

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SRAM, LLC,
Petitioner,

v.

FOX FACTORY, INC.,
Patent Owner.

Case IPR2023-01301
Patent No. 9,739,331

PATENT OWNER'S PRELIMINARY RESPONSE

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I. Introduction

Petitioner SRAM, LLC filed two petitions,¹ each challenging the same claims—claims 1-8 of the '331 patent—and relying on art and arguments that Petitioner already knows are both legally and technically deficient based on testimony of its own expert in the parallel district court litigation. Patent Owner FOX Factory, Inc. respectfully submits that neither petition warrants institution, much less justify use of the Board's discretion to institute a second petition against the same eight claims.

First, Petitioner has not met its burden to show that exceptional circumstances might justify its request for institution of two *inter partes* reviews. The two petitions assert very similar obviousness grounds against the **same** eight claims under the **same** claim constructions and **same** priority date. Petitioner's Explanation of Two Petitions (Paper No. 2) does not meaningfully explain why Petitioner needed to raise eleven grounds based on five different primary references over two petitions, nor has Petitioner sufficiently explained why institution of both IPRs does not impose a "substantial and unnecessary burden on the Board and the patent owner and . . . raise fairness, timing, and efficiency concerns." PTAB Consolidated Trial Practice Guide (Nov. 2019) ("CTPG") at 59 (citing 35 U.S.C. § 316(b)). Institution of both petitions is unjustified under the facts presented here.

¹ The related petition was submitted in IPR2023-01302.

Second, the art and arguments presented in this Petition do not anticipate the challenged claims or render them obvious. During a preliminary injunction hearing in a parallel district court litigation in the District of Colorado—*FOX Factory, Inc. v. SRAM, LLC*, No. 1:23-cv-00313-RM-KLM (“Colorado case”)—Petitioner’s expert, Dr. Eric Wang (who also provided an expert declaration in support of this IPR Petition), admitted that the primary references (Kojima and Becker) asserted in this Petition do not disclose a key element of independent claim 1, namely, an “air bleed assembly configured for equalizing ambient pressure within said lower fork.” The references do not disclose or suggest other claim limitations as well. Moreover, the Petition fails to show how the challenged claims are unpatentable under Petitioner’s proposed construction of the claim element “air bleed assembly disposed on said lower fork tube” in claim 1; rather, the Petition asserts unpatentability under Patent Owner’s plain meaning interpretation of that claim element, which Petitioner contends is erroneous. The Petition should be denied for these legal and technical deficiencies.

Third, the Board should exercise its discretion to deny institution of this IPR under 35 U.S.C. § 314(a) in view of the parallel Colorado case, which involves the same claims and the same parties. All six *Fintiv* factors support denial of institution. *Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (P.T.A.B. Mar. 20, 2020) (precedential) (“*Fintiv*”) (enumerating six non-dispositive factors for consideration with respect to discretionary denial under § 314(a) in view of a parallel proceeding).

Moreover, *Petitioner has not submitted a Sotera stipulation* (or a narrower stipulation) to mitigate concerns of duplicative efforts between the PTAB and the district court, nor has Petitioner presented “compelling, meritorious challenges” to avoid denial of institution under *Fintiv*. See Director Vidal’s Memorandum on “Interim Procedure for Discretionary Denials in AIA Post Grant Proceedings with Parallel District Court Litigation,” issued June 21, 2022 (“*Fintiv* Memorandum”) at 3, 4, 7 (noting that either a *Sotera* stipulation or compelling merits, neither of which is presented here, may avoid discretionary denial in view of a parallel litigation). The Board should therefore exercise its discretion and deny institution.

II. Petitioner Has Not Demonstrated the Necessity of Multiple Petitions²

This is an ordinary case where there should only be one petition challenging the ’331 patent. The ’331 patent has only 8 claims directed to an “air bleed assembly” on a lower fork of a bicycle suspension fork, with only one independent claim. Petitioner

² Petitioner declined to rank the two petitions as required by the CTPG but has asserted that the Board should consider the ’301 IPR first and the ’302 IPR second. Paper No. 2 at 5. Patent Owner disagrees that the issues raised in Paper No. 2 excuse Petitioner from ranking its petitions. See CTPG at 60. But in view of Petitioner’s refusal to rank the petitions, Patent Owner is not taking a position on which of the two petitions should be instituted (if the Board institutes at all).

could have addressed the 8 claims in one petition if it did not challenge the same claims as anticipated or obvious using *five* different primary references. The crux of Petitioner's explanation for its alleged need to assert five primary references is that it wanted to address the claims in "unique ways" and all the obviousness combinations it wanted to assert would not fit in one petition because the independent claim is allegedly lengthy (which is incorrect). *See* Paper No. 2 at 2. But that is not an exceptional circumstance that might warrant two petitions on the same patent. Every petitioner is faced with the same word count limit for an IPR petition, and yet parallel petitions are rarely filed and are even more rarely granted by the PTAB. Ex. 2001 at 12, 13 (latest USPTO data showing that in fiscal year 2022, only 76 cases (about 7 % of all challenges) involved a parallel petition attempt by the same petitioner; of those, 35 attempts (3.4% of all challenges) led to institution on parallel petitions).

To be clear, Patent Owner's position is that neither petition should be instituted, as explained in Sections III-IV, below. But in the event the Board decides to institute, Patent Owner's position is that at most, only one of the two petitions (i.e., either the '301 IPR or the '302 IPR) should be instituted in the interest of efficiency, fairness, and removing unnecessary burden on the Board and the Patent Owner. *See* CTPG at 59 (citing 35 U.S.C. § 316(b)).

A. Parallel Petitions are the Exception, Not the Norm

“[A]bsent exceptional circumstances, only one petition should be filed against a single patent.” *SolarEdge Techs. Ltd., v. SMA Solar Tech., AG.*, IPR2020-00966, Paper 9 at 10 (P.T.A.B. Jan. 11, 2021). The Board has been disinclined to institute multiple IPRs when they are “filed by the *same* Petitioner and challenge the *same* claims of the *same* patent,” as here. See *Pfenex Inc. v. GlaxoSmithKline Biologicals SA*, IPR2019-01027, Paper 12 at 12 (P.T.A.B. Nov. 13, 2019) (emphases in original). Indeed, the PTAB has instructed that “one petition should be sufficient to challenge the claims of a patent in most situations.” CTPG at 59. Thus, “multiple petitions by a petitioner are not necessary in the vast majority of cases.” *Id.* The CTPG further recognizes that multiple petitions against the same patent at the same time “may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns.” *Id.* (citing 35 U.S.C. § 316(b)).

However, the CTPG recognizes two examples where more than one petition may be necessary. *Id.* They are: (1) “when the patent owner has asserted a large number of claims in litigation”; and (2) “when there is a dispute about priority date requiring arguments under multiple prior art references.” *Id.* Neither scenario applies here.

B. Multiple Petitions are Not Necessary to Challenge the Same Small Number of Claims

The '331 patent only has 8 claims and Petitioner has challenged all of them in each petition—all 8 claims in the '301 IPR Petition and all 8 claims in '302 IPR Petition. All 8 claims could have been challenged in one petition if Petitioner had been more selective with its prior art grounds. *See Apple Inc. v. SEVEN Networks, LLC*, IPR2020-00281, Paper 10 at 10 (P.T.A.B. Aug. 14, 2010) (“SEVEN Networks”) (noting that as many as 20 claims “generally is not a large number of claims to address in a single petition”). Indeed, the basic filing fee for an *inter partes* review contemplates challenging up to 20 claims. *See* 37 C.F.R. § 42.15(a)(1), (3). Petitioner, however, took a “kitchen-sink” approach and included almost every invalidity ground from its district court invalidity contentions into the two petitions. Ex. 2002 at 9-11 (Petitioner’s invalidity contentions in the district court include six grounds based on primary references Becker (U.S. 6,592,136), Kojima (JP2004345366A), Kashima (JP S52-156051U), Ceriani (U.S. 4,145,067), Hoose (U.S. 6,371,263), and Kawamura (JP S59-016291U); the first five of those grounds are included in the two petitions). Petitioner attempts to justify filing two petitions for only 8 claims by alleging that the claims are lengthy and that the petitions present alternative and non-cumulative art and arguments. Neither argument is correct, nor do they support the filing of two petitions.

1. The '331 patent claims are neither lengthy, nor uniquely complex

There is nothing unusual about the length or complexity of the '331 patent claims, or the technology at issue, that would distinguish it from the vast majority of cases where one petition is sufficient to address 8 or more claims. Contrary to Petitioner's assertion, the 8 claims in the '331 patent, which span a total of 89 lines across 1.5 columns, are not uniquely lengthy. *See Mylan Pharms. Inc. v. Sanofi-Aventis Deutschland GmbH*, IPR2019-01658, Paper 9 at 8-9 (P.T.A.B. Apr. 2, 2020) (denying institution of second IPR on same 18 claims of U.S. RE47,614, where the claims spanned a total of 107 lines). The '331 patent claims are also not uniquely complex. Rather, the claims are directed to an "air bleed assembly" for a suspension fork, which is not a fast-changing or overly complicated technology area. Petitioner has therefore not shown why it deserves the unusual opportunity of two petitions to challenge 8 claims of ordinary length and complexity. In fact, ***Petitioner's ability to address all 8 claims multiple times in each petition (under different prior art grounds) is evidence that the claims are not unusually lengthy or complex, and that a single petition would have been sufficient.*** *See id.* ("We do not view the need to address [each claim] a second time, standing alone, as a compelling reason to justify the need for a second petition.").

