

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HANSHOW AMERICA INC. and HANSHOW TECHNOLOGY CO., LTD.
Petitioner,

v.

SES-IMAGOTAG GMBH,
Patent Owner.

IPR2024-00208
U.S. Patent No. 11,010,709

**PATENT OWNER'S PRELIMINARY SUR-REPLY TO
PETITIONER'S PRELIMINARY REPLY**

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TABLE OF AUTHORITIES

CASES

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<i>Thorne Research, Inc. v. Trustees of Dartmouth College,</i> IPR2021-00491, Paper 18 (Aug. 12, 2021)	8

EXHIBIT LIST

Exhibit	Description
2001	French patent office (Institut National De La Propriété Industrielle, or “INPI”) Preliminary Search Report, February 12, 2016
2002	French patent office (Institut National De La Propriété Industrielle, or “INPI”), “Opinion écrite” (Office Action), February 17, 2016
2003	Machine English Translation of Exhibit 2002
2004	French Patent No. 3039681 to Bottine
2005	U.S. Patent Application Publication No. 2015/0178767A1 to Wu et al.
2006	Comparison Document of Wu (Ex. 1003), Figs. 1–5E, 1:1–9:31, <i>with</i> Wu Pub. (Ex. 2005), Figs. 1–5E, ¶¶[0001]–[0076].
2007	Translation of French patent office (Institut National De La Propriété Industrielle, or “INPI”) Preliminary Search Report, February 12, 2016, with certification
2008	Translation French patent office (Institut National De La Propriété Industrielle, or “INPI”), “Opinion écrite” (Office Action), February 17, 2016, with certification
2009	Translation of French Patent No. 3039681 to Bottine, with certification

I. INTRODUCTION

Petitioner does not contest that its primary reference, Ex. 1001 (“Wu”), is identical in substance to Wu’s own pre-grant publication, Ex. 2001 (“Wu Pub.”), that Wu Pub. was considered in two foreign examinations in the ’709 patent’s priority chain, or that those previous considerations of Wu Pub. were reviewed and considered by the ’709 patent’s U.S. examiner. Paper 12 (“Prelim. Reply”) 3; Ex. 2004. These undisputed facts show the Board should deny institution under §325(d).

Instead of contesting the critical facts on which the §325(d) analysis turns, Petitioner uses most of its 10-page reply to argue Wu should nevertheless be considered again because it was never formally used in a rejection during prosecution. This argument is as illogical as it is unsupported. The prior considerations of Wu Pub. show that the reference was not sufficiently close to be applied in a rejection. Art that was considered, but determined too weak to apply in a rejection, can unquestionably be the basis for a §325(d) denial, particularly here where the Examiner had before him rationale for why the reference was weak (from the foreign search reports) as well as a small number of references. The case law Petitioner cites does not suggest otherwise.

Petitioner also argues that the Board should at this late hour consider a brand-new claim construction for the term “planogram.” As shown below, Petitioner has neither basis nor evidence to insist on any such thing, particularly when Petitioner

did not sufficiently explain its mapping to the recited “planogram” in the Petition.

The Board should reject Petitioner's arguments and deny institution.

II. *ADVANCED BIONICS* PART 1 IS INDISPUTABLY SATISFIED

Under *Advanced Bionics* Part 1, there is no question that “the same or substantially the same art previously was presented to the Office.” Petitioner's argument that foreign patent agencies' consideration does not satisfy Part 1 (Prelim. Reply 3) misses the point. Patent Owner explained that Wu Pub. was considered during U.S. prosecution and that Wu Pub. is substantially the same as the Wu reference on which Petitioner relies in the Petition. POPR 20-28.

