

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PRIME TIME TOYS LLC, PRIME TIME TOYS LTD. and EASEBON
SERVICES LTD.
Petitioner,

v.

SPIN MASTER, INC.,
Patent Owner.

Case IPR2023-01339
Patent 8,640,683

PATENT OWNER'S PRELIMINARY RESPONSE

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LIST OF EXHIBITS

- EX2001 Complainant's Complaint, *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2002 Respondents' Notice of Prior Art, *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2003 Respondents' Opposition to Complainants' Summary Determination Motion (Public Version), *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2004 Order Granting Summary Determination of Infringement (Public Version), *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2005 Joint Outline of Issues, *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2006 Respondents' Invalidity Contentions (excerpt), *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2007 Initial Determination (Public Version), *Certain Soft Projectile Launching Devices, Components Thereof, Ammunition, and Products Containing Same*, Inv. No. 337-TA-1325 (ITC)
- EX2008 Reserved
- EX2009 Petition, *Gel Blaster, Inc. v. Spin Master, Inc.* IPR2023-00302, Paper 2
- EX2010 Reserved
- EX2011 Preliminary Response, *Gel Blaster, Inc. v. Spin Master, Inc.* IPR2023-00302, Paper 8

EX2012 Reserved

EX2013 Reserved

EX2014 Statutory Disclaimer re U.S. Patent 8,640,683

I. INTRODUCTION

Petitioner launched an unfair serial attack against the '683 Patent that the Board should not endorse. This is now the third sequential petition targeting the same claims of the same patent. All three petitions were lodged by co-respondents who collaborated in a parallel ITC investigation to develop the asserted prior art. While perhaps tenable if the petitions were filed close in time, that is not the case here. Petitioner waited *261 days after* the first co-respondent to file its Petition. Consequently, Petitioner has benefited from studying Patent Owner's preliminary response to the earlier challenge, repackaging the same lead reference with modifications to address the weaknesses Patent Owner exposed. Petitioner used that proceeding as a test case to glean key insights that it leveraged in this one.

Equally problematic, Petitioner is exploiting the Board's limited resources to undo what just happened in the ITC investigation. In that 15-month proceeding—with over 30 depositions, over 1200 admitted trial exhibits, and a multi-day evidentiary hearing—the ALJ rejected Petitioner's case-in-chief based on the *same prior art combination* asserted in the Petition and also found that Patent Owner adduced ample objective evidence of non-obviousness. Petitioner waited until *after* the ITC record was completely closed to bring this Petition—on the same ground tried at the ITC.

Petitioner hopes the Board will reach an inconsistent result as compared to the ALJ from a record that includes the same prior art and the same experts peddling substantially similar theories. The Board should decline Petitioner's request for a "do-over." Instead, the Board should deny the Petition, either as an abusive serial challenge or based on the same substantive defects that the ALJ found.

II. THE *GENERAL PLASTIC* FACTORS EXPOSE THE PETITION AS AN UNFAIR SERIAL ATTACK THAT SHOULD BE DENIED

A. The Petition Is a Delayed Serial Filing Sourced From Collaborating Infringers

Petitioner was on notice regarding its infringement of the '683 Patent for *13 months* and in possession of the asserted prior art for at least *10 months* before filing its Petition. The Petition is unquestionably delayed, and its substance is the product of Petitioner's collaboration with other ITC co-respondents who previously sought *inter partes* review of the '683 Patent using the same lead prior art reference.

On July 20, 2022, Patent Owner filed a complaint with the International Trade Commission (ITC) concerning certain infringing products imported by three groups of respondents ("Respondents")—the Gel Blaster respondents featuring Gel Blaster, Inc.; the Splat-R-Ball respondents featuring Splat-R-Ball, LLC; and the Prime Time Toys respondents featuring Prime Time Toys LLC (Petitioner). *See* EX2001 (Complaint) at 18-19, 21-25.¹

¹ All pin citations to the parties' exhibits reference the stamped exhibit page number.

As shown in the infringement charts appended to the complaint (and excerpted below), all of Respondents' products comprise projectile launchers and super absorbent polymer (SAP) ammunition that, when hydrated, forms spherical beads configured to be fired from the launchers. *See id.* at 207-228 (Gel Blaster infringement charts), 241-262 (Prime Time Toys infringement charts), 229-240, 263-289 (Splat-R-Ball infringement charts).

Gel Blaster	Splat-R-Ball	Prime Time Toys (Petitioner)
		
EX2001 at 210-211	EX2001 at 230, 239	EX2001 at 243-244, 248

While their respective SAP ammunition are different colors and their respective projectile launchers have different shapes, sizes, and color schemes, these differences are immaterial to the '683 Patent. Relative to the '683 Patent, Respondents' products are materially the same. Respondents accordingly defended their distinct products as one, and the Administrative Law Judge (ALJ) found that they all infringe for the same reasons. *See generally* EX2003 (Respondents' Opp. to Complainants' Summary Determination Motion); EX2004 (Order Granting Summary Determination of Infringement) at 9 (explaining that "Respondents did ***not*** dispute ***any*** other limitations" beyond the SAP limitation)², 10-11 (explaining that "***all*** of the accused ammunition" is formed from the same type of material, which everyone agrees is "a well-known 'super absorbent polymer'").

Given their shared infringement, Respondents collaborated extensively throughout the ITC investigation, submitting joint contentions, briefs, and expert reports from the start. As part of this collaboration, Respondents jointly developed invalidity grounds involving Spitballs and Peev, the same references asserted in Petitioner's Petition. For example, Respondents identified these references on October 25, 2022 in their joint notice of prior art and invalidity contentions, the latter of which included detailed arguments regarding Spitballs, Peev, and the Peev-

² All emphasis in this brief is added unless otherwise indicated.

Spitballs combination. *See* EX2002 (Notice of Prior Art) at 1, 5-6; EX2006 (Invalidity Contentions) at 3-6.

Respondents relied on Spitballs and Peev throughout the investigation, working with their shared experts, Mr. Delman and Dr. Reitman, to build an invalidity case against the '683 Patent. *See* EX2005 (Joint Outline of Issues) at 2-6 (identifying various Spitballs and Peev invalidity issues addressed in, among other briefs, Respondents' joint prehearing brief). Along the way, Respondents received expert reports revealing Patent Owner's defenses against Spitballs and Peev, and they deposed Patent Owner's expert, Dr. Kudrowitz, to explore those defenses.

Prior to the hearing, and after the ALJ rendered a summary determination of infringement by all parties, the Gel Blaster and Splat-R-Ball respondents settled. The case went to hearing with Petitioner, who moved forward with the invalidity case built together with Gel Blaster and Splat-R-Ball based on Spitballs and Peev.³ Petitioner fully explained that case to the ALJ orally, with live testimony from Mr.

³ At the ITC hearing, Petitioner relied on several exhibits describing Spitballs, including from the DuneCraft and ThinkGeek websites. *See* EX1004 (Hearing Tr.) at 151:15-21 (Petitioner's Mr. Delman discussing a DuneCraft webpage), 203:9-204:11 (Mr. Delman discussing a ThinkGeek webpage). Petitioner has submitted just a subset of the ThinkGeek evidence as the Spitballs reference in its Petition.