2. The presentation of purported alternative grounds does not justify the filing of two petitions

Petitioner additionally argues that it should be allowed two petitions because it has presented “unique prior art” that allegedly addresses the claims “in materially different ways.” Paper No. 2 at 2. That is incorrect. Petitioner has primarily argued that the five primary references differ with respect to their “intended use,” or the position of the claimed “air bleed assembly.” *See id.* at 3. But these alleged differences are not material to the issues in dispute (as explained below), nor has Petitioner provided “explanation or support to show *why* different primary references were required[.]” *LifeScan, Inc. v. Facet Technologies, LLC*, IPR2023-00713, Paper 13 at 16 (P.T.A.B. Sept. 1, 2023) (citation and internal quotation marks omitted) (emphasis added).

More specifically, Petitioner contends that the ’331 patent claims “say nothing about intended use,” and so under Petitioner’s logic, the alleged prior-art differences based on intended use are neither relevant to the claims nor to Petitioner’s unpatentability grounds. *See* Paper No. 2 at 3. Therefore, Petitioner should not be allowed to file parallel petitions based on prior art references that purportedly disclose different intended uses. Moreover, Petitioner asserts that “any location for the air bleed assembly does not distinguish the prior art cited here, as it is an obvious and common sense design choice to locate the air bleed hole in any range of locations above the oil

level.” Petition [Paper No. 3] at 11. Thus, Petitioner attempts on one hand to rationalize the filing of parallel petitions based on alleged differences in the locations of the “air bleed assembly” in the prior art, but on the other hand, Petitioner trivializes the claimed position of the “air bleed assembly” (on the lower fork between the lower leg seal and the oil bath) to bolster its obviousness arguments. *Compare* Paper No. 2 at 3 with Petition at 11. Such clearly inconsistent positions should not justify the filing of parallel petitions.

But even if the asserted differences among the primary references are considered, “missing from Petitioner’s argument is any assertion for *why* the primary references relied upon in the [’302 IPR] Petition were required over the primary references asserted in this proceeding.” *LifeScan*, IPR2023-00713, Paper 13 at 16 (emphasis added); *see also Volkswagen Grp. of Am., Inc. v. Mich. Motor Techs. LLC*, IPR2020-00161, Paper 8 at 10 (P.T.A.B. June 2, 2020) (presentation of “alternative arguments directed to the same claims is not sufficient to show, in accordance with the Consolidated Trial Practice Guide, that the differences between the petitions warrant institution of both proceedings.”).

Petitioner’s related argument that the alternative grounds in the second petition are not “redundant or duplicative” also does not justify two petitions. Paper No. 2 at 4. Indeed, the Board has previously found that the presentation of non-cumulative art or arguments, without more, does not warrant institution of parallel petitions. *See*

Square, Inc. v. 4361423 Canada Inc., IPR2019-01630, Paper 13 at 10 (P.T.A.B. Apr. 2, 2020) (“Simply saying that the petitions present alternative arguments contemplated by the Board and are not cumulative does not constitute a sufficiently meaningful explanation.”). What is missing from Petitioner’s explanation is *why* five different primary references, regardless of whether they are cumulative or not, were required.

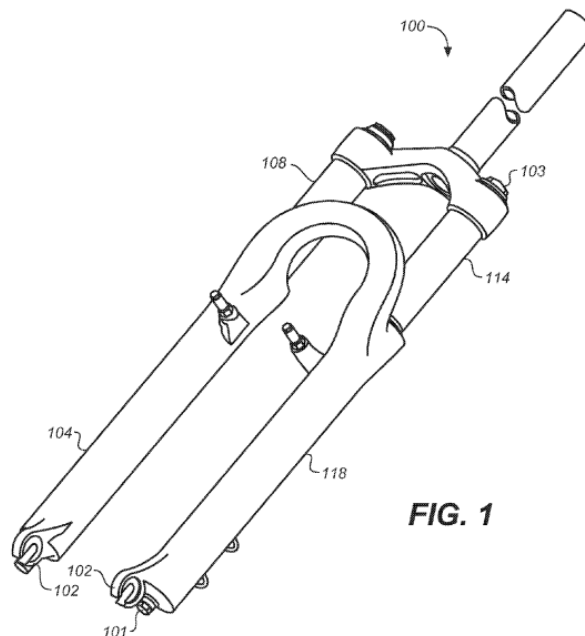
In conclusion, Petitioner did not provide a “compelling reason” in Paper No. 2 to justify the substantial burden they seek to impose on the Board and the Patent Owner by filing two petitions. *See Mylan*, IPR2019-01658, Paper 9 at 8. Rather, Petitioner’s arguments “simply amount to an expression of [its] desire to be allowed more words with which to raise more grounds against the same set of claims.” *SEVEN Networks*, IPR2020-00281, Paper 10 at 10. But the word limits of IPR filings impose tough choices on petitioners and patent owners alike on what positions to take. Petitioner should not be allowed to circumvent the word limit by filing two petitions to cover different combinations of prior art against the same claims. Therefore, the Board should not institute more than one petition (if it institutes at all).

III. The Asserted Grounds are Both Legally and Technically Deficient

A. Relevant Technical Background

1. Overview of the '331 Patent

The '331 patent is directed to a front suspension system of a mountain bike or a motorcycle, which is generally referred to as a “front fork” or “fork,” and which provides shock absorbing and suspension functions for the front wheel of the vehicle. *See* Ex. 1001 ['331 patent], 1:26-54, 1:61-62, 2:20-26, 3:5-7, Fig. 1 (reproduced below). The front fork is generally characterized by two sets of telescoping tubes, one on each side of the front wheel and held in place by an axle. *See id.*, Fig. 1.



Ex. 1001, Fig. 1 (showing a typical front suspension fork without an axle)

More specifically, a suspension fork generally includes two fork legs, with each fork leg including an upper fork tube and a lower fork tube engaged telescopically. *Id.* at 3:5-35. Typically, one fork leg of the suspension fork includes a spring mechanism (e.g., gas spring, mechanical coil, etc.), and the other fork leg includes a damping mechanism (e.g., a piston assembly). *Id.* During operation, the damping mechanism is subjected to compression and rebound loads. *Id.* The compression is induced by variations in the terrain (e.g., bumps and holes) on which the bicycle is ridden, and the rebound is induced by the spring mechanism (in the other fork leg) which stores energy during compression and releases that energy when the variation in the terrain passes and the path becomes flat. *Id.*

The forks and their telescoping legs are sealed to keep dirt out. *Id.* at 3:36-64. Increases in elevation or temperature can increase relative air pressure in the lower fork tubes of a telescoping suspension fork, which may increase axial friction and degrade performance. *Id.* The '331 patent discloses and claims, among other features of the claimed invention, an air bleed assembly disposed on a lower fork tube. *Id.* at 3:65-4:30. Some of the benefits of the claimed invention include the ability to equalize internal pressure in the lower fork tube to local atmospheric pressure using the air bleed assembly, and thereby improve fork performance by lowering axial friction in the fork tube and minimizing spurious spring effects, which in turn improves the riding experience. *Id.* at 3:43-4:1.

2. Claim Construction

Petitioner argues that “[f]or purposes of this IPR, claim construction is not necessary,” but nonetheless provides a construction for “air bleed assembly disposed [on said lower fork tube]” based on an alleged prosecution history disclaimer argument. Petition at 8-11. Patent Owner disagrees with Petitioner’s proposed construction for “air bleed assembly” and the alleged prosecution history disclaimer argument, as discussed below. Patent Owner believes that the limitation “air bleed assembly disposed on said lower fork tube” in claim 1 should be construed by the Board for purposes of this IPR. Patent Owner agrees that no other claim terms need to be construed to resolve the dispute between the parties at this time. *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (“[O]nly those terms need to be construed that are in controversy, and only to the extent necessary to resolve the controversy.”).

a. “air bleed assembly disposed on said lower fork tube” (claim 1)

The limitation “air bleed assembly disposed on said lower fork tube” in claim 1 of the ’331 patent uses clear, nontechnical language and the limitation should therefore be accorded its plain and ordinary meaning. The claim language itself makes it clear that the “air bleed assembly” is located on the lower fork between the lower leg seal and a resting level of the oil bath in the lower fork. Ex. 1001, claim 1, at 4:56-5:4. No

further construction is required.

