IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PELOTON INTERACTIVE, INC.,
Petitioner

v.

NEC CORPORATION,
Patent Owner

Case No. IPR2023-01241
U.S. Patent No. 9,769,427

REPLY TO PATENT OWNER PRELIMINARY RESPONSE

LIST OF EXHIBITS

Exhibit No.	Description
Ex1001	U.S. Patent No. 9,769,427 to Taniguchi et al. ("the '427 Patent")
Ex1002	Prosecution history of the '427 Patent (U.S. Patent Application No. 13/129,756)[1]
Ex1003	U.S. Patent Application Publication No. 2009/0094321 A1 to Ueda et al. ("Ueda")
Ex1004	J. Rosenberg et al., *SIP: Session Initiation Protocol* (RFC 3261, Network Working Group, Internet Engineering Task Force, June 2002) (the "SIP Standard")
Ex1005	M. Handley et al., SDP: Session Description Protocol (RFC 4566, Network Working Group, Internet Engineering Task Force, July 2006) (the "SDP Standard")
Ex1006	U.S. Patent Application Publication No. 2009/0100496 A1 to Bechtolsheim et al. ("Bechtolsheim")
Ex1007	U.S. Patent Application Publication No. 2010/0010884 A1 to Cohee et al. ("Cohee").
Ex1008	Declaration of Cliff Reader, Ph.D.
Ex1009	Scheduling Order filed on March 20, 2023 in *NEC Corp. v. Peloton Interactive, Inc.*, No. 1:22-cv-00987-CFC (U.S. District Court, District of Delaware, filed July 28, 2022)
Ex1010	S. Bradner, *The Internet Standards Process – Revision 3* (RFC 2026, Network Working Group, October 1996) (the "Standards Process")
Ex1011	O. Levin, *The Session Description Protocol (SDP) Label Attribute* (RFC 4574, Network Working Group, Internet Engineering Task Force, August 2006)
Ex1012	A. Melnikov et al., *Media Types* (Internet Assigned Numbers Authority, July 2019) (accessed at https://www.iana.org/assignments/media-types/mediatypes.xhtml)

[1] Foreign references cited during the prosecution of the '427 Patent have been omitted due to size considerations of the prosecution history.

Exhibit No.	Description
Ex1013	P. Saint-Andre, *Deprecating the "X-" Prefix and Similar Constructs in Application Protocols* (RFC 6648, Internet Engineering Task Force, June 2012)
Ex1014	A. Makin et al., *Change Process for the Session Initiation Protocol (SIP)* (RFC 3427, Network Working Group, December 2002)
Ex1015	U.S. Patent Application Publication No. 2008/0005348 A1 to Kosiba et al.
Ex1016	Curriculum Vitae of Cliff Reader, Ph.D.

Table of Contents

I. Introduction.....1

II. The Same or Substantially the Same Art or Arguments Were Not Previously Presented to the Office 1

III. Even if the Office Considered Some of the Same Art or Arguments, It Erred in a Manner Material to the Patentability of the Challenged Claims 4

I. INTRODUCTION

Petitioner Peloton Interactive, Inc. ("Peloton") files this Reply to the Preliminary Response ("POPR") by Patent Owner NEC Corporation ("NEC") to address its arguments under 35 U.S.C. § 325(d). NEC's arguments are baseless, and the Board should not deny the Petition under § 325(d).[2]

II. THE SAME OR SUBSTANTIALLY THE SAME ART OR ARGUMENTS WERE NOT PREVIOUSLY PRESENTED TO THE OFFICE

NEC asks the Board to deny institution of Peloton's Petition under 35 U.S.C. § 325(d) despite the fact that the *primary reference*[3] in every single ground therein—U.S. Patent Publication No. 2009/0094321 ("Ueda")—was never

---

[2] The Board authorized this reply on December 5, 2023. IPR2023-01241, Paper No. 13. Per that Order, Peloton limits its reply to the issue of § 325(d). *Id.* at 2.

[3] NEC does not even attempt to argue that either Bechtolsheim (U.S. Patent Publication No. 2009/0100496) or Cohee (U.S. Patent Publication No. 2010/0010884) were previously presented to the Office. Bechtolsheim teaches a key limitation that is central to the parties' dispute—the process for guaranteeing a communication bandwidth—as shown by NEC's focus on that limitation in its POPR. *See* POPR at 34–38. Similarly, Cohee is central to the parties' dispute over claims 11 and 13. *See* Pet. at 73–80.

presented to or considered by the Office. The Board has repeatedly rejected such arguments. *See, e.g.*, *Fusion Orthopedics, LLC v. Extremity Medical, LLC*, IPR2023-00894, Paper 15 at 34–35 (PTAB Nov. 17, 2023) ("Simon—the primary reference in four of Petitioner's seven Grounds—does not appear to have been previously presented to the Office, thus indicating that part 1 of the *Advanced Bionics* framework is not satisfied for those grounds and 35 U.S.C. § 325(d) is not sufficiently implicated."); *LifeCORE Fitness, Inc. v. Woodway USA, Inc.*, IPR2023-00849, Paper 6 at 20–21 (PTAB Oct. 25, 2023) ("[W]e determine that discretionary denial is not warranted because the asserted combination[s], all of which include Sclater, were not previously presented to the Office."). The Board should similarly reject NEC's arguments here.