Delman, and in writing via its post-hearing brief. *See* EX1004 (Hearing Tr.) at 71:7-92:6 (opening statement), 113:4-161:15 (direct examination of Mr. Delman), 161:22-243:17 (cross-examination of Mr. Delman). It was not persuasive. The ALJ found critical flaws in the Peev-Spitballs combination—the same combination that forms Petitioner’s Ground 2—and found that extensive “secondary considerations” evidence supports validity.⁴ *See* EX2007 (Initial Determination) at 71-77 (explaining the lack of motivation to combine Spitballs and Peev), 82-96 (discussing and making findings on commercial success and industry praise evidence as part of “secondary considerations” analysis).

After the evidentiary hearing and *after* the parties’ submitted extensive post-hearing briefing to the ALJ, Petitioner made the strategic decision to pursue an IPR based on the previously litigated Peev-Spitballs combination. This is now the third IPR against the ’683 Patent. The Gel Blaster respondents went first on December 5, 2022, featuring Spitballs as a key prior art reference. *See Gel Blaster, Inc. v. Spin Master, Inc.*, IPR2023-00302, Paper 2 (GB Petition; EX2009). The Splat-R-Ball respondents came next on March 24, 2023, also touting Spitballs. *See Splat-R-Ball*,

⁴ Ground 2 is the only ground relevant to this proceeding in view of Patent Owner’s statutory disclaimer of the claims challenged in Ground 1. *See infra*, §V.

LLC v. Spin Master Inc., IPR2023-00773, Paper 1.⁵ The Board terminated the Gel Blaster and Splat-R-Ball IPRs in June and July of 2023 pursuant to the parties' settlement, but not before Patent Owner's preliminary response exposed fundamental deficiencies in Gel Blaster's assertion of the shared Spitballs reference. *See Gel Blaster, Inc. v. Spin Master, Inc.*, IPR2023-00302, Paper 8 (GB POPR; EX2011). Finally, on August 23, 2023—**13 months** after being sued, at least **10 months** after identifying the asserted art, **5 months** after obtaining Patent Owner's preliminary response in the prior Gel Blaster IPR, and **3 months** after presenting the same art in a hearing before the ALJ—Petitioner filed this Petition asserting Spitballs, just like the rest.

⁵ We focus on the Gel Blaster IPR in the *General Plastic* analysis that follows because the Splat-R-Ball IPR was terminated before Patent Owner filed its preliminary response. Still, the Splat-R-Ball IPR, which used shared prior art, invalidity analysis, and experts from the ITC investigation, demonstrates the extensive collaboration by the co-respondents.

B. The General Plastic Factors Compel Denial of Petitioner’s Serial Petition

“Multiple, staggered petitions challenging the same patent and same claims raise the potential for abuse.” *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 at 18 (PTAB Sept. 6, 2017) (precedential). And “abuse” of the *inter partes* review process is exactly what happened here. Petitioner abused the process by lying in wait while Patent Owner revealed its defense of the ’683 Patent against an earlier petition from Petitioner’s co-respondent, Gel Blaster. See EX2009 (GB Petition); EX2011 (GB POPR). Despite sharing an identical and contemporaneous infringement profile and collaborating on invalidity with Gel Blaster in the co-pending ITC investigation, Petitioner was more than **eight months** slower to file its Petition. It is telling that Petitioner sought to file here only after Patent Owner revealed its defense strategy and exposed the weaknesses in Gel Blaster’s petition, which relies on the same key prior art reference—Spitballs.

At the same time, Petitioner waited to initiate this proceeding until the record in the ITC investigation closed. By then—after the parties litigated on the same Spitballs and Peev references asserted in the Petition for **nine months** and presented their respective arguments and evidence in a live hearing before the ALJ and in extensive post-trial briefing—Petitioner possessed unparalleled visibility into Patent

Owner's defense. Reading Patent Owner's discovery responses, expert reports, and pre/post-hearing briefs like an opposing team's playbook, Petitioner preemptively addressed everything it thinks Patent Owner will say. *See* Pet. at 4-7 ("Petitioners anticipate that Patent Owner will make four counter arguments.").

Inter partes review proceedings are supposed to be "just, speedy, and inexpensive" but nothing about the timing or substance of Petitioner's Petition fits the bill. 37 C.F.R. § 42.1(b). Now that Patent Owner has pointed out the flaws of the Spitballs reference in its prior preliminary response, and now that the parties have completed a trial at the ITC with the ALJ detailing the flaws of Petitioner's invalidity case based on the Peev-Spitballs combination, it is clear that Petitioner is just looking for a do-over. *See* EX2007 (Initial Determination) at 71-77.

Petitioner's scheme is unfair. It should be denounced, not blessed, and the Board should deny institution, a result supported by the *General Plastic* factors.

1. Factor 1: whether the same petitioner previously filed a petition directed to the same claims of the same patent

Gel Blaster previously filed a petition against claims 1-15 of the '683 Patent, and Petitioner presently challenges the subset of claims 1-12 and 14. *See* EX2009 (GB Petition) at 9. It is beyond dispute that the same claims of the same patent are under a serial attack.

It is also clear that, while Petitioner and Gel Blaster are distinct business entities, they have a “significant relationship” regarding the ’683 Patent that favors denial under the Board’s precedent. *Valve Corp. v. Electronic Scripting Products, Inc.*, IPR2019-00062, Paper 11 at 10 (PTAB Apr. 2, 2019) (precedential) (“*Valve I*”); *Valve Corp. v. Electronic Scripting Products, Inc.*, IPR2019-00064, Paper 10 at 11 (PTAB May 1, 2019) (precedential) (“*Valve II*”). In the precedential *Valve* cases, the Board found a “significant relationship” where the first petitioner (HTC) and the second petitioner (Valve) were co-defendants accused of patent infringement based on the same products. *Id.* The operative facts here are substantially the same.

As in *Valve I* and *II*, Petitioner and Gel Blaster were co-respondents in an ITC investigation based on their shared infringement of the ’683 Patent. Petitioner and Gel Blaster are also related regarding **how** they infringe the ’683 Patent. There are no material differences between Petitioner and Gel Blaster’s accused products relative to Patent Owner’s assertion of the ’683 Patent. Petitioner and Gel Blaster’s products infringe the same asserted claims for the same reasons. *See supra*, §II.A. That is how everyone—the Petitioner and Gel Blaster, Patent Owner, the Office of Unfair Import Investigations, and the ALJ—treated infringement in the ITC investigation. *Id.* So, while Petitioner and Gel Blaster’s products are not the same in a vacuum, they are no different in the context of the ’683 Patent. *Id.* Factor 1 therefore strongly favors denial.

Even if Petitioner and Gel Blaster did not have a *Valve*-like “significant relationship” (which they do), Factor 1 should still favor denial based on their extensive coordination to develop the prior art analysis in the Petition. As discussed (*see supra*, §II.A), Petitioner collaborated with its co-respondent, Gel Blaster, to:

- Identify prior art such as Spitballs and Peev;
- Develop that prior art with jointly-retained experts, Mr. Delman and Dr. Reitman, who Petitioner again relies on now;
- Take discovery to explore Patent Owner’s defense; and
- Amalgamate all that information into the arguments at the heart of this Petition.

Prior panels have found coordination of this variety sufficient to weigh Factor 1 against institution.⁶ Principles of fairness and justice support the same result here.

⁶ *E.g., RPX Corp. v. Applications in Internet Time, LLC*, IPR2015-01750, Paper 128 at 38-39 (Oct. 2, 2020) (precedential) (favoring denial based in part on “multiple communications” between serial petitioners); *Mitek Sys., Inc. v. United Servs. Auto. Ass’n*, IPR2020-01101, Paper 29 at 23-25 (Jan. 26, 2021) (favoring denial given the “effort between [serial petitioners] to coordinate [a] defense”); *Fresenius Kabi USA, LLC v. Amgen, Inc.*, IPR2019-00971, Paper 13 at 7 (Oct. 16, 2019) (favoring denial based on a petitioner’s effort “to coordinate its challenges” with a prior petitioner).