Petitioner next argues §325(d) denial is only appropriate when a reference is used by a U.S. examiner in a rejection. Prelim. Reply 3 (“no Examiner, domestic or foreign, used Wu Publ. in a rejection”). But rejection is only *one* part of *one* of the six *Becton, Dickinson* factors, and to be considered at Part 2 of the *Advanced Bionics* framework. See *Ivantis, Inc. v. Sight Sci., Inc.*, IPR2022-01529, Paper 16, 17 n.8 (Mar. 21, 2023) (citing *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6, 7-8 (Feb. 13, 2020)). Petitioner's argument makes no sense because it would require a U.S. examiner to review a foreign search report distinguishing a reference and then apply that reference in a rejection. But if—as was the case here—the U.S. examiner agreed with the foreign search report, there would be no reason for the U.S. examiner to apply the reference in a rejection.

Instead, exactly as the U.S. examiner did here, the U.S. examiner would search for and apply better art. That does not mean the reference was not considered; it means only that the examiner determined it was too weak to use for a rejection.

The facts here make the point. Wu Pub. was initially identified by the examiner of the '709 Patent's French priority application. Ex. 2001, 9, Ex. 2007, 9 (certified translation).¹ From that search, the French examiner wrote a "reasoned opinion on novelty" that distinguished Wu Pub. and found that the claimed subject matter "differs from [Wu's] known method [and] is therefore new." Ex. 2008, 3–5. The application issued—with Wu Pub. as the only prior art cited. Ex. 2009, 24. A few months later, a second search was conducted, this time for international application PCT/FR2016/051930. Ex. 1002, 144 (official translation in file history). Again, Wu Pub. was found by the foreign examiner to "differ[] from" the claims under review, which the examiner declared "novel" over Wu Pub. *Id.*, 139.

In both the French and PCT prosecution, the foreign examiner identified *specific features* missing from Wu Pub.:

updating data of associations relating to the association between articles

¹ The Preliminary Reply offers no justification for omitting Ex. 2001 (the French preliminary search report) from Ex. 1002, despite this report being part of the '709 Patent's file history. Patent Owner provides certified translations of *all* relevant foreign language prosecution documents cited in its POPR. Exs. 2007, 2008, 2009.

of a retail area and locations of said retail area, by way of the acquisition, by a reading device, of a sequence of at least two label identifiers whose labels are adjacent, in a direction of sweeping of the locations of the retail area, and one of whose identifiers corresponds to the label to be located, and the other to a label whose location is known.

Id.; *see also* Ex. 2008, 5.

As a result, when U.S. examination began in June of 2020, the Examiner had before him not only the French and PCT search reports, but also the above reasoned statement from the PCT prosecution and its list of features absent from Wu Pub. POPR 20-21; Ex. 1002, 139. The U.S. examiner indicated his consideration of both the French search report and the (English-language) International Search Report with its reasoned statement, Ex. 1002, 79–80, 87-88, and he independently searched the EAST system using Wu Pub., *id.*, 84. Thus, although not used in a rejection, Wu Pub. was clearly considered during U.S. prosecution. A rejection was both unnecessary and irrelevant because Wu Pub. simply could not support one.

Petitioner next argues that “the foreign Examiners applied Wu Publ. in 2016 to patent claims materially different from the challenged claims of the ’709 Patent.” Prelim. Reply 3. That is incorrect. The ’709 file history shows the originally filed claims in the U.S. were the *same* claims in PCT/FR2016/051930 (with superficial preliminary amendments to conform to U.S. practice). Ex. 1002, 199–201, 207–10.

After rejections under Sections 101, 102, and 103, *id.*, 54–68, Patent Owner added language to the claims to emphasize features missing from the cited art—beyond those already missing from Wu Pub.—like “an addition of a shelf label in a shelf of a retail area.” *Id.*, 38–44, 49.

