

Petitioner's Reply to Institution Decision
IPR2023-01150 (U.S. Patent No. 9,843,853)

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

K/S HIMPP
Petitioner

v.

BRAGI GmbH
Patent Owner

Case IPR2023-01150
U.S. Patent No. 9,843,853

PETITIONER'S REPLY TO INSTITUTION DECISION

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I. INTRODUCTION

In the Institution Decision, the Board found that HIMPP (“Petitioner”) presented a reasonable likelihood of prevailing in proving that claims 1–21 of the ’853 patent are unpatentable based on all seven grounds that presented in the Petition. Rather than producing arguments or evidence to dispute the strong showing of unpatentability, Bragi (Patent Owner or “PO”) opted not to defend the challenged claims. By not filing a Patent Owner Response (“POR”), PO has waived its right to dispute the unpatentability of the claims of U.S. Patent No. 9,843,853 (“the ’853 patent”). In addition to PO’s waiver, in this Reply, Petitioner addresses certain issues discussed in the Institution Decision.

II. PO WAIVED ALL ARGUMENTS TO DISPUTE THE UNPATENTABILITY OF CLAIMS 1–21

PO elected not to file a POR, instead choosing only to file a Motion to Amend. Contrary to the Board’s Scheduling Order and the Trial Practice Guide, PO did not arrange a conference call to notify the Board it would not be filing a POR. *See* Paper 9 at 9 (“If Patent Owner elects not to file a response, Patent Owner **must** arrange a conference call with the parties and the Board.”)¹; Consolidated Trial Practice Guide (Nov. 2019) (“CTPG”) at 66 (“Where the patent owner elects not to file a response,

¹ All emphasis added unless otherwise noted.

the patent owner **will** arrange for a conference call with the Board to discuss whether or not the patent owner will file a request for adverse judgement.”). As a result, it is unclear whether PO will file a request for adverse judgement for original claims 1–21. *See* CTPG at 66; 37 C.F.R. § 42.73(b). But even if PO is not requesting adverse judgment, PO has waived all arguments supporting patentability of claims 1–21. For example, the Board should not permit PO, in a Patent Owner Sur-Reply, to address for the first time, post institution, the patentability of claims 1–21. Doing so would circumvent the Board’s trial procedures and leave Petitioner without a meaningful opportunity to respond.

PO was on notice and waived any argument against the anticipation and obviousness challenges in the Petition. *See* Paper 9 at 9 (“Patent Owner is cautioned that any arguments not raised in the response may be deemed waived.”). This includes the arguments that PO advanced in its preliminary response. *See* CTPG at 52 (citing *In re Nuvasive, Inc.*, 842 F.3d 1376, 1381 (Fed. Cir. 2016) (explaining that a patent owner waives an issue presented in its preliminary response if it fails to renew the issue in its response after trial is instituted)). Indeed, in similar circumstances where the Board cautioned that arguments “not raised in the response may be deemed waived,” the Board indicated that “Patent Owner waived those issues presented in its Preliminary Response by not filing a patent owner response.” *Intel Corp. v. Hera Wireless S.A.*, IPR2018-01701, Paper 25 at 2, n. 1 (Apr. 29, 2020);

see also Toshiba Corp. v. Optical Devices, LLC, IPR2014-01441, Paper 36 at 15, n. 5 (Mar. 8, 2016) (“Patent Owner waived any arguments for patentability based on the claim constructions presented in the Decisions on Institution, but unchallenged in the Motion to Amend, when it opted not to file a Patent Owner Response.”).

As the Board correctly found in its Institution Decision, the Petition demonstrated a reasonable likelihood that claims 1–21 would have been anticipated by or obvious in view of the prior art. *See* Paper 8 (“DI”) at 39–77. Throughout the Institution Decision, the Board pointed out instances where “Patent Owner does not allege any deficiencies in this aspect of Petitioner’s showing” and where “Patent Owner does not... dispute Petitioner’s additional arguments, analysis, or evidence.” *See, e.g.*, DI at 43–45, 47, 54–61, 64–66, 68, 71. Now that the time for filing a POR has passed, PO missed its opportunity to raise such disputes and arguments. And even those disputes and arguments PO previously raised are now waived. *See, e.g.*, CTPG at 52; *In re Nuvasive*, 842 F.3d at 1381; *Intel Corp.*, IPR2018-01701, Paper 25 at 2, n. 1. In any event, the anticipation and obviousness grounds for claims 1–21 set forth in the Petition and supported by Prof. Kiaei’s Declaration (EX1002) are un rebutted.

By failing to file a POR, PO does not—and no longer can—dispute the teachings of the prior art or argue that any claim element of claims 1–21 is not anticipated or rendered obvious by the prior art. And for the same reason, PO does

not and cannot dispute any of the Petition's anticipation and obviousness rationales, including the Petition's reasons to modify or combine the teachings of prior art references Brown, Hain, Steinbrecher, Shaffer, and Sorensen and the Petition's explanations regarding reasonable expectation of success. Nor does PO provide any evidence of secondary considerations of non-obviousness. Ultimately, PO has waived **all** arguments regarding the unpatentability challenges to claims 1–21 set forth in the Petition and supported by Prof. Kiaei's Declaration.

In light of the unrebutted, evidence-supported showing of anticipation and obviousness in the Petition, Petitioner has met its burden of proving that claims 1–21 are unpatentable by a preponderance of the evidence. *See* 35 U.S.C. § 316(e).