Finally, the considerations of Factors 2-5 show conclusively that Petitioner's unjustified delay in pursuing *inter partes* review was strategic and abusive. *See Code200, UAB v. Bright Data Ltd.*, IPR2022-00861, Paper 18 at 5 (PTAB Aug. 23, 2022) (precedential) ("*General Plastic* factor 1 must be read in conjunction with factors 2 and 3."). Whether the staggered petitions were filed by the same petitioner or two different petitioners, the Board has historically denied institution under similar circumstances.⁷

⁷ *E.g.*, *Shenzhen Silver Star Intelligent Tech. Co., Ltd. v. iRobot Corp.*, IPR2018-00761, Paper 15 (denying institution under *General Plastic* when different petitioners filed serial petitions); *see also Google LLC v. Uniloc 2017*, IPR2019-01584, Paper 9 (PTAB Oct. 16, 2020); *Ericsson Inc. v. Uniloc 2017 LLC*, IPR2020-00420, Paper 7 (PTAB Jun. 18, 2020); *Unified Patents Inc. v. Finjan, Inc.*, IPR2019-01611, Paper 18 (PTAB Apr. 13, 2020); *Juniper Networks, Inc. v. Parity Networks, LLC*, IPR2018-01642, Paper 11 (PTAB Apr. 10, 2019); *Nichia Corp. v. Document Security Sys., Inc.*, IPR2018-01167, Paper 10 (Nov. 30, 2018); *EchoStar Corp. v. Realtime Data LLC*, IPR2018-00614, Paper 10 (PTAB Sep. 5, 2018); *NetApp, Inc. v. Realtime Data LLC*, IPR2017-01195, Paper 9 (PTAB Oct. 12, 2017).

2. Factor 2: whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it

Gel Blaster filed a first petition for *inter partes* review of the '683 Patent on December 5, 2022. Nearly six weeks beforehand, on October 25, 2022, Petitioner and Gel Blaster jointly served invalidity contentions identifying and analyzing the prior art from this Petition and Gel Blaster's petition. *Compare* EX2006 (Invalidity Contentions) at 3-6, *with* Pet. at 15, *and with* EX2009 (GB Petition) at 9. These joint invalidity contentions identified Spitballs alone, like Ground 1 in both petitions, the Peev-Spitballs combination, like this Petition's Ground 2, and the Rappaport-Spitballs combination, just like Ground 2 of Gel Blaster's petition. *Id.* Petitioner undoubtedly knew of the asserted art at the time of Gel Blaster's petition. *See Valve I* at 11 (weighting Factor 2 "against institution" because the second petitioner (Valve) "knew or should have known" of the asserted prior art around the time the first petitioner (HTC) filed its petition).

It is also clear that Petitioner and Gel Blaster worked hand-in-hand as co-respondents, developing the same grounds in the ITC investigation that they later advanced in their respective IPR petitions. There is no good reason why Petitioner could not have been a co-petitioner on Gel Blaster's petition or at least filed on its own around the same time as Gel Blaster. *See Valve I* at 14 ("Valve could have filed its Petition at or around the same time as HTC."). But Petitioner did not do so.

Instead, Petitioner withheld its Petition for more than **8 months** until it received and digested feedback on Gel Blaster's petition via Patent Owner's preliminary response. *See infra*, §II.B.3 (discussing Petitioner's tactical advantages). Petitioner should not be allowed to use Gel Blaster's petition as a "test case." *Shenzhen Silver Star* at 18 (Saindon concurring) ("if two or more co-defendants are sued around the same time, they should, within reason, file their petitions around the same time; it is generally unfair for one defendant to wait for a 'test case' to go through the *inter partes* review process by another defendant before filing their own petition").

Factor 2 strongly favors denial.

3. Factor 3: whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition

Patent Owner filed its preliminary response to Gel Blaster's first petition on March 23, 2023. *See* EX2011 (GB POPR). Petitioner, who does not deny knowledge of the Gel Blaster proceeding, would have received Patent Owner's filing on the public record around that time. Five months later, on August 23, 2023, Petitioner filed this Petition.

Studying Patent Owner's preliminary response for months allowed Petitioner to revise multiple aspects of its Petition relative to Gel Blaster's. For example, in answer to Patent Owner's critique of the Gel Blaster petition for failing to establish

the public accessibility of Spitballs, Petitioner has now provided an extensive discussion on this topic, bolstered by expert testimony and corroborating exhibits. *Compare* EX2011 (GB POPR) at 44-49 (“Petitioner does not even attempt to show that an ordinarily skilled person would have found [Spitballs] on the Internet by exercising reasonable diligence.”), *with* Pet. at 11-13 (arguing that “a POSITA . . . exercising reasonable diligence, could have located Spitballs” and citing EX1007, EX1008, EX1009, EX1010, EX1011, EX1012, EX1016).

Petitioner also answered Patent Owner’s critique of Gel Blaster’s petition on the “super absorbent polymer” limitation. As Patent Owner explained in its preliminary response, the Gel Blaster petition fails to establish an anticipatory express or inherent disclosure in Spitballs of a “super absorbent polymer” capable of “absorb[ing] an extremely large amount of liquid relative to its own mass,” as construed by the ALJ. EX2011 (GB POPR) at 19-23. Rather than addressing mass absorbency, the Spitballs reference and Gel Blaster’s analysis of it focus exclusively on size and volume. *Id.* Petitioner took note of this deficiency and now augments Gel Blaster’s analysis with new calculations performed by its expert chemist, Dr. Reitman. Pet. at 31 (citing EX1017 (Reitman Dec.)). Petitioner’s revised position is now: “Whether the reference to ‘200 times their original size’ refers to 200 times the volume or 200 times the mass is irrelevant, because if the Spitballs grow ‘200 times’ in volume, it [would] be understood to have grown 138 times in mass.” *Id.*

Petitioner also responded to Patent Owner’s arguments against Gel Blaster’s petition regarding the limitation of “[a] projectile launcher for launching the ammunition.” EX2011 (GB POPR) at 32-39. This time, rather than producing new rebuttal testimony from its own experts, Petitioner tries to improve its position by mischaracterizing the trial testimony of Patent Owner’s expert, Dr. Kudrowitz. *See* Pet. at 28-29, 32.

Petitioner’s tactical advantages are the very sort of “undue inequities and prejudices to Patent Owner” that the Board sought to expose and excise in *General Plastic*. *See General Plastic* at 17 (“Petitioner’s potential benefit from receiving and having the opportunity to study Patent Owner’s Preliminary Response.”). Factor 3 therefore strongly favors denial.

4. Factor 4: the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition

While it likely learned of the asserted prior art references earlier, Petitioner cannot dispute that it was aware of them by at least October 25, 2022 when it served a prior art notice and invalidity contentions jointly with Gel Blaster in the co-pending ITC investigation. *See* EX2002 (Notice of Prior Art) at 5-6; EX2006 (Invalidity Contentions) at 3-6. Still, despite possessing the asserted art, Petitioner did not file its Petition for another **10 months**.

