

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

OPTICIS CO., LTD.,
Petitioner,

v.

INNEOS LLC,
Patent Owner.

IPR2023-01256
Patent 7,198,416

**PETITIONER'S RESPONSE TO PATENT OWNER'S
REQUEST TO DISREGARD ARGUMENTS AND EVIDENCE**

As authorized by the Board on September 23, 2024, Petitioner responds to Patent Owner's request that the Board disregard certain arguments and evidence in Petitioner's Reply to Patent Owner's Response to Institution of *Inter Partes* Review.

After the Petition was filed, Patent Owner proposed constructions in its preliminary response that were not previously available to Petitioner, and are not apparent from the patent. When filing the Petition and preparing the opening expert declaration, Petitioner could not have known that Patent Owner would seek to re-write the claims in the manner it has. The Board instituted the present *inter partes* review, and invited the parties to discuss the claim construction issues, including (1) "what the ordinary and customary meaning of the claim term 'optical combiner' would be to one of ordinary skill in the art," and (2) "the meaning of 'stopped single optical fiber' and [] methods for stopping an optical fiber." Paper 15, pp. 9, 11.

With its Patent Owner Response, Patent Owner submitted an inventor declaration from Curtis Ray (EX2045). With the declaration, Patent Owner introduced U.S. Patent No. 6,201,908 to Grann (EX2018), and admitted that the features it seeks to read into the claim for the terms "optical combiner" and "stopped single optical fiber" were borrowed from this earlier patent. Paper 24, pp. 9-11.

The Reply was Petitioner's first opportunity to address the Board's requests in the Institution Decision, submit expert testimony regarding the proposed new claim constructions, and discuss Patent Owner's admissions with respect to EX2018.

I. Petitioner's Reply Was Properly Responsive

Patent Owner proposed claim constructions – and submitted expert testimony in support – as part of its Response. For one, Patent Owner's arguments in its Response were premised “on the idea that an integrated sub-assembly of optical components with a pre-aligned connector is the ‘invention’ of the ’416 Patent,” and should be read into the “optical combiner” claim term, so Petitioner responded to this argument. Paper 24, p. 9. Also, Petitioner responded to Patent Owner's “single stopped optical fiber” claim term argument, and the Board's invitation to address these issues. In these circumstances, “a petitioner is entitled to respond to new arguments made in a patent owner response” and issues raised by the Board in its Institution Decision. *Axonics, Inc. v. Medtronic, Inc.*, 75 F.4th 1374, 1380 (Fed. Cir. 2023); *Everstar Merch. Co. Ltd. v. Willis Elec. Co. Ltd.*, No. 2021-1882, 2022 WL 1089909, at *4 (Fed. Cir. Apr. 12, 2022) (“Any ambiguity as to whether a reply constitutes a new argument is eliminated when the reply is a legitimate reply to arguments introduced in a patent owner's response or the Board's institution determination.”). In particular, “the petitioner ... may introduce new evidence after the petition stage if the evidence is a legitimate reply to evidence introduced by the patent owner.” *Axonics*, 75 4th at 1380 (cleaned up); *Life Spine, Inc. v. Globus Med., Inc.*, IPR2022-01434, 2024 WL 1194084, at *46 (P.T.A.B. Mar. 20, 2024).

Patent Owner here argues that it is unfair to allow Petitioner's evidence and

arguments because it could not have submitted evidence or expert testimony with its sur-reply. Paper 26, p. 4 n.1. The Court in *Axonics* expressly rejected this argument because the Board may permit additional evidence—if the party asks to submit it. 75 F.4th at 1384. Here, Patent Owner waited until filing its sur-reply to ask the Board to disregard Petitioner’s arguments, and never asked at any stage for the opportunity to submit responsive evidence.¹ Patent Owner’s last-minute “gotcha” to avoid consideration of Petitioner’s proper rebuttal should be denied.

