*, IPR2023-00213, Paper 16 at 23–24 n.13 (June 15, 2023); *Keysight Techs., Inc. v. Centripetal Networks, Inc.*, IPR2023-00446, Paper 9 at 11 (Aug. 7, 2023).

2. Factor 2: AliveCor Was Diligent

When a later petitioner is not the same as, or significantly related to, the earlier petitioner, Factors 2, 4, and 5 are less relevant in the *General Plastic* analysis. *See Illumina* at 22. Regardless, this factor weighs against denial.

This is not a case where AliveCor “strategically stage[d] [its] prior art and arguments in multiple petitions.” *See General Plastic* at 17. Any criticism that Masimo filed its Petition earlier than AliveCor is weak when the petitioners are

unrelated and were not sued at the same time. *Illumina, Inc. v. Ravgen, Inc.*, IPR2021-01272, Paper 14 at 23 (PTAB Jan. 26, 2022).

Further, AliveCor was diligent in finding the prior art in this Petition. After Apple sued AliveCor, AliveCor promptly identified Markel and Righter. Then AliveCor further identified Nissilä in March 2023. AliveCor had already started drafting this Petition when the Masimo petition was filed. And AliveCor filed this Petition on June 7, 2023, well in advance of infringement contentions in the related district court litigation and well in advance of the one-year statutory bar.

3. Factor 3: No Roadmap

The Board considers whether the petitioner already received the preliminary response to the first petition or the Board's institution decision. *General Plastic* at 16. Apple cannot and did not contend that either is true. First, AliveCor did not know about the Masimo Petition at the time of filing this Petition and could not have used the Masimo petition as a roadmap. In fact, neither party originally identified the Masimo IPR proceeding as a related matter under 37 CFR § 42.8(b)(2). Papers 2, 3. Regardless, AliveCor filed on June 7, 2023, over a month before Apple filed its preliminary response and more than four months before the Board's institution decision. This factor undoubtedly weighs against denial. *See Samsung Electronics Co. v. Scramoge Tech. Ltd.*, IPR2022-00385, Paper 14 at 12 (June 23, 2022).

The Board should reject Apple's novel "roadmapping" arguments. AliveCor

cannot “use the Masimo IPR proceeding as a roadmap” going forward, POPR at 13–14, because it is the Petition that “guide[s] the life of the litigation”. *See SAS Institute Inc. v. Iancu*, 138 S. Ct. 1348, 1351 (2018).

The Board should reject Apple’s attempt to expand this factor into a wide-ranging inquiry into “unfairness, inefficiency, and potential for abuse and inconsistent outcomes.” *See* POPR at 13-15. Instead, those concerns can be mitigated through careful case management. *Sling TV LLC v. Uniloc 2017 LLC*, IPR2019-01270, Paper 11 at 21 (Jan. 9, 2020) (citing 37 CFR § 42.122).

4. Factor 4: AliveCor Promptly Filed the Petition

AliveCor was diligent in identifying prior art and filing this Petition less than five months later. *See* 35 U.S.C. § 315(b). Factor 4 weighs against denial.

5. Factor 5: AliveCor Was Sued After Masimo

Apple sued AliveCor and Masimo months apart. This alone provides a reasonable explanation. *Illumina* at 23. Further, AliveCor independently drafted the Petition, using a different expert and different grounds of unpatentability. Even assuming AliveCor became aware of the Masimo petition when it was filed, the Board has previously found that a *five-month delay* between petitions does not demonstrate an undue delay when the petition is not a substantial copy of the petition in the earlier proceeding. *Nichia Corp. v. Document Security Sys., Inc.*, IPR2018-01166, Paper 9 at 19 (Nov. 30, 2018). Factor 5 weighs against denial.

6. Factors 6 and 7: No Waste of the Board's Resources

Factors 6 and 7 consider “the finite resources of the Board.” *General Plastic* at 16. The Board’s resources are not wasted by a petition from a different petitioner challenging additional claims, based on substantially different (albeit overlapping) grounds. *See Illumina* at 19. Reliance on a prior art reference to a greater degree and in a different manner mitigates the fact that both petitions include analysis that is rooted in the same prior art reference. *Uber Technologies, Inc. v. LBT IP II LLC*, IPR2022-00926, Paper 9 at 14 (Dec. 7, 2022). Factors 6 and 7 weighs against denial.

7. Additional Factors

Apple previously argued—and the Board agreed—that two additional factors should be considered when a subsequent petition is filed by a different petitioner. *Apple Inc. v. Uniloc 2017 LLC*, IPR2019-01667, Paper 7 at 11-12 (Apr. 21, 2020).

Potential prejudice to the subsequent petitioner if institution is denied and the pending proceedings involving the first petitioner are terminated. AliveCor would be severely prejudiced because Apple has accused AliveCor of infringement in district court, and this is currently the only AliveCor Petition challenging the claims of the ’257 patent. Moreover, there is a realistic chance that the Masimo proceeding is prematurely terminated. Last week, the U.S. International Trade Commission issued an exclusion order against Apple watches found to infringe Masimo’s patents. *See Inv. No. 337-TA-1276*. That order may yield a settlement

and, thus AliveCor reserves all rights to file motion to join the Masimo proceeding.