The Board denied institution based on significantly smaller delay periods in *Valve* and various other cases. *See Valve I* at 14 (“The fact that Valve waited **five months** after HTC’s petition to file the Petition in this case favors denying institution.”); *Shenzhen Silver Star* at 13 (“Thus, Petitioner knew of the majority of the asserted art for at least **five and a half months** before filing this Petition.”); *Mitek Sys., Inc. v. United Servs. Auto. Assoc.*, IPR2020-01101, Paper 29 at 33 (PTAB Jan. 26, 2021) (“Petitioner still waited more than **seven months** to file its Petition”); *Fresenius Kabi USA, LLC v. Amgen Inc.*, IPR2019-00971, Paper 13 at 10 (PTAB Oct. 16, 2019) (“The Petition was filed . . . over **six months** after” a prior petition asserting the same art.”). Factor 4 therefore also favors denial here.

5. Factor 5: whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent

The Board’s precedent on serial petitions is well known, and Petitioner acknowledged Gel Blaster’s earlier petition against the ’683 Patent. *See Pet.* at 8. Consequently, Petitioner cannot deny that it knew its Petition was a serial filing and also knew or should have known that the *General Plastic* factors are highly relevant in this proceeding. Just as Petitioner addressed other aspects of the Board’s precedent on discretionary denial, it also could have addressed *General Plastic*. *See id.* at 66-67 (Petitioner addressing § 325(d) and the *Fintiv* factors). But Petitioner neglected to do so. And because Petitioner offers **no explanation at all** regarding

its **ten-month** delay in pursuing *inter partes* review, Factor 5 strongly favors denial. *See Apple Inc. v. Uniloc 2017 LLC*, IPR2020-00854, Paper 9 at 11 (PTAB Oct. 28, 2020) (precedential) (given the petitioner’s “lack of explanation, we conclude that this fifth *General Plastic* factor also weighs in favor of denying institution”).

Regardless, Factor 5 would favor denial even if Petitioner had tried to explain away its **ten-month** delay. In the precedential *Valve* cases, the Board weighed this factor toward denial even though the second petitioner’s lesser **five-month** delay was caused by a confluence of events that included its dismissal from the co-pending district court litigation and a change in law regarding the § 315(b) statutory time bar. *E.g., Valve I* at 13-14 (“The *Click-to-Call* decision may have prompted Valve to file the Petition before the deadline under § 315(b), but it does not excuse the five-month delay between the filing of HTC’s petition and Valve’s Petition.”). If the Board did not excuse a five-month delay under the extreme circumstances in *Valve*, Petitioner could not expect such a result here regarding its ten-month delay. Unlike the petitioner in *Valve*, the circumstances involving Petitioner’s infringement risk have not shifted. Petitioner was never dismissed from the ITC investigation, nor did Petitioner settle when the other co-respondents did.

The simple truth is this: Petitioner had the capability and incentive to file its Petition earlier like Gel Blaster did, but Petitioner chose a different path—the path of lying in wait. Petitioner wants to try its hand again after playing the exact same

cards at the ITC. But this desire to try again does not justify or excuse Petitioner's delayed and unfair Petition for *inter partes* review. The Board should not endorse Petitioner's request for a do-over.

6. Factors 6 and 7: the finite resources of the Board; and the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review

“[M]ultiple, staggered petition filings, such as those here, are an inefficient use of the *inter partes* review process and the Board's resources.” *General Plastic* at 21. The Board's resources are especially not well spent when, as here:

- (A) Petitioner has obtained clear tactical advantages through its review and reaction to Patent Owner's preliminary response against Gel Blaster's petition (*see supra*, §II.B.3); and
- (B) Petitioner is abusively using the *inter partes* review process as an appellate-like review of a 15-month ITC investigation (with over 30 depositions, over 1200 admitted trial exhibits, and a full multi-day evidentiary hearing) that recently produced a sound rejection of Petitioner's Peev-Spitballs combination as part of a 127-page decision by the ALJ (*see supra*, §II.A).

Petitioner waited to file here at the PTAB until after it exhausted every possible opportunity to explore, probe, and discover Patent Owner's defenses against Spitballs and Peev in the ITC investigation. Petitioner now proudly touts its premonition of certain "anticipated" responses from Patent Owner. *See* Pet. at 4-7. But Petitioner's seemingly proactive analysis is not prescient. It's a parlor trick.

Petitioner presents what it thinks Patent Owner will say because Patent Owner already said it at the ITC. And Patent Owner prevailed in that proceeding because the Peev-Spitballs combination is fundamentally flawed and there is extensive evidence of commercial success and industry praise that supports patentability. *See* EX2007 (Initial Determination) at 71-77 ("Respondents' analysis with respect to a motivation to combine the prior art is problematic[.]"), 81-96 ("Complainants adduced sufficient objective evidence of non-obviousness to rebut Respondents' showing."). Now Petitioner wants a *de novo* do-over. But shopping a substantially similar case-in-chief—based on the same prior art and the same experts—between different tribunals with the intent of producing inconsistent results is an abusive waste of resources. Denying institution is the just and reasonable outcome here.

III. THE '683 PATENT

The '683 Patent claims innovative "soft-projectile launching devices that launch super absorbent polymer projectiles." EX1001 ('683 Pat.) at 1:12-16.

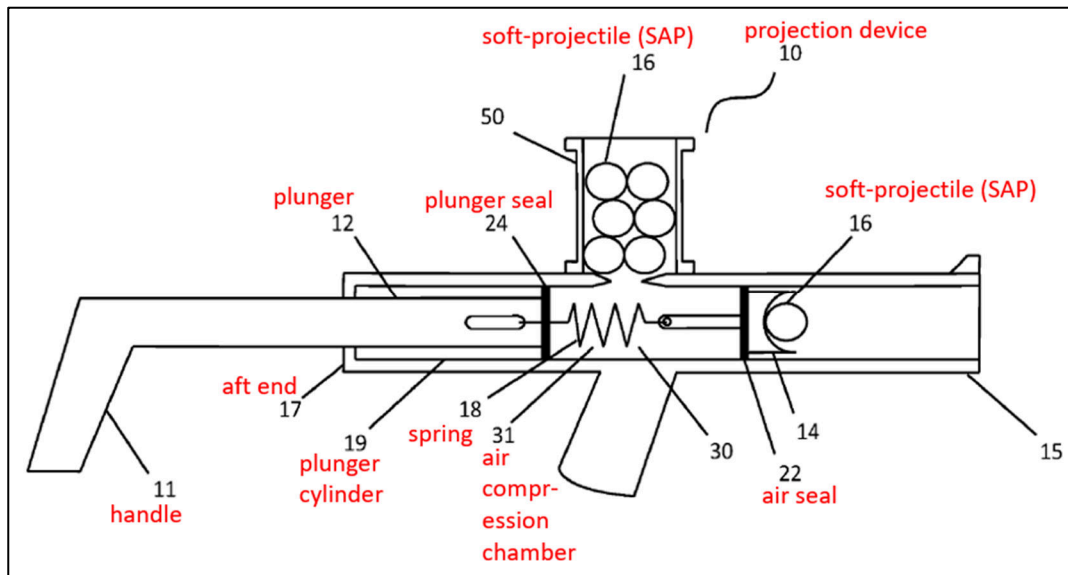
At the time of the '683 Patent in 2010, the recreational projectile launcher market was dominated by foam-ammunition launchers, paintball guns, and airsoft guns. Each of these launcher types presented a distinct feature set that appealed to certain groups of enthusiasts and casual customers. And yet, despite their widespread commercial adoption, foam, paintball, and airsoft designs also had significant tradeoffs and drawbacks. *See, e.g.*, EX1001 at 1:20-67.

