

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALIVECOR, INC.,
Petitioner,

v.

APPLE INC.,
Patent Owner

Case IPR2023-00950
U.S. Patent 10,076,257

**PATENT OWNER'S SUR-REPLY TO
PETITIONER'S PRELIMINARY REPLY TO
PATENT OWNER'S RESPONSE**

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LIST OF EXHIBITS

APPLE-2001	Declaration of Dr. Thomas Kenny
APPLE-2002	Curriculum Vitae of Dr. Thomas Kenny
APPLE-2003	Complaint, <i>Apple Inc., v Masimo Corporation, et al.</i> , Case No. 1-22-cv-01378 (D. Del., Oct. 20, 2022)

AliveCor claims “[it] did not know about the Masimo Petition at the time of filing this Petition.” Prelim. Rep., 3. AliveCor’s unawareness of a petition that was filed nearly three months earlier, and of that petition’s substantially similar application of the same primary reference, resulted only from AliveCor’s failure to conduct basic due diligence in advance of its own filing. AliveCor was certainly aware of district court litigation between Apple and Masimo involving the ’257 patent, as demonstrated by its submitted evidence. EX1002, 364-365. AliveCor’s failure to identify an earlier filed petition is the fault of no one but AliveCor.

Had AliveCor conducted even basic due diligence in advance of filing its petition, it could have eliminated the various problems flowing from its late filing by instead attempting analysis based on art materially distinct from that applied in Masimo’s petition. Further, institution of AliveCor’s Petition would encourage future parties to file staggered and substantively similar petitions with disregard for basic due diligence, and to claim ignorance as a defense against PTAB rules. *See* POPR, 1-4, 8-10, 13-15.

AliveCor’s failures should not be excused, and warrant discretionary denial.

I. DISCRETIONARY DENIAL IS WARRANTED UNDER § 325(d)

AliveCor’s petition should be denied under § 325(d). The Board has traditionally been “mindful of the potential inequity of parties filing multiple petitions” relying “on substantially similar references and analyses,” and has in

those instances consistently denied institution when the petition fails to sufficiently demonstrate “how the [asserted] references are different enough to warrant institution.” *TomTom v. Blackbird Tech*, IPR2017-02025, Paper 7 at 15-17 (Mar. 12, 2018). Those same concerns are very much at issue here.

First, as discussed in detail in Apple’s POPR, it is undisputed that AliveCor applied the same Markel primary reference as Masimo in *every ground* of AliveCor’s petition. *See* POPR, 22-27. Further, AliveCor’s art and arguments are substantially similar to those in Masimo’s earlier-filed petition. *Id.* While AliveCor introduces a new secondary reference (“Nissilä”), AliveCor fails to identify material distinctions between its use of Nissilä and Masimo’s earlier reliance on Mills in combination with Markel.

More, AliveCor relies on Nissilä in combination with Markel for the exact same limitation for which Masimo relied on Mills: “wherein the first pad is positioned underneath the exterior surface of the first portion.” *Compare* IPR2023-00950, Paper 2 at 71-72, 16 (Limitation 1.c.iii), *with* IPR2023-00745, Paper 1 at 46-49. Just as it is Petitioner’s duty to review the prosecution history and “explain why Applicant’s arguments made during prosecution were in error, or how those arguments would not apply to this asserted ground,” petitioners must also address arguments made by earlier petitioners in prior IPRs relying on the same primary

reference, and identify any errors therein. *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01587, Paper 8 at 27 (December 15, 2017) (Informative).

Even were that not the case, “the statutory authority to deny [a] petition based on the same previously presented prior art is not tied to the format of how that prior art is presented or whether every aspect of the asserted grounds is identical in both petitions” even when the later “Petitioner is not a party to the previous IPRs....” *Google v. Uniloc Luxembourg SA*, IPR2017-02081, Paper 10 at 9-10 (March 29, 2018). Institution here would incentivize future petitioners to repackage previously presented art with weak, allegedly “new” secondary references to avoid denial under §325(d). AliveCor “does not explain whether the secondary references in this case are used in a different manner or add anything materially different to the secondary references used in the previous IPR[],” thus, discretionary denial is proper. *Google*, IPR2017-02081, Paper 10 at 10; *Google v. Uniloc 2017*, IPR2019-01584, Paper 7 at 14-15 (Oct. 16, 2020).