Whether multiple petitions are a direct result of a patent owner's litigation activity. The Masimo and AliveCor petitions are a direct result of Apple's staggered litigation activity. *See* Ex. 1016; Ex. 2003.

II. DISCRETIONARY DENIAL IS UNWARRANTED UNDER § 325 AND THE *ADVANCED BIONICS* FRAMEWORK.

1. Markel Has Not Previously Been Presented to the Office

Apple argues that Markel was previously presented because Markel is a prior art reference in Masimo's petition. *See* POPR at 21–28 (citing *Google LLC v. Uniloc Luxembourg S.A.*, IPR2017-02067, Paper 10 at 8–11 (Mar. 29, 2018)). Masimo's petition had not been instituted when AliveCor filed this Petition nor when Apple filed its POPR. Therefore, Markel had not been previously presented. *See Sling TV LLC v. Uniloc 2017 LLC*, IPR2019-01270, Paper 11 at 18 (Jan. 9, 2020). The Masimo Petition has since been instituted. Even so, a preliminary consideration by the Board in determining whether to institute a trial is not sufficient demonstration that the reference was previously considered. *Sling TV* at 18.

Apple's reliance on *Google* is misplaced. Indeed, this case is distinguishable because AliveCor did not have the benefit of Apple's preliminary response, and Apple has not requested to file a motion to amend. *Google* at 10. Moreover, AliveCor relies on Markel in a materially different manner. *See Google*, at 9.

For example, in each ground, AliveCor relies on Markel’s disclosure of an electrode molded into the audio output portion of the electronic device, illustrated in Figure 6, to render obvious at least claim elements [1.c.i]–[1.d.ii] and [15.d.i]–[15.e.ii]. Petition at 10–27, 53–63; Ex. 1005 at ¶¶115–140, 276–304. Specifically, AliveCor demonstrates that a POSITA would have been motivated to place the pad of the electrode underneath the conductive plastic of the audio output portion. Petition at 20; Ex. 1005 at ¶135. AliveCor further relies on Figure 6 to render obvious independent claim 15. Petition at 53–63; Ex. 1003 at ¶¶276–304. On the other hand, Masimo’s petition does not address the embodiment disclosed in Markel’s Figure 6. Tellingly, Apple addressed motivation to combine and *not* the merits in the Masimo case but felt compelled to substantively address the disclosures of Markel with respect to Claim 1 for the first time in this proceeding. *See, e.g.*, POPR at 38–39, 42–43, 46–47. Apple’s POPR does not even attempt to substantively address AliveCor’s mapping of Markel to claim 15.

Furthermore, AliveCor’s secondary references are not cumulative. *See* POPR at 16, 26–27. Reliance on a newly cited second reference as an alternative, by itself, is insufficient to deem the second reference cumulative of the first reference. *Reflex USA LLC v. Longyear TM, Inc.* IPR2023-00642, Paper 11 at 17 (Sept. 26, 2023).

Lastly, the AliveCor’s arguments have not been previously presented. For example, AliveCor is asserting a single reference obviousness ground, along with

two new combinations, against *all* claims of the '257 patent, and AliveCor relies on a different embodiment of Markel to show obviousness. *See, e.g.*, Petition at 10–13.

2. Material Error

Denial of institution under § 325(d) is improper when two petitions are being considered “effectively simultaneously” because, without any final evaluation of the art and arguments, petitioner has no way to show the Office erred. *Google, LLC v. Jenam Tech., LLC*, IPR2020-00845, Paper 16 at 12 (Oct. 8, 2020).

Masimo relied on Markel in view of Mills. The Board found Masimo’s citations to Markel to be strong but identified a potential weakness in the motivation to combine. IPR2023-00745, Paper 8 at 41–42 (Oct. 16, 2023). Here, AliveCor relies on a single-reference obviousness analysis. Despite Masimo’s strong petition, AliveCor relies on a different / stronger embodiment in Markel and presented new combinations in Grounds 2 and 3. Because the Board is limited in the Masimo proceedings, the Board *could* make a material error in overlooking specific teachings of Markel not presented by Masimo and/or find a lack of motivation to combine, which is not an issue in this proceeding. *See SAS*, 138 S. Ct. at 1351.

III. CONCLUSION

For these reasons, the Board should not discretionarily deny this Petition.

Date: November 7, 2023

By: / Christopher TL Douglas /
Christopher TL Douglas

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§42.6(e), 42.105, the undersigned hereby certifies that true and correct copies of the above-captioned PETITIONER’S PRELIMINARY REPLY TO PATENT OWNER’S PRELIMINARY RESPONSE ADDRESSING 35 U.S.C. §§ 314(a) AND 325(d) was served via electronic mail to the following attorneys of record for Patent Owner:

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