Petitioner nevertheless argues that “air bleed assembly disposed [on said lower fork tube]” should not be given its plain and ordinary meaning, and should instead be construed as “air bleed assembly located between the lower leg seal and the upper bushing.” Petition at 11. But nowhere does claim 1 recite such a restricted position for the “air bleed assembly.” To support its overly narrow and incorrect claim construction, Petitioner argues that two isolated sentences plucked from the prosecution history—namely, “the air bleed system [is located] in a lower fork, wherein the vent hole is located between the lower leg seal and the bushing that is attached thereto” and “the air bleed system being located directly below the lower leg seal”—warrant limiting the “air bleed assembly” to a position between the lower leg seal and the upper bushing. *Id.* at 10 (citing Ex. 1004 at 214, 215 (underlining in original document)). But under Federal Circuit precedent, “isolated statements plucked from [a prosecution history] do not meet the high standard for prosecution history disclaimer” unless the alleged disavowal is “both clear and unmistakable.” *See Mass. Institute of Tech. v. Shire Pharma.*, (“MIT”), 839 F.3d 1111, 1119-20 (Fed. Cir. 2016) (quoting *3M Innovative Props. Co. v. Tredegar Corp.*, 725 F.3d 1315, 1325 (Fed. Cir. 2013) (unrecited features cannot be read into the claims absent a “clear and unmistakable” disclaimer of claim scope during prosecution)). The two statements

relied on by Petitioner do not meet the high standard for prosecution history disclaimer.

First, claim 1 of the '331 patent does not recite a “vent hole,” so isolated statements regarding the location of this unclaimed feature do not alter or disclaim the ordinary meaning of the “air bleed assembly.” *See MIT*, 839 F.3d at 1122 (“the statements that [defendant] pulls out as alleged disclaimers, regarding claim limitations not present in the issued claims, do not alter or disclaim the ordinary meaning of” the challenged feature). That is, prosecution history statements regarding an unclaimed feature do not create a “clear and unmistakable” disclaimer limiting the scope of the claimed “air bleed assembly.” *Id.* at 1120, 1122.

Second, Patent Owner did not rely on the two sentences identified by Petitioner to distinguish prior art, or to gain allowance of the claims. Specifically, in response to the Galasso prior-art reference cited by the patent examiner, Patent Owner amended the claim (in a Response dated March 2, 2017) to include that: 1) the “air bleed assembly [is] disposed on said lower fork tube,” and 2) that the “manually operable valve [of the “air bleed assembly” is] disposed between said lower leg seal and said first end of said lower fork.” Ex. 1004 at 212. Significantly, Patent Owner’s claim amendment did not recite that the “air bleed assembly” is disposed “directly below the lower fork leg seal” or “located between the lower fork leg seal and an upper bushing.” *See id.* Patent Owner then distinguished the Galasso reference in the March 2, 2017

Response by explaining that Galasso's SAG setting bleed port 224 is "at some position on the gas spring cylinder 210" (the alleged "upper fork") and "above" a seal between the gas spring cylinder 210 and damping fluid cylinder 220 (the alleged "lower fork"), whereas the air bleed valve in the claimed invention is located on the lower fork and "below" the seal between the upper and the lower forks. *Id.* at 214, 215. That is, Patent Owner distinguished the Galasso reference based on the claimed "air bleed assembly" being located on the lower fork and below the seal; Patent Owner did not rely on the location of an unclaimed "vent hole" to gain allowance of the claims. Significantly, nowhere did the examiner indicate that he understood the "air bleed assembly" to be located directly below the seal or between the seal and the bushing, nor did the examiner indicate that the claims were allowed for that reason. *See id.* at 230-242 (Notice of Allowance).

Third, disavowal of claim scope does not exist here because the two isolated statements relied on by Petitioner are ambiguous and amenable to multiple interpretations when read in the context of the entire paragraphs from which they are pulled. *Tech. Props. Ltd. v. Huawei Techs. Co.*, 849 F.3d 1349, 1358 (Fed. Cir. 2017) (if "the challenged statements are ambiguous or amenable to multiple reasonable interpretations, prosecution disclaimer is not established") (citing *MIT*, 839 F.3d at 1119); *Cont'l Circuits LLC v. Intel Corp.*, 915 F.3d 788, 798 (Fed. Cir. 2019). Specifically, when the isolated sentences relied on by Petitioner (shown in yellow) are

read in the context of the subsequent language in the same paragraph (shown in blue), a person skilled in the art is likely to understand that the “air bleed assembly” may be positioned between the lower leg seal and the upper bushing in one embodiment, but that the claim broadly requires the “air bleed assembly” to be *anywhere on the lower fork between the lower leg seal and a resting level of the oil bath in the lower fork.*

Ex. 2003 at 114:6-121:11 (Patent Owner’s expert Dr. Slocum’s deposition testimony for the PI hearing that the prosecution history sentences must be read in the context of their entire paragraphs); Ex. 2004 at 148:10-153:7 (Patent Owner’s other expert Mr. Galasso testifying same); Ex. 2005 at 119:5-124:8, 137:20-139:6, 139:13-140:24 (Patent Owner’s expert’s live testimony at PI hearing). Petitioner has had this testimony since long before filing this Petition, but chose not to address it.

In contrast to Galasso, Applicant’s features, as recited in newly amended Claim 1, locate its air bleed system in a lower fork, wherein the vent hole is located between the lower leg seal and the bushing that is attached thereto. The manually operable valve is also positioned between the lower leg seal and the first end of said lower fork (first end is configured to be coupled to a vehicle wheel). Thus, the air bleed system, including the manually operable valve, is located below the lower leg seal that is attached to the outmost edge of a second end of the lower fork tube, wherein the second end of the lower fork is configured to receive an upper fork telescopically therein. Of note, an oil bath lubrication is located within and at the first end of the lower

Ex. 1004 at 214 (yellow and blue highlights added; underlining in original).

This pressure and load added to the lower oil control lip of the seal, sealing the gap between the lower fork tube and a telescopically positioned upper fork tube, serves to compromise the seal, and possibly enable the oil lubrication within the lower fork tube to leak/spray out of the damper assembly. However, due to the positioning of Applicant's air bleed system being located directly below the lower leg seal, within the lower fork tube, wherein the lower fork tube is positioned further away from the frame of the vehicle than the upper fork tube, Applicant's features enable the release of excessive air pressure from the lower fork tube, thereby reducing the pressure and load being applied to the lower oil control lip of the lower leg seal, while enabling the oil bath lubrication to remain fairly leveled at the bottom of the lower fork tube, without spraying/leaking out through the open vent hole. Applicant's features allow for the pressure in the lower leg to be equalized to ambient pressure at the higher elevation, and therefore restore the desired friction in the lower fork tube in relation to the upper fork tube. Thus, in sum, the air bleed assembly 300 is located below Applicant's lower leg seal, and far enough away from the oil bath lubrication such that a substantial portion of the oil bath lubrication is enabled to remain within the lower fork tube even when air is being released from the lower fork tube through the vent hole of the air bleed assembly 300.

Id. at 215 (yellow and blue highlights added; underlining in original).

Thus, the isolated sentences cannot create a “clear” and “unmistakable” disclaimer of claim scope because, at a minimum, their meanings are ambiguous when read in the context of the whole paragraphs, as testified by both of Patent Owner’s experts. *Omega Eng’g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1325 (Fed. Cir. 2003) (“[W]e have required the alleged disavowing statements to be both so clear as to show reasonable clarity and deliberateness,” and “so unmistakable as to be unambiguous evidence of disclaimer.”) (internal citations omitted); *see also id.* (“[W]e have thus

consistently rejected prosecution statements too vague or ambiguous to qualify as a disavowal of claim scope.”).

In sum, given the ambiguity and the lack of deliberate disclaimer in the statements relied on by Petitioner, a skilled artisan would not recognize these two sentences in a 266-page prosecution history as limiting the position of the “air bleed assembly” to between the lower leg seal and the upper bushing, as argued by Petitioner. *See* Ex. 2005 at 119:5-124:8, 137:20-139:6, 139:13-140:24. This claim limitation should be given its plain and ordinary meaning. Nevertheless, under either Patent Owner’s plain meaning interpretation of “air bleed assembly disposed on said lower fork tube,” or Petitioner’s construction of that term based on an alleged prosecution history disclaimer, the prior art grounds presented by Petitioner do not invalidate claim 1 and its dependent claims for the reasons explained in Sections III.B.1.a-b and III.B.2.a-b.

B. Grounds I, II, and IV Asserted Against the Sole Independent Claim 1 are Legally and Technically Deficient

The ’331 patent has a single independent claim—claim 1. Petitioner asserts that claim 1 is anticipated by Kojima (Ground I), rendered obvious by Becker in view of Bruckbauer (Ground II), and rendered obvious by Kojima in view of Bruckbauer

(Ground IV).³ As discussed below, claim 1 is neither anticipated by Kojima, nor rendered obvious by Kojima or Becker in view of Bruckbauer. Accordingly, claims 2-8, which depend from claim 1, are also not anticipated or rendered obvious by the asserted prior-art grounds. Thus, Petitioner has not shown that there is a reasonable likelihood of success with respect to at least one claim in the '331 patent. The Petition should therefore be denied.

1. Kojima Alone (Ground I), or in Combination with Bruckbauer (Ground IV), Does Not Disclose or Suggest Each Limitation of Claim 1

Kojima fails to disclose or suggest the limitations “an air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” and “an upper bushing attached to and positioned adjacent to said lower leg seal” of claim 1. Bruckbauer does not overcome these deficiencies of Kojima. The Petition also fails to show how the claim element “air bleed assembly disposed [on said lower fork tube]” is met by Kojima, or Kojima in view of Bruckbauer, under Petitioner’s proposed construction of this element.