For example, “[o]ne reason [Hasbro’s] NERF® foam and other foam based projectile toys have become so popular has been due to the soft and light properties of the foam material,” which “can be formed into balls and darts and fired from toy weaponry with little risk of injury.” EX1001 at 1:37-48. But “[b]ecause foam based materials . . . are light, they are highly susceptible to air forces when trying to project them through the air in free flight as occurs when fired from toy weaponry.” *Id.* at 1:53-56; *see also id.* at 1:58-61 (“The low density of foam based projectiles . . . increases the effect of air resistance, drag, and other motion retarding forces.”). As for paintball and airsoft guns, while less susceptible to air forces, many of “these systems are for adult use only due to the energy imparted to the projectile and the ability of the projectile to do serious harm.” *Id.* at 1:63-67.

The '683 Patent’s inventors sought “to provide an alternative soft-projectile launching system to those presently on the market,” one that “increase[d] the user experience as compared to foam-based projectile toys, yet [also] remain[ed] safe for

children to use.” EX1001 at 2:3-5, 3:10-13. The inventors achieved this feat by creating a new type of projectile launcher that leverages the unique properties of super absorbent polymers (“SAPs”). SAPs are polymers that can absorb an extremely large amount of water relative to their own mass. *Id.* at 3:46-53. SAPs have been known since the 1960s and were primarily used in household items like diapers, protective underwear, and sanitary napkins. But SAPs had never before been formed as ammunition comprising a plurality of soft-projectiles configured for use with a projectile launcher in the specific ways claimed by the ’683 Patent.

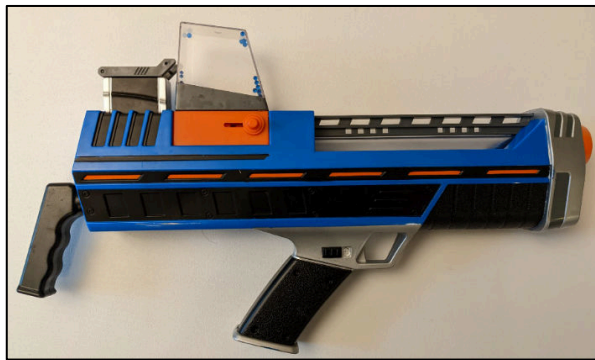
The ’683 Patent’s Figure 1 (annotated below) “illustrates . . . one embodiment of a projectile launching toy designed for use with a plurality of projectiles made from a super absorbent polymer.” EX1001 at 3:25-27; *see also id.* at 5:41-6:35.



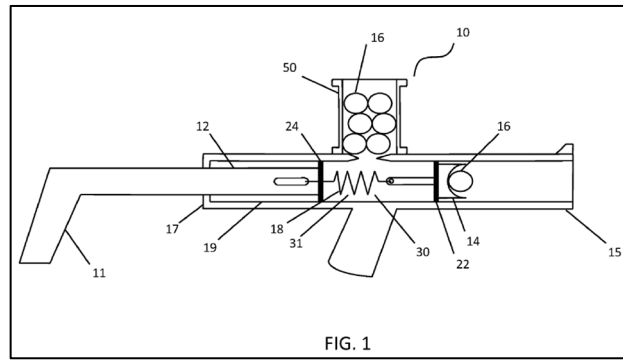
To begin the process, “a user pulls back on the handle 11 which retracts the plunger 12 out of the aft end 17 of a plunger cylinder 19.” *Id.* at 5:47-50. As shown, “[t]he

plunger 12 is attached to spring 18.” *Id.* at 5:50-51. As the spring 18 is stretched, “air is sucked into an air compression chamber 31 located between plunger seal 24 and air seal 22.” *Id.* at 5:51-53. Then, “[w]hen the user releases the handle 12, the spring 18 quickly pulls the plunger 12 back inside the plunger cylinder 19,” which “creates a rapid increase in air pressure in the air compression chamber 31 between the plunger seal 24 and air seal 22.” *Id.* at 5:56-60. This air pressure causes “soft-projectile 16”—a SAP—to be “launched from the projection device 10 on a free trajectory.” *Id.* at 5:60-65.

The original patentee, Maya Group, implemented the ’683 Patent’s innovations in a line of blaster products called Xploderz (e.g., pictured below, left).



Xploderz XStormer 1000



’683 Patent at Figure 1

These patent-practicing Xploderz products enjoyed immense commercial success when they launched in 2011, and they were the recipient of widespread industry praise. *See* EX2007 (Initial Determination) at 82-96. The Xploderz received “best toy” awards, sparked “an entirely new product segment” and became the “number one selling boy toy product for Target” when it launched, and enjoyed “sales over

the life of the products [of] approximately \$50 million” with “multiple line extensions” placed at large retailers like Kmart, Target, Toys “R” Us, and Walmart. *Id.* As the ALJ correctly found, the extensive success and praise of Xploderz supports patentability. *Id.*

IV. THE PRIOR ART

A. The Spitballs Reference (EX1002)

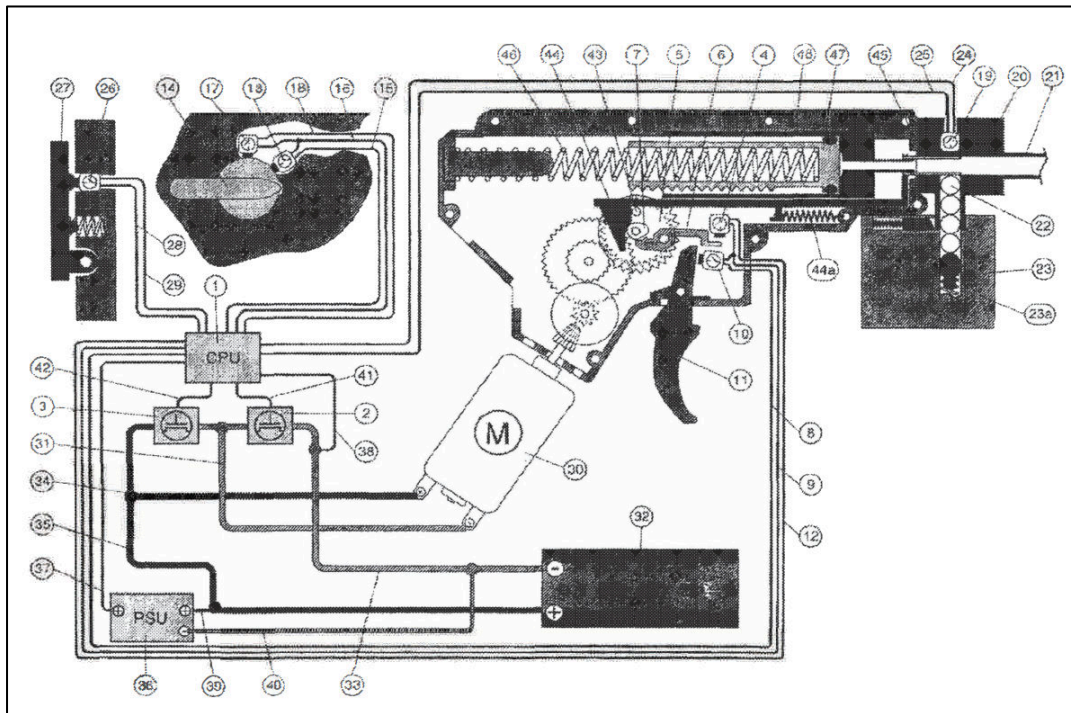
The Spitballs reference includes what is purportedly a listing for a product called “Spit Balls” in the “Science Toys” department of an online store called ThinkGeek.com. *See* EX1002 at 15. According to the Spitballs reference, once grown in water, the Spit Balls polymer products “are slimy and squishy.” *Id.* at 15. “If you throw them gently, they will bounce. If you throw them hard enough, they will explode into mushy pieces.” Thus, the slogan: “grow ’em and throw ’em.” *Id.*



EX1002 at 15, 18.