Petitioner does not assert the '709 issued claims are *broader* than those considered in foreign prosecution. In fact, the feature identified as missing from Wu Pub. is recited, with slightly different terminology/more limitations, in '709 claim 1:

Feature Found Missing By French Patent Office (Ex. 2008, 5)	Feature Found Missing By Int'l Search Authority (Ex. 1002, 139)	'709 Issued Claim 1 (Ex. 1001, 10:11-37)
updating	updating	updating
association data relating to the association between products of a sales area and locations of said sales area,	data of associations relating to the association between articles of a retail area and locations of said retail area,	. . . association data between articles of the retail area and locations of the retail area
through the acquisition, by a reading device, of	by way of the acquisition, by a reading device, of	. . . acquiring, by a reading device,
a sequence of at least two label identifiers	a sequence of at least two label identifiers	a sequence of label identifiers
whose labels are adjacent, in a direction of scrolling of locations of the sales area,	whose labels are adjacent, in a direction of sweeping of the locations of the retail area,	comprising a label identifier of an added shelf label . . . and also comprising a label identifier of an adjacent shelf label which is adjacent to the added shelf label according to a

		scrolling direction of the locations of the retail area
and one of the identifiers corresponds to the label to be located, and the other to a label whose location is known	and one of whose identifiers corresponds to the label to be located, and the other to a label whose location is known	. . . wherein a location of the adjacent shelf label is preliminarily known in the planogram; identifying a location corresponding to the added shelf label

Crowdstrike, Inc. v. Webroot Inc., cited by Petitioner (Prelim. Reply 4), presents a far different scenario. IPR2023-00126, Paper 9 (May 5, 2023) (“*Crowdstrike*”). There, the Board instituted IPR over Morris, even though an International Search Report had listed a different publication with the same inventor, Morris 340. Unlike in this case, Morris 340 (the international reference) and Morris (the IPR reference) were different disclosures from different patent families, facts the patent owner conceded. IPR2023-00126, Paper 6, 29 (Feb. 9, 2023) (stating Morris 340 “not within the same family as Morris”). The Board declined to exercise §325(d) discretion, as it could only confirm that Morris 340 was “similar” to Morris but could not confirm there was “enough similarity and overlap to move to the second step of the *Advanced Bionics* framework.” IPR2023-00126, Paper 9, 14.

The facts are very different here. Wu Pub. is the pre-grant publication of the same reference offered by Petitioner, Wu. Unlike *Crowdstrike*, Patent Owner has provided a redline comparison showing that the disclosures in Wu Pub. are identical

to Wu. POPR 20; Ex. 2006. Moreover, the foreign examiner distinguished Wu Pub. on features that are equally present in the U.S. claims (see table above). Thus, unlike in *Crowdstrike*, the Board can easily “determine the extent to which [Wu Pub.] was evaluated” and the “overlap of arguments.” IPR2023-00126, Paper 9, 14.

Petitioner next argues that the “overlap in the arguments is minimal” between the foreign examination of Wu Pub., on the one hand, and the Petition on the other. Prelim. Reply 4-5. This is also incorrect, and while Petitioner criticizes Patent Owner for focusing on “one claim element” (namely, 1[g]), Petitioner points to no disclosure in Wu not already considered in a foreign search report for that element. Prelim. Reply 4 (citing POPR 26-27).

Petitioner claims that Patent Owner has “ignor[ed] Petitioner’s inherency argument,” Prelim. Reply 5, but that argument is easily ignorable as it consists of a single sentence supported by only conclusory expert testimony parroting the single sentence. *See* Pet. 23 (citing Ex. 1009 ¶102). And the “obviousness argument key to Petitioner’s case,” Prelim. Reply 5, is just a combination of embodiments and figures in Wu, each of which was before the previous examiners who distinguished Wu Pub.

Petitioner’s assertion that the “presence of ... new, non-cumulative references weighs against discretionary denial for Grounds 2-4,” Prelim. Reply 5, is also incorrect. Petitioner’s cited cases are inapposite because, in them, the patent owner

did not “address whether the [proposed] combination ... is the same or substantially the same art” as presented during prosecution, *Thorne Research, Inc. v. Trustees of Dartmouth College*, IPR2021-00491, Paper 18, 8 (Aug. 12, 2021), or ignored a teaching in the secondary reference that “the Examiner was simply not aware of,” *Oticon Medical AB v. Cochlear Ltd.*, IPR2019-00975, Paper 15, 19-20 (Oct. 16, 2019). In contrast, Petitioner relied on Wu as a primary reference for every claim limitation and characterized its secondary references as merely “*also mak[ing]*” explicit disclosures of certain limitations.” Pet. 49; *see id.* 64, 83. Petitioner has not presented alternative interpretations across different references, and instead, maps the claim features to similar elements in each prior art reference including Wu, so the secondary references do not affect the analysis under §325(d). POPR 28-29.