III. REPLY TO INSTITUTION DECISION

Petitioner responds below to certain issues discussed in the Institution Decision. “[T]he Board will permit the petitioner, in its reply brief, to address issues discussed in the institution decision.” CTPG at 73; *see also* PTAB Rules of Practice, 85 Fed. Reg. 79120, 79124 (Dec. 9, 2020) (“[A] petitioner may file a single reply to address issues raised in either or both the patent owner response and institution decision. ... The absence of a patent owner response will **not** prevent a petitioner from filing a reply where appropriate to address the institution decision.”).

A. Claim Construction: The phrase “smart case” does not need to comprise a rechargeable battery capable of being utilized to recharge a wireless earpiece.

In its Institution Decision, the Board declined to adopt PO's proffered claim construction of the phrase “smart case” as “a case comprising a rechargeable battery capable of being utilized to charge a wireless earpiece.” *See* DI at 20–22; Paper 7 (“Prelim. Resp.”) at 17. PO does not dispute the Board's finding that PO's narrow construction “ignores intrinsic evidence of multiple additional configurations, actions, or functionality of the smart case disclosed in the '853 patent.” DI at 20; *see also id.* at 21, n. 12 (“We note that none of the claims indicated above explicitly require that the recited ‘smart case’ contain a rechargeable battery therein.”). Accordingly, based on the full record, the Board should not adopt PO's proffered claim construction of “smart case” in its final decision.

B. Claim Construction: The term “earpiece[s]” is not limited to earpiece[s] configured to fit into a user's ear.

In the Institution Decision, the Board declined to adopt PO's proffered construction of the term “earpiece[s]” as “an earpiece/earpieces configured to fit into a user's ears.” *See* DI at 22–23; Prelim. Resp. at 18. The dictionary definition introduced by the Board makes clear that an earpiece is not limited to insertion into the ear. DI at 22 (referring to dictionary defining “earpiece” as a part “that fits in or *held next to the ear*”). The Board further noted that a definition of the term is

lacking from the claims themselves and that the '853 patent discloses embodiments of earpieces that are not inserted into the ear. *Id.* at 22–23 (citing EX1001, 3:12–24 (“***In another embodiment***, the wireless earpieces 142, 144 ***may*** represent wireless devices that may be ingested or implanted into a user.”)). PO does not dispute the dictionary definition or the Board's reasoning. Accordingly, based on the full record, the Board should not adopt PO's proffered claim construction of “earpiece[s]” in its final decision.

C. Claim Construction: The phrase “one or more” should be interpreted as including non-singular.

PO did not proffer a construction for the phrase “one or more” but contended that it should be interpreted as “only one.” *See* Prelim. Resp. at 21 (“to anticipate [the claim limitation requiring ***one or more of the wireless earpieces*** to detect a magnetic field], Hain must disclose an earpiece that switches to a low power mode ***when only it – and not its pair*** – detect a magnetic field”); *see also* DI at 50, n. 22. In its Institution Decision, based on the existing record and its review of court precedence, the Board concluded that “‘one or more wireless earpieces’ reads on plural (non-singular) wireless earpieces.” DI at 50; *see also Baldwin Graphic Sys., Inc. v. Siebert, Inc.*, 512 F.3d 1338, 1342 (Fed. Cir. 2008) (“‘a’ or ‘an’ in patent parlance carries the meaning of ‘one or more’ in open-ended claims containing the transitional phrase comprising” unless a patentee has “‘evidence[d] a clear intent’ to

limit ‘a’ or ‘an’ to ‘one’”). PO did not dispute the Board’s conclusion. PO also did not cite to any controlling case law in support of its contention that “one or more” should be interpreted as “only one.” *See* DI at 50, n. 22. Accordingly, based on the full record, the Board should interpret “one or more” as including non-singular in its final decision.

D. The Board should find all challenged claims unpatentable in its final decision.

In its Institution Decision, the Board found that Petitioner presented a reasonable likelihood of proving claims 1–21 of the ’853 patent unpatentable. PO’s only arguments in its preliminary, pre-institution response against the anticipation and obviousness challenges involving Brown, Steinbrecher, or Hain—arguments which PO has waived for failing to file a POR as discussed above in Section II—hinge on PO’s proffered claim constructions/interpretations, all of which the Board has declined to adopt. *See* Sections III.A–III.C. PO did not argue any deficiency with respect to Shaffer or Sorensen. The Board also found that “Petitioner has demonstrated a material error by the Office in the prior consideration of Shaffer.” DI at 15. Accordingly, setting aside PO’s proffered claim constructions/interpretations, PO has failed to show any deficiency in the prior art as set forth in the seven grounds that Petitioner presented in its Petition. Therefore, based on the

full record, the Board should find all claims of the '853 patent unpatentable in its final decision.

IV. CONCLUSION

All claims of the '853 patent are unpatentable and should be canceled. Petitioner presented substantial evidence in its Petition to support a finding of unpatentability for each claim, as the Board correctly recognized in its Institution Decision. PO did not proffer rebuttal arguments or evidence, and thus more than a preponderance of the evidence demonstrates that the claims are unpatentable. *See In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1376 n. 1 (Fed. Cir. 2016) (“We note, however, that while the institution of an IPR does not by itself translate to a conclusion of unpatentability and the patent owner is not required to use its opportunity under the regulations to file a patent owner response, as in district court validity challenges, **the patent owner would be well advised to introduce evidence on the asserted challenge.**” (internal quotation omitted)).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on July 12, 2024, I caused a true and correct copy of the foregoing materials:

- Petitioner's Reply to Institution Decision
- Word Count Certificate of Compliance

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WORD COUNT CERTIFICATE OF COMPLIANCE

I hereby certify that the foregoing Petitioner's Reply to Institution Decision contains 1,867 words as measured by the word processing software used to prepare the document, in compliance with 37 C.F.R. § 42.24(d).

Respectfully submitted,

Dated: July 12, 2024

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