³ Although the Table of Contents in the Petition identifies Ground IV as rendering claims 1-8 obvious under Kojima in view of Bruckbauer and further in view of Danter, the detailed description of Ground IV does not include any discussion of Danter. Petition at 70-89.

- a. **Kojima alone, or in combination with Bruckbauer, fails to disclose an “air bleed assembly” that is “configured for equalizing ambient pressure” within the lower fork [claim element 1(d)]**

Kojima does not disclose or suggest an “air bleed assembly” for equalizing air pressure within Kojima’s lower fork 210 with ambient air pressure. Rather, Kojima teaches an air valve 215 for *pressurizing* an air chamber 210a within Kojima’s lower fork 210 *to maintain the lower fork at a positive air pressure* (i.e., at above ambient pressure) for improved “operating smoothness and sensitivity.” Ex. 1005 at ¶[0078] (air chamber 210a should be maintained “at, for example, an air pressure of 50 psi”). More specifically, and contrary to Petitioner’s assertions, air valve 215 of Kojima (the alleged “air bleed assembly”) is used to maintain positive pressure in air chamber 210a, not to bleed air from chamber 210a for pressure equalization. *See id.* Indeed, as Patent Owner’s expert, Mr. Mario Galasso, explained during the preliminary injunction hearing in the Colorado case, *air valve 215 of Kojima is not an air bleed valve at all, rather it is a pressurization valve:*

Q Is the air valve 215 of Kojima, which communicates with the chamber 210a, an air-bleed valve for equalization of air pressure?

A It is not. It’s a valve to pressurize chamber 210a, because 210a is taught to have a positive pressure in it, up to and including an example by the inventor of 50 PSI.

Ex. 2005, 205:14-206:3 (Patent Owner's expert discussing Kojima at PI hearing)

Contrary to Petitioner's assertions, *nowhere does Kojima disclose or suggest that air valve 215 is configured for equalizing air pressure within the lower fork with ambient air pressure*. Cf. Petition at 26 (discussing claim element 1[d]); Ex. 1002, ¶99; Ex. 1003, ¶95. In fact, during the preliminary injunction hearing in the Colorado case, Petitioner's expert, Dr. Wang, conceded that Kojima does not disclose using valve 215 to equalize pressure in chamber 210a with ambient pressure:

Q Does Kojima teach anywhere in its disclosure to use valve 215, to equalize the air pressure in chamber 210a, to the ambient pressure?

A It teaches that you can open and close that valve.

Q I understand that. My question is, *does Kojima teach anywhere in its disclosure to use valve 215 to equalize pressure in chamber 210a with the ambient pressure?*

A *No.*

Ex. 2005, 191:5-12 (live testimony of Petitioner's expert at PI hearing) (emphases added). *Because Kojima does not disclose an air valve configured to equalize air pressure in the lower leg of the suspension fork, Kojima does not anticipate claim 1.*

Moreover, Kojima's chamber 210a is designed to be pressurized above ambient pressure, and is not designed to operate at ambient pressure. Ex. 1005 at ¶[0078]. Therefore, a person skilled in the art would not be motivated to use air valve 215 to equalize air pressure within Kojima's chamber 210a with the ambient pressure (by releasing air through valve 215) because doing so would degrade the performance of Kojima's suspension system 200. Ex. 2005 at 206:4-9 ("Q So persons skilled in the art, reading Kojima, would not be motivated to use that valve 215 to equalize pressure in chamber 210a with the ambient pressure? A Right. One skilled in the art would recognize that you could, but that you wouldn't, because it renders [the Kojima] invention poorly performing or inoperable.").

Thus, contrary to Petitioner's assertions, even if valve 215 were used to vent some air to adjust the positive pressure in the chamber 210a (i.e., to depressurize), it would not be used to equalize pressure in chamber 210a to ambient pressure, because doing so would degrade the performance of the suspension. *See id.*; *see also* Ex. 1005 at ¶[0078]. Indeed, Petitioner's expert Dr. Wang further conceded that if Kojima's valve 215 is opened to equalize pressure within chamber 210a, then the "operating smoothness and sensitivity" of Kojima's suspension system 200 will be diminished:

Q So, if valve 215 is opened and pressure inside the chamber, 210a is equalized to the ambient air pressure,

there will be no positive air pressure in chamber 210a,
correct?

A Again, describing the wording issues I had earlier, but yes
it would equal ambient air pressure.

Q Okay. And so when the air pressure is equalized, there's
no positive pressure in chamber 210a, correct?

A Yes.

*Q And so according to Kojima, the operating smoothness
and sensitivity will be diminished if valve 215 is opened,
and air pressure is equalized in the chamber, correct?*

A True.

Ex. 2005, 190:19-191:4 (live testimony of Petitioner's expert at PI hearing)
(emphases added). *Because a person skilled in the art would not be motivated to use
Kojima's valve 215 to equalize air pressure in the lower leg of the suspension fork
to ambient pressure, Kojima does not render claim 1 obvious.*

Although the preliminary injunction hearing in the Colorado case was
conducted on May 26, 2023—i.e., more than two months before the filing of this
Petition on August 10, 2023—the Petition does not address Petitioner's expert's
admissions that 1) Kojima fails to disclose or suggest an “air bleed assembly”
configured to equalize air pressure within Kojima's lower fork 210 with ambient air
pressure, and 2) a skilled artisan would not be motivated to use Kojima's valve 215 to
equalize air pressure because doing so would degrade the “operating smoothness and

sensitivity” of Kojima’s suspension system 200. Ex. 1005 at ¶[0078]; *see generally* Ex. 2005, 189:1-191:12, 205:14-206:9.

In sum, Kojima fails to disclose or suggest the limitation “an air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” of claim 1. Petitioner’s *ipse dixit* is insufficient to establish unpatentability of claim 1. Petitioner and its experts fail to adequately support their assertions with citations to the written disclosures of Kojima; they simply annotate valve 215 in Figure 9 of Kojima as an “air bleed assembly” but disregard that Kojima’s valve 215 is **not** configured for “equalizing ambient pressure” within the lower fork. *See* Petition at 26-27.

Bruckbauer, which Petitioner cites with regard to the structure of the “air bleed assembly,” also does not overcome the deficiencies of Kojima with respect to this limitation. *See* Paper No. 2 at 4; Petition at 38, 39, 70. This is because Bruckbauer also does not disclose using its pressure relief valve 10 to equalize air pressure in the lower leg of a fork to ambient air pressure:

Q. Okay. Does Bruckbauer teach anywhere using that valve to equalize air pressure in the lower leg of a fork, to the ambient air pressure?

A In the lower leg of the fork, no. It equalizes within that -- that interstitial space taken by the coil spring.

...

Q My question to you is neither [Becker nor Bruckbauer] teach an air-bleed system to equalize air pressure within the lower leg of a fork, with the ambient air pressure, correct?

A Correct. But I think that somebody of ordinary skill in the art would have motivated to -- you could place it anywhere, whether in the top or the -- or the lower leg.

Q But you agree with me that neither [Becker nor Bruckbauer] actually teach that, correct?

A Neither of these two directly teach it.

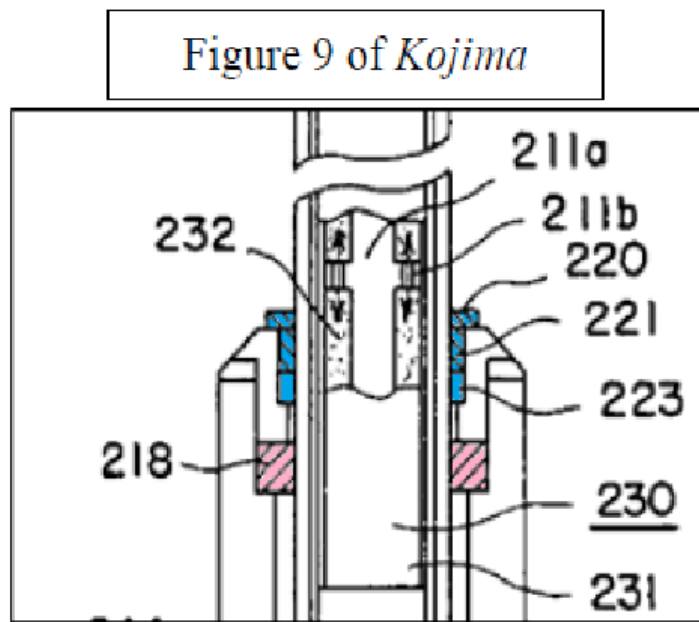
Ex. 2005, 192:1-193:4 (live testimony of Petitioner's expert at PI hearing) (emphases added).