B. The Peev Reference (EX1003)

The Peev reference, titled “Air-Force Electric Rifle,” describes “an “electric airsoft gun [that] finds application in the sporting gun industry and is used for military simulations or training, or for entertainment in airsoft games.” EX1003 at 22. Peev explains that the purpose of “[e]lectric airsoft guns [is to] represent a copy of real firearms” and identifies its “task” as introducing improvements meant to make airsoft guns even more gun-like. *Id.* at 23-26.



Id. at 38 (Figure 1).

V. PETITIONER CANNOT PREVAIL ON ANY CHALLENGED CLAIM

Patent Owner has statutorily disclaimed claims 1-3 and 10-11. *See* EX2014. As a matter of law, these claims are treated as if they never existed, which renders the Petition's Ground 1 moot. *See Genetics Inst., LLC v. Novartis Vaccines & Diagnostics, Inc.*, 655 F.3d 1291, 1299 (Fed. Cir. 2011) (“[U]pon entry of a disclaimer under § 253, we treat the patent as though the disclaimed claim(s) had never existed.” (cites omitted)); 37 C.F.R. § 42.107(e) (“No *inter partes* review will be instituted based on disclaimed claims.”). As for the Petition's only remaining ground, Ground 2, it necessarily fails due to the lack of any legally valid and factually credible motivation to combine Peev and Spitballs.

A. Petitioner Provides No Legitimate Reasons to Combine Spitballs with Peev

Petitioner's proffered motivation to combine Peev and Spitballs is that a skilled artisan:

(1) knew about the injury problem caused by airsoft guns (such as Peev), (2) knew one solution was to make the ammunition softer, (3) knew that there was prior art soft SAP ammunition available (Spit Balls) and few other alternatives, and (4) had the technical skill to combine this soft ammunition with Peev.

Pet. at 41. To be sure, *KSR* holds that a reference combination may be upheld “[w]hen there is a design need or market pressure to solve a problem and there are a

finite number of identified predictable solutions.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 421 (2007). But Petitioner’s Peev-Spitballs combination does not fit the bill. *See* Pet. at 35-42.

For one, the fact that being shot with ammunition fired from an airsoft gun may cause an injury is not a “problem” with that type of gun. Firing hard ammunition at high speed is how airsoft guns are designed to work because their purpose is to provide a close but non-lethal facsimile to a real gun. The injury risk associated with being shot is a natural consequence, not a design “problem” with airsoft guns. Even if the injury risk were a known design problem with some airsoft guns, Petitioner fails to establish that it applies specifically to Peev’s design and, equally important, that SAP ammunition would be curative. The ALJ exposed this infirmity in Petitioner’s case in the ITC investigation. What’s more, Petitioner skips a critical step in *KSR*’s problem-solution analysis—Petitioner provides no credible evidence at all that SAP ammunition was an “identified” solution to an injury risk problem with airsoft guns.

These fundamental errors preclude a finding that Petitioner is reasonably likely to prevail in this proceeding based on the Peev-Spitballs combination.

1. The injury risk associated with airsoft guns is not a design “problem” applicable to Peev

Everyone agrees that Peev discloses an airsoft gun and that airsoft guns are typically designed to replicate real guns. Mr. Delman’s declaration and the evidence he relies on says so. *See* EX1016 (Delman Dec.) ¶ 84 (explaining that “Peev discloses an airsoft gun” and quoting from EX1005); EX1005 at 3 (“They [airsoft guns] look and behave exactly [l]ike real guns so that it feels like you’re firing a real gun.”). Patent Owner’s expert, Dr. Kudrowitz testified to the same. *See* EX1004 (ITC Hearing Tr.) at 364:22-365:4 (Dr. Kudrowitz describing Peev as an airsoft gun), 366:20-25 (“The intent [of an airsoft gun] is to be like a real gun.”). And Peev says it, too. EX1003 (Peev) at 23 (“Electronic airsoft guns represent a copy of real firearms.”).

In fact, Peev’s stated “task” is to make airsoft guns even more gun-like:

The task of the invention is to create an electric airsoft gun that provides improved operational performance, as well as bringing the way of functioning and manipulation of the electric airsoft gun *as close as possible to* the way of functioning and manipulation of *the real firearm*.

EX1003 (Peev) at 26 (summarizing problems in older prior art that “make[] handling electric airsoft guns quite different from handling real firearms”). A skilled artisan looking to improve upon Peev’s airsoft gun, which is designed to be “as close as

possible to . . . [a] real firearm,” (*id.*), would not have been concerned with reducing the injury risk associated with being shot by the hard plastic ammunition. Both parties’ experts provided testimony to this effect at the hearing before the ALJ.

For example, when asked on cross-examination whether “the fact that an Airsoft gun could do serious harm was a problem,” Patent Owner’s Dr. Kudrowitz said, “No, I think what this is saying here is that Airsoft guns or some Airsoft guns and paintball guns can do harm, and that’s why they’re for adults.” EX1004 (ITC Hearing Tr.) at 439:10-15. Petitioner’s Mr. Delman also explained that the injury risk associated with airsoft guns has never been problematic from his perspective. Mr. Delman has used airsoft guns extensively and supervised his sons using them. *See id.* at 229:15-17. Critically, though, he has “*never been worried* about” his sons being injured by the hard ammunition of an airsoft gun. *Id.* at 231:11-232:15.

In an effort to mimic real firearms, many airsoft guns are specifically designed to fire hard ammunition at high speeds. This is a feature, not a bug, because “[t]he intent is to be like a real gun” for use in “hunting . . . [or] target practice.” *See* EX1004 (ITC Hearing Tr.) at 366:23-367:15 (Dr. Kudrowitz testifying). Stated differently, if the design goal was to create a projectile launcher without injury risk, a skilled artisan would not have started with an airsoft gun like Peev’s. The ALJ recognized this flaw in Petitioner’s Peev-Spitballs combination and credited Patent Owner’s expert, Dr. Kudrowitz, who pointed it out:

First, *KSR* assumes a starting reference point or points in the art, prior to the time of invention, from which one of ordinary skill in the art might identify a problem and pursue potential solutions. Here, it is not clear from the record that a person of ordinary skill would even likely start with an airsoft gun (or reference). For example, Complainants' expert, Dr. Kudrowitz, provided the following testimony during the Hearing:

From how I understand this, Mr. Delman says that these claims are not valid and it would be obvious based on combining two patents related to Airsoft *guns*, Peev and Nagayoshi, with two science *toys* [Spit Balls and Clear Spheres]. And I don't agree with that obviousness assessment. Peev and Nagayoshi are both about taking Airsoft guns and trying to make them *more* like real firearms. And if you put SAP in Airsoft guns, it makes them *less* like Airsoft guns.

(Tr. (Kudrowitz) at 455:22-456:5 (emphases added)).

See EX2007 (Initial Determination) at 71 (highlighting added).