Second, AliveCor fails to meet its *Advanced Bionics* burden of demonstrating that those errors could be cured through institution of AliveCor’s petition. Prelim. Rep., 8. Instead, AliveCor asserts with reference to Markel’s “Figure 6” that “AliveCor relies on a different / stronger embodiment in Markel,” without any analysis as to how Markel’s Figure 6 materially differs from other disclosures of Markel, or which of those disclosures might in any way relate to

alleged strengths AliveCor's petition relative to Masimo's. Prelim. Rep., 7-8.

AliveCor's failure to identify errors in Masimo's reliance on the same Markel reference warrants denial. *Microsoft v. Uniloc 2017*, IPR2019-00745, Paper 11 at 6-9 (Sept. 4, 2019); *Google*, IPR2019-01584 Pap. 7, 13.

Indeed, the instant case is readily distinguishable from *Keysight v. Centripetal Networks* (Prelim. Rep., 2) and *Reflex USA v. Longyear* (Prelim. Rep., 7), where later petitioners adequately identified material differences over prior challenges. IPR2023-00446, Paper 9 at 16-18 (Aug. 7, 2023); IPR2023-00642, Paper 11 at 16-18 (Sept. 26, 2023) ("Petitioner [must] identify a single substantive difference").

Notably, AliveCor's failure to identify errors in Masimo's previous application of Markel is not excused by AliveCor's reliance in one ground on Markel alone, nor by AliveCor's inclusion of unasserted claims. *Samsung Elec. Am. v. Uniloc 2017*, IPR2018-01756, Paper 7 at 26-27 (March 11, 2019). *Ericsson v. Uniloc 2017*, IPR2020-00420 Paper 7 at 14-16 (June 18, 2020). Further, AliveCor's attempt to dodge its burden of justifying redundant consideration of the same primary reference, based on timing of the Masimo institution decision, fails. *See* Prelim. Resp., 6. The *Advanced Bionics* framework for AliveCor's petition must be assessed at—not before—the time of that petition's institution decision. *E.g., Masimo v. Apple*, IPR2023-00634 Pap. 11 at 5 (July 31, 2023). Moreover, the

two Markel-based petitions were not filed “effectively simultaneously” as AliveCor asserts, but were instead filed nearly three months apart. *See* Prelim. Rep., 8.

II. DISCRETIONARY DENIAL IS WARRANTED UNDER § 314(a).

As earlier explained, AliveCor’s conduct has created serious potential for unfairness, inefficiency, abuse of process, and inconsistent outcomes, warranting denial. POPR, 1-4, 8-10, 13-15, 30-31. AliveCor fails to dispel these concerns.

1. General Plastic Factor 1

The Board “consider[s] any relationship between...petitioners while weighing the *General Plastic* factors.” *Valve Corp. v. Elec. Scripting Prods., Inc.*, IPR2019-00062 Pap. 11 at 9-11. Such relationships are not limited to only situations in which the two petitioners are “codefendants” or have “a business relationship between them.” *Fresenius v. Amgen*, IPR2019-00971, Paper 13 at 7 (Oct. 16, 2019); *Mitek Sys., Inc. v. United Serv. Auto. Ass.*, IPR2020-00882, Paper 34 at 5 (July 22, 2021). Reliance on the same references as an earlier filed petition can create a relationship between different petitioners that causes *General Plastic* factors 1, 2, 4, 5, 6, 7 to favor discretionary denial, “especially when not filed at or around the same time.” *Fresenius*, IPR2019-00971, Paper 13 at 6-11; *Ericsson Inc. v. Uniloc 2017, LLC*, IPR2019-01550, Paper 8 at 11-12 (Mar. 17, 2020).

The present case is readily distinguishable from the unique circumstances present in *Signify North America*, where the petitioner demonstrated a material misrepresentation by the Patent Owner during reexamination and that, based on this misrepresentation “the Examiner’s resulting conclusion, was in error.” IPR2023-00213, Paper 16 at 20-21 (June 15, 2023). No such allegations exist here.

