

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

MASIMO CORPORATION,
Patent Owner

Case IPR2024-00241
Patent No. 10,687,743

**PETITIONER'S OPPOSITION TO
PATENT OWNER'S MOTION TO STRIKE**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	THE BOARD PREVIOUSLY DENIED A SIMILAR REQUEST IN IPR2022-01291	1
III.	THE PETITIONER REPLY EVIDENCE IS RESPONSIVE TO ARGUMENTS IN THE PATENT OWNER RESPONSE	2
IV.	THE PETITIONER REPLY DOES NOT PRESENT NEW MOTIVATIONS TO COMBINE.....	7
V.	MASIMO’S COMPLAINTS ABOUT THE DUCKWORTH TESTIMONY HAVE NO BASIS	9
VI.	CONCLUSION.....	10

I. INTRODUCTION

Patent Owner's Motion to Strike (hereinafter "**Motion**" or Paper 31) is premised on blatant mischaracterizations of Petitioner's Reply (Paper 27) as purportedly including new arguments and combinations. Notably, Patent Owner ("**PO**") advanced similarly wrong allegations in IPR2022-01291 involving similar claims, evidence, and issues. In that instance, the Board held a conference call and determined that it was unnecessary to entertain a motion. Apple respectfully submits that the Board should similarly deny PO's Motion in the instant IPR.

II. THE BOARD PREVIOUSLY DENIED A SIMILAR REQUEST IN IPR2022-01291

PO's Motion is part of a failed playbook to remove relevant evidence from the record. In IPR2022-01291 challenging U.S. Patent No. 10,687,745, the same two parties addressed a similar set of grounds, references, and issues. *See generally*, IPR2022-01291, Papers 75, 76. As in this proceeding, PO attempted to strike evidence submitted with Petitioner's Reply. IPR2022-01291 Ex. 2096, 9:9-19. During a call, the Board denied PO's requested authorization for a motion to strike. *Id.*, 54:5-17 ("JUDGE HOSKINS: ... We've reviewed the Petitioner Reply. And by and large, we think it falls within the scope of the Petition. And the evidence and the arguments that are made are in response to arguments made in the Patent Owner Response, which the federal circuit has said need to be allowed ...

the Surreply is a sufficient vehicle ... for Patent Owner to raise whatever might be outside the scope of a permissible Reply.”) Here, PO again attempts to eliminate evidence that demonstrates flaws in the POR, and that should remain of record.

PO attempts to distinguish this proceeding (IPR2024-00241) by contending that Petitioner here omitted evidence filed in support of arguments in IPR2024-00243 and -00244. But the Petition established a strong *prima facie* case of obviousness, and the evidence PO complains of was properly leveraged in the Reply to rebut points raised for the first time in the instant IPR within PO’s response. When PO chose to raise largely the same failed arguments in IPR2024-00241, -00243, and -00244 as it had previously attempted in IPR2022-01291, Petitioner properly responded with rebuttal evidence advanced in that proceeding.

III. THE PETITIONER REPLY EVIDENCE IS RESPONSIVE TO ARGUMENTS IN THE PATENT OWNER RESPONSE

PO’s allegations are incorrect for several reasons.

First, the Petitioner Reply remarks and evidence are properly responsive to arguments raised in the Patent Owner Response (POR). *See* 37 C.F.R. § 42.23(b); Consolidated Trial Practice Guide (Nov. 2019) at 73-75; *Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1077–78 (Fed. Cir. 2015).

PO alleges that the exhibits submitted with the Petitioner Reply (Pang (EX1014), Lindberg (EX1088), Brady (EX1028), Goldreich (EX1092), Scharf

(EX1038), Fontaine (EX1042), Ackermans (EX1044), Shmueli (EX1045), Sarussi (EX1046), Kondo (EX1047), Fraser (EX1048)) were not part of the record earlier and allegedly introduce impermissible new arguments. Paper 31, 3-4.