Accordingly, neither Kojima alone (Ground I) nor Kojima in view of Bruckbauer (Ground IV) discloses, teaches, or suggests the limitation “an air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” of claim 1. Petitioner thus fails to show a reasonable likelihood of success of Grounds I and IV.

b. Kojima alone, or in combination with Bruckbauer, fails to disclose “an upper bushing attached to and positioned adjacent to said lower leg seal” [claim element 1(c)]

The Petition maps Kojima's elements 220, 221, 223 (shown in blue in the annotated Figure 9 below) to the “lower leg seal” and maps element 218 to the “upper

bushing” (shown in pink):



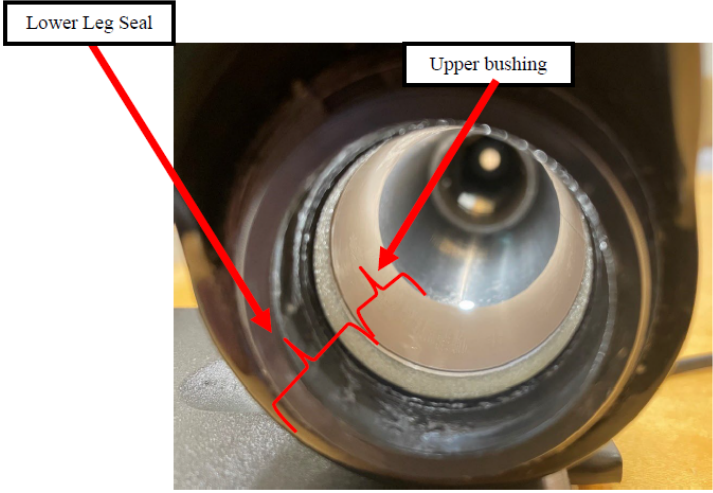
Petition at 24 (blue and pink color added by Petitioner)

But as evident from Petitioner’s own mapping, the alleged “lower leg seal” is neither *adjacent* nor *attached* to (i.e., in contact with) the alleged “upper bushing”; rather, there is a substantial gap/spacing between the alleged seal and bushing. *See* Petition at 23-25.

Petitioner, however, argues that its mappings of the “lower leg seal” and “upper bushing” to Kojima’s Figure 9 embodiment “is the same as the only configuration disclosed in the ’331 patent.” Petition at 24. Petitioner’s argument is legally incorrect. The claim limitation “an upper bushing attached to and positioned adjacent to said lower leg seal” cannot be construed as being limited to the embodiment shown in

Figure 4 of the '331 patent. *See Liebel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898, 906 (Fed. Cir. 2004) (“[T]his court has expressly rejected the contention that if a patent describes only a single embodiment, the claims of the patent must be construed as being limited to that embodiment.”). Regardless of what is shown in Figure 4 of the '331 patent, the plain language of claim 1 requires the “lower leg seal” and “upper bushing” to be “attached to and positioned adjacent to” each other. But Kojima’s elements 220, 221, 223 (the alleged “lower leg seal”) is neither attached nor adjacent to element 218 (the alleged “upper bushing”).

Petitioner further misrepresents Patent Owner’s operative infringement contentions in the Colorado case to argue that Petitioner’s mapping of this claim element is proper under Patent Owner’s infringement mappings. Petition at 24-25. Petitioner is incorrect (again). Patent Owner’s amended infringement contentions (served on March 16, 2023, i.e., about five months before this Petition was filed), show how the “lower leg seal” of a representative accused product is adjacent and attached to the “upper bushing” in that product. *See* Ex. 1013 at PDF pp. 20-21 (Patent Owner’s mapping in the amended infringement contentions is shown below). Petitioner ignores Patent Owner’s amended infringement contentions, which are the current operative infringement contentions in the Colorado case, in an attempt to justify its incorrect invalidity mapping.

Claim	U.S. Patent No. 9,739,331	Rockshox Lyrik Ultimate
		coaxial alignment and symmetry of the foam ring during operation. Therefore, the seal (including the foam ring) is also directly attached to the upper bushing. 

Ex. 1013 at PDF p. 21 (showing that the lower leg seal is both adjacent and in contact with, i.e., attached to, the upper bushing).

Thus, contrary to Petitioner’s assertions, under the plain meaning of claim 1, with which Patent Owner’s mapping of its claims in the amended infringement contentions is entirely consistent, Kojima does not disclose “an upper bushing attached to and positioned adjacent to said lower leg seal.” Bruckbauer, which Petitioner cites with regard to the structure of the “air bleed assembly,” also does not overcome the deficiencies of Kojima with respect to this limitation. *See* Petition at 38, 39, 70, 76. Nor has Petitioner argued that this claim limitation would have been obvious in view of Kojima alone. *See id.* at 76.

Accordingly, neither Kojima alone (Ground I) nor Kojima in view of Bruckbauer (Ground IV) discloses, teaches, or suggests the limitation “an upper bushing attached to and positioned adjacent to said lower leg seal” of claim 1. Petitioner thus fails to show a reasonable likelihood of success of Grounds I and IV.

c. Petitioner fails to show that Kojima alone, or Kojima in view of Bruckbauer, discloses “an air bleed assembly disposed on said lower fork tube” under Petitioner’s proposed construction of this claim element

Petitioner argues that “air bleed assembly disposed [on said lower fork tube]” should not be given its plain meaning, and instead should be construed as “air bleed assembly located between the lower leg seal and the upper bushing.” Petition at 8-11; *see supra* Section III.A.2.a. But Kojima’s air valve 215 (the alleged “air bleed assembly”) is not located between Kojima’s alleged “lower leg seal” (elements 220, 221, 223) and “upper bushing” (element 218). *See* Petition at 26-27. Rather, Kojima’s alleged “air bleed assembly” is located far below the alleged “upper bushing.” *See id.* Therefore, the Petition fails to show that Kojima meets this claim limitation under the construction that Petitioner proposes is correct. Bruckbauer does not overcome this deficiency of Kojima. *See id.* at 76-77.

As other Board panels have found, a petition should be denied if it fails to map the challenged claims to the asserted prior art using the claim construction that petitioner believes is correct. *See Hologic, Inc. v. Enzo Life Sciences, Inc.*, Case No.

IPR2018-00019, Paper 17 at 6-9 (P.T.A.B. Apr. 18, 2018) (citing 37 C.F.R. § 42.104(b)(3)–(4)). As in *Hologic*, here Petitioner identifies how Petitioner believes the claim element “air bleed assembly disposed [on said lower fork tube]” should be construed. *See* Petition at 11 (“In view of the prosecution history disclaimer, [Petitioner] maintains that “air bleed assembly disposed” should properly be construed as “air bleed assembly located between the lower leg seal and the upper bushing.”). But the Petition does not meaningfully explain how this claim element is met by Kojima, or Kojima in view of Bruckbauer, under the construction proposed by Petitioner. *See* Petition at 26-27.

More specifically, Petitioner presents unpatentability arguments based on Patent Owner’s plain meaning interpretation of “air bleed assembly disposed [on said lower fork tube],” which Petitioner argues is incorrect. The Petition merely argues in a footnote that if the Board agrees with Petitioner’s proposed construction based on an alleged prosecution history disclaimer, then Kojima renders this claim element obvious because “locating the air bleed assembly anywhere along the length of the fork tube is simply a matter of engineering choice and mechanical skill, such that it would have been obvious to a POSITA to modify *Kojima* in this regard.” Petition at 26 n.6 (citing Ex. 1002, ¶40; Ex. 1003, ¶36). That is the extent of Petitioner’s obviousness explanation under Petitioner’s own proposed construction. Nowhere does the Petition or the supporting expert declarations explain *why* or *how* a person skilled

in the art would have been motivated to modify or optimize Kojima to locate its valve 215 between the alleged “lower leg seal” and “upper bushing.” *See id.* Petitioner’s cursory obviousness argument under its proposed construction is legally insufficient, and should not be accepted by the Board, because it fails to provide a motivation to modify/optimize Kojima and a reasonable expectation of success in doing so. *Endo Pharm., Inc. v. Actavis LLC*, 922 F.3d 1365, 1373 (Fed. Cir. 2019) (“An obviousness determination requires finding that a POSITA would have been motivated to combine or modify the teachings in the prior art and would have had a reasonable expectation of success in doing so.”).

Put differently, the Petition focuses on explaining how Kojima (or Kojima in view of Bruckbauer) render the claims unpatentable under Patent Owner’s plain meaning interpretation, which Petitioner contends is erroneous. Petition at 11 (“[Petitioner] disagrees with [Patent Owner’s] charting of its claims compared to [Petitioner’s] products, but uses them for purposes of this Petition, irrespective of how ‘air bleed assembly’ is ultimately construed.”). Therefore, under *Hologic* and 37 C.F.R. § 42.104(b)(3)–(4), the arguments in Grounds I and IV should be denied because the Board’s rules “require a petition to identify, not only ‘how the challenged claim is to be construed,’ but also ‘how the construed claim is unpatentable,’” which the Petition fails to do here. *Hologic*, IPR2018-00019, Paper 17 at 8 (citing and quoting 37 C.F.R. § 42.104(b)(3)–(4)). Thus, Petitioner is unlikely to prevail with

respect to any challenged claim under Grounds I and IV. *Id.* at 8-9.

At least for the reasons discussed above in Sections III.B.1.a–c, Petitioner has not shown a reasonable likelihood of success of Grounds I and IV.