III. *ADVANCED BIONICS* PART 2 FAVORS DISCRETIONARY DENIAL

At *Advanced Bionics* Part 2, Petitioner contends “Wu Publ. appears in the international prosecution record [but] this Office apparently did not evaluate its substance.” Prelim. Reply 6. This is wrong because, as described above and as the ’709 File History shows, the U.S. examiner considered not only Wu Pub. itself, but also the report with the international examiner’s reasoning for distinguishing it. Ex. 1002, 79–80, 87-88. Petitioner’s cited authority, *Google Inc. v. Blackberry Ltd.*, IPR 2017-00912, Paper 7, 21 (Aug. 30, 2017) is inapposite, as that case involved a reference found *only* in the examiner’s search history, whereas here the Examiner

also considered the foreign search reports and their analyses. Petitioner's argument that Wu Pub. was not "carefully evaluated," Prelim. Reply 7, holds no water in view of the reasoned statement in the file history—that the Examiner initialed. With a record basis for distinguishing Wu Pub. from the international prosecution, the U.S. Examiner simply had no reason to apply it in a rejection anew.

The rest of Petitioner's Part 2 argument, alleging the U.S. Examiner's "failure to fully appreciate the importance of Wu Publ.," is pure say-so, and Petitioner's cited authorities generally favor denial of institution here. *See, e.g., Sonos, Inc. v. Google, LLC*, IPR2021-00963, Paper 9, 9–10 (Nov. 9, 2021) (reference found cumulative where it had been presented to the examiner several times both on its own and in a European Search Report and Examination Report).

IV. THE PRELIMINARY REPLY OFFERS A NEW CLAIM CONSTRUCTION.

The Petition originally asserted that "no claim construction is necessary." Pet. 4. But as shown in the POPR, Petitioner failed to demonstrate a reasonable likelihood that the cited art teaches elements [1i] or [1o] under the ordinary meaning of their recited terms (*e.g.*, "location," "adjacent," and "planogram"). POPR 35–38. Petitioner tries to fill this gap with a newly cherry-picked claim construction for "planogram." That argument is late, wrong, and unavailing besides.

The time to propose a new claim construction for "planogram" was in the

Petition. A petitioner granted leave to file a preliminary reply is not free to offer a construction that “departs from the approach taken in the Petition.” *NXP B.V. v. Bell Semiconductor, LLC*, IPR2021-00967, Paper 32, 34 (Oct. 6, 2022) (citing 2019 Trial Practice Guide, 13). Moreover, the construction is improperly abridged from one paragraph in the ’709 specification, which in full treats terms like “planogram” and “location” in the ordinary and customary way.

The layout of a retail area is normally described by a planogram. A planogram is a set of association data among articles of a retail area and locations of said retail area. The planogram determines which products must be at which height, on which shelves and over how many linear meters.

Ex. 1001, 2:4-9. Lastly, Petitioner’s construction merely recycles the claim language that the planogram “comprises association data between articles of the retail area and locations of the retail area.” Ex. 1001, 10:11-15. That writes “planogram” out of the claims—which Petitioner must do to apply Wu as a reference.

V. CONCLUSION

For all the above reasons, Petitioner has not met its burden of establishing a reasonable likelihood of showing that at least one claim is unpatentable as obvious over the cited art, and Patent Owner respectfully requests the Board deny institution.

Respectfully submitted,

Dated: March 28, 2024

By: / Jessica C. Kaiser /
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), I certify that on March 28, 2024, a copy of
**PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO PATENT
OWNER'S PRELIMINARY RESPONSE** was served upon the below-listed
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Dated: March 28, 2024

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