2. General Plastic Factor 2

AliveCor leans heavily on its assertion that “[t]his is AliveCor’s first petition challenging the ’257 patent,” to excuse its complete failure to address *General Plastic* or *Advanced Bionics* in its Petition. Prelim. Rep., 1-3, 5. AliveCor should not be allowed it to unfairly benefit from advantages obtained from the staggered filing of two petitions challenging the same patent on substantially similar grounds due to its own willful ignorance. Further, contrary to AliveCor’s assertions, Factors 2, 4, and 5 are fully relevant when, as here, the later IPR utilizes the same primary reference as earlier petitions. *Ericsson*, IPR2019-01550, Paper 8 at 11-13.

3. General Plastic Factor 3

Unlike the present proceeding, in most of the cases cited by AliveCor, the later filed petitions relied on *different* primary references than the earlier filed petitions. Indeed, in cases where Apple was petitioner, Apple “rel[ied] on entirely different prior art,” thus alleviating the systematic and severe “road map” concerns identified in the POPR. *Apple v. Uniloc*, IPR2019-01667, Paper 7 at 9 (Apr. 21,

2020); *Apple v. UUSI*, IPR2019-00358, Paper 11 at 1 (Jun. 5, 2019) (“did not rely on the same prior art as the Samsung IPR”). The fairness concerns raised in Apple’s POPR, including potential use of insights from Apple’s submissions in the Masimo IPR to prepare its witness for deposition, would have been substantially alleviated if AliveCor had relied on different primary references.

Unlike the present case, AliveCor’s other cited cases had aligned post institution schedules and therefore did not address the same unfairness concerns at issue here. For instance, in *Sony Mobile*, the later petitioner filed “a ‘copycat’ petition.” IPR2021-00663, Paper 17 at 23, 29-33 (Jun. 10, 2021). In both *Sling TV* and *Uber Tech.*, the proximity of the serial petitions (< 1 month from the first petition) alleviated the road mapping concerns and other unfair advantages present here as identified in the POPR. IPR2019-01270, Paper 11 at 20-21 (Jan. 9, 2020); IPR2022-00926, Paper 9 at 13 (Dec. 7, 2022). AliveCor relies on *Sling TV* for the assertion that the unfairness wrought by its lack of diligence in filing a serial petition based on the same primary reference ***nearly three months*** after the first filed petition can allegedly be “mitigated through careful case management” (Prelim. Rep., 4) yet fails to identify any such “careful case management” steps applicable to the present case. Indeed, the three-month gap here does not allow for such steps as the less than one month gap in *Sling TV* did.

4. General Plastic Factors 4 and 5

AliveCor failed to address in its response the many problems created by AliveCor's reliance on the same primary reference earlier applied by Masimo and, in similar circumstances, the Board has repeatedly found discretionary denial appropriate. *E.g.*, *Microsoft*, IPR2019-00745 Pap. 11, 6-9. Like *Microsoft*, here, AliveCor did not identify or "correct[] any errors" in the earlier petition. *Id.* When a second petitioner "relies on prior art also relied on in the earlier-filed petition" and is "not filed at or around the same time," this "weighs against institution under the Board's precedents." *Fresenius*, IPR2019-00971, Paper 13 at 8-11.

5. Additional Factors

AliveCor's assertions regarding potential prejudice and settlement are merely speculative, and Masimo's earlier-filed petition has already been instituted. Prelim. Rep., 5-6. In that regard, it is noteworthy that AliveCor last week filed a copycat petition accompanied by a motion for joinder to the instituted Masimo proceeding. *See* IPR2024-00169, Paps 1, 3.

III. CONCLUSION

For at least these reasons, Apple respectfully submits that the Board should deny institution of AliveCor's IPR2023-00950 petition.

Respectfully submitted,

Date: 11/21/2023

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on November 21, 2023, a complete and entire copy of this Patent Owner's Sur-Reply to Petitioner's Preliminary Reply was provided via email, to the Petitioner by serving the email correspondence addresses of record as follows:

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