2. Becker in Combination with Bruckbauer (Ground II) Does Not Disclose or Suggest Each Limitation of Claim 1

Becker in view of Bruckbauer fails to disclose or suggest the limitations “an air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” and “an upper bushing attached to and positioned adjacent to said lower leg seal” of claim 1. The Petition also fails to show how the claim element “air bleed assembly disposed [on said lower fork tube]” is met by Becker in view of Bruckbauer under Petitioner’s proposed construction of this element.

a. Neither Becker nor Bruckbauer discloses an “air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” [claim element 1(d)]

The Petition cites Becker only with regard to a “typical suspension fork.” Petition at 40. *Becker’s suspension fork does not have an “air bleed assembly” or any sort of air valve on the lower/outer fork tube*, much less an “air bleed assembly” configured for equalization of air pressure within the lower fork tube with ambient air pressure. *See generally id.* at 35-37, 40-47, 54-55. Contrary to Petitioner’s assertion, Bruckbauer also does not disclose an “air bleed assembly” on the lower fork tube of a

suspension fork. *Id.* at 38-39. ***Instead, Bruckbauer discloses a pressure relief valve 10 in the cap of a dampener 12 (not in a lower/outer fork leg as misrepresented by Petitioner).*** See Ex. 1009 at 3:33-35, 4:21-23, Fig. 1. Thus, there is no disclosure of an “air bleed assembly disposed on said lower fork tube” in either Becker or Bruckbauer. Indeed, this limitation is completely missing in the Ground IV prior art. This deficiency in the prior art cannot be filled by Petitioner’s conclusory argument that “a POSITA would modify *Becker*’s typical suspension fork to incorporate *Bruckbauer*’s pressure relief system at a point along the length of the lower (outer) tube of Becker’s suspension fork.” Petition at 40; *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380 (Fed. Cir. 2016).

In fact, Petitioner’s entire obviousness analysis in Ground II is nothing more than an impermissible hindsight. Without Patent Owner’s claims as a roadmap, a person skilled in the art would have had no reason to modify Becker in view of Bruckbauer to add an “air bleed assembly” to the lower fork tube. But “[t]he inventor’s own path itself never leads to a conclusion of obviousness; that is hindsight.” *Millennium Pharms., Inc. v. Sandoz Inc.*, 862 F.3d 1356, 1367 (Fed. Cir. 2017) (quoting *Otsuka Pharm. Co. v. Sandoz, Inc.*, 678 F.3d 1280, 1296 (Fed. Cir. 2012)). “What matters is the path that the person of ordinary skill in the art would have followed, as evidenced by the pertinent prior art,” (*id.*) and here that path is not present in the prior art.

But even if the Board finds disclosure of an “air bleed assembly” for pressure equalization, Ground II should still be rejected because as conceded by Petitioner’s expert at the preliminary injunction hearing, Bruckbauer does not disclose or suggest that its pressure relief valve 10 is configured for equalizing air pressure within a lower fork tube to the ambient pressure:

Q. Okay. Does Bruckbauer teach anywhere using that valve to equalize air pressure in the lower leg of a fork, to the ambient air pressure?

A In the lower leg of the fork, no. It equalizes within that -- that interstitial space taken by the coil spring.

. . .

Q My question to you is neither [Becker nor Bruckbauer] teach an air-bleed system to equalize air pressure within the lower leg of a fork, with the ambient air pressure, correct?

A Correct. But I think that somebody of ordinary skill in the art would have motivated to -- you could place it anywhere, whether in the top or the -- or the lower leg.

Q But you agree with me that neither [Becker nor Bruckbauer] actually teach that, correct?

A Neither of these two directly teach it.

Ex. 2005, 192:1-193:4 (live testimony of Petitioner’s expert at PI hearing) (emphases added).

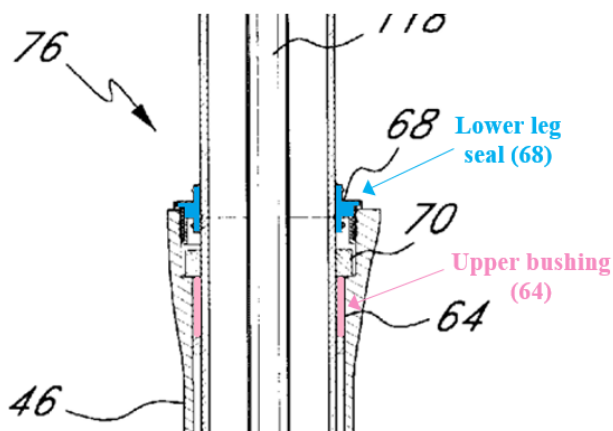
Moreover, “equalizing ambient pressure within said lower fork” is a critical limitation of independent claim 1; in fact, it is the heart of the invention. Ex. 1001, 1:25-30, 1:55-57. Such a critical limitation cannot be supplied by conclusory, uncorroborated expert testimony as Petitioner attempts to do here. *See Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355, 1363 (Fed. Cir. 2016) (“[W]hile ‘common sense’ can be invoked, even potentially to supply a limitation missing from the prior art, it must still be supported by evidence and a reasoned explanation. In cases in which ‘common sense’ is used to supply a missing limitation, as distinct from a motivation to combine, moreover, our search for a reasoned basis for resort to common sense must be searching. And, this is particularly true where the missing limitation goes to the heart of an invention.”); *DSS Tech. Mgmt., Inc. v. Apple Inc.*, 885 F.3d 1367, 1374-75 (Fed. Cir. 2018) (rejecting the use of “ordinary creativity” as a gap-filler where, as here, the limitation missing from the prior art played “a major role in the subject matter claimed.”).

In sum, Becker in view of Bruckbauer fails to disclose or suggest the limitation “an air bleed assembly disposed on said lower fork tube, said air bleed assembly configured for equalizing ambient pressure within said lower fork” of claim 1. Petitioner’s *ipse dixit* is legally insufficient to supply this critical limitation missing in

both Becker and Bruckbauer. Petitioner thus fails to show a reasonable likelihood of success of Ground II.

b. Becker in view of Bruckbauer fails to disclose “an upper bushing attached to and positioned adjacent to said lower leg seal” [claim element 1(c)]

The Petition maps Becker’s element 68 (shown in blue in the annotated Figure 2 below) to the “lower leg seal” and maps element 64 to the “upper bushing” (shown in pink):



Petition at 52 (blue and pink color added by Petitioner)

But as evident from Petitioner’s own mapping, the alleged “lower leg seal” is *neither adjacent nor attached to* (i.e., in contact with) the alleged “upper bushing”; rather, there a substantial gap/spacing between the alleged seal and bushing. *See* Petition at 52.

Petitioner, however, argues that its mappings of the “lower leg seal” and “upper bushing” to Becker’s Figure 2 embodiment is the same as the only configuration

disclosed in the '331 patent. Petition at 52-53. Petitioner's argument is legally incorrect. As discussed above, the claim limitation "an upper bushing attached to and positioned adjacent to said lower leg seal" cannot be construed as being limited to the embodiment shown in Figure 4 of the '331 patent. *Liebel-Flarsheim*, 358 F.3d at 906. Rather, the claim limitation should be given its plain meaning, which requires the "lower leg seal" and "upper bushing" to be "attached to and positioned adjacent to" each other. But Becker's element 68 (the alleged "lower leg seal") is neither attached nor adjacent to element 64 (the alleged "upper bushing").

Petitioner is further incorrect that Patent Owner's amended infringement contentions in the Colorado case supports Petitioner's mapping of this claim element. *See* Petition at 53-54. Contrary to Petitioner's assertion, Patent Owner's amended infringement contentions clearly show how the "lower leg seal" of a representative accused product is adjacent and attached to the "upper bushing" in that product. *See* Ex. 1013 at PDF pp. 20-21 (showing Patent Owner's mapping in the amended infringement contentions); Petition at 53-54 (showing same).

Thus, contrary to Petitioner's assertions, under the plain meaning of claim 1, with which Patent Owner's mapping of its claims in the amended infringement contentions is entirely consistent, Becker does not disclose "an upper bushing attached to and positioned adjacent to said lower leg seal." Bruckbauer, which Petitioner cites with regard to the structure of the "air bleed assembly," also does not overcome the

deficiencies of Becker with respect to this limitation. *See* Petition at 38-39, 52-54.

Petitioner thus fails to show a reasonable likelihood of success of Ground II.

c. Petitioner fails to show that Becker in view of Bruckbauer discloses “an air bleed assembly disposed on said lower fork tube” under Petitioner’s proposed construction of this claim element

Petitioner argues that “air bleed assembly disposed [on said lower fork tube]” should not be given its plain meaning, and instead should be construed as “air bleed assembly located between the lower leg seal and the upper bushing.” Petition at 8-11; *see supra* Section III.A.2.a. But neither Becker nor Bruckbauer discloses an “air bleed assembly” located on a lower fork, much less between the alleged “lower leg seal” “upper bushing” of the lower fork. *See supra* Section III.B.2.a. Nevertheless, Petitioner argues that a person skilled in the art would have been motivated to modify Becker in view of Bruckbauer to incorporate Bruckbauer’s “pressure relief system at a point along the length of the lower (outer) tube of Becker’s suspension fork” and thus arrive at the invention of claim 1. Petition at 40. Petitioner’s hindsight-driven obviousness argument is incorrect. But even if Petitioner’s *ipse dixit* is accepted, ***Petitioner fails to provide a motivation and a reasonable expectation of success for locating Bruckbauer’s pressure relief valve 10 “between the lower leg seal and the upper bushing” per Petitioner’s own construction.*** *See id.* at 40-47. Instead, Petitioner simply argues that a skilled artisan would have been motivated to locate

Bruckbauer's pressure relief valve 10 anywhere "in fluid communication" with Becker's reservoir 114, which extends the length of Becker's lower fork tube. *See id.* Nowhere does Petitioner provide any rationale for specifically locating an "air bleed assembly" between the "lower leg seal" and the "upper bushing" of the lower fork tube of a suspension fork.