Incorrect. Petitioner properly referenced these Exhibits in support of Petitioner's response to POR arguments. For example, Petitioner referenced Exhibits 1014, 1037, 1039-1042, 1081, and 1091 to address PO's argument regarding alleged teaching away, and obviousness of the Iwamiya-Sarantos combination. Pet. Reply, 12-15; APPLE-1079, ¶¶33, 35-36. Similarly, Petitioner referenced Exhibits 1014, 1028, 1038, 1042–1049, 1080, 1082-1084, 1088, and 1092 to address PO's argument on reasonable expectation of success. Pet. Reply, 3-4, 15-19; APPLE-1079, ¶¶52, 54-58. Petitioner referenced Exhibit 1032 to address PO's argument regarding obviousness of a surface comprising a dark-colored coating. Pet. Reply, 3-4. Petitioner referenced Exhibits 1089-1090, 1093, 1094, and 1095 to address PO's argument related to claims 5, 9, 21, and 22. Pet. Reply, 26-31. Petitioner's remarks do not introduce new arguments, and are instead properly responsive to arguments introduced in the POR.

Even in instances in which a petitioner's rebuttal arguments and evidence were not so plainly responsive to issues raised in a POR as those in the instant IPR, the Federal Circuit has previously found new argument allegations unpersuasive. For example, in *Rembrandt Diagnostics, LP v. Alere, Inc.*, the petitioner presented

arguments and evidence to supplement its reasons why a person skilled in the art would have been motivated to combine the applied references, and the Federal Circuit rejected the patent owner's argument that the petitioner had relied on “new theories asserted for the first time in its reply brief” to challenge the claims after institution. 76 F.4th 1376, 1379 (Fed. Cir. 2023).

The Federal Circuit held that the petitioner's arguments introduced in the reply were properly “responsive” because they “refute[]” Patent Owner’s arguments and are thus a “fair expansion of [Petitioner's] previously raised” arguments on motivation to combine. *Id.*, 1385. In doing so, the Federal Circuit explained that “[s]ince the need to rely on new evidence in response may not arise until a particular point has been raised in the patent owner response ... there is no blanket prohibition against the introduction of new evidence during an IPR.” *Id.*, 1384. Consistent with the Federal Circuit’s decision in *Rembrandt Diagnostics*, the Board should reject as improper PO’s allegations of new argument in this IPR.

Moreover, this is not a case of shifting arguments. Petitioner’s grounds and positions remain the same, e.g., that Iwamiya and Sarantos render the claims obvious under Ground 1A. PO advanced arguments contesting that a POSITA would have reasonably expected success, and that a POSITA would have found it obvious to measure oxygen saturation at the wrist. *See e.g.*, POR, 30-56, 11-23. Petitioner amply demonstrated these points in the Petition, and properly addressed

PO's arguments in the Reply with rebuttal arguments and corroborating evidence that consistently reinforces the earlier showings.

Second, PO improperly alleges that Petitioner Reply evidence was submitted late and prejudices PO. POR, 4-5. Petitioner submitted an initial set of evidence with its Petition, and because several of the grounds, references, and even claims in this IPR are similar to those in IPR2022-01291, Petitioner included many exhibits that were the same as in IPR2022-01291, e.g., Exs. 1004, 1005, 1007-1008, 1011, 1031, 1033-1036, 1061, 1073, 1074. The Petition did not include the entire record from IPR2022-01291, both because it was not necessary to do so to establish a *prima facie* case of obviousness, and because Petitioner could not have predicted that PO would raise substantially the same arguments as those found unpersuasive in IPR2022-01291, where all claims were found unpatentable.