In an attempt to circumvent this significant flaw in its argument, NEC asserts that Ueda is "substantially the same" as a reference previously considered by the examiner during prosecution of the application leading to the '427 Patent—U.S. Patent Publication No. 2008/0256216 ("Aarts").[4] POPR at 8. But the examiner did not consider Aarts as even disclosing the same subject matter—and

[4] Notably, NEC does not address how Aarts—a reference spanning only nine pages—can be substantially the same as Ueda, a dense patent spanning almost fifty pages.

key claim limitations—as Ueda.

For example, according to the examiner, Aarts does not disclose a central feature of the challenged claims: *play-list information*. *See* Ex. 2004 at 15–16 (relying on reference Masahito for obviousness combination because the examiner found Aarts does not disclose play-list information). Each claim at issue in Peloton's Petition includes the limitation of play-list information containing main content identification information and sub content specification information. *See* Ex1001, Claims 10–13, 19, 21, 23, 33. Though, according to the examiner, this key feature is not disclosed in Aarts, such play-list information is front and center in Ueda. *See, e.g.*, Ex1008 ¶¶ 7, 9, 10, 98, 101, 158, 159, 183, 193, 194, 206–10, 235, 253, 254, 273, 281, 356, 399–405, 424, 438 253–54, Figs. 20, 30. Indeed, NEC does not even contest that Ueda teaches the '427 Patent's play-list information in its POPR. Ueda—or arguments relying thereon—cannot be "substantially the same" as Aarts when the examiner did not even believe that Aarts discloses the same key features of the invention.

Accordingly, the Board should find that NEC's argument fails at step I of the *Advanced Bionics* framework.

III. EVEN IF THE OFFICE CONSIDERED SOME OF THE SAME ART OR ARGUMENTS, IT ERRED IN A MANNER MATERIAL TO THE PATENTABILITY OF THE CHALLENGED CLAIMS

Though the Board's analysis need not proceed to step II of *Advanced Bionics*, Peloton nevertheless notes that further aspects of NEC's arguments are flawed under the second step of the framework as well.

NEC asserts that "the Examiner would have been fully aware of, and considered, the disclosures of SIP Standard and SDP Standard [(secondary references)] during the prosecution of the '427 Patent." POPR at 7. Though the SIP Standard and SDP Standard are mentioned within the specification of the '427 Patent,[5] neither was "considered substantively by the Examiner." *Neil Ziegmann, N.P.Z., Inc. v. Stephens*, IPR2015-01860, Paper 13 at 10 (PTAB Sept. 6, 2017). The SIP Standard and SDP Standard were not included on the face of the patent, in any IDS submitted by the applicant, or in any Office action from the examiner. *See generally* Ex1002. In other words, even presuming that the Office previously considered either reference, "the record of the Office's previous consideration of the art is not well developed or silent," meaning that "the Office erred by overlooking something persuasive under [*Becton, Dickinson*] factors (e) and (f)." *Advanced*

[5] NEC also states that both the SIP Standard and SDP Standard are "cited on the face of the '427 Patent," POPR at 7, which is untrue.

Bionics, IPR2019-01469, Paper 6 at 10; *see also Shenzhen Chic Elecs. Co. v. Pilot, Inc.*, IPR2023-00810 (PTAB Nov. 8. 2023) (finding in *Advanced Bionics* step II that Office erred because "the record does not reflect any substantive evaluation of [the reference at issue] in an Office action during prosecution of the [challenged] patent); *Quasar Science, LLC v. Colt Intl. Clothing, Inc.*, IPR2023-00614 (PTAB Oct. 12, 2023) (granting institution because "Patent Owner does not point to, and we have not found, any evidence showing discussion or application of the previously presented reference by the Examiner during prosecution of the [challenged] patent or its related patents").

* * *

In sum, *not a single reference* included in any of the four grounds raised in Peloton's Petition was "considered substantively by the Examiner." *Ziegmann*, IPR2015-01860, Paper 13 at 10. The primary reference—Ueda—was never before the Office during prosecution, and it is not substantially the same as Aarts. Neither Bechtolsheim nor Cohee was considered by the examiner either. The SIP Standard and SDP Standard, while mentioned within the specification of the '427 Patent, were never actually substantively considered by the examiner. For these reasons, the Board should reject NEC's request to deny institution under § 325(d).

Date: December 12, 2023

Respectfully submitted,

By: /Scott C. Weidenfeller/

Scott C. Weidenfeller
Registration No.: 54,531
COVINGTON & BURLING LLP
One CityCenter, 850 Tenth Street, NW
Washington, DC 20001-4956
Telephone: (202) 662-5923
Facsimile: (202) 778-5923
Counsel for Petitioner

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6, I hereby certify that on the date listed below, a copy of Petitioner's Reply to Patent Owner Preliminary Response was served on the Patent Owner by electronic mail to the following counsel of record for Patent Owner:

Eliot D. Williams (eliot.williams@bakerbotts.com)
Robert L. Maier (robert.maier@bakerbotts.com)
Jennifer C. Tempesta (jennifer.tempesta@bakerbotts.com)
Michael E. Knierim (michael.knierim@bakerbotts.com)
Nicholas Palmieri (nick.palmieri@bakerbotts.com)
BAKER BOTTS LLP

Date: December 12, 2023

/Scott C. Weidenfeller/
Scott C. Weidenfeller
Registration No. 54,531