The Petition should therefore be denied because it fails to map the challenged claims to Becker in view of Bruckbauer (Ground II) using the claim construction that Petitioner contends is correct. *See Hologic*, IPR2018-00019, Paper 17 at 6-9 (citing 37 C.F.R. § 42.104(b)(3)–(4)). Rather, Petitioner presents unpatentability arguments based on Patent Owner's plain meaning interpretation of "air bleed assembly disposed [on said lower fork tube]," which Petitioner argues is incorrect. Petition at 11 ("[Petitioner] disagrees with [Patent Owner's] charting of its claims compared to [Petitioner's] products, but uses them for purposes of this Petition, irrespective of how 'air bleed assembly' is ultimately construed."). Therefore, under *Hologic* and 37 C.F.R. § 42.104(b)(3)–(4), the arguments in Ground II should be denied because the Board's rules "require a petition to identify, not only 'how the challenged claim is to be construed,' but also 'how the construed claim is unpatentable,'" which the Petition fails to do. *Hologic*, IPR2018-00019, Paper 17 at 8 (citing and quoting 37 C.F.R. § 42.104(b)(3)–(4)). Thus, Petitioner is unlikely to prevail with respect to any challenged claim under Ground II. *Id.* at 8-9.

In sum, claim 1 is not anticipated by Kojima (Ground I), not rendered obvious by Becker in view of Bruckbauer (Ground II), and not rendered obvious by Kojima in view of Bruckbauer (Ground IV). Accordingly, claims 2-8, which depend from claim 1, are also not anticipated or rendered obvious by the asserted prior-art grounds. Thus, Petitioner has not shown that there is a reasonable likelihood of success with respect to at least one claim in the '331 patent. The Petition should therefore be denied.

IV. The Board Should Exercise Its Discretion Under 35 U.S.C. § 314(a) to Deny Institution

The weakness of Petitioner's case and the risk that the Board will duplicate efforts in the district court litigation favor denial of institution under § 314(a). Petitioner's challenge to the '331 patent raises prior art that Petitioner's own expert admits lacks disclosure of key claim limitations, thus evidencing the weakness of the arguments' merits. Petitioner's arguments are additionally deficient as detailed in Section III.B, above. Furthermore, the district court is unlikely to grant a stay and Petitioner's invalidity contentions show that it will raise substantially the same art and arguments in the district court. Therefore, proceeding in parallel with the district court would result in inefficient and unnecessary duplication of efforts. *Fintiv*, IPR2020-00019, Paper 11 at 5-6; *see also NHK Spring Co. v. Intri-Plex Tech., Inc.*, IPR2018-00752, Paper 8 at 11 (P.T.A.B. Sept. 12, 2018) (precedential).

Recognizing the need to address discretionary denials in its Petition, Petitioner provided a cursory argument that discretionary denial under §314(a) is inappropriate because of the purported merits of the Petition and the current stage of the district court litigation. Petition at 13-14. Neither argument is correct. As detailed below, all six *Fintiv* factors favor denial of institution.

A. Factor 1 Favors Denial: Petitioner Has Not Requested a Stay, Nor is the Court Likely to Grant a Stay if Requested

Petitioner did not request a stay of the Colorado case after the filing of the Petition. Even if Petitioner were to request a stay after institution, the district court is unlikely to grant a stay because of the nature of the relationship between the parties, the undue prejudice that Patent Owner would suffer from Petitioner's market activities during a stay in the litigation, and Petitioner's delay in filing the Petitions.

Specifically, Patent Owner FOX and Petitioner SRAM are direct competitors in the market for medium- to high-end mountain bike suspension forks. *See* Ex. 2009, ¶¶3, 5. Staying the litigation would thus be inappropriate because, in cases involving direct competitors, "there is a reasonable chance that delay in adjudicating the alleged infringement will have outsized consequences to the party asserting infringement . . . , including the potential for loss of market share and an erosion of goodwill." *Nexans Inc. v. Belden Inc.*, No. 12-1491-SLR-SRF, 2014 WL 651913, at *3 (D. Del. Feb. 19, 2014), report and recommendation adopted, No. 12-1491-SLR-SRF, 2014 WL

1232218 (D. Del. Mar. 12, 2014); *Everlight Elec. Co. v. Nichia Corp.*, No. 12-cv-11758, 2013 WL 1821512, at *8 (E.D. Mich. April 30, 2013) (“Additionally, Plaintiffs will be further prejudiced because they are direct competitors with Defendants in the LED industry. Courts routinely deny requests for stay during the pendency of PTO proceedings where the parties are direct competitors.”); *see also Universal Elec., Inc. v. Universal Remote Control, Inc.*, 943 F. Supp. 2d 1028, 1034 (C.D. Cal. 2013) (finding plaintiff would “suffer prejudicial harm from its competitor’s market activity during a lengthy delay in the case.”).

Moreover, district courts have found that “[f]ilings for IPR made well after the initiation of litigation [] may suggest an unfair tactical advantage or dilatory motive’ even when they are filed before the statutory deadline.” *TruePosition, Inc., v. Polaris Wireless, Inc.*, No. 12-646-RGA-MPT, 2013 WL 5701529, at *6 (D. Del. Oct. 21, 2013), report and recommendation adopted, No. 12-646-RGA, 2013 WL 6020798 (D. Del. Nov. 12, 2013). Here, the complaint asserting the ’331 patent was filed on July 13, 2022, and Petitioner filed parallel Petitions on August 10, 2023 — more than a year later. Moreover, the ’331 patent contains only 8 claims, which makes it unreasonable for Petitioner to have waited over a year to file its Petitions, while allowing the work and efforts in the parallel Colorado case to continue. Should IPR trial be instituted, Patent Owner would have to duplicate efforts and expend additional resources to prepare its patent owner response and expert declaration(s). The parties’

resources and judicial economy would be best served if the Board denies institution.

Fintiv, IPR2020-00019, Paper 11 at 6.

Accordingly, factor 1 strongly favors denial of institution.

B. Factor 2 Favors Denial: Trial in the Colorado Case is Likely to Occur Before the Board’s Projected Statutory Deadline for a Final Written Decision

The Court in the Colorado case has not yet set a trial date. But pursuant to the Scheduling Order in the case, the deadline for dispositive motions is June 6, 2024 and the claim construction hearing is scheduled for December 7, 2023. Ex. 2010 at 8; Ex. 2008. Accordingly, it is highly likely that the case will go to trial by December 2024 (or at the latest by early 2025). This is because the District of Colorado’s time-to-trial statistics show that the average time between claim construction hearing and jury trial is about 12 months, and the average time between patentee’s dispositive motions and trial is about 4.9 months. Ex. 2011 at 2 (subtracting the average time to claim construction (24.7 months) and average time to patentee’s dispositive motions (31.9 months) from the average time to jury trial (36.3 months)). Accordingly, trial around December 2024—i.e., about 12 months from the claim construction hearing and a little over 4.9 months from the filing of dispositive motions—is reasonable and likely.

Even considering the District of Colorado’s median time-to-trial of 34.3 months (*see id.*), the trial in the Colorado case is likely to happen by May 2025, i.e., only about 3 months after the projected statutory deadline for a final written decision by the

Board. But even though the final written decision may predate the trial under the median time-to-trial statistics, Patent Owner submits that the weight of this factor should be treated as low relative to the other *Fintiv* factors because even where the trial date is “significantly after the projected statutory deadline, the decision whether to institute will likely implicate other factors [], such as the resources that have been invested in the parallel proceeding.” *Fintiv*, IPR2020-00019, Paper 11 at 9. As discussed with respect to factor 3 below, the parties and the district court will have invested over 1.5 years into the litigation when the Board issues the institution decision, including a preliminary injunction proceeding, several months of discovery, preparation of infringement, non-infringement, and invalidity contentions, and completing claim construction. *See* Section IV.C, below. Because the district court is unlikely to grant a stay in view of the parties’ relationship and Petitioner’s delay in filing the Petitions, this duplicative investment of time and resources will only increase if the Board grants institution.

Accordingly, factor 2 favors denial of institution to avoid the inefficient and costly duplication of efforts that would result from institution.

C. Factor 3 Favors Denial: The Parties and the Court Have Made Significant Investments in the Colorado Case

Factor 3 “consider[s] the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.”