“[A] Petitioner ... cannot be expected to anticipate every argument that may be raised by a patent owner,” nor does it have the burden to speculate as to the potential nature of those arguments and preempt them. *Google LLC v. Valtrus Innovations Ltd.*, IPR2022-01197, Paper 11, 5 (PTAB Mar. 2003) Here, Petitioner could not have predicted that PO would elect to essentially repeat its failed arguments from IPR2022-01291. Indeed, upon deciding to resubmit its previously unsuccessful arguments, PO should have reasonably predicted that Petitioner would submit the same *successful* rebuttal evidence provided in the earlier

IPR2022-01291 proceeding. PO could have chosen to address that evidence in its POR, but failed to do so.

To be clear, the arguments and evidence relied upon in the Petition are, on their own, more than sufficient to demonstrate the unpatentability of the Challenged Claims, and the Reply properly rebutted the POR in a manner perfectly consistent with the Petition's original positions.

Third, there is no prejudice to PO here. The issues in the IPR2022-01291 proceeding and this IPR proceeding largely mirror each other. When PO chose to repeat its failed arguments in this proceeding instead of raising new ones, PO was fully aware that the same evidence used in the IPR2022-01291 proceeding could be used against it. Thus, use of evidence from IPR2022-01291 to address essentially the same issues in this IPR proceeding does not prejudice PO as PO has long been aware of this evidence.

Fourth, PO incorrectly alleges that the Petitioner Reply includes new combinations. Paper 31, 8-9. For example, PO alleges that the first full paragraph on page 13 of the Petitioner Reply includes a string of citations that amount to advancing a new combination. *Id.* This is a blatant mischaracterization. The paragraph's citations simply cite to Petitioner's first expert declaration (EX1003), and to prior art references that corroborate that "performing signal processing for calculating oxygen saturation were all known, obvious, and within the skill of a

POSITA.” Pet. Rep., 13; Pet., 45. The evidence and accompanying statements were provided in response to PO’s argument that it would not have been obvious to combine Iwamiya and Sarantos, and, more specifically, to further corroborate that “[a] POSITA would have known how to make predictable adaptations to Iwamiya’s device that would allow the device in the Iwamiya-Sarantos combination to measure oxygen saturation.” Pet. Rep., 12-13.

As noted above, PO’s attempt to mischaracterize the Petitioner Reply is not new. In IPR2022-01291, PO similarly alleged that the Petitioner Reply advanced new combinations of prior art. IPR2022-01291, Exhibit 2096, 23:8-25:22. The Board in IPR2022-01291 recognized this blatant mischaracterization during the conference call and subsequently denied PO’s request to file a motion to strike. *Id.* 24:15-20 (“JUDGE HOSKINS: So it's the same combination. ... They're just responding to the arguments that you raised in the Patent Owner Response complaining about that they weren't specific enough in their combination.”); 54:5-17. Here, Petitioner also asserts no new combinations.

IV. THE PETITIONER REPLY DOES NOT PRESENT NEW MOTIVATIONS TO COMBINE

PO alleges that paragraphs 35-36 of Dr. Anthony’s Second Declaration (EX1079) and portions of the Petitioner Reply citing the same introduce new motivations to combine. PO again mischaracterizes Petitioner’s arguments.

Paragraphs 35-36 of Dr. Anthony's Second Declaration (EX1079) begin a section entitled "[A] POSITA would have been motivated to modify Iwamiya's device to measure oxygen saturation at the wrist based on the suggestions of Sarantos," a position taken in the Petition (*see* Pet., 43-45) that PO attempted to challenge over the course of 30 POR pages (*see* POR, 30-60). In response to the POR's arguments, Dr. Anthony first repeats the earlier established motivation—"to achieve known benefits such as improving the functionality and utility of the resulting device by expanding the range of physiological parameters measured," and elaborates with examples of the referenced benefits. APPLE-1079, ¶¶35-36. Far from introducing new motivations, Dr. Anthony's testimony rebuts the POR's arguments on the originally established motivation with consistent explanation.

PO also referenced and objected to Dr. Anthony's second declaration (EX1079) for including a sentence addressing an argument made in Dr. Madisetti's IPR2024-00243 EX2100 Declaration. Paper 31, 7-8. In that regard, Dr. Anthony was addressing Dr. Madisetti's publicly available remarks regarding the same motivation to combine Iwamiya and Sarantos at issue in IPR2024-00241. The only inadvertent omission here was that Dr. Anthony did not explicitly note that EX2100 was from IPR2024-00243, and Dr. Anthony's responsive testimony is just as relevant to IPR2024-00241.

V. MASIMO’S COMPLAINTS ABOUT THE DUCKWORTH TESTIMONY HAVE NO BASIS

PO complains that Petitioner relies on Dr. Duckworth’s testimony (EX1080) from IPR2022-01291 in support of its arguments, and accuses Petitioner of “mix[ing] and match[ing] IPR records from different proceedings.” Paper 31, 9. As a preliminary matter, there is nothing wrong with citing publicly available documents from other IPR proceedings. Moreover, PO’s complaint is absurd given that PO itself has repeatedly cited to and relied upon evidence from IPR2022-01291 throughout the instant IPR (*see, e.g.*, EX2030, 2035, 2039, 2040, 2095, 2096, 2099; POR, 11, 12, 13, 14, 15, 17, 18 and more). That PO submitted other exhibits from IPR2022-01291 when it was procedurally proper to do so, but not Dr. Duckworth’s declaration, was PO’s choice.

Ultimately, PO’s complaint amounts to nothing more than PO being unhappy with Reply evidence that refutes arguments entered with the POR. Yet, it is proper for a Petitioner to submit evidence that “fairly responds” to arguments and evidence entered for the first time in a POR, especially where, as here, the Reply evidence was not needed to establish a *prima facie* case of unpatentability. *See Belden Inc.* at 1077–79. Nor can PO reasonably complain of being prejudiced by entry of evidence of which PO was aware at the time of the POR filing.

To date, PO has made three emailed requests for waiver of the rules

governing submission of sur-reply evidence in its favor, and the Board has in each instance properly rejected PO's requests, as it instead granted PO the opportunity to air its concerns through the authorized motion to strike that is the subject of this opposition, and that PO initially requested as an alternative to new sur-reply evidence. EX3003, 1-2; EX3004, 1-2. As PO's motion to strike again raised the issue of new sur-reply evidence, Apple respectfully submits that the Board's continued rejection of Masimo's repeated requests is proper, and that the Board should also reject new sur-reply evidence for at least the same reasons that Masimo's motion to strike should be denied.

VI. CONCLUSION

Apple respectfully requests that the Board deny PO's Motion to Strike.

Respectfully submitted,

Date: March 17, 2025

/Andrew B. Patrick/
W. Karl Renner, Reg. No. 41,265
Andrew B. Patrick, Reg. No. 63,471
Usman A. Khan, Reg. No. 70,439
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
T: 214-747-5070
F: 877-769-7945

Attorneys for Petitioner

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e)(4), the undersigned certifies that on March 17, 2025 a complete and entire copy of this Petitioner's Opposition to Patent Owner's Motion to Strike were provided via email, to the Patent Owner by serving the email correspondence addresses of record as follows:

Brian C. Claassen (Reg. No. 63,051)
Carol Pitzel Cruz (Reg. No. 61,224)
Perry D. Oldham (Reg. No. 52,082)
Daniel Kiang (Reg. No. 79,631)
Irfan A. Lateef (Reg. No. 51,922)
Adam B. Powell (Reg No. 70,367)

KNOBBE, MARTENS, OLSON, & BEAR, LLP
2040 Main St., 14th Floor
Irvine, CA 92614

Telephone: (949) 760-0404
Facsimile: (949) 760-9502

AppleIPR743-1@knobbe.com

/Crena Pacheco/
Crena Pacheco
Fish & Richardson P.C.
60 South Sixth Street, Suite 3200
Minneapolis, MN 55402
pacheco@fr.com