2. Petitioner fails to establish that SAP ammunition would reduce the injury risk of Peev's airsoft gun

Yet another problem with Petitioner's case-in-chief is that it fails to establish how SAP ammunition would reduce a specific injury risk associated with Peev's airsoft gun, which Petitioner repeatedly characterizes as a "toy." See Pet. at 4, 41, 45. Specifically, the Petition identifies injuries such as "penetration of skin and bone" that do not apply universally to all airsoft guns. See *id.* at 36-37. According to the Petition, these types of injuries occur with muzzle velocities⁸ at above the 300-400 foot per second (fps) range, (*see id.*), but everyone agrees that some airsoft guns

⁸ Muzzle velocity is the speed at which the ammunition exits the gun's muzzle. See EX1004 (ITC Hearing Tr.) at 372:7-8.

have much lower velocities. For example, Petitioner’s Mr. Delman testified that a certain “low-powered” airsoft gun called the “Daisy AirStrike 470”—which he considers to be a “toy”—“operates similarly to [] Peev” and has “a muzzle velocity of about 160 feet per second”:

Q. The AirStrike 470 is the one Daisy product that you tested, right?

A. Yes.

Q. And you agree that the Daisy AirStrike 470 is a low-powered airsoft rifle, correct?

A. Correct. I believe it has a muzzle velocity of about 160 feet per second.

Q. Correct. And you would consider the Daisy AirStrike 470 to be a type of airsoft gun that would be considered a toy for children, right?

A. Yes.

Q. And it's your opinion that the Daisy AirStrike 470 operates similarly to the Peev and Nagayoshi references, correct?

A. Yes.

See EX1004 (ITC Hearing Tr.) at 213:21-214:10 (highlighting added).

To the extent Petitioner and Mr. Delman view Peev’s airsoft gun as a youth-focused “toy,” it would fall into the low-powered category of such devices. *See* EX1004 (ITC Hearing Tr.) at 368:7-14 (Dr. Kudrowitz, with reference to Mr. Delman’s expert report, explaining the distinction between adult airsoft guns and

youth-focused airsoft guns with lower muzzle velocities); EX2007 (Initial Determination) at 73 n34 (noting the same). Such a “lower-powered” airsoft gun, however, has a muzzle velocity “that’s half, or less than half, of the velocity that breaks the skin.” *Id.* at 370:2-7. Consequently, Peev’s airsoft gun—to the extent it is a “toy,” as Petitioner would have it—lacks a skin-breakage problem. And as Dr. Kudrowitz put it: “what’s the motivation if they already don’t break the skin”? *Id.* at 369:18-370:1; *see also* EX2007 (Initial Determination) at 72-73 (the ALJ crediting Dr. Kudrowitz and explaining that Petitioner’s “contention that one of ordinary skill would be motivated to combine the teachings of Peev[] with another ammunition type for ‘skin breakage’ safety reasons, or to prevent skin breakage, rings hollow”).

Petitioner, of course, knew before filing its Petition that characterizing Peev as a “toy” undermined its *KSR* problem-solution rationale. But rather than producing credible evidence to establish that a low-powered airsoft gun in the 160 fps range would actually cause significant injuries, Petitioner instead tried to improve its position by characterizing Dr. Kudrowitz’s cross-examination testimony as a pertinent admission on this point. *See* Pet. at 37-38 (“He admitted that there would still be a risk of bruises, black and blue marks, welts, and eye injuries.”). Not so. Petitioner mischaracterized Dr. Kudrowitz in three respects.

First, Petitioner omits the important fact that Dr. Kudrowitz's cited cross-examination testimony is limited to the context of a report by Petitioner's Mr. Delman showing injuries associated with muzzle velocities in the 350 fps range,⁹ much higher than that of the youth-focused airsoft gun that Mr. Delman called a "toy." In this context, what Dr. Kudrowitz said about bruising and welts is no admission at all. Dr. Kudrowitz was merely analyzing Mr. Delman's report, which, like his current declaration here in this proceeding, gave no indication of whether bruises or welts would occur under 350 fps.

Second, Petitioner downplays the nature of the question Dr. Kudrowitz was asked: "Are you saying that a muzzle velocity below 350 feet per second, there's *no chance* of injury?" Pet. at 37-38; EX1004 (ITC Hearing Tr.) at 441:14-16. Of course Dr. Kudrowitz could not say that bruising or welts are impossible. He had

⁹ On direct, Dr. Kudrowitz referenced a demonstrative slide summarizing Mr. Delman's report, and the cross-examination testimony the Petition cites is about that same slide. See EX1004 (ITC Hearing Tr.) at 368:7-16 (Dr. Kudrowitz testifying on direct that "slide 29" illustrates how "Mr. Delman's report" shows "penetration of skin" at "over 350 feet per second), 532:24-533:13 (Dr. Kudrowitz explaining on cross that his testimony regarding injuries is simply "what I'm getting from [Mr. Delman's] sources").

not seen any evidence one way or the other. Again, Mr. Delman did not address those types of injuries in the ITC investigation. Nor does he address them now.

Third, Dr. Kudrowitz's statements that minor injuries like bruising and welts might possibly occur at "a muzzle velocity below 350 feet per second," (Pet. at 37-38), do not mean these types of injuries would occur at the drastically lower velocity (e.g., 160 fps) of a youth-focused airsoft gun. No evidence to that effect exists on this record, not even in Mr. Delman's declaration. *See generally* EX1016 (Delman Dec.) ¶¶ 84-90; *see also* EX2007 (Initial Determination) at 74 (the ALJ summarizing that Petitioner "presented no evidence that [J]Spit Balls' teachings would be any 'safer' at that [lower muzzle] speed").

The only other potential ammunition-related injury the Petition identifies is "damage to the human eye." Pet. at 36-37. But this path is a dead end, too. Here again, Petitioner has an evidence problem. The record is devoid of any evidence that soft SAP ammunition would prevent eye injuries. Even Petitioner's paid expert, Mr. Delman, is silent on this point. *See generally* EX1016 (Delman Dec.) ¶¶ 84-90. No surprise. After all, by the time Petitioner filed its Petition, Mr. Delman had already admitted that the answer to preventing eye injuries with airsoft guns—regardless of ammunition type—is protective eyewear. *See* EX1004 (ITC Hearing Tr.) at 214:14-23, 216:20-218:8 ("I believe that most **any projectile** launched at somebody else can pose a risk of an eye injury."). The ALJ said it best:

Respondents did not provide any evidence that shooting SAP projectiles instead of plastic airsoft ammunition would reduce the risk of eye injury. Indeed, Mr. Delman acknowledged that persons familiar with airsoft guns would have recognized that it is unsafe to use airsoft guns without protective eyewear. (Tr. (Delman) at 280:14-23.). Respondents also failed to explain why SAP ammunition would reduce the risk of eye injury compared to airsoft ammunition, if persons using airsoft guns are already wearing protective eyewear. Even if airsoft users were not wearing protective eyewear, there is no evidence that SAP ammunition would provide a safety improvement: the Accused Products themselves include protective eyewear and legal disclaimers that recommends the use of protective eyewear. (Tr. (Delman) at 283:9-21; CX-0323.0003 (Nebula Pro Instructions stating that, in all caps, “EYE PROTECTION SHOULD BE WORN DURING PLAY, WHETHER SHOOTING OR OBSERVING”).).

EX2007 (Initial Determination) at 72 (highlighting added).