Fintiv, IPR2020-00019, Paper 11 at 9. At the time of expected institution decision in February 2024, claim construction and nearly all fact discovery will have been completed, which weighs strongly against institution.

More specifically, at the filing of this Preliminary Response, the parties have exchanged infringement, invalidity, and non-infringement contentions; conducted an evidentiary preliminary injunction proceeding; completed claim construction briefing; and fact discovery is ongoing. *See* Ex. 2010 at 4-6. A **claim construction hearing is set for December 7, 2023**, and a decision on claim construction will likely issue before the expected institution decision in February 2024. Ex. 2008. According to the Scheduling Order of the Colorado case, **fact discovery will close by March 7, 2024**, i.e., shortly after the expected institution decision; **expert discovery will close by May 9, 2024**; and the **deadline for dispositive motions is June 6, 2024**. Ex. 2010 at 7-8.

The Board's precedential *NHK Spring* decision makes clear that such advanced stages of litigation strongly favor denying institution. *NHK Spring*, IPR2018-00752, Paper 8 at 20. Under *NHK Spring* and the subsequent *Fintiv* framework, the Board has consistently (and unsurprisingly) denied institution where the parallel proceeding has proceeded past claim construction and discovery has closed or would close soon after the institution decision. *See Cisco Sys., Inc. v. Ramot at Tel Aviv Univ. Ltd.*, IPR2020-00123, Paper 14 at 8-9 (P.T.A.B. May 15, 2020) ("Considering the current investment in the invalidity and construction contentions . . . this factor weighs somewhat in favor

of discretionary denial.”); *see also Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 15 at 13-14 (P.T.A.B. May 13, 2020) (informative) (finding factor 3 to favors denial where the parties had briefed claim construction, had a claim construction hearing, and exchanged infringement and invalidity contentions).

Moreover, Petitioner has not been diligent in filing its Petitions, having ***waited more than a year from the filing of the complaint on July 13, 2022*** to file the parallel Petitions on August 10, 2023 (to get the Petitions filed before the date of service of the complaint). Petitioner offers no explanation for its delay, and its failure to do so negates any assertion that it acted diligently. Regardless, under similar facts, the Board has commonly held that even if a petitioner acts quickly (here, Petitioner did not), this factor still favors denying institution based on the substantial investment by the district court and parties in the parallel proceeding. *See, e.g., Supercell Oy v. Gree, Inc.*, IPR2020-00215, Paper 10 at 12 14 (P.T.A.B. June 10, 2020) (denying institution where discovery had closed and the trial date was nearing, and finding petitioner’s diligence in filing petition did not outweigh this investment where resources already expended were “significant and in line [with] the level of investment by the district court in *NHK Spring*.”).

Factor 3 therefore strongly favors denying institution.

D. Factor 4 Favors Denial: The Issues Raised in the Petition and the District Court Overlap and Petitioner Has Not Presented *Any* Stipulation to Minimize Duplicative Efforts

The fourth *Fintiv* factor favors denial of institution where “the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding.” *Fintiv*, IPR2020-00019, Paper 11 at 12; *see also SK Innovation Co., Ltd. v. LG Chem, Ltd.*, IPR2020-01036, Paper 13 at 12-15 (P.T.A.B. Nov. 30, 2020) (finding this factor to weigh against institution where there was extensive overlap between the claims, art, and arguments at issue in the petition and in the parallel proceeding).

Here, each of the challenged claims—claims 1-8 of the ’331 patent—are asserted by Patent Owner against Petitioner/defendant in the Colorado case. Ex. 1013 at 2. Thus, the claims at issue before the Board ***overlap completely*** with the claims at issue in the parallel district court proceeding.

Petitioner’s invalidity contentions also indicate that the art and arguments in both proceedings will overlap significantly. Specifically, Petitioner’s invalidity contentions in the Colorado case include prior-art grounds based on six primary references: Becker (U.S. 6,592,136); Kojima (JP2004345366A); Kashima (JP S52-156051U); Ceriani (U.S. 4,145,067); Hoose (U.S. 6,371,263); and Kawamura (JP S59-016291U). Ex. 2002 at 9-11. In this Petition, Petitioner raised five different grounds based on primary references Becker and Kojima. In the parallel ’302 IPR Petition,

Petitioner raised six grounds based on primary references Ceriani, Kashima, and Hoose. The secondary references relied on in the two Petitions—Bruckbauer (U.S. 7,231,939); Huang (U.S. 7,624,752); and Danter (EP0979772)—are also the same as in the invalidity contentions. *Id.* Thus, Petitioner is raising ***substantially the same*** art and arguments from the Colorado case in the two parallel Petitions.

Moreover, Petitioner’s experts (Dr. Eric Wang and Mr. Kevin Wesling), who have provided declarations in support of the two Petitions, are the same experts that Petitioner/defendant relied on in the Colorado case during the preliminary injunction hearing and to support claim construction arguments. Accordingly, expert testimony on the asserted prior art and arguments will also largely be the same between the IPRs and the Colorado case.

The extensive overlap in claims, art, arguments, and evidence between the two Petitions and the Colorado case raises “concerns of inefficiency and the possibility of conflicting decisions.” *Fintiv*, IPR2020-00019, Paper 11 at 12. Therefore, this factor also favors denial. *Fintiv* Memorandum at 7.

Significantly, Petitioner has not stipulated that it will not pursue in the Colorado case “the same grounds as in the petition or any grounds that could have reasonably been raised in the petition” (i.e., a *Sotera* stipulation) to defeat factor 4. *See id.* (citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18–19 (P.T.A.B. Dec. 1, 2020) (precedential as to § II.A)). Nor has Petitioner presented a different

(narrower) stipulation, such as the one offered in *Sand Revolution II, LLC v. Continental Intermodal Group*, to minimize concerns of duplicative efforts and inconsistent decisions. IPR2019-01393, Paper 24 at 11-12 (P.T.A.B. June 16, 2020) (informative).

Given the total overlap in claims and the extensive overlap in art and arguments between the Petitions and the Colorado case, and the lack of a stipulation by Petitioner to mitigate concerns of inefficiency and inconsistent decisions, the fourth *Fintiv* factor strongly weighs in favor of denial of institution.

E. Factor 5 Favors Denial: Petitioner and the Defendant in the Parallel Proceeding are the Same Party

In *Sand Revolution*, the Board instructed that “this [fifth] factor weighs in favor of discretionary denial” of institution where “a petitioner in *inter partes* review and defendant in a parallel district court proceeding are the same.” IPR2019-01393, Paper 24 at 12-13. Here, Petitioner and the defendant in the parallel district court litigation are the same party. *See, e.g.*, Ex. 1014 at 1. The fifth *Fintiv* factor therefore strongly weighs in favor of denial of institution.

F. Factor 6 Does Not Outweigh the Denial of Institution Counseled by Factors 1-5

Petitioner argued that because it has presented “compelling and clear evidence” of unpatentability, the Board should not exercise its discretion to deny institution. Petition at 13 (citing *Fintiv* Memorandum). But in *Commscope Technologies, LLC v.*

Dali Wireless, Inc., the Director clarified that compelling merits is not a substitute for *Fintiv* analysis; rather, the “compelling evidence of unpatentability” standard set forth in the Memorandum only comes into play if *Fintiv* factors 1-5 favor denial of institution (as here). IPR2022-01242, Paper 23 at 4-5 (P.T.A.B. Feb. 27, 2023) (precedential). More importantly, factor 6 must compellingly outweigh the denial favored by factors 1-5, and the Board must provide “reasoning sufficient” to support a finding of compelling merits. *See id.* Here, *Fintiv* factors 1-5 favor denial of institution, and the Petition does not present “compelling, meritorious challenges” to avoid denial of institution under factor 6. *See Fintiv* Memorandum at 4. More specifically, the challenges presented in the Petition are legally and technically deficient, as discussed in Section III.B, such that the Petition does not “plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence.” *Id.*; *see also OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102 at 49-50 (P.T.A.B. Oct. 4, 2022) (precedential) (the Director explaining that “plainly lead[s]” means “it is **highly likely** that the petitioner would prevail with respect to at least one challenged claim.”) (emphasis added).

In conclusion, the Board should deny institution under §314(a) because *Fintiv* factors 1-5 favor denial and the Petition does not present “compelling unpatentability challenges” to overcome denial under factor 6. *Fintiv* Memorandum at 4-5.

V. Conclusion

Petitioner has failed to meet its burden of showing why *inter partes* review should be instituted. The asserted grounds in this Petition are mostly duplicates of those in the related district court litigation, and most importantly, are legally and technically deficient, such that they cannot avoid denial of institution under § 314(a). The Board should therefore deny institution of *inter partes* review.

Respectfully submitted,

Dated: November 24, 2023

By: /Arpita Bhattacharyya/
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CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(d), I, Arpita Bhattacharyya, certify that **Patent Owner's Preliminary Response** contains 11,602 words, excluding those portions identified in 37 C.F.R. § 42.24(a), as measured by the word-processing system used to prepare this paper.

Dated: November 24, 2023

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing **Patent Owner's Preliminary Response** was served electronically via email on November 24, 2023, in its entirety on the following:

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Petitioner has consented to service by electronic mail.

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