In addition to the Reply and evidence being proper, it is *Patent Owner* who put the Grann patents at issue. *See* EX2045, ¶15 (explaining that the “pre-existing mechanical design” for the housing was borrowed from the Grann patents).² Even while conceding that integrated, passively aligned optical components and a connector with a stop were borrowed from the prior art, Patent Owner simultaneously argued that these same features were part of the unique “invention” of the ’416 Patent and should therefore be read into the claim. Petitioner rightly pointed out the inconsistency in Patent Owner’s position. Paper 24, p. 11 (“This is nearly identical to what Inneos now argues is inventive about the ’416 Patent.”). Moreover, these are precisely the issues – optical combiner and “stopped” – that the

¹ The Consolidated Trial Practice Guide warns that “[g]enerally, authorization to file a motion to strike should be requested within one week of the allegedly improper submission.” *See* Consolidated Trial Practice Guide (November 2019), p. 81.

² The housing and connector are shown in both Grann patents. Paper 24, p. 10 n.3.

Board asked the parties to address in its Institution Decision. Paper 15, pp. 9, 11.

II. Petitioner’s Reply Does Not Change the Grounds from the Petition

Patent Owner argues that “Petitioner expands its argument to rely on Kurita combined with EX1020 and/or EX2018.” Paper 26, pp. 17-18. This is wrong. Petitioner has not added references or changed the embodiments of the prior art relied on, and in these circumstances is allowed to rebut Patent Owner’s validity arguments. *Axonics*, 75 F.4th at 1384 (“[A] petitioner must be given the opportunity in its reply to argue and present evidence of anticipation or obviousness under the new construction, at least where it relies on the same embodiments ... as were relied on in the petition.”); *see also Life Spine*, 2024 WL 1194084, at *46.

Petitioner explained that “integrating components (such as by housing them in a packaging) and providing for passive alignment were known techniques with known advantages as of the priority date.” Paper 24, at 3. Petitioner cited here to Dr. Willner’s report (EX1016, ¶¶64-74), as well as the patent (EX1001, 4:42-45). Petitioner also cited to expert testimony—including *Patent Owner’s own expert*—explaining that these features were well known tools in a POSITA’s toolkit, that they are important for commercial applications, and save time and money. *Id.* at 15. Petitioner argued it takes only ordinary creativity to use these known tools with known advantages to provide for a commercial application of Kurita (or other grounds) that include these features. *Id.*, pp. 3-4. This is also responsive to the

Board’s finding that Kurita is “integrated as needed to enable the light connection device to function properly.” Paper 15, p. 13 (“Ground 1 is based upon obviousness, not anticipation.”). These are not new grounds, but rather, confirmation that the Challenged Claims are invalid in view of the original grounds, even under Patent Owner’s proposed constructions. That Petitioner supports its arguments with properly submitted testimony and Patent Owner admissions is unremarkable.

Finally, Petitioner explained that “Lemoff and Bhandarkar both show housings with integrated, pre-aligned connectors.” *Id.*, p. 11. Evidence of simultaneous invention is “persuasive evidence that the claimed apparatus was the product only of ordinary mechanical or engineering skill.” *Id.* (quoting *Geo. M. Martin Co. v. All. Mach. Sys. Int’l LLC*, 618 F.3d 1294, 1305 (Fed. Cir. 2010)). Against this backdrop, Petitioner also referred to the Grann patents—not as expanding the originally presented grounds, but rather as additional evidentiary support “confirm[ing] Petitioner’s position that a POSITA would have had the motivation and knowledge to add integration, passive alignment, and a pre-aligned connector with a stop to any of the grounds.” Paper 24, p. 11. Again, Petitioner is using the same embodiments from the same prior art references that it relied on in the Petition to support the same legal arguments. This is proper.

Dated: September 27, 2024

By: /Michael H. Jones/

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CERTIFICATE OF SERVICE

I hereby certify that on September 27, 2024, I electronically served the document described as **PETITIONER'S RESPONSE TO PATENT OWNER'S REQUEST TO DISREGARD ARGUMENTS AND EVIDENCE** on the following counsel of record for Patent Owner:

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