To sum up, Petitioner intentionally characterized Peev’s airsoft gun as a “toy” because it knew Dr. Kudrowitz would testify, as the ALJ has now credited, that using soft SAP ammunition would “destroy the basic purpose of [a high-powered, adult] airsoft gun.” EX2007 (Initial Determination) at 74-76. But trying to plug that hole sprung a different leak in Petitioner’s case. Petitioner has no evidence that a youth-focused (or “toy”) airsoft gun would cause skin breakage or even lesser body injuries to someone who is shot. Petitioner also has no evidence that SAP ammunition would prevent eye injuries to someone who is shot. Without these critical facts, Petitioner’s problem-solution rationale cannot prevail, just as the ALJ recently determined. *See* EX2007 (Initial Determination) at 74 (“In sum, Respondents failed to meet their

burden . . .”), 77 (“None of the cited articles or reports teach or suggest that using an alternative, softer ammunition would alleviate safety concerns with airsoft guns.”).

3. Even if SAP ammunition could solve Petitioner’s alleged injury risk “problem,” it was not an “identified” solution

According to Petitioner, a skilled artisan would have known that softer ammunition could reduce airsoft gun injuries, and “Spitballs were softer projectiles.” *See* Pet. at 39. But even if using the Spit Balls polymer products as ammunition would have solved a legitimate injury risk problem with Peev’s airsoft gun (which Petitioner has not shown), that alone is not conclusive under the *KSR* problem-solution rubric that Petitioner invokes. *See* Pet. at 35. To sustain Petitioner’s Peev-Spitballs combination, the Spit Balls polymer products must have been counted among the “identified” prior art solutions to an injury risk problem. *See KSR*, 550 U.S. at 421 (“a finite number of *identified* predictable solutions”). As before, Petitioner is short on evidence here, too.

Specifically, Petitioner lacks record evidence that soft polymer spheres like those described in Spitballs were used in the prior art as ammunition for any type of projectile launcher that even remotely resembles Peev’s electric airsoft gun. While Petitioner says “soft plastics, such as SAPs” were known ammunition options, it provides no credible evidentiary support. Pet. at 39. The only potential backstop for Petitioner’s claim is Mr. Delman’s declaration, which merits no weight because

it merely parrots back the same conclusory sentence from the Petition without corroboration. *See* EX1016 (Delman Dec.) ¶ 86; *see also Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15 (PTAB Aug. 24, 2022) (precedential) (“[T]he cited declaration testimony is conclusory and unsupported, adds little to the conclusory assertion for which it is offered to support, and is entitled to little weight.”). Besides, even if the Board were to credit Mr. Delman, all he says is that “a POSITA *could have* considered,” (*id.*), SAPs as an ammunition option for an airsoft gun, which falls beneath the legal standard. *See Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1073 (Fed. Cir. 2015) (“[O]bviousness concerns whether a skilled artisan not only *could have made* but *would have been motivated to make* the combinations or modifications of prior art to arrive at the claimed invention.” (original emphasis)).

Spitballs repeatedly instructs users to “throw,” “chuck,” and “fl[i]ng” the Spit Balls polymer products that Petitioner says are SAPs. *See* EX1002 (Spitballs) at 15, 18. Spitballs also discloses the product packaging for the Spit Balls polymer products, which features a cartoon of a child using a cylindrical tube to shoot a projectile. *Id.* at 18. As is clear from the packaging, the purpose of the cartoon spitball is to accentuate the product name—“Spit Balls.” The name and the concomitant cartoon are part of a marketing ploy that promotes the product as a novelty item mimicking the classic spitball prank made from a wad of paper wetted

by human spit. The cartoon is fictional and obviously not a representation of the Spit Balls polymer products, which have no connection to human spit. Regardless, even the most charitable interpretation of Spitballs for Petitioner (which Patent Owner does not concede) is that it teaches blowing the Spit Balls polymer products through a tube. Critically, though, Spitballs does not teach or suggest using the Spit Balls polymer products as ammunition for a gun-like launcher analogous to Peev's airsoft gun. Petitioner does not argue otherwise.

In the end, Petitioner falls short on both sides of its problem-solution rationale. Just as Petitioner fails to establish an injury risk “problem” with Peev's airsoft gun, Petitioner also has nothing beyond its conclusory allegations to show that the polymer products in Spitballs were an “identified” solution to such a problem.

4. Petitioner's alternative motivation theories also fail

Petitioner posits two alternative theories at the tail end of its motivation discussion; each are easily dispelled.

First, Petitioner suggests that the Peev-Spitballs combination can be sustained merely because the two references “are in the same field of endeavor.” Pet. at 41. But this argument is unsound both legally and factually. The mere existence of two references in one field does not explain *why* a skilled artisan would have combined them. See *TriVascular, Inc. v. Samuels*, 812 F.3d 1056, 1066 (Fed. Cir. 2016) (it is necessary to explain “*why* the references would be combined”). The *Tyco* decision

Petitioner cites does not relieve its burden to answer the *why* question at the heart of any motivation-to-combine inquiry. *See* Pet. at 39. In *Tyco*, the Court simply observed that the art references in question shared “a common field of endeavor” as part of its rationale for rejecting the patent owner’s rebuttal argument about the combination being unworkable. *See Tyco Healthcare Grp. LP v. Ethicon Endo-Surgery, Inc.*, 774 F.3d 968, 978 (Fed. Cir. 2014). This case does not lower the bar on obviousness.

Petitioner is likewise wrong on the facts. Spitballs is directed to a science *toy* and Peev describes an airsoft *gun* that mimics a real firearm. *See* EX1002 (Spitballs) at 15 (“Geek Toys” and “Science Toys”); EX1003 (Peev) at 26 (“The task of the invention is to create an electric airsoft gun[.]”). These references are *not* in the same field, which is confirmed by Dr. Kudrowitz’s testimony that the ALJ credited.

From how I understand this, Mr. Delman says that these claims are not valid and it would be obvious based on combining two patents related to Airsoft *guns*, Peev and Nagayoshi, with two science *toys* [Spit Balls and Clear Spheres]. And I don’t agree with that obviousness assessment. Peev and Nagayoshi are both about taking Airsoft guns and trying to make them *more* like real firearms. And if you put SAP in Airsoft guns, it makes them *less* like Airsoft guns.

(Tr. (Kudrowitz) at 455:22-456:5 (emphases added)).

EX2007 (Initial Determination) at 71.

Second, Petitioner provides a one-sentence allegation that the Peev-Spitballs combination is merely “a simple substitution” of known elements. Pet. at 41-42. But here, too, Petitioner relies on a distorted view of the law. *KSR*’s discussion of a

“simple substitution” is in the context of repurposing “prior art elements according to their *established functions*.” *KSR*, 550 U.S. at 417. As discussed (*supra*, §V.A.3), Petitioner has not presented any credible evidence that ammunition for an airsoft gun was an “established function” of a polymer product like the one in Spitballs. See *AviaGames, Inc. v. Skillz Platform, Inc.*, IPR2022-00531, Paper 13 at 24 (PTAB Aug. 4, 2022) (denying institution and rejecting a petitioner’s over-reliance on “*KSR* buzzwords”).

VI. CONCLUSION

For all the foregoing reasons, the Petition is unfair and fatally deficient. Patent Owner, therefore, requests that the Board decline to institute *inter partes* review.

Respectfully submitted,

Date: November 28, 2023

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CERTIFICATION UNDER 37 C.F.R. §42.24(d)

Under the provisions of 37 C.F.R. §42.24(d), the undersigned hereby certifies that the word count for the foregoing Patent Owner's Preliminary Response to Petition totals 8,191 which is less than the 14,000 allowed under C.F.R. §42.24(b)(1).

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on November 28, 2023, complete and entire copies of this Patent Owner's Preliminary Response and its supporting exhibits were provided via email to the Petitioner by serving the correspondence address of record as follows:

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