UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

MASIMO CORPORATION,
Patent Owner.

Case IPR2024-00243
U.S. Patent 10,722,159

PETITIONER'S REPLY
IN SUPPORT OF MOTION TO EXCLUDE

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I. INTRODUCTION

Masimo's Opposition mischaracterizes Apple's Motion to Exclude, which establishes that the "information that Masimo relies upon from Exhibits 2076-2078, 2080-2086, and 2094 is not probative of whether a POSITA would have reasonably expected success," and should for at least that reason be excluded as irrelevant.

Instead of addressing the arguments presented, Masimo's Opposition deflects by incorrectly labeling those arguments as relating only to the merits, and by relying on an ITC decision that the Board expressly disagreed with when finding, based on a "much more fulsome" record, that that "the engineers were not asked to address the specific issue presented," and that strongly similar claims were unpatentable. *Apple Inc. v. Masimo Corp.*, IPR2022-01291, Pap. 75, 102-107 (PTAB Jan. 30, 2024) ("We also disagree with the ITC's conclusion that Apple's engineers 'express[ed] skepticism regarding the implementation of pulse oximetry *in a wrist-worn device*'").

In the instant IPR, Masimo attempts to dispute the same issues based on the same evidence, but in doing so has failed to establish that that evidence has any tendency to make a fact of consequence to determining unpatentability of the Challenged Claims more or less probable. For at least this reason, Apple respectfully submits that Exhibits 2076-2078, 2080-2086, and 2094 and paragraphs 97-108 and 112-115 of Exhibit 2100 should be excluded as irrelevant.

II. THE BOARD PREVIOUSLY DETERMINED THAT MASIMO'S EVIDENCE DOES NOT ADDRESS ISSUES THAT MASIMO AGAIN DISPUTES IN THE INSTANT IPR (EX2076-2078, 2080-2086, 2094)

As Masimo acknowledges, Exhibits 2076-2078, 2080-2086, and 2094 are the same in IPR2022-01291 and the instant IPR. Paper 40, 6. And Masimo here again relies on that same evidence to present the same failed arguments with respect to alleged indicia of nonobviousness, and with respect to a POSITA's reasonable expectation of success (RES) in modifying Iwamiya to measure oxygen saturation at the wrist. *See generally*, EX2096 (Final Written Decision in IPR2022-01291).

However, the Board determined that these exhibits did not address those issues, finding for example that "[t]he engineers were not asked whether they were skeptical of being able to measure oxygen saturation at the wrist *at all*, as Masimo would have it," and that "[t]hey were not asked to address the issue presented here, which is whether *a person of ordinary skill in the art* would have reasonably expected success in *determining oxygen saturation at the wrist*, using the light shape changing material disclosed by Iwamiya." EX2096, 105, 100.

More, the Board distinguished the rudimentary calculation of oxygen saturation required by the related '745 patent's claims from issues addressed by Apple's engineers, including "reliable operation from measurements at the outer wrist," "reliable operation across a range of diverse users," and "small measurement error across a wide range of SpO_2 levels," by expressly agreeing that claim 9, for

example, "does not specify any such performance benchmarks." EX2096, 46. The Board further "agree[d] with Apple's argument that, in the context of developing a blood oxygen saturation determination feature in a future iteration of the pre-existing Apple Watch product, the engineers faced various unclaimed constraints that are unrelated to the breadth" of the challenged claims, adding that "it is legal error to fail to consider the scope of the claimed invention when considering reasonable expectation of success." EX2096, 99-100.

In this and other ways, the Board's Final Written Decision in IPR2022-01291 clearly sets forth that the ITC evidence and testimony of Apple engineers presented in Exhibits 2076-2078, 2080-2086, and 2094 did not address the issues presented in that proceeding. Despite that outcome, Masimo persisted in arguing those same issues in the instant IPR on the basis of the same evidence, and in doing so has again failed to establish that that evidence has any tendency to make a fact of consequence to determining unpatentability of the Challenged Claims more or less probable. For at least that reason, Exhibits 2076-2078, 2080-2086, and 2094 should be excluded as irrelevant under FRE 401. These exhibits should further be excluded under FRE 403 because, even if one were to accept for the sake of argument alone that they have probative value with respect to issues in the instant IPR (they do not), that value would be substantially outweighed both by the confusion of those issues and the waste of time presented by Masimo's attempt to leverage those exhibits to inspire

inconsistent decisions.

III. EXHIBITS 2076-2078, 2080-2086, 2089, 2094 SHOULD BE EXCLUDED AS INADMISSIBLE HEARSAY

As explained in the Motion to Exclude, Exhibits 2076-2078, 2080-2085, 2089, and 2094 represent inadmissible hearsay as statements made outside of this proceeding submitted for the truth of the matter asserted, and do not fall under an exception, at least insofar as they are not probative on the points for which they are offered by Masimo. Masimo argues that Apple is collaterally estopped from litigating this issue,[1] but in doing so neglects to mention that the Board in IPR2022-01291 denied that aspect of Apple's motion as "moot" because Apple "prevailed on its unpatentability assertions in [that] proceeding, even considering the subject evidence…." EX2096, 136. For at least that reason, resolution of the issue was not essential to the Final Written Decision in IPR2022-01291.

[1] Masimo's attempted invocation of collateral estoppel is odd in view of its insistence on relitigating, e.g., the RES issue decided in IPR2022-01291. Indeed, Masimo's collateral estoppel assertion falls flat because these issues simply were not 'essential to a final judgment in the first action,' as required for collateral estoppel to attach. Indeed, the '785 FWD expressly states that exclusion of numerous exhibits was moot because the Board found for Apple on the merits. EX2096, 136-137.

IV. PARAGRAPHS 97-108 AND 112-115 OF DR. MADISETTI'S EX2100 DECLARATION SHOULD BE EXCLUDED

Dr. Madisetti's statements in paragraphs 97-108 and 112-115 of Exhibit 2100 should likewise be excluded under FRE 401-403, 702-703, and 802. For example, despite the Board having repeatedly acknowledged that Apple's engineers' testimony does not address a POSITA's RES, Dr. Madisetti within those paragraphs repeatedly makes inaccurate and misleading statements to the contrary, with apparent disregard or misunderstanding both of the content of that testimony and the pertinent legal standards. *See*, *e.g.*, EX2100, ¶¶ 98, 100, 102.

For example, Dr. Madisetti's testimony is unreliable at least insofar as he apparently fails to understand that Apple's engineers did not testify at the ITC from the perspective of a POSITA, and that there is no evidence that the engineers were even aware (as a POSITA would have been) of the majority of prior art references and studies that had established the feasibility of determining oxygen saturation at the wrist before the Critical Date. *Id.* Other examples of Dr. Madisetti's unreliable testimony include: 1) equating an alleged lack of commercially available pulse oximeters to wrist-worn pulse oximeters being unknown (*Id.*, ¶98); and 2) confusing challenges involved in developing the Apple Watch with the rudimentary calculation of oxygen saturation recited by the Challenged Claims. EX2100, ¶¶97-108 and 112-115.

Respectfully submitted,

Dated April 1, 2025

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on April 1, 2025, a complete and entire copy of this Petitioner's Reply in Support of Motion to Exclude was provided via email to the Patent Owner by serving the email correspondence addresses